ARE YOU THE DISRUPTER OR THE DISRUPTED?

"TRANSITIONING TO A DIGITAL WORLD IS A MONUMENTAL TASK. IT INVOLVES DEVELOPING THE RIGHT DATA INFRASTRUCTURE AND FINDING THE RIGHT TALENT TO ENSURE YOUR INITIATIVE IS SUCCESSFUL."

DAVID LINTHICUM :: CLOUD TECHNOLOGY PARTNERS

Digital transformation is not for the faint of heart, and if you want to get in the game you must embrace change wholeheartedly. "We rarely see companies die because they moved too quickly," writes David Linthicum, a noted technology columnist, industry analyst, and cloud expert. "It is the companies that wait until the market demands a reaction that are at the greatest risk of being replaced with younger, more agile organizations already utilizing new technologies."

CEOs and boards of directors have awoken to the new, savage reality of the business world: If you're not prepared to disrupt your business, be prepared for your industry's equivalent of Netflix or Uber to come along and eat your lunch. But, while company leadership understands the need, they probably don't know how to plot that digital transformation path.

STARTING OFF NEW

For many companies, an existential question may well be, is the CIO up to the task of leading the company to that digital future?

"The goal of IT Transformation is to move IT from one state to another — from reactive and inflexible to proactive, agile, and fundamentally aligned to the changing demands of the business," writes Rackspace CIO Ryan Neading in a blog. "Increasingly, senior leadership expects the CIO to lead this transition."

The growing level of trust has many companies beginning to contemplate an fully services-based ecosystem, writes Arthur Cole. "But this is not just a matter of pulling the plug on the data center and relaunching on Amazon," he notes. "A change of this magnitude reaches far beyond mere technology to strike at the very purpose of the enterprise in the digital economy."

Few existing companies have an opportunity to start from scratch with cloud. One that did was Antares Capital, which opted not to rely on any on-premises systems after it was sold off from GE. "I did not want to create a technology landscape that we would need to reinvest in or get rid of," Antares CIO Mary Cecola recalls in a ZDNet article. Because of the commitment to cloud, she says, "We can focus on the change-the-business stuff and not worry about the run-the-business things. I don't have a data center to worry about."

DON'T STALL FOR TIME

Many companies, though, are struggling with legacy investments they must migrate or gracefully retire over time. But compromising the future for the sake of today is exactly how companies get blindsided by disruptive competitors.

"Speed is of paramount importance when it comes to digital disruption," Linthicum asserts. "Network effects create a winner-take-most situation in many industries; there likely will not be

another Airbnb, for instance, that is as impactful in the hospitality market. The first mover advantage is real, and unless the leading disrupting companies somehow give up their market position, they will lock others out."

That doesn't mean rushing in blindly. "When the whole world seems to be in the grip of a digital gold rush, it's difficult to take a step back and think. But that's what leaders need to do," KPMG asserts in a guide titled, The Creative CIO.

Just don't become complacent. "Adapting once and staying stagnant is not enough in today's day and age," writes Linthicum. "It is time to get comfortable embracing change. This is not a single change. This is a process that will reward those who embrace continuous self disruption and punish those who remain complacent."