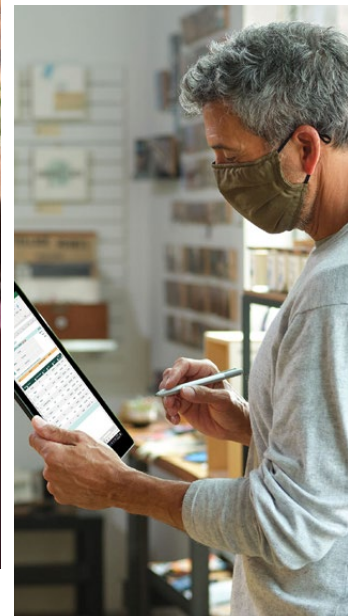
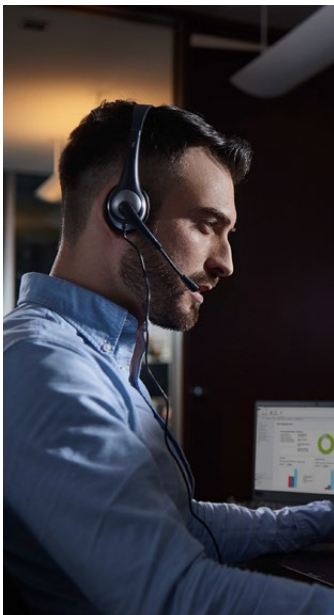
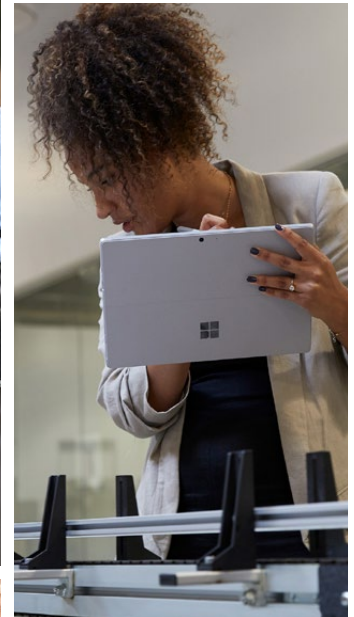


8 real-world digital transformation lessons



Who this is for

Business leaders looking to get better results from digital transformation and meet the challenges of a fast-changing world. This e-book provides best practices in the form of experience-based principles and Microsoft customer examples.



Estimated reading time: 10 minutes

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Digital transformation supports resilience and adaptability

Adaptability and resilience are business advantages even in the best of times. When things get tough, they can mean the difference between thriving, surviving, or struggling. The recent crisis proves that digital transformation is foundational to success in a changing world. It has enabled organizations to:



Keep people connected to the tools they use to get work done from almost anywhere.



Adapt to changing capacity needs, such as moving sales online or managing 10 times as many customer service calls.

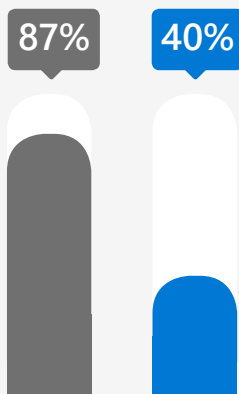


Rapidly implement and scale new capabilities as customer needs and market opportunities evolve.



Support productivity and engagement despite uncertainty.

With this e-book, we hope to make achieving your digital transformation a little easier. After helping many organizations on their transformation journeys, we've collected some common truths that we believe will help guide you on yours.



87% percent of senior business leaders say digitalization is a company priority, but only 40% of organizations have brought digital initiatives to scale.

—[Gartner Digitalization Insights](#)



1. Lead with purpose

Clarity through complexity

A mountain climber must leave everything inessential behind on her quest for the summit. In the same way, challenging business conditions make it necessary to return to first principles. Why does the business exist? What is its purpose? What does it do best? Why do people work there and not somewhere else? How can it change customers' lives for the better?

