

THE MANY WAYS OF ADAPTING TO DIGITAL TRANSFORMATION

By Hatice Demiran – FAU-Erlangen Master of biomedical Engineering

Abstract

It is a fact that we live in the age of technology. Many things have changed in the last 10 years, and they continue to change. Digital transformation is a necessary process that all institutions must go through and must keep up with to be sustainable. Preparing for a digital future is no easy task. It means developing digital capabilities in which a company's activities, people, culture, and structure are in sync and aligned toward a set of organizational goals. In a rapidly changing world, people need to know who is leading them and this must be clearly articulated, so many of us assume the leadership handbook must be completely rewritten for the digital age. This study indicates the digital transformation and the adaptation of the process, new technologies, leaders, and operations to this revolution referring to the following questions: What is the list of the key features that may be most important to the leaders of the ever-changing and fast-changing digital world? How can they adapt their organizations to digital transformation to achieve this long-term digital success?

Introduction

Around the world renowned-politicians, policy makers, businesspeople, athletes, scholars, educators, members of the clergy and nobelists, among many others are seeking best practices for their future. There have been so many people who have achieved great results, regardless of the nature of their strategic objectives and goals with their continuous successes as leaders. It is now time for technology to join the fray in a more purposeful way in order to understand the transformation in the 21st century. The discovery and sharing of this "purposeful" way will require many things such as digital transformation, and digital leadership model to adapt that. In past, now and in the future, this is obvious that Technology remakes our world. The new technologies that are altering nearly every dimension of our lives, are affecting the way we work and consume, our well-being, our intellectual evolution, and the natural world around us.

Even as an individual, we strive to keep pace with change. For sure in corporate firms, digitalization is vital to follow technological advances in an era of rapidly changing parameters. Preparing for a digital future is no easy task. It means developing digital capabilities in which a company's activities, people, culture, and structure are in sync and aligned toward a set of organizational goals.

When describing the new digital process or future reality for organization, people can think two different ways. Some argue with the rapid changes which area bout the future will be more innovative and novel. They assume that no one can possibly know and predict what is about to happen. Others think the future will be more like the past. Those people don't like changes they are argue with stability. Either way you look at it, as organizations search their basis in a turbulent business environment, they require strong and foresight leaders on the board. In this case, we need a definition of leaders who need to seek the footing of their organizations, to provide success and efficiency for their organization and their customers. Putting aside for a moment that we are living in the heart of technological change, we can admit the idea that every business is a digital business, or that it will happen in the future, and that every leader is or should be a digital leader. The most important questions of the future: What is required to lead in a world that is continuously and dramatically changing with digital technology? How they and their organization can adapt to this process?

Future Directions and Technology

The ever-changing environment certainly poses a series of questions of what lies ahead, which challenges organizations will face next. The forces of the digital revolution have shaken company after company. Industries have been transformed. Entire media and product forms have vanished. The enterprise whose fortunes are tied exclusively to the analog world, is going to face out. The technology has been introduced us the pattern in many digital realms, including cybersecurity, artificial intelligence, and the internet of things, cloud systems, augmented reality, etc. The driven forces of technologies will drive the next wave of innovation and growth. Even as an individual, we strive to keep pace with change. Many things have changed in the last 10 years, and they continue still to change. The driven forces of technologies will drive the next wave of innovation and growth. Even as an individual, we strive to keep pace with change. For sure in corporate firms, digitalization is vital to follow technological advances in an era of rapidly changing parameters. Today, we see technological sparks everywhere. They are emerging from the digital, chemical, material, and biological sciences, and they are precipitating a revolution. The new technologies that are altering nearly every dimension of our lives, are affecting the way we work and consume, our well-being, our intellectual evolution, and the natural world around us. After we realize that technologies are a footing of our lives, people can ask that within the next ten years, how will technology change the practice of management, growth and innovation in a way we have not yet witnessed?

Although people throw around the term “digital transformation” these days, they do not have much knowledge on what that term means. Digital transformation is multidimensional, involving people, work cultures, and technologies. Transformation programs are complex because they address tangible short-term needs, while at the same time building a foundation for the future, which is by definition uncertain. Inspiring people to work with new technologies in a context of uncertainty is challenging. Digital transformation can be perceived by organizations as simply using cloud services, scanning physical files such as contracts, digitizing them, or building an instant messaging platform within the company. But this is not exactly the case. [6],[8]

What is digital transformation about?

