

Digital Transformation in HE

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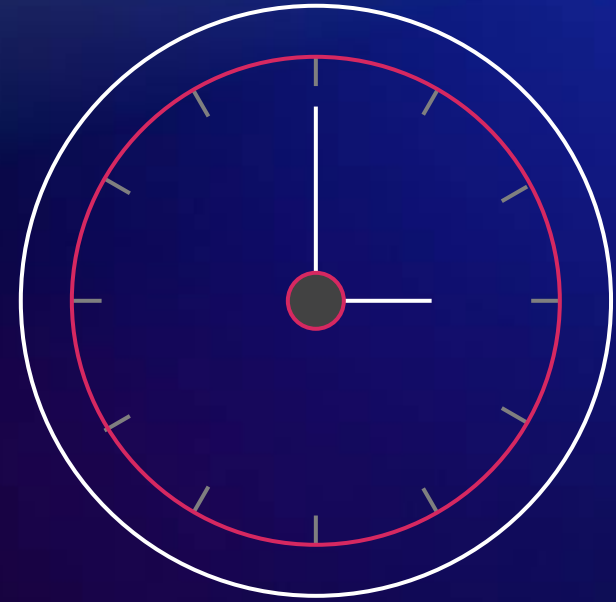
@Andrew_Proctor





Digital Transformation – some context

“On average the word
agility is mentioned every six
minutes by leaders within our
executive briefings...



...closely followed by
Digital Transformation...



70%

of digital
transformation
efforts do not reach
their goal

Source: Kotter (2007) "Leading Change: Why Transformation Efforts Fail." Harvard Business Review

Why Bother?

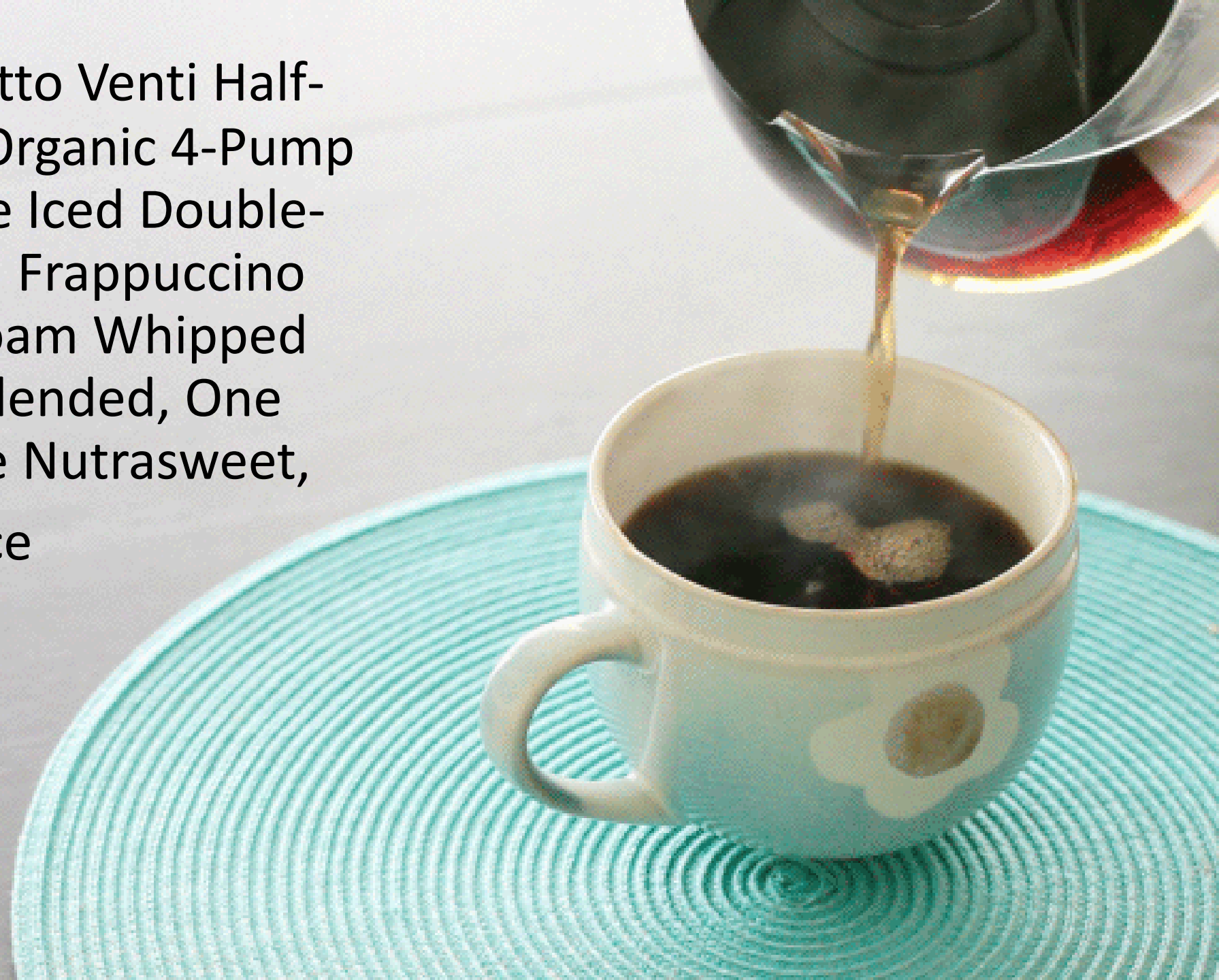


91%

67%

50%

The Double Ristretto Venti Half-Soy Non-fat Decaf Organic 4-Pump Chocolate Brownie Iced Double-Shot Gingerbread Frappuccino Extra Hot With Foam Whipped Cream Double Blended, One Sweet'N Low, One Nutrasweet, and Ice



