MIDDLE MANAGERS
Gatekeepers of Success

AT THE CENTRE OF THE ACTION
David Ross

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GLOBAL ADVANCED MANAGEMENT PROGRAMME

Expanding Markets by Leveraging Emerging Technologies

Summer Edition - 12-18 May, 2024
Silicon Valley, USA

Programme Director
Solomon Darwin
Executive Director, Garwood Center Corporate Innovation, Haas School of Business, University of California, Berkeley

Programme Objectives
- Identify opportunities for profitable growth.
- Respond and adapt to the challenges in the changing landscape due to rapid global economic trends.
- Examine the latest concepts, ideas and tools to help them align their business practices with global economic developments and conditions.
- Learn to build sustainable and innovative business models.

Programme Framework
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- Keynotes by Silicon Valley Startups and CEOs
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Participation Fee

Delegate Fee per participant: INR equivalent of USD 12500 per participant.

Inaugural Discount: USD 1000 per participant for registrations received 60 days prior to the dates of the programme.

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- GST: 18% or as applicable on the date of fee payment will be charged on the participation fee.
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THIS ISSUE

AIMA
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The middle matters

Nikhil Sawhney is President, AIMA & Vice Chairman and Managing Director of Triveni Turbine Limited, and a Director of Triveni Engineering.

The middle management is much maligned by both the top and the bottom of the hierarchy. Middle managers are seen as glorified messengers who try to project status and power by controlling, even distorting, communication up and down the hierarchy. They are the butt of jokes in cartoons and television series on management.

> **Paradoxically, the more technology connects the leaders and the workers, the more physical distance it is creating between them.**

Management gurus want to squeeze them out of the system by flattening the organisation. However, there is no management without the middle management.

The middle management is what makes an organisation routine tick. Middle managers are the guardians of work flow and ultimate execution of the leadership's grand strategies. They ensure that the top management is understood by the actual doers and the practical aspect of doing things is understood by the top management.

However, as the work and the workplace undergo a transformation because of technology and business innovations, the middle management needs to be reimagined and constantly reformulated. With new-fangled technologies, work is becoming more specialised and the workforce is becoming more autonomous. The workplace is turning into a network of connected devices rather than specific office locations. Paradoxically, the more technology connects the leaders and the workers, the more physical distance it is creating between them. The complexity of the new work and workforce requires the middle management to provide organisational cohesion and actionable communication.

Middle management's core function continues to be converting top management's demands and instructions into task components, finding the most suitable persons to perform those tasks, coordinating different tasks, logging the outcomes into reports and informing the top management about the progress. However, the new middle management has to do more. It is not only required to supervise workers and to keep tabs on revenues and expenses, it is also to coach and motivate workers and keep them aligned with the organisation's evolving strategies and priorities. The new middle management is expected to think and act beyond its pay grade and provide leadership and not just exercise control.

In fact, the middle management can no longer be cleanly separated from the top leadership. With democratisation of

information by the internet, the gap between the market and the organisational awareness at different levels of hierarchy has reduced considerably. Now middle management is more of a function than a level of competence. With top management able to assign tasks and seek information directly from all levels of employees, the middle management's role is more of a facilitator of competence and culture. As a lot of the work and communication flow requires minimal intervention, the middle managers need to ensure that the daily operations adhere to the aspirations, values and compulsions of the leadership.

While the expectations from new middle managers are rising, there remains a need to enable them to grow from just task masters to frontline leaders.

While the expectations from new middle managers are rising, there remains a need to enable them to grow from just task masters to frontline leaders. Usually, middle managers are presented with demands of greater output, higher revenues and lower costs, but they are not provided with commensurate budgets for talent and tools, or adequate autonomy to adjust tactics and priorities to practical realities. There is also a need stop treating middle managers as the whipping boys when top management's strategies fail. For middle managers to become middle leaders, it is vital that they feel both valued and secure.

The middle management also needs to be spared the compulsory linkage to higher positions. Not every high potential, high performance employee likes being a manager. Leaders need to devise different avenues of growth for the experts and the managers. The organisation loses in two ways when it must place a high-flier into the middle management so that it can elevate the person further later on. First, the person who is outstanding at doing things may be terrible at getting things done by others, and second, the person's expertise is thrown away by making him or her worry about others' work and administrative compliance. Even more important is to avoid parking the old, loyal employees with outdated or limited competence in the middle management.

The new middle management is less about enforcement and more about influence. In the new economy, the middle managers do not just obey and ensure obedience. They have to keep both the leadership and the workers grounded in reality and help both achieve better results. The middle still matters. IM

The opinion expressed is personal.

Dear Readers,

In the scheme of organisational systems and hierarchy, middle managers—the so-called buffers between the workforce and the senior management—are the unsung heroes who execute [the senior management's] strategy, manage departmental affairs and day-to-day work, monitor employee performance and resolve their problems, and so on.

Along with this, middle managers are also tasked with the responsibility of welcoming in [good] culture and letting out toxic and negative culture. With the influence and coordination abilities of middle managers, an organisation can function efficiently and retain a healthy work environment, thereby guaranteeing employee productivity and business growth. With such crucial duties to handle, middle managers play the role of being 'the gatekeepers of organisational success'.

