DIGITAL ADAPTATION

by Paul Boag

To my amazing wife. Thanks to your obsession with motorhomes I could write this book while travelling through the stunning scenery of the Peak District. Thanks for making my life better in so many ways.

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A Message for Web Professionals

> ❝ The people farthest from understanding the technology are often the ones making the strategic decisions."
>
> **Dennis Kardys**

Here's the thing. You may have paid for this book, but the chances are it is not primarily written for you. Sorry about that.

My guess is that if you bought this book, you are a web professional. You are frustrated with your organization and want to know how to change it. You are looking for some silver bullet that will allow you to transform your business, or at least make sure senior management starts taking digital seriously.

Unfortunately, as I am sure you know deep down, there is no such silver bullet. Adapting an organization for the digital economy and ensuring digital lies at the heart of your business's thinking is not the kind of thing that has a magic solution. It takes time, energy, and a fundamental

transformation in organizational DNA. In fact, I wouldn't blame you for feeling utterly miserable at the thought of it all.

When I decided to write this book I found myself in a quandary. Should I write a book aimed at web professionals (despite the fact they can only make some of the changes required themselves), or do I write a book for senior managers, who would likely never hear about it, let alone read it?

In the end I settled on a middle path. This is a book written primarily for you as web professionals. A book you can quote to senior management and one that will inspire you that change is possible.

Your job is to take the concepts covered in this book and put them in front of senior management. That might involve encouraging them to read the book themselves, presenting plans based on my suggestions, or simply quoting from it.

Whatever you do, don't read this book and get frustrated that senior management don't know this stuff. It is your job to educate them and hopefully this book will give you the arguments to do so.

One tool that I would like to share with you is a short video presentation that can be shown to senior management. It is only a few minutes long and is designed to raise their interest in digital. You can watch it at http://www.digital-adaptation.com.

Finally, in order to ensure that you don't go away thinking it takes senior management to make all the changes, the last chapter focuses on what you can do yourself. I share some thoughts about things you can do without the need for senior management buy-in. You will be surprised — it is perfectly possible to plant the seeds of digital adaptation with very little power.

The Digital Divide

" Bureaucracies are honed by the past and almost never can they deal effectively with the future"

Dr. Leroy Hood, noted biologist

It was a gorgeous sunny day in the summer of 1997 and I was stuck in a featureless air-conditioned meeting room at IBM, where I worked. As I sat listening to a group of middle-aged, middle-class, middle managers bicker about what should appear on the homepage of the website I was building, I could almost feel my soul being sucked from me.

The dot-com boom of the late 1990s was blossoming and here I was stuck in an organization too unwieldy and inflexible to adapt to this digital revolution. I had three options: accept my fate; try to change the company; or leave. Within the month I had handed in my letter of resignation and moved to an innovative web startup. I never looked back.

Ironically, over fifteen years on I once again find myself sitting in featureless air-conditioned meeting rooms discussing the web and digital.

However, this time I am the middle-aged, middle-class consultant! Fortunately, I'm looking in from the outside and come to things with a different attitude. This time I can see potential and a way to achieve change. There is no need to walk away.

That said, the sad truth is that many of today's large companies are still much like IBM in 1997. They are woefully ill-equipped to adapt to a digital world. These pre-web organizations have been honed by the past, and are not equipped to deal with the future.

> The sad truth is that many of today's large companies are woefully ill-equipped to adapt to a digital world.

Their organizational structures and cultures are largely incompatible with the web, and change seems impossible. Instead they endeavor to squeeze digital into their existing systems. Although this appears to work, the reality is that organizations incapable of adapting to the digital economy will never reap its full benefits. Ultimately they will be easily outmaneuvered by more flexible competitors.

So what is it about the nature of digital and the structure of many large organizations that are so incompatible?

Digital Incompatibility

The core problem with digital, faced by many large organizations, is that they were formed before the web existed. Their systems, processes, and (in many cases) people, are not configured to support it. This starts at the top of the organization, with senior management failing to understand digital.

A FAILURE IN SENIOR MANAGEMENT

In a survey of over 1,000 web professionals in 2012, the number one challenge they faced was not competitors, but their own senior management's lack of engagement and understanding.

This is hardly surprising when you look at the makeup of most senior management teams. These are people who grew up before the web and whose management techniques have been shaped by a different economic environment. They are used to a world of mass production, mass marketing, and are disciples of the mass consumer economy.

Among some, the new world engenders fear. They shy away from digital because they do not understand it and cannot control it. They do as little as possible, often limiting digital to a brochureware website and only doing more if they see the competition doing so first.

Worse still, many do not admit their lack of knowledge, either to others or themselves. Instead they convince themselves that digital isn't right for their organization. That may be true for today, but it does not mean digital can be ignored. Sooner or later it will have an impact on every sector and they need to be prepared for that day.

Most senior management teams are the product of the mass production, mass media economy.

Their lack of control and understanding leaves them afraid that their leading position is being undermined. They feel threatened because their experience is no longer as relevant and they are required to learn

new skills. In many cases they choose to trivialize digital, rather than confront this change.

That said, the majority of senior management do recognize that digital is important. That does not mean, however, that they understand what to do about it or the level of change required to accommodate it.

Management who fall into this category are often so concerned about digital that they latch on to any idea, no matter how inappropriate. They want quick-fix solutions that will somehow *solve* digital. That makes them vulnerable to any charlatan with a digital product to sell.

They can be found desperately looking at the competition or indeed anyone else for answers to the digital issue. Often they end up pushing through programs of digital change simply because they have seen somebody else do it. They do this without understanding why or even whether it is appropriate for their organization.

Senior management can be found desperately looking at the competition or indeed anyone else for answers to the digital issue. Often they end up pushing through programs of digital change simply because they have seen somebody else do it.

I once worked with a large British charity whose senior management was making exactly this mistake.

I remember meeting with a member of the management team at their very impressive headquarters. It was an old stately home that had been converted into offices and yet still maintained beautiful gardens. As we talked, while admiring the view, he repeatedly suggested that the digital strategy I was writing should focus on personalization, content syndication and various other buzzwords he had latched on to. This, despite the fact that their website's conversion rate for donations languished at just below half a percent! He didn't understand the underlying issues and so instead fixated on what he had heard worked for other organizations.

Ultimately I was able to work with him to realign the organization's thinking, but it involved them making some painful mistakes along the way. That is the problem with an ill-informed senior management team that is overly concerned about digital. They flail around trying different approaches, latching on to various buzzwords such as *HTML5*, *responsive design* or *Retina devices*. Unfortunately, this can lead to a lot of costly mistakes. They will eventually learn, but it will prove a painful and expensive experience.

The solution to digital challenges is not a quick fix provided by some piece of technology. All too often it requires fundamental organizational change, not superficial restructuring. This is not something senior management wants to hear because that means challenging existing processes, tackling vested interests, and threatening the status quo that put them where they are.

BARRIERS OF ORGANIZATIONAL STRUCTURE

In many cases, the structures of larger organizations damage the running of a successful digital strategy. The web has certain characteristics that do not sit comfortably within the rigid hierarchical structures that exist inside most large organizations. The web requires fast adaptation and close collaboration of people with very different skills. This means that it is the people working with digital every day who have to make rapid, informed decisions. They can't wait for senior management's consent.

These characteristics have been key in shaping the new generation of digitally focused businesses such as Google, Facebook, and Twitter. These are large organizations in their own right, and yet are organized in a different way to more traditional businesses. This is because of their obsessional focus on digital.

Take MailChimp, for example. MailChimp helps over four million people create, send, and track email newsletters. This is no small web startup, with over 160 employees and an extremely healthy balance book.
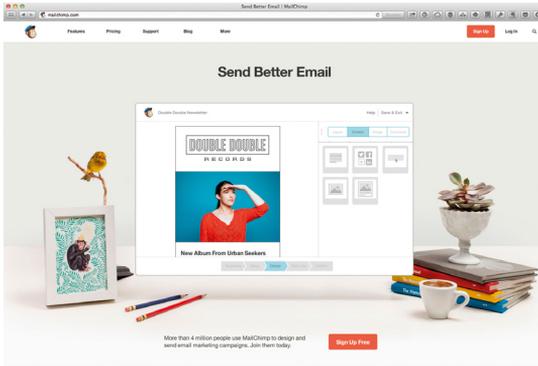
Mailchimp is a hugely successful business that largely rejects traditional departmental structure in favor of smaller, more flexible, teams.

I recently sat down with Aarron Walter, head of user experience at MailChimp, and chatted with him about the company's culture and organization. The thing that struck me most (something that is reflected across many web-focused organizations) is that they rely little on traditional departmental structures. Instead, they work in smaller groups. These groups regularly collaborate with other teams across the organization to get things done, and they are formed and disbanded as necessary. Some working groups, such as the user experience team, may be a permanent feature of the organization, while others exist only long enough to implement a new feature. This flexible structure means that the company can quickly adapt to changing business demands.

Such an approach allows the collaboration and flexibility so vital for keeping pace with the speed of digital change. It is in stark contrast to what I traditionally encounter among the organizations with which I work. These organizations have departmental structures and decision-making processes that pre-date digital. This often leads to digital being split between departments with some areas of responsibility lying with marketing and others with IT, not to mention numerous content contributors spread across the organization updating the site via a content management system.

Departments often have competing agendas and so collaboration is poor, and the web becomes caught in the middle. One example of this was a company I worked with called *Asta Development*. It is the creator

of enterprise-level project management software used across a number of sectors, most notably manufacturing.

At the time, it wasn't a particularly large company but they were hungry for growth, and their office was always abuzz with highly charged conversations and sales calls. They had a hard-hitting, target-driven culture in stark contrast to many of my other clients.
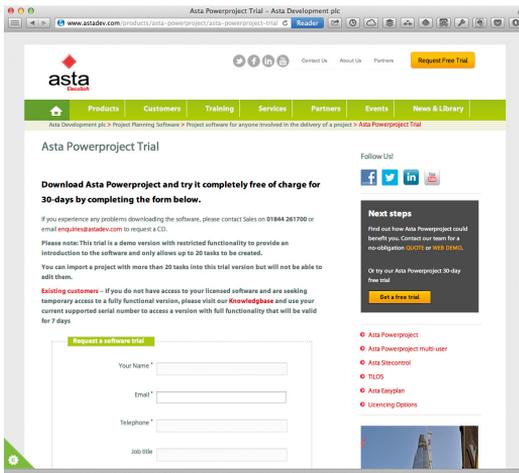
Asta Development's conflicting targets across departments damages the experience for website users.

What made working with Asta Development particularly challenging was its rigid departmental structure. This was most pronounced in the divide between marketing and sales. Each department had its own targets to reach. In the case of marketing this was in the generation of leads, while with sales it was the conversion of those leads. Unfortunately, these different objectives put the two departments at loggerheads and nowhere was this more apparent than the website.

Because marketing was focused on lead generation, they wanted all users to register before being able to view a demo of the project management software. Forcing users to register would (in their minds) dramatically increase the number of leads and so help them meet their target. Unfortunately, this created a serious problem for sales (not to mention users) because most users who wanted to see the product demo were not yet at a point where they wanted to talk to a sales representative.

Yes, the registration did create a large number of leads, but their quality was extremely poor. As a result, the sales department wasted a lot of time chasing leads that would never convert and their conversion rate plummeted.

The departmental structure at Asta was too rigid to work effectively online and yet management was unwilling or unable to change things. What was required was close collaboration between both departments to align their objectives so they were not in conflict. However, the departmental divisions prevented this kind of discussion.

Even when companies recognize the need for collaboration between departments, the organization's structure still gets in the way. Instead of leading to true collaboration it often simply results in the division of responsibility across each department involved.

Organizational structure often means websites are managed across multiple departments and lack a central vision.

I experienced this problem when working for a major Scottish university. The university in question recognized that the web required skills from people across a range of its departments. However, its structure precluded the creation of an effective web team. Instead, responsibility for the site was shared across departments, with marketing responsible for branding and visual appearance, and information services tackling technical

development and information architecture. Content, on the other hand, was distributed across the entire organization without any central control.

The underlying problem was not the departmental structure itself. Rather, it was the way these departments had become individual fiefdoms. All too often departmental heads were more concerned with maintaining control than encouraging cross-departmental cooperation.

With no central management of digital, and responsibility fragmented across multiple departments, it is hardly surprising that web presences fail to live up to their potential.

The outcome of this university's approach was an incredibly fragmented web presence with hundreds of websites, each being managed by multiple individuals. Worse still, progress moved at a glacial pace as each stage required endless meetings and workshops to reach consensus.

In other organizations progress can be slowed further by relatively minor decisions having to go up the hierarchy for final approval. Senior management (especially those who like to oversee relatively minor decisions) are incredibly busy, and so weeks of inactivity pass while everybody waits for the green light on a decision. Even worse is that it is not uncommon for them to reject decisions simply because they are not engaged enough in the process to understand what is at stake.

With no central management of digital, and responsibility fragmented across multiple departments, it is hardly surprising that web presences fail to live up to their potential. But the problem is not just a structural one — it is also cultural.

CULTURAL BARRIERS

The longer an organization is around, the more its culture and practices solidify. In a stable environment this is a good thing, because best practice becomes enshrined in the culture of the organization. Instead of continually reinventing the wheel, standard operating procedures either evolve or are intentionally designed. It's not necessary for everybody to understand

why an approach exists; they merely have to understand that this is how things are done.

Such cultural norms and standard operating procedures cover everything from procurement to marketing, sales, and HR. They are the written and unwritten rules that shape how an organization operates. Want to hire an outside consultant? You use this preferred supplier list. Want to undertake a new project? We always form a working group. Need to install some software on your PC? You will need to speak to IT.

The problem is that the business environment is rarely stable any longer, especially since digital has caused major upheavals in most sectors. The cultural norms that are so valuable in a stable environment become a major stumbling block in a dynamic situation. People struggle to look beyond the way things have always been done to consider new approaches in a new working environment.

Like many other organizations, Waterstones' marketing team uses social networks as a broadcast tool, rather than engaging with their customers.

Nowhere is this more obvious than in marketing. Most marketing departments are shaped by the culture of mass media. Even those that have a strong awareness of digital marketing channels often maintain a broadcast approach to communication.

This cultural bias towards broadcasting comes into conflict with the conversational nature of the web. Twitter and Facebook channels are often nothing more than a stream of press releases, when consumers are looking for dialogue and engagement. Equally, websites are more intent on broadcasting a company's message than meeting users' needs.

The web has made consumers increasingly more savvy, cynical and demanding. Phenomena like banner blindness show that consumers are increasingly dismissive of traditional marketing techniques. Instead, they place more value on word-of-mouth recommendation, such as the reviews found on Amazon.

The failure of many marketing departments to grasp this shift, and their insistence on pouring money into expensive and often futile advertising campaigns, is a symptom of a more profound problem.

Websites can often turn from servicing users, to meeting the demands of stakeholders.

Many companies are not attentive to the needs of their customers. Yes, some are willing to spend money on periodic market research and arm's-length surveys, or to commission analytics reports, but they are not really *engaging* with their customers. Talking to customers takes time and commitment that is often lacking. Instead, decision makers choose to have little contact with users and so never gain insight by talking to them. The result is that they fall back on their own intuition about the direction they should be going, without knowing whether the customer will follow.

Over time this can lead to an echo chamber of ideas and a false sense of the marketplace. Quickly the website turns from servicing users to meeting the demands of stakeholders.

This is a dangerous road to go down. The web has created a world of demanding, opinionated and impatient consumers. Digital companies that put huge investment into their user-centric processes have set new levels of expectation in terms of quality and efficiency of digital assets.

You may not be in direct competition with Twitter, Google, or even MailChimp, but users will expect the same ease of use that they have been given on those platforms.

Not only are most organizations both culturally and structurally ill-suited to digital, but also the entire landscape is in a constant state of flux.

The Shifting Sands Of The Digital Landscape

In 2005 I was asked by a client to make sure their site was accessible to visually impaired users. At the time this was a relatively unusual request, and I must confess I didn't really know where to begin. I therefore elected to look for a book on the subject.

What I found was *Designing with Web Standards* by Jeffrey Zeldman, a book that turned out to have little to do with accessibility. What it did instead was introduce me to a new way to build websites, a way so radically removed from the techniques I knew that it would effectively mean rethinking the majority of my approach to web design. I could see that the approach Zeldman suggested would be the future of web design, but it left me with a tight knot in my stomach. I felt as if the floor had just fallen away below me.

This is a feeling I have had many times in my career working in digital and one that I anticipate experiencing many times in the future. It is the nature of the web. Twenty years into the World Wide Web and we are beginning to see some tried and tested approaches emerging, but the rate of innovation is still extraordinary.

New technologies and techniques appear all the time and each needs to be assessed and a decision made about whether it applies to your business. If it does, experts need to be found or skills learned in order to accommodate this new innovation.
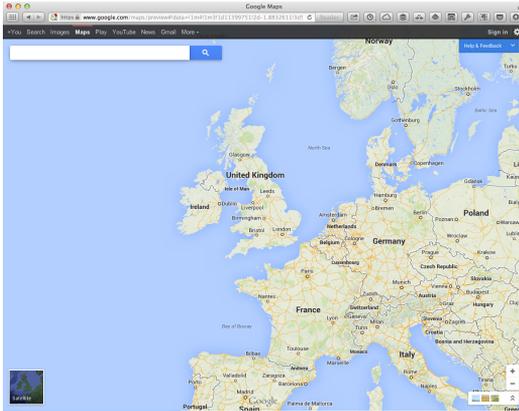
A change in technology or services, such as the arrival of interactive maps, can alter users' expectation of all websites.

But it is not just techniques and technologies that are changing. As I have already said, user expectations are, too. Just consider this: for the longest time, maps on the web were static images and companies like MapQuest dominated. Then, around the same time I was reading *Designing with Web Standards*, Google released Google Maps and every-thing changed. Suddenly, users expected maps to be interactive and that affected every site on the web displaying a static map.

On other occasions, a shift in user expectations didn't just mean super-ficial changes to websites, but instead decimated an entire sector. In the late 1990s, the rise of Napster changed users' expectations of consuming music. They wanted music to be cheap, and to pick and choose the tracks, rather than buying an entire album. They also didn't want physical discs, but to be able to quickly download the music on demand.

The music industry fought hard to have Napster closed down, but the damage was done. User expectations had changed and there was no going back.

Instead of adapting to this change in user expectations, the industry failed to act. Between 2000 and 2010 record store sales declined by 76% and industry giants like HMV and Tower Records crumbled. Their inability to adapt gave Apple the opportunity to step in and give users what they

Many sectors have failed to adapt quickly enough to the arrival of the digital economy. Image credit: Lowell A. Anderson, http://bit.ly/1bQJVjC

wanted. The music industry lost an unprecedented opportunity because of its failure to adapt to the changing landscape.

The music industry was not the only one to be a victim of changing user expectations. Similar trends are occurring in the newspaper industry and among cable TV companies, as digital changes how consumers read the news and watch TV. The situation for these advertising-reliant industries is further exasperated as they try to compete with digital advertising that can provide more targeted and measurable ads.

It is not only business that struggles to adapt to digital change — government does, too. In its case, we have seen a plethora of new legislation that companies struggle to comply with. Initially this legislation focused on forcing companies to make their websites accessible. The slowness of the large retail chain Target to adapt to this legislation led to a high profile case that resulted in damages of $6 million and a lot of negative publicity both online and in mainstream media.

All of this despite being repeatedly asked by the National Federation of the Blind to make basic accessibility improvements, such as adding descriptions to images. In the UK, cinema chain Odeon also damaged

its reputation by closing down a fan-created accessible version of its site, despite the fact that its own site was inaccessible.

But legislation doesn't stop at accessibility. New law relating to the web is appearing all the time, from data protection to privacy. To make matters more confusing, a lot of the legislation is open to interpretation (such as European Union legislation over the use of cookies, or the UK government's decision to force ISPs to implement content filters).

I realize I have painted a bleak picture of a constantly shifting digital landscape that many organizations are ill-equipped to navigate. It can feel like trying to cross a stormy sea in a rubber ring.

By now you would be forgiven for thinking I am trying to intentionally depress you. I realize I have painted a bleak picture of a constantly shifting digital landscape that many organizations are ill-equipped to navigate. It can feel like trying to cross a stormy sea in a rubber ring.

However, that is not my intention. I strongly believe that any company can adapt to the new digital economy if there is the will. The reason for sharing these stories is to demonstrate that previous approaches to business strategy will not work in a constantly evolving environment. A different approach is required.

Learning To Fish

When thinking about strategy, many organizations look three to five years ahead. Before the end of each period a new strategy is formed, either internally or with the help of an outside consultant to cover the next three to five years.

By now I am sure you can see the problem with this approach when considering digital. With such a rapid rate of change, creating a three to five year strategy is impossible. Limiting a strategy to a shorter period such as eighteen months is not much better, because the creation,

development, adoption, and maintenance of a strategy can often be a time-consuming and expensive business. After all, creating a strategy seems to involve endless meetings for most organizations.

Instead, a digital strategy should help the organization become flexible enough and properly prepared to adapt to new challenges and innovations as they arise. The digital strategy should create a digital team capable of thinking strategically on a daily basis.

In many ways this reflects the famous proverb:

> **66** Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime."

Create a digital strategy that endeavors to outline a specific roadmap and, at most, you are feeding the company for a day. However, form an empowered, digital team capable of thinking strategically within a flexible organization and you feed the company for a lifetime.

It is this process of creating an effective digital team and an organization flexible enough to adapt to changing circumstances that is the topic of this book.

Our journey begins by asking how we set the digital direction of the organization.
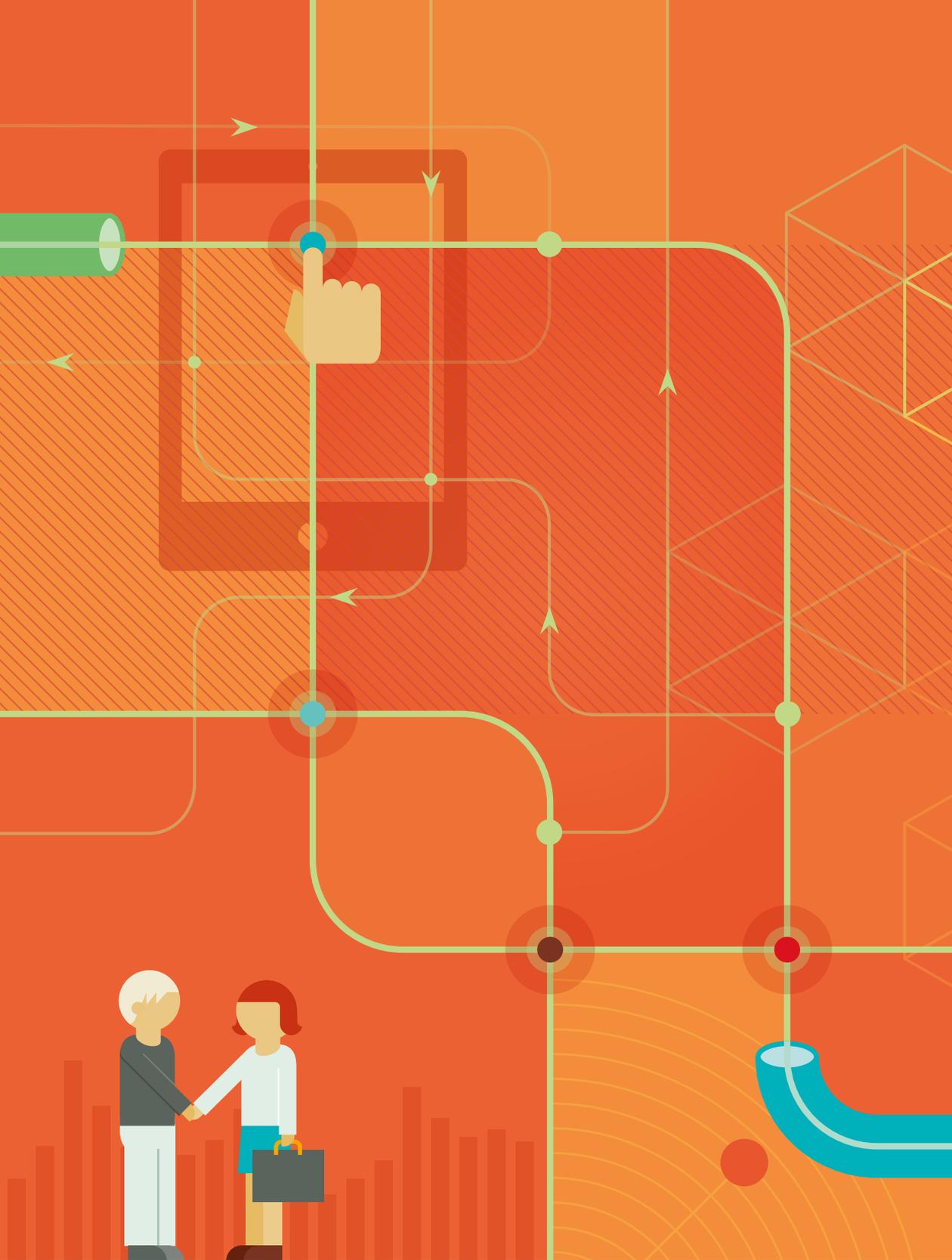
Setting Your Digital Direction

> ❝ Good strategy works by focusing energy and resources on one or a very few pivotal objectives whose accomplishment will lead to a cascade of favorable outcomes."
>
> **Richard Rumelt, influential management advisor**

It could be a sign of age or possibly my appalling memory, but I have to confess that many of the clients I have worked for over the years blur together. In my defence, many of them share similar characteristics. In my mind I see one generic client who is the combination of the many real clients I have worked with.

This client (let's call her Jane) is sometimes the head of a web team, but all too often a project manager who has been co-opted in to handle the website. She may have been chosen because of her experience in IT or marketing, but she probably has very little web experience.

Jane has the browbeaten look of somebody who has sat through one too many web steering committee meetings. She sits at a desk strewn with requests for minor updates to her site. But despite this somewhat depressing visage, there is a glimmer of hope and determination in her eyes. She wants to change things and has turned to me for help.

Jane is fed up with spending her days reacting at a tactical level to every minor rush job that comes through the door. She knows she needs to be thinking strategically and has had enough. She is determined to end the tyranny of the web steering committee that oversees her, a group of people who, although well-intentioned, lack the knowledge of digital to make informed decisions, and often have competing agendas that pull her in several directions at once.

What is more, she is determined to establish a clear direction for digital despite the somewhat woolly business objectives coming out of senior management. I like Jane and people like her. I like those who still care enough not to give up. Those willing to do more than the minimum, even when their efforts are underappreciated. Best of all I can help Jane because of her determination to see change. That change begins by taking a look at how much the scope of digital has grown.

Defining Digital

Recently I found myself chatting with John Goode, the head of digital strategy and platforms at the University of Surrey. A passionate advocate for digital best practice and someone unafraid to confront senior management, I found myself instantly drawn to his no-nonsense manner (something often lacking in the higher education sector). He told me that one of his first actions after taking on his role was to rename the team. Previously it was called *the web team*; he renamed it *the digital platform team*. Sure, many people still refer to it as *the web team*, but he felt it was an important step.

You may wonder why this was so high on his agenda. After all, what's in a name? His decision to do this was a reflection of the expanding role the team played within the organization.

