KPMG guide to digital leadership

Developing inspiring and effective digital leaders at every level

KPMG in Saudi Arabia

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Foreword

"Data is the oil of the 21st century" was a poignant statement made by the Saudi Data and Artificial Intelligence Authority (SDAIA) last year when the government body estimated the value of the Kingdom's data and AI economy to be US$4-5 billion. With an opportunity to generate an additional US$10 billion, and a further $135 billion to be achieved through the adoption of artificial intelligence (AI), the scale of the Kingdom's digital ambition is monumental.

Significant strides have already been made and the benefits of a national scale digital transformation are cascading into every level of society from global business operations to our daily lives as citizens and residents. From cashless commerce to the safe exchange of data at a cross-department governmental level, digital transformation is shaping the ways we live and work in the Kingdom.

The empowerment and development of a young national capability is critical to Vision 2030. We are seeing this take shape through partnerships that will provide the National AI Capability Development Program and through the National Strategy for Data & AI (NSDAI). These and other targeted initiatives such as data and AI training programs for young people in the Makkah region are all factors that point to the increased demand of digital leadership skills.

For example, the energy industry, the bedrock of the Kingdom's economy for so long, is the confluence where environmental and social considerations meet with rapid organizational transformation. Embracing challenges to the industry head-on, Saudi Arabia's Centre for Artificial Intelligence for Energy was launched earlier this year as a joint initiative between the Ministry of Energy and SDAIA. This collaboration will include the creation of a new Artificial Intelligence Center for Energy that will promote AI research, support innovation and enable entrepreneurship.

The energy industry is a striking example of an industry undergoing wide-scale transformation in the Kingdom, but there are many more. Digital leaders in all industries, at all levels are undergoing a voyage of growth and discovery to embrace transformation, adopt digital mindsets and drive value from digital investments.

It is against this backdrop that this guide aims to support the development of digital leadership, and in doing so, support the wider goals of Vision 2030 – to improve education and employment opportunities for young people and to create businesses that are stronger and more resilient in the public and private sectors. As part of this, KPMG will deliver Digital Leadership Masterclass, an immersive program for future digital leaders.
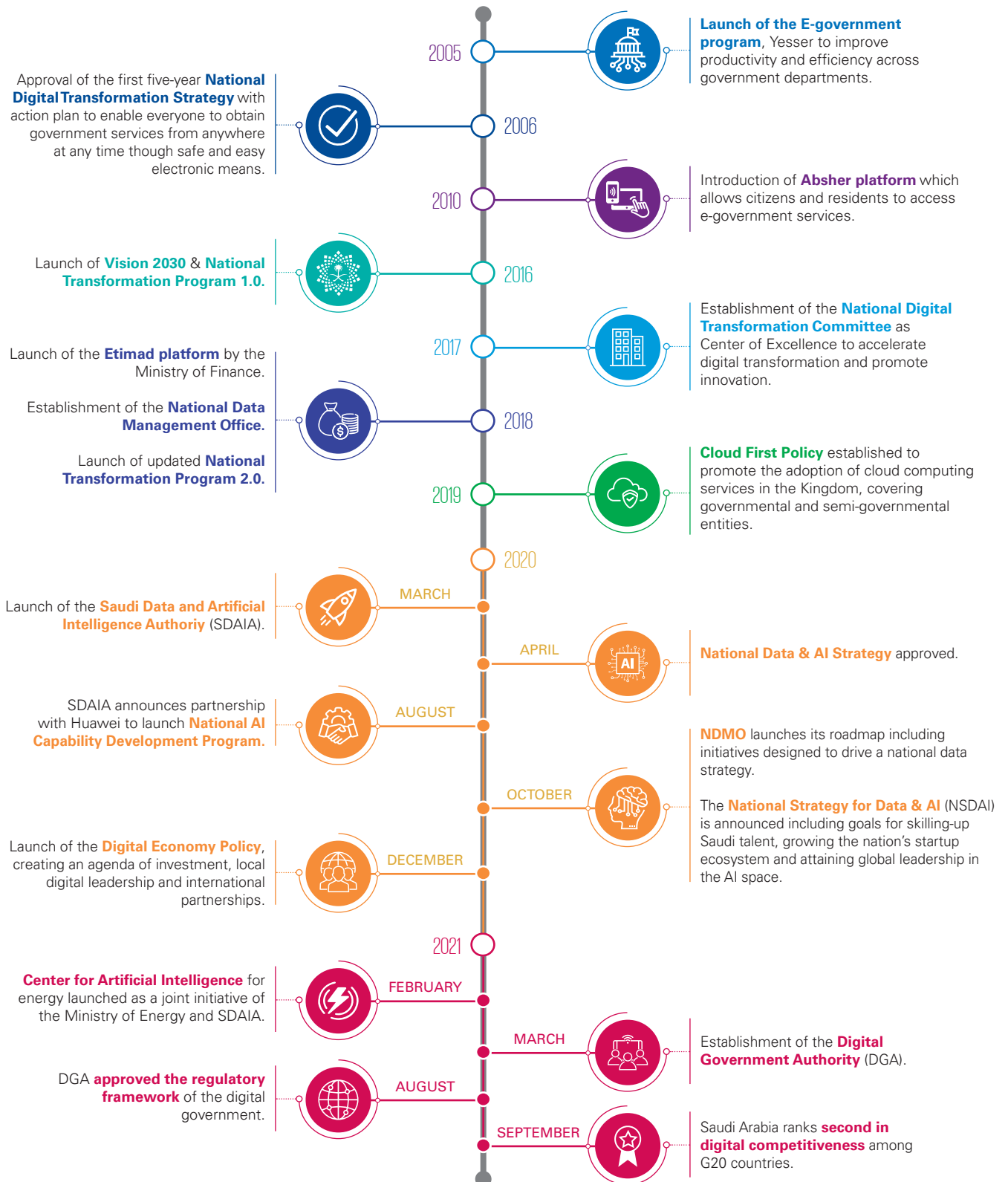
Dr. Abdullah Al Fozan
Chairman
KPMG in Saudi Arabia

