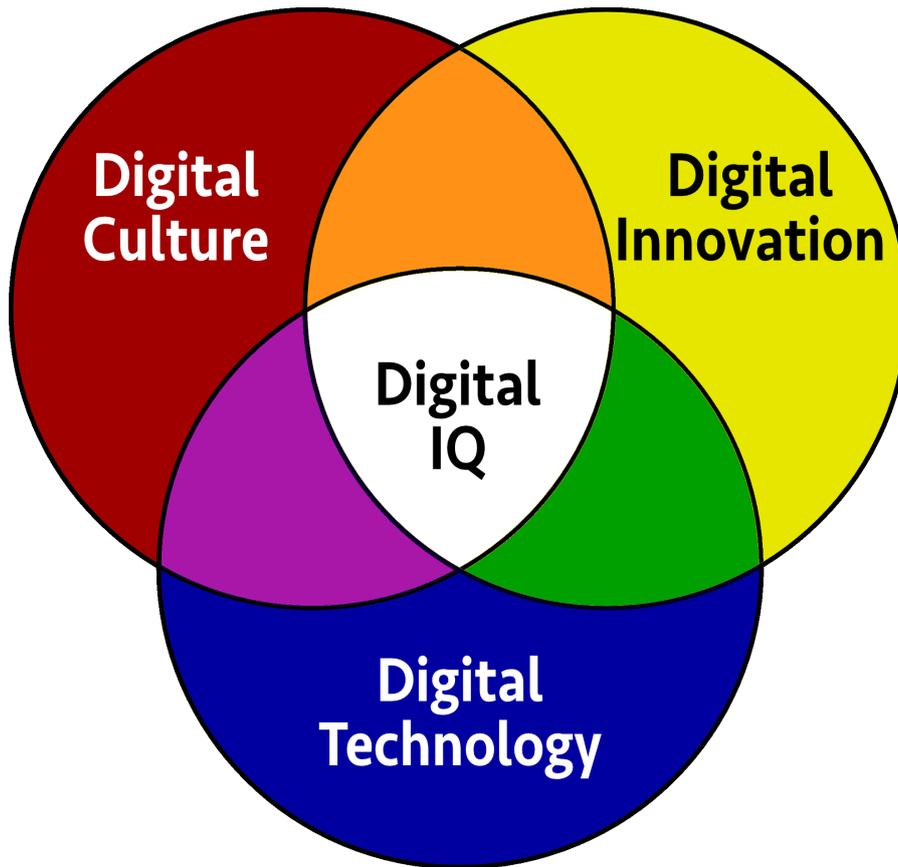


5th-discipline
Digital IQ assessment
Report for OwnVentures BV



Thursday 10th of January 2019

Your company	OwnVentures BV
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5 disciplines in 3 dimensions

- 1. Behaviour** - the way person or organisation acts toward others or environment. Products of organisational behaviour are those services or products that organisation sells to the market. Another example of behavioural product is the innovation result.
- 2. Perception** - how we see others and our organisation? Perception is the process allowing detection and interpretation of the surrounding world, and is the shortest way to behaviour (action). If we perceive ourselves as innovative, there is a good chance we act that way.
- 3. Culture** - the pattern of beliefs, values and learned ways that are deeply seated in the organisation. They are manifested in material arrangements and behaviour of organisational members and organisation. The assumptions we make and values we display are determining who we are.
- 4. Knowledge** - is understanding of particular aspects of reality. We believe that knowledge we embrace is true and justified. It is important how organisation gain the knowledge and how they exchange it with the world. When we apply knowledge for certain purpose it becomes a technology.
- 5. The Sustainable system** - integrates and keeps in a balance all four disciplines of the organisation. Those organisations that have mastered such an integration are successful on the market, can easily integrate emerging technologies, transform into digital organisations and innovate sustainably.

Our physical world is constituted out of 3 dimensions that we easily understand. For that reason, when analysing that world, we use sets of 3 dimensions that arise out of concepts and disciplines described. In this report, the behaviour will be represented through the dimension of the **Digital innovation**, the culture through the **Digital culture** dimension, and the knowledge through the dimension of the **Digital technology**.

Who are we?

Vision - to be a global leader in development and application of tools for managing all four disciplines into the integrated system and mastering the 5th discipline, the Sustainable system.