Where once web teams were almost exclusively dedicated to the website, this role has grown to encompass social media, digital marketing, content strategy, and establishing the entire digital direction. More recently it has come to cover mobile devices and, in some cases, intranets and other enterprise web-based applications. In short, it is not accurate to describe them as web teams anymore. Their role is far broader.
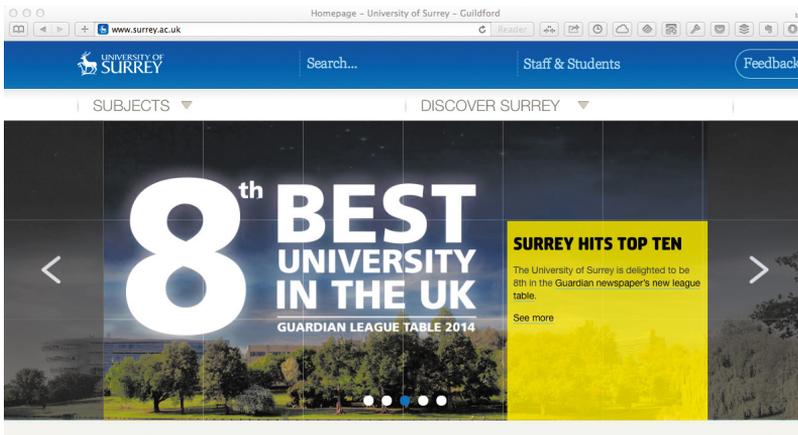
The University of Surrey has renamed its web team to "the digital platform team" to reflect the wider role it now plays in the organization.

Occasionally, some aspects of digital, like social media or email, are managed elsewhere. In such cases the need to be seen as a digital team with responsibilities for *all* areas of digital becomes even more crucial.

John wasn't making a power play in an attempt to build some kind of digital empire. He obviously has little time for that kind of political maneuvering. He did it because it is nearly impossible to run an effective digital strategy when the digital assets are managed by various business units across an organization. Central, coordinated action was the only way to ensure digital worked as one integrated entity moving in a single direction.

It was only by combining the parts and ensuring that they worked together that John (or indeed anybody in a similar position) could be confident they would achieve their full potential. The whole really is more than the sum of its parts. The problem with having so many elements in the digital picture is that it is easy to find yourself spread too thin. With limited time and resources you must learn to prioritize.

Prioritization Paralysis

The room was abuzz as the four teams completed the exercise I had set. Each team had to write down as many pieces of content or functionality for a homepage as they could within the allotted time. The team to write down the most ideas won the coveted plate of biscuits. Competition was fierce and the winning team managed an impressive fifty-four items.

Obviously, fifty-four items would not work on a homepage because users have only limited attention. "In fact," I continued, "some studies suggest that user attention online is less than that of a goldfish, coming in at about 2.7 seconds."

The next exercise involved translating user attention into points. Each element added to the homepage cost a minimum of one point. If a team decided that more attention should be paid to one item over another, that item would require more points. They could remove elements, but any item included had to cost at least one point of the seventeen points I gave them to spend.

Within a few minutes the complaints started: "This is impossible. We don't have enough points." I smiled and simply explained that this is the nature of how users behave online.

Finally, the exercise was over, and we came back together as a group. I already knew the outcome, but we went around the room anyway. Sure enough, people had spread their points thinly, desperate to keep as many of their ideas as possible. They had created an overwhelming sea of options.

Why is it that this exercise always leads to such predictable results? Why do people lack the clarity you see on the Google homepage, instead creating something that has more in common with Yahoo? The answer is simple: people hate to prioritize.

Prioritization is hard. For a start, choosing between multiple options can be a complex decision with many factors to consider. Often it is simpler not to choose. It also means saying *no* to people, which we tend to avoid. Saying *no* to some of the ideas for the homepage meant effectively saying to some people that their ideas weren't good enough. Nobody likes to hear that or have to say it.

> People hate to prioritize because it is hard. For a start, choosing between multiple options can be a complex decision with many factors to consider. Often it is simpler not to choose.

Rejecting somebody's ideas or saying *no* to their request risks causing conflict and so we seek out a compromise. Unfortunately, compromise isn't always an option when limited resources are available (such as user attention). It's even harder to say no to somebody's idea when it is a good one. Yet it is often necessary to turn down amazing opportunities to focus your resources where they can be most effective. This is an idea Steve Jobs understood. He once said:

> " *People think focus means saying yes to the thing you've got to focus on. But that's not what it means at all. It means saying no to the hundred other good ideas that there are. You have to pick carefully. I'm actually as proud of the things we haven't done as the things I have done. Innovation is saying no to a thousand things."*

This fear of focusing on one thing at the cost of another is particularly notable when you ask senior management to prioritize users. To them, each user group has the potential to be a valuable revenue stream or has some other critical part to play in the success of the company. The idea of choosing one group over another feels like throwing away a good opportunity.
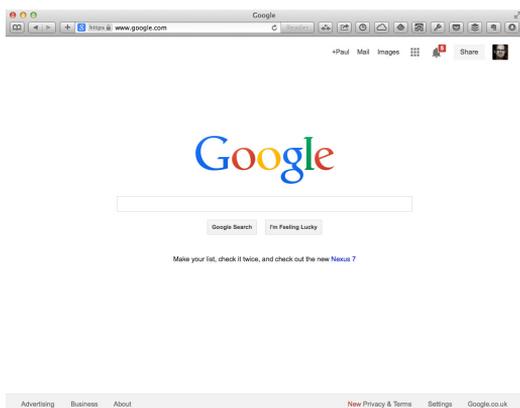
Worse still, sometimes prioritizing means cutting back in areas where the company has already invested. This can be particularly painful if others have put a lot of time and effort into this area.

My own company, Headscape, faced a decision like this. We had developed a web application called *GetSignOff*. It was a tool to help web designers get client approval for their designs. We had invested tens of thousands in its development and taken on a full-time developer to work on the product. Unfortunately, despite our best efforts the concept was failing. The market had changed since we started and something had to be done.

It was hard, but we decided to retire the project. It meant accepting that the money we had invested was lost and that we would have to let go a member of staff. But if we had continued to throw good money after bad it would threaten the entire business. Our clients have faced similar decisions themselves. Decisions to remove functionality from their sites that have been expensive to develop, but were just confusing the user experience. These are tough choices — but ones that have to be made.

Not that prioritization is always about saying *no* to things. Sometimes it is simply about placing one idea above another in terms of priority. For example, take the business objectives of your website. I am not suggesting your website should have a single business objective and all others need to be culled. But they need to be placed in some kind of order.

Prioritizing the business objectives of your website does not need to be particularly complex. To a large extent this will be done by matching these objectives with broader business goals. For example, if your company's primary goal is to increase market share, then it makes sense that your site objectives should be prioritized to focus on this. In other words, you put more effort into reaching new audiences than monetizing the users you have. This is an approach often seen among new start-ups. They are more interested in building a community of users than making money. Only once they have gained market share do they focus on generating revenue streams.

Prioritization isn't always about saying no to things. Sometimes it is simply about placing one idea above another in terms of priority.

Another way to help prioritize your objectives is by looking at your users. A cornerstone of any business is ensuring customer satisfaction; therefore, a primary objective for your site will be meeting user needs. If users consistently complain about some aspect of your website, a key objective will be to fix that problem before moving on to new features.

It's not rocket science, but it is shocking how many companies either fail to prioritize at all, or set objectives based on internal political pressures rather than business needs. If we fail to put the work into prioritizing, it will inevitably lead to conflict further down the line when objectives clash. An example is Wiltshire Farm Foods, which has a large e-commerce website that delivers frozen ready meals to the elderly. Although not the sexiest of products, together with Matt Curry (the client) we managed to increase revenue from the site by an astounding 10,000% over the five years we worked with them.

This success was largely thanks to the amazing analytical work of Matt. He was obsessive about testing and his focus meant that features which failed to perform were regularly culled. I used to love my meetings with him and sat in awe as he went through the numbers identifying weaknesses. However, there was one occasion when this focus faltered.
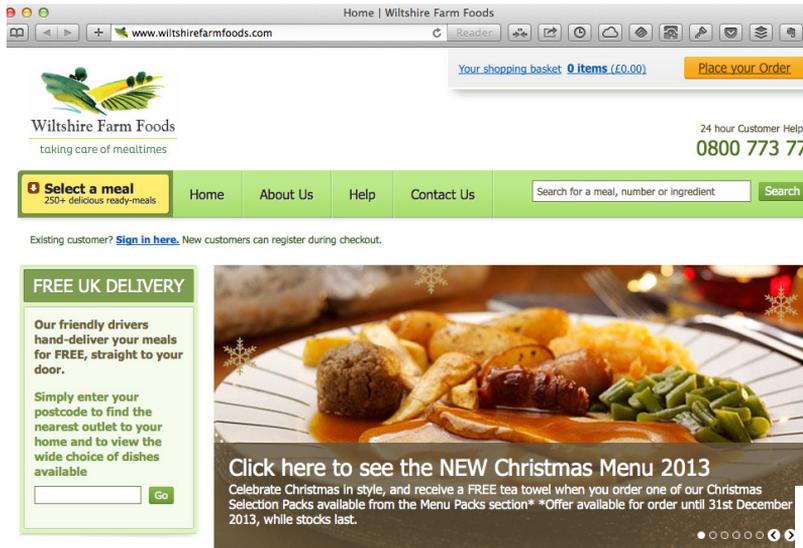
Wiltshire Farm Foods' business objectives clashed when its desire to increase traffic had a negative impact on its conversion rate.

Wiltshire Farm Foods had three objectives:

- Increase the level of traffic going to the site.
- Increase the level of conversion.
- Increase the average order value.

These were all superb goals, but they had not been prioritized. This became a problem when Matt hired an SEO company to increase the traffic.

The SEO company added a significant amount of keyword-heavy content in an attempt to improve rankings. Although this succeeded, it came at a cost. As the level of traffic went up, the conversion rate dropped. The additional copy improved search engine rankings but it confused the user experience, causing sales to decline. The two goals clashed and without prioritization this had a negative impact on the site.

But don't mistake a set of prioritized business objectives for a digital strategy. Goals are just one component, not the whole picture.

Forming a Digital Strategy

In the earlier years of my career I found myself confused by the idea of strategy. As a web designer I knew that it was important for the websites I built to be integrated into both the organization's digital and business strategies. However, when I asked about my client's strategy, I always found the answers unsatisfying.

One occasion in particular springs to mind. I was running a kick-off meeting with a client at their offices in London. I found the entire meeting incredibly frustrating. I was failing to pin the client down and had pretty much run out of steam. In an attempt to clarify things I asked what their organizational strategy was. The reply caused me to groan inwardly. "We want to increase the levels of engagement with customers," stated the head of marketing. His colleague also chipped in with "...and inform visitors about the benefits of our products." I was lost for words.

My problem was that these kinds of statements weren't strategy at all, because they lacked clear definition or any specific way of achieving the goals. They were useless to me and I was left unsure how to proceed. Take the example of the goal to increase levels of engagement. What exactly does that mean? Are we talking about increasing the number of people following the company on Twitter or actually purchasing their product? Also, what kind of increase did they need to see and over what period to generate a healthy return on investment? For that matter, why did they believe this was the right goal to aim for? What challenge did it overcome? And finally, how were they going to achieve this goal? Without a concrete plan these goals were nothing more than wishful thinking.

> Most of the time, organizational strategy seems to consist of aspirations based on little but wishful thinking.

It wasn't long after that meeting that I concluded strategy just wasn't very useful. Like many web professionals, I resorted to operating on a tactical level.

Unfortunately, working without a clear strategy makes you purely reactionary, implementing whatever demand is most pressing. I realized something wasn't right, but was unsure what the problem was, let alone how to fix it.

As my career progressed and I learned more about business strategy, I began to realize that it was not my view that was wrong, but how the majority of organizations approached strategy. This opinion was confirmed when I read *Good Strategy/Bad Strategy* by Richard Rumelt.

In his book, Rumelt identified exactly the kind of flaws in strategy I had been struggling with over the years. He went on to provide a framework for creating a good strategy. This consisted of three components.

- A diagnosis.
- Guiding principles.
- Coherent actions.

This was the kind of strategy that resonated with me. A strategy that identified the problems to be solved, provided guiding principles within which to operate and some specific actions that could be taken.

Kernel of a good strategy

Problem to solve

Guiding principles to work with

Specific actions required

The core of a good strategy consists of three components: a problem to solve; some guiding principles to work within; and a set of specific actions.

Since then I have used this structure to form numerous digital strategies and it has proved to be exactly the kind of framework that web teams need to improve their sites. With that in mind, let's explore the three components in more depth.

WHAT PROBLEMS ARE YOU SOLVING?

At the heart of any good strategy, be it the overarching business strategy or something that is looking at digital specifically, there has to be a clear answer to a single question: what problems are you solving? This diagnosis is a fundamental building block of good strategy.

Perhaps there are business problems that can be addressed through the application of digital, or it could be issues with your current digital offering.

For example, a diagnosis might be that your current website is failing to generate enough leads, or that the business has a problem quickly communicating to potential customers what it does. The first problem is a digital failing that might be addressed by driving more traffic or better converting existing traffic. The second is a business problem that might be solved by finding ways to more concisely convey the business proposition through the use of digital. In short, your digital strategy should solve a problem. Some of those problems will be negative (such as a threat or weakness), others could include making the most of an opportunity or previous success.

A good example of this kind of strategic thinking happened when Steve Jobs returned to Apple. At the time (1996–7), the product line at Apple was massively confusing and customers were not sure which Mac to buy.

Jobs identified the problem and radically simplified the product line, demonstrating a ruthless focus in his prioritization. To this day, Jobs's clarity of thinking can be seen within the Mac product line, and nowhere is this better demonstrated than on the Apple website, where a clear comparison and differentiation can be made between products. This is in stark contrast to some of Apple's competitors whose websites are confusing masses of choice.

Jobs's ability to identify and ruthlessly address problems is legendary. But it can feel hard to identify exactly what challenges need addressing and where digital might be the solution. A lot of companies tackle this problem by getting an external perspective. However, let's take a moment to consider why an outsider often has insights that we do not have ourselves.

Your digital strategy should solve a problem. Some of those problems will be negative (such as a threat or weakness), others could include making the most of an opportunity or previous success.

Ironically, outsiders are often effective at diagnosing organizational needs because of their ignorance. They are not constrained in their thinking in the way management is. They are not encumbered by the past or by internal politics. They do not know the history of why the company works the way it does. Outsiders can challenge existing practices by asking why they exist.

Fortunately, with a conscious effort this is something any company can do. The biggest thing that prevents it is time. We need to set aside time to think strategically and escape the grind of day-to-day work.

If Steve Jobs had chosen not to rationalize his product line, he could have used the website to attempt to explain the complexity. Instead, he took the more sensible approach by addressing the underlying issue and simplifying the product lineup.

With time made available, we need to start challenging our approaches, especially in areas where there are weaknesses. Why do we do things

the way we do? What alternative approaches could we adopt? Why were those approaches rejected in the past and does that logic still apply today?

Keep an eye out for places where internal politics come into play. If you find yourself saying things like, "Kevin likes to do things that way," or "Brian would never swallow that approach," these are normally warning signs that something is not right.

In fact, the diagnosis is often not the problem. The problem comes from the belief that nothing can be done. That the current approach is the only option. You need to be willing to challenge these presumptions and overcome the status quo.

That can be the biggest hurdle to establishing a diagnosis: people do not like to acknowledge that change is required, because people do not like change. Change might threaten their role, change might make life uncomfortable. This is something we need to confront and overcome.

GUIDING PRINCIPLES

With our diagnosis made, we can begin to form a framework within which to operate. There are many ways to solve any particular challenge, and so some guiding principles will help define the best approach.

GOV.UK is not the most attractive website in the world, but has consistently won awards for its usability, thanks in no small part to the guiding principles that underpin it.

AVOID PAPERING OVER THE CRACKS

Something I have observed about forming a digital strategy is that it can reveal some deep-rooted organizational challenges. Unfortunately, instead of addressing these problems, management often expects digital to paper over the cracks. This is a serious mistake, at least in the long term.

For instance, take Zappos, a US company that sells shoes online. Until Zappos started trading, many shoe retailers believed that selling shoes online was impossible. Many had tried and failed. After all, people wanted to try shoes on before buying them. They needed to know the shoes fitted and were comfortable. The retailers' existing thinking defined their online offering and their websites were constrained by that business logic.

Zappos realized that it was possible for people to buy shoes online if they were offered an unconditional return policy and shipping both ways was paid for. This was anathema to existing retailers and would have taken an organizational shift, rather than just a pretty website. Zappos was willing to make those changes, others were not.

Wiltshire Farm Foods (the company I mentioned earlier, which sells frozen groceries to older people) is a good example of how digital can expose weaknesses and force organizational change. But it is also an example of how the web can be used to temporarily mask problems.

Wiltshire Farm Foods operates as a franchise with local delivery franchises across the country. As part of this setup, individual franchisers were able to set their own prices. Unfortunately, when it came to the web this proved to be a problem.

When we first started working with Wiltshire Farm Foods, its existing website required users to enter a postcode before they could enter the site. Only then could they display accurate pricing.

Our diagnosis was that this caused a huge barrier to users and was significantly undermining sales, something backed up by the massive bounce rate on that first postcode entry page.

The proper solution to this problem would be to introduce universal pricing across all franchises, but this proved impossible due to contractual arrangements. Instead, we were forced to paper over the problem by showing the highest possible price and then discounting when they entered their postcode.

This was certainly better than the previous arrangement and dramatically improved conversion. However, artificially high prices continued to prove a problem until universal pricing was brought in several years later.

The UK's Government Digital Service perfectly demonstrates this approach. The GDS is the organization behind the British government website (GOV.UK) which has won numerous awards for outstanding design including the Design of the Year Award. This was the first time a website had won this prestigious award, beating both the Olympic cauldron and the Shard in London.

GOV.UK is not the most attractive website in the world, but has been praised for its usability, thanks in no small part to the guiding principles[1] that underpin it. These principles help define the approach to the design of the site and also to content. The principles act as a structure within which the website operates.

What your principles are will depend on the challenges you face. Looking at the GDS principles can give a good sense of the focus digital principles should have.

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1 https://www.gov.uk/design-principles

For example, one of the GDS principles is to design with data. As they explain:

> Normally, we're not starting from scratch — users are already using our services. This means we can learn from real world behaviour. We should do this, but we should make sure we continue this into the build and development process — prototyping and testing with real users on the live web. We should understand the desire paths of how we are designing with data and use them in our designs."

This principle directly addresses the problem that government websites have of being focused on internal process and structure, rather than the needs of citizens. By designing with data, they focus attention on users and defuse potential internal disagreements with statistics.

We will discuss the UK government website in more detail in the next chapter, but for now simply notice that this principle doesn't cover specific actions such as adding a particular feature or testing a part of the site. Rather, it outlines a way of working to address some specific challenges.

In fact, as I create guiding principles, I tend to avoid specifics wherever possible. These do need addressing, but should not be a part of the guiding principles. The problem with specifics is that they quickly date in a digital environment.

For example, in the first chapter I mentioned a member of senior management at a large UK charity who wanted the organization to adopt specific technologies. From my perspective these specifics were too tactical to be a part of the organization's principles. So I proposed that the digital team should be given the training and time to assess emerging technologies and decide how appropriate they were to the organization. In other words, I wanted to avoid jumping on the bandwagon of the latest innovation and instead put in place a structure to assess the landscape as it evolves.

I am not suggesting we should avoid specifics. In fact, that is one of the main weaknesses of many digital strategies. Strategy documents tend to be woolly and lack a clear definition of how objectives are going to be achieved. It is a fine line to walk. A principle needs to be specific enough to be truly useful, but not wander into the realms of detailed actions to be taken. How, then, do you find that middle ground?

> A principle needs to be specific enough to be truly useful, but not wander into the realms of detailed actions to be taken.

HOW TO ESTABLISH GUIDING PRINCIPLES

To begin with, *your guiding principles should be born out of a deep under-standing of the business and consumer needs*. In other words, principles should be based on research, not plucked out of the air. For example, Windows 7 design principles were born out of extensive user research.

They were designed to address the key complaints that emerged from that research. *Principles should also encourage debate*, because there is some room for interpretation. These discussions are healthy because they allow the strategy to evolve within the constraints of the principle. It also prevents the principle from becoming too restrictive.

Usability expert Jared Spool quotes one digital principle which was "polish over new features." The idea of this principle was to encourage a quality user experience rather than a proliferation of new features. However, as Spool points out, this principle led to some interesting discussions about what polish actually meant. This helped better define the balance between features and quality.

Finally — and most importantly — *a principle should enable you to say no to the majority of requests*. The role of a principle is as much to define what *not* to do, as what should be done.

Another of the GDS principles is to do less:

> ❝ *Government should only do what only government can do. If someone else is doing it — link to it. If we can provide resources (like APIs) that will help other people build things — do that. We should concentrate on the irreducible core.*"

This enables GDS to reject a significant number of ideas from stakeholders and retain focus for its team. This is absolutely crucial, because principles should be the filter through which all new ideas pass. They should define the shape of the work to be done and define the actions that need to be taken.

HOW IS CHANGE GOING TO BE ACHIEVED?

Without action, a strategy is nothing more than well-intentioned goals. A strategy must contain specific tactical actions that move the organization closer to its ultimate goal. For example, the strategy might recommend recruitment for a digital team, or undertaking a new round of user research.
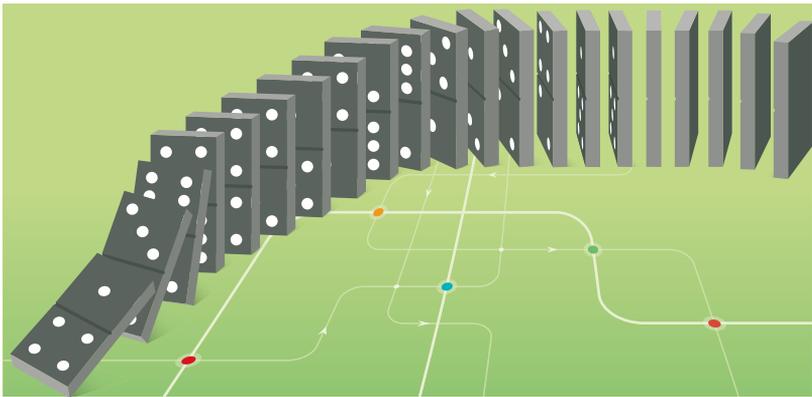
Seek out actions that lead to a series of favorable outcomes.

Unfortunately, this is where organizations can overstretch, trying to do too many actions simultaneously in an attempt to achieve multiple objectives. A strategy should not be packed with a roadmap of actions

to be done. Instead, pivotal actions should be identified. Actions that, as Richard Rumelt writes, "will lead to a cascade of favorable outcomes."

In the previous chapter, I wrote about a charity with an appalling conversion rate. The obvious solution here was to improve its website's calls to action. This led to an increase in donations, more newsletter signups, better return on investment from marketing campaigns, a growth in volunteering, and improved participation on social media. This one change led to a series of benefits. This is what it means to seek out actions that have a cascade of favorable outcomes.

Another way to look at it is that you should identify actions that offer the biggest return on investment. For example, improving calls to action was a relatively easy thing to achieve and yet brought large benefits. It is this kind of low-hanging fruit that a strategy should initially focus on. Better to do a few things well, than tackle a large number of actions poorly because of a lack of resources.

Not that convincing management of this is always easy. As in the case of the charity I worked with, there can be the impression that the more resources (be that people or money) thrown at a project then the more actions can be accomplished. This is rarely the case.

The charity wanted to redesign its website to improve calls to action and mobility, while at the same time produce multiple microsites to support campaigns. Their answer to the lack of resources was to outsource, but this created two problems. First, the internal team would still have to find and manage the external suppliers. Second, if they were to be able to run the redesigned website over the long term, they really had to have a hands-on understanding of how it was built. Outsourcing would leave them too far removed from the build.

Ownership is a particularly important issue for any digital team — ownership of the deliverables (such as a website) and of the strategy. This is where significant organizational changes may be required.

Reorganizing For Digital

As I walked into the room, I couldn't help but smile to myself. With almost twenty people milling around drinking coffee and eating pastries, I could tell I was going to be here for a while. This was the organization's web steering committee, the group that commissioned and monitored the work done by the web team. Each person in the room had invited themselves to the group because they felt they had a stake in the website. Many had a legitimate claim to be there, but I couldn't help wondering whether some came only for the pastries.

At face value, the meeting should have been quick. We had drawn up a strategy the digital team was keen to act on. The budget was in place and we were ready to go. All we needed was the web steering committee's approval. Three hours later I sat back, exhausted. Things had not gone smoothly. Nobody had a problem with the plan as such, but each person had their own agenda to crowbar into it. On top of this, there was obvious animosity between some of the participants that had nothing to do with the web, and yet somehow our plan got pulled into the middle.

Web steering committees are not a bad idea in principle, but in practice they can often significantly slow the agility of an organization in a realm where responsiveness and adaptability are crucial.

This is not an uncommon scenario. Web steering committees are not a bad idea in principle, but in practice they can often significantly slow the agility of an organization in a realm where responsiveness and adaptability are crucial.

Important decisions are often delayed until a date can be found for the entire steering committee to meet. The meetings themselves often focus on endless internal discussion, rather than basing decisions on data and user testing. Finally, and probably most significantly, most of the people in the room are not qualified to be making decisions on the subjects being discussed.

There are two aspects to this last observation. First, digital is a highly specialist area with many nuances and complexities. It makes little sense to hire experts in the area only to second guess their decisions along the way. You wouldn't second guess your doctor. You might seek a second opinion, but you wouldn't presume to know better yourself. I am not saying that oversight is unnecessary, but simply suggesting that a web steering committee is not the answer.

The second aspect is that many of those on the steering committee are asked to make decisions about areas of digital entirely beyond their responsibility. It makes little sense for the head of IT (who inevitably sits on a web steering committee) to be making decisions about the aesthetic appearance of the website. Equally, the head of marketing should not be commenting on hosting or indeed any aspect of technology. In short, organizations do not need a committee — they need something called a *responsibility matrix*.

ACCOUNTABILITY WITHOUT COMMITTEE

A *responsibility assignment matrix* (to give it its full title) identifies which people need to be consulted over which aspects of digital. It is designed to help minimize the number of people involved in decision-making, thereby enabling decisions to be made much quicker.

The creation of a responsibility matrix is relatively straightforward and despite what you may think, people are normally willing to agree to them. Even if you already have a web steering committee, you will probably find people receptive to this way of working. Few people like sitting through long meetings with little to contribute. The responsibility matrix ensures people are only involved in areas where they have something to contribute.

When you sit down to create a responsibility matrix, start by writing a list of all the different decision areas relating to digital. These could include areas such as design, content management, technical infra-structure, and so on.

Task	Responsible	Accountable	Consulted	Informed
Online branding	Matt Smith (Comms)	Matt Smith (Comms)	Matt Smith, Jane Buswell, Paul Boag and Tim Brooks	Comms
Analytics monitoring	Chris Scott (Headscape)	Chris Scott (Headscape)	N/A	Comms, HR, IT
Ongoing program of user testing	Leigh Howells (Headscape)	Paul Boag (Headscape)	N/A	Open to anybody
Site accessibility	Tom Harvey (Headscape)	Ronan Jones (IT)	John Buck, Ryan Brown	Legal
Social Media Management	Jane Buswell, Mark Cross (Comms)	Jane Buswell (Comms)	Matt Smith, Tim Brooks, Paul Boag	Comms
Content creation	Departmental representatives*	Content Editor (Position needs filling)	Departmental Heads	Comms
Content removal	Departmental representatives*	Content Editor (Position needs filling)	Departmental Heads	Comms, content creator
New feature development	Tom Harvey (Headscape)	Pete Boston (Headscape)	Matt Smith, Jane Buswell, Paul Boag and Tim Brooks	Comms
Hosting	Ronan Jones (IT)	Ronan Jones (IT)	Jim Gregory	IT
Technical implementation	Tom Harvey (Headscape)	Pete Boston (Headscape)	John Buck, Ryan Brown	IT, Comms
Design Work	Ed Merritt (Headscape)	Paul Boag (Headscape)	Matt Smith, Jane Buswell, Paul Boag and Tim Brooks	Comms, MD, Departmental Heads

A responsibility assignment matrix matches roles with areas of responsibility.

With the list of areas identified, you need to associate roles with each area. I normally use the following roles:

- The person doing the work.
- The person ultimately responsible.
- The people who need to be consulted.
- The people who need to be kept informed.