The onus, then, lies on senior management to foster a positivity, stress-free work environment for middle managers, who are often times left fire fighting everything from critical to unimportant tasks. Many recent reports indicate that middle managers are grappling with burnout, dissatisfaction, and depression. While technology can be leveraged to ease their stress, at some point, the senior management has to step in with development initiatives that will help middle managers upskill and grow. As David Ross, founder, Phoenix Strategic Management and author, *Confronting the Storm* writes in the cover story of this issue, "If leaders are to engage middle managers, they firstly need to reflect on the root causes behind managers simply surviving rather than thriving in their work."

Do write in with your views to
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Maneck Davar

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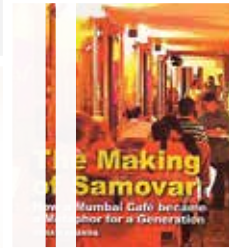
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A BRIDGE
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HIERARCHIES

Tushar Dey

At the centre of the action

From nurturing culture to quelling fires, and everything in between, middle managers often perform the role of being the gatekeepers of organisational success.

✦ DAVID ROSS, AUTHOR, *CONFRONTING THE STORM*

It is easy for me to remember my first middle management role. And the mistakes I made!

Armed with no supervisory instruction, reliant, instead, on my uneducated assumptions, I struggled. With no time to think, I bounced from problem to problem that my team brought to my attention.

That was what I thought I was meant to do: solve their challenges. Yet, by doing so, I remained oblivious to the bigger picture: what our clients and stakeholders needed. And when I got around to that, it was only because I was reacting to their concerns.

The fire fighter

I still feel so much admiration for middle managers. Every day, pulled in separate directions, middle managers must influence upwards, meeting the needs of senior staff by successfully delivering organisational strategy. They must also influence downwards, not only getting junior staff involved in delivering strategy, but also support their reports deal with customers' issues and gripes from stakeholders. There is always conflict to quell.

They are critical to success, delivering a combination of strategic and client-led tasks. However, middle managers are too often the fire fighters within the hierarchy, shifting from resolving one strategically unimportant problem to the next.

So, what can be done to facilitate their success?

If leaders are to engage middle managers, they firstly need to reflect on the root causes behind managers simply surviving rather than thriving in their work. These include:

■ **The management paradox:** Middle managers do not come 'readily formed'. Many experience the shock that while it was their exemplary employment of technical skills that helped propel them into a managerial role, their continued focus on these skills often hinders them making the successful leap. New skills, practices, and mindsets are necessary.

■ **The difficulty of that work environment:** Their work environment is an extraordinarily difficult one to navigate. This is now exacerbated by numerous interconnected economic, legal, technological, social, environmental, and political issues making their environment increasingly uncertain and complex.

For organisations to thrive in the turbulent years ahead, managers must rethink how they approach their strategies to achieve growth and success. A more holistic approach is needed which considers a company's purpose and commercial aims alongside the needs and abilities of their people.

- **The support given to middle managers:** Too often managers are left to their own devices, forced to meet different needs without guidance or often without the resources necessary.

Transcending the technical

There are several priorities that leaders can consider in order to engage their middle managers change their story from the fire fighter to say, the conductor.
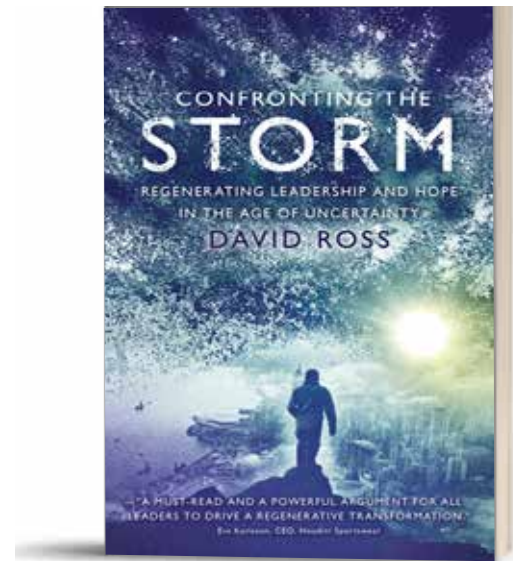
From paradox to practice

I believe that the shift from the technical to more generalist management starts with the middle manager being more contemplative of what they face and how they should proactively confront it. It requires a shift in thinking, to be more strategic rather than being led by the biases and dominant mindsets that we all have.

On the one hand, a fundamental component of strategic thinking is to be able to prioritise, rather than the resulting wish lists that many create. Wish lists that have no rhyme or reason to what they are to deliver but spread teams too thinly – meaning little of note is delivered.

So, leaders can support their direct reports by coaching them to reflect on their to-do lists. Just what tasks genuinely are priorities? What should be ignored? How do we delight our clients and stakeholders? Which tasks are not urgent but are strategically important (and therefore cannot be ignored)? What difficult choices need to be made?

On the other hand, strategic thinking is also about getting managers to appreciate how they fit into their wider ecosystem. How they can impact, and be impacted by, others and other issues.

What has been the middle manager's personal story of how they should manage? Who are the influential people, internally and externally, required to get work done successfully? What needs to be done to support those people regarding communication, the removal of obstacles, and maintaining their dignity and worth?

What political, economic, social, technological, legal, or environmental issues impact upon the manager's team? And which of these does the team impact upon?

