

Digital Leadership

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DGM 726
Lecture 5

Digital Transformation &
Digital Leadership



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Last Lecture, we leaned about

❑ **Styles of Leadership**

1. Autocratic
2. Managerial
3. Democratic
4. Collaborative

❑ **How do you determine what is an appropriate style?**

❑ **How do you choose and develop a leadership style?**

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Lecture outline

Today's Lecture we will Know about

- ☐ The Digital Revolution
 - ☐ Digitization
 - ☐ Digitalization
 - ☐ Digital Transformation
 - ☐ Digital transformation in media
- ☐ Digital Leadership
 - ☐ Definition
 - ☐ Goals & strategy
- ☐ Digital leadership & Digital Transformation
- ☐ Importance of Digital Leadership in the Era of Digitalization

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Learning Outcomes

- ☐ Learn about the digital revolution and how it led to digital transformation and what are its tools.
- ☐ Learn how Digital leadership can effectively achieve successful digital transformation, and what is the importance of digital leadership in the era of digitalization.

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Introduction

- ❑ Accuracy in communication is one of the most critical communication skills.
- ❑ This applies to both verbal and written communications. Accuracy in communication puts you and your audiences on the same page. Your message is clearly and accurately delivered.
- ❑ The possibility of misunderstandings, misinterpretations and even poor decisions, is radically reduced. Consistent communications also make future conversations easier, because the definitions are concrete, discussions about misunderstandings and ambiguities are avoided, and trust is built.
- ❑ Many people have begun to conflate terminology either out of ignorance or for their own benefit, which creates confusion, because suddenly we're talking about different things but calling them the same.
- ❑ Some have begun labeling digitalization as digital transformation so, it is important to clarify difference between Digitization, Digitalization, and Digital Transformation.

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Digitalization & Digitization



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Digitalization & Digitization**□ Digitization**

- The Digitization refers to creating a digital representation of physical objects or attributes. For instance, we scan a paper document and save it as a digital document (e.g., PDF). In other words, digitization is about converting something non-digital into a digital representation or artifact. Computerized systems can then use it for various use cases.
- Digitization is foundational. This is the connection between the physical world and software. This is what we been doing since the 1960s. It is an enabler for all the processes that provide business value because of the need for consumable data.

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Digitalization & Digitization**❑ Digitalization**

- ❑ Digitalization refers to enabling or improving processes by leveraging digital technologies and digitized data. Therefore, digitalization presumes digitization. Digitalization improves an existing business process or processes but doesn't change or transform them.
- ❑ Digitalization is the use of digital technologies to change a business model and provide new revenue and value-producing opportunities; it is the process of moving to a digital business.
- ❑ Digitalization affects many aspects of organizations, including information technology, strategy and business models, products and services, internal and external processes, organization, and company culture.

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Digitalization & Digitization

❑ Digitalization

- ❑ Digitalization has started showing its effect in day to day lives. From reading an e-newspaper to ordering food from an app to be delivered at one's doorstep, from using a digital toothbrush that tracks the progress and effectiveness on a mobile device to shopping online for groceries and other items, most things are becoming digital. The continuous integration of digital technologies into businesses strategies has led to fundamental changes.

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Digitalization & Digitization

- ❑ The 20th century saw a massive change in the creation and spread of information. Beginning with the radio, moving through television and, eventually, the Internet, new technologies of mass dissemination could supply information directly to large numbers of people with unprecedented speed and efficiency.
- ❑ Digitalization allowed to connect more than 8 billion devices worldwide, modified information value and management, and started to change the nature of organizations, their boundaries, work processes, and relationships.

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Digitalization & Digitization

- ❑ A Randstad US report, “Workplace 2025: The Post-Digital Frontier,” reveals that just over half (52%) of companies are still in the early stages of digital transformation. To remain competitive, companies must embrace technology and stay ahead of digital disruption and to do so digital leaders play a very important role.

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Digitalization & Digitization

Digitization		Digitalization
Definition	Converting data, documents and processes from analog to digital.	Transforming business processes by leveraging digital technologies, ultimately resulting in opportunities for efficiencies and increased revenue.
Examples	• Scanning a photograph to create a digital file. • Converting a paper report to a digital file, such as a PDF. • Inputting an existing paper checklist into a digital checklist app, such as Apple Reminders. • Recording a presentation or phone call, turning physical sound into a digital file.	• Analyzing data collected by internet-connected devices to find new revenue streams. • Using digital technology to transform your reporting processes, collecting and analyzing data in real time and using insights to mitigate risk and promote efficiency on future projects.

