

Mastering the digital transformation, and building a robust future: ensuring quality journalism doesn't go the way of opera – highly respected, but for elite audiences and heavily subsidised.

Drawing on extensive research involving over 60 interviews in over twenty organisations including the Washington Post, Vox, Vice, the Financial Times, the Economist, Axel Springer, Schibsted, the New York Times, Le Monde and many more, this new report, by Lucy Kueng, ***Going Digital: A roadmap for organisational transformation*** analyses how organisations can 'disrupt themselves' to master the digital environment, and core dimensions of best practice in such a transformation.

Kueng finds that two decades after the emergence of the internet, the structure of a new media ecosystem is becoming clear, as are the substantial challenges this presents to legacy media organisations. In terms of the threats, Kueng finds:

The risk is not extinction but gradual erosion: of market share, of revenues, of share of voice, of relevance. Legacy leaders do not die; they slip down the food chain. Understandably, media players default to the content transformation...[but] they need to put as much effort into transforming their organisations as they do into transforming their product. This is the only route to sustainability. Failure to do this is undermining their significant investments in digital reinvention and compounds the risk of reduced relevance in digital media markets.

But she also sees opportunities for news organisations that understand the need to become truly strategic. According to Kueng for strategy to be successful:

Four elements are necessary: an unwavering long-term goal (usually analogous to the journalistic mission), a clear business model, a rigorous process for 'shiny new things', and a 'central nervous system' combining technology and data. The ability to exit low-potential business areas is important: failure to do so reduces focus, spreads resources thinly, and limits scope for experimentation.

And she has a message for legacy players who feel at a disadvantage to digital startups:

Legacy organisations can't pivot but they can shift, and tactical shifts will be inevitable either to take advantage of changes in the strategic environment or when elements of strategy do not work out as planned. Shifts have three building blocks: clear signalling from a credible leader, cultural acceptance, and a degree of flexibility in organisational structure. All need to be in place before a shift begins.

Other key elements explored by Kueng include tech and data, digital storytelling and the need for radical culture change.

The merging of journalism, tech, and data inside organisations, has been one of the biggest internal shifts in the industry in recent years and the report looks at how this is taking place. It finds these areas are blending in four areas: product, data, social media, and digital storytelling.

Culture change has been a major ‘pain point’ for legacy media in recent years, and the report analyses the two key cultural challenges: implanting the realisation that leadership in one tech era does not automatically confer leadership in the next, and merging the cultures of content and engineering. The report argues that the first is best achieved through a combination of strong leadership messaging combined with exposure to the speed of change outside the ‘organisation bubble’. A range of measures can address the second, including embedding tech experts in the newsroom and ensuring large tech projects have an implicit culture change component.

Just as the process of digital transformation has evolved, Kueng also finds that the leadership requirements have shifted:

The era of the leader as digital visionary is waning. Organisations now ‘get’ the need for change, and the leadership challenges centre on finding the right long-term strategy, solving the business model challenge, and keeping the pressure up on digital transformation. The leadership imperative has progressed past the need to issue ‘calls for digital action’ to hard-nosed implementation.

Notes for Editors

This report **Going Digital. A Roadmap for Organisational transformation** is published by the Reuters Institute for the Study of Journalism at the University of Oxford, with the support of Google and the Digital News Initiative. The full report is available [here](#)

About the Author

Lucy Kueng is Google Digital News Senior Visiting Research Fellow at the Reuters Institute. She is a professor and expert on strategy, innovation, and leadership with particular emphasis on digitalisation and technology transitions. She is non-executive Board Member of the NZZ Media Group, and strategic advisor to media organisations. She is the author of numerous books and cases including *Innovators in Digital News*, *Strategic Management in the Media* (winner of the AEMJM Media Management Book Award) and, *Inside the BBC and CNN – Managing Media Organizations*,

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