Working with the manager, coaching them, to undertake these considerations and achieve 'a-ha' moments is a great way to engage them and build their capabilities when it comes to dealing with the complexity they now face.

Making the environment a little easier

Improving managers' strategic thinking, helping them to become better informed and make better decisions is certainly important. Yet, the environment is still one with so many demands, wicked problems, and turmoil! All managers need development for a world experiencing seismic change.

There is certainly a long suite of skills—a wish list, if you will—that I could recommend that managers need. Nevertheless, I have made some difficult choices with respect to what skills are required if managers are to successfully

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solve problems and deal with their strategic challenges in such an environment!

With the middle manager trying to balance numerous demands on how issues should be addressed, conflict resolution is an important skill to develop. This capability, in turn, reduces the potential for solutions to be imposed on the affected, building trust. And trust is always an important currency for the manager caught in the middle.

Foresight or future thinking is possibly one of the most critical skills middle managers now need if they are to be best prepared for the future and the uncertainties faced. Such a skill helps an individual anticipate, rather than predict, what may lie ahead of their team, stakeholders, and the organisation. What plausible scenarios are there of what the future could look like? What assumptions do we have about the future and why? What can we do in 'the here' and 'the now' to facilitate a preferred future?

Of course, there are always short courses that managers can undertake and should be dependent on the context. Is agility an important skill for development in your managers? What about collaboration? Whatever is appropriate, embedding skills into time-poor middle managers is never easy. They are always focused on 'putting out the fires' rather than focusing on the medium- or long-term.

Leaders can improve engagement by taking

a genuine interest in their development, mentoring or coaching their direct reports so that such skills become habits. Mentoring or coaching helps to engage managers by showing them that you care, that you want them to succeed.

Engagement starts with you

Ultimately, how well a middle manager is engaged will have a significant bearing on an organisation's reputation; absenteeism, presenteeism, and turnover; how successfully strategy is implemented; and its bottom line, to name a few. These people are that critical.

And how well they are engaged depends on the efforts of the bosses. I cannot imagine how much leaders have on their to-do lists and the pressures faced. However, the relationship that leaders have with their direct reports cannot be understated; it cannot be transactional or 'tick-a-box' in nature.

Good communication and good relationships are paramount to engaging and developing middle managers. Engagement starts with two-way conversations; it starts with listening… and listening deeply. It starts with curiosity to truly understand the middle manager and what they face. It starts with the humility necessary to appreciate that leaders have all been through what the extraordinary middle manager endures.

It starts with you. IM

ABOUT THE AUTHOR

David Ross
is founder, Phoenix Strategic Management. David is also author, *Confronting the Storm: Regenerating Leadership and Hope in the Age of Uncertainty.*

Living in the era of AI, we neglect the fact that no AI can beat or will ever change the emotions and feelings of a human connected with nature and other humans, opines Dr. Oleg Konovalov, a thought leader, author, business educator, consultant, and coach. Dr. Konovalov is also author, *The Fisherman's Path to Leadership.*

A true leader

MYTH 1: Leaders are problem-solvers

Problem-solving does not make anyone successful. Success is defined by the solutions found and executed. All businesses face a myriad of problems that, like mosquitoes, suck blood and energy from them. Having problems is normal unless they turn into deadly challenges.

In personal or business life, we hear people talk about problems. Many people proudly declare on their social media profiles and CVs that they are 'problem-solvers'. However, talking about problems only causes more problems. If your mindset is attuned to finding problems, you will find many more of them. If your mindset is attuned to finding solutions, you will find many brilliant solutions.

We have enough problem-solvers; we need more solution-finders. The main challenge for today's businesses is the lack of vision that reflects long-term solutions for others. Great leaders talk about solutions. When your goals are greater than your problems, you change your mindset to achieve them. When you don't have great goals, your problems determine your way of thinking.

Without a strong vision for the future, many leaders are focusing on problems, not solutions. They think about problems only and not about the future, lacking a strong and compelling vision and the ability to tap into the future with confidence.

To win in the marketplace, your vision must be greater than your problems.

MYTH 2: Tight control is a must

In fishing, one of the most common and unforgivable mistakes is having the drag set too tight which leads to the loss of a fish. Too much tightness does not allow real control over a fish but turns it into a bullfight in which the weakest link snaps in the blink of an eye.

Nothing can withstand overwhelming pressure. Even metal breaks into pieces under enough stress. Engineers try to account for this and leave enough flexibility in the material.

Humans are the same. Overwhelming pressure results in stress that leaves cracks in minds and souls. We are all covered with these invisible scars. There is no space for improvement and growth when you do not have flexibility.

Bad leaders of command-and-control style set their drag systems too tight. They leave people with the cracks of stress all the time and lose them in the end, even the strongest ones. Too much pressure and stress makes people look for an exit.

When under stress, we even tend to blame ourselves for not being strong enough to withstand pressure, forgetting that we all have limits. Give yourself tolerance at the margins. As a leader, give your people even greater tolerance at the margins. We are only human.

Good leaders always allow margins for flexibility considering that humans are not made of steel and deserve such gaps of tolerance.

MYTH 3: Complexity reflects leadership greatness

I have learned a great lesson from fishing. Learning how to tie strong knots is a fishing basic. Mastery is in how to tie fewer knots. Simplicity means reliability. Every knot makes my tackle weaker, more complicated, and less effective.

