

Audit Committee Leadership Summit

May 2018

ACLS

VIEWPOINTS

Digital transformation and strategy

A few years ago, many companies were still in the early stages of assessing digital technologies. Today, the opportunities and threats of digital disruption are front and center as companies struggle to adapt and entire sectors are transformed. Some studies suggest that half of the companies in the S&P 500 list could be replaced over the next 10 years.¹ To avoid this fate, companies must foresee how digital technologies could change their business—including the fundamentals of how value is created—and move there faster than their competitors.

This kind of transformation is by no means easy. It requires both inspired vision and effective execution at all levels of an organization. Incumbents in an industry have certain advantages over challengers. But will complex, global organizations have the requisite speed, agility, and entrepreneurial creativity? What strategies can help them succeed?

On April 16–17, 2018, members of the European and North American Audit Committee Leadership Networks (EACLN and ACLN) returned to the topic of digital transformation, which they began exploring at their 2016 summit. Informed by their experiences since that summit, they focused on the strategic issues that companies and boards must resolve as they move forward. The two expert guests who joined the group in 2016, Laurence Buchanan of EY and Paul Willmott of McKinsey, returned to offer their latest insights and recommendations.²

For biographies of the guests, see Appendix 1, on page 11. For list of participants, see Appendix 2, on page 12.

Executive summary

Members and guests highlighted several themes:

- **Digital has hit an inflection point** (*page 2*)

Mr. Buchanan identified a profound, recent shift: digital transformation is now front and center for most companies. EACLN and ACLN members agreed with this observation, noting that boards are acutely aware of both the threats and opportunities of digital. The guests and the members also noted that although large companies face challenges in pivoting to a digital strategy, they also enjoy significant advantages as incumbents with market share, brand recognition, and other resources.

- **Transformation requires integrating innovation efforts into the business** (page 3)

Mr. Buchanan and Mr. Willmott argued that digital efforts must permeate the entire business rather than stand apart from it. They noted that these efforts should include a focus on revamping the core business, not just creating radically new business models. This approach requires a delicate balance between encouraging creative independence for transformation projects and ensuring integration into the overall organization. Companies must be willing to cannibalize their existing businesses, if necessary, and they should combine in-house development, partner relationships, and acquisitions to secure the capabilities required for moving forward.

- **Boards face new risks and are considering new approaches to oversight** (page 7)

These new challenges for companies entail fresh challenges for boards as well. Both guests and members pointed to added risks stemming from digital efforts, such as increased threats to the security of customer data and the difficulty of auditing automated operations. They noted that boards should revisit the delegation of responsibilities among board committees and even consider creating new committees focused on strategy or innovation.

For a list of discussion questions for audit committees, see Appendix 3, on page 14.

Digital has hit an inflection point

Comparing the current situation to the landscape as it looked when the networks met in 2016, Mr. Buchanan saw a significant shift: *“If I compare this session to two years ago, the market has moved profoundly. There is no longer a question of the why—every sector is being disrupted—so the question is now what and how. With being digital, it’s about how you disrupt yourself and move into new models.”* He noted that companies are *“acknowledging the reality at hand and giving resources to digital efforts.”*

EACLN and ACLN members agreed with this observation. In pre-meeting conversations, they said that the large-scale shift to technology-driven businesses is now a priority for large, established companies. One audit chair said, *“All companies are pivoting to be technology companies, across many sectors. Large companies haven’t thought about themselves as tech companies, so it’s a major shift to realize that they have to be technology based.”* Yet Mr. Willmott noted that real success has been elusive for many so far: *“Probably only 5% of companies are knocking it out of the park. Some are failing, and many are just muddling along.”*

Boards as well as management fear being blindsided by disruptors that come suddenly from unexpected directions. One member mentioned the research on artificial intelligence (AI) currently under way in emerging markets such as China, noting the speed and commitment of these efforts. In addition, challengers may be willing to undercut incumbents’ pricing and revenue to get access to customers and learn about their behaviors, because that data is

critical for leveraging important new technologies such as AI. *“Whoever wins the data game wins the AI game,”* explained Mr. Willmott, *“AI is meaningless without data, because data is the fuel for how AI operates.”*

At the same time, directors are aware that the new technologies offer immense opportunities for large, global companies. Incumbent players with market share and brand recognition have considerable advantages over smaller companies just entering a market.³ These players can best capitalize on their advantages if they are willing to sacrifice established revenue streams and consider new ways to monetize their customer relationships.

