Get in touch

“Organisations invest in IT because they expect these investments to deliver value and support the organisation to be successful and fulfil its purpose. The scale of technology investments continue to increase as “digital” becomes more important across all industries. Investing in technology is one thing, turning those investments into value however is entirely a different matter.”

Owen McCall

IMPROVING THE PERFORMANCE OF IT

BY OWEN MCCALL

OWENMCCALL

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INTRODUCTION

Dear Readers, are you getting great value from your technology investments?

If you are, congratulations you're in the minority. Most organisations aren't getting great value from their technology investments. For many organisations IT is seen more as an anchor stopping the organisation from progressing than as a sail that is powering an organisation to success. Technology seems complex and costly. Maybe your systems "break" often, interrupting work and frustrating your team. No one can explain why or when they do, it's in a language you don't really understand (don't blink, they'll never know!!). You seem to spend an endless stream of money and get nothing in return (you know what I mean, that upgrade that cost more than you could afford that meant you could do .... absolutely nothing different?).

And then there's IT projects. Delivering IT projects on time, on budget and have them actually work seems more like luck than good management (roulette anyone?). Industry statistics suggest that up to 70% of IT projects fail to deliver on all expectations.

All of this is occurring with a backdrop disruption. It is difficult to read a business magazine or newspaper without finding an article on the negative effects of technology on traditionally strong businesses. Disruption is coming, if it isn't here already, and digital transformation is the initiative of our time (whatever that means!!). Putting the disruption hype aside the reality is that technology has emerged as a major enabler of organisational performance over the past few years. Digital leaders are 40% more profitable than their average industry peers, while digital laggards are struggling if they are still in business.

You're a good executive. It's likely that you see some or all of these problems. You may even have responsibility for technology, but you're not a technology executive (and probably don't want to be) and you have many other responsibilities. These issues need addressing but how? Maybe I can help? I specialise in working with organisations, executives and IT teams who are committed to improving the performance of their IT teams and the value they receive from technology. If this is you then let's talk! To make this as easy as possible for you I am offering a complimentary IT diagnostic and executive presentation that will get you started on the journey to increasing ITs value In the meantime enjoy this short collection of blogs. There just might be some ideas here that you can use.

Chapter 1

THE BIG THREE FOR DELIVERING VALUE FROM TECHNOLOGY

"What is it that I need to know to be able to ensure we have an effective IT function?"

I have recently had the privilege of talking to a large number of non IT executives who have responsibility for their organisation's technology. While all of these people are very capable, talented executives, none of them have specialised in the management and use of technology. At some level (while they won't necessarily admit it) most of these executives are a little intimidated by technology and consider it to be quite opaque. They also often wonder if they have the skills and experience they need to lead an effective technology function.

With this going on in the background for our talented non IT executives our conversations often get to the point where what they really need is to be able to answer one simple question, which goes something like this:

".....The problem is I'm not a technologist and I don't really want to be a technologist, but what is it that I need to know to be able to ensure we have an effective IT function?"

The good news is that you don't need to be an IT specialist to be able to lead an IT function, but you do need to be IT literate in much the same way that you need to be financially literate. Non financial executives don't need to be financial and accounting experts, but they do need to be able to: (1) read and understand a set of financial statements, (2) manage a budget, and (3) understand financially how the organisation creates and captures value.

The IT literacy equivalent of this is that a non IT executive doesn't need to be a technical specialist, but they do need to be able to (1) understand IT service quality (and whether this meets the organisation's needs) (2) manage and shape the way IT interacts with their colleagues (3) understand how technology shapes and contributes to the organisations strategy and competitive positioning.

THE BIG THREE FOR DELIVERING VALUE FROM TECHNOLOGY

Collectively these represent the "big three" when it comes to delivering value from IT and none of them are particularly technical. Rather they focus on the outputs required from an IT team, an understanding of how technology adds value to the organisation and the mindset required to bring this to reality.