Eras of Human Progress...

Stone
Age

Bronze
Age

Iron
Age

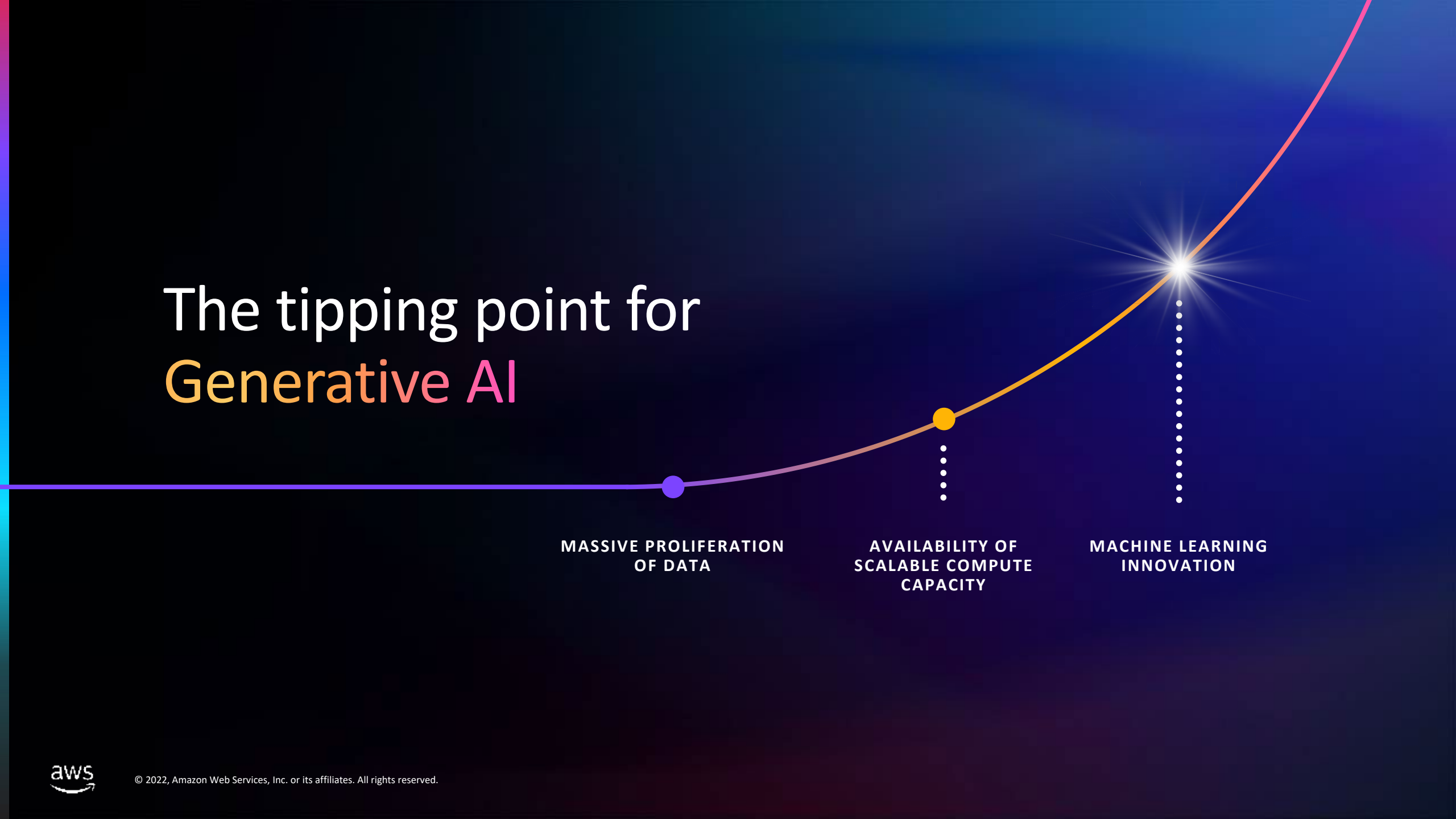
Industrial
Age

Information
Age

Digital
Age

...all underpinned by disruptive technologies

The tipping point for Generative AI



MASSIVE PROLIFERATION
OF DATA

AVAILABILITY OF
SCALABLE COMPUTE
CAPACITY

MACHINE LEARNING
INNOVATION

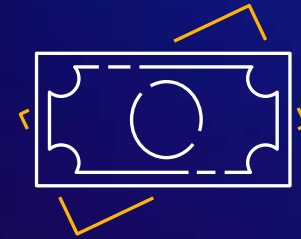
Technology has traditionally lifted all boats