Let's look at an example of how a responsibility matrix might be implemented in the case of visual identity.

How visual identity is applied across digital assets is often an area of much controversy. Everybody has strong opinions about design, and so when opened up to a committee design often degrades to the lowest common denominator as everybody seeks to find common ground. Fortunately, this problem can be reduced using a responsibility matrix.

The person doing the work is normally a designer either from within the organization or from an outside agency. However, this is rarely the person ultimately responsible. In most cases the person responsible is

the head of the digital team. It is important that there is a single person ultimately responsible (an owner), as this person can be the ultimate decision-maker and they take responsibility if things go wrong.

The person responsible would work directly with the designer to come up with an approach, but they wouldn't work in isolation. Their work can only happen after they have consulted certain key individuals to check if there are other considerations to take into account. Typically, this might be the person responsible for brand, or the designer who produces print material. These people do not make the final decision, but their opinion and feedback is crucial to the process.

Finally, there are those who are kept informed about the process. These will be people who need to know what the final outcome is, but don't have the expertise in the subject area to directly contribute to the process. For example, in the case of branding and visuals this might include the head of sales or the CEO.

Not every CEO will be happy being relegated to simply being kept informed. It is not unusual for people to want more to say than you would wish to give them. Although there are things you could do to minimize this (such as limiting the number of people that can be assigned to each category), in the end you may have to compromise. Nevertheless, a responsibility matrix is considerably more effective than a web steering committee.

Unfortunately, web steering committees are not the only barrier to a dynamic, rapid decision-making process. There are also business silos — or departments.

BREAKING DOWN THE WALLS
As discussed in chapter one, departmental structures are a major handicap in adapting to the digital economy. Departments divide rather than encourage collaboration and they slow decision making.

In a survey by econsultancy.com[2] 23% of web professionals cited fragmentation of departments and poor organizational structures as a reason for digital failing. Furthermore, Daniel Szuc and Josephine Wong wrote in a post for UXmatters[3]:

66 *The silos and other divisions that exist in business prevent the people on projects from delivering their best work. Silos create roadblocks that deter deep conversations and cross-disciplinary collaboration."*

But with departmental structures so deep-rooted within organizations, how can this obstacle be overcome?

It is unrealistic to expect the departmental structure to go away within most organizations — and neither should it. However, as Aarron Walter from MailChimp put it when I spoke to him, we should endeavour to make the edges of those departments "fuzzier."

In other words, we should encourage constant collaboration between departments. Departments should not be the only structure within an organization; there should also be working groups and other smaller teams that work across these departmental divides. But do not mistake this for more committees. I am not talking about interdepartmental committees. I am talking about real teams made up of people from multiple departments who sit and work together.

Take the digital team (a subject we cover in more depth in chapter four). Ideally, your digital team would be a permanent, discrete team of people who sit together, work together and report to a digital lead. However, if you don't have that then maybe it's time to form an interdepartmental team that fulfils this role. Made up of people from various departments, this team could come together in one location and work as a single unit. They could continue to report into their existing departments, but operate as a separate team.

2   http://smashed.by/marketing-age
3   http://smashed.by/design-business

Web Team

Marketing   I.T.   Comms   Sales
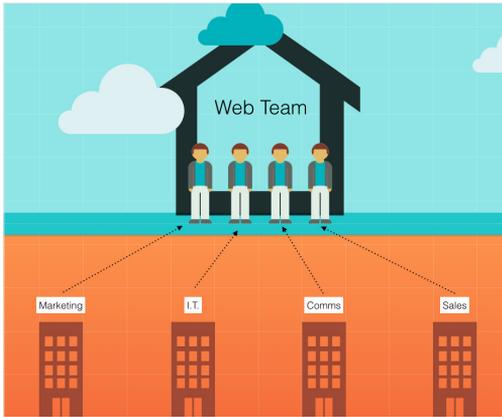
If you do not have a single web team within the organization, it might be possible to draw together expertise from across the organization to form a working group.

Even if you already have a digital team, it should not work in isolation. When working on brand, the person responsible for branding should come and sit as part of the digital team. When setting up hosting environments, the developer from the digital team should sit with somebody from IT so they can work out the challenges together.

Co-location is the crucial element here. Digital does not work well in a world of departmental divisions. Fast, flexible progress cannot be achieved by constantly sending emails back and forth between departments, and where responsibility is carved up across business silos. People need to sit together, work together and solve problems together.

Again, MailChimp is a great example of best practice in this area. MailChimp staff work in a large open-plan office where teams that are currently working together sit side by side. When projects end and new collaborations are formed, team members move around the building so they are close to those they need to work with. Huge thought has also been put into their work environment, with whiteboards that can be erected anywhere and empty desks dotted around the place so anyone can easily join another team if they need to.

Of course, this is all well and good when working in a single office. Things become more difficult, however, when you have remote workers or multiple offices. This is a problem I have firsthand experience of.

MailChimp regularly rearranges its office space to encourage cross-collaboration.

A while back, I recorded some lessons for a digital learning company called *Team Treehouse* in Orlando, Florida. Ryan Carson, an enthusiastic entrepreneur and founder of the company, has done some amazing work to create a vibrant, creative working space. Their studio is open-plan and the whole place is full of banter and close collaboration. Ryan has even gone as far as heavily subsidising staff lunches so they continue socializing and sharing ideas over lunch.

Despite all this effort they do face one considerable challenge. While production of the teaching material happens in Orlando, sales and marketing is managed out of an office in Portland, Oregon. This has led to an understandable but awkward divide in the company, where each office does not fully understand or appreciate the role of the other.

There is no easy answer to this problem and nothing beats working in the same office. However, remote co-working is possible and it is something we have to do at Headscape. With staff spread all across the United Kingdom we rely heavily on tools like Skype, Google Hangouts and Basecamp to allow people to work in close collaboration, even though they are not located in the same room.

We ensure that people are online and accessible throughout the day. We have regular meetups and encourage people to visit the central office at least once a month. Most of all, we establish working practices that

require people to work in close collaboration. We know it is critical that geographical distance does not force us into a siloed approach to working.

I can testify to the fact that it is possible to break down the walls and work collaboratively. However, no matter how closely people work together there will inevitably be differences in priorities. This is where a good set of digital policies can help bring clarity.

ESTABLISHING DIGITAL POLICIES

I was in Washington, D.C. having lunch at Johnny Rockets with a web team from a large environmental lobbyist group. As I stared in disbelief at the huge burger the waitress had just brought me, I asked the team what the recurring points of conflict were that they faced. As I listened, the usual culprits came up: space on the homepage; requests for web content that was more clutter than useful; and arguments surrounding out-of-date content the team wanted to remove.

Each time these issues came up, the web team found itself going over the same ground and having the same arguments. It occurred to me that what they needed was a set of policies for dealing with these issues.

Policies should be put in place to deal with these recurring issues. Instead of having to go through the thinking every time an issue arises, you can consider the issue once and establish a policy for the future. That way, when the issue comes up again, you simply implement the policy rather than endlessly debating it. Policies also have the advantage of not being personal. Instead of saying *no* to somebody who wants content on the homepage, you are just implementing a policy. Instead of removing somebody's content, you are just following the rules. It's not personal, it's policy.

In fact, in many ways policies are similar to the principles that we discussed earlier. However, policies tend to be specific rules or operating procedures for dealing with certain scenarios. Unlike principles, they are designed to be without ambiguity.

For example, a principle would talk about designing with data or putting users first, while a policy would be the corporate style guide that outlines specifically how the logo is used.

Policies typically cover questions such as:

- What accessibility standards do we have?
- How is user testing carried out?
- How do we back-up data?
- What is the sign-off process for new content being added to the site?
- What can our employees say or not say on social networks?
- How are requests for new site features assessed and approved?

In my mind, policies fall into two categories. There are working policies and organizational ones. *Working policies* are those that define how you operate as a web team. For example, your web team may decide that you require certain information before you are willing to take on work from an internal client. You may expect the client to provide a business case outlining who the audience is and what business benefits the project would provide. This is you defining the way your team operates.

Another example might be that your team always reports time spent on a project to senior management, so they can judge whether that work was worth the effort. In my experience policies like these can discourage internal clients from wasting the web team's time asking for unnecessary pieces of work. They also help internal clients refine their thinking about a project before it begins. Your policy might also include a kick-off session with clients to help them define their business case and refine their thinking.

The great thing about working policies is that you do not need permission to implement them. Within most organizations you are free to define how you do your own job, and so you are free to define working policies. The downside of working policies is that because they have no organizational agreement they carry less weight. A senior manager could still come along and overrule them.

Organizational policies are harder to set up, but carry more weight when they are in place. These are policies that dictate how the entire organization operates in the digital environment, and so they often need approval from other stakeholders.

Typical examples of organizational policies might include a policy about what appears on the homepage, or under what circumstances content is removed. For example, the BBC has a policy that out-of-date content will be archived and have a note placed at the top of the page warning users that it may be incorrect. This reduces site clutter and also ensures content continues to be relevant.

As for homepage policies, I have worked with clients who used the footer as a way to test which content should appear on the homepage. If a stakeholder wanted content to be promoted to the homepage, it would first appear as part of a site-wide footer. If this link generated more than a certain threshold of traffic, the page was considered important enough to be promoted.

Although putting such policies in place can be tricky, once there, they remove the need for endless debate. You simply implement the agreed policy. Policies aren't just for dealing with common points of dispute. They are also invaluable for providing a framework within which to operate. Policies on accessibility, social media and branding (to name just a few) ensure consistency and provide guidelines to help set a clear direction.

The BBC has an excellent policy document defining the structure and visual appearance of its website in the form of a Global Experience Language[4]. Because the BBC tries to cater to a diverse audience and cover a wide range of subjects, it is impossible for it to have a single look and feel across all digital assets. Instead, the Global Experience Language defines what elements need to be consistent and where change is allowed. This policy provides a framework that allows individual identity while ensuring a consistent user experience.

4 http://www.bbc.co.uk/gel
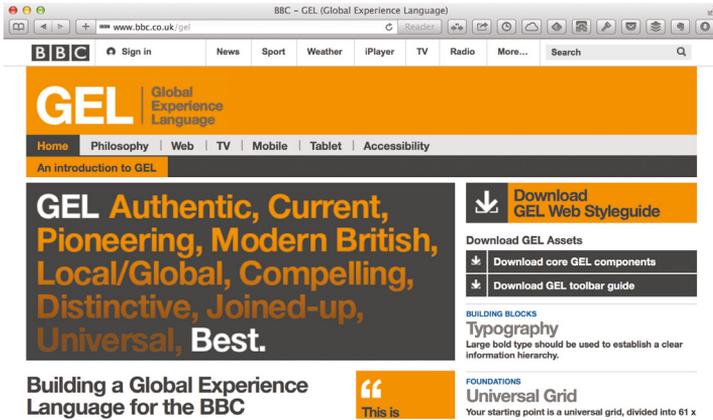
The BBC has an excellent policy document defining the structure and visual appearance of its website.

Of course, there are always occasions when somebody challenges the agreed policy and wants to be an exception to the rule. These are typically senior individuals who in some organizations are hard to say *no* to. I rarely find that confrontation works in such circumstances. This just leads to people becoming entrenched in their positions. That in turn undermines the collaboration I have already explained is so crucial.

Instead, I recommend discussing the policy itself. If somebody feels they should be an exception, it indicates the policy is failing in some way. Ask them how they feel the policy is falling short and what they would do to address the problem. Often this kind of discussion helps them recognize the value of having a consistent approach.

Although policies perform many roles, one of their major jobs is to help change attitudes towards digital, and encourage people to approach it in a different way. Ultimately their role is to help document and encourage a shift in culture. This is the subject of our next chapter.

Adopting
A Digital Culture

> 66 Simply telling the organization that it needs to change won't have any effect. We have to become change agents ourselves. We can't change organizational culture on our own. It's about pointing out risks, shining a light on organizational denial, overcoming resistance, and facilitating constructive discussions about change."

Jonathan Kahn

In 2010 Francis Maude, the UK's minister for the Cabinet Office, asked Martha Lane Fox, the UK digital champion and co-founder of lastminute.com, to undertake a strategic review of the UK government's digital offering. Martha, who is a well-respected figure within both the digital community and government, shared her findings in October of that year. What she proposed was nothing short of a revolution in the culture of government.

Her conclusions were many, but some of the more significant cultural changes included:

- That digital would be managed centrally, commissioning content from departmental experts as required. This was the complete reversal of the previous policy, where digital was run on a departmental level with little central thinking.

- A fundamental refocusing on user needs and the delivery of online services, rather than just communicating information about government. Again, this was the opposite of the existing internal focus.

- A radical simplification of the government's digital footprint, going far beyond the cuts that had already been made.

- A move away from large technical projects to a more agile, iterative approach based on extensive testing.

Encouragingly, Francis Maude and the Cabinet Office embraced these suggestions. The last three years have seen some radical changes in how the UK government approaches digital.

Martha Lane Fox, co-founder of lastminute.com, was instrumental in the process of transforming the UK government's digital culture.
Image credit:
http://bit.ly/1bWmR6y

Before Martha Lane Fox's review, the UK government's approach to digital consisted of huge, expensive, slow-moving IT projects that typically ran over budget and cost a significant amount to maintain.

Martha's proposal was not just the implementation of some new technology — it was much more fundamental than that. It was a total

reimagining of what it meant to be a government in the 21st century. It endeavored to move the UK government to the kind of service model we see in modern digital companies. This was an ambitious goal and yet one that the government was willing to embrace.

If an institution with as much inertia and legacy as the UK government is willing to consider such fundamental cultural change, then it demonstrates that this is possible for the vast majority of organizations. It is time to reimagine your business and ask what it should look like as part of the digital economy. It is time to challenge the underlying culture and look to refocus it in the light of the changes digital has brought. This transformation will take time and the next steps are not always clear, but a willingness to change is what truly matters. Whether you are at the beginning of the journey of transformation or well on the way, a willingness to question fundamental aspects of how you do business is crucial in the formation of your digital strategy and policies.

> It is time to reimagine your business and ask what it should look like as part of the digital economy. It is time to challenge the underlying culture.

In the previous chapters we explored the characteristics of the digital age and strategies for setting your digital direction. Now, to actually adopt a digital culture and make significant changes, we must first understand what key components in culture distinguish traditional organizations from the new generation of digital businesses.

The Components Of A Digital Culture

It was a posh restaurant in Las Vegas where I was speaking at the Future Insights conference. The food was incredible and the waitress seemed to constantly fill my glass with wine every time I took a sip. My wife was beside me but other than her, everybody else around the table were the great and the good from the digital field. (I feel obliged at this point to note that my wife is definitely among the great and the good, just not in the digital world.) We both felt like the odd ones out in a sea of digital

entrepreneurs and stars of world class digital companies like Facebook, Twitter, Google, and Flickr.

I have to confess I love these evenings, and because I speak at a lot of conferences, I get to attend a number each year. Each time, I use the opportunity to chat with other speakers about the companies they either run or work for. I get insights into their working practices, organization and, most importantly, culture. What is fascinating is that so often distinct trends emerge.

Companies that were born in the digital era or who have fully embraced digital seem to consistently exhibit five cultural characteristics. These are:

- A culture of collaboration.
- A culture of agile, iterative development.
- A culture that makes digital the default.
- A culture of innovation.
- A service-oriented culture.

Companies born in the digital era or that have fully embraced digital seem to consistently exhibit five cultural characteristics.

We explored the most important aspect of a collaborative culture when we discussed dismantling the departmental divide. In chapter five we will explore the recurring theme of working in an agile and iterative way. This

is so fundamental to all aspects of digital, from strategy to governance and culture, that it deserves its own chapter.

The remaining three areas are ones that I wish to cover in more depth here, the first of which was a cornerstone of Martha Lane Fox's recommendations for the UK government: becoming digital by default.

Becoming Digital By Default

When electricity first started to power industry, it did not change things overnight. More than a decade after its introduction, companies were still building factories next to rivers, despite no longer requiring the water to turn waterwheels.

Most companies had a chief electricity officer, a concept that seems bizarre to our modern eyes. With electricity such a fundamental part of doing business, the idea of having somebody dedicated to managing a company's use of electricity seems ridiculous. Yet two decades into the World Wide Web, we still see similar setups in digital as used to exist for electricity. For most organizations digital is confined to the digital team, and few companies have grasped the full ramifications of the web. Metaphorically, we are still building our factories next to the river.

This is why people like usability expert Gerry McGovern suggest that organizations don't need a digital strategy, but rather an organizational strategy that includes digital. He writes:

66 *Online is not something that can be neatly separated from the rest of the organization. It affects every aspect of the organization, from its employees to its customers. So, for that reason, you don't need an online strategy. You need a single organizational strategy that is heavily influenced by online.*

From his perspective, treating digital as a discrete separate part of the business is like having a chief electricity officer.

If you look at post-web businesses like Zappos, Amazon, Wine Library, printing company MOO, or any of the rest, they do not have a separate digital strategy or even a distinct digital team. Digital is woven into the very nature of their businesses. It is so fundamental that it would be impossible to separate it.

Unfortunately, most pre-web businesses are far from that place. Although I agree with McGovern's point, I believe that most companies still need a digital strategy and digital team to help focus the organization. Without that, digital would be ignored or underestimated and the organization would continue to build factories by the river. The digital team and strategy act as a chief electricity officer to keep the organization thinking about the potential of the new technology.

That said, all organizations will ultimately integrate digital into their DNA. They will eventually be digital by default. But what does it actually mean to be digital by default, and how can your organization get there?

WHAT DOES DIGITAL BY DEFAULT MEAN?

To be digital by default is to be digital first. In other words, you turn first to digital as a way of delivering your products, services, customer support, marketing messages, or any other function of the business. Digital might not always be the appropriate solution to these problems, but a business adapted to the digital economy will look first at whether there is a digital solution to a business challenge or opportunity, before looking elsewhere. Gary Vaynerchuk is the perfect example of this approach.

I was speaking at a conference in Earls Court, London when I first met Gary. I was in the bar with a few of the other speakers enjoying a drink when Gary joined us. Immediately the focus switched to him despite there being many other leading figures from the web sitting with us. It wasn't that he demanded attention, it was just that his passion and enthusiasm draws you in. Before I knew it, I found myself deep in animated conversation and what I heard impressed me tremendously.

Gary was born in Belarus, but raised in New Jersey. The son of a liquor store owner, in 1997 he inherited his family's wine retailing business, which at the time was worth approximately $3 million. Being the ambitious and driven person that he is, he was keen to grow the business as fast as possible. A pre-web approach to this challenge would have been to open new outlets and increase his marketing spend. Instead, he turned to digital and transformed his business to be digital first.

Rather than opening new outlets, he created an e-commerce site (winelibrary.com). Instead of turning to expensive TV and press advertising to promote the business, he hosted a video podcast entitled winelibrary.tv that turned out to be hugely successful. He built a substantial following on social networks and used this new found profile to make the leap to mainstream TV. In only seven years he increased the value of his business from $3 million to $60 million, largely because of his decision to turn first to digital solutions. It wasn't that he shunned non-digital solutions such as TV or the press (in fact he regularly appears in both), it was that when faced with a challenge or opportunity he looked first to digital for a solution.

Gary is not the only example of a business leader who has concentrated on digital. Neither does the focus on digital need to be so complete as in Gary's case. The lesson to be learned from Gary and those like him is that the traditional way of doing things isn't always the right way. You need to ask whether digital can do the job you are faced with, and if so whether it can do it better. Whether it is opening a new outlet, increasing

Gary's work on winelibrary.tv enabled him to make the jump to mainstream media, further increasing his brand's exposure.

your exposure or reducing your overheads, there is often a way digital can help if you get into the habit of thinking about it as an option. There are many reasons that Gary and others like him choose to focus their companies on digital first. Digital is:

- Cheaper,
- Faster,
- More flexible,
- Easier to monitor,
- More targeted.

The list could go on. Take Martha Lane Fox's report for the UK government. She predicted that if the government was able to move 30% of its interactions with citizens online, they would be able to save the British tax payer more than £1.3 billion. The power of digital is a significant factor in the collapse of newspaper advertising. In just under a decade, advertising revenue dropped by half[5], with most of that moving online.

5   http://smashed.by/newspapers

Newspapers just cannot compete with the cheaper and more targeted online competition. Combined with the powerful monitoring tools for tracking return on investment, it's hardly surprising the money is being invested in online content.

By turning to digital first, companies are discovering ways it can aid their business. This gives them a competitive advantage over those which are not so progressive.

The Wine Library might be an example of a company which benefited from this competitive advantage, but there is also no shortage of companies which demonstrate the result of failing to grasp digital. Probably my favourite such example is the demise of Blockbuster Entertainment which was ultimately brought to its knees by Netflix, a company quick to embrace the digital economy. What makes the story of Blockbuster so fascinating is that it had numerous opportunities to purchase Netflix for as little as $50 million. It was also consistently one step behind Netflix's offering, largely because it was unwilling to recognize the changing environment.
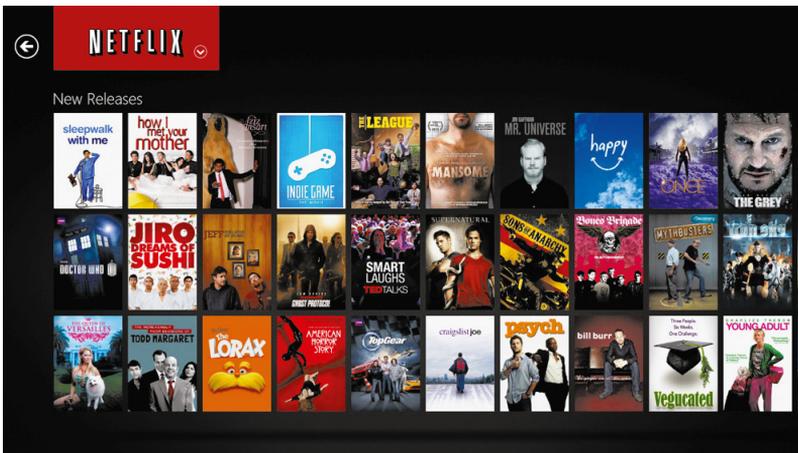
Netflix's ability to quickly pivot its business model to embrace digital delivery kept it one step ahead of Blockbuster.

By the time Blockbuster woke up to the idea that consumers didn't want to visit a physical store and started offering a postal service, Netflix was already transitioning to a digital-first offering. This proved to be the final nail in Blockbuster's coffin, as once the infrastructure was in place, Netflix's overheads plummeted. Blockbuster, with its physical stores and associated high costs, simply could not compete.

Of course, recognizing the opportunity and grasping it are two different things. It is not easy to change your company culture to be digital first.

THE PATH TO DIGITAL BY DEFAULT

If an organization is serious about becoming digital by default, the move needs to begin at the highest levels of the company, with a complete re-evaluation of the business in the light of the digital economy. I realize this sounds scary, expensive, and time consuming, but it isn't as terrifying as it sounds. Yes, it can be quite challenging, but it is also necessary.

It will involve senior management looking at every area of the business and examining what impact digital is having or could have. Does digital provide new opportunities or create new threats that didn't previously exist? Are there new products or services you could add that were previously impossible or uneconomical?

There are various ways you could approach this exercise, but my preferred approach is to use the *Business Model Canvas*. Originally proposed by Alexander Osterwalder, the Business Model Canvas is a tool for describing, analyzing, and improving your business model. It is flexible and ideal for examining your operation in the light of digital.

The Business Model Canvas describes your organization using nine building blocks. By looking at each of these you will begin to see how digital integrates into your business. Let's look at the nine building blocks.

1. Customer segments

Who are your customers and can digital help you better understand them? Could this better understanding of individual customer groups help you

tailor a more personalized offering? Does digital open up new opportunities to serve niche audiences that were not previously cost-effective? Does digital allow you to broaden the customer base that you serve?

2. Channels

What methods do you use to deliver your offering to customers and does digital provide new channels? Can you provide e-commerce services or reach new customers via mobile or social media? Can you learn from Netflix and move away from physical products to a purely digital offering? Can digital help make existing channels faster, more efficient or cost-effective?

3. Customer relationships

What expectations do different customer segments have of you, and can digital be used to help surpass those expectations? Can digital be used to provide cost savings in customer relationship management? Could you move from telephone support to online self-service? Could a customer relationship management system help to manage customers more efficiently? Can you automate customer services? Can you help build online communities where customers support one another? Could digital enable customers to take on a more active role in evolving your products or services?

4. Value proposition

What customer problems are you solving or needs are you satisfying? Could digital help you provide a more valuable offering? Does digital provide the opportunity to solve new problems and offer more value to your customers?

5. Revenue streams

How are your customers paying and can you offer them new payment options online? Can you make the payment collection process less painful and more efficient using digital services? Can digital give you access to new revenue streams such as a subscription model or the introduction of advertising?

6. Key resources

What key resources do you need to deliver your offering and can digital be used to either replace those resources or lower their costs? For example, could bricks and mortar outlets be replaced with digital storefronts in the same way adopted by Wine Library?

7. Key activities

What things do you need to do in order to deliver your offering, and could digital streamline that process or even entirely automate it? This could range from an intranet that better manages shared documents, or a picking system that manages the dispatch of orders placed on a website.

8. Key partners

Who are your partners and suppliers? Can digital be used to manage the relationship with these partners, or even remove the need for them entirely? For example, there was a time when authors needed a publisher to release a book like this; now it is possible to self-publish using digital services.

9. Cost structures

What are the most important costs associated with your business model, and does digital offer opportunities to lower these costs? Could digital be used to lower distribution or customer retention costs? What about customer acquisition or better stock management? There are many ways digital can be used as a cost-effective alternative to traditional processes.

As senior management work through this process, they should be reminded to look at what competitors are doing in each of these areas. Are they managing to use digital to gain a competitive advantage? Are they lowering costs, offering more services and reaching new markets through the application of digital? Focusing on these threats is often a good way of motivating senior management into action.

Although digital can help with all areas of the Business Model Canvas, I am particularly interested in how it can help you better understand your customer segments. I am horrified at how little companies know

about their customers. Digital excels in this area, providing organizations with unprecedented opportunities to interact with and better understand customers. This can be done through engagement in social networks, monitoring of analytics, surveys, interviews, and many other techniques.

Once management have fully analyzed their business in the light of digital, they should be left with a list of potential opportunities and threats. This list then needs prioritizing to focus on the biggest, and those which will generate the largest return on investment.

I am horrified at how little companies know about their customers. Digital excels in this area, providing organizations with unprecedented opportunities to interact with and better understand customers.

Have you spotted the elephant in the room, the fundamental flaw of this approach? To achieve all of this, senior management must have an intimate knowledge of digital and its potential. Unfortunately, this is often lacking.

Although many senior managers fear digital because they do not understand it, others don't recognize its value and so don't want to invest their time in it. I vividly remember a meeting that perfectly illustrates this point. Headscape had been hired to redesign the website for a large economics consultancy company. This company was run by a young, dynamic entrepreneur whose knowledge of economics and the markets was second to none. He was a strong, opinionated leader who had a vision for his business and was used to having his way. His vision for the website was as an online brochure maintained by the marketing department. I on the other hand, saw a lot more potential.

This company had an amazingly talented team of consultants who were world leaders in their field. The founder of the company had gone into great detail explaining their expertise, and how the business was built on their knowledge. I felt that there was an opportunity to use this knowledge to establish the company as a thought leader (apologies for the terrible business jargon) in its field. I envisioned a blog and supporting social tools

that included advice on corporate economics, interviews, presentations, and more, aimed directly at the target audience of company CFOs.

Unfortunately, this didn't fit the vision that he had for the website and so the idea was strongly rejected. He didn't see the point of having a marketing team if the consultants had to be engaged online, rather than spending all of their time working with clients. I explained that digital was not something that could be handled by marketing alone, but my arguments fell on deaf ears. He had a vision for the role of digital and anything beyond that was more than he was willing to consider.

