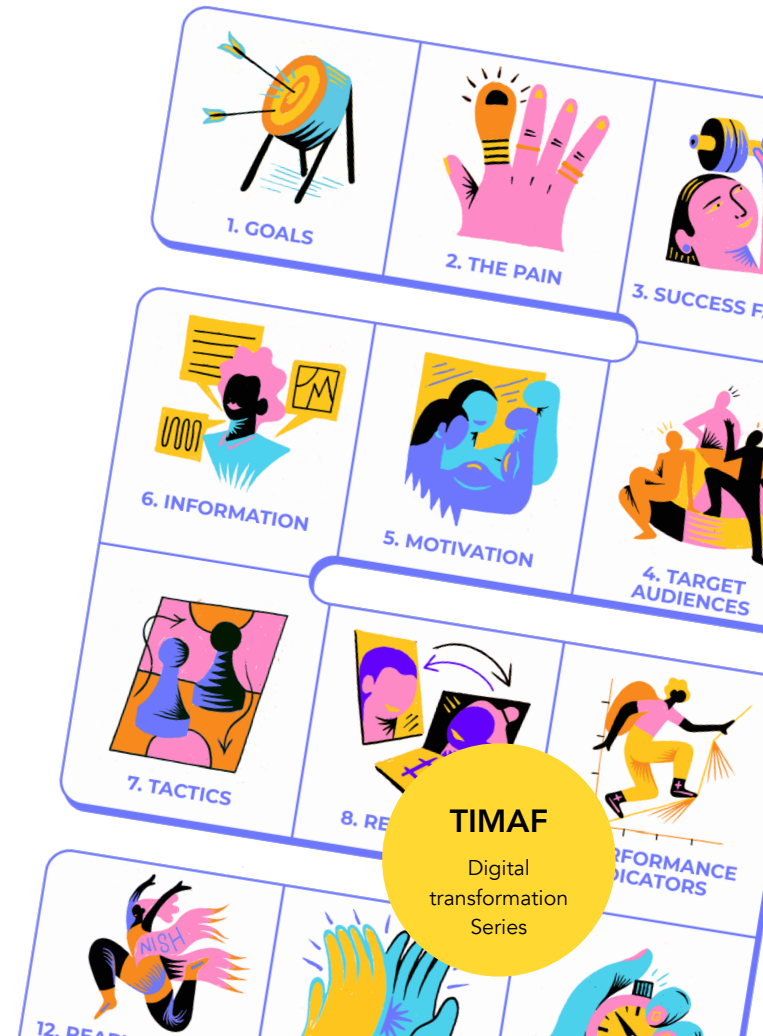How to create, share, execute, measure and optimise digital strategies and have a successful digital transformation.

Strategy in Digital transformation

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Erik M. Hartman

TIMAF

1. GOALS
2. THE PAIN
3. SUCCESS F
6. INFORMATION
5. MOTIVATION
4. TARGET AUDIENCES
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8. RE
RFORMANCE ICATORS
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Comments • For reactions, comments, improvements or suggestions, please contact us at digitalstrategy@timaf.nl.

Strategy in Digital transformation

Kwa Nkirote, wewe ni mwangaza katika maishani mwangu.

Contents

1. Before you begin

This chapter introduces the idea behind this book and gives some tips on how to use this book in the best way.

It explains how you can use the best practices, exercises, examples and templates to create, share, execute, measure and optimise your digital strategies.

> *To generalise is to be an idiot. To particularise is the alone distinction of merit.*

William Blake

1.1 Introduction

When I started to work for the global IT company International Business Machines (IBM) as a university student in 1990, I got fascinated by digital technology. I saw the potential of digitisation to help organisations improve their business. But I also saw how organisations struggled with properly implementing and using digital technology.

During my Information and Communication studies at the university, I learned how a strategy can contribute to achieving organisational goals and how important it is to focus on the target audience. And why you should always measure the effect of your strategy. These are lessons I put into practice every day.

After graduating, I immediately started working as a consultant, but I still had a lot to learn. Fortunately, I met people like Bob Boiko, with whom I had many inspiring conversations about strategy and information management.

Bob introduced his strategy game to me and I immediately saw the value of this very practical methodology. I used it in my many strategy workshops and my first book on content strategy that I published a decade ago.

Now I release this new book about digital strategy, with a much broader approach. I put everything that I learned over the years in this new publication.

In my practice as a consultant and trainer who helps the management of organisations with their digital transformation, I learned that the lack of digital strategy hampers any digital transformation.

Not even the best digital tools in the world can bypass the lack of a strategy. The tool - let alone the digital transformation - will fail eventually.

Not even the best digital tools in the world can bypass the lack of a strategy.

This book is here to show you how to create, share, execute, measure, and optimise digital strategies as a way to have a successful digital transformation.

You will learn to create digital strategies that actually solve business problems. And by solving business problems with a digital strategy, you will contribute significantly to a successful digital transformation.

Thus you will get noticed by C-level executives and your peers. They will recognise your value to the organisation and will offer their support to push the digital transformation even further.

I dedicate this book to all of you, who are really trying hard to use digital technology to improve your organisation. I hope this book has value for you.

I really want to know about your struggles, your successes, and what you learned in your digital transformation journey.

Please share your experiences with me via erik@timaf.nl.

1.2 Reader's guide

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You can read this book from cover to cover, of course, But if you specifically want to learn more about digital strategy, you can go straight to chapter 4 'Digital strategy'.

If you want to learn how to align a business strategy with a digital strategy, you should read chapter 2 'Strategy' as well.

Chapter 3 'Digital transformation' gives you context about the role of digital technologies in your digital strategy.

Chapter 5 'Digital maturity' is for readers who would like to take a more holistic approach about the readiness of their organisation to have a successful digital transformation.

The final chapter 'Ready for Strategy?' gives you more information and a link to the online strategy training and other resources.

How to be able to explain why strategy is important.

A strategy solves a business problem. Read the Chapter 'Strategy' on the importance and key elements of a strategy.

How to create a digital strategy.

The chapter 'Creating strategies' gives you guidance in how to create a digital strategy. Also read the 'Strategy' chapter to learn how to align the digital strategy with your organisation's business strategy.

How to organise a strategy workshop.

The chapter 'Creating strategies' gives you step by step guidance on how to setup a strategy workshop. You will also find the workshop exercises and materials there.

How to align strategy with execution.

The chapter 'Executing strategies' gives you insight in how to align strategy with execution. And vice versa.

How to share our strategy with others.

The chapter 'Sharing strategies' explains how to share strategies with all stakeholders inside and outside the organisation.

How to learn how to measure our strategy.

The chapter 'Measuring strategies' deals with role of data, and measuring and reporting on indicators.

How to be able to optimise our strategy.

The chapter 'Optimising strategies' explains how to optimise your strategies based on data and insights.

How to to recognise a bad strategy and how to improve it.

Chapter 2 'Strategy' will explain what the difference between bad strategy and a good strategy is, and why it matters.

How to know the difference between a business strategy and a digital strategy.

Read chapters 'Strategy' and 'Digital strategy' and you will know the difference, but also how to align them. Because you must align them.

How to learn from examples, use cases from other organisations, and from your peers.

In Chapter 6 of this book you will find a list of all the examples, interviews, use cases, and a link to our community.

1.3 About the exercises and workshop instructions

In this book you will find exercises and workshop instructions to help you get a grip on the creation, sharing, execution, measurement and optimisation of digital strategies.

Exercises

I recommend you to do the exercises for an optimal learning experience, just by yourself or ideally with your colleagues in a workshop. The exercises help you to adapt to what you are learning here.

All the instruments that you need for the exercises can be downloaded at timaf.org/digitalstrategybook.

You can write the answers to the exercises in the 'Room for notes' in the back of the paper version of this book.

If you have a question about the exercises or if you are puzzled about what to answer, just send a message to digitalstrategy@timaf.nl.

Every exercise page has a light blue background, so it's a bit more obvious when you are given an exercise.

Exercise - Strategy

What is the strategy of your organisation? Do you have any? Or perhaps multiple? Let's see if they are real strategies or mere aspirations at best.

If you don't have a strategy, you could start a search on the internet and pick any result you find. Use keywords like 'business strategy [organisation X]'. Make sure you find the strategy on the organisation's website and not on some consultancy's website.

Search for an organisation or business strategy and not a digital strategy, which is a topic in a next chapter. Some examples of organisation strategies out there:

• General Motors Growth Strategy at www.gm.com/company/growth-strategy

• United Nations Strategic Plan at www.undp.org/sites/g/files/zskgke326/files/2021-09/UNDP-Strategic-Plan-2022-2025_1.pdf

• Open AI Strategy at https://openai.com/blog/planning-for-agi-and-beyond

• Siemens Strategy at www.siemens.com/global/en/company/about/strategy.html

• ZF Corporate Strategy at www.zf.com/mobile/en/company/strategy/strategy.html

• L'Oréal Strategy & Model at www.loreal.com/en/group/about-loreal/strategy-and-model/

Better avoid the strategy templates that are floating around on the internet, because they are usually 'vision, mission, values, strategy' templates that lead to bad strategies.

Figure 1 - Exercise page

Workshop instructions

The 'Creating a strategy' chapter of this book contains specific workshop instructions. These are there to help you setup a strategy workshop with your colleagues.

I recommend to read these instructions carefully before you start a strategy workshop. And of course you can add your own instructions and tips where needed.

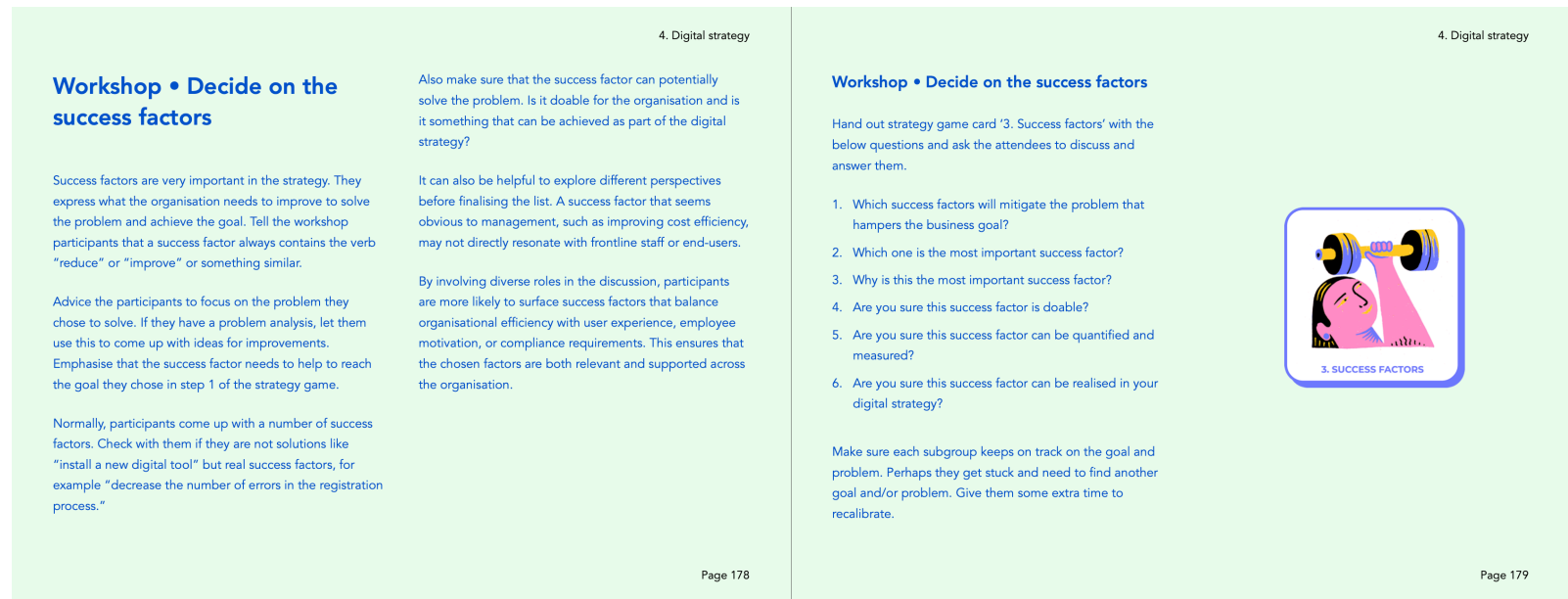Every workshop instruction page has a light green background.

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4. Digital strategy

Workshop • Decide on the success factors

Success factors are very important in the strategy. They express what the organisation needs to improve to solve the problem and achieve the goal. Tell the workshop participants that a success factor always contains the verb "reduce" or "improve" or something similar.

