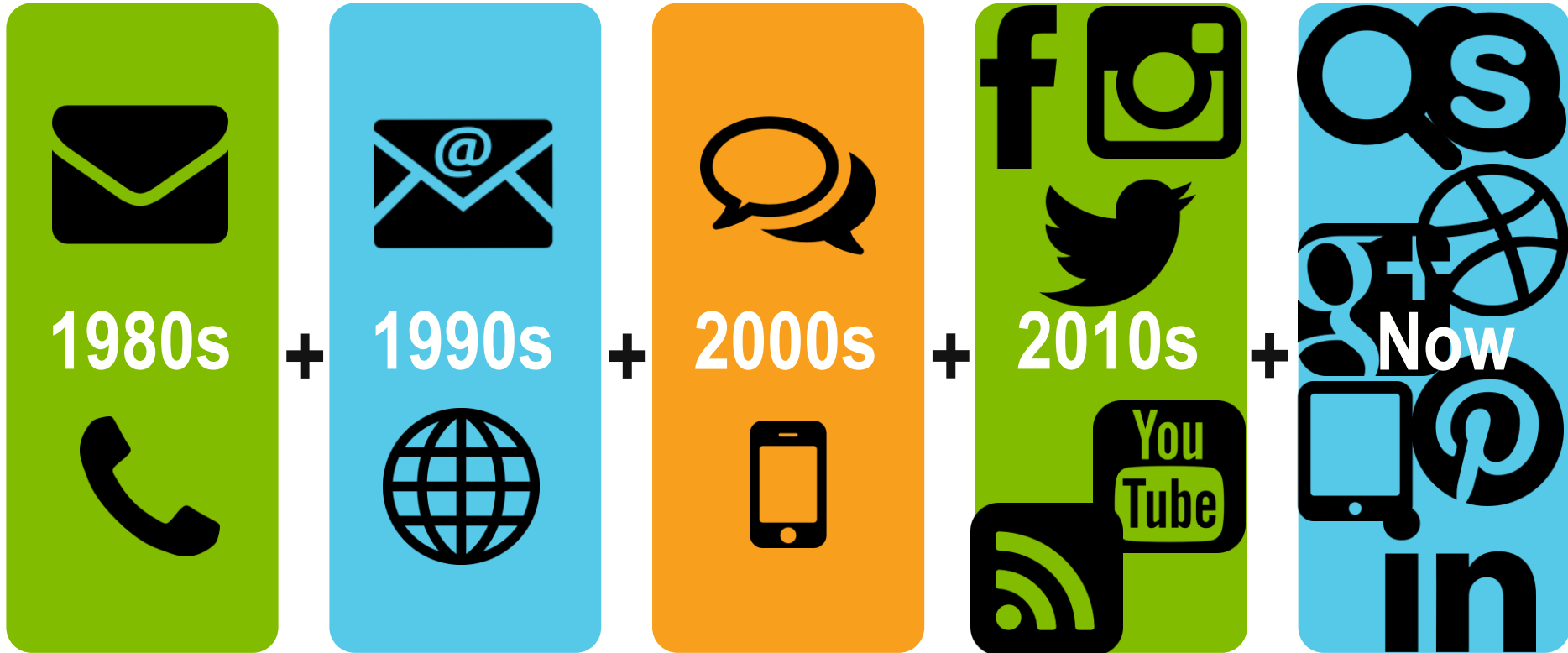




SKYLINE
see beyond your **it**

Digital Transformation – Winners and Losers

The Rate and Pace of Change is Accelerating



Digital Opportunities Impact Every Function



Finance



Human Resources



Information Technology



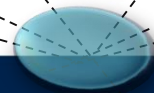
Supply Chain



Customer Relationships

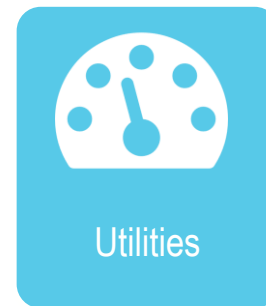
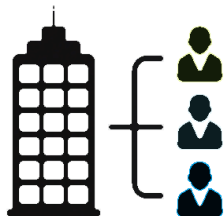