Digital is not something that can be handled by marketing alone.

In his eyes digital wasn't important enough to justify anyone's time outside of the marketing team. Of course, he was actually caught in a catch-22 scenario. Because he didn't see the value in digital, he wasn't willing to invest the time in learning about it to discover just how much potential it had. Unfortunately, I failed to convince him otherwise.

This is something I see a lot among senior management teams. They have a predefined, inaccurate view of digital and so fail to grasp the enormous changes that it brings. This is in much the same way early industrialists failed to grasp the consequence of electricity.

A consultant is normally engaged for a one-off evaluation, but this is not enough in the fast-moving world of digital. A one-off evaluation is not digital by default.

As mentioned in the previous chapter, a common solution to this problem is to bring in an outside expert to carry out the re-evaluation of the organization in the light of digital. In the example above, Headscape wasn't engaged to do that kind of evaluation, but in other situations we are. This approach works to some extent, although usually senior management get more than they bargained for. Often when they call in outside consultants, they have an expectation of what they will hear. They are then surprised just how fundamental the changes are that digital brings. Some embrace those findings, others (like our CEO above) do not.

The other problem is that a consultant is normally engaged for a one-off evaluation, but this is not enough in the fast-moving world of digital. A one-off evaluation is not digital by default: it is simply a first step.

To be truly digital by default there needs to be an enduring digital presence within senior management. This leaves three options.

- The senior management team commits to an ongoing program of education to improve their understanding of digital.

- The senior management team appoints a head of digital that sits on the board.

- The senior management team finds an outside expert who sits on the board as a non-executive director.

You may be mistaken for thinking that the first option is the most desirable. After all, if the entire senior management team was digitally literate then the company would more likely become digital by default. This is unrealistic. Even if senior management had the time to attend regular workshops, conferences, and seminars, as of today digital is still a specialized field and not one that we can realistically expect management to fully engage with.

The second option, therefore, is probably the most appropriate. This is what the Cabinet Office did when it appointed Mike Bracken to head up the Government Digital Service. Exactly how this would work in practice is something I will explore in more detail later.

The third option might be appropriate when a senior digital appointment cannot be made. Having an external perspective is beneficial for any board, and having a digital expert is particularly valuable. It ensures that digital is not pushed to the sideline, and the outside expert can draw on their experience of working with other companies to take the organization in new directions.

This is much like the role Martha Lane Fox played for the UK government. She brought her experience of digital and the commercial sector to bear, ensuring that digital lay at the heart of government.

Whatever approach you adopt, the important thing is that you have people with a good track record and understanding of digital at the highest levels of the company. Without that, becoming digital by default is going to be hard. That said, strong top-down leadership is not the only road to digital by default — but I'll tackle that later. In the meantime, let us turn our attention to another factor in building a digital culture: innovation.

Encouraging Innovation

As I write these words, I am looking out across the Welsh mountains, miles away from anywhere in a beaten up motor home. Yet despite my remote location I have an internet connection faster than I used to have at home only a few years ago, and a laptop that will happily run for an entire day without needing to charge the battery. I am just as engaged with my business and the rest of the world as I would be sitting at home.

This perfectly demonstrates how fast technology is moving and the profound effect it is having on business. The rules are constantly changing and we need to innovate to keep up.

The hard truth is that if we do not innovate in the digital economy then, ultimately, we will fail. The advance of change is like a fast-flowing river: to simply stay in the same place we need to be paddling hard. If we pause for even a moment we will be swept away.

But innovation in the digital world is not just about having an R&D department. Innovation needs to be integrated into the heart of the company. All your employees have the potential to be innovators. They just need the space to do it.

The rules are constantly changing and we need to innovate to keep up.

Once again, it is the big digital players who lead the way, with company-wide programs dedicated to innovation. Probably the best known of these is Google's 20% time. However, it is not the only one. LinkedIn, Adobe, and Apple (to name just a few) have similar policies. The idea of these policies is that employees are given the space to work on their own projects: to innovate. In Google's case this means that 20% of their employees' time is allocated to their personal projects. This freedom to innovate has led to some amazing new products. Google Talk and Gmail were born out of Google's 20% time program.

Some companies have gone even further than Google. Game company Valve and software platform GitHub are just two examples of companies which give their employees huge freedom to work on what they want almost all of the time. If somebody is able to persuade others to work on a project, and that project aids the organization's ultimate business objectives, then they are free to work on it.

Are all of these self-motivated projects successful? Absolutely not. Many fail, but that is OK. Failure is a natural part of innovation, and as I explain in more depth later, we do not need to fear it. Rather, we need to

see failure as a necessary step towards success. Only by failing do we understand what success looks like.

Tom Preston-Werner from GitHub described this kind of culture of innovation as an *internal venture capitalist model*. You invest in your employees in the hope that some will provide a return. Richard Branson described it as nurturing "intrapreneurs":

" An employee *who is given freedom and financial support to create new products, services and systems, who does not have to follow the company's usual routines or protocols.*"

This is something that I constantly strive to encourage in my own agency. I say strive because things often work for a while, but then become stagnant and other approaches are required. We have tried approaches like Google's 20% time and found it successful for a while, until people began to run out of ideas. We then switched to show-and-tell sessions where people could share new approaches and innovations they had discovered.

Probably my favourite times were when we used to attend South By Southwest in Austin, Texas. Each day we would go our separate ways, attending a huge range of different sessions that were of interest to us. In the afternoon we would congregate on the balcony of a local Tex-Mex bar where we would drink margaritas and enjoy the sun. These times together in the bar, discussing the day's presentations led to some of the best revelations about the future of our company. The inspirational talks and time to discuss them represented a potent way of nurturing innovation.

The key is *time*. It's allowing your employees time to experiment, discuss, and innovate. For too long, organizations have focused obsessively on efficiency. This worked in a production line of the industrial age, but doesn't work if you need to encourage innovation in the digital economy. Innovation requires space and freedom, two things often lacking in modern organizations.

You may be tempted to think that the answer is to create an innovation team. This is a solution I have seen many implement. However, I am not convinced it is the most effective approach, because it does not embed a culture of innovation across the organization. It also isolates digital to a small team and doesn't help the organization move toward being digital by default.

Moreover, this freedom to innovate is one of the keys to employee happiness. If employees have freedom and time to experiment, as well as permission to set their own agenda, they will enjoy work more and be more productive. It wasn't just the margaritas and sun that made our employees happy at South By Southwest. It was the excitement of brainstorming ideas and the feeling that we as management valued those ideas. By taking them to the conference, we invested in them and showed we valued them.

Introducing a culture of innovation doesn't necessarily mean jumping in at the deep end with 20% time and self-defined projects. But you should be taking small steps in that direction. Allowing some time to explore new ideas is part of it, as is creating a culture in which those ideas can be expressed and valued. However, another big aspect is how you reward staff.

Innovation requires space and freedom, two things often lacking in modern organizations.

If performance and rewards are focused on efficiency, timesheets, and deliverables then you will stifle innovation as people struggle to meet those targets. Instead, you need ways to reward innovation.

How you reward your employees for great ideas and innovations will vary. In some companies and with some employees, bonuses may be appropriate, while elsewhere it might be with extra holiday or a gift. For example, game developer Frima Studio rewards employees who introduce large innovations with a cut of the profits. For smaller innovations

and creative thinking, employees are given points that can be exchanged for tangible gifts such as iPads, child care or weekend breaks.

The point is you should single out and reward those who innovate, rather than focusing on efficiency and production. If you wish to foster a culture of innovation, your organization must celebrate ideas and allow failure.

If you wish to foster a culture of innovation, your organization must celebrate ideas and allow failure.

But nurturing a digital culture is not just about fostering innovation. We should also encourage a service mentality.

Nurturing A Service Culture

To explain what I mean by nurturing a service mentality, let me tell you about Jeff Jarvis. He has become the poster child for the new service culture the web has ushered in.

In 2005 Jeff Jarvis was fed up. He had bought a Dell computer and in-home service, only to be bitterly disappointed with both. In his words from that time, "The machine is a lemon and the service is a lie." Like many of us in the digital age, his response was to share his experiences online. Maybe today that would be on Twitter or Facebook, but in 2005 that was on his blog. The blog post quickly shot up Google's rankings as many people identified with his experience and linked to it. The post quickly accumulated hundreds of comments from Dell customers who had experienced similar poor service.

Throughout all of this Dell remained silent. Whether this was because of indifference, a belief that a single post on a blog could not damage them, or just ignorance about the complaint, we will never know. Whatever the case, Dell chose not to comment or reach out to Jeff.

Eventually, Jeff emailed Dell's chief marketing officer, pointing out the amount of negative attention Dell was receiving. Only then did Dell finally respond by reluctantly offering him a refund.
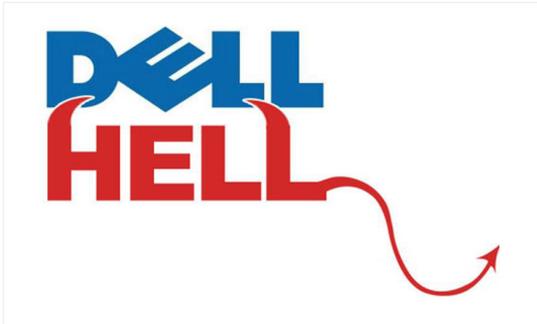
Dell's brand suffered long-term damage because it failed to act on one customer's dissatisfaction.

Of course, by this time the damage was done. The story was picked up by mainstream media and Jeff was interviewed for both TV and the press. The result was that the term "Dell Hell" has become forever associated with the Dell brand.

Things have moved on considerably since 2005, with customers having more ways to engage with businesses than ever before. This is especially true since the explosion of social media. Yet despite this, many organizations lack a focus on customer service. Most marketing departments are stuck in a culture of mass media and mass audiences. They focus on broadcasting, rather than building real connections with customers.

Nowhere is this divide between old and new more pronounced than in the bookstore Waterstones. The official Waterstones Twitter feed is a case study in old-school broadcast thinking, with endless promotions and links dominating its feed. There is nothing designed to build a relationship; it is all about pushing its products.

Compare that to the Twitter account for the Waterstones store on Oxford Street, London. Run by an enthusiastic staff member, it is the epitome of good community building. Its tweets are funny, engaging, give you glimpses of life working at the store, and feel like they are personally engaging with you. The author regularly comments on topical issues,

interacts directly with followers, and yet does all of this while remaining true to the core offering of Waterstones.

The Waterstones Oxford Street Twitter account demonstrates real personality, humor, and topical content, all while promoting its products.

The result is that the Oxford Street store has over 51,000 followers. That is remarkable when you consider this is only a single store and the official Waterstones channel only manages 81,000. In fact, I follow the Oxford Street store even though I have never visited it and probably never will. However, its self-deprecation and understanding of the medium have done more to warm me to the brand than any other form of Waterstones advertising. I am much more likely to buy from Waterstones as a result.

Users are becoming increasingly intolerant of broadcast, mass media advertising. This is especially true in social media because this kind of advertising looks so out of place in users' streams. As users read social media, they see a stream of updates from friends and family. One post might be an invitation to a party, the next a photo of a sister's newborn baby, and another a retweet of a funny video. Amid all of this personal content, a marketing update feels horribly out of place. Messages like this feel like a formally dressed advertising executive bursting into somebody's house at Thanksgiving and interrupting the family meal to tell them about a great new offer in turkey basters — they are rude and intrusive.

The person behind the Waterstones Oxford Street Twitter feed understands this. That is why the tweets are personal, funny, and entertaining. Of course, funny and entertaining might not be right for every brand, but social media channels should always be personal.

They should also offer real value to users. Waterstones Oxford Street does this with entertainment, but you could choose to be informative, sharing content of real value. For example, Nestlé does this by sharing recipes on its Facebook pages. What it doesn't do is bombard the user with press releases.
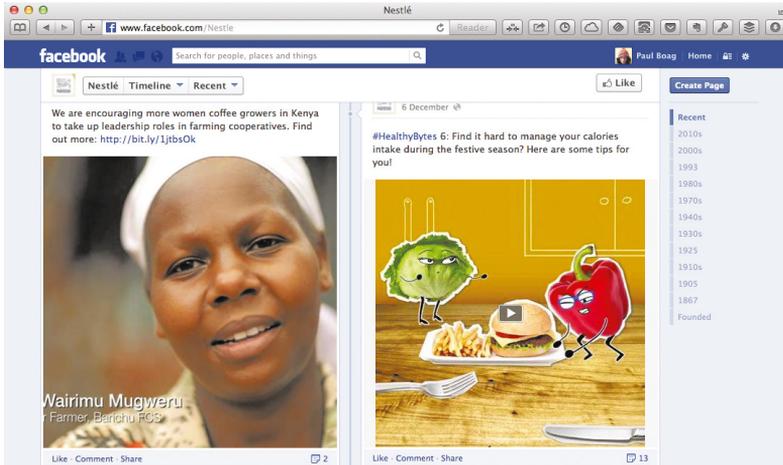
Nestlé provides useful content such as recipes and fitness advice to engage with its users.

But this isn't just about changing your approach to marketing. This is a shift in the entire culture of the organization to be centered around the user. This shift manifests itself in two ways. It is about understanding the user more intimately, and moving to a model where you develop products *with* the customer rather than *for* them.

GETTING TO KNOW YOUR CUSTOMERS

Sometime ago I found myself speaking at a conference in San Francisco. I don't often make it there and so decided to take the opportunity to look around some of the leading digital players in the Valley. I had heard so much about their lavish offices full of pool tables and beer-stocked fridges, that I had to see things for myself. After imposing on a few friends who worked at these companies, I managed to arrange some visits.

Sure enough, these were not like the workplaces of my clients or anywhere I had worked. I quickly found myself gawping like a tourist. I couldn't make up my mind whether the money spent on interior design and recreation facilities was a shrewd investment in staff, or an extravagant waste of money.

Interestingly, it wasn't only the furnishings and facilities that caught my eye, it was also what they had on the walls. Many of the offices I visited had reminders of their customers everywhere you looked. Whether it be posters of personas, or quotes from customers, the offices made sure the customer was at the center of everything being done.

I am used to the walls of large traditional organizations that display art, awards or photos of products or facilities. The businesses I tend to work with use their walls to promote themselves and their accomplishments, not focus on the user.
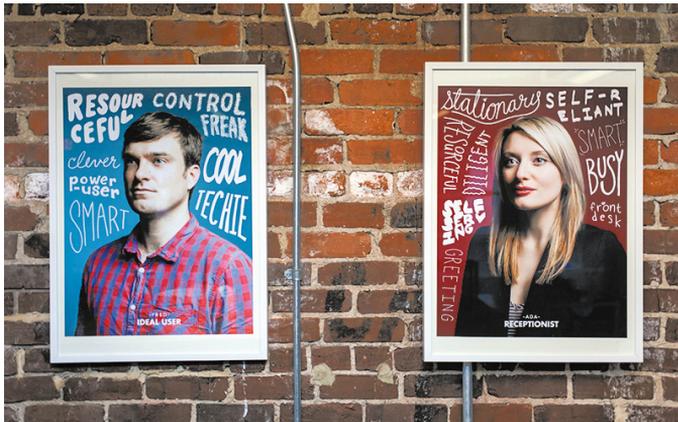
MailChimp uses its walls to display user personas.

The walls are representative of deeper differences in attitude. I often find myself in meetings where customers are barely mentioned. When they are, it is often in the form of out-of-date personas that were generated by a marketing agency years ago. These personas get handed around at the start of the meeting and then are largely ignored. The biggest problem I encounter is that most of the people attending these meetings have

little or no contact with the customer. They are marketers or executives, rather than customer service representatives.

In my opinion, these businesses (and indeed your own) need to learn from a company I recently encountered. I was catching up with a friend who had just accepted a job as a programmer at a company which built consumer budgeting software. He was excited about his new job, but moaning about the various hoops he had to jump through before he could properly start work.

"I have to spend two weeks doing customer support, before I can actually do my job," he complained. "They hired me as a programmer and yet are wasting my time making me talk to users who can't switch on a computer!"

I commiserated with my friend, while at the same time thinking what a great idea it was. After all, many of the people I work with could do with spending time listening to and seeing the experiences their consumers have. The sad truth is the larger a business grows, the more people there are who have little or no contact with the customer. It is also often senior management who have the least contact of all.

I realize that everybody spending two weeks doing front-line technical support might not be possible for all companies, but the vast majority of companies I encounter need to take customer service much more seriously.

The web is too cross-disciplinary to work in isolation or just hand-off work to the next person in the chain of production.

In her chapter in *Smashing Book 4: New Perspectives on web Design*, Rachel Andrew writes:

66 *Something that has always surprised us is the importance placed on support by our customers. How you treat customers who turn up in support will make a huge difference in how they feel about your product or service. Does their customer experience make them feel valued?*"

I've said it once and I should say it again: the web has made customers more savvy, cynical, and demanding. They now expect an unprecedented level of customer service. Organizations need to focus relentlessly on the user if they wish to remain competitive. If you are fortunate enough to work in a sector that doesn't demand this high level of customer service then you have been given a golden opportunity to exceed customers' expectations and gain a real competitive advantage. In either case, unless you are competing purely on price, you need to take steps to embed customer service into your culture.

One step in the right direction would be to make user testing a permanent and ongoing feature of your company's culture.

Speaking to Doug Bowman at Twitter drove home to me just how integrated user testing is with the culture of many digital companies. Doug is a quietly spoken, humble guy and yet has incredible experience working for leading companies in the digital field.

Doug considers it vital that none of the team at Twitter are isolated from users. He told me how during major development cycles, live feeds of user testing would be projected onto the wall of the room where the development team worked. This way developers were sure to be exposed to the challenges real users faced when interacting with their products. They also have an ongoing program of usability testing that is streamed to whoever is interested, and that any employee is welcome to attend in person. In fact, this is actively encouraged.

User testing is not a periodic event confined to a small team, but an ongoing, company-wide policy.

In short, user testing is not a periodic event confined to a small team, but an ongoing, company-wide policy.

In his book *Rocket Surgery Made Easy* usability expert Steve Krug recommends an ongoing program of monthly testing. He suggests to test a number of digital features with real users on the same day every

month. Like Doug at Twitter, he recommends that these sessions are open to anybody and that the morning is spent testing with a handful of users. Over lunch, those who watched the test come together and discuss the results. The idea is to make the event a regular feature in the company calendar and the lure of free lunch is used to encourage people to attend.

I like this approach because it is something anybody can do. It does not require any fancy equipment, beyond the ability to stream video from one room to another, so people can watch the test session. It has also been shown that regular lightweight testing is far more effective than expensive occasional testing.

Without regular testing that engages a large proportion of the company, you cannot hope to develop a service mentality across the organization.

This kind of testing is not just limited to a digital product like Twitter. It needs to be a fundamental component of all companies that wish to utilize digital technology and nurture a service culture. Without regular testing that engages a large proportion of the company, you cannot hope to develop a service mentality across the organization. What is more, without regular testing you cannot hope to ensure your digital assets keep pace with the speed of change and remain relevant to consumers.

But learning about your customers through the use of data and testing is only half the story when nurturing a service culture. The other half is actively engaging with customers.

ACTIVELY ENGAGING WITH CUSTOMERS

Early in this chapter I talked about the success story of Gary Vaynerchuk and Wine Library. If you were to ask Gary for the secret of his success, he would almost certainly tell you it was the community he nurtured. Gary doesn't just know his customers, he interacts with them in a personal way. In fact, for the longest time he would personally respond to every email he received, to the point that he spent the majority of his day doing it.

Gary understands that actively engaging with customers and building relationships with them has profound power. He knows that customers want to feel like more than cash cows waiting to be milked. Not only does this approach make his followers feel appreciated and so more likely to become customers, it also helps shape the direction of his business.

In the past this kind of market and product research could potentially cost millions. In the digital economy this kind of feedback is coming at you all the time.

Gary and others like him allow community feedback to shape his products and services. He is flexible enough to follow the desires of his community and give them what they want. In the past this kind of market and product research could potentially cost millions. In the digital economy, this kind of feedback is coming at you all the time and more can easily be encouraged by asking the right questions. All you have to do is listen and act on the feedback.

Not that you should blindly follow every piece of feedback you receive. This is especially true when introducing a new feature or design to a digital asset such as your website. Daniel Burka, who used to be the creative lead at Digg, the social news website, once told me that initial responses to any change are often negative. He advised waiting at least two weeks before acting on any feedback to allow people to adjust.

That said, the principle stands. Your community can play an integral part in how your digital presence and product line grows. You just need to ask them for their feedback and listen to the responses. Tim Brown, CEO and president of innovation and design firm IDEO, calls this *participatory design*. In his TED talk[6] he described it like this:

6   http://smashed.by/tim-brown

❝ *Design thinking is starting to explore the potential of participation — a shift from the passive relationship between consumer and producer to the active engagement of everyone in experiences that are meaningful, productive and profitable."*

We need to actively include the customer in the process of creation. That is not to say you create products based purely on customer feedback. After all, as Henry Ford famously said:

❝ *If I had asked people what they wanted, they would have said faster horses."*

The point is that this feedback helps inform new directions and gives you a better sense of what works and what doesn't. Innovation is still crucial, as is taking risks, but because digital makes collecting feedback so easy, cheap, and quick, it would be insanity not to listen. Good leaders listen to others and then make a decision about the direction they think is right. The question is: are we really listening?

Listening to consumers can only lead to better products that they feel a sense of ownership for. The more ownership they feel, the more loyalty they will have. Of course, this kind of understanding of and engagement with consumers is not free from effort. That is why an increasing number of organizations are appointing a head of customer experience. However, you will also find that a well-configured digital team can be instrumental in customer engagement. It can also be a fundamental component in nurturing a digital culture. It is this team I wish to look at in the next chapter.
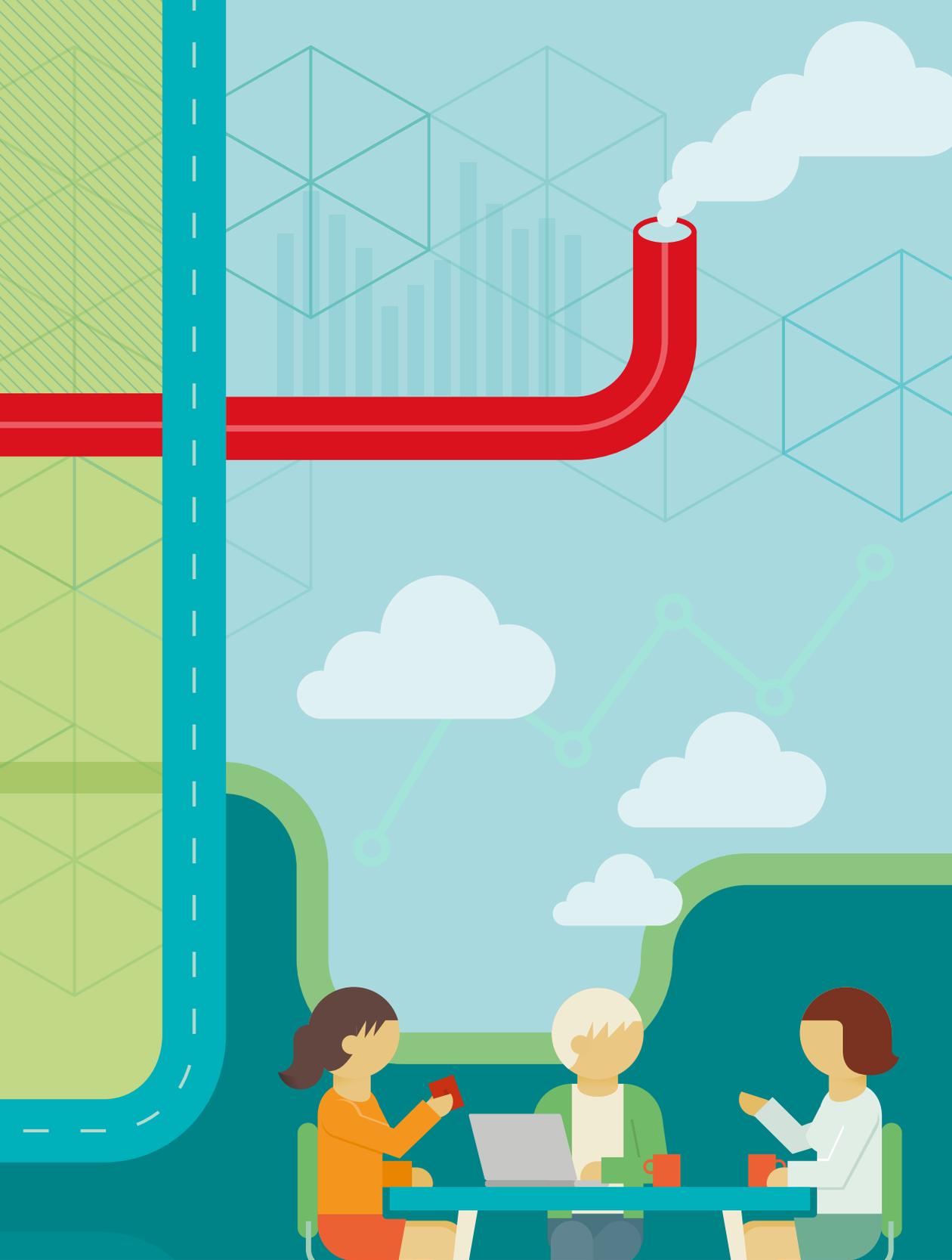
Digital Teams: Agents Of Change

> 66 The Finance function has a responsibility and authority over financial matters including policy and procedures, the HR function has a responsibility and authority over HR matters including policy and procedures — so the digital team should have responsibility and authority over digital matters."
>
> **Chris Scott**

Let me introduce you to two digital teams with very different attitudes. These teams will demonstrate that success doesn't just lie in available resources or the engagement of senior management, although both of these are important factors. It also lies in the attitude, makeup, and culture of your digital team.

The first digital team is a small group consisting of three people working for a research institute. The team is led by Dave. Dave is your typical middle manager with a degree in business studies and a copy of his Prince 2 certificate proudly framed on the wall. Dave was asked to form

a small digital team a couple of years ago, because he has some experience of managing technical projects for the institute.

Shortly after Dave took on the role, he was joined by Richard who came from IT. Richard has worked for the institute most of his career and has strong opinions about what he thinks will and won't work there. He is a competent coder, but has little interest in doing anything web-related out of work hours.

The final team member is John. John is a new graduate in computer science who joined the team last year. He is keen, but has found it hard adapting to life at the institute. This was not what he expected from a job in web development.

The second digital team works within a further education college and also consists of three people. The team leader, Anna, used to be the creative director at a web design agency and looks the part, wire-rimmed glasses and all. She was headhunted by the senior management of the college, because they needed somebody with web experience and an outside perspective to shake things up.

The two digital teams had very different approaches..

Anna certainly fits the bill and has been unafraid to challenge existing working practices within the college. In fact she has proved more disruptive than some of the management team would like.

On arriving at the college, Anna immediately hired two of her old colleagues. The first, Peter, is an excellent all-rounder with experience of design and front-end coding. The second, Lisa, is a content specialist with particular experience of working in social media.

All three members are avid participants in the web community, regularly taking part in local meetups and attending web design conferences. When they are not working, they are talking with the wider community and experimenting on various side projects.

Both teams make use of external contractors, but they do so in different ways. Dave uses them heavily. He often outsources projects because he doesn't have the staff internally to undertake anything other than the constant stream of minor requests he receives. Unfortunately, this often means he doesn't fully understand what they have built for him.

Anna, on the other hand, uses outside agencies more strategically. She strongly believes that the company needs to be involved in the creation of all its own digital assets, so they can manage them effectively over the long term. That said, there are many skills her small team does not have and she is happy to bring people in to provide those specialisms. For her the key is working collaboratively with those providers so her team fully understands what is produced.

I am convinced that the majority of organizations need at least one person who is responsible for digital and who has strong digital experience.