Advice the participants to focus on the problem they chose to solve. If they have a problem analysis, let them use this to come up with ideas for improvements. Emphasise that the success factor needs to help to reach the goal they chose in step 1 of the strategy game.

Normally, participants come up with a number of success factors. Check with them if they are not solutions like "install a new digital tool" but real success factors, for example "decrease the number of errors in the registration process."

Also make sure that the success factor can potentially solve the problem. Is it doable for the organisation and is it something that can be achieved as part of the digital strategy?

It can also be helpful to explore different perspectives before finalising the list. A success factor that seems obvious to management, such as improving cost efficiency, may not directly resonate with frontline staff or end-users.

By involving diverse roles in the discussion, participants are more likely to surface success factors that balance organisational efficiency with user experience, employee motivation, or compliance requirements. This ensures that the chosen factors are both relevant and supported across the organisation.

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4. Digital strategy

Workshop • Decide on the success factors

Hand out strategy game card '3. Success factors' with the below questions and ask the attendees to discuss and answer them.

1. Which success factors will mitigate the problem that hampers the business goal?
2. Which one is the most important success factor?
3. Why is this the most important success factor?
4. Are you sure this success factor is doable?
5. Are you sure this success factor can be quantified and measured?
6. Are you sure this success factor can be realised in your digital strategy?

Make sure each subgroup keeps on track on the goal and problem. Perhaps they get stuck and need to find another goal and/or problem. Give them some extra time to recalibrate.

3. SUCCESS FACTORS

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Figure 2 - Workshop instructions pages

1.4   About the examples

The seven 'real life' examples in this book explain how to create, share, execute, measure and optimise a digital strategy.

These examples are based on real cases, but anonymised. The purpose is to learn from them, so here and there cases are combined into one example, or a case is somewhat changed to better fit them as an example.

This set of examples tries to present you with one or two examples that might be relevant to you. If you think no example is relevant to you or if you have an idea for an interesting example, please send your comment to digitalstrategy@timaf.nl and we will work on it.

Our goal is add more examples to the next book editions, aa well as to expand the list on the download page.

The seven examples in this book are:

1. An airline that wants to improve the employee experience (E1 - AIRLINE).

2. A municipality that wants to improve the citizen experience (E2 - MUNICIPALITY).

3. A national government that wants to improve the civil servant experience (E3 - GOVERNMENT).

4. A beauty company that wants to improve the customer experience (E4 - BEAUTY).

5. A housing corporation that wants to improve the employee experience (E5 - HOUSING)

6. A university that wants to improve the student experience (E6 - UNIVERSITY).

7. A health service organisation that wants to improve the citizen's health (E7 - HEALTHCARE).

Each example is marked with a specific label, e.g. "E6 - UNIVERSITY" to identify which example is used.

Example page have a light purple background, so you can recognise them more easily while browsing through the pages of this book.

You can download these and other examples at www.timaf.org/downloads. Use the password: **strategy4ME!**
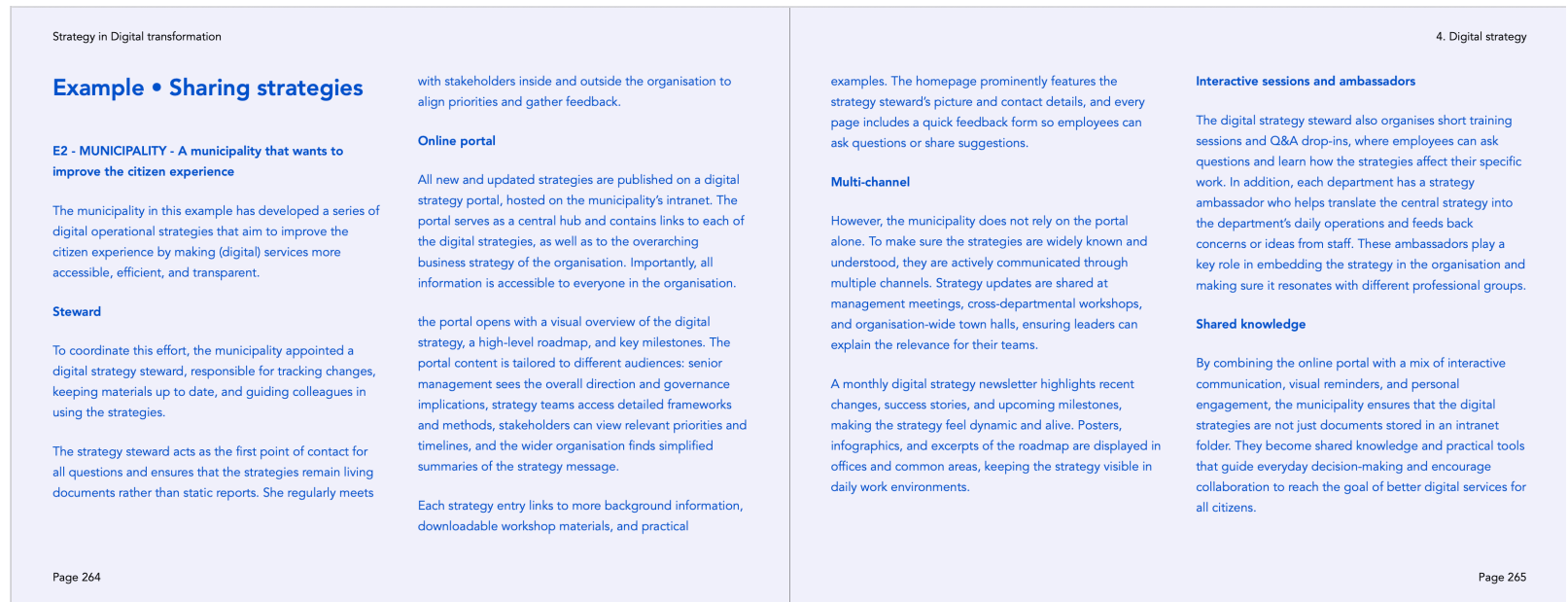
Strategy in Digital transformation

Example • Sharing strategies

E2 - MUNICIPALITY - A municipality that wants to improve the citizen experience

The municipality in this example has developed a series of digital operational strategies that aim to improve the citizen experience by making (digital) services more accessible, efficient, and transparent.

Steward

To coordinate this effort, the municipality appointed a digital strategy steward, responsible for tracking changes, keeping materials up to date, and guiding colleagues in using the strategies.

The strategy steward acts as the first point of contact for all questions and ensures that the strategies remain living documents rather than static reports. She regularly meets with stakeholders inside and outside the organisation to align priorities and gather feedback.

Online portal

All new and updated strategies are published on a digital strategy portal, hosted on the municipality's intranet. The portal serves as a central hub and contains links to each of the digital strategies, as well as to the overarching business strategy of the organisation. Importantly, all information is accessible to everyone in the organisation.

the portal opens with a visual overview of the digital strategy, a high-level roadmap, and key milestones. The portal content is tailored to different audiences: senior management sees the overall direction and governance implications, strategy teams access detailed frameworks and methods, stakeholders can view relevant priorities and timelines, and the wider organisation finds simplified summaries of the strategy message.

Each strategy entry links to more background information, downloadable workshop materials, and practical

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4. Digital strategy

examples. The homepage prominently features the strategy steward's picture and contact details, and every page includes a quick feedback form so employees can ask questions or share suggestions.

Multi-channel

However, the municipality does not rely on the portal alone. To make sure the strategies are widely known and understood, they are actively communicated through multiple channels. Strategy updates are shared at management meetings, cross-departmental workshops, and organisation-wide town halls, ensuring leaders can explain the relevance for their teams.

A monthly digital strategy newsletter highlights recent changes, success stories, and upcoming milestones, making the strategy feel dynamic and alive. Posters, infographics, and excerpts of the roadmap are displayed in offices and common areas, keeping the strategy visible in daily work environments.

Interactive sessions and ambassadors

The digital strategy steward also organises short training sessions and Q&A drop-ins, where employees can ask questions and learn how the strategies affect their specific work. In addition, each department has a strategy ambassador who helps translate the central strategy into the department's daily operations and feeds back concerns or ideas from staff. These ambassadors play a key role in embedding the strategy in the organisation and making sure it resonates with different professional groups.

Shared knowledge

By combining the online portal with a mix of interactive communication, visual reminders, and personal engagement, the municipality ensures that the digital strategies are not just documents stored in an intranet folder. They become shared knowledge and practical tools that guide everyday decision-making and encourage collaboration to reach the goal of better digital services for all citizens.

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Figure 3 - Example pages

1.5   About the best practices

To illustrate the real-life journeys of organisations undergoing digital transformation, this book contains a collection of best practices and worst practices. These cases are not theoretical models, but stories drawn from actual practice. They provide insights into what worked well and what went wrong, offering readers concrete lessons rather than abstract principles.

Each example is based on a real case and includes links to articles, reports, and other sources for those who want to dive deeper.

The best practices show how organisations successfully aligned strategy, technology, and people to achieve meaningful results. The worst practices, on the other hand, reveal the pitfalls and mistakes that others have made - helping you avoid repeating them in your own organisation.

The purpose of including both perspectives is to show that digital transformation is not a straight path. By learning from others - both their successes and their failures - you gain a richer, more practical understanding of how digital strategies can be designed, implemented, and adapted over time. These stories serve as a mirror, helping you reflect on your own organisation's approach and inspiring you to take more effective action.

Every best practice /worst practice page has a light pink background

At the end of this book you will find a list of all the best practices.

Best practice • Novo Nordisk

Novo Nordisk's generative AI deployment to 20,000 employees has useful insights for companies working to scale their own AI efforts. Its leaders navigated three key challenges: a mid-cycle enthusiasm dip that can kill GenAI adoption, function-specific needs that demand tailored training, and cultural resistance. [11]

Novo Nordisk's solution combined champion networks, targeted enablement, and adaptive governance — with senior employees serving as unexpected change agents.

When generative AI first entered the workplace in early 2024, it was hailed as a productivity booster. But at Novo Nordisk, one of the first global firms to scale GenAI to tens of thousands of employees, the real value turned out to be something else.

Employees spoke not of saving time, but of doing better work. They reported higher quality, more creativity, and a stronger sense of contribution. GenAI, they said, wasn't just faster: it helped them focus on what mattered. That insight shaped Novo Nordisk's approach and offers valuable lessons for any leader aiming to scale GenAI as part of digital transformation.

Purpose Before Productivity - Novo Nordisk framed its initiative under the banner "Make Your Time Count." This wasn't about automation replacing effort - it was about freeing up space for meaningful work. That strategic framing made all the difference. It aligned the AI effort with the company's broader transformation goals and earned employee buy-in far beyond what a generic rollout might have achieved.

Small Changes, Big Momentum - Rather than launching an enterprise-wide overhaul, the company focused on "small-t" transformations - practical use cases that fit into current workflows. Teams began using GenAI to draft reports, summarise research, and brainstorm ideas. These modest but valuable improvements built momentum from the bottom up and encouraged experimentation without overpromising impact.

Confidence Through Community - Training alone wasn't enough. What drove widespread adoption was a network of internal champions who offered support, ran peer sessions, and made GenAI approachable. Onboarding was tailored to specific roles - scientists, marketers, and legal staff all received guidance relevant to their day-to-day work. This made AI usage feel both safe and useful.

More Than Tools: A Culture Shift - Novo Nordisk treated GenAI as a change in how people worked, not just what tools they used. The message was clear: AI is here to support, not replace. This cultural framing gave people room to experiment, question their routines, and share what worked. It transformed GenAI from a technical pilot into a human transformation story.

Smart Guardrails, Not Hard Walls - Scaling GenAI also required governance - but not the kind that stifles innovation. Novo Nordisk adopted an adaptive, risk-based approach that evolved as usage grew. They differentiated between personal-use tools and enterprise-wide solutions, each with appropriate oversight. This flexibility allowed innovation while still managing risk.

Measuring What Matters - Many digital initiatives get lost in technical metrics. Novo Nordisk focused on impact: improvements in work quality, employee satisfaction, and strategic contribution. GenAI wasn't about saving time for its own sake. It was about using time better.

Learning as a Capability - Novo Nordisk treated GenAI not as a project, but as a capability. They embedded learning into the organisation through peer-led sessions and cross-functional governance teams. This created space to adapt, improve, and scale thoughtfully.

The real power of GenAI lies not in efficiency but in transformation - how people work, think, and create value. Scaling it effectively means aligning it with purpose, starting small, investing in people, and learning as you go.

Figure 4 - Best practice pages

1.5 About the strategy materials and templates

This book is accompanied by the strategy game poster and a set of strategy game cards and several templates. You can use these materials in your Digital strategy workshops.

Put the Digital strategy poster on the wall of your workshop room or use it as a background for your online session to remind people of the 12 steps.