So, if you are a non IT executive in charge of IT and you are committed to maximizing the value that your organisation receives from technology, then begin by asking and answering the following questions:

THE BIG THREE FOR DELIVERING VALUE FROM TECHNOLOGY

Is the quality of technical delivery from IT appropriate for your organisations needs? In answering this consider:

1. Are the systems stable so that the users can use them when they need to use them to complete their work?
2. Is the performance or speed of the system acceptable and appropriate for your organisation?
3. Does the team deliver priority projects in a timely fashion?
4. Are projects consistently on time and on budget?
5. Do projects consistently provide what was wanted, expected and needed?
6. What risks does technology introduce to your business and have we effectively mitigated these risks?

How effective is the collaboration between the technology team and their colleagues across the business? In answering this consider:

1. Does the IT team see themselves as an enabler and provider of services or as a manager of technology?
2. Does the IT team seek to operate primarily through influence or through "mandate and control"?
3. Does the IT team prioritise service over technology when interacting with their colleagues?
4. Does the rest of the organisation engage with IT in an effective and positive manner?
5. Is innovation seen as a collaborative joint effort between IT and a host department?
6. Does IT actively facilitate IT decision making or do they mainly wait for decisions to be handed to them?

THE BIG THREE FOR DELIVERING VALUE FROM TECHNOLOGY

What role do you expect technology play in the overall business strategy?

1. Do you expect technology to differentiate you from your competitors or to simply maintain competitive parity? Are we investing about the right amount to make this possible?
2. How might technology be used in your marketplace to change customer offerings?
3. How might technology be used to enhance organisational efficiency and improve your overall competitiveness?

What new business models might technology enable? How would that impact your business? Do you wish to pursue these new business models? As you answer these questions and define ways to observe and measure performance you will become a very effective leader for your IT team as you will create clarity on what it is that they need to achieve to support the business. Indeed you may even have a competitive advantage over the classic IT leader because while technology skills are critical to delivery, business relevance is critical to value from technology and business relevance is your strength.

P.S. This blog focuses on non IT executives in charge of IT and their need for technical literacy. The truth however is that in 2017 technology is one of the most important levers of corporate performance and because of this technology literacy is important for all executives. It is as important as basic financial literacy, a working knowledge of health and safety, strategy development and fundamental leadership skills. With this in mind I suggest you ask one last question:

Does our executive team have the technology literacy you need to be successful today and over the next 5 to 10 years?

Chapter 2

FINDING COMMON GROUND

"By linking IT delivery issues firmly back to their impact on organisational expectations, IT and non IT executives can begin to address highly technical issues by relating their impact back to the expectations."

In my job you don't go too many days without hearing someone talking about the gap between IT and "the business"[1]. It may be from someone in IT, who is struggling to be heard and understood by their colleagues. It may be from an executive, who is trying to "go digital" and is finding it difficult to get the support they need from IT. It may be from a user, who is frustrated at the complexity and limitations of the current systems. It doesn't really matter who you are or your role in using IT to add value, there seems to be a large streak of dissatisfaction in many organisations. It's as if the different groups live in different worlds. They definitely speak different languages and by in large they seem to be motivated by different things.

This situation, IT living in a different world than executives and users, has existed pretty much since computing became a significant thing in organisations. The problem is, nowadays with nearly every organisation looking to go "digital", it will be almost impossible to become successfully digital if IT, and non IT continue to live in separate worlds. We need to find some common ground, a perspective that makes sense to both parties. Now let's be clear, to me successfully going digital means that you have utilised a set of technologies that have enabled your organisation to build and operate a set of distinctive capabilities that add unique value to your customers and to your organisation.

As in every situation where common ground is required it is likely that there will need to be some change in perspective required by both parties, while recognising that our aim is not to try and replicate skills. We are not trying to turn our organisational leaders into geeks, nor are we trying to turn our great IT team into executives, rather we are looking for ways to enhance, or perhaps create, effective communication.