Mazhar Hussain
Digital Lighthouse Leader
KPMG in Saudi Arabia

Timeline of Saudi Arabia's digital milestones

2005 — **Launch of the E-government program**, Yesser to improve productivity and efficiency across government departments.

2006 — Approval of the first five-year **National Digital Transformation Strategy** with action plan to enable everyone to obtain government services from anywhere at any time though safe and easy electronic means.

2010 — Introduction of **Absher platform** which allows citizens and residents to access e-government services.

2016 — Launch of **Vision 2030** & **National Transformation Program 1.0.**

2017 — Establishment of the **National Digital Transformation Committee** as Center of Excellence to accelerate digital transformation and promote innovation.

2018 — Launch of the **Etimad platform** by the Ministry of Finance.

Establishment of the **National Data Management Office.**

2019 — Launch of updated **National Transformation Program 2.0.**

Cloud First Policy established to promote the adoption of cloud computing services in the Kingdom, covering governmental and semi-governmental entities.

2020

MARCH — Launch of the **Saudi Data and Artificial Intelligence Authoriy** (SDAIA).

APRIL — **National Data & AI Strategy** approved.

AUGUST — SDAIA announces partnership with Huawei to launch **National AI Capability Development Program.**

NDMO launches its roadmap including initiatives designed to drive a national data strategy.

OCTOBER — The **National Strategy for Data & AI** (NSDAI) is announced including goals for skilling-up Saudi talent, growing the nation's startup ecosystem and attaining global leadership in the AI space.

DECEMBER — Launch of the **Digital Economy Policy**, creating an agenda of investment, local digital leadership and international partnerships.

2021

FEBRUARY — **Center for Artificial Intelligence** for energy launched as a joint initiative of the Ministry of Energy and SDAIA.

MARCH — Establishment of the **Digital Government Authority** (DGA).

AUGUST — DGA **approved the regulatory framework** of the digital government.

SEPTEMBER — Saudi Arabia ranks **second in digital competitiveness** among G20 countries.

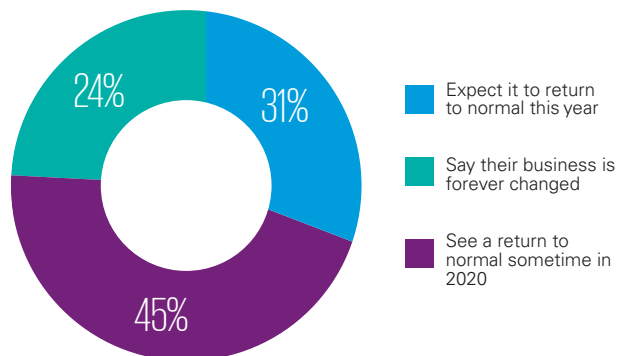# The evolution of digital leadership

Gone are the days when a single Chief Digital Officer or Chief Technology Officer took charge of enterprise-wide transformation. An exponential rise in the pace and scale of change required to entirely re-purpose our biggest and most successful companies has taught us that digital transformation is everyone's role.

The vision of digital leadership sitting firmly within an IT function or a project team is no more. Digital leaders sit at every level and in every function of the organization. But wherever they work, they're living and breathing the vision that this journey is not just a job for the few, but a movement shared and driven by the many. That transformation is not just a divisional initiative, but the sustainable way that things get done across the enterprise. That this steep climb is not a struggle but an adventurous voyage of growth and discovery for all.

From global energy majors to niche technology providers and end consumers, transformation is being driven by a diverse range of people, organizations and societal factors. In this guide, we have brought together the latest research from KPMG with expert opinion from academics, major corporates and cutting-edge start-ups.

This guide aims to provide a practical insight into the mindset changes that each of us can make to improve the success of digital projects.

Paired with the democratization of transformation, a surge in the pace of organizational transformation has occurred as a result of the global pandemic. According to KPMG's 2021 CEO Outlook pulse, three-quarters (74 percent) of business leaders report that the digitization of their operations and creation of a next-generation operating model, have accelerated by a matter of months, up from 50 percent in August 2020. Companies will plan to invest more in digital in 2021 in order to build out their organizations' digital capabilities.

- 31% Expect it to return to normal this year
- 24% Say their business is forever changed
- 45% See a return to normal sometime in 2020

Source: KPMG 2021 CEO Outlook Pulse

Chart 1: Who within your organization/institution is primarily driving decisions related to your digital transformation strategy?

