The CIGREF digital culture reference framework

An evaluation tool to optimize the digital transformation of your business
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In parallel to the publication of the CIGREF report “Corporate World and Digital Culture”, a process of reflection and discussion was initiated with a working group led by Sensing. The objective was to construct a digital culture reference framework, which was then completed by the development of a diagnosis tool. Through experimentation at several companies, the tool was fine-tuned and the relevance of the metrics confirmed. CIGREF then called on Sensing to perform measurements based on the reference framework.

Contributors

This reference framework is the result of a collective effort: CIGREF called for contributions from a working group made up of members from different fields in the corporate world, including IT, and drew on Sensing’s expertise in cultural transformations to formalize the framework. This document is designed to provoke thought and debate; its content may evolve and be enriched by future material from contributors interested in the topic. The reference framework was written under the direction of Chabane DEBICHE, Head of IT Strategy and Governance at Groupe La Poste, and is based on ideas and contributions from:

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- Sylvie BREMOND-MOOKHERJEE, L’Oréal
- Emmanuelle BUJEAUD, ORANGE
- Antoine GUTMANN, SCOR
- Jacques-Benoit LE BRIS and Fabrice COURTOIS, Solvay
- Vanessa RANAIVOHARISON and Natacha STEPHKOV, Essilor
- Josselin VARENNE-CAILLARD, Groupe La Poste

The digital culture diagnosis, as presented in the document, was tested out on 4 CIGREF member companies.

The document was also produced with the assistance of:

- Anne-Sophie BOISARD and Sophie BOUTEILLER, CIGREF
- Yvonne ALTORFER and Béatrice DEWANDRE, Sensing

The digital culture reference framework is the intellectual property of CIGREF.

It was compiled with contributions from Sensing. The metrics used are the property of Sensing.
A network for large companies...

One mission...

“To promote Digital Culture as a source of innovation and performance”

Roles...

The Adherence role is aimed at optimising the intensity of the relationship between members.

The Intelligence role is designed to allow member companies to develop a collective understanding of best practices and to anticipate possible futures for the IS function.

The Influence role is aimed at promoting the convictions of member companies regarding the stakes, opportunities, constraints and risks linked to the use of information systems.

CIGREF’s ambition...

“To increase its profile within major organisations by positioning itself as a hub for information, analysis, exchanges and orientations related to business at the heart of the digital world”

10 strategic initiatives

- Develop the strategic, operational and societal dimensions of CIGREF’s work
- Concentrate expertise and bring together external actors to benefit the companies
- Make businesses participate to CIGREF’s work on all issues facing the digital company
- Strengthen dialogue with top management and management boards
- Develop CIGREF recommendations to improve companies’ competitiveness
- Promote CIGREF’s work in primary and/or ongoing training curricula and validate the profession of CIO
- Develop CIGREF’s international influence, creating a new forum for exchanges with European and francophone actors
- Expand the “network” aspect by creating dedicated circles
- Develop the leadership role of the IT department in the digital world
A word from CIGREF’s President

CIGREF is a network of large companies with a mission to “promote digital culture as a source of innovation and performance”. It is our conviction that digital culture is embodied in the men and women of the company, brought together around a coherent shared vision. These men and women understand that trust is a fundamental value of good corporate governance.

Mapping digital practices...

Faced with the challenges and opportunities that digital practices entail, business leaders wonder how they can be leveraged to improve the performance of their companies. The CIGREF reference framework can help them to identify the key factors for the implementation of a successful organizational transformation.

Digital culture is about more than just tools and technologies. That is why, following the publication of its latest report “Corporate World and Digital Culture” in 2013, CIGREF has been working on this digital culture reference framework. It is a strategic thinking aid for business leaders, enabling them to:

• Develop a shared representation of what the company’s digital culture actually is;
• Probe people’s perceptions, and assess the gaps between perception and reality;
• Identify a company’s strengths and limitations with regard to digital culture;
• Initiate a process of dialogue, mobilize key actors, and define action plans.

... to optimize the transformation of our organizations

This tool, the first of its kind, is made available to any business leader keen to see the digital transformation of his or her organization through to a successful implementation. The diagnosis that derives from it can be used to assess the practices and behaviors in place within the organization, and to define action plans to ensure the smooth implementation of a digital transformation.

Having examined and identified the characteristics of digital culture, CIGREF - in partnership with France’s Conservatoire National des Arts et Métiers (CNAM) - is pursuing its action by raising employees’ awareness of digital culture, as part of ITNE (Institut de la Transformation Numérique des Entreprises).