Transformation requires integrating innovation efforts into the business

What have we learned since 2016 in terms of how to move forward? Examples of successes and failures suggest that companies need to think about “being digital” rather than “doing digital,” a distinction that Mr. Buchanan explained as follows: *“Doing digital is having the same processes and business models, but doing them in digital ways. Being digital is reinventing, embracing disruption, and continuously innovating in your businesses.”* Mr. Willmott added that companies that have successfully transformed their businesses did not separate digital strategy from business strategy. Instead, they saw digital as a key lever for business strategy. Mr. Buchanan and Mr. Willmott argued that companies can pursue this more comprehensive and integrated approach in several ways:

- **Evolve the core business *and* explore the future business**
- **Enable creative freedom with an eye toward organizational integration**
- **Be willing to cannibalize**
- **Build, buy, and partner to build capabilities**
- **Track digital investments with new metrics and a portfolio perspective**

Evolve the core business *and* explore the future business

Successful companies transform their core business first, then consider the future business. Mr. Willmott noted, *“We’ve seen that as the right way forward in most sectors. Setting up an innovation business on the side is tricky and risky, not driving economic benefit out of your core.”* He cited the example of a bank that implemented digital in its core business, not only improving the customer experience but also driving down costs through behind-the-scenes automation. *“There’s always value in disrupting your core business. You can almost always find efficiencies,”* he said.

That bank is now taking the next step, which is *“to explore new business models on the back of innovating their core model.”* This means tapping into the more radical implications of digital technologies, including the potential for combining them in innovative ways. In a pre-meeting conversation, Mr. Buchanan argued that discovering these kinds of opportunities requires a vision of the future that goes beyond an extrapolation from the present: *“It’s a combination of*

going from left to right and right to left. If you just work from today out—i.e., from left to right—you're too incremental. You also need to work backwards from a future state, rooted in your purpose. Clearly this will evolve over time, but you need a north star."

Yet that future state may not be so easy to envision, EACLN and ACLN members pointed out. One member said, *"The issue for everyone, as we talk about digital transformation and its various aspects, is that we struggle with what to do now. All my businesses are looking at what could happen and trying to fix things ... But most are unable to envision what digital transformation looks like."* Another member suggested that the problem was harder for some companies than others: *"It's hard for traditional companies to consider that their model could change in such a short time. With technology companies, it's part of their DNA—the ability to adopt new technologies."*

A recent McKinsey report on why digital strategies fail noted that companies often fail to fully understand the transformative possibilities of digital because they define it too narrowly as what their IT function does.⁴ They also fail to understand the economics of digital, including its tendency to destroy economic rent by relinquishing more value to customers, as when products and services are unbundled and customers can buy only what they want.⁵

Enable creative freedom with an eye toward organizational integration

Audit chairs and guests discussed the organizational challenges of identifying strategic opportunities, successfully developing them, and ultimately implementing them. Mr. Buchanan pointed to the benefits of having *"the right balance between separation and freedom, on the one hand, and connectivity to drive business change at scale, on the other."* While innovating in the core business will entail organizational integration almost by default, even a radically new business model will need strong linkages to the rest of the organization to be successful.

Several audit chairs contended that a certain degree of separation and independence from the core business is important. One member asked, *"How do you create the space and the environment for being entrepreneurial when the primary focus is the core business? Entrepreneurs spot a trend and focus on it. They are not distracted by other things. That's very challenging in large companies."* Another said, *"Having a new group that does nothing but new thinking and exploration of how issues can be internalized is critical."*

Mr. Buchanan described a company that created a digital innovation lab in its headquarters and moved staff from their day jobs into this space, where they were trained in design thinking and agile work flows. The staff then explored both incremental improvements within current constraints and more radical business models unhampered by those constraints.

However, Mr. Buchanan also stressed that integration with the rest of the business is ultimately critical, enabling companies to adopt new products or services faster: *"Digital innovation labs are often set up separately, with all the characteristics of a Silicon Valley tech company, but too many have not delivered anything substantial. Yes, you need separation and freedom to*

experiment and disrupt, but the outcome you want is to scale fast, not fail fast. This means that you must have the mechanisms to evaluate, industrialize, and scale digital innovation, whether that's bringing ideas back in house or starting up new ventures.”