IT executive leadership (CIO, CTO, CISO)	67%
CEO	47%
IT	41%
Other executive leadership (non-IT C-level, not including the CFO or CEO)	34%
Board/minister	18%
Finance (including the CFO)	17%
Operations	12%
Sales/eCommerce	11%
Customer service	10%
Risk/compliance	9%
Human resources	9%
Marketing	8%

Base: 780 professionals involved with digital transformation strategy decisions
Source: A commissioned study conducted by Forrester Consulting on behalf of KPMG, July 2020

Source: Forrester/KPMG study, Impacts of COVID-19 on digital transformation strategies and the future of work, July 2020

"Digital has become the solution rather than the disruptor. There's a sea change in the way we think about digital and how companies need to leverage digital technology as the solution to the challenges they face."

Tim Denley
Partner in Charge of Solutions
KPMG Ignition Tokyo

Why do we need digital leadership?

The traditional leadership model has evolved, and organizational transformation is continuing to move faster than current leadership mindsets. Digital is now about humans and culture as the variables that are most critical to digital value creation. Transformation should be driven by everyone.

> "If the leader is not a pioneer for a future digital business model and its technologies, then they're not functioning as a vital bridge, connecting the business and technology ends of the enterprise. They don't necessarily have to be a deep technologist, but they need to appreciate the promise of AI, cloud, IoT, smart analytics and other solutions, and what the business model might look like in five years."

Shamus Rae
CEO at Engine B

In every program there will always be decision makers who will have the ultimate calls on technology, head count and funding, but everyone, from the boardroom to the back office, can be a digital leader. We need digital leaders to champion that transformation is:

- *Not just a job for the few, but a movement shared and driven by the many.*
- *Not about small gains in productivity, but about giant leaps in performance.*
- *Not just a divisional initiative, but the sustainable way that things get done across the enterprise.*
- *Not a steep climb, but an adventurous voyage of growth and discovery.*

What is digital leadership?

Digital leadership is a two-part, human-centric endeavor. Firstly, it's reaching out to people across the enterprise, engendering a sense of connectivity between individual workers and their specific and collective missions. Secondly, it's leading a shift in the most relevant and productive talent-upskilling, training, hiring-to ensure team members from front office to back are equipped for the future.

Digital leaders realize the future of work through a digitally savvy workforce with the skills to create competitive advantage. They build digital awareness by creating an employee-led movement.

KPMG's research shows that digital leaders deliver results that others don't. Digital leaders are nearly four times as likely to maximize the value of their data effectively. While many organizations have a data strategy, digital leaders are four and a half times more effective at executing against it.

Chart 2: How effective is your organization in each of the following? Those answering effective or extremely effective:

	Digital leaders	Others
Maximizing value from the data you hold	37%	10%
Executing on an enterprise-wide data strategy	36%	8%
Application of AI to manage enterprise data	15%	2%
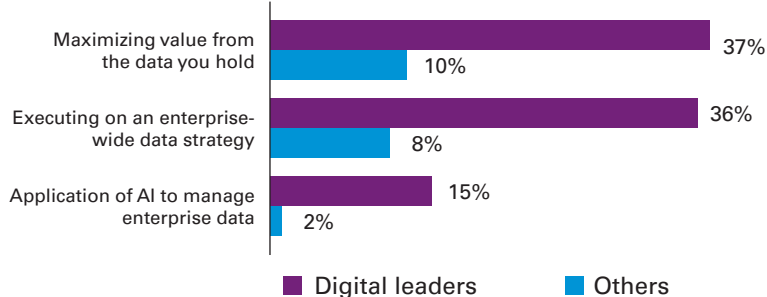
Source: Harvey Nash/KPMG CIO Survey 2020

The characteristics of a digital leader

What is the profile of a successful digital leader? Integrity, vision, commitment and passion remain important to the digital leader, but the profile is now wider than that, and with the evolving business environment, the demands are also less predictable.

A digital leader is an intellectually yet practically minded leader with a heightened capacity for multimodal thinking. This makes them highly adept at devising creative solutions to complex problems. A fluid mindset is critical because digital leaders must operate with increasing agility as they move from mode to mode in response to different situations. We will explore the different modes of thinking later in this guide.

Digital leaders:

Naturally approach problems as opportunities and embrace digitally driven change.

Display the cultural attributes of a contemporary business that's disruptive, resilient, and sustainable.

Pivot away from the traditional qualities of corporate leadership, approaching their work with an unconventional mindset.

Are non-conformist thinkers, who are driven, passionate and intellectually agile.

Chart 3: Large-scale implementations of emerging tech

	Digital leaders	Others
Distributed cloud	42%	16%
SaaS marketplace platforms	34%	18%
Intelligent automation	13%	4%
Artificial intelligence / Machine learning	12%	2%
Edge computing / Internet of Things	11%	5%
Blockchain / Distrivuted ledger	3%	1%
Augmented reality / Virtual reality	3%	1%
Quantum computing	1%	0%

Digital leaders are respondents who report being 'very' or 'extremely' effective at using digital technologies to advance their business strategy

■ Digital leaders   ■ Others

Source: Harvey Nash/KPMG CIO Survey 2020

Who is a digital leader?

An architect who develops and executes the organization's digital strategy and architecture.

An implementer who works closely with business lines to implement tools.

A coordinator who brings together people with disparate skills to work together and encourage collaboration.

A relationship builder who connects with third-party technology providers to incorporate their specialized skills into the organization's digital strategy and business strategy.

