

**Progressing digital transformation through successful strategic  
alliances: A financial sector perspective**

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A research project submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfilment of the requirements for the degree of Master of Philosophy  
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## **Abstract**

Digital transformation is a strategic imperative for organisations seeking to remain relevant in an evolving financial sector. Organisations within the financial sector are recognising that as the pace of technological change increases, successful digital transformation cannot be achieved in isolation. Strategic alliances have therefore become increasingly important, enabling organisations to access new capabilities and accelerate digital transformation initiatives. This study explored how organisations within the financial sector utilise strategic alliances to achieve digital transformation, to identify the challenges faced by these organisations, to uncover the enablers that result in successful alliance-driven digital transformation and to identify the outcomes thereof. Using an exploratory qualitative research design, data was gathered through semi-structured interviews with 15 executives and senior managers from traditional banks, insurance providers, and fintech companies across the financial sector within South Africa. The study focused on corporate entities, listed and/or unlisted companies and subsidiaries actively pursuing or supporting digital transformation. The study potentially contributes to existing literature through the development of an integrated conceptual framework that illustrates how linking digital transformation and strategic alliances shapes successful digital transformation within organisations in the financial sector, by highlighting the associated challenges, enablers, and outcomes. The research outcomes potentially contribute to the growing body of emerging literature on digital transformation and its connection to strategic alliances.

**Key words:**

digital transformation; strategic alliances; challenges; enablers; outcomes.

## **Declaration**

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy in Corporate Strategy at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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## List of Acronyms and Abbreviations

APIs	application programming interfaces
DT	digital transformation
fintech	financial technology
FSCA	Financial Sector Conduct Authority
GIBS	Gordon Institute of Business Science
ROI	return on investment
SAs	strategic alliances

# CHAPTER 1: INTRODUCTION

## 1.1 Business Relevance

McKinsey defines digital transformation as a revamp of corporate procedures, models, and digital technology. This shift is about reevaluating corporate operations and value delivery to consumers as much as using modern technologies (McKinsey, 2024). The firm notes that digital transformation (DT) raises organisational agility and creativity while helping businesses flourish in the digital age (McKinsey, 2024). It also involves continuous long-term enhancements as evolving technologies become more integrated into organisations (McKinsey, 2024). McKinsey also states that “An estimated 90 percent of all organisations are currently undergoing some kind of digital transformation” (McKinsey, 2024, p.2).

Research on the speed and resilience of DT by Deloitte highlights the need for digital projects in changing market conditions, emphasising that DT enhances agility and resilience and fosters a culture of continuous innovation and development (Deloitte, 2021). According to Deloitte, one of the ways to enhance organisational competitiveness is through business partnerships where the co-creation of new opportunities and capabilities can be seen to be a competitive differentiator (Deloitte, 2021).

PwC argues that digital transformation successes are determined by many factors, including competencies and technology. Companies should ensure that initiatives for DT complement strategic goals and financial results (PwC, 2021). The commercial benefit of DT is emphasised by the need for a comprehensive and integrated strategy, thus ensuring constant competitiveness (PwC, 2021).

While McKinsey and PwC focus on the importance of a clear strategy, organisational structural components and technologies to drive DT (McKinsey, 2024; PwC, 2021), Deloitte further emphasises that factors like changing market conditions further impact the progression of DT (Deloitte, 2021). This difference reveals that there are multiple viewpoints that organisations need to consider when advancing DT, where organisations looking to successfully achieve DT require a combination of partnerships, organisational alignment, clear strategy, technology enhancements and the ability to adapt to changing external dynamics.

## 1.2 Theoretical Relevance

DT has been the subject of academic research for many years, with scholars including Furr, Ozcan, and Eisenhardt pointing to various strategic choices faced by firms when considering DT (Furr et al., 2022). Scholars emphasise the challenges faced by organisations in keeping pace with new technologies while navigating legacy operations and resistance to change (Furr et al., 2022; Murinde et al., 2022; Trenerry et al., 2021). Furr et al. further state that new innovative digital strategies bring new value creation opportunities as technologies linked to DT mature (Furr et al., 2022). Both Furr et al. and Trenerry et al. identify a lack of understanding about how firms may navigate these challenges. It calls for more research on strategies and techniques that can help companies negotiate these difficulties (Furr et al., 2022; Trenerry et al., 2021).

Scholars such as Bellantuono et al. focus on specific enablers like change management, while others like Hanelt et al. emphasise organisational strategy; however, a gap remains in an integrated view of the critical enablers of organisations pursuing DT through strategic alliances (SAs) (Bellantuono et al., 2021; Hanelt et al., 2020).

The interaction between DT and SAs is another crucial topic of theoretical research. He et al. examined the theoretical results from research on strategic partnerships in a time of DT, highlighting the need for organisations to advance DT as a response to the rapidly changing business environment (He et al., 2020). This assessment is important as it offers insights into the changing role of strategic alliances to accomplish DT. The research reveals various gaps in literature, amongst which is the need for more studies on the interplay between DT and strategic partnerships and the benefits thereof (He et al., 2020).

Scholars like Furr et al. focus on the challenges faced by companies and the changes in value creation in achieving DT, where the approach to DT could vary based on the overall strategy of the organisation. In this context, DT is not an objective but a strategic choice (Furr et al., 2022). In contrast, the view shared by He et al. signals that the strategy of organisations in relation to DT is influenced by the outcomes of the changing digital landscape and that organisations need to consider DT as part of their strategy to adapt to these changes (He et al., 2020). In this context, He et al. view DT as a strategic necessity to adapt to changes as opposed to DT being a strategic choice, as highlighted by Furr et al. (He et al., 2020; Furr et al., 2022). He et al. further emphasise that DT is altering business processes and activities, prompting a review of traditional SAs (He et al., 2020).

Through their analysis of bank interactions with financial technology (fintech) startups, Hornuf et al. highlight the importance of strategic partnerships (Hornuf et al., 2021). They propose that the financial industry is an applicable sector to explore when examining alliances and their interactions (Hornuf et al., 2021). They also emphasise that fintech companies can support banks through strategic alliances (Hornuf et al., 2021). They highlight, however, a knowledge gap on what drives successful bank-fintech partnerships (Hornuf et al., 2021).

Furthermore, Bicen et al. state that alliances can simultaneously cooperate and compete to advance innovation (Bicen et al., 2021). In this instance, SAs enhance competitiveness through innovation. Interestingly, Riikinen and Pihlajamaa offer a different point of view, emphasising that strategic fit and alignment within alliances act as a trigger to achieve innovation and competitiveness (Riikinen & Pihlajamaa, 2022). This highlights that the success of the alliance depends on how well the partners' goals and strategies align, which is contrary to Bicen et al. (2021) who highlight the significance of cooperative alliances to remain competitive.

The current theoretical viewpoints provide valuable insights into various aspects of DT, SAs and outcomes. However, the gaps highlighted by various scholars, combined with the lack of integrated research that holistically examines the interplay between these elements signal the need for empirical research to understand how organisations successfully achieve DT through the utilisation of SAs.

### **1.3 Research Questions**

The research questions were developed to address the calls highlighted by various scholars (Furr et al., 2022; He et al., 2020; Hornuf et al., 2021; Trener et al., 2021) to explore the link between DT, and the function of SAs within this transformational process. While existing literature provides valuable insights into various aspects of DT, SAs and outcomes, there is a lack of integrated research that holistically examines the interplay between these elements. The following were this study's research questions:

#### **Research question (RQ 1)**

How do organisations utilise strategic alliances to achieve digital transformation? (Furr et al., 2022; He et al., 2020; Hornuf et al., 2021).

#### **Research question 1.1 (RQ 1.1)**

What are the key challenges (Furr et al., 2022; Murinde et al., 2022; Trenerry et al., 2021) facing organisations in utilising SAs to achieve DT?.

### **Research question 1.2 (RQ 1.2)**

What are the critical enablers (Hanelt et al., 2020; Weritz & Brajos, 2020; Verhoef et al. 2021) in utilising SAs to achieve DT?.

### **Research question 2 (RQ 2)**

What are the expected outcomes of successful SAs in achieving DT? (Furr et al., 2022; Hornuf et al., 2021; Hanelt et al., 2020; Soto Setzke et al., 2023).

### **Key Constructs:**

- a) Strategic alliances
- b) Digital transformation
- c) Outcomes of successful SAs to achieve DT

## **1.4 Research Aims**

This research aimed to investigate the effects of DT and SAs and the associated outcomes thereof. The following were the four key aims:

- To explore and understand how strategic alliances between organisations and strategic partners contribute to the success of DT.
- To explore and identify the key challenges experienced by organisations in achieving DT.
- To explore and identify the critical enablers experienced by organisations and SAs in achieving DT.
- To explore and understand the outcomes expected from successful SAs in achieving DT.

The research also aimed to use the insights from this study to equip executives and senior managers with practical guidance when navigating DT through SAs. The research further aimed at developing a conceptual framework that includes the key constructs and themes for successful DT through SAs within the financial sector.

## **1.5 Research Contribution**

The aim of this study was to contribute to the expanding body of emerging literature on DT and its connection to SAs. Exploring and understanding how organisations utilise

strategic alliances to achieve DT, the challenges that organisations face, the enablers that support this, and the outcomes they expect. This may contribute to the practical understanding of how organisations progress DT through SAs. As a result, the outcomes of this study could potentially provide a contribution to the existing body of literature.

Two sub-themes emerged from the study that could potentially offer a refinement to the existing body of literature: The potential refinements are as follows:

- Workforce engagement – Change management linked to workforce engagement needs to encompass all levels of the organisation (employees and leaderships transitions and handovers) to safeguard against resistance and ensure effective DT.
- Culture, mindset and experimentation – Organisational strategy should introduce failure tolerance as a deliberate component of culture, mindset and experimentation when navigating DT through SAs.

The development of a conceptual framework that presents the key constructs, themes and sub-themes of how organisations could look to pursue DT through SAs in the financial sector, highlights how the research has made a potential contribution to the existing body of literature.

## **1.6 Scope of Study**

### **Theoretical Scope**

The scope of the research examined strategic alliance and digital transformation literature, focusing on the debates between scholars on the challenges, enablers and outcomes of DT through SAs. Literature on change management was also reviewed to better understand the structured change management processes that organisations can follow to achieve DT through SAs.

### **Physical Scope**

The physical scope was determined by the purposive sampling criteria where the selection criteria specified corporate entities, listed and/or unlisted companies, subsidiaries actively pursuing or supporting DT. The study focused on financial technology companies and financial institutions in Johannesburg, South Africa, which are actively engaged in DT initiatives through SAs. Hornuf et al. (2021) propose that the financial industry is an applicable sector to explore when examining alliances and their interactions. This is attributed to the various digital, service, customer, and product

strategies that banks and fintechs are currently developing and implementing (Hornuf et al., 2021).

## **1.7 Overview of the Research Report**

The research report contains seven chapters (including the current chapter) and related appendices.

**Chapter 1:** Covers the business relevance and theoretical relevance of the study.

**Chapter 2:** Includes a detailed literature review with six sections. This chapter also includes a conceptual framework summarising the literature reviewed.

**Chapter 3:** This chapter includes the main research questions as well as the sub-questions informed by the literature reviewed.

**Chapter 4:** Describes the research methodology followed for the study.

**Chapter 5:** Presents the findings resulting from the analysis of the data.

**Chapter 6:** This chapter presents a discussion of the findings from Chapter 5 in relation to the literature discussed in Chapter 2.

**Chapter 7:** Presents the research outcomes from the discussion of the findings with the literature in Chapter 6. A final conceptual framework is included based on the research outcomes. The chapter further includes the research contributions, the recommendations to management and other stakeholders, a discussion of the limitations for the overall research study, and finally suggestions for future research.

## CHAPTER 2: LITERATURE REVIEW

### 2.1 Introduction

The literature reviewed in this chapter includes six sections: Digital transformation, strategic alliances in digital transformation, the challenges experienced by organisations in achieving digital transformation through SAs, the enablers of DT through SAs, outcomes of successful digital transformation through strategic alliances, and finally a conclusion of the findings in literature.

Each of the first five sections includes a description, as well as an analysis and interpretation of the literature reviewed. In Section 2.5, a six-dimension framework by Weritz and Brajos is used to identify the key enablers in digital transformation linking DT to SAs (Weritz & Brajos, 2020). In Section 2.7, a conceptual framework summarising the review of literature and implications for the research question is also included. The articles used in the literature reviewed provide context and support to each section.

Figure 1 below shows a literature review roadmap and how it connects to the research questions.

**Figure 1:**  
**Literature Review Roadmap**

LITERATURE REVIEW ROAD MAP				
<b>Research question 1</b>  How do organisations utilise strategic alliances to achieve digital transformation? (Furr et al., 2022; He et al., 2020; Hornuf et al., 2021).		<b>Research question 1.1</b>  What are the key challenges (Furr et al., 2022; Murinde et al., 2022; Trenergy et al., 2021) facing organisations in utilising SAs to achieve DT?.	<b>Research question 1.2</b>  What are the critical enablers (Hanelt et al., 2020; Weritz and Brajos, 2020; Verhoef et al. 2021) in utilising SAs to achieve DT?.	<b>Research question 2</b>  What are the expected outcomes of successful SAs in achieving DT? (Furr et al., 2022; Hornuf et al., 2021; Hanelt et al., 2020; Soto Setzke et al., 2023).
<b>2.2 Digital Transformation</b>  2.2.1 Description of Digital Transformation  2.2.2 Complexity of Digital Transformation  2.2.3 Collaboration in Digital Transformation	<b>2.3 Strategic Alliances in Digital Transformation</b>  2.3.1 Description of Strategic Alliances  2.3.2 Strategic Partnerships  2.3.3 Innovation through Strategic Alliances	<b>2.4 Challenges experienced by organisations in achieving Digital Transformation through SAs</b>  2.4.1. Description of challenges experienced by organisations in achieving Digital Transformation through SAs  2.4.1.1 Digital Technology  2.4.1.2 Resistance  2.4.2 Analysis and interpretation of challenges experienced by organisations in achieving Digital Transformation through SAs  2.4.2.1 Digital Technology  2.4.2.2 Resistance	<b>2.5 Enablers of Digital Transformation through SAs</b>  2.5.1 Description of enablers of digital transformation through SAs  2.5.1.1 Organisational Strategy  2.5.1.2 Change Management  2.5.2 Analysis and Interpretation of enablers of Digital Transformation through SAs  2.5.2.1 Organisational Strategy  2.5.2.2 Change Management	<b>2.6 Outcomes of successful DT through SAs</b>  2.6.1 Description of Outcomes of successful DT through SAs  2.6.1.1 Competitiveness  2.6.1.2 Value Creation  2.6.2 Analysis and Interpretation of outcomes of successful Digital Transformation through Strategic Alliances  2.6.2.1 Competitiveness  2.6.2.2 Value Creation
<b>2.7 Conclusion of literature review and implications for the research question</b>				
Figure 2. Conceptual Framework: The enablers, challenges, and outcomes in utilising strategic alliances to achieve digital transformation.				

Note. Author's Own

## 2.2 Digital Transformation

### 2.2.1 Description of Digital Transformation

According to the literature, DT falls into three phases: “digitization, digitalization and digital transformation” (Verhoef et al., 2021, p.891). Digitization is the digital representation of analog data, while digitalization is the use of digital technologies to modify present corporate processes, and finally, digital transformation is a company-wide change where organisations employ digital technologies to produce new business models and revised growth strategies (Verhoef et al., 2021).

### 2.2.2 Complexity of Digital Transformation

Verhoef further states that digital transformation is the most complex of the three phases, and presents a multidisciplinary viewpoint on DT, highlighting interdependencies across the various phases of DT (Verhoef et al., 2021). This approach is essential as it recognises that DT influences many areas of a company and requires knowledge of the interlinkages that enable it. Furthermore, AlNuaimi et al. argue that the complexity of achieving DT is in both technical advancements and changes in organisational design

(AlNuaimi et al., 2022). Organisations that want to pursue DT must reconsider their established procedures and organisational structures (AlNuaimi et al., 2022).

#### *2.2.2.1 Analysis, Interpretation of the Complexity in Digital Transformation*

Both Verhoef et al. and AlNuaimi et al. focus on the complexity required by organisations to achieve DT, with Verhoef et al. emphasising complexity as a result of the multiple phases and interdependencies across DT, and AlNuaimi et al. highlighting the complexity of DT as being the required shifts at an organisational level and the importance of technical and organisational changes (Verhoef et al., 2021; AlNuaimi et al., 2022). While both scholars discuss DT in different ways, there is a common theme highlighted around the complexity required to achieve DT. Concluding the interpretation and analysis, complexity in DT has been applied to this study as a key consideration that organisations need to overcome, where organisations must not only navigate multi phases in achieving DT but also adopt new technologies while challenging their existing organisational designs.

#### **2.2.3 Collaboration in Digital Transformation**

Furr et al. state that with the adoption of DT, organisations now have the option of shifting from operating as solo players to integrating into wider digital ecosystems. These new ecosystems have the potential to generate value, by means of several player contributions (Furr et al., 2022). Siachou et al. (2021) state that organisations need to consider strategic partnerships with digital players outside of their own company boundaries if they want to progress their DT adoption and keep pace with the rate of change in the digital age. They further emphasise that the degree at which organisations utilise technological enhancements through SAs, is dependent on their absorptive capacity to consume or learn these technologies (Siachou et al., 2021).

#### *2.2.3.1 Analysis and Interpretation of Collaboration in Digital Transformation*

Furr et al. and Siacho et al. discuss the importance of collaboration in DT, with Furr et al. focusing on firm integration into wider digital ecosystems to achieve DT (Furr et al., 2022). In contrast, Siacho et al. discuss the importance of strategic collaborations and absorptive capacity to achieve DT, highlighting the importance of learning and integration of new technologies into existing organisations (Siachou et al., 2021). In this context, Furr et al. suggest that DT is achieved through focus on collaborations outside of the organisation, through ecosystems, versus Siacho et al. who suggest that DT can be achieved through collaborations that enable DT within the organisation. Both scholars

highlight the need for collaboration; however, Furr et al. suggest an “outside-in” approach to DT as opposed to Siacho et al. suggesting an “inside-out” focus. In conclusion, collaboration emerges as a critical lever in achieving DT, but its form can vary.

## **2.3 Strategic Alliances in Digital Transformation**

### **2.3.1 Description of Strategic Alliances**

Strategic alliances have been the topic of research for many years. SAs are seen to be a voluntary collaborative arrangement between firms to achieve specific objectives that would be difficult to accomplish independently (He et al., 2020). These alliances might take the form of full ownership, partnerships among other things. The research on SAs highlights their role in promoting business innovation, market growth, and resource sharing (He et al., 2020).

### **2.3.2 Strategic Partnerships**

As noted by He et al. (2020), DT can be understood as an acceleration of transformation in business activities aimed at leveraging digital technologies in a strategic way. During this transformation process, the purpose of SAs is to capitalise on disruptive new technologies and facilitate innovation as a way to provide new products and services (He et al., 2020). Consequently, they call for contemporary companies to assess their existing strategic partnerships to ensure that they remain relevant in meeting rapidly changing expectations (He et al., 2020). According to the authors, SAs take on many forms across both interfirm and inter sector boundaries (He et al., 2020). Expanding on this, Hornuf et al. (2021) contextualise it within the financial sector, highlighting the importance of strategic partnerships where banks are able leverage fintechns to overcome legacy constraints and accelerate innovation. Riikkinen and Pihlajamaa continue with the financial sector context, by stating that traditional banks in the drive for innovation, should consider strategic fit between themselves and start-up fintechns, where strategic partnerships that provide a positive impact on technologies and innovations should be prioritised (Riikkinen & Pihlajamaa, 2022).

He et al.(2020) also state that the current theoretical insights from SA research need to be adapted further to align with the rapid changes brought about by the DT era. This adaptability is important as it implies that conventional SA theories might not adequately reflect the dynamics of digital age alliances. Ryan-Charleton et al. (2022) add to this by suggesting new ways of managing strategic alliances relationships, where SAs should not be seen as end products or dependent variables but rather defined by mutual goals that determine the functioning of the alliance. This also suggests the new direction

required for successful SAs in the era of DT. The case study of Nordea Bank by Riikkinen and Pihlajamaa further demonstrates how reaching better fintech collaboration calls for a different approach to SAs (Riikkinen & Pihlajamaa, 2022), where Nordea Bank focused on the different forms of partnerships in the various phases of DT by being clearer about its strategic goals and choosing startups that would work well with it at each iteration (Riikkinen & Pihlajamaa, 2022). These new ways of SAs are crucial and further emphasise the changing modes of partnerships within SAs.

### *2.3.2.1 Analysis and Interpretation of Strategic Partnerships*

He et al. introduce the importance of strategic partnerships in the context of digital transformation framing strategic partnerships as a mechanism that spans interfirm and inter sector, for organisations to facilitate innovation and leverage disruptive technologies (He et al., 2020). This perspective positions strategic partnerships as an enabler to organisations looking to achieve DT, where organisations need to continually reassess their alliances for relevance in a changing environment (He et al., 2020).

Hornuf et al. complement this by applying a sector focus, illustrating how strategic partnerships with fintechs enable banks to overcome legacy challenges and speed up innovation (Hornuf et al., 2021). This sectoral lens is relevant as it presents a practical application of He et al.'s insights. Riikkinen and Pihlajamaa argue that not all partnerships are equally valuable and that banks need to prioritise those that will provide them with a benefit (Riikkinen & Pihlajamaa, 2022). The views from Riikkinen and Pihlajamaa provide a granular application of the insights offered by Hornuf et al. and He et al, where a specific focus is created on strategic fit of alliances (Riikkinen & Pihlajamaa, 2022). This focus introduces an evaluative approach to partnerships, which helps translate the principles highlighted by Hornuf et al. and He et al. into criteria that banks should consider for partnership selection in the financial sector. All three scholars agree that strategic partnerships are fundamental to organisations looking to achieve DT through SAs.

The need for new approaches to managing SAs has been discussed by both Ryan-Charleton et al. (2022) and Riikkinen and Pihlajamaa (2022). Ryan-Charleton et al. argue that successful SAs should be defined by mutual goals. In contrast, Riikkinen and Pihlajamaa highlight the importance of clear strategic goals of an organisation and choosing iterative strategic partnerships based on those goals (Charleton et al., 2022; Riikkinen & Pihlajamaa, 2022). While their viewpoints differ, both underscore the need for new approaches in managing SAs. In conclusion, companies trying to raise their

digital capacity and reach strategic objectives in a changing digital environment depend on strategic alliances. Strategic alliances can take on multiple forms, and the degree to which SAs are concluded needs to be adapted for the changing digital landscape.

### ***2.3.3 Innovation through Strategic Alliances***

Spieth et al. (2021) suggest that business model innovation is a multi-layered concept that has significant implications for strategic alliances, emphasising the requirement of connecting company-level innovation with alliance-driven innovation. This link is significant as it implies that, both at the alliance and at the individual company level, alliances could be a source of innovation. He et al. (2020) advance the argument by stating that the role of SAs in the context of DT is evolving from replacing resources and breaking into new markets, to enabling innovation and maximising technology enhancements. Further, Barroso and Laborda (2022) emphasise that new technologies within the financial industry are now being developed to gain the trust of digitally led customers, and that banks who are unable to respond to these advancements could be displaced by alternate technological companies providing similar financial services. They also argue that the collaboration between fintechs and banks is one of the key mechanisms for success at a business level in the financial industry but remains the least explored (Barroso & Laborda, 2022).

#### ***2.3.3.1 Analysis and Interpretation of Innovation through Strategic Alliances***

Both He et al. and Spieth et al. recognise the role SAs play in innovation, where He et al. point to SAs promoting business innovation, while Spieth et al. focus on the interplay between company-level innovation and alliance-driven innovation and the interdependencies thereof (He et al., 2020; Spieth et al., 2021). He et al. suggest that SAs can directly drive innovation within an organisation, while Spieth et al. share a broader view that recognises how innovation at a company-level interacts and is influenced by innovations stemming from the SAs. While each scholar emphasises a different viewpoint to successful SAs in the context of DT, both highlight the critical role of SAs in promoting innovation and technology enhancements.

## **2.4 Challenges Experienced by Organisations in Achieving Digital Transformation through SAs**

### **2.4.1 Description of Challenges Experienced by Organisations in Achieving Digital Transformation through SAs**

#### *2.4.1.1 Digital Technology*

According to Furr et al. (2022, p.597), companies that are not “born digital” tend to have legacy operations that prevent them from adapting to change. The challenge for organisations, as highlighted by Furr et al. (2022), is defining what DT means within the context their current operations, and determining the change required to achieve it. This leads to a further challenge of coping with the various digital technologies underpinning DT, which is also highlighted by Furr et al. (2022), where organisations need to constantly keep pace with evolving technologies like AI and cloud computing, each with its own requirements. This makes it very difficult for organisations to formulate strategies that are stable and consistent over time (Furr et al., 2022).

The definition of DT can take on different meanings within different industries and firms, where Furr et al. (2022) argue that DT is a strategic choice shaped by an organisation’s capabilities and goals and that companies need to navigate three fundamental tensions at the core of achieving DT. The three key tensions they highlight are: “products versus platforms, firms versus ecosystems”, and “people versus tools” (Furr et al., 2022, p.598). Within the context of DT and SAs, they particularly emphasise the tension between firms versus ecosystems (Furr et al., 2022). They describe an ecosystem as a set of complements and elements that create value, which affect the technology, allocation of resources and strategies that an organisation can implement (Furr et al., 2022), adding to the integration complexity that organisations need to navigate in achieving DT. Ecosystems differ from firms or traditional bilateral alliances as they include a wider set of interdependencies (Furr et al., 2022).

Additionally, Murinde et al. (2022) assert that one of the biggest challenges faced by banks is their legacy, where most of the technology and infrastructure in banking were designed when cash, cheques and paper-based processes were part of the normal course of business. Consequently, banks through the years have addressed customer needs through adding on new products, creating siloed product infrastructure that do not integrate well with each other (Murinde et al., 2022). The pace at which digital technologies have advanced has influenced the need for banks to partner with fintechs to address the gaps between legacy challenges and their current digital demands (Murinde et al., 2022). According to authors, fintechs contribute to the financial sector

ecosystem, as banks can leverage their capabilities to enable digital financial services (Murinde et al., 2022).

#### *2.4.1.2 Resistance*

Furr et al. (2022) also discuss the tensions between people versus digital tools, highlighting how organisations struggle to integrate digital tools into their operations. The relationship between humans and the use of the digital tools is often a barrier, where humans resist the use of digital technologies, preferring their own intuition over digital-driven advice (Furr et al., 2022). Trenergy et al. (2021) introduce a different perspective, stating that the implementation of new technologies tends to impact established structures within an organisation, which results in resistance. When DT is perceived by employees as leading to job loss, this perception tends to foster negative attitudes and resistance to change (Trenergy et al., 2021). At an organisational level, adequate communication and change management need to be implemented when embarking on a DT journey to minimise the negative impact on employees (Trenergy et al., 2021). They further state that organisations need to ensure that their workforce has the necessary skills and competencies to successfully implement digital transformation (Trenergy et al., 2021).

Murinde et al. (2022) add a different viewpoint to resistance at an organisational level, stating that banks are now facing the conundrum of partnering with niche fintech competitors with the aim to improve their competitiveness or resisting the need to partner with fintechs, given that both parties serve different market segments within the industry. They describe banks as a prime example of slow transformation and “resistance to change” (Murinde et al., 2022, p.15), noting that the introduction of the digital technologies is expected to change and eventually overcome this inertia (Murinde et al., 2022).

In achieving DT, organisations will need to navigate challenges that stem from legacy systems, unclear definitions of DT, technology choices, as well as organisational and employee resistance.

## **2.4.2 Analysis and Interpretation of Challenges Experienced by Organisations in Achieving Digital Transformation through SAs**

### **2.4.2.1 Digital Technology**

Organisations encounter challenges with digital technologies when pursuing DT, many of which stem from legacy challenges and strategic choices. Furr et al. argue that organisations often struggle to define DT in the context of their current operational processes, making it difficult for them to maintain stable digital strategies (Furr et al., 2022). Murinde et al. reinforce the legacy constraints experienced by banks from outdated processes designed for paper-based practices, resulting in siloed product systems (Murinde et al., 2022). Both scholars converge on legacy systems being a constraint on organisations looking to achieve DT, with Murinde et al. providing a sector specific lens by demonstrating how fintechs are being leveraged within the financial sector to bridge these gaps. In addressing technology gaps, both scholars introduce the concept of ecosystems as a response. Furr et al. emphasise how ecosystems influence value creation and technological choices, while Murinde et al. focus on the role of fintechs in contributing to the wider financial ecosystem by enabling banks to bridge capability gaps and address technology demands (Furr et al., 2022; Murinde et al., 2022). This distinction highlights two complementary, but strategically different ways organisations can address the challenge of digital technology gaps through ecosystems.

### **2.4.2.2 Resistance**

Resistance emerges as a challenge facing organisations in achieving DT. Furr et al. (2022) note that employees often resist DT, preferring their own intuition to that of digital tools, with Trenerry et al. (2021) expanding on this by linking resistance to organisational structural change and employee job security, highlighting the importance of clear communication and change management in navigating DT. Both scholars focus on employee resistance to DT where workplace culture and employee attitudes serve as barriers.

In contrast, Murinde et al. (2022) highlight organisation level resistance, observing that banks may resist partnering with fintechs due to market segment concerns, despite there being the opportunity for improved competitiveness. Together, these insights reinforce that successful DT not only requires modern digital technologies but also workforce readiness and clarity on SA strategies.

## **2.5 Enablers of Digital Transformation through SAs**

### **2.5.1 Description of Enablers of Digital Transformation through SAs**

#### *2.5.1.1 Organisational Strategy*

According to Hanelt et al., “organisational strategy” is part of a broader set of “organisational characteristics” that informs how a company responds to DT (Hanelt et al., 2020, p.1166). In the context of DT, they explain that the organisational strategy is shaped by the organisations history, resources, processes, values and culture (Hanelt et al., 2020). Part of the organisational strategy also encompasses a digital business strategy that involves both business and technology considerations (Hanelt et al., 2020). On a strategic level, it involves attracting new talent and fostering a digital mindset within the organisation, whereas on an operational level it includes the use of digital capabilities (Hanelt et al., 2020). Hanelt et al. also highlight the rise of flexible organisational designs that enable companies to shift to digital business ecosystems (Hanelt et al., 2020). In their opinion, the business ecosystem is made up of different partners who work together to create and capture value (Hanelt et al., 2020), creating the link between DT and SAs.

Organisational strategy is increasingly shaped by stakeholder engagements, where balancing the interests of shareholders, employees, customers and partners is becoming important in delivering DT (He et al., 2020; Verhoef et al., 2021). In doing so, organisations need to have a better of understanding of the internal and external factors that would moderate the impact of DT (Verhoef et al., 2021). Internal considerations like board composition, firm size, and firm age, and external considerations like competitive landscape and technology advancements reflect a wider reach of organisational strategy (Verhoef et al., 2021). Leadership insights and skills regarding DT are also highlighted by Hanelt et al. as key attributes to effect DT within an organisation (Hanelt et al., 2020). The authors assert that leaders need to adapt their skill sets to include three important skills, when navigating DT (Hanelt et al., 2020). These are: “DT awareness, DT acceleration and DT harmonization” (Hanelt et al., 2020, p.1186). They explain DT awareness as the ability to remain aware of ongoing changes by understanding data and technology trends (Hanelt et al., 2020). DT acceleration skills involve quick responses to market changes, experimental mindsets, and investment decisions where resource is required (Hanelt et al., 2020). Lastly, DT harmonization involves the skill to integrate new technologies with existing operations, balancing physical and digital aspects while adapting the organisational culture to the change required (Hanelt et al., 2020). This is supported by insights from AlNuaimi et al, who through their study show a positive impact of transformational leadership to DT demands (AlNuaimi et al., 2022).

Implementation and execution are also an integral aspect of organisational strategy. Teece highlights the importance of the interactions between organisational business models and its dynamic capabilities, where dynamic capabilities enable the creation of good business models (Teece, 2018). For this study and according to Teece (2018), dynamic capabilities are seen to be an enabler of an enterprise together with its partners. Teece (2018, p.41) suggests that dynamic capabilities involve “sensing, seizing, and transforming” to produce and apply a new business model, and calls for using company and partner resources to adapt in the business environment and market. This also aids in understanding how businesses can enable the changing phases of DT and SAs easily. Weritz and Brajos (2020), through a broader multi-industry case study, identified six dynamic capabilities that support organisations in achieving DT. These are “1) absorptive capacity, 2) agility and flexibility, 3) cross-functional collaboration, 4) innovation capacity, 5) market orientation, and 6) relational capability” (Weritz & Brajos, 2020, p.6). These capabilities contribute to the successful roll out of an organisation’s strategy, enabling firms to scan the environment, experiment with new ideas and build strong networks (Weritz & Brajos, 2020; Hanelt et al., 2020).

#### *2.5.1.2 Change Management*

Bellantuono et al. (2021) describe change management as a structured process that helps organisations move from its current state to its future desired state, involving the updating of organisational direction, structure and capabilities to meet the needs of internal and external customers. In their view this also includes the tools and mechanisms to support people through the change (Bellantuono et al., 2021). They argue that effective change management mitigates the risk of resistance to change, where effective communication of digital vision and strategy are also included as part of the transition of people involved (Bellantuono et al., 2021). Further, they offer a phased approach of change management in the pursuit of DT, suggesting that organisations need to first align their operating model to their digital strategy by understanding how value is created and by whom (Bellantuono et al., 2021). The organisation then needs to identify a set of capabilities that enables it to meet its digital ambition, followed by a capability map to determine the requirements (Bellantuono et al., 2021). Finally, once the capability map has been finalised, organisations need to source the capabilities either internally, or externally through partnering to access capabilities or outsourcing capabilities (Bellantuono et al., 2021). This also reinforces the link between SAs and DT, where effective change management is seen to be an enabler. Siachou et al. (2021) add another step to this by stating that once organisations have determined their specific

relationships, they need to be able to consume the technological knowledge from their partners, with the success of change being dependent on this.

## **2.5.2 Analysis and Interpretation of Enablers of Digital Transformation through SAs**

### *2.5.2.1 Organisational Strategy*

Hanelt et al. (2020) emphasise how organisations need to adopt flexible structures as part of their organisational strategies, to collaborate better with partners in digital ecosystems, which directly links organisational strategy to formation of SAs. This is also consistent with insights discussed in Section 2.2.3 above. Hanelt et al. (2020) also create the link between leadership skillsets and navigating DT demands, which is supported by AlNuaimi, who reinforces that transformational leadership has a positive impact of DT (AlNuaimi et al., 2022), both of which are also important in successful collaborations in SAs. Both Verhoef et al. and He et al. converge on the viewpoint that organisational strategies need to balance the interests of stakeholders, including that of partners, while also adapting to internal and external factors, further reinforcing the importance of organisational strategy in pursuing DT through SAs.

In terms of strategy execution and implementation analysis, the viewpoints from various scholars have been summarised in Table 1, incorporating the six dynamic capabilities identified by Weritz and Brajos (2020). The table illustrates how these capabilities enable organisations and SAs in the context of achieving DT.

**Table 1:**  
**Summary of Various Scholar Inputs in Relation to the Dynamic Capabilities Identified**

Dynamic capabilities identified by Weritz and Brajos to achieve DT (Weritz and Brajos, 2020)	Definition of the capability (Weritz & Brajos, 2020)	Scholar viewpoint: How the capability enables DT?	
		Organisational level	Strategic Alliance level
1) Absorptive capacity	Absorptive capacity is an organisation's ability to recognise and use knowledge to stay competitive and perform better (Weritz & Brajos, 2020).	Siachou et al., state that the degree to which organisations use technological enhancements through SAs is dependent on their absorptive capacity to consume or learn these technologies (Siachou et al., 2021).	Literature not identified.
2) Agility and flexibility	Agility and flexibility are capabilities that enable an organisation to quickly respond to changes in customer needs, market shifts and take advantage of new opportunities, as well as adapt changes internally to current business models and processes (Weritz & Brajos, 2020).	The capability enables an organisation to respond quickly to market changes and customer needs, which is key for DT (Weritz & Brajos, 2020; AlNuaimi et al., 2022).	Enables companies and partners to align on strategies and technologies, making collaborations more effective (Hornuf et al., 2021).
3) Cross-functional collaboration	The capability of cross-functional collaboration, as highlighted by Weritz and Brajos, is the ability of business units within an organisation to work together, share knowledge and solution for problems in new ways to	Encourages teamwork across departments, helping to align digital goals and share ideas (Weritz & Brajos, 2020).	Literature not identified.

	progress DT (Weritz & Brajos, 2020).		
4) Innovation capacity	Innovation capacity is the ability of an organisation to create and transform new ideas, processes, and structures with a goal of identifying new things. This helps the organisations explore new technologies and manage uncertainty in a rapidly changing digital world (Weritz & Brajos, 2020).	Enables the creation and testing of new ideas, helping companies stay ahead in a digital world (Weritz & Brajos, 2020).	Enables the co-creation of new products or services with partners, enhancing innovation (He et al., 2020; Spieth et al., 2021).
5) Market orientation	Market orientation, according to Weritz and Brajos, is a capability that enables organisations to scan the environment to identify and understand customer needs and new opportunities (Weritz & Brajos, 2020).	Enables companies to understand and respond to customer needs and market trends (Weritz & Brajos, 2020; Verhoef et al., 2021).	Shared customer insights improve alignment and enable partners develop better solutions together (Hornuf et al., 2021; Barroso & Laborda, 2022).
6) Relational capability	Lastly, relational capability is an organisation's ability to build strong relationships within an internal and external network, allowing it to share resources and skills that it may not have on its own (Weritz & Brajos, 2020).	An organisation's ability to build strong relationships within an internal and external network, allowing it to share resources and skills that it may not have on its own (Weritz & Brajos, 2020).	Enables strong relationships with partners, which are essential for long-term collaboration (He et al., 2020; Riikkinen & Pihlajamaa, 2022; Ryan-Charleton et al., 2022).

*Note.* Author's own, adapted from Weritz and Brajos (2020); Siachou et al. (2021); Hornuf et al. (2021); Barroso and Laborda (2022); He et al. (2020); Spieth et al. (2021); Ryan-Charleton et al. (2022); Riikkinen and Pihlajamaa (2022); AlNuaimi et al. (2022); Verhoef et al. (2021).

The viewpoints of various scholars provide an understanding of how the six dynamic capabilities, highlighted by Weritz and Brajos (2020), drive DT within organisations and SAs.

There is a common interest shared in other capabilities highlighted in Table 1, such as innovation capacity, agility and flexibility and market orientation across both organisations and SAs, which further supports the need for collaborative approaches in achieving DT. Among these, the dimension of relational capability stands out as a critical enabler that connects DT and SAs, where strong relationships can be internally and externally focused (He et al., 2020; Riikkinen & Pihlajamaa, 2022; Ryan-Charleton et al., 2022; Weritz & Brajos, 2020).