[1] As an aside I don't like the whole IT and the business view of the world. It implies that IT is somehow distinct and separate rather than part of the whole business. A view I reject. If you are interested you can read more on this here.

FINDING COMMON GROUND

The starting point for common ground is to ask questions that will support you to discover the other person's world. If for example you are a CIO / senior IT person consider asking the following questions of yourself and of your business colleagues:

1. What is your definition of high performance in IT?
2. What is your definition of a failure?
3. Within the context of our business strategy, what do you believe to be the primary goal for our IT investment?
4. Over the next year (or a time frame of your choice), what are the most important outcomes / deliverables you need IT to deliver?
    a. Can you walk me through the rationale for selecting these outcomes?
5. How do you propose that we measure these outcomes?

If you are a non IT executive consider asking these questions of yourself, your network and of your IT professionals:

1. What is the definition of high performance in IT?
2. What is your definition of under performance in IT?
3. What opportunities do we need to focus on?
4. What are the most significant risks that need to be managed?
5. How do we measure performance?
6. What signs should I be looking for to know if things are going in the right or wrong direction?

The goal of these questions is to help you to establish a joint view of the organisational expectations for IT. These expectations should be expressed predominantly in the form of organisational outcomes to be achieved and a series of success measures to validate whether you are on track or not. Once the organisational expectations are agreed upon the interaction between IT and non IT executives can focus on managing these expectations. By linking IT delivery issues firmly back to their impact on these organisational expectations IT and non IT executives can begin to address highly technical issues by relating their impact back to the expectations. I am sure there are many more questions that could be asked. What questions would you add or change?

Chapter 3

THE CASE FOR IT VALUE

A review of my favourite research

“The flip side of IT failure is improved organizational performance through the effective use of technology.”

For all of you who are regular readers of my blogs you will know that I am fairly obsessed with the notion of IT Value. This obsession stems from a belief that IT has huge potential to make our lives and organisations substantially better and that it is the IT industry’s job to ensure that this value is delivered. You probably also know my view that in general the IT industry fails to deliver this value. The evidence of this is captured extensively in both IT and business literature. Here are some of my "favourites":

- Mckinsey report that 70 percent of change programmes fail to deliver.

- The Standish Group, in their aptly named Chaos report, state that only 29 percent of software development projects are successful. The remaining 71 percent being troubled or considered an outright failure. To make matters worse, the larger and presumably more important a project the lower the chances that it will succeed, with these so called "grand" projects succeeding less than 10 percent of the time.

- Recently Forbes reported that when it comes to digital transformation, the change programme of our time, 84 percent of these programmes have failed to deliver to date.

- One of the most staggering findings comes from a joint study between McKinsey and Oxford University of mega projects, that is projects with a budget above $10 million. They found that "17 percent of IT projects go so bad that they can threaten the very existence of the company." Compare the McKinsey / Oxford 17 percent threatening bankruptcy with Standish's 10 percent success for grand projects and you might conclude that large scale IT projects are more likely to cause you to flirt with bankruptcy than to be successful. It may not be true but the comparison makes you pause and reflect.

THE CASE FOR IT VALUE

"It all paints a pretty bleak picture of our ability to deliver value from technology enabled change and I confess to getting a little depressed when I read these reports and write ab about their findings."

It all paints a pretty bleak picture of our ability to deliver value from technology enabled change and I confess to getting a little depressed when I read these reports and write about their findings. It also makes me wonder if perhaps I'm wrong. Maybe IT can't effectively deliver value. Maybe there is no potential just hyperbole, great marketing and overblown expectations. But then I remind myself that there is a substantial and growing body of research which demonstrates that technology can and does deliver value.

