KORN FERRY®

GETTING AHEAD OF DIGITAL DISRUPTION

DIGITAL TRANSFORMATION SOLUTIONS

# Get the right people, mindset and structure to thrive in a digital world

Automation. Artificial intelligence. Big Data. Blockchain.
Companies of every kind are spending big on a range of digital projects.

But the vast majority are struggling to turn their digital plans into reality. Why? Because they don't have the right people, with the right mindset, in the right roles.

In the digital world, jobs are defined by what you can do, not who you answer to. People work in fluid teams, not fixed lines. Careers are built around experiences, not promotions. And leaders build networks, not empires.

It's a new world and a completely new way of working. And we're here to help you make the transition.
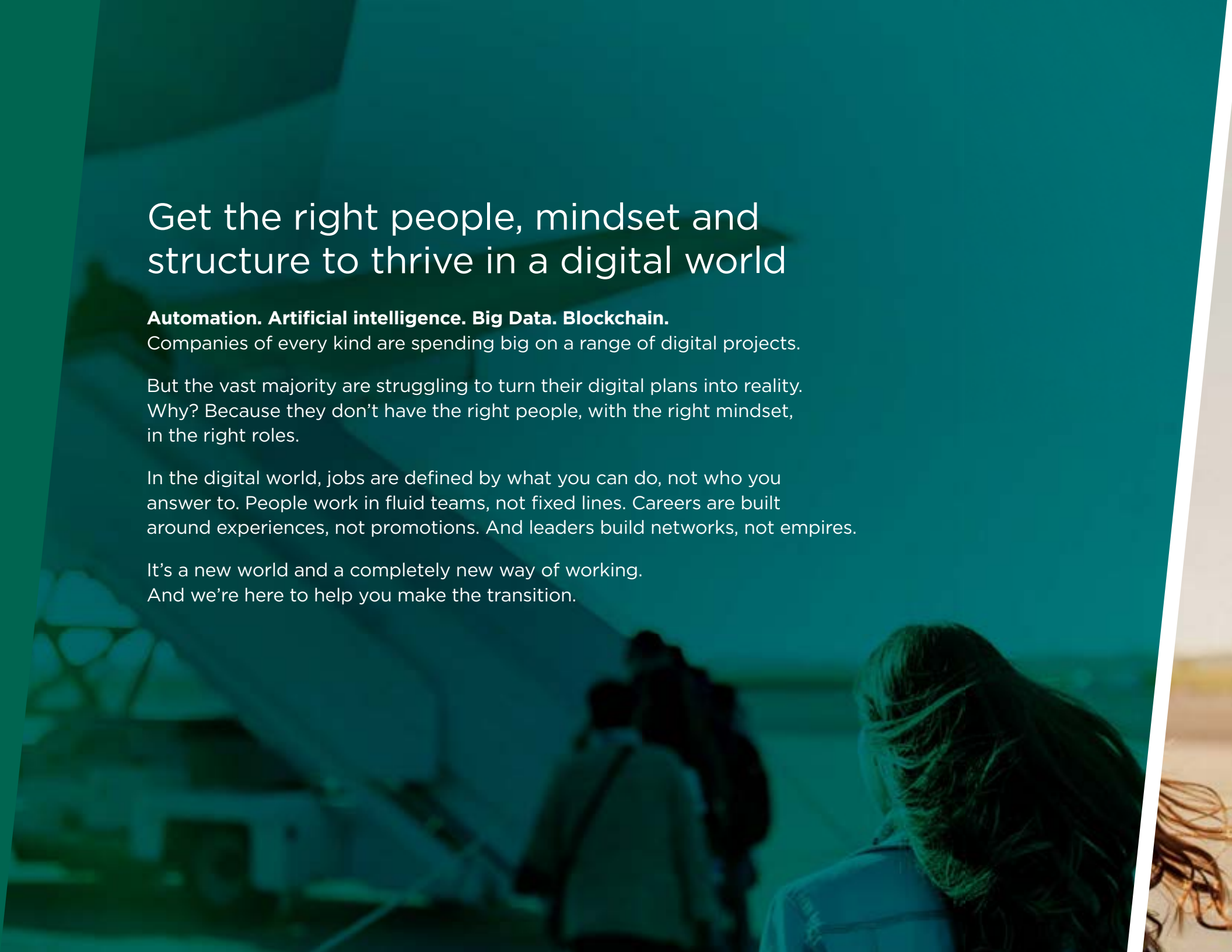
$1.2 TN