While scholars agree that organisational strategy is a key enabler of DT, they differ in terms of emphasis. Some scholars emphasise the importance of leadership and organisational design, while others focus on capabilities, digital implementation and stakeholder engagement. However, all converge on the view that organisational strategy is a common theme when enabling DT, particularly when pursued through SAs.

#### *2.5.2.2 Change Management*

While both Bellantuono et al. (2021) and Siachou et al. (2021) acknowledge the need for change management in the pursuit of DT through SAs, their insights are different. Bellantuono et al. (2021) offer a process orientated view to change management, highlighting SAs as a source of capabilities, while Siachou et al. (2021) caution that the existence of the alliance does not guarantee DT and the effectiveness of the approach hinges on the organisations ability to absorb the knowledge gained from the partners. In conclusion, while effective change management is a structured enabler of DT through SA, its true success is dependent on the organisation's ability to absorb the knowledge gained from the alliances.

## **2.6 Outcomes of Successful DT through SAs**

### ***2.6.1 Description of Outcomes of Successful DT through SAs***

#### *2.6.1.1 Competitiveness*

According to Falciola et al. (2020), competitiveness is defined as the capacity to enter new markets, outperform other players in the market, draw capital, and expand. The ability of a company to pre-empt or adjust to changes within processes and technologies impacts the competitiveness of that company (Falciola et al., 2020).

Chatterjee and Mariani (2020) look at how exploitative and exploratory DT affects organisational flexibility, efficiencies, and competitiveness. They argue that exploitative transformation helps organisations effectively manage and improve existing capabilities,

while exploratory transformation aid organisations in adapting and innovating in response to new opportunities. They conclude that this dual function within DT is significant, as it contributes to the company's flexibility and efficiencies, in turn enhancing the competitiveness of the organisation (Chatterjee & Mariani, 2022).

Focusing on the benefits of DT and SAs, Murinde et al. (2022) suggest that the need for banks to adopt DT practices is becoming more relevant as the competitive dynamics within the industry are changing as new non-banking, niche competitors are entering the market. In addition, Soto Setzke et al. (2023) emphasise that the extent to which SAs enhance competitiveness depends on the degree of digital disruption that a company is exposed to, where organisations that are about to be disrupted by technology can benefit more from strategic alliances versus those that are not. A broader view on competitiveness is provided by Hornuf et al. (2021), who state that banks can collaborate with fintechs to become more competitive. This collaboration enables banks to leverage fintech capabilities to provide improved financial services (Hornuf et al., 2021). While fintechs through alliances with banks gain access to a wider customer base, they also learn how to navigate financial regulations as well enhance their own digital services (Hornuf et al., 2021).

#### *2.6.1.2 Value Creation*

Chesbrough et al. (2018) define value creation as an increase in an organisation's value through the process of utilising and applying resources, where the benefits of this process are greater than the potential sacrifices incurred.

The outcome of value creation emerged from the literature on the tensions experienced by organisations in achieving DT in Section 2.3.2.1 above (Furr et al., 2022). According to Furr et al. (2022), the difference between firms and ecosystems is the economics that underpin them, where firms depend on bilateral formal alliances to generate value, while ecosystems involve multiple independent contributors, many of which are informal, to create value. This view is also supported by Hanelt et al. (2020), who further state that DT through SAs may also improve firm performance and create new forms of value through improved service quality. This, together with merging human-machine interaction can create added value through synergies between humans and technology (Hanelt et al., 2020).

## **2.6.2 Analysis and Interpretation of Outcomes of Successful Digital Transformation through Strategic Alliances**

### **2.6.2.1 Competitiveness**

Scholars like Chatterjee and Mariani as well as Murinde et al. acknowledge the importance of DT and SAs in supporting competitiveness; however, they approach the topic from different angles. Chatterjee and Mariani (2022) highlight flexibility and efficiencies resulting from DT, as an indicator of competitiveness, while Murinde et al. (2022) emphasise the necessity for banks to embrace DT to remain competitive, as new competitors enter the financial sector. Hornuf et al. suggest that alliances are not one-sided, where both banks and fintechs could benefit through alliances, which could strengthen the competitiveness of both partners (Hornuf et al., 2021). While the scholars' points of departure were different, there is a common theme from the literature suggesting that the intersection of SAs and DT is a key driver of enhanced competitiveness, enabling firms to adapt to changing market conditions and capitalise on new opportunities.

### **2.6.2.2 Value Creation**

Furr et al. (2022) emphasise the significance of ecosystems in achieving DT, where value creation is dependent on collaborators beyond the organisation's boundaries, and understanding each collaborator's role and strategy within the ecosystem is crucial in creating value. An organisation's value creation process will change as DT is adopted, where conventional processes and technologies will be replaced by modern ones (Furr et al., 2022).

Hanelt et al. (2020) support this and add that new value through SAs can also enhance firm performance through the integration of human-machine synergies as well as improved service delivery. Together these perspectives highlight that value creation, whether through formal alliances or through broader ecosystems, can create value through both technological and human capabilities.

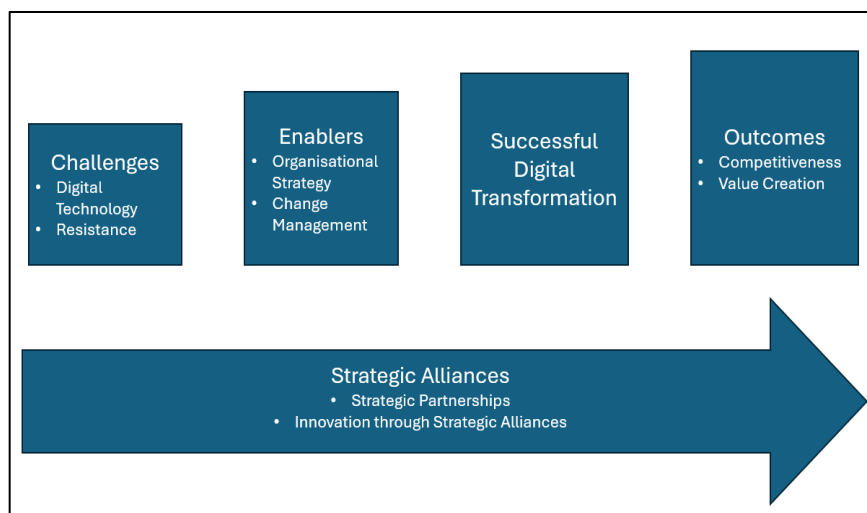
## **2.7 Conclusion of Literature Review and Implications for the Research Question**

The conclusion of the literature review points to several consequences for organisations trying to achieve DT through SAs. The literature indicates that DT is a complex process within organisations (Verhoef et al., 2021), with collaboration consistently identified as a key mechanism in achieving DT (Furr et al., 2022). SAs are seen to be the driver of

innovation when pursuing DT; however, new approaches to strategic partnerships are emerging that are more adaptive to digital change (He et al., 2020). Organisations need to navigate various challenges, notably legacy digital technologies and resistance to change, where key enablers like organisational strategy, through effective leadership (Hanelt et al., 2020; AlNuaimi et al., 2022) and dynamic capabilities (Weritz & Brajos, 2020), as well a robust change management approach (Bellantuono et al., 2021) can help mitigate some of those challenges. Finally, the dual roles of DT and SAs combined with the strategic choices made by organisations will ultimately impact competitiveness and value creation (Hornuf et al., 2021; Furr et al., 2022). The review of literature directly informs the main research question and sub-questions, thus highlighting the need to explore how organisations utilise strategic alliances to achieve DT (RQ1), the challenges that organisations face (RQ1.1), the enablers that support this (RQ1.2), and the outcomes they expect (RQ2).

Figure 2 represents a conceptual framework of the literature reviewed.

**Figure 2:**  
**Conceptual Framework: The Enablers, Challenges, and Outcomes in Utilising Strategic Alliances to Achieve Digital Transformation.**



*Note.* Author's own

## CHAPTER 3: RESEARCH QUESTIONS AND AIMS

### 3.1 Introduction

This chapter presents the research questions in alignment with the theoretical and business relevance identified in Chapter 1, as well as the literature reviewed in Chapter 2. In Chapter 1, the researcher identified key scholarly contributions addressing DT, SAs, and the outcomes of successful DT through SAs. While existing literature provides valuable insights into each of these areas individually, there remains a lack of integrated research that holistically examines how they interact.

### 3.2 Research Questions

The following were deemed to be appropriate research questions that link DT, SAs and the outcomes of successful DT through SAs organisations:

#### Research question (RQ 1)

How do organisations utilise strategic alliances to achieve digital transformation? (Furr et al., 2022; He et al., 2020; Hornuf et al., 2021).

#### Research question 1.1 (RQ 1.1)

What are the key challenges (Furr et al., 2022; Murinde et al., 2022; Trenerry et al., 2021) facing organisations in utilising SAs to achieve DT?.

#### Research question 1.2 (RQ 1.2)

What are the critical enablers (Hanelt et al., 2020; Weritz & Brajos, 2020; Verhoef et al. 2021) in utilising SAs to achieve DT?.

#### Research question 2 (RQ 2)

What are the expected outcomes of successful SAs in achieving DT? (Furr et al., 2022; Hornuf et al., 2021; Hanelt et al., 2020; Soto Setzke et al., 2023).

In summary, the theoretical demand stems from the need to comprehend the link between DT, and the function of SAs within this transformational process. The possibility to improve the outcomes of this transformation emphasises the commercial importance of the research question. This research questions aims to investigate the synergistic effects of DT and SAs and the associated outcomes thereof.

### 3.3 Research Aims

The following were the four key aims:

- To explore and understand how strategic alliances between organisations and strategic partners contribute to the success of DT.

- To explore and identify the key challenges experienced by organisations in achieving DT.
- To explore and identify the critical enablers experienced by organisations and SAs in achieving DT.
- To explore and understand the outcomes expected from successful SAs in achieving DT.

## CHAPTER 4: RESEARCH METHODOLOGY

### 4.1 Choice of Methodology

“How do organisations utilise strategic alliances to achieve digital transformation?” the research question driving this study asked. This research question’s exploratory nature called for an interpretivist perspective (Creswell & Creswell, 2023). Interpretivism is fit for investigating the dynamics of digital transformation and strategic alliances in financial institutions, as it focuses on understanding the experiences of people (Creswell & Creswell, 2023).

A phenomenological approach was deemed appropriate as it focuses on participants’ experiences, providing insights into the phenomena under investigation (Braun & Clarke, 2021). Data was gathered and examined using a qualitative research design to enable an investigation of the research question.

Furthermore, Creswell and Creswell (2023) also emphasise that qualitative research is good at capturing human experiences and events.

A consistency matrix is included in Table 2 to illustrate how the research question is aligned with the literature review and the research method.

**Table 2:**  
**Consistency Matrix: Progressing Digital Transformation through Strategic Alliances**

Research Questions	Literature Review	Data Collection Tool – Interview (Appendix 1)
<b>Research question 1:</b> How do organisations utilise strategic alliances to achieve digital transformation?	(Furr et al., 2022; He et al., 2020; Hornuf et al., 2021; Bicen et al., 2021; Verhoef et al., 2021; AlNuaimi et al., 2022; Siachou et al., 2021; Spieth et al., 2021; Barroso & Laborda, 2022; Ryan-Charleton et al., 2022; Riikkinen & Pihlajamaa, 2022;	Questions 2 to 5
<b>Research question 1.1:</b> What are the key challenges facing organisations in utilising SAs to achieve DT?	(Furr et al., 2022; Murinde et al., 2022; Trenergy et al., 2021).	Questions 7 and 8
<b>Research question 1.2:</b> What are the critical enablers in utilising SAs to achieve DT?	(Hanelt et al., 2020; Verhoef et al. 2021; Teece, 2018; Weritz and Brajos, 2020; Bellantuono et al., 2021; Siachou et al., 2021).	Question 6
<b>Research question 2:</b> What are the expected outcomes of successful SAs in the era of DT?	(Furr et al., 2022; Hornuf et al., 2021; Chesbrough et al., 2018; Falcicola et al., 2020; Chatterjee & Mariani, 2022; Soto Setzke et al., 2023; Hanelt et al., 2020).	Question 9

*Note.* Author's Own

#### 4.2 Research Setting

Executives and senior managers from financial technology companies and financial institutions, within the financial sector, engaged in SAs made up the population for this study. This group was selected to offer perceptions on the strategic choices and experiences of those directly engaged in initiatives on DT and SAs.

The study focused on financial technology companies and financial institutions in Johannesburg, South Africa, which are actively engaged in DT initiatives through SAs. This setting provided a relevant context for exploring the dynamics of SAs in relation to DT. The choice of Johannesburg is appropriate due to its status as a financial hub in Africa, offering a range of financial institutions and SAs to study. This further aligns with the advice of Creswell and Creswell to choose a varied and representative sample to improve the data's richness (Creswell & Creswell, 2023).

### **4.3 Level of Analysis and Unit of Analysis**

The degree of research was organisational, focusing on the strategic relationships developed by financial companies. Executives and senior managers actively involved in the development and running of these SAs to achieve DT were the unit of study. The focus on individuals as the unit of research fitted the interpretivist study, which aimed to understand the experiences and viewpoints of participants (Creswell & Creswell, 2023).

### **4.4 Sampling Method, Sampling Criteria, and Sample Size**

#### **4.4.1 Sampling Method**

Participants with expertise and insights into the research subject were chosen by a purposive sampling technique. This sampling method ensures that the participants have relevant and substantial experiences to share, which is crucial for the quality of the data collected (Gehman et al., 2018). Creswell and Creswell (2023) stress the importance of deliberate sampling in qualitative research to assure that participants possess the necessary knowledge and experience to give rich and important data. This sample method is justified as it enables the choice of informative examples that might offer a thorough understanding of the research question (Singh & Masuku, 2014). The author's professional network was leveraged to identify and access suitable participants who met the sampling criteria.

#### **4.4.2 Sampling Criteria**

The following criteria were applied to choose suitable participants:

- Corporate entities
- Listed and/or unlisted companies
- Subsidiaries actively pursuing or supporting DT.

Financial sector participants

- Traditional banks
- Insurance providers
- Emerging fintech startups
- Other financial institutions in the financial sector.

Participants

- Executives and senior managers with requisite experience in utilising SAs for DT.

#### **4.4.3 Sampling Size**

The sample size was established based on the notion of data saturation, defined as the point at which no more themes or insights arise from the data (Creswell & Creswell, 2023). It was anticipated that approximately 15 to 20 participants would be sufficient to achieve data saturation across two to four organisations.

The researcher sent emails inviting each participant to an interview. The email contents included a summary of what the study entails, inviting the participant to be a part of the study. If the participant accepted the invite, a calendar invite was sent via Microsoft Teams to secure a timeslot for the interview. The researcher kept a manual record to track whether all interview consent forms (refer to Appendix 2 for the interview consent form) had been received, and followed up when interview consent forms had not been received timeously. The participants were drawn from three sectors, namely traditional banking, insurance providers and fintechs within the financial industry. Participants were either executives or senior managers within their organisations. The titles of the participants were generalised, as certain roles could reveal the participant identities. The researcher ultimately conducted 15 interviews across seven organisations. It should be noted that given the smaller size of the fintech firms, each participant within the fintech sector was from a different organisation. The researcher did notice that by the 12<sup>th</sup> interview, no new data was emerging from the interviews, indicating a data saturation point, confirming the adequacy of the sample size (Creswell & Creswell, 2023).

Each participant was assigned a participant number in the order that the interviews were conducted and based on the availability of the participant. The researcher used these participant numbers for identification purposes in this study.

**Table 3:**  
**Participant List**

Participant #	Role	Sector
1	Executive: Information Systems	Traditional banking
2	Executive: Sales	Traditional banking
4	Executive: Director	Traditional banking
7	Executive: Digital	Traditional banking
14	Executive: Partnerships	Traditional banking
15	Executive: Product	Traditional banking
3	Executive: Information Systems	Insurance providers
6	Executive: Director	Insurance providers
8	Executive: Information Systems	Insurance providers
9	Executive: Director	Insurance providers
11	Senior Manager: Strategy	Insurance providers
5	Executive: Technology	Fintechs
10	Executive: Director	Fintechs
12	Executive: Sales	Fintechs
13	Executive: Director	Fintechs

*Note.* Author's Own

#### **4.5 Research Instrument**

Development of the interview guide was based on the research questions (Josselson, 2013), thereby ensuring that it reflects relevant elements of DT and SAs (refer to Appendix 1 for the Interview Guide). The interview guide included a mix of conceptual questions (Big Q) and specific questions that were meant to invite a narrative that aligns to the participant's own experience (little q) (Josselson, 2013). The adaptability of semi-structured interviews allowed for the investigation of newly discovered ideas and insights during the interviews. Semi-structured interviews are good at capturing the participants' experiences and viewpoints (Creswell & Creswell, 2023).

#### **4.6 Data Gathering Process**

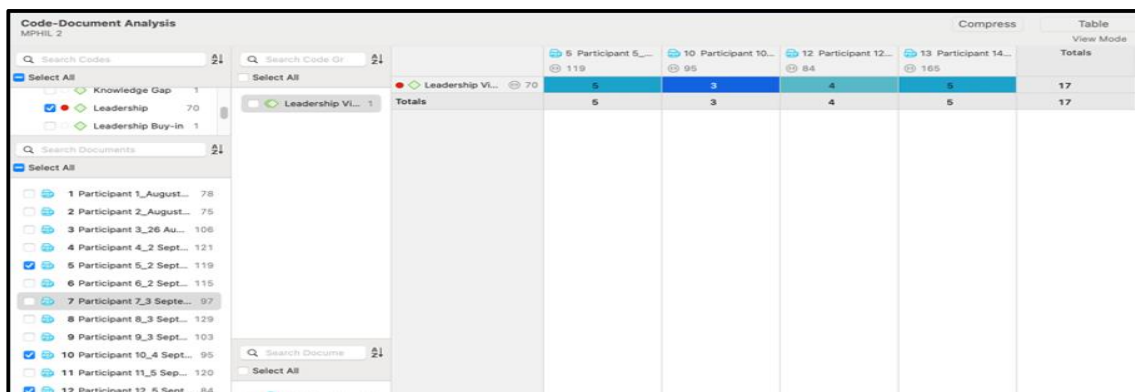
Semi-structured interviews were conducted with the chosen participants to obtain information from them. Prior to each interview, the researcher requested permission to record the session, using an interview consent form that the participants needed to be sign. All participants who agreed to participate duly signed the interview consent form, which is included in Appendix 2. Interviews took place via virtual meetings. Every interview was recorded and transcribed. Microsoft Teams was used to record and transcribe the interviews. Each transcript was then reviewed by the researcher to ensure the integrity of the transcription. To encourage honest answers, participants were reassured of confidentiality. Building relationships with participants and guaranteeing confidentiality, according to Creswell and Creswell (2023), resulted in honest answers. Primary data from interviews was used to triangulate the outcomes (Creswell & Creswell, 2023).

#### 4.7 Data Analysis Approach

The qualitative data was subjected to a thematic analysis. This method isolates the information to spot trends and repetitions. Following the approach described by Braun and Clarke (2006), the researcher familiarised and coded the data from the interviews, searched for themes, reviewed the themes, defined and named themes, and generated the outcome. Creswell and Creswell (2023) suggest a themed analysis approach in spotting and evaluating trends in qualitative information.

To get to a generated outcome, the researcher followed a 4-step approach, systematically coding the data using the ATLAS.ti qualitative research coding tool. Figure 3 represents how the researcher systematically used the transcripts of participants to code data, by participant and by grouping via the ATLAS.ti qualitative coding tool.

**Figure 3:**  
**Extract from ATLAS.ti**



The screenshot displays the ATLAS.ti interface for 'Code-Document Analysis' on 'MPHIL 2'. It features a left sidebar with a code list including 'Knowledge Gap' (1), 'Leadership' (70), and 'Leadership Buy-in' (1). The main area shows a matrix with columns for documents (e.g., '5 Participant 5...', '10 Participant 10...', '12 Participant 12...', '13 Participant 14...') and a 'Totals' column. The 'Leadership VI...' code is highlighted, showing counts of 5, 3, 4, and 5 across the respective documents, with a total of 17.

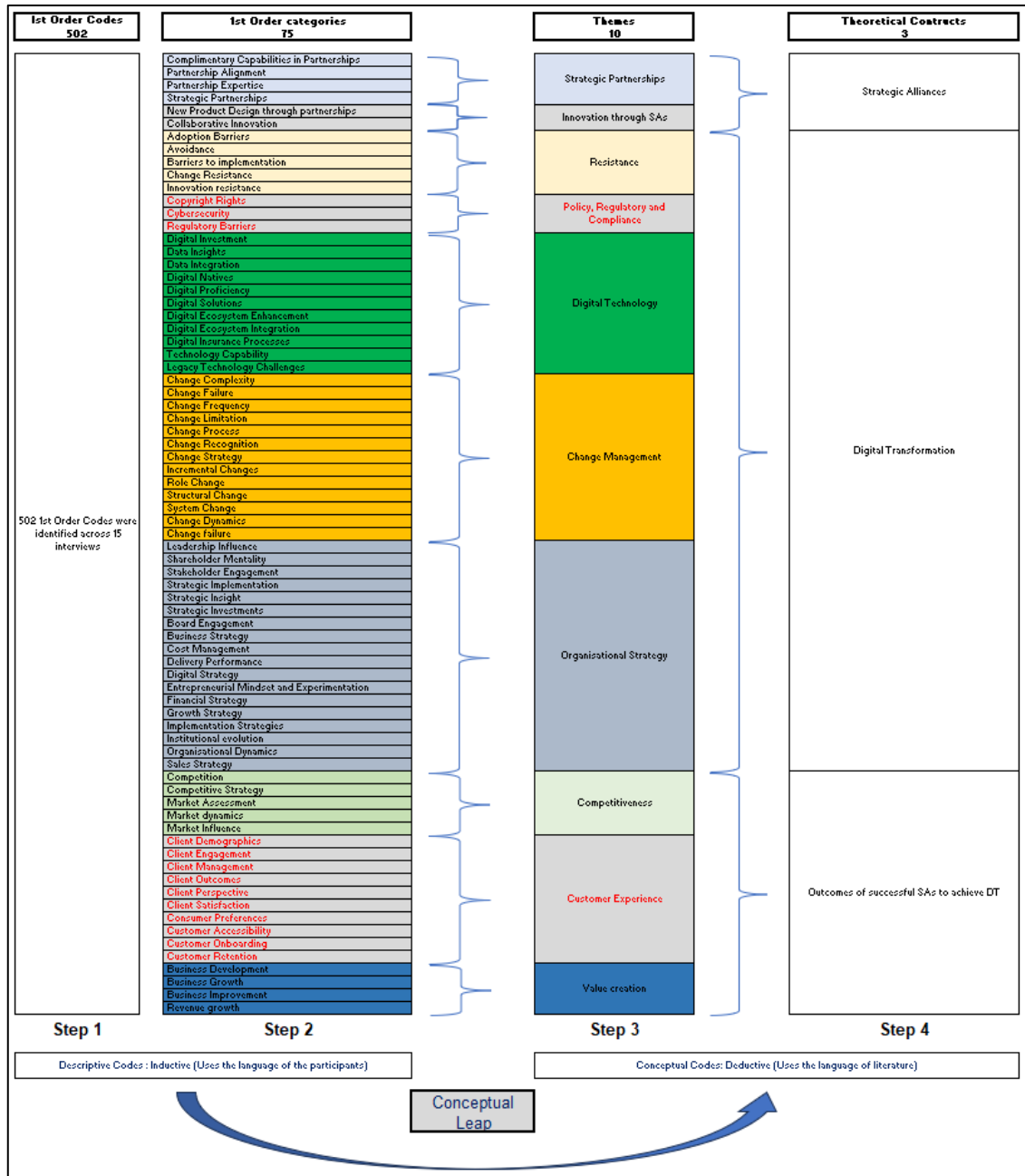
	5 Participant 5...	10 Participant 10...	12 Participant 12...	13 Participant 14...	Totals
Leadership VI...	5	3	4	5	17

*Note.* Author's Own

The researcher conducted both an inductive and deductive analysis to reach an outcome. This allowed the researcher to make a conceptual leap from the languages of the participants to the language of the literature. Klag and Langley (2013) explain the conceptual leap, as a process of bridging the gap between an underlying mass of data (the language of the participants) to explicit theoretical ideas (the language of literature), which provided the researcher with new ways of understanding the data and aligning that data to theoretical themes and constructs. In the inductive process, the researcher used ATLAS.ti to analyse the transcripts of participants and group them into 1<sup>st</sup> order codes. A total of 502 1<sup>st</sup> order codes were identified in the 1<sup>st</sup> step. The 2<sup>nd</sup> step required the researcher to further group the 1<sup>st</sup> order codes into 1<sup>st</sup> order categories. In this step, the researcher had to group 1<sup>st</sup> order codes that highlighted similar findings into smaller groupings, called 1<sup>st</sup> order categories. The 2<sup>nd</sup> step resulted in 75 1<sup>st</sup> order categories.

Gioia highlights that step 1 does not generally require distilling of data into any categories, whereas in step 2 a more deliberate effort is required to look for similarities and differences among categories, resulting in a reduction in the number of categories (Gioia, 2021). The deductive process required the researcher to move from step 2 to step 3 where the researcher had to make a conceptual leap, as described by Klag and Langley (2013) above. In applying the conceptual lens, the researcher used the conceptual framework represented in Figure 2 (Chapter 2) as a reference, where the researcher identified key themes linked to the literature. The researcher then mapped the 1<sup>st</sup> order categories to the understanding of the data relative to the key themes. The researcher was able to map most of the order 1<sup>st</sup> order categories to original themes identified in Chapter 2; however, not all categories could be mapped to the original themes. In these instances, the researcher allocated new themes to those that could not be mapped. A total of ten themes were mapped from the 1<sup>st</sup> order categories (8 original themes + 2 new themes). In the final step (step 4), the researcher mapped the ten themes to the main constructs identified in Chapter 1. Table 4 illustrates the process conducted by the researcher. The categories and themes that could not be mapped to the original themes in Chapter 2 are highlighted in red in Table 4.

**Table 4:**  
**The Code Process to Map First Order Codes to First Order Categories to**  
**Theoretical Themes to Constructs**



Note. Author's Own

#### **4.8 Research Quality and Rigour**

Triangulation is the process of verifying outcomes using several information sources, therefore strengthening the validity of the conclusions (Creswell & Creswell, 2023).

To ensure the validity of the study, Creswell and Creswell (2023) suggest keeping a trail of evidence that involves keeping detailed records of the research process, decisions made, and data collected to ensure transparency and replicability. These processes enhance the credibility, transferability, and dependability of the findings (Creswell & Creswell, 2023). The research is guaranteed to be accurate and of quality by using several methods, which include the following:

- **Credibility:** Triangulation was used to verify the conclusions by drawing on data from multiple perspectives. In qualitative research, Creswell and Creswell (2023) stress the importance of credibility to ensure accuracy and dependability of the conclusions.
- **Transferability:** By means of explanations of the research environment and participants, the study provides the necessary relevance of results to different environments. Creswell and Creswell (2023) stress the significance of providing rich, complete descriptions to increase the transferability of qualitative research.
- **Dependability:** An audit trail was established to document the research process followed. This raised the openness and repeatability of the study. It also clarified any potential bias (Creswell & Creswell, 2023). These authors propose keeping an audit trail to support the validity of qualitative research (Creswell & Creswell, 2023).

#### **4.9 Ethical Considerations**

Ethical integrity is key to qualitative research, particularly when exploring sensitive organisational processes and individual experiences. Prior to data collection, participants were provided with a detailed information sheet outlining the purpose of the study, their role, and the measures taken to protect their identity and data. Further, the researcher also obtained an ethical clearance confirmation from the Gordon Institute of Business Science (GIBS), prior to commencing the data collection.

Interviews took place via virtual meetings. Microsoft Teams was used as a tool to record and transcribe the interviews. Each transcript was then reviewed by the researcher to ensure the integrity of the transcription. The transcription was not outsourced to a third party.

Confidentiality was maintained by anonymising all transcripts and removing identifying information during data processing. This approach aligns with best practices in qualitative ethics (Roulston, 2010).

Data storage and reporting procedures were designed to ensure the security, integrity, and transparency of the research process. All digital recordings and transcripts are securely stored on an encrypted, personal password protected device. A personal device accessible only to the researcher was used. No company passwords or company devices are used to store information standards. Data will be retained for a period of 10 years following the completion of the study, in accordance with institutional guidelines and ethical standards. After this period, all data will be permanently deleted to prevent unauthorised access. Participants were informed of these procedures. The final report will be shared for academic purposes. Specific care was exercised to ensure that organisational and personal identities were not disclosed.

#### **4.10 Limitations of the Research Design and Methods**

While the chosen research design is suited to exploring how organisations utilise strategic alliances to achieve digital transformation, the qualitative nature of the research does have its limitations as it relied on interviews that focused on participants' experiences in relation to the context being explored. As a result, the following are the limitations of the research design and methods:

- The purposively selected sample size of 15 participants from seven organisations is small and limits the generalisability of the findings within the financial sector. As indicated by Braun and Clarke (2021), a small purposive sample is acceptable when performing qualitative research, as generalisability is more relevant in quantitative research and not the intent of qualitative research.
- The research was carried out by a researcher with limited prior experience in conducting research.
- The limited time available to complete the research study, may have impacted the researcher's ability to comprehensively explore the topic.

## CHAPTER 5: RESULTS/FINDINGS

### 5.1 Presentation of Findings

This chapter presents the findings resulting from the analysis of the data collected from 15 participants within the financial sector, as highlighted in Chapter 4 above. The research findings have been structured and are presented in accordance with the research questions, highlighting the relevant themes that emerged from the interviews.

The findings are further organised and presented to reflect three primary sectoral groupings linked to the participants' area of operations. The three sectoral groupings are: traditional banks, insurance providers and fintechs. Table 5 shows the various participants across the financial sector: traditional banking (6 participants), insurance providers (5 participants), and fintechs (4 participants). Each group was colour coded as per Table 5 for ease of reference (traditional banking – orange, insurance providers – blue, fintech – green). All participants were either executives or senior managers within their respective areas of operations. The participants were from various functions within their organisations ranging from technology, business, and sales to partnerships, artificial intelligence, strategy and digital product design.

**Table 5:**  
**Participants Across the Financial Sector**

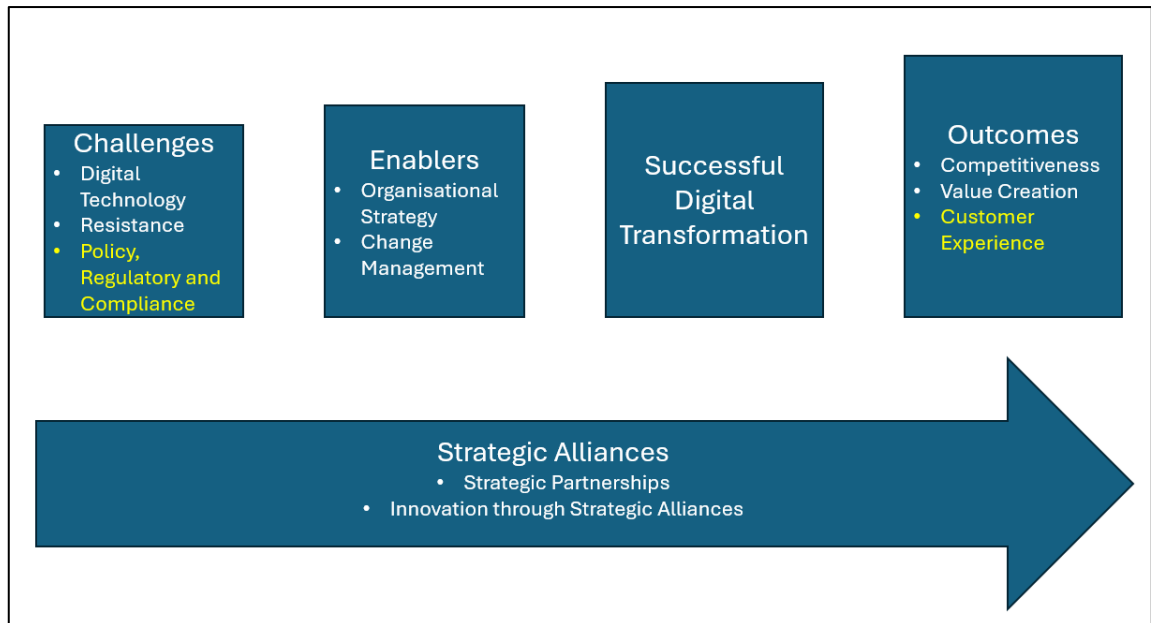
Participant #	Role	Sector
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6	Executive: Director	Insurance providers
8	Executive: Information Systems	Insurance providers
9	Executive: Director	Insurance providers
11	Senior Manager: Strategy	Insurance providers
5	Executive: Technology	Fintechs
10	Executive: Director	Fintechs
12	Executive: Sales	Fintechs
13	Executive: Director	Fintechs

*Note.* Author's own

Following the analysis of the data highlighted in Chapter 4 (Table 4), ten key themes emerged within these categories across the sectoral groupings, of which two were additional themes. In Chapter 2, eight themes were identified and illustrated in the

original conceptual framework in Figure 2 (Section 2.7). The two new themes emerged from the findings of the analysis of the data, potentially offering new perspectives to the research topic. The researcher incorporated these ten themes into an adapted conceptual framework, highlighting the eight original themes combined with the two new themes which are highlighted in yellow font, as reflected in Figure 4.

**Figure 4:**  
**Adapted Conceptual Framework**



*Note.* Author's Own

The findings are sequenced and discussed by research question within that grouping. Table 6 illustrates the order of the themes being discussed in relation to the research question.

**Table 6:**  
**Summary of Themes per Research Question**

Research Question	Number of themes to be discussed	Themes
Research Question 1	2	Strategic Partnerships; Innovation through SAs
Research Question 1.1	3	Resistance; Policy, Regulatory and Compliance (new); Digital technology
Research Question 1.2	2	Change Management; Organisational Strategy
Research Question 2	3	Value Creation; Competitiveness; Customer Experience (new)

*Note.* Author's own

The researcher did not focus on the frequency of responses linked to a topic but considered the depth and breadth of each participant's feedback. Therefore, the researcher is not reporting on the frequency of the number of mentions of a specific topic, but rather on whether a topic was mentioned "several", "some", "limited or no" times. Themes identified as "several" and "some" within a sectoral grouping are discussed in detail for that grouping in relation to the research question. Themes with "limited or no" mentions are not discussed in detail for that sectoral grouping, unless they reveal a particularly novel insight. As such, the researcher has ensured that even though there were "limited or no" mentions to a certain theme, the participants' experiences were considered in relation to the research questions. The number of mentions of a specific topic by participants within a sectoral group is shown in Table 7, in the form of a heat map, with grey representing several mentions per topic, yellow representing some mentions per topic and red representing limited or no mentions per topic.

**Table 7:**

**Topics Mentioned within Themes per Research Question and Sectoral Group**

Research Questions	Theme	Topics mentioned by Theme and by Sectoral Group		
		Traditional Banking	Insurance Providers	Fintechs
Research Question 1 (How)	Strategic Partnerships	Partnership Alignment; Partnership Expertise; Complimentary capabilities in Partnership	Partnership Alignment; Partnership Expertise; Complimentary capabilities in Partnership	Partnership Alignment; Partnership Expertise
	Innovation through SAs	New product design through partnerships; Collaborative Innovation	New product design through partnerships; Collaborative Innovation	New product design through partnerships; Collaborative Innovation
Research Question 1.1 (Challenges)	Resistance	Adoption Barriers; Avoidance; Change resistance; Barriers to implementation; Innovation resistance	Adoption Barriers; Change resistance; Barriers to implementation	Adoption Barriers; Innovation resistance
	Policy, Regulatory and Compliance (New)	Regulatory Barriers	Regulatory Barriers	Cybersecurity
	Digital Technology	Legacy Technology; Digital Proficiency; Data Insights; Data Integration; Technology capability	Legacy Technology, Technology Capability, Digital Natives; Digital Ecosystem Integration	Legacy Technology

Research Questions	Theme	Topics mentioned by Theme and by Sectoral Group		
		Traditional Banking	Insurance Providers	Fintechs
Research Question 1.2 (Enablers)	Change Management	Change Strategy; Change Recognition; Change Process	Change Strategy; Change Process	Change frequency
	Organisational Strategy	Leadership Influence; Stakeholder Engagement; Entrepreneurial Mindset and Experimentation; Board Engagement; Digital Strategies	Leadership Influence; Strategic Insights, Stakeholder Engagement; Entrepreneurial Mindset and Experimentation; Board Engagement; Digital Strategies; Business Strategy	Leadership Influence; Stakeholder Engagement; Board Engagement; Digital Strategies; Business Strategy
Research Question 2 (Outcomes)	Value Creation	Business Development; Business Improvement; Business Growth	Business Development; Business Improvement; Business Growth; Revenue Growth	Business Development; Business Improvement, Business Growth
	Competitiveness	Competition; Competitive Strategy; Market Dynamics	Competition; Competitive Strategy; Market Dynamics	Competition
	Customer Experience (New)	Customer Satisfaction; Customer Outcomes; Customer Preferences	Customer Management; Customer Satisfaction; Customer Outcomes; Customer Preferences	Customer Management; Customer Outcomes

Note. Author's own

The analysis is intended to show how the ten themes are experienced in the context of how organisations utilise strategic alliances to achieve DT (RQ1), the challenges that organisations face (RQ1.1), the enablers that support this (RQ1.2), and the outcomes they expect (RQ2). Similarities and differences from participant responses were explored based on the insights provided in relation to the research questions identified in Chapter 3. The findings were supported by evidence from participants linked to the ten themes across the four RQs and three sectoral groupings.

## 5.2 Research Question 1: How do Organisations Utilise Strategic Alliances to Achieve Digital Transformation?

This section presents how strategic alliances are leveraged by organisations to drive digital transformation, focusing on the themes of strategic partnerships and innovation through SAs. As per Table 7 in Section 5.1, the themes of strategic partnerships and innovation through SA's emerged with "several" mentions across all three sectoral groupings within RQ 1. During the study, each theme was explored across the three sectoral groupings, using the colour coding identified in Table 5. Each theme is now discussed and compared in-case (within a group) and cross-case (between groups), followed by a conclusion based on the evidence analysed.

