



Digital Business Transformation and Strategy: What do we know so far?

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Motivation for this Research



Digital Transformation Foundations



Why? Seeks to understand the context of digital transformation

What? Seeks to understand the content of digital transformation

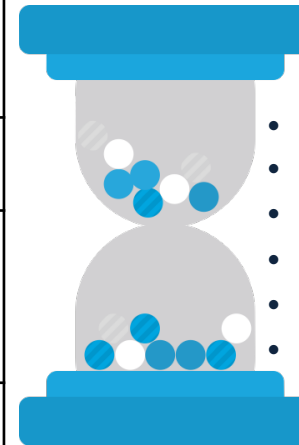
How? Seeks to understand digital transformation from a strategy lens and explores its content and process

Methodology

Systematic Literature Review

Keyword	Rationale
digital*	used as a main construct to cover digital and its derivatives (i.e. digitally, digitalization)
“information technology”	to cover the preceding information technology era (i.e. IT, IS, ICT)
transformation	used as a main construct to cover transformation
“organi*ational change”	used as a synonym to business level transformation and covers English and American writing styles
strategy*	used as a main construct and covers strategy and its derivatives (i.e. strategically, strategies)

- Scopus
- Web of Science
- Google Scholar
- Snowballing
- Books

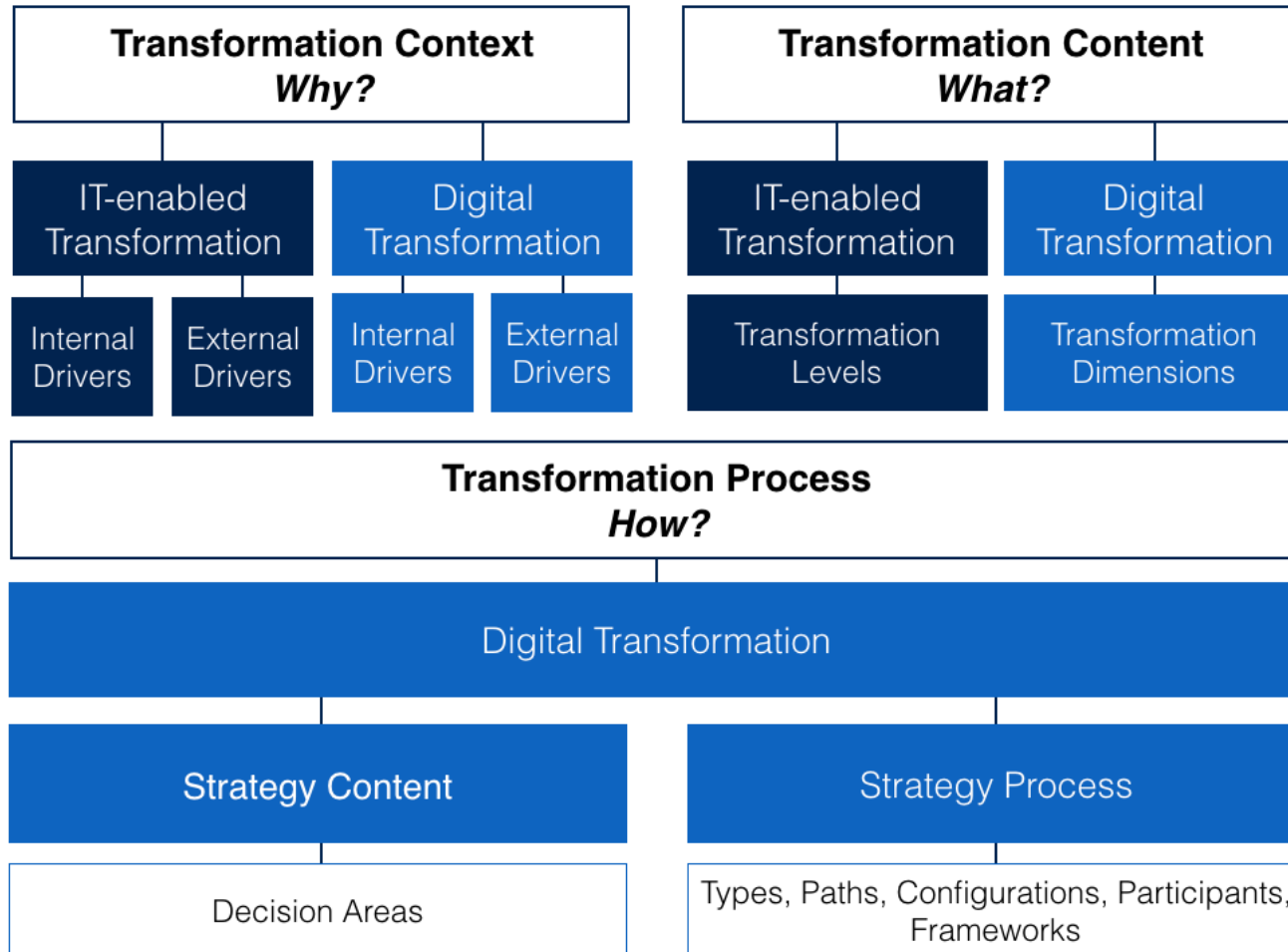


- All years to 2017
- Company-Level
- Business Studies
- Management Studies
- English Sources
- Answering 3 RQs

95 Publications



Synthesis Framework



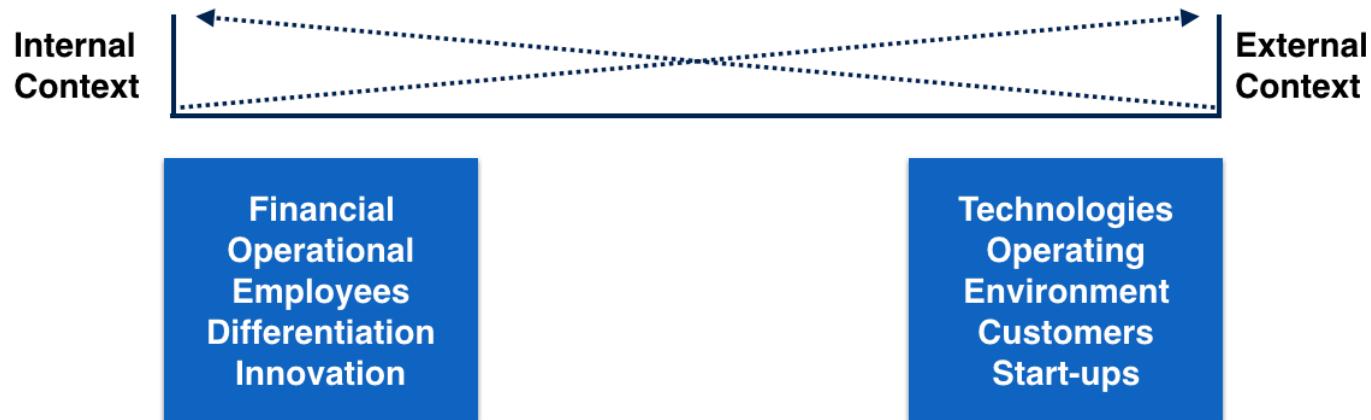


Key Contributions

- The context of digital transformation in companies
- The content of digital transformation in companies
- The strategy process of digital transformation in companies
- Defining Digital Transformation Strategies
- Positioning digital transformation within technology-enabled transformations
- Key Characteristics of digital transformation