Digitalization & Digitization

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Digital Transformation Pyramid



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Digital Transformation



Lec.5**Digital Transformation**

- ❑ **Digital Transformation is really business transformation enabled by digitalization. The “digital” moniker is a little bit of a misnomer because the essence of digital transformation is the changing of business processes enabled or forced by digitalization technologies.**
- ❑ **Industry 4.0 is revolutionizing the way companies manufacture, improve and distribute their products. It focuses on the combination of Digital Transformation and Digitalization.**

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Industry 5.0: Potential Opportunities and Adoption Challenges

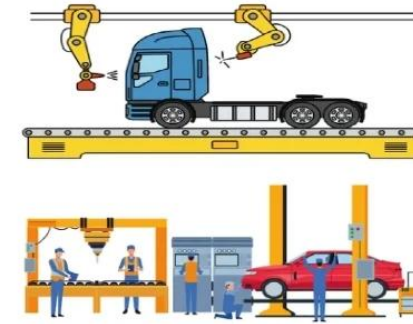
Industry 1.0

- Steam Engine
- Mass Production by Machine



Industry 2.0

- Assembly Lines



Industry 3.0

- Automation
- IT Systems



Industry 4.0

- Digitisation



Industry 5.0

- Cyber-Physical
Cognitive Systems
- Green Manufacturing
- Cultural Collaboration
- Mass Customisation



Digital Transformation

Lec.5**Digital Transformation**

- ❑ The ability to redesign businesses digitally is largely driven by a clear digital strategy that is supported by executives that promote an adaptable and innovative culture.
- ❑ It encompassed the incorporation of new digital technologies such as social media, artificial intelligence, and big data into business processes, as well as the subsequent development of new business models

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Digital Transformation

❑ What is digital transformation in media?

❑ **D2C video streaming:**

One of the most notable trends is the move from traditional broadcasting to Direct-to-consumer (D2C) video streaming. The result is that viewers now have more control than ever over what they watch, when they watch it, and how they access it.



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Digital Transformation☐ What is digital transformation in media?☐ **The role of artificial intelligence**

AI is being used to create more personalized content, improve audience targeting, and enhance the overall user experience. As a result, AI is becoming an essential tool for media companies looking to stay ahead of the curve. One of the most exciting trends in AI-driven media is the use of creative intelligence. By harnessing the power of AI, media companies are able to create better, more original content that resonates with audiences.

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Digital Transformation☐ **What is digital transformation in media?**☐ **Deeper Forays into the Metaverse**

The metaverse is still, at best, an ambiguous concept to most enterprises and consumers alike. This is changing fast, however, as metaverse features and technologies like play-to-earn gaming, online property, non-fungible tokens (NFTs), and cryptocurrencies are becoming all the rage in 2022 and beyond. And despite crypto's recent downturn, the metaverse and its foundational technologies are continuing to create new opportunities for media and entertainment businesses.

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Digital Transformation

❑ What is digital transformation in media?

❑ **Deeper Forays into the Metaverse**

For instance, Disney launched its strategic initiative around the metaverse recently, in what it calls “next-generation storytelling.” And in June 2022, former Disney, Sony, and Lucasfilm creatives announced the kick-off of land sales for its “Notorious Frogs of Frogland” NFT collection and associated metaverse called “NewPangea.” It’s safe to assume that major film development and entertainment studios are looking towards the metaverse for blending physical and digital environments in new entertainment offerings.



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Digital Transformation

☐ What is digital transformation in media?☐ **Personalized content**

By using data about their readers, media companies can deliver tailored content that is more likely to engage and retain readers. This approach has already yielded success for some publishers, and it is expected to become even more widespread in the years to come.

In conclusion, *there are many benefits of embracing digital transformation in media, such as increased audience engagement, new revenue opportunities, and cost savings.*

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Digital Leadership



Lec.5**Digital Leadership**

- ❑ Digital technology has significant implications for leadership theory, practice, and development.
- ❑ Leadership practices will face challenges in the future, because geographical and physical presence will be less important. Everything will be on virtual platforms including sharing, learning, and communicating. Workplaces will be more mobile, flexible, adaptable, multilingual, and culturally sensitive.

Lec.5**Digital Leadership**

- ❑ Yet there are practices and skills which are difficult or cannot be computerized: perception and manipulation (physical flexibility, dexterity, and balance); creative intelligence (artistic ability, originality); and social intelligence (persuasion, negotiation, caregiving) .
- ❑ Leaders in the future would have to learn to keep up with new challenges of the digitalized world to lead their teams with highest efficiency.