### 5.2.1 Research question 1: Theme 1: Strategic Partnerships

#### 5.2.1.1 Evidence of Strategic Partnerships

Table 8:

#### Theme 1 - Strategic Partnerships: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	4	"We want to make that part of the property business easy, send out invoices and account for what's in, what's out. But we also don't want to collect the money. But then you find that there's a win-win situation where they want to play in a space that they're good at. We don't want to play in that space because we just don't have the time. It suddenly makes sense to partner and that's how it's sort of the background thinking of why we are getting into partnerships"
	15	"We need to be able to understand our pipeline of work. We need to understand commercial returns, and we need to be able to manage our clients through their life cycle. And so, when looking at that, then the question is, ok, so what, how do we do that? Who are the partners out there that can help us with that?"
	15	"Digital world versus us dropping in a fully formed digital solution set. So very different problem statements, but very similar in the sense of partnering for different outcomes is very clear on roles and responsibilities, who takes lead, who takes support and what are the underlying tech and where do those things hand off between yourself and your partner"
	15	"Partners are not supplier relationships. I'm not renting a building from you or leasing a fleet. We're solving mutually. We've got a mutual client, we're solving problems, and we need to be completely transparent in how we're going to do this"
	15	"We should be looking at that ecosystem, understanding the needs and requirements of that market and building solutions that speak to that through leveraging some of the expertise that this partner has already"
	14	"Because you also want to partner with someone where something is effective for two years but then falls by the wayside. So, what is the strategic outlook in a medium and long term in terms of where they're going and versus where you're going? Then from there it becomes about co-creation."
Insurance Provider	9	"I think we try and find things where we understand whether the 1 + 1 is 3, you know, where we bring certain skills and capabilities,

		<i>and a partner brings certain skills and capabilities. And then we put ourselves together. We are better together.”</i>
	9	<i>“On the one side, strategic alliances can take on a typical procurement contract, but it can also take on like a proper partnership agreement with profit shares, etc. And then it can also take on the form of, you know, investing in some of these technology and digital companies and then upping your investment as you sort of grow together.”</i>
	9	<i>“So at the same stage that we did digital transformation in our large established business, we were also integrating the quiet business and what it did is you didn’t just have an academic exercise where you changed your established business, you also had a real proof point of how insure tech operated and we then and over time had completely merged those two.”</i>
	9	<i>“You need to be able to work and digitally transform back organisations and strategic alliances. The world of people winning alone is gone. I think the world of collaboration is the future, you know “</i>
	8	<i>“So, we had partners in capabilities like telematics or augmented reality. There were different partners that brought products and services in. It was also strategic partnering with certain consulting houses where you know big dependencies of specialist skills”</i>
	8	<i>“It’s like the concept we’d apply at outsourcing. So, it’s not where we have the core competence, the ability to annually invest X amount in R&amp;D for relevance for leapfrogging. In this assessment of partnerships, the alliances are based on partnering with the right people that meet the requirements for us as well as the challenges we see coming through.”</i>
	7	<i>“In partnering with strategic alliances or having strategic alliances was really speed to market and also looking at how we can do it better, or how we can partner with someone who knows.”</i>
<b>Fintechs</b>	10	<i>“We certainly don’t have a strategy to be a specialist, but to be more of an aggregator and an assembler of, you know, the right solution for our clients. And so, we chose to work with some partners in select spaces, complement what these guys have built to be able to better take that to the financial services market”</i>
	10	<i>“The capability of the fintech probably supersedes the size of the fintech, if that makes sense, right. As long as we share common values and we can work at the cadence and rhythm of our clients, you know that’s more important than other factors”</i>
	5	<i>“Incrementally into the AI space, more specifically into the conversational AI modelling language space, we’ve relied on this partnership specifically to deliver outcomes for customers in that space, so technical expertise. We have the know how; we have the business expertise.”</i>
	13	<i>“It’s quite a challenging environment e-commerce and I think that that’s probably where I learned at the beginning of the business that partnerships are so important for digital transformation. You can’t simply do everything yourself.”</i>

Note. Author’s Own

### *5.2.1.2 In-Case Analysis of Evidence*

#### **Traditional Banking**

Within traditional banking the evidence from participants suggests that partnerships with SAs to achieve DT are largely tied to modernising legacy systems and delivering solutions through shared capabilities and expertise. Partnerships through collaboration are largely transactional in nature with partners selected to fill gaps within the traditional banks, where internal capabilities or expertise are lacking. Participant 4 highlighted the “win-win situation”, citing the interest of both parties, where one partner shows interest in one part of a capability, and the other partner in another, and together the partnership makes sense. The quote highlights that banks focus on core competencies and rely on partners to provide alternative capabilities.

Participant 15 had a similar approach to Participant 4; however, it was nuanced, viewing strategic partnerships as tactical tools for identifying suitable partners to solve a specific challenge within the organisation. Participant 15 stated the need to first understand the challenges or opportunities in the organisation be it “pipeline of work” or “commercial returns” and partnering with alliances to solve these specific challenges or opportunities. Participant 15 further highlighted the importance of role clarity, technical handoffs and partner expertise, stating that strategic partnerships are not ad-hoc but are done deliberately with clear intent. The quote from Participant 15 of “We’re solving mutually. We’ve got a mutual client, we’re solving problems, and we need to be completely transparent in how we’re going to do this” highlights the importance of transparency when partnering to achieve DT. Participant 14 introduced strategic partnering through the lens of co-creating with partners that have similar strategic intent, reinforcing that partnering through bi-lateral arrangements is about shared creation rather than just service delivery.

#### **Insurance Providers**

Based on the evidence from the interviews, insurance providers demonstrated a multi-dimensional approach to partnering, where partnerships can take on multiple forms ranging from operational to equity-based investments. Participant 9 captured this by saying that “We are better together” and further stated that strategic partnerships can take on multiple forms, be it profit sharing arrangements or traditional procurement contracts, highlighting a portfolio-based approach to partnerships where insurance providers are structuring alliances to create value over a longer period. Participant 9 provided an example within their organisation where an integration of traditional and digital competencies redefined their organisation. Here the partnership with a smaller firm was not peripheral but core to the digital transformation of the established

organisation. Participant 8 added another layer by referencing specialist skills and outsourcing as means of partnering to leapfrog internal limitations. Participant 7 further emphasised the need to partner with the right alliances to ensure speed to market and organisational improvement.

### **Fintechs**

Fintechs demonstrate a modular view on strategic partnerships as highlighted by Participant 10 who stated that fintechs play the role of solution assembler, integrating partner capabilities into their offerings. Participant 10 also highlighted the need for value alignment and client-centric cadence as crucial factors in allowing for successful partnerships, reinforcing that the level of partnering needs to be more than technical but also needs to be relational. Participant 5 asserted that partnerships within organisations, where a fintech is a provider of a specialised service (in this case AI capabilities), need to be premised on technical expertise. This offers a different perspective to participant 10 who stated that the partners need to be more than technical; they also need to reflect relational qualities. Participant 13 offered a reflective insight of “It’s quite a challenging environment e-commerce...You can’t simply do everything yourself”, highlighting the challenging nature of the participant’s industry and the need to partner with others to succeed.

#### *5.2.1.3 Cross-Case Analysis of Evidence*

The researcher’s analysis revealed multiple similarities across the three sectoral groupings relating to the theme of strategic partnerships. All sectoral groups have a shared recognition that DT cannot be achieved in isolation and highlight the importance of partnering with alliances to achieve this. It is noted that the nature of the partnership varies significantly across the three sectoral groupings. Traditional banks adopt a structured approach to partnerships where the emphasis is on filling capability gaps and co-creation of solutions. Through clear role clarity and technical handoffs, traditional banks aim to modernise and deliver digital services. Insurance providers present a different approach to partnering that appears to be more multi-layered and transformational. Partnerships range across various mechanisms from insure tech integrations to equity stakes in partners, and traditional procurement arrangements, where strategic partnerships are used to reconfigure business models and scale capabilities. Partnering is core to fintechs’ business structure and operations, as they act as aggregators and assemblers of capabilities for their partners. Their emphasis, even though nuanced, is premised on technical expertise and value alignment.

#### *5.2.1.4 Conclusion of the Analysis of the Evidence on Strategic Partnerships*

The evidence presented across the three sectoral groupings highlights that strategic partnering is fundamental in how organisations engage SAs to achieve DT. While the nature varies across sectors, the intent to unlock capabilities through shared effort and mutual value is consistent. Strategic partnerships through various forms enable organisations to enhance business models and innovation. The ability to build and progress partnerships hinges on the alignment of organisational goals, partner capabilities and strategic intent. The progression of partnerships from transactional arrangements to mutually beneficial, co-creating relationships is important. Traditional banks adopt a structured approach to strategic partnerships, whereas in insurance providers the shift is more integrative. For fintechs, it is part of their DNA and is less of a strategic choice but more business as usual in nature. Organisations are not solely looking for partners for what they can do but more for how they can operate together, affirming that the theme of strategic partnerships is critical in organisations looking to utilise SAs to achieve DT.

## 5.2.2 Research Question 1: Theme 2: Innovation through SAs

### 5.2.2.1 Evidence of Innovation through SAs

Table 9:

#### Theme 2 - Innovation through SAs: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	1	"...we went in and completely digitized the whole process from onboarding which was paper-based all the way through to replacing the one vendor with three different vendors going out and finding the best-in-class trading engine, best in class portfolio management system, building the digital estate."
	2	"...if you want to create use cases or demonstrate models on the art of the possible and the art of the possibility. It is important to start looking for strategic partners and strategic alliances to develop proof of concepts to actually start changing this big Titanic, you know, to be a little bit more aware of what needs to be adjusted."
	4	"...the benefit was we seeing a better way of doing it. More agile way of doing things and we learn and then we say, ok, but how can we incorporate it...you realize that these companies or these partners, they specialize in one thing, and they specialize in that one thing only. ...They've developed the best practices, and if your mindset is open that you can learn from that and say you can absorb it.....they've learned to solve the deeper problem."
	14	"But it's critically important to start engaging with stakeholders outside of your own space to actually see wider opportunities in terms of where you can access innovation, co-create innovation, access things like data as well, because I think that's the other aspect that I think we're really, really as banks need to kind of think very strategically about as we move forward, especially into the world of AI."
	15	"So, in trying to solve that problem, you know we've now partnering with a business which is a platform service provider, and they sit alongside our core business. So, our core is processing and settling and moving money for merchants...And the reason we go there as a partnership is because it's modern tech stack."
	15	"And so, in my mind that's what we're doing...we want to lead and work with our partner so we can do some of the thought leadership. We can be first movers and if that gets aggregated and scaled for our partners growth and so be it. We would want the Halo impact and the ability to be first mover and to show innovation and change and that's important for us."

<b>Insurance Providers</b>	3	<i>"It could be a new or an emerging technology that we want to start exploring to solve business problems....we do also look at just experimentation, especially with small technology partners to just experiment with some of our concepts in terms of the innovation that comes...so our question....can you build a digital layer that we can simply use to overlay our legacy so that we can, you know, we can have this exciting and intuitive front end."</i>
	6	<i>"Through the strategic process we ran a strategic partner who was going to give us a new kit for the platform, without us having to build the kit ourselves and it was going to give us an opportunity to fast track the new processes."</i>
	6	<i>"We then look for the data. We then form strategic partnerships so we can tap into the data way of acquiring data...they're often tech enabled but at the heart of it, they have ways and means of acquiring data and so they aggregate, clean it up, package it"</i>
	8	<i>"Goes into middleware and yeah, just through the strategic partnership... with the understanding of the market and the industry, there's an agent portal offering here.... we're enabling brokers to sell and serve products...the slowness in the system for enablement that existed previously.... allowed us to jump forward...we're able to mobilize and deliver significantly faster and at an improved quality than we've ever been able to before."</i>
	9	<i>"The reality is you know you're always going to be a follower and being a large financial services group, you're unlikely to be a fast follower by the time you've launch something you're already two years behind...so what we then did is to rather look for a company that we could acquire...that's what we did."</i>
	11	<i>"Innovation is a big part of our thread... but there's a lot of legacy systems that drives us and the strategic alliances allow for us to be able to be on the cusp of what's trending, what's new and how to innovate."</i>
<b>Fintechs</b>	5	<i>"We use that partnership and then associated with that partnership are others that we use to enable different aspects of in our case generative AI. Agentic AI and so on and so forth, which is all part of this digital transformation journey"</i>
	5	<i>What we've done is we operate with a partner out of Bucharest and AI was a startup nine years ago and they have just flown incrementally into the AI space, more specifically into the conversational AI modelling language space. We've relied on this partnership specifically to deliver outcomes for customers in that space..."</i>
	10	<i>"But at the heart of it, you know the philosophy is how can we better design, implement and scale technology solutions.....it's using technology at scale to address business challenges, and you know, access market opportunities. That's sort of the broad definition we've embraced."</i>

	12	"So, we basically enable you to consume the technology digitally, transform your business... If you look at it, this whole world is changing with AI, right? That's what really changed the whole playing field. So now that's what we're positioning with the bank, and we're working with the bank to see how I create an enterprise-wide single operating system for the bank. So, imagine that [COMPANY] is your phone that you've got next to you right now. The way you surface the applications, the way you interact with it, that is the future for financial industries."
	13	"A company's business design is going to be reinvented over and over again .....which was an integral glue to everything that we were doing as a source of business intelligence."

Note. Author's Own

### 5.2.2.2 In-Case Analysis of Evidence

#### Traditional Banking

According to the evidence, the role of innovation in the context of how organisations utilise SAs to achieve DT within traditional banking takes on many forms, ranging from infrastructure modernisation to strategic focus. Participant 1 suggested a structural approach to innovation, where SAs are used to embed best in class capabilities, emphasising the benefits of multiple partner diversification and end-to-end innovation. Participant 2 offered a different approach to innovation, suggesting the use of SAs to demonstrate "The art of the possible and the art of the possibility". This informs a proof-of-concept type approach to innovation using SAs to demonstrate possible outcomes in achieving DT. Participant 4 suggested using SAs as a learning-based mechanism to innovate, where SAs are valued for their ability to transfer specialist knowledge and skills to solve problems. These reflections are consistent with Participant 1 but are nuanced in that Participant 1 suggested a more transactional approach to innovate, viewing alliances as technology providers, whereas Participant 4 viewed SAs as an opportunity to leverage and learn from external expertise to solve internal challenges. Participant 14 expanded this by suggesting that alliances can provide a futuristic view on innovation, where partners can highlight insights into new concepts linked to data and AI, which reinforces the theme of innovation in relation to accessing emerging capabilities. Participant 15 added to this by positioning SAs as a way to innovate for first mover advantage as well as highlighting innovation opportunities through platform partnerships.

#### Insurance Providers

The innovation discourse by insurance providers reveals a dynamic interplay between SAs and DT, ranging from experimentation and platform acceleration to leveraging data

and strategic foresight. Participant 3 highlighted innovation as an exploratory and experimental process utilising smaller technology partners to address legacy challenges and adopt emerging technologies. The innovation, highlighted by Participant 3, involves digital layering to achieve DT where companies overlay legacy technology with new intuitive technology. Participant 6 added to this by highlighting the use of strategic partners to provide ready-made solutions, where alliances are seen to be accelerators of innovation in data-driven environments. Participant 8 viewed innovation as an enabler of both quality and speed of delivery, particularly in broker enablement, positioning the organisation to better navigate existing challenges. Participant 9 highlighted partner acquisition as a strategic way to innovate, acknowledging that larger financial services groups are “unlikely to be a fast follower” of digital change and that acquisition of partners who provide the capability to keep up with changes is necessary to innovate. Participant 11 reinforced the strategic value of alliances in innovation, positioning them as tools to remain on the cusp of technological trends.

### **Fintechs**

Fintechs view innovation through SAs as a process that is core to their business models. Fintech partnerships serve as a pathway to innovate in various forms shaped by technology ambition and strategic design. Participant 5 noted experiences where alliances were used as conduits for infusing specialised technology in the forms of agentic and generative AI, where partnerships were formed with a Bucharest-based start-up company to provide these capabilities. This reflects innovation through enablement outside the confines of the local domain. Participant 10 offered a different approach to innovation, suggesting scalable technology design to address business problems. This is as an approach that adopts an internal focus centred around strategic and operational alignment. Participant 12 likened fintech’s innovative future to a mobile phones interface, where fintech offerings to a bank enable the creation of an enterprise-wide single operating system, which positions innovation as transformative co-created experience between the fintechs and the banks. Participant 13 framed innovation as a recurring reinventive process, with SAs acting as the “glue” for business intelligence. Participant 13’s view underscores innovation as way to bind business design with strategic foresight. Albeit that the narratives reveal both convergent and divergent opinions with interpretations of innovation ranging from external sources of technology advancement to internally driven transformations, the evidence reveals that participants recognised innovation through SAs as a critical way for organisations to achieve DT.

### *5.2.2.3 Cross-Case Analysis of Evidence*

All three groupings recognised that SAs contribute to innovation in achieving DT across the industry. The cross-case analysis does highlight a differentiated approach, where traditional banks adopt a transactional phased approach in utilising SAs to modernise infrastructure, implement best-in-class capabilities and explore proof of concepts. The evidence reveals how the traditional banking sector utilises SAs in digitising processes as mentioned by Participants 1 and 15, accessing and learning from SA expertise as mentioned by Participant 4 and co-creating of value, which was highlighted by Participant 14. Traditional banks use SAs to innovate via the acquisition of capability and learnings.

In contrast, insurance providers offer a different approach to innovate where SAs are leveraged to respond to market shifts and technology trends. This approach is more adaptive in nature where SAs are seen to accelerate delivery, as highlighted by Participants 6, 8 and 9. The sector does exhibit a focus on experimentation, platform enhancements and strategic direction, as highlighted by Participants 3, 6 and 11 respectively.

Fintechs, through the nature of their operations, adopt a more transformative approach to innovation with SAs. Fintechs within South Africa often engage with global partners to access leading technologies, as highlighted by Participant 5. SAs are used to scale and transform technology innovations, as mentioned by Participants 10 and 12. Based on the evidence, the use of SA's in the fintech sector is more dynamic, with partnerships serving as innovation multipliers.

### *5.2.2.4 Conclusion of the Analysis of the Evidence on Innovation through SAs*

All three sectors differ in their application of utilising SAs; however, there is a common thread in the recognition that SAs do play an integral role in innovating to achieve DT. In all sectors, SAs act as a conduit to innovate either through knowledge transfer, experimentation efforts or catalysts to achieve scale and transformation. Traditional banks adopt a more structured approach, with insurance providers opting for an adaptive method, and finally, due to the nature of their operations, fintechs embrace a transformative way of utilising SAs. The differentiated yet converged use of SAs to innovate affirms SAs role in driving DT.

### **5.3 Research Question 1.1: What are the Key Challenges Facing Organisations in Utilising SA to achieve DT?**

This section presents the key challenges facing organisations in utilising SA to achieve DT, focusing on the themes of Resistance, Policy, Regulatory and Compliance and Digital Technology.

As per Table 7 in Section 5.1:

- The theme of Resistance emerged with “several” mentions in both the traditional banking and insurance provider sectors, and showed “some” mentions within the fintech sector.
- The theme of Policy, Regulatory and Compliance emerged with “several” mentions in both the traditional banking and insurance provider sectors, but showed “limited to no” mentions within the fintech sector.
- And finally, the theme of Digital Technology emerged with “several” mentions in all three sectors.

During the study, each theme was explored across the three sectoral groupings using the colour coding identified in Table 5. Each theme is now discussed and compared in-case (within a group) and cross-case (between groups), followed by a conclusion based on the evidence analysed.

### 5.3.1 Research Question 1.1: Theme 3: Resistance

#### 5.3.1.1 Evidence of Resistance

Table 10:

Theme 3 - Resistance: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	1	<i>And I think that's probably one of the bigger issues that you have in a in a big organisation ... there's very little appetite to say, you know, we've tried something, it didn't work. We're coming back to the drawing board. We're going to try something else and move forward."</i>
	2	<i>"Change is almost a deferred mechanism...We are incredibly inward focused. We're not recognizing by being so internally focused that ... the competition will eat your opportunity for breakfast."</i>
	2	<i>"And the moment a strong business case is presented, and you actually bring a strategic alliance in in an equity format...they start acting as Big Brotherly. They look at every problem...in the negotiations process. And it is just incredibly tedious to get people over the line to think in a different way."</i>
	4	<i>There was a long while where it was frowned upon to go and partner or something, because...it felt like there was an abundance of resources in to do it. ... So, and then it was a protectionist mindset to say we don't also want a lot of outsiders.....so we can do it ourselves."</i>
	7	<i>"People, people, people. The challenge is around getting people along...so taking them on the journey and making them understand the why and the benefits for them ... then you always get the resistance. A key one I think that everyone understands is will AI automate my job and then I'll be left without a job."</i>
	14	<i>We're very change resistant. The minute we don't know something, we're going to find everything....to throw at it in terms of why it shouldn't happen."</i>
	15	<i>"The first thing you face is it's not invented here...So why don't we do it? Why must we go with a partner?"</i>
	15	<i>"In the parade of service providers that are out there, how do you, which one do you pick and how do you know which partner you've picked is appropriate and right for you? And that's often a challenge because there will be very strong opinions from stakeholders on who's out there and who they've worked with and who they feel should be your partner."</i>

<b>Insurance Providers</b>	3	<i>"Our inability to learn. Remember, SAs also bring that they challenge how we thought things are done, and it's that lack of willingness or... we struggle to want to learn or to be willing to learn from SAs and I think that has been one of the biggest factors as well."</i>
	3	<i>"This notion of, you know, ownership. This is our business. We own this business. We know it. We understand it better than you. Therefore, we're going to tell you what we want"</i>
	6	<i>"Were probably the biggest challenges you have because digital transformation by definition sometimes threatens existing. Those alliances sometimes act in the existing relationships and what and how you do things and so on...Who owns that digital transformation? What is its purpose and who's going to be held accountable? That was incredibly important, you know. So, I learned that when it's owned by IT, it fails. Business must own it. IT may lead into the thinking, the design...when we're not prepared internally for people to understand that this is good for the business and what's good for the business is good for you."</i>
	8	<i>You know when you're passing the baton and it's going to go from the outgoing person to incoming person. We're going to set it up for success as someone exits and as someone enters. I think that's something that I've observed. No one really talks about it, but it's definitely a necessity because if you have new entrants, those strategic alliances become questionable and then you wonder, is it strategic? So, the wrong person entering asking questions about why is this strategic or why is this partner strategic? Why is this alliance of value? When we start to ask questions later in the game, we start taking it backwards as well"</i>
	9	<i>"Because you know when you you're putting down investment cases, you know everyone builds great business cases in Excel and everyone's trying to make that look good because you want to get the investments through, but the actual reality is it's not a straight line and it's up and down....that's an expectation that we then create and in the moment...that you don't hit that very nice straight line. Business projection, you know, the knives come out and like, well, we should have killed the thing, why, why we do this?"</i>
	11	<i>"So, employees may resist new technologies and all of that. So, remember when I was talking about the high tenured individuals...they're the toughest nuts to crack. And not because...they're wired that way, right? Because again, this whole legacy was built on what they did, and it brought a whole lot of success. You know, so they're a bit resistant to the change"</i>

<b>Fintechs</b>	5	<i>"The big trick today is to try and move that transformation piece into adoption. So, for me it's about digital adoption rather than transformation per say, because a lot of the digital tools are available and have been for many years. The adoption of those tools and strategically aligning them with the business focus is what I believe is more critical today."</i>
	5	<i>"There is this adoption issue around. I can't do that. I've never done it like that before. How do you expect me to suddenly learn this? And now they're demanding too much, and it becomes a war...as the fintech are working with bank or insurance house and we're saying the best way to do this is this...Now you tell that to a company that might be, let's say, driven by board level in a legacy way...in other words, the grey beards...trying to listen to people advising them, and they're saying no, we've never done it this way, this is crazy and it's going to cost us too much money."</i>

	10	<i>"I would say, you know, digital transformation in a sense also involves like experimentation, right? You know, you try some stuff, some work, some don't. You have to be able to pivot and move on to new things. So, there's a there's a mindset around digital transformation that...It's sometimes difficult to break or to bend and in some ways it takes a leap of faith to get going and we see many organizations struggle with that first step. Which, you know, we see a lot of on our side."</i>
	12	<i>"You know sometimes you engage with a very big firm and you don't get the level of attention that you actually require as well, right...I think you know it actually comes back again to...the adoption around the job security...now you're coming in with something they don't know how to use and job security and they'll push back."</i>

Note. Author's Own

### 5.3.1.2 In-Case Analysis of Evidence

#### **Traditional Banking**

Resistance in traditional banking stems from organisational culture and legacy ways of thinking and doing business. Participant 1 highlighted a reluctance within traditional banking to iterate in their pursuit of DT, where resistance results from lack of appetite to acknowledge failure. Participant 2 offered a different reflection, highlighting that inward focus is a form of resistance that hinders progress. The phrase "Big Brotherly" highlights the controlling nature of traditional banks where even if a strong business case for DT is presented, it is slowed down by negotiations and process. Participant 4 highlighted a "protectionist" mindset, where banks frown upon partnerships due an internal perception of resource adequacy and the desire to avoid external influence from external partners. Participant 15 reinforced this with the "not invented here" mentality revealing a bias against external partners. Participant 15 shared a further reflection, where resistance stems from stakeholder bias when choosing partners, which creates resistance to moving forward with any one provider. Participant 7 introduced a different perspective, noting employees' fear of job loss as new technologies are introduced, potentially displacing roles. As per Participant 7, this can result in employee resistance and lack of buy-in.

#### **Insurance Providers**

Participant 3 highlighted an unwillingness to learn from strategic alliances driven by a belief that SAs challenge existing norms and insurance providers are reluctant to acknowledge this. Further, Participant 3 added by saying that insurance providers challenge the capabilities that SAs can provide with the assertion that "We understand it better than you", revealing a belief of internal ascendancy over SAs. This mindset is not isolated and aligns with the views of Participant 11's observation of tenured-based

resistance, where longer tenured employees resist new technologies with the belief that past success validates current practices. Participant 6 introduced a structural nuance to resistance in the form of organisational design and misaligned ownership, stating that business leads need to own DT initiatives end to end and not abdicate the responsibility to other parts of the organisation, as employees tend to resist accountability to achieve DT as it does not form part of their core business goals. Participant 8 adds that leadership transitions can be a form of resistance, where new leadership enters organisations without understanding the rationale behind existing alliances. Participant 8 stated that if new leadership is not aligned, they could resist the strategic intent of existing SAs. Participant 9 introduced another form of resistance that stems from stakeholder expectations, stating that when actual performance deviates from projections, internal stakeholders question the intent of the transformation efforts.

### **Fintechs**

Resistance within Fintechs is nuanced and primarily arises from interactions with legacy organisation. Participant 5 highlighted the misalignment of current fintech approaches and legacy mindsets as a form of resistance when partnering with banks and insurance providers, where traditional organisations question the intent of the fintech's suggested approaches. Participant 10 added to this by suggesting that organisations struggle to take the first leap of faith to initiate DT, resisting the need to experiment with new concepts in the pursuit of DT. Participant 12 offered a different view, stating that resistance is rooted in concerns of job security, where the introduction of unfamiliar tools in bigger partner firms provokes fear of job loss and ultimately push back.

#### *5.3.1.3 Cross-Case Analysis of Evidence*

Based on the evidence from participants, there is a shared thread in all groups around the presence of resistance to SAs in the pursuit of DT. In traditional banking and insurance providers, the resistance seems to be driven by legacy thinking and internal ascendancy, where SAs are challenged with scepticism or seen as treats to existing norms. The reluctance to learn from external partners was present in responses from both sectors. In contrast, fintechs experience resistance when engaging with larger organisations where legacy firms question the intent or relevance of their approaches. This form of resistance is not from within the fintech, but through their engagements with legacy partners.

Another common point between traditional banks and insurance providers is resistance driven by the uncertainty of job security. In traditional banking, Participant 7 flagged

concerns from employees about the displacement of jobs due to AI and automation. Participant 11 in Insurance providers echoed this, stating that longer tenured employees resist new technologies that challenge their historic contributions. Fintechs observe a similar form of resistance, but again, not internally within the fintech, but rather from the partner organisation that they engage with, where unfamiliar tools presented by fintechs provoke job security and resistance from employees in the partner firms. In traditional banking, resistance is driven by institutional legacy thinking, where the emphasis is on control, process and stakeholder bias in partner selection. In insurance providers, resistance seems to be driven by procedures and structure, highlighted by Participants 3, 6, 8 and 9, where DT efforts through SAs often fail due to lack of alignment and clarity of roles. For fintechs, the challenge around resistance lies in adoption barriers, and misalignment from larger partner firms. This resistance is external, stemming from partner organisations rather than internal to the fintechs themselves.

#### *5.3.1.4 Conclusion of the Analysis of the Evidence on Resistance as a Challenge Facing Organisations when Utilising SAs to achieve DT*

The evidence across all three groupings reveals that resistance in the pursuit of DT through SAs is a pervasive challenge across traditional banking, insurance providers and fintechs. Participants' viewpoints regarding resistance vary; however, there are commonalities regarding legacy thinking, internal ascendancy and fear of change, whether in the form of job displacement, loss of control or misalignment with existing norms. Traditional banks and insurance providers showed inward-focused resistance, whereas fintechs said they face outward-related resistance from partner organisations. The evidence suggests that in achieving DT through SAs, the challenge of resistance needs to be addressed. Addressing resistance needs to be deliberate but tailored to the specific dynamics of each sector.

### 5.3.2 Research Question 1.1: Theme 4: Policy, Regulatory and Compliance

#### 5.3.2.1 Evidence of Policy, Regulatory and Compliance

Table 11:

#### Theme 4 - Policy, Regulatory and Compliance: Evidence

Sectoral Group	Participant	Description of quote
<b>Traditional Banking</b>	<b>1</b>	<i>"They were almost like involuntary detractors just by the nature of the organization...like one of the projects I worked on...I think we went back to a change council six or seven times with a business case to try and get it approved, and it was a change council that really had no bearing on our entity in the bank because our entity was running as a standalone entity...but because of the way the group reports, you were getting checked and challenged on stuff that really was immaterial and all that did is dragged on the approval for a project to get going...you know, almost to the point of being a year later, which really is not really digital transformation."</i>
	<b>4</b>	<i>"So, there's one, I suppose there's plenty challenges, governance and red tape. So, there's a big organization...the bigger you get, the more you become governed and there's more regulation...because I think we all know that the banks are one of the most over regulated industries in the world and especially here and there's a lot to go through. So even to do a partnership with them to go internally to go through the amount of governance and hoops to get something going...so there's a lot of red tape. For us to then sign on, I mean a simple thing to get people onto procurement. There are many steps we have to do."</i>
	<b>7</b>	<i>"We've looked into a lot of start-ups, and the conversations don't really go as far because again, we are highly regulated, and those start-ups don't always meet the criteria in which we require them to integrate with our platforms as well."</i>
	<b>14</b>	<i>"The part that really, really grinds me the most is 2 things. It's the policy structure in terms of how we are geared as banks in terms of what we can and can't do and a lot of it. Over and above that for me I feel is more self-imposed not by the fear we have of the regulator...especially around digital transformation. I don't see a regulator being the one to go and innovate. We are the banks...this is how we should be innovating and from a compliance perspective, regulator, these are things you should be helping us with, not waiting for them to tell us. So, we always wait and say, well, the regulator is going to come back and say, hey, so we need to drive the conversation around that aspect."</i>

	15	<i>"You know and so it depends on how long that piece of string is. So, so yes it is anecdotal but and then you have a partner who's moving at pace because that if you are partnering with an agile technology business and I've often I've often said to partners be careful and this is maybe sounds really condescending, but I said just be advised or just be cautious when partnering with big banks. If you're not well capitalized and you don't have the cash flow and the resources to be patient. ... That's probably not going to happen because you've got these dependencies and these processes for banks are important. And they do take time. And so, you've got this disparate pacing. You've got a big, big partner understands the problem that needs to move quickly, but then by its own volition or its own processes, slows itself down. And you've got a partner who really wants to accelerate and go and get to market and start delivering value."</i>
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<b>Insurance Providers</b>	3	<i>"Oh, the biggest one is also just onboarding, you know, getting through that process of getting, you know, the commercials in place, my organization, believe it or not it's the red tape it will be six months down the line. Still don't have these guys on boarded to kick off the exercise and that by the time they're on board a lot has changed, or things are changing because business evolves and now what you thought was scope, it has even changed."</i>
	6	<i>As you know, banks and insurers operate at a very high standard of prudential authority, exceptionally high. You know, those prudential authority standards as it relates to digital and transformation and the security of people's data and all of that are exceptionally important. It's not like we're selling widgets. It's not a manufacturing company, you know, you're getting people's personal data and all of that."</i>
	8	<i>"Would be also in line with ongoing check and challenges that. With the annual view of a large group like us around profitability, cost constraint or cost optimization...it often ends up with activities that introduce scrutiny on certain spend that without that visionary person existing still becomes difficult to sell and then you get actions being taken that then put the transformation activity at risk or it slows it down or. You end up compromising to meet other organizational requirements, which is point in time because more often than not like a cost type activity is to meet an in-year challenge. Yet these transformation commitments are strategic."</i>
	11	<i>"There's also a governance part of it. So, the effectiveness of alliances requires us to be adaptive in our governance models. Because that helps us to balance control risk and to be agile at the same time, you know and it's a difficult one because the insurance industry itself, you know with all of the with FSCA (Financial Sector Conduct Authority) and all of that there's constant evolution in that sector itself. They have to be compliant at all times."</i>

<b>Fintechs</b>	<b>10</b>	<i>"For us as a as a mid-sized local sort of organization...we have very little bureaucracy, right? So, for us to on board and to engage with partners. Yeah, I mean we have some level of due diligence, and we do financial checks and all of that stuff. But we find that we have a model where it's easier perhaps for us to be engaged by a strategic alliance."</i>
	<b>10</b>	<i>"If I look at some of the regulatory requirements to onboard some of these vendors, like it can be quite tough, right? So, you know if you have a startup or a fintech that has just got some cool stuff in tech, you know and then you're faced with like this massive procurement organization in a large bank that asks you for 15,000 forms before you get onto the database...So I think there's a way that large organizations maybe can make it easier from a commercial perspective to engage with these fintech's and SAs, I think there's definitely some optimization opportunity there"</i>

*Note.* Author's Own

### 5.3.2.2 In-Case Analysis of Evidence

#### **Traditional Banking**

The traditional banking sector highlighted internal governance and regulatory compliance as a challenge to achieve DT through SAs. Participant 1 illustrated that internal approval processes within banks delay DT initiatives through SAs. Participant 1 also highlights multiple submissions to governance forums because of governance structures. Participant 4 reinforced this by pointing to red tape and internal procurement processes as challenges faced by organisations. Participant 4 added that regulatory compliance standards within banks act as a barrier to engage with start-ups. This participant further states that fintechs lack the ability and know how to deal with stringent bank requirements. Participant 15 added to this, stating that technology businesses need to be adequately capitalised with sufficient cash flows to partner with banks, where the processes within banks are slow and can impact smaller partners unless they are patient and well-resourced to match the slow pace of the bigger partner.

Participant 14 had a different perspective, highlighting that bank conservatism is what drives compliance and regulatory measures. This is due to banks being afraid of regulatory consequences resulting in a more cautious approach. Interestingly, Participant 14 also suggested that banks need to lead the discussion around regulatory discourse rather than wait for directives from the regulators.

#### **Insurance Providers**

The challenges within the insurance sector mirror those of the traditional. Participant 3 highlighted the longer onboarding processes, noting that delays can span up to six months due to governance requirements related to commercial agreements with partners. Participant 6 emphasised the high standards of prudential authority applied within the sector. In this instance, insurance providers are required to keep customer data, which results in added compliance and regulatory frameworks to remain compliant. Participant 8 offered a different perspective, flagging the conflict between short-term cost containment and long-term transformative goals, where compliance-driven scrutiny of costs can lead to the deprioritising of strategic initiatives. Participant 11 added that to balance control risk and agility, banks need to adopt adaptive governance models to help navigate the changing regulatory landscape.

### **Fintechs**

It is important to note that the theme of policy, regulatory and compliance did not emerge as a topic, with several or some mentions from participants within the fintech sector, as per Table 3. Participant 10 was the only one who specifically mentioned the theme. This participant noted that internal bureaucracy at fintechs is minimal, allowing them to easily partner with SAs. The same participant also provided an example of banks requiring extensive documentation before onboarding partners, with traditional partner compliance burdens becoming a bottleneck for fintech collaborations.

#### *5.3.2.3 Cross-Case Analysis of Evidence*

All three sectors highlighted the challenges posed by policy, regulation and compliance in enabling SAs to achieve DT, with the nature of these challenges varying significantly. There are similarities between the traditional banking and the insurance provider sectors where the challenge is rooted in internal governance structures and risk averse cultures. The views of Participants 14 (traditional banking) and 11 (insurance providers) highlight that these institutions create regulations to meet both external mandates but also to pre-empt regulatory scrutiny. In traditional banking, Participant 1's experience of repeated submissions to governance forums and Participant 4's emphasis on red tape and procurement hurdles are echoed by participants in the insurance sector, with Participant 3 describing a six-month onboarding delay as result of procurement requirements and Participant 6 flagging the high prudential standards required in the insurance sector. The delayed onboarding, prolonged approval cycles and heightened regulatory requirements are consistent across traditional banking and the insurance sector. Participant 8 (insurance providers) offered a nuanced view around the delays experienced through governance, stating that in the insurance sector financial governance scrutiny plays a

role in prioritising strategic initiatives, and that key projects run the risk of being deprioritised on account of organisational requirements slowing down digital transformation. Fintechs, in contrast, experience very little internal bureaucracy, as mentioned by Participant 10, but they do face external barriers when engaging with traditional partners where extensive documentation and compliance requirements imposed by the traditional partners can slow down the transformation efforts. A notable insight came from Participant 14, within the traditional banking sector, challenging the stance taken banks in relation to the regulators, stating that banks should lead the regulatory discourse rather than wait for directives.

#### *5.3.2.4 Conclusion of the Analysis of the Evidence on Policy, Regulatory and Compliance as a Challenge Facing Organisations when utilising SAs to achieve DT*

Traditional banking and insurance providers exhibited similar challenges in the form of internal governance, fear of regulatory consequences and rigid compliance standards. Fintechs experience very little internal policy, regulatory and compliance burdens; however, their SA potential is hindered by onerous requirements imposed by partner organisations in pursuit of DT. Participant 14's call for banks to lead the regulatory discourse rather than wait for directives highlights the need for larger organisations to move from a compliance-led governance approach to more transformation-led methods. The evidence across sectors reflects that while the need for policy, regulatory and compliance is recognised as essential for organisational and customer protection, it often acts as an inhibitor of utilising SAs to achieve DT.