Wishing you a stimulating read!

Paris, February 2014

Pascal Buffard
President CIGREF, Network for large Companies
In-depth research on digital culture
by CIGREF

Digital culture as the expression of a new paradigm

The advent of digital practices is changing the way we look at the world. It brings with it new production methods, a constant renewal of technological objects, and new sets of practices. And it does so in a broad range of sectors: economic, social, and artistic. It brings to light new perspectives on what we mean by the individual, the organization, and the community. It therefore makes sense to talk about a digital culture.

What sort of culture is this diagnosis of corporate digital culture diagnosing?

Everyone is talking about digital culture, but different people give it different definitions. The risk, if we talk only about tools and technologies, is that we overlook the key factors that determine the success of a digital transformation. Indeed, it cannot properly succeed unless people’s values, beliefs and behaviors are in line with the new expectations that the digital culture brings upon a company.

For that reason, our approach adopts a broad and simplified definition of culture as a set of values, beliefs, behaviors and practices, implicitly or explicitly encouraged, and which - when shared by the members of a group - enable people to identify themselves and others as group members.

The reference framework for a corporate digital culture is therefore focusing on the values, behaviors and practices that lie behind the success of a company in the digital world. The goal is to examine which culture is best able to take advantage of the digital business models, strategies and tools employed to carry out the transformation. It is a slightly unusual exercise in that respect: most of the existing diagnosis focus on tools and how they are used, rather than on the more intangible aspects of the values and behaviors that underpin - or impede - these practices.

Some precautions are called for when discussing corporate culture

Every company, of course, has its own culture, one that distinguishes it from other companies, including in terms of its digital culture.

Defining a cultural reference framework does not imply that there is a single cultural standard that can be read across from one company to another. The culture of a company is the expression of its identity, and therefore every corporate culture will have its own specific characteristics. In addition, every company will have subcultures, which reflect the specificities of each department, the diversity of each team, and the requirements of each business line...

It would be pointless to define a digital culture as something totally and radically different from any other kind of corporate culture

Some of the characteristics identified as fundamental to the success of a digital transformation can also be found in the cultures of effective companies that may not have integrated digital into every component of their business model. In this presentation, however, these characteristics are viewed through the digital prism.
Description of the digital culture reference framework

The reference framework for a digital corporate culture takes the form of an interconnected set of seven dimensions, conveying a culture that facilitates transformation and makes the company more effective in the digital world.

Each dimension takes its root in the day-to-day reality of the organization through values, behaviors, leadership styles and practices that reflect the challenges, needs and distinctive features of each dimension.

The seven dimensions, designated by keywords, are subdivided into a small number of specific practices and a cloud of cultural characteristics.
Applications and limitations of the reference framework

The digital culture reference framework is designed to start a conversation about the state of the company’s digital culture among the company’s technological actors (IT department, Digital Transformation department, Innovation department, etc.) as well as between these actors, the business units and the top management team.

It assesses the perceptions of the company’s various actors with regard to the organization’s attitudes and practices around digital innovation in seven different dimensions.

The aim is to “capture” the way the company’s actors perceive their organization’s digital culture in their own minds. The reference framework is a way of sharing a representation, a snapshot - at a given moment - of what the company’s digital culture looks like.

It is not the main purpose of the tool to provide a benchmark that will tell the company whether it is ahead of the pack, or lagging behind. Applied at different moments to the same company, however, it can be used to measure the organization’s progress in terms of its digital culture.

The reference framework helps to define the key priorities for building an action plan, and to identify barriers and levers in implementing a digital culture strategy. To take it to the next level, work must be done at greater depth with all of the company’s digital transformation actors, whether from the support functions or from the business units. For companies that have already defined their strategy, the insight it provides into levers and underlying barriers facilitates the successful execution of their action plans.

Finally, the reference framework is suitable for respondents in all departments and functions, since it is not the company’s people that are being evaluated, but its digital culture.

In short the reference framework makes it possible to:

- Convey a shared representation of what the company’s digital culture actually is
- Probe actors’ perceptions about the state of the company’s digital culture, and see where these differ from the reality
  - Initiate a process of dialogue and identify where a company’s strengths and limitations lie when it comes to digital culture
  - Mobilize key actors, and define action plans
CIO feedback on the reference framework experiment

Four CIGREF member companies took part in the digital culture reference framework ‘test run’.

In the videos below, they describe how the experiment was conducted, as well as its key insights and takeaways.