Use the Digital strategy game cards during the workshop. Hand them out to every sub group that works on a specific strategy.

Each card contains the assignment and some tips and examples that will help your team to get an idea of what to do.

You will also find a digital strategy template and a strategy statement template for your own use.

You can download the strategy poster, the game cards and all templates for free at timaf.org/digitalstrategybook.

Over time, we will develop more materials which you can download from this web page.

Need more posters and game cards?

With each paper version of this book, you receive one paper strategy poster and a set of paper strategy game cards. You can order more paper books, posters and game cards from www.timaf.org/digitalstrategybook.
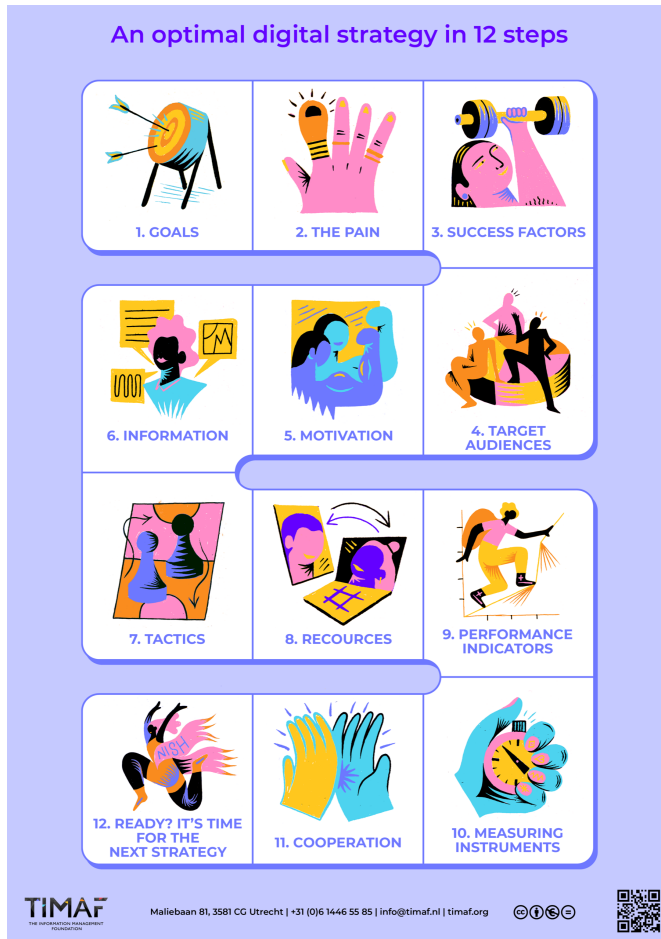
Figure 5 - Strategy game poster

You can free download the digital versions of the strategy poster, the game cards, and the templates at www.timaf.org/downloads. Use the password: **strategy4ME!**
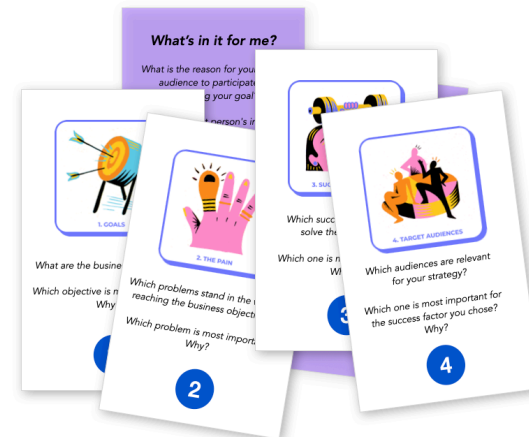
Figure 6 - Strategy game cards

1.6 About the author

Erik M. Hartman

Erik M. Hartman has a Master's Degree in Communications and Information Management. Since 1993, Erik is a consultant, trainer and analyst. He is the owner of TIMAF, an independent consultancy.

While studying Communications and Information Management at the Utrecht University in the Netherlands,

Erik worked at the Dutch IBM Headquarters in Amsterdam. There he discovered the many possibilities of digital technology, but also the huge gap between technology and business.

Ever since Erik has been actively aligning management, business professionals and IT professionals with a range of methodologies in information and process management.

As an independent consultant, Erik is involved in several digital transformation projects for the top 500 commercial and (non-)governmental organisations in Europe.

Erik created a set of 'best practice' instruments to define and improve a digital strategy, to assess and improve the digital maturity of an organisation, to get grip on the information lifecycle, and to do continuous improvement in process management.

Erik created a set of 'best practice' instruments to help you with your digital transformation.

He also developed a 'blended' online and in-company training program on digital transformation, information management, and process management that helps organisations move forward in their digital transformation quest.

Erik writes blog posts and books about digital transformation, digital strategy, digital architecture and digital governance, information management, process management, and digital technology. He regularly delivers keynotes and workshops about these topics at international events.

Find Erik's profile at linkedin.com/in/erikmhartman/

Erik blogs at www.timaf.org/blog (English) and www.digivolwassen.nl/blog (Dutch)

Reach out to Erik via erik@timaf.nl

2. Strategy

Digital transformations often fail due to a lack of a clear strategy.

This chapter explains what a strategy really is about and why it's so hard to get a good strategy.
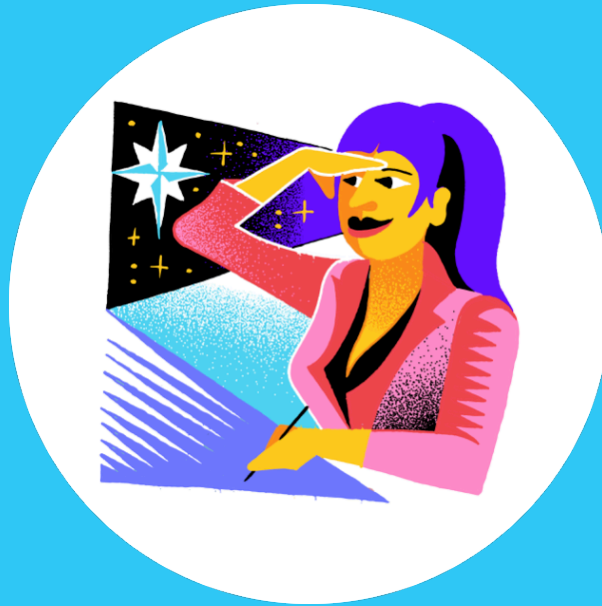
> *What is now proved was once only imagined.*

William Blake

2.1 Strategy

The term 'strategy' is derived indirectly from the Classic and Byzantine (330 A.D.) Greek 'strategos,' which means 'general' or 'military commander'. The word itself is a combination of 'stratos' (army) and 'ago' (to lead).

The term 'strategy' came into use in the 6th century in Eastern Roman terminology, and was translated into Western languages only in the 18th century. [1]

Over time, the concept evolved beyond its military roots to cover a broader range of planning and decision-making processes in various fields, including business, politics, and personal development. The essence of strategy remains focused on achieving long-term goals through careful planning and effective execution.

In the context of this book, strategy is defined as a comprehensive plan or set of actions designed to achieve specific organisational objectives and competitive advantage. It involves analysing the internal and external environment, setting long-term goals, allocating resources effectively, and coordinating various activities to ensure sustained growth and profitability.

A strategy is a comprehensive plan or set of actions designed to achieve specific organisational objectives and competitive advantage.

Business strategy encompasses decision-making processes that guide the organisation in responding to market opportunities and challenges, positioning itself uniquely in the industry, and delivering value to customers and stakeholders.

The origins of strategy

The concept of strategy has evolved significantly from its rudimentary origins in prehistoric times to its sophisticated formulations in modern military and political thought. The evolution of strategy is marked by contributions from various cultures and intellectuals, each bringing a unique perspective that has shaped strategic thinking across different eras.

In prehistoric times, the earliest forms of strategy were simple and instinctual, primarily focused on survival. Early humans developed strategies for hunting, gathering, and protecting their communities from predators and rival groups. These strategies involved teamwork, planning, and the use of tools and natural resources. The ability to think ahead, predict outcomes, and make decisions based on experience and observation laid the groundwork for more complex strategic thought.

As societies became more organised, strategy began to take on more formalised aspects, particularly in warfare

and governance. One of the earliest and most influential works on strategy is "The Art of War" by **Sun Tzu**, a Chinese military general, strategist, and philosopher who lived during the Eastern Zhou period (around the 5th century BCE). Sun Tzu emphasises the importance of adaptability, deception, and psychological warfare. He famously stated: "All warfare is based on deception", highlighting the need for cunning and flexibility in strategic planning.

Thucydides, an ancient Greek historian and general, is renowned for his seminal work "History of the Peloponnesian War," which provides a comprehensive account of the conflict between Athens and Sparta from 431 to 404 BC. His contributions to strategic thought are profound and have influenced military, political, and philosophical thinking for centuries. Thucydides stressed the importance of accurate information and intelligence in strategic decision-making.

The Renaissance era brought a renewed interest in classical knowledge and a more pragmatic approach to strategy. **Niccolò Machiavelli**, an Italian diplomat,

philosopher, and writer, profoundly impacted political strategy with his seminal work, "The Prince," written in the early 16th century. Machiavelli's analysis of political power and statecraft departed from the idealism of his predecessors, advocating for realism and pragmatism. He argued that rulers must be shrewd and sometimes ruthless to maintain power and achieve their goals, famously asserting that "the ends justify the means." Machiavelli's work remains a cornerstone of modern political strategy.

In the 19th century, Prussian general and military theorist **Carl von Clausewitz** advanced the study of military strategy with his comprehensive work, "On War." Clausewitz's theories were shaped by his experiences in the Napoleonic Wars and emphasised the complex and dynamic nature of warfare. He introduced the concept of the "fog of war," the uncertainty and chaos inherent in military operations, and argued that war is an extension of politics by other means. Clausewitz's holistic approach to strategy, considering political, social, and military factors, has profoundly influenced both military and non-military strategic thinking.

The evolution of strategy from prehistoric survival tactics to sophisticated military and political theories illustrates the increasing complexity and scope of strategic thought. Modern strategy continues to draw on these historical foundations, integrating advancements in technology, communication, and psychology. In contemporary contexts, strategy is applied beyond warfare, influencing business, sports, and various competitive fields.

Strategy in a businesses context

The application of strategic thinking in the business environment has undergone significant transformation, paralleling the complexities and dynamism of the modern market. This evolution has been driven by the insights and contributions of key figures who have shaped strategic management and planning in the corporate world.

Alfred Chandler, a prominent historian and business theorist, laid the groundwork for modern business strategy with his seminal work, "Strategy and Structure," published in 1962. Chandler argued that a company's structure

should align with its strategy, introducing the concept that strategic planning is critical for organisational success. His research demonstrated that firms that strategically planned their growth and adapted their organisational structure to their strategic goals outperformed those that did not. Chandler's emphasis on the interdependence of strategy and structure provided a foundational understanding for subsequent strategic management theories.

Igor Ansoff, often regarded as the father of strategic management, expanded on Chandler's ideas by developing a more detailed framework for corporate strategy. Ansoff introduced the concept of the "Ansoff Matrix", a tool used to identify and analyse growth strategies. The matrix outlines four strategies: market penetration, market development, product development, and diversification. This framework helps businesses determine their strategic direction based on market and product dynamics. Ansoff's work emphasised the need for systematic planning and the identification of strategic

opportunities for growth, significantly influencing corporate strategic practices.

Peter Drucker, as a management consultant, educator, and author, profoundly impacted business strategy with his concept of "Management by Objectives" (MBO). Drucker's approach focused on setting clear, measurable objectives for all levels of an organisation to ensure that everyone's efforts are aligned with the company's strategic goals. His work highlighted the importance of defining a company's mission, setting achievable targets, and continuously measuring performance against these targets. Drucker's emphasis on objective-driven management fostered a culture of strategic thinking and accountability within organisations.

Michael Porter, a leading authority on competitive strategy, introduced several essential concepts that have become cornerstones of strategic management. His "Five Forces" framework analyses the competitive forces within an industry, helping businesses understand their competitive environment and identify opportunities for gaining a competitive edge. Porter also developed the

concept of generic strategies - cost leadership, differentiation, and focus - which outlines how companies can achieve competitive advantage. His work on value chains further elaborated on how companies can optimise their activities to create value and improve competitive positioning. Porter's contributions have provided businesses with robust tools for strategic analysis and decision-making.

Kenneth Andrews, a key figure in the development of strategic management, contributed significantly to defining corporate strategy. Andrews' work emphasised the importance of aligning a company's internal strengths with external opportunities and threats, a concept known as the SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). His book "The Concept of Corporate Strategy" provides a comprehensive framework for strategic planning, focusing on the importance of a clear mission, strategic objectives, and the integration of functional areas within a firm. Andrews' emphasis on the coherence between a company's internal capabilities and

its external environment has become a fundamental aspect of strategic management.