### 5.3.3 Research Question 1.1: Theme 5: Digital Technology

#### 5.3.3.1 Evidence of Digital Technology

Table 12:

#### Theme 5 - Digital Technology: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	1	"...if you're sitting with these legacy systems and the industry's moving quite fast ...So you know, it's almost if you don't move, you're already left behind just by the fact that they're using this best-in-class platform and you're still sitting with the platform that was built 18 years ago"
	4	"We said...but we also got the skills to do it. We also can do it in fact. So why don't we also just do it? So if you see a fintech doing something...so we can also do the same...So there was that mentality that sort of excluded partnering for a long time and I do think now what's happening is the we've done so much now to maintain, that is utilizing a lot of capacity and a lot of energy that so now the resources are there on a maintenance"
	7	"So, I think there are a few ones that I can think of, like the biggest ones are legacy. Like in the organization, we have a lot of legacy systems and to decommission those is a nightmare because it requires you not only to rethink what the people that were supporting those technologies will now do, it also requires you to migrate your users onto the strategic platform that you are implementing as part of that digital transformation."
	14	"If I had to pose the question to the x number of people that work for the organization and say, do you know what open banking is? I'm fairly confident that over 50% wouldn't understand what the concept of open banking is...I mean it's for advanced. For me, that becomes a fundamental problem if you don't understand what open banking is and you're trying to say that your workforce is migrating into digital transformation. So, there is quite a fair degree of just, I want to call it basic knowledge of what digital transformation is that we need to close as a gap."
	15	"The reason we go there as a partnership is because it's modern tech stack...the tech stack's important because it's modular...It's really quite agile. You can deliver new services; it can scale very quickly. It's cloud-based and so you can write it in modern language and then you don't have these legacy dependencies, and we can partner that platform with our core processing services quite elegantly."

<b>Insurance Providers</b>	<b>3</b>	<i>"We understand our systems are quite old. We even have applications that are running on mainframe...However, we want to find a way to leapfrog...accelerate our digital transformation journey. Are you able to then... build a digital layer that we can simply use to overlay our legacy so that we can, you know, have this exciting and intuitive front end?"</i>
	<b>6</b>	<i>"The big one was technology. It's an incredibly important... the existing technology stack. How is your current technology stack being an incredible enabler or limiter because remember the opposite side of enabler is a limiter, you know that's opposite side of the coin."</i>
	<b>6</b>	<i>"Born digital... you have less of the issues... because you just want it from day one. Whenever you think about process, you got digital first... The incumbents are doing existing processes, they're automating them, they're doing them better. Some of them they're even cancelling those processes, but that requires a hug transformation."</i>
	<b>8</b>	<i>"The transformation was the opportunity for the business to reflect internally, check and challenge the way that we've worked... The legacy system is directly associated to the legacy processes, and the processes inform the team's ways of working, team structure, cost, shape, you know, all of that gets influenced by it."</i>
	<b>9</b>	<i>"...when you have a lot of legacy, it's not that easy to go faster and then it's one that you've been on a big journey on and probably most financial service organizations struggle with this, you know, because you can't actually build everything on the side because you need to touch the customer, which means you need to integrate, but at the same stage the moment you integrate you've got this big thing that's legacy and old tech..."</i>
	<b>9</b>	<i>"...we felt like we're a speed boat ducking at an oil tanker, you know, so you're trying, you're a speed boat, you're moving fast boats like jerky reactions because you got to move this big thing and our systems are a little bit like...the moment you need to integrate into the front ends and into the system. So, integration is a key part, and I think initially we went probably with, let's call it old ways of integration and we've in the last couple of years changed that for modernized Integration. So that's yeah, just the technology architecture being ready for the new technologies and ways of work was big challenge and I would say."</i>
	<b>11</b>	<i>"Biggest challenge, um, would be legacy systems. Outdated infrastructure, you know, it can completely hinder integration and scalability... So, we have [system name]. So let me talk to you from a system, legacy system point of view, right. And so, it's where we 90% of our business is done. It's called the [system name]. If you look at it, it definitely looks like something that was worked on in the 80s. It still looks that way. And our big computers in the 90s that our parents first got us, it's that type of operating model that is our legacy system so it's the outdated infrastructure and it can hinder the integration and scalability."</i>

<b>Fintechs</b>	<b>5</b>	<i>"We may come in with an augmenting technology such as an anti-fraud system or an anti-money laundering or whatever biometric fraud detection system and we would have to then connect this to the existing legacy systems and that's where the partnership with local partners becomes critical to us..."</i>
	<b>5</b>	<i>"The big banks have so many different options in terms of how they access data, where they store it, who can have it on their machines and so on and so forth. Just that in itself... is a strategic challenge when we come along and position ourselves as a fintech to say our job is to simplify this thing and to make it easier to use and to make it less onerous on the user and more compliant and more secure."</i>
	<b>5</b>	<i>"Doing it in a small organisation is great because the smaller businesses are not bogged down in 30, 40, 50, 60 years plus of... it's almost like the roots of a tree that are so deeply wound around the plumbing that you can hardly even get to the plumbing. So, the whole idea that, but we can't change the plumbing. And this is the kind of challenge that we...do on a daily basis."</i>
	<b>10</b>	<i>"Skills and skilled retention are another big one. How do you cultivate a sustainable source of talent in these niche spaces? Keep them engaged is a constant challenge. I think it's a general challenge...but I think in this space where the tech evolves quickly, it's maybe even more pronounced."</i>
	<b>13</b>	<i>"Talent is difficult...Talent is always an issue...Getting the right talent and being able to retain the talent because what I found is the moment that guys do really well with me and we won a few awards for some work there's people that start poaching them, especially the banks...and pay them a lot more money than what a startup can afford."</i>

Note. Author's Own

### 5.3.3.2 In-Case Analysis of Evidence

#### **Traditional Banking**

Participants in traditional banking consistently highlighted the legacy system as central to technology challenges, with Participant 1 noting that outdated platforms leave organisations behind their competitors. Participant 7 expanded on this by highlighting the complexity in decommissioning old technology to adopt to new ones, where the downstream impact of workforce reskilling and user transition over and above technical migrations further impact DT. Participant 4 revealed that the historical reluctance to partner with fintechs has impacted organisations. The internal reliance on innovation has now evolved into internal capacity constraints caused by the upkeep of legacy systems. Participant 14 added another layer to Participant 4's input, highlighting that modern concepts like open banking are unfamiliar to the current workforce, further slowing down DT efforts. Participant 15 offered a contrasting view, stating that platform partners can offer modern technology stacks that bring about modular, cloud-based capabilities. The rationale to partner, according to Participant 15, is to leverage modern technology stacks.

### **Insurance Providers**

The participants within insurance shared similar concerns about legacy technology in utilising SAs to achieve DT. Participant 3 discussed the current use of old mainframe technology in organisations where the desire to leapfrog and accelerate DT would entail the inclusion of current digital technology. This view was supported by Participant 6 who highlighted the dual role of technology, framing it as both an enabler and a limiter. Further, Participant 6 compared organisations that are “born digital” to traditional players, stating that traditional players have a noted disadvantage in achieving DT due to the greater effort required. Participant 8 linked legacy technology to legacy business and workforce structures, stating that legacy systems inform legacy processes and these processes inform employees’ ways of work and team structures. Participant 9 offered a nuanced view on legacy technology, highlighting the challenge around integrating old technology into modern digital systems. The reference to the “speed boat ducking at an oil tanker” highlights the tension between moving fast while navigating the reality of legacy. Participant 11 supported this by likening legacy systems to the 1980s and 1990s era of technology, stressing that outdated infrastructure hinders integration and scalability.

### **Fintechs**

Participant 5 noted the friction between integrating old and advanced technology, when partnering with traditional players. This integration warrants the use of SAs in the local context as they understand the legacy challenges and can provide smoother implementation efforts. Participant 5 further highlighted the complex technology protocol within banks that acts as a barrier when fintechs look to provide solutions for simplification, using the metaphor of tree roots entangled in the plumbing to describe the extent of legacy that certain traditional partners possess. Talent linked to digital technologies has emerged as a distinct challenge with fintechs. Participant 10 emphasised the difficulty in retaining technology specialists in an evolving digital environment, with Participant 13 adding to this by stating that fintech talent is often poached by banks who compensate them for their specialist skills.

#### *5.3.3.3 Cross-Case Analysis of Evidence*

There is common thread around legacy technology challenges, which emerged as a constraint across all three sectors. Participant 1 (traditional banking) and Participant 3 (insurance providers) both acknowledged the outdated nature of their systems, highlighting the need to accelerate modernisation for DT. Participant 7 (traditional banking) and Participant 8 (insurance providers) both linked legacy systems to dated business and workforce practices, emphasising that DT through SAs requires

reconfigurations at technical, internal processes and workforce levels. Participant 9 (insurance providers) likened the digital transformation to a speedboat ducking an oil tanker, which also resonates with Participant 5 (fintechs), who described digital integration as tree roots entangled in plumbing. Both participants highlighted the tension in achieving digital transformation while navigating legacy constraints. Participant 5 further added that partnering with local alliances who understand the legacy challenges can enable a smoother transition. This contrasts with Participant 15's view, which emphasises digital technology as the enabler of partnerships, where partners act as a bridge between legacy systems and modern technologies. Participant 6 (insurance providers) confirmed this perspective by asserting that the existing technology stack within an organisation can be either an enabler or an inhibitor to DT efforts. Traditional banking and insurance providers focus on internal constraints linked to digital technology, while fintechs face external challenges, as highlighted by Participants 10 and 13 (fintechs). Both participants called out talent retention and sustained expertise as a challenge in the sector, where employees who have specialist digital technology insights and expertise are being recruited by external companies that need these specialist skills. The talent dynamic adds another layer as often the success of SAs is premised on sustained specialist expertise and intellectual property. This is contrary to Participant 14 (traditional banking), who believes that banks don't have the necessary skill sets and basic knowledge regarding DT. However, Participant 14's concern could affirm Participant's 13 concerns around poaching specialist resources as banks look to mitigate their knowledge gaps by recruiting externally.

#### *5.3.3.4 Conclusion of the Analysis of the Evidence on Digital Technology as a Challenge Facing Organisations when utilising SAs to achieve DT*

Evidence from participants indicates that when digital technology is not fully understood or is improperly configured, it emerges as a challenge when utilising SAs to achieve DT. Whether its Participant 1's reflection on outdated platforms in traditional banking or Participant 11's description of infrastructure in insurance providers as being from the 1980s, the persistence of legacy challenges does slow down the efforts in achieving DT through SAs. This challenge is compounded by organisational inertia, as mentioned by Participant 8, where the link between legacy systems and workforce processes and practices were made. The recognition that SAs can be used to overcome digital technology constraints is evident, as mentioned by Participant 15, and traditional banking who originally resisted partnerships to overcome technology gaps (Participant 4) are now being looked at differently. Insurance providers, while showing similar constraints to traditional banking, expressed an interest in digital transformation through digital

overlays and modern integration (Participants 3, 9). Fintechs face external challenges related to digital technology, particularly in retaining staff, which is an issue that affects their ability to sustain digital capabilities within their partnerships (Participants 10,13). For SAs, structural alignment with sector-specific conditions is essential when addressing digital transformation.

#### **5.4 Research Question 1.2: What are the Critical Enablers in Utilising SAs to achieve DT?**

This section presents the critical enablers in utilising SAs to achieve DT, focusing on the themes of Change Management and Organisational Strategy.

As per Table 7 in section 5.1:

- The theme of Change Management emerged with “several” mentions in both the traditional banking and insurance provider sectors, but showed “little to no” mentions within the fintech sector.
- The theme of Organisational Strategy emerged with “several” mentions in all three sectors.

During the study, each theme was explored across the three sectoral groupings using the colour coding identified in Table 5. Each theme is now discussed and compared in-case (within a group) and cross-case (between groups), followed by a conclusion based on the evidence analysed.

### 5.4.1 Research Question 1.2: Theme 6: Change Management

#### 5.4.1.1 Evidence of Change Management

Table 13:

Theme 6 - Change Management: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	2	"So, I mean, we're forever changing... You have to fight the tide, and you have to be prepared to swim upstream... You just need to keep going. You just don't take no for an answer... You've got to constantly embrace change...in order to overcome the challenges because it's constantly changing."
	7	"If you don't do proper change management, so taking them on the journey and making them understand the why and the benefits for them and their areas, then you always get the resistance."
	7	"Where a lot of these initiatives fail is in the change management of it. So, you will find that there's consistently a tug of war between those two factions. Is it the technology or is it the people?"
	14	"Start challenging the status quo of what's currently norm and also start doing a skills audit of where you find yourselves as an organization, where you are versus where you want to go, because then you can start plugging in the gap...exactly how your different experts are thinking about strategic investments in digital transformation"
	15	"Digitalization is processes, data, ways of working and change. And so when we embarked, particularly in the latter, in the latter role on the digitalization journey, there was an understanding that we needed to be at the forefront of tech and payments and that the company needed to change the way we did business, but there was not a stated intent...there was an understanding we needed to change."
Insurance Providers	3	"It's not only the change will not only introduce a new technology platform as an enabler for the business, but also other elements that would then result in changes in process, changes in ways of work, changes in how people interact with the technology and to what extent, which then started driving the conversation around the broader topic of digital transformation."
	8	"Change management and it's like owning that story is a part of a person's exit and a part of a person's onboarding."
	9	"So, ways of work...the shortest cycle, was smaller changes pulling digital over legacy...working on scenarios and being comfortable with scenarios and then in the scenarios having clear exit positions like ok when it gets this bad you know we got to stop it. I'll say lastly, not being afraid to recall it when it's failed, you know, because I think many of these things fail because the signs are there, but people carry on regardless, you know?"
	9	"Ways of work is a big thing. What we measure, I mean decisiveness. So, we changed things like change councils to weekly hour meetings where we literally make decisions, not the big decisions... but also work. You know that the size of

		<i>minutes means that you don't have this very long cycle of things just drag on."</i>
	11	<i>"And if there's no change management with them, that can hinder it even more. So, the worst thing that can happen is if we put it operationally and we say this is happening... and we just put it in without any change management. The change management has to be done. Otherwise, it's not going to happen."</i>
	11	<i>"So, there's a lot of people, software people from different, you know, international people that have come on board to help us integrate our systems to help us cater with the modern customer, right? And this task force and you know these people are here to bring on change, right? Not in an abrasive way, but in a way where we are properly enabled change management."</i>

<b>Fintechs</b>	5	<i>"Change is critical and the management of that change in any of what we've just spoken about... if I don't have the right change management process before doing any of it, I'm already in for a hiding"</i>
	5	<i>"The digital transformation journey cannot be undertaken. It actually cannot be undertaken without stakeholder management, change management."</i>
	12	<i>"Sometimes if you're going down the wrong track, it's not a bad thing to change. Don't sweat that acid. Don't flog that donkey or horse or whatever the saying is...you got to realize if you're going down the wrong way, be bold and I guess mature enough to make the change. "</i>
	12	<i>"We're looking strategically to transform this business, and changes need to happen continuously because otherwise we cannot compete. We're going to just be driving ourselves into the ground because our competitors are much more digitally aligned and mature than we are."</i>
	13	<i>"Often because of the change management that takes place inside the organization, you got to do it piece by piece. You got to take a phased approach; you can't do everything today."</i>
	13	<i>"We had to partner with retailers and change the business model completely for South Africa because there was so little activity on e-commerce...but I think that you know what's interesting is that I had to have an alliance, if you think about it, for omnichannel commerce with fulfilment partners...I needed somebody to acquire the transaction."</i>

Note. Author's Own

#### 5.4.1.2 In-Case Analysis of Evidence

##### Traditional Banking

Participant 2 highlighted the constant rate of change within the banking sector, likening it to "swimming upstream" as it is not easy, but also emphasised the need to embrace change to move forward. Participant 2's reflection highlights the duality in recognising the need for change, while simultaneously experiencing its challenges. This aligns with Participant 15's reflections on the implicit understanding that organisation's need to

change, even if it is not formally communicated, embedding change as a catalyst to alliance readiness and transformation. Participant 7 added to this by stating the importance of change management when bridging employee and digital landscapes. The participant reinforced the importance of guiding employees through the change, noting the importance of employees understanding the “why” and the benefits of the change. This is also consistent with the theme of resistance discussed in Section 5.3.1.2, where Participant 7 made a similar observation, linking employees’ fear of job loss when new technologies are introduced. This internal alignment is important as it aligns employee buy-in as organisations prepare to integrate new technologies, processes and partners. Participant 14 highlighted change as a proactive forward-looking enabler, calling for organisations to assess their current positions, their perceived future states, and to identify and close the capability gaps to support transformation.

### **Insurance Providers**

Participant 3 highlighted that DT not only involves technology, but also requires wider transformation efforts in employee interactions, processes and ways of work, where change management is required. Participant 8 shared that change management needs to continue even as roles within the organisation change, embedding change management into onboarding and exit processes. This was also highlighted by Participant 8 in Section 5.3.1.2, where leadership transitions, if not properly managed, can act as a form of resistance to existing alliances. Participant 9 offered reflections on various ways of instituting change management, such as shorter decision cycles and scenario planning, where the ability to stop misaligned projects is enabled through effective change management. Participant 11 warned against introducing change without change management, noting the integration of external partners requires deliberate change management efforts. Participant 11 further highlighted the requirement of internal change management in both processes and people to achieve transformation through alliances.

### **Fintechs**

Participant 5 asserted that digital transformation cannot proceed without change management and stakeholder alignment, further stating that change management in the fintech environment is a prerequisite for successful collaborations. Participant 12 added that the ability to pivot when things are not going according to plan is important. Participant 12 further created the link between change and being competitive in the fintech industry, noting that continuous change is essential in keeping pace with competitors. Participant 13 added to this by emphasising the iterative nature of change

management, stating that change management needs to be initiated in a phased approach to be effective. Participant 13 also highlighted an example of working with retailers where current business models, enabled by change management, needed to be adapted to support new partners.

#### *5.4.1.3 Cross-Case Analysis of Evidence*

Change management emerged as a critical enabler of SAs to achieve DT within all three sectoral groupings. While the nature of businesses differs within a sectoral context, participants consistently affirmed that change management enables internal alignment, partnership collaboration and the ability to adapt to evolving digital environment. The role of change management in achieving DT was mentioned by both Participant 7 (traditional banking) and Participant 11 (insurance providers). Participant 7 noted the importance of internal alignment, through change management, from a workforce perspective that allows employees to understand the benefits of the change before implementation. This was echoed by Participant 11, who warned against operational changes without change management, citing it as a hindrance to DT, especially when integrating with external partners. Both participants stress that effective communication and inclusion are important considerations in achieving DT. Participant 7 (traditional banking) and Participant 8 (insurance providers) discussed effective change management as way to buffer resistance, a central challenge discussed in Section 5.3.1.2. Participant 8 discussed change management in the context of leadership transitions, which if not properly managed with the appropriate handovers, can create resistance to existing alliance partnerships. Participant 7 (traditional banking) noted that the outcomes of poor change management could result in employee resistance to new technology with digital technologies being seen to displace actual jobs. Together these reflections illustrate that change management not only facilitates SAs to achieve DT but also safeguards alliance stability by addressing resistance. Participant 14 (traditional banking) advocated for organisations to compare their current state and future ambitions, and identify gaps to support transformation, whereas Participant 13 (fintechs) shared a practical example of this alignment, highlighting how fintechs change their business models to adapt to retail partners. Both Participant 9 (insurance providers) and Participant 12 (fintechs) emphasised the importance of effective change management as an enabler of decisiveness and the ability to pivot when initiatives are not aligned. Participant 9 focused on scenario planning and short decision cycles to manage the change, while participant 12 called for organisational boldness and maturity to realise the need to change.

#### *5.4.1.4 Conclusion of the Analysis of the Evidence on Change Management as a Critical Enabler when utilising SAs to achieve DT.*

The evidence confirms that change management is a critical enabler of DT through SAs. SAs introduce new technologies, operating models, and stakeholder relationships, and through effective change management, organisations can absorb these shifts. The reflections of Participant 7 and Participant 8 illustrate that effective change management can also mitigate the impact of resistance, whether through employees fearing job loss or leadership transitions and handovers, reinforcing the critical role of effective change management, not only as an enabler of transformation but also as a safeguard against internal resistance. In conclusion, organisations that embed change management as part of their DT journey are better positioned to leverage the benefits SAs bring.

## 5.4.2 Research Question 1.2: Theme 7: Organisational Strategy

### 5.4.2.1 Evidence of Organisational Strategy

Table 14:

#### Theme 7 - Organisational Strategy: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	1	"If you're in an organization, you know, from a board level is siloed, where everyone is driving their own agendas, when you need to reach out to someone who sits in another silo or in a central cluster...It's like taking a ticket in a government department. Now you're in a queue waiting for something to happen. But that central cluster or that other department has no skin in the game on you landing your project and getting the outcome you want, which I think becomes part of the problem because no one's really sharing a common vision and goal for the bigger organizations."
	2	"If you're hungry enough and you know that your organic business is going to, you know, have got a pedestrian future and that's not going to be enough based on what shareholders is demanding of you and the squeeze in terms of your earning line earnings become big enough, your appetite for taking on risk may increase...you have to think differently. You have to take the risk"
	4	"There is a culture...of what you call owner managed...then combined with that we they would say you must act like you own your own piece... And you own that, and you drive that. And so that was driven from a leadership perspective, the philosophy that we're going to run"
	4	"The board and CEOs to say this is our strategy but this is the mechanism we'll say we drive it through innovation and all of that. But then also the way we set up, in the way they structured teams and they structured the IT teams...because it was a sort of a DNA led thing that happened to the organization...I don't have to convince them that we need to do digital or we have to take this manual paper based process to make it digital, we all were in it to say it's actually was driven from the top down that and here's the reasons why, because they also put the reasons why because it made it easier to go and do the next step. And we can actually then go ahead and do that. So that was extremely important in how they set up the culture and the strategy."
	7	"It's senior sponsorship and endorsement. Without that, it's nice to have...based on experience without seeing a buy-in, a lot of initiators fizzle out. So maybe in terms of that buy in, what I'm specifically talking about is when your ME or your CEO steps up and says this is where the organization is going and this is how they've adopted it. Not just by saying, but by also living up to those ideals. They are actively using the same things, so you'll find some leaders talking about AI, but they haven't used it in their daily lives. Without those examples, without them requiring their own senior staff to incorporate those processes or technologies into their own workflows any transformation fails, any change management fails. So, it's one of those top-down things that requires investment from the top. You can't have it any other way."
	7	"Choosing the right partner is really about understanding your challenges first as an organization and being really brutally honest about what those are. And then you need to put it into a decision matrix. What are the things that are important to you?"

		<p>So, what criteria do you have on the one side and then on the other side, what choices do you have in terms of your possible partners and what things they bring to the table?"</p>
	14	<p>"So, on the leadership front, look, I think at the helm. There's new leadership, it'll be interesting to see how they look at the transformation in terms of digital and how we approach it. If I look at the guy that's heading up our tech stack, nothing against age, but I think honestly the guys that are groundbreaking in terms of driving transformation are probably sitting between the ages of 25 and 35. If you've got someone who's sitting at the age of between 55 and 60, yes, they've definitely got massive experience that you can leverage in terms of how you land some of these things, but they're not going to come with the new ideas. So, you almost want to pair those old guys with some of the younger guys to kind of hit these things up. The older guys can kind of go, yes, we are a bank, and we are regulated so naturally you're going to need someone that's got, let's call it that institution knowledge, but also it needs to be a fine balance because institutional knowledge is one thing. But if you're going to use the institutional knowledge to find every reason why we shouldn't do something, you're probably not the right guy to have in that seat."</p>
	15	<p>"I think it is more a fintech mindset, more growth, growth kind of mindset that says, look, you know, let's try something and if it doesn't work, let's turn it off, let's try something else.....I think, I think you need a common purpose and that sounds trite, but if you don't like the point that I made right at the outset is if you say we want to digitalize and you don't articulate what that actually means and you set your texts off, you're going to end up with a whole bunch of solutions that don't talk to each other. You're going to be very tech lead, but you're not going to have a digital integrated business. You're going to have a federation of systems that you're not going to try and help talk to each other. That's not a good outcome. You can also go the process engineer route and end up with lots of efficiencies and process mapping and swim lanes and all those good things but if you don't have the data and the tech to make all that optimized, then you're also in a bad place. So, you need you need a digitalization imperative, and it is an actual culture change of how organizations actually work, how you consume services, how you run systems. "</p>
	15	<p>"Leadership is paramount in terms of all of those topics around you know is the organization, does the organization have a real bias for true partnership and when we do can the people that actually understand the topic pick the right partners and execute on that effectively? Those are key things for me in terms of the level. It comes back to kind of alignment so that you understand what you're solving for and is it on strategy?"</p>

<b>Insurance Providers</b>	<b>3</b>	<i>"I think leadership has been quite key. For us as well, having no sponsorship from senior leadership. So even if it's a technology-led digital transformation, or technology SA. ... You still want to have a business voice because at the end of the day it's a digital transformation journey that you're embarking on. So, I think having all the stakeholders, especially those that will be impacted or touched by this DT."</i>
	<b>6</b>	<i>"The second one, and not in order of importance, has been the whole piece around strategic insight. Now that's how deeply strategic is our insight into where we go, what we do.. it was an incredibly important enabler, the leadership and management strategic insights."</i>
	<b>6</b>	<i>"The first one. ... Was budget. ... Funding where and how do we fund this?...One of the biggest debates with digital transformation is that by the way...Are they self-funding or not?"</i>
	<b>8</b>	<i>"There were a leadership team and an executive that owned the business that had the vision for what success looked like. Because that definitely put the company in a position where the need, the business problem statement, the check and challenge of the solutions we're applying against those problem statements, the check and challenge and acceptance with our board and other senior stakeholders in the group. It removed material friction, but also I believe helped us obtain and secure support for the decisions we are making."</i>
	<b>8</b>	<i>"I have yet to see it work and succeed where it's operating as a quasi or gorilla type squad sitting on the side of the business. So, it needs that commitment. It needs the forward-looking view. It needs realism as to what does benefit look like and the key piece that also has to be incorporated is it cannot be, or it should not be You just got to add to the existing inventory of systems and solutions. So it's got to either take the business model or the process and say well this is where we are improving you either enhancing the business by introducing a value chain or you are taking an existing value chain and you are accepting that this is what you are improving for this outcome...and that then that influences the choices, the criteria utilized for identification and selection of those strategic alliances."</i>
	<b>9</b>	<i>"Yeah, that leadership big time, but I want to expand that ... also the board, you know I think one of the things that we've also had to do is we had to think about who is on our board and what sort of commercialization experience do they have? ... You need a board that's on board...when we started using the language like you want to be like a lot a fintech in a large bank, people were like what are you smoking? What does that mean? And then we spent a lot of time with our board and explaining what that means and what that would mean for them and they were on board which really helped."</i>
	<b>9</b>	<i>"I think culture is probably one of the biggest ones...you have to have a growth and experimentation or open mindset. ... If you want to do digital transformation, you know you need to understand that you're going to need to test and learn...You need to understand that you don't know everything and that you know failure is not necessarily final..."</i>
	<b>11</b>	<i>"Senior leadership is vital in terms of being able to clearly articulate vision, strategy and clear alliance with goals with long-term business objectives and how it fits in, in order to make everyone feel safe that are this is part of the goal, but it's not necessarily going to take away what I'm doing. It's going to enhance what I do in terms of a specific role."</i>

<b>Fintechs</b>	5	<i>"The digital transformation journey cannot be undertaken. It actually cannot be undertaken without stakeholder management, change management... And predictive outcomes management, the what if scenario. So, we're going to do all of this transformation. These are the changes that are going to happen, and these are potentially the outcomes that are going to take place as a result of that. Be prepared for it. A lot of people will get very frightened, but if that's not managed up front, they're going to get frightened anyway at the end and you're going to have spent millions of rands on this process and all you've got is 3-4 thousand frightened individuals on the other side"</i>
	10	<i>"As shareholders sitting on boards of some of these companies, the boards are being asked by the shareholders, what are you doing about digital transformation, right... There's that shareholder mentality as well of how digital transformation is running... You know financial institutions sit on the boards. They've asked the CEOs of these organizations what are you doing about digital transformation and the CEOs have not had the strongest of responses and so we're seeing you know boards also say to CEOs think about digital transformation and these board members are in the financial services industry."</i>
	12	<i>"Building champions within banks as well is key. Someone who gets it that has the leadership and the levels of approval required to get something like that done is key. And also, not only just working with one person, but you've also got to work across the board."</i>
	13	<i>"Capital allocation is really important. You know, you got to be able to understand when you're doing a lot of R&amp;D and you're willing to fail fast, you know, you got to give yourself room to do that from a cash flow perspective and from AI think we tried a lot of different things and we have... My role now is more as a founder strategist... my first rule is an enabler because I've realized that my strength is actually coming up with ideas... is to actually have a strong execution team around me to answer your question, so I will always employ a jockey first before to be the CEO of the business and then I'll build a business around their jockey and make sure that he's got all the strategy, funding, you know the support."</i>
	13	<i>"I used to help corporates clarify their strategic objectives around digital transformation or how they could use technology more effectively to either reduce costs or increase revenue or launch a new way of doing business... We start with strategy and then we talk about execution and we talk about where you are today and what's your desired end states and how will you get there?... If you have a visionary customer, a visionary leader on the other side, then you can do great things."</i>

Note. Author's Own

#### 5.4.2.2 In-Case Analysis of Evidence

##### **Traditional Banking**

Organisational strategy emerged as a key enabler within organisations looking to achieve DT through SAs shaped by leadership, structural and cultural influence. Participant 1 highlighted the siloed nature of banks, where the lack of a common vision impacts collaboration. This concern was confirmed by Participant 4, who described how their organisation overcame a similar challenge through adopting an "owner" led mentality, shifting the mindset of the organisation towards a common goal where

accountability for delivery was shared across the organisation. The strategic narrative was cascaded from the Board and the CEO to all involved, which Participant 2 likened it to a “DNA led” culture. This organisational alignment not only addressed the silos identified by Participant 1 but also led to a smoother implementation of digital initiatives. Participant 2 introduced the role of the shareholder in facilitating different ways of thinking, also suggesting that this enables organisations to consider a greater appetite for risk for accelerated growth. The views shared by Participant 2 are aligned with views shared by Participant 4 in Section 5.3.2.2, with Participant 4 pointed out how red tape and procurement hurdles slow down alliance formation. Participant 2’s contribution complemented this by highlighting that shareholder expectations can act as both an enabler and a challenge, depending on how leadership responds to risk appetite within an organisation. Participant 7 argued that senior sponsorship needs to adopt various technologies in their daily lives over and above just a formal commitment to the organisation. The participant critiqued leaders who speak about technologies like AI without integrating it into their own workflows. Moreover, Participant 7 introduced a strategic decision-making lens as part of organisational strategy, noting that partner selection needs to be guided by organisational challenges and priorities. This complemented Participant 15’s view, which was that leadership is paramount in terms of partnership selection and the link to strategy. Participant 15 emphasised the importance of a growth orientated mindset within an organisation likening it to a fintech mindset when pursuing DT. The participant warned against digitisation without a common goal, noting that incoherent initiatives can result in federated disconnected solutions. This view echoed the views shared by Participant 1 around siloed agendas slowing down cross-functional collaboration. Participant 14 added a generational lens to organisational strategy, advocating for a balance between leadership that have institutional knowledge and leadership with entrepreneurial insights in decision-making roles. Participant 14 added that by pairing the two the organisations fosters more innovation while maintaining regulatory compliance.

### **Insurance Providers**

Insurance provider participants echoed many themes that are like traditional banking but introduced layers of strategic funding and board level composition as additional components to organisational strategy. Participant 3 called out the need for stakeholder and senior leadership sponsorship when embarking on a DT journey, emphasising that accountability must be embedded across the organisation. Participant 6 introduced funding and strategic insights as enablers, where clarity around funding sources is needed at the outset of any transformational journey. Participant 6 also referred to the

importance strategic insights from leadership in navigating DT through SAs, emphasising that clearly defined views of the organisation's direction and requirements are seen as critical enablers. Participant 9 introduced an interesting perspective linking board composition to commercialisation efforts within the insurance sector. The participant explained that diversifying the skill sets of Board members to include an understanding of fintech dynamics is an enabler of digital transformation. A Board aligned with fintech-like transformations can ease the implementation of such efforts. Participant 9 added to this, asserting the importance of an experimentation mindset in pursuing digital transformation. The participant argued that organisations must recognise the value of testing and learning new concepts, while also tolerating failure as part of the process. Participant 8 shared a similar reflection, highlighting how the board and leadership in their organisation checked and challenged the business problem before arriving at a way forward. Participant 8 also asserted that they have not seen a transformation effort work where it is operated in a "quasi or gorilla type" squad on the side of the business and called for organisational realism and commitment in moving forward, understanding clearly where the organisation needs to be in the future. This in turn affects the selection of the alliances that the organisations partner with. Participant 11 reinforced the need for clearly articulated visions and alliance strategies by senior leadership when progressing DT, but also flagged the importance of taking employees along with the transformation journey. This point is also consistent with views raised in Section 5.3.1.3 concerning employee resistance. Participant 11 provided a way to mitigate this challenge by reinforcing the role of senior leadership in creating employee inclusion and alignment across the organisation.

### **Fintechs**

Fintech participants offered reflections linked to organisational strategy that are grounded by an entrepreneurial mindset, with the focus on agility and leadership enablement. Participant 5 suggested that alliances need to be accompanied by stakeholder engagements and scenario planning to mitigate fear and resistance in partner firms. The participant's insights did not highlight poor execution but highlighted the human cost of neglecting employees through the change, where on one side, organisations invest millions in transformation, but on the other side, if not properly managed, the change results in widespread employee fear. Participant 10 introduced a shareholder lens, noting that Boards within financial services are demanding more from company CEOs to take accountability for DT. Participant 13 offered a response to comments made by Participant 10, emphasising the importance of building strong execution teams, and that starting with a capable CEO ("jockey"), and building capability

around them, can address external pressures of stakeholders. Participant 13 also shared an approach that was adopted in their experience, where the sequencing of strategic conversations enabled DT and showed cost and revenue benefits. The participant stated that the start point in achieving DT is to align on strategy, followed by execution, by understanding the organisation's current state and framing ways to reach the desired state. Participant 12 called for the development of DT champions within partner organisations. This view aligns with the views of Participants 10 and 13.

#### *5.4.2.3 Cross-Case Analysis of Evidence*

All three sectors acknowledged organisational strategy as a critical enabler in achieving DT through SAs; however, the way in which each sector shared their reflections differed in both intent and execution. Participant 4 (traditional banking) described leadership mentality as "DNA-led", where leaders within banking embed strategic intent in the organisational DNA to enable better execution. This is consistent with Participant 8 (insurance providers), who provided a similar reflection highlighting how clear direction and support from the Board and the leadership team enabled quicker decision making across the organisation, further enabling the alliance selection process. Fintechs seemed to approach organisational strategy slightly differently with a focus on building execution capacity around a strategically aligned CEO, as highlighted by Participant 13 and further reinforced by Participant 12 who called for internal champions of DT in partner organisations. The nuance in leadership commitment in traditional banking and insurance providers tends to be more organisational structurally embedded, where fintechs are more individualised linked to specific leaders such as CEOs or internal champions. Participant 9 (insurance providers) highlighted the importance of having a board complement with commercialisation and fintech experience to facilitate transformation, which is very similar to Participant 14's (traditional banking) views around having a balanced leadership complement that includes individuals with both institutional knowledge and entrepreneurial insights. Both participants called for diversity in leadership skills and knowledge to enable effective transformation. Further, Participant 9 added a standout insight by saying that organisations should acknowledge that they don't know everything and that failure is not necessarily final.

Participant 6 (insurance providers) stressed the need for strategic clarity and insights from leadership in navigating DT through SAs. The participant also introduced funding mechanisms as enablers, a view echoed by Participant 13 (fintechs), who approached the topic through an entrepreneurial lens, highlighting capital allocation and scenario planning as key enablers. Furthermore, Participant 9 (insurance providers), Participant

15 (traditional banking) and Participant 13 (fintechs) all highlighted the commonality in having an experimentation mindset when pursuing DT.

As part of organisational strategy, the alignment of organisational culture cuts across the traditional banking and the insurance provider sectors as critical enablers of utilising SAs to achieve DT, as highlighted by Participant 4 (traditional banking), Participant 9 (insurance providers) and Participant 15 (traditional banking).

Organisational strategy is also seen to be an enabler of partner selection, as mentioned by Participant 7 (traditional banking) and Participant 8 (insurance providers). Both participants argued that alliance decisions must be grounded by an understanding of the organisation's current challenges and future aspirations.

Participant 5 (fintechs) and Participant 11 (insurance providers) both underscored the importance of organisational strategy in mitigating employee resistance during DT. Participant 5 warned against neglecting the human cost of employees through the change. This concern was addressed by Participant 11 who argued that with a clearly articulated vision and strategy, leaders can help employees through change, mitigating the risk of employee resistance.

#### *5.4.2.4 Conclusion of the Analysis of the Evidence on Organisational Strategy as a Critical Enabler when utilising SAs to achieve DT*

The evidence across all three sectors highlight that organisational strategy is a foundational enabler of DT through SAs, and while sector nuances exist, there is a common emphasis placed on leadership commitment and support, culture alignment and strategic clarity. Both traditional banking and insurance providers embed their DT strategies structurally using their Boards and executive committees to cascade the vision of the organisation wider, while fintechs often centre their approach around individuals like CEOs or internal champions. Sectors also called for a growth and experimental mindset, encouraging testing and learning while still acknowledging the possibility of failure in pursuit of DT. Additionally, organisational strategy is positioned to mitigate employee resistance, as highlighted by Participants 5 and 11, underscoring that a clearly defined and communicated strategy by leadership can reduce fear of change. Organisational strategy also defines how SAs are selected, where participants across sectors highlighted the alignment required in addressing organisational challenges and future aspirations. Based on the evidence from participants across the financial sector, organisational strategy is a critical enabler of DT through SAs.

## **5.5 Research Question 2: What are the Expected Outcomes of Successful SAs in achieving DT?**

This section presents the expected outcomes of successful SAs in achieving DT, focusing on the themes of Value Creation, Competitiveness and Customer Experience.

As per Table 7 in Section 5.1:

- The themes of Value Creation and Customer Experience both emerged with “several” mentions in all three sectors.
- The theme of Competitiveness emerged with “several” mentions in both the traditional banking and insurance provider sectors, and showed “some” mentions within the fintech sector.

During the study, each theme was explored across the three sectoral groupings using the colour coding identified in Table 5. Each theme is now discussed and compared in-case (within a group) and cross-case (between groups), followed by a conclusion based on the evidence analysed.

