



Digital Transformation

Learn the keys to assessing your organization's digital maturity and the steps to achieve effective change - on your terms.

A blueprint
for success





Business Demands Transformation

Our organizations are constantly being impacted and changed by technology and shifting social expectations. Because of the pace of this change, we may not be adept at effectively marketing and communicating in a digitized landscape to an ever-evolving customer. And new technology solutions have disrupted our business models, often eroding our perceived customer value and differentiation.

However, technology has also provided us with game-changing new tools. We can—

- share information at greater speeds,
- manage content and operations, and
- improve customer experience in ways that help us deliver new value.

“Digital transformation can be daunting because any meaningful transformation requires you to change the way your business relates to your customer and how your teams relate to one another. It takes a special person to meet the needs of an organization by envisioning, defining, and then implementing new processes while sweeping out archaic systems and inflexible thinking.”

—Rob Bean, Partner and Marketing Strategist at Refactored.

Harness the Power of Digital Transformation

This guide will help you simplify the complex world of digital transformation.

You will explore how to ensure that digital transformation meets your business objectives. You’ll come away with a practical approach to managing scope, setting expectations, and thinking about change on your own terms.

You’ll also learn about new tools—and new ways of thinking—that can help you design effective change and deliver it to your organization.



The Roots of Transformation

Every organization feels its own pressures and seizes opportunity in its own way. But ongoing transformation has always been essential for keeping your business in step with customer needs and differentiating you from your competition. It's how you position your organization as the trusted brand in your space. It's how you deliver the distinct value that you create for your customers, members, and the world.

Businesses engage in digital transformation for many reasons:

- Your business model is no longer in tune with customer needs.
- You want the flexibility to evolve your business model.
- You want to leverage technology to seize an advantage or to remove outdated, redundant, or highly manual processes.
- You are in dire need of updates to antiquated software or better tools to help with core business functions.

Different types of change fit different needs. Whatever your requirement, this guide will help you find your optimal solutions along the digital maturity continuum.

10 Reasons to Engage in Digital Transformation

1. Deal with industry disruptions
2. Take advantage of opportunity
3. Increase competitive advantage
4. Reduce complexity
5. Improve efficiency and responsiveness
6. Improve security
7. Reduce the cost of IT infrastructure and management
8. Reduce waste
9. Optimize processes
10. Improve customer experiences



A woman in a light-colored top is pointing towards a whiteboard in a meeting. A man is visible behind her, also looking at the whiteboard. The whiteboard has some faint text and a diagram. The background is a solid red color.

THE DIGITAL MATURITY SPECTRUM

3 Types of Transformation

What we call digital transformation is just one profound type of change on a spectrum of steps toward digital maturity. Full-scale, transformational change is required only by businesses that face massive disruptions or that seek to define a new way of doing business by leveraging technology to deliver new products and services.

You might not need digital *transformation*; you might be best served by working on digital *optimization*, or even digital *enablement*. The right step depends on several factors:

- Your organization's goals
- Your position in your industry
- The pressure on your business model from competitors or technology disruptions
- The scope of change you want to implement
- The budget available to make the desired impact

Let's look at the entire digital maturity continuum.



Digital Enablement: The Ground Floor

Digital enablement is the foundation of digital maturity. Your company might not have the immediate need, budget, leadership support, or even the readiness to make deep changes right now. However, if you want to make practical and tactical changes, enablement is a great place to start.

Does your organization lack:

- a contact management or marketing automation system,
- an effective Content Management System (CMS) or Digital Experience Management (DXM) platform for managing the website, or
- basic self-service customer support functions?

These areas might be great opportunities to begin leveraging digital technology, driving heightened engagement with your customers, and building greater loyalty.

“Digital enablement is all about selecting and integrating effective fundamental technologies to sustainably elevate and advance your organization, its workforce, and its customers. It’s a good starting point, especially because it can help your leadership understand the power of technology to transform your business over time.”

—Rob Bean

Where to Focus a Digital Enablement Project

Digital connectivity converts manual business processes to digital ones and connects data flows across silos by using technologies like APIs and other integrations.

Digital services provide business services through digital channels, often expanding your business relationships and adding value for customers.

Digital experiences deliver greater value to customers through digital platforms while creating the space to fundamentally adapt your business model over time.