Bernard Duverneuil
CIO, Essilor

Régis Delayat
CIO SCOR

Michel Delattre
Group CIO, La Poste

Pascal Viginier
Group CIO, Orange
The seven dimensions of digital culture

Viability

Questions of security and risk management are at the heart of the concept of digital viability. This means that new risks have to be recognized, and people must be trained to be aware of these risks. This dimension concerns the reliability of infrastructures and processes in ensuring business continuity and retaining the trust of customers, employees and other stakeholders.

Openness

The instantaneous availability of information that digital tools provide generates unprecedented demand for openness. This calls for a capacity to manage and make good use of different kinds of information, available in large quantities, both inside and outside the organization. To do so requires the development of networks of relations between all of the company’s stakeholders.

Knowledge

In the digital world, knowledge is bound to the development of collective intelligence and the sharing of structured or informal knowledge across - and beyond - the usual frontiers, inside and outside the company. This requires the capacity to create value by using the available information. The organization capitalizes on its experience, and benefits from the capabilities that it acquires.

Agility

Immediacy, and the acceleration of time, create new expectations from customers and other stakeholders. Meeting these expectations requires agility. This means the capacity to constantly transform and experiment, which in turn implies allowing for individual initiative and for learning by trial and error. This dimension is about striking a balance between anticipation (through market intelligence), creativity (in products and services) and delivery (through innovation).

For more information see: Les risques numériques pour l’entreprise, CIGREF, March 2011 and E-réputation, étude sur les risques et opportunités liés à l’e-réputation dans les entreprises, CIGREF - February 2012
Interdependence

Digital tools create connections between people, ideas, and continents. This opens up new realms of possibility, but it also increases interdependence, and therefore complexity. In order to design innovative business models and mutually satisfactory solutions between the various stakeholders, new partnerships and alliances need to be created (particularly outside core business lines). Within the organization, this means a more crosscutting and more cooperative way of working internally.

Responsibility

The immediate visibility associated with the media and social networks puts the spotlight on corporate responsibility in a context where sustainable development and generational responsibility are playing an important role in companies' success. The penetration of digital tools into the world of business also raises the question of corporate responsibility in terms of usage and respect of privacy. This requires capacity to control digital-related energy consumption and to take diversity into account so that everyone in the company understands the issues at stake and feels that he or she has something to contribute to the community and to the world of the future.

Trust

Digital tools imply greater exposure for the company and its employees, who are therefore forced to be consistent and exemplary in their values, practices and behaviors. Trust is therefore a core value in the digital world, a world that is evolving in an environment marked by uncertainty, dematerialization and profound social change. This requires the ability to create engagement, based on authenticity and exemplarity inside and outside the organization. It implies a quest for meaning, to bring men and women together around shared goals and values.
The diagnosis based on the reference framework

The metrics derived from the reference framework relate to two complementary areas:

- **Evaluating the company’s real digital practices**
  The questionnaire is used to chart your digital practices and analyze convergences or divergences in the perceptions held by the company’s different actors.

- **Measuring the cultural terrain from a digital perspective**
  The cultural diagnosis measures:
  - The existing culture, with its strengths and limitations;
  - The culture deemed necessary in order to become an effective digital company;
  - The motivational levers of the respondent group.

**Zoom on the measurement of digital practices**

This measurement is aimed at the company’s managers and key digital personnel. The tool establishes an inventory. It maps digital practices in seven dimensions, by identifying the practices that are most developed and those that are least obvious, and highlights the gaps between different people’s perceptions. The questionnaire will be regularly reviewed and updated to take the latest developments into account.

The questionnaire is designed for 10 to 300 respondents. It consists of a few generic questions, followed by seven specific questions on each dimension.

It can be customized to suit the company’s context by adding some specific questions. The questionnaire is available in English and French. The report can be delivered in either language, as preferred.
Digital practices questionnaire

Introductory question
Spontaneously, on a scale from 0 to 10, to what extent would you say your company is a digital company?

Viability Dimension
• A policy for security and risk management is deployed to specifically contain digital risks
• It is regularly updated and questioned to take into account new digital uses (cloud, BYOD...)
• It serves customers and users while ensuring the safety of systems
• It is rigorously applied by the management
• It ensures the confidentiality of employees’ and customers’ personal data
• The company’s system architecture choices respond to the digital challenges
• The company’s legal framework (regarding employees, clients, partners, suppliers) is regularly questioned and adapted to take new digital challenges and risks into account.