### 5.5.1 Research Question 2: Theme 8: Value Creation

#### 5.5.1.1 Evidence of Value Creation

Table 15:

Theme 8 - Value Creation: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	1	"We would take between five to seven days to process payments, and the new process you would be able to do smaller payments immediately and within two days you'd have your payment process."
	1	"You would still take a document, print it, fill it out, scan it, send it in and then wait and then there was an inbox that at one stage was sitting with like 1000 odd mails that were half spam, half people wanting support and in there is all these new clients wanting accounts. Whereas if you empower them to go and do an onboarding digitally, suddenly you've got all this new business that can get in the door much easier without having someone having to sift through a mailbox...to find new business and then try and figure out who do you prioritize...so I think that's probably in those businesses the bigger outcome. "
	1	"Then I think from a stability perspective...you're not sitting with your core team supporting a platform that are all half a year away from retirement. You now have a vendor that you've got a contract with that has a team that's supporting it. You've got a team that's now supporting how it integrates into you, and you've basically eliminated some of the legacy technology...I mean we did go through the business processes...you've got a quicker turnaround time, better checks and controls in the business and you know ultimately it means the business has a better experience."
	2	"But also value from a process perspective, if you look at the process and the efficiencies by having a multiple product solution available where you don't take a linear approach...you've got 5 to 7X benefit by using the same resources not to hunt, but rather to farm the benefit from a client perspective and then ultimately the NIR (non-interest revenue) benefit to the bank."
	7	"If you look at the work that Tech Partner is doing in terms of automating manual tasks...so freeing up that time for our customer service agents has a benefit for our customers, but it also has a benefit for our agents as well because a lot of them burn out because they are spending hours on manual processes instead of dealing with actual customer services queries, so it opens up efficiency because you have time to do that from a product perspective...If done right, you could start to get into predictive analytics for our users, which is kind of like the Nirvana for us where you can cross sell"
	14	"Now if you start deploying a lot of these services that you do as a bank into smaller players because again, partnership is not only about two big partners. you can actually partner with multiple partners, create more jobs, really do more upskilling in terms of driving the digital agenda without having to actually employ that workforce yourself, but clearly by creating an upskilled workforce for me is not only the bank's workforce, because I mean, again, if you're creating opportunities for strategic partners that solve different things that go beyond banking in the digital realm, that creates jobs in itself outside of

		<i>the bank without you having to really hold that head count yourself."</i>
	15	<i>"We've partnered with somebody in a go to market...but we had a challenge on the size of our distribution and our sales network and so we partnered with a third party who had a particular interest in a particular sector who really could unlock a lot of value for us, and we did that...it was around growth."</i>
<b>Insurance Providers</b>	3	<i>"I think for me it's been really seeing the growth of the organization...in terms of our ability to grow our revenue, where if the intention was to grow our revenue...we see those outcomes coming through and we are winning accolades."</i>
	6	<i>"From a margin point of view is whether the margin is better in your DT type approach or in the in your manual approach. You know, because in the manual approach, you're able to upsell, you're able to cross sell, DT may not always give you that flexibility in any stages, you know so, but that's the negative side. The sales growth was muted to be quite frank, it didn't always come as expected because you know we then take that and put into the budgets, you're going to do so much revenue, you know the patterns remain quite stubborn, and it will take time and effort to change sales growth."</i>
	8	<i>"For the strategic lines, you don't always build or aim at partnering with a single. That's a low point in digital transformation, specifically with fintech's and in the insure tech space is it's also creating an entry point into these big corporate. It's opening our eyes up to are we aiming to disrupt or alter portions of the value chain or complete introduction or replacement of a value chain and these. Alliances, specifically with niche players, allow us to leverage it, maybe even a negotiation, but bring it in at a better commercial point for us upfront."</i>
	8	<i>"But it's also setting up those strategic alliances to build a footprint in larger corporates and larger Financial services players and like all industry players, you know it's, it's about the reference. So, getting it right with Insurance allows that company or that team or the fintech to go on and say well we've worked with Insurance. So, it gives credibility to the business as well. So, it's the complex system of getting what we want done through that partnership but also contributing responsibly to economic development in the country."</i>
	9	<i>"We've taken our case handling time for the specific products from 2-3 weeks to 11 to 14 minutes. So that's why the productivity's gone up so much. But it's also not been all good. The challenge we've seen is that...you need to be able to full fill end to end digital, but you need to also need to understand that financial literacy in South Africa is low and lots of people, even people we would consider as sophisticated, are not as sophisticated when it comes to understanding the jargon of financial systems and therefore we needed to augment human with digital...on the growth side we shot the lights out, you know the product margin is high because we've digitised some external cost."</i>

<b>Fintechs</b>	<b>5</b>	<i>"So, we've had some good outcomes in that where resources are now as a result of the digital journey able to focus on faster enablement, more agility, quicker time to project. The sprints are easier, the whole project management methodologies are easier, and that translates into return on infrastructure, return on investment, return on resource, all of those things. We don't just talk ROI, so some of the bigger outcomes have been returns in areas that are traditionally not defined as RO anything. "</i>
	<b>5</b>	<i>"A lot of the companies fail to recognize right up front is that everything intelligent sits somewhere in their data stack. whether it's in a lake, a warehouse, whatever, a silo data farm, the intelligence sits in there, and I say somewhere because not everything that sits in there is intelligence. Some of it is a liability more than an asset and when I can define what part of that data and what part of the intelligence is an asset, I can realise that to my bottom line and leverage it to deliver more...and of course it goes without saying, time to execute is money saved...it's efficiencies where the journey has been initiated sooner. The returns are coming sooner."</i>
	<b>10</b>	<i>"So, we've worked on projects where we can measure process efficiencies as one outcome, we can measure employee engagement increasing with the use of these tech pieces."</i>
	<b>12</b>	<i>"It's around increasing efficiencies, reducing cost and ultimately driving more value to the bank"</i>
	<b>13</b>	<i>"And we ended up automating, digitally transforming...we managed to automate 62% of the phone calls.. an intake to voice response in 11 official languages, reading text to speech from the website and we got the return on investment in four days...it paid for itself in four days...and... we created amazing employment"</i>

Note. Author's Own

### 5.5.1.2 In-Case Analysis of Evidence

#### **Traditional Banking**

Participant 1 offered a multi-dimensional view around value creation, highlighting how SAs enabled their organisation to unlock value through partnering with a vendor. The replacing of old internal systems with new vendor supported platforms eliminated legacy technology, which in turn improved platform stability, turnaround times, better controls, and ultimately a better business experience. In Section 5.3.3.2, legacy technology was discussed as a challenge facing organisations when utilising SAs to achieve DT. Participant 1's insights present legacy technology not just as a problem but as an opportunity for value creation when addressed through SAs.

Participant 1 added that through partnerships their organisation was able to transform manual workflows into digitised processes, unlocking value through new business acquisition and increased efficiencies. Participant 2 complemented this by quantifying the impact alliances, noting a 5 to 7x efficiency gain when shifting from a linear product approach to a multiple product approach. The participant highlighted the efficiencies

gained through resource deployment, noting that resources can now focus on value-accretive benefits such as internal productivity and client solutioning, thereby enhancing the organisation's non-interest revenue (NIR) growth.

Participant 7 confirmed this by stating that through partnerships with a technology partner their organisation was also able to realise value through freeing up the capacity of their service agents to focus on their core responsibilities as opposed to manual tasks. This participant also offered a human-centred insight, stating that through the partner-driven automation, value was unlocked by reducing burnout among service agents, further linking the operational relief to the potential of predictive analytics and cross sell opportunities if done correctly. Participant 14 stated how value creation expands wider than the confines of the bank, arguing that alliances with smaller partners facilitate job creation and upskilling within the smaller partner organisation, expanding value beyond the bank's internal workforce. Participant 15 reinforced the strategy of go-to-market alliances, describing how they unlocked organisational growth by enabling sector-specific access. Here, value was created not only through technology enhancement, but also through sector expansion opportunities.

### **Insurance Providers**

Participant 3 acknowledged the growth in revenue as part of the outcomes of utilising SAs to achieve DT but also mentioned the winning of accolades and external recognition as part of the growth narrative.

However, Participant 6 offered a contrasting view, stating that the realisation of revenue is not immediate or guaranteed in the insurance sector. The participant reflected on muted sales, noting that while DT may offer margin improvement, it may be constrained in the stages of upselling and cross selling to customers. Importantly, the participant stated that the flexibility in engaging with a customer through a manual process could outweigh the flexibility through a digital process as the current revenue trend patterns remain stubborn.

Participant 9 reinforced and extended this view regarding value creation, by acknowledging operational gains achieved through DT via reduced handling time from weeks to minutes and increased product margins through digitising external costs. However, the participant also cautioned that full value creation is also dependent on the customer's adoption of the digital solution, highlighting that financial literacy, specifically in a South African context, is a dependency of full value creation. The participant further

stated that even sophisticated people are not as sophisticated when it pertains to jargon in financial systems. As a result, Participant 9 advocated for a hybrid model for value creation that augments human with digital support, especially in the early stages of transformation. Together, the insights from Participants 6 and 9 suggest that, in the early stages of transformation, value creation must be approached with a dual focus: technology enablement (digital) and human augmentation (manual).

Participant 8 emphasised that alliance with niche partners allows insurers to reconfigure value chains and points of commerciality. The same participant also underscored the role of insurance providers, large corporate and financial service organisations in contributing to the economic development of the country. They stated that large corporates can serve as reference points for fintech partners, increasing their opportunities for future engagements with other large partners and enabling value creation for both the corporates and fintech partners.

### **Fintechs**

Participant 5 highlighted how fintechs assess value, noting that value creation is not only looked at from a return on investment (ROI) perspective, but also through improved project management, returns on infrastructure and resources, and broader investment outcomes. This insight positions fintechs as an alliance, capable of delivering value in traditional and non-traditional areas. Participant 5 added to this by advocating fintechs as custodians of value through data intelligence, arguing that alliances with fintech can help partner firms to distinguish between data as an asset versus data as a liability. Partner firms can leverage fintechs to curate and monetise data for value, together with efficiencies and returns.

Participant 10 introduced value creation through improved employee engagement and process efficiencies, which was also supported by Participant 12, who stated that increased efficiencies and reduced costs drive more value for bank partners.

Participant 13 provided a notable insight with an example of how digital transformation efforts with fintechs can result in immediate returns, reporting that a voice automated project paid for itself within four days. The participants stated that this project also created job opportunities, demonstrating how fintech alliances can create both financial and social value.

### *5.5.1.3 Cross-Case Analysis of Evidence*

Value creation as an outcome through utilising SAs for DT was common across all three sectors, but the dimensions of how value creation is defined and realised differed. The evidence through comparing participants reveals that there are priorities and variations in how organisations view value creation as an outcome.

Participant 1 (traditional banking) and Participant 9 (insurance providers) both highlighted value creation through operational efficiency gains, specifically reducing in turnaround times. While Participant 1 linked this gain to unlocking new business and reducing legacy technologies. Participant 9 acknowledged the operational benefit, but cautioned that the full realisation of value is contingent on customer adoption. Participant 9 emphasised that DT needs to be augmented with human support, particularly in the South African context where financial literacy is low. This contrast highlights that while value creation through operational gains is consistent across sectors, its translation into value is shaped by sectoral context.

Value creation through revenue generation was common in both the traditional banking and insurance provider sectors. Participant 2 (traditional banking) and Participant 3 (insurance provider) both linked successful SAs to revenue growth, with Participant 2 offering a quantification of the benefit linked to NIR expansion. Participant 6 (insurance providers) offered a counterpoint to revenue growth, arguing that digital approaches may constrain up-selling and cross-selling of products, especially in the early stages of DT and that manual processes will still be required to unlock value. This reflection is similar to Participant 9 (insurance providers) who also called for a hybrid approach to DT with a mix of human support and digital technologies in shaping DT within South Africa.

Participant 15 (traditional banking) and Participant 8 (insurance providers) both described alliances as a way to unlock value, with Participant 15 focusing on distribution reach and Participant 8 noting changes in the value chain.

On workforce improvement and job creation, Participant 7 (traditional banking) and Participant 10 (fintechs) both highlighted value benefits, through burn out reduction and employee engagement respectively. Participant 14 (traditional banking), Participant 8 (insurance providers) and Participant 13 (fintechs) extended these reflections to also include job creation.

In terms of how value is defined, Participant 5's (fintechs) reflections stand out, highlighting both traditional and non-traditional metrics. In contrast, traditional banks (Participant 2) and insurance providers (Participant 3) focused on conventional metrics. A further distinction emerged in perspectives on the timing of value realisation: Participant 13 (fintechs) reported a rapid realisation of ROI noting a project that paid for itself in four days, compared to Participant 6 who asserted that it would take time to change sales growth. Together these comparisons highlight that the definition and pace at which value is realised are shaped by a sector-specific contexts.

#### *5.5.1.4 Conclusion of the Analysis of the Evidence on Value Creation being an Outcome of successful SAs in achieving DT?*

In traditional banking, Participants 1 and 2 both emphasised efficiency, revenue growth and infrastructure renewal as value measures, with Participant 14 and Participant 15 introducing job creation and market reach as additional measures, with the sector's value creation narrative largely tied to financial and efficiency gains.

In the Insurance sector, the views of Participants 6 and 9 offered a more nuanced reflection, highlighting that value creation must be inclusive and context sensitive, especially in South Africa. Value creation needs to include the augmentation of human support with digital technologies, at least in the early stages of DT. Participant 8 expanded the notion of value creation within the sector to include contributions to economic development of South Africa. Insurance-fintech partnerships, they explained, generate value through referrals that create reciprocal benefits: fintech's gain access to future engagements, while corporates benefit from value reconfiguration and commercialisation.

Fintechs, and particularly Participant 5, expanded the boundaries of what value creation can mean, by advocating for value creation to be measured in both traditional and non-traditional ways. Returns on infrastructure, returns on resource, returns on investments and improved project management also need to be included as measures of value creation. Participant 13's reflection on the speed at which fintechs can create value was a notable point, highlighting the sectors' ability to deliver rapid returns, such as the project that paid for itself in four days.

The analysis reveals that value creation through SAs in achieving DT is a sector specific theme, shaped by how sectors define, measure and realise value.

## 5.5.2 Research Question 2: Theme 9: Competitiveness

### 5.5.2.1 Evidence of Competitiveness

Table 16:

#### Theme 9 - Competitiveness: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	1	"Competitors actually were on the same platform we were moving to. So, you know, it's almost if you don't move, you're already left behind...So I definitely think that it gave us a competitive advantage."
	2	"Competition will eat your opportunity for breakfast and therefore I think we are incredibly naive in thinking that we're big enough to actually position something, whereas the small guys who are agile are making the differences."
	7	"And then to start to offer them certain things that will complement their business that has a potential of making clients that are not primarily banked with us to primarily banked with us, because sometimes maybe they think that's the only good thing that we have on offer because they don't know anything else that we've got to sell...I think that the theory, the hypothesis that we're working on is that we could convert a lot of non-primary banked customers into primary banked customers."
	14	"Especially when you consider the five big banks in the country. It's also about agility and speed to market, right, because I think we are very big, and agility is one of the aspects that we don't have and that obviously compromises ability to respond to the market or to leapfrog a market in the context of being the first to some sort of solution."
	14	"Access to market, you widen your market so much more if you've got infrastructure as a bank that's able to integrate with APIs across a multitude of players outside of banking across a multitude of capabilities that we don't have as banks. So again, that becomes quite key for me."
	14	"In certain instances you also want to say, well, for the purposes of how I see this particular strategic partner scaling and the benefits we can get from it to lock out competition, how do we buy a specific share and put in specific clauses in there to say, well, we've got X amount equity in here and for as long as we have this equity, you can't partner with another bank as an example."
	15	"In the modern world, platforms are going to be the way of the future. If you don't have your own platform, you're going to be on somebody else's. And if you're on someone else's, then you need to make sure that you use it as effectively as you can and as diligently to get the optimum return for yourself...We want to lead and work with our partners."
	15	"There's an imperative to change and largely driven by extraneous factors. In other words, looking at competitors, looking at fintech disruption, looking at relevance for business models and then going...if we don't adjust and adopt to what's going on around us, we're going to get left behind...then suppliers and vendors will say...we can solve this problem, we can solve that problem and then you're on your way."

<b>Insurance Providers</b>	6	<i>"We knew that the other players in the market were fundamentally ahead of us in terms of services, offerings, ease and all these things. So, we sought to leapfrog...the competitors. We had a look obviously at an opportunity to digitally transform by using internal resources...and we eventually agreed that the best way to do this is to mitigate the risk of cost...and the time factor is then to strategically partner."</i>
	6	<i>"There were new players, so this was informed by two things, competitiveness of the market as well as concentration risk. Those are the two key priorities we sought to deal by going on the digital transformation journey as well as the coming up with strategic partner."</i>
	6	<i>"You can't afford to be out of DT and SAs. I don't know many businesses can afford to be out of being in the game. ...competitiveness means that in this instance where you can get it done through other people, more efficiently, better, you've got to go for it. And so, some of these outcomes, if you look at success of businesses, some of the ones that have been more successful is...really hinged on the ability to be ahead on the digital information."</i>
	8	<i>"The improvement in...how competitive and differentiated we are from our market competitors and that then influences the choices, the criteria utilized for identification and selection of those strategic alliances."</i>
	9	<i>"So, the specific acquisition I've spoken about we've now for 2-3 years running, I've written 30% more new business than our closest competitors."</i>
	9	<i>"We are competing now as financial services organizations more and more with retailers, tech companies, telcos...so therefore you know you actually need to build a digital capability which is where you operate like a Tech financial services business"</i>
	9	<i>"You haven't already done a digital transformation; you're dying a slow death because digital is like evasive into everything. And I think we're moving into the world of artificial intelligence on top of digital transformation, which is just a whole different place of transformation, what we did with digital transformation is we realized again that we're not going to do it on our own...it's actually about becoming like a fintech organization in a large financial services organization."</i>

<b>Fintech's</b>	10	<i>"The clients typically try and what's the word? Some of them know they need to get onto the digital transformation bus. They're not exactly sure maybe where it's going to go, but if they don't start now, you know there's certainly a view that they'll get left behind...The longer you wait to invest in your digital journey, the harder it's going to become...the risky ones are people who do nothing right and or companies that do nothing and say this digital thing is not going to affect us and then when they realise that they have to do something that the cost of catching up to a minimum standard is just very high, you know, so that's sort of the strategy that we see unfold."</i>
	13	<i>"You have brilliant ideas but are worried about the ability to execute ..how you mitigate it now is by using AI a lot more and being able to execute much faster. And it's more around the ability to prompt the AI to give you what you want and understanding how to vet what it delivers, that's giving you the competitive advantage."</i>

Note. Author's Own

### *5.5.2.2 In-Case Analysis of Evidence*

#### **Traditional Banking**

Within traditional banking, competitiveness emerges as an outcome of successful SAs to achieve DT. Participant 1 highlighted how their organisation moved to a platform that was shared with competitors, and the organisation not only kept up with competitors but also gained a competitive advantage. Participant 15 built on this by saying that platform participation, whether by owning it or partnering effectively to utilise it, is essential to remain competitive in the banking industry. Their reflection highlights that organisations that fail to align with future technologies will risk losing relevance and in turn impact their competitiveness in the sector. Participant 2 argued that banks can no longer rely on their size alone to remain competitive because smaller players that are more agile are impacting the sector, thus also supporting the view of Participant 15 of being relevant to remain competitive. Participant 14 extended this by identifying application programming interfaces (APIs) and equity-based collaborations as mechanisms to expand market reach and prevent competitive pressure. Here, Participant 14 advocated for the utilisation of alliance collaborations as a defensive mechanism to prevent competitors from using specific partners. The use of the words “lock out competition” illustrates the participant’s reflection.

Moreover, Participant 7 argued that the use of SAs can unlock offerings that enable organisations to differentiate from competitors, converting non-primary bank customers to primary banked customers within their organisation. The challenge raised by Participant 7 is that customers may not be aware of the full range of products available to them, which could limit engagement and by partnering to offer complimentary products, the organisation can grow its market share and competitive positioning. This aligns with Participant 15’s reflection, who stated that external vendors present solutions to challenges, enabling banks to move forward. In both reflections, SAs are positioned as mechanisms to solve challenges that directly impact bank competitiveness.

#### **Insurance Providers**

Participant 6 highlighted market competitiveness as one of the two key priorities in adopting DT through SAs, with the 2<sup>nd</sup> being concentration risk. This participant framed competitiveness not only as a matter of merely keeping pace with competitors, but also as an opportunity to leapfrog ahead of competitors. Participant 6 further asserted that organisations can no longer afford to operate without DT and SAs if they intend to remain competitive.

Participant 8 added another insight, stating how differentiation and competitiveness influence the criteria used in the selection process of SAs. Competitive positioning within the market, they explained, shapes the formation of alliances.

Participant 9 offered a tangible example, noting how their organisation outperformed its closest competitor by 30% in new business generation, attributing this success to a strategic partnership. This participant also highlighted changes in the competitive landscape, where insurance providers are now competing with non-traditional players like telecommunication organisations, retailers and technology companies. Participant 9 called for insurance providers to shift their digital capabilities from being traditional insurance providers to tech-enabled insurance providers in response to the shift in the competitive landscape. The participants' reflection on modern technologies linked to AI and DT underscores that competitiveness is moving in the direction where DT is no longer optional but a necessity in the insurance sector.

### **Fintechs**

Fintech participants did not explicitly frame competitiveness as an outcome of successful SAs to achieve DT. However, Participant 10 shared an indirect yet insightful reflection of how competitiveness is viewed by their clients. The participant noted that some of their clients acknowledge the need for DT to remain competitive but are not sure how to approach it. The participant also reflected on clients who have no ambition to do DT, and when these organisations eventually realise the necessity, the costs of catching up to a minimum standard have become very high.

Participant 13 created the link between AI and competitive advantage, further highlighting the need for organisations to consider SAs if they desire to remain competitive.

#### *5.5.2.3 Cross-Case Analysis of Evidence*

The cross case reveals that insights across the industry regarding competitiveness are consistent but nuanced at a sector level, with traditional banks focusing on platform strategies and defensive positioning to remain competitive, while insurance providers emphasise leapfrogging competition and changing competitor landscapes. Fintechs on the other hand don't offer direct sector specific insights on competitiveness but rather focus on the importance of the financial industry to acknowledge and respond to DT through SAs to remain relevant and competitive. Participant 1 (traditional banking) noted that moving to a shared platform with competitors enabled their organisation to keep up

with the competitors while also gaining a competitive advantage. This echoed Participant 6's (insurance provider) reflections viewing SAs to leapfrog competitors by utilising them to address internal capability gaps. In this context, traditional banking used SAs to first keep up with their competitors and then gain an advantage, whereas insurance providers used SAs to leapfrog their competitors. Both reflections highlight that competitiveness is not just about differentiation but also relevance in an evolving digital landscape.

Both Participant 2 (traditional banking) and Participant 9 (insurance providers) acknowledged the competitive landscape within the industry is changing. Participant 2 acknowledged that the size of the organisation does not necessarily guarantee competitiveness, pointing to smaller players as disruptors. Participant 9 extended this by highlighting that within the insurance sector competitive threats are not just internal to financial services but now include other industries like telecommunications, retailers and technology companies. This convergence of industries calls for a different approach with the financial sector, and Participant 9 called for more tech-enabled capabilities to remain competitive, which was reinforced by Participant 13 (fintechs), who linked competitive advantage directly to the utilisation of AI. These insights reveal that SAs enable organisations by acting as a lever to address the competitive threats across industries.

Participant 14 (traditional banking) called for utilising SAs as a mechanism to limit competitor access, using equity stakes in partnerships backed by clauses to "lock out competition". This view is similar, but nuanced, compared to Participant 8's reflection in the insurance sector. That participant emphasised that competitiveness influences the selection criteria of alliances. Both participants emphasised the orchestrated use of alliances not just for capability building but also to shape competitive positioning.

Both Participant 7 (traditional banking) and Participant 9 (insurance providers) discussed customer acquisition as a competitive outcome of alliances. Participant 7 reflected on the conversion of non-primary banked customers to primary banked customers and Participant 9 gave a quantified example of their successes, highlighting a 30% increase in new business attributed to a strategic acquisition. Both these reflections highlight tangible outcomes reinforcing the role of SAs in organisational competitiveness.

Participant 10's (fintechs) reflection, while less direct to the sector, highlighted the importance of organisations adopting DT, where delays in timing could result in greater costs. Participant 15 (traditional banking) aligned with this by stating that banks who fail to adopt a platform approach run the risk of irrelevance in a "modern world". Both

perspectives converge of the notion that competitiveness within the industry is not static and is shaped by technological enhancement and DT.

#### *5.5.2.4 Conclusion of the Analysis of the Evidence on Competitiveness being an Outcome of Successful SAs in achieving DT?*

The collective evidence of participants across the sector affirms that competitiveness is a deliberately engineered outcome contingent on how organisations use SAs to achieve DT. Participant 6's reflection of "You can't afford to be out of DT and SAs...competitiveness means that in this instance where you can get it done through other people, more efficiently, better, you've got to go for it." encapsulates this. This reflection underscores the intent required by organisations to remain competitive in the financial sector.

In traditional banking, competitiveness is largely centred around keeping up with the pace of change in the sector, as highlighted by Participants 1 and 15, whereas in the insurance sector, competitiveness, through alliances, is seen as a mechanism to leapfrog competitors, as highlighted by Participant 6.

Participant 2 (traditional banking) reflected that competitiveness is not guaranteed by organisational size and cautioned against underestimating smaller players in the sector. This notable insight reflects the nature of competition in the industry. This was confirmed by Participant 9 (insurance providers) who argued that the competitive landscape is changing to also include non-traditional industries and that organisations need to acknowledge the required changes to be relevant and competitive.

SAs act as a tool to shape organisational competitiveness, as confirmed by Participant 14 (traditional banking) and Participant 8 (insurance providers), highlighting that alliances not only enable capacity building, but also accelerate competitive positioning of organisations. The theme of competitiveness did not feature strongly in participant feedback related to the fintech sector. Participant 13 did however create the link between AI and competitive advantage, competitiveness just by the very nature of the fintech sector is embedded in their business models and is not something that is pursued separately.

SAs enable organisations to be competitive through accessing new capabilities, responding to non-traditional competitors or better positioning themselves in the market. Competitiveness emerges as a theme that needs to be designed when achieving DT,

where the effectiveness of the outcome, through SAs, rests in the organisations who are pursuing it.

### 5.5.3 Research Question 2: Theme 10: Customer Experience

#### 5.5.3.1 Evidence of Customer Experience

Table 17:

Theme 10 - Customer Experience: Evidence

Sectoral Group	Participant	Description of quote
Traditional Banking	1	"But I mean the outcome is really on the customer side, so you know you potentially see more inbound customers from an onboarding perspective for stock broking, but more around better experience and they'll be trading more on the platform. So, it'll be that kind of upside, but I think the customer experience is probably the bigger outcome."
	2	"You quickly start realizing that what we offer and what customer wants...there's an asymmetry between the two, and clients are in many instances involved in life and as the environments that they engage in are evolving, they demand the same amount of transformation from the banks, from the churches, from everybody. There's an underlying expectation that the same amount of change will happen in different environments and banks have been slow to the process."
	14	"The customer experience aspect for me, I think what becomes quite important is to understand I suppose from a financial services perspective, the context of a bank that we need to be solving beyond banking and to solve beyond banking that requires you to integrate with players that play outside of your traditional normal banking space."
	15	"That's why digitalization is such a profound program of change, because it's not about putting a tech wrapper around how the customer engages on your channel, it's about how you service them and how you manage their life cycle, right."
	15	"You know we've now partnering with a business called XXX which is a platform service provider, and they sit alongside our core business. So, our core is processing and settling and moving money...They sit as complementary to augmenting and enhancing the client's experience."
	15	"So, coming at it with a fintech bias and actually really getting into the nub of the problem was where the value was. It wasn't so much in the lending or the book or the underwriting or the risk mitigation, all the stuff that bankers worry about. It was for me really around applicability and relevance in the client's world and the ability to actually unlock that problem statement at the right point in time... So we're solving there digitally."
Insurance Providers	6	"Where customers can now do and perform functions which previously they were to call in about or write an e-mail about ...that I think is certainly moving in the right direction...the ability to go and pull out your own policy because it's needed for something else...so the customer piece...is a positive outcome in the sense that...you made it easy for customer."

	6	<i>"Strategic Alliances reformed, was with companies that would help us...make the life of the client...better."</i>
	8	<i>"So, outcomes are definitely...The key piece is the experience or the value proposition that we're aiming to deliver to the customer and in my eyes...are we delivering the value that we plan to deliver and are we delivering it by making effective use of the process that we put together, so in that process of engineering and executing? The strategic alliance is a key part of it."</i>
	9	<i>"The thing about customer is what you did last year becomes the expectation this year. So we've also seen that when we launched this and the adoption was high, we won international awards for customer experience...we were definitely one of the leader categories in terms of customer satisfaction...but yes, as I've said is the interesting thing is that carries you for about 2-3 years and then customers go like now I'm used to that...what's new. So, we're in that what's new phase now."</i>
	11	<i>"Some of the outcomes is obviously enhanced customer experience...so our success would have been enhanced customer experience, the personalized services through AI driven insights because. AI has allowed us to understand our customer better. It has allowed us to understand what our customer wants and how we provide it quicker, faster, better, cheaper."</i>

<b>Fintech's</b>	5	<i>"The impact on the customer experience, whether the customer experience is internal or external customers or industry wide customers, it doesn't matter, the net effect on those journeys has changed, and that's what we've seen as a majority of our outcomes that those net effects have changed completely."</i>
	10	<i>"Fintech's that have sort of embraced excellence in customer experience is an important area. Excellence in sort of process automation through AI machine learning are quite good. Partners that have got deep capability and sort of onboarding customer verification type stuff is key..."</i>
	12	<i>"Other outcomes would be experience...and our target audience is changing all the time...I'm attracting Gen. Z or Gen. X or whatever the case may be, and they have different things that interest them...they have different needs, different types of products that they need to consume. "</i>

Note. Author's Own

### 5.5.3.2 In-Case Analysis of Evidence

#### **Traditional Banking**

Participants within traditional banking consistently highlight customer experience as an outcome of successfully utilising SAs to achieve DT. Participant 1 highlighted that the processes of onboarding of customers and increased trading activities have shown improvements through SA but cited these as secondary outcomes. The participant asserted that customer experience is the primary outcome when utilising SAs to achieve DT.

Participant 2's reflection on the misalignment between what banks offer and what customers expect, highlights a slowness in responsiveness within the sector. This

participant highlighted that customer expectations are driven by their daily interactions outside of traditional banking. As a result, customers demand the same level of responsiveness from banks as they do from other areas of their lives. This aligned with the views shared by Participant 14, who introduced the notion of “solving beyond banking”, arguing that alliances with non-traditional partners are essential to meet customer needs that extend beyond traditional banking. Participant 15 echoed this, advocating for customer service models that are integrated into customer lives. The same participant further illustrated how partnerships with platform providers have enabled their organisation to align their core business practices with the expected customer experience outcomes. Participant 15 argued that the applicability and relevance of a digital solution should be centred on unlocking value for the customer, with organisational challenges like book growth and risk mitigation considered secondary. This reflection aligned with the views expressed by Participant 1 above.

### **Insurance Providers**

Participant 6 highlighted the shifts from manual to self-service functions as a positive improvement in customer experiences. Participant 8 supported this by stating that SAs act as a mechanism to ensure that the appropriate value is given to customers through the engineering and executing of processes that are aligned with the customer value proposition. Both participants outlined the role that SAs play in embedding customer-centric design into core business practices, closing the gap between customer expectations and service realities.

Participant 9's reflections pointed to changing customer expectations, as they become more accustomed to current technologies, highlighting that customers, over time, tend to expect more from organisations. The reality that organisations need to continuously refresh their understanding of changing customer expectations was pointed out by Participant 9. The importance of customer personalisation, through AI capabilities, was highlighted by Participant 11. Here, the SA introduces intelligent systems that enable the organisation to enhance their understanding of customer needs, allowing the organisation to respond appropriately. Together, these insights reflect that SAs enable organisations to improve their customer experience, by enhancing services and processes that are aligned with customer expectations.

### **Fintechs**

Participant 5 asserted that customer journeys are changing across the industry, both within and beyond organisational boundaries. The effect of SAs is a transformation of

these journeys, with improvements occurring across all touchpoints rather than in isolation.

Participant 10 reinforced this by stating that capabilities linked to customer experience within the fintech sector are not only current but act as a differentiator, making them very attractive to financial sector organisations that are looking to enhance their own DT efforts.

Participant 12 supported this by highlighting the specialised offerings that fintechs can provide, specifically pointing to customer segments such as Gen Z and Gen X. In these cases, SAs enable organisations to deliver tailored customer experiences. Reflections from fintech participants reinforce how customer experience capabilities position this sector not only as technology experts, but also as sought-after partners in SAs aiming to achieving DT.

#### *5.5.3.3 Cross-Case Analysis of Evidence*

Customer experience emerged as a central outcome of successful SAs in achieving DT across all three sectors; however, the nature of this outcome varied, revealing both convergence and divergence in the way customer experience is viewed and operationalised.

A common insight across all sectors is that customer experience is evolving, and that SAs play an instrumental role in helping organisations keep pace with these changes. Participant 2 (traditional banking) and Participant 9 (insurance providers) reflections highlight this, with Participant 2 noting the asymmetry between bank offerings and customer expectation. Participant 2 stated that customer expectations are influenced by their life engagements over and above their banking engagements. This was supported by Participant 9, who emphasised that customer satisfaction is impacted negatively if not continuously refreshed. These responses also aligned with Participant 14 (traditional banking) who called for banks to form alliances with non-traditional partners to solve customer needs that extend beyond banking needs. Participant 12 (fintech's) echoed this, emphasising the need to tailor generational segments as well, such as Gen Z and Gen X, further reinforcing that customer experience is not confined to product or service but more to customers' lived experiences. Together, these insights view customer experience as central in a customer's broader life context.

Participant 6 (insurance providers), while aligned with the importance of customer experience, framed it differently, focusing on customer experiences that shift to self-service as an improvement, with current processes being enabled digitally through SAs to make the customer experiences easier and quicker. This also aligned with Participant 11's (insurance provider) reflections of AI technology being used to personalise and enable faster service delivery.

Participant 15 offered an interesting insight, arguing that digital solutions should be centred on unlocking value for the customer. Operational challenges are considered secondary, while customer experience is viewed as primary to delivering value to the customer.

This is similar to Participant 8's (insurance providers) reflections calling for the alignment of engineering and executing of processes, to the customer value proposition as organisations navigate DT through SAs.

Fintech participants offered a different perspective to traditional banks and insurance providers, highlighting their roles as enablers of customer experience in a DT journey with both Participants 5 and 10 emphasising this in their reflections.

This difference highlights how fintechs, traditional banks and insurance providers can strategically align in achieving DT through alliance relationships. Fintechs see themselves as enablers of customer experience capabilities, while traditional banks and insurance providers see themselves as beneficiaries and integrators of those capabilities. This distinction helps clarify why fintechs are integral to DT strategies, with enhanced customer experience being required.

#### *5.5.3.4 Conclusion of the Analysis of the Evidence on Customer Experience being an Outcome of Successful SAs in achieving DT?*

The evidence across all three sectors positions customer experience as one of the outcomes of successful SAs in achieving DT. However, the way in which customer experience is understood and prioritised differs in each sector. There is an alignment within all sectors that customer expectations are constantly changing, and responding to these changes can be achieved through partnering with SAs.

Traditional banks recognise that delivering customer experience requires moving beyond traditional banking services, where the consideration of lifestyle and contextual

engagements are necessary components of DT. Participants from traditional banking emphasise the need to “solve beyond banking”, advocating for alliances to also include non-traditional bank partners to meet customer expectations.

Insurance providers, while still aligned with customer experience as an outcome, tend to approach customer experience through process enhancement and personalisation. Participants acknowledged the use of intelligent systems and simplification to address any gaps between customer expectations and service delivery.

Fintechs, in contrast to traditional banks and insurance providers, position themselves as enablers of capabilities for customer experience. Fintechs see an opportunity to transform every touchpoint of a customer journey while enhancing the customer experience, making them sought-after partners in achieving DT.

The distinction between fintechs being enablers of customer experience, and traditional banks and insurance providers being consumers of this capability is salient, in that it informs the distinct role a sector can play to enhance customer experience within financial services. SAs serve as a mechanism to embed capabilities required to meet customer expectations, placing partner organisations in better positions to provide a better customer experience when pursuing DT.

## **5.6 Conclusion**

Chapter 5 presented the findings resulting from the analysis of the data collected from 15 participants within the financial sector, as highlighted in Chapter 4. The research findings were structured and presented in accordance with the research questions, highlighting the relevant themes that emerged from the interviews. The findings were further organised and presented to reflect three primary sectoral groupings linked to the participants’ areas of operation. Based on the analysis of the findings, two new themes emerged from the original conceptual framework in Chapter 2. These are Policy, Regulatory and Compliance as well as Customer Experience. An adapted conceptual framework was developed including the two new themes identified, shown in Figure 4 of Section 5.1. It is also noted that several sub-themes emerged from the findings, which are highlighted in Table 18. The sub-themes have been grouped by research question, construct and theme.

**Table 18:**

**Summary of Sub-Themes Grouped by Research Question, Construct and Theme**

Research questions	Constructs	Themes	Sub-themes
Research question 1 (How)	Strategic Alliances	Strategic Partnerships	<ul style="list-style-type: none"> <li>- Strategic fit</li> <li>- Partnership structures</li> <li>- Capability aggregation and co-creation</li> <li>- Mutually beneficial partnerships</li> </ul>
		Innovation through SAs	<ul style="list-style-type: none"> <li>- Enablement of emerging technology (SAs are the source of innovation)</li> <li>- Knowledge transfer of innovative capabilities</li> <li>- Accelerated rate of innovation</li> </ul>
Research question 1.1 (Challenges)	Digital Transformation	Resistance	<ul style="list-style-type: none"> <li>- Fear of job displacement</li> <li>- Misalignment in strategic direction</li> </ul>
		Policy, Regulatory and Compliance (New)	<ul style="list-style-type: none"> <li>- Regulatory conservatism</li> <li>- Internal governance</li> </ul>
		Digital Technology	<ul style="list-style-type: none"> <li>- Legacy systems and technology</li> <li>- Integration complexity</li> </ul>
Research question 1.2 (Enablers)		Change Management	<ul style="list-style-type: none"> <li>- Structured change process</li> <li>- Workforce engagement</li> </ul>
		Organisational Strategy	<ul style="list-style-type: none"> <li>- Leadership commitment and sponsorship</li> <li>- Strategic clarity and alignment</li> <li>- Culture, Mindset and Experimentation</li> </ul>
Research question 2 (Outcomes)	Outcomes	Value Creation	<ul style="list-style-type: none"> <li>- Financial growth</li> <li>- Operational efficiencies and process optimisation</li> </ul>
		Competitiveness	<ul style="list-style-type: none"> <li>- Market relevance and strategic positioning</li> <li>- New markets and market expansion</li> </ul>
		Customer Experience (New)	<ul style="list-style-type: none"> <li>- Customer journey simplification</li> <li>- Customer personalisation</li> </ul>

*Note.* Author's Own

## CHAPTER 6: DISCUSSION OF FINDINGS

### 6.1 Introduction

This chapter presents a discussion of the findings from chapter 5 in relation to the literature discussed in chapter 2. The structure of the chapter mirrors the research question and themes discussed in chapter 5. Each theme identified through the findings in chapter 5 will be discussed and compared to the literature reviewed in chapter 2. Each section begins with a recap of both the findings in chapter 5 and the literature reviewed in chapter 2 for ease of reference. This is followed by a discussion of the findings to the literature, where a conclusion will be provided by theme.