Purpose - to integrate 5 disciplines into sustainable and feasible organisations.

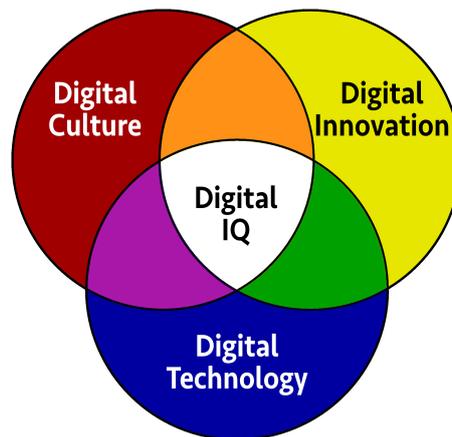
Our mission - is to help organisations worldwide to manage the Sustainable system as the leverage for profit and growth.

Core values - We believe that by disseminating and implementing the Sustainable system globally, we will serve organizations and will contribute to the harmony between organizations, technology and society.

Our aim - is to provide unique metric and approach we call the 5th discipline, and to disseminate our knowledge through our services, consultants and practitioners to millions of organizations worldwide.

How to read this report?

The 5th discipline questionnaire is developed to assess how well digital technology and innovation integrates throughout your organisation. Since digital technology is critical enabler for the innovation the focus was given to this relationship and to implication of this relationship to other enabling factors such as HR management, knowledge management, business processes or corporate controlling. This holistic conceptual approach involves the intersection of concepts of culture, innovation and the digital technology. In this report we address that intersection as the Digital IQ.



5th discipline - This reports area of analysis presented as the intersection of culture, innovation and digital technology concepts.

5th discipline Digital IQ score

Digital IQ score shows company's status with respect to its ability to implement digital processes and innovate. Table was developed using all available survey and company data regardless of sectors and industries. It gives general guidance for positioning your company, and the industry your company belongs to, in terms of digital & innovation ability. Table contains an identification score range, description of a class.

- 95-100** Digital innovation leader, the champions. They are setting standards for Digital IQ.
- 85-94** Advanced digital innovator, ability to innovate is highly developed, they have intervened in their business model to capture value on demand side. All processes are digital, data is gathered in real time.
- 75-84** Well-developed digital innovator, they know how to excel with innovation within existing business model. Major business processes are digitalised. Organizational culture still needs improvement.
- 65-74** Moderate digital innovator, good at incremental innovation and well aligned to existing business model. Digital technology is sporadically applied to existing processes. Organizational culture needs major intervention.
- up to 64** Below average, low-mid tech. Business model that relies on supply side, lack of innovation and digital capacities, and digital and innovation strategy. Leadership is aware and wants to achieve change. Organizational culture is fostering only small incremental innovations, and limited digital ability.

Overview

Questionnaire and sampling

The questionnaire consists of a number of metric statements (statements where you were asked to provide numbers), and allow for assessing your relative position within the chosen group of companies.

In this report, your scores are compared with the scores of the Champions and the average of your benchmarking class. For this report, benchmarking class was selected as the sample of organisations belonging to the same service sector, country and size. Champions belong to the 5% of your benchmark class, based on the highest scores achieved in this survey and the highest and most sustainable growth in sales, operational profit and number of employees in the last 5 years.

The evaluation we have provided with this report is based on the benchmarking class consisting of **17** companies with the following profile:

Industry: **Aerospace**

Employees: **0 - 46.546**

Countries: **Afghanistan, Albania, American Samoa, Andorra, Antigua and Barbuda, Aruba, China, Gambia, Germany, Guyana, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Isle of Man, Israel, Italy, Jamaica, Jersey, Panama**

Overall Digital IQ performance

In terms of combined digital & innovation management performance, your company's score is **43%** belonging to a class of **Below average digital innovator** companies.