The contributions of these key figures have collectively shaped the landscape of strategic thinking in the business environment. Today, businesses operate in a highly complex and competitive global market that demands continuous strategic innovation and adaptability. The principles established by Chandler, Ansoff, Drucker, Porter, and Andrews remain relevant, guiding modern organisations in their strategic planning and execution. [2]

Adaptive strategies

In the contemporary business environment, strategy is not just about long-term planning but also about agility and responsiveness to market changes. Advances in technology, globalisation, and the increasing importance of sustainability and corporate social responsibility are reshaping strategic priorities. Modern businesses must integrate traditional strategic frameworks with innovative approaches to navigate the rapidly changing landscape.

Strategy is not just about long-term planning but also about agility and responsiveness to market changes.

The evolution of strategic thinking in business reflects an ongoing journey from foundational principles to complex, adaptive strategies. The insights of the strategic pioneers mentioned here continue to influence how businesses formulate and implement their strategies, ensuring their relevance and competitiveness in a dynamic world with increasing uncertainty.

Having an adaptive strategy can help business leaders to fight paralysis and bad decisions. The guiding principle for strategic decision-making needs to be preparation, not prediction. We cannot predict the future, but we can prepare for what is coming. The goal is robust strategy development that is designed to perform regardless of where reality lands on the map.

The next chapter 'Digital transformation' will explain more about the role of strategy in these rapidly changing times

with a high uncertainty of what the changes and outcomes will be.

Interview • Sun Tzu (China)

Sun Tzu, General of the Chinese Army, 544 - 496 B.C.
https://en.wikipedia.org/wiki/Sun_Tzu

Erik: Master Sun, what is the highest truth of strategy?

Sun Tzu: To know thyself and to know thy enemy—this is the essence. When the mirror of wisdom reflects both your own heart and the shadow of your foe, a hundred battles may be won without a single blade drawn.

Erik: How does the wise man separate strategy from tactics?

Sun Tzu: Strategy is the river that carves the path to destiny; tactics are the stones that guide its flow. The one without the other is as a ship without a rudder, or a rudder without a ship. A general who knows only the way but not the step stumbles toward victory. A general who knows only the step but not the way is lost before the battle begins. Be aware: Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat.

Erik: What weight does preparation carry in the art of war?

Sun Tzu: The battle is won in the quiet chambers of the mind, long before the drums of war sound. He who sharpens his sword in peacetime need not fear the chaos of conflict. Victory favours those who see the storm before the clouds gather. As I once famously said: Every battle is won or lost before it's ever fought.

Erik: How important is flexibility in strategic thinking?

Sun Tzu: Flexibility is paramount in strategy, as rigidity leads to defeat. Circumstances are ever-changing, and a successful general must be able to adjust plans swiftly and decisively in response to new information or unexpected developments. Adaptability ensures that one remains one step ahead of the enemy.

The rigid tree breaks beneath the storm, but the willow sways and endures. The wise leader shapes his plans like water; flowing where the land guides, yet always finding its way. To cling to a single path is to invite ruin; to adapt is to command fate itself.

Erik: Is there a truth of strategy that stands unshaken by time?

Sun Tzu: Seize the initiative as the hawk seizes the wind. Let your adversary react while you act. To dictate the rhythm of the dance is to hold the advantage, whether in war, trade, or the affairs of men. The sage does not wait for opportunity, he creates it.

Erik: In this age of digital scrolls and unseen battles, how might the modern warrior prevail?

Sun Tzu: The tools of today are but extensions of the mind. Use them to see farther, strike swifter, and bind allies closer. Yet never forget: the heart of strategy remains unchanged.

Cultivate the virtue of adaptability, the courage to innovate, and the wisdom to move like the shadow: unseen, yet ever-present. "The digital tide rises, but the principles of victory are as old as the mountains."

Erik: Master Tzu, should people still read and study your work?

Sun Tzu: The wise do not ask if the old ways still hold truth, they ask how the old truth illuminates the new path. War, commerce, and the contests of men change in form, but not in nature. To ignore the past is to walk blind into tomorrow's battles. Study not for answers, but for the art of seeing. [3]

Three key elements of a strategy

A strategy is a comprehensive plan that guides decision-making and actions to achieve specific goals. It involves a combination of analysis, planning, and execution, with a focus on adaptability and continuous improvement.

In his book 'Good Strategy, Bad Strategy - The Difference and Why It Matters', Richard P. Rumelt defines the three core elements of a good strategy:

1. A diagnosis of the problem.
2. A guiding policy to solve this problem.
3. A set of coherent actions.

A strategy can contain more, but without these three core elements, it can never be a good strategy. [4]

A strategy solves a problem

The first core element of a good strategy is a diagnosis that defines the nature of the challenge. The problem diagnosis focuses on the most critical aspects of the challenge.

The three core elements of a good strategy are a diagnosis of the problem, a guiding policy to solve this problem, and a set of coherent actions.

A good strategy **always** solves a problem. Look at the strategy of your organisation and spot the problem that needs to be solved. No problem mentioned there? Well, then it's not a good strategy.

But mentioning the problem alone is not sufficient. Without a good diagnosis of the problem, it is not possible to solve the problem. You probably know the expression: "The wrong solution for the wrong problem." People think they understand the problem - with doing little or no analysis - and come up with a solution that they wanted in the first place. Many digital transformations fail grandiosely because of this.

Policies to solve the problem

A strategy is more than just a diagnosis of the problem. A solution, or at least the best way to deal with the challenge, must be worked on. This requires a special approach to the problem. Thus, a good strategy contains an approach to solve the diagnosed problem.

According to Rumelt, the guiding policy outlines an overall approach for overcoming the obstacles highlighted by the diagnosis.

The policy outlines do not detail what should be done, but provide a method for dealing with the situation in a coherent manner. In which it mainly indicates what **not** to do.

Imagine a strategy without a coherent approach, where everybody in the organisation has different - and most likely counterproductive - opinions on how to solve the problem. This regularly leads to a 'strategy infighting' where different strategy initiatives compete with each other and eventually lead to nothing.

A set of coherent actions

Diagnosis and policy alone will not get you there. Many strategies 'die in beauty', where in the end nothing is done to solve the problem. In these cases, the third key element is missing: a set of coherent and coordinated actions.

Do not confuse this with a detailed plan of attack. The approach may change, but each action is in the light of solving the problem. It is essential here that the actions follow a coherent pattern. This requires coordination within the organisation, ideally provided by a (delegated) 'owner' of the strategy.

Your strategy can change

A strategy is never 'set in stone'. Recognise that circumstances may change, and that a successful strategy

should be adaptable to evolving situations. Build flexibility in the strategy to adjust your approach as needed.

Of course, it is not only changing circumstances that may change your strategy. A strategy needs to be measured and improved continuously. So better foster a culture of continuous improvement, where you establish metrics and key performance indicators (KPIs) or organisation key results (OKRs) to measure progress. Regularly evaluate the effectiveness of your strategy and make adjustments when necessary.

Learn from both successes and failures, and use that knowledge to refine and enhance your strategy over time.

Communicate your strategy

A good strategy cannot be the best kept secret in the organisation. Nor the elephant in the room that everybody ignores because they don't see the value.

Clearly communicate the strategy to all relevant stakeholders, including team members, employees, or partners. Ensure that everyone understands their role in executing the strategy.

Effective communication is not a one-time event but an ongoing process throughout the implementation of the strategy. By keeping everyone well-informed and engaged, you enhance the likelihood of successful execution and alignment with organisational objectives.

Make your strategy successful

From my professional experience I can tell creating a strategy is essential, fun and very rewarding. If you take the following in mind, you have a good chance to be successful.

- Solve a business problem after first thoroughly analysing it.
- Define the policies to make the strategy happen.

- Create a coherent set of coordinated actions. And execute!
- Have the strategy visible at all times.
- Make sure everybody knows and understands the strategy.
- Be aware that people should be able to identify with the strategy.
- Add measurable indicators to the strategy.
- Measure the indicators regularly.
- Report to all stakeholders in the most optimal way.
- Focus on fast improvement of the strategy.

Make your strategy exceptional

Last but not least: make your strategy truly exceptional. A strategy that goes beyond the ordinary allows a company to identify unique value propositions, innovate in its products or services, and create a distinctive brand identity.

By continuously assessing market trends, customer needs, and emerging technologies, an exceptional strategy positions the business to capitalise on opportunities and stay ahead of the competition. This focus on differentiation not only attracts customers - and employees for that matter - but also enhances the company's reputation and market positioning.

In his book 'Built to Last', Jim Collins talks about BHAG (pronounce as 'bee-hag'), short for Big Hairy Audacious Goals'. "A BHAG engages people - it reaches out and grabs them in the gut. It is tangible, energising, highly focused. People 'get it' right away: it takes little or no explanation." Your strategy should be BHAG as well. [5]

Make your strategy truly exceptional.

This book will help you to create, share, execute, measure and continuously improve exceptional strategies.

Best practice • European Defence Industrial Strategy (EDIS)

A best practice of a problem solving strategy with a guiding policy and a set of coherent actions is the European Defence Industrial Strategy (EDIS). [6]

With the Russian invasion of Ukraine in 2022, a growing number of widespread hybrid (technological and physical) threats, and a US government that is less willing to solve Europe's military challenges, the European Union realises it has to take up strategic responsibility.

The full EU's military potential is affected by years of underinvestment and fragmentation of defence demand along national lines. These trends have increased dependencies on third countries. The Union must swiftly enhance its defence readiness to be less dependent.

"The European Union needs to strengthen the European Defence Technological and Industrial Base (EDTIB) and achieve defence industrial readiness. This is necessary to better protect our citizens and support our partners." [7]

EDIS is a joint communication of the Commission and the High Representative that sets a vision for the European defence industrial policy until 2035 and announces the following guiding policy:

- Strengthen the European Defence Technological and Industrial Base (EDTIB) through increased, more collaborative and European investment from Member States;

- Improve the responsiveness of the European defence industry under any circumstances and time horizon;

- Mainstream a defence readiness culture, including across EU policies;

- Team up with our strategic, like-minded and international partners.

- Finance the Union's ambition for defence industrial readiness.

EDIS has a clear set of indicators:

- By 2030, the value of intra-EU defence trade should represent at least 35% of the value of the EU defence market.

- By 2030, at least 50% of Member States defence procurement budget should be devoted to procurement from the EDTIB, and 60% by 2035.

- By 2030, Member States should procure at least 40% of defence equipment in a collaborative manner.

In the Joint Communication paper [8], the EU describes the actions that need to be taken to reach the strategic goals.

Figure 7 - EDIS Fact sheet

2.2 Bad strategies

There are many strategies, and many of them are bad. Instead of providing a solution, these bad strategies are part of the organisation's problem.

An MIT Research [9] among 124 organisations showed that 28 percent of the interviewed executives and middle managers responsible for executing the strategy could list only up to three of their company's strategic priorities.

There are many strategies, and many of them are bad.

The most mentioned problems that were found in this MIT research are:

- The strategy is very abstract, so people cannot relate to it.
- The strategy is only available in a large document, and people don't have the time or the cognitive skills to understand and memorise, let alone act on, all this information.
- The goals are not realistic, so people think twice before committing themselves to these goals.
- The strategy is too long term, and people don't feel it solves the problems they encounter right now.
- The strategy is 'Set in stone' and cannot be changed, no matter the changed circumstances.
- The strategy is the management's pet project that nobody else cares about.
- There is no alignment with execution, so nothing will happen.
- There are no indicators, no measuring, so there is no data available for improvement.
- There is no (time for) improvement, regardless the available data.
- The organisation has no strategy at all.

Don't use a template

Many professionals - as well as management - feel little or zero affinity for the 'strategies' created by the board or top management - that have been defined with or without the assistance of a hired strategist. They do not see how the strategy helps them in their daily work or in the near future.

Creating a strategy is a real challenge, so organisations are looking for examples and preferably templates to help them with this task. Often they hire an agency or a strategy consultant to create the whole 'strategy package' in two or three strategy sessions. Handy, yes. But also too good to be true.

Searching for 'strategy templates' on the internet leads to lots of examples provided by strategy consultants and agencies. They generally lead to strategies that come out of the organisation's vision, mission, and values. Without mentioning, let alone diagnosing, the problem that needs

to be solved, these 'strategies' are some kind of generic aspirations at best.

Completing the template is elevated as the goal. And not solving the actual organisational problems. There is no room to mention, let alone analyse, the problem and to come up with a solution.

This is highly problematic, because using a template like this prevents the difficult discussion about what is really the problem in the organisation and how to solve it.