Simplicity is the religion of great leaders. Every complication makes execution difficult and the distance between a company and customers greater, thus questioning success in the marketplace.

Leadership demands disciplined simplicity in everything—vision, strategy, and execution.

A vision is not a vision unless it is understood. Simplicity lets people believe in the vision. If the vision is complicated most people will ignore it. Vision operates and makes execution possible from its simplicity.

The simplicity of a vision allows it to be shared easily with and between employees, from employees to customers, and among customers.

Complication is the enemy of great vision.

The Fisherman's Path to Leadership

224 Lessons from the Wisdom of Nature
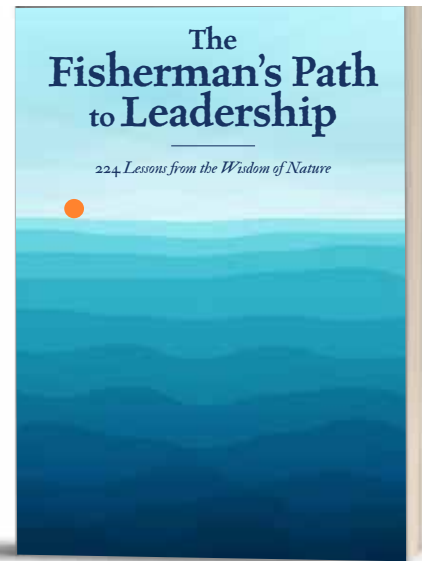
If things are too complicated and too difficult to grasp, then most likely this is not a real vision but an overcomplicated puzzle. Too much complexity simply turns people off.

Simple is always better, yet simple is often more difficult. We are taught to make every process more complicated. We were never taught how to make things simple, which is necessary for leadership.

Simplicity makes people productive in achieving their goals. Complication makes people busy solving problems that are created by it. A true leader must be a master of simplicity.

MYTH 4: Negativity is normal

I have a simple rule in my coaching practice—never coach uncoachable people. What defines whether a person is coachable or not?

First- Negative people are not coachable. They are toxic. Negativity does not allow us to look beyond ourselves and our prejudices. It fuels doubt and unnecessary worries. Negative people will find a problem in every decision. Negativity does not allow us to look

into the future occupying every cell of our mind and blocking a path to success.

Second- Ungrateful people are never satisfied and never happy. They are looking for problems in everything and are very successful at creating more problems.

Third- Poor, know-it-all guys defend their ground at the cost of growth. They feel insecure about facing something unknown and pretend that they know everything.

Fourth- Ego-centric executives kill vision and blind us from seeing others and the world around us. The ego is the harshest master that is never satisfied while giving nothing in return.

The reasons are simple:

- No one can create a positive future with negative thoughts.
- Your negativity is the highest barrier no one would be interested to overcome.
- Negativity is the worst advisor. It always aims to make you feel like a victim of circumstances and leads to mistakes that you will regret greatly afterward.

Be positive if you want to be ahead of the game. A leader must be positive to be productive and to have energy within him. Stay positive regardless of circumstances and do not let anyone infect you with their negativity.

MYTH 5: Business in distress, not a leader

We have all had a few distress events in business facing the risk of losing everything. In such circumstances, an avalanche of problems fall on leaders from everywhere. 'SOS' is a great sea term for such an event.

Whatever I considered solid fell to pieces, the phones of seemingly reliable partners were not answered, and funds melted like snow on a sunny day. The first reaction is to do what I can. Then the most challenging and dangerous phase comes—panic and helplessness.

Panic blocks consciousness. Panic within a team when in distress is more devastating than the challenge itself. Let people calm down and set them to act meaningfully. A leader must be a rock and ensure the vision of the prospective future is much greater than any problems. Confidence in inevitable success brings calmness and effectiveness in achieving goals.

If a leader is not confident in what he or she is doing, then employees will be even less so. If a leader is confident and calm, employees are calm and confident as well. The confident team will navigate your company out of a challenging situation.

As soon as I calmly analysed this, I found that it was not my business in distress, but myself. Nothing wrong with my company. The problem is in the way I think and act. A leader is a dealer of confidence. People do not need leaders who feed their stress. **M**

THREE PSYCHOLOGICAL CHALLENGES

COMMIT COMBUST COMBINE

✦ JAMES SCOULLER, AUTHOR, *HOW TO BUILD WINNING TEAMS AGAIN AND AGAIN*

Commit, Combust, Combine

I coach teams and, in my experience, for them to climb what I call the 'Team Progression Curve' and succeed as a high-performing unit, they must all navigate three psychological issues. I call them 'Commit', 'Combust', and 'Combine'. Unfortunately, most people do not know about these and therefore find it harder to build winning teams.

In this article, I will outline those three issues. The payoff will help you figure out how to raise your team's performance when progress stalls. Or better still, it will help you avoid the problems before they arise.

Psychological issue #1: Commit

Commit is normally the first issue you and your teammates will face because whenever we join a new team, we subconsciously ask ourselves questions like:

- Do I feel I belong here?
- What is our team aim? Do I want to contribute to achieving it?
- Will they ignore or dismiss what I say?
- Who responds favourably to me or see things the way I do?
- Will they (especially the leader) accept me?
- Will they think I can make a difference to our results?
- Will it be a successful team?