Note that in both of the examples I have given, the organizations have internal teams, although admittedly small ones. I am convinced that the majority of organizations need at least one person who is responsible for digital and who has strong digital experience. Relying solely on outside contractors does *not* provide the knowledge or direction organizations need to integrate digital.

External contractors do have their place but, as Anna demonstrates, this is to support and collaborate with the internal team, not to replace it.

As we progress, I will demonstrate that Anna and her team have a massive advantage over Dave. This begins with differences in how they perceive their role.

The Role Of A Digital Team

If you ask Dave what the role of his team is, he would say it is to support those across the institute who update the website via a content management system. Decentralizing the management of the website has led to a fragmented site, with a confusing user experience and multiple tones of voice.

But Dave is not overly concerned about this. That is not his job. His team's role is to maintain and amend the content management system to support content creators. This means that much of John's and Richard's days are spent providing technical support for other members of staff.

Ask the same question of Anna and you will get a different perspective. Although they also have a content management system, they do not see themselves as a service department. As far as Anna is concerned her team owns digital and its strategy. This includes the content of the website. Yes, they have experts in specific areas from across the college who help produce content, but the final copy is edited, owned, and published by Lisa.

Anna sees it as her job to look around the institution and identify areas that could benefit from the implementation of digital solutions. Her team then works with stakeholders from that part of the college to integrate digital into their workflow. In many cases this means reconsidering current working practices, rather than simply tacking on a digital component.

Anna believes the role of her team is to provide leadership, while Dave sees his team as a service to be used by others within the organization.

The biggest difference between Dave and Anna is their vision for the long-term role of the digital team. Dave sees his team as being a permanent feature of the organization. In fact, he believes that it will need to grow as the organization becomes more reliant on digital. He sincerely believes that digital can help the organization flourish, but lacks a clear vision of how to do that. In his mind the answer is simply to grow his team to meet increasing demand.

Anna has her eyes firmly fixed on the day when her team is no longer needed, because the organization becomes digital by default and her work is distributed across the college. Once people across the institution have digital integrated into their everyday work lives, senior management have a strong digital understanding, and it is closely integrated into organizational strategy, the need for a separate digital team will be unnecessary.

Anna is not naive. She realizes this is a long journey. She knows that her team will have to work closely with people from across the college and provide an ongoing program of education. She also sees it as her role to constantly push senior management to consider digital and encourage them to think digital first. To this end she has laid out a clear digital strategy and received management's approval for it.

She has taken control of digital assets from across the organization and is regularly running workshops and helping departments solve business problems with digital.

Current digital thinking   Future digital thinking
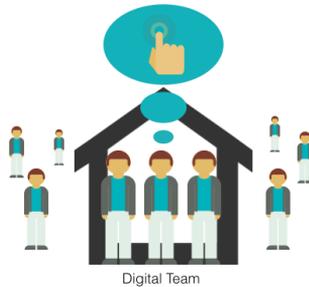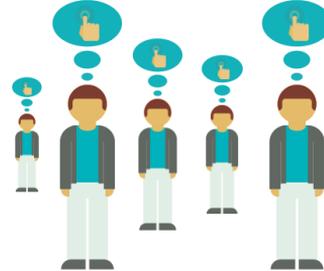
Digital Team

Anna's ultimate aim is to move away from a digital team leading digital. She wants everybody across the organization working towards a single objective that has digital components.

All of this sounds risky to Dave who would prefer not to rock the boat, while Richard (his long-term coder) has seen so many initiatives come and go that he is convinced nothing much will ever change.

As you can see, while one team is fired up with a clear vision and a plan for achieving it, the other is rudderless, simply responding to demands as they come in and lacking any sense of optimism.

The question is: which leadership approach best represents your company? If you are a member of a team like Dave's, perhaps it is time to ask whether a negative attitude and past disappointments are preventing you from taking initiative. Is it time to define the vision of where you want to be and find a path to get there? Is it time to revisit some of those old ideas that didn't work with a new perspective?

If you are a senior manager faced with a digital team like Dave's, ask yourself why they lack initiative and clear leadership. The senior management at the college in our example recognized the need for change and went out of their way to hire somebody like Anna. Perhaps you have a team like Dave's because you are too nervous of hiring someone who

will cause disruption. However, if what you have isn't working then something has to change.

A team cannot just exist on its own, though. I believe the most crucial component in any successful digital team is its leader. Whether you are senior management looking for a leader, or somebody who has been given that role, you need to know how to find a good digital lead.

The Search For An Exceptional Digital Lead

It is interesting to note what happened after Martha Lane Fox's report for the UK government was accepted. The first step (as Martha suggested) was to hire a digital lead. They chose Mike Bracken who was working at the Guardian newspaper heading up its digital transformation project.

It was Mike's remarkable leadership that helped form the Government Digital Service, establish its working practices and attract some of the leading lights in the digital community. So how did he do it?

Anna's attitude and approach to her team, especially when compared to Dave's, gives us an insight.

The first thing to note is that Anna is more than happy to operate at the highest levels of her organization. Because she is new to the college, she has not been conditioned by its hierarchy, and she's happy to challenge senior management. In fact, she already has a reputation for being a bit of a maverick, another key characteristic in facilitating digital change. Because digital is not an established part of the way organizations operate, it will take somebody willing to disrupt things.

In contrast, Dave has adopted a passive role. By positioning his team as a service department, he abdicates any leadership responsibility. He is, no doubt, institutionalized and intimidated by the leadership team. He fears for his job in an environment where failure is not looked on kindly. As a result, he is not about to rock the boat or take what he considers unnecessary risks.

When we look at Mike Bracken from the Government Digital Service, we see a man with a lot more in common with Anna than Dave. He is experienced in dealing with digital transformation projects and has done so in an industry under serious attack from digital. I have no doubt that he would be comfortable dealing with the highest levels of government and he has shown a willingness to challenge conventional practices.

> Instead of being led by a person who has worked their way up through the digital discipline, many web teams are run by a manager with little knowledge of the subject.

Another thing to note about Anna in comparison to Dave is her domain knowledge. Anna was an outside hire who has worked in digital her entire career. Dave is a manager, not a digital expert.

This is a common problem within many digital teams. Instead of being led by a person who has worked their way up through the digital discipline, many web teams are run by a manager with little knowledge of the subject.

This used to be understandable. Digital was a young discipline and many of those with domain experience lacked the maturity in team leadership to take on the role. However, the web is now twenty years old. There are people out there who have both digital knowledge and leadership skills.

That said, these leaders will still be young in comparison with most senior management teams and this can be a problem. Whether intentionally or not, some senior management teams are uncomfortable handing the reins of such a crucial business component to somebody they consider inexperienced. Of course, in reality this is absurd. Age is no indication of either experience or competence. Even the briefest examinations of the CEOs of major digital companies like Facebook proves that age should not be a consideration.

Even if you overcome prejudice, these people are still not easy to hire. Because of their experience in digital and its importance, they are much in demand. You will have to fight hard to hire them by offering good packages and significant freedom in their role. Even so, it is quite possible you will fail to attract the caliber of person you would want. What then? The only alternative available is training. One option is to take a digital specialist and provide them with the leadership training they require to do the job. The other is to take an experienced leader and train them in digital.

Training won't provide somebody with the confidence and experience to deal effectively with senior management.

Both approaches have their downsides. In neither case does training replace experience, but leadership training won't provide somebody with the confidence and experience to deal effectively with senior management. More importantly, training won't counteract the prejudice among some senior managers, or earn the respect required to push through tough decisions.

What about taking an experienced leader and teaching them about digital? Unfortunately, this isn't easy either. Established training courses

are limited and in many cases hopelessly out of date. There is no shortage of material available online, but the sheer volume of it can be intimidating.

In my experience the most effective approach is mentoring. This is where an external contractor can become valuable in working alongside your digital lead.

In chapter two I wrote about Matt Curry from Wiltshire Farm Foods, whose amazing grasp of analytics was instrumental in improving the conversion rate on his employer's e-commerce site by 10,000% over five years. Working with Matt was a pleasure, but when we started working together he was relatively inexperienced. But he had a razor-sharp mind and was keen to learn. By working side by side on projects, he quickly became an exceptional digital expert in his own right.

It is important to stress this was not an overnight transformation and came with its own challenges. Matt was under significant pressure from management to deliver and so he didn't have as much time as he should have had to develop his own skills. Also, management wasn't really paying us to help Matt improve his understanding of digital best practice. In their minds we were delivering a website. This meant that Matt was often left learning while he worked, which was hard at times.

What management should have realized was that the success of their digital presence relied on strong knowledgeable leadership.

What management should have realized was that the success of their digital presence relied on strong knowledgeable leadership, and therefore invested more heavily in Matt's personal development. They should have allowed time for Matt to learn as part of his job, rather than forcing him to do that during his evenings and weekends. They should also have contracted us to not just build a website, but provide training and support for Matt on an official basis. Finally, they should have worked with Matt more closely to set targets, rather than imposing them from above.

This would have encouraged Matt in his leadership role and made him feel more valued and less put upon. What the story of Wiltshire Farm Foods demonstrates is that even with less than perfect circumstances digital leaders can be mentored through an ongoing collaborative relationship with a competent outside contractor. It may be that in the initial stages of the relationship, the external contractor does most of the leading. But over time and with the right relationship, this will change and the contractor can take a backseat.

Notice that I have referred to leadership experience and not managerial skills. There are no standard operating procedures for digital because it hasn't been around long enough. It therefore requires more than a manager. A manager is somebody who manages projects; a leader leads people. Whether you hire somebody from the outside or promote from within, you need a person who has a spark of leadership potential, not good management credentials.

A leader is capable of forging a new path and outlining a clear vision of where you need to be. A leader is capable of communicating that vision in a way that inspires others to follow. This is key not just to deal with senior management, but also to attract good people.

But, the people you need are not the staff of the industrial economy. These are a different breed entirely, and they are not easy to attract and retain.

Attracting and Retaining Digital Staff

The changes digital is bringing to business go deeper than a new marketing channel or new products. Digital also has a profound impact on the way we work.

Digital has led to the rise of remote working, which has been further fuelled by the financial, ecological and time costs of commuting. In turn, remote working has further challenged the old industrial model. When employees work from home, they are required to be self-motivated and self-managed. Old perceptions of management begin to shift and even standards like the nine-to-five work day start to look out of place.

The web has also had a significant impact on the new generation of employees. It has fundamentally altered this generation's outlook on the world.
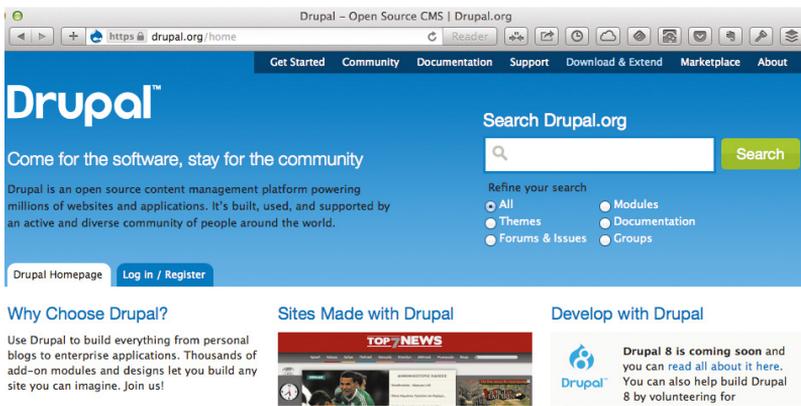
An open source project like Drupal is just one example of how the belief that you need rigid hierarchical structures to get stuff done is out of date.

The web is structured in a radically different way to traditional business. Where once the norm was a hierarchical structure, the web introduces an open network, where there is little in hierarchy. Those who lead do so because of their contribution, not because they have been handed power. Equally, where once people were assigned to a group by birth or career choice and remained loyal to that group, there is now a generation who choose to associate themselves with a group they admire or respect. They follow those who contribute value to the group or project they want to see furthered.

It is this new generation of employees that have the expertise you require to be digital by default. It is they who can make your organization digitally successful. It is these people you must attract.

You may be tempted to think that if these people want a job then they should fit in with your system. This creates two problems. First, the demand for the best digital professionals is higher than the supply and so they can pick and choose. This means they do not need to adapt to you. Second (and more importantly), you will not get the best from these people if you force them to conform.

As mentioned earlier, most traditional businesses are heavily influenced by the industrial economy of manufacturing. This focuses on standardization and efficiency, which works well when you have a poorly skilled workforce doing repetitive tasks. However, most businesses are no longer manufacturing companies. Most are driven by knowledge workers, people who are hired for their knowledge, experience, and skills.
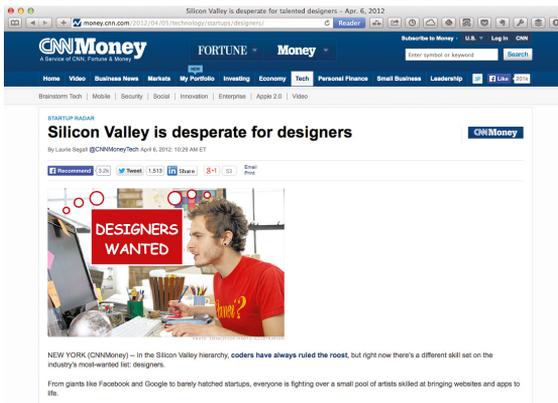
The demand for digital professionals is so high that the best can pick and choose which jobs they take.

Knowledge workers are required to think creatively, intelligently, and independently. If you endeavor to fit them into an industrial model then you will never get their best. Some may accept this state of affairs, but the new generation of web workers are considerably less likely to do so.

What then needs to be done to attract and retain these web professionals, and how can they be effectively directed and motivated?

FREEDOM AND LIGHT LEADERSHIP

The most important factor is to give your digital team the freedom to do its job and set its own direction. This is a new and very light form of leadership based on respect rather than authority. It means relinquishing control and allowing people to direct their own roles.

I am not suggesting staff should be given the freedom employees of Valve or GitHub have. Although this might ultimately be beneficial to both employee and organization, it requires such profound organizational change that it is beyond the reach of most companies.

To explain how this lighter approach to leadership works, let's once again look to Dave and Anna.

Dave's team works in a traditional manner. When work requests come in, they are assigned by Dave to either Richard or John, depending on skills and available time. Dave then monitors them regularly to ensure progress is being made and that the deadlines he sets are met.

Anna takes a lighter approach to her leadership role. She has regular meetings with her team to discuss potential work that could be done. Together the team decides on what work should be undertaken as a matter of priority and who should do what. The person who ends up working on a particular task will agree with Anna how long they expect it to take. Then they are left to get on with it. If either Lisa or Peter encounter a roadblock that prevents them from progressing, they go back to Anna for help. Otherwise it is presumed that they will deliver by the deadline agreed.

> Dave's approach demonstrates a lack of trust and also gives his team little control over their own work, while Anna presumes they are professionals who will do their job.

Dave's approach demonstrates a lack of trust and also gives his team little control over their own work, while Anna presumes they are professionals who will do their job. It is trust and freedom that will see the

biggest return from digital workers, and it is what they will expect to find when joining a new company.

For some senior management teams and team leaders this is going to be a hard transition to stomach. As the Harvard Business Review wrote:

" *Senior leaders need to get used to the idea of abandoning absolute control. This has profound implications for organizational change.*

To give you an idea of how much of a culture shock this might be, imagine being the CEO of a company and arriving at work one day to discover your company had a new tagline. This was not something you had approved or even been aware was in the works, it just appeared — a major new piece of corporate identity rolled out without your input.

This is exactly what happened to Ben Chestnut, CEO of MailChimp, and yet his response wasn't to fly off the handle or demand to know what was going on. He understood that this was the natural result of the company culture he had strived to create. He wanted independent, self-motivated, creative people and that was what he got. Yes, he was slightly concerned he hadn't been consulted, but as he said on his own blog it was "pretty spot-on, so I got over it."[7]

The CEO of MailChimp empowers his staff to make significant business decisions, such as changing the company's tagline, without necessarily consulting him.

7   http://smashed.by/love

This lightness in leadership is manifested in other ways, too. Employees should largely be allowed to work when and where they want, as long as the work gets done. Of course, getting the work done sometimes requires employees to turn up to meetings, or work alongside other members of staff. In such cases they will have to be available at a specific time and in a specific place. However, this is different from insisting that employees work within arbitrary constraints.

That is the key to getting the best from digital workers — they need to see the reason for management decisions. It is not enough to tell them how things are going to be; they need to understand *why* a direction has been chosen.

Marissa Mayer, CEO of Yahoo, made this mistake when she ended a long-running *work from home* policy, insisting employees came into the office. For many of my friends and colleagues at Yahoo this was the last straw and the new policy led to an exodus of talent from the company. Mayer's mistake was not the policy itself, it was the refusal to adequately explain it. She did eventually reveal that she was trying to foster a culture of collaboration, but this came too late to stop the back-lash. Transparency and a consultative approach are so vital in running an effective digital team.

Marissa Mayer's decision to end remote working at Yahoo caused significant bad press for the company and led to others speaking out in defence of the practice.

Interestingly, at the time of writing, my own company is struggling with the issue of working from home. We recognize the benefits that come from working together and yet don't want to lose the productivity that comes from home working by banning it entirely. Unlike Mayer we are not going to force people into the office. Instead, we are working hard to create a working environment that people choose to use more often. We are not taking this approach because we fear upsetting our staff. We are investing in our offices because we know that a great working environment is a key component in getting the best from a digital team.

CREATING THE RIGHT WORKING ENVIRONMENT

Among my enduring memories of IBM are the cubicles. To this day I can see heads popping up above the gray screen dividers, like meerkats afraid of a predator.

Cubicles may be an efficient use of space, but they do not create a collaborative, creative, or even productive working environment. I remember discovering that according to European Union legislation, a cow had to be kept in more space than I had in my cubicle. Apparently it was inhumane to keep a cow in the space I worked in every day.

The impact of your working environment is not just limited to productivity, creativity, and collaboration. It also has an impact on health, happiness, and most significantly from a business perspective, your products.

Phil Libin put it nicely when he said:

" *When you look at any product, and kind of squint at it, you can see the reflection of the company that made it. You can see what the office looks like and how it's organized and see whether they're in cubes or not. Every product is a reflection of the company and its culture and physical space.*

Phil is the CEO of Evernote, an application that helps you remember everything in your life using your phone, desktop, or tablet. He is obsessed with his employees and hates that his company is now too big for him to

know everybody personally. Instead, he puts his efforts into creating a happy working environment for them. Not only has he poured his attention and money into their office space, he has also gone on a personal crusade against signage.

66 *I declared war a few months ago on stupid office signs. I realized that I started seeing signs around the office everywhere. Like, 'Your mother doesn't work here, make sure you wash the dishes after yourself.' And the signs suck. They're passive aggressive.*

For him, it is these kinds of details that define a good working environment. Your office shapes the atmosphere and culture of an organization, and so you must be acutely aware of the kind of environment you are shaping.

Employee happiness is an incredibly important factor in the digital economy. Like all employees, digital professionals are at their most effective when they enjoy their jobs and working environment. Happiness has a direct impact on daily productivity, sickness, and the length of time somebody remains at a company. All of these factors have a direct impact on an organization's profitability.

This is not all about toys. Whether it is appropriate for your office to have a pool table or a beanbag area is up to you. Yes, these things help shape the culture of a place, but they are not critical to people being effective or happy in their jobs. However, the factors that are crucial include:

- A space that encourages collaborative idea generation.
- A flexible workspace.
- A well-equipped environment.

I am amazed how few offices are configured for idea generation. Digital teams that sit in offices with no walls to pin up work on, let alone chalkboards, whiteboards, interactive screens, or even a table people can sit around! Yes, there are meeting rooms, but these are shared spaces and

only visited occasionally. These are not places to make a mess, throw around ideas, and leave them on display for future group discussion.

If you want your digital team to innovate and collaborate you must create an environment that encourages it. If you walk around any of the digital companies I have mentioned in this book, you will see people huddled around tables strewn with paper, and the walls will be covered in Post-it notes and wireframes. From the outside it looks chaotic, but for the teams involved it is about easily sharing ideas.

Valve values a flexible working environment to the point that all desks have wheels and the office layout changes regularly. Image credit: http://bit.ly/1kBGCFu

To foster this kind of collaboration and discussion, you need a flexible working environment that can adapt according to requirements. MailChimp solves this with movable whiteboards and empty desks scattered throughout its offices that anybody can commandeer. The game company Valve emphasizes flexibility by using desks with wheels, so they can be moved around as required. As a minimum you should have a permanent meeting space dedicated to the digital team and maybe desks big enough for two people to sit and work together. You will also need ample wall space for pinning up ideas and an endless supply of Post-it notes.

Equipping your team properly is an important factor in its effectiveness. You wouldn't expect a professional tradesman to work with the same DIY tools we buy from B&Q, so why do so many companies insist that their digital teams use the same technology as the rest of the organization? What some perceive as luxuries such as smartphones, high-end computers,

and tablets, are in fact tools of the trade for a digital professional. They shouldn't have to fight to get these tools, they should just be provided.

The problem is that IT departments like to standardize in order to make their lives easier. They expect everybody to use the same hardware and software. This is problematic for a digital professional, because their requirements are different to the rest of the organization. Also, they are used to certain tools and know them to be superior.

Nothing will frustrate digital professionals more than restricting their access to the web or the software they can install.

Nothing will frustrate digital professionals more than restricting their access to the web or forcing them to use Microsoft Outlook when they have been using Gmail for years. In fact, restricting what software they can install, or even the computers they use, is going to hamper their effectiveness and their desire to work for you. To give you an example of just how frustrating and unproductive this can be, let me share my own experience of working on-site with a client.

The client was a large pharmaceutical company which was incredibly paranoid about its intellectual property. The company was so paranoid and locked down that it was seriously hampering its effectiveness. To start with, they were reluctant for me to bring my own MacBook on-site. They wanted me to work using one of their standard Windows computers. This was difficult as I hadn't used Windows for years and didn't have any of the software required for me to do my job.

They eventually agreed, but this proved to be just one of many hurdles I had to clear. Getting on to their network so I could gain internet access took over half a day, mainly because the IT department didn't support Apple products.

Eventually, it looked like I was all set. I had my own computer, own software and internet access. What more could I need? I quickly found I needed a lot more! The company had closed down access to social

network sites because it didn't trust its employees. I couldn't send files to the web server, because that port had been disabled for security, and it took several phone calls and a lot of frustration to even access the internal development server.

In the end, I discovered it was simply more efficient to work from home. In many ways that is the crux of the problem. The work environment should aid and not hinder work. If going home and working there is more efficient for a member of your staff, then you know something is wrong. In too many companies digital team members have better hardware, faster connections, and fewer restrictions at home than they do at work.

The work environment should aid and not hinder work. If going home and working there is more efficient for a member of your staff, then you know something is wrong.

The equipment you supply to employees represents how much you value them, and when it comes to digital, people are your most important asset. It is critical that you invest in them.

INVEST IN YOUR PEOPLE

One of the huge benefits of digital is its low cost of production. With nothing more than a computer, internet access, and some open source software you can create a website that competes with world-class brands and reach an audience far bigger than any TV advertising campaign.

However, to achieve this you need one other thing — you need *knowledge*. You need experts in creating digital solutions. They are your most valuable asset. They are what gives you the competitive advantage over the competition. If you have better people, then you win the digital game. It is therefore crucial to invest in your staff. Investing in the right tools is one aspect, but it is not the whole story. You also have to invest in *maintaining* your staff's knowledge and expertise.

Because of the rapid rate of innovation, employee knowledge degrades over time if not properly maintained. Back in the late 1990s I worked for a dot-com company with some incredibly talented people who were at the cutting edge of the web. I have kept in touch with many of them. Interestingly, fifteen years on and we are not all in the same place. Some, like myself, went on to run their own businesses and invested heavily in staying current. Others were hired by companies who failed to invest in their staff. The result is a huge gap in knowledge. Those who were unfortunate enough to end up in the wrong companies are still building websites like it is 1999, while the rest of us have moved on. The quality difference is striking.

If you have better people, then you win the digital game. It is therefore crucial to invest in your staff.

The lesson is simple: it is absolutely crucial to give your staff the time and opportunity to keep their skills sharp. If you do not, then your organization will fall behind in the digital arena. Fortunately, doing this is relatively easy and requires little work on your part. That is because digital workers have an incentive to remain knowledgable and so will motivate themselves. You just have to facilitate that.

Probably the most important thing you can do is give them time to learn and experiment. Experimenting with new technologies and techniques is a crucial learning approach, and yet not something that can be done on a public website. When a new technique or technology emerges there is no guarantee it will be reliable enough to roll out to a live environment, and no digital worker would do so without thorough testing. This means that they need time away from production work to experiment with new approaches. This is effectively what companies like Google with its 20% time are providing. They are ring-fencing employees' time to learn and experiment.

It is not just time for experimentation you need to provide; it is also time to meet up with other digital professionals. Although the web is an excellent source of information, nothing beats sitting down and chatting with colleagues who face similar problems. Fortunately, there is no shortage of places to do this. From local meetups and workshops to national conferences, there is always an opportunity to learn from some of the leading lights in the digital community and talk to peers. This is such a crucial component of digital learning that organizations need to support it by providing time off and covering expenses.

Digital agency Clearleft, based in Brighton, UK, recognizes the importance of this kind of learning. They not only encourage their staff to attend conferences by allocating them a training budget of £1,000 a year, they also host a number of their own web design conferences including dConstruct, Ampersand, and UX London. Although hosting your own conference could be beyond your means, providing staff with a training budget is standard practice across the digital sector and something you should emulate. A training budget can be spent attending conferences, but could just as easily go toward online learning courses or books like this one.

In fact, at digital software company Dootrix, the founders Rob Borley and Kevin Smith have bought Kindles for all their staff, and given them an unlimited budget to buy as many books as they can read. These kinds of programs not only keep employees educated, they also help build morale within the team.

Craig Rowe
@cargowire

Wondering who will buy the first ebook on dootrix kindles and what it will be... *waits to see fifty shades of grey appear*

← Reply ↺ Retweet ★ Favourite ⬓ Buffer ••• More

8:27 AM - 13 May 13

Rob Borley @bobscape   13 May
@cargowire It's a big pysc experiment going on.
Details   ← Reply ↺ Retweet ★ Favourite ⬓ Buffer ••• More

Software company Dootrix bought Kindles for all their staff, and gave them an unlimited budget to buy all the books they could read.

Through investing in your staff, empowering them to manage their own work, and creating the right working environment you will quickly attract the right kind of people. The question then becomes: who exactly do you need in your digital team?

Who Should Be In Your Digital Team?

"We need another developer," Steve told me sincerely, while looking at the resourcing chart on the wall. We were sitting in a meeting room at the large nutrition company he worked for.

"Really?" I asked. "It looks to me like you have more than enough developers already." Steve frowned at me, running his hands through his graying hair. "What do you mean?" he asked. "You can see the projects we have on — the three of us are not going to be enough."

He was right. Based on what the team was currently working on, they didn't have enough developers. My problem was that his team was made up solely of developers and as a result the projects they chose to do were entirely technical. Content, design, user experience, and indeed every other area of digital were being woefully neglected, and yet Steve couldn't see that. He just saw that he didn't have enough people to do what was currently on his plate.

This scenario is all too common. Digital teams get caught in a vicious cycle. They are defined by the work they have, and the work they have is defined by the shape of the team. This can badly skew how the organization approaches digital. Moreover, this skew is often toward the technical. Because websites were originally managed by IT, they were primarily owned and run by developers. Although things have changed over the years, I still see a heavy bias toward technical staff within most digital teams I encounter.

The reason I raise Steve's story is to emphasize the need to step back and look at the bigger picture when talking about the shape of your digital team. You cannot look at the work you currently have on, and you cannot focus too heavily on the people you have. The first step in deciding who you need is to know where you are going. You need the digital strategy in place. Only then can you look at who you will need to fulfill it.