Middle management and professionals spot this problem right away and ignore these bad strategies all the time. Doubling down on communicating the strategies doesn't help here. The strategy is bad, so better fix it!

Solve, or be solved

Template based 'toothless' strategies waste the precious time of professionals and ultimately lead to nothing. The organisation's problems are not solved and thus will fester along until the organisation is either bankrupt, taken over or toxic to the extent that nobody with any common sense wants to work there anymore.

Here's a short list of companies that suffered from having no strategy or a bad strategy [10].

- Kodak - missed the digital revolution, despite having invented the digital camera.
- Nokia - Creator of the first cellular phone who was too late to react to the introduction of smartphones.
- JCPenny - Failed to find a new niche in the department store market.
- BlackBerry - Once king of the keyboard. Had to step out of its successful smartphone business.
- Borders - Failed to adapt to the changed (digital) book sales world.

- Pan Am - Lost the trust of its airline customers and never recovered from it.

To SWOT or not to SWOT

A lot of organisations use a SWOT (strengths, weaknesses, opportunities and threats) or PEST (political, economical, social, technological) analysis or any other analysis framework to discover the challenges the organisation faces and that could lead to a business problem or opportunity that needs to be dealt with.

But there are a lot of potential problems with using frameworks like the SWOT analysis. I wouldn't go so far as Daniel Deneffe, Daniel Herman Vantrappen who call people that love to use a SWOT analyse "amateur strategists" [11] , but it is wise to keep some things in mind when using a SWOT.

First, people find it very hard to use the SWOT framework properly. For example, they can't seem to distinguish the internal factors - strengths and weakness - from the external factors - opportunities and threats. And that is

problematic, because it can lead to a skewed understanding of an organisation's position in the market. Mistaking strengths for opportunities may result in complacency and a failure to innovate, while confusing weaknesses with threats can lead to unnecessary panic and overreaction.

With a SWOT analysis people also tend to classify weaknesses that could be seen as a strength or vice versa. This goes even more for threats who could be seen as an opportunity. And vice versa, opportunities which are threats. It's all in the eye of the beholder, and that makes it quite a subjective tool.

The lack of clarity in SWOT, PEST and other template based analyses can hinder effective strategic planning, risk assessment, and resource allocation, ultimately impacting the organisation's ability to adapt to its external environment and capitalise on potential opportunities.

Another problem with a SWOT analysis is the danger of cognitive biases. Relying on strengths, weaknesses, opportunities and threats to inform your strategic plans

without accounting for cognitive biases results in appalling oversights that ruin profitable businesses and bring down high-flying careers. [12]

One of the most dangerous mental blindspots for business leaders is overconfidence bias, especially when they have been most successful in the past. A related problem is the optimism bias, our tendency to look through rose-colored glasses. Also groupthink is a big problem, where groups tend to coalesce around the opinions of a powerful leader.

There is an actual danger that a SWOT analysis can give a false sense of comfort and security to business leaders who use them, leading these leaders into the exact business disasters that they seek to avoid.

Best practice • Samsung

A real best practice of a good and successful strategy is Samsung's 'Frankfurt Declaration'. [15]

In 1993, Lee Kun Hee, son of the Samsung founder, had been running Samsung for six years as the chairman. Between 1988 and 1993, the company had grown two and a half times.

So Samsung's executives thought things were working. Lee, however, didn't just want Samsung to be a successful Korean company. He wanted it to be a world player by the year 2000. But at the current growth rate, Samsung could never reach Lee's goal of becoming a world-class company.

To see how his company was faring internationally, Lee embarked on a world tour in 1993. His findings were not encouraging: a visit in February to a Southern California electronics store revealed Sony and Panasonic TV's in the front window and Samsung TVs gathering dust on a low shelf in the back. Lee was not happy.

June 1993, Lee was staying at the Falkenstein Grand Kempinski Hotel in Frankfurt, Germany. He summoned all of Samsung's executives - who numbered in the hundreds - to meet him there.

On June 7 the chairman delivered a speech that lasted three days (they adjourned in the evenings). The most famous quote to emerge from the address was, "Change everything but your wife and children".

The event became known, formally, as the Frankfurt Declaration of 1993. The content of the Frankfurt Declaration is called New Management, its principles distilled into a 200-page book that's distributed to all Samsung employees. A stand-alone glossary was later published to define the terms laid out in the first book.

Workers who weren't fully literate were given a cartoon version.

Lee went around the globe, evangelising his gospel to all corners of the Samsung empire. He even let defective parts be burned in full sight of employees, just to make his point.

From that day in 1993 on, Samsung started its ascent from second tier manufacturer to the biggest TV and smartphone maker in the world. In 30 years the combined market cap of the Samsung Group affiliates had grown 200-fold.

The speech was so influential and important to Samsung that it bought all the furniture and decorations in that German conference room, shipped it to Samsung's Korean headquarters and recreated the room. The recreated room is so sacred that photos in the room are forbidden and people whisper when inside, according to sources.

This strategy has all the elements that make it a Good strategy. There is a problem that needs to be solved. It has

a clear and measurable goal. The CEO is the key sponsor of the strategy, all executives are informed and aligned.

The policy framework is clear "move from quantity-centred to quality-focused" and radical "change everything, but your wife and children", and thus gives good guidance on what (not) to do. And the actions that followed are coherent and very focused on the end goal.

The strategy is shared with everybody in the organisation and personally delivered by the CEO across the organisation. There is even a cartoon book for anyone who has a problem with reading.

2.3   End-to-end strategy

It is helpful to see a strategy as an end-to-end process to make better, solidly founded decisions to improve an organisation's performance. [16] The strategy process starts with the need to improve the organisation and ends with the improvement achieved. The value of a strategy lays in solving the problem.

By using the process approach you give room to the dynamics of how good strategies come into existence. I think Lawrence Freedman, Professor of War Studies at King's College London, brilliantly grabs the dynamics of any good strategy: "Strategy is about employing whatever resources are available to achieve the best outcome in situations that are both dynamic and contested."

Creating strategies is a constant process of spotting the challenges, creating hypotheses to solve the problems, testing and adapting the hypotheses and finally executing and improving the strategies.

A strategy is an end-to-end process to make better, solidly founded decisions to improve an organisation's performance.

In their book 'Fad-free Strategy', authors Daniel Deneffe and Herman Vantrappen advocate splitting the strategy process into a 'Grand strategy' and an 'Operational strategy'.

Grand strategy

The top management of an organisation has the important task of developing a Grand strategy. This is a set of intentions and hypotheses to achieve a sustainable competitive advantage as an organisation.

A Grand strategy is not yet very specific and not always equipped with measurable indicators. It sets the big
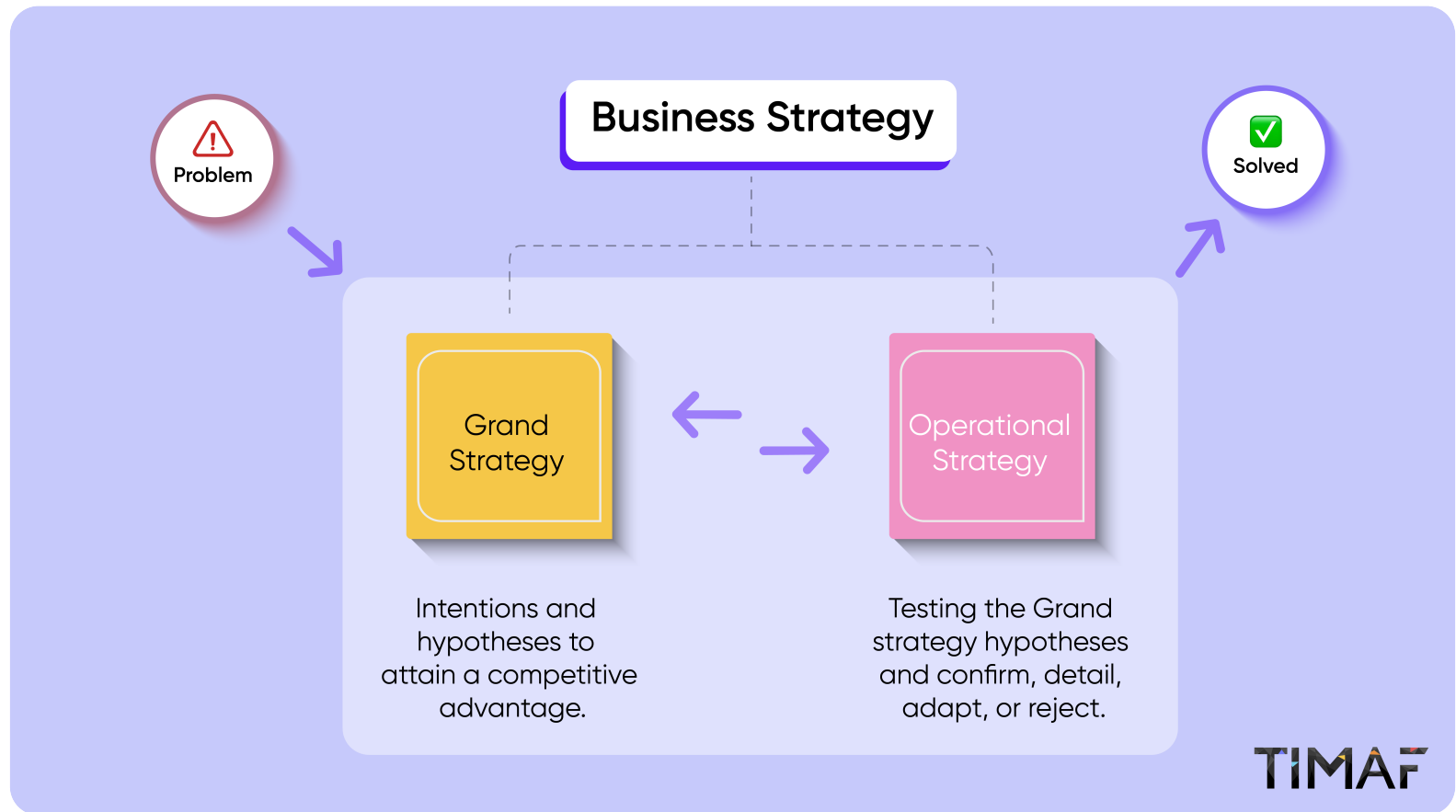
Figure 8 - Business strategy

picture: do we enter a new country with our product, do we find a new application for our service, are we going to double our turnover with innovation.

It is a problem if the strategy process stops at this point, where the Grand strategy is not operationally challenged and never translated in something that can be executed. These are the strategy documents that are collecting dust in desk drawers.

Operational strategy

Instead, the Grand strategy must be followed by an Operational strategy. The hypotheses and intentions of the Grand strategy are further examined and accepted, fleshed out, modified or rejected.

So there is a feedback loop from Operational strategy to Grand strategy. The Operational strategy is essential to challenge the Grand strategy on its merits. With this, there is an alignment between senior and middle management and strategic professionals.

Business strategy

The Grand strategy and the Operational strategy together form the Business strategy. Senior management owns the Business strategy, supported by middle management and strategic professionals.

The Business strategy must then be translated into a series of Specific strategies that the professionals in the organisation can use on a daily basis. The results of those Specific strategies are also fed back into the Operational strategy and the Business strategy in general.

Specific strategy

Specific strategies focus on specific aspects of the Business strategy. Examples of Specific strategies are a Digital strategy, a Human Resources strategy, a Communications strategy, or an Innovation strategy.