If you are the leader, you can be sure your new teammates will be pondering these questions.

The central issue, the thread running through the questions, is inclusion. You could boil them down to just one: shall I be an active engaged member, include myself, and commit to this team, or shall I stay detached, hold back and remain on the sidelines?

How do you know when you have resolved Commit?

It is when most of your teammates have made the minimum commitment needed for the emerging team to move onto the Combust issue. In my experience, this usually means four things. One, they believe the team's aim is sufficiently worthwhile and realistic. Two,

they have assessed their colleagues' reactions to them and feel included. Three, they can at least sense a value-adding role for themselves. And four, stemming from the first three points, they have decided they want to stay and play their part in the team—at least for now.

Psychological issue #2: Combust

Now the Combust issue looms into view.

This is about power, especially around team decision-making and execution. It shows as our efforts to exert influence by playing roles that satisfy our power needs. This explains the conflict you will often see when Combust is in force.

In Combust, again subconsciously, we will ask ourselves questions like:

- Who are the most powerful people here?
- How do we get things done here and what's my role in it?
- How much power do I want and what kind – formal responsibility or behind-the-scenes influence?
- What are the rules here? Can I make, change, or break them?
- Do I need to fight anyone?
- Can I cope?
- Am I ready to limit my autonomy by letting others influence and challenge me?

As with Commit, we can distil these questions down to one: am I seeking high or low influence, especially, when we consider and act on team decisions, and will I face battles with my colleagues—and therefore, shall I act timidly, subtly, or forcefully?

What are the signs that you have resolved Combust enough to shift onto Combine?

Assuming the members still believe in their common goal and remain engaged, look out for these five indicators. One, your teammates have settled into what they consider satisfying team roles. Two, they understand and accept how the team reaches decisions. Three, they
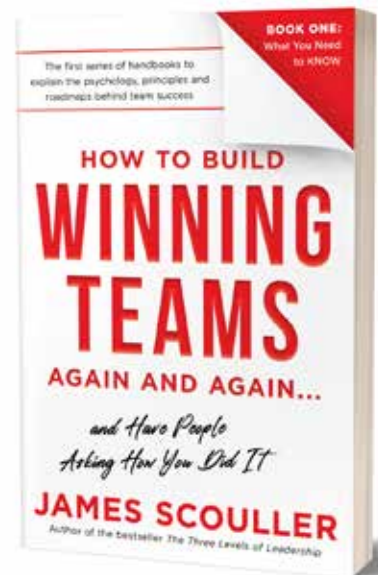
know who plays what role in those decisions. Four, most (ideally, all) members are satisfied with their influence in the team. Fifth, a sense of order, structure, and progress has emerged from points one to four.

Psychological issue #3: Combine

Combine is the most complex of the three issues. Why? Because you will see two distinct yet connected themes: intimacy and focus.

Our desire for intimacy moves us beyond a wish for contact (in Commit) to want to feel closer to others, to like and be liked, to support and be supported. Intimacy requires trust. Building trust means we must say what we genuinely think, feel and intend, and do what we promised our colleagues we'd do.

Focus concerns where we direct our willpower and energy: in the team's interests or our own?

When we combine trust and focus, we support one another while expressing our individual potential in service of the team's purpose, not our selfish interests.

As before, subconscious questions arise when Combine is your main issue. They include:

- How safe is it to reveal my real thoughts and feelings in this team?
- Are people telling the truth here?
- Do I trust these people? Who can I trust here?
- How much of myself do I want to reveal? Can I be myself and still be liked?
- Do I care enough about our goal to put the team's interests before my own?
- What contribution to results does the team need from me?
- How can I balance my personal growth needs with what others want and, also, what the whole team needs?

We can distil these questions and others like them down to just two.

First, am I ready to trust the people here and say what I really think and feel, even at the risk of making myself vulnerable—or shall I remain guarded?

Second, shall I put the team's priorities before my own interests and, if so, how can I best use my talents to help us succeed – or shall I instead look after number one?

How do you know you've navigated Combine successfully?

I have found there are five signs. One, the members trust one another's motives, which shows through their readiness to say what they are really thinking and feeling on important and sensitive issues. Two, the members have grown emotional bonds, pulling them closer together as a team. Three, you will see examples of members putting the team's aims before their personal needs, for example, 'turf' or career interests. Four, the members have accepted that they cannot leave leadership entirely to the team leader, meaning they hold one another accountable without waiting for the leader to put them under pressure. Five, the team consistently arrives at clear decisions and follows through skilfully.

Sequence

I have been implying that all work groups face three issues their members must resolve to become and stay a successful team—Commit, Combust and Combine—usually, in that order. You may be wondering, why do they normally arise in that sequence?

Commit is typically the first issue because if the members do not decide to engage (at least for now), the team would not need to address the Combust and Combine challenges. Again, why? Because members would not care enough to worry about them. Why would they care about power, trust, and focus if no one committed?

Why does Combust typically follow Commit? Because research shows that once we have decided we are 'in', that is when we focus on power and roles.

Why does Combine normally follow Combust? Because it is usually only after members gain enough feel for their power in the new team that they turn to the Combine issue. That is when they show most interest in developing closer connections, building trust, supporting colleagues' needs, putting the team first, and seeking ways of raising collective performance.