COMPANIES ARE SPENDING **$1.2 TRILLION** A YEAR ON DIGITAL **TRANSFORMATION TECHNOLOGY.**

59%

OF COMPANIES ARE WORRIED THEY'RE **FALLING BEHIND** BY BEING TOO **SLOW TO ADAPT.**

84%

AT LEAST 30% AND MAYBE AS MANY AS **84%** OF **DIGITAL TRANSFORMATION PROJECTS FAIL.**

1 IN 5

EXECUTIVES **THINK DIGITAL TRANSFORMATION** PROJECTS ARE **A WASTE OF TIME.**

WHAT MAKES A GREAT DIGITAL ORGANIZATION?

We've done extensive research – including two studies with Fortune's most admired companies – to answer that question. And we've found that what makes a great digital organization, also makes a great organization. Period. It's why you'll see so many of them topping Fortune's Most Admired list and outperforming their less digital peers.

As you might expect, these great digital organizations have got the basics covered: the right structure, strong leadership and engaged teams who are supported to thrive.

They also have three big things in common…

1

They're always ready to seize opportunities

On average, organizations in Fortune's list are 18% more likely to focus on fewer priorities, so they aren't spread too thinly. And they're also 15% more likely to expect those priorities to change. Flexibility is in their DNA. It allows them to move quickly whenever the next big thing comes along.

2

They understand the power of teams

Their structures are more fluid, too. They're 11% more likely to get people from different functions working together on projects. That kind of cooperation changes people's mindsets. Their people are 9% more likely to drop a local project to support an organization-wide one if they need to.

3

They focus on talent

As priorities change, the skills they need often change, too. But these companies don't wait long to close the gaps. On average, they fill them 19% faster. And when they're building a team, they value expertise 14% more.

Today's top digital organizations haven't got where they are by chance. They relentlessly focus on these things. We know because we're engaged with them every day.

SO HOW CAN YOU JOIN THEM?

By being more agile

The digital economy has accelerated the pace and stakes of change. If current trends hold, half of today's Fortune 500 won't be on that list in ten years – that's more than two dropouts every month. While some organizations have turned size into an advantage, others seem unable to transform fast enough.

Agile organizations see change coming, reprioritize to respond, and staff the right resources to seize opportunities. Enabling that organizational dexterity starts with the operating model – how the organization supports agile work methods, aligns leaders to enterprise objectives, and ensures that the right digital capability is nurtured and deployed throughout the organization.

By changing leadership behaviors

The Korn Ferry Institute studied the traits, drivers, and competencies of over 500 successful digital leaders to better explain their performance. The profile that emerged was consistent and intuitive – and it stood in stark contrast to the view of leaders as directors and deciders at the top of a hierarchy.

Digital leaders resist structure and are motivated by challenge. Digital leaders are comfortable with ambiguity and engage the market to learn. Digital leaders inspire through vision and encourage innovation. And, ideally, they bring relevant digital operating experience to their role.

Transformation initiatives only progress as quickly as the pace of change in leadership. For most organizations that means not only shifting the mindsets and behaviors of the leaders they have but acquiring new leaders who can model the change.

By assembling the right skills

A World Economic Forum study conducted in 2018 concluded that over half the skills required to execute on a firm's priorities five years from now don't exist in the company today. New technologies, new business models, and new ways of working will create a need for entirely new roles.

And that change will be ongoing. Korn Ferry developed Digital Success profiles for more than 300 new roles in the third quarter of 2018. Every one of those roles requires new training resources, new sourcing strategies, new pay structures, new talent acquisition tools, and new hiring plans. Managing talent in a time of extreme disruption will be one of the central tasks facing most organizations.