Digital Transformation Context

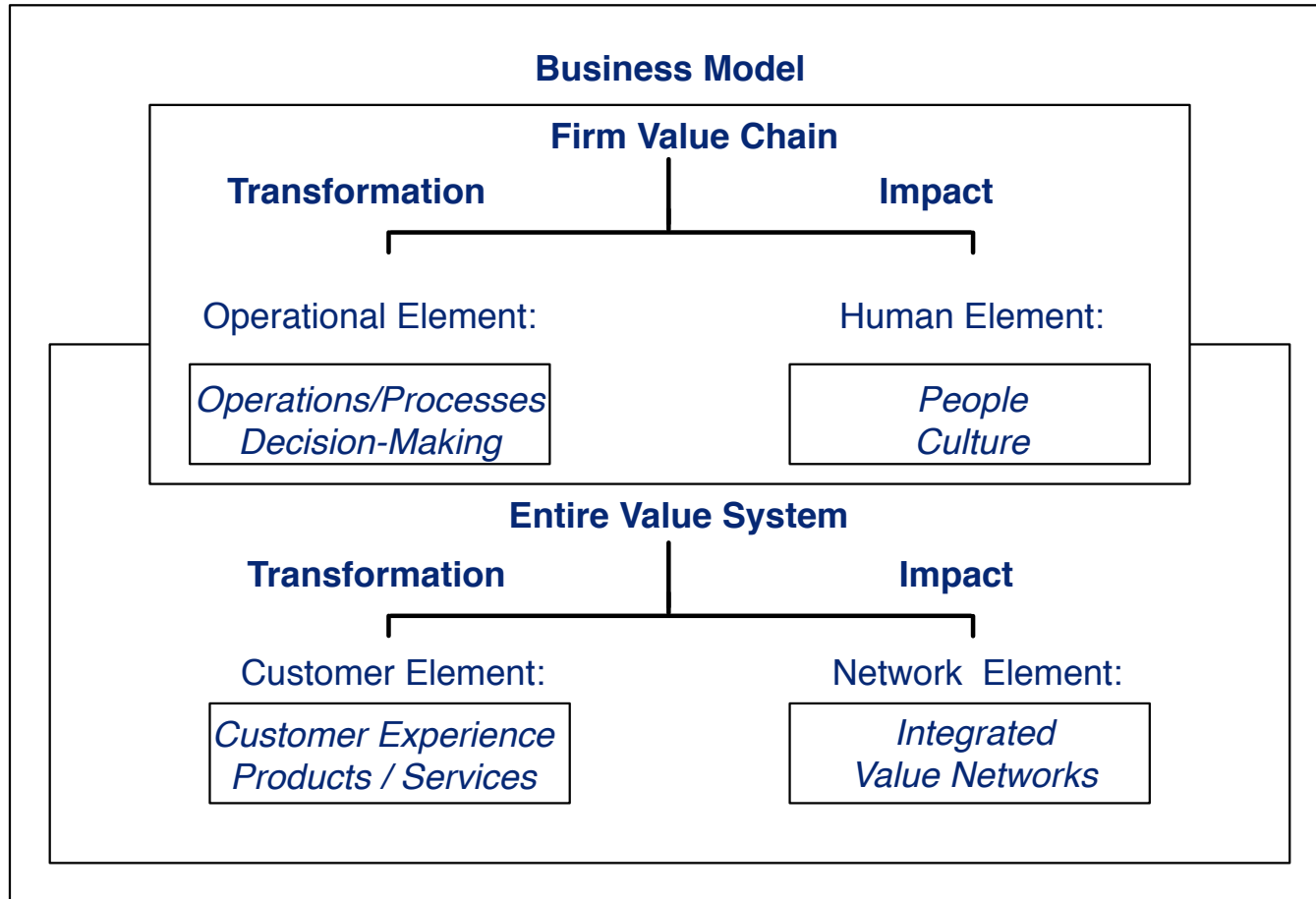
Why do companies digitally transform?



Emphasis in the literature is placed on two key drivers:
customer expectations and the emergence of **competitive start-ups**

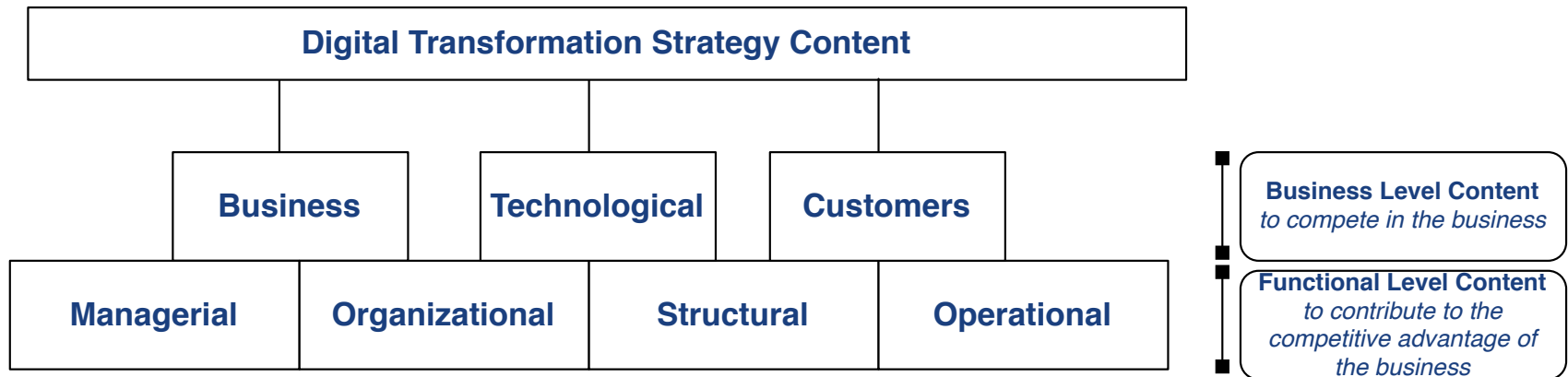
Digital Transformation Content

What do companies digitally transform?