Health and longevity



Level of education



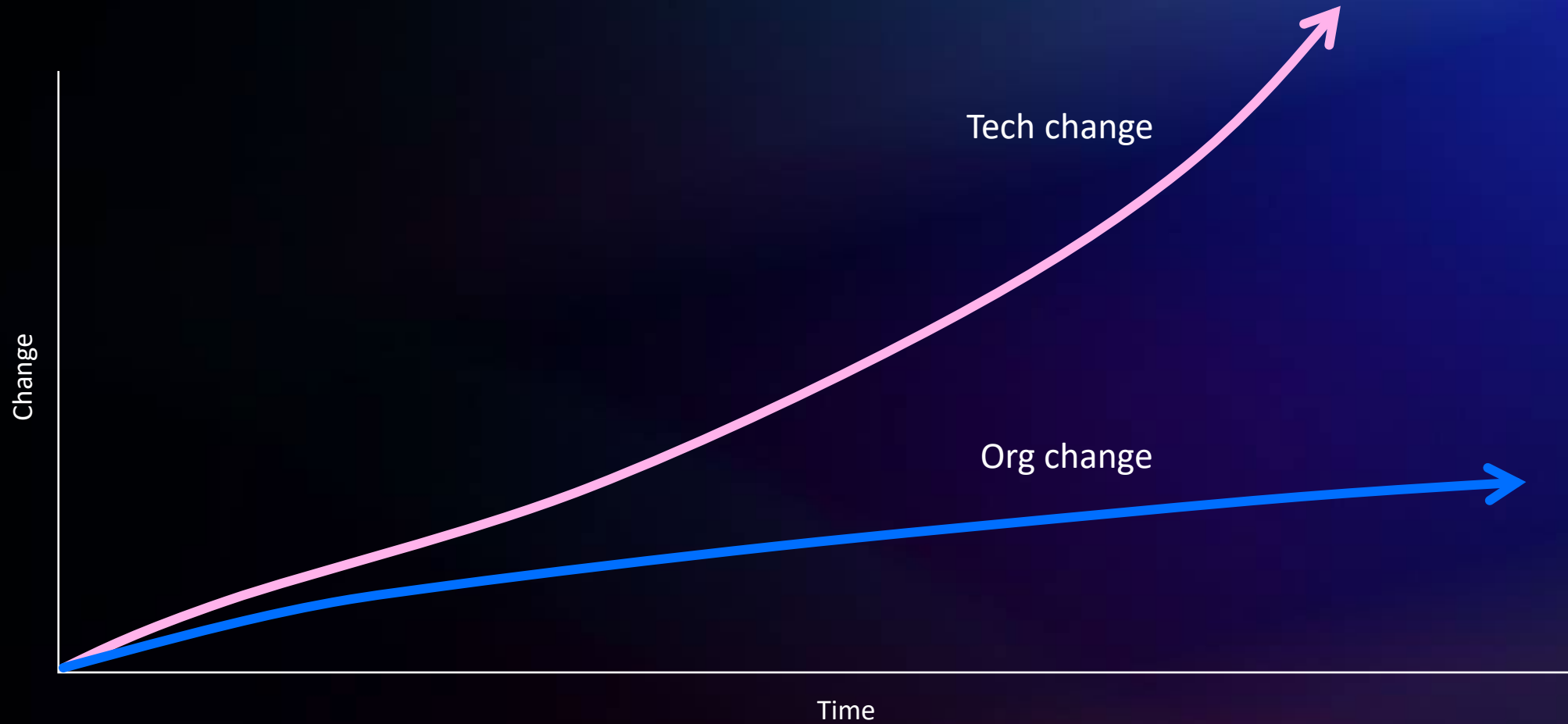
Gross national income

What is the underlying issue?



Technology Change vs Org Change

MARTEC'S LAW



Some tips/thoughts

Digital Transformation as a Journey

- More 'customer focused'
- More innovative
- Quicker to execute

Rebalance focus of BAU onto Delivery

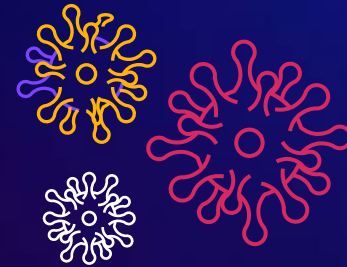
Who is leading your transformation?



VC?



CIO?



An External Event?

Everyone is a leader

Everyone is a builder

...of diaper sizing. By signing up for a single subscription, Amazon Family customers will have the peace of mind of knowing that Amazon will send them the right sized diaper at the right time.

Custom Benefit?