Digital transformation is a necessary process that all institutions must go through. This process is one of the most talked about issues in the business world in recent years. The highest priority of the institutions in the globalizing world is to implement the restructuring, digitalization and renewal that we call digital transformation within the institution. After the introduction of digitalization into the business life, the conditions of competition changed completely. Companies are now looking for ways to achieve higher value added, faster, higher quality but lower cost production. In addition to all these, it has become an important issue to realize production strategies that protect the environment, respect the nature and have high productivity. In the face of these changing conditions of competition, it is impossible to continue with traditional methods and to fight against competitors. So we have to keep up with the digital transformation in order to be able to design and produce low-cost, more effective business processes. Although it may seem like a complete process and structure change, it is in fact a process that requires a cultural change, such as changing the status quo in institutions, acting on an experimental basis and accepting error.

To put it briefly, digital transformation is the blending of internal culture with digital to create efficiency in the business processes of the corporations, to be in a continuous transformation and to create more value to its customers, to integrate digital technologies into all internal processes and to manage the business digitally. It is about the ability of organizations, its leaders and employees, to adapt to rapid changes wrought by evolving digital technologies. That's why trying to understand the definition and adapting to whole process can show up bad views and good

views. The good news is in the sense that all companies can make the types of changes necessary to become more digitally mature. The many companies have already begun to make the necessary changes to adapt their organization to a digital environment.

It's bad news in the sense that almost all companies find these types of changes to their culture, talent, and structure to be difficult to accomplish. Organizations typically change much more slowly than technology does, and these types of changes will not happen without the intentional effort to make them happen.

Digitalization goes from technology to the leadership

By now we easily have found or seen of Moore's law in many sources, when most of us have searched and found about Digitalization and Digital transformation. According to Moore's law, although the doubling time and the performance measure have changed, the nature of the law has not. Computing power grows exponentially. This has been true for digital technologies in general. Moore's law is only part of the equation for digital innovation, and it's a fact that human imagine world is bigger than this part. Due to this problem which seems like small but can have big effect, George Westermann who is a senior lecturer with the MIT Sloan School of Management, re-describe this Law as "*Technology changes quickly, but organizations change much more slowly*". George's Law or he proposed to call it as the first law of digital transformation can be the reason that digital transformation is more of a leadership challenge than technical one. Large organizations are far more complex to manage and change than technologies. When the organizations have digital transformation, they will face to that this progress is multidimensional, involving people, work cultures, and technologies. Technology systems largely act according to their instructions, and technology components largely do what they are designed to do. But human systems are very different and are much harder to control. While it's relatively straightforward to edit a software component or replace one element with another, it's nowhere near as easy to change an organization. Inspiring people to work with new technologies in a context of uncertainty is challenging. Organizations are a negotiated equilibrium between the needs of owners (or leaders) and the needs of individuals. This equilibrium is difficult to attain and even more difficult to change. All those challenges will show us that now is leader's acting time than the technological part for the organizations. Successful digital transformation is most often accomplished by developing a collaborative culture. An engaged workforce positions a company's digital initiatives for success. Leaders must blend traditional and new skills to effectively guide their organizations into the future. All those will drive us to go to a new leadership model by times of rapid change. Times of rapid change call for a new leadership model.[1], [2]

Changed Leadership- Digital leadership

The understanding of leadership is changing rapidly and non-stop. This speed also brings greater risk. It is more widely acknowledged that it is human who maintains the business and that successful teams consist of people with different characteristics. At the same time, it is necessary to see, understand and benefit from the differences between individuals. A similar situation applies to knowledge. It is more important to have access to information, to analyze it in the right way and to use the results in the most accurate way. In the past, it was not so necessary and important for good leaders to make accurate predictions for the future. Today, however, leaders need not only to change quickly, but also to accurately predict future change and prepare their institutions in advance. It's not just the definition of leadership that changes. The content and implementation of the competences within the scope of this definition are also changing rapidly. The major reason for this change is the increasing role of technology and its implications in our lives.