Business Insight



Digital Opportunities Impact Every Industry

Transforming how businesses create value



New Ways to Grow Shareholder Value



Top 5 Publicly Traded Companies (by Market Cap)

■ Tech
 ■ Other



2019 Top 5

Billion

Amazon \$802

Microsoft \$789

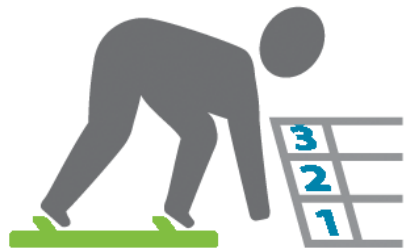
Alphabet \$738

Apple \$720

Berkshire-Hathaway \$482

Four of Next Five

March 28 2019



72% of CEO's say the rapid pace of

technology innovation

is their biggest challenge

Source: 2015 Fortune 500 CEO Survey

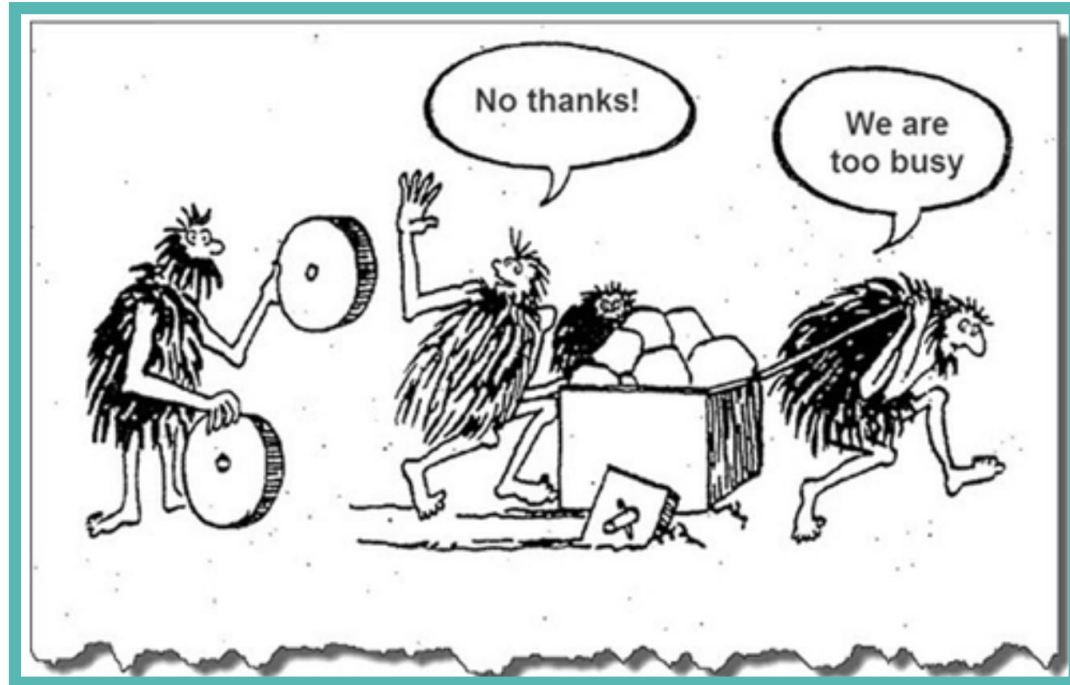
Top Boardroom Priorities



- High Performance Culture
- Efficiency and Automation
- Regulatory Compliance and Security
- Demand for Faster Innovation Cycles
- Creation of Insights Driven Business Models
- Rapid Response to Non-Traditional Competitors
- **Digital Transformation of the Business**

Source: "Inside The 2015 Boardroom Priorities", Constellation Research, December 2014

Digital Transformation – Are You Prepared?