Openness Dimension
• The company shares data internally and with its ecosystem (customers, partners...)
• The company offers a simple access to applications, via any type of device (anywhere, anytime, any device)
• The company is directly interacting with its customers via multiple digital channels (social networks, blogs, wiki, fan community...)
• General Management and managers set an example in using implemented digital tools
• Employees are involved in the research and the transmission of information, especially through digital tools
• Members of each community have a direct access to information related to them
• The development of digital tools is promoted and encouraged to communicate with external stakeholders.
Knowledge Dimension

- The company takes advantage of the available information about its customers and partners through different digital channels
- Substantial financial and human resources are dedicated to innovative, transversal digital projects developing knowledge
- Clients and partners take part in the processes of knowledge capitalization
- Employees and managers share and rely on the analysis of digital information for decision making and continuous improvement
- Employees use monitoring as a common practice and share it for the benefit of all
- Employees regularly participate in knowledge sharing networks, even outside the company
- Knowledge sharing platforms are implemented and used by employees from different entities of the company.

Trust Dimension

- Trust is a value cultivated by the company with its partners and customers
- General Management embodies the company’s values in the eyes of all stakeholders
- Managers establish relationships of trust promoting responsibility and autonomy in their teams
- Management adopts a participative leadership involving employees in decision-making
- New ways of digital working (mobility, remote working…) are encouraged and implemented
- Customers perceive consistency between the stated values, the company’s actions and its brand image
- The different departments of the company work together with trust in an open and transparent way.
Agility Dimension

- Innovation concerns products and services as well as organization and work methods
- Digital and technologies are used as catalysts for innovation
- Customers and partners are at the heart of the ongoing development of new products and services in an iterative mode
- A process of open innovation is driven at the highest level of the company to generate new competitive advantages
- Important budgets are allocated to experimentation without guaranteed ROI (return on investment)
- Managers value experimentation and accept learning from errors
- Digital and technologies are flexible and responsive to answer to the demand of time to market.

Interdependency Dimension

- General Management establishes new partnerships and strategic alliances to innovate
- The company transforms the traditional customer-supplier relationship into partnerships to generate greater value
- Virtual collaborative working is current practice
- Managers adopt a collaborative style and are able to federate employees towards a defined challenge
- Management fosters transversal collaboration and synergies between employees, departments and services by fixing precise objectives
- Performance evaluation takes feedback from the ecosystem (peers, employees, communities, partners,...) into account
- Technological actors (Innovation, IT, Digital,...) regularly propose value creation opportunities related to technology to their business partners.

Responsibility Dimension

- The company reflects on the ethical use of digital resources
- Digital resources are mobilized to develop the corporate social responsibility policy (reduction of the digital fracture, the development of digital accessibility, access to knowledge)
- The psychosocial risks related to digital uses are identified and addressed
- The company preferably works with socially responsible partners and suppliers
- The company’s corporate social responsibility is recognized by customers and contributes to strengthen their relationship
- Digital resources are optimized from an environmental point of view.
5 final generic questions

- General Management embodies, promotes and cultivates a digital culture within the company
- The company has developed partnerships to become more digital
- Employees understand the company digital strategy and commit to its achievement
- Employees have internalized the use of digital technologies
- The company has a digital approach to its customers

Zoom on the measurement of the cultural field

This measurement is aimed at an unlimited number of people.

The tool can be administered in successive waves, depending on the context and final objectives. It is recommended to start by surveying the top management before addressing the other levels of the organization.

The diagnosis is based on an existing cultural assessment tool from the Barrett Values Centre one of Sensing’s long-standing partners.

The results of the diagnosis identify strengths, weaknesses, and readiness for change in all seven dimensions of digital culture. It gives form to the intangible: respondents’ perceptions about levers, obstacles, beliefs, motivations and attitudes, which are rarely expressed and often below the radar. These elements have a significant impact on the success of a transformation.

The tool is available in several languages. You can ask for the responses to be sorted for particular target groups (by management level, by business line, by entity, etc.). This way, the answers can be categorized in order to derive a specific action plan for each target. The results indicate the key challenges which have to be met, helps prioritizing communication, training and transformation actions and fine-tuning management plans for change. The results are compelling in themselves, and they pave the way for transformation by including everyone in the process of change. They point to the best way to mobilize the employees.
Examples of cultural characteristics that facilitate (or may inhibit) digital culture:

<table>
<thead>
<tr>
<th>Agility</th>
<th>Entrepreneurial spirit</th>
<th>Red tape</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipation</td>
<td>Hierarchy</td>
<td>Reliability</td>
</tr>
<tr>
<td>Caution</td>
<td>Innovation</td>
<td>Rigidity</td>
</tr>
<tr>
<td>Control</td>
<td>Internal competition</td>
<td>Risk management</td>
</tr>
<tr>
<td>Cooperation</td>
<td>Knowledge-sharing</td>
<td>Security</td>
</tr>
<tr>
<td>Creativity</td>
<td>Networking</td>
<td>Silo working</td>
</tr>
<tr>
<td>Cross-functionality</td>
<td>Open communication</td>
<td>Simplicity</td>
</tr>
<tr>
<td>Daring</td>
<td>Partnership</td>
<td>Value creation</td>
</tr>
</tbody>
</table>

Content

Respondents are asked to select ten words from a list of characteristics.

1 - Personal values
In the list above, select the ten values which best describe you.

2 - Current culture
In the list above, select the ten words which best describe how your organization currently operates.

3 - Target culture
In the list above, select ten characteristics which you see as essential for enabling your organization to become an effective digital company.

The digital culture diagnosis procedure

Sensing’s expertise and services

Sensing has particular expertise in managing transformations on the cultural and managerial level - a key component of any digital transformation.

Sensing helps to develop a company’s digital culture in 3 steps:

• Measurement
The in-depth diagnosis with the CIGREF reference framework is the starting point. It acts as a catalyst to raise digital awareness and promote the digital culture within the organization.

• Experience
Debriefing the results in workshops or seminars using innovative methods gives everyone a taste of collaborative working, and creates a shared vision of the goals, as well as motivational impetus.

• Transformation
This creates the basis for building an action plan that integrates the cultural and managerial aspects.
**Steps to initiate the diagnosis**

1. **Meet to establish the context and tailor the diagnosis to the client**
   - What is the current context, and what actions have already been taken?
   - What is the final objective of the study?
   - Who are the respondent groups? Which specific targets?

2. **Conduct of the diagnosis**
   - Customization of questionnaires and access
   - Online release, and monitoring of the response rate
   - Processing and analysis of results

3. **Presentation of results to the client**
   - Identification of key levers and inhibitors for further exploration
   - Planning of feedback meetings
   - Definition of how to construct the action plan

4. **Seminar to draw up the action plan**
   - Analysis and appropriation of the results
   - Creating a shared vision of the current state and target state
   - Identification of priority actions and project leaders

5. **Follow-up to increase awareness among employees and provide training, as well as support the implementation of the action plan.**

**More information**

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FAQ

• Can we do the diagnosis on our own? What does Sensing add to the process?

You can use this reference framework on your own, to assess your digital culture. Sensing’s contribution provides you with a measurement of your practices and your cultural field. As explained above, the cultural metrics are based on an existing tool from the Barrett Values Centre of which Sensing is a long-standing partner. The results of the diagnosis give you a picture of the strengths, weaknesses, and readiness for change in each of the seven dimensions of digital culture. The cultural evaluation is a highly informative addition, useful in shedding light on the digital practice assessment and in defining priority actions to develop the organization’s digital culture.

• How is the diagnosis performed, and how long does it take?

The diagnosis starts when the company chooses which groups it wants to survey, and the most relevant ways of sorting the analysis data. The people selected for the diagnosis complete the questionnaire, which is composed of two sections: the cultural field and the digital practices of the organization. A feedback meeting is then organized to present the results and enable people to take the findings on board, so that they can design future actions to develop the digital culture. It usually takes 4 to 6 weeks, depending on the scope of the diagnosis.

• What is the scope of the diagnosis (the target audience)?

The diagnosis can be performed on a whole range of different scopes, from the top management team to a particular entity or even the entire corporation. It is equally relevant for business units, for support functions, and for senior executives.

It can be conducted in one or more waves, preferably starting with the top management.

• How much does the diagnosis cost?

The conduct of the diagnosis by Sensing is a paid service. For details, please contact Sensing:
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- Béatrice Dewandre : beatrice.dewandre@sensing.eu, +33 6 47 97 74 24

• Are the results confidential? Is there a possibility of benchmarking relative to other respondents?

Sensing is contractually committed to:
- Communicating regularly on any actions, conclusions, and notable facts or events likely to be of interest to CIGREF, while protecting the confidentiality of the diagnosis results with respect to every organization and every respondent;
- Intervening at the request of CIGREF to present the measurement data and key learnings to member companies at organized events;
- Overseeing an annual update of the CIGREF reference framework, in collaboration with CIGREF member companies.
Follow the CIGREF news...

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The CIGREF websites...

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