Digital Optimization: What Most Companies Need

Digital optimization uses digital technology to improve existing operating processes and business models. Most organizations have already made some core investments in digital tools and services. However, many of those investments have never lived up to their intended potential.

Because technology is so easy to purchase and immediately apply, it's common to find technologies that are underutilized (or worse, forgotten). Often systems are not properly configured or are inadvertently siloed, preventing them from working as an integrated, functional solution.

Unless these investments were poor decisions—and if you don't have the need to fundamentally change your business model—a strong focus on digital optimization could enable new efficiencies and connections that pay dividends without additional capital expenditures.

“Digital optimization is about looking at the tools you already have and making them perform better. Vendors tend to oversell each individual piece of technology, describing a ‘dream state’ of optimal use. By making tools work better together, you can come closer to that dream.”

—Rob Bean

Where to Focus a Digital Optimization Project



Map your systems and critical business functions.



Get the people who use different technologies talking to each other.



Compare the cost of current service delivery with the cost of upgrades.



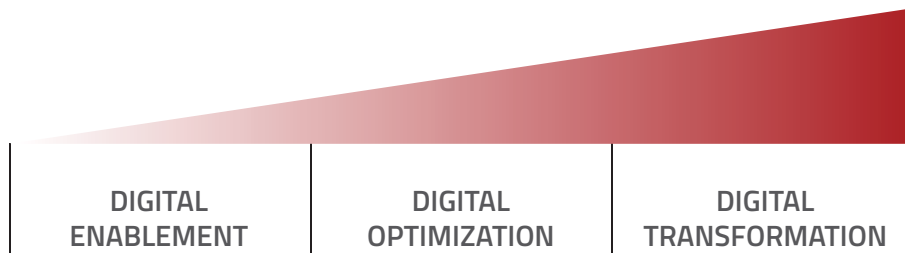
Plan to upgrade or replace existing systems to optimize outcomes.

Digital Transformation: A Profound Change to Your Business Model

True digital transformation is the integration of digital technology into all areas of a business, fundamentally changing how you operate and deliver value to customers.

It's also a cultural change that requires organizations to continually challenge the status quo, experiment, and get comfortable with small failures as you work towards building a new reality for your business.