By attracting and retaining critical talent

A major labor market tracking study reported in the summer of 2018 that career opportunity replaced compensation as the number one driver of employee job choice decisions. Underneath the averages was an even sharper story for technical talent – those employees were choosing projects not companies. Many employers have lost their ability to differentiate the employment experience at their company.

Employers seeking to drive a transformation will need to deliver an employment experience that will be compelling to the technical talent that will rewire the company. They need to deliver a compelling mission, interesting work, exciting career choices, skill advancement, and appropriate rewards. And they need to deliver it all using tools that reflect the expectations employees have developed as consumers.

HOW WE'LL HELP YOU SUCCEED

Six steps to a digital future

STEP 1: CLARIFY YOUR STRATEGY

Where do you want to go?
We'll help you turn your strategy into a compelling and tangible story about when, where and how you need to compete and win in digital.

STEP 2: IDENTIFY YOUR GAPS

What do you need to do to get there?
We'll assess your readiness to drive a digital transformation.

STEP 3: RETHINK YOUR STRUCTURE

How do you operate?
We'll design and implement a structure and governance model that lets your people work in smarter and more agile ways.

STEP 4: **DESIGN YOUR DIGITAL JOBS**

What work will you need people to do?
We'll design your jobs, job families and career frameworks. And we'll use our very own library of Digital Success Profiles to write job descriptions, create assessment tools, set grade and pay levels, and suggest career moves.

STEP 5: **FIND DIGITAL TALENT**

What kind of people do you need?
We'll assess your talent against our digital leader profile to create a data-driven heat-map that helps you unearth and develop the digital talent you've already got – and track down the talent you're going to need.

STEP 6: **ENGAGE YOUR PEOPLE**

What will you need to do to make sure your people succeed?
We'll help you develop tomorrow's digital leaders today, through our Digital Leadership Academy. We'll make your reward programs appeal to today's digital talent. And we'll help you change your culture, to reflect the digital age.

How we'll turn your digital priorities into business outcomes

DIGITAL BUSINESS PRIORITIES

- Business model transformation
- Innovative digital products and services
- Compelling digital customer experience
- Productivity enhancement
- Better insights through analytics

ORGANIZATION DESIGN
Design for agility.

LEADERSHIP AND TALENT
Select & develop leadership to lead through uncertainty and volatility.

DIGITAL JOBS AND CAPABILITIES
Define roles required to execute strategy.

ENGAGING EMPLOYEE EXPERIENCE
Attract, engage, and motivate digital talent.

CULTURE: INNOVATION AND RISK TAKING

BUSINESS OUTCOMES

- Revenue growth
- More renewable revenue
- Faster time to market
- Customer loyalty
- Increased share of wallet
- Margin expansion
- Deeper customer engagement with brand
- Reduced supply chain risks

WHY KORN FERRY?

We're the preeminent organizational consultancy

We have data you won't find anywhere else: including 120 million talent data points on professionals globally, an employee effectiveness database of 47 million employee perceptions and the world's largest pay and job evaluation database. So, we know what good looks like inside organizations: here and all over the world.

But it's not just our data. We have a deep understanding of what makes people tick and how to drive change at every level – from individuals, to teams, to whole organizations.

We understand what makes a great leader. We understand how to inspire and motivate people. And we know how to get your talent, strategy and structure in sync.

YOU'LL FIND US IN OVER **50 COUNTRIES**

WE WORK WITH **96%** OF THE WORLD'S MOST **ADMIRED COMPANIES**

33% OF THE **TOP 12 U.S BUSINESS SCHOOLS** USE KORN FERRY IN THE CLASSROOM

WE'VE BEEN SHAPING **ORGANIZATIONS AND TALENT** FOR **OVER 70 YEARS**

KORN FERRY®

Ready for more?

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Korn Ferry is a global organizational consulting firm. We help clients synchronize strategy and talent to drive superior performance. We work with organizations to design their structures, roles, and responsibilities. We help them hire the right people to bring their strategy to life. And we advise them on how to reward, develop, and motivate their people.