How to Drive and Sustain Your Digital Innovation Effort

A Digital Innovation Checklist

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Introduction

Pursuing a digital innovation effort is an exciting endeavor for any company, especially larger companies. Like anything truly worthwhile in life, it will be filled with unexpected challenges and require some tough decisions. On the bright side, these are the easiest type of difficult decision. You will know what to do—it's simply hard to make the actual decision. To help prepare you for your journey, Levvel has composed a list of key questions and considerations you can use to drive discussion across your organization.

These are questions based on Levvel's extensive experience in leading digital transformation and innovation efforts at a variety of institutions. We've seen first hand how indecision and lack of clarity quickly decimate these types of initiatives. If you start down this path, you must be firmly committed across your company's leadership. That commitment must be more than cursory. It must be resolved to address questions or disagreements, to drive change, to push difficult decisions, and, most importantly, to have uncomfortable conversations to ensure a continuous attempt at clarity and common understanding in both goals and execution.

Strategy and Vision

1. What are the motivations and drivers for your desired change? Have you clearly documented and articulated the need, business benefit, and drivers?

2. Have you done sufficient research to understand what your competitors are doing and the state of the market?

3. Do you have a clear vision and strategy that have a broad understanding and agreement at the senior leadership level?

4. Have you communicated your vision and strategy to the full employee base? Do they understand it and buy in?

5. Do you appropriately view the vision as long-term and the strategy as medium-term? Have you determined the mechanism and timing for refreshing the strategy (with all relevant stakeholders)?

Leadership

1. Is leadership genuinely willing to invest money and effort to drive a transformation?

   › There is a difference between knowing the path and walking the path. It is one of those things you can't do halfway. You are better served to not do it at all than to do it with anything less than 100%.

2. Do you have a middle-management layer with the capacity and correct mindset to drive your transformation?

   › If you ask people to do this as a side gig, don't be surprised if you get results of that quality.

3. Have you thought about how you will drive your effort(s) forward? Do you understand the subtle balance and differences that result whether you independently light fires across the organization, without any coordination, versus if you have a robust and centralized push?

4. How will you keep stakeholders (especially at senior levels) in the loop? Have you determined who is inform versus who is a participant? Can you keep this list as lean as possible so you can move quickly and pivot easily?

5. Do you know how you will handle disagreements, concerns, or career worries? Is your senior leadership willing to make time available to resolve questions where two people disagree? This is critical to minimize political infighting.

Culture

1. Have you taken a hard and honest look at your culture to understand any challenges or gaps in what you are trying to achieve? Depending on the desired change (scope, required buy-in, employee participation, and support), you will require greater degrees of certain elements in your culture.

   › What level of trust, transparency, and respect do you have across your organization and up and down the leadership chain?

   › How does your leadership team operate and communicate? How open is your leadership team in revealing thoughts and information?

> › What type of operating environment do you have? Is it highly political with siloed organizations and strong doses of turf wars? Do employees work to the betterment of their teams and or personal careers? o they work for the betterment of the company, knowing it will come back to them?

2. If any culture changes are required, have you put the requisite thought and commitment to ensure those bedrock changes will succeed? (Employees quickly sniff out disingenuity, and it will eat away at the foundation of any change you are trying to drive.)

3. Have you considered the need for outside help to drive cultural change? Either to help you identify necessary changes, communicate, or perhaps to track progress?

4. What are the reward systems at your company? Do those properly align with the change you are trying to drive? Do they encourage individual success or team success?

5. Have you thought about what reactions your efforts are going to create in your employee base? Will people fear for their jobs? If yes, how are you mitigating that?

   > › How can you communicate transparently to encourage open dialogs and foster healthy, trusting relationships among teammates? (Transparency and respect are key—you don't always need to know the answers, but you can treat people in line with the Golden Rule, i.e., treat others as you would wish to be treated.)

People and Process

1. What capabilities do you require to achieve your desired outcomes? Do your people have the requisite skills and training? Can they drive the cultural, technical, process, and other changes required?

2. Have you dedicated individuals to drive your desired change, or are you expecting teams to accomplish this alongside existing responsibilities? If the latter, have you acknowledged the risks and impacts that hedged approach will communicate?

3. What capabilities do you have in-house? What is outsourced? What are your vendor dependencies? Do you understand how each of these elements may need to change as part of your effort?

4. What level of the organization is driving the people and process changes required? How much authority and autonomy do they have?

5. What governance/oversight structures do you have in place to drive and monitor your effort(s)? Have you thought through their needed role and finding the appropriate balance between ensuring success while empowering and providing support to others?

6. Do you have the capabilities required to drive understanding and alignment with your target group (employees or customers or both)? Do you have people who can lead exploratory discussions, lead ideation sessions, build clickable prototypes, and do user testing?

7. How will any new teams work with existing parts of the organization? Where is there overlap? How will any hand-offs occur? How do shared decisions occur?

Technology

1. What tools and technology are required? (Both to drive the effort, and to enable the end-state you seek.)

2. How easily can your technology teams change? How easily can their tools change?

3. Have your teams adopted agile methodology for design, development, and operations?

4. Similar to people and process, what technology capabilities do you have in-house? What is outsourced? What are your technology vendor dependencies? Do you understand how each of these elements may need to change as part of your effort?

5. Does your change require any software development? If yes, have you already embraced (or are you ready to embrace) Cloud and DevOps toolsets?

6. What processes and approvals are involved in technology change at your company? Will they hamper your efforts? If yes, can you simply modify or do you have to break down and rebuild?

7. If you need any type of cloud environment, what migration (if any) does that require? Do you need to pursue a large-scale lift and shift? Can you take a more targeted approach?

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Next Steps

Use this checklist to challenge yourself and your team to ensure you have comprehensively thought through both the desired goals and the journey to achieve them. We cannot overemphasize that this type of effort is not for the faint of heart and is better skipped than done half-heartedly. If you are merely looking for a surface-level splash, then ignore this checklist, go about your original plan, and be content with what you get. If you are seeking to drive sustainable innovation and change, then spend the requisite time up-front. Make sure your leadership recognizes the time commitment (likely without immediate results). This checklist should empower you to ask the right questions and take a thoughtful and deliberate approach to your digital innovation effort.

About Levvel

Our team is made up of leaders, thinkers, designers, and builders whose collective experience spans many industries and companies of all sizes. We're avid fans of technology but even bigger fans of solving business problems. An understanding of the difference between an idea and a solution is just one of the things that set us apart.

Our Financial Systems and Payments Practice combines enterprise banking and payments experience, technical expertise, and a pulse on emerging technologies to ensure our clients create the right approach the first time. Our team has broad, strong industry relationships and expertise across the payments ecosystem.