As I reflect on this I realise that while this research is there, I and most other commentators don't write about it so much. I'm not sure why, but perhaps it has something to do with the old cliché that good news doesn't sell. It's time to bring some balance to this discussion so here are some of my favourite pieces of research, which highlight the good news that IT can and does deliver value when we get it right.

- An Accenture study of European manufacturing and distribution companies found that high performing IT organisations spend 15% - 20% less than their peers, while still being able to invest more in IT enabled innovation, driving more value, higher earnings and growth.

THE CASE FOR IT VALUE

- In their book, IT Savvy, Peter Weill and Jeanne Ross report on MIT's Centre for Information Systems Research (CISR) where they have found that the most "IT Savvy" firms:

    - are 20 percent more profitable
    - the top 18 percent of these firms with the best portfolio management practices have higher profitability
    - that are above average on IT savvy and IT spending have margins that are 20 percent higher than industry average vs those lower in both, whose margins are 32 percent lower than industry average.

- “The Digital Advantage,” a joint research effort between Capgemini and MIT’s Centre for Digital Business, found that the top 25 percent most digitally mature organisations had:

    - 26 percent higher profitability than the industry average
    - nine percent higher sales vs assets and effort employed than industry average.
    - They also found that the 25 percent least digitally mature had 24 percent lower margin and four percent less sales than the industry average.

- In their report "Maximising Value from Technology Investments" PWC conclude that while there is "no direct correlation between technology investments and profitable growth..." there is "a strong correlation between technology and profitable growth if the investments are focused on targeted capabilities, augmented with the right operating model and implementation skills.

- The essence of the PWC result was also reported by MIT Deloitte in their aptly named report "Strategy, not technology. drives digital transformation". In the report they say “The trap to avoid, according to Carr, is focusing on technology as an end in itself. Instead, technology should be a means to strategically potent ends.”

THE CASE FOR IT VALUE

So there you have it. As the research shows, the flip side of IT failure is improved organizational performance through the effective use of technology. I hope that as a result of reading this you feel a little better and more optimistic about your chances of success. I know I do from writing it.

If you know of other research, which supports the notion that technology well delivered can and does underpin high performing organizations, I would love to see it. The more examples of quality research supporting the notion that IT can and does deliver value, the better.

Chapter 4

HIGH PERFORMING IT TEAMS

The key to delivering value

"My role as CIO was to underpin organisational performance by creating a high performing IT team".

For those who know my Warehouse (TWL) IT story you'll know that things were a bit bleak in the early days. I had joined TWL from Deloitte with the expectation that as a CIO my role would be to lead a team that would use IT to provide competitive advantage and create value. However, what I found when I arrived was a team in disarray and under attack. I have numerous ways of illustrating this, however my favorite is that we had 62 P1 incidents in the first 60 days that I was the CIO. We had plenty of talented people but there was no time for strategy, no time for thinking about competitive advantage. The team and I were too busy with triage and fixing these significant issues so the business could simply keep operating. As I look back at these times the thing that astounds me most was that no one called to complain about the instability and level of service. This had become the norm.

It was with this as background and as a new CIO that I headed off to NRF, the largest retail conference in North America. While there I pondered how to change the game and ensure that IT was adding value and seen as being strategically relevant. These thoughts were in the background when an Accenture partner came to the stage to present the findings of a study that they had done where they looked at the relationship between IT spend and performance within European manufacturing firms (why this was reported at a retail conference I'm still not sure)[1]. Given my obsession with value I was very interested in what he had to say.