Your company	43%
Average of your industry	37%
Champions of your industry (Highest 5%)	88%

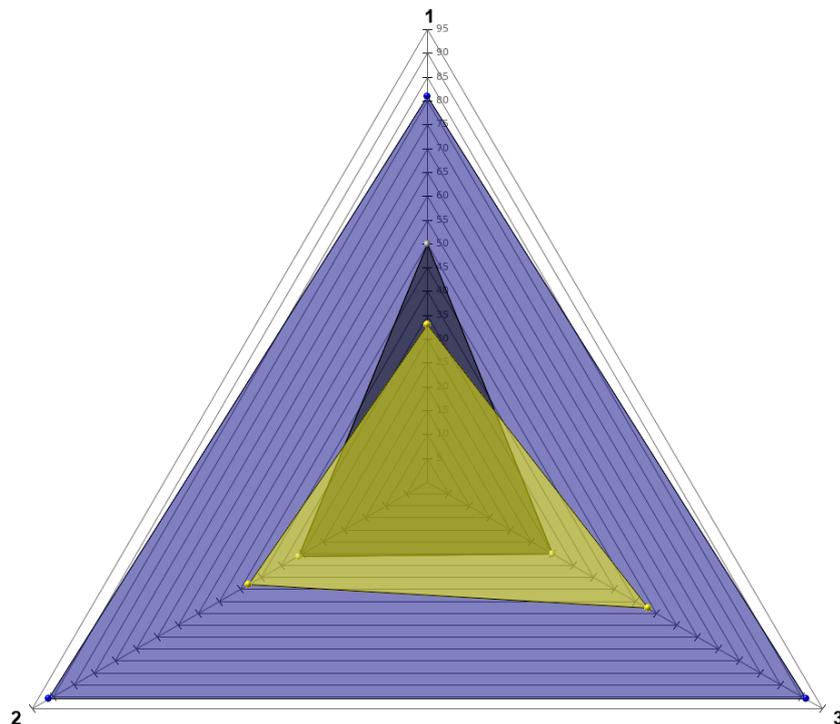
Performance for each dimension

Your company was positioned for each dimension of the 5th discipline Digital IQ model and presented below as a value between 0% and 100%.

In the 3 dimensional world, the most intuitive and effective way to present results is in 3 dimensions, defining an optimal number of stability points for the system. For that reason we have developed a system of 3 points for each level of the analysis.

The following set of dimensions have been evaluated:

- Champions of your industry
- Average of your industry
- Your company



5th discipline - Digital IQ performance profile for all dimensions

1. Digital Innovation - brings your company to a better competitive position through exploiting the digital innovation results. Such an objective is feasible if there is a high level of awareness for digital innovation opportunities as well as already established processes that utilise digital data for better understanding of business surrounding and opportunities. Digital innovation and its results are "fruits" of optimally aligned digital culture and digital technology.

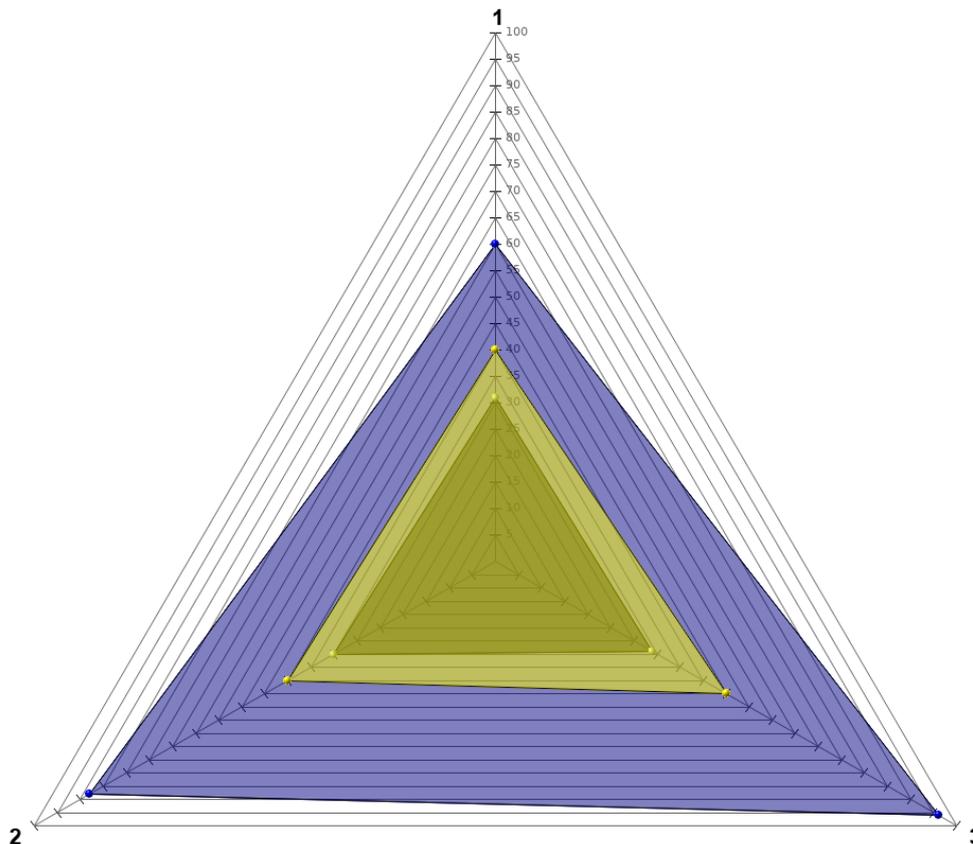
2. Digital Culture - organisational culture is a set of basic assumptions that are determining the digital vision of the company. Those assumptions come from the company's leadership and to the large extent influence digital strategies. Finally, those that are affected most, and that implement those strategies are employees. The Digital culture dimension brings an insight into culture, leadership, HR and strategies relevant for digital organisation and its capacity to foster technology and innovation.

