

# CLOSING THE DIGITAL GAP

BETWEEN YOUR CURRENT DIGITAL REALITY  
AND WHAT IS DIGITALLY POSSIBLE

 Formicio

HOW WE CAN HELP PUT YOUR ORGANISATION  
ON A TRAJECTORY TO A DIGITAL FUTURE

## TODAY'S DIGITAL REALITY

The world is becoming more digital and without question the way we work, communicate, travel, manage our health and are entertained will continue to change at an ever-increasing pace.

Individually and collectively, digital technologies enable us to do things that were simply not possible – or economically viable – a few short years ago.

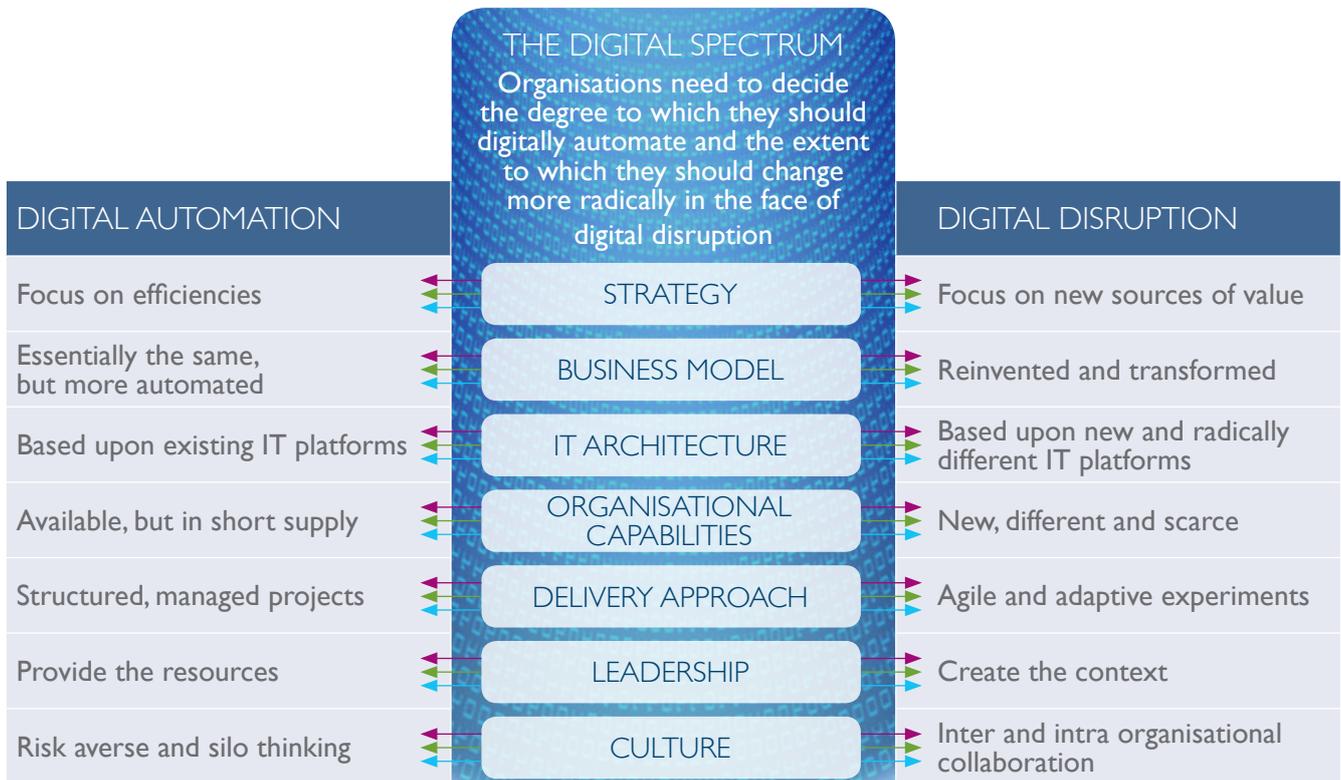
“THE FUTURE IS ALREADY HERE — IT’S JUST NOT VERY EVENLY DISTRIBUTED.”

William Ford Gibson, 1948-  
American-Canadian writer

As digital technologies continue to advance and become more disruptive they challenge our thinking on how our organisations could and should operate.

The question, therefore, is not whether our organisations should become more digital, but to what extent and at what pace?

## ADVANCES IN DIGITAL TECHNOLOGY ARE DRIVING BOTH DIGITAL AUTOMATION AND DIGITAL DISRUPTION



## MOST ORGANISATIONS HAVE YET TO RESPOND

According to recent Capgemini research, the number of digitally mature organisations ranges from 38% in High Technology to as low as 7% in Pharmaceuticals.