Companies that animate digital transformation with this clear sense of purpose succeed because their true goals stay front and center. They can experiment and learn without losing focus. They can measure progress toward defined outcomes and invest in technology that delivers results.



A duty to protect: How the VA is keeping veterans safe

The U.S. Veteran's Administration—manager of the largest integrated healthcare system in the country—needed real-time data visibility to manage veteran health during the COVID-19 pandemic. They used cloud databases and business intelligence tools to rapidly respond to outbreaks and balance resources.

[Get the full story >](#)





Our early planning and the early development of tools like these have enabled us to keep veterans safe. Veteran safety has been the true north of our response.”

Jennifer MacDonald
Chief Consultant to the Deputy
Undersecretary for Health



Key takeaways

- ✓ **Purpose, mission, strategy**
Revisiting purpose (why we're here) and mission (what we want to accomplish) is never a waste of time. It's especially critical before building a digital strategy (how we're going to do it). Each decision should draw a bright line back to the fundamentals.
- ✓ **Take an ambitious look forward**
A rock-solid foundation means you can explore without fear of losing your way. Knowing your mission reduces the risk of exploring new technology. You always know when you're moving in the right direction.
- ✓ **Treat transformation as an evolving journey**
Your purpose may stay solid, but how you achieve it can and should adapt as conditions, customer needs, and technology change.



2. Keep people at the center

The power of human potential

Digitally transforming your business only matters if it helps your people achieve more, using their talent, intellect, and imagination to the fullest.

With people at the center, digital transformation builds trust and engagement. For example, hybrid and remote work are probably here to stay, but voice and video

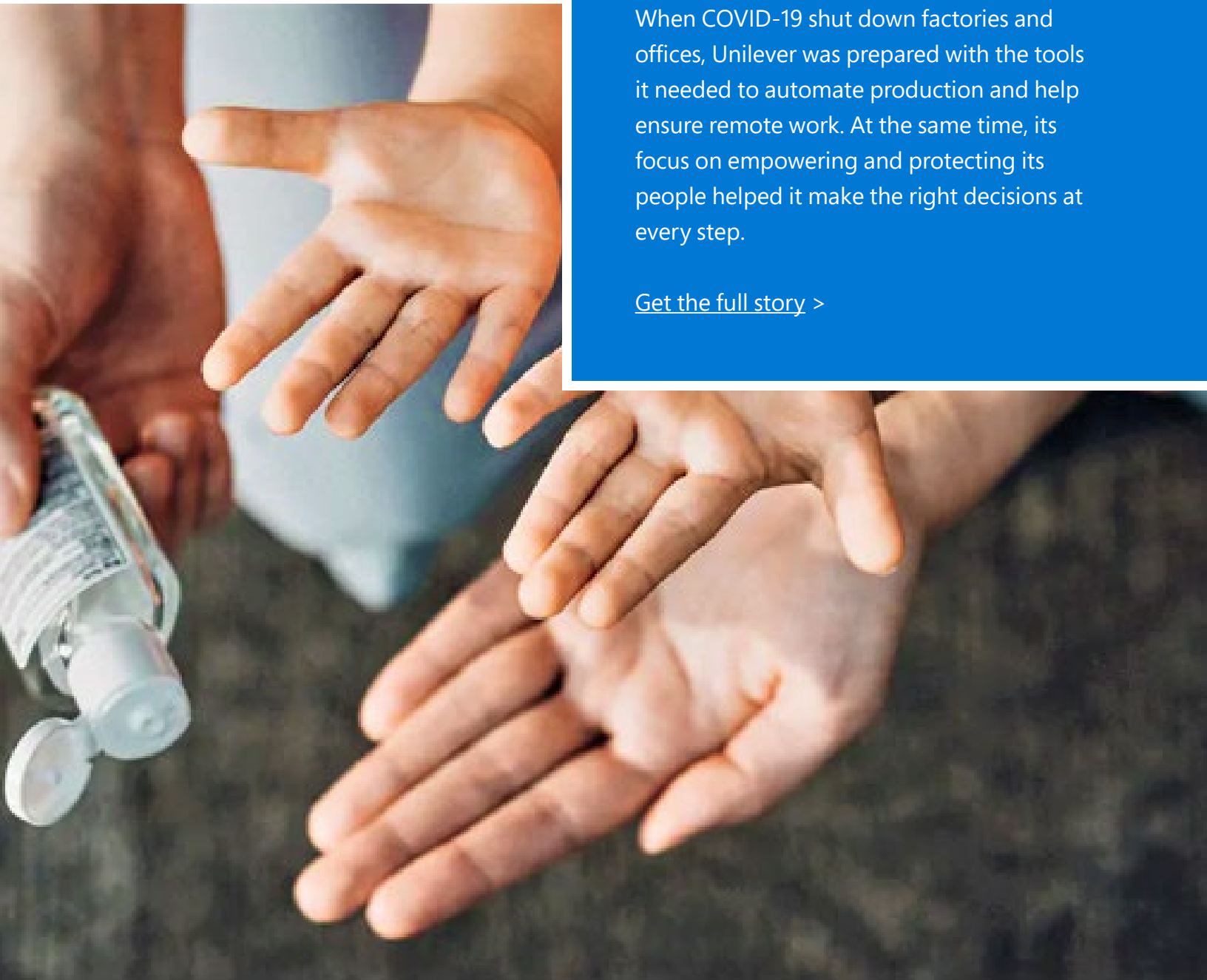
meetings are merely functional requirements. People-centric transformation means going beyond function, with tools that support morale, wellbeing, and cultural cohesion.



