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# Unlocking Technology ROI Through Modernization and Cultural Readiness

*This article is the first in a series exploring the trajectory of technology modernization & digitization trends, and the need to develop BOTH a Technology Strategy AND a Culture Strategy to guide the way forward.*

## Investment in Technology continues to grow while organizations struggle to achieve full ROI

Gartner says Global IT spending will [reach \\$4.0 trillion by 2021](#); and this was their view before COVID hit. McKinsey identifies that, for large scale IT projects, 45% incur cost over runs, and 56% fail to achieve the full benefits case. That's millions, maybe billions of dollars of value left on the table globally - let that sink in.

This, and future articles in this series, will expand on technology modernization trends, risk factors, and mitigating interventions that can improve ROI results and stop wasting resources; and look at the critical role of organizational culture in the success or failure of technology initiatives.

In a survey of more than 800 global executives published in December 2020, McKinsey identifies that “the strongest companies are reinventing themselves through next-normal operating models, capitalizing on this malleable moment and the resulting spread of agile processes, nimbler ways of working, and

increased speed and productivity”. Simple cultural resilience is no longer good enough to survive, let alone thrive through these transformational times. Adaptive resilience, and cultural factors that enable success are key to achieving maximum ROI on technology investments. Now more than ever, organizations face both challenge and opportunity to develop inter-dependent strategies for Technology Modernization and Cultural readiness for success.

Let's look at how this applies to a scenario with which many organizations may identify. Consider an organization that has accumulated legacy systems through acquisition, in-house development, and “fit for purpose” third party apps; and now struggles to integrate data and harvest advanced insights. They have heard about “Agile Capable” organizations and are considering this approach to update their technology infrastructure. What follows is a broad framework of approach.

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## Set your North Star Vision & Technology Strategy

Many organizations today find themselves operating with disparate data structures, multiple legacy systems and inefficient E2E processes, held back by fragmented API structures, manual ETL efforts to support business reporting demands and often resulting in systems and data reconciliation and cleansing to land on a single source of truth.

As business leaders see the increasing potential for data and technology to drive operating efficiencies, and insights, IT teams find themselves dedicating more and more resources to “survival” activities, dealing with new demands as discrete tasks instead of as part of a holistic plan.

This is the time to step back and create a North Star vision of technology modernization. Form a

partnership between IT and Business Leaders to develop this vision while creating alignment to some tough questions, such as:

Why is technology modernization important? How will this benefit the organization? Is a large-scale ERP implementation the way to go? Is a cloud-based solution with single source data lake a better option? Once you are clear, and aligned, develop a roadmap to take small steps forward. Achieve quick wins, manage risk, and validate or course correct the approach.

[Discovery Discussions](#) with industry experts who have travelled this path many times over may serve an important role in addressing these and other questions, developing a more fully informed view of your current state, Technology North Star vision, and “quick win” opportunities.

## Culture Strategy Will Drive Focus on Enabling Attributes

Far too often, organizations focus on systems functionality, implementation timelines and budgets, yet ROI is achieved through user adoption, new ways of working, and overall business process efficiencies. Organizations are complex social structures with a web of interconnecting relationships among functional groups guided by processes, policies, role mandates, governance, colleague capabilities, organizational values, KPIs and other factors. Cultural readiness for success requires a thorough understanding of baseline culture, attributes that associate with success, and a plan to enable those attributes.

Lets specifically consider our organization with multiple legacy systems and disparate data sources choosing to become “Agile Capable” to drive technology modernization. “Agile Capable” organizations embrace specific ways of working such as sprints and scrums to deliver quick wins in line with a clear vision, generating positive momentum, engagement, user adoption and new ways of working. A recent case study of a top 10 US Bank client shares compelling evidence of success in using an agile approach to increase systems releases with highly targeted roadmap of priority opportunities and accelerated benefits.

However, becoming “Agile Capable” is far more than just a training session. According to research conducted by Gallup among nearly 10,000 American and European workers, for an organization to become “agile capable” it must possess the following eight attributes within its culture: cooperation, speed of decision-making, trial tolerance, empowerment, technology adoption, simplicity, knowledge sharing, and a

focus on innovation. Creating these cultural capabilities requires deep insights regarding colleague needs, wants, sentiments, and perceptions. Understanding your cultural baseline, and creating an environment that nurtures adaptive resilience that looks forward to a new normal will become key in your Culture Strategy.

## Bind Technology Modernization and Culture Strategies through Active Change Management

Think of change management as the activation of human resources, colleagues and stakeholders, for both your Technology Modernization and Culture Strategies. Now more than ever, with COVID driving “next normal” ways of working, planning the people side of any technology project is vital. Colleagues need awareness, knowledge, tools and often new capabilities to engage and fully leverage opportunities enabled through technology. Leaders and sponsors need to know their roles and how to deliver them. Manager – employee relationships take on a

greater importance to guide the change process, as does the role of communications. Measuring and monitoring important attributes and coaching executives and managers to demonstrate behaviors that support and nurture these attributes is key in driving sustainable culture change. Developing a common change management plan to drive BOTH Technology Modernization AND Culture Strategies will bind these interdependent works to a common roadmap of success.