Companies Built to Minimize Risk Will Fail



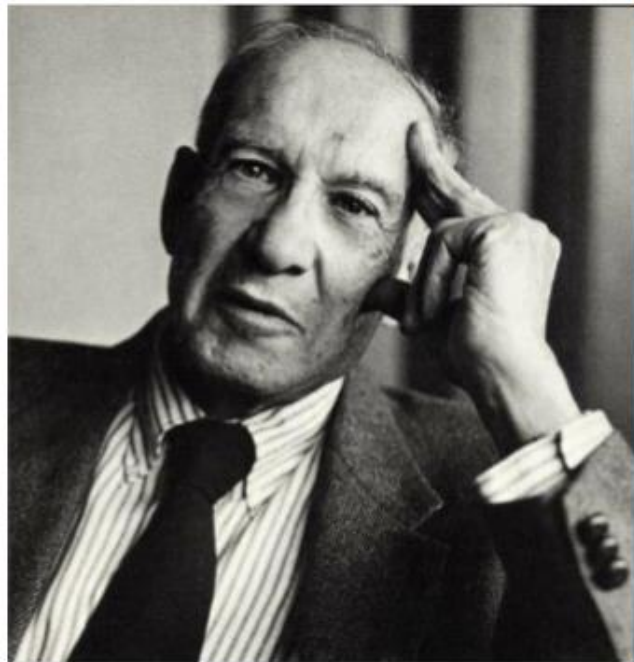
Information and data
is hoarded, not shared.



Their design is a vestige of an
era when failure was expensive,
and deliberation was a virtue.



Decision-making power lies
in the hands of the few.



“The greatest danger in turbulent times is not the turbulence, but to act with yesterday’s logic.”

—PETER DRUCKER

Every Organization Faces New Competition

“Our scariest competitors are Amazon, Soap.com, and Diapers.com, because there are so many things in our assortment that are conducive to online shopping.”

Grocery Chain Executive



What is Ford Doing?

Ford CEO Jim Hackett Views this Challenge Through the Lens of *“Now, Near, and Far”*

Now

How to be successful in the “now” and simultaneously make the critical pivot to the “far”?

Near

How and when to place bets on the future and pivot resources to support those bets?

Far

How to envision a future state and future role, knowing that any prediction is uncertain and subject to change?



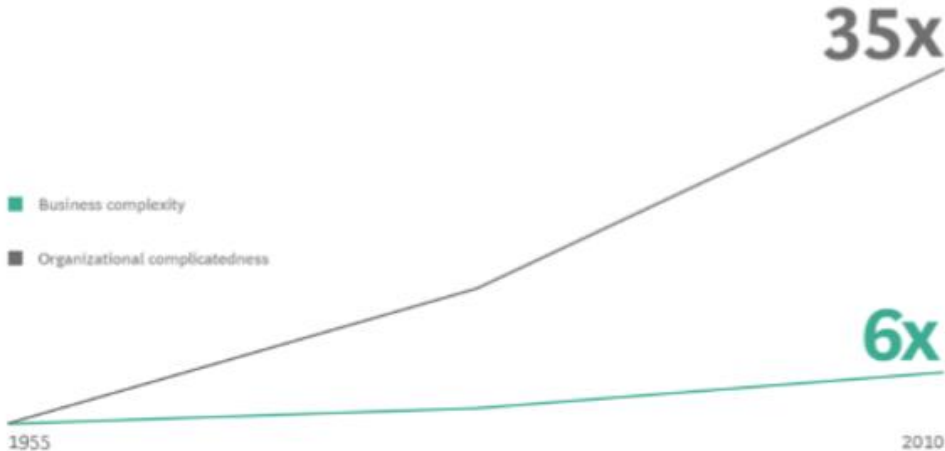
How Ford Is Pivoting from “Now” to “Far”

- **Eliminate “value killers”:** Stop selling sedans in the U.S.—frees up \$8 billion to support electric and autonomous vehicles
- **Double down on customer preferences:** Transform F-150s and SUVs into electric vehicles with autonomous features
- **Attract the best intellectual capital:** “Our goal is to...attract the entrepreneurs and young businesses” that would typically gravitate toward Silicon Valley (William Ford, Chairman)

Winners are Addressing Culture



As complexity has grown, complicatedness has exploded...