3. Digital Technology - is the key enabler for digital culture and innovation. Its availability and accessibility throughout the organisation determines the level of organisations readiness for digital innovation. Digital technology brings new "ways to look at the world" and potentially "new ways to get things done around here" and enables digital culture and digital innovation. For that reason it is important to learn how deeply is digital technology integrated into the key functions of the organisation.

Digital Innovation

The set of 3 indicators have been used to describe digital innovation dimension:

- Champions of your industry
- Average of your industry
- Your company



5th discipline - Digital innovation dimension profile of the company

1. Awareness of innovation and digital opportunities - the market demands high level of awareness regarding social aspects of innovation, and at the same time it offers a number of opportunities for development of digital products and services. The awareness of those opportunities and the awareness of the importance of the innovation for the company is essential for designing digital innovations. Those companies that know how to harmonise own growth and development through digital innovation will perform better on the market.

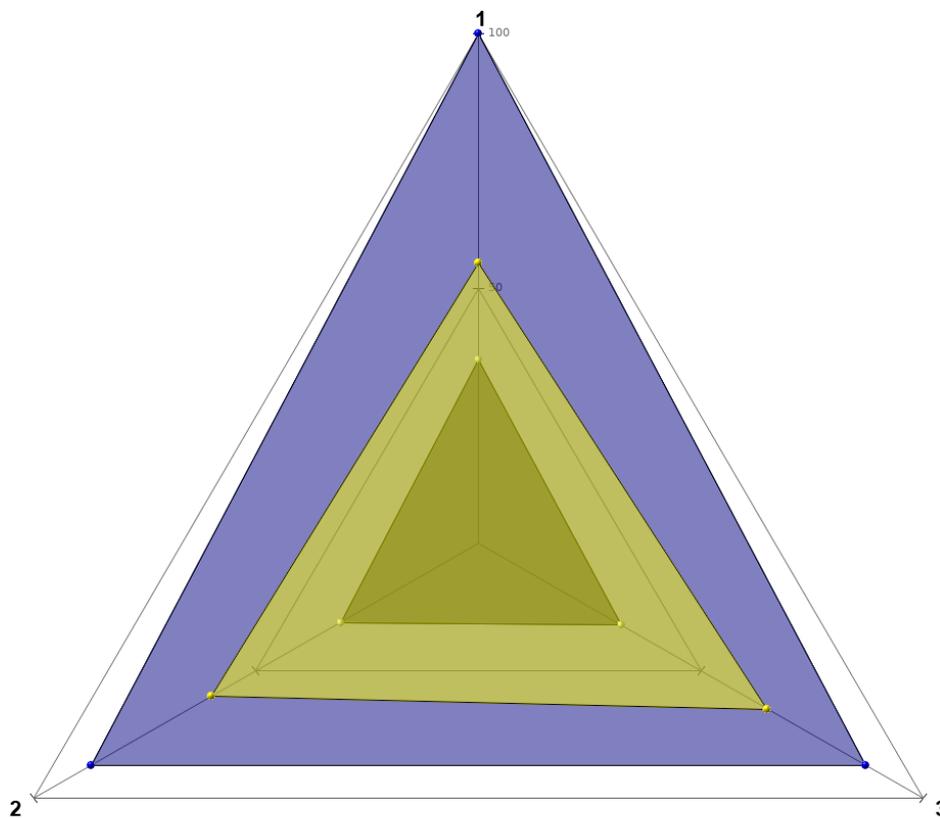
2. The use of digital data to understand business surrounding and opportunities - the understanding of business surrounding is essential for optimal addressing of opportunities and translation of those opportunities into an innovation results. In example, it is important to have a real time access to the relevant business intelligence data, but it is more important to have real time meaningful interpretation of that data that can i.e. be gained through AI applied to the organisations decision making process.