DIGITAL MATURITY SPECTRUM



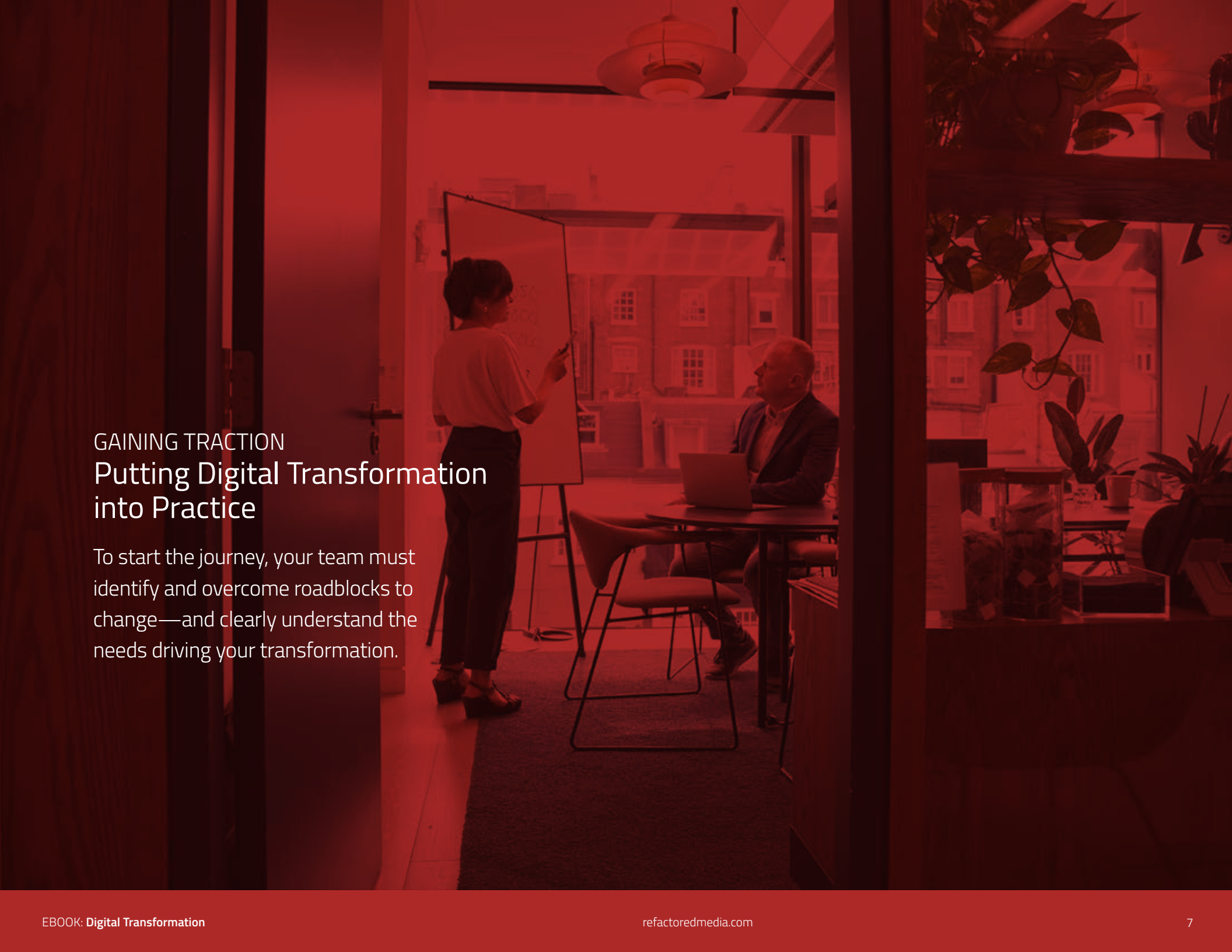
THE TOTAL TRANSFORMATION OF AMAZON

To get a sense of how profound this change can be, consider Amazon, which started out facilitating a direct way to sell books. It famously morphed into a company that transformed how we buy everything from music to toothpaste, along the way establishing new business models with its digital platforms to create a massive global market in cloud computing and storage.

However, this transformation could not have happened if the company hadn't been open to:

- constant adaptation of business model
- innovative solutions
- monitoring and responding to customer engagement and demand
- eliminating ideas that didn't support the company's vision

Not every organization will create a level of transformation that changes entire industries. But adopting a business posture that supports continual and incremental transformation, coupled with a mission to create new customer value, is something that can be replicated.

A woman in a white shirt and dark pants stands next to a whiteboard, pointing at it. A man in a suit sits at a table with a laptop, looking towards the whiteboard. The scene is set in a modern office with large windows and indoor plants. The entire image has a red color overlay.

GAINING TRACTION Putting Digital Transformation into Practice

To start the journey, your team must identify and overcome roadblocks to change—and clearly understand the needs driving your transformation.



Blockers to Change Are Always There...

Organizations in every industry deal with the same blockers to change that you often do—blockers that thwart the opportunity for expansion, growth, and greater impact. Even with a clear vision of what transformation will look like, organizations must overcome real, practical considerations.

1. **The pain of change**—new thinking and actions are required
2. **The cost of change**—new systems need to be acquired and integrated
3. **The adoption of change**—people need to embrace the change

