



WALL STREET JOURNAL BESTSELLER

Transforming Your
Organization's DNA
to Thrive in the Digital Age

THE DIGITAL HELIX

"This book has a great framework to transform any team or organization in the digital age."

—Pete Carroll, head coach,
Super Bowl Champion Seattle Seahawks

"A company that gets digital right is
a company built for the future."

—Jon Iwata, senior vice president,
marketing and communications, IBM

MICHAEL GALE & CHRIS AARONS

Foreword by Bruce Rogers, the chief insights officer for Forbes

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CHAPTER 15

BUILDING OPTIMAL MINDSET AND CULTURE

“An organization’s ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage.”

—Jack Welch

Even with all the right moves, investments, and strategies, digital does not work if the organization is not prepared to support it culturally. While there are any number of ways you can have or build a great culture inside your business, digital requires a digital culture mapped to the needs and priorities of an accelerated and constantly informed business. Digital is the engine for business success, and culture is the fuel to keep it running at top speed.

Research conducted by ourselves and others has consistently shown that no matter how much you transform your business, you have to have the right culture to reap the rewards. Winners build digital cultures across all elements of culture (vision, values, practices, people, narrative, environment, and many others) to provide the basis for success. Think about what this means for your organization when you factor in the Seven Drivers,

Seven Challenges, and Digital Helix components. For example, think about how the right culture is needed to support new digital metrics. These metrics help guide the business and require new forms of thinking and acting to capitalize on their results.

Organizations need to have the right digital culture that encourages openness to thinking about alternative strategies upfront and that allows extensive experimentation along the way. How many of us have worked for a great company that did not support and reward this behavior across the organization? And this is just one aspect of a digital business. A case could be made for all of the challenges, drivers, and Digital Helix components.

“Digital requires rigorous thinking and an acceptance that your cultural norms have to change.”

—**Michael Schrage, research fellow at MIT Sloan School’s Initiative on the Digital Economy, oversees research on digital experimentation and network effects, and is author of *The Innovator’s Hypothesis***

The key to getting any culture right, especially a digital one, is empowering individuals on a daily basis to put themselves into a more optimal mindset. The fact that much of the success winners experience is owned and managed from within suggests that peoples’ skills and mindsets are vital ingredients for success. Leaders and department heads have to enable this transition in thinking and acting to make digital transformation a reality.

“Everyone wants really highly successful people, functioning at their best and delivering really good results. This takes a commitment to the right culture. When introduced to new people, settings, and ways of doing things, there’s a transition period. The organization has to be committed to teaching the ideas, the concepts, the principles, and the beliefs and showing what great looks like. To succeed, you have to find people with the right mindset to pass on the message and the mentality to maintain it and support it. We start by trying to make people appreciate and understand that the new philosophy is really valuable and a great way to elevate performance, re-create success, and establish the

foundation for the long term so everyone and the organization can function at their best.”

—**Pete Carroll, head coach, Super Bowl Champion
Seattle Seahawks**

This is a huge shift. For the better part of three hundred years, human capital and function has centered on the primary value of people being siloed in specific functions or departments. That was the power of economies of scale and the process that Adam Smith promulgated in *The Wealth of Nations*. People were a part of the system, not necessarily the system itself. But even with Smith’s breakthrough in thinking, it is not uncommon today to see old-world cultural elements in digital-era organizations.

“The biggest risk is not taking any risk . . . In a world that is changing really quickly, the only strategy that is guaranteed to fail is not taking risks.”¹

—**Mark Zuckerberg, founder and CEO, Facebook**

To get to the level of optimal mindset, you must dive into the heart of how you help develop the people and culture in your organization. The key is to build a high-performance culture with diverse teams and individuals. This is no easy feat and requires new skills, mindsets, and knowledge for leaders and teams alike. One of the world’s leading practitioners in cultural transformation in high-performance environments is psychologist Dr. Michael Gervais, consultant to world-class athletes, teams (including the Super Bowl champion Seattle Seahawks), and Fortune 100 corporations undergoing massive digital transformation changes. He has helped teams and individuals set themselves up for the creation and ongoing fueling of optimal mindsets in highly complex and competitive environments.