A Specific strategy is focused on the execution of the Business strategy. It translates the Business strategy into
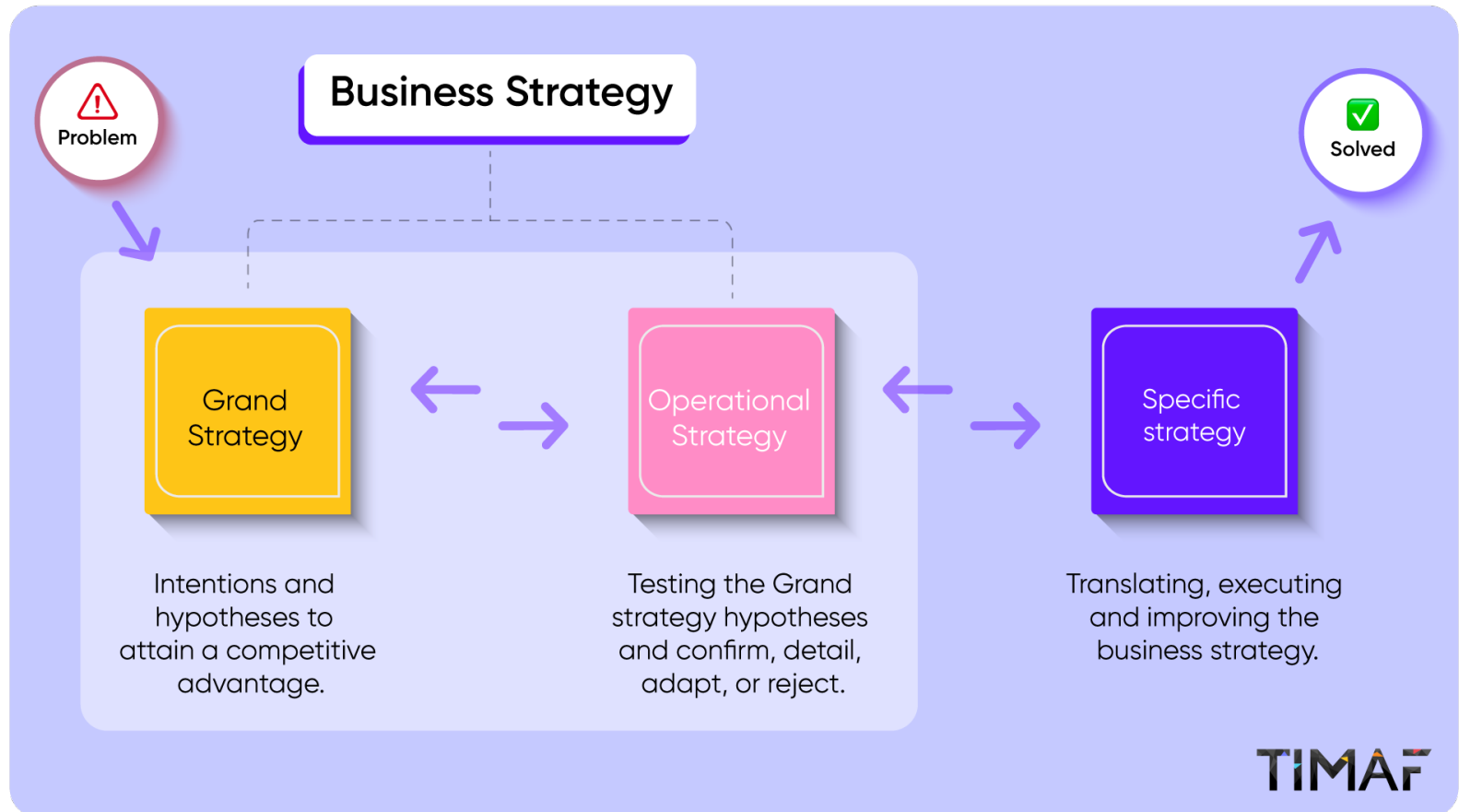
Figure 9 - From Problem to Problem solved with a Business strategy and a Specific strategy

an executable plan for a specific context and/or environment. Because the Specific strategy is focused on execution, it provides all kinds of feedback to further improve both the Business and the Specific strategy.

For example the need to have skilled professionals to improve the quality of the services provided would demand an Human resources strategy. Or the need to decrease the demand for healthcare by focusing on prevention could be translated into a Digital strategy where an app help with this kind of prevention.

In practice, there will be a set of Specific strategies that work together in executing a Business strategy. The challenge here is to align these Specific strategies with each other, across the departments or other entities within the organisation. The better the alignment, the more chance of a successful implementation of the Business strategy.

The 'Digital strategy' chapter of this book talks about Digital strategy as a Specific strategy that focuses on

digital as an enabler and that can be used by professionals on a daily basis.

Figure 9 illustrates the Strategy process, from problem to problem being solved. You see the Business strategy consisting of the Grand strategy and the Operational strategy. Right from the Business strategy you see the Specific strategy that further helps to solve the problem.

It's importance to notice the bidirectional 'feedback' flow between the Grand strategy and the Operational strategy, but also between the Business strategy and the Specific strategy. Without this flow the strategies will not be tested and improved, or rejected if they don't help solve the problem.

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Exercise - Strategy

What is the strategy of your organisation? Do you have one? Or perhaps multiple? Let's see if they are real strategies or mere aspirations at best.

If you don't have a strategy, you could start a search on the internet and pick any result you find. Use keywords like 'business strategy [organisation X]'. Make sure you find the strategy on the organisation's website and not on some consultancy's website.

Search for an organisation or business strategy and not a digital strategy, which is a topic in a next chapter. Some examples of organisation strategies out there:

- General Motors Growth Strategy at www.gm.com/company/growth-strategy
- United Nations Strategic Plan at www.undp.org/sites/g/files/zskgke326/files/2021-09/UNDP-Strategic-Plan-2022-2025_1.pdf

- Open AI Strategy at https://openai.com/blog/planning-for-agi-and-beyond
- Siemens Strategy at www.siemens.com/global/en/company/about/strategy.html
- ZF Corporate Strategy at www.zf.com/mobile/en/company/strategy/strategy.html
- L'Oréal Strategy & Model at www.loreal.com/en/group/about-loreal/strategy-and-model/

Better avoid the strategy templates that are floating around on the internet, because they are usually 'vision, mission, values, strategy' templates that lead to bad strategies.

Exercise

1. Get your company's strategy or find one on the internet.

2. What is your first impression when you read it? Does it resonate with you?

3. Is there a problem that must be solved?

4. Is the problem thoroughly analysed?

5. Is there a roadmap or framework policy to lead the strategy?

6. Is there a coherent plan?

7. How is this strategy shared within the organisation?

8. Are there any indicators to measure the strategy's progress?

9. Over time, has the strategy been updated or changed in any way?

10. Did the strategy actually solve the problem that was mentioned?

11. Is the strategy exceptional enough to stand out against competitors or comparable organisations?

Write your answers and thoughts down. You can do this exercise alone or with a group of people. Discuss the results and come up with a better strategy or at least recommendations for improvement.

2.5   Notes

1. Rich Owen - The Origin of Strategy - www.strategyskills.com/Articles/Documents/origin_strategy.pdf

2. For readers who want to learn more about the history of strategy I can highly recommend Lawrence Freedman's book 'Strategy - A History'.

3. General Sun Tzu's answers were generated by Mistral.ai and somewhat edited by the author.

4. If you want to know more about good and bad strategies, I recommend this interview with Richard Rumelt - www.youtube.com/watch?v=4uWKEG0s9Kc

5. Jim Collins, Jerry I. Porras - Building Your Company's Vision, page 94-102

6. EDIS | Our common defence industrial strategy - https://defence-industry-space.ec.europa.eu/eu-defence-industry/edis-our-common-defence-industrial-strategy_en

7. European Defence Industry European Defence Industry Strategy Fact Sheet - https://ec.europa.eu/commission/presscorner/detail/en/IP_24_1321

8. European Defence Industry Strategy Joint Communication - https://defence-industry-space.ec.europa.eu/document/download/643c4a00-0da9-4768-83cd-a5628f5c3063_en?filename=EDIS%20Joint%20Communication.pdf

9. MIT Sloan Research - https://sloanreview.mit.edu/article/no-one-knows-your-strategy-not-even-your-top-leaders/

10. 50 examples - https://www.valuer.ai/blog/50-examples-of-corporations-that-failed-to-innovate-and-missed-their-chance

11. D. Deneffe and H. Vantrappen - Fad-Free Strategy, page 40-41

12. The Danger of SWOT Analysis - https://www.forbes.com/sites/glebtsipursky/2023/02/20/the-danger-of-swot-analysis/

13. Achmea Strategy - www.achmeabank.nl/en/about-us/missie-en-strategie.

14. Achmea Strategie (Dutch) - www.achmeabank.nl/over-ons/missie-en-strategie.

15. Samsung Frankfurt Declaration - www.youtube.com/embed/btSb8CIkPH8?si=Lq9BYqEf6dcmg5Cm

16. D. Deneffe and H. Vantrappen - Fad-Free Strategy, page 29

17. H. Mintzberg - The Rise and Fall of Strategic Planning - https://www.theisrm.org/documents/ Mintzberg%20(1994)%20Fall%20and%20Rise%20of%2 0Strategic%20Planning.pdf

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3. Digital transformation

Digital technology offers both opportunities and challenges. But organisations are struggling with adapting to these technology driven changes.

This chapter explains what digital transformation is about, why it often fails, and what to do to make it successful.

The man who never alters his opinion is like standing water, and breeds reptiles of the mind.

William Blake

3.1   Digital transformation

Digital transformation is the change that an organisation undergoes to better meet the demands and opportunities of the digital age we now live in. [1]

This necessitates fundamental changes to how a business operates and the way it delivers value to its customers. Organisations that are successful in their digital transformation have a lasting advantage over competitors that are lagging or struggling with their transformation.

Digital transformation is especially relevant for organisations that existed before the digital economy became the default condition. They have to compete with 'digital-native' companies who have been living and breathing digital from the start. These digital startups don't need a digital transformation, they are digital by default.

Digital transformation is the change that an organisation undergoes to better meet the demands and opportunities of the digital age we now live in.

How to transform a non-digital organisation successfully into a digital mature organisation is a recurring topic in board room meetings. C-level executives get very nervous when they see startups taking the market by storm with new technology.

But digital transformation is not about about updating your technology. It is more about updating your strategic thinking. Organisations need to get a clear focus on what to do and embrace a new way of thinking. They need to rethink their underlying assumptions of what their organisation is about, and the role they want to play in the world.

This makes digital transformation more of an organisational transformation or business transformation than a (sec) digital technology transformation. We say 'digital' transformation because it is typical for the digital age we live in, not because everything needs to be become digital or that being digital alone makes you successful.

Transformation is a good idea

All this talk about disruption and digital transformation and the current AI hype give organisations a sense of "It's now or never". This approach either leads management to feeling a panicle sense of urgency or to ignoring the challenge altogether.

But transformation might be a good idea if the problems you are facing as an organisation seem unsolvable with the classical approach of a reorganisation, a merger with a competitor, or the acquisition of another better performing company.

Transformation can even be a good idea if there seems to be no problem at all. Everything goes well until, suddenly, a new "kid on the block" enters the market, changes the rules overnight, and leaves you biting dust. That was a disruption you didn't see coming and now it's too late to do anything about it.

Digital transformation means changing what you deliver, be it a product or a service. It will make what you deliver more valuable for your customers, employees, and other stakeholders, while the process of delivery will be more efficient.

To quote the people behind the successful digital GOV.UK transformation: "You will think more in terms of services that are ruthlessly focused on what users need from beginning to end. You will choose to build platforms: component parts of digital services that can be used time and again across different parts of your organisation to cut out unnecessary duplication. To succeed in that, you will also have to fix some of what is broken: the spaghetti of old IT sitting in the heart of processes and services, and fraying data architecture creating confusing duplication." [2]

Digital transformation is doable

Digital transformation is a holistic and radical change of the entire organisation. It is not for the weak-hearted, but it is certainly doable.

Digital transformation requires a vision, strong leadership, and a focus on getting the right capabilities to make the transformation happen.

There are plenty of best practices out there where organisations transformed successfully, so it can be done. But there is no 'template' roadmap that organisations can follow. Every situation is different and needs different measures. Don't wait, but start now and learn by doing.

It is for this reason that the authors of 'Digital transformation at scale' chose the subtitle 'why strategy is delivery'. [3] Digital transformation is about doing things differently, but foremost DO something!

Digital leadership

Digital transformation requires leadership that is ready to turn the organisation into unknown waters. In any transformation, everybody will look at the leadership. If the leadership doesn't lead the transformation, it is guaranteed to fail.

You cannot outsource a digital transformation to an outside agency, it is the leadership's job to lead this. Even an internal Chief Digital Officer (CDO) or other equivalent role needs full - that is: active and committed - support by the leadership.

You cannot outsource a digital transformation to an outside agency, it is the leadership's job to lead this.

In 'The CEO Action Plan' chapter, Tom Siebel describes ten principles to guide the transformation initiative. [4]

1. **Marshall the senior CXO team as the digital transformation engine** - this is an absolute requirement and the first priority.

2. **Appoint a Chief Digital Officer with authority and budget** - this role is the chief evangelist and enabler of the digital transformation.

3. **Work incrementally to get wins and capture business value** - don't make it too big, build use cases that generate measurable economic benefit first and solve the IT challenges later.

4. **Forge a strategic vision in parallel, and get going** - map out your organisation's full value chain, and then identify steps of this value chain that have been, or that you expect to become, digitised.

5. **Draft a digital transformation roadmap and communicate it to stakeholders** - draft your enterprise's own roadmap and set a game plan for communicating it to stakeholders across the organisation.

6. **Pick your partners carefully** - to fulfil your vision of digital transformation, it's vital to pick the right partners for helping with the strategy, technology, services, and change management.

7. **Focus on economic benefit** - stay focused on the economic and social benefit for your customers, citizens, shareholders, and for society at large.