The first step in deciding who you need is to know where you are going.

There is no simple template for defining what kinds of roles you require within your digital team. It depends on your strategy and the type of organization. That said, focusing too heavily on roles isn't always the most useful of approaches anyway.

FOCUS ON SKILLS, NOT ROLES

Narrowly defined job descriptions are often useless in the fast-moving arena of digital. Worse still, they can limit people's creativity and talent, and prevent them from innovating in other areas for fear of stepping on somebody else's toes. Everybody can have the occasional good design idea, even a non-designer. Everybody can make business suggestions and everybody should *certainly* be focused on user needs.

What matters is not what roles you have, but what *skills* you require. This is something that Jesse James Garrett identified back in 2003.

Jesse is the co-founder of digital agency Adaptive Path and wrote *The Elements of User Experience*, a bible for many web designers. He also coined the term *Ajax*, which represents the technologies that drive many of the interactions online. He is a great public speaker and has an incisive mind.

In 2003 he wrote an article called "The Nine Pillars of Successful Web Teams" [8] which is just as relevant to today's digital teams as it was when originally written. Jesse splits the skills required for a successful digital team into two categories: those that are *tactical*; and those that are *strategic*. The skills he considers strategic fall into the following categories.

- *User research*: The skills necessary to understand what users need, how they think, and what drives their behavior. These skills remain at the heart of modern digital design.

- *Overall strategy*: The ability to develop a strategy for your digital direction, including how digital can support broader organizational goals and objectives.

- *Content strategy*: These skills revolve around the role and nature of digital content. They include how content should be created, managed, and what tone it sets.

8 http://smashed.by/9-pillars

- *Technology strategy*: This focuses on the standards and technologies which underpin your digital strategy. It has a particular focus on how one technology integrates with another.

Jesse also referred to another skill that encompasses both strategic and tactical categories which he termed *abstract design*. I prefer to think of this as a *design framework*, where somebody establishes the tone of voice or design language. It sets design principles, creates wireframes, outlines user journeys, and establishes broad aesthetics.

Alongside these strategic skills and what I have called a design framework, Jesse identified a number of tactical skills that ensure a digital team is able to deliver on the vision. These included:

- *Project management*: Although most digital teams should be largely self-managed, project management skills still need to be present. Project management skills are required to drive delivery forward and ensure that the final deliverable is focused and within budget.

- *Technical implementation*: Building technical systems is an intrinsic part of most modern websites and involves specialized knowledge including languages, protocols, coding, debugging, and testing.

- *Content production*: Once a content strategy is in place, somebody needs the skills to gather raw material and transform that into engaging content through an editorial process of writing and review.

- *Design implementation*: Where the design framework focuses on the big picture, design implementation is obsessed with the details, both in terms of visual appearance, but also more specific user interactions.

Ten years on from Jesse's article, it is hard to think of any skills missing from his pillars. The only skill that could possibly be missing is data analysis. Though similar in some ways to user research, it extends beyond this. It also includes tracking key performance indicators, and understanding

the site and user behavior through analytics and split testing. This is certainly a skill set we are seeing emerge within large digital players like Twitter, where there is a huge amount of data available. E-commerce is also an area where large amounts of data analysis is done in the pursuit of ever higher conversion rates.

I suspect that over the coming years we will find this skill in all organizations which take digital seriously. Already we are seeing business publications such as Forbes asking whether companies need a chief analytics officer[9]. This makes a lot of sense when you are building an organization that is digital by default. It makes even more sense in an organization trying to be user-centric in its approach.

Not that you necessarily require a chief analytics officer. Remember, it's not about roles, it's about skills. It is enough to have somebody with data analytical skills, even if they have other responsibilities, too.

That is the key here. Yes, you require the full set of skills outlined above, but those skills don't necessarily map to individual people in individual roles. It is quite possible to have one individual capable of producing a design framework and then doing design implementation. Equally, one individual could easily provide both the overall strategy and project management skills.

This scenario is particularly common in smaller teams where there is simply not enough work to justify experts in specific disciplines. That is perfectly fine. In fact, there are distinct advantages to having a team of generalists. Because a generalist has experience in a broad number of areas, they better understand the work being produced by more specialist colleagues. This often creates a more streamlined and harmonious environment, because teams of specialists can sometimes come into conflict through different competing priorities, methods of communicating, and challenges they have to overcome.

9   http://smashed.by/cao

In smaller teams it is common for one person to fulfill multiple roles, while in larger teams there can be specialists and even multiple people dedicated to the same role.

That said, as your team grows, you will probably choose to bring in specialists in order to deepen your skill set. You may even reach the point where you need multiple individuals with the same skills. This is often true with things like content production or technical implementation, where the workload can be high.

How many people you need depends on three factors:

- *Size*: Size refers to the number of assets you have to maintain, whether they're individual webpages, entire sites, or mobile applications.

- *Complexity*: If you work with extremely complex and challenging user journeys or technical systems, you'll need a much larger team. I have also seen teams forced to expand to cope with the complexity of working with multiple stakeholders and dealing with internal politics!

- *Usage*: If your digital assets are used by millions of people every day, the need to create a robust, well-supported product increases dramatically. Achieving this will require a bigger team.

In other words, if you have a website with many thousands of pages, integrated with complex underlying systems, and visited by many millions of people, then you can expect to have a substantial team supporting it.

Unfortunately, exactly how big your team should be and what configuration of skills it will require is impossible for me to say. However, I will say this: most teams I encounter are under-resourced. This is because many senior managers believe that once a digital asset (such as a website) is launched, it largely runs itself. As you will have gathered by now, and as will be driven home in the next chapter, nothing could be further from the truth.

So, let us presume for a minute that your team is under-resourced. What do you need to consider to remedy the situation?

HIRING DIGITAL WORKERS

Before you can consider hiring somebody, you need to ask two questions. First, is this a short-term problem in workload? Second, what skills do I lack? The answer to these questions will define your approach and whether you need a permanent member of staff or an external contractor.

For example, if you have a team configured to make incremental improvements, but need to undertake a major reinvention of a digital asset, then it may be appropriate to get the help of an outside contractor. Another scenario is that you require a skill, but do not have enough work to employ somebody permanently dedicated to that area. In that case, you can either look for somebody with multiple skills (including the one you need), or you could get a specialist in temporarily.

As I run an external agency this may strike you as a strange thing for me to say, but be careful when hiring an outside contractor.

As I run an external agency this may strike you as a strange thing for me to say, but be careful when hiring an outside contractor. Companies have traditionally relied heavily on outside agencies to build their digital assets. Although this can be a simple way to

work, it doesn't move your organization toward a place of digital expertise. By using an outside agency, the expertise, experience, and knowledge remain locked away from your company. You may end up with a great website or mobile app, but you have learnt nothing in the process and have not taken ownership of your digital strategy.

I have come to believe that if an organization is going to use an outside contractor, it should happen in close collaboration with the internal team. This ensures the internal team is just as involved in the creation of the digital asset as the agency. The deliverable should represent a transfer of knowledge and expertise as much as it should be a final product. Ideally, this would involve the formation of a combined product team, made up of both internal and external staff. This combined team should work on the asset together at a single location whenever possible.

Skills can be learned, attitude cannot

Again, whether hiring an internal member of staff or an outside contractor, be careful not to focus too heavily on their skill set. There are other factors that need just as much consideration. You will find no shortage of applicants who look good on paper, with experience of the right technology or an impressive portfolio. It is the more subtle qualities, however, that distinguish good applicants from bad.

Talk to employers like GitHub, Basecamp, Valve, Google, or any other digital company, and they will talk more about culture and personality than skills. From their perspective skills can be learned, attitude cannot. Like these employers, you need to seek out employees whose personalities match the kind of culture you wish to create. That is not to say they should all be the same kind of person, but they should share your vision for the direction and culture of the team.

Even more importantly, you need to seek out innovators, experimenters, and lifelong learners. Somebody who does their job and then goes home at the end of the day is not enough. I am not suggesting you want workaholics with no work-life balance though.

But you do need somebody with a proven track record of side projects, half-baked ideas and a plethora of failed experiments. Somebody like this is always trying new things, always stretching themselves, and will not allow the organization to fall behind. Personally, I particularly look for somebody with a history of failures, but more on that later.

For now, I want to encourage you to look beyond the résumé. Seek somebody with the personality and approach that will push your company toward being digital by default. Somebody whose thinking will not comfortably sit alongside the way things have traditionally been done.

Finding the right candidate is as much about posting the right job listing as it is reviewing résumés. A job listing should be more than a list of required skills and qualifications[10]. It should focus on the personality you are after and the kinds of characteristics you want to see. By now you can see the picture I am building of a digital team. A team that will challenge the traditional ways you have done business, and integrate digital into the heart of the organization. Before we move on to look at how this team will operate on a daily basis, we need to look at who they report to.

Lines Of Reporting

I work a lot in the higher education sector. Every time I go into a new institution it feels like a lottery as to which part of the organization I will be interacting with. The digital team can feel like a Ping-Pong ball that ricochets around the organization. You are never quite sure where it will end up. Sometimes it is communications or marketing, other times it can be found hidden in information services or IT. I even worked with one institution where the web team reported to the library!

For years, this bouncing about was caused by the fact nobody really understood the web team or particularly wanted it.

> The digital team can feel like a Ping-Pong ball that ricochets around the organization. You are never quite sure where it will end up.

10 http://smashed.by/good-bad

Now the opposite is the case, with departments fighting over who will control the digital team and the web. Hours of endless arguments and energy have been expended on the subject and, ironically, it really doesn't matter much.

Lisa Welchman, a self-described "Web therapist" helping organizations come to terms with the changes that digital has brought, put it this way:

66 *...don't get hung up on where the web team should "live." Rather, when looking at web resources in aggregate across the organization, get hung up on making sure the function exists and is complete and orchestrated.*

Probably the world's most experienced figure in web strategy and governance, Lisa has an eerie ability to cut through organizational bureaucracy and focus on what matters, as she does beautifully in the quotation above. Like Lisa, I believe we shouldn't spend too much time discussing where the digital team should sit. What matters is that it has access to the highest levels of management in order to affect company culture, and that it has the freedom to set the digital direction.

The answer lies in a strong digital lead, a digitally aware representative in senior management, and a responsibility matrix that ensures the right people are consulted over the right issues.

Where digital sits only matters when the parent department dictates its direction or blocks its access to senior management. Unfortunately, this happens all too often. But moving it to a different part of the organization probably won't solve this problem. You need to address the control issues, not simply change the master.

The answer lies in a strong digital lead, a digitally aware representative in senior management, and a responsibility matrix that ensures the right people are consulted over the right issues. If you get those things in place, then at the end of the day it doesn't really matter where the team sits in the organizational tree.

What matters more is that they have freedom. Freedom not just to set the digital direction, but to work in a way that is most suited to encouraging digital innovation. That is the subject of our next chapter.

Digital Demands A Different Way Of Working

> 66 Instead of thinking about what to build, build in order to think. It's only when we put our ideas out into the world that we really begin to understand their strengths and weaknesses."
>
> **Tim Brown, CEO of IDEO**

What do Finnish startup Fruugo, Birmingham City Council, the UK Department of Trade and Industry, and early e-commerce retailer Boo.com all have in common? The answer is that they wasted money on the web in spectacular style.

Fruugo spent €40 million on its site and generated only €100,000. Birmingham City Council spent an unprecedented £2.5 million on its website, running more than £2 million over budget. Parts of the Department of Trade and Industry website cost a staggering £11.78 per visit, while Boo.com spent $135 million of venture capital in just eighteen months.

There is no shortage of failures like these, from the London Olympics website to the UK Business Link website. The costs are staggering and the impacts devastating. A more recent example was the public failure of Healthcare.gov in the United States. The site, plagued with technical difficulties at its launch, has so far cost the American tax payer $319 million, and this figure could rise to a whopping $677 million — the original budget was $93 million. There has been much debate in the media about why websites like Healthcare.gov fail and there is no single reason. In the case of Healthcare.gov, however, it would appear a significant factor was the tendering process.

Large organizations, and particularly governments, attempt to protect themselves against poor purchasing choices with robust and restrictive procurement processes. These processes work well when purchasing commodities, but are not suited to delivering complex technical solutions. Procurement departments often do not have the knowledge required to make good digital purchasing decisions. Also, the complex tendering process excludes any company unfamiliar with these procedures, or companies unable to swallow the costs of jumping through the required hoops.
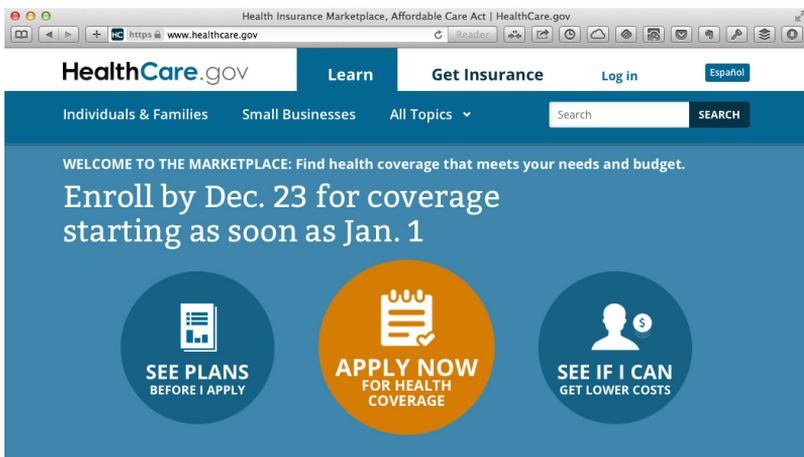
Healthcare.gov is just one example of an incredibly expensive web project that failed to deliver.

The result is that only a few large technology companies bid for tenders of this nature. Worse still, these companies rarely have the experienced web professionals required to deliver, because they do not provide the right kind of culture to attract them. In short, projects such as Healthcare.gov are doomed to fail because the procurement process excludes the vast majority of digital professionals capable of delivering. That said, procurement problems are not the most common reason for failure.

Web projects fail for all kinds of reasons, but *scale* is a significant factor. Whether that is scale in terms of features, technical complexity, number of pages, or sheer volume of traffic, it is a recurring theme. For example, Healthcare.gov had to integrate with too many legacy systems in too short a time, and so it was not thoroughly tested before launch. In the case of the London Olympics website, the sheer volume of traffic proved to be the problem with over 39.6 billion page views during the two and half weeks of the Games.

But if size was such a big factor in the failure of these projects, how come other large undertakings like the previously mentioned GOV.UK website avoid these problems?

The answer lies in how those projects are managed. The more complex and ambitious your digital project, the more traditional management approaches will struggle to scale.

The more complex and ambitious your digital project, the more traditional management approaches will struggle to scale.

Why Digital Projects Fail

Let me introduce you to Graham, who heads the digital team at a large bricks-and-mortar retailer. He is a gently spoken man, whose smartly dressed appearance reflects his ordered nature and attention to detail.

He has run the digital team for several years now. He was also a part of the team that built the current e-commerce site. Although the site has been moderately successful, it has not met the expectations of senior

management. That is why the senior management team has asked Graham to undertake a complete redesign of the site. They hope that a major relaunch will get the site back on track.

Graham's team is small, barely enough to carry out ongoing maintenance, but management have given Graham permission to hire outside help. He has everything he needs, he just has to begin.

Unfortunately, Graham is struggling. This is a massive undertaking for him and he is intimidated by the complexity of the job. Neither he nor anybody else in the company has undertaken a redesign this large. Yes, the website has been redesigned in the past, but it was much simpler then, with less functionality and no integration with systems such as stock management. He is also conscious that this is a huge investment for the company, and he is not entirely convinced it will provide the results senior management wants. There are a lot of unknowns, and that makes somebody with Graham's attention to detail nervous.

It can prove nearly impossible to accurately specify large web projects due to the huge number of variables and complexities.

Graham decides that the only way to get control of the situation is to fully define it. That means writing a complete specification of all requirements. It's a big piece of work, but if he is going to engage an outside contractor they will need this to provide a quote. The work takes weeks

and he is forced to go into excruciating detail in order to understand the functionality and points of integration. All of this needs replicating on the new site, and then additional functionality will be required if he hopes to improve sales.

Eventually he is finished and has a clear idea of what the project involves. Unfortunately, discovering quite how deep the complexity goes has left him more, not less intimidated. But at least he now has a clear brief to provide to external contractors, and he understands what work his internal developers need to do.

Several more weeks pass while Graham identifies and vets a series of suppliers. Several other stakeholders want to be involved in this process which delays things further, but in the end a contractor is selected and work finally begins.

Weeks and then months fly by as the contractor works away in isolation. Before long, senior management begins to get impatient. Unfortunately, Graham has little to show them beyond some pretty designs and a few wireframes. Most of the effort is going into the underlying code.

Weeks and then months fly by as the contractor works away in isolation. Before long, senior management begins to get impatient.

Eventually the contracted work is done and it can be handed across to the in-house developers. This is where the real trouble begins. Several of their ideas are impractical from a development point of view and Graham is forced to make compromises. This means telling management that the designs they have seen will change and that the timeline will slip. Reluctantly, management agrees and work continues. With management now increasingly unhappy and Graham feeling the pressure, work proves painful and the morale of the entire team is low.

Finally, they are ready to launch. The new website is launched and Graham holds his breath. Will the new site perform better than the old

one? He can only hope because his contractors are gone, his budget is exhausted, and his team is back to its maintenance level. He has a senior management team expecting results and if he doesn't deliver, he will be out of a job.

I am not going to tell you whether Graham's new site is a success or not. That is not the point. The point is the *process*, and to a large extent that the entire undertaking was a lottery. It might succeed, or it might turn into one of the expensive failures I began this chapter with. What I do want to do is highlight some of the shortcomings in Graham's process, so we can learn from it.

To be fair to poor old Graham, the heart of the problem was not of his own making. It was senior management's decision to undertake a complete redesign. That said, although the problem was not of his own making, he could have fixed things early on by explaining to management the dangers of a complete redesign. After all, Graham knew enough to realize that complete redesigns like this are a high-risk venture, especially for an e-commerce site.

Unfortunately, many management teams still view the web as a glorified brochure, despite having staff who keep it up to date. In their minds, once the website is online, it is done. Yes, details maybe occasionally updated, but you don't continually evolve it. It's like a printed brochure: it is finished and you move on to the next thing. In fact, the mental connection with print material is so deep-rooted that they obsess about getting it right first time. It doesn't sink in that change is relatively easy. They are still thinking about print, where the cost of change is enormous.

> Many management teams still view the web as a glorified brochure. It doesn't sink in that change is relatively easy.

Organizations also like finite projects and they have come to see the web in this regard. A project has a start, middle, and an end. It has a point when the project is done and you can move on to something else. Projects

have finite budgets that are easy to account for. Unfortunately, this kind of thinking leads to what I have come to call the *boom–bust of web design*.

The boom–bust cycle is one of periodic investment. A website receives funding for a finite redesign project, and then is left to decay for a number of years, before another major redesign. This means that for a significant portion of its life, the website is actually more of an embarrassment than it is effective. Technology, design, and the competition have moved on, leaving the site looking horribly out of date. Often, the business itself changes and the content of the site is not updated to reflect these changes. Before long, the website simply reflects badly on the organization.

You may look at Graham's situation and point out that he has a team to carry out this kind of maintenance work, but does he really? Yes, he has a team to add and remove products, and make basic updates crucial to an e-commerce site. But he doesn't have the capability to evolve the design, technology, or strategy. He is under-resourced.
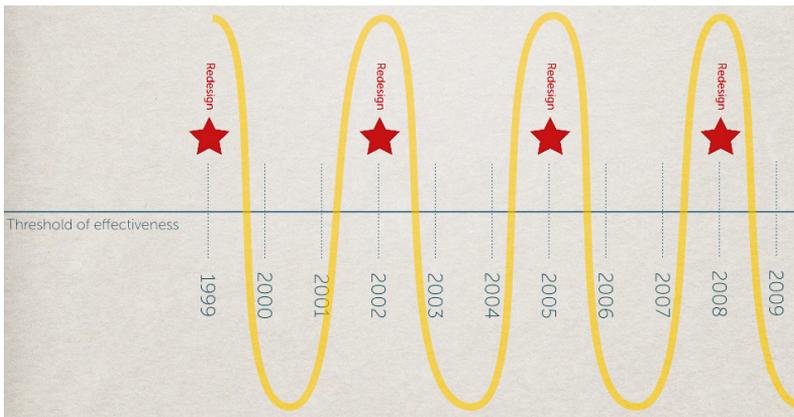
When a website is only redesigned every few years, it will decay over time thereby spending most of its lifetime being less effective than it should.

The boom–bust cycle also creates its own problems. For example, when a significant change only happens every few years, it occurs on a massive scale. Often, it involves throwing out everything and starting from scratch. This is not only wasteful (because it throws out the good

with the bad), it also means that redesign projects can be horrendously intimidating and impossibly complex. Like Graham, any normal person would be overwhelmed by the task.

Another problem is that the boom–bust cycle never really provides an opportunity to understand how users interact with the website. Redesigns are normally *radically* different from the previous version, effectively creating an entirely new experience with a new learning curve for its users. This means that the lessons learned from the previous site about user behavior are only vaguely relevant to the new site.

Even if usability testing has been conducted throughout your redesign process, it is impossible to fully anticipate what will happen when a site is launched. There are simply too many variables involved in a site redesign to be one hundred percent sure how users will react. Small-scale usability test sessions cannot predict the behavior of an entire community or how a site will respond under load. Also, with the best will in the world one cannot expect usability testing to identify every barrier or bug that may exist in a site as large as those mentioned earlier in this chapter.

Unfortunately, with finite projects and redesign cycles, there is little opportunity after launch to improve the website based on user behavior. We may learn a lot about user behavior when a site goes live, but usually there are neither budget nor people to make the improvements. That is why Graham could only sit back and hope what they had produced was right.

That was the problem with the entirety of Graham's experience: at no stage was he confident he was going in the right direction. It was a big investment with no guarantees of improvement. He just wouldn't know until the site went live.

Not that Graham helped himself in the way he approached the project. The problem of the developers not being able to produce the original design wouldn't have occurred if he brought them in earlier. He would have also found the planning phase quicker and easier if he had included

other team members in the process. Instead, he adopted a traditional waterfall approach to project management. This meant he spent a long time planning in isolation before bringing in an outside contractor. They in turn produced their deliverables alone, before passing them to the developers. There was little collaboration.

Such an approach to project management is slow-moving, especially on large projects. The specification process and contractor selection took well over a month. Then there were months of work without anything to show senior management. With nothing to show, he could not reassure himself or management that they were heading in the right direction. In essence the whole process was one massive gamble. It also failed to benefit from the huge advantages that the web and digital bring, such as the ease of testing and monitoring performance. How, then, could things have been done better?

Lightweight, Focused And Ongoing

Serial entrepreneur Seth Godin was described by American Way magazine as "America's greatest marketeer." He certainly never seems short of ideas and is well-known for his endless productivity. When talking about projects, he once commented:

> *Great projects [...] are gardens. They are tended, they shift, they grow. They endure over time, gaining a personality and reflecting their environment. When something dies or fades away, we prune, replant and grow again. [...] By all means, build. But don't finish. Don't walk away.*

Nowhere is this more true than digital. If your digital team is going to be successful, and if your organization is going to adapt to the digital world, then the finite project mindset needs to end. Digital needs to be treated as a garden that requires pruning, replanting, and shaping. If you walk away from a garden, it will eventually cease to be a garden. Entropy will inevitably have its way.

In his e-commerce site, Graham already had a relatively well-kept garden. Admittedly, it was not perfect, and senior management wanted to make improvements, but there was no need to rip up the entire garden and start from scratch. It simply needed some pruning and replanting.

What Graham needed was an ongoing program of incremental improvements that could be tested and refined over time. He needed first to identify the shortcomings on the current website by monitoring user behavior. He then needed to decide on the order that these shortcomings could be addressed. These kinds of small incremental improvements are a low risk investment. They are much quicker to develop, and can be tested and iterated to ensure they work before being made live. That way, the risk of failure is low.

The priority order, set by Graham and his team, should have been based on how easy the problem was to fix, and how big an issue it was. For example, a relatively minor problem might be confusion over the site's returns policy. Although this problem wouldn't be a major stumbling block, it could be easily fixed and so should be fixed quickly. That said, a big problem, like an inability to recover a forgotten password, cannot be ignored just because it is harder to resolve. You always need to fix these showstoppers early on.
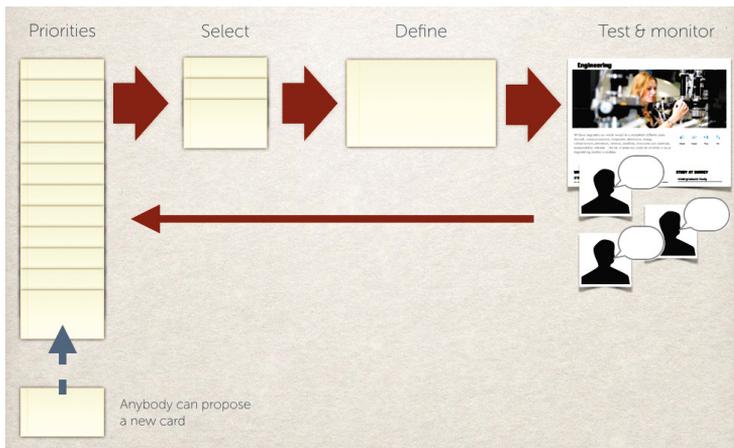
The backlog of user stories becomes the heart of the development cycle. New stories are added all the time, while the team systematically works through the list by defining, building, and testing them.

This backlog of work to be done becomes the heart of the development cycle for the website. It does not need to be a comprehensive list. In fact, the list will never be completed. This is because as one issue is resolved, others will be revealed that users hadn't previously encountered. In addition, changing business or user needs will mean the backlog has to alter over time. This approach does not try to define the whole problem, because that problem is too complex and too dynamic to pin down in its entirety.

There is no need to define the totality of the problem because this is not a finite project that needs to include all elements. Rather, it is an ongoing, evolving program of incremental changes that constantly weeds out issues on the site. This significantly reduces the amount of planning required and acknowledges the uncertainty inherent in running any large website.

Of course, not all the elements in the backlog will be fixes to existing functionality. Sometimes new functionality or content is required. In such situations it is important to establish that these are being added for the right reasons. It is particularly important that new content or functionality is added only because there is a real user need.

EXPRESSING WORK IN TERMS OF USER NEEDS

It is crucial that any change made to a digital asset (whether adding new content and functionality, or fixing a perceived shortcoming) is done in response to a clear user need.

One of the key components of operating in the digital economy is customer service. Remember, users have come to expect an outstanding level of customer experience based on their interactions with leading digital companies. You are not just up against your competitors, you are competing with the user experience of every digital player out there. It is therefore important that your digital development process is driven by user needs.

> One of the key components of operating in the digital economy is customer service.

One effective way of achieving this is to define all work in terms of a *user story*. A user story is a simple statement comprising three components. These are the audience, their task, and the ultimate goal. For example, a user story for the famous fashion e-commerce site Boo.com might have read:

- As a twenty-something, fashion-conscious, female party-goer [the audience]...
- I want to only see comfortable shoes suitable for a night out [the task]...
- so that I can quickly find the best shoes for my night of dancing! [the ultimate goal].

Notice that the user story does not define a piece of functionality or the content that needs creating. Instead, it forms a story built around what the user wishes to achieve. Any content or functionality created is then designed to help the user fulfill this goal. This is useful for preventing content or functionality being created without a clear use case. Often, stakeholders skip straight to the solution with statements such as, "Wouldn't it be great if the website did X," rather than looking at whether there is a user need to be fulfilled.

PERSONAS AND "WHAT IF" SCENARIOS

Although user stories are a great way of focusing stakeholders on user needs, they can be abused. This typically happens when stakeholders start creating user personas or tasks that are edge cases.