His expertise is invaluable, as he has succeeded in transitioning both teams and individuals from good to great and has helped people do things they might have never imagined to be possible. This is the promise of digital transformations. Remember, less than 20 percent of businesses get

digital transformation right and see an economic benefit. The difference in winning and losing in a market or against a competitor often comes down to a handful of moments that make or break the quarter or the season. In addition, pro sports, the NFL in particular, are some of the most competitive and fast-paced environments in the world. Teamwork and performance matter every second of every day, including during practice. This is the world Dr. Michael Gervais excels in and helps others to succeed in even when faced with world-class competition. He, perhaps better than anyone, understands how to shift the psychology of your organization and capture the innate capacity of your most important asset, your people.

We asked Dr. Gervais a series of questions about high performance designed to understand what the key components of an organization need to look for to be successful now and in the future.

Question 1: What are the characteristics of organizations that seem to be able to make these cultural and high-performance leaps from where they are now to where they're heading?

“Over the course of being in the trenches with some of the most dynamic performers in the world, there are some common traits we see, from the environment they work in to their team setting to their internal makeup. One of those characteristics is a deep, deep curiosity toward mastery. There is an obsession with driving forward and mastering a process. At the core level, I've found that people are highly engaged in improvement. That deep drive toward mastery, with a curiosity of how to become better on a relentless basis, is one of the core factors allowing teams and individuals to continue growing. As soon as somebody becomes locked in, or they are smacked in a place where they have all of the answers, then we find stagnation and they stop growing. So, the first variable is this deep, intrinsic interest in growth and curiosity about mastery.

“The second variable is that people have a command of themselves. More specifically, they are able to handle themselves in quiet moments, rugged moments, and very hostile moments. This ability comes from having a rich awareness for who they are, how they express what they're working to develop, and how they express their craft. It sounds like a mouthful, but this approach and awareness helps individuals interface with their dynamic environments. If you couple the deep awareness they have about

experiencing a moment-to-moment basis with a deep hunger and curiosity of how to grow and get better and progress, the combination tends to be an accelerant for sustained performance.”

Question 2: How do people learn to take risks?

“This likely comes from the way our parents first taught us about learning, and there is one of two ways where this at least takes place. If our parents were hypercritical of the way we took risks, then we might learn something about the process of learning, since risk-taking is required to learn. Expressing or demonstrating what we’ve just learned is part of the risk-taking process. Environments that truly value when people take risks help people become curious and interested in what might be, as opposed to being fearful of what might not work right.”

Question 3: When you look at this at an organizational level, is it fairly easy to understand which leaders have both the capacity and the desire for taking risks, and also the propensity for handling failure?

“For companies, I think that the ecosystem is naturally orientating toward capacity for curiosity or the propensity to handle failure. Startups are more interested in rapid iteration and in getting it right. But they also have a tolerance for making mistakes because the idea or ideology is to get something into the world. On the other hand, large and established companies have a history of winning and tend to play it safer. These large organizations focus more on accountability and metrics. This concentration is deeply embedded into the ecosystem, and thus more caution exists for employees, managers, directors, and leaders because if they make mistakes, the errors are likely recognizable and are often not understood by the organization.”

Question 4: If you are the CEO of a Fortune-type organization and you’re facing prototypical new-world pressures from agile startups, how do you incubate and then solidify potential test examples of successful digital transformations?

“What I’ve come to learn is that whether we refer to a startup, a large corporation, an individual athlete, or a collective team, human performance is met by our most precious and fragile resource: time. We need to

get our arms around the idea that time, meaning this moment, is our most precious resource. Also, we need to understand that time is extremely fragile, because as we are talking, the last moments that first started this conversation are now gone. Time is the vehicle in which we experience life and relationships, and performance is expressed. If we can help our individual performers increase the quality and the frequency in which they experience moments, then a dramatic increase in output will result. The pace and the current way of living right now occur at unprecedented speeds. We're in the midst of an evolutionary adaptation. This adaptation is forcing people to shut out irrelevant information in our time-compressed, rapid-paced life and business environment. Those who are able to shut out this irrelevant information will have a competitive advantage to perform optimally in environments that naturally have challenges. We are in a fast-paced environment where changes occur at an unprecedented pace. We, as leaders, need to train people's minds to better adapt to being in chaotic environments."

Question 5: Can we train mental skills so that we have the ability to perform under pressure in these fast-paced environments?

"There are many mental skills that we know are trainable. The discipline of sport psychology has taken a scientific approach to understand how world-leading performers train their mind to excel in pressure-packed environments. In the global business world, there is a sleeping giant that, once awake, will create a distinct competitive edge for employees and leaders. This advantage is not just about performing better during high-intensity contexts, but rather teaching and training the minds of the employees to be able to use the speed and pace of the modern-day workforce to their advantage.