8. **Create a transformative culture of innovation** - make sure senior management, middle management, and rank and file employees also fully understand the strategic vision and operate in an environment conductive to success.

9. **Reeducate your leadership team** - you need to infuse your executive team and your employees with new skills and a new mindset to succeed at digital transformation.

10. **Continually reduce your workforce** - invest in self-learning - your technical and management personnel

currently might not have the skills to succeed in digital transformation, so train them.

Any organisation who wants to seriously implement these ten principles will realise this cannot be done in a few months. A digital transformation is a long term process that will take years, with lots of learnings.

Characteristics of digital transformation

There are some similarities to be found in successful digital transformations. Most books, articles and best practices mention one or more characteristics of digital transformation.

All of the below characteristics apply if you want to have a successful digital transformation. As you can see, they are all business driven. Only the eighth characteristic is about digital technology.

1. **Customer obsessed** - An organisation undergoing digital transformation places the customer at the center of all its activities. This means that every decision, strategy, and action is driven by the need to deliver exceptional value to the customer. By being customer-obsessed, the organisation ensures that it understands and anticipates customer needs, providing personalised and seamless experiences. This focus helps in building strong customer relationships, fostering loyalty, and driving long-term success. The customer's voice is continuously listened to, and feedback is acted upon to improve products and services.

2. **Value focused** - In a digitally transformed organisation, every action and initiative must create end-to-end value for either the customer or the organisation. This means eliminating any activities that do not contribute to this value. By focusing on value, the organisation can streamline its operations, reduce waste, and enhance efficiency. This approach ensures that resources are allocated to activities that truly matter, leading to better outcomes and a more competitive position in the market. Value-focused organisations

continuously assess their processes and strategies to ensure they align with their core objectives.

3. **Data driven** - Data-driven decision making is a fundamental characteristic of digital transformation. Organisations rely on data, qualitative insights, and experience to inform their decisions. This means that no decision is made without sufficient data to support it. By leveraging advanced analytics and AI, organisations can gain valuable insights into customer behaviour, market trends, and operational performance. Data-driven organisations are better equipped to make informed and effective decisions, leading to improved outcomes and a competitive edge.

4. **Fast decision making** - Digital transformation enables organisations to make decisions quickly at all levels: strategic, tactical, and operational. This agility is crucial in a rapidly changing market environment. Fast decision making allows organisations to respond promptly to customer needs, market opportunities, and potential threats. By streamlining decision-making

processes and leveraging technology, organisations can reduce bureaucracy and enhance their ability to act swiftly. This capability is essential for maintaining a competitive edge and driving innovation.

5. **Collaborative mindset** - Digital transformation requires a collaborative mindset, breaking down the silo structures that hinder fast decision making. Collaboration involves fostering a culture where teams work together seamlessly, sharing information and resources. This approach ensures that all parts of the organisation are aligned and working towards common goals. By breaking down silos, organisations can improve communication, enhance innovation, and drive better outcomes. Collaboration also extends to external partners, enabling organisations to leverage the expertise and resources of others.

6. **Continuously evolving** - Digital transformation is an ongoing process that requires continuous evolution. Organisations must always be looking for ways to improve and adapt to changing circumstances. This means regularly assessing and updating strategies,

processes, and technologies to ensure they remain effective and relevant. A continuously evolving organisation is better equipped to respond to market changes, customer needs, and emerging technologies. This approach ensures that the organisation stays competitive and continues to deliver value.

7. **Tolerance for risk** - In the context of digital transformation, organisations must have a tolerance for risk. This means being willing to take calculated risks and accepting that some initiatives may fail. However, the key is to learn from these failures and use them as opportunities for growth and improvement. By fostering a culture that embraces risk-taking, organisations can encourage innovation and experimentation. This approach enables organisations to stay ahead of the curve and continuously evolve..

8. **IT as an enabler** - Technology is not the end goal of digital transformation but rather an enabler for doing things differently. The focus should be on how technology can add value to the organisation and its customers. This means that technology initiatives must be aligned with the organisation's strategic objectives and must deliver tangible benefits. By viewing information technology (IT) as an enabler, organisations can leverage technology to drive innovation, improve efficiency, and enhance the customer experience. This approach ensures that technology investments are justified and contribute to the organisation's success.

Transformation versus disruption

Digital transformation and digital disruption are sometimes regarded as the same thing, but they are not. Both are crucial concepts in the modern business world, driven by technological innovation.

But while they share similarities in their technology-driven nature and focus on change, they differ significantly in the risk taken and their impact on the business environment. Understanding this difference is essential for organisations aiming to navigate the digital age successfully.

Digital transformation, while challenging, is generally a controlled, and managed risk undertaken by the organisation with the goal of incrementally enhancing current business models and operations.

Digital disruption on the other hand is not controlled and managed. It is something that happens to an organisation.

Transformation, while challenging, is generally a controlled, and managed risk undertaken by the organisation.

Disruption is not controlled and managed.

David Rogers says this about disruption: "Business disruption happens when an existing industry faces a challenger that offers far greater value to the customer in a way that existing firms cannot compete with directly." In his opinion digital technologies are rewriting the rules of business."No industry is immune." [5]

Disruption poses a threat for established businesses that struggled to adapt to the new landscape. They are too late and will perish as a consequence.

Examples of digital transformation include retailers implementing e-commerce platforms, while examples of disruption include Netflix upending the video rental industry and Uber transforming the taxi industry.

The idea is that if you are not a 'digital native' startup or one of the Big Tech companies, you better work on your digital transformation before you are disrupted by a competitor or a new player in the market.

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4.   Digital strategy

Once the business strategy is clear, you can focus on translating it into a digital strategy.

This chapter explains what a digital strategy is and how to create, share, execute, measure and optimise a digital strategy.
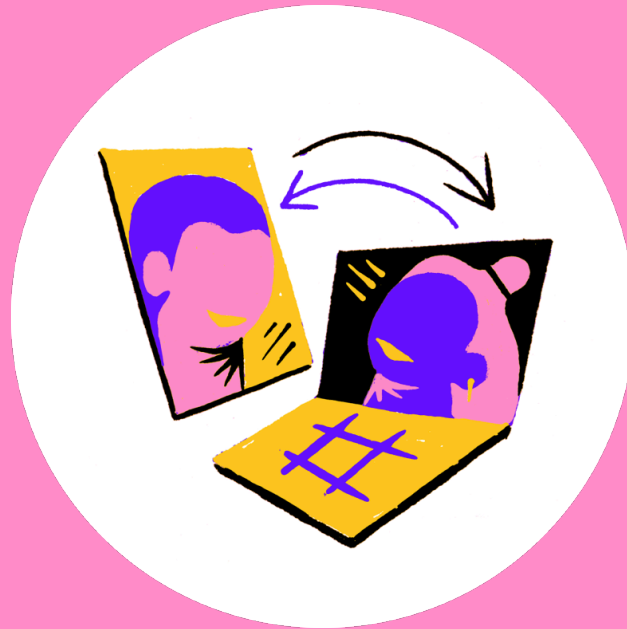
The road of excess leads to the palace of wisdom.

William Blake

Creating an Operational digital strategy

Once the grand digital strategy is defined, you can work on creating operational digital strategies. To make sure everything is aligned, you can expand the OGSM 'one-pager' with an extra fifth column for the operational strategies, as illustrated in the figure on the next page.

Typically a digital strategy is operationalised by two or more operational digital strategies. These operational strategies are very focused on one target group, one digital means or one digital channel. You could create a digital strategy for each target group as long as this leads to a different operational strategy.

An operational digital strategy helps to test, refine, execute and optimise the grand digital strategy. It starts with the problem that needs to be solved and what needs to be changed to make that happen.

Then it focuses on the target audience and the tactics to reach the goal. Only then the digital technology comes in. What tools, channels, or other digital means must be used to reach the goal with this specific audience?

An operational digital strategy also mentions the quantified and specific key performance indicators that prove if the digital strategy is successful.

Since executing the strategy is key, the operational digital strategy describes the stakeholders inside and outside of the organisation who you need to collaborate with to make the strategy happen.

The operational digital strategies are 'execution statements', so they are measured frequently on the outcomes. These outcomes must be shared with the executive sponsor and all other relevant stakeholders. The trick is to make sure any needed strategy improvement is implemented as soon as possible, if not immediately. Speed is key here.

Figure 15 - Align Business strategic goals, with Grand and Operational digital strategies

TIMAF Strategy game

An operational digital strategy should be a practical guidance that helps your team with their tasks on a day-to-day base, with a clear vision on the goals. These operational strategies need to be aligned to the grand digital strategy. And they also need to be complementary with each other.

Having both horizontal and vertical aligned operational digital strategies can be challenging for teams. Thus, TIMAF developed the Digital strategy game to help organisations with creating operational digital strategies.

This game helps you to develop operational digital strategies in a workshop within a day or even half a day, depending on the preparation.

After some workshops, you will have a set of operational digital strategies that you manage, share, execute, measure and optimise continuously. Once an operational digital strategy is no longer relevant, you remove it.

Strategy game steps

In the strategy game you move through twelve steps that lead to a digital operational strategy.

1. **Goals** - What are the goals of the business strategy and/or the grand digital strategy?

2. **Pain** - What is preventing the organisation from achieving these objectives?

3. **Success factors** - What needs to be improved for the organisation to be able to achieve the objectives?

4. **Target audiences** - Then, choose your primary target audience.

5. **Motivation** - Focus on the personal motivation of your target audience. What is in it for them?

6. **Information** - Consider what information, service, or product you should offer.

7. **Tactics** - How and at what moment will you offer the information, service or product to your target audience?

8. **Resources** - Think about where you will present the information, service or product.

9. **Performance indicators** - Which indicators will you use to measure success?

10. **Measuring instruments** - And what tools will you use to measure the indicators?

11. **Cooperation** - Finally you decide who you need to collaborate with to make the strategy happen.

12. **Next strategy!** - You're never really done. Create a new operational digital strategy, but don't forget to continuously improve the current operational strategies until they become obsolete.

You can download the TIMAF strategy game poster at www.timaf.org/downloads.

Figure 16 - Digital strategy game

Strategy statement

After finishing the TIMAF strategy game you have all the elements to create a 'strategy statement'. A strategy statement describes the digital operational strategy in a few sentences.

If you followed the steps of the digital strategy game, you end up having a strategy that senior and business managers can relate to, because it helps to solve their problem. It also gives a clear direction and the resources needed. And as a bonus the indicators help with measuring the results. What's not to like?

A strategy statement describes the digital operational strategy in a few sentences.

On the right you find a template example for such a statement. You can change the sequence, but don't take out any elements. In the examples both in this book and the available downloads you will see some actual strategy statements.

We have [business problem].

By [success factor] we reach [business goal or objective].

We do this for [target audience] who want to [audience motivation].

For this, we offer [information, service, product] by [tactics] via [resources].

We are successful when [indicators] which we measure with [measuring instruments].

To make this successful we need to work with [cooperation].

You can download strategy game statement templates at www.timaf.org/downloads.

Elevator pitch

A strategy statement is 'elevator pitch proof'. You should be able to explain the digital strategy to any colleague, manager or other stakeholder in the time it takes an elevator to go from first floor to the tenth floor. [13]

Ideally you get into the elevator with a senior manager who is a potential sponsor for your digital strategy. She asks you "What are you going to do today?" And you reply with the digital strategy statement. The moment the elevator reaches the tenth floor you finished your strategy statement.

Because the statement is short, clear, and focused on solving a business problem she will easily get enthusiastic about it. "How can I support you with this?" should be her first reaction, while the elevator door opens.

This is the moment you were waiting for. "ABC: Always be closing", you remind yourself. [14] You invite her to be your sponsor and discuss the strategy and the resources needed.

"Great! Contact my assistant to setup a meeting", she says. You will make sure this meeting happens as soon as possible, while the momentum is there.

Problem solving

This meeting will be a first step in many more conversations with senior managers and decision makers.

Once you prove you can create successful strategies, you will get senior management's attention. Don't forget managers crave for people who can actually help solve their problems.

During the meeting with the senior manager you explain which resources you need and you ask for her sponsorship. In the 'Obeya' part of this chapter you will find out what this sponsorship entails, why it's so important to have a sponsor and how to involve a sponsor and senior managers in your strategic and tactical meetings.

Workshop • Preparation

Digital operational strategies are best defined with a group of people in a workshop. Organising a strategy workshop involves careful planning and execution. The goal is to align the specific digital strategy with the overall business objectives, ensuring that all stakeholders are engaged and that the strategy is measurable and actionable.

Gather the objectives

The primary objective of the workshop is to define a digital operational strategy that aligns with the organisation's goals as defined in the business strategy and/or the digital grand strategy. This includes the key pain points, success factors, and performance indicators.