~~Babies need an average of about 3,800 disposable diapers across seven sizes in three years, and remain in a size anywhere between a few weeks to several months. A baby might need just one box of size 1 diapers but need as many as eight boxes of size 4 diapers. To complicate matters, weight – and not age – is the best predictor of a baby's diaper size.~~

With Amazon's Subscribe & Save program, customers previously created diaper subscriptions in a specific size which was replenished until the customer decided it was time to move up a size. This meant that parents needed to anticipate the change in diaper size and either cancel their existing subscription to create a new one, or go to the Manage Your Subscriptions page to update the existing diaper subscription with the new size. This caused endless frustration for parents, added to the stress of having a new baby, and the experience ran counter to the concept of a subscription that should run smoothly with minimal touch points.

Not a good name for this

With the introduction of the new auto-sizing feature, customers who subscribe to diapers will be asked to provide their child's weight, in addition to the existing child info. They will then be able to set up a single subscription that will take them through the various sizes at the right time. Customers will be notified before the next box of diapers is due to ship that it has automatically sized up – if it's too soon, there will be a simple one-click process to keep the current size.

Would a customer really say this?

"I love using Subscribe & Save. But for my older child, I have had to return boxes that were one size too small, which actually increased my work load," says Mara Steiner, who has used Subscribe & Save for her baby needs for several years. "As I expect my second child, I am very excited at the thought of having the right size diapers show up at my door each month. New parents have enough to do without having to keep calculating which size of diapers they should be buying for their baby."

~~"We want parents to always have the right sized diaper for their child at the right time," said Greg, director of Subscribe & Save. "This single subscription experience for diapers will ensure that customers can depend upon Subscribe & Save to do the work for them, and never have to worry about changing size as their children grow."~~

Amazon's Subscribe & Save ships thousands of items to their customers on a regular basis with additional discounts. With the diaper subscription service, the program has simplified the experience for new parents.

To learn more about Subscribe & Save's diaper subscriptions auto-sizing, go to www.amazon.com/diaper-subscription

What about mobile?

Share

Tip 1: Customer Obsession



“Customers are always beautifully, wonderfully dissatisfied, even when they report being happy and business is great. A desire to delight customers will drive you to invent on their behalf.”

Jeff Bezos, Founder & Executive Chair
Amazon.com Inc 2016 Letter To Shareholders



Press
release



FAQ



Visuals

Nurture a Culture of Customer Focus

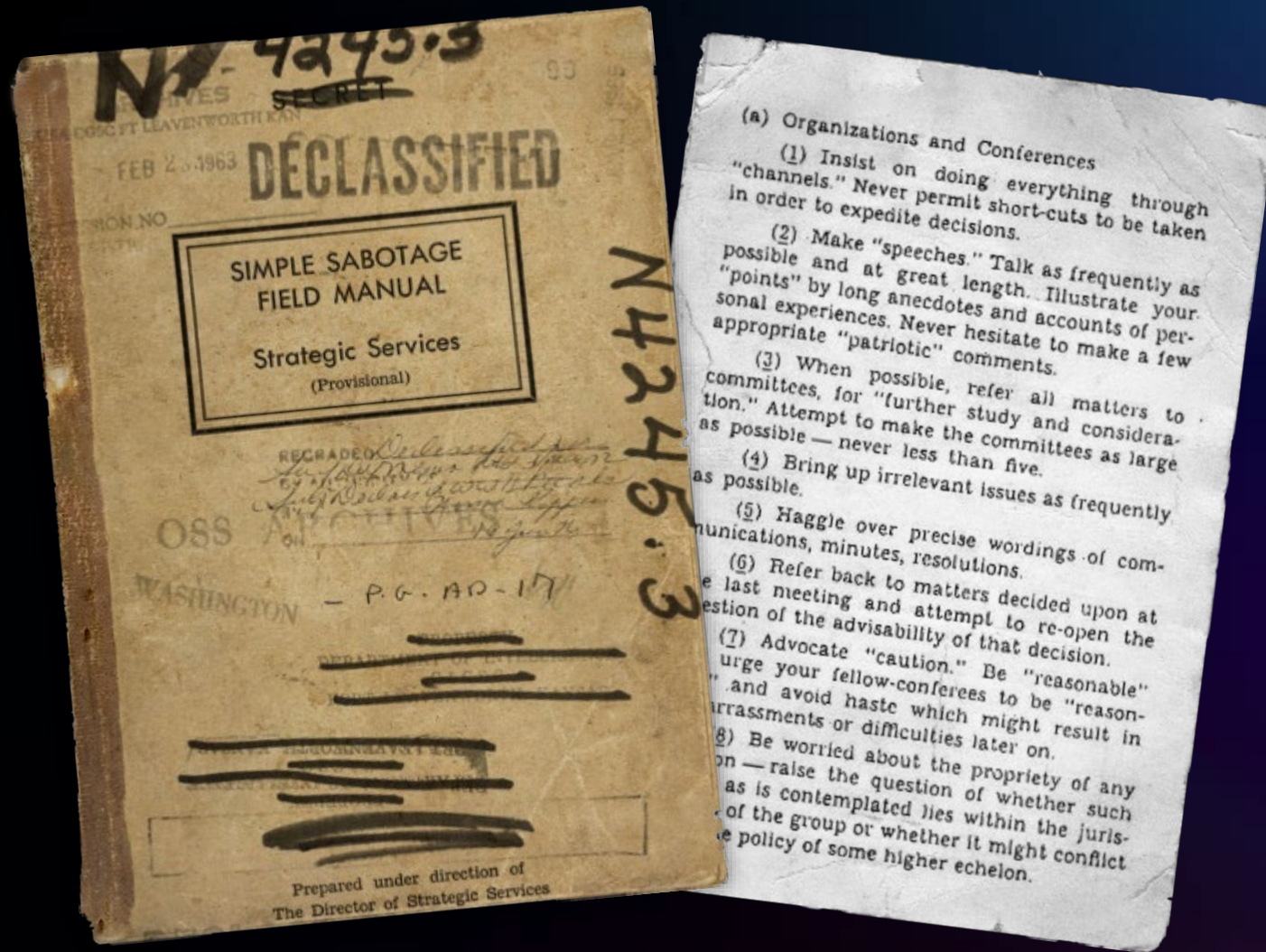
Working backwards:

Use it to get clarity, not to document what
you've already decided to do

5 Customer Questions

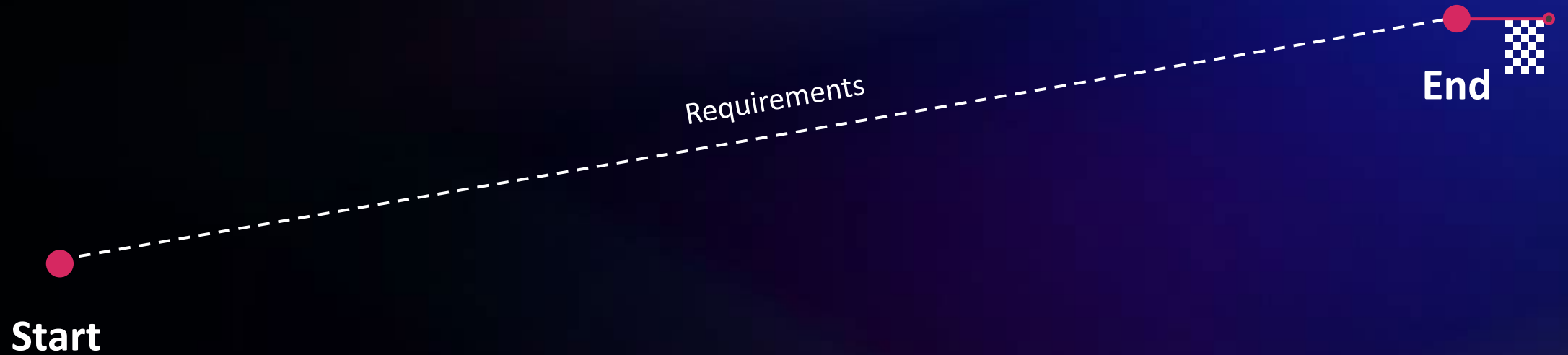
- ✓ Who is your customer?
- ✓ What is the customer problem or opportunity?
- ✓ Is the most important customer benefit clear?
- ✓ How do you know what customers need or want?
- ✓ What does the customer experience look like?

Tip 2: Reduce bureaucracy

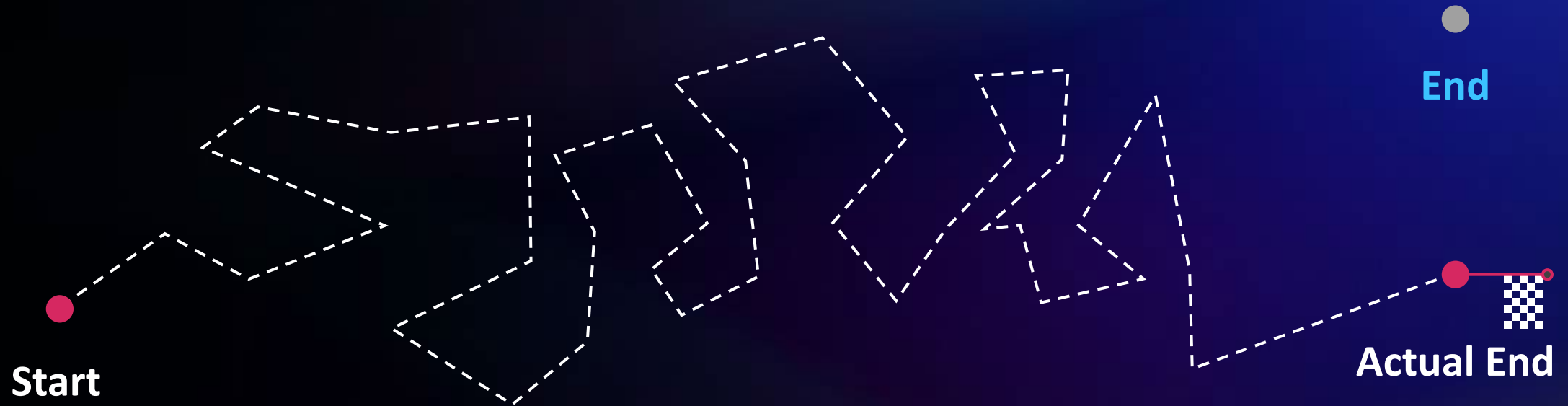


- Don't permit shortcuts to be taken in order to expedite decisions.
- When possible, refer all matters to committees, for 'further study and consideration'.
- Make committees as large as possible – never less than five.
- Haggle over the precise wording of documents, minutes
- Refer back to matters decided upon at the last meeting and attempt to re-open decisions made

The false comfort of being wedded to linear planning...