"The pace and speed of modern business only becomes problematic if we lack the mental skills to thrive in those environments, or if we are not recovering well enough to be able to sustain the required output.

"It is not the actual speed of business; it is the pressure that we experience that prevents us from operating in real time. Pressure is the force that creates the belief that we have to think or do something faster than we might be capable of. For some people, the fast-paced environments are accelerants to performance. Those folks benefit mostly from training the mind to recover well. For some, the speed of the global business becomes

a barrier to performance because it applies pressure to the mindset of the performer.”

Question 6: What are some common pressures people face that hinder their performance?

“Pressure comes from fear of criticism, performance expectations, fear of looking bad, as well as the natural demands of deadlines and presentations. Most people are highly motivated to perform well but have not been taught or given the chance to properly train their mind so that they can excel in situations where they typically feel anxiety, tension, agitation, or straight-up panic. It seems absurd that we would train our craft (creating beautiful content for a presentation, for example) and not train our mind (having command of ourselves during that presentation), but therein lies the opportunity.”

Question 7: What are ways that people can train their minds to excel in the modern-day conditions of global business?

“First, make a decision. Make a decision to train your mind so that you can live an authentic life more freely and more often. Once this decision is made, with a real commitment, you are on your way. Now the search for the most effective methods to train your mind begins.

“Second, train your mind to become more aware of the thoughts that build an optimal internal state for you. Invest in those thoughts by purposefully guiding your mind to one of these two types of thoughts: positive thoughts that are backed by real experiences in your past and give you the right to know that you can do difficult things in this moment. This is a commitment to be very clear about the types of thoughts that fuel the best version of yourself, that come from real experiences in your past.

“Third, just breathe. While you are becoming more aware of your thoughts, start becoming more aware of your internal activation level. The best way to think about activation levels is to imagine a scale from 1–10, with a 7, 8, 9, or 10 representing too much internal energy to perform and think optimally. An example of a 10 would be physically shaking right before a performance or presentation. On the other hand, on this scale, a 1, 2, or 3 is not having enough activation to be able to think optimally. An example of a 1 would be just getting out of bed. To have control over your

activation level, just breathe. Deep breathing sends signals to the survival centers of the brain that we are safe. Deep breathing well is a trainable skill, and makes an immediate impact on finding an optimal activation level. When people are consistently too low on the scale, it might be an indicator that they have not recovered well.

“Lastly, recover like a world-class performer. Getting adequate sleep, eating healthy, drinking water, and incorporating more movement in your day are all part of a recovery plan for people to be able to wake up consistently with fire, zeal, and zest.”

Question 8: Walk us out five, maybe ten years from now. These changes in the work world and even at home feel exhausting. How much is fatigue an issue in driving these types of changes?

“To be good or even great at something, an incredible amount of time, energy, passion, grit, and deep focus needs to be crafted. To do all of this, an exorbitant amount of fuel is required. What’s amazing about the human experience is that we can do difficult things for long periods of time, but every organism is bound by the same constraints of stress and recovery. There is an interesting paradox here, which we need to overcome to make digital transformations work. It’s like the workforces of many world-class organizations are fatigued. This is because they and the organization have pushed so hard to handle the pace of information coming in at its current and ongoing pace. There is a ratio between deep curiosity and interest of mastery for not only finishing the job now but also doing it right to prevent penalization, demotion, or the chance of being fired. I believe that we need to be careful and mindful of the current working conditions, which require incredible amounts of energy from employees to become great. With the pace at which we’re driving without the necessary recovery mechanisms to sustain such a high level, I fear we’re going to find that our fatigue in many of these workplace environments will turn into deep staleness. This staleness results directly from not managing the recovery process well. By definition, staleness means that there’s a lack of zeal, zest, spunk, and life in daily engagements, both in the workplace and at home. I can only imagine how this boredom would affect the cost of creativity, innovation, and progression.

“On the other hand, there is a potential upside for those that get ahead of this current fatigued workplace. If an organization can become aware

and care about the possibility of fatigue, then the opportunity is very exciting. In a sporting context, if two talented teams are going to be competing and one is highly fatigued and not in an optimal state and the other is recovered and finely tuned, then the well-recovered team is going to have a competitive advantage. Like in business, this is where the gap between competitors becomes easily noticed and winners start to separate themselves. I think that a fork in the road will develop, separating successful organizations from laggards. Those that understand the value of human capital and the recovery process will be able to deliver sustainable and optimal performance.”

Question 9: What two guiding principles do these changes lead us to think about?