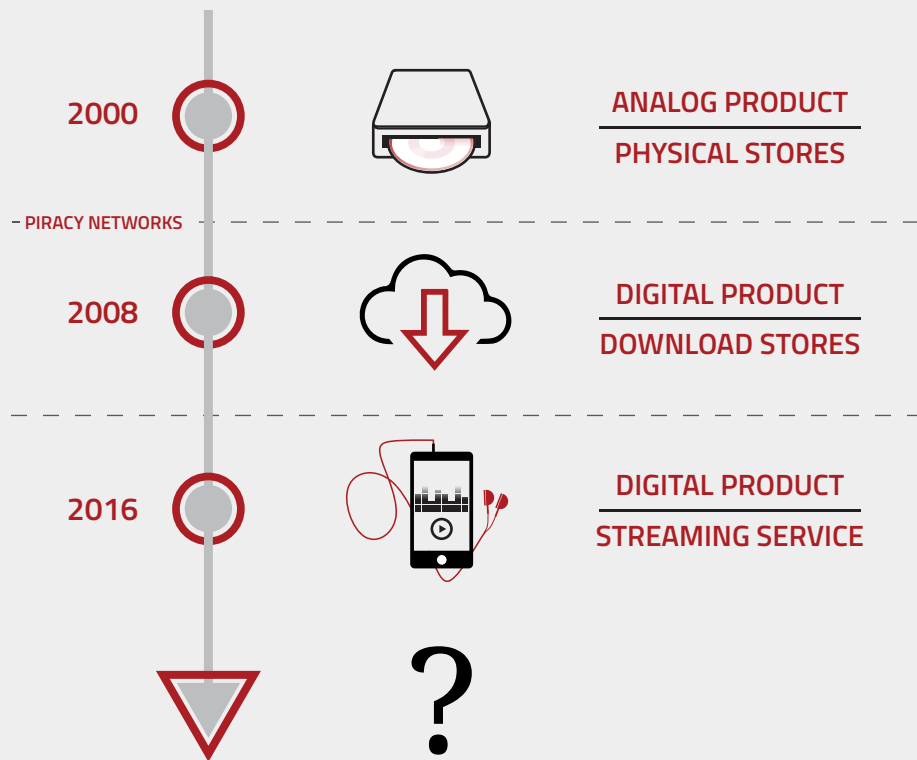
“As any business owner will tell you, when you’re facing disruption or intense competition, there’s a real cost associated with standing still and not finding ways to evolve and change your business processes.”

—Rob Bean

...But What’s the Cost of Standing Still?

No matter how painful change is, stagnation is not an option. Across industries, companies face:

- Constant pressure from competitors
- Consolidation of competitive brands
- Complex global networks, supply chains, and communication and distribution channels
- The need for agile and flexible responses to external demands



Technology-Driven Change

The music industry was subjected to sudden and catastrophic changes that demanded transformation at a time of no incumbents' choosing. When the Rolling Stones were formed in 1962, their music only reached their fans on records and in live tours—even the cassette tape hadn't been invented. Since then, digital music has been burned on CDs, pirated, streamed, and downloaded on YouTube and Apple Music. Perhaps no other industry saw as many incumbents driven out of business or made irrelevant by changes in technology.

But the Stones continue to set concert records and see their albums go platinum because they embrace digital transformation. When COVID-19 shut down the recording studios, they finished their latest single, "Living in a Ghost Town," by teleconference and released it on Facebook, and headlined the ***One World: Together at Home*** concert seen by more than 25 million people.

The members of the Rolling Stones are in their mid-seventies. If they can achieve meaningful digital transformation in the face of unexpected change, so can you.



Issues That Create Blockers to Change

So, what turns people against change? To begin with, “digital transformation” can mean almost anything to anyone: cloud computing, artificial intelligence, or even organizational changes like remote working. That variability makes it hard for people to pin down its meaning—and more importantly its impact. Without a clear definition, it’s hard to predict outcomes or to visualize any real results.

Experience also plays a role. Tool vendors love to market “the possibilities of transformation,” but tools by themselves don’t deliver the impactful change that business stakeholders seek. The chief outcome of implementing a tool without context is greater confusion, a mismatch of solutions that don’t integrate well, and added cost to the businesses.

Without adoption, you haven’t delivered.

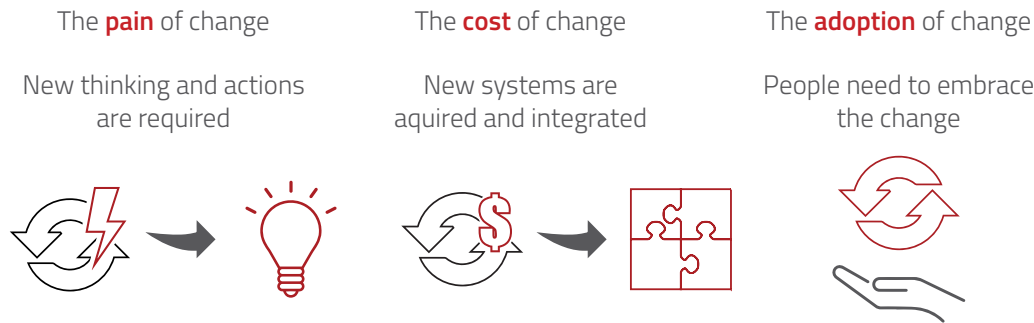
“Probably the biggest lesson I’ve learned managing large tech projects over my career is that just getting the work done is only about 50% of the success of the project. In our truly successful projects, our users are delighted with the changes we made. They can communicate how the changes positively impact them—enough so that they prefer the new way of doing things more than the old. That’s a people transformation. Since I realized that our success was equal parts technology and happy users, I’ve sought ways to bridge these two camps much earlier in the process—and I’d encourage you to do the same with your internal and external stakeholders.”