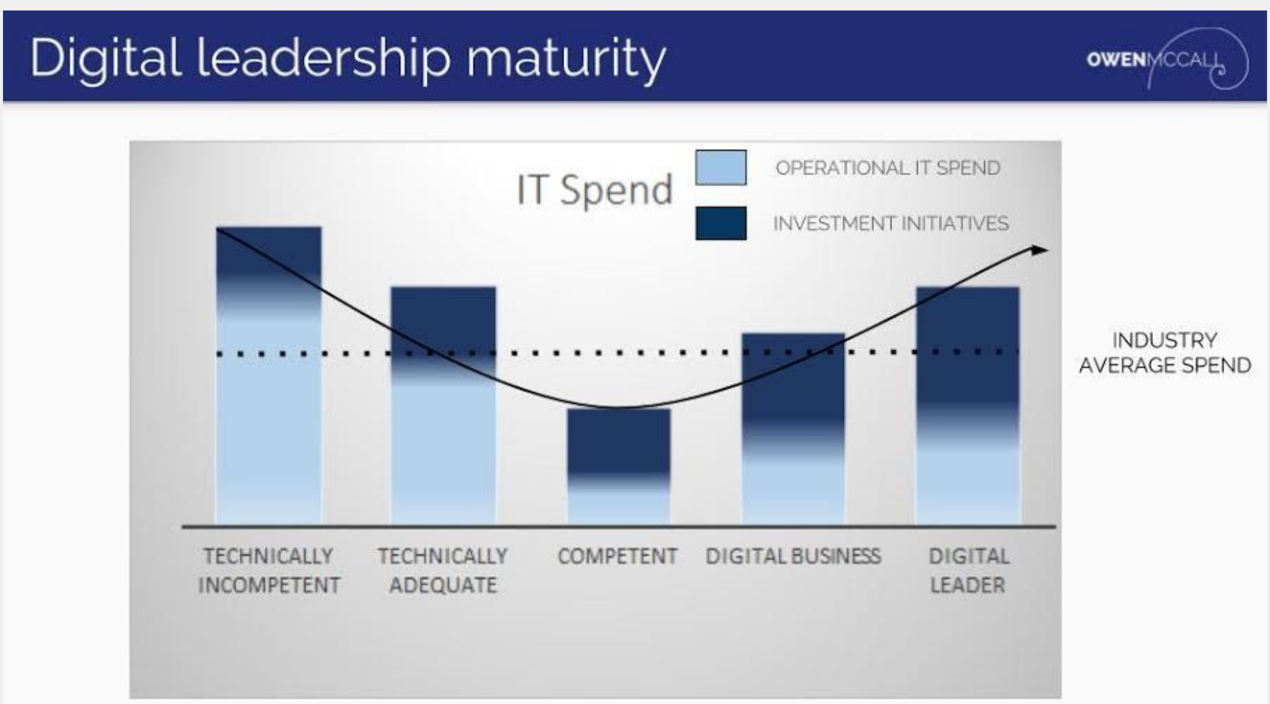
His opening gambit was very simple. There is no relationship between IT spend and organizational performance. Not a good start if you believe in the value of IT and unfortunately a very common finding in the research. He then went on to say, BUT ....

[1] This presentation and the results presented are as clear to me today as when I first heard the presentation however over the course of time I have lost my notes from the conference and the associated presentation deck. In recent years I have done numerous Google searches in an attempt to source a copy of the study. So far unsuccessfully. If anyone knows of this study I would love to get a copy!!

HIGH PERFORMING IT TEAMS

When you dig below this high level data what you find is that while the total spend is broadly the same, high performing organisations spend their money on IT very differently than low performing organisations. High performing organisations are very operationally efficient, meaning that they spend substantially less on IT business as usual activities and free up more money to invest in new and enhanced technology capabilities. So while high performers don't outspend their lower performing counterparts, they do substantially out invest them.

This relationship is illustrated in the diagram below where I have plotted IT spend against IT maturity as represented by the IT Hierarchy of Needs. [2]



[2] If you are interested you can find more information on the IT Hierarchy of Needs by downloading this white paper.

HIGH PERFORMING IT TEAMS

As the diagram shows, the very best spend roughly the same as the low performers but they invest substantially more. The low performers invest as little as 10 percent of their total spend with 90 percent going on BAU, whereas the high performers are investing nearly 50 percent of their total spend. This means that high performers are out investing their low performing colleagues by approximately 400 - 500 percent. If you compare the high performers to the average, high performers invest about double that of the industry average.