“Number one, the highest-performing individuals, athletes, and organizations embrace the combination of taking risks and failure hand in hand. This appears to break many of the codicils of twentieth-century corporations.

“Number two, in a world where risk and the ability to decide how to manage information that matters (signals) versus information that doesn’t matter (noise), filtering will help decide who wins and who does not. But this can only happen if these individuals are in a healthy workforce that is not too fatigued to see the differences when it matters.”

If human capital is at the heart of the most successful digital transformations as we, Dr. Michael Gervais, and numerous others suggest, then we need to cultivate and enable it. Encouraging the capacity to strive for achievement through the rapid prototyping of ideas (alternative strategies) and actions (new ways to combine certain forms of execution) are essential nourishing mechanisms for the digital transformation process. Having the time to become more curious and to continue a thirst for learning might be the fuel your teams need. We encourage you to think hard about four high-performance and cultural development questions as you move forward at an ever-increasing pace in your digital transformation journeys:

1. Have you helped develop a new, more robust culture encouraging the fundamental acceptance of the need to accept and encourage experimentation as well as relevant failures?

2. Do you help your teams siphon or filter information from noise and focus on key signals?
3. Are you thinking about how to balance the energy levels and recovery cycles needed for people increasingly stressed by constant change and rapid pace?
4. Are you investing in people and their ability to train the mental skills needed to perform at a high level?

If you want a true digital transformation to occur and not just a digital repackaging of current business practices, then the soul of your organization and how you reward, stimulate, and encourage people has to change. Acceptance of failure and having a high index for the capacity to learn and adjust is vital. The Digital Helix benefits we discussed can only be delivered through a fundamental change in the mindset and behaviors of organizations at an individual and collaborative level. In fact, each of the seven Digital Helix components collectively demands other underlying evolutions.

Following we define how critically changing mindsets and cultures are essential for success across the Seven Digital Helix components.

Executives as Digital Explorers

The key mindset shift here is the constant need to push boundaries outside of comfort zones within the unknown areas of the business and digital economy issues. The executive needs to have the right mindset to lead around these new principles and empower his or her teams to be mindful and able to handle the growth and pace required. Digital transformation involves changes in decade-old underlying assumptions, as well as the capacity to handle failure and potential ambiguities as we learn far more on the fly. The capacity to challenge age-old assumptions engrained in formal and informal learning is vital. The executive needs to let go of the instinct to control and lead more by exploring and filtering the good from the bad information as it happens. The new optimal mindset for the executive is leadership through learning, collaboration, and speed with experimentation.

Theme and Stream

Information is quite different in the Digital Age. Great digital transformations require that organizations know how to handle the constant underlying evolution of the value of information born from experimentation. Changing mindsets to see information in connected versus eureka moments requires a confidence to break out from the abundance of noise and volume and to live in moments as they occur. This shift requires a stillness that can only come from developing a more optimal and high-performance mindset. It is so difficult to train ourselves to ignore information, but that is now part of the success factors we need to adopt and embrace if we want to thrive with digital. Knowing when to abandon or recategorize the value of information is also vital. This also requires a level of risk-taking, which is encouraged but rarely rewarded, and is now essential for success.

Customers Have Experiential Portfolios

Information is coming from everywhere: the Web, social, sales, customer service, friends, partners, etc. There might be hundreds, possibly thousands of inputs that change in value for customers and for us over time. Customers are aware of all these stimuli and in fact have developed radically different levels of high-performance mindsets to handle them well. To give you some perspective, the average consumer sees between twelve hundred to five thousand messages and views about 15.5 hours of information a day, and this amount is increasing every year. Our business mindsets need to be reengineered to handle this volume of complexity in the same way we do as consumers so that we can support our customers' portfolios along the way.

Marketing and Communications as a Flow

Mihaly Csikszentmihalyi's seminal book, *Flow: The Psychology of Optimal Experience*, talks about methods for managing this constant deluge of tasks, information, and decisions. The act of moving to a more customer-centric approach and understanding how we intercede between those moments needs a more connected process between marketing and communications. Success needs to be orchestrated by a fundamentally

different mindset. This needs to be driven by a collaboration-first mindset (and not territorial thinking and behavior). Success must also be focused on the customer's moments and how all forms of marketing (demand, brand, support, thought leadership, crisis management) meet those moments. Leaders need to be constantly curious and open to continual testing and new thinking. Old-world models of singular cause and effect no longer prevail in the digital era.