3. Innovation results - defines what are the results of innovation processes. This indicator evaluates weather innovation results in a radical or incremental innovation, how frequent innovation is and to what extent is digital technology imbedded into the innovation results.

Digital Culture

The set of 3 indicators have been used to describe digital culture dimension:

- Champions of your industry
- Average of your industry
- Your company



5th discipline - Digital culture dimension profile of the company

1. Cultural assumptions and vision - the digital culture basic assumption is that digital technology presents an essential way to build own organisation, conquer markets and innovate. Organisations reality is often different, but if leaderships digital vision is clear and stated it will eventually become a reality. For that reason it is very important that the vision is aligned with digital cultures basic assumption and communicated throughout the organisation.

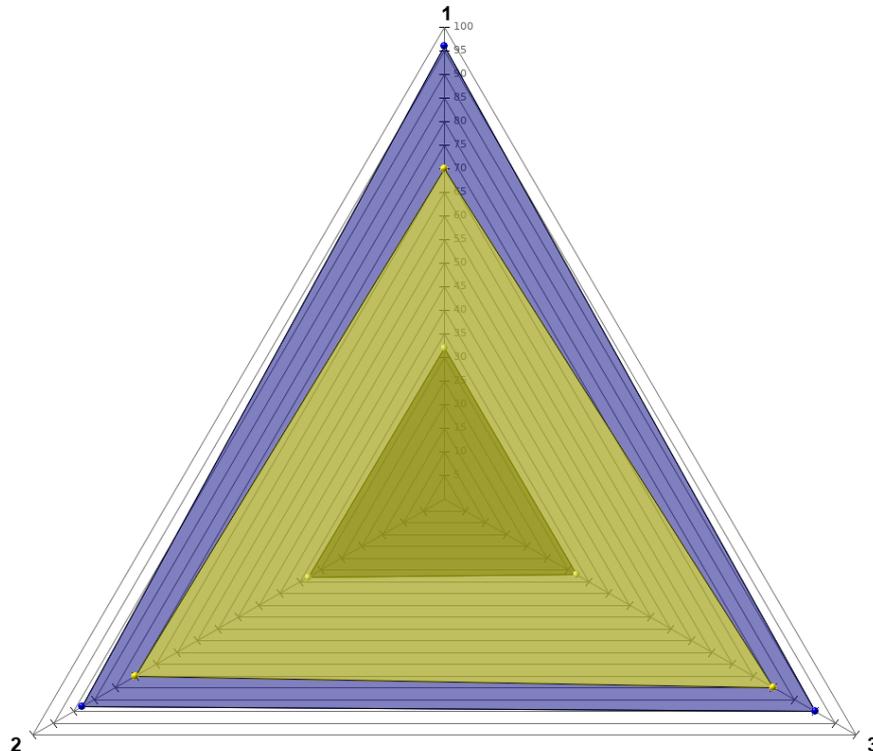
2. Organisation and strategy - the organisation being the metaphor for the culture often reveals latent aspects of that culture, such as openness toward technologies and ideas. Since values that are derived out of the basic assumption are articulated in company's strategies, they also present an aspect of organisational culture. This is where it becomes clear if gap between assumptions and values, (openness toward technologies or ideas and actual strategies) exists.