Digital Transformation Strategy Content

What are the decision areas to consider?





Digital Transformation Strategy Process

How do companies digitally transform?

Strategy Types: focusing on the Customer

Customer Engagement Strategy

- Focuses on building customer loyalty through superior, innovative, personalized and integrated customer experience
- Aims to create a seamless omnichannel customer experience

Digital Solution Strategy

- Reformulates a company's value proposition through the integration of products, services and data
- Characterised by R&D efforts to anticipate rather than respond to customer needs

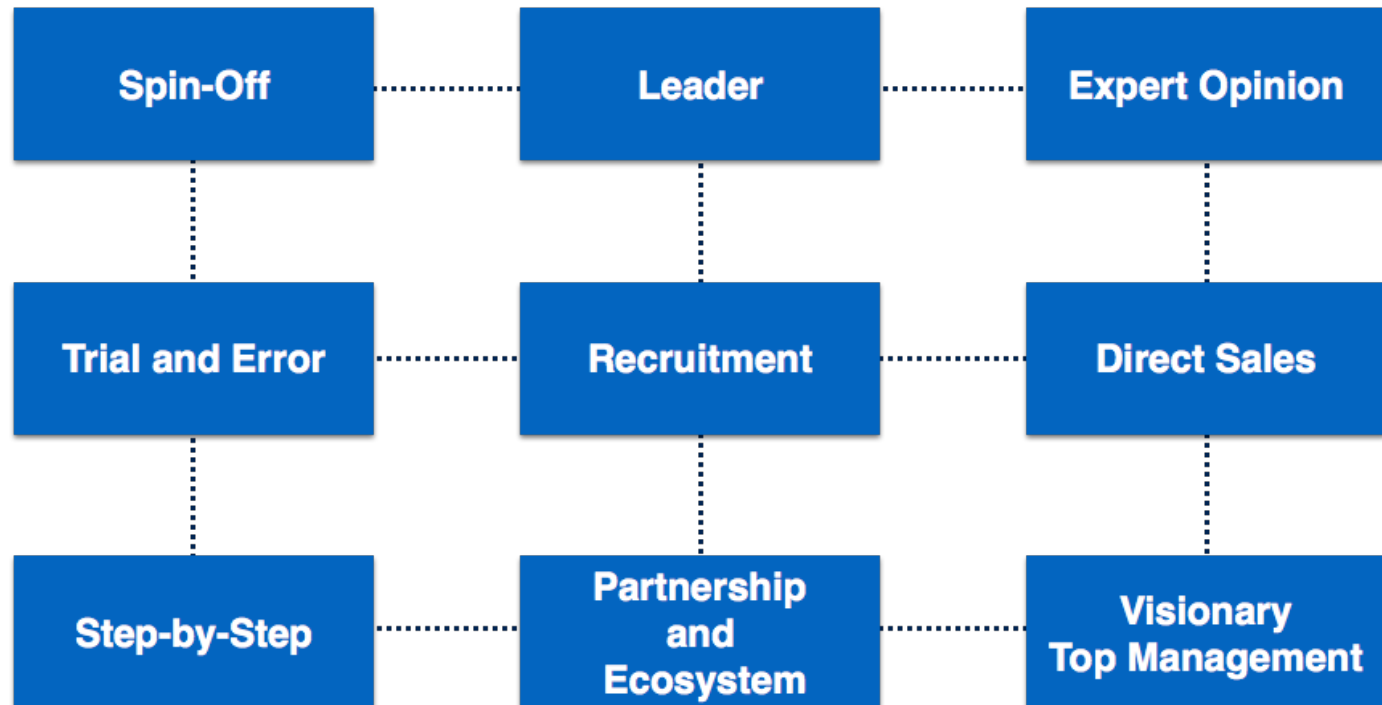
(Ross, 2017)



Digital Transformation Strategy Process

How do companies digitally transform?