How Unilever embraced risk to cultivate a remote workforce

When COVID-19 shut down factories and offices, Unilever was prepared with the tools it needed to automate production and help ensure remote work. At the same time, its focus on empowering and protecting its people helped it make the right decisions at every step.

[Get the full story >](#)





I enable the organization to take risks. From an information security perspective, there was a risk sending everyone home to work. But the last thing I want to do is prevent the organization from learning how to do that securely because this is not a short-term thing.”

Bobby Ford
Chief Information Security Officer,
Unilever



Key takeaways



Enable a digital culture

Digital transformation is something you do with people, not to them. Employees are often the most important stakeholders. Their experience matters. When change aligns with their everyday needs and goals, they'll adopt it without needing to be told.



Invest in upskilling

Even the most intuitive technology often has layers of powerful functionality beneath. When you train employees to use new tools, they get more out of them and apply them proactively in new situations.



3. Build better experiences

Seek customer breakthroughs

Whether it's expanded hours, new digital services, delivery and curbside pickup, or virtual medical care, organizations have adapted to customer needs with lightning speed. Those customers aren't going to give up new conveniences.

The same digital technologies that organizations used to respond in a crisis can also help them recover the stability to look forward strategically—and to reimagine how they can outperform expectations tomorrow.



Ste. Michelle Wine Estates crafts premium customer experiences

Ste. Michelle Wine Estates, one of the largest premium wine companies in the United States, wants to maintain its reputation for distinguished experiences as digital interactions become the norm. The company is expanding its e-commerce platform to provide accurate wine recommendations and better understand what customers want.

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What's exciting about Dynamics 365 Commerce is that it opens up so many possibilities for us to extend the reach of our imagination about what a luxury consumer experience can be."

Melanie Baker

Senior Director, Direct to Consumer and Retail Operations,
Ste. Michelle Wine Estates



Key takeaways



Build on what works

You can treat crisis-borne technology choices as a temporary fix. Or you can look at them as a framework for further innovation. How can you start from what you have today and create a truly differentiated experience?



Listen to customers

If employees are important stakeholders in transformation, customers are even more so. Whether it's through social listening, customer data analytics, or actual customer research, inviting their voice into the conversation early helps avoid false starts and enables you to pivot toward what matters most.



4. Unify business and technology

Toward a common goal

Even today, many organizations treat technology, data, and business as separate activities that only come together when they have to. This inhibits digital transformation, which brings all three elements together.