Digital leadership in practice

In the following sections of this guide, we take a deeper look into the ways in which digital leaders think and the considerations that are top of mind as they live their daily role. The KPMG digital leadership model below captures the multitude of dimensions that digital leaders now need to work across.
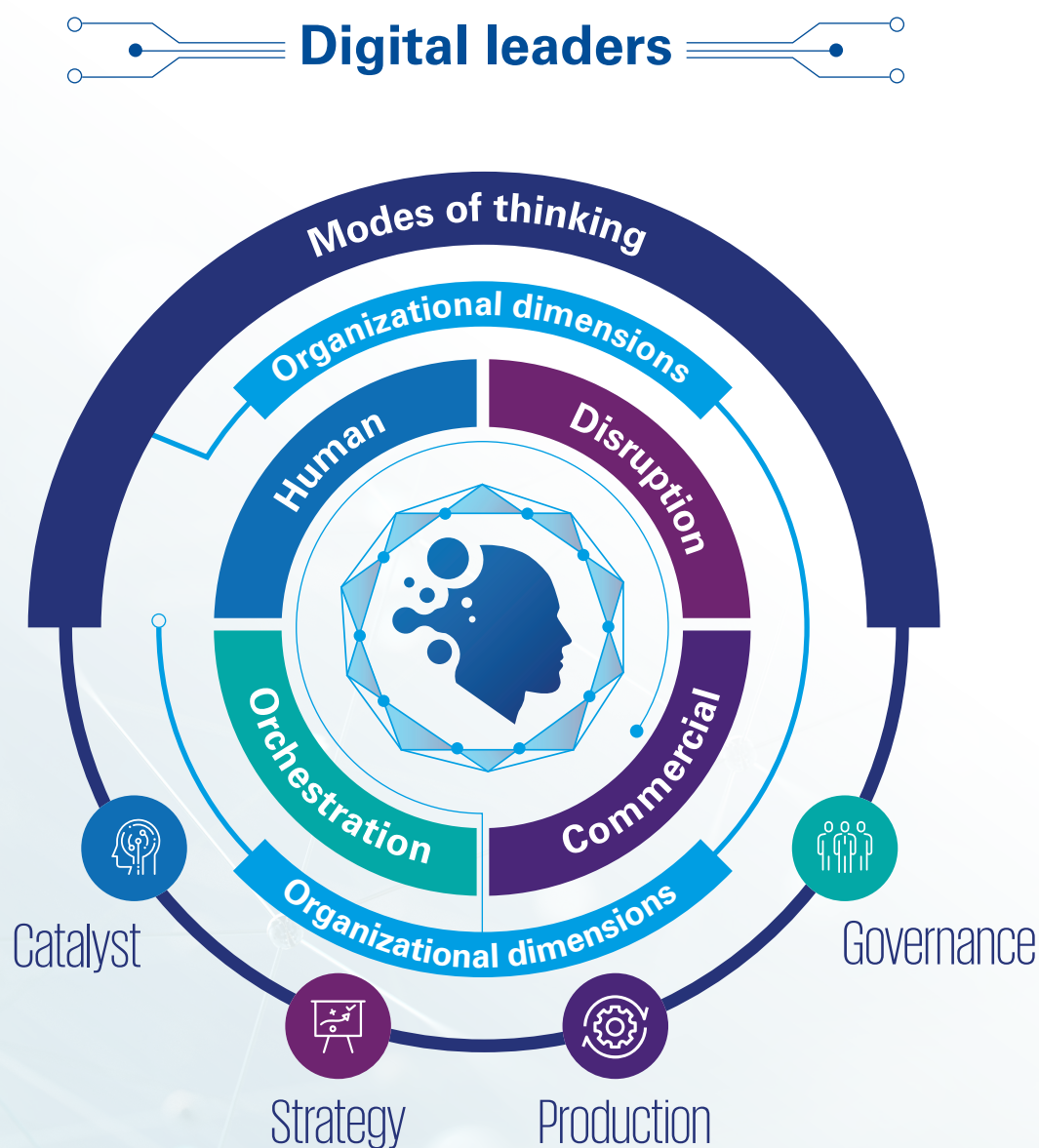
Digital leaders

Part one: multimodal thinking

Digital leaders are masters in multimodal thinking
Traditionally, the pace of change was remarkably slow. You could set up a service or a system and it might remain unchanged for years. The same thing was true about job descriptions and role profiles. Today, the pace of the change has exploded, requiring digital leaders to be more dynamic and flexible in responding to changes. Expectations are much more immediate, and therefore much more prone to ongoing modification. From a digital leadership perspective,

the key element of organizational culture is that change is constant. Companies no longer shift from one steady state to another—it's much more fluid. Therefore, digital leaders exhibit vastly different modes of thinking in order to respond rapidly to changing circumstances.

The four modes that digital leaders need to rapidly switch between are: strategy, catalyst, production and governance.

Catalyst

Inspiration cannot be overstated when it comes to digital leadership. **The catalyst mode of thinking is rooted in translating awareness into action**. Digital leaders must be pioneers for the cause. They must help people up and down the value chain understand their roles, the company's technology, and how they can be instrumental in moving the organization's transformation forward.

This mode of thinking revolves around helping people appreciate what transformation entails, why the company is doing it, how it will be approached, what the goals are, and then nudging them toward action.

Strategy

This mindset is all about planning and recognizing that, while **digital strategy requires big, bold thinking, the development work is intricate**. Achieving success at scale typically doesn't follow a linear path.