Sales Are Connected Moments

Recognizing what types of moments matter is a vital skill for a sales leader. We have talked about simple, connected, and sequenced moments starting to prevail in the digital economy. For salespeople to handle this, they have to sense and feel the process a customer is going through and the right moments for interaction. These are classic skills muddied by the enormity of choices available to customers. You can't just be good at recognizing one moment. The skill is to know most if not all of the moments possible for your customers. Again, curiosity and a capacity to know how and when to fail are vital and often unrewarded attributes. High performance in sales, like for athletes, is more about the capacity for risk taking and rapid learning.

Everybody Together All the Time

Information flows 360 degrees in the digital corporation from almost infinite places. We each need to collaborate so we can pass information to and from each other because we all collectively benefit or suffer in the same way. Knowing when and how to share, collaborate, and connect is part of the Digital Helix. This individual and collective responsibility can only be achieved by breaking down traditional and successful boundaries set up in the departmental hierarchy of corporations. Collaboration and sharing require a sense of shared purpose and the capacity to potentially sacrifice our biggest asset, time, for the collective value. We might not be rewarded for it or even sometimes understand why we are doing so. But we need a sense of confidence and capacity to push for the greater goal rather than to be part of a failure that we blindly follow without having the chance to direct or control the result.

In the Moment and One Step Ahead Always

There is a quote that sums up the essence of the book *Flow*: “There are so many moments that we have to divide noise from genuine signal.”² The world is littered with examples of people not paying attention to these current moments and then not watching or listening to the next piece of evidence that matters. We have talked about the Apple Watch, Uber, and Amazon Web services as examples of digital business models that were ignored in their initial moments because organizations (Swiss watchmakers, taxi companies, and hosting and cloud companies) failed to see the immediate threat and the next steps in their progress. Instead, these companies relied on old-world logic of how to react, rather than using digital to move ahead.

As Dr. Michael Gervais mentioned earlier, winning in business and in sport comes down to a set of key moments. These moments can change in importance for the company or marketplace far faster than ever before. It takes a very different mindset and culture to be present now and also to be a little ahead of that moment. The best athletes have an ability to see things slightly ahead of the curve from the others they play with. It is this capability in business along with the mindset to react that separates the leaders from the losers in any given market.

“On the job people feel skillful and challenged, and therefore feel more happy, strong, creative, and satisfied. In their free time people feel that there is generally not much to do and their skills are not being used, and therefore they tend to feel more sad, weak, dull, and dissatisfied. Yet they would like to work less and spend more time in leisure.

“What does this contradictory pattern mean? There are several possible explanations, but one conclusion seems inevitable. When it comes to work, people do not heed the evidence of their senses. They disregard the quality of immediate experience, and base their motivation instead on the strongly rooted cultural stereotype of what work is supposed to be like. They think of it as an imposition, a constraint, an infringement of their freedom, and therefore something to be avoided as much as possible.”³

—Mihaly Csikszentmihalyi

None of the concepts in this chapter—risk-taking recovery, a desire of achieving true mastery, and being open to experience the true value of moments—are complex. However, as evidence has shown, it is difficult to achieve them. Having the right mindset to reward and encourage your teams and individuals gives the organization the fuel needed to drive the digital engine to transformation success.

“When we think of culture and high performance, we focus on assisting people to achieve their greatest potential. The care that it takes and the love that it takes to truly help somebody be their best is a powerful sentiment, and I think it’s a motivating, inspiring sentiment when you really mean it and you really act on it. I think the commitment to that is so valuable in terms of leadership, in terms of production for people and so important in creating the environment where people can be their best. That’s what the whole effort is about.”

—**Pete Carroll, head coach, Super Bowl Champion
Seattle Seahawks**

We are moving to a world where digital will be the norm, and gaining advantage will be critical and difficult once almost everyone is transformed. With that in mind, how will you set your teams up for success and build the right mindsets? When we are all digital, the ability to truly use wearable devices, meditation, and other “personal” tools for business may be one of the few items to separate you from your competitors. Are you ready to compete alongside others who have refocused their organizations on the power of mindset and cultural change and see how far we can all take it?

What is The Digital Helix?

"The Digital Helix" (release date October 3, 2017) has the framework for thriving in the digital age.

Through extensive research and interviews with digital leaders, "The Digital Helix" shows what drives performance for digitally transforming organizations as well as the key components and mindset skills needed to lead in this digital-first world.