On a deeper level, it requires that technology and business decisions become one. Every new initiative or project seeks to solve challenges

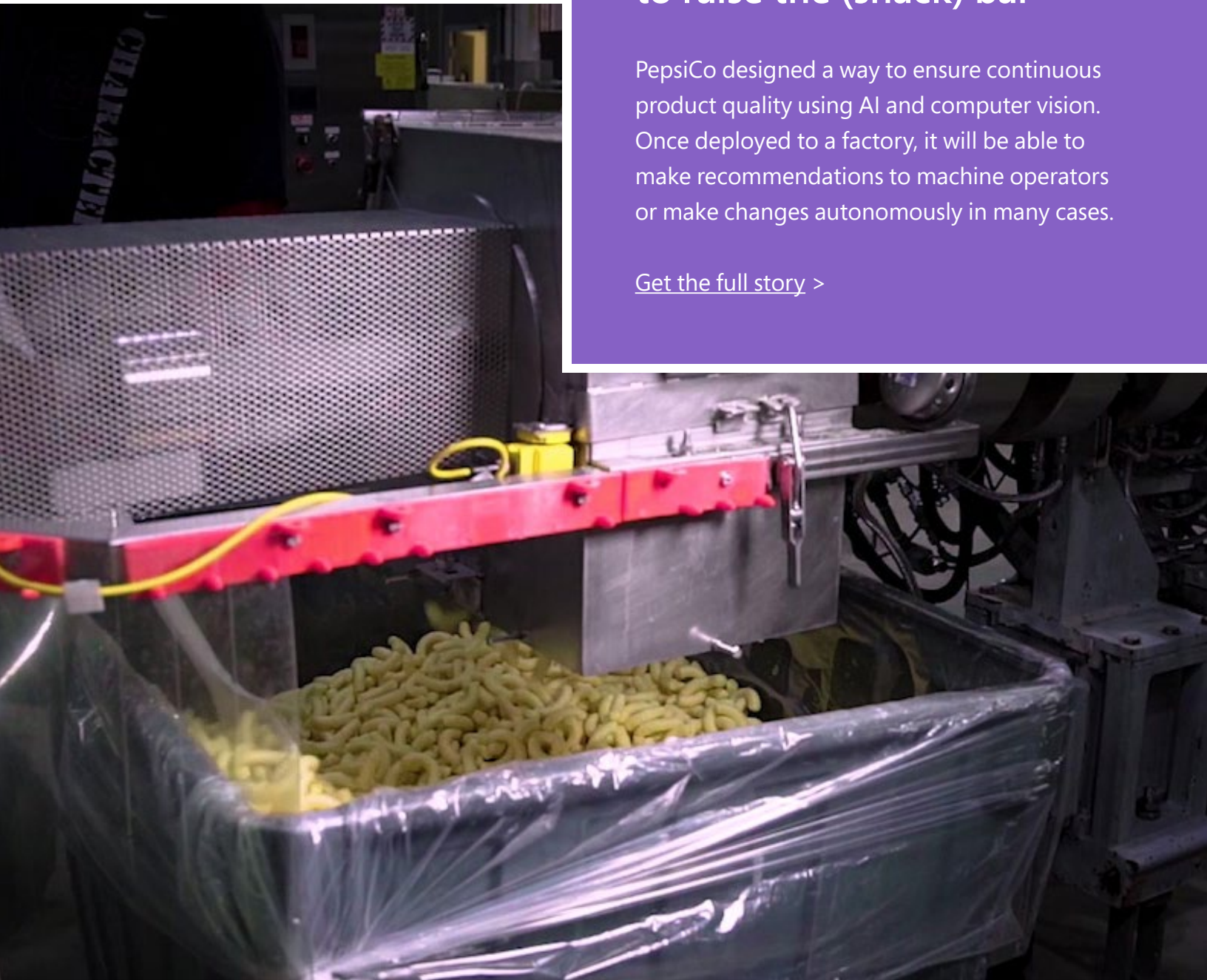
with digital innovation. Every technology decision relates to a business goal. Breaking down silos between these aspects of the business strengthens the business as a whole.