Timing

You may be asking yourself; how long does it take to navigate the three issues successfully and become a genuine team? Unfortunately, there is no fixed answer. At a minimum, several months. But it takes as long as it takes and, frankly, some would-be teams never resolve them because their members lack psychological awareness and team-building know-how.

You are, however, forewarned and forearmed so your chances of successful team-building are already better than average. IM

ABOUT THE AUTHOR

James Scouller is author, *How to Build Winning Teams Again and Again.*
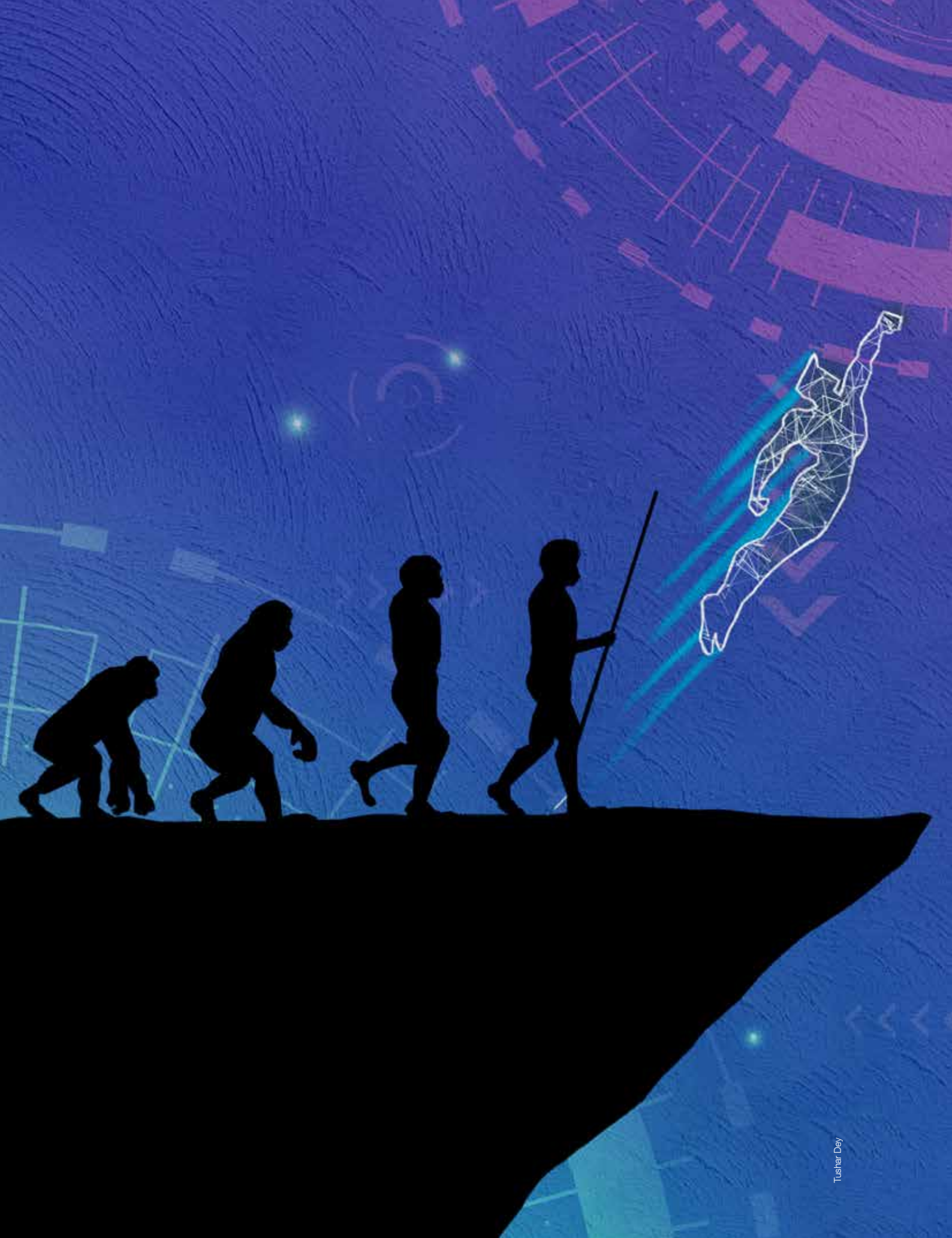
Successful digital transformation requires a multi-year, multi-work stream collaborative effort across all business and functional teams.

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✦ MICHAEL SCHANK, *DIGITAL TRANSFORMATION SUCCESS*

TECHNOLOGY

The rule of five

The rapidly evolving technology landscape is disrupting the competitive environment. For most, this means undergoing a digital transformation is no longer optional. Approximately 89 per cent of organisations[1] are planning to adopt or have already adopted a digital business strategy. Yet shockingly, about 70 per cent of these programs fail to reach their goals[2]. The implications are significant—from lost investments, frustrated stakeholders, unsatisfied customers, and lost ground to competitors—all of which can be fatal for a business.

The root cause of failure can be attributed to organisational complexity. Organisations undergoing transformations often operate diverse business lines across various markets, manage aging and complex IT environments, and navigate significant regulatory oversight. Successfully delivering these transformations typically require a multi-year, multi-work stream program, demanding substantial and targeted efforts across numerous diverse business and functional teams that must collaborate effectively.

