

B@M(tm) @DVANTAGE NOTE @DVANTAGE

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Digital Value Maturity Improvement Model.

A ROADMAP FOR
ENTREPRENEURS AND LEADERS IN THE DIGITAL AGE

Declan Kavanagh

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The Digital Imperative/Agenda for an organisation reflects the organisation operation and plan to leverage information technology to create Advantage. The cumulative Advantage is reflected in the value it creates from the total resources invested and the strategic and tactical advantage specifically enabled by leveraging modern technologies.

The Digital Agenda

Provides

- @ Information
- @ Analysis
- @ Recommendations
- @ Automation
- @ Sharing
- @ Connections
- @ Direction
- @ Control
- @ Security



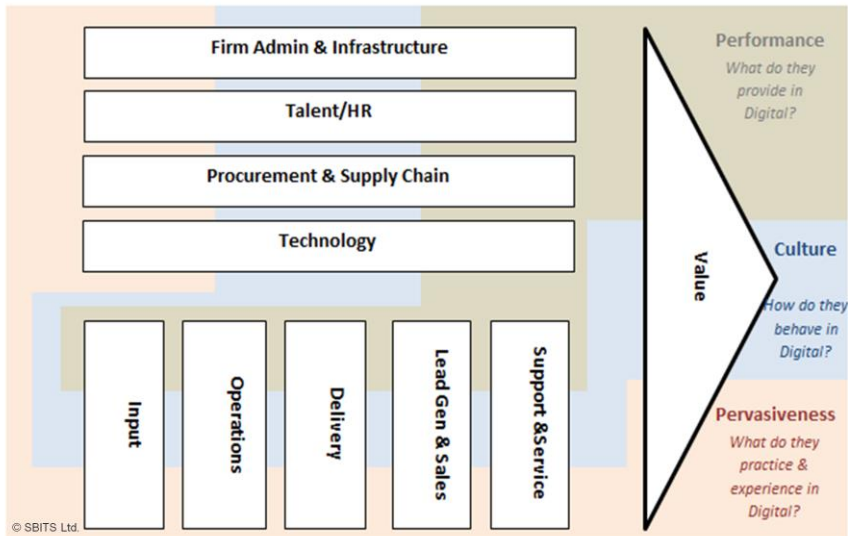
Enables

- @ Decisions
- @ Accuracy & Quality
- @ Responsiveness
- @ Productivity
- @ Innovation
- @ Re-Use
- @ Trust
- @ Learning
- @ Reduced Duplication
- @ Reach of Organisation
- @ Collaboration
- @ Engagement
- @ Relationships
- @ Performance
- @ Competitive Advantage
- @ Service Level

Often we will label the “Digital Agenda” to cover the new and emerging significant technology enabled changes, such as “The Internet of Things”, “The Cloud”, “Social Networks” etc., however the Digital Agenda is the totality of the application of every aspect of technology to creating advantage and value in an organisation and how it is managed. The management is just as important as emerging technologies can radically change how and organisation works and what it does, both overall and at a process/function level.

Digital provides features such as Information, Connectivity, Control etc, which enable benefits such as productivity, innovation and service levels. A good “Digital Agenda” strongly links outcomes and benefits to the functions technology provides in a way that creates greater value to the organisation and its individual stakeholders.

Based on Michael Porter's Value Chain



Using Michael Porter's Value Chain is a useful and understood foundation model to assess and plan an organisations Digital Agenda evaluating how Digital technology can change or improve the organisations value chain and the value created in each component. The three key dimensions are: 1. Performance, What is the impact on outputs and outcomes as well as the resources and capabilities required to improve performance? 2. Pervasiveness, How widespread and deep is the adoption , use and management of technology across the components of the value chain? 3. Culture, How effective and progressive is the culture across the value chain in enabling the organisation maximise the leverage of technology strategically and tactically to create Advantage & Value.

Digital Value Maturity Assessment

- What are we trying to understand? (Globally & in each core Value Chain Process)
 - How pervasive is the use of Digital and what is the potential for its use ?
 - What performance benefit is achieved from current maturity and potential from target maturity?
 - How ready are we culturally to leverage the potential?
- What value chain processes do we need to look at?
 - Core
 - Support

“The Digital Agenda” its relevance and value cuts across all the value chain components, it impacts how the value chain components interact and their interactive value and may have more or less relevance based on current Maturity and business context and vision.