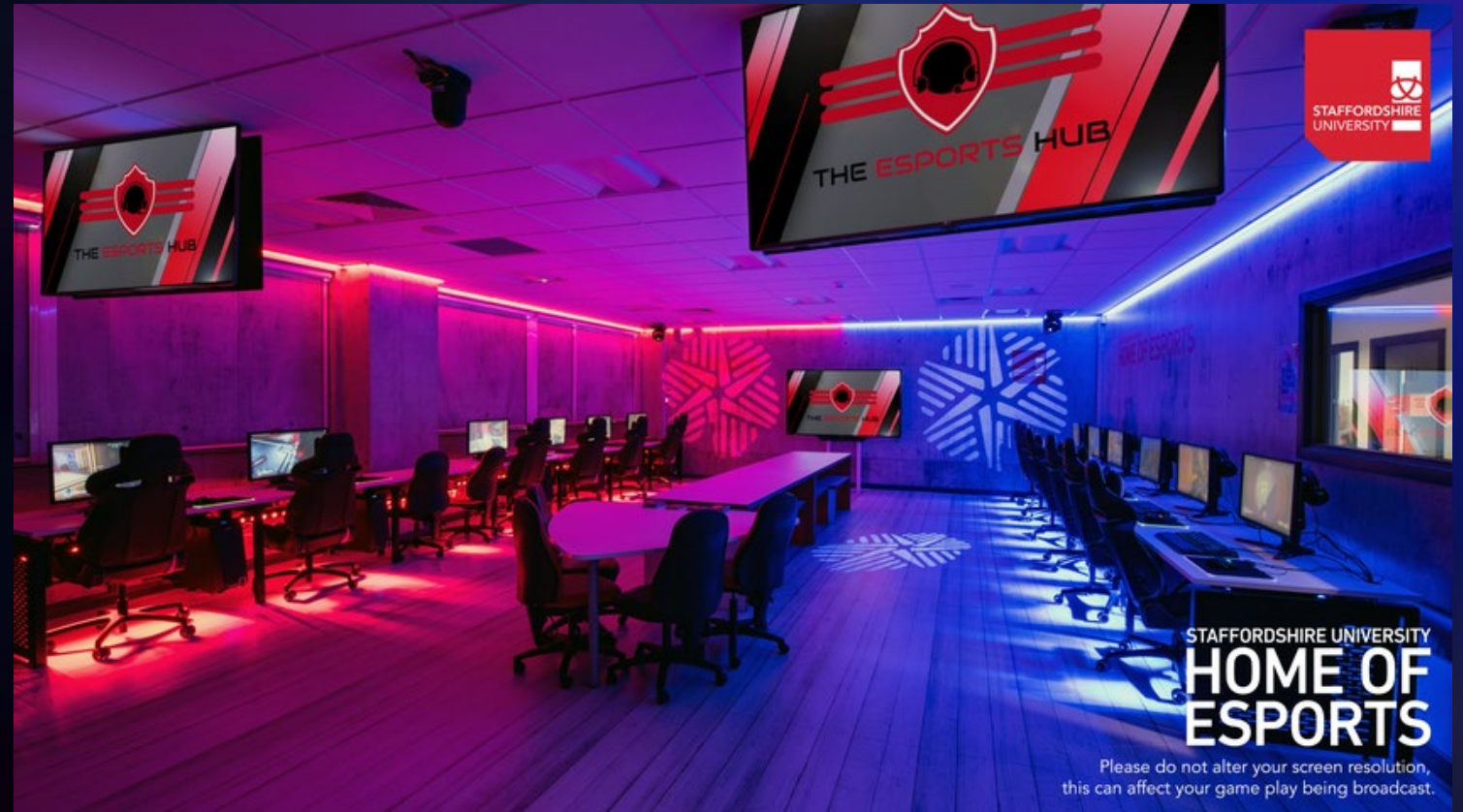


...or delivering and adapting against an outcome?



Launching an Esports degree

- Using 'digital' techniques
- Pragmatic about priorities



Reduce cost of
change & learning

Reduce
variation

KPI = **SPEED**

KPI = **COST**

More competitive

More utility

GENESIS

CUSTOM-BUILT

PRODUCT

UTILITY



Tip 3: Remove the fear of experimentation

“... failure and invention are inseparable twins. To invent you have to experiment, and if you know in advance that it's going to work, it's not an experiment.”