Recently, the skills and competencies required for leaders in modern business life also change. In the digital age, we can introduce the basic skills for leadership as agility, adaptability, and the ability to lead paced change. This introduction reveals that leadership is fluent and dynamic. Gaining and maintaining a leadership position at the individual or institutional level requires ongoing research, timeliness and improvements as a result of practical applications and effective management. Organizations need a new leader profile, the leader of the digital age, to survive and thrive in modern business. The most striking fact is that the transformation itself is an ongoing process. Therefore, leadership should be an active and continuous effort. Ten years ago, a leader didn't have to understand much about technology, there were many senior executives in his room without even a computer. However, today, no matter what the job, an administrator should be able to understand and use the technology. CIOs and CTOs are no longer sufficient for organizations to know and manage technology well, and today every leader has to be a digital leader. The effect of Technology is not always so direct. The number of Generation Y in business life is increasing day by day and our employees communicate more through social media. The most important step a manager can do for a more open and transparent communication is not to keep his door open, but to be on social media. In other words, technology brings change even in the way a manager's "open to communication" feature is implemented. [7],[8]

Adaptation of digital leaders themselves and their organizations for the digital transformation

Changes in the world and workplace mean a shift from traditional leadership to digital transformations. While our world and the nature of work fundamentally changes, leaders must consider necessary new skills and accompanying mindset shifts. Adopting business processes and practices means the best understanding of digital transformation which can help the organization compete effectively in an increasingly digital world. Let's take a look at the features that a leader and their organizations in the emerging leadership model should have.

Change the vision

Providing vision and direction have been long-standing essential components of leadership. But in a digital environment, with the emphasis on future change, they take on new significance. If you're driving change, you need to help others see the benefits. That's where a transformative vision comes in. Digital leaders should have Transformative vision and forward-looking perspective. Leaders should create a compelling vision of the digitally powered future. Foster conversations so that people can understand the vision and what it means for them. Clean up legacy situations — information systems, work rules, incentives, management practices, or dysfunctional functions — that slow or prevent change. Great visions paint a clear picture of a better company — one that is better for customers and employees. You need to help people understand why the new vision is better than the old way of working. And you need to help employees understand how they fit in the transition process and the future state. If you've set the stage properly, they may even start suggesting ways to make the vision a reality.[4]

Change the way the organization collaborates

Organizational challenges with digital transformation happen in every industry and have happened for years, even back to the early days of e-commerce. Employees/staffs make the organizations go. But they can also make organizations go too slowly. Or in the wrong direction. In many companies, traditional and digital staffs do not work well together. The basic problem in a organization is that people in traditional units to focus more on themselves than on digital innovations or valuable digital/traditional hybrids. This doesn't have to be the case. People don't

have to be a source of inertia. In fast-moving born-digital companies that we all know, people are a source of continual innovation and energy. a powerful vision can start to build momentum. Of course, digital leaders should fix these organizational issues which takes repeated communication, clear incentives, and sometimes, visible action to discipline people who are working in the wrong direction.

An important internal collaboration to address is between IT and the rest of the business. IT managers are also not comfortable with this change. IT content is no longer just about technology, it contains much more behavioral knowledge. The IT manager needs to understand the behavior of people, corporate employees and customers, and how they do business. For example, IT should now focus on how it can change the way it works with tablets, not distributing tablets to corporate employees. Now the products are evaluated by how they change the way they do business, rather than the technology they provide. The best companies have found ways for business and IT leaders to work closely together in driving transformation. Business leaders started including both in strategic decision-making. Until recently, while marketing, sales or product development units have been driving the strategies of corporations, technology has gained much more strategic importance. Inevitably, this requires IT managers to take more responsibility, to evade daily operations and to think broadly and strategically.[7],[8]

Focus to find the old and wrong

Like messy webs of IT systems, wrong tools, and tangled business processes, the legacy platforms are the main source of inertia for digital transformation, and for sure they cost a lot in many organizations. Thus, to make new digital innovations successful, companies must often invest in fixing their older technologies. This can be very tough and can-do slow changes and increase risk. But at some point, you'll need to address issues in the legacy platform itself. Fixing the legacy platform creates business processes that are leaner and faster than before and generates options to power wave after wave of new digital innovation.[3][5]

Digital literacy.

