

How leaders are driving their strategy for the Digital Age

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We are in the age of the Digital BLUR – Digital technology has introduced organizations to new ways of unlocking value, including outside their industry boundaries, significantly lowering entry and exit barriers. As a result, industries are unbundling, and a new breed of competitors are emerging. Digital technology has also allowed customers to be connected to the brands and their offerings as well as each other, making customers the most important stakeholders in the value chain. This is paving way for a new paradigm in corporate strategy.

The new paradigm in Corporate Strategy

The Digital Age demands a platform-based business, connecting several ecosystem players who collectively deliver value that ‘wows’ customers.

Companies that operate well in this model harness the demand-side economies of scale, providing various stakeholders in the ecosystem just-in-time access.

Therefore, leaders in digital organizations obsess over customer engagement, adoption and stickiness. Conversations around corporate growth typically revolve around:

1. Unlocking exponential growth
2. Building an unfair advantage and a competitive moat for their business
3. Creating a thriving ecosystem that adds terrific value to customers

The new battleground: Platforms and Ecosystems

According to Accenture, *"Ecosystems are the bedrock of digital. The top 15 public platform companies already represent \$2.6 trillion in market capitalization worldwide."* Alibaba, Alphabet, Amazon, Apple, Facebook, LinkedIn, Netflix, Salesforce, Tencent and Twitter are some top names to reckon with. Not to be left behind, many companies from non-tech sectors such as Bosch, Disney, GE, Merck and Schneider are also rapidly building platforms. These companies, however, represent a very small percentage of organizations worldwide.

Unfortunately, a study by MIT Sloan and Capgemini study states that *while 90% of CEOs believe that the digital economy will impact their business, less than 15% are executing a digital strategy.* To succeed in the digital age, leaders need to shift from a linear strategy model to a far more dynamic one.

Case-in point: A global survey conducted by The Centre for Global Expertise noted that *platform-based companies employ 1.3 million people with a total market capitalization of \$4.3 trillion, making platform ecosystems a critical component of corporate strategy.*

Bridging the Gap

In my book, [Clearing the Digital BLUR: How Organizations can transform at the speed of Digital](#), I outline a breakthrough framework called the Digital LEAPFROG Strategy Framework. This framework allows any organization that

has a linear business model to evolve a networked platform-driven business model.

The framework relies on the following basic tenets to achieve these outcomes:

1. Business ecosystems have an in-built mechanism for realizing the power of network effects. Ecosystems are built on the principle of increasing interconnections, making it easy and quick to connect everything.
2. Business ecosystems offer unprecedented access to dynamic capabilities, resources and talent on a global scale that are available on a real-time basis.
3. The shift to business ecosystems calls for a mindset that is open to radical changes in the way businesses are configured, in terms of the people, processes and technologies that power the organization.

Learn more about the LEAPFROG Framework and uncover actionable worksheets and case studies that can help you drive your organization's business strategy for the digital age. Pick up the book [here](#).

(The article is written by Rajiv Jayaraman , Author of Clearing the digital Blur, Founder-CEO of KNOLSKAPE , TEDx speaker & Chief People Officer)