Lec.5 Digital Leadership

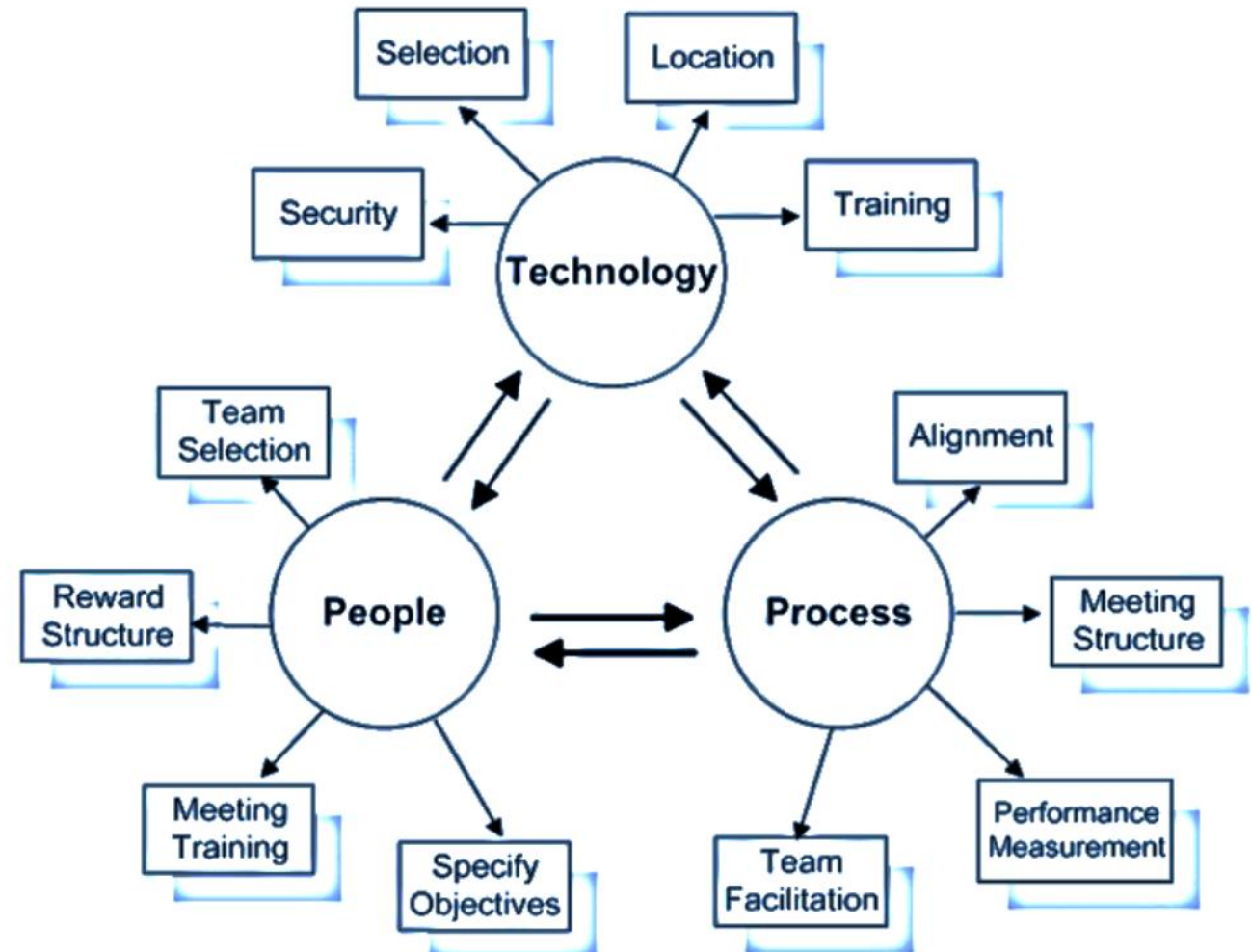
- ❑ Digital leadership is a process that is essential to developing and sustaining a culture of innovation by bringing ideas to fruition quickly using an agile IT and business architecture.
- ❑ Digital leadership is going to be the topic of discussion in the coming years; this leadership style will be more important than ever to face the wave of digitalization. The topic of digital leadership is a perfect combination of management and technology.

Lec.5**Digital Leadership**

- ❑ Digital leadership contributes to business organizations achieving optimal management and optimal team collaboration, which in turn are crucial to the development of the global high-tech economy.
- ❑ Companies need to invest in training, re-educating, and motivating their employees so that they can manage the steep learning curves and increased cognitive requirements of digitalization.