...significantly eroding organizational performance and productivity

What to do about Increasing Complexity?

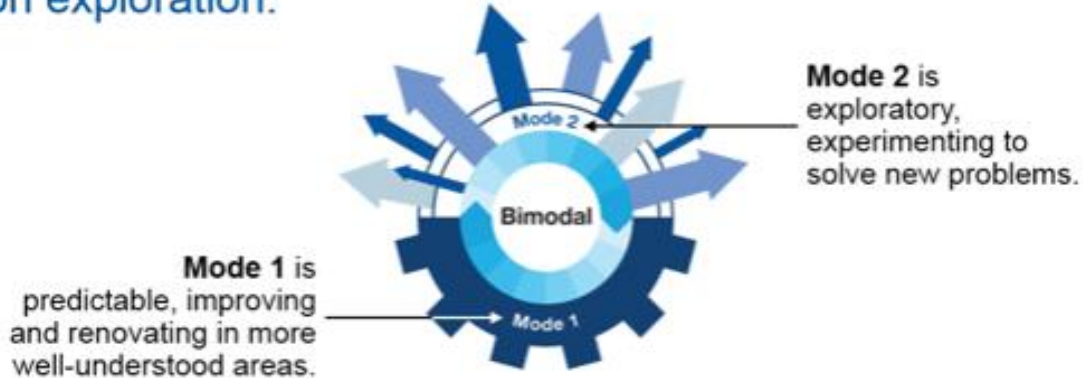
1. Do Nothing ... leads to decay.
2. Add structure and people Which can slow the progress
3. Put in Process
 - Good Process
 - Bad Process
4. Attract, grow, and retain competent people:
 - Provide context of strategy and plans ... freedom in a framework
 - Let them use their good judgement
 - Trust people to do the right thing
 - The best are not afraid to learn lessons

Boston Consulting Group - 2016

Winners are Changing How They Work



Bimodal is the practice of managing two separate but coherent styles of work — one focused on predictability and the other on exploration.



Gartner.

Winners are Transforming in Four Areas

Digital Transformation



Engage
customers



Empower
employees



Optimize
operations



Transform
products

Winners are Empowering Their People



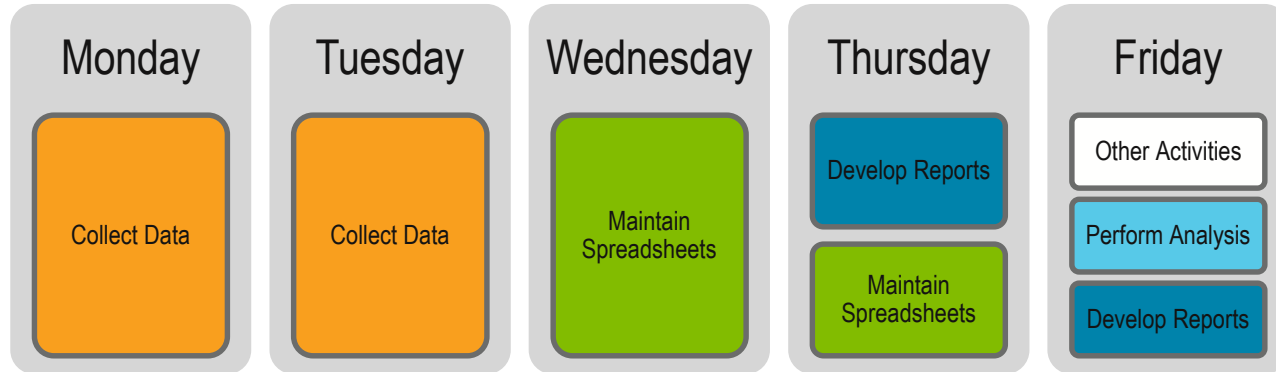
Worldwide, 13% of Employees Are Engaged at Work