The job of digital strategist requires aligning and then prioritizing various points of view. And the action steps are not always new; it's not unusual to utilize resources that are already in the technology stack. Often, the solution is an exercise in reigning in overzealous thinking.

Multimodal thinking

Governance

Underpinning the entire digital process is the importance acknowledging the ethical ramifications and inherent risks in everything the organization does from a digital perspective. **This mode of thinking focuses on policies and controls impacting every functional imperative across the other modes,** collecting perspectives and then determining how those perspectives and resources are aligned in service of positive outputs and outcomes.

In this mode, digital leaders must demonstrate their commitment to the stewardship of the entire digital landscape. There is a great deal of responsibility that comes with digitization-security, privacy, access, to name just a few considerations. Because organizations evolve constantly, this mode helps ensure all of the connections across the organization are both operationally and ethically on point and aligned with the company's core business vision.

Production

Action, if it is to be transformational, must be decisive and carried out with confidence. This thought process propels the organization's new philosophy on and approach to producing and delivering its products and services. **The digital leader's goal is to keep people in every functional area thinking about generating positive, sustainable and repeatable outcomes**.

Production thinking is inherently multidisciplinary, requiring digital leaders to connect people from the business, finance, data and IT to facilitate building, testing and scaling on the organization's existing infrastructure.

Part two: organizational considerations

Four key dimensions for digital leaders to consider

Based on our own experience of working on major transformation projects over the past 10 years, we've identified the major considerations that digital leaders need to keep in mind within the context of their role and function. They are human, orchestration, disruption and commercial.

Human: culture and skills

Digital initiatives, whether they're transformational or incremental, succeed or fail not only because of employee behavior and skills, but also commitment and passion. These qualities are strengthened and sustained through leadership. Hence, getting the right skills in place across the organization and for the duration of any program is essential.

"Skills strategy should be at the center of all staffing decisions. It's not separate. It's skills first, not roles first," says Alison Ettridge, CEO & Founder at Talent Intuition. "Many companies get stuck compartmentalizing people by roles, rather than by their skills, which can reveal who within the business can actually wear different hats and be entrusted with different tasks."

The majority of organizations have a digital transformation initiative in some form of progress. Unfortunately, many have never assessed whether they have the skills in house needed to execute a transformation or manage the transformed operating model. That's the critical competency for digital leaders: awareness of the organization's skills gaps.

"To shift the culture and mindset of the employees is like changing the DNA of the organization. With the advent of AI and emerging technologies, upskilling and re-skilling of employees will play a vital role. Employees must figure out how to keep their skills relevant in a rapidly changing environment, and organizations need to change their processes and policies to empower their teams in the new digital landscape."

Hesham Saad Al Ghamdi
Group Chief Data & Analytics Officer
Abdul Latif Jameel

Human dimensions for digital leaders to explore	
Culture	**Skills**
Changing culture	Skills demand strategy
Digital mindset	Skills risk management
Digital behavior	Intelligent skills deployment
Experimentation	Skills architecture
How can the right culture be embedded, and skills intelligently managed to realize value from digital?	

For further resources to explore on these critical dimensions, please visit our Digital Leadership Immersive Guide
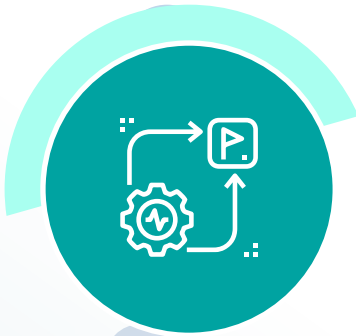
Orchestration: methods and models

The presence of multiple emerging technologies: AI, cloud, blockchain, smart analytics, to name a few, unlocks the potential for approaching the current wave of challenges in entirely new and interesting ways. That said, seeing organizations progress to a level of monolithic, top-to-bottom digital transformation, where customer and employee experience is at the center of everything they do, is still, for many, a long-term objective.

But many companies are organically beginning to display more and more of the attributes of digital awareness. This suggests that there is wisdom in identifying initiatives you can pursue that fit an agile, minimum viable product mindset.

"If your digital transformation is structured with a multi-year time horizon, you're out of sync with the current reality" warns Tim Denley, Partner in Charge of Solutions at KPMG Ignition Tokyo: "Digital leaders should be thinking about things that can be developed, tested, verified and launched in a matter of weeks."

It's also important that leaders balance the priorities of multiple stakeholders: "If you only address the priorities of the operations team, your output will likely be less than imaginative. On the other hand, if your strategy is exceptionally innovative but you're not in contact with operations then you're also going to be missing something," says Mark Kennedy, Associate Professor of Strategy and Organization, Imperial College, London.

Orchestration dimensions for digital leaders to explore	
Methods	**Business Models**
Design thinking	Innovation to scale
Agile at scale	Future work design
Product management	Ecosystems and collaboration
Enablers and tools	Digital resilience
How can we scale digital practices across the whole value chain to build resilience?	