Jeff Bezos, Founder and Executive Chairman,
Amazon.com, Inc., 2015 letter to shareholders



To our shareowners (2015)

This year, Amazon became the fastest company ever to reach \$100 billion annual sales. Also this year, Amazon Web Services is reaching \$10 billion in annual sales.

One area where I think we are especially distinctive is failure. I believe we are the best place in the world to fail (we have plenty of practice!), and failure and invention are inseparable twins. To invent you have to experiment, and if you know in advance that it's going to work, it's not an experiment. Most large organizations embrace the idea of invention, but are not willing to suffer the string of failed experiments necessary to get there. Outsized returns often come from betting against conventional wisdom, and conventional wisdom is usually right. Given a ten percent chance of a 100 times payoff, you should take that bet every time. But you're still going to be wrong nine times out of ten. We all know that if you swing for the fences, you're going to strike out a lot, but you're also going to hit some home runs. The difference between baseball and business, however, is that baseball has a truncated outcome distribution. When you swing, no matter how well you connect with the ball, the most runs you can get is four. In business, every once in a while, when you step up to the plate, you can score 1,000 runs. This long-tailed distribution of returns is why it's important to be bold. Big winners pay for so many experiments.



Learn from failures

Auctions, zShops, Marketplace



Fire Phone



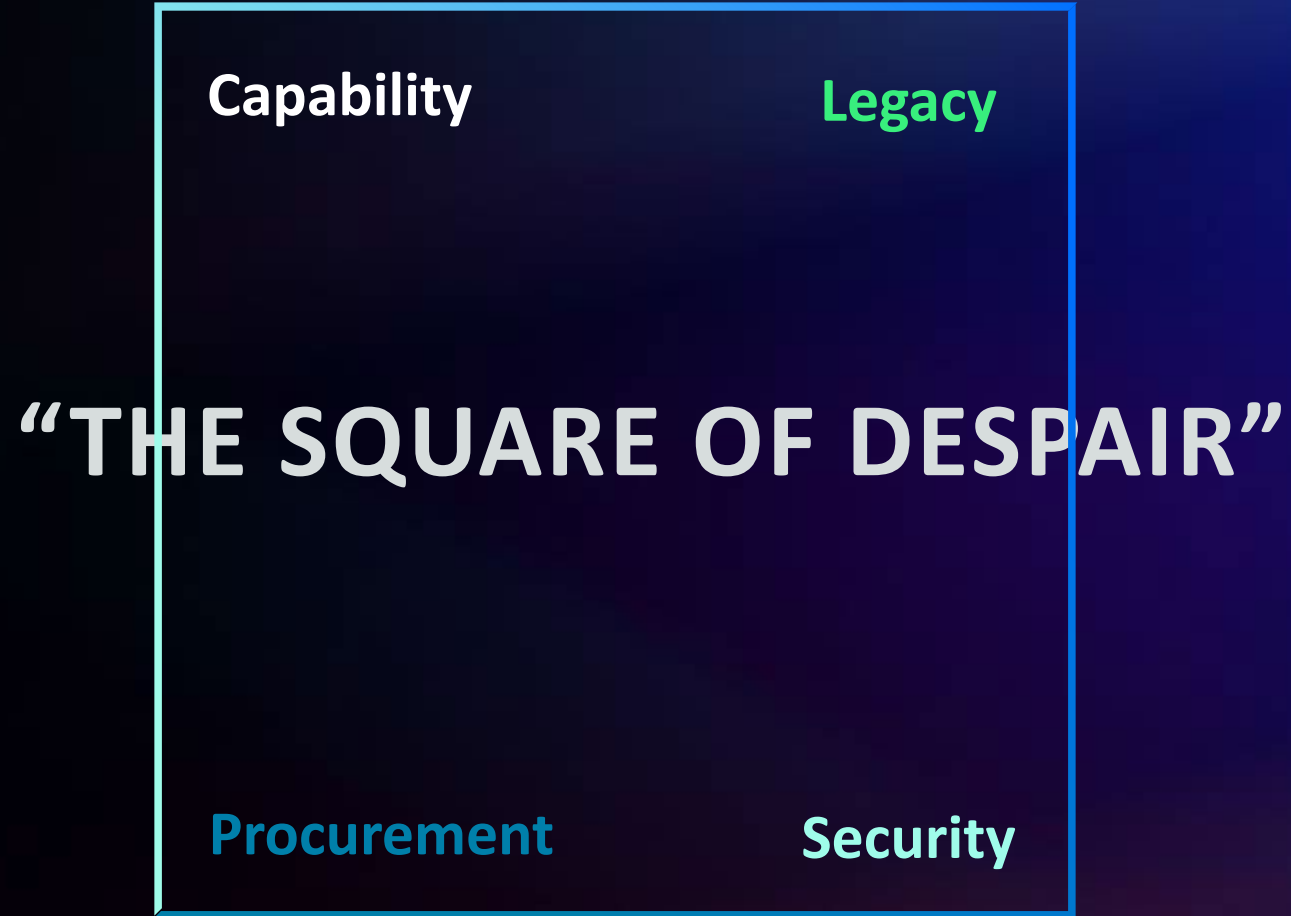


Promote Autonomy

Is it a **one-way** or
a two-way door?