It is not uncommon for people to start obsessing over 'what if' scenarios. What if somebody wants to do a particular unusual activity? What if this unlikely audience wants to use our service? Most of the time, stakeholders create these scenarios based on their real concerns. However, they are often manufactured to justify specific content or functionality that the stakeholder wishes to see created. Whatever the case, these scenarios can be dangerous.

The problem with edge cases is that they dilute the experience for mainstream users. Your digital applications can become so clouded with meeting the needs of 'what if' scenarios, that it can be hard to see how to complete key tasks.

One solution to this problem is to have a clearly defined set of user personas. Personas can take many forms, but what they all do is define who the audience is and what those people are trying to achieve. These personas need organization-wide approval and they become the bedrock on which your applications are built. Only tasks that meet the needs of these personas should be considered, and no task should be built that prevents a persona from completing one of their key tasks. They act as a filter for deciding which user stories will be accepted into the backlog of work to be developed.

User stories are not just useful for new pieces of functionality or content; they are also useful for defining the context of a fix. Earlier I mentioned that some users on Graham's e-commerce site needed to recover their passwords. By phrasing this as a user story, you come to understand why this is a problem, and that might suggest an alternative solution.

- I am a frequent e-commerce user who purchases from a large number of online retailers [the audience]…
- I need to recover my password [the task]…
- So that I can reset it to be more memorable [the ultimate goal].

By defining the problem in this way, suddenly a new perspective is revealed. The issue isn't just about recovering a password, it is about the fact the user has too many passwords to remember. This could change the proposed solution. For example, as well as building a password recovery system, perhaps you should also allow users to sign in with their Facebook, Twitter, or Google accounts. This means they wouldn't have to remember yet another password.

If we follow this through to its logical conclusion, the backlog of development work to be done shouldn't actually be a backlog of tasks. It should be a backlog of user stories, prioritized in terms of their benefit to the user, the benefit to the business, and ease of implementation.

It is important to note the factors that define the priority of this backlog. The order of development work is not defined by whoever shouts the loudest, or even by senior management. It is defined by the digital team based on the criteria outlined above. This is something well worth defining in an organizational policy.

> The order of development work is not defined by whoever shouts the loudest, or even by senior management.

The user story approach is a common one implemented by many digital-oriented organizations. It is the approach used by companies such as eBay, Microsoft, and Nokia.

Because of their nature, most user stories are inevitably born from monitoring user behavior through testing, analytics, and interviews. However, there is nothing to stop internal stakeholders suggesting user stories that can then be confirmed through user research.

Of course, having a nicely prioritized backlog of user stories does not get the work done. It doesn't even define what the nature of the work is. How do these stories get transformed into reality?

FROM PRIORITY TO REALITY

This is where incremental working becomes crucial. Even an incomplete backlog of user stories can be intimidating. The trick is to focus on only a small number of stories at a time.

Typically this focus is achieved through what is called a *sprint* or *iteration*. Each sprint or iteration will last anywhere between one and three weeks. During that time, the digital team will together decide to tackle a number of user stories. They will establish a hypothesis about how best to solve the users' needs, build a prototype, test it, and take those lessons into the next iteration. The idea is to establish a rhythm of building, measuring, learning, and improving so that the site naturally evolves over time.

Note that the team isn't attempting to build the entire website. They are focusing on a particular user story and build only what is needed to allow users to complete that journey. The idea is that if you build enough user stories, over time the completed site emerges.

The idea is to establish a rhythm of building, measuring, learning, and improving so that the site naturally evolves over time.

This manner of working is born out of various approaches to software development that have come to be labelled *agile*. The term *agile* has been applied to a variety of methodologies and techniques, and you will need to decide on the approach most suited to you. Whichever approach you adopt, it will almost certainly require further adaptation to work within your organization.

Agile techniques solve many problems with digital development, but create challenges of their own, especially relating to design. For example, many designers struggle to think holistically about the website when focusing on an individual user story. Furthermore, designers can become a bottleneck for developers if they are working on the same user story.

In practice, it often works better if the designer is one iteration ahead of the development team. This allows more time for the designer to look at the bigger picture and carry out more thorough testing with users.

When it comes to agile practices, there is no right or wrong approach. It is about finding the way that works best for your team. What I would recommend is that whatever approach you adopt, it involves working in smaller bursts and focusing on a small number of use cases. This makes the whole process more manageable, reduces risk, and ensures the user remains at the heart of the development process.

There is one more element to agile approaches that I would highly recommend you to adopt. In many organizations there is a tendency for management and stakeholders to dictate the work that is produced. However, if you want to motivate staff and ensure maximum efficiency, then a more collaborative approach is advisable. Instead of management deciding what needs to be built, I recommend bringing together the entire digital team to discuss each of the top few user stories. Agree together what is required to deliver those user stories, and then how many user stories the team believes it can deliver within the allotted time. In short, it is the team that defines what is going to be done.

I can't emphasize enough how important this part of the process is. It empowers the digital team, as we discussed in the previous chapter. It acknowledges that they are the best judge of what is possible and how best to approach the challenge. It also gives them a great sense of accountability if they choose to undertake the work, rather than it being forced upon them.

> Instead of management deciding what needs to be built, I recommend bringing together the entire digital team to discuss each of the top few user stories.

Finally, this approach would have avoided the problem Graham had when he discovered the developers couldn't build what the external contractors had designed. Because the entire team defines the work together, it gives each team member an opportunity to contribute to the

best approach and identify problems that may arise. By having the whole team working together in close collaboration, and even when possible on the same user story, problems like these get identified sooner and so can be resolved more easily. In short, this approach helps avoid the kind of failures we saw at the beginning of this chapter, because problems can be spotted and addressed earlier.

Not that approaching projects in a user-centric, agile way guarantees success. In an organization unfamiliar with this approach, you will face opposition from those who feel decisions are being made too fast, or who are uncomfortable with the project's lack of definition. Culture can be an issue too. In many companies staff are expected to juggle different responsibilities simultaneously. When working using a collaborative, iterative approach, it is important for the team to work together on a considerably more focused basis. Getting people to set aside time and preventing other work pressures from creeping in can be difficult.

If you are going to work on digital using an iterative and collaborative approach, staff will need to be dedicated to the team. They cannot be juggling multiple responsibilities.

Working in an experimental, iterative way also means that mistakes will be made. You will try approaches that fail, both in the way you work and in what you build. Without a detailed roadmap outlining what is being built, you will occasionally go down blind alleys. Although the cost of these dead ends is significantly less than the cost of defining

everything up front, some in management will see these failures as a sign of shortcomings in the process. They will challenge and criticize, pushing you back towards process and practices that just don't work for digital.

The answer is not about creating a robust process that never fails. Despite what many so-called business gurus may claim, this is just not possible. The secret is to create a working methodology where failure is accepted, and where you can quickly recover from those failures to try a new approach.

Failing Fast And With Freedom

Winston Churchill once said:

> " *Success consists of going from failure to failure without loss of enthusiasm.*

This is by far my favorite quotation and it has become something of a guiding principle for my life. I love the idea that failure should not dampen our enthusiasm and that it is an inevitable part of the journey towards success.

Seth Godin echoed this sentiment when he wrote:

> " *Just about anything worth doing is worth doing better, which means, of course, that (at least at first) there will be failure. That's not a problem (in the long run), it's merely a step along the way.*

We should not actively seek out failure, but we need to accept that it is an inevitable part of work and we should not fear it.

Admittedly, this sounds like something straight out of a self-help book, but it is also relevant to digital adaptation. There are no standard operating procedures for digital, no handbook of proven techniques that will

allow you to avoid failure. In an industry so young and dynamic, the only way to innovate, the only way to progress, is to experiment and that will inevitably mean failure.

We need to nurture a culture where failure is acceptable and, in fact, expected. Poor old Graham felt that failure was not an option in his project. He felt as if his job was on the line and that made him overly cautious. That led him down the wrong road. Maybe if he had been given the freedom to fail, he might not have tried to define everything in so much detail. Maybe he would have experimented more and come to better understand his company's users.

The game company Valve beautifully sums up the benefits of failure in its employee handbook:

> **"** *Screwing up is a great way to find out that your assumptions were wrong or that your model of the world was a little bit off. As long as you update your model and move forward with a better picture, you're doing it right.*

Failure is a great way of testing assumptions and discovering they are wrong. As long as we learn from it then nothing is lost.

You might think that building something that fails is a waste of time and money. That is true if huge amounts of both have been sunk into its development. However, if you are working within an iterative process, centered around rapid prototyping this will not be the case.

HOW TO GROW THROUGH FAILURE

I knew something wasn't right, but I couldn't put my finger on it. I was looking at the analytics for an e-commerce site and, in particular, at the number of users dropping out on the credit card entry page. Something was deterring them from entering their credit card details. I was missing it and it was driving me insane.

The form was well-designed and the validation was incredibly user-friendly. I was fairly confident there was nothing wrong with the process itself. It was something else. In the end, I concluded the only way to find it out was to test. I did some quick usability testing with a handful of people, and one or two of them expressed a concern about security. When I pointed out the VeriSign logo on the page, they had no idea this was a guarantee of the site's security. Perhaps this was the problem.

At this point I could have just replaced the VeriSign logo with something different and pushed the result live. But this was only a hypothesis, and on a site with as much traffic as this one I had to be sure. Push something live that made things worse and I could cost the company tens of thousands in lost sales. I decided to quickly create a variety of different approaches and expose a small percentage of users to each one. These experiments weren't as refined as they could have been, with less than perfect graphics and copy, but they were enough to test.

Several of the versions failed horribly, causing a decline in sales. However, one or two others caused an increase, and one was so good that it increased sales dramatically. By simply replacing the VeriSign logo with a padlock and some explanatory text, we were able to improve conversion by 6%. With my hypothesis proved true, we tidied up my experiment and pushed it live. Sure enough, we saw a significant jump in conversion.

Could I have solved that problem without testing and experimentation? Could I have hit on the right approach first time without the failures? Possibly. But it would have been a lottery. It would have been a risk and one that could have cost the company a lot of money. Yes, it took time to build the prototypes, but it would have cost more if I had got it wrong.

Prototypes don't need to be time-consuming or expensive. In this scenario I wanted a prototype that was good enough to appear on the live site for a small percentage of users. However, many of the prototypes I create for testing are little more than a sketch or graphical mockup.
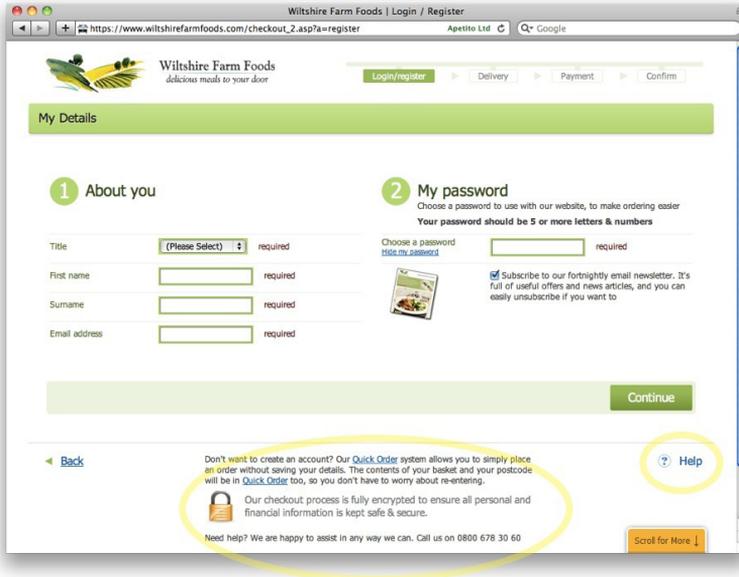
By testing different versions of the security information on this e-commerce site, we were able to significantly increase conversion rates.

The message I want to leave you with is not just the value of testing and prototypes. It is about the role that failure plays in the process, and that this process will ultimately move you toward the right result. It consists of four elements.

- *Form a hypothesis*: Use expert knowledge to make a best guess at what the solution might be, but accept that it's nothing but a guess. You do not know for sure.

- *Build a prototype*: Recognize that your idea needs testing and so create a working prototype that you can test against. It doesn't need to be pretty or complete, but you need something you can test with real users.

- *Test*: With your prototype it is time to test whether your hypothesis is correct. Before you build anything for the live site it must be tested.

- *Iterate*: Learn from your testing and amend accordingly. If necessary, be willing to throw out your hypothesis and start again. At the very least, expect to amend your prototype and test again.

By cycling through this process and relying heavily on tested prototypes, you will eventually come to a solution. Best of all, it will be backed by solid evidence. But this process doesn't just lead you to the right result. It has other benefits, too.

THE BENEFITS OF PROTOTYPING, TESTING, AND ITERATION

I will let you into a secret that isn't so secret for anybody who knows me: I am not the most patient of men. In fact, I spent most of my career frustrated and it was a frustration that grew over time.

You see, I used to get frustrated that people didn't trust me to do my job or wouldn't recognize me as the expert. After all, I was the one who had years of experience behind me. I was the one who had worked in digital my entire career. Why would anybody challenge me when it came to digital? Instead, I would jump through hoops, carefully explaining my logic, waiting for the penny to drop with my clients. I became an expert at persuading and cajoling them into accepting my approach. Even then, it didn't always work.

Slowly, over time, I came to a realization. Perhaps I wasn't always right. Perhaps my clients were right in wanting more than my word. Yes, maybe I was a bit more knowledgeable than them about digital, but that didn't make me infallible. Even when I was right, the client had no way of being certain — I had to show them.

Perhaps I wasn't always right. Perhaps my clients were right in wanting more than my word.

It was around this time that I started to change how I worked. Instead of just doing my research, forming an approach, and implementing it, I started to build prototypes, test, and iterate.

This transformed my working relationship with clients. When the client and I disagreed, there was no need for it to devolve into a heated debate. We simply tested both hypotheses and saw which one performed better. It was a hard lesson to learn as, more often than I would like to admit, the client's approach proved superior.

But this approach wasn't just good for resolving disputes between myself and the client. It was also a useful way for resolving disagreements between stakeholders. Suddenly, the need for endless conference calls and meetings to thrash out the best approach was replaced by a series of quick tests. Sometimes it was enough to prototype different approaches using nothing more than a pen and paper; other times it would be a working HTML wireframe. All that was needed was something just about good enough to allow us to gain some feedback from users.

When I started showing people prototypes, suddenly they would get it. Showing them, rather than telling them made all the difference.

But the benefits didn't stop there. These prototypes were great for showing to clients and senior management. Before I took this approach, I often found that clients would struggle to grasp some of the ideas I had. They didn't always understand some of the terminology I used or the concepts I was presenting. When I started showing them prototypes, suddenly they would get it. Showing them, rather than telling them made all the difference.

The same was true for the development team. Explaining and doc-umenting the direction we intended to go often left the team open to misunderstandings and vagueness. Building a prototype ensured the entire team knew exactly what we were trying to achieve. It also forced us to address the details that are so often overlooked. Details such as what happens if a user completes a form field incorrectly, or what wording should appear on a button. Small things like this can transform a user experience and yet are easily overlooked.

But whether a prototype is a series of sketches or a fully working site, it is hard not to see the weaknesses. Time and again I show a prototype

to a developer or client who then asks what happens if the user clicks that button or resizes their browser. It is only then that I realize I have failed to account for that scenario. A prototype forces you to think through these kinds of behaviors.

Prototypes have transformed the way I work. They provide me with something I can test, something that I can prove works before wasting money developing an approach that might be wrong.

Proving That It Works

This all sounds good in principle, but how does it work in practice? What does it mean to prototype, test, and iterate?

To answer that question, let's look at how we might approach the user story we created earlier for password login and recovery. The story went:

> ❝ *I am a frequent e-commerce user who purchases from a large number of online retailers. I need to recover my password, so that I can reset it to be more memorable.*

As you may remember, I proposed that we should not stop at building a password recovery system, but we should also allow users to login with Google, Twitter, or Facebook so they don't have to remember another password.

Of course, this was just an idea I had. How do we know whether people will use it? How do we know they will understand what is happening, or why they are being asked to login with the details from another site? What about people who do not have a Twitter, Google, or Facebook account? Will they understand they can still create an account on the site? The last thing we want to do is build this functionality if it only causes confusion. The only way to be sure about my idea is to create a prototype and test it.

The first step is to create a limited prototype that can be tested with a closed group of people. This is sometimes referred to as an *alpha*.

This won't be the final version and won't really log you into the site. None of the back-end functionality will actually work, but it will allow us to test whether users understand it. They will be able to see and navigate the system, and we can observe if they encounter problems. Think of it as the building façades created for movies. It will look convincing to users on the surface, but there is nothing behind that surface.

Once the alpha prototype is complete, we can test with some real users. This could be done either face-to-face or using a remote testing service like usertesting.com. This doesn't need to be a time-consuming or expensive exercise. You will only need to test with five or six people. Anything more than that and the number of new issues identified will decrease dramatically. Five or six people will find the vast majority of problems.
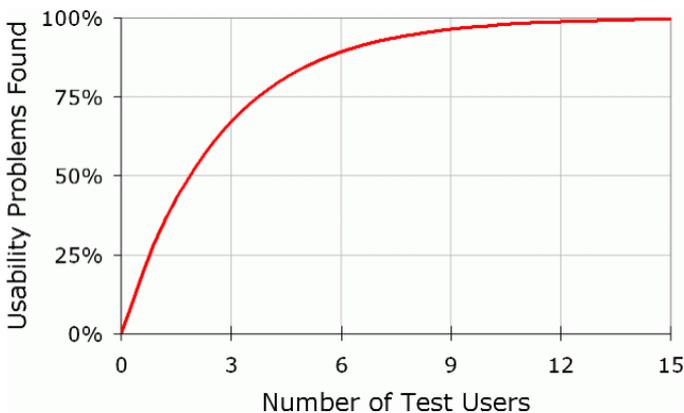
Jakob Nielsen demonstrated that beyond five users the number of additional usability problems found diminishes dramatically.

Don't allow concerns about getting the perfect test subject be an excuse for not testing. Although, if you possibly can, it is worth finding people from your target audience; using anybody outside of the project is better than not testing at all. Unless you have an audience with specific cognitive or physical issues (such as children or older people), then most people you test will struggle with the same kinds of issues.

This means that testing can be put together and run in a matter of hours. If we use a remote testing service, this time is even shorter. We will then be able to quickly see how our prototype has performed.

It is almost inevitable that the testing will raise issues and suggest ways these problems can be remedied. We can then update our prototype and run it through our testing process again. We keep doing this until we are confident that users understand what we have built.

Once we have a prototype that performs well with users and we are confident it's the right solution, it is necessary to integrate this with our actual login system. At this point, we are effectively building the final working code. However, we may not want to immediately make the functionality live. After all, how people behave in a controlled test is not the same as interacting with the functionality on a live site. We should test the functionality with a subset of real users, visiting our real site. This is often called a *beta*.

The GOV.UK website went through various iterations before launch, all of which were available for the public to try.

Betas can consist of isolated pieces of functionality, entire websites, or applications. GOV.UK started as a beta website that some users were redirected to so their interactions could be monitored and the site improved. This is also the approach used by the Guardian newspaper's website[11].

We can use split testing as a way to deliver a subset of our site visitors to the new login system. We can then use analytics to monitor how they

11   http://www.theguardian.com/uk?view=mobile

get on with the new functionality. We can see whether it increases the number of successful logins when compared to the previous version.

Presuming the beta outperforms the previous version and does not undermine other key tasks (such as users registering for the first time), then we can go ahead and make the beta live. However, we should continue to monitor it through analytics to ensure its success is maintained, and also to look for ways it could be further improved.

This cycle of iterative experimentation can be used as a template for any work you undertake on any digital asset. The challenge is to prevent external pressures making you skip stages. It is easy when under pressure from senior management to believe you don't have time for prototyping and testing. This would be a mistake. As we have already discussed, failing to test can lead to releasing functionality that isn't ready. Just ask the people behind Healthcare.gov.

This cycle of iterative experimentation can be used as a template for any work you undertake on any digital asset. The challenge is to prevent external pressures making you skip stages.

That is why it is so important to have management buy-in for this way of working. If you have taken the time to educate management about the need for this test-oriented approach, it will be much easier to resist pressure when it comes. Cite examples like Healthcare.gov as the cost of ignoring testing, or refer to the success of companies like MailChimp which takes testing and prototyping seriously. Quote usability experts like Steve Krug who champion ongoing usability testing. If all else fails give them this book to read. You never know: they might actually read it!

A solid process of ongoing, iterative, test-oriented development doesn't just produce better products. It also helps the digital team learn, innovate, and improve. As a result, it is an approach senior management should encourage by allowing a culture of experimentation and failure.

In fact, so much we have talked about in this book requires a change in attitude and approach of senior management. It involves management,

and indeed the entire company, creating a culture that allows digital to thrive by changing how the company is structured, how management lead, and by fostering a strong, well-equipped digital team.

If you are a part of that senior management team, I hope I have demonstrated the need for change and not left you feeling too overwhelmed. I hope you can see that the world is changing around you and that your business will need to adapt if it is going to survive the digital revolution. For you, this book is finished, but your journey has just begun.

I would encourage you to sit down with your digital team and discuss the issues we have covered here. You need to look at the barriers that are preventing your organization embracing digital, including your company's culture. You need to work with your digital team to form a strategy to integrate digital into your organization, and talk through what needs to be done to attract and retain quality digital staff. Most of all, you need to look for ways to create an ongoing program of iterative, test-based development that continually pushes your digital offering forward.

There are lots of ways to begin this discussion. You might wish to consider a retreat, hold an internal conference, get in an external digital facilitator, or run some workshops. I believe you will be surprised at the quality of contribution and depth of insight your digital workers can provide. I think you will come away excited about the opportunities available to your organization. Although digital can feel intimidating, it really is transforming our world and opening up incredible new opportunities. Embrace it and you will never look back!

If you are one of those digital workers then we are not yet done. I want to conclude this book by exploring a little further your own responsibilities in this transformation. It is time to acknowledge that digital adaptation is not entirely the job of senior management. Change has to start with you.
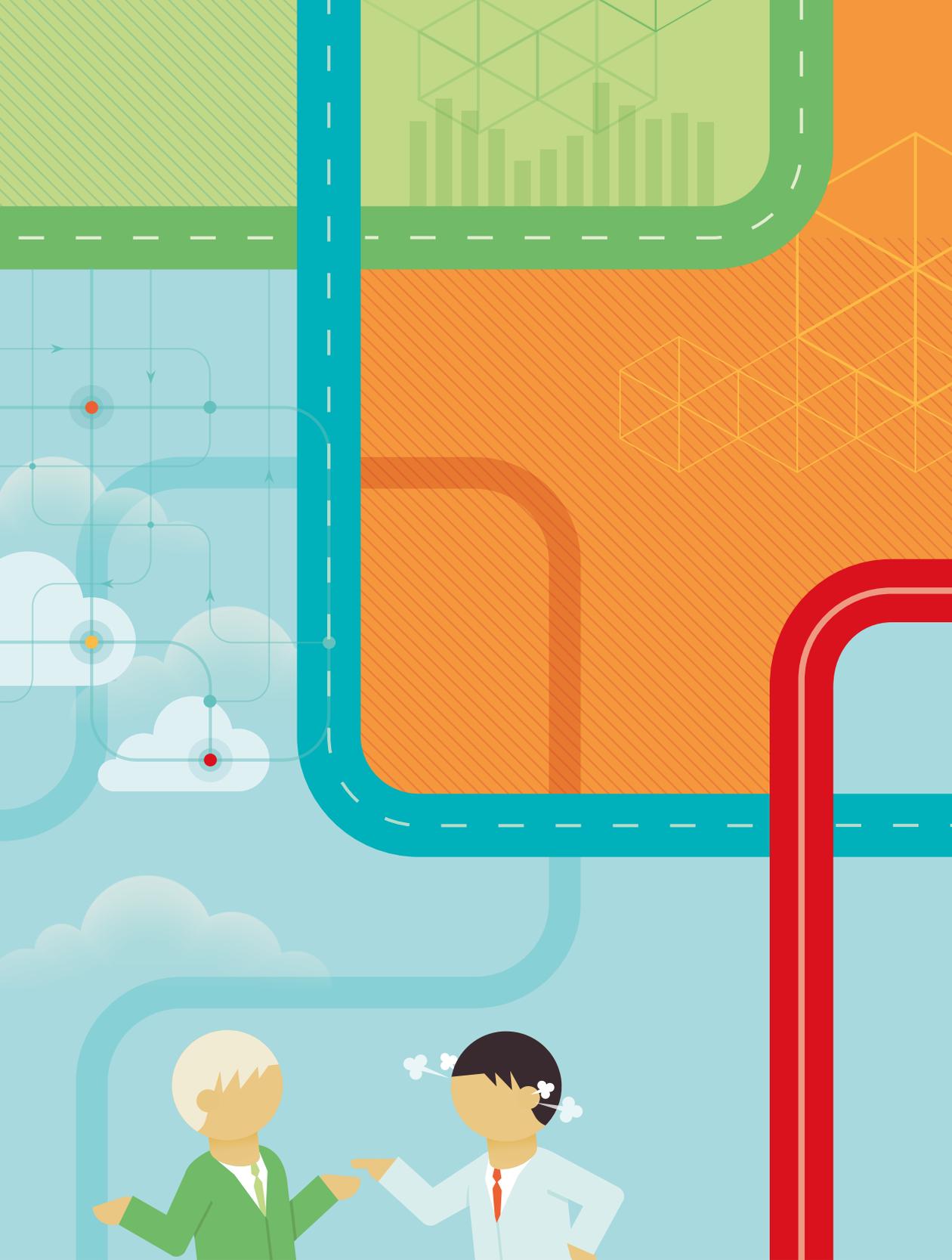
Grassroots Change

> ❝ Here's the problem: organizations are the context for our work, and when it comes to the web, organizations are broken."
>
> Jonathan Kahn

The web has changed so many areas of our cultural landscape. Nowhere was this more apparent than in the 2008 US presidential campaign. This election was always going to be the first big web-driven election in the US. The web had grown rapidly over the previous few years and it was now a major source of news. There was certainly an expectation that the web would see its fair share of the fight.

What wasn't expected was the way the Obama campaign used the web to mobilize one of the biggest grassroots movements ever seen. Where previous campaigns had relied on mass advertising, Obama used the web to encourage and coordinate hundreds of thousands of volunteers. The web wasn't just a mechanism for the candidates to broadcast their messages, it was a place to make change happen through coordinated action. As Obama said to this massive movement of people following the campaign, "All of this happened because of you."

Obama's use of the web to mobilize grassroots volunteers helped win him the 2008 election.

Admittedly, this is something you expect to hear from a politician, but in this case it was actually true!

The success of the campaign was to a large extent down to the actions of local activists, as much as those at the top of the food chain with all the money, power, and resources.

This is a pattern we see time and again online, with grassroots change springing up in all kinds of situations. The web has democratized the means of publication and empowered anybody to bring about change.

With so much of this book talking about top-down change, you may have lost hope that you can make a difference. However, I want to encourage you that this is not the case. After all, what the grassroots movements spawned by the democratization of the web show us, is that anybody can instigate change. As somebody working at the grassroots level of your organization's digital strategy, you are a key catalyst of change. That work begins in your own team.

Transforming Your Team

If you want to be capable of bringing about real change at your company, then things have to be right in your own team. You can only instigate lasting change from a position of strength. That means you have to have a strong digital team. It can be tough when your team is under-resourced, underappreciated and under enormous pressure. Many teams give in under this kind of load, choosing instead to keep their heads down, convinced nothing will ever change. However, that is not always the case. Other teams thrive.

THRIVE THROUGH GOOD TEAM RELATIONSHIPS

Like many of his generation, my grandfather fought in the second world war, including a period on the front line. A man with a wry sense of humour and always with a whiskey in hand, it is hard to imagine him in the squalor of the trenches. What I found fascinating about his war stories was that he spoke about the time with fondness, especially when recalling the friends he made. It was obvious that the hardship of war drew him closer to those he fought alongside.