Low workplace engagement offers opportunities to
improve business outcomes *Gallop Poll*

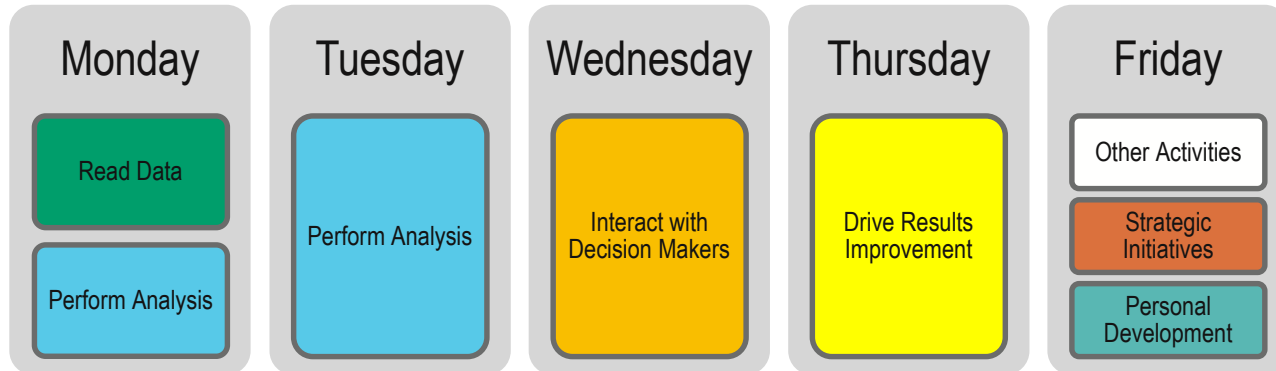
Engage and Empower People



Past



Possible



Simple Methods to Connect



When you say what c

10 Key Metrics Of Employee Engagement

[View detailed graphs](#)



Relationship with Manager

[View Details](#)

8.5



Personal Growth

[View Details](#)

7.7



Ambassadorship

[View Details](#)

8.3



Recognition

[View Details](#)

8.1



Feedback

[View Details](#)

7.7



Relationship with Peers

[View Details](#)

8.0



Happiness

[View Details](#)

7.8



Wellness

[View Details](#)

7.7



Satisfaction

[View Details](#)

7.6



Alignment

[View Details](#)

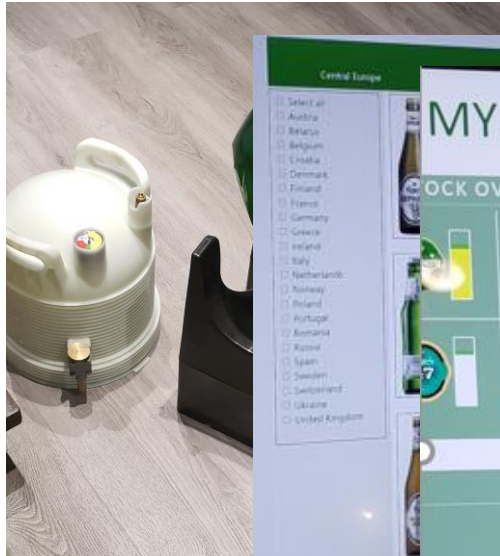
7.9

I feel very embarrassed

Transform Products: Beer



Transform Products (and the Business Model)



Central Europe

- Select all
- Austria
- Belarus
- Belgium
- Czechia
- Denmark
- Finland
- France
- Germany
- Greece
- Ireland
- Italy
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Russia
- Spain
- Sweden
- Switzerland
- Ukraine
- United Kingdom

