

# STARLab Digital Transformation Challenge Toolkit

**INNOVATION  
RESOURCE  
CENTER** for HUMAN RESOURCES

The development of these tools was funded by  
a grant from IRC4HR® <https://irc4hr.org/>



## STARLab Company Participants

Stanford  
University



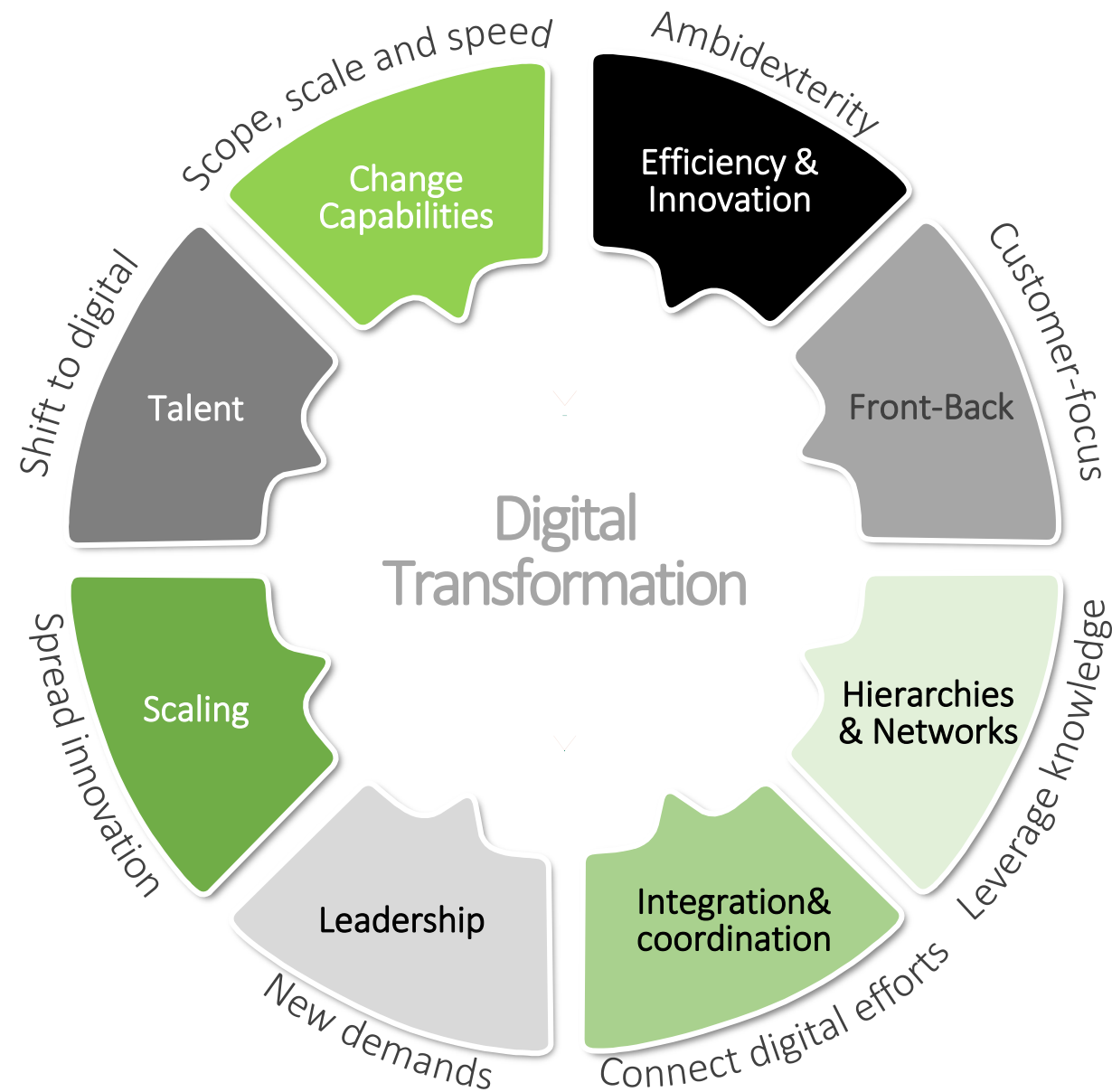
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# What is This Toolkit?

- ❖ This toolkit was created for your use in helping your organization through digital transformation
- ❖ It is based on the work of the STARLab, which brought companies together to discuss common challenges in digital transformation and prototype solutions, including organization redesign
- ❖ The toolkit was created by members of the STARLab team based on the thinking of the participants and their own experience with digital transformation and digital sociotechnical redesign

# Eight Key Challenges



## Challenges are connected

Digital transformation is different because of the combination of these 8 challenges

## Organization redesign is required

The key barrier to digital transformation is today's organization

Digital Transformation Challenge	Need	Definition
<b>Efficiency-Innovation</b>	Ambidexterity	Companies reported that designing and balancing efficiency and digital innovation is hard and fraught with tensions and conflicts. The two types of work produce radically different structures, designs and cultures, which are often contradictory in purpose and management.
<b>Front-Back</b>	Customer focus	The success of delighting customers through the application of digital technology depends on the ability of the rest of the business to adapt to the new demands of digital customer service.
<b>Hierarchies &amp; Networks</b>	Leverage knowledge	Silos and hierarchies must give way to networks in order to enable rapid adoption of new digital ways of working. Definitions of control, coordination, direction setting, resource allocation, trust, and strategizing in a network have to be redefined and made primary. Ecosystem networks are key.
<b>Integration &amp; Coordination</b>	Connect digital efforts	Digital projects are being undertaken in various units without an overarching strategy or framework, resulting in missed opportunities to learn or seek synergy
<b>Leadership</b>	New demands	Leaders will need to learn new competencies to lead in a digital world but neither competencies themselves nor the ways of developing them are clear. Moreover, the nature of leadership is changing; from individual to shared, from formal to informal, from internal focus to external focus.
<b>Scaling</b>	Spread innovation	Many companies have initialized digital applications but have trouble diffusing them across the organization or the network ecosystem.
<b>Talent</b>	Shift to digital	Companies were challenged by the need to recruit & retain digital talent, retool existing talent and allow younger generations to have a real influence in strategic design decisions
<b>Change Capabilities</b>	Scope, scale and speed	The sheer amount of simultaneous, interdependent change is increasing. Member organizations lacked the capability to orchestrate, coordinate, and sequence these multiple, simultaneous, and often fundamental changes.

The **STARLab Alliance, Inc.** is a non-profit learning consortium focused on creating next generation organization design and leadership models

The **Digital Organization Design STARLab** is a year-long learning experience that allows participants and subject matter experts to collectively explore and prototype practical and innovative responses to digitalization. STARLab Participants include 3-6 senior leaders from 10 companies, well-into the digital transition of their business models, who will partner with leadership and organization experts. The STARLab accelerates learning and creates organization design solutions that optimize the application of advanced technologies and human capital approaches to achieve agility and sustainable effectiveness.

#### *STARLab Alliance Sponsoring Partners & Leadership*

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## **INNOVATION RESOURCE CENTER** for HUMAN RESOURCES

Our partner, IRC4HR®, has provided funding to help make the STARLab Alliance program and research possible. Innovation Resource Center for Human Resources (IRC4HR®) is a 501(c)(3) private research foundation that seeks to make organizations more competitive, productive, and effective through improved people management practices and to serve the mutually beneficial interests of organizations, workers, and society.

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