
What They Think?

Market Intelligence for Printing and Publishing

Transformation with a Capital T: Great Advice for Print Service Providers

There is no question that digitalization is bringing major challenges to the printing industry. It is no longer enough to manufacture and sell products and services—value must be added. This article cites a recent article in the McKinsey Quarterly to highlight the importance of transformation in the printing industry.

By Barb Pellow

This past week, the McKinsey Quarterly published an article entitled Transformation with a Capital T. Authors Michael Bucy, Stephen Hall, and Doug Yakola discuss the importance of abandoning routine thinking and behaviors. The advice in this article is so pertinent to the printing industry that it is worth sharing.

The Importance of Transformation

It is no secret that with digitalization, the printing industry is facing some major challenges. Savvy printers understand that they can no longer afford to simply play in the manufacturing business. It is important to become an integral part of the customer-centric digital experience business. That is where all the value is added. Cranking out impressions on the shop floor has become a commodity, so you need to change your business model if you want to remain competitive. To open up new possibilities and opportunities for growth, you must make a transformation that involves embracing digital technology. According to the McKinsey article, making this transformation requires exploiting new digital technologies and also conducting a strategic rethink. Although it is not easy to transform a printing business, this article offers five key factors that owners and managers should consider to help increase their chances of success.

1. Take a New Approach

Savvy business owners are beginning to recognize that a new approach is the only way to dramatically improve long-term performance. To create long-term upward momentum, business leaders must have the determination to shed deeply-ingrained steady state habits. All transformations start at the top, and senior executives must develop a new culture of execution.

2. Stretch for the Full Potential

Rather than taking a series of small, incremental steps that don't take things very far, organizations need to take single self-confident leaps that induce real change. Today's management personnel must be confident in their convictions and set truly aggressive transformation targets.

3. Change the Cadence

To achieve a successful transformation, it is necessary to create a hub to oversee the transformation and drive a different cadence than the normal day-to-day one. It is important to put a structure in place that can drive change without the distraction of everyday operations. The individuals that are in charge of transforming the business must have the grit, energy, and focus to drive change and ensure that there is no foot-dragging. Some organizations have even established a Chief Transformation Officer (CTO) position to drive this change and keep execution on track.

4. Remove Barriers and Create Incentives

Many businesses underestimate the importance of communicating why transformation is so important. Creating a communication that states “we must be more competitive” is not enough. Employees and managers need to have context, understand the company’s long-term vision, and establish a call-to-action that resonates with everyone on an individual level. Incentives are critical to changing behaviors. According to the McKinsey report, a simple incentive plan with no more than three objectives should be put in place with an outsized payout for outsized performance. The period of business transformation will be one of the most demanding on your employees, so it is important to nurture their needs. Although monetary incentives will certainly motivate, non-monetary rewards can also be instrumental to success. For example, written notes or special lunches for those that exceed expectations can have a tremendous impact on morale as well as motivation.

5. There’s No Going Back!

In many cases, transformations simply degrade rather than visibly failing. Leaders and employees will sometimes generate a huge initial effort and see their results improve, but then they become complacent and slip back into business as usual. Leaders need to instill a repeatable process within the organization to deliver improved results even after the formal transformation process ends.

Transformation: What Does it Mean to You?

A number of today’s printing companies are successfully transforming themselves by adding services that are aligned with modern business requirements. Improvements in shipping, packaging, and technology can enable firms within the printing industry to remain as relevant as ever. These improvements must be backed by a management team with strong ambitions, a commitment to develop new skills, the ability to challenge existing mindsets, and a commitment to execution. According to the McKinsey article, businesses that achieve these goals will be better positioned to produce extraordinary and sustainable results. Today’s businesses must embrace the digital transformation... are you ready to take on the challenge?

About Barb Pellow

A digital printing and publishing pioneer, marketing expert and Group Director at InfoTrends, Barbara Pellow helps companies develop multi-media strategies that ride the information wave. Barb brings the knowledge and skills to help companies expand and grow business opportunity.



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