As the presentation continued, it occurred to me that really what he was saying was that high performing organisations had high performing IT teams. This simple insight gave me clarity in what was previously a fog of worry. My role as CIO was to underpin organisational performance by creating a high performing IT team and he had given me an observable insight into what a high performing IT team looked like. Specifically, they were very operationally efficient, meaning they freed up more money to invest in new and enhanced IT capabilities and by implication they consistently delivered those capabilities, delivering organisational value and encouraging more investment.

As I contemplated this the next action became clear. I needed to find out where we were relative to their model. As soon as I returned to work I began to construct a benchmark which showed me where TWL sat. We were right at the bottom, firmly in the low performer category. We were spending above average for our industry and about 95 percent of that was on business as usual. We were basically investing nothing. Not a great result, but it was clear what needed to be done.

We couldn't justify asking for more money, we were already spending above our industry peers. Rather, what we needed to do was create a lean IT operational environment so we could free up funds to invest in improving IT capabilities. And that's what we set out to do. From that point forward 100 percent of the team’s effort was directed towards improving IT team performance so we could be the high performing team our organisation deserved. There were a lot of lessons and missteps along the way, however over the years that followed we made a lot of progress. We became operationally efficient (total IT spend was 20 percent below industry average and we were investing 40 percent of that into new initiatives) and we built our investment in new and enhanced IT services.

Chapter 5

WHEN IT COMES TO DIGITAL ALWAYS START WITH WHY

"Starting with why and building a sense of purpose enhances performance."

In the third most popular TED Talk of all time Simon Sinek urges leaders to start with why. Sinek's message was fairly simple. Great communicators communicate very differently to most people. Whereas most people communicate from the outside in, by describing what they do, great communicators communicate from the inside out by describing why they do what they do. That is, they begin by describing their purpose, their cause, their beliefs. Sinek argues that this is important as people are inspired by why you do what you do much more so than what you do and if you inspire people they will buy what it is that you are selling because they "believe what you believe".

WHEN IT COMES TO DIGITAL ALWAYS START WITH WHY

I love this TED talk and his subsequent book on the same topic. I readily acknowledge that I have always had a fairly large idealist streak and I have been fascinated by the role of purpose and contribution in business. As a result Sinek's message immediately resonated with me and I think that the pre-eminence of purpose has broader implications than being a more inspiring way to communicate. Research has emerged that shows that purpose driven companies tend to make more money than those driven predominantly on a financial only basis. For example the 2013 Deloitte Core Beliefs & Culture survey reports that:

“Organizations that focus beyond profits and instill a sense of purpose among their employees are more likely to find long-term success. An overwhelming majority of respondents who say their company has a strong sense of purpose also say their company has a history of strong financial performance (91 percent).”

In short, starting with why and building a sense of purpose enhances performance. Yet we seem to routinely ignore this wisdom in our businesses and in particular when it comes to technology. Our default response to technological advances today is beware of disruption. Disruption is everywhere and if it hasn't got you yet, don't worry it will get you soon. Just about everything I read is about disruption and transformation responses (yes that is probably a sad indictment on my reading habits). The problem is disruption and transformation focus on what we do (our current activities and processes) and how we do it (our deployed business model) but it tells us nothing about why we do what we do, our purpose.

So, while I don't dispute the "truth" of these statements, I note that these "truths" emerge from outside in thinking and are not that helpful when it comes to understanding how to respond to technologies advances. It's one thing to know that you need to change, but it is entirely different thing to know what to to change to. In the face of this dilemma what most organisations end up doing is exactly the same as everyone else and as any economics student can tell you, if you are doing the same as everyone else then commodity economics begin to take hold and that is not a place most organisations strive for, but it is what they are creating.