—Rob Bean

Overcoming Blockers to Change

Transformation can come in many different forms. However, the benefits are not realized until you let yourself reimagine whatever it is that's blocking your transformation.

3 BLOCKERS OF CHANGE



Why Are Blockers So Difficult to Overcome?

Technology will only complicate your world if you haven't first addressed the root blockers of business transformation: people. We're all resistant to change. Getting key people at all levels of your organization on board with digital transformation is critical but sometimes difficult.

We've worked with organizations in which simply tweaking an antiquated process by integrating a new digital tool becomes what feels like an epic digital transformation journey—one that's tripped up by numerous snares laid down by those who seek to sabotage any change within their organization. The bottom line is that people really hate change.

Digital transformation will **ALWAYS** be about people and will **ALWAYS** impact people. So, for a change to stick, people must be supportive of it. The best change is the kind that is adopted thoughtfully and at a pace that doesn't get ahead of your users.

User Adoption is Key

In any digital transformation, the most frequent cause of failure is low adoption. The issues that people cite as reasons not to use a new system are:

- Too complex
- Not efficient in real-world applications
- Has a cumbersome UX
- Issues with data collection, analysis, or meaningful use
- It's making their job harder, not easier

When these are issues in the systems you want to transform, they can spell trouble for successful transformation but can also be an opportunity to improve over the status quo.

Drivers of Change for Associations

The association space has many drivers of change in common with other enterprises. From discussions with our customers, we know that these are the common objectives that many organizations are pursuing today.

Simplified Technology Stack that Improves IT Infrastructure

- Start with data—make sure it's well-organized
- Leverage cloud hosting and computing power
- Integrate systems (through APIs with other applications)
- Leverage technology natively designed to work together
- Reduce the complexity of integrations

Better Customer (Member) Experience and Engagement

- Make systems easier to use
- Improve member access
- Enhance member engagement
- Facilitate self-help
- Personalize content
- Provide better engagement between members

Organizational Changes

- Maintain or expand the mission
- Improve the business model
- Communicate and deliver member value
- Lower costs and complexity
- Grow impact

A lot of these goals may sound familiar to your organization, too.

The Timing of Transformation

In any industry, four variables determine the moment of transformation:

1. **Disruption**—Is your business model being negatively affected by competition or other industry or global changes that are out of your control?
2. **Culture**—Are your buyers ready for change, and will they all be ready at once?
3. **Regulation**—Regulation can spur or impede transformation, and technology can help organizations effectively navigate regulation.
4. **Technology**—Because technology is in everything, change can bring opportunity from almost anywhere.





Make a Plan and Get People Behind It

What's often missing in digital transformation projects, is the appropriate context and perspective to think through and facilitate the changes that the business needs.

Start by asking:

- **What are the changes that we need to make?**
- **How can digital tools be a part of the people and business transformation we really need to accomplish our mission?**

Once you know exactly what your digital transformation is for, you can plan your project, break it into achievable segments (flows and tasks), and mitigate the disruptions you'll inevitably be delivering through your new solutions. Only then can you confidently enlist your stakeholders to adopt the change.

Define Your Need for Transformation— Before Acting on Demands

- Have you identified the critical pressures and changes that threaten the stability, operational efficiency, and profitability of your business?
- What's the cost of standing still?
- What's the opportunity of transformation to your organization?

Digital Transformation in the Association Space

Associations and membership-based organizations constantly manage the significant impacts of evolving market dynamics. In many cases, that has required fundamental changes in how they do business. For example, the prolonged suspension of in-person meetings caused by COVID-19 has increased the pressure for change.