For further resources to explore on these critical dimensions, please visit our Digital Leadership Immersive Guide
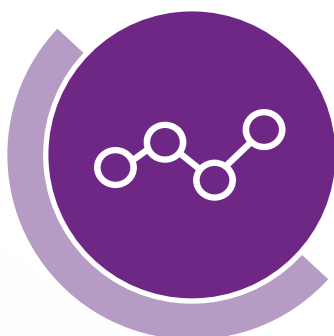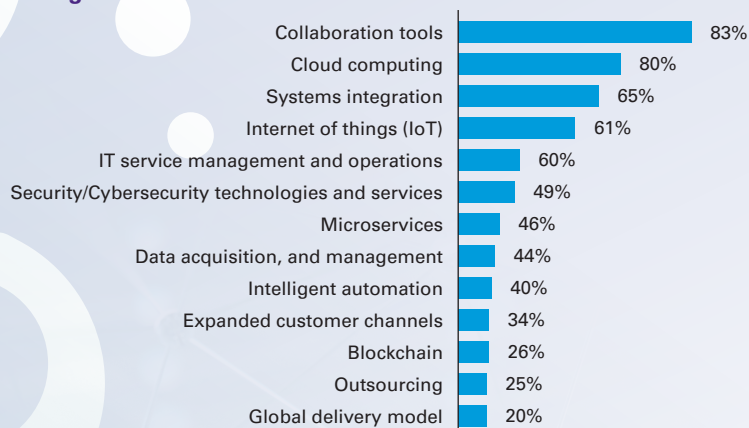
Disruption: technology and data

Digital is embedded in virtually every process from front office to back. Digital leadership is about understanding how these technologies can work together to impact the organization at a scale and pace that the workforce has never seen previously.

"Cognitive technologies such as AI and machine learning are changing the way organizations operate. But low-code, no-code platforms are the next revolution," says Christian Rast, Global Head of Technology & Knowledge at KPMG international.

From KPMG's research we know that digital leaders are those that are 'very' or 'extremely' effective at using digital technologies to advance their business strategy. But, as technologies change, being a digital leader is a moving goal. This year's digital leaders may look relatively stagnant unless they are leveraging the latest technology and responding with agility. Effective digital leaders outperform in every one of five meaningful business measures. They think about technology differently and they correlate business performance to it.

Which of the following is your organization/institution leveraging to enable its digital transformation?

Collaboration tools	83%
Cloud computing	80%
Systems integration	65%
Internet of things (IoT)	61%
IT service management and operations	60%
Security/Cybersecurity technologies and services	49%
Microservices	46%
Data acquisition, and management	44%
Intelligent automation	40%
Expanded customer channels	34%
Blockchain	26%
Outsourcing	25%
Global delivery model	20%

Base: 780 professionals involved with digital transformation strategy decisions
Source: A commissioned study conducted by Forrester Consulting on behalf of KPMG, July 2020

Disruption dimensions for digital leaders to explore

Technology	Data
Technology ethics	Strategy and governance
Emerging technologies	Security and cyber
Investment dynamics	Analytics and insights
Adoption and accountability	Open data integration

How can we optimize business-as-usual processes whilst accelerating adoption of new technologies and data practices to gain competitive advantage?

For further resources to explore on these critical dimensions, please visit our Digital Leadership Immersive Guide

Commercial: risk and value realization

Digital leaders establish a vision of what good looks like. And once the boundaries of investment and revenue goals are set, they give their team the autonomy to experiment, fail quickly if necessary, learn from those experiences, and move forward. The doing, the in-progress course corrections, and process tweaks are the facet of digital transformation with which many organizations struggle.

One of the challenges with managing risk in transformation is that a company's short-term priorities and long-term goals often are not compatible.

"When you're in the midst of working through a short-term challenge, you're essentially, unintentionally, giving people permission to say not to think about longer term issues." Says Shamus Rae, CEO at Engine B.

It might also be the case that the leader needs to draw a line in the sand when it comes to value realization in order to keep momentum: "Digital strategy should be elegant in its simplicity" says Mark Kennedy, Associate Professor of Strategy and Organization, Imperial College, London.

"A strategy, digital or not, should be finite in that it need not go on for multiple years and cost multiple millions of dollars. You can tighten your strategy and give yourself permission say, "We're as ready as we're going to be, let's move forward." Execution is malleable and forever."

Mark Kennedy
Associate Professor of Strategy and Organization
Imperial College, London

Commerciality dimensions for digital leaders to explore	
Risk	**Value**
Return on digital investment	Benefit/value realization
Funding and finance	Monitoring and tracking
Governance and sponsorship	Monetizing assets
Measured decisions	Portfolio management
How can we measure digital value realization, return on investment and risk profile in real-time across multiple metrics, correlators and signals to inform digital strategy?	

For further resources to explore on these critical dimensions, please visit our Digital Leadership Immersive Guide

Transformation of the energy sector

"It's no revelation to say that oil and gas companies couldn't be under any greater pressure. At the same time, resistance to change couldn't be any lower. If companies can't create a clear connection between digital strategy and a viable, profitable future business model in this environment, they never will."

Shamus Rae
CEO at Engine B

Between the virus-induced drop in demand, falling oil prices, the rotation to renewables, and paranoia over stranded assets, oil and gas companies have been under both societal and financial pressure. Oil and gas business models are changing rapidly, which is influencing their technology needs.

Even if they're still pumping oil out of the ground, they're typically maintaining a parallel organization looking at renewables like solar and wind, and at how the organization can diversify into other areas, such as providing IT and digital-related services to other companies.

These fundamental changes to organizational purpose require leaders to amass a dynamic and diversified skills mix quickly as they progress along the path of transformation. Digital leadership is central to addressing these challenges and at all levels, digital leadership capabilities need to be developed to keep energy businesses on track with their transformational strategies.