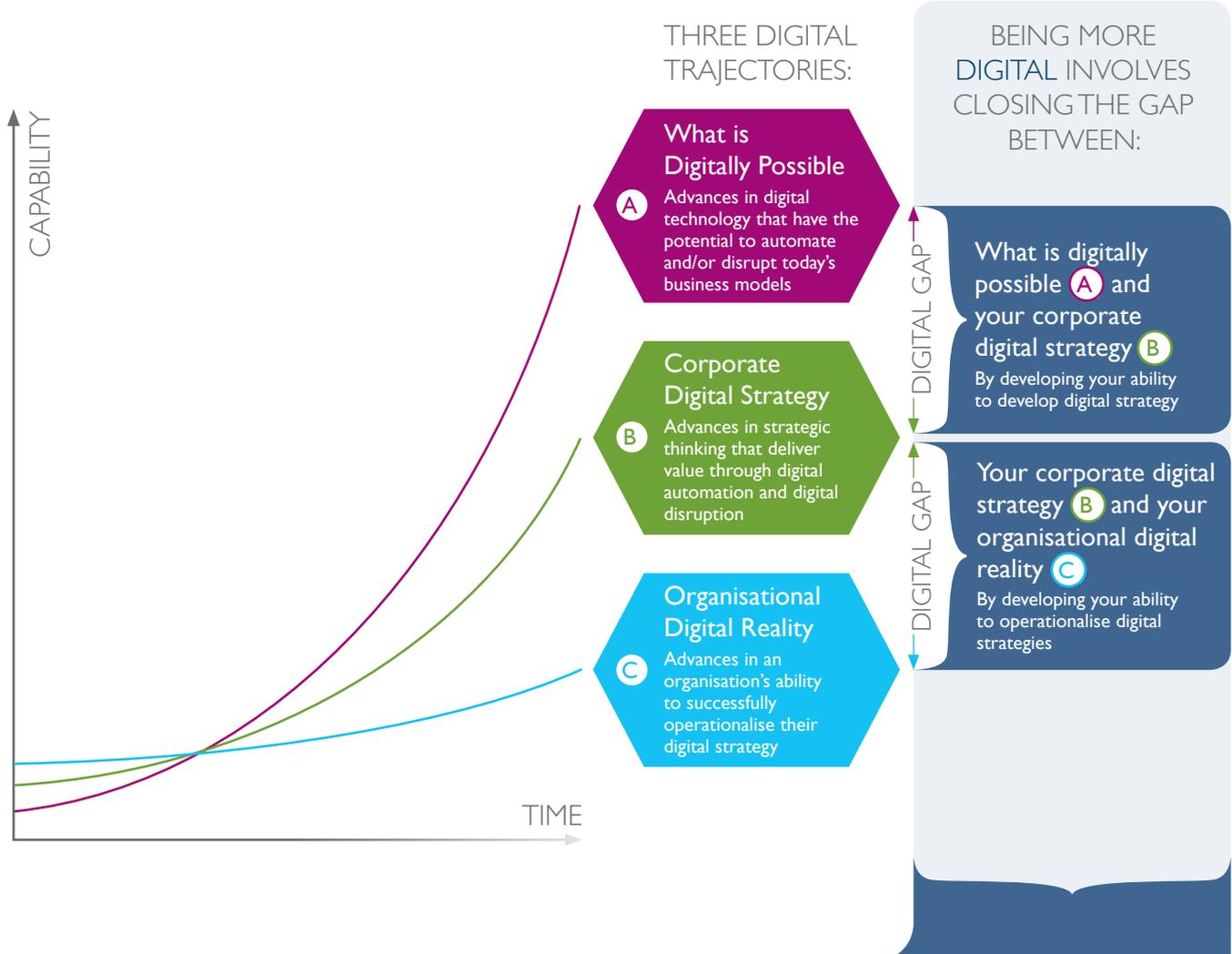
Furthermore, 43% of companies either do not acknowledge the risk of digital disruption, or have not addressed it sufficiently. They also found that nearly a third were taking a ‘wait-and-see’ approach.

Don’t be one of those organisations that is not responding to the digital challenge; be proactive in closing the gap between your current digital reality and what is digitally possible.

The question, therefore, is not whether your organisations should become more digital, but to what extent and at what pace?

# WHAT IS THE DIGITAL GAP?

The digital gap is simply the gap between the trajectory that digital technologies are taking – in terms of their developing capabilities – and the trajectory your organisation is taking in terms of its application of digital technologies. In many organisations this gap is widening.



## TYPICAL ACTIONS TAKEN TO CLOSE THE DIGITAL GAPS

- Calling in the digital consultants
- Appointing a Chief Digital Officer (CDO)
- Ring-fencing funding for 'digital' projects
- Re-labelling existing projects as digital projects
- Launching a set of 'digital' pilots
- Creating a digital cell
- Partnering with external organisations
- Acquiring a 'pure play' digital company
- Attending conferences
- Taking university short courses
- Participating in digital technology study tours

**The question is not whether these and other actions will close the digital gaps, but whether they will do so to the extent and at the pace needed.**

If not, your current digital trajectory is unlikely to change, the gap will widen and your chances of competing – and in some cases surviving – in an increasingly digital future become more limited.



