Digital Transformation
How culture can help accelerate transformation projects
The first AWS ExecLeaders Forum of 2022 took place on 23 March, as a hybrid event held simultaneously at London’s Langham hotel and online. The theme for the forum, in collaboration with Intel, was the relationship between culture and digital transformation.

In attendance were CEOs, CTOs, CIOs and other senior business leaders and technologists from across a range of industry sectors.
Industries represented included:

- Finance
- Investment
- Manufacturing
- Retail
- Travel
- Waste and recycling

Some of the themes explored were:

- The leadership qualities needed for success in the digital era
- The role of emotional intelligence and empathy in changing culture
- Effective ways to phase in transformation and change across an organisation
What got you here, won’t get you there

Digital transformation is all about change, of course. As with all kinds of change, there is a simple truth lurking at the heart of digital transformation—if you want to succeed, you will have to stop doing things the way you have in the past and start doing them differently.

As obvious at that sounds, it was the starting point for the evening’s keynote talk from Joe Hildebrand, European Leadership & Culture Lead at Accenture.

During his talk, he pointed out that 82% of CEOs say that cultural imperatives are their biggest challenge when it comes to digital transformation.

“It’s not the technology, it’s not the systems, it’s not the processes. Often, it’s not even the skills, although that is a core part. It’s the way that people think and behave—and what they believe they need to do differently.”

Joe Hildebrand, European Leadership & Culture Lead at Accenture
A means to an end

It might sound like heresy to many technologists, and possibly even an odd thing to hear at an event hosted by a leading cloud provider. But one of the points made throughout the evening was that digital transformation should not be thought of as the end goal.

Instead, digital transformation should be seen as the strategy that helps a business to achieve its growth ambitions. Those ambitions will reflect a set of circumstances that are unique to each business: the market, the customers, the products or services, competitors, staff, the ecosystem, and more.

Most of us can agree that all change is disruptive, even positive change. The more we can see the potential rewards of that change, the more accepting we are likely to be. If the planned cloud migration—or other transformation activities—are clearly connected to the vision for the growth and development of the business, then stakeholders will be more amenable.

That growth ambition could be centred around new products, new services, new propositions, or new business models, the attendees heard. Whatever that ambition is, tech will bring it to life and make it possible. A generation ago, businesses had to limit their ambitions to match their production capabilities. But now the only limits are set by how bold and imaginative a business is, and its capacity to embrace change.

CEO: The new generation

The number one quality needed from leaders of digitally savvy businesses will be the ability to cope with change.

That’s the view of 71% of business leaders in a survey titled Curiosity, Not Coding, who listed adaptability as the top requirement for the future C-suite. Curiosity was rated the leading criteria by just 48%, as a point of comparison.

Many of the things we take for granted when working on digital transformation, like a minimum viable product and a fail-fast mentality, can only exist within supportive business cultures.

Unlocking how leaders create the psychological safety for their people to try new things—in services, data and digital—is a must-have requirement, the audience was told.

Once again, this points to the importance of creating cultures that allow change to flourish.
Three key points that can help create a culture that supports effective change, from our speaker

1. Find your North Star

Establish a really clear narrative around the purpose of and rationale for the proposed change. This is often a forgotten step in any transformation, let alone a data and digital one. Before you actually get into the transformation, explain the point of it. Tell everyone why you’re doing it.

Think about how you will articulate this to your people. Are you creating energy and excitement and conviction, so that everyone understands their role in it? Does everyone understand that the changes they are being asked to make at an individual level are connected to how the organisation’s culture is supporting the business strategy?
Three key points that can help create a culture that supports effective change, from our speaker

2. The three dimensions of cultural change

There are three dimensions of cultural change in any organisation. There are the individuals—the human beings that work there, at any level. There are the leaders. And then, of course, there is the organisation itself.

How do individuals think and behave in service of the organisation, and how are they feeling? How can the leaders create psychological safety for people to try new things? What changes are needed to the way the business rewards, recognises and governs?
Three key points that can help create a culture that supports effective change, from our speaker

3. Start small, follow the love, build envy

Find the people in your organisation who really want to do things differently. Put your arms around them and do everything you can with them, to nurture their appetite for change. Then, share the stories of what they’ve done with the rest of the business.

Demonstrate how well-received their efforts have been and build envy—you want everyone else hungry and eager to get involved. You want them thinking, “That sounds really exciting. Can I have a go?”
The take-outs from the breakouts

After the keynote, attendees discussed the issues that had been raised and reflected on some of the challenges they felt they might have.

- Every business needs to understand that they are now a technology company, no matter what industry they are in. Technological change will drive your strategy, especially when it comes to things like the metaverse or artificial intelligence.

- The important thing is to have someone on the board that understands technology. They don’t need to talk about technology’s features, they need to talk about solutions that can help the organisation achieve its aims.

- You need both top-down and bottom-up change. Leaders, or those at the top, must empower others to try new things. And the people who are involved at the early stages need to be fully bought into the need for change.

- The starting point has to be the company’s vision, aims, and business strategy. Data and digital is one lever for change.

- The risk with focusing on digital or data is that someone in the company will ask the key question: why? Be prepared with an answer that speaks to them, not just the IT team.
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