A cornerstone of this approach is the Digital Helix framework, which shows how to transform your organization's DNA at the core to thrive and prosper no matter the challenges. Focusing on the seven key areas that are critical to transformation success, the book provides the insights, tools and frameworks needed to help you navigate from being just a business doing digital to becoming a truly successful digital business.

Why Read It?

More than 80 percent of organizations are undergoing digital transformations. Yet, as few as 1 in 4 organizations see any ROI from their efforts. Digital transformation, by its very nature and promise should deliver value that far exceeds the sum of its' parts. If you are not seeing the value you expected, then this book with it framework, tools, research and practical advice from digital leaders will put you on the right track.

How To Use The Book?

No matter where start, "The Digital Helix" will give you insights on the drivers and challenges you need to understand and thrive in the Digital Age. The seven components inside the Digital Helix will enable you to architecting the DNA of your organization for success, no matter where you are in your transformation process.

Praise For The Digital Helix

"You can't successfully manage transformations without effectively managing expectations. By ruthlessly confronting how digital innovation explicitly disrupt enterprise expectations, Gale and Aarons focus executive attention exactly where it belongs: the challenge of aligning greater expectations with greater value."

—Michael Schrage, Research fellow at MIT Sloan School's Initiative on the Digital Economy

"This book has a great framework to transform any team or organization in the digital age."

—Pete Carroll, head coach of the Super Bowl Champion Seattle Seahawks

"In my role at Forbes Media, I have the good fortune and honor to meet personally with, write about and to conduct research among many hundreds of corporate leaders and entrepreneurs around the globe. Each is to a greater or lesser degree leveraging Welch's dictum and the parallels between those experiences and what I learned from reading 'The Digital Helix' are striking."

—Bruce Rogers, chief insights officer at Forbes

"It isn't enough to evolve your existing business processes. Gale and Aarons understand that businesses need real transformation. In The Digital Helix, they provide information and tools to help you understand what successful transformations look like."

—Kelly Faley, Vice President, Digital Marketing, Sharp HealthCare



THRIVE IN THE DIGITAL AGE

Digital transformations are everywhere: business to business, business to consumer, and even government to citizens. Digital transformation promises a bridge to a digital future, where organizations can thrive with more fluid business models and processes. Less than 20% of organizations are getting digital transformations right, but these digitally transformed organizations can deliver twice as fast as other organizations, cut OPEX by over 30%, and have seen a near-immediate doubling in brand value. The power to act faster and do it better than before sits at the heart of truly digitally transformed organizations.

In *The Digital Helix*, authors Michael Gale and Chris Aarons explain the specifics of digitally transforming your organization—from the role of the digital-explorer leader in using information to empower the organization to move better and faster, to shifts in sales, marketing, communications and leadership, product development, and service and support. *The Digital Helix* is a practical guide to bringing all the key functions together and includes guidance on developing a digital culture from the ground up—making it part of your company's DNA—and the mindset tools needed to bring your organization into the digital-first age. Creating this digital-first DNA for your organization will allow you to not only embrace the digital age but thrive in it.

**See the inside of this dust jacket for
an in-depth diagram of the Digital Helix.**

PREFACE

This is the very last page we wrote for the book, but we think it is the first one you should read.

You have probably heard, read, or talked a lot about the idea of digital transformation, both inside and outside of your organization. Like other business and management ideas and terms, digital transformation may feel transient or hip, and you may think it will morph or converge into the general landscape of terms. While the phrase might have different meanings and connotations to you right now, you should recognize that digitally transforming is different from just adopting a digital view or adding digital technologies. This “trend” is now the foundation of how we change our thinking and behavior at the organizational and individual level. This begs the questions, *Why should we care about digital transformation, and why now?*

Answering these questions is critical to digital success. Thriving with digital transformation is about discovering, building, and even recreating the best DNA version of your organization. This requires a robust discussion about where you are and where you can go. It is about seeing how new ideas and processes can work together in a manner that might sound contradictory to many tried and tested historical approaches. It is about harnessing the immense promise and potential of technology by changing how your organization thinks and functions at all levels. It is also about giving customers and digital citizens what they want, even before they know they want it. Ultimately, it is about enabling individuals and organizations to reach their fullest potentials, now and in the future, by behaving and organizing in different ways.

We have all seen and experienced a significant amount of change in business in just the past decade or so. With Web 1.0, we were given the promise of access and speed to existing businesses or even new business models. With Web 2.0, we saw the ability to connect organizational elements together and deliver more. But digital transformation is different. Whether it is Web 3.0, 4.0, or even 5.0, digital transformation enables you to be ready for these changes and many others as they come. It is the engine and the underpinnings to enable us to realize our full potential while providing exponential benefits and value to adjust and win in markets and worlds yet to be defined. Your only barrier is creating the right organizational DNA to unleash and maximize its capabilities.