Hardship does that. Hardship more often unifies than divides. That doesn't just apply to war, it also applies to the more mundane surroundings of the workplace. When we set up our company, it was just after the dot-com bubble burst. It was an incredibly stressful time and we had no idea whether we would survive. But over that period I learned to rely on my two co-founders and we developed an almost wartime-like mentality.

> Hardship more often unifies than divides. That doesn't just apply to war, it also applies to the more mundane surroundings of the workplace.

You may look at your work situation and feel you are a million miles away from the digital by default company that I have described. You may spend your days working on pointless pieces of maintenance, with little time to breathe, let alone think strategically. I won't pretend this is a good place, but it does give you one opportunity. It gives you the chance to build an incredible digital team. Because in times like these, people are the most willing to help each other and are most open to change.

Work hard to build a wartime mentality by socializing together. Take the time to arrange a barbecue in the summer or go out to eat every Friday lunchtime. If you can, go away together once in a while, either on something purely social or to a conference. As I said earlier, for years at Headscape we used to go off to South By Southwest in Austin, Texas. Yes, it was a web design conference, but the main reason for going was the opportunity to sit in the sun and drink margaritas together.

Spending time socializing with your team not only builds morale but gives you a chance to discuss new ideas.

Have fun! There is nothing wrong with goofing off once in a while especially when the pressure is on. People are not designed to be productive one hundred percent of their time, and no business will last long if it operates on that assumption. Nothing builds morale more than blowing the head off of a work colleague in a first-person shooter or thrashing them at a game of pool.

Don't allow differences to divide you as a team. Keep supporting others in your team, even if they don't support you. See their differences as strengths, not as problems. Chris Scott, one of the co-founders at our company, has an infuriating fixation on details, and the ability to see the worst possible outcome in every situation — this could easily drive me insane. But I have learnt that in truth he counterbalances me perfectly.

While I am a big-picture person, he fills in the details. When I am blindly overoptimistic, he ensures I maintain a realistic perspective. I realize that without him our company would have gone out of business long ago. He may drive me mad sometimes, but I need him. Too often we fixate on the negative aspects of our colleagues, when we should realize that in many cases these negatives are their strengths.

Supporting each other is so important, because it gives you the opportunity to start breaking the rules. If you know colleagues have your back, it will encourage you to take risks, to experiment, to innovate. Knowing that if and when you fail, others will support you makes a world of difference.

Following my three years of cubicle hell at IBM, I joined a small start-up company. Two months after joining I cut the tendon in my hand and was in plaster for six weeks. On telling my new boss, he went ballistic and insisted that I kept working from the office despite the fact I was unable to drive. At that moment, I realized my boss was an old-fashioned bully and that perhaps I had made a horrible mistake taking the job. As I walked out of his office visibly shaken, my new colleagues rallied around me and quickly confronted him. From that moment I knew they had my back and I was free to confront this bully, take risks and pursue what I thought was right in my job. They gave me the freedom to do the job without constraints or fear. This is exactly the atmosphere you need to nurture in your team and you can make that happen.

Supporting each other is so important, because it gives you the opportunity to start breaking the rules.

You can make your work environment safe and fun, and create a sense of freedom even when that is not the message being declared from above. Such senses of freedom and safety don't just shape your working relationships, they impact your working practices, too.

THRIVE WITH THE RIGHT WORKING PRACTICES

Knowing that colleagues support you will encourage some rule-breaking or, at least, breaking with convention. This is going to be a key component if your team wishes to encourage broader organizational change.

One such convention might be the way you currently work. For example, you may wish to instigate new operating procedures or policies, which you expect internal clients to work to. As I said in chapter two, you are perfectly within your rights to define how your team operates. This may involve internal clients having to demonstrate a user need or business case before you agree to take on the work.

Consider using a tool like Harvest[12] to track how much internal requests are costing the company.

Alternatively, you may wish to start tracking the time spent on various pieces of work requested by internal clients. By making it clear that this time will be reported back to management, it may make them think twice before asking you to do something trivial. After all, your time costs the company money.

Taking control of your work practices is something that you should certainly be doing, but do not stop there. Also take control of your work environment. Just because your work environment is set up in a certain way doesn't mean it need remain so. As we talked about in chapter four, take the time to formulate a more creative office. Rearrange desks,

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12   http://www.getharvest.com/

adorn your walls and ensure there is enough place for ad hoc meetings and brainstorming. Do whatever you can to ensure your environment is conducive to creativity and productivity.

At this point you may well be thinking that I don't understand the constraints you are under, that in your organization you couldn't possibly change how you work or your work environment. You just don't have that kind of authority.

You may, in fact, be right. If that is the case, then perhaps you are working in the wrong organization. However, I suspect that you could change more than you think, if only you had the confidence to persevere. Too often we hold ourselves back for fear of how others would react.

If you think something needs to change in the way you work, then I would sincerely encourage you to try. The best way to start is small. This builds your own confidence, but also eases your boss into the fact that you are starting to take control over your own job. Pick something that has little impact on other people to begin with. Develop a clear argument for why you are implementing this change and then go ahead and do it. Don't ask permission. Just make the change.

It wouldn't surprise me if nobody ever comments. In which case, pick another change and repeat the process, slowly becoming bolder in what you do. No doubt sooner or later somebody will comment. Don't become defensive, but equally do not give in instantly. Instead, lay out your argument for why you have made that change. Make sure the reasons aren't about how the change makes your life easier, but instead focus on the benefits it brings the organization.

If, after presenting your reasoning, you meet further resistance, gently ask why the person has a problem with what you have done. Don't ask in a confrontational way, but ask out of a real desire to understand their position. After all, they might have a valid reason and then you will have to rethink.

Once you understand their position, suggest a trial period to see how your changes work. If all else fails, work with the other person to reach a compromise.

If you remain calm, hold your ground, and respect the other person's opinion, then in the majority of cases you will be able to achieve more than you thought possible.

With a new environment, attitude, and working practices in place, you will find your team has a renewed vigor. Even the act of making these changes will improve things because it will feel like a fresh start. Capitalize and build on this new momentum and turn your attention to work colleagues.

Reaching Colleagues

I looked out over the audience of hundreds of web designers and took a deep breath. I am not normally somebody who gets nervous speaking, but this audience had proved vocal when they didn't like something. I knew they would hate my next sentence. Stealing myself for the inevitable backlash on Twitter, I said: "I believe that as web designers we should never say *no* to our clients." Sure enough there was a sharp intake of breath and the rapid taps of indignant tweets being composed.

Despite the negativity I get every time I echo this statement, I still stand by it. Whether working with internal stakeholders or paying clients, we shouldn't simply say *no* when they request something, no matter how inappropriate it is. For me, saying *no* fails on two counts. It fails to educate and it fails to build bridges. Both of these are fundamental requirements if we want to have anything but a superficial impact on our organization.

Let's start with the subject of building bridges.
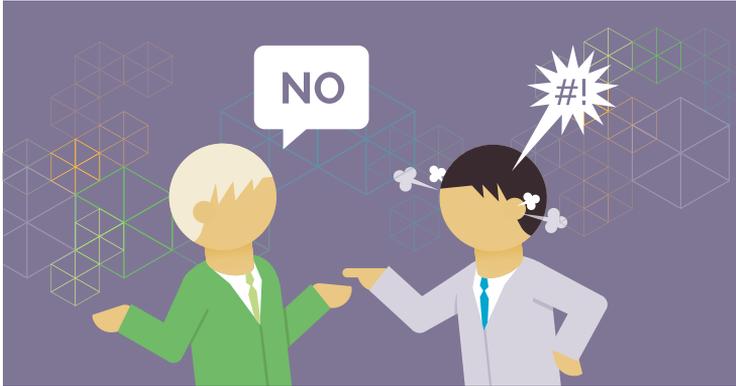
Saying "no" to requests damages your reputation internally and drives people toward using external contractors.

BUILDING BRIDGES

When somebody in our organization comes to us and we say *no*, we are closing a door. *No* is a dead-end statement. It leaves our colleague with one of two options: walk away disappointed; or argue. Neither of these are positive outcomes.

Have you ever wondered why so many companies pay external consultants like me, when they already have a perfectly competent in-house team? Frequently it is because the internal team is seen as an obstacle that has to be worked around. All too often, on being hired by a company, I am quietly taken aside and told what a problem the web team has been.

If you want to change your company, this perception has to change first. You have to build bridges and find allies. You must listen and discuss matters with your colleagues, rather than being a blockage they have to work around.

Start by working with, rather than against, colleagues. When they come to you with an idea that you are unsure about, sit down and discuss alternatives. Maybe bring in other people and form a working group to explore the best approach. If you can't do it for practical reasons, explain those and try to come to a compromise.

Start engaging with colleagues even before they come to you. Ask them for advice and look for chances to collaborate. The more you demonstrate you value their opinion and expertise, the more likely they are to take you seriously.

Be careful not to just favor those who already like you. Reach out to people you consider difficult too. I know this will run counter to everything you want to do, but it is right. The more you help them, the harder you make it for them to remain an obstacle. They begin to look unreasonable and even downright obnoxious.

Start engaging with colleagues even before they come to you. Ask them for advice and look for chances to collaborate.

This may sound like office politics, that in some way you are manipulating people or building alliances. Nobody likes the idea of office politics or wants to play that game. But that is not what we are talking about. We are talking about building relationships, helping colleagues, and educating people about your role. Ultimately, if you are there for your colleagues across the organization then they are much more likely to be there for you. If that sounds like office politics, then so be it.

Offer advice and support. Try to identify ways that digital can help fulfill their objectives and show them how you can help. Not only will this provide you with an opportunity to build bridges, it will also give you an opportunity to educate.

EDUCATING COLLEAGUES

Saying *no* to an idea not only alienates people, it fails to educate them. It does nothing to increase the understanding of digital, or move you closer to being a digital company.

Within traditional organizations at the early stages of digital adoption, the number one priority of the digital team should be to educate others in the company. This means taking the time to communicate clearly why their ideas might not be appropriate and to do so in language they can understand. However, it goes beyond even that.

As digital professionals we need to instigate a concerted campaign of education within our organizations. In particular, you should have four objectives in mind.

1. Highlight best practice

Show colleagues examples of organizations which are doing a good job with digital, and explain why. This helps them better understand why you want to pursue the direction you do and provides evidence that the direction works. This is particularly effective when those examples are taken from the competition.

2. Destroy preconceptions

Many of your colleagues will have formed incorrect preconceptions about what makes good digital practice. Typical examples of this might include that users hate scrolling, or that to appear high in Google search results you must stuff a site with keywords. You need to gently correct this thinking with evidence to the contrary.

3. Promote your successes

By drawing attention to your successes and explaining why they worked, you not only improve the perception of your team, you also educate colleagues about what works and why.

4. Explain failures

We tend to cover up our failures. However, if you want to build a culture that embraces failures, you must learn to share them as widely as possible. Doing so not only helps shape your culture, it also can be a learning opportunity if you explain why your failures happened and discuss how they could be avoided in future.

There are lots of ways you can educate people about digital best practice and you need to pick the right ones for your organization. Over the years, I have seen people launch internal newsletters and blogs, offer one-to-one training or group workshops, and run open usability testing sessions. This last one is particularly effective as nothing is more

educational than seeing real users encountering real problems with your website or other digital asset.

That said, the educational approach that most impressed me was an internal conference at a higher education institution. The conference was organised by Nicola, who has since become a role model of mine because of her impressive people skills. Nicola was an accomplished project manager who had been given the task of getting the entire institution moving in the same direction over digital. It was a formidable task in an organization with little central control. Despite her impressive political and organizationals skills, she could not force people to change — she had to persuade them. Instead of running multiple workshops, she bravely decided to hold a one-day conference with well over one hundred internal stakeholders.

She set a date and invited a massive cross-section of the institution, including most of the senior management team. She arranged guest speakers from both inside the institution and outside, and hoped people would turn up. The response was impressive with not only lower-level people attending, but a large number of the senior management team. This was all the more impressive as she made no effort to accommodate their diaries, instead setting a date that was most convenient. When I asked about this, she said that the more you try to accommodate the management team, the less likely they would be to attend. As I said, Nicola was very astute.

What made the conference work so well was the buzz it created. The inspirational talks, lovely venue, and large crowd of people created real excitement that succeeded in giving the project momentum. Not only were people enthused about the potential and direction of the project, they were educated about best practice as well. What made me smile the most was that in true project manager style Nicola proudly told me that the conference was considerably cheaper than arranging a series of smaller workshops, despite the lavish venue.

I am not suggesting you should run out and arrange a conference. What you should do is start engaging and educating colleagues about digital best practice. This is a fundamental part of our job that we often fail to recognize. These programs of education should not just be aimed at your colleagues; they should also (as demonstrated by Nicola's conference) be targeted at management. Because sooner or later, if you want to instigate real change, you will have to get management on board.

Convincing Management

I would like to tell you that if you follow certain steps, success with senior management is guaranteed. Unfortunately, there are no such guarantees, no such steps.

Working with senior management to help them understand the potential of digital and to agree a direction is often a painful, time-consuming, and frustrating process. It will include many setbacks and require substantial patience on your part, but it is important to understand that they are not being intentionally difficult — they simply see the world in a different way.

If you want any hope of moving your management team into the digital age, you will need to shelve the frustration and take the time to really understand them.

If you want any hope of moving your management team into the digital age, you will need to shelve the frustration and take the time to really understand them. Getting frustrated with them will not help, but learning more about them will.

UNDERSTANDING MANAGEMENT

Those of us who work on the web like to pride ourselves on our ability to empathize with users. We obsess about getting inside users' heads and understanding their motivation. Yet we rarely apply that skill to our colleagues or management. Taking the time to understand senior management will go a long way to influencing their digital thinking.

It will allow us to see the reasons they are reluctant to be more aggressive in making changes.

For example, you would be forgiven for thinking that senior management staff are the top of the corporate tree and so free to take the company in whatever direction they wish. That is rarely the case. They are often subject to substantial pressures from investors to provide short-term revenue that improves dividend payments.

For public companies things are even worse. Independent analysts often make optimistic predictions of future revenue that when failed to be met by the company depresses share prices.
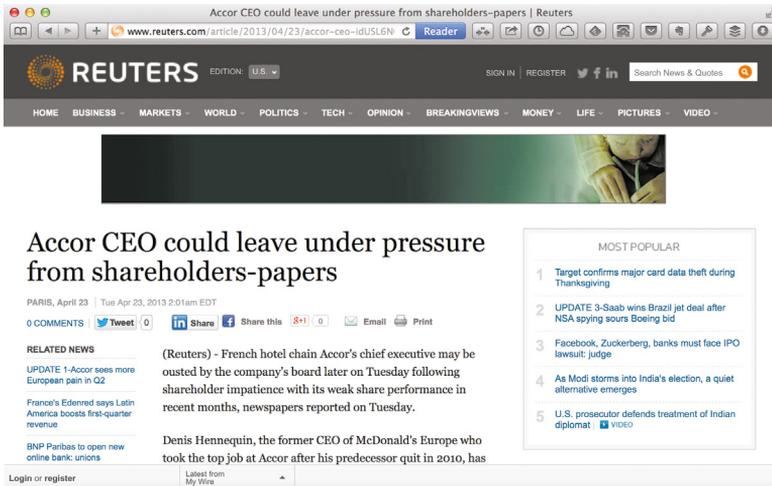
Understanding that senior management staff are under pressure to perform and meet certain targets is crucial in knowing how to communicate effectively with them.

Finally, senior management's salary and bonus packages are often tied to performance. This means they are sensitive to change that will impact negatively on achieving their targets. That said, if you can demonstrate a capability to help them reach or exceed those targets, you will find them much more amenable.

In essence, if you wish management to take digital seriously, you need to know their motivating factors and speak about digital in terms they understand.

SPEAKING THE LANGUAGE OF MANAGEMENT

As I have already said, I once worked with a major UK charity with an appallingly low conversion rate. When I worked with them, they were in the middle of a national marketing campaign designed to drive large amounts of traffic to their website. The tactic of regular, large-scale marketing campaigns had been the bedrock of their marketing strategy for a number of years. However, as I looked at the site, I concluded that their focus should be on conversion and not driving even more traffic to the site. In my eyes they were failing to convert the traffic they had, so why drive even more?

This was a hard argument to make to management. They had invested heavily in forming the infrastructure to support advertising campaigns, and also had mentally committed to a program of future campaigns over the next eighteen months. How could I justify such a major change in direction and the costs associated with that? The answer was clear. I had to demonstrate that the change in strategy would generate a significantly higher return on investment to justify the pain and cost.

> I had to demonstrate that the change in strategy would generate a significantly higher return on investment to justify the pain and cost.

Analytics held the answer. Their conversion rate lay at less than half a percent. By looking at other charities we had worked with, I concluded that it would be reasonable to expect a conversion rate of 1.5% if we implemented a program of website improvements. After looking at the numbers with senior management it became apparent that this would equate to an extra £2 million in donations (a increase of 440%) over twelve months. To achieve the same figure on the existing site with advertising alone would mean driving an extra 33 million people to the site!

On top of this, improvements to the site would also address senior management's concerns over the 30% of the traffic that came from mobile devices. Improving conversion rates would require a significant redesign of the website, and so we could use the opportunity to make the site responsive as well.

My proposal was approved for two reasons. First, it demonstrated a strong case for a significant return on investment. This is something that all management teams are looking for and a key component in any proposal for change. Second, it played to their areas of interest. The senior management team was concerned about mobile and I was able to address this concern as part of my proposal. To me this was a secondary issue (although an important one), but by mentioning it as part of my proposal it helped convince management. By speaking in terms that senior management could identify with (return on investment and topics they are interested in), I was able to push through a significant change in approach.

Another established technique for communicating with management is to produce a *SWOT analysis*. Like return on investment, this speaks a language that senior management will recognize and respond to.

HIGHLIGHTING THE THREATS

A SWOT analysis looks at an organization's strengths, weaknesses, opportunities, and threats. In our case, this is strengths, weaknesses, opportunities, and threats in the digital arena, but it can be applied to any part of the business.

Strengths and weaknesses refer to internal factors within the company, while opportunities and threats are external.

To give you a more concrete example let's look at how a SWOT analysis would apply to Wiltshire Farm Foods, the e-commerce site mentioned earlier in this book.
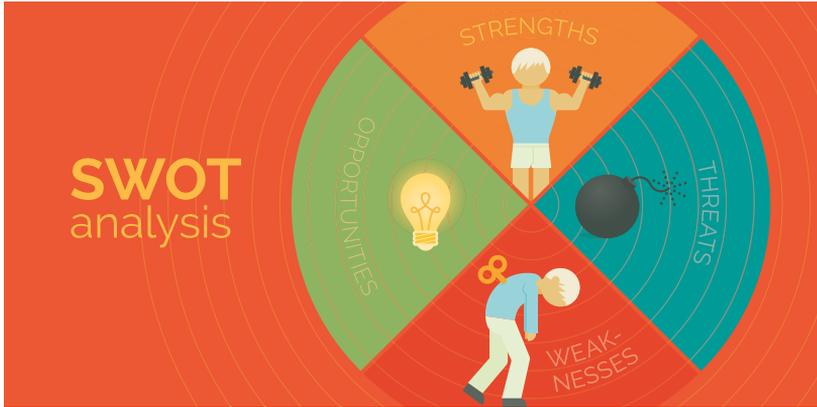
A SWOT analysis is a powerful tool for communicating with management.

Among Wiltshire Farm Foods greatest strengths are its drivers who deliver meals. Elderly people who ordered online were very nervous about who would turn up at their homes, but because all their drivers were police-checked this proved a strong selling point and was something we emphasized strongly online.

Its biggest weakness was the franchise business model that allowed individual pricing in different regions. This was a huge problem online because it prevented us showing a single price on the website for a very long time.

Outside opportunities lay in individual carers who looked after several elderly people. These carers bought large quantities of meals and were long-term customers. We took advantage of this opportunity by building tools that made the ordering process for these users considerably easier than our competition.

Sadly, the biggest threat to the company was the age of the audience. Because customers were approaching the end of their lives, Wiltshire Farm Foods would have to constantly seek new customers, and things like national TV advertising proved expensive. Digital helped address this threat through cheaper online marketing campaigns and search engine optimization.

In my experience, the most powerful part of a SWOT analysis for encouraging a change in approach to digital are the weaknesses and threats.

Focusing on strengths and opportunities works well for smaller organizations hungry to get a competitive advantage. But larger, established organizations are more interested in maintaining their positions than grasping new opportunities. Fear is a powerful motivator, and one that only increases the more there is to lose. I find that senior management are particularly responsive to perceived threats to the sector or from competitors. It makes sense to present your digital strategy within that context.

For example, if you can demonstrate that digital has a fundamental impact on the way the sector works (something that is increasingly common these days), you are much more likely to find management receptive to change.

Even more effective is demonstrating that the competition has a competitive lead in digital. What makes this such a powerful tool is that not only does it help address management's fears, but also our in-built tendency to follow the crowd. After all, if our competitors are investing in digital then surely it is worth investing in.

It is our job to present the argument in terms senior management will understand and respond to.

We like to moan when senior management fails to see the potential of digital or doesn't recognize the need for change. But moaning will achieve nothing and isn't justified. If senior management fails to see the need for change in digital, it is because we have failed to present a convincing argument. It is our job to present the argument in terms they will understand and respond to, by speaking about return on investment, focusing on their objectives, and demonstrating the threats they face.

You may say that it is hard to justify the particular changes you have in mind using those criteria. However, I would argue that if you cannot

show a return on investment, demonstrate a threat, or establish how your ideas fit into senior management's broader objectives, then perhaps your vision for digital is wrong.

The journey of helping your organization adapt to the digital economy is not an easy one. Like me back at IBM, you may be tempted to walk away. But I want to end with some words of encouragement. I want to encourage you to stay, to fight, to be disruptive.

Be Disruptive

It's easy to become institutionalized when you work for a large organization with established ways of working, rigid hierarchies, and lots of bureaucracy. These can feel like constraints that stop you doing what needs to be done.

Such constraints only exist if you allow them to. You can choose to ignore the hierarchy, rules, and regulations if you truly feel they are holding the business back. You can choose to challenge and disrupt. There is nobody stopping you but yourself. As Jonathan Kahn wrote in his groundbreaking article on A List Apart[13]:

> ❝ *It's about pointing out risks, shining a light on organizational denial, overcoming resistance, and facilitating constructive discussions about change.*

It is only our fear that holds us back. But what are we really afraid of? What is the worst that could happen? Yes, you could be fired, but is that so terrible? If your company is so resistant to embracing digital that they decided to fire you, is it really somewhere you want to work? As I said in chapter four, there is no shortage of employers out there who are willing to change and are desperately looking for people like you.

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13 http://smashed.by/webgov

Remember that leaders are not picked, they step up. If you want to change your organization's digital direction, you cannot wait until you are given permission. As Grace Hopper famously said:

> **❝** *It is often easier to ask for forgiveness than to ask for permission.*

If you wish to change your organization's digital direction you need to be a maverick, willing to take risks and cause disruption. You need to make changes without waiting for permission, but be willing to ask for forgiveness if they turn out to be wrong. A great example of this is Microsoft's developer blog Channel 9. Microsoft had a poor relationship with its development community and its traditional marketing approach was not helping. Developers do not like being oversold to and generally are not receptive to slick marketing campaigns.

A group of nine developers within Microsoft decided they wanted to change things. They wanted to engage directly with the developer community and overcome the barriers that existed. Their answer was to create Channel 9, a resource featuring videos from people behind the scenes building products at Microsoft. They didn't go to the powers that be for permission, or ask how it needed to be integrated into the overall marketing strategy — they just launched it. The result was a shift in Microsoft's relationship with the developer community, something that seemed impossible before.

The question is: if you won't step up and change things, then who will? The truth is that only digital workers fully understand the problem and can see a solution. Your company is not suddenly and miraculously going to become a digitally oriented organization. As I said at the beginning, you probably bought this book because you are frustrated in your job and want to see change.

Here is the truth, if you don't take action to change it, nobody else will. But if you do take action, there is a real opportunity to make your work more enjoyable and to have a real impact on your company.
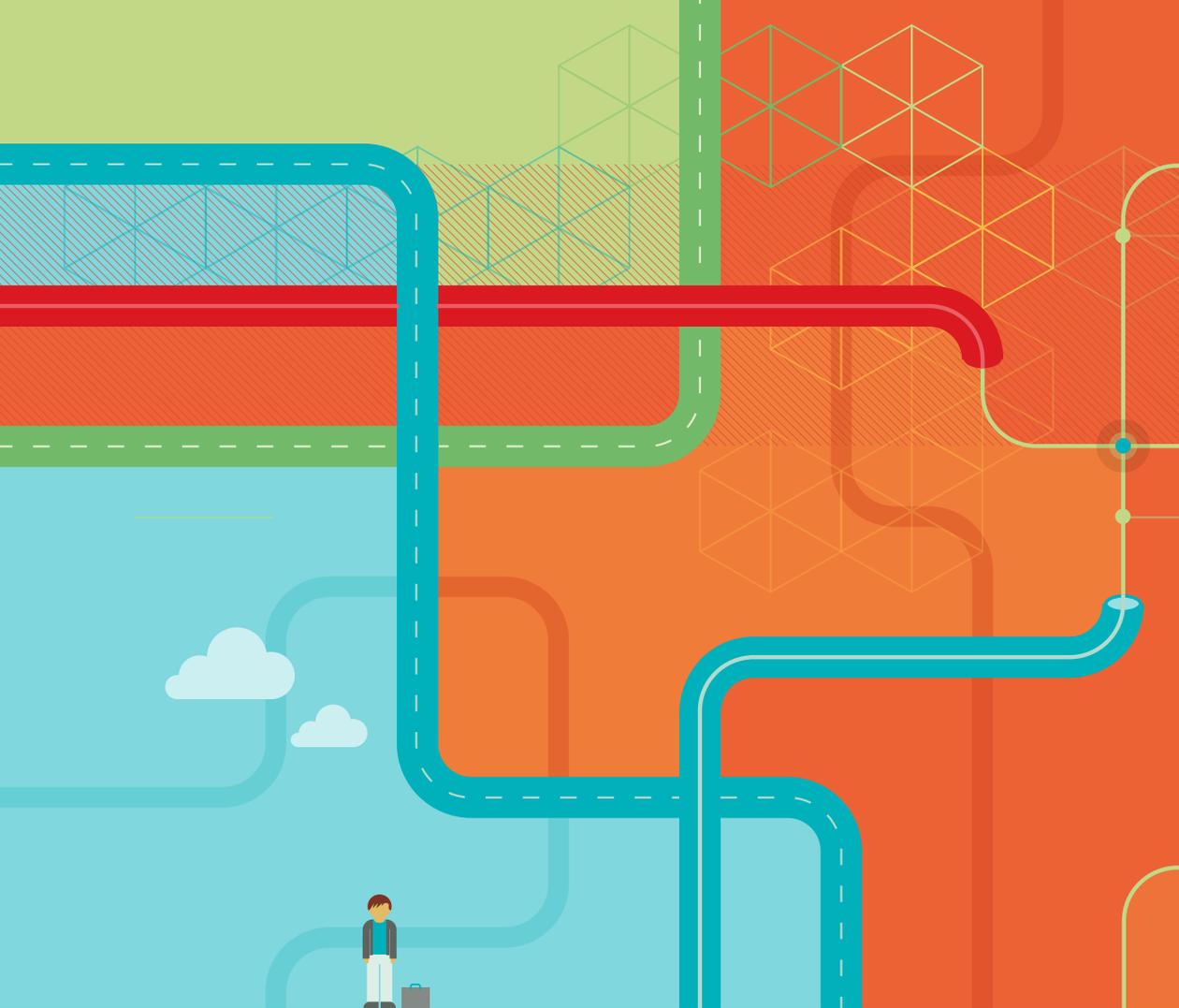
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