WHEN IT COMES TO DIGITAL ALWAYS START WITH WHY

There is an alternative and it is when considering the impact of new and emerging technology on our business we need to start our enquiry from a deep understanding of why our organisation exists in the first place.

As Simon says (yes I went there) we need to start with why, we need inside out thinking. If we start with our why then that informs the decisions we need to make about how to change and what to change to. We merely need to review a potential technology and ask does (or how could) this technology help us to better express our purpose? If you come up with an affirmative answer then move to the next step, which may be to begin to experiment and prototype. If the answer is no, then move on to the next candidate.

One of the major challenges we have when seeking to technology enable our businesses is that technology changes so quickly. What is hot today can be gone tomorrow. It's tough to know what to invest in and when to invest. Purpose, however, is exactly the opposite. Purpose is almost always defined for the long term and purpose or "why" never, or perhaps very seldom, gets disrupted. While there is always a new challenge to be met, an improvement to be thought about and implemented, purpose is "everlasting". It doesn't really matter what the latest greatest newest technology is, your purpose is likely still valid and it provides a powerful context for technology, not as a disruptor but as an enabler.

An enabler. An old and some may even say old fashioned concept in technology today but isn't that the role of technology? To enable something that couldn't be done before and what better thing to enable than the fulfilment of purpose.

Chapter 6

WE WANT TO BE DIGITAL BUT WHAT DOES THAT MEAN?

“In the end digital is not about digital, it's not about technology at all, it's about value.”

A few weeks ago I got a call from a client "Owen, we presented our digital strategy to the board yesterday. It went well but the board wants us to go quicker and are prepared to invest in that. Can we talk?"

"Of course we can talk" I replied, "but before we dive into it, what exactly does the board mean when they say digital?"

I have asked this question a lot over the last few years. I asked this question initially because I didn't have a clear definition of what digital meant. Researching digital didn't really help as the literature contains nearly as many different views of what digital is as there are commentators out there talking about it and in case you're wondering, that's a lot. So here we were, everyone wanting to be digital but no real consensus of what that meant. It made me wonder, how can an organisation become digital if they can't agree on what digital means? If by chance you do become digital in the face of little agreement on what it means, what's the chance it will actually add value to your organisation?

The answer it seems is very little as most digital transformations fail. Forbes believes that 90 percent of global organisations have initiated a formal digital transformation initiative and that 84 percent of these have failed to deliver the desired results. Mckinsey put that number at 70 percent. Accenture at 73 percent. It probably doesn't matter which number you pick it's pretty nasty. Most digital transformations fail. Defining a total solution to this ongoing failure will need to wait for another blog, but I think a good step towards improving your odds of success is to have a common understanding of what digital means for your organisation.

Having asked many people what they mean when they say digital there appears to be three common answers.

WE WANT TO BE DIGITAL BUT WHAT DOES THAT MEAN?

The first view of digital is that it is all about **customer engagement**. For many digital means using technology to support the business to proactively engage with their customers as and where customers like to be engaged. This is headlined by social media and mobile and supported by analytics and increasingly artificial intelligence. Customer engagement is a good place to start for any initiative and digital is no exception. After all, as Peter Drucker said, the purpose of business is to create and keep a customer. It's a good place to start and for many organisations will be a strategic focus, however as the other views show it perhaps isn't a complete definition.

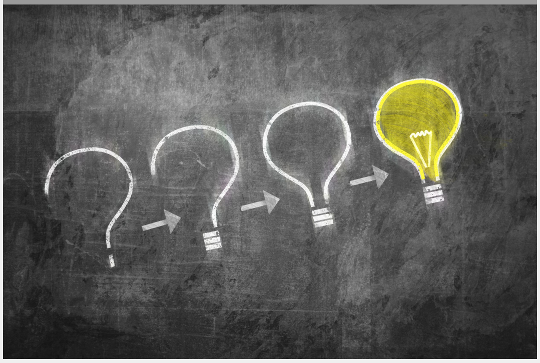
The second view is the digital is all about the "post ERP" **new and emerging technologies**. Collectively these emerging technologies have been labeled SMAC (Social, mobile, analytics (or big data), and cloud) for short. In 2017 we likely need to update this acronym to include artificial intelligence (SIMAC anyone?). As IDC and a number of other analysts have said, it's not the individual technologies that are important so much as the interaction between them. The magnifying effect of the interaction between them has led IDC to name this era the "third platform".

