



Your Digital Culture Transformation

White Paper

About Hot Spots Movement



Hot Spots Movement is a specialist research consultancy founded by Professor Lynda Gratton of the London Business School. Lynda is one of the world's leading thinkers on the future of work and organisational behaviour.

We work to future-proof organisations' people strategies and working practices, preparing them for the future of work. Drawing on cutting-edge insights from academia, we help companies attract and engage with tomorrow's talent, to foster innovation and enhance performance.

Over the past year, we have been conducting extensive research into Digital Transformation and Work. We conducted in-depth interviews with CHROs and Digital Leaders from 14 different multi-national organisations in industries ranging from financial services to retail to IT, to learn about their concerns and aspirations regarding their digital transformation journeys.

Our interviews with leaders on Digital Transformation revealed that creating a cohesive digital experience and instilling a growth mindset in employees were key ambitions of theirs. Our principle finding from this research is that organisational culture is vital and is frequently the main blocker. This comes as no surprise; digital transformation is a significant shift, and traditional ways of working can clash with the new ways without a culture that supports the change.

Recent research indicates that digital transformation is not about digital technology but about the mindset of employees and the organisational culture.¹ This does not mean that the organisation's current culture needs to be eradicated; instead, new values need to be introduced and existing practices need to be fine-tuned.² Combining the best aspects of a company with a digital-ready culture will be crucial in making digital transformation successful.

So, what does a digital culture look like? In-depth research enabled us to develop seven characteristics of a digital culture, which organisations should aspire to become advanced in.

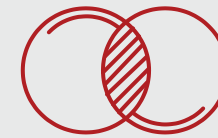
The Seven Characteristics of a Digital Culture



Agile



Empowered



Transparent



Innovative



Collaborative



Digital-first



Networked

¹ Behnam Tabrizi, Ed Lam, Kirk Girard, and Vernon Irvin, 'Digital Transformation Is Not About Technology', Harvard Business Review (2019).

² George Westerman, Deborah L. Soule, and Anand Eswaran, 'Building Digital-Ready Culture in Traditional Organisations', MIT Sloan Management Review (2019).

Case Study:
A Financial Services Company



Here's how we addressed the shifting digital culture at a financial services company

HSM ran a Jam with a financial services company who wanted to communicate their new digital strategy to their employees and understand the extent to which their existing culture is able to support it. They aimed to enthuse and ignite engagement around the company's digital transformation, learning which ways of working will be needed to deliver it.

During the Jam, participants clearly understood the importance of culture to realising the company's digital strategy. They explored the reality of their current culture and identified key challenges, such as risk aversion and siloed working, and communicated with each other to create solutions and offer further insights into the root causes of these obstacles.

The conversation also uncovered over 100 key change agents who demonstrated energy and enthusiasm, perceptive contributions and cultural capital, meaning that they will be best placed to be strategic influencers going forwards.

The financial services company will be aligning the insights from the conversation with their Digital Strategy to drive cultural transformation.

The Seven Characteristics of a Digital Culture

Agile: Agile organisations can adapt rapidly to solve problems when they arise. They are open to change and comfortable with ambiguity, and their ways of working are fluid and dynamic.

Empowered: When organisations are empowered, their people feel accountable for driving change. They are trusted by their employers and do not have to seek permission to act. They have a great deal of responsibility, which demonstrates the adult-to-adult relationship they have with the organisation.

Transparent: Transparent organisations are extremely clear on how data is used. They have a strong narrative which tells the story of their digital change, and the reason why the organisation is going through a digital change is fully understood by employees.

Innovative: Innovative organisations allow their employees to take risks, understanding that failure is a necessary part of the learning process. They lead the market and are able to identify potential problems before they arise.

Collaborative: To be advanced collaborators, organisations need to have frictionless collaboration tools which are frequently used by employees. Their people work cross-functionally, and silos do not exist.

Digital-First: Digital-first organisations use digital

approaches to solve problems, gain effective insights and make data-based decisions. Digital is always at the forefront of employees' minds and is a core identifier of the company's culture.

Networked: When organisations are networked, employees have clear ways in which they can communicate with each other and build strong working relationships. The organisation is peer-driven and non-hierarchical, engaging talent on the periphery to complete work and grow their knowledge base.

So, we know what a digital culture looks like. But is your culture digital-ready?

Our Collaboration Jams are facilitated conversations which create the space for people to come together to discuss the future culture of their organisation. Importantly, employees can make their voices heard and shape the process of cultural evolution by articulating their concerns and proposing tangible solutions. Contact Harriet for more information regarding the capabilities of Collaboration Jams and how HSM can help you to diagnose your company's culture.





To address culture as a blocker – a key pain point – we have developed a model that enables organisations to shift

Through our model, organisations diagnose the reality of their culture, surface solutions, empower influencers and measure movement.

1. Diagnose reality: To truly understand an organisation's culture, leaders need to engage their people in an open, meaningful dialogue. Advancements in the technical platforms available to organisations mean that you can engage employees from all corners of an organisation around their personal experiences, empowering them to build on each other's ideas and generate deep insights into their organisation's challenges. Conversations such as our Jams uncover the unwritten rules of the organisation, rules which expose the extent of the gap between the current culture projected by the organisation and the reality felt by its people.

2. Surface solutions: Once organisations have a full understanding of what their current culture is, they can work with their employees to co-create solutions and behaviours which will help them to achieve their aims. When employees are involved in the co-creation of ideas and initiatives, they have more ownership over them, which encourages buy-in at an earlier stage and makes it easier for solutions to become embedded within the organisation, as people recognise the initiatives as their own.

3. Empower influencers: Engagement in the conversation can also help leaders to spot the change agents in their organisation – the individuals who can influence their peers and shape their views to proactively drive change. Such people are empowered by open, honest conversation. Actively listening to employees' perspectives encourages them to feel valued and part of the mission to drive cultural change.

4. Measure movement: After 12-18 months', organisations will want to run a second conversation with their people, which will cover the same themes as the first conversation to reveal what has changed in the business over time. Analysing the sentiment changes between the first and second conversation will measure whether the organisation has successfully moved the needle on the challenges people identified and whether the culture has truly shifted in terms of the attitudes and behaviours people display at work. Regular measurement and diagnosis ensures that the organisation remains part of the dialogue about their culture, meaning they can evaluate whether change is really being felt by the people.



Harriet Molyneux
Director
harriet@hotspotsmovement.com
+44 (0) 20 7759 1849

Hot Spots Movement
West Wing
Somerset House
Victoria Embankment
London WC2R 1LA



hotspotsmovement.com