Digital is here and transforming the world around us in new and faster ways than before. Therefore, we must recognize and embrace these changing moments or we will be overcome and left behind in this new world. The question is, *Are you and your organization set up and equipped to thrive and reach your full potential or possibly even overachieve in the digital age?*

This book is designed to give you the insights, frameworks, and stories to identify where you are and where you need to go. We have also included the tools to architect, design, and build the DNA needed to thrive with digital transformation, no matter where you are today. Enjoy the journey.

INTRODUCTION

DIGITAL TRANSFORMATION AND THE DIGITAL HELIX: A PRIMER

More than 80 percent of organizations are attempting to digitally transform¹ the way they operate in the twenty-first century as they try to take advantage of the digital DNA that drives success in high-growth organizations. Research, however, shows how tough digital transformations can be, with fewer than one in six organizations truly succeeding in their vision. To yield the true promise of digital, organizations must change the fundamentals of how they think, act, and behave. This book is designed to show you the pathways to digital success with insights and practices based on primary research and interviews with digital leaders across commercial and government organizations. At the heart of everything is the Digital Helix framework and its seven components for success. Through the Digital Helix, we offer the intelligence, frameworks, and structures essential for building an effective digital organization that can thrive in today's hyper-competitive world.

People are working harder and putting in longer hours than anytime during the past fifty years. Rarely do any of us start working at eight a.m. or stop at five p.m. Technology has created a near-perfect and level playing field for customers and citizens to want to interact with brands and organizations in their own ways on a 24/7, 365-days-a-year basis. Technology may

have opened this window to the new way of working, but digital transformations now drive the very underpinnings of how organizations restructure themselves to handle, manage, and hopefully thrive in this new world. In fact, digital transformations are now the engines to deliver startup-like agility to more established organizations. This book seeks to handle a deeper understanding of what the DNA for successful digital transformation looks like. It does not explore the technologies you might apply to help drive your digital transformation, especially because there is no one-size-fits-all approach. It is designed to give you the best opportunity to be successful by explaining the questions, insights, interactions, behaviors, and triggers that are driving performance for organizations digitally transforming themselves to thrive in this digital-first world. Developing these skills at the individual and organizational levels requires a new way of thinking through challenges and opportunities.

“We would not be discussing digital transformation with the intensity, fever, or bandwidth that we are were it not for the fact that digital represents and offers a completely different portfolio of economics. Digital makes the expensive cheap and changes the time-consuming to real time. For me, digital transformation is a technical phrase or label for what is really an economic transformation. We are interested in digital because its economics are different from the physical and different from the analog.”

—**Michael Schrage, research fellow at MIT Sloan School’s Initiative on the Digital Economy, oversees research on digital experimentation and network effects, and is author of *The Innovator’s Hypothesis***

To help you get a better handle on the what, the why, and most importantly, the how of digital transformation, we have split this book into three parts:

- An overview of the digital landscape with identification of challenges and drivers
- The new thinking and the Digital Helix framework to help you drive successful transformations

- A discussion of the right processes, mindset, and culture that are imperative for thriving with digital transformation

The first part of this book covers the underlying tensions and opportunities presented by a world rapidly becoming digital. Rather than focus on infrastructure, this section is about the experiences we need to solve problems in this new digital world. A large portion of this section helps break down the challenges and drivers of digital transformation. Our research and experience have shown that identifying the drivers and overcoming the challenges is a key differentiator in truly achieving digital results.

The second part, and main bulk of the book, takes a detailed look at how digital leaders and winners are using new thinking, behavior, and measurement to act in new ways. A cornerstone of this approach is using a new framework we have titled the Digital Helix. It integrates all parts of the organization across sales, marketing, communications, product design, customer service, and human resources to make digital transformation far better than the sum of its parts. This comprehensive structure provides the perspectives and tools needed to use digital to outmaneuver the competition across seven key areas that will transform the business:

1. Leveraging leadership's daily role as an explorer
2. Using digital to inform the organization and help listen in new dimensions for ideas and feedback
3. Understanding that customers have connected portfolios of experiences that drive a different compass for how we respond and interact as an organization
4. Using marketing and communications as two conjoined functions to deliver real value across each customer touch point
5. Transitioning sales from simple relationship or transactional selling to focus on the key moments that matter to your customers
6. Focusing on how all parts of the digital organization need to interact and work together to fuel every customer interaction with insights and in turn make the organization smarter
7. Using all digital information and insights to simultaneously build better experiences and products

The work world of digitally transformed organizations should feel exciting and intriguing because these organizations will become the platforms for future organizations. The more we talked and worked with these digital leaders, the more energized and optimistic they were about the possibilities.

