

## **Digital Transformation is Just the Start: True Innovation is Driven by a Culture of Inclusion**

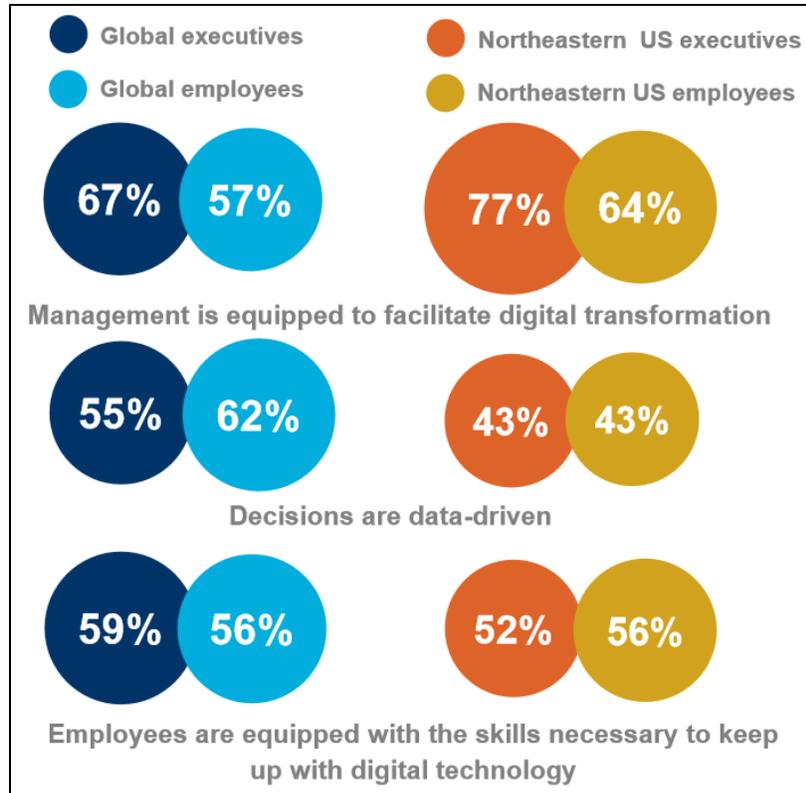
By Dave Spencer, SAP North America

Cloud computing, predictive analytics, Internet of Things and other disruptive technologies have vastly transformed legacy business models, giving organizations the tools to enable quick, data-driven planning and optimize resource allocation at record speeds. However, the rates at which businesses and leadership are strategically transforming their operations are not equal across the board.

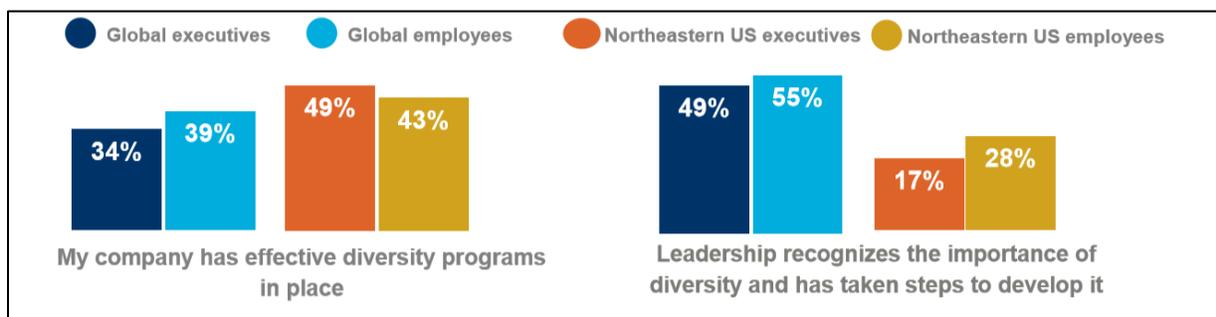
SAP and Oxford Economics recently released the first [Leaders 2020](#) study that surveyed over 4,000 senior executives and employees at major organizations across the globe, uncovering the four core commonalities shaping the upward growth and momentum of these “digital winners”:

- Embrace digital technologies by embedding innovation in all aspects of the organization
- Base decision-making on data and analytics at every level of an organization
- Reduce complexity and provide employees with the latest technology
- Train employees and executives to become digitally-proficient

These leadership traits may seem intuitive, but there is a large gap between those who respond to technological disruption, and those who remain stagnant and adverse to change despite the rising speed of industry innovation. Regionally, the study found that only 6 percent of northeastern U.S. companies meet these standards and can be classified the aforementioned “digital winner” – this is compared to a global standard of 16%.



The study also revealed that the same regional executives and employees were confident in senior management’s skills in a number of areas, including collaboration, innovation, and using technology for competitive advantage. Decision-making strategies may not be data-driven, but they are advanced in other ways. Executives are more likely to say decisions are mapped to company strategies, made in real time, and distributed across the organization.



That said, the companies need to build diversity and cultivate this mentality among younger employees: The study found that more than three-quarters of northeastern execs say they focus on bringing younger executives into the C-Suite, but only 40 percent of employees in the region agree.

As a business leader and managing director for the East market unit at SAP North America, one of my main responsibilities is to ensure that SAP is disruption-ready in today’s ever-changing digital economy.

As a global organization, SAP constantly reevaluates how to drive leadership that fosters innovation, and my personal business purview is heavily supported through this study.

Strong leadership starts with confident and strategic decision-making. But in today's digital landscape, it can be taken to new levels to outmaneuver competitors through an agile, diverse and flat employee base – essentially employees who feel connected to their organization, have fluid communication with leadership, and the digital tools to continuously update their skills and can grow professionally.

My word of advice for organizations looking to adapt in today's age is to remember that digital readiness doesn't appear out of thin air, and there's no out-of-the-box, one-size-fits-all solution or technology platform that will get you there. From the C-Suite to the supply chain, innovation is not linear. It requires leaders to learn from their entire organization, make new connections and unveil new findings, and then empower teams to work together and become a digital winner.