Value Chain Processes that can be included

Support

Firm Admin & Infrastructure		
<ul style="list-style-type: none"> • Legal • Financial • General Admin • Quality 	<ul style="list-style-type: none"> • Strategy • Leadership • Management • Business Model 	<ul style="list-style-type: none"> • Performance • Change • Collaboration • Knowledge
Talent/HR		
<ul style="list-style-type: none"> • Recruitment • Competence • Engagement • Assianment 	<ul style="list-style-type: none"> • Motivation • Retention • Performance • Compliance 	<ul style="list-style-type: none"> • Career • Capacity • Compensation • Securiv
Procurement & Supply Chain		
<ul style="list-style-type: none"> • Materials • Information • Services • Assets/Caoital 	<ul style="list-style-type: none"> • Inventory • Contract • Service Level • Compliance 	<ul style="list-style-type: none"> • Suppliers • Logistics • Negotiations • Partnerina
Technology		
<ul style="list-style-type: none"> • Research • Development • IPR • Partnering 	<ul style="list-style-type: none"> • Product • Automation • IT • Tools 	<ul style="list-style-type: none"> • Data • Information • Platforms • Standards

Core

Input/Inbound	
<ul style="list-style-type: none"> • Receiving • Storage • Inventory • Kitting 	<ul style="list-style-type: none"> • Capacity • Production • Skills • Program
Operations	
<ul style="list-style-type: none"> • Scheduling • Process • Utilities • Project 	<ul style="list-style-type: none"> • Team • QC • Facilities & Machines • Maintenance
Output/Outbound	
<ul style="list-style-type: none"> • Provisioning • Distribution • Installation • Commissioning 	<ul style="list-style-type: none"> • Service Level • Contract
Sales & Marketing	
<ul style="list-style-type: none"> • Brand • Channels • Lead Generation • CRM 	<ul style="list-style-type: none"> • Sales & Selling • Pipelina • Qualification • Contracting
Service	
<ul style="list-style-type: none"> • Incident • Satisfaction • Service Level • Satisfaction 	<ul style="list-style-type: none"> • Upgrade • Replacement • Repair • Responsivness

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In evaluating Digital Maturity we can assess and improve each of the core value chain components and also where components intersect.

Digital Value Maturity Assessment

The Focus of Assessment		Performance				Pervasivness				Proficiency & Practice				
Digital Technology as it relates to the scope defined		Save	Speed	Satisfy	%	Core	Important	Support	Limited	Understand	Skill Use	Enrichment	Attitude	engagement
Name/Scope	System/Apps													
Provides		Data												
What Digital Technology does ?		Information												
		Analysis												
		Decision												
		Activity												
		Connection												
		Flow												
		Control												
		Security												
Permits (Enables)		Action												
What Digital Technology Enables ?		Accuracy(Quality)												
		Responsiveness												
		Competitive												
		Productivity												
		Reliability												
		Reach												
		Learning												
		Collaboration												
		Trust												
		Efficiency (Waste/Duplication)												
		Effectiveness (Right things,time,doer)												
		Outputs/Outcomes												
		Re-Use												
		Innovation												

The focus of assessment and improvement can be at global or specific levels. The key is definition of the scope for maturity assessment and improvement to create additional advantage and value. Performance dimensions look at savings in any key attribute, speed to produce the output and outcome, and satisfaction levels of stakeholders to the in scope value components under consideration. Are the functions provided by technology delivering performance, are the benefits enabled converting to advantage and value being created. Pervasivness value, as it exists and the potential essentially identify the potential value opportunities. Proficiency and Practice (Culture) as they exist and as required to increase the pervasivness where there is performance potential.

Process for Digital Value Maturity Improvement

- Create Improvement Program Framework
- Complete Initial Assessment
 - Triage, or
 - Focused
- Identify priority improvement actions
 - Innovation – Culture
 - Business Value Management – Performance
 - IT Capability Management – Pervasiveness
- Review KPI's and business impact

For any organisation integration of the “Digital Agenda” to create Advantage and value is best managed by using some framework that is integrated into the organisations strategy, which enables the discussion and execution of changes which will create the strategic and tactical value improvements.