This view seems to be mainly pushed by vendors and analysts. At the risk of being seen as slightly cynical I reckon this is driven in part by self interest as this is where their growth will come from. That said, this view seems to be a fuller view of digital than customer engagement and provides some logic for digital to be in some way different from all of technology.

All of technology. That is the third common definition of digital. At one level of course it’s true. New technologies come and go as fast as the latest trendy bar or restaurant. SIMAC is simply the latest trend. It's all ones and zeros after all. This view is most often held by IT professionals. They have seen it all before. This is simply another evolution. Time will tell whether this is simply another evolution or a more seismic change for the IT professional.

THE CASE FOR IT VALUE

In the end digital is not about digital, it's not about technology at all, it's about value. Rather than focusing primarily on digital, focus on how your organisation creates value and then think about how digital can contribute to this.



Most people describe one of these positions when asked what is digital. While I find it fascinating that there is still diversity of opinion around what digital is, in the end there are a number of issues that organisations need to consider:

1. It is difficult to achieve a goal that you cannot clearly define. If you are committed to digital for your business (which you should be) you need to ensure that everyone in your organisation, starting with your executive leaders, has a clear and agreed view of what digital means for your organisation.

2. In the end digital is not about digital, it's not about technology at all, it's about value. Rather than focusing primarily on digital, focus on how your organisation creates value and then think about how digital can contribute to this.

3. While the definition of digital may not include traditional IT investments such as ERP, to realise value you need all of your technology working together. The new SIMAC technologies need to integrate and use your core data and when / if this results in a business transaction (e.g. a sale) then that transaction and associated data need to flow back to core systems.

WE WANT TO BE DIGITAL BUT WHAT DOES THAT MEAN?

One final point. This is not a game where follow the leader will be successful. "Standard" or "normal" approaches to digital routinely fail to deliver value. Often organisations describe digital programmes as if they are one off changes, similar to my client I referred to at the start of this article who wants to get to digital quickly. Digital programmes are anything but one off and you need to ensure you do not treat your digital programme as a one off "project". Why?

Even ignoring the failure rates of large change projects (see the statistics above, 70% + failure rates) technology changes so fast that what you do today is likely to be out of date in a year or two. This rate of change means that your digital strategy cannot be based on technology. If it is today's hot technology it is tomorrow's legacy anchor. What should it be based on? Well, that's a story for another day.

About The Author

OWEN MCCALL

It seems that everyone these days believes in the power of technology to transform. Believing in the power of IT to transform is one thing, actually making it happen however, is an entirely different matter. The road to fulfilling IT's potential to transform our organisations is more often a road to failure than it is a road to success. Just look at the statistics. Most pundits agree that 70+% of IT enabled change programmes fail.

As a lover of technology and a believer in technology's potential to transform, Owen finds statistics like this very frustrating. As a result he now dedicates his time to supporting organisations to implement better ways to deliver change and to fulfill on technology's transformative power.

Owen is a qualified accountant and was previously a partner in Deloitte Consulting where for several years he led Deloitte's Australasian outsourcing business before returning to New Zealand to take up the position of CIO of The Warehouse Group. In addition to running his practice Owen is a regular blogger and contributor to CIO and iStart publications and is sought after as both an event speaker and judge of industry awards including CIO 100 and the NZ Hi Tech Awards.

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The Big Three For Delivering Value From Technology
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We Want to be Digital But What Does That Mean?
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