More perfect Cheetos: How PepsiCo is using Microsoft's Project Bonsai to raise the (snack) bar

PepsiCo designed a way to ensure continuous product quality using AI and computer vision. Once deployed to a factory, it will be able to make recommendations to machine operators or make changes autonomously in many cases.

[Get the full story >](#)





Innovation is a key ingredient in our success at PepsiCo and helps us deliver exciting new products, technology advancements and even new ways of working—whatever it takes to ensure we continue to bring smiles to our consumers every day.”

Denise Lefebvre
Senior Vice President
of Global Foods R&D,
PepsiCo.



Key takeaways



Build bridges

If technology and business leaders operate in separate spheres today, simple things can bring them together. Lunch-and-learns, one-on-one conversations, and ideation sessions can build understanding and trust.



Cultivate ambassadors

People with skillsets that cross traditional silos can make an outsized contribution to digital transformation by translating business needs to technology decisions and vice versa.



5. Put your data estate in order

Digital means data

Data is everywhere. What you can do with it depends on how easy it is to access and explore. Traditionally, data was tightly woven into the application it served. Using it anywhere else was tough, and you were limited to the tools in the app.

Cloud databases now make it a lot easier to move data around or copy it to a secure central location. Smart business intelligence tools

query data from several systems in one view. You can ask questions in everyday language to get new answers and fresh insights.

None of this exploration affects the original application. By starting with small experiments, you can figure out which data matters most to your goals (or discover new ones) and invest to push further in the right direction.



Essential IT: How Providence uses data to care for COVID-19 patients

With 51 hospitals and 1,085 clinics, keeping Providence running smoothly is a big job in the best of times. When the COVID-19 pandemic hit, the organization leaned heavily on remote collaboration technology—and used cloud-based AI to predict where the next outbreak would hit.

[Get the full story >](#)





We had already moved a majority of our data to Azure. And we were able to use the native machine learning and the AI in Azure to move our assets where they were needed. If we were on-prem, those tools wouldn't have been available to us. We got to the point where we were able to predict—two weeks in advance and with probably 85 to 90% accuracy—where the (COVID-19 case) surges were going to hit.”

B.J. Moore
Chief Information Officer,
Providence



Key takeaways

✓ Understand the current state first

Most organizations don't have a true high-level view of their data, which limits their ability to profit from it. Start by analyzing what you have, what it would take to make the data useful, and what you could consume from outside.

✓ Focus on predictive capabilities

Understanding what happened yesterday is important, but predicting what will happen tomorrow changes the game. AI and machine learning in the cloud put predictive power within reach for any organization.



6. Get agile

Iterate toward success

Transformation sounds big, but the most successful efforts start small and build. It's no longer necessary to "finish" a technology initiative before getting value from it. In fact, the earlier customers and employees can get their hands on a digital innovation, the better.