3. HR potential for Employee driven digital innovation - at the end of the day, people are those that implement strategies, and agree with the values and assumptions. This aspect of the Digital culture is essential for all manifestations and operationalisation of vision and strategies. If human resources are well addressed through different information and education activities, they would present an important leverage for digital culture change and digital innovation system adoption.

Digital Technology

The set of 3 indicators have been used to describe digital culture dimension:

- Champions of your industry
- Average of your industry
- Your company



5th discipline - Digital technology dimension profile of the company

1. Digital technology accessibility and availability - in order for the company to perform in the area of the Digital IQ it needs to be digitalised to the certain level. The higher the level of digital technology availability and accessibility the higher organisations readiness for Digital Culture development and Digital innovation adoption.

2. The use of advanced digital technologies - as any other technology, digital technology develops and offers advanced solutions that were not available with mainstream technological solutions only few years ago. Following this technological dynamics means that organisation is willing to invest in the future solutions and increases its capacity to deeply integrate digital technology in the core functions. The use of advanced technologies also decreases the gap between the company and available technologies.

3. Depth of digital technology integration in the key functions - it is important to know to what extent is digital technology integrated with the important organisational functions such as decision making. The deeper the digital technology penetrates the organisation, more efficiently that organisation performs on the digital market. The high level of digital technology accessibility and availability does not necessarily mean that the organisation has integrated digital technology to its key functions.

Recommendations

After completing 5th discipline Assessment, we will guide you through results and offer you guidelines that will serve as a structured means to further improve digital and innovation management. Guidelines offered will include pragmatic recommendations for tools and methodologies to achieve that improvement. Therefore, with this assessment and guidelines to enhanced innovation management, you will have a most effective and efficient approach to improve your digital & innovation management capabilities.

What is your Digital IQ score?

Based on the conducted survey, the company belongs to the class of the **Below average digital innovator** (Digital IQ score: 43%).

Your current status means that your company needs change at all levels of the organisation to improve not only at the level of technology but also organisational culture in order to support and sustain transition to the level of moderate innovator. For that to happen, strategies for all described dimensions shall be rebuild.

	Result	Reference	Suggestion
	Your company	Average (Champions)	Moderate digital innovator
Digital Innovation	33 (!)	50 (81)	65
Digital Culture	43	31 (91)	65
Digital Technology	53	30 (91)	65

5th discipline - Digital IQ profile of the company with suggested next step for development

As for the next step, we suggest to set an objective to reach a status of the **Moderate digital innovator**, as presented in table above.

The dimension homogeneity check

Nevertheless, your overall score positioned your company with respect to your industry average, there is an opportunity to gain a deeper insight through analysis of dimensions and indicators that will discover important aspects of technology, culture and innovation to be addressed. It is important that all of your dimension scores belong to the same class as your overall score for that would prove your organisation is developed with balance of all dimensions. In your case scores for all of dimensions were distributed within the same class. This means that you are ready to start looking at indicators and recommendations for their improvement. Recommendations will help your company equally develop all dimensions on your way to the Moderate digital innovator.

Next we will describe how to understand dimensions and indicators and what to do to improve them.

Where does your company excel compared to Champions?

We have prepared an analysis that will help you position your company relative to the Average and the Champions scores. On the level of dimensions your company scores below average in Digital Innovation, better than average in Digital Culture and better than average in Digital Technology.

Since Digital Innovation dimension scored below average, indicating a substantial incapacity to holistically approach to digital technology and innovation integration. This means that the Digital Innovation dimension deserves a special approach to its development in order for it to become at least equally developed to other dimensions. Digital Culture and Digital Technology dimensions scored better than average, meaning that they have a good predisposition to be further developed with respect to the relevant indicators.

Priorities for improvement of your Digital IQ dimensions

Best way to achieve next development stage is through addressing specific dimensions and their indicators. For that reason we have prepared a table with summary of recommendations.

Improvements for Digital Innovation dimension

Indicator 1: Awareness of innovation and digital opportunities

Indicator 2: The use of digital data to understand business surrounding and opportunities

Indicator 3: Innovation results

	Result	Reference	Action
	Your company	Average (Champions)	
Indicator 1	40	31 (60)	improve
Indicator 2	45	35 (88)	improve
Indicator 3	50	34 (96)	improve

5th discipline - Scores per indicators of Digital Innovation dimension and action priority

Priority 1:

The company should start with advanced educational programs with focus on digital methods for analysis of business surrounding, marketing, customer support and sale. Programs should target top management as well as mainstream employee population with the purpose to increase the use of digital tools. Alignment of strategies with the action plan for education as well as for implementation of those tools is necessary.