The researcher followed a different approach where potential new themes were identified through the findings in chapter 5. For these new themes a multi-step process was followed to ensure rigour in the findings related to the new themes. This process, while not exhaustive, demonstrates a systematic approach to validating the findings. Each section includes a conclusion that reflects the research question outcomes. And finally, the chapter ends with a revised conceptual framework incorporating any additional differences and changes identified through the comparison of the findings in chapter 5 and the literature in chapter 2.

Chapter 5 included two new themes and eight existing ones. For each theme, a comparison was done between the findings in chapter 5 and literature reviewed in chapter 2. The analysis considers both similarities and differences. If both the findings in chapter 5 and the literature in chapter 2 yielded similar outcomes then the theme was on concluded in that regard. Whenever there was no literature discussed in chapter 2, the researcher adopted a three-step process to search for academic sources that validate whether a difference exists or not. The process adopted is progressive, so if step 1 did not yield any results, the researcher would move on to step 2. If step 1 did yield results then the differences were analysed and discussed, and the theme was concluded. Similarly step 3 was only adopted if step 2 did not yield any results. This systematic approach allows the researcher to validate whether the findings in chapter 5 are already discussed in existing literature or whether these findings offer a potential new contribution.

The three-step process is explained as follows:

*Step 1: Search of articles used in Chapter 2*

Using three articles from Chapter 2, a key word search was performed for the relevant theme to identify if the potential difference was included in the article but was not included in Chapter 2 presenting the literature reviewed.

*Step 2: Search for new articles by scholars identified in Chapter 2*

If no results were yielded from step 1, the researcher moved on to step 2. For step 2, the researcher selected three more articles by the scholars identified in Chapter 2 that were not included in the reviewed literature but related to the research questions. This was done in addition to the three articles selected in step 1. The researcher only used articles published in the last five years. A key word search was done in these three new articles based on the theme and constructs being discussed. Where literature was found through the word searches in the three new articles, the researcher analysed the findings in Chapter 5 to the literature found in the three new articles to assess how the findings compared to the literature.

*Step 3: Search for new article by different scholars on Google Scholar*

If step 1 and step 2 had not yielded any results, the researcher used a targeted approach to identify three new articles, in step 3, via Google Scholar based on the relevant constructs. This was done in addition to the three articles selected in step 1, and the three articles identified in step 2. This search was done in articles not included in Chapter 2 but that have discussed the relevant constructs. The search also focused on articles published within the last five years. Similar to steps 1 and 2, the researcher performed key word searches of the relevant constructs and themes in the three new articles identified via Google Scholar. If no matches were found during this step, the researcher considered this as a potential difference and a potential contribution to existing literature.

Where new literature was identified through the three steps above, these are only discussed in this chapter and included in the reference list.

## **6.2 Research Question 1: How do Organisations Utilise Strategic Alliances (SAs) to Achieve Digital Transformation (DT)?**

### ***6.2.1 Research Question 1: Theme 1: Strategic Partnerships***

#### *6.2.1.1 Recap of Findings on Strategic Partnerships*

The findings indicated that strategic partnering is fundamental in how organisations engage SAs to achieve DT across the three sectoral groupings. While the nature varies across sectors, the intent to unlock capabilities through shared effort and mutual value is consistent. Strategic partnerships through various forms enable organisations to

enhance business models and innovation. The ability to build and progress partnerships hinges on the alignment of organisational goals, partner capabilities and strategic intent.

Strategic fit is reflected in these deliberate alignment efforts, where the progression of partnerships from transactional arrangements to mutually beneficial, co-creating relationships is important.

Within traditional banks, the approach is structured towards strategic partnerships, whereas in insurance providers the shift is more integrative. For fintechs, it is part of their DNA and is less of a strategic choice but more business as usual in nature.

Several sub-themes emerged from the findings, which are highlighted in Table 19. The sub-themes have been grouped by theme.

**Table 19:**

**Recap of Sub-Themes Identified in Section 5.6 - Strategic Partnerships**

Themes	Sub-themes
Strategic Partnerships	<ul style="list-style-type: none"> <li>- Strategic fit</li> <li>- Partnership structures</li> <li>- Capability aggregation and co-creation</li> <li>- Mutually beneficial partnerships</li> </ul>

*Note.* Author's own

*6.2.1.2 Recap of Literature on Strategic Partnerships*

DT can be understood as an acceleration of transformation in business activities aimed at leveraging digital technologies in a strategic way (He et al., 2020). During this transformation process, the purpose of SAs is to capitalise on disruptive new technologies and facilitate innovation to provide new products and services (He et al., 2020). SAs represent a wide array of strategic partnerships, taking on many forms across both interfirm and intersector boundaries (He et al., 2020). SAs are seen to be a voluntary collaborative arrangement between firms to achieve specific objectives that would be difficult to accomplish independently, where these alliances might take the form of full ownership, partnerships among other configurations (He et al., 2020).

Contemporary companies are called to assess their existing strategic partnerships to ensure that they remain relevant in meeting rapidly changing expectations (He et al., 2020). The current theoretical insights from SA research needs to be adapted further to align with the rapid changes brought about by the DT era (He et al., 2020). This

adaptability is important as it implies that conventional SA theories might not adequately reflect the dynamics of digital age alliances.

Strategic partnerships are important when banks are able leverage fintechs to overcome legacy constraints and accelerate innovation (Hornuf et al., 2021). In the drive for innovation, traditional banks should consider strategic fit between themselves and start-up fintechs, prioritising strategic partnerships that have a positive impact on technologies and innovations (Riikkinen & Pihlajamaa, 2022).

New ways of managing strategic alliance relationships are suggested, with SAs not seen as end products or dependent variables but rather defined by mutual goals that determine the functioning of the alliance (Ryan-Charleton et al., 2022). The case study of Nordea Bank by Riikkinen and Pihlajamaa further demonstrates how reaching better fintech collaboration calls for a different approach to SAs (Riikkinen & Pihlajamaa, 2022), where Nordea Bank focused on the different forms of partnerships in the various phases of DT by being clearer about its strategic goals and choosing startups that would work well with it at each iteration (Riikkinen & Pihlajamaa, 2022). These new ways of SAs are crucial and further emphasise the changing modes of partnerships within SAs.

#### *6.2.1.3 Discussion of the Findings with the Literature on Strategic Partnerships*

Both the literature and the findings affirm that strategic partnerships play a role in unlocking capabilities through shared effort and mutual gain. Strategic fit is supported by scholars like Riikkinen and Pihlajamaa, who state that alignment by both traditional banks and fintechs is essential in driving successful DT (Riikkinen & Pihlajamaa, 2022), which is further supported by He et al. (2020), who assert that organisations need to constantly assess their existing partnership relationships for relevance, considering changing expectations. These findings align with the insights in literature that advocate for strategic partnerships to be premised on complementary strengths, long-term strategic intent and operational capability.

Regarding partnership structures, even though not explicitly mentioned in the literature reviewed in Chapter 2, He et al. (2020) do describe SA as taking on various forms, be it interfirm or intersectoral, where these alliances might be constituted through full ownership, partnerships, among other things. Riikkinen and Pihlajamaa (2022) further demonstrate how reaching better fintech collaboration calls for a different approach to SAs, where Nordea Bank focused on the different forms of partnerships in the various phases of DT. The findings in Chapter 5 are similar to this view as the participants

showed that organisations structure partnerships through modular integrations, bi-lateral contracts, structured partnership or equity stakes to achieve DT.

In terms of capability aggregation and co-creation, there is commonality between the literature reviewed and the findings in Chapter 5. The literature positions SAs as an enabler of innovations and delivery of new product and services (He et al., 2020). This, together with the views from Hornuf et al. (2021) who state that fintechs help banks overcome internal legacy challenges, reinforces the idea of capability and co-creation to achieve DT. The views from literature are echoed by participant findings in Chapter 5, where participants described partnerships as a collaborative process, emphasising the importance of co-created relationships. The participants also highlighted that organisations are leveraging partnerships to solve challenges, enhance their business models and accelerate innovation.

The sub-theme of mutually beneficial partnerships is similar in both literature and the findings. Ryan-Charleton et al. (2022) advocate for SAs to be defined by mutual goals that determine the functioning of the alliance, rather than be seen as end products or dependent variables. The findings in Chapter 5 support this as participants called for partnerships to evolve from transactional arrangements to mutually beneficial relationships.

#### *6.2.1.4 Conclusion of the Discussion of Findings for Research Question 1 - Strategic Partnerships*

There are similarities between the literature reviewed in Chapter 2 and the findings on strategic partnerships in Chapter 5. As evident from the discussion above, four sub-themes emerged within strategic partnerships, namely, “strategic fit”, “partnership structures”, “capability aggregation and co-creation” and “mutually beneficial partnerships”.

Strategic fit considers the alignment between organisational needs, partner capabilities and shared strategic intent for successful DT through SAs. Partnership structures within strategic partnerships recognise that SAs can take on many forms and allows organisations to tailor their strategic partnerships to address specific needs. Capability aggregation and co-creation underscore the importance of leveraging SAs to overcome internal constraints and accelerate innovation. Finally, mutually beneficial partnerships can result in evolving partnerships from transactional arrangement to mutually beneficial, co-creating relationships.

There were no noted differences between the findings in Chapter 5 and the literature reviewed in Chapter 2 on strategic partnerships. Therefore, the findings add to the existing body of literature.

In conclusion, organisations are not solely looking for partners for what they can do but moreover for how they can operate together, affirming that the theme of strategic partnerships is critical in organisations looking to utilise SAs to achieve DT.

## **6.2.2 Research Question 1: Theme 2: Innovation through SAs**

### **6.2.2.1 Recap of Findings on Innovation through SAs**

All three groupings within the financial sector differ in their application of utilising SAs; however, there is a common thread in the recognition that SAs do play an integral role in innovating to achieve DT. The findings reveal that the traditional banking sector utilises SAs in digitising processes, accessing and learning from SA expertise, and co-creating of value. Traditional banks, while more structured, still use SAs to implement best-in-class capabilities and explore proofs of concept. They also use SAs to innovate via the acquisition of capability and learnings. In contrast, insurance providers offer a different approach to innovate where SAs are leveraged to respond to market shifts and technology trends. They adopt an adaptive approach where SAs are seen to accelerate delivery and exhibit a focus on experimentation, platform enhancements and strategic direction. Fintech's, through the nature of their operations, adopt a more transformative approach to innovation with SAs. They use SAs dynamically to scale and transform innovations and engage with SAs to access leading technologies and transform innovations.

In all groupings within the financial sector, SAs act as a conduit to innovate either through knowledge transfer, experimentation efforts or catalysts to achieve scale and transformation. The differentiated yet converged use of SAs to innovate affirms SAs' role in driving DT.

Several sub-themes also emerged from the findings, which are highlighted in Table 20. The sub-themes have been grouped by theme.

**Table 20:**

**Recap of Sub-Themes Identified in Section 5.6 - Innovation through SAs**

Themes	Sub-themes
Innovation through SAs	<ul style="list-style-type: none"><li>- Enablement of emerging technology (SAs are the source of innovation)</li><li>- Knowledge transfer of innovative capabilities</li><li>- Accelerated rate of innovation</li></ul>

*Note.* Author's own

*6.2.2.2 Recap of Literature on Innovation through SAs*

Spieth et al. suggest that business model innovation is a multi-layered concept that has significant implications for strategic alliances, emphasising the requirement of connecting company-level innovation with alliance-driven innovation (Spieth et al., 2021). Here, SAs are used to modernise infrastructure and introduce new capabilities where the link is significant as it implies that, both at the alliance and at the individual company level, alliances could be a source of innovation.

Financial institutions are beginning to rely on alliances not just for access but also for learning and capability building. This is reflective in the arguments advanced by He et al. who state that the role of SAs in the context of DT is evolving from replacing resources and breaking into new markets to enabling innovation and maximising technology enhancements (He et al., 2020). While the literature touches on innovation through SAs, the sub-theme of “knowledge transfer of innovative capabilities” highlighted in Table 20 is only partially covered. As such the three-step process in Section 6.1 was followed.

Three step process

**Step 1**

The following three articles were used in the literature reviewed in Chapter 2, where the key word search was conducted: Spieth et al. (2021); He et al. (2020); Barroso and Laborda (2022).

The words used in the word search were: “Knowledge”; “Transfer”; “Innovation”; “Capabilities” “Learning”; “Sharing”; “Exchange”; “Absorptive”; “Diffusion”.

There were several matches in two of the three articles, with Spieth et al. (2021) and He et al. (2020) specifically calling out knowledge transfer of innovative capabilities. In analysing the literature, the researcher found that the discussions in these articles are relevant to the sub-theme of knowledge transfer of innovative capabilities. Spieth et al.

(2021) state that strategic partnerships provide multiple benefits, including controlling cost innovation and accessing resources like knowledge and technology. They further assert that organisations, through alliances, are shifting from cost-driven alliances to knowledge-intensive alliances, where partners are sharing knowledge and learning from each other (Spieth et al., 2021). He et al. (2020) reinforce this by adding that the flow of knowledge between alliances will be much faster if enabled by DT, where the exchange and possession of this knowledge will give organisations a competitive advantage. The views expressed by Spieth et al. and He et al. support the sub-theme of knowledge transfer highlighted in Table 20.

Given that the search provided adequate support for the sub-theme, the researcher did not proceed to step 2.

The urgency for financial institutions to embrace alliances not only for innovation but to remain relevant in a rapidly changing digital environment is emphasised by Barroso and Laborda (2022). They argue that the collaboration between fintechs and banks is one of the key mechanisms for success at a business level in the financial industry (Barroso & Laborda, 2022). They also emphasise that new technologies within the financial industry are now being developed to gain the trust of digitally lead customers, and that banks who are unable to respond to these advancements could be displaced by alternate technological companies providing similar financial services (Barroso & Laborda, 2022).

#### *6.2.2.3 Discussion of the Findings with Literature on Innovation through SAs*

Both the literature in Chapter 2 and the findings in Chapter 5 highlight that SAs play an integral role in achieving DT. All three sector groupings share a similar viewpoint where traditional banks utilise SAs to digitise processes, explore proof of concepts and implement best in class capabilities. Insurance providers leverage SAs to respond to market shifts and technology trends while fintechs use SAs to scale and access leading technologies. This is similar to the literature as Spieth et al. (2021) suggest that business model innovation is a multi-layered concept that has significant implications for strategic alliances, emphasising the requirement of connecting company-level innovation with alliance-driven innovation, positioning alliances as a source of innovation. Both findings and literature have similar insights that SAs are a source of innovation within an alliance.

The sub-theme of knowledge transfer of innovative capabilities, from Table 20, is evident in traditional banking, insurance providers as well as fintechs. Traditional Banks learn from SA expertise, insurance providers through experimentation and platform

enhancements and fintechs engage with SAs to advance capabilities. This is supported by literature, where Spieth et. al emphasise that strategic partnerships offer many benefits including cost control, innovation and access to knowledge and further assert that organisations, through alliances, are shifting from cost-driven alliances to knowledge-intensive alliances, where partners are sharing knowledge and learning from each other (Spieth et al., 2021).

The accelerated rate of innovation as a sub-theme to innovation through SAs is specifically demonstrated in the insurance provider and fintech sectors, where both sectors emphasise innovation through SAs via rapid delivery, enhancement and scaling. This supports the literature by Barroso and Laborda (2022), who note the importance of responding to digitally led customer expectations and the role of fintechs in helping banks to get to this level of innovation, affirming the urgency and acceleration of innovation through SAs.

#### *6.2.2.4 Conclusion of the Discussion of Findings for Research Question 1 - Innovation through SAs*

There are similarities between the literature reviewed in Chapter 2 and the findings in Chapter 5 on innovation through SAs. As evident from the discussion above, three sub-themes emerged within innovation through SAs, namely, “enablement of emerging technology”, “knowledge transfer of innovative capabilities” and the “accelerated rate of innovation”.

Enablement of emerging technology considers how SAs enable organisations to introduce new technologies, infrastructure and drive DT. Knowledge transfer of innovation capabilities underscores the importance of SAs in facilitating learning as well as sharing of information and knowledge when pursuing DT. Finally, SAs allow organisations to respond to market changes, experiment with new ideas, and scale solutions through an accelerated rate of innovation, supporting the fast pace demands of DT.

There were no noted differences between the findings in Chapter 5 and the literature reviewed in Chapter 2 on strategic partnerships. Therefore, the findings add to the existing body of literature.

In conclusion, organisations are not solely looking for partners for resources, but moreover for the ability to innovate, learn and transform together, affirming that the

theme of innovation through SAs is critical in organisations looking to utilise SAs to achieve DT.

### **6.3 Research Question 1.1: What are the Key Challenges Facing Organisations in Utilising SA to Achieve DT?**

#### **6.3.1 Research Question 1.1: Theme 3: Resistance**

##### *6.3.1.1 Recap of Findings on Resistance*

The finding across all three groupings reveal that resistance in pursuit of DT through SAs is a pervasive challenge across traditional banking, insurance providers and fintechs. The viewpoints across sectors regarding resistance vary; however, there are commonalities regarding legacy thinking, internal ascendancy and fear of change, whether in the form of job displacement, loss of control or misalignment with existing norms.

In traditional banking and insurance providers, the resistance is driven by legacy thinking and internal dominance, where SAs are challenged with scepticism or seen as treats to existing norms. The reluctance to learn from external partners was present in responses from both sectors. Fintechs experience resistance when engaging with larger organisations where legacy firms question the intent or relevance of their approaches. This form of resistance is not from within the fintech, but through their interface and engagements with legacy partners. Another commonality between traditional banks and insurance providers is resistance driven by the uncertainty of job security.

“Fear of job displacement” and “misalignment in strategic direction” emerge as key sub-themes, where resistance can be inward focused or outward related from partner organisations. The findings suggest that in achieving DT through SAs, the challenge of resistance needs to be addressed.

Several sub-themes emerged from the findings, which are highlighted in Table 21. The sub-themes have been grouped by theme.

**Table 21:**

**Recap of sub-Themes identified in section 5.6 - Resistance**

Themes	Sub-themes
Resistance	- Fear of job displacement - Misalignment in strategic direction

*Note.* Author's own

*6.3.1.2 Recap of Literature on Resistance*

Furr et al. (2022) discuss the tensions between people versus digital tools, highlighting how organisations struggle to optimally integrate digital tools into their operations. The relationship between humans and the use of the digital tools is often a barrier, where humans resist the use of digital technologies, preferring their own intuition over digital-driven advice (Furr et al., 2022).

Trenerry et al. (2021) introduce a different perspective, stating that the implementation of new technologies tends to impact established structures within an organisation, which results in resistance. When employees perceive DT as leading to job loss, this perception tends to foster negative attitudes and resistance to change (Trenerry et al., 2021). At an organisational level, adequate communication and change management need to be implemented when embarking on a DT journey to minimise the negative impact on employees (Trenerry et al., 2021).

Murinde et al. (2022) offer a different perspective on organisational-level resistance, stating that banks now face the conundrum of either partnering with niche fintech competitors to improve their competitiveness or resisting such partnerships, given that both parties serve different market segments within the industry.

*6.3.1.3 Discussion of the Findings with Literature on Resistance*

Fear of job displacement emerges as a sub-theme with resistance in both the findings from Chapter 5 and the literature in Chapter 2. Within the findings in Chapter 5, all sectors highlighted that resistance to DT through SAs is a result of job security and fear of change. This is echoed by Trenerry et al. (2021) who note that when DT is perceived by employees as leading to job loss, this perception tends to foster negative attitudes and resistance to change. Furr et al. (2022) support this by describing how employees resist technology, preferring their own intuition to digital-driven advice.

The sub-theme of misalignment in strategic direction is another source of resistance according to both the literature and findings. The findings highlight that organisation scepticism towards SA stems from a resistance to learn from external partners as well as challenges in aligning new approaches in achieving DT. This supports the literature from Murinde et al. (2022) who highlight that banks resist partnering with fintechs due to differences in market segments and strategic priorities. Both the literature and findings in Chapter 5 have similar insights, namely that successful DT through SAs not only require technical readiness but also strategic alignment.

#### *6.3.1.4 Conclusion of the Discussion of Findings for Research Question 1.1 - Resistance*

There are similarities between the literature reviewed in Chapter 2 and the findings in Chapter 5 on Resistance. Across both the literature and findings, two sub-themes emerged within Resistance, namely, “fear of job displacement” and the “misalignment in strategic direction”.

Fear of job displacement considers how resistance to DT through SAs is as a result of concerns around job security and fear of change. The literature supports this by highlighting that employees resist DT when they perceive it as a threat to their jobs. The sub-theme of misalignment in strategic direction highlights how scepticism towards SA stems from a resistance to learn from external partners as well as challenges in aligning new approaches in achieving DT. This is similar to the literature which notes that organisational inertia and differing strategic priorities can hinder DT through SAs.

There were no noted differences between the findings in Chapter 5 and the literature reviewed in Chapter 2 on Resistance. Therefore, the findings add to the existing body of literature.

### **6.3.2 Research Question 1.1: Theme 4: Policy, Regulatory and Compliance**

#### *6.3.2.1 Recap of Findings on Policy, Regulatory and Compliance*

All three sectors highlighted the challenges from policy, regulation and compliance required in utilising SAs to achieve DT, with the nature of the challenges varying significantly. Similarities between traditional banking and the insurance provider sectors are the challenges rooted in internal governance structures and risk averse cultures. These institutions create regulations to meet both external mandates but also to pre-empt regulatory scrutiny. Financial governance scrutiny plays a role in the prioritisation of strategic initiatives, and key projects run the risk of being deprioritised because of

organisational requirements slowing down digital transformation. Repeated submissions to governance forums and the emphasis on red tape and procurement hurdles are common in both traditional banking and insurance providers. In the insurance and banking sector, high regulatory and prudential standards are required. The prolonged approval cycles and heightened regulatory requirements are consistent across traditional banking and the insurance sector.

Fintechs however experience very few internal governance challenges, but they do face external barriers when engaging with traditional partners, where extensive documentation to support regulatory and compliance burdens are required, which can slow down the transformation efforts.

Traditional banking and insurance providers exhibit similar challenges in the form of internal governance, fear of regulatory reprimand and rigid compliance standards. Fintechs experience very few internal policy, regulatory and compliance burdens; however, their SA potential is hindered by onerous requirements imposed by partner organisations in pursuit of DT.

The findings across sectors reflect that while the need for policy, regulatory and compliance is recognised as essential for organisational and customer protection, it often acts as an inhibitor of utilising SAs to achieve DT.

Several sub-themes have emerged from the findings, which are highlighted in Table 22. The sub-themes have been grouped by theme.

**Table 22:**  
**Recap of Sub-Themes Identified in Section 5.6 - Policy, Regulatory and Compliance**

Themes	Sub-themes
Policy, Regulatory and Compliance	- Regulatory conservatism
	- Internal governance

*Note.* Author's own

### 6.3.2.2 Recap of Literature on Policy, Regulatory and Compliance

The theme of policy, regulatory and compliance was not considered in the literature reviewed in Chapter 2 at this stage, resulting in the three-step process, discussed in

Section 6.1, being adopted. The researcher used the main theme and key sub-themes identified in Section 6.2.2.1 as a guide to conduct the word search.

### Three step process

#### **Step 1**

The following three articles were used in the literature reviewed in Chapter 2, where the key word search was conducted: Murinde et al. (2022); Furr et al. (2022); Hornuf et al. (2021).

The words used in the word search to search for Policy, Regulatory and Compliance were: “policy”; “regulations”; “compliance”; “risk”; “mandates”; “approval”; “procurement”; “scrutiny”; “controls”; “governance”; “structure”; “organisational”; “institutional”; “fintech”. There were several matches of the key words in all three articles. Upon analysing the literature, the researcher found that the articles adequately cover the main theme of Policy, Regulatory and Compliance, and the sub-themes of “Regulatory conservatism” and “Internal Governance” in the context of DT through SAs.

Murinde et al. (2022) highlight that within the world of commerce, banks are one of the most heavily regulated industries. The heavy regulations limit a bank’s ability to innovate, where regulators introduce stringent customer protection and market stability measures, creating conflicts between bank goals, leading to high costs and limited incentives to innovation (Murinde et al., 2022). They also state that the financial crisis from 2007 to 2017 resulted in the need for regulators to enforce more regulatory requirements, and over the years banks have incurred significant penalties for non-compliance (Murinde et al., 2022). This has made regulatory compliance one of the top priorities of the financial sector (Murinde et al., 2022). Furr et al. (2022) echo this by discussing how regulatory frameworks act as a counter force to DT, especially in platforms and ecosystems that operate across borders (Furr et al., 2022), further reinforcing the negative impact of regulatory conservatism on DT through SAs.

The sub-theme of internal governance is covered by Hornuf et al. (2021), who discuss how multiple stakeholders need to be convinced of the rationale of organisational change when adopting new technologies within banking. This is a result of the extensive regulatory burdens placed on banks within the financial sector (Hornuf et al., 2021). The authors state that banks will need to reorganise their inherent organisational complexity if they are to improve their digital service offerings to customers (Hornuf et al., 2021).

Murinde et al (2022) add to this by saying that a bank's institutional logic is the one of the biggest hindrances in achieving DT, where a bank's legacy processes often lead to siloed approaches in navigating DT and delays in responding to customer demands (Murinde et al., 2022).

Specifically, in a fintech context, Murinde et al. (2022) argue that policymakers should ensure a level playing field for all groups within the financial sector, introducing policies that promote opportunities for both banks and fintechs. Murinde et al. (2022) also assert that fintechs cannot replace banks and should coexist with them, finding ways to partner to overcome regulatory hurdles.

The search provided adequate support for the sub-themes within both the traditional banking and insurance provider sectors. Even though the fintech sector is not directly impacted by internal governance and bank regulations, Murinder et al. (2022) demonstrate that the bank fintech partnerships are necessary within the financial sector, and that regulatory policies and compliance, even though indirect to the fintech operations, do have an impact on the fintechs' ability to operate and innovate within the financial sector (Murinde et al., 2022).

Given that the search provided adequate support for the sub-theme, the researcher did not proceed to step 2.

#### *6.3.2.3 Discussion of the Findings with the Literature on Policy, Regulatory and Compliance*

In terms of Policy, Regulatory and Compliance, both the literature and the findings converge on this sub-theme of regulatory conservatism being a challenge faced by organisations looking to achieve DT through SAs. The findings reveal that traditional banking and insurance providers exhibit similar challenges in the form of internal governance, regulatory requirements and rigid compliance standards. This is echoed by Murinde et al. who state that the heavy regulations imposed by regulators on banks limit their ability to innovate, creating conflicts between bank goals, leading to high costs and limited incentives to innovation (Murinde et al., 2022). Furr et al. (2022) support this by adding how regulatory frameworks act as a counterforce to DT, especially in platforms and ecosystems that operate across borders, further reinforcing the negative impact of regulatory conservatism on DT through SAs.

Fintechs experience very little internal policy, regulatory and compliance burdens; however, their SA potential is hindered by onerous requirements imposed by partner organisations in pursuit of DT. This is similar to views by Murinde et al. (2022) who acknowledge this distinction by stating that fintechs cannot replace banks but must find a way to co-exist with them to overcome regulatory burdens. The sector distinction is important when considering regulatory conservatism within the financial sector, as it highlights how regulatory conservatism is experienced, managed and overcome differently by the three sectors.

The sub-theme of internal governance is another challenge faced by organisations looking to achieve DT through SAs. This sub-theme focuses on the complex structures and compliance processes embedded in traditional banking and the insurance provider sectors that slow down the progress of DT through SAs. Hornuf et al. (2021) echo this by discussing how multiple stakeholders need to be convinced of the rationale of organisational change when adopting new technologies within banking, which is because of the extensive regulatory burdens placed on banks within the financial sector. Murinde et al. (2022) further state that a bank's institutional logic is the one of the biggest hindrances in achieving DT, as bank legacy processes often lead to siloed approaches in navigating DT and delays in responding to customer demands (Murinde et al., 2022).

Fintechs, like the discussion of the sub-theme of regulatory conservatism above, don't experience stringent internal governance within their organisation but rather contend with the governance and compliance burdens of partners when trying to engage with them. This is similar to the views by Murinde et al. (2022) in the discussion on the sub-theme of regulatory conservatism above. Again, the sector distinction is important when considering internal governance within the financial sector, as it highlights how internal governance is experienced, managed and overcome differently by the three sectors.

#### *6.3.2.4 Conclusion of the Discussion of Findings for Research Question 1.1 - Policy, Regulatory and Compliance*

There are similarities between the literature reviewed in Chapter 2 and the findings in Chapter 5 on Policy, Regulatory and Compliance. As evident from the discussion above, two sub-themes emerged within Policy, Regulatory and Compliance, namely, "regulatory conservatism" and "internal governance".

Regulatory conservatism refers to the posture adopted by traditional banks and insurance providers in response to the stringent external regulatory requirements

enforced on the sectors by the financial sector regulators. This is not just about following the rules proposed by the regulators, but also about the organisations' efforts to prioritise compliance and regulatory efforts above DT initiatives to prevent unnecessary penalties and regulatory consequences. Fintechs in this instance don't experience the direct impact of the financial sector regulatory burdens but experience it indirectly through their partnership engagements with partner organisations. The sector-specific distinction is important when considering regulatory conservatism within the financial sector, as it highlights how regulatory conservatism is experienced, managed and overcome differently by the three sectors. Within banks and insurance providers it is an internal inhibitor, whereas within fintechs, it is an external partnership driven challenge. This is similar to the literature reviewed, including the applicability of the sector distinction within the financial sector.

The sub-theme of internal governance is also another challenge faced by organisations looking to achieve DT through SAs. This sub-theme focuses on the complex structures and compliance processes embedded in traditional banking and the insurance provider sectors that slow down the progress of DT through SAs. Again, a sector distinction emerges, where fintechs don't experience the direct impact of internal governance but experience it indirectly through their partnership engagements with partner organisations. This is similar to the literature reviewed, including the applicability of the sector distinction within the financial sector.

There were no noted differences between the findings in Chapter 5 and the literature reviewed on Policy, Regulatory and Compliance above; therefore, the findings add to the existing body of literature. The observed distinction identified between the sectors of traditional banking and insurance providers to fintechs is evident, and as such it is potentially included as an extension of the sub-theme in the revised conceptual framework at the end of the chapter.

In conclusion, organisations seeking to successfully achieve DT through SAs not only require digital enhancements but also require a proactive approach to addressing sector-specific policy, regulatory and compliance demands.

### **6.3.3 Research Question 1.1: Theme 5: Digital Technology**

#### **6.3.3.1 Recap of Findings on Digital Technology**

A common thread around legacy technology challenges emerges as a constraint across all three sectors. Traditional banking and insurance providers acknowledge the outdated

nature of their systems, highlighting the need to accelerate modernisation for DT. Legacy systems are linked to dated business and workforce practices, emphasising that DT through SAs require reconfigurations at a technical and internal processes level.

When digital technology is not fully understood, it emerges as a challenge when utilising SAs to achieve DT. Organisational inertia, especially with the link between legacy systems and organisational practices, add to this challenge. While traditional banking and insurance providers focus on internal constraints linked to digital technology and process, fintechs face external challenges, particularly around staff retention and sustained expertise related to integration complexity. Fintechs emphasise that when employees with specialist digital technology insights and expertise are sought after by external companies requiring specialist skills, it creates undue pressure on fintechs to fulfil their roles in an SA.

Partnerships are seen to be a bridge between legacy systems and modern cloud-based, modular platforms, where the existing technology stacks within organisations can be either an enabler or an inhibitor to DT efforts. SAs need to be structured to sector-specific conditions when faced with the challenge of digital technology, where alliances need to consider legacy entrenchment and integration readiness when pursuing DT.

Several sub-themes emerged from the findings, which are highlighted in Table 23. The sub-themes have been grouped by theme.

**Table 23:**

**Recap of Sub-Themes Identified in Section 5.6 - Digital Technology**

Themes	Sub-themes
Digital Technology	- Legacy systems and technology
	- Integration complexity

*Note.* Author's own

**6.3.3.2 Recap of Literature on Digital Technology**

According to Furr et al., (2022, p.597), companies that are not “born digital” tend to have legacy operations that prevent them from adapting to change. The challenge for organisations is defining what DT means within the context of their current operations, and determining the change required to achieve it (Furr et al., 2022). This leads to a further challenge of coping with the various digital technologies underpinning DT with organisations constantly needing to keep pace with evolving technologies like AI and

cloud computing, each with its own requirements (Furr et al., 2022). This makes it very difficult for organisations to formulate strategies that are stable and consistent over time (Furr et al., 2022).

Additionally, Murinde et al. (2022) assert that one of the biggest challenges faced by banks is their legacy: much of their technology and infrastructure was designed when cash, cheques and paper-based processes were part of the normal course of business. Consequently, banks have addressed customer needs over the years by adding new products, resulting in a siloed product infrastructure that hinders integration (Murinde et al., 2022). The pace at which digital technologies have advanced has influenced the need for banks to partner with fintechs to address the gaps between legacy challenges and their current digital demands (Murinde et al., 2022)

The definition of DT can take on different meanings within different industries and firms, where Furr et al. (2022) argue that DT is a strategic choice shaped by an organisation's capabilities and goals and that companies need to navigate certain tensions at the core of achieving DT. Within the context of DT and SAs, Furr et al. (2022) particularly emphasise the tension between firms versus ecosystems.

Furr et al. (2022) describe an ecosystem as a set of complements and elements that create value, which affects the technology, allocation of resources and strategies that an organisation can implement (Furr et al., 2022), adding to the integration complexity that organisations need to navigate in achieving DT. According to Murinde et al. (2022), fintechs contribute to the financial sector ecosystem, as banks can leverage their capabilities in the provision of digital financial services. This insight reinforces the role of SAs in addressing digital technology gaps within the financial sector.

The sector-specific distinction highlighted in 6.2.3.1 of staff retention in the fintech sector is not specifically covered in the reviewed literature; however Murinde et al. (2022) highlight the critical role fintechs play in the financial sector ecosystem. As such, the 3-step process was applied to consider the sector-specific distinction related to employee retention challenges in the fintech sector as it relates to the demand for specialist expertise required in addressing digital technology challenges.

### Three step process

#### **Step 1**

The following three articles were used in the literature reviewed in Chapter 2, where the key word search was conducted: Trenerry et al. (2021); Murinde et al. (2022); Hornuf et al. (2021).

The words used in the word search to search for Digital Technology specifically to address the fintech distinction on the demand for specialist expertise and retention of staff were: “fintech”; “integration”; “talent”; “retention”; “expertise”; “skills”; “workforce”; “recruitment”; “capability”; “employee”; “structure”.

There were several matches in two of the three articles, with Trenerry et al. (2021) and Murinde et al. (2022) specifically calling out the challenge of retention of expert staff as a contributor to effective DT through SAs.

In analysing the literature, the researcher found that the discussions in these articles are relevant to the sub-theme of integration complexity, with a specific focus on staff retention being a challenge organisations face, specifically fintechs, when specialised expertise is required to deliver DT through SAs.

Specifically in a fintech context, Murinde et al. (2022) argue that, due to their legacy systems and traditional structures, banks often lack in-house talent and look to acquire fintechs to access their talent pools and innovative culture (Murinde et al., 2022). Murinde et al. (2022) further argue that banks are shifting from the traditional brick and mortar models to online models, where highly specialised human capital plays a vital role. This is supported by Trenerry et al. (2021) who state that competition for skilled resources is often flagged as a challenge in industries where DT is relevant, and in this way DT is not only about technology but also needs to consider employee factors. The authors further assert that DT is creating expanded roles for workforce professionals where priority for organisations needs to include among others, retention of staff in highly skilled work environments (Trenerry et al., 2021), highlighting the increased demand for specialised expertise and the need for companies to mitigate this challenge through retention efforts.

Together, the literature from Murinde et al. (2022) and Trenerry et al. (2021) provides adequate support for the sub-theme, specifically the distinction of increased demand of specialised expertise where retention of staff is seen as a digital technology challenge in the fintech sector. As such, the researcher did not proceed to step 2.

### *6.3.3.3 Discussion of the Findings with the Literature on Digital technology*

In terms of the sub-theme of legacy systems and technology, the findings reveal that legacy technology challenges are a pervasive constraint within the financial sector. Traditional banking and insurance providers acknowledge the outdated nature of their systems, highlighting the need to accelerate modernisation for DT. Legacy systems are linked to dated business and workforce practices, emphasising that DT through SAs require reconfigurations at a technical and internal processes level. These legacy constraints contribute to organisational inertia and complicate DT. This is similar to the literature, which indicates that companies that are not “born digital” (Furr et al., 2022, p.597), and tend to have legacy operations that prevent them from adapting to change (Furr et al., 2022). They emphasise difficulty that organisations face, in first defining DT within the context of their current operations and then keeping pace with evolving technologies (Furr et al., 2022). This is supported by Murinde et al. (2022) who assert that a bank’s legacy technology and infrastructure was designed when cash, cheques and paper-based processes were part of the normal course of business, further emphasising that legacy systems and technology are major challenges when navigating DT.

The sub-theme of integration complexity is also highlighted by the finding as a challenge faced by organisations when pursuing DT. The finding highlights that when digital technology is not fully understood, it emerges as a challenge when utilising SAs to achieve DT. Organisational inertia, especially regarding the link between legacy systems and organisational practices, adds to this challenge. This is similar to the literature reviewed, with Furr et al. introducing integration complexity through the lens of strategic choice, where organisations need to navigate the tension of firms vs ecosystems in their pursuit of DT (Furr et al., 2022). The integration complexity is heightened because of these tensions, as organisations choosing ecosystems would need to consider changes in value creation, technology choices and resource allocations (Furr et al., 2022). Murinde et al. (2022) show how banks’ siloed approach to product infrastructure adds to the integration challenges, and how fintechs can act as bridge to mitigate these gaps (Murinde et al., 2022).

The findings state that fintechs face challenges regarding staff retention and sustained expertise when it comes to integration complexity. Fintechs emphasise that when employees with specialist digital technology insights and expertise are sought after by external companies requiring specialist skills, it creates undue pressure on fintechs to fulfil their roles in an SA. This is similar to the literature that recognises that the demand

for specialist expertise is rapidly increasing in the industry as organisations accelerate their DT efforts, and since fintechs possess much of the specialist expertise, they are highly attractive to banks who seek this expertise to bridge their own gaps (Murinde et al., 2022; Trenerry et al., 2021). Competition for skilled resources is often flagged as a challenge in industries where DT is relevant (Trenerry et al., 2021), and in this way DT is not only about technology but also needs to consider employee factors.