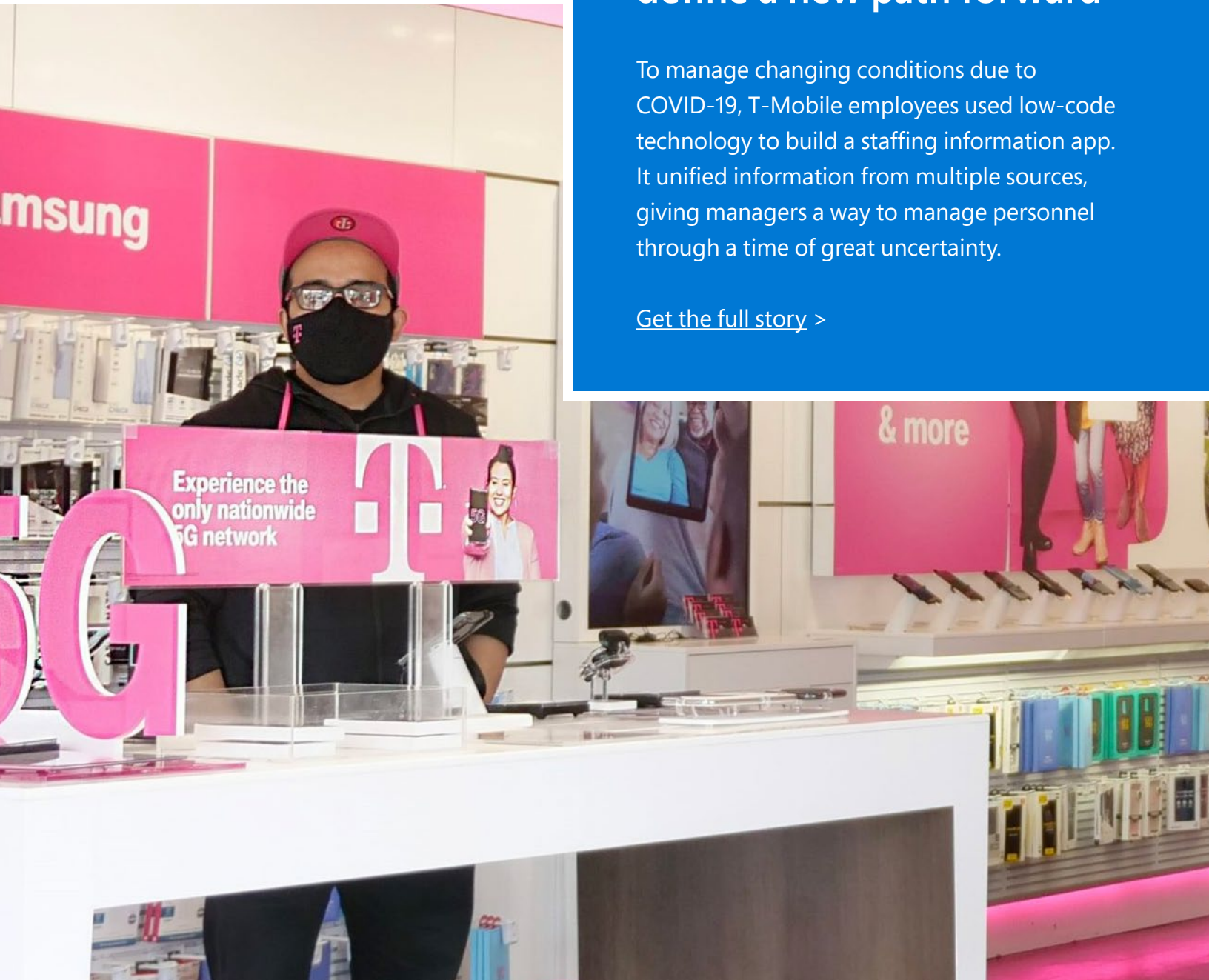
Expect first attempts to fall short. Start with a hypothesis, test it, and learn from the results. Value will accrue much faster when real people are providing feedback on real experiences, compared to a process that emphasizes perfecting the digital solution behind the scenes.



How T-Mobile used Power Apps to adapt to the COVID-19 pandemic — and define a new path forward

To manage changing conditions due to COVID-19, T-Mobile employees used low-code technology to build a staffing information app. It unified information from multiple sources, giving managers a way to manage personnel through a time of great uncertainty.

[Get the full story >](#)





From the first piece of code to a rough draft, it all took about 24 hours. From there, it took one more day to iron out requests and notes, and then we took it live.”

Greg Soto
Business Analysis Manager,
T-Mobile



Key takeaways

- ✓ **Iteration is a cultural capability**

Companies that accept a certain amount of risk as the price of innovation and reward people for being adventurous will be in the best position to profit from digital transformation. If people feel safe to try new things, they will.
- ✓ **Establish measurable goals—and be willing to change them**

The only way to know if an experiment is making progress is if you can measure it. Are you trying to speed up a process? Increase revenue? Reduce downtime? Improve customer engagement? Anything can be a KPI with a little creativity. At the same time, be on the lookout for unexpected sources of value. Sometimes a new technology delivers in ways you couldn't foresee.