## Prompta Readiness for Success™ Framework

This proven framework has been applied in large global, small local, commercial and not for profit organizations. Establishing a guiding “north star vision” of where your organization is heading with the change is the starting point. From there, local context also becomes critical to guide the construction of a targeted path forward unique to your vision and operational ecosystem.

Technology Modernization Strategy		Culture Strategy
<p>Why Change?</p> <p>What is our North Star view of how technology drives value?</p> <p>What will our future look like when we get there?</p>	 <p>Vision</p>	<p>Why Change?</p> <p>What are the core values of our culture?</p> <p>How will our culture define us, internally and externally?</p>
<p>What does success look like?</p> <p>What are the key benefit measures for technology modernization?</p> <p>How will we monitor progress and know when we have succeeded?</p>	 <p>Success Criteria</p>	<p>What does success look like?</p> <p>Which cultural attributes of “agile capable” do we want to improve upon?</p> <p>How will we monitor progress and know when we have succeeded?</p>
<p>How will our leaders behave as sponsors? (accountable, active, visible, consistent, and engaged)</p> <p>How will leaders ensure alignment and remove barriers to transformation?</p> <p>What support do leaders need to lead by example, empowering “fail/safe” environments and agile minded ways of working?</p>	 <p>Leadership</p>	<p>How will our leaders behave as sponsors? (accountable, respectful, courageous, listeners, inspiring)</p> <p>How will leaders engage the organization in this Culture shift journey?</p> <p>What support do leaders need to lead by example, actively demonstrating new behaviours, to make this real?</p>
<p>What are the knowledge, skills, tools, necessary to succeed?</p> <p>What is our approach to ensure our people, teams, and leaders have the desire, knowledge and ability to execute new ways of working?</p> <p>How do we support speedy and informed decision making?</p>	 <p>Capability</p>	<p>What are the capabilities required to achieve transformational goals including, new behaviours, knowledge &amp; skills enabling new ways of working and collaboration within and across teams?</p> <p>In what ways might we enable shared cultural attributes across the organization?</p>
<p>What is our operational readiness to drive technology modernization?</p> <p>Have we planned for internal and external resources, systems redundancies, contingency &amp; recovery plans?</p>	 <p>Operations</p>	<p>What is our cultural readiness to support new behaviours and culture?</p> <p>What supporting mechanisms are needed for continuous operational improvements enabled by new behaviours?</p>

## Getting Started – Baseline Your Current State

Developing a thorough understanding of current state is a critical first step in preparing for the development of BOTH Technology Modernization and Culture Strategy. Much of this information can be gathered from internal sources, such as a list of active applications, API interfaces, 3<sup>rd</sup> party applications, etc. However, some baseline information is more challenging. Simple surveys often fall short on revealing what employees really think, feel, want and need to embrace change. Cultural attributes that associate with success, such as trial tolerance, empowerment, knowledge sharing, and a focus on innovation are difficult to measure and even more difficult to influence,

but important for success. This is where [Prompta AI](#)™ can play a role, with NLP capability to interpret open ended text input and reveal risks and opportunities; sentiments, needs and wants of colleagues.

With current state understood, the “Prompta Readiness for Success”™ framework will help to guide your thinking and planning.

**Discovery Discussions with industry experts who have travelled this path many times can be helpful in shaping an approach and creating a business case. [Click here](#) to request with no obligations.**

To receive future articles in this series directly to your e-mail, [click here](#). For more information, or to request a Discovery Discussion, visit our websites and/or book a discovery discussion through the links below.



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Prompta is a change management consulting & executive coaching firm that supports Fortune 500 companies globally to thrive through change and disruption. Our services include IT & ERP implementations, business & cultural change, digital transformations, organizational development (OD), merger integration, restructuring, diversity and inclusion change support.

Prompta means 'Readiness' in Latin. We know how to get everyone (internal and external stakeholders) well prepared for transformational change. Including Prompta AI, which leverages Machine Learning and NLP (Natural Language Processing) to enable more informed change management support. Providing opportunities to understand and address employee wants and needs, with timely insights to enable informed decision making and action planning.

Incorporated in 2008, Prompta is a certified diverse supplier by the CGLCC & NGLCC and was Canada's 2018 LGBT+ Business Enterprise of the Year.



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CirrusLabs is a full-service digital transformation provider with offices in Georgia, Virginia, Toronto - Canada, and India. We help our clients focus on emerging opportunities, value creation, and innovation by harnessing the power of our digital framework. We have successfully helped our clients disrupt their business models via our digital strategy, help them modernize their technology, and strengthen their alignment to customer needs. Our services are designed to create digital strategies, agile organizations, modernized technology and help our customers launch new innovative products to attain a competitive advantage. CirrusLabs also provides customized training for organizations embarking on Digital Transformation via ICAgile, Scaled Agile, Scrum Alliance and other certifying partners. Our clients include start-ups to Fortune 500 companies.

## Cirrus Labs Digital Transformation Framework