## CLOSING THE DIGITAL GAP IS ABOUT PUTTING THE ORGANISATIONAL CAPABILITIES IN PLACE THAT WILL SHIFT YOUR TRAJECTORY TO ONE THAT IS MORE DIGITAL

All organisations are on a trajectory, a path that takes them from where they are now to a future state. An organisation's trajectory is a manifestation of its strategy; a strategy that has either been intentionally and explicitly defined or evolved over time.

If you want your organisation to become more digital, then informed choices must be made on the actions needed to shift your organisation's current trajectory to one that leads to a more digital future.

A major factor determining an organisation's trajectory, and its ability to change its trajectory, are its organisational capabilities. Organisational capabilities are formed from shared mental models; established practices; common language; mindsets and beliefs; and shared experiences. They are embedded in the organisation and not lost when key individuals leave. Essentially they determine how the organisation operates and behaves. Importantly they are different from the skills and competencies of individuals.

Organisational capabilities are like muscles – the more they are used the stronger they become, and the stronger they become, the more they shape organisational culture and establish organisational habits. While some organisational capabilities are easily observed, others can only be appreciated when they are experienced.

While some organisational capabilities can shift an organisation's trajectory by 'pulling' it to a digital future, other – often more established – organisational capabilities can 'anchor' an organisation to its current trajectory.

Closing the digital gap involves understanding the organisational capabilities you currently have, particularly those that are keeping your organisation on its current trajectory. It also involves identifying those organisational capabilities needed to shift your trajectory to one that leads to a digital future. While some of these will be based on digital technology, others will focus on strategy and execution.

“THE SECRET OF CHANGE IS TO FOCUS ALL OF YOUR ENERGY NOT ON FIGHTING THE OLD, BUT ON BUILDING THE NEW.”

Socrates  
Classical Greek philosopher  
c. 470 BC – 399 BC

# FORMICIO CAN HELP YOU CLOSE THE DIGITAL GAP AND PUT YOU ON A TRAJECTORY TO A MORE DIGITAL FUTURE



## ASSESS YOUR CURRENT DIGITAL STRATEGY

We can help you understand the impact that your current digital strategy is having on your organisation's trajectory and where it is likely to lead. Equally, we can help identify and assess the forces, both within and outside your organisation, digital and non-digital, that are influencing your current trajectory.

We can also help you understand how current and emerging digital technologies are disrupting business models in your industry and the likely impact they will have.

Our aim is to equip you with sufficient insight to be able to make informed choices on bringing your digital reality closer to what is digitally possible.



## DEVELOP YOUR DIGITAL STRATEGY

We can help you develop a digital strategy that will put your organisation on a trajectory to a more digital future.

Most importantly we will help you decide where it is appropriate to digitally automate your existing business model and where it is necessary to use the disruptive power of digital technology to radically rethink all, or parts, of your business model.

Our aim is to help you develop a strategy that is meaningful to your organisation and is capable of successfully shifting your current trajectory to one that leads to a more digital future.



## OPERATIONALISE YOUR DIGITAL STRATEGY

We can help you operationalise your digital strategy by creating the conditions needed to 'pull' your organisation on to your chosen digital trajectory.

Most importantly we will help you identify and put in place the digital organisational capabilities needed, whether through development of staff, recruitment, partnering or acquisition.

Our aim is not only to help you successfully get on your chosen digital trajectory, but to have the digital capabilities in place that make 'being digital' a normal way of 'being'.

## YOUR DIGITAL STRATEGY ADVISORS

### DR DAVID TRAFFORD

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David has advised companies in China, Australia, South Africa, Singapore, the USA and Europe on all aspects of technology-led transformation. He is passionate about helping organisations develop the capabilities needed to realise the full potential of current and emerging digital technology. His expertise is in developing and operationalising strategy.



### PETER BOGGIS

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Peter has experience across a range of industries including steel, mining, chemicals, pharmaceuticals and financial services. He believes that all organisations need to be innovative, and that innovation is an organisational capability that can be developed. His expertise is in developing insight through experimental learning.



### FRANK DANNENHAUER

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Frank has held senior IT management positions in the pharmaceutical and chemical industries, including divisional CIO and global head of strategy. His passion is helping senior leaders to deliver major transformational change. His expertise is in building organisational capabilities for the future, especially in international and complex organisations.



## CONTACT

If you would like to discuss how we might be able to help you put your organisation on a trajectory to digital future contact David Trafford:

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Formicio was founded in 2010 by a group of highly experienced consultants and executives who want to help organisations improve their futures.

We chose the name Formicio from two Latin words, FORMO (to form or shape) and PROFICIO (to advance, make progress, benefit, contribute) as we thought this aptly describes the value that we aim to bring to our clients.