#### *6.3.3.4 Conclusion of the Discussion of Findings for Research Question 1.1 – Digital Technology*

There are similarities between the literature reviewed in Chapter 2 and the findings in Chapter 5 on Digital Technology. As evident from the discussion above, two sub-themes emerged within Digital Technology, namely, “legacy systems and technology” and “integration complexity”.

Legacy systems and technology refer to the outdated nature of organisations’ systems, where these legacy systems are linked to dated business and workforce practices, emphasising that DT through SAs requires reconfigurations at the technical and internal process levels. Partnerships are seen to be a bridge between legacy systems and modern technologies, with existing technology stacks within organisations acting as either enablers or inhibitors of DT efforts. These perspectives underscore the difficulty of achieving DT while managing legacy technology. This aligns with the literature reviewed by both Furr et al. (2022) and Murinde et al. (2022), who highlight the challenges faced by organisations due to legacy systems and siloed infrastructure, as well as the role of SAs in mitigating these digital technology gaps within the financial sector.

The sub-theme of integration complexity is another challenge organisations face to achieve DT through SAs, especially when DT is not fully understood. This sub-theme focuses on organisational inertia, especially where the link between legacy systems and organisational practices creates a challenge in aligning new technologies with existing operations. Integration complexity through the lens of strategic choice is a key consideration, as organisations need to navigate the tension of firms vs ecosystems in their pursuit of DT (Furr et al., 2022). This integration complexity is heightened as organisations choosing ecosystems would need to consider changes in value creation, technology choices and resource allocations (Furr et al., 2022). Fintechs who are often seen as enablers in DT face the challenge of retention of skilled expertise, as a result of the high demand of technology skills, placing fintechs under pressure as their skilled staff are sought after by other organisations, making it difficult for fintechs to navigate

integration complexity and DT. This is supported by Trener et al. (2021) and Murinde et al. (2022), who emphasise the high demand for specialist expertise within the industry, specifically within fintechs. This sector distinction to integration complexity is important, where fintechs through the loss of skilled expertise are unable to fulfil their SA objectives in the pursuit of DT.

There were no noted differences between the findings in Chapter 5 and the literature reviewed on Digital technology above; therefore, the findings add to the existing body of literature. The distinction identified between the sectors of traditional banking and insurance providers to fintechs is evident, and as such it is included as an extension of the sub-theme in the revised conceptual framework at the end of the chapter.

In conclusion, the alignment between the literature and findings confirm that digital technology presents a challenge in achieving DT through SAs. Together, the sub-themes of legacy technology and infrastructure, combined with integration complexity form the main areas where digital technology challenges stem from. These challenges involve a sector-specific focus: for traditional banks and insurance providers it remains internal to the organisation and in fintechs it is external, reinforcing the need to tailor sector-specific responses that address the challenges faced through digital technology within the financial sector.

## **6.4 Research Question 1.2: What are the Critical Enablers in Utilising SAs to Achieve DT?**

### **6.4.1 Research Question 1.2: Theme 6: Change Management**

#### *6.4.1.1 Recap of Findings on Change Management*

The findings highlight that change management is a critical enabler of DT through SAs. It equips organisations to align internal efforts with external partners for digital transformation, whether through employee engagement or change management processes that allow for quicker decision making or responsiveness to the competitive environment.

SAs introduce new technologies, operating models, and stakeholder relationships, and through effective change management, organisations can absorb these shifts. Organisations that embed change management as part of their DT journey are better positioned to leverage the benefits SAs bring.

Effective change management can also mitigate the impact of resistance, whether through employees fearing job loss or leadership transitions and handovers.

Several sub-themes have emerged from the findings, which are highlighted in Table 24. The sub-themes have been grouped by theme.

**Table 24:**

**Recap of Sub-Themes Identified in Section 5.6 - Change Management**

Themes	Sub-themes
Change Management	- Structured change process
	- Workforce engagement

*Note.* Author's own

*6.4.1.2 Recap of Literature on Change Management*

Bellantuono et al. (2021) describe change management as a structured process that helps organisations move from its current state to its future desired state, involving the updating of organisational direction, structure and capabilities to meet the needs of internal and external customers. The authors recommend a phased approach of change management in the pursuit of DT, suggesting that organisations need to first align their operating model to their digital strategy by understanding how value is created and by whom (Bellantuono et al., 2021). The organisation then needs to identify a set of capabilities that enable it to meet its digital ambition, followed by a capability map to determine the requirements (Bellantuono et al., 2021). Finally, once the capability map has been finalised, organisations need to source the capabilities either internally, or externally through partnering to access capabilities or outsourcing capabilities (Bellantuono et al., 2021). They also state that the process needs to include the tools and mechanisms to support people through the change (Bellantuono et al., 2021). This reinforces the link between SAs and DT, where effective change management is seen to be an enabler.

Siachou et al. (2021) add another step to this, highlighting that once organisations have determined their specific relationships, they need to be able to consume the technological knowledge from their partners, with the success of change being dependent on this.

Effective change management is also cited by Bellantuono et al. as a way to mitigate the risk of resistance to change, where effective communication of digital vision and strategy are included as part of the transition of people involved.

#### *6.4.1.3 Discussion of the Findings with the Literature on Change Management*

The sub-theme of a structured change process as an enabler to DT through SAs is evident in both the literature and findings. The findings confirm that change management is a critical enabler of DT through SAs that equips organisations to align internal efforts with external partners for digital transformation, whether through employee engagement or change management processes that allow for quicker decision making or responsiveness to the competitive environment. This is aligned with the views of Bellantuono et al. (2021) who describe change management as a structured process that helps organisations move from its current state to its future desired state, involving the updating of organisational direction, and structure and capabilities to meet the needs of internal and external customers.

The findings also highlight that SAs introduce new technologies, operating models, and stakeholder relationships, and through effective change management, organisations can absorb these shifts. This is supported by Siachou et al. (2021) who add that once organisations have determined their specific relationships, they need to be able to absorb the technological knowledge from their partners, with the success of change being dependent on this.

In terms of the sub-theme of workforce engagement, the findings emphasise that effective change management can also mitigate the impact of resistance, whether through employees fearing job loss or leadership transitions, reinforcing the critical role of effective change management, not only as an enabler of transformation but also as a safeguard against internal resistance. This is similar to the literature reviewed, where Bellantuono et al. (2021) discuss the link between mitigating the risk of resistance and change management, with effective change management included as part of the transition of people involved. They also state that the process needs to include the tools and mechanisms to support people through the change (Bellantuono et al., 2021). This reinforces the link between SAs and DT, where effective change management is seen to be an enabler through an effective change process together with tools to support people through the change.

Even though there is alignment on the overall sub-theme of workforce engagement between the literature and the findings, it is important to note that the findings introduce

a nuance that is not explicitly covered in the literature. The literature refers to workforce engagement as a general concept highlighting the support of “people” through the change process. The findings on the other hand expand the workforce engagement to include “employees” and “leaderships transitions and handovers”, highlighting that successful change management must address both ends of the organisational hierarchy.

#### *6.4.1.4 Conclusion of the Discussion of Findings for Research Question 1.2 – Change Management*

The discussion highlights that change management is a critical enabler of DT through SAs, with a strong alignment between the literature and the findings across the sub-themes of a “structured change process” and “workforce engagement”.

A structured change management process refers to a deliberate, phased approach that enables an organisation to transition from its current state to its desired state, that involves the alignment of an organisation’s operating model to its digital strategy, identifying gaps, mapping capabilities and sourcing resources either internally or externally, through SAs, to close those gaps. A structured change management process allows organisations to absorb the shifts that SAs introduce, such as new technologies, operating models, and stakeholder relationships.

This is similar to the literature reviewed by both Bellantuono et al. (2021) and Siachou et al. (2021), who highlight that a structured change process and an organisation’s ability to absorb these changes are key enablers of DT through SAs. There were no noted differences between the findings in Chapter 5 and the literature reviewed on change management above; therefore, the findings add to the existing body of literature.

Workforce engagement encompasses the support of people through a change process (Bellantuono et al., 2021), where the literature emphasises the importance of tools and mechanisms to support those involved to help mitigate the risk of resistance. The findings echo these views; however, provide a nuance to workforce engagement, where the findings address people with the lens of both an employee and leadership. While employees may resist change if not proactively managed, leadership transitions and handovers also pose a risk to change management when looking to achieve DT. This expanded view highlights that change management linked to workforce engagement needs to encompass all levels of the organisation to safeguard against resistance and ensure effective DT. This finding is therefore considered a nuanced difference between

the findings and the literature, and is viewed as a potential refinement to the literature. It is included as an extension of the sub-theme in the revised conceptual framework.

#### **6.4.2 Research Question 1.2: Theme 7: Organisational Strategy**

##### *6.4.2.1 Recap of Findings on Organisational Strategy*

The findings across all three sectors highlight that organisational strategy is a foundational enabler of DT through SAs, and while sector distinctions exist, there is a common emphasis placed on leadership commitment and support, culture alignment and strategic clarity.

Both traditional banking and insurance providers embed their DT strategies structurally, using their Boards and executive committees to cascade the vision of the organisation wider, while fintechs often centre their approach around individuals like CEOs or internal champions.

Sectors also call for a growth and experimental mindset, encouraging testing and learning while still acknowledging the possibility of failure in pursuit of DT.

Additionally, organisational strategy is positioned to mitigate employee resistance, underscoring that a clearly defined and communicated strategy by leadership can reduce fear of change. Organisational strategy also defines how SAs are selected and participants across sectors highlight the alignment required in addressing organisational challenges and future aspirations.

Based on the findings across the financial sector, organisational strategy is a critical enabler of DT through SAs.

Several sub-themes have emerged from the findings, which are highlighted in Table 25. The sub-themes have been grouped by theme.

**Table 25:**

**Recap of Sub-Themes Identified in Section 5.6 - Organisational Strategy**

Themes	Sub-themes
Organisational Strategy	- Leadership commitment and sponsorship
	- Strategic clarity and alignment
	- Culture, Mindset and Experimentation

*Note.* Author's own

#### *6.4.2.2 Recap of Literature on Organisational Strategy*

According to Hanelt et al. (2020, p.1166), “organisational strategy” is part of a broader set of “organisational characteristics” that informs how a company responds to DT. In the context of DT, they explain that the organisational strategy is shaped by the organisation’s history, resources, processes, values and culture (Hanelt et al., 2020). Part of the organisational strategy also encompasses a digital business strategy that involves both business and technology considerations (Hanelt et al., 2020). On a strategic level, it involves attracting new talent and fostering a digital mindset within the organisation, whereas on an operational level it includes the use of digital capabilities (Hanelt et al., 2020). The authors emphasise how organisations need to adopt flexible structures as part of their organisational strategies, to collaborate better with partners in digital ecosystems, which directly links organisational strategy to formation of SAs (Hanelt et al., 2020).

Organisational strategy is increasingly shaped by stakeholder engagements, with balancing the interests of shareholders, employees, customers and partners becoming important in delivering DT (He et al., 2020; Verhoef et al. 2021). In doing so, organisations need to have a better understanding of the internal and external factors that would moderate the impact of DT (Verhoef et al., 2021). Internal considerations like board composition, firm size, and firm age, and external considerations like competitive landscape and technology advancements reflect a wider reach of organisational strategy (Verhoef et al., 2021).

Leadership insights and skills regarding DT are highlighted by Hanelt et al. (2020) as key attributes to effect DT within an organisation. The authors assert that leaders need to adapt their skill sets to include three important skills when navigating DT: “DT awareness, DT acceleration and DT harmonization” (Hanelt et al., 2020, p.1186). They also explain DT awareness as the ability to remain aware of ongoing changes by understanding data and technology trends (Hanelt et al., 2020). DT acceleration skills involve quick responses to market changes, experimental mindsets, and investment decisions where resource is required (Hanelt et al., 2020). Lastly, DT harmonization involves the skill to integrate new technologies into existing operations, balancing physical and digital aspects while adapting the organisational culture to the change required (Hanelt et al., 2020). This is supported by insights from AlNuaimi et al. (2022) who through their study show a positive impact of transformational leadership to DT demands.

#### *6.4.2.3 Discussion of the Findings with the Literature on Organisational Strategy*

The sub-theme of leadership commitment and sponsorship is consistently emphasised across the literature and the findings. The findings reveal that both traditional banking and insurance providers embed their DT strategies structurally, using their Boards and executive committees to cascade the vision of the organisation wider, whereas fintechs often centre their approach around strategically aligned individuals like CEOs or internal champions. This aligns with Hanelt et al. (2020) who highlight the role of leadership in developing DT, where leaders need to possess specific capabilities, namely DT awareness, DT acceleration and DT harmonisation. AlNuaimi et al. (2022) further support this by emphasising the positive impact transformational leadership has on DT. The literature does not specifically call out the structural difference at sector level, but the findings do align with the literature around the importance of leadership commitment and sponsorships.

Strategic clarity and alignment are highlighted in the findings as essential to mitigate employee resistance, while guiding SA selection to ensure alignment in addressing organisational challenges and future aspirations. This is similar to the literature reviewed, noting that organisational strategy is influenced by history, resources, processes, values and culture and must balance internal and external factors such as board composition and the competitive landscape (Hanelt et al., 2020; Verhoef et al., 2021). Hanelt et al. (2020) also emphasise that organisational structures that are flexible allow for better collaboration with partners in digital ecosystems, which directly links organisational strategy to the formation of SAs. This is reinforced by Hanelt et al. (2020), who discussed the leadership skills necessary to achieve DT, in particular DT harmonisation, where focusing on integrating new technologies with existing operations and adapting organisational culture are seen as an approach that addresses resistance by balancing physical with digital aspects. Both the finding and the literature converge on the importance of strategic clarity and alignment in navigating DT through the use of SAs.

The findings highlight the need for an organisational growth and experimental mindset, while encouraging testing and learning and still acknowledging the possibility of failure, reinforcing a shift in mindset and culture to achieve DT. This is similar to the literature, where Hanelt et al. (2020) explain that the organisational strategy is shaped by values and culture, among other things. They also introduce DT acceleration skills which involve quick responses to market changes, experimental mindsets, and investment decisions where resources are required (Hanelt et al., 2020). Even though the sub-theme is aligned with literature at an overall level, there is a nuance of difference identified within the sub-

theme of culture, mindset and experimentation, which is not explicit in the literature but is in the findings. This is the need for organisations to adopt failure tolerance within its mindset and culture.

#### *6.4.2.4 Conclusion of the Discussion of Findings for Research Question 1.2 – Organisational Strategy*

The findings and the literature converge on the understanding that organisational strategy is critical enabler of DT through SAs across the financial sector. As evident from the discussion above, three sub-themes emerged within Organisational Strategy, namely, “Leadership commitment and sponsorship”, “Strategic clarity and alignment” and “Culture, Mindset and Experimentation”.

Leadership commitment and sponsorship refer to the role that leadership plays in embedding DT into the organisation through SAs. The findings show that traditional banking and insurance providers use governance structures like Executive Committees and Boards to cascade DT, while fintechs rely on strategically aligned individuals like CEOs or internal champions. This aligns with Hanelt et al. (2020), who emphasise the importance of leadership capabilities, specifically DT awareness, DT acceleration and DT harmonisation. AlNuaimi et al. (2022) further support this by emphasising the positive impact transformational leadership has on DT. While the literature does not explicitly differentiate between sectors, the findings add a distinction by highlighting a structural difference across sectors. There are no notable differences between literature and the findings and therefore the finding adds to the existing body of literature. The sectoral distinction is included as an extension of the sub-theme in the revised conceptual framework at the end of the chapter.

Strategic clarity and alignment refer to an organisation’s ability to communicate a DT strategy that enables SA selection and mitigates employee resistance. The findings highlight that a clearly defined and communicated strategy can reduce employee resistance and define how SAs are selected. This is similar to the literature reviewed, noting that organisational strategy is influenced by history, resources, processes, values and culture and must balance internal and external factors (Hanelt et al., 2020; Verhoef et al., 2021). Hanelt et al. (2020) also discuss the leadership skills necessary to achieve DT, in particular DT harmonisation, where focusing on integrating new technologies with existing operations and adapting organisational culture are seen as an approach that addresses resistance by balancing physical with digital aspects. Both the findings and

the literature converge on the importance of strategic clarity and alignment in navigating DT through SAs, and as such will add to the existing body of literature.

Culture, mindset and experimentation refer to an organisation's willingness to test and learn but also tolerate failure in the pursuit of DT. The findings highlight the need for a growth and experimental mindset with a deliberate tolerance for failure, calling for a shift in mindset and culture to achieve DT through SAs. This is similar to the literature, which explains that the organisational strategy is shaped by values and culture, among other things (Hanelt et al., 2020). Hanelt et al. (2020) also highlight the various skills required by leadership to navigate DT, one of which is the trait of DT acceleration, which includes the capability of an experimental mindset and rapid responses to market shifts. This demonstrates the need for both leadership and the organisation to embrace culture, mindset and experimentation in pursuing DT. The findings also introduce failure tolerance as an extension of the sub-theme, highlighting that this is a deliberate component of the sub-theme, an insight that was not explicitly mentioned in literature regarding the sub-theme. This expanded perspective highlights that Culture, Mindset and Experimentation should incorporate a deliberate tolerance to failure in the pursuit of DT. As a result, this finding is considered a potential refinement to the literature and is included as an extension of the sub-theme in the revised conceptual framework at the end of the chapter.

## **6.5 Research Question 2: What are the Expected Outcomes of Successful SAs in Achieving DT?**

### **6.5.1 Research Question 2: Theme 8: Value Creation**

#### *6.5.1.1 Recap of Findings on Value Creation*

The findings state that in traditional banking, efficiency, revenue growth and infrastructure renewal are emphasised as value measures, with job creation and market reach as additional measures. The sector's value creation narrative is largely tied to financial and efficiency gains.

In the insurance sector, value creation must be inclusive and context sensitive, especially in South Africa. Value creation needs to include the augmentation of human support with digital technologies, at least in the early stages of DT. The insurance sector expands value creation to include contributions to South Africa's economic development. Insurance-fintech partnerships generate value through referrals, creating reciprocal

benefits: fintechs gain access future engagements, while corporates benefit from value reconfiguration and commercialisation.

Fintechs expand the boundaries of what value creation can mean, by advocating for value creation to be measured in both traditional and non-traditional ways. Returns on infrastructure, returns on resource, returns on investments and improved project management also need to be included as measures of value creation. The speed at which fintechs generate value was also evident in the findings.

The findings reveals that value creation through SAs in achieving DT is not uniform but rather a sector-specific theme, shaped by how sectors define, measure and realise value.

Several sub-themes emerged from the findings, which are highlighted in Table 26. The sub-themes have been grouped by theme.

**Table 26:**

**Recap of Sub-Themes Identified in Section 5.6 - Value Creation**

Themes	Sub-themes
Value creation	- Financial growth
	- Operational efficiencies and process optimisation

*Note.* Author's Own

*6.5.1.2 Recap of Literature on Value Creation*

Chesbrough et al. (2018) define value creation as an increase in an organisation's value through the process of utilising and applying resources, where the benefits of this process are greater than the potential sacrifices incurred, framing value creation in the context of financial growth, as benefits that outweigh costs.

The outcome of value creation emerges from the literature on the tensions experienced by organisations in achieving DT (Furr et al., 2022). The difference between firms and ecosystems is the economics that underpin them, with firms depending on bilateral formal alliances to generate value, while ecosystems involve multiple independent contributors, many of which are informal, to create value (Furr et al., 2022). This view is supported by Hanelt et al. (2020), who state that DT through SAs may also improve firm performance and create new forms of value through improved service quality.

Beyond financial outcomes, merging human-machine interaction can create added value through synergies between humans and technology (Hanelt et al., 2020), enabling organisations to optimise processes and improve service delivery.

#### *6.5.1.3 Discussion of the Findings with the Literature on Value Creation*

The literature and findings share a common interest in value creation as an outcome of successful DT through SAs, with a focus on the sub-themes of “Financial Growth” and “Operational efficiencies and process optimisation.”

Scholars like Chesbrough et al. (2018) frame value creation in the context of financial growth, as benefits that outweigh costs, where an organisation would experience increases in value through utilising and applying resources. Furr et al. (2022) highlight that a firm’s value, through SAs, is generated based on whether they choose to adopt bilateral partnerships or broader ecosystems as a mechanism to unlock value. The findings align with these views that within traditional banking revenue growth and infrastructure renewal are emphasised as value measure. Regarding the insurance providers, financial growth is regarded as reciprocal, where both the insurance providers and the fintechs they partner with, benefit through the relationship. Here, financial growth adds a wider dimension as it is contextualised to include economic development. Fintechs use multiple measures of financial growth, including both traditional and non-traditional metrics. The finding also highlight the speed at which fintechs create value as a notable aspect of their growth. Although both the literature and findings align on the sub-theme of financial growth as an outcome of successful DT through SAs, the sector distinctions are not specifically covered in the literature.

In terms of the sub-theme of operational efficiencies and process optimisation, the literature states that merging human-machine interaction can create added value through synergies between humans and technology (Hanelt et al., 2020), enabling organisations to optimise processes and improve service delivery. The findings are similar to the literature reviewed, but the sectoral distinctions emerge once again. Traditional banking prioritises infrastructure-driven efficiencies, insurance providers focus on augmenting human support with digital technologies, and fintechs focus on returns on resources, infrastructure and speedy execution. Even though both the literature and findings align on the sub-theme of operational efficiencies and process optimisation being an outcome of successful DT through SAs, the sector distinctions are not specifically covered in the literature.

#### *6.5.1.4 Conclusion of the Discussion of Findings for Research Question 2 – Value Creation*

The findings and the literature converge on the understanding that value creation is an outcome of successful SAs in achieving DT across the financial sector. As evident from the discussion above, two sub-themes emerged within Value creation, namely, “Financial growth” and “Operational efficiencies and process optimisation”.

Financial growth refers to an increase in an organisation’s economic value. Organisations must ensure that their efforts to achieve DT through SAs deliver benefits that outweigh the associated costs or sacrifices (Chesbrough et al., 2018). Chesbrough et al. (2018) frame this as an outcome of utilising and applying resources. The findings are aligned with this but reveal sector distinctions, with traditional banking focusing on revenue growth and infrastructure renewals, insurance providers on creating reciprocal benefit through insurance-fintech partnership as well as contributions to economic value, while fintechs focus on value creation through traditional and non-traditional, measuring different forms of returns. The literature and findings align in identifying financial growth (sub-theme), an outcome of successful SAs in achieving DT. This alignment contributes to the existing body of literature. The sectoral distinction is considered an extension of the sub-theme in the adapted conceptual framework.

Hanelt et al. (2020) state that merging human-machine interaction can create added value through synergies between humans and technology, enabling organisations to optimise processes and improve service delivery, which is supportive of the sub-theme of operational efficiencies and process optimisation. The findings echo this but show a sectoral distinction where traditional banking prioritises infrastructure-driven efficiencies, insurance providers focus on augmenting human support with digital technologies, and fintechs focus on resources, infrastructure and speedy execution. The literature and findings align in identifying operational efficiencies and process optimisation (sub-theme) as an outcome of successful SAs in achieving DT. This alignment contributes to the existing body of literature. The sectoral distinction is considered as an extension of the sub-theme in the adapted conceptual framework.

In conclusion value creation is not a uniform theme but rather a sector-specific theme, shaped by how sectors define, measure and realise value.

## **6.5.2 Research Question 2: Theme 9: Competitiveness**

### **6.5.2.1 Recap of Findings on Competitiveness**

The collective findings across the financial sector affirm that competitiveness is a deliberate engineered outcome contingent on how organisations use SAs to achieve DT.

In traditional banking, competitiveness is largely centred around keeping up with the pace of change in the sector, whereas in the insurance sector, competitiveness, through alliances, is seen as a mechanism to leapfrog competitors.

The findings highlight that competitiveness is not guaranteed by organisational size and that underestimating smaller players in the sector is reflective of the nature of competition in the industry. The findings also show that the competitive landscape is changing to include non-traditional industries and that financial sector organisations need to acknowledge the required changes to be relevant and competitive.

The findings highlight that SAs act as a tool to shape organisational competitiveness, reinforcing that alliances not only enable capacity building, but also accelerate competitive positioning of organisations. For fintechs, the theme of competitiveness did not feature strongly in the findings as just by the very nature of the fintech sector, competitiveness is embedded in their business models and is not something that is pursued separately.

SAs enable organisations to be competitive through accessing new capabilities, responding to non-traditional competitors or better positioning themselves in the market. Competitiveness emerges as a theme that needs to be designed when achieving DT, where the effectiveness of the outcome, through SAs, rests in the organisations who are pursuing it.

Several sub-themes emerged from the findings, which are highlighted in Table 27. The sub-themes have been grouped by theme.

**Table 27:**

**Recap of Sub-Themes Identified in Section 5.6 - Competitiveness**

<b>Themes</b>	<b>Sub-themes</b>
Competitiveness	- Market relevance and strategic positioning
	- New markets and market expansion

*Note.* Author's Own

### *6.5.2.2 Recap of Literature on Competitiveness*

According to Falciola et al. (2020), competitiveness is defined as the capacity to enter new markets, outperform other players in the market, draw capital, and expand. The ability of a company to pre-empt or adjust to changes within processes and technologies impacts the competitiveness of that company (Falciola et al., 2020).

Chatterjee and Mariani (2022) examined how exploitative and exploratory DT affects organisational flexibility, efficiencies, and competitiveness. They argue that exploitative transformation helps organisations effectively manage and improve existing capabilities, while exploratory transformation aids organisations in adapting and innovating in response to new opportunities (Chatterjee & Mariani, 2022). This dual function within DT is significant, as it contributes to the company's flexibility and efficiencies, in turn enhancing the competitiveness of the organisation (Chatterjee & Mariani, 2022).

Focusing on the benefits of DT and SAs, Murinde et al. (2022) suggest that the need for banks to adopt DT practices is becoming more relevant because the competitive dynamics within the industry are changing as new non-banking, niche competitors are entering the market. Soto Setzke et al. (2023) further emphasise that the extent to which SAs enhance competitiveness depends on the degree of digital disruption that a company is exposed to, where organisations that are about to be disrupted by technology can benefit more from strategic alliances versus those that are not. Hornuf et al. (2021) provide a broader view on competitiveness by stating that banks can collaborate with fintechs to become more competitive. This collaboration enables banks to leverage fintech capabilities to provide improved financial services (Hornuf et al., 2021). While fintechs through alliances with banks gain access to a wider customer base, they also learn how to navigate financial regulations as well enhance their own digital services (Hornuf et al., 2021).

### *6.5.2.3 Discussion of the Findings with the Literature on Competitiveness*

Considering the sub-theme of market relevance and strategic positioning, the findings reveal that within traditional banking, competitiveness is largely centred around keeping up with the pace of change in the sector, while insurance providers leverage SAs to leapfrog competitors.

The findings also state that competitiveness within the industry is not inherently tied to the size of the organisation, but rather how the organisations in the financial sector leverage SAs to remain relevant and position themselves effectively. This is similar to

the literature by Falciola et al. (2020), who define competitiveness as an organisation's capacity to outperform the market. Hornuf et al. (2021) provide a broader view on competitiveness by stating that banks can collaborate with fintechs to become more competitive. This collaboration enables banks to leverage fintech capabilities to provide improved financial services (Hornuf et al., 2021). Both these literature sources agree that competitiveness is not a static outcome, it requires organisations to be deliberate through mechanisms like DT and SAs to sustain their market positioning and relevance.

New markets and market expansion is also a sub-theme that is common across both the findings and literature. The findings show that the competitive landscape within the financial sector is changing to also include non-traditional industries and that organisations need to acknowledge the required changes to be relevant and competitive. The findings also emphasise that SAs enable organisations to be competitive through accessing new capabilities, responding to non-traditional competitors or better positioning themselves in the market. Over and above outperformance of the market, Falciola et al. (2020) also define competitiveness as the capacity to enter new markets, draw capital, and expand. This resonates with Murinde et al. (2022), who state that DT is relevant because competitive dynamics of the industry change as new non-banking and niche competitors enter the market. Adding to this, Soto Setzke et al. (2023) and Hornuf et al. (2021) emphasise the benefits that SAs bring to help organisations enhance their financial services and respond to technological disruption within the sector. Both the literature and findings agree on the role SAs play in enabling organisations, through leveraging shared capabilities, resources and expertise, to potentially enter new markets and expand their reach.

#### *6.5.2.4 Conclusion of the Discussion of Findings for Research Question 2 – Competitiveness*

The findings and the literature converge on the understanding that competitiveness is an outcome of successful SAs in achieving DT across the financial sector. As evident from the discussion above, two sub-themes emerged within Competitiveness, namely, "Market relevance and strategic positioning" and "New markets and market expansion".

Market relevance and strategic positioning refer to an organisation's ability to remain relevant and competitive in an evolving financial sector. The findings reveal that competitiveness is the ability to keep pace with changes in the sector, together with leapfrogging competition. Organisations should not rely on their sheer size to remain competitive as smaller players are also competitive in the digital world. This is similar to

the literature by Falciola et al. (2020), defining competitiveness as the capacity to outperform other players in the market, among other things, with Hornuf et al. (2021) providing a broader view on competitiveness, stating that banks can collaborate with fintechs to become more competitive and that this collaboration enables banks to leverage fintech capabilities to provide improved financial services. The literature and findings align in identifying competitiveness, through market relevance and strategic positioning, as an outcome of successful SAs in achieving DT. This alignment contributes to the existing body of literature.

The findings show that the sub-theme of new markets and market expansion is important as it creates new opportunities to explore new markets and expand current ones. Through SAs, organisations can be competitive through accessing new capabilities, responding to non-traditional competitors or better positioning themselves in the market. The findings also highlight the threat of new entrants into the market which also includes competition from non-traditional industries. This is similar to the literature reviewed, where Murinde et al. (2022) states that DT is relevant as the competitive dynamics of the industry changes, as new non-banking and niche competitors enter the market. Soto Setzke et al. (2023) and Hornuf et al. (2021), add to this by emphasising the benefits that SAs bring in helping organisations enhance their financial services and respond to technological disruption within the sector. The literature and findings align in identifying competitiveness, through new markets and market expansion, as an outcome of successful SAs in achieving DT. This alignment contributes to the existing body of literature.

Competitiveness emerges as a theme that needs to be designed when achieving DT, where the effectiveness of the outcome, through SAs, rests in the organisations who are pursuing it.

### **6.5.3 Research Question 2: Theme 10: Customer Experience**

#### **6.5.3.1 Recap of Findings on Customer Experience**

The findings show that traditional banks recognise that delivering customer experience requires moving beyond traditional banking services, where the consideration of lifestyle and contextual engagements are necessary components of DT. The findings from traditional banking emphasise the need to solve beyond banking, advocating for alliances to also include non-traditional bank partners to meet customer expectations.

Insurance providers, while still aligned with customer experience as an outcome, tend to approach customer experience through process enhancement and personalisation. The findings acknowledge the use of intelligent systems and simplification to address any gaps between customer expectations and service delivery.

Fintechs, in contrast to traditional banks and insurance providers, position themselves as enablers of capabilities for customer experience. Fintechs see opportunity to transform every touchpoint of a customer journey while enhancing the customer experience, making them sought-after partners in achieving DT.

The distinction between fintechs being enablers of customer experience, and traditional banks and insurance providers being consumers of this capability is salient in that it informs the distinct role a sector can play to enhance customer experience within financial services.

Several sub-themes emerged from the findings, which are highlighted in Table 28. The sub-themes have been grouped by theme.

**Table 28:**  
**Recap of Sub-Themes Identified in Section 5.6 - Customer Experience**

Themes	Sub-themes
Customer Experience	- Customer journey simplification
	- Customer personalisation

*Note.* Author's Own

### *6.5.3.2 Recap of Literature on Customer Experience*

The theme of Customer Experience was not considered in the literature reviewed in Chapter 2 at this stage, resulting in the three-step process, discussed in Section 6.1, being adopted. The researcher used the main theme and key sub-themes identified in Section 6.4.2.1 as a guide to conduct the word search.

#### Three step process

##### **Step 1**

The following three articles were used in the literature reviewed in Chapter 2, where the key word search was conducted: Murinde et al. (2022); He et al. (2020); Hornuf et al. (2021).

The words used in the word search to search for Customer Experience were: “Customer”; “Client”; “Experience”; “Engagement”; “Personalisation”; “Simplification”; “Journey”; “Lifestyle”.

There were several matches of the key words in one of the three articles. Upon analysing the literature, the researcher found that the article adequately covers the main theme of Customer Experience, and the sub-themes of “Customer journey simplification” and “Customer personalisation” in the context of DT through SAs.

Murinde et al. (2022), highlight that banks and fintechs can work together, through SAs to benefit customers, with banks focusing on traditional capabilities like financial solvency, and financial expertise, and fintechs contributing with big data capabilities, enhanced customer experiences through technological expertise, and novel platforms. In this way, fintechs facilitate DT supporting banks to not only enhance their products and services but also their overall customer experience (Murinde et al., 2022). The authors assert that future banks will move away from specific customer propositions that are product-led to tailored customers services which will be dependent on customer needs (Murinde et al., 2022). Murinde et al. (2022) specifically refer to customer personalisation as an outcome of partnerships with fintechs, highlighting the importance of understanding customer needs and behaviours and responding with personalised products and services (Murinde et al., 2022). This, according to Murinde et al. (2022), will provide a better bank-customer relationship. In terms of customer journeys, Murinde et al. (2022) provide multiple examples of how fintechs can enable banks to simplify customer journeys, where fintechs through APIs can connect banks to platforms outside of the organisation where customer journeys and experiences are enhanced through instant real time access and approvals, creating a real-time customer journey (Murinde et al., 2022). In this context, they assert that banking becomes ubiquitous as banking processes are integrated in customer interactions outside of banking, “banking everywhere and anytime” (Murinde et al., 2022, p.16).

Given that the search provided adequate support for the sub-themes, the researcher did not proceed to step 2.

#### *6.5.3.3 Discussion of the Findings with the Literature on Customer Experience*

Considering the sub-theme of customer journey simplification, the findings highlight that, within traditional banking, there is a need to move beyond core banking services by

leveraging non-traditional partners to meet evolving customer expectations. Insurance providers, through intelligent systems and simplification address the gaps between service delivery and customer expectations. The finding also states that there is a distinction between roles that the fintechs play versus that of traditional banking and insurance providers when enhanced customer experience is expected. Fintechs in the SAs act as enablers of customer experience capabilities, and traditional banking and insurance providers as consumers of these capabilities. These views, including the sector distinction, are similar to the literature, particularly by Murinde et al. (2022), who highlight that banks and fintechs can work together. Here, Murinde et al. (2022) note that, through these SAs, banks can focus on the traditional aspects of banking like financial solvency and financial expertise, whereas fintechs can provide the capabilities that enable customer experience like data capabilities and enhanced customer experiences through technological expertise as well as platforms. Murinde et al. (2022) also provide examples of how fintechs can simplify customer experiences and journeys for banks, where fintechs through APIs, can connect banks to platforms outside of the organisation and customer journeys and experiences are enhanced through instant real time access and approvals, creating a real-time customer journey (Murinde et al., 2022).

Both the findings and the literature underscore the importance of customer personalisation. Within the findings, all three sectors emphasise customer journey simplification. Traditional banking highlights lifestyle and contextual engagements; insurance providers focus on personalisation; and fintechs concentrate on transforming every customer touchpoint. This is aligned with the literature, where Murinde et al. (2022), state that future banking will move away from product-focused propositions to tailored customer services anchored in customer needs. Murinde et al. (2022) specifically mention customer personalisation as a way to provide better bank-customer relationships. Murinde et al. (2022) also state that, through fintechs' SAs, where fintechs connect banks to external organisations, banks can enable customers to access services, instantly at any time or place, thereby making banking continuously available.

#### *6.5.3.4 Conclusion of the Discussion of Findings for Research Question 2 – Customer Experience*

There are similarities between the literature reviewed and the findings on Customer Experience. As evident from the discussion above, two sub-themes emerged within Customer Experience, namely, "Customer journey simplification" and "customer personalisation".

The sub-theme of customer journey simplification involves making customer interactions easier by leveraging digital technologies. The findings highlight that, within traditional banking, there is a need to move beyond core banking services, emphasising the need to use non-traditional bank partners to solve customer expectations. Insurance providers, through intelligent systems and simplification, address the gaps between service delivery and customer expectations. The finding also states that there is a distinction between roles that the fintechs play versus that of traditional banking and insurance providers when enhanced customer experience is expected. Fintechs in the SAs act as enablers of customer experience capabilities, and traditional banking and insurance providers as consumers of these capabilities. This is similar to the literature reviewed, including the sector distinctions. The literatures highlight that banks and fintechs can work together, where fintechs provide the capabilities to enhance customer experience and banks focus on traditional banking services. The literature also describes how fintechs can provide banks with access to external organisation through digital technologies like APIs to enhance customer experience. The literature and findings align in identifying customer journey simplification (sub-theme) as an outcome of successful SAs in achieving DT. This alignment contributes to the existing body of literature. The sectoral distinction is considered as an extension of the sub-theme in the adapted conceptual framework.

The sub-theme of customer personalisation refers to the tailoring of products and services to align with the needs of customers. Both the findings and the literature highlight the importance of customer personalisation. Within the findings, all three sectors emphasise customer journey simplification. Traditional banking highlights lifestyle and contextual engagements; insurance providers focus on personalisation; and fintechs concentrate on transforming every customer touchpoint. This is aligned with the literature reviewed. The literature highlights that the future of banking will move from product-led propositions to tailored services based on customer needs, with personalisation as an outcome of partnerships with fintechs. The literature also states that through fintechs' SAs, where fintechs connect banks to external organisations, banks can enable customers to access services, instantly at any time or place, thereby making banking continuously available. The literature and findings align in identifying customer personalisation (sub-theme) as an outcome of successful SAs in achieving DT. This alignment contributes to the existing body of literature. The sectoral distinction highlighted in the findings is considered as an extension of the sub-theme in the adapted conceptual framework.

## **6.6 Conclusion**

Table 29 reflects the outcomes of Chapter 6 after comparing the literature reviewed in Chapter 2 to the findings from Chapter 5. Table 29 is an extension of Table 18 in Section 5.6, to now determine whether the themes and sub-themes identified were similar, or similar with a specific sector distinction, or a nuance of difference to the literature reviewed.