Lec.5 Digital Leadership

- ❑ In conclusion, the concept of e-leadership is defined as a “social influence process mediated by Advanced Information Technology to produce a change in attitudes, feelings, thinking, behavior, and/or performance with individuals, groups, and/or organizations.”



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Digital leadership & Digital Transformation



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Digital leadership & Digital Transformation

- ❑ The leader will increasingly act as an online influencer and integrator of virtual identities that are aligned around their own ideals and objectives. **Digital leadership** has been demonstrated to have a bigger impact on **digital disruption** than **innovation management**.
- ❑ The sustainable competitive advantage afforded by technology and digitalization enables businesses to create a digitalization objective and guides organizations in determining how to accomplish this goal.



Digital disruption refers to a change in expectations and behaviors caused by, or expressed through, digital capabilities, channels, or assets, that radically alters the culture, market, industry, or process.

Innovation management is a combination of the management of innovation processes, and change management. It includes a set of tools that allow managers plus workers or users to cooperate with a common understanding of processes and goals.

Lec.5**Digital leadership & Digital Transformation**

- ❑ In firms that have completed their digital transformation, the strategies that must be designed for digital environments have driven employees to seek answers to questions about digital environment orientation.
- ❑ It has raised the question of how the leaders charged with these responsibilities should tackle the situation.
- ❑ According to a study, responsive leadership, community leadership, learning and innovative leadership, open leadership, agile leadership, participatory leadership, network leadership, trust leadership, digital leadership, and collaborative leadership are all examples of leadership in the Industry 4.0 era.

Lec.5**Digital leadership & Digital Transformation**

- ❑ The reason for the rising interest in digital leadership during the Industry 4.0 period is that companies and academics are gradually noticing the changes and benefits brought about by digitalization and digital environments for institutions.
- ❑ Leaders should understand that the transformation brought about by technology has the potential to significantly boost productivity and provide a competitive edge.
- ❑ The digital leader's important variables are agility, participation, trust, networking, and openness.

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Digital leadership & Digital Transformation

- ❑ The digital leadership process leverages **four critical platforms** to facilitate business transformations:
 - **An innovation platform** that encourages teams to discover value-creating ideas through digital transformations;
 - **An agile system and business platform** for rapidly designing and delivering IT applications;
 - **A learning platform** that fosters reflective discourse and organizational capacity building;
 - They serve as **an adoption platform** for determining when and how to implement digital transformations.



Essential tools for Digital Transformation

1. Digital adoption platforms (DAPs)
2. Digital workplace suites
3. Team collaboration & communication tools
4. Social intranet tools
5. Cloud CRMs
6. HCM platforms
7. Employee self-service platforms
8. Cloud storage tools
9. Project management software
10. Digital accounting tools
11. CMS platforms

Lec.5**Digital leadership & Digital Transformation**

- ❑ Digital leadership is founded on the systematic interaction and interdependence of three functional areas (strategic leadership, entrepreneurialism, and digital technology).
- ❑ Employee identification with the organization should be enabled or encouraged through digital leadership. It entails considering online self-awareness and harmony, navigating the debate surrounding cyber kindness, and figuring out how to be a digital citizen capable of inspiring positive social change.

Lec.5**Digital leadership & Digital Transformation**

- ❑ Governance is the process of establishing a digital organization, including its vision, values, structure, culture, and decision-making procedures, as well as adjusting personnel management, virtual teams, knowledge management, and communication and cooperation on an individual basis.
- ❑ The most successful digital transformations begin with a change in the mentality of leaders, who need to develop for this challenge.

Lec.5**Digital leadership & Digital Transformation**

- ❑ Just as digital transformation is more about people rather than technology, the key technological skills are soft skills rather than hard skills.
- ❑ The best way to make an organization more data-centric and digital is to selectively invest in those who are most adaptable, curious, and flexible in the first place.

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Importance of Digital Leadership in the Era of Digitalization



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Importance of Digital Leadership in the Era of Digitalization

- ❑ **“Why digital leadership is important in the era of digitalization?”**
 - ❑ Every industry had to go through some level of digitalization to sustain.
 - ❑ Digital Leadership plays a very important role during crises. (e.g., COVID-19)
 - ❑ Empowers the company's agility, efficiencies, and differentiation
 - ❑ Significantly enables sensing market changes, seizing opportunities, and reconfiguring organizations.

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Conclusion

We learned about

- ☐ The Digital Revolution
 - ☐ Digitization
 - ☐ Digitalization
 - ☐ Digital Transformation
 - ☐ Digital transformation in media
- ☐ Digital Leadership
 - ☐ Definition
 - ☐ Goals & strategy
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Thank You