At the meeting, he elaborated on a specific example that illustrated the risk of too much separation: *“The company set up a digital innovation lab, and it looked like a tech company. But when you visited the business and the lab, you noticed that the business was tearing their hair out because nothing had been delivered. There was no chance of scaling the ideas. In the lab, there was an equal set of frustrations. Every time they took something back to the business, they would meet resistance and refusal. It was a totally dysfunctional relationship.”*

Mr. Willmott also warned of the dangers of too much separation and described the case of a retailer that had set up a separate digital entity with its own supply chain: *“The model didn't work. It was a high-cost distribution model, not leveraging [the retailer's] vast distribution network. It didn't take advantage of the access they had.”* Only when the company created an integrated multichannel model, supported by substantial investment, was the effort ultimately successful.

Commitment from senior executives is critical, Mr. Willmott said. A recent study by EY of digitally driven mergers and acquisitions (M&A) found that companies achieving the most success in their digital transformations were more likely to have the CEO driving the strategy.⁶ Discussing another example in advance of the meeting, Mr. Willmott mentioned a CEO who set up a separate unit to work on digital transformation but also moved his office to that unit to demonstrate a personal commitment and ensure that the unit received sufficient resources. A member also noted the value of a dedicated digital executive who has clout within the organization: *“In the executive group, a CDO [chief digital officer] can help give senior management a vision for what the business can be—it expands the conversation.”*

Mr. Willmott also brought up another organizational challenge that a major transformation is likely to entail: *“You have to retrain basically everyone in the organization.”* Part of that retraining is likely to include shifting the mind-set or culture of the organization. Executives charged with digital transformation often note that the cultural element can be one of the most daunting.⁷ A member said, *“I think culture has a lot to do with it. We invested hugely in culture, and collaboration has been a key factor, bringing the business and IT together.”*

Be willing to cannibalize

If digital transformation threatens the core business, companies sometimes hesitate to move forward. Members and guests agreed that this reluctance is dangerous. An audit chair explained why: *“We don't think about the legacy business as something to protect—that's a losing game. You can't worry about cannibalizing your own business, because someone else will!”* McKinsey's report on why digital strategies fail notes that “first movers and the fastest followers develop a learning advantage” that laggards may struggle to match.⁸

However, members were also alert to the pitfalls of going too fast. One remarked, *“When thinking about transformation, I’ve seen companies get too aggressive on digital and forget about the old business, which will generate the cash for the next 10–15 years to fund the new business.”* Another said, *“You have to go fast. The question is, what is the maximum speed you can afford without hurting your stock?”*

Build, buy, and partner to build capabilities

What combination of in-house development, partnerships, and acquisitions will work best for securing the myriad capabilities required to achieve digital transformations? Mr. Willmott said that a certain level of in-house expertise is critical: *“You need in-house talent, not outsourced. The latter never leads to success, because you’re not building the capacity to know how to spend that money wisely.”* He added that it may be necessary to attract top talent with a very different compensation plan. The move could be expensive, but still yield strongly positive returns. He cited the example of a company that focused on top talent by paying double the market rate for engineers; the result was a tenfold increase in productivity.

At the same time, partnerships of various kinds are important for developing and leveraging ecosystems of innovation. This might entail working with a mix of players, including start-ups, established players in other parts of the value chain, or companies in other industries entirely. Experts note that *“working thoughtfully with vendors or partners to access new capabilities can jumpstart activity, and help businesses get smart quickly about how to ‘go digital.’”*⁹ Partnerships also allow *“improbable combinations of attributes”* in products and services.¹⁰ At the meeting, a member noted that *“the real synergies will come when companies partner, formally or informally, in order to combine domain expertise. Only through that will you get the efficiencies. We will need more formal legal structures in place to allow for this synergy.”*

This effort includes a strategy for enabling integration with partners (maybe even for building a platform) and, more generally, the capacity to manage relationships with other players.¹¹ According to an EY survey, companies that are leaders in digital often use venture capital arms plus incubators and accelerators to spawn and nurture start-ups, which may eventually become acquisitions or partners.¹²

Acquisitions also emerged as important. One member said, *“I’ve seen this firsthand. You cannot develop everything yourself; sometimes you have to buy ... It’s more efficient.”* Another said, *“We’re learning about selling directly to customers, but we’re also getting involved in start-ups. We’re buying minority shares in many of them. We bought a whole raft of companies ... [It’s] a very wide-ranging approach that most companies couldn’t afford.”*