“The delightful part about digital is that if done right, it actually gets people to tell us who they are and what they’re looking for. Organizations can get an actual understanding of what their needs or aspirations are, enabling every business to be much more relevant in their engagement with customers. When that starts to happen, people get excited because you actually see the people you’re trying to reach and serve as they are. And it makes a huge difference. But for this to happen, the rate and pace of the adoption of digital for everyone has to happen quickly and in the right way to act on and harness this new power. Principally, most organizations have a skills and mindset gap with the amount of process change, tooling, and data that is being put into place. I’m convinced that the future of digital is going to change so many things. And we can’t wait. Most people are just as anxious as I am to get to that future.”

—**Jon Iwata, senior vice president, marketing and communications, IBM**

Finally, in the third section of the book we look at three interesting components for highly successful organizations undergoing the digital transformation process:

1. The optimal mindset for delivering high performance in any organization
2. The cultural imperatives for a very different corporate world
3. The future state of Digital Helix organizations

A discussion about how to get each employee to have the right mindset skills to handle this new, digitally transformed world might sound out of

context for a business book. However, as Michael Schrage told us, digitally transformed organizations are fundamentally different from their forebears. Digitally transformed organizations, even those in government, rely increasingly on the skills, mindsets, and cultures of their organizations to define success. Technology is abundant everywhere and capital is generally available at low costs, so tried-and-true growth options no longer can be the only way to drive success. Given the speed and effectiveness of how digitally transformed organizations work, we need to enable people to develop specific and different skill sets. Being more flexible with purpose and managing new and constantly changing information creates pressures not unlike those professional athletes confront. Our research and extensive interviews with executives and senior practitioners in the digital transformation process revealed that digital leaders think differently about high performance. In successful digital organizations, pushing the performance envelope, rewarding high performance, and learning how to invest in “optimal” mindsets are all critical parts needed to drive and sustain digital changes.

“Overall, starting with a feeling of optimism promotes hope and overrides any other sentiments in your work. What would happen if all your employees felt different about coming to work? There would be a different buzz about the building. There would be a different outlook that would help people look forward to what’s next and what’s coming up. This optimism and hope creates an environment that inspires people to seek out their best and find levels of performance that maybe before they never thought were attainable. Starting with this whole new and different chemistry, any workplace is far better suited to achieve its goals and be its best, even in times of difficulty or adversity.”

—**Pete Carroll, head coach, the Super Bowl Champion
Seattle Seahawks**

The final piece of this section looks at the future state of the Digital Helix organization ten to twenty years from now. As we have seen, digital is moving fast and changing organizations rapidly. Leaders must not only

recognize the steps and actions they need to take now to thrive with digital, but they must also be able to see and adapt to what the future holds for this dynamic world we live in.

Throughout this book, we have provided research, insights, interviews, and perspectives to help frame the topics and issues and to provide the tools needed to aid you and your organization in delivering real results with digital. We have also added numerous charts, frameworks, and guides to visually show the key elements of digital transformation. The insights shared throughout this book will help you navigate the process of shifting from being just a business doing digital to becoming a true successful digital business now and in the future.

“Gale and Aarons focus executive attention exactly where it belongs: the challenge of aligning greater expectations with greater value.”

—**MICHAEL SCHRAGE**, research fellow at MIT Sloan School’s Initiative on the Digital Economy

“The parallels between what I’ve learned from many hundreds of corporate leaders and entrepreneurs around the globe and what I learned from reading *The Digital Helix* are striking.”

—**BRUCE ROGERS**, chief insights officer at Forbes

“Don’t let the title fool you; this goes way beyond digital. Gale and Aarons have given us a poignant reminder that we must never lose sight of our most critical asset—the people we serve.”

—**COLETTE LaFORCE**, named one of the Top 50 Women in Technology, a Fierce 15 CMO, and CMO Leader of the Year

“Gale and Aarons provide the approach and tools for executives to lead by example in order to thrive in the digital age.”

—**VANESSA COLELLA**, head of Citi Ventures and Chief Innovation Officer, Citi

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