Make sure you have all the relevant business goals and indicators and that you can share them with the team.

Share them as part of the workshop briefing, so everybody is on the same page here.

Identify Participants

Invite a diverse group of relevant stakeholders to ensure a comprehensive perspective. Make sure this group of people have the mandate to make decisions. Make sure you don't exceed a maximum of ten people. You can always have people 'stand by' in case you need their input.

- **Executive Sponsor** - Provides strategic direction and support.
- **Customers and Employee**s - Offer valuable insights into their needs and expectations.
- **Strategy team** - Responsible for developing and implementing the digital operational strategy.
- **Relevant stakeholders** - Include IT leaders, operational managers, and representatives from various departments. Or even external partners like suppliers or horizontal partners in your ecosystem.

Depending on the character of the business challenges or the specific strategy theme you are focusing on, you can decide to invite customers and/or external suppliers. If you expect to discuss financially or otherwise sensitive information you could ask them to sign a non-disclosure agreement (NDA) or invite them for a focus group once the strategy is defined.

Don't be afraid to invite customers, employees or external partners, though. In my experience they will bring some a valuable perspectives.

Prepare a briefing

Before you start the workshop, make sure you send everybody a briefing. Send the agenda, the business objectives documents (for example the OGSMs) and perhaps some examples of other digital operational strategies.

Provide some context ahead, so people understand what is expected of them. Ask them to contact you if they have any questions.

You can download an example briefing at www.timaf.org/digitalstrategbook/downloads

Workshop room

Creating an effective workshop, whether in-person, online, or hybrid, requires careful planning to ensure engagement and productivity.

For in-person workshops, choose an accessible, quiet location with a well-designed layout that facilitates open discussion. Equip the main room and breakout spaces with necessary tools like whiteboards, flip charts, and reliable technology. Provide comfortable seating and ensure good lighting and ventilation. Offer refreshments and assign facilitators to guide discussions and assist with group exercises.

Online workshops offer flexibility and accessibility. Use a reliable video conferencing platform with features like screen sharing and breakout rooms. Provide clear instructions and pre-workshop materials, and structure the session with interactive elements to keep participants

engaged. Encourage camera use to guarantee 'social' connection and provide breaks to prevent screen fatigue. Hybrid workshops, while challenging, can be effective with the right planning. Equip the physical space with high-quality cameras and microphones to facilitate interaction between in-person and remote participants. Use a platform that supports screen sharing and breakout rooms, and assign a technician to manage technology issues. Structure the hybrid workshop to include interactive elements that engage all participants.

Workshop structure

A well-structured workshop ensures that the objectives are met efficiently. Plan a 4.5 hour workshop with two 15 minute breaks. At the end you'll have a strategy statement your team can work with.

- **Introduction** (30 minutes) - Begin with a welcome address from the executive sponsor. Provide an overview of the workshop's objectives and agenda. Give people the opportunity to ask questions.

- **Business objectives** (45 minutes) - Present the business goals and challenges - and the digital grand strategy if available - and explain how the digital operational strategy can support these goals. Highlight the importance of aligning the digital operational strategy with the digital grand strategy and/or the overall business objectives.

- **Digital strategy game** (30 minutes) - Introduce the digital strategy game using the strategy game poster. Go through the steps and give an example of a strategy statement. Hand out the strategy game cards.

- **Break** (15 minutes) - Have the fist 15 minute break.

- **Strategy game** (60 minutes): Work on the strategy game steps. This will lead to a draft version of the strategy statement. You could divide the group into 3 or 4 subgroups to create multiple strategy statements. For instance a group per target audience or per goal/challenge. These subgroups can present their respective statements at the end of the workshop and receive comments from the other workshop attendees.

- **Break** (15 minutes) - Have the second break.

- **Strategy presentation** (45 minutes) - Refine the strategy statement(s) and present the statement(s) to the group. Let group members and the executive sponsor give feedback.

- **Conclusion** (30 minutes): Summarise the key decisions and action points. Thank the participants for their contributions and discuss the next steps. Share a summary of key points and gather feedback at the end to improve future sessions.

You can download an example workshop presentation at www.timaf.org/digitalstrategbook/downloads

Post-workshop actions

After the workshop, it's important to gather the feedback and share this and the strategy statements with the workshop attendees. Regularly inform them of the progress and invite them for further sessions.

Add the strategy statement(s) to the digital operational strategies collection and start working on the execution.

The next subchapters of this book will cover the sharing, execution, measuring and optimisation of the digital strategies you created in this workshop.

Be a workshop leader

A workshop facilitator is crucial for guiding the group toward clear objectives, maintaining momentum, and ensuring active participation. Their role includes planning the agenda, setting ground rules, managing time, encouraging collaboration, handling questions and conflicts, and synthesising outcomes into actionable next steps.

Make sure everybody in the workshop feels safe to share ideas, give comments and ask for help when needed. Your role is to ensure that every created strategy is aligned, measurable and actionable. Be a leader, and give the responsibility of defining the strategy statement to the workshop attendees.

Example • Strategy statement

E6 - UNIVERSITY

The university set a business goal within its OGSM framework: *"75% of secondary school students attending an open day should enrol."* However, conversion rates were below target, impacting recruitment and revenue.

To address this, the university developed a digital strategy using live social media videos created by current students during open days. Research showed that peer-driven content was more influential than traditional marketing.

The OGSM framework provided clear parameters:

- **Target audience**: Secondary school students attending open days.

- **Success metric**: A 30% increase in post-open day enrolments.

- **Measurement tools**: Enrolment data and social media engagement analytics (Instagram, TikTok, YouTube).

- **Collaborators**: Student recruitment, marketing, web editors, and community managers.

By aligning the digital strategy with the OGSM's goals, the university implemented a focused initiative without creating new objectives. The live videos enhanced the credibility and appeal of the open day experience, directly supporting the enrolment goal.

This approach shows how an existing strategic framework can guide digital initiatives, ensuring alignment with organisational objectives. The key was leveraging authentic, student-led content to improve engagement and conversion.

Digital strategy - Open day conversion

At the University, our Open Days yield insufficient returns, which affects income from student intake.

To achieve this, we collaborate with student recruitment, marketing, web editorial, community managers, and sixth-form students.

We enable current sixth-form students to share their experiences of the day and university courses during open days, as students trust their peers more.

This is done through live social media videos created by the students themselves.

Success is defined as a 30% increase in enrolments following the open day.

We measure this using enrolment tools and statistics.

We boost post-open day enrolments by exchanging experiences among sixth-form students.

Figure 17 - Goals

Step 1 - Goals

A digital strategy can help to achieve strategic goals or objectives. In the end, these goals need to be achieved. Thus, the organisation goals are the starting point of every digital operational strategy.

In his book 'Laughing at the CIO, Bob Boiko gives a useful definition of goals. "Goals are specific statements, made by someone in authority for a unit of the whole organisation, that convey what the organisation wants to achieve." [15]

If the organisation uses a method like OGSM (Objectives, Goals, Strategies, Measures) or something similar, the organisation goals should be available. Or better even, the business goals have already been translated in to digital grand strategy goals. In that case, you can use those.

Otherwise, you could derive the organisation goals from the mission or an official document or online platform that represents the organisation. Most of the times the result of this 'goal gathering' will get you a list of goals that are scattered about, and that is not organised let alone prioritised.

In this case, it is advisable to discuss the goals you found with senior management. Let them give their feedback on what you found. Keep the discussion going until you have goals that are tangible enough to be able to know when the goal is met.

Goals are specific statements that convey what the organisation wants to achieve.

Understand the goals

Whether the business goals are explicitly formulated or more implicitly suggested, it is essential that you fully understand the goals and objectives of the organisation.

Bob Boiko explains: "Goals are the business concerns that drive the enterprise forward. […] , even if you are not in

charge of goals in any way, you will need to understand them fully if you hope to build systems that serve them."

This means that even when the goals are explicitly available in an OGSM or any other method, you need to fully understand the rationale behind the goals and objectives. Why is this a goal of the organisation? Do we all have the same idea of what this goal means? Who in senior management finds this goal important? Is this goal feasible? You need clear answers for these questions.

Prioritise the goals

Once you have a clear idea of the goals and objectives, it's important to align and prioritise them. Bob Boiko's suggestion to create a 'goal taxonomy' can be useful. This taxonomy represents all the goals of the organisation, with the business goals at the top level and for each top goal a branch of subgoals that get more and more specific.

For your digital operational strategy, select the goals that are most doable, impactful and relevant for you.

Workshop • Define the goal

Before you start the workshop, make sure you have a clear overview of the relevant goals. Make this overview a part of the briefing that attendees receive as part of the workshop invitation.

After the workshop introduction, you start with defining or selecting the specific goal for the digital operational strategy. Here, ask people if they have any questions about the goals in the overview. Walk them through the goals and the history behind them.

You could present an overview of the business strategy goals and/or the digital grand strategy goals. If your organisation uses OGSM, walk them through the one pagers. It is important that people understand the alignment between the business, digital and other goals and objectives. Perhaps you can present a 'goal taxonomy' to visualise this alignment.

You could ask the attendees about the organisation goal. Do they even know the organisation goal? Does everybody come up with the same organisation goal? And do they all have the same idea about the meaning of this goal? Take your time to discuss this and conclude that the organisation's goal is clear or unclear. If it is unclear, discuss why it is so important that everybody has a unified and clear idea about the goals.

In further digital operational strategy workshop, you could focus on aligning the business goals and digital grand strategy goals - if any - that are relevant for the digital operational strategies. Especially when you have a series of workshops with the same people, you do not want to repeat the 'strategy taxonomy' part every time.

In this first step of the strategy game, you need to select one goal that you want to define a digital operational strategy for. This is the starting point for the strategy.

If you work with subgroups, people might select the same goal. This is not a problem, but keep an eye on the next steps to avoid redundancy.

Workshop • Define the goal

Hand out strategy game card '1. Goals' with the below questions and ask the attendees to discuss and answer them.

1. What are the relevant goals?

2. Which one is the most important goal?

3. Why is this the most important goal?

4. Why do you think that a digital operational strategy can get you closer to this goal?

Make sure the attendees use the goals overview or taxonomy you shared with them. They need to select their goal(s) from this overview.

After the (sub)groups selected their goal, let the attendees come back together and explain each other why they picked this goal.

1. GOALS

Example • Define the goal

E1 - AIRLINE

In a highly competitive and regulated industry, airlines must balance operational excellence with exceptional customer service.

This best practice example focuses on how a leading airline identified critical challenges in its digital employee experience and set strategic goals to address them. By improving internal processes, the airline aimed to enhance service quality, ensure compliance, and create a supportive work environment for its crew.

Mission

As part of its digital transformation journey, this airline established a clear and ambitious mission: "As a business we aim to set our brand apart from others by creating meaningful interactions to deliver our customer intimacy vision whilst improving our cost efficiency. This means a consistently high service level with a unique, personal touch."

By leveraging technology and innovation, the airline aimed to elevate service standards, streamline internal processes, and create meaningful interactions that set it apart in a highly competitive industry. This mission was not just about adopting new tools, but about fostering a culture of continuous improvement, where digital solutions empower employees to deliver exceptional experiences while driving operational efficiency and cost-effectiveness.

Organisational goals

The airline established a set of clear objectives to guide its digital transformation:

- **Best service** - Deliver the best airline service in terms of safety, hospitality, and customer experience. Ensuring every interaction reflects the airline's commitment to quality.

- **Regulatory compliance** - Maintain rigorous adherence to international, national, and local regulations, ensuring the safe and secure transport of passengers and cargo.

- **Employee empowerment -** Equip crew members with structured, accessible, and real-time information, enabling them to perform their roles with confidence and efficiency.

- **Operational efficiency -** Optimise business processes to eliminate inefficiencies, reduce costs, and enhance agility in a fast-changing market.

- **Workforce engagement -** Cultivate a positive and motivating work environment where employees feel valued, supported, and capable of delivering outstanding service.

- **Customer-centric innovation -** Deepen understanding of passenger needs and preferences, using data and digital tools to personalise interactions and build long-term loyalty.

The most important goal is "Providing excellent service to passengers while ensuring a warm and supportive environment for the crew."

The airline recognised a fundamental truth: passenger satisfaction is inseparable from employee well-being. A crew that feels informed, respected, and equipped is far more likely to go above and beyond for passengers, creating memorable experiences that drive loyalty and repeat business.

By prioritising the digital employee experience, the airline laid the groundwork for sustainable growth, ensuring that improvements in internal processes would translate directly into better service, higher compliance, and a stronger competitive position. This approach not only addressed immediate operational challenges but also positioned the airline for long-term success in a crowded and demanding industry..

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Bob Boiko, Principal Architect at Condé Nast

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