Business leaders -now they are digital leaders- must become the digital-revolution literate that is a critical skill for them. The leaders must understand the technologies, and the digital processes and environments that are driving it, the capabilities they offer, and their potential impacts. Thus, Leaders can understand at high level how technology does (does not) work and this enables them to make more informed decisions in an uncertain environment.

Adaptability

Adapting to the technology and digital transformation is the last most important skills for the leaders. The leaders of the ever-changing and fast-changing digital world must also be change-oriented that is, open-minded, adaptable, and innovative. Digital literacy supports the all other leadership skills cited. Thus, leaders can use traditional and new skills to effectively guide their organizations into the future. leaders can respond to a fluid environment and change course if the technology and market environments evolve in unanticipated ways. This enables that digital leaders to achieve their organizations' long-term digital success.[3]

Discussion and Conclusion

We can evaluate the internet as an invention that contributes to the digitalization of life. The digital transformation that entered through the door that the Internet has opened has entered our lives as a process that has set its feet on the ground with the emergence of mobile technologies.

Adapting to increasingly digital market environments and taking advantage of digital technologies to improve operations and drive new customer value are important goals for nearly every contemporary business.

After the introduction of digitalization into the business life, the conditions of competition changed completely. Companies are now looking for ways to achieve higher value added, faster, higher quality but lower cost production. In addition to all these, it has become an important issue to realize production strategies that protect the environment, respect the nature and have high productivity. In the face of these changing conditions of competition, it is impossible to continue with traditional methods and to fight against competitors. So, we must keep up with the digital transformation in order to be able to design and produce low-cost, more effective business processes. Although it may seem like a complete process and structure change, it is in fact a process that requires a cultural change, such as changing the status quo in institutions, acting on an experimental basis and accepting error. Because of all digital transformation, leadership is changing rapidly. It used to be more business-oriented, but now more people-oriented.

Changes in the world and workplace mean a shift from traditional leadership to one led by digital transformations. Now, being fast and keeping up with the change is much more important than before. Today's leaders work in an environment of uncertain future destination. Business leaders must understand the technologies, and the digital processes and environments that are driving it, the capabilities they offer, and their potential impacts. Moreover, they must become digital-revolution literate. Senior leaders must be people who rally around the vision. For sure those are not only things which requirements for being master leaders. They also create conditions that enable digital transformation and maturity, hunting and attracting the best talent and supporting the best in the talent to bring out and get efficiency. Taking advantage of digital technologies to improve operations is an important goal for nearly every contemporary business.

References

1. G. Westerman, "The First Law of Digital Innovation", MIT Sloan Management Review, April 2019, <https://sloanreview.mit.edu/>.
2. G. Westerman, "Why Digital Transformation Needs a Heart", MIT Sloan Management Review, September 2016.
3. D. Ancona "Five Rules for Leading in a Digital World", MIT Sloan Management Review series, October 2019, <https://sloanreview.mit.edu/>.
4. D. Ancona and H. Bresman, "X-Teams: How to Build Teams That Lead, Innovate, and Succeed" (Boston: Harvard Business Review Press, 2007); and D. Ancona, H. Bresman, and D. Caldwell, "The X-Factor: Six Steps to Leading High-Performing X-Teams," Organizational Dynamics 38, no. 3 (July-September 2009): 217-224.
5. D. Ancona and H. Gregersen, "What Kind of Leadership Works Best at Your Company?" Harvard Business Review, March 19, 2018, <https://hbr.org>.
6. G.C. Kane, "Is the Right Group Leading Your Digital Initiatives?" MIT Sloan Management Review, Aug. 3, 2018.
7. G. C. Kane, Anh N. Phillips, J. Copulsky, and G. Andrus, "How Digital Leadership Is(n't) Different", Harvard Business Review, March, 2019, <https://hbr.org>.
8. G.C. Kane, "Digital Transformation is a Misnomer" MIT Sloan Management Review, August 2017.