However, a member noted that acquisitions present certain problems: *“If you acquire a company that is completely different, like a start-up, how do you use it as a platform to grow the business? Are acquisitions a good lever for transforming the company?”* EY’s report on digital M&A found that *“unconventional pairings”* may require a more nuanced approach to cultural and organizational issues, as well as the ability to integrate multiple acquisitions at the

same time.¹³ In a conversation with Tapestry, an expert at EY-Parthenon mentioned an acquisition that failed for cultural reasons: “The company tried to integrate the new company into the old culture, so the new company leaders left, and value was destroyed.”

Track digital investments with new metrics and a portfolio perspective

Given that digital transformation involves investing substantial resources to take a company into uncharted territory, the ability to evaluate progress is key. A member said, *“There is an awful lot of hype. Show me the metrics. We are investing hundreds of millions in our digital strategy, and it hasn’t shown a return quite yet.”* Another member expressed the same concern: *“If you look at how to transform the business model, you want to ask, if this is where we were three years ago, what is the return on investment? What value did we get out of it?”*

The same member brought up the importance of measuring the immediate impact on specific stakeholders as well as the bottom line: *“Everyone is jumping on the bandwagon, but what is the value to our customers? It may be great internally, but is it just creating grief for the customers? And what is the impact on suppliers? On the other side, what are we expecting from the workforce? Are we empowering them or making life more difficult for them?”*

Members noted that the metrics used to gauge the impact of transformation will likely be customized: *“In some companies, you might measure R&D expenses, but in others you would look at other KPIs [key performance indicators]; it varies from business to business. There isn’t a general recipe.”* EY’s report on digital M&A highlights several KPIs that are helpful in managing the integration of digitally driven acquisitions. The report notes that digital leaders are more likely to be using these kinds of KPIs, which include measures of organizational engagement, cost synergies, customer retention, as well as revenue growth.¹⁴ Mr. Willmott said that *“some firms are using dashboards to review real-time transactions or customer satisfaction.”*

Metrics are also important for communicating effectively with stakeholders who need to understand the overall strategic objective, the plan for achieving it, and the progress being made. The company may need to explain to shareholders, for example, why profits have dipped as the company pivots toward new lines of business.

Both Mr. Willmott and Mr. Buchanan mentioned taking a portfolio approach to digital investments. A portfolio approach recognizes that success will vary tremendously from one investment to another. *“Look at the overall portfolio performance, not just the individual investment,”* Mr. Buchanan advised. He noted that venture capital firms expect very few bets to succeed, but companies often expect success from each investment.

Boards face new risks and are considering new approaches to oversight

Board members struggle with the technical elements associated with digital transformation, which can be difficult to understand. Members and guests touched on both the risks that boards should track and the delegation of responsibility for overseeing those risks.

Adding new risks to the board's agenda

Members brought up several categories that their boards consider:

- **Strategic risks.** The high-level strategic risks associated with digital transformations are important issues for the full board. A member said, *“Digital transformation is an element of strategy, and the board oversees all elements of strategy.”* At the 2016 summit, members and guests noted that board members can offer a perspective on strategy that is both broader and more long term.¹⁵
- **Implementation risks.** The board will need to discuss major hiccups and obstacles encountered in improving the core business and developing new business models. Discussing a significant digital initiative, a member said, *“We recently had a slowing in service because of this implementation, so we wanted to know if competitors were also experiencing that.”* Another member noted the challenges of moving to a service-based model and mentioned several issues that the board might need to ask about: *“You have to figure out what to promise, what is the bell curve. And how do you price it? It’s high-stakes poker. Some customers are very tough. If you’re in a critical industry, you really can’t test it too much—it’s incredibly complicated.”*

Mr. Willmott brought up talent risk: *“You may have the wrong talent for the business you will be in the future. It’s a very serious problem. A high-end AI researcher can command \$1 million, and you may need to hire 20 or 30.”*

- **Control risks.** Establishing new business processes may require changes to the governance and controls around operations, security and privacy, and reporting. A member said, *“Wherever you’re opening an online interface, it’s built on customer information, so the security of that interface is critical.”* Mr. Willmott mentioned the potential bias that can emerge in automated processes: *“The machine just learns from human behavior. How do you regulate and control and oversee your robots?”* When machine learning is used to drive decision making, massive quantities of data are analyzed, making it difficult to audit how conclusions are reached. It can be difficult to know whether the model is operating ethically or even in compliance with laws and regulations.