7. Partner creatively

When walls become doors

AI, the cloud, and big data have the potential to redefine boundaries in many ways. An open-source mindset takes hold. Organizations that once competed become partners. APIs turn one company's data by-products into another's business gold. Companies in formerly unrelated industries unite to create entirely new endeavors.

Competition isn't going away. But it also shouldn't get in the way. Why settle for the zero-sum game when you can go for a win-win instead? As with most dimensions of digital transformation, it's as much about the mindset as the technology. The idea of defending corporate borders at all costs is giving way to openness, transparency, and cooperation.



British manufacturers unite to build ventilators for the NHS

British manufacturers unite to build ventilators for the NHSAs the effects of the COVID-19 pandemic began to be felt around the world, leaders at the UK's High Value Manufacturing Catapult (HVMC) launched the VentilatorChallengeUK in collaboration with 33 world-leading manufacturers.

[Get the full story >](#)





The collaboration and team spirit and 'stop at nothing' culture was – and still is – quite extraordinary.”

Dick Elsy
Chief Executive,
HVMC



Key takeaways

- ✓ **Start from the customer**

Looking inward for too long means missed opportunities. Look outward, toward customers. They are the nexus of value. Could you serve them better through a partnership? Do they have needs that nobody is serving well? Do you have insights about them someone else could use?
- ✓ **Get outside your comfort zone**

It's easy to get to know others in your industry. Connecting with leaders in other verticals—even those far from your core discipline—helps you find unique opportunities first.
- ✓ **Share and share alike**

To get something of value, give something of value. It can be data, services, or customer connections—anything that shows you are serious about collaborating to mutual benefit.



8. Aim for the triple bottom line

Sustainability, social good, and profitability

Consumers are increasingly choosing companies that align to their values as much as their budgets and tastes. If you can do all of the above, so much the better. Purpose-driven digital transformation supports positive business, social, and environmental outcomes.

