

CEOs can't delegate digital leadership

By Natascha Jacobovits - van Boetzelaer



Virtually every CEO today must simultaneously run the organization's traditional business and transform that business to meet the demands and opportunities of today's customer-centric, innovation-driven world. Many CEOs respond by appointing a chief digital officer, who sets up an Innovation Lab and turns a social media team loose on Twitter, Facebook and LinkedIn. But often, all this activity only looks like transformation. There isn't any real value being created for the customer. The brand has made noise, but it isn't any more relevant.

The problem is that in delegating digital transformation to someone else, the CEO can end up treating "digital" as if it is a function like "legal" or "supply chain". But it's not—it's a mindset and worldview that drives everything from the organization's products to its partnerships. It's perfectly fine to have a CDO—we've placed quite a few of them for forward-thinking organizations. But for the CDO to be successful, the CEO has to be the one leading the charge and encouraging the entire organization to learn, to experiment and to ultimately disrupt itself.

This means the entire management team needs to be engaging with start-ups, venture capitalists and incubators and looking for ways to be part of the networks spun by Tencent, Google and Amazon. If the management team is not learning about the demands of the online customer and about new business models, then how can they recognize and decide what success will look like for their own digital business?

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I'm often asked by CEOs facing the transformation challenge, "But where do I start?" No matter their industry or circumstance, my answer is always the same: "With the customer." Learn what you want to know about your customers. Build a proper data platform that can tell you the biggest customer "want" and the biggest customer pain point. Then reduce it to something manageable and just start.

What are you waiting for?

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