Strategy Types: focusing on managerial tactics



(Kaltenecker et al, 2015)





Digital Transformation Strategy Process

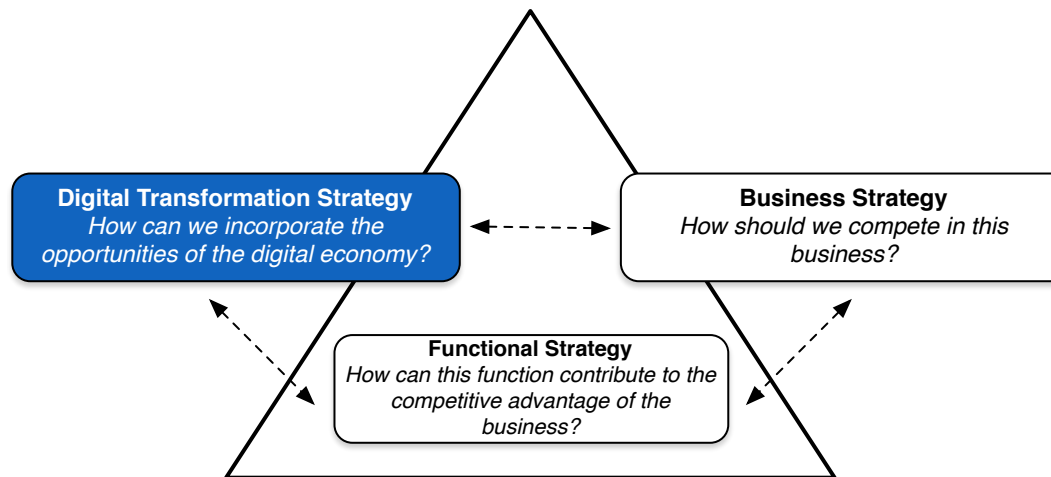
How do companies digitally transform?

Strategy Frameworks:

Phase	Description
Initiation	Understanding digitalization opportunities, threats and impact
Ideation	Imagining transformation dimensions as options for the business
Assessment	Evaluating digital readiness levels and identifying gaps
Engagement	Communicating the vision and integrating necessary people
Implementation	Proceeding with the action plan in various domains
Sustainability	Validating and optimizing the action plan continuously

Digital Transformation Strategy Definition

A digital transformation strategy is a company-spanning strategy that is formulated to enable a company to incorporate the opportunities of the digital economy by leveraging digital resources and capabilities, and digitally transforming along multiple business dimensions: operational, customer-focused and business models.