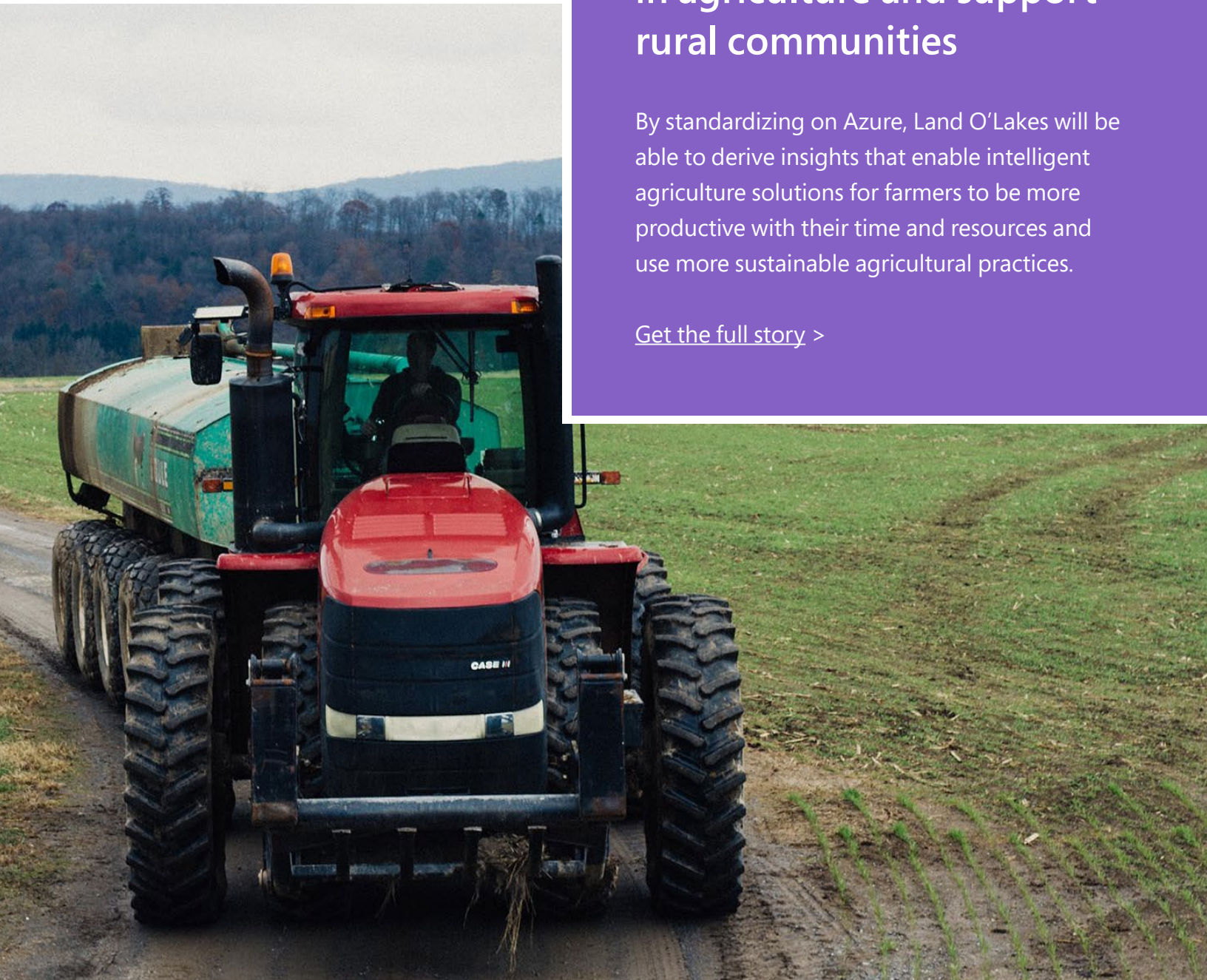
For example, predictive maintenance can reduce emissions and waste, cut costs, and deliver better customer experiences. Cloud technology uses less energy than traditional data centers and can provide secure, open access to data around the world. It's possible to do well and do good at the same time.

LAND O'LAKES, INC.

Land O'Lakes and Microsoft form strategic alliance to pioneer new innovations in agriculture and support rural communities

By standardizing on Azure, Land O'Lakes will be able to derive insights that enable intelligent agriculture solutions for farmers to be more productive with their time and resources and use more sustainable agricultural practices.

[Get the full story >](#)





The data-based, precision agriculture tools that we are building with Microsoft will provide the edge [American farmers] need, but unreliable or nonexistent high-speed internet in rural areas keeps these tools out of reach for many. Through this alliance, we will work to address this need and help farmers remain profitable and sustainable.”

Beth Ford

President and CEO,
Land O’Lakes, Inc.



Key takeaways



Customers want proof

Just as customers want receipts for their purchases, they want to hold you accountable for your promises. Simply claiming to be values-driven can backfire. At the same time, many consumers don’t know how digital technology supports the triple bottom line. Don’t be shy about telling them, as long as you can back it up.



There is an opportunity to lead in digital ethics

Society is just beginning to understand the larger implications of data security, AI, automation, and other fast-evolving technologies. Companies showing leadership today can shape the conversation.

We're here for your entire journey

The resilience afforded by digital transformation can help companies weather change, recover quickly, and move forward with confidence. The easiest way to make it real is to learn from those who have gone before.

However, technology is only one part of the picture. Purpose, people, culture, and mindset matter just as much. With an iterative approach, an orientation to partnership, and a commitment to ethics and sustainability, you can achieve dramatic results with minimal risk.

Microsoft is here to support your journey with our experience, tools, platforms, and partnership. Explore additional digital transformation and industry resources at: aka.ms/digitaljourney.