6 Steps to Transformation

Step 1: Define the Type of Change You Need

As you know, the first step is to define the type of change you need: *digital enablement, digital optimization, or digital transformation.*

- Examine current and future industry disruptions, challenges, and opportunities.
- Solicit input from internal and external teams, members or customers, partners, and other stakeholders.

Apply the information you gather to pinpoint the change you need.

Now you're ready to determine the type of change your organization needs and is ready for. This will depend on two variables: the level of disruption your business needs and the level of resources your transformation effort has available.

A true digital transformation effort can only be achieved if you've first defined your need, secured the budget, and have the correct digital technologies in place.

Disruption: What level of change is required to stay competitive?

Business model requires change within the planning horizon → **DIGITAL TRANSFORMATION**

No change required to the business model → **DIGITAL OPTIMIZATION**

Technology is leading the effort and the business is either passive or unsupportive → **DIGITAL ENABLEMENT**

Resources: What's achievable given your team size and budget?

We have a group with defined roles and budget → **DIGITAL TRANSFORMATION**

We have a group with a lot of opinions and no specific mandate → **DIGITAL OPTIMIZATION**

There's no "We" in Team, it's just me → **DIGITAL ENABLEMENT**



Step 2. Develop a Vision and Define Your Primary Tactics

Now it's time to get specific about the changes you want to make. Figure out what end state you're working toward and what tools and processes you'll use to get there.

For each of these tactics, get even more specific by defining eight key attributes.

1. What is the desired change?
2. What is the impact of that change?
3. What are your blockers to change?
4. How do you address/mitigate the negative impacts of change?
5. What are the measures of success?
6. What solutions do you need to add/remove/or optimize?
7. What's the cost?
8. What's the deployment plan?

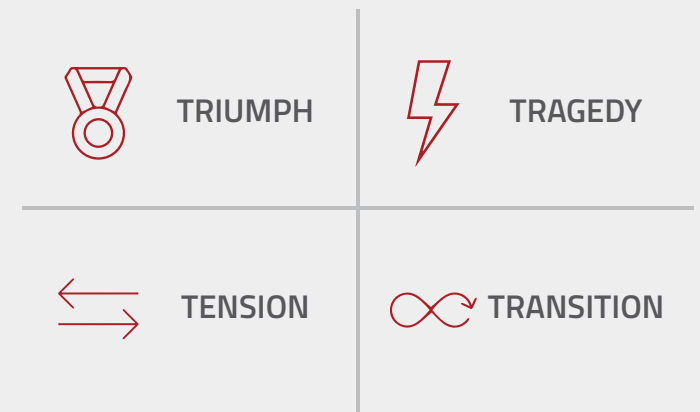
Name each change and describe its outcome. Thoughtfully consider the improvements that could be realized through successful implementation. Think about how you'll mitigate the negative impacts of change. Anticipate changes to systems and processes. Define specific parameters for measuring the impact of the change.

Document the technology solutions that will be required. Show the connections between systems. Determine what systems might be retired. Estimate the cost of technology, service providers and consultants, and your team's time. And finally, plan the deployment.

Tip: Reveal Impact Through Stories

Stories are powerful. They transcend internal politics and inspire teams to overcome difficult odds. They can be the catalyst for major changes to internal practices and historical thinking.

In her book, *Stories for Work*, Gabrielle Dolan identifies four types of stories: Triumph, Tragedy, Tension, and Transition. Create a story inventory, categorized in four buckets that relate to your transformation initiative, that you can use as the need arises to make your case.





Step 3. Plan the Work

Time to get down to the nitty-gritty. Develop a project timeline and secure budget. Here's where the information you gathered during Step 2 will come into play. Identify and assign key roles for the project. And be sure to define the role of technology and service providers.

Step 4. Work the Plan

Put your plan into action. Keep a careful eye on timeline and budget and be ready to adapt your plan as necessary if things get off track.

Step 5. Deploy the Change

Your project is completed and ready to present to customers and the world! Make sure you've tested it thoroughly and that your plan includes a method for collecting user feedback and success metrics.

Step 6. Manage Change

After implementing your change, track metrics to evaluate its success. Be sure to stay engaged with and communicate that success—as well as any bumps or hiccups—to stakeholders. A lack of communication now could make it more difficult to gain buy-in for your next transformation project.