Priority 2:

Advanced education on exploitation of digital technologies in innovation processes is necessary for top management as well as for employees. Also, development of leadership for innovation is necessary.

Priority 3:

Innovation results in incremental improvements within existing business model. In order to improve innovation outcomes, adoption of Open innovation model is recommended. This will allow for both, external and internal innovations to appear.

Improvements for Digital Culture dimension

Indicator 1: Cultural assumptions and vision

Indicator 2: Organisation and strategy

Indicator 3: HR potential for Employee driven digital innovation

	Result	Reference	Action
	Your company	Average (Champions)	
Indicator 1	55	36 (100)	improve
Indicator 2	60	31 (87)	improve
Indicator 3	65	32 (87)	-

5th discipline - Scores per indicators of Digital Culture dimension and action priority

Priority 1:

The gap between company's vision and assumptions needs to be addressed with clear plan to align innovation and digital assumptions to company's managerial practices.

Priority 2:

Increasing organisational flexibility will foster innovation and provide an opportunity to involve employees in innovation processes more efficiently.

Improvements for Digital Technology dimension

Indicator 1: Digital technology accessibility and availability

Indicator 2: The use of advanced digital technologies

Indicator 3: Depth of digital technology integration in the key functions

	Result	Reference	Action
	Your company	Average (Champions)	
Indicator 1	70	32 (96)	-
Indicator 2	75	33 (88)	-
Indicator 3	80	32 (90)	-

5th discipline - Scores per indicators of Digital Technology dimension and action priority

No priorities for this dimension at this moment.

Management summery

The evaluation we have provided with this report is based on the benchmarking class consisting of **17** companies within the **Aerospace** industrie.

In terms of combined digital & innovation management performance, your company's score is **43%** belonging to a class of **Below average digital innovator** companies.

Your company	43%
Average of your industry	37%
Champions of your industry (Highest 5%)	88%

Your current status means that your company needs change at all levels of the organisation to improve not only at the level of technology but also organisational culture in order to support and sustain transition to the level of moderate innovator. For that to happen, strategies for all described dimensions shall be rebuild.

	Your company	Average (Champions)	Moderate digital innovator
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As for the next step, we suggest to set an objective to reach a status of the **Moderate digital innovator**.

It is important that all of your dimension scores belong to the same class as your overall score for that would prove your organisation is developed with balance of all dimensions. In your case scores for all of dimensions were distributed within the same class. This means that you are ready to start looking at indicators and recommendations for their improvement. Recomendations will help your company equally develop all dimensions on your way to the Moderate digital innovator.

On the level of dimensions your company scores below average in Digital Innovation, better than average in Digital Culture and better than average in Digital Technology.

Since Digital Innovation dimension scored below average, indicating a substantial incapacity to holistically approach to digital technology and innovation integration. This means that the Digital Innovation dimension deserves a special approach to its development in order for it to become at least equally developed to other dimensions. Digital Culture and Digital Technology dimensions scored better than average, meaning that they have a good predisposition to be futher developed with respect to the relevant indicators.

Priorities for next step improvement of your Digital IQ

Digital Innovation: 3
 Digital Culture: 2
 Digital Technology: none

Further assistance

Dashboard

With our premium plans, we include access to the 5th Discipline dashboard. Via the dashboard you will get more insights into your own questionnaire data, updated report when benchmark data changes and compare data from other industries and countries.

Workshops

How to become a digital innovation leader? Via our 5th Discipline canvas, we help you to get create your company's digital strategy. We have open workshops or in-company workshops. Visit our website for the open workshop schedule or send us an e-mail if you are interested in an in-company workshop.

Consultants

If you need help to improve your Digital IQ, please send us an e-mail. We will read your report and discuss with you your needs. Via our network we can recommend the right consultant.

Audit

Hopefully your company's digital IQ improves when you follow the advice from this report. Your competitors might also improve their Digital IQ. To know your position compared to theirs, you should do our Digital IQ check every 6 months.