The use of new metrics to track progress will also require new controls, a member noted: *“New metrics are shared with investors, so the audit committee will want to know that there are controls around the accumulation and reporting of that information.”*

Delegating responsibility for digital oversight

EACLN and ACLN members generally agreed that oversight of the strategic issues resulting from digital transformation is ultimately the responsibility of the full board. However, several members also mentioned the role of a strategy committee. A member explained, *“We have a strategic committee that takes a deep dive into these issues. They report back to the full*

board. The question is a key one for companies as we move forward, so it's not only a committee issue—it has to be considered by the full board.”

One member mentioned a committee focused specifically on technology and noted the role that the audit committee plays: *“Boards need a technology or a technology and innovation committee. The issue requires well-qualified board members who are responsible for overseeing the content of technology and innovation. The audit committee will make sure that for what is decided, the process is there, validated and reported on the way that it should be. [Enterprise risk management] still remains controlled by the audit committee.”*

Other members described a similar role for the audit committee regarding the risks of digital transformation. One said, *“To the extent that the audit committee has a remit to ensure that there's a framework for dealing with risk, the audit committee gets involved. The risk is assigned to a committee or to the full board, but the audit committee takes responsibility for the risk framework.”* Another added, *“It's important that you have a close link between the audit committee and the strategic committee, to see how [a change in strategy] will impact risk management. It's a link between the strategic component and the concerns of the audit committee.”*

Conclusion

Regardless of sector and size, companies are taking digital opportunities and risks seriously. Their efforts are yielding lessons about how to move forward. One overarching lesson is that digital efforts should address the core business while also exploring new ideas for creating value. And while the freedom to explore and innovate is important, digital efforts should not be segregated from the overall organization. New ideas are best able to scale when they harness the resources that large incumbents can bring to bear. Companies must also be prepared to cannibalize their core business, if necessary, and they should explore the entire ecosystem of digital innovation, using all means necessary to secure the requisite capabilities.

About this document

The European Audit Committee Leadership Network (EACLN) and Audit Committee Leadership Network (ACLN) are groups of audit committee chairs drawn from leading European and North American companies committed to improving the performance of audit committees and enhancing trust in financial markets. The networks are organized and led by Tapestry Networks with the support of EY as part of its continuing commitment to board effectiveness and good governance.

ViewPoints is produced by Tapestry Networks to stimulate timely, substantive board discussions about the choices confronting audit committee members, management, and their advisers as they endeavor to fulfill their respective responsibilities to the investing public. The ultimate value of *ViewPoints* lies in its power to help all constituencies develop their own informed points of view on these important issues. Those who receive *ViewPoints* are encouraged to share it with others in their own networks. The more board members, members of management, and advisers who become systematically engaged in this dialogue, the more value will be created for all.

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Appendix 1: Guest biographies

Laurence Buchanan

Mr. Buchanan is a partner in EY's advisory business and leads digital strategy and transformation along with EY's Wavespace hubs in Europe, the Middle East, India, and Africa (EMEIA). He works with clients to help them understand and respond to the opportunities and threats posed by disruptive technology.

Mr. Buchanan's credentials speak for themselves. With a decade of experience at SAP, where he was vice president for customer relationship management (CRM) for the Europe, Middle East, and Africa region, and eight years in consulting, he is a recognized authority and evangelist on digital transformation, strategy, innovation, customer experience, and CRM. He has worked across a wide variety of industry sectors and client projects.

Mr. Buchanan holds a master's degree in modern history from the University of Oxford. He writes regularly on his blog, *The Customer Revolution*, and is a primary judge on CRM Idol.

Paul Willmott

Mr. Willmott is a senior partner at McKinsey & Co. He is responsible for Digital McKinsey globally and serves clients across sectors. He co-led McKinsey's research into the future of work and is currently researching a book on digital leadership that distills wisdom from senior executives who successfully transformed their firms for the digital era.

Prior to joining McKinsey & Co., Mr. Willmott was a software engineer at Andersen Consulting (now Accenture).

Mr. Willmott graduated in physics from Imperial College in London. In 2007, Mr. Willmott was made a fellow of the British Computer Society.