Each of these teams have their own unique language and perspective, hindering communication and collaboration. Successfully navigating on such an ambitious program requires a transformation leader with superhuman capabilities to keep everyone focused on the transformation goals.

To date, no holistic methodology has been created to solve this complex problem. However, following these five golden rules can significantly increase your chances of delivering on your transformational aspirations.

Rule 1: Make the journey business-centric
Advancements in the technology landscape have provided a catalyst in this digital age. A profound understanding of technical capabilities is needed, along with the associated opportunities and threats to your business. These technological shifts have significantly impacted business models, fostering the growth of E-commerce, platform business models, subscription models, and more. Additionally, advanced technical capabilities and enhanced data insights drive new strategies to boost customer engagement

and loyalty. Both are crucial as loyal customers spend 67 per cent more[3] than new ones.
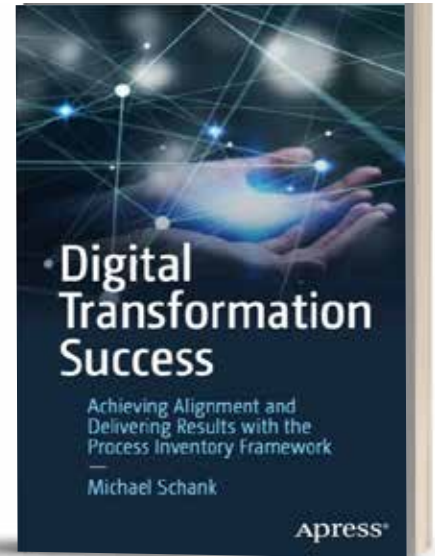
This underscores the importance of crafting a digital strategy through a business-centric lens. It begins with reassessing the organisation's mission and envisioning a digitally enabled future. Consider the impact on business models—such as through new products, markets, and customer engagement approaches. This visionary process guides the definition of the strategy, outlining short-and long-term initiatives to fulfil these aspirations.

Strategic initiatives typically revolve around two core aspects: the need for new processes and modifications, or impacts to existing processes. Executing the digital strategy depends on aligning the end-to-end approach with business processes as a shared language, fostering collaboration across diverse teams to efficiently turn the vision into reality. This enables a consistent business orientation

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Digital
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Success

Achieving Alignment and
Delivering Results with the
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Michael Schank

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throughout each step of the change journey—from defining initiatives to deploying changes.

Rule 2: Focus on empowering employees

To thrive in the digital age, organisations require a highly engaged, high performance workforce characterised by traits such as customer-centricity, seamless collaboration, commitment to continuous learning, and a strategic approach to risk-taking. This cultural shift fuels innovation across products, processes, customer experiences, and technology architecture—crucial for revenue growth and sustained competitive advantage.

Artificial Intelligence (AI) is driving this shift by replacing humans in mundane and repetitive tasks and pushing the workforce toward higher cognitive activities that require critical thinking.

Positive motivating factors that drive engagement are challenging work, achievement, recognition, and opportunities. To fulfil these motivating factors, it's essential to precisely define accountability and

ownership—not just for the transformation but also for the long-term operating model. Adopting a comprehensive Process Owner model, where all processes are clearly defined and points of collaboration with other areas are detailed, is considered a best practice.

By defining ownership, eliminating hierarchical barriers, rewarding initiative, valuing openness, and providing tools, leadership empowers every employee to be innovation engines.

Rule 3: Drive organisational agility with operational excellence

Rapid technological advancements and other external changes driven by innovation in the market will continue to pose threats to competitive positioning. The implication is that digital transformations need to be viewed as a continuous journey as it's challenging to predict these forces in the short and long term.

To prepare for this journey organisations need to strive for organisation agility, which is the ability to quickly reconfigure strategy, structure, processes, people, and technology toward value-creating and value-protecting opportunities.

Organisations face several inefficiencies, such as organisational silos, redundant IT systems, inflexible technical architectures, bureaucratic processes, and other impediments. These hinder agility as they make adapting to new opportunities time consuming and expensive.

To enhance agility, organisations must drive towards operational excellence, focusing on resource efficiency and waste elimination. This extends beyond optimising core processes to scrutinising all resources and confirming that they're aligned and optimised towards the organisation's goals. A lean organisation can swiftly respond to changing circumstances.

Transparency regarding processes, resource utilisation, performance data, and ownership are critical enablers. Establishing an operational intelligence platform serves as a single hub for centralising and integrating

all operating knowledge and will arm staff to drive out inefficiencies.

Executing the digital strategy depends on aligning the end-to-end approach with business processes as a shared language, fostering collaboration across diverse teams to efficiently turn the vision into reality.

Rule 4: Harness the value of data

The past decade has seen an astronomical 5,000 per cent surge in data growth[4], making effective data management a crucial imperative. Organisations recognising the competitive advantage of data can leverage it for valuable insights and informed decision-making.

To succeed in digital transformation, prioritising customer-centricity is paramount. Organisations must maintain a 360-degree view of customer preferences and interactions, predicting behaviour to deliver on the engagement and experiences that customer demand.

AI can be an engine for operational excellence, particularly through the concept of Digital Twin—an AI-driven virtual representation of the real world that analyses real-time data to gain insights into process performance. However, this relies on high-quality data, characterised by consistent data labels across various input sources.