"With rapidly evolving customer demands and employee expectations, businesses need to adapt at lightning speed. Promoting a growth mindset and a culture that supports transformation are critical for teams to stay competitive, digitally advanced and sustainable."

Nazeeh Abdullah
People and Change Leader
KPMG in Saudi Arabia

Case study: digital transformation of the finance function at a global energy company in the Middle East

The firm is a world leader in the energy industry, affecting the daily lives of people around the world, and is committed to the global effort toward building a low carbon economy.

As part of the business' transformation journey, the leadership team recognized a need to digitalize the finance function. The goals of the project were to enhance efficiency, improve collaboration and to boost performance across all functions through a more joined-up approach to finance that makes use of cutting-edge technology. KPMG partnered with the company to nurture digital ambassadors for the function who will champion digital technology development within their own and interrelated business functions.

The business case for going digital

The firm is going through transformation on almost every front. As a major national employer, their talent strategy is aligned with that of the country where it resides. At an industry level, like many global players, the company is looking towards future energy production and diversification. Plus, at an organizational level there is appetite for the adoption of technology in teams and departments. As part of a grass roots approach to digital transformation that would capitalize on the skills of the finance team, the company wanted to explore the extent to which digital technologies could improve the finance function.

The finance function touches every other function in the business. While there had been some adoption of technology, there were gaps between departments where a joined-up approach would be transformative rather than restricted to incremental improvements. Likewise, although the finance team is rich in subject matter experts, these team members were not necessarily technology experts. Given the pace of technological change it was likely that there were technologies that had been overlooked, under used or that needed to be developed to improve the way finance operates across the entire enterprise.

The leadership team wanted to make use of the existing knowledge in the team to bring about the right digital innovations. The solution needed to bring the finance team on the journey through learning and sharing so that finance experts could become digital ambassadors. The company wanted the program to be a transformative educational experience for participants, one that would win their buy-in so that they would champion digital in the future.

Partnering with KPMG

KPMG designed and delivered a four-day program on digital finance acumen. Using change management methodology combined with a Future of Finance framework, we worked with participants to develop a Digital Finance Acumen journey and a working agenda that could feed into future transformation efforts. As participants entered the program with differing levels of knowledge, we designed a curriculum that would enable the digital ambassadors to identify digital opportunities, develop enhanced processes, and leverage digitalization concepts to realize a significant performance leap of their functions, no matter what their start-point.

The agenda covered an overview of technologies, methods that can be used for digitalization and digital leadership behaviors and mindsets. These elements were combined in an agenda that covered a wide range of subject mater from blockchain to IoT, artificial intelligence and data science. During the course we simulated 80 different use cases for digitalization of finance and discussed the potential outcomes and benefits. Participants worked through their own scenarios: Which parts of their role, work or processes could be digitalized? How? And what would the benefits be to them, their team and to the business?

Through the program we took participants on a journey that would help them adopt a new mindset around digital. We enabled them to become, in effect, 'product managers'; experts who understand their functional area and who also understand the technology. This group of digital ambassadors can now act as a conduit between the technology and the business to digitize the areas that were identified as ripe for change during the program.

Digital finance acumen agenda

Day 1	Day 2	Day 3	Day 4
Future of finance vision	Intelligent demand planning & forecasting	Cognitive contract analytics & management	Intelligent supply chain risk mitigation
Round table conversations			
Digital finance operating model	Applied analytics & big data	Intelligent automation	Cloud infrastructure & blockchain
Design thinking sessions			
Digital ambassador persona	Agile methodology overview	Being a scrum master in sprints	Working towards a proof of concept

Generating outcomes

The finance function is now much more powerful and is leading by example, bringing the departments it works alongside on the digital journey. Although the program content was focused on technology, the benefits are the change in mindset and behaviors that are fueling ongoing digital transformation. Benefits from the program include:

Better collaboration between finance and other departments
Digital ambassadors have surfaced and influenced the adoption of digital technology in other teams and functions, resulting in efficiencies and more effective processes.

A focus on higher value work
Automation and the adoption of AI are enabling the finance team to focus on more value-adding contributions to the business. As technology takes on more manual processes, the team can focus on the things that are uniquely human.

A shift in mindset towards thinking through a digital lens
The digital finance ambassadors are seeing the use cases that were used in training in real life situations. They are able to think digital, make recommendations and support the development and adoption of new digital technologies.

Product manager-thinking
As the digital ambassadors are technology savvy as well as subject matter experts within their function, they have a unique perspective on challenges the business is facing and potential solutions. They are able to advise on which technology interventions will have the biggest impact on performance.

A desire to do more
Having built the foundations on where technology can add value, the team is now looking for new opportunities for digital change. This has resulted in investment in data scientists and the implementation of an AI-based app for finance-related questions and answers.