Appendix 2: Participants

North American and European Audit Committee Leadership Network members participating in all or part of the meeting sit on the boards of over 80 public companies:

Ron Allen, Coca-Cola Company

Mike Ashley, Barclays

Werner Brandt, Siemens

Julie Brown, Roche

Aldo Cardoso, ENGIE

Mary Anne Citrino, HP

Carlos Colomer, Abertis

Pam Daley, BlackRock

Dave Dillon, 3M and Union Pacific

Carolyn Dittmeier, Generali

Ángel Durández, Repsol

Eric Elzvik, Ericsson

Edgar Ernst, TUI

Renato Fassbind, Nestlé and Swiss Re

Byron Grote, Tesco, Akzo Nobel, and Anglo American

Siân Herbert-Jones, Air Liquide

Liz Hewitt, Novo Nordisk

Jean-Marc Huet, Heineken

Lou Hughes, ABB

Arne Karlsson, Maersk

Dagmar Kollmann, Deutsche Telekom

Mike Losh, Aon

Richard Meddings, Deutsche Bank

Nasser Munjee, Tata Motors

Chuck Noski, Microsoft

Appendix 2: Participants, continued

John Rishton, Unilever

Guyline Saucier, Wendel

Erhard Schipporeit, SAP and RWE

Jim Turley, Citigroup

Steve West, Cisco Systems

Maggie Wilderotter, Hewlett Packard Enterprise

EY was represented in all or part of the meeting by the following:

Andy Baldwin, EMEIA Area Managing Partner

Jean-Yves Jégourel, EMEIA Assurance Leader

Frank Mahoney, Americas Vice Chair of Assurance Services

Appendix 3: Discussion questions for audit committees

- ? What key issues related to digital transformation is your company addressing?
- ? How are these issues being resolved? What are the biggest obstacles to success?
- ? What metrics does your board track to measure and communicate progress or return on investment?
- ? What aspects of your company's digital strategy development and implementation is your board overseeing? What questions is the board asking?
- ? How has your board delegated responsibility for oversight of digital transformation? What issues does the audit committee address?
- ? What is your board doing to enhance its digital skills and knowledge?

Endnotes

¹ Scott D. Anthony, S. Patrick Viguerie, Evan I. Schwartz, and John Van Landeghem, *2018 Corporate Longevity Forecast: Creative Destruction Is Accelerating*, Executive Briefing (Boston: Innosight Holdings, 2018), 2.

² This document reflects the network's use of a modified version of the Chatham House Rule whereby names of members and their company affiliations are a matter of public record, but comments are not attributed to individuals or corporations. Italicized quotations reflect comments made in connection with the meeting by network members and other meeting participants.

³ See "2018 Will Be the Year That Big Incumbent Companies Take on Big Tech," *Economist*, January 3, 2018; Jacques Bughin, Tanguy Catlin, Martin Hirt, and Paul Willmott, "Why Digital Strategies Fail," *McKinsey Quarterly*, January 2018, 11.

⁴ Jacques Bughin, Tanguy Catlin, Martin Hirt, and Paul Willmott, "Why Digital Strategies Fail," *McKinsey Quarterly*, January 2018, 2.

⁵ *Ibid.*, 3.

⁶ EY, *How Can You Aspire to Lead in the Digital Economy?* Digital Deal Economy Study (London: EYGM, 2018), 4.

⁷ See Stuart Sumner, "Digital Transformation: An Interview with Pearson CTO/COO Albert Hitchcock," *V3*, October 5, 2016.

⁸ Bughin et al., "Why Digital Strategies Fail," 8.

⁹ Arun Arora, Pierce Groover, Peter Dahlström, and Florian Wunderlich, "A CEO Guide for Avoiding the Ten Traps That Derail Digital Transformations," *McKinsey Quarterly*, November 2017.

¹⁰ Bughin et al., "Why Digital Strategies Fail," 9.

¹¹ Arora et al., "A CEO Guide for Avoiding the Ten Traps That Derail Digital Transformations."

¹² EY, *How Can You Aspire to Lead in the Digital Economy?* 5.

¹³ *Ibid.*, 12.

¹⁴ *Ibid.*

¹⁵ North American and European Audit Committee Leadership Networks, *Digitalization, Disruptive Innovation and the Board*, ViewPoints (Waltham, MA: Tapestry Networks, 2016), 6–9.