MY BAR ☰ MY SERVICE AREA & ORDERS

STOCK OVERVIEW

SALES

MY WORKORDERS

- EBC BAR: *Consistent underserving, check calibration of equipment and cleanliness of serving equipment.*
- Beauty Bar: *RUL for compressor below 3 months – large repair.*
- Atomic Liquors: *Predictive Maintenance Change compressor oil.*

PROPOSED SOLUTION

Tap on a workorder above to see recommended solution

MY SERVICE AREA

CONTACT OWNER

Engage and Connect with Customers

Most Marketing Today Is
Not Customer-Centric



of buyers say
advertising is relevant
to them

LinkedIn

Source: InfoLink study on "banner blindness"

8



Engaging One Customer at a Time

That Means Every Little Detail Is Driven By Data



LinkedIn

Source: Netflix Blog On "Artwork Personalization"

10

Engage Customers – Not Everyone is Netflix

TRANSFORMATION OUTCOMES



Decreased Drama



Powerful Decision Making



Heightened Problem Solving



Internalized Sense of Purpose



SIGNIFICANTLY INCREASED RESULTS



Tweets	Following	Followers	Likes	Lists
7,634	693	3,738	1,305	2



Paper Converting Machine Company

Machinery · Green Bay, WI · 4,670 followers

Leader in tissue converting, packaging, flexographic printing and nonwovens technology.

[Visit website](#) 

✓ Following ...



Ron & 23 other connections work here

[See all 499 employees on LinkedIn](#) →

71% of B2B buyers have researched your company before talking to you.

Winners Know the World Has Changed



Access to Technology

Drones	2007	\$100k
	2018	\$700

3D Printing	2007	\$40k
	2018	\$200

DNA Testing	2007	\$2.7b
	2018	\$50

Solar	1994	\$30 per kwh
	2018	\$0.06



Leaders Must Embrace a Unique Role in the Digital Age

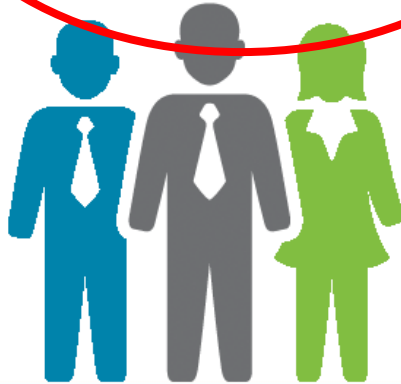
Protectors of Corporate Value

- Maintain system stability
- Manage risk and compliance
- Maintain revenue
- Mitigate risk



Catalysts of Business Model Change

- Support Innovation
- Consult and Engage with business stakeholders
- Build a culture of agility
- Grow Talent to meet changing demands



Leaders and Strategists

- Drive Ecosystem thinking
- Lead change beyond tech
- Build a culture of innovation
- Show what's possible
- Own the transformation

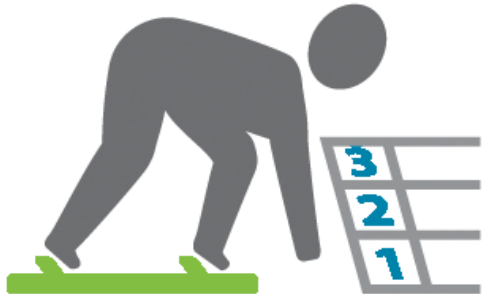




“MOVE FAST AND BREAK THINGS”

(DON'T BE AFRAID TO)

Mark Zuckerberg



Resources

Microsoft:

<https://www.microsoft.com/en-us/ai/ai-business-school>

Amazon:

<https://www.youtube.com/watch?v=KHdljPzO3B0>

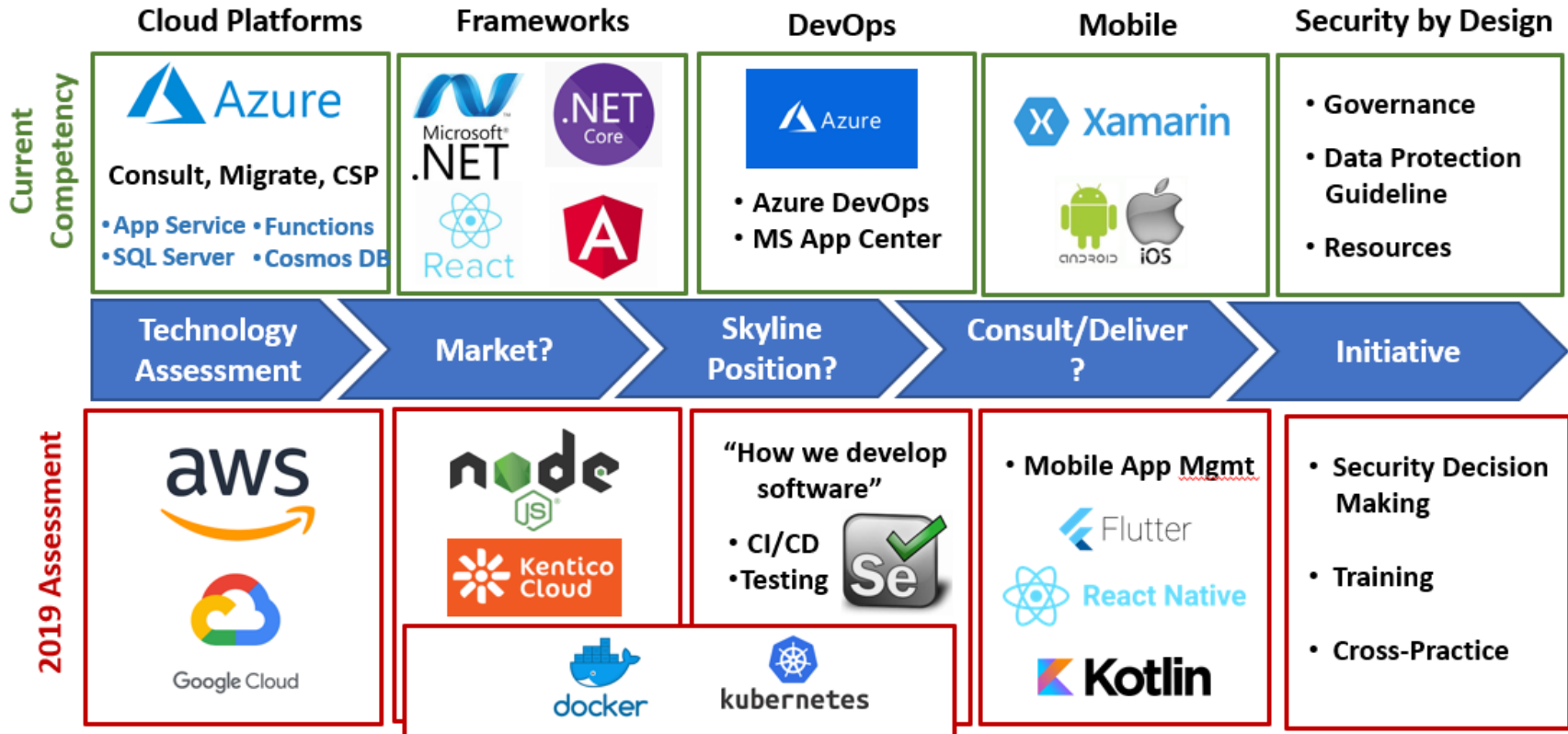
IBM – IoT in Manufacturing:

<https://www.youtube.com/watch?v=R5RfSQ3Nxzg>

Boston Consulting Group:

<https://www.bcg.com/publications/collections/most-innovative-companies-2019-artificial-intelligence-platforms-ecosystems.aspx>

Closing – What Does Skyline Do?



**Custom
Software
Development**
that enables
differentiation
and
competitive
advantage

**Business
Intelligence**
that enables
organizations
to use their
data as an
asset

**Portals &
Collaboration**
the empowers
the modern
workplace

**Professional &
Advisory Services**
that assists
organizations
with digital
transformation

Skyline Competency Areas