

The cost of digital transformation failure

A HANDY ONE-PAGE GUIDE

Compliments of

BÂTON

ABOUT BATON

Today, successful organizations are ones that adapt quickly in the market. Such agility requires leaders with the strategies and the means to make rapid change a core competency. Our raison d'être is to help these leaders realize their visions for digital transformation with powerful solutions that enable rapid change at each stage of the journey.

Established in 2009, Baton has deep roots in organizational change management (OCM) and learning innovations based on business software like SAP ERP. As experts in OCM, we know software doesn't solve business problems—people do. Our solutions ERPsim™, DAS, and DAS Language Localizer, help leaders manage the people side of the equation while leveraging the technology side through faster adoption and better collaboration and communication across global organizations.

Based in Montreal, Quebec, we serve customers in more than 40 countries, on every continent, directly and through our elite channel partner network of systems integrators, training consultancies, and software vendors.

THE COST OF DIGITAL TRANSFORMATION FAILURE

Who	Amount written off	Time invested	Identified cause =	
			Lack of management alignment	Not taking care of the how
Enterprises worldwide	US\$1.4 trillion ¹	varies	Lack of top team alignment ¹	Lack of skills ² Not paying due attention to change management and performance infrastructure ² Lack of trained people, processes in place and partners to support ³
ICL	US\$280 million	4 years	Lack of consensus on the business model before initiating the project ⁴	Lack of consideration for operational realities ⁴
BBC	US\$130 million	5 years	Lack of focus on business change ⁵	Weakness in project management and reporting ⁵
Lidl	US\$560 million	7 years	Lack of commitment to transformation by top management ⁶	People not ready for change ⁶

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Who	Amount written off	Time invested	Identified cause =	
			Lack of management alignment	Not taking care of the how
Northern Gas Networks	?	6 additional months		Lack of knowledge and understanding of what they were trying to achieve ⁷ People not ready for change ⁷

McKinsey's October 2018 Global Survey on digital transformations specifies steps organizations can take to increase their chances of success:

- Reimagine your workplace.
- Upgrade the organization's "hard wiring."
- Change the ways you communicate.

Discover Baton's solutions to help take care of the how:

visit www.batonsimulations.com

¹ [McKinsey Global Surveys on digital transformation 2016-2018](#)

² IDC survey sponsored by Infor - 2018 - \$2 trillion expected to be invested in digital transformation in 2019; [McKinsey research 2016-2018](#) - less than 30% of companies succeed in their digital transformation

³ Telstra study - 2019 - [Disruptive Decision-Making](#)

⁴ UpperEdge - [A Hazardous Waste](#)

⁵ Kurtosys - [Five lessons from failed digital projects](#)

⁶ Deutsche Handelsblatt - [Programmed for Disaster](#)

⁷ ComputerWorld UK magazine - [Change management derails Northern Gas Networks' S/4HANA migration](#)