From awareness to affirmation

To develop digital leadership capabilities through learning, individuals grow their mindset from one of digital awareness to digital affirmation:
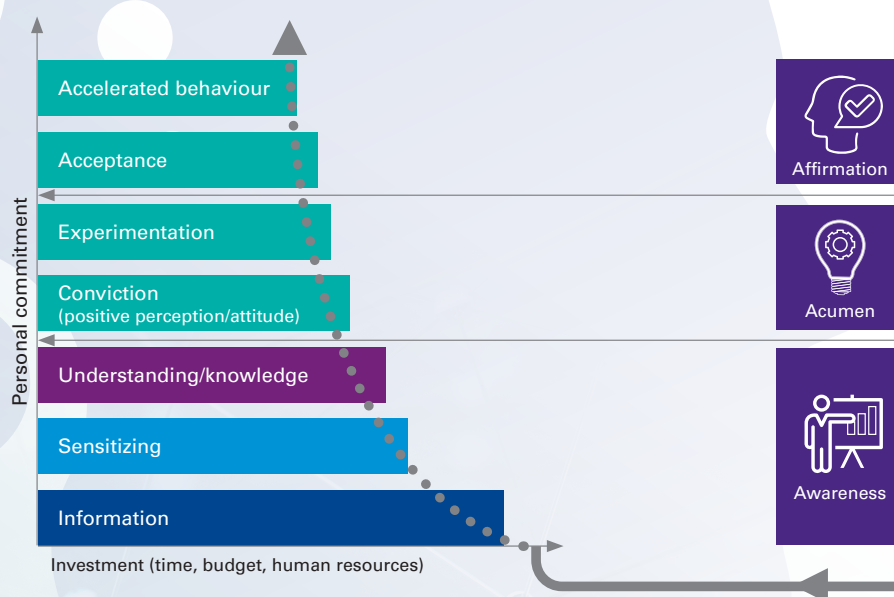
Digital awareness – Investing in workforce readiness to understand the current digital landscape and the impact of emerging technologies on business operations and ways of working.

Digital acumen – Putting the power of technology into the hands of all employees, turning them into technology champions and equipping them to leverage digital knowledge in solution design and business-as-usual activities.

Digital affirmation – Creating and expanding a distributed technology talent ecosystem across the enterprise to enhance talent management and create a culture capable of transcending digital boundaries and unlocking the full potential of digital innovation.

Personal commitment / Investment (time, budget, human resources)

- Accelerated behaviour
- Acceptance
- Experimentation
- Conviction (positive perception/attitude)
- Understanding/knowledge
- Sensitizing
- Information

Affirmation
Acumen
Awareness

"It's critical to link digital work to the business and operating models and then consider what that implies in terms of the existing skill inventory and whether people need to be reskilled or upskilled."

Dr. Samer Abdallah
ICT Sector Leader
KPMG in Saudi Arabia

"Know where your skills and competencies reside. Leaders know what they have, what they need, and the risks the gap between those states presents. Most organizations don't take the time to produce a skills inventory, which exposes the entire enterprise to a variety of risks."

Fadi Sheikh
IT Strategy, Architecture & Enablement Leader
KPMG in Saudi Arabia

An action plan for digital leadership
As we have explored in this guide, digital leaders don't just invest in technology. Digital leaders foster a responsive organization by engendering a sense of connectivity between individual workers and their specific and collective missions of the business and its ambitions. They lead the upskilling, training and hiring of the right digital skills.

In your own role think about the extent to which you are able to:

Align business vision and strategy with the ability to think and execute digitally in pursuit of enhanced performance.

Re-frame ways of working to increase agility and innovation across all markets and regions.

Realize the future of work through a digitally savvy workforce with the skills to create competitive advantage.

Employ a consistent framework and a common language to describe skills and competencies, to establish an enterprise-wide, shared understanding.

Learn more

At KPMG we want to empower people to play the role of digital leader, supplying a toolkit so that individuals can develop their capabilities as inspiring and effective leaders of transformation.

This study is also available as **Digital Leadership Immersive Guide**, bringing to life the modes of thinking and organizational dimensions that every digital leader needs to master.

KPMG is launching a **Digital Leadership Masterclass** to equip leaders at all levels with the right tools to effectively manage transformation. Looking through the lens of trends, technologies and the transformation needed, leaders will learn how to close the gap between current transformation efforts and what can be achieved through successful digital leadership. The masterclass will be hosted at our **Insights Center** in Riyadh.

A digital mindset consists of taking an outside-in and inside-out approach in any leadership position. This type of outlook creates balance between being aware of customer needs, the marketplace, competitors and the ecosystem of operations while also recognizing disruptors and emphasizing internal capabilities to implement in the marketplace. Implementing a digital mindset is the key success factor for any enterprise during these times of extraordinary technological advances. Therefore, KPMG has developed a **Digital Mindset Assessment** to help determine your strengths and development areas against our research model of the mindset needed to successfully build and navigate a digitally transformed future.

To learn more about how we can support you on your digital leadership journey, contact Mazhar Hussain

Future digital leaders

At KPMG, we strive to lead by example and are committed to develop digital leaders at all levels of our organization. Here are a some of our emerging digital leaders, sharing their view on what digital leadership means to them.

"Digital leadership is vital for our country's digital transformation journey, and we all have a role in making it a reality"

Wafa Alamasi
Manager, Digital Lighthouse

"The Kingdom's Vision has carved an excellent path for our young digital leaders to thrive."

Shaikah Bakerman
Consultant, Digital Lighthouse

"Digital leadership is the ultimate path to accelerate business decisions."

Sager Alsager
Senior Data Analyst, Digital Lighthouse

"Digital leadership is a creative process of utilizing technology to cultivate business value from the abundant sea of today's digital resources."

Ahmed Fakeih
Data Analyst, Digital Lighthouse

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