Make decisions when you have around 70% of information you wish you had. If you wait for 90% you are probably moving too slow.

Tip 4: Identify and address blockers early



Final Tip: Learn & Be Curious...



Traditional career



The Journey



Don't

Photocopy someone else's culture

Over plan or over estimate
the pace of change

Just rebrand roles and processes

Ignore "resistance"

Delegate the change



Do

Patiently experiment as
a leadership priority

Be stubborn about the vision,
flexible on the execution

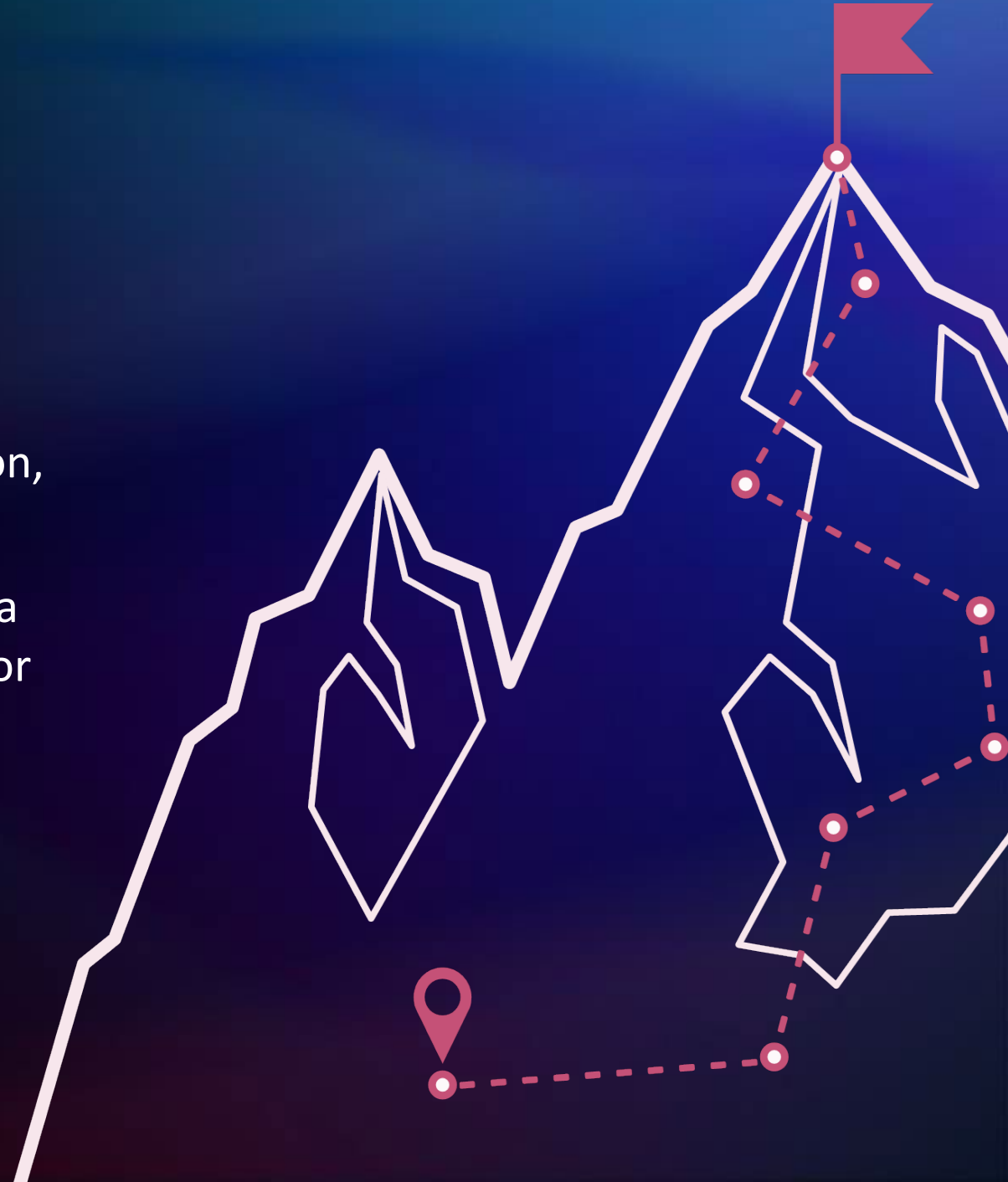
Instigate genuine
outcome-focused changes

Double down on change management

Lead and role model the change

Key AWS Differentiators

- Our customer obsession means that we focus on solutions to your problems, not selling you our products
- We provide support for transformation, innovation, skills, and more.
- We know that change takes a long time and that a long-term, trust-based partnership is necessary for true transformation
- Our scale



AWS Mechanisms for Change

- Executive Briefings
- Executive Visioning/Strategy
- Working Backwards engagements
- Culture of Innovation
- Proof of concepts
- Immersion Days
- Acceleration programs



Thank you!

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