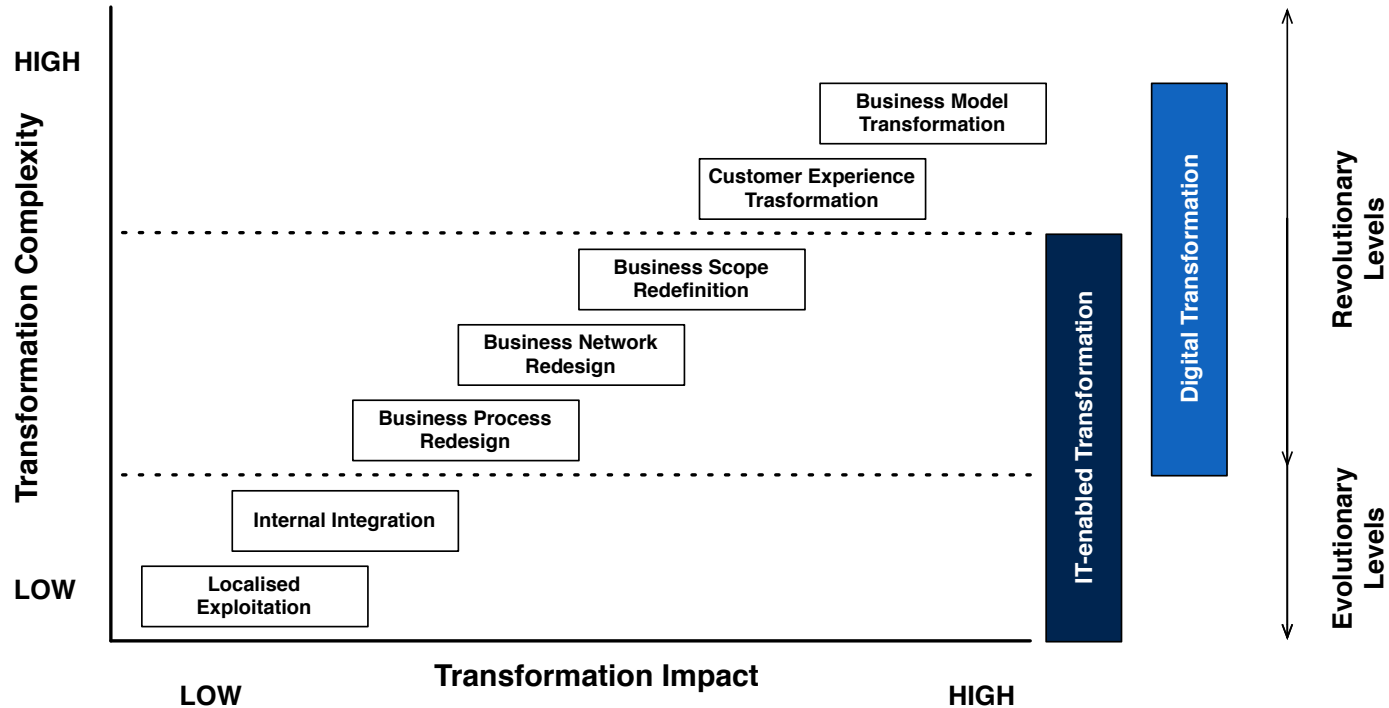


- a) Recognizes the fusion between the business strategy and IT strategy;
- b) Translates the digital layer of a business strategy to the various functional strategies and acts as a missing link;
- c) Provides specific transformational guidelines to reach the future state; and
- d) Considers broader organizational restructuring requirements and acquisitions.

Key Insights: Positioning Digital Transformation

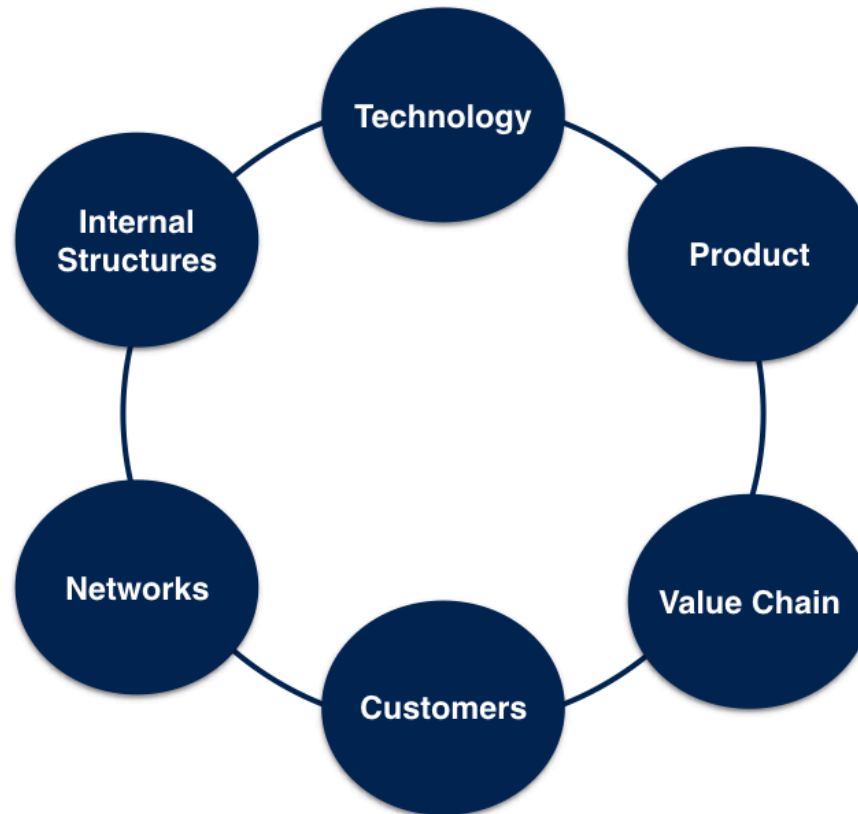
We propose:

- The degree of complexity of digital transformation exceeds that of previous IT-enabled transformation as it takes a revolutionary approach to fundamentally change the discussed dimensions
- The range of potential impact and benefits arising from digital transformation are also higher and have a clear external impact crossing traditional organisational boundaries



(Adapted from Venkatraman, 1994)

Key Insights: Distinctive Features of Digital Transformation





Key Insights: Distinctive Features of Digital Transformation

Technology

- Re-programmability
- Data Homogenization
- Mobility
- Ubiquitous connectivity

Product

- Physical component
- Smart component
- Connectivity component

Value Chain

- Reshaping VC:
 - Design
 - Manufacturing
 - Smart Factories
 - Marketing & Sales
 - After Sales

Customers

- Digital interaction
- Digital distribution
- Ubiquitous digital reach

Networks

- Increased cooperation
- Co-specialised investments
- Long-term repeated interactions

Internal Structures

- Governance
- New Roles
- Cross-functional Teams
- Bimodal IT



Thank You

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