Tip: Involve Good People

Your project is only as effective as the plan, budget, and people you apply to it.

According to The Enterprisers Project, a collaborative effort between Harvard Business Review and Red Hat software, you need eight key roles on your digital transformation team.

Key member roles who will sell the capabilities of digital change both internally and externally:

- 1 THE DIGITAL TRANSFORMATION LEAD
- 2 THE CHANGE CHAMPION
- 3 THE TECHNICAL ENGINEER
- 4 THE BUSINESS EXPERT
- 5 THE DATA ARCHITECT
- 6 THE UX/CX PROFESSIONAL
- 7 THE FINANCIAL ANALYST
- 8 THE CRITICAL HACKER

"Digital teams require a different mindset. They need to think 'outside-in' rather than 'enterprise-out.' To do this, they must exploit enterprise capabilities to reimagine business models and processes."

— Vinod Kachroo, CIO of business process outsourcing provider SE2

A woman with glasses and a light-colored top is standing and pointing at a whiteboard in a meeting room. She is addressing a group of people seated around a table. The room has large windows and a bookshelf. The entire image is overlaid with a red tint.

SMALL CHANGES CAN MAKE A BIG DIFFERENCE Transformative Change on Your Terms

When you hear about a technology like AI or marketing automation, it's easy to get swept up in all the hype about the speed and scope of change. But any one technology won't magically make everything easier—at least not without a defined purpose, a demonstrated need or opportunity, and a plan for implementation and adoption.

True Transformation

True transformation can come in a much smaller digital optimization package or through a practical digital enablement initiative. It could be an ecommerce portal that enables your customers or members to see current inventories and purchase directly from you. Or it might be an app or chat bot that helps give customers better service and support interactions.

Digital transformation requests often start with, "X competitor is doing this, we need to do that too." Instead of only considering what others are doing, start your digital transformation by taking a look inside to truly understand your own challenges and objectives. Then define your plan around achievable and realistic shifts in people, process, and technology. That is how you ensure you're designing effective change on your terms.

Takeaway:



- Transformation is a reality.
- It's connected to future success.
- There are multiple ways to start.
- Everyone owns the change, so don't feel overburdened by it.
- Find your superpower in teamwork.



Refactored: Experts in Transformation

With the support and cooperation of Refactored, our clients have been recognized with numerous national industry awards.



2020 Fourteeners Awards from The Marketing Alliance/AMA Colorado

Gold Award: Team Run Smart: Content Program Revitalization (Nom. Best of Show)

Silver Award: InteliSecure - Brand and Digital Launch

Silver Award: Team Run Smart: Content Program Revitalization

Silver Award: Modern Marketing Leader



2019 and 2017 Transform Award from Transform Magazine

Silver Award: Rio Tinto/US Borax - Best Rebrand of a Digital Property

Gold Award: InfinityQS - Best Rebrand of a Digital Property

Highly Commended - InfinityQS, Best Brand Evolution



2019 Finalist from the ITSMA Marketing Excellence Awards

Finalist: InfinityQS - ABM Pilot Program



2019 B2 Awards from ANA

Finalist: InfinityQS - Search Advertising (SEM or SEO)

Finalist: Rio Tinto Borates - Web Presence



2019 Fourteeners Awards from BMA Colorado

Best of Show, Strategy: InfinityQS - SEO \$75K - \$150K

Gold: InfinityQS - SEO \$75K - \$150K

Silver: Rio Tinto Borates - Website \$150K+

Silver: InfinityQS - ABM Program



2019 Silver Stevie Award from the American Business Awards® and International Business Awards®

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About Us

Refactored is a full-service B2B digital agency helping brands navigate the complexities of modern marketing by aligning people, process, and technology. Our goals are to showcase your brand's unique value and generate results that matter to your business. We help you find your voice, tell your story, and outperform your competition. Through engaging online and offline experiences that align with your customers' needs, we help you educate stakeholders and motivate them to positive action. Refactored serves national and international corporate clients and associations from our home offices in Colorado. Let us show you how to demonstrate your compelling purpose—and strengthen your brand from the inside out. Connect with us at www.refactoredmedia.com.

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