Risk management is crucial, particularly given the surge in regulations like GDPR, CCPA, HIPAA, and others. Stringent compliance requirements necessitate careful measures for data handling and protection.

To unleash the full potential of data, organisations require strong data management programs. A key starting point is understanding how data is used in processes and then designing governance accordingly. This ensures data serves as a valuable engine for digital transformation, meeting regulatory standards and maximising its role in creating organisational value.

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Rule 5: Allow business processes to provide a common language

As much of the failure of digital transformations is due to organisational complexity and the challenges of getting diverse teams to focus on the goals of the transformation, overcoming this challenge requires a common language characterised by business orientation, cross-functional collaboration, and a nuanced understanding at both high and low levels of granularity. The ideal candidate for this is business processes.

With a common language of business processes, the organisation envisions its digital future through a business lens, which enables a digital strategy that's articulated by impacts to processes. Process enables collaboration across teams—including business, technology, risk, compliance, and people leaders—to effectively implement the future vision. Transformation leaders can efficiently manage the journey through accountability and transparency.

To establish this approach, a comprehensive inventory of processes must be developed. Leveraging this inventory to align operational and resource information from various operational data sources becomes a unifying operational intelligence repository, which is key to driving alignment. This also means creating a process capability to build and maintain this information for long-term value.

Implementing these five golden rules of digital transformation will require an investment and commitment from leadership, but that cost pales in comparison to a failed transformation. **IM**

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An emergent India

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The growth estimate for India has been increased by the International Monetary Fund (IMF), which now projects a strong expansion of 6.7 per cent in the fiscal year 2024—an increase from the previous estimate of 6.3 per cent. It is anticipated that this good trend will continue, with consistent growth rates of 6.5 per cent anticipated for the fiscal years 2025 and 2026. India's remarkable growth rate, which has exceeded 7 per cent over the last three years, can be attributed to the strength of its domestic demand. This stands in stark contrast to other major economies with modest growth outlooks, which are 2.1 per cent for the US, 0.5 per cent for Germany, 1 per cent for France, 0.9 per cent for Japan, and 4.6 per cent for China.

India stands out in the world economy because of the important role that technology, patents, and a strong infrastructure for R&D play. The past ten years have seen proactive government reforms and strategic actions that have contributed to the amazing performance of the Indian economy in recent times. India's position has improved significantly in the Global Innovation Index, moving up from 81st in 2015 to 40th in 2022. Even if the private sector now accounts for 42 per cent of R&D spending—a considerable rise from 19per cent in 2001–2002—it nevertheless shows India's dedication to promoting innovation. The crucial role that technology plays, especially in the area of digitalisation, has opened up new opportunities and encouraged efficiency and creativity in a variety of businesses.

India is making great progress in safeguarding intellectual property, fostering innovation, and drawing in foreign investment as seen by the increasing number of patent applications and grants. The number of patent applications increased significantly to 23,141 in 2020, indicating a greater focus on innovation. The exponential increase in patent applications over the last ten years—from 8,841 in 2011 to a startling 26,267 in 2021—demonstrates the strength of the innovation ecosystem and the growing awareness of the value of intellectual property protection. India maintains a large volume of non-resident patent applications—it routinely files more than 30,000 applications per year—which indicates a strong presence

in the international innovation community. The increasing number of non-resident patent applications reflects the region's attractiveness for international innovators and businesses, suggesting a collaborative and open innovation ecosystem.

From 2016 to 2020, the number of scientific publications surpassed the 100,000 mark, reaching 149,212 in 2020. A thriving research community, evidenced by the growing number of publications, contributes to the development of a knowledge-based economy, attracting investment and fostering technological advancements.

An important part of this story about innovation is the start-up ecosystem in India. The Union Ministry of Commerce and Industry reports that 3,300 companies are addressing climate change and offering solutions for the expansion of renewable energy. Despite being minimal at first, Indian entrepreneurs' use of patents has grown significantly. The number of patents filed increased to 1,598 in 2020–21 from 160 in 2016–17. The percentage of all commercially viable patents climbed from 5.73 per cent in 1990–1996 to 21.57 per cent in 2018, demonstrating how the market is changing and how important start-ups are to the commercialisation of inventions.

Early on, from 1990 and 1996, the percentage of all patents that were in effect and could be used for commerce was only 5.73 per cent of all patents. It was around this time that India began to concentrate more heavily on technological breakthroughs. But 2010 marked a major turning point, indicating a substantial increase in the application of patented technologies.

The percentage of commercially viable patents increased to 11.23 per cent during this revolutionary time, indicating a stronger dedication to converting novel ideas into useful applications. In the more recent years—that is, in 2017 and 2018—the Indian patent industry has seen significant growth in terms of commercialisation. According to the data, there has been a noteworthy rise in the total commercial working of patents, with a recorded 23.20 per cent in 2017 and a steady 21.57 per cent in 2018. This increase is a sign of a paradigm shift in India's understanding of and use of its technical resources. India has demonstrated its dedication to innovation and intellectual capital via its road towards becoming the major economy with the fastest rate of growth. India is positioned as a worldwide economic powerhouse thanks to the combination of technology, patents, and a supportive environment for innovation. **IM**

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