**Table 29:**

**Summary of the Outcomes of Chapter 6 after Comparing the Literature Reviewed to the Findings**

Research questions	Constructs	Themes	Sub-themes	Similarity, Similar with a sector specific distinction, or nuance of difference	Outcome
Research question 1 (How)	Strategic Alliances	Strategic Partnerships	- Strategic fit	Similarity	Adds to the existing body of literature
			- Partnership structures	Similarity	Adds to the existing body of literature
			- Capability aggregation and co-creation	Similarity	Adds to the existing body of literature
			- Mutually beneficial partnerships	Similarity	Adds to the existing body of literature
		Innovation through SAs	- Enablement of emerging technology (SAs are the source of innovation)	Similarity	Adds to the existing body of literature
			- Knowledge transfer of innovative capabilities	Similarity	Adds to the existing body of literature
Research question 1.1 (Challenges)	Digital Transformation	Resistance	- Fear of job displacement	Similarity	Adds to the existing body of literature
			- Misalignment in strategic direction	Similarity	Adds to the existing body of literature
		Policy, Regulatory and Compliance (New)	- Regulatory conservatism	Similar with a sector specific distinction	Adds to the existing body of literature
			- Internal governance	Similar with a sector specific distinction	Adds to the existing body of literature
		Digital Technology	- Legacy systems and technology	Similarity	Adds to the existing body of literature
			- Integration complexity	Similar with a sector specific distinction	Adds to the existing body of literature

Research questions	Constructs	Themes	Sub-themes	Similarity, Similar with a sector specific distinction, or nuance of difference	Outcome
Research question 1.2 (Enablers)		Change Management	- Structured change process	Similarity	Adds to the existing body of literature
			- Workforce engagement	Nuance of Difference	Potential refinement to the body of literature
		Organisational Strategy	- Leadership commitment and sponsorship	Similar with a sector specific distinction	Adds to the existing body of literature
			- Strategic clarity and alignment	Similarity	Adds to the existing body of literature
			- Culture, Mindset and Experimentation	Nuance of Difference	Potential refinement to the body of literature
Research question 2 (Outcomes)	Outcomes	Value creation	- Financial growth	Similar with a sector specific distinction	Adds to the existing body of literature
			- Operational efficiencies and process optimisation	Similar with a sector specific distinction	Adds to the existing body of literature
		Competitiveness	- Market relevance and strategic positioning	Similarity	Adds to the existing body of literature
			- New markets and market expansion	Similarity	Adds to the existing body of literature
		Customer Experience (New)	- Customer journey simplification	Similar with a sector specific distinction	Adds to the existing body of literature
			- Customer personalisation	Similar with a sector specific distinction	Adds to the existing body of literature

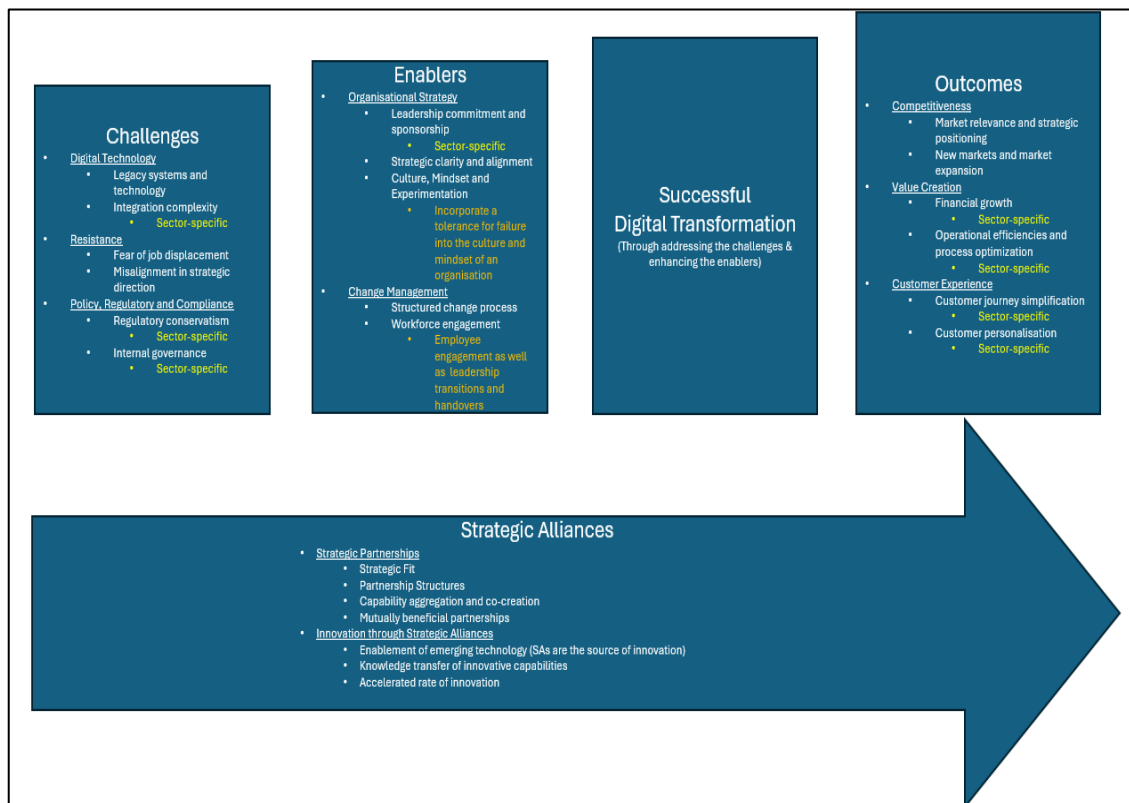
Note. Author's Own

### 6.6.1 Revised Conceptual Framework

Figure 5 presents the revised conceptual framework post the outcomes of the comparison between the literature and the findings. The themes of "Policy, Regulatory and Compliance" and "Customer Experience" were identified as potential new themes in Figure 4 in Section 5.1. The analysis of literature confirmed that these themes do exist in current body of literature, and as such no new themes emerged from the research findings. During the review of the findings and the literature, 24 sub-themes emerged, of which 14 were considered similar when compared the findings to the literature, eight

were considered similar with a sector-specific distinction, and two sub-themes emerged as a nuance of difference between the research findings and the literature reviewed. The 14 sub-themes that are similar as well the eight sub-themes that are considered similar with a sector distinction are considered as additions to the existing body of literature, whereas the two sub-themes that emerged as a nuance of difference are considered as a potential refinement to the existing body of literature. The 14 similar sub-themes are shown as “white”, the eight sub-themes that considered similar with a sector-specific distinction are shown in “yellow” and the two sub-themes with a nuance of difference are shown in “orange” in the revised conceptual framework in Figure 5.

**Figure 5:**  
**Revised Conceptual Framework**



Note. Author's Own

## CHAPTER 7: CONCLUSION

### 7.1 Introduction

Chapter 7 presents the research outcomes from the discussion of the findings with the literature in Chapter 6.

The research study set out to explore how organisations within the financial sector utilise strategic alliances to achieve DT, the challenges that organisations face, the enablers that support this, and the outcomes they expect.

The study focused on financial technology companies and financial institutions in Johannesburg, South Africa, which are actively engaged in DT initiatives through SAs, some of which were corporate entities, listed or unlisted companies as well as subsidiaries actively pursuing or supporting DT. The research focused on three sectors within the financial sector, namely traditional banking, insurance providers and fintechs. Fifteen participants across these three sectors were included in the study. All participants were either executives or senior managers with requisite experience in utilising SAs for DT. The participants were from various functions within their organisations ranging from technology, business, sales, and partnerships to artificial intelligence, strategy and digital product design.

The study set out to answer the following research questions:

#### **Research question (RQ 1)**

How do organisations utilise strategic alliances to achieve digital transformation? (Furr et al., 2022; He et al., 2020; Hornuf et al., 2021).

#### **Research question 1.1 (RQ 1.1)**

What are the key challenges (Furr et al., 2022; Murinde et al., 2022; Trenerry et al., 2021) facing organisations in utilising SAs to achieve DT?.

#### **Research question 1.2 (RQ 1.2)**

What are the critical enablers (Hanelt et al., 2020; Weritz & Brajos, 2020; Verhoef et al., 2021) in utilising SAs to achieve DT?.

#### **Research question 2 (RQ 2)**

What are the expected outcomes of successful SAs in achieving DT? (Furr et al., 2022; Hornuf et al., 2021; Hanelt et al., 2020; Soto Setzke et al., 2023).

The research outcomes have been sequenced and organised by the research questions above. The comparison between the research findings and literature reviewed within this study resulted in the theoretical conclusions linked to each research question. The theoretical conclusions focus on where the findings and the literature are similar (this will also include sector-specific distinctions) or areas where there is a nuance of difference. Where the findings are similar to literature, these outcomes will be potential additions to the body of literature, and where the findings are nuance of differences these outcomes will be considered as potential refinements to the body of literature. No distinctive differences were identified in the themes for this study. A table will be included after each theoretical conclusion summarising the similarities and differences identified. Subsequent to this, a final conceptual framework will be included based on the research outcomes. The chapter will then include the research contributions, the recommendations to management and other stakeholders, a discussion of the limitations for the study as a whole, and finally suggestions for future research.

## **7.2 Principal Theoretical Conclusions**

### ***7.2.1 Research Question 1: How do Organisations Utilise Strategic Alliances to Achieve Digital Transformation?***

The research question on how organisations utilise strategic alliances to achieve digital transformation had two main themes: Strategic Partnerships and Innovation through SAs.

#### *7.2.1.1 Similarities with the Existing Literature for RQ1*

On the theme of Strategic partnerships, the research outcomes were consistent with the literature, highlighting that organisations should seek partners not only for their capabilities, but also for their ability to collaborate effectively as strategic partners. The sub-themes of “strategic fit”, “partnership structures”, “capability aggregation and co-creation” and “mutually beneficial partnerships” emerged from the research and were consistent with the findings in literature by Riikkinen and Pihlajamaa (2022) and He et al. (2020). The research outcomes revealed that strategic fit considers the alignment between organisational needs, partner capabilities and shared strategic intent for successful DT through SAs. The research outcomes further revealed that partnership structures within strategic partnerships recognise that SAs can take on many forms, allowing organisations to tailor their strategic partnerships to address specific needs. The research outcomes also highlighted that capability aggregation and co-creation underscore the importance of leveraging SAs to overcome internal constraints and accelerate innovation. Finally, the research outcomes revealed that mutually beneficial

partnerships can result in evolving partnerships from transactional arrangement to mutually beneficial, co-creating relationships. There were no sector-specific distinctions noted within this theme. Based on the work conducted in the study, these outcomes are similar to literature and therefore can potentially contribute to the body of literature.

On the theme of Innovation through SAs, the research outcomes were consistent with the literature. The sub-themes of “enablement of emerging technology”, “knowledge transfer of innovative capabilities” and the “accelerated rate of innovation” emerged from the research and were consistent with the findings in literature by Spieth et al. (2021), Barroso and Laborda (2022) and He et al. (2020). The research outcomes revealed that the enablement of emerging technology considers how SAs enable organisations to introduce new technologies, infrastructure and drive DT. The research outcomes further revealed that knowledge transfer of innovation capabilities underscores the importance of SAs in facilitating learning as well as sharing of information and knowledge when pursuing DT. Finally, the research outcomes revealed that SAs allow organisations to respond to market changes, experiment with new ideas, and scale solutions through an accelerated rate of innovation, supporting the fast pace demands of DT. There were no sector-specific distinctions noted within this theme. Based on the work conducted in the study, these outcomes are similar to literature and therefore potentially contribute to the body of literature.

#### *7.2.1.2 Nuances of Difference with the Existing Literature for RQ1*

There were no noted differences between the research outcomes and existing literature on the themes of Strategic Partnerships and Innovation through SAs.

#### *7.2.1.3 Summary of Similarities and Differences with the Existing Literature for RQ1*

Table 30 summarises the similarities and differences discussed in Sections 7.2.1.1 and 7.2.1.2 respectively. Table 30 also highlights instances where there is a sector-specific distinction identified across the three sectors.

**Table 30:**

**Summary of the Similarities (Including Similarities with a Sector-Specific Distinction), and Differences for RQ1**

Themes	Similarities		Differences
	Sub-themes	Similar but with a sector specific distinction	
Strategic Partnerships	- Strategic fit	None noted	There were no noted differences between the research outcomes and existing literature
	- Partnership structures	None noted	
	- Capability aggregation and co-creation	None noted	
	- Mutually beneficial partnerships	None noted	
Innovation through SAs	- Enablement of emerging technology (SAs are the source of innovation)	None noted	There were no noted differences between the research outcomes and existing literature
	- Knowledge transfer of innovative capabilities	None noted	
	- Accelerated rate of innovation	None noted	

*Note.* Author's Own

**7.2.2 Research Question 1.1: What are the Key Challenges Facing Organisations in Utilising SAs to Achieve DT?**

The research question on what key challenges organisations are facing in utilising SAs to achieve DT had three main themes: Resistance; Policy, Regulatory and Compliance; and Digital Technology.

**7.2.2.1 Similarities with the Existing Literature for RQ1.1**

On the theme of Resistance, the research outcomes were consistent with the literature. The sub-themes of "Fear of job displacement" and "Misalignment in strategic direction" emerged from the research and were consistent with the findings in literature by Furr et al. (2022); Trenerry et al. (2021) and Murinde et al. (2022). The research outcomes revealed that the fear of job displacement considers how resistance to DT through SAs is rooted in concerns around job security and fear of change. The research outcomes also showed that the misalignment in strategic direction underscores how scepticism towards SAs stems from a resistance to learn from external partners as well as challenges in aligning new approaches in achieving DT. There were no sector-specific distinctions noted within this theme.

On the theme of Policy, Regulatory and Compliance, the research outcomes were consistent with the literature. The sub-themes of "regulatory conservatism" and "internal

governance” emerged from the research and were consistent with the findings in literature by Furr et al. (2022); Hornuf et al. (2021) and Murinde et al. (2022). The research outcomes revealed that regulatory conservatism refers to the posture adopted by traditional banks and insurance providers in response to the stringent external regulatory requirements enforced on the sectors by the financial sector regulators. The research outcomes also revealed that internal governance refers to the complex structures and compliance processes embedded in financial sector organisations that hinder the progress of DT through SAs. Within the theme of Policy, Regulatory and Compliance, the research outcomes revealed a sector-specific distinction: where for banks and insurance providers, regulatory conservatism and internal governance act as internal inhibitors, whereas within fintechs, the challenge is externally driven by partnership dynamics. Based on the work conducted in the study, these outcomes are similar to literature and therefore are potential contributions to the body of literature.

On the theme of Digital Technology, the research outcomes were consistent with the literature. The sub-themes of “legacy systems and technology” and “integration complexity” emerged from the research and were consistent with the findings in literature by Furr et al. (2022); Trenerry et al. (2021) and Murinde et al. (2022). The research outcomes revealed that legacy systems and technology refer to the outdated nature of organisations systems, where these legacy systems are linked to entrenched business and workforce practices. The research outcomes also highlight that integration complexity focuses on organisational inertia, especially where the link between legacy systems and organisational practices creates friction in aligning new technologies with existing operations. Specifically concerning integration complexity, the research outcomes revealed a sector-specific distinction where fintechs face the challenge of retaining sought-after skilled expertise, because of the high demand of digital technology expertise by other organisations. The research outcomes revealed that for traditional banks and insurance providers the challenge remains internal to the organisation, and in fintechs it is external. Based on the work conducted in the study, these outcomes are similar to literature and therefore are potential contributions to the body of literature.

### 7.2.2.2 Nuances of Difference with the Existing Literature for RQ1.1

There were no noted differences between the research outcomes and existing literature on the themes of Resistance, Policy, Regulatory and Compliance and Digital Technology.

### 7.2.2.3 Summary of Similarities and Differences with the Existing Literature for RQ1.1

Table 31 summarises the similarities and differences discussed in Sections 7.2.2.1 and 7.2.2.2 respectively. Table 31 also highlights instances where there is a sector-specific distinction identified across the three sectors.

**Table 31:**  
**Summary of the Similarities (Including Similarities with a Sector-Specific Distinction), and Differences for RQ1.1**

Themes	Similarities		Differences
	Sub-themes	Similar but with a sector specific distinction	
Resistance	- Fear of job displacement	None noted	There were no noted differences between the research outcomes and existing literature
	- Misalignment in strategic direction	None noted	
Policy, Regulatory and Compliance	- Regulatory conservatism	Traditional banking and insurance providers - internal to the organisation; Fintechs - external to the organisation	There were no noted differences between the research outcomes and existing literature
	- Internal governance	Traditional banking and insurance providers - internal to the organisation; Fintechs - external to the organisation	
Digital Technology	- Legacy systems and technology	None noted	There were no noted differences between the research outcomes and existing literature
	- Integration complexity	Traditional banking and insurance providers - internal to the organisation; Fintechs - external to the organisation	

Note. Author's Own

### **7.2.3 Research Question 1.2: What are the Critical Enablers in Utilising SAs to Achieve DT?**

The research question on what the key critical enablers are in utilising SAs to achieve DT had two main themes: Change Management and Organisational Strategy.

#### *7.2.3.1 Similarities with the Existing Literature for RQ1.2*

On the theme of Change Management, the sub-theme of a “Structured change process” emerged from the research and was consistent with the findings in literature by Bellantuono et al. (2021) and Siachou et al. (2021). The research outcomes revealed that a structured change management process refers to a deliberate, phased approach that enables an organisation to transition from its current state to its desired state, that involves the alignment of an organisations operating model to its digital strategy, identifying gaps, mapping capabilities and sourcing resources either internally or externally, to close those gaps. There were no sector-specific distinctions noted within this sub-theme. Based on the work conducted in the study, these outcomes are similar to literature and therefore are potential contributions to the body of literature.

On the theme of Organisational Strategy, the sub-themes of “Leadership commitment and sponsorship” and “Strategic clarity and alignment” emerged from the research and were consistent with the findings in literature by Hanelt et al. (2020); AlNuaimi et al. (2022); Verhoef et al. (2021). The research outcomes revealed that leadership commitment and sponsorship refer to the structural embedding of DT strategies to cascade the vision of the organisation wider. Here, a sector-specific structural distinction emerged through the research outcomes, where traditional banks and insurance providers utilise their Boards and Executive Committees to cascade the DT vision wider, whereas fintechs often centre their approach around individuals like CEOs. The research outcomes also revealed that the strategic clarity and alignment of an organisation are essential to mitigate employee resistance, while guiding SA selection to ensure alignment in addressing organisational challenges and future aspirations. Based on the work conducted in the study, these outcomes are similar to literature and therefore are potential contributions to the body of literature.

#### *7.2.3.2 Nuances of Difference with the Existing Literature for RQ1.2*

On the theme of change management and specifically the sub-theme of “workforce engagement”, the research outcomes revealed a nuance of difference to the literature by Bellantuono et al. (2021). The research outcomes revealed that workforce engagement encompasses the support of people through a change process. While there

is overall alignment between the research outcomes and the literature on the importance of workforce engagement, the literature refers to workforce engagement as a general concept highlighting the support of “people” through the change process. The research outcomes on the other hand expand the workforce engagement to include “employees” and “leaderships transitions and handovers”, highlighting that successful change management must address both ends of the organisational hierarchy. This expanded view highlights that change management linked to workforce engagement needs to encompass all levels of the organisation to safeguard against resistance and ensure effective DT. On the basis of the work conducted, this nuance of difference between the research outcomes and the literature is considered to provide a deeper insight into the relevant theme and therefore comprises potential refinements to the existing body of literature.

On the theme of organisational strategy and specifically the sub-theme of “Culture, Mindset and Experimentation”, the research outcomes revealed a nuance of difference to the literature by Hanelt et al. (2020). The research outcomes revealed that culture, mindset and experimentation refer to an organisations willingness to test and learn but also tolerate failure in the pursuit of DT. While there is overall alignment between the research outcomes and the literature on the importance of culture, mindset and experimentation, the research outcomes introduce failure tolerance as a deliberate component of culture, mindset and experimentation, an insight that was not explicitly mentioned in literature. On the basis of the work conducted, this nuance of difference between the research outcomes and the literature is considered to provide deeper insight into the relevant theme and therefore potential refinements to the existing body of literature.

#### *7.2.3.3 Summary of Similarities and Differences with the Existing Literature for RQ1.2*

Table 32 summarises the similarities and differences discussed in Sections 7.3.1.1 and 7.3.1.2 respectively. Table 32 also highlights instances where there is a sector-specific distinction identified across the three sectors.

**Table 32:****Summary of the Similarities (Including Similarities with a Sector-Specific Distinction), and Differences for RQ1.2**

Themes	Similarities		Differences
	Sub-themes	Similar but with a sector specific distinction	
Change Management	- Structured change process	None noted	There were no noted differences between the research outcomes and existing literature
	- Workforce engagement	None noted	Employee engagement, as well as leadership transitions and handovers
Organisational Strategy	- Leadership commitment and sponsorship	Structural distinction, where traditional banking and insurance providers rely on their boards and executive committees to cascade DT strategies, while fintechs use individuals like CEO's.	There were no noted differences between the research outcomes and existing literature
	- Strategic clarity and alignment	None noted	There were no noted differences between the research outcomes and existing literature
	- Culture, Mindset and Experimentation	None noted	Incorporate a tolerance for failure into the culture and mindset of an organisation

Note. Author's Own

#### **7.2.4 Research Question 2: What are the Expected Outcomes of Successful SAs in Achieving DT?**

The research question on the expected outcomes of successful SAs in achieving DT had three main themes: Value creation; Competitiveness; Customer Experience.

##### **7.2.4.1 Similarities with the Existing Literature for RQ2**

On the theme of Value creation, the research outcomes were consistent with the literature. The sub-themes of "Financial growth" and "Operational efficiencies and process optimisation" emerged from the research and were consistent with the findings in literature by Chesbrough et al. (2018); Furr et al. (2022) and Hanelt et al. (2020). The research outcomes revealed that financial growth refers to an increase in an organisation's economic value, where organisations need to ensure that through their efforts to achieve DT through SAs, they deliver benefits that are greater than their costs or sacrifices incurred. The research outcome also revealed that operational efficiencies and process optimisation involve the merging of human-machine interaction, which can

create added value through synergies between humans and technology, enabling organisations to optimise processes and improve service delivery. The research outcome revealed that in both sub-themes, sector-specific distinctions emerge, with the way in which each sub-sector defines, measures and realises value being distinct. The research outcomes further revealed that traditional banking focuses on revenue growth and infrastructure renewals, insurance providers on creating reciprocal benefit through insurance-fintech partnership, contributions to economic value, and augmenting human support with digital technologies, while fintechs focus on speed and value creation through traditional and non-traditional ways, measuring different forms of returns. Based on the work conducted on the study, these outcomes are similar to literature and therefore comprise potential contributions to the body of literature.

On the theme of Competitiveness, the research outcomes were consistent with the literature. The sub-themes of “Market relevance and strategic positioning” and “New markets and market expansion” emerged from the research and were consistent with the findings in literature by Falciola et al. (2020); Hornuf et al. (2021); Murinde et al. (2022); Soto Setzke et al. (2023) and Hornuf et al. (2021). The research outcomes revealed that market relevance and strategic positioning refer to an organisation’s ability to remain relevant and competitive in an evolving financial sector. The research outcome also revealed that new markets and market expansion are important as they create new opportunities to explore new markets and expand current ones and that through SAs, organisations can be competitive through accessing new capabilities, responding to non-traditional competitors or better positioning themselves in the market. There were no sector-specific distinctions noted in this theme. Based on the work conducted in the study, these outcomes are similar to literature and therefore are potential contributions to the body of literature.

On the theme of Customer Experience, the research outcomes were consistent with the literature. The sub-themes of “Customer journey simplification” and “Customer personalisation” emerged from the research and were consistent with the findings in literature by Murinde et al. (2022). The research outcomes revealed that customer journey simplification involves making customer interactions easier by leveraging digital technologies. The research outcomes also revealed that customer personalisation involves the tailoring of products and services to align with the needs of customers. The research outcomes further revealed that there is a distinction between roles that the fintechs play versus that of traditional banking and insurance providers when enhanced customer experience is expected. Fintechs in the SAs act as enablers of customer

experience capabilities, and traditional banking and insurance providers as consumers of these capabilities. The research outcome also emphasises that there is a sector-specific distinction in the way each sector views customer personalisation, with traditional banking highlighting lifestyle and contextual engagements, insurance providers focusing on personalisation and fintechs on transforming every customer touchpoint. Based on the work conducted in the study, these outcomes are similar to literature and therefore are potential contributions to the body of literature.

#### 7.2.4.2 Nuances of Difference with the Existing Literature for RQ2

There were no noted differences between the research outcomes and existing literature on the themes of Value creation, Competitiveness and Customer experience.

#### 7.2.4.3 Summary of Similarities and Differences with the Existing Literature for RQ2

Table 33 summarises the similarities and differences discussed in Sections 7.2.4.1 and 7.2.4.2 respectively. Table 33 also highlights instances where there is a sector-specific distinction identified across the three sectors.

**Table 33:**  
**Summary of the Similarities (Including Similarities with a Sector-Specific Distinction), and Differences for RQ2**

Themes	Similarities		Differences
	Sub-themes	Similar but with a sector specific distinction	
Value creation	- Financial growth	The way in which each sector defines, measures and realises financial growth is distinct.	There were no noted differences between the research outcomes and existing literature
	- Operational efficiencies and process optimisation	The way in which each sector defines, measures and realises operational efficiencies and process optimisation is distinct.	There were no noted differences between the research outcomes and existing literature
Competitiveness	- Market relevance and strategic positioning	None noted	There were no noted differences between the research outcomes and existing literature
	- New markets and market expansion	None noted	There were no noted differences between the research outcomes and existing literature
Customer Experience	- Customer journey simplification	Fintechs act as enablers of customer experience capabilities, while	There were no noted differences between the research outcomes and existing literature

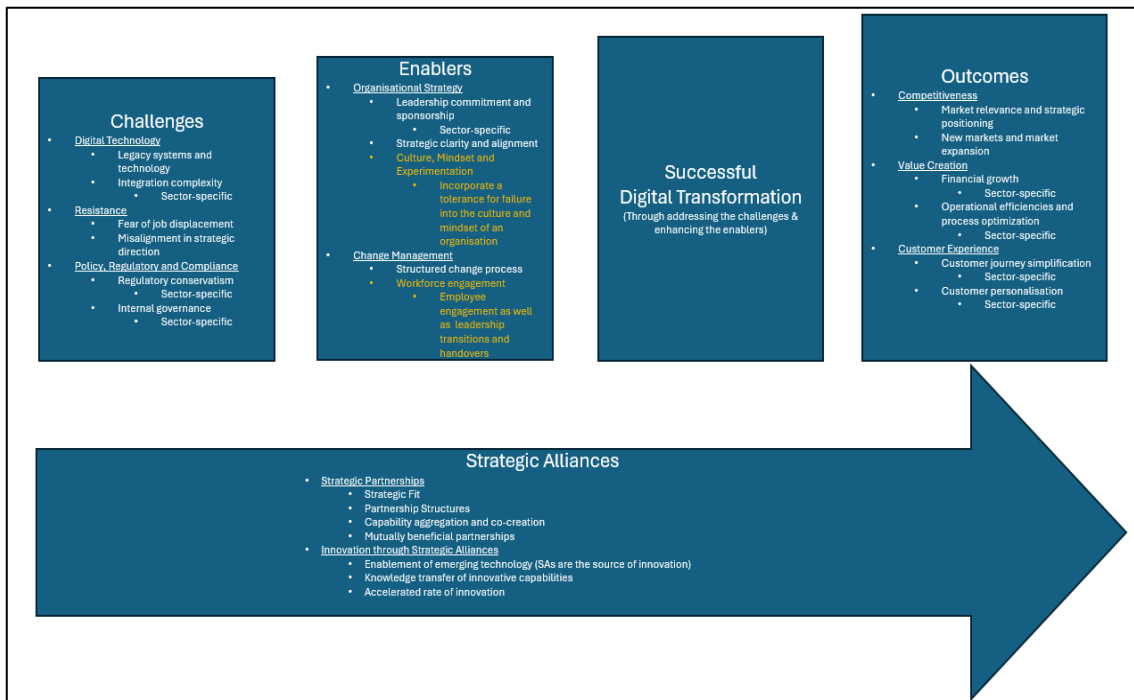
		traditional banking and insurance providers act as consumers of these capabilities.	
	- Customer personalisation	The way in which each sector approaches customer personalisation is distinct.	There were no noted differences between the research outcomes and existing literature

Note. Author's Own

### 7.2.5 Final Conceptual Framework

Figure 6 represents the final conceptual framework, including the constructs, themes and sub-themes identified through the research outcomes. Based on the research conclusions, the sub-themes highlighted in orange represent potential refinements to the existing body of literature.

**Figure 6:**  
**Final Conceptual Framework**



Note. Author's Own

### **7.3 Research Contributions**

The research study aimed to address the calls highlighted by various scholars (Furr et al., 2022; He et al., 2020; Hornuf et al., 2021) to explore the link between DT and the function of SAs within this transformational process. While existing literature provides valuable insights into various aspects of DT, SAs and outcomes, there is a lack of integrated research that holistically examines the interplay between these elements. This study is intended to contribute to the growing body of emerging literature on DT and its connection to SAs. The research contributions are based on the outcomes from the analysis of the findings and existing literature reviewed in this study. The research contributions are presented in two groups: Potential additions to the existing body of literature and potential refinements thereof.

#### ***7.3.1 Potential Additions to the Existing Body of Literature***

Based on the work performed in this study, the following areas of similarities are considered as potential additions to the existing body of literature, as presented in Table 34. Even though other studies have previously appeared in the existing body of literature and the conclusions from this study are found to be similar, this study has a different scope, context and setting and as such the areas presented in Table 34 are considered to be potential additions to the existing body of literature as the research conclusions relate to the context of this study.

**Table 34:****Potential Additions to the Existing Body of Literature**

Constructs	Themes	Sub-themes	Sector-specific distinction
Strategic Alliances	Strategic Partnerships	- Strategic fit	
		- Partnership structures	
		- Capability aggregation and co-creation	
		- Mutually beneficial partnerships	
	Innovation through SAs	- Enablement of emerging technology (SAs are the source of innovation)	
		- Knowledge transfer of innovative capabilities	
- Accelerated rate of innovation			
Digital Transformation	Resistance	- Fear of job displacement	
		- Misalignment in strategic direction	
	Policy, Regulatory and Compliance	- Regulatory conservatism	✓
		- Internal governance	✓
	Digital Technology	- Legacy systems and technology	
		- Integration complexity	✓
	Change Management	- Structured change process	
	Organisational Strategy	- Leadership commitment and sponsorship	✓
- Strategic clarity and alignment			
Outcomes	Value creation	- Financial growth	✓
		- Operational efficiencies and process optimisation	✓
	Competitiveness	- Market relevance and strategic positioning	
		- New markets and market expansion	
	Customer Experience	- Customer journey simplification	✓
		- Customer personalisation	✓

Note. Author's Own

### 7.3.2 Potential Refinement to the Existing Body of Literature

Based on the work performed in this study, the following nuances of differences are considered as potential refinements to the existing body of literature, as presented in Table 35. Crane et al. (2016) state that refining theory can emerge from conducting studies in different contexts, where new dimensions may surface, which could result in redefining and extending current theories (Crane et al., 2016). As this study was performed in a different context, the areas presented in Table 35 could be considered as potential refinements to the existing body of literature.

**Table 35:****Potential Refinements to the Existing Body of Literature**

Constructs	Themes	Sub-themes
Digital Transformation	Change Management	- Workforce engagement
	Organisational Strategy	- Culture, Mindset and Experimentation

*Note.* Author's Own

#### 7.4 Recommendation for Management and Other Stakeholders

The recommendations for management and other stakeholders are as a result of the research conclusions from this research study. These recommendations together with the conceptual framework shared in Figure 6 are aimed at equipping executives and senior managers with practical guidance when navigating DT through SAs. The recommendations are relevant for corporate entities, listed or unlisted companies as well as subsidiaries actively pursuing DT through SAs.

- Organisations need to prioritise strategic fit at the outset of forming alliances with partners, with selection criteria linked to the organisation's DT strategy. The evaluation criteria should not only consider what the partners can offer but also an assessment of how well the partners can work with the organisation. This can be done through the formulation of partner evaluation checklists and formalised partner structures.
- Organisations should also be open to different ways of forming SAs, where organisations and their partners co-exist through ecosystems, which can enable the creation of new products and services. This can be built into the strategies of the organisation to ensure that it is deliberate and purposeful.
- When pursuing DT through SAs, organisations need to address resistance proactively by implementing change management and communication initiatives. Organisations can run change readiness assessments through surveys or offer upskilling and reskilling programmes to employees and leaders.
- Organisations should incorporate clearly defined handovers and transition plans when employees or leaders exit and enter organisations. In this way, organisations can facilitate better transitions of employees and leaders for continuity of DT through SA initiatives.
- Financial services organisations should proactively engage regulators on regulatory constraints within the sector. Regulators and financial services

organisations should work together to navigate regulatory changes as a result of the digital technologies and a changing financial service landscape.

- Organisations should incorporate a tolerance for failure in their culture and mindset when developing future strategies and plans.
- Organisations should focus on measurable value and customer experience outcomes by setting clear key performance indicators and customer experience metrics linked to the DT initiatives. The leveraging of data analytics through SAs as well as regular peer reviews and fintech innovation initiatives will ensure that their offerings remain relevant and differentiated.

### **7.5 Limitations of the Research**

Chapter 4 discussed the limitations of the research design. This section is a review of the limitations of the overall research study.

- The research study was exclusively carried out within South Africa.
- The financial sector has multiple sectors within it, with the research study only focusing on three sectors.
- Even though sector distinctions were identified in the study, the study did not explore these distinctions in depth.
- The research study focused predominantly on the literature of Digital Transformation and Strategic Alliance.
- The fintech sector was not represented well in the research study.
- The outcomes of the study revealed two nuances of differences; however, the study did not explore these nuances of differences in detail.

### **7.6 Suggestions for Future Research**

- The study focused on how organisations utilise SAs to achieve DT in the financial sector. Future studies could focus on sectors outside of the financial sector.
- Future studies could explore the sector-specific distinctions identified in this study.
- Future studies could be conducted on the fintech sector, as it was underrepresented in this study.
- To confirm the outcomes of this study in South Africa, future studies could be done on similar developing countries with a similar context.
- Future studies could be conducted on the research conclusions as well as the potential contributions of this study, as these were not explored in detail.

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# APPENDICES

## Appendix 1: Interview Guide

### Introduction

Thank you for consenting to be a part of this interview. The purpose of the study is to explore how financial institutions in Johannesburg use SAs to achieve DT. Please can I confirm that you are familiar with the details included in the consent form and that you are still comfortable to proceed with the interview.

The interview is anonymous, and I can assure you that whatever is discussed in the interview will remain confidential. Before we start the interview, do you have any questions? Can I ask your permission to record and take notes during the interview?

<b>Interview Questions</b>
<b>Background Information</b> 1. Please tell me how you got involved in SAs and DT? (little q)
<b>Digital Transformation and Strategic Alliances</b> 2. Please describe your understanding of how your organisation defines DT. (Big Q) 3. Can you describe specific DT initiatives your organisation has undertaken that have involved SAs? (Big Q) 4. What is the nature of the SAs that your company is currently engaged in?" (Big Q) 5. Please describe specific SAs that have been particularly effective in supporting DT. (Big Q)
<b>Enablers</b> 6. What are the enablers within your company that have contributed to DT through SAs? (Big Q)
<b>Key Challenges</b> 7. What are the challenges that your organisation has encountered when implementing DT through SAs? (Big Q) 8. Please tell me about how your organisation addressed or overcame these challenges? (Big Q)
<b>Outcomes</b> 9. What were some of the outcomes that have resulted from successful SAs in enhancing DT in your organisation? (Big Q)
<b>Conclusion</b> 10. Do you have any questions for me or about the study? (little q)

*Note.* Author's own

## Appendix 2: Interview Consent Form

I am conducting research on Progressing Digital Transformation through Strategic Alliances: A financial sector perspective. Our interview is expected to last approximately 45 minutes and will help us understand how organisations utilise strategic alliances to achieve digital transformation. Your participation is voluntary, and you can withdraw at any time without penalty.

By signing this letter, you are indicating that you have given permission for:

- the interview to be recorded;
- verbatim quotations from the interview to be used in the report, provided they are not identified with your name or that of your organisation;
- the data to be used as part of a report that will be publicly available once the examination process has been completed; and
- all data to be reported and stored without identifiers.

If you have any concerns, please contact my supervisor or me.

Our details are provided below.

Email: 24124118@mygibs.co.za



Signature of participant: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of researcher: \_\_\_\_\_ Date: \_\_\_\_\_

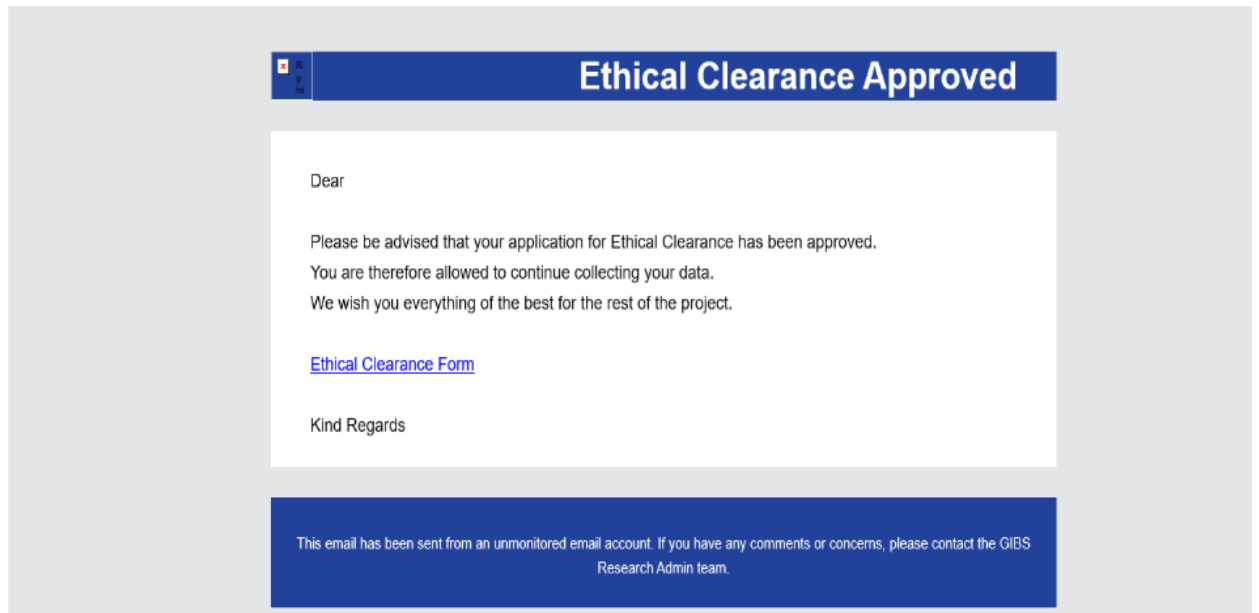
## Appendix 3: Ethical Clearance Approval

From: **Masters Research** <[MastersResearch@gibs.co.za](mailto:MastersResearch@gibs.co.za)>

Subject: Ethical Clearance Approved

To: [24124118@mygibs.co.za](mailto:24124118@mygibs.co.za) <[24124118@mygibs.co.za](mailto:24124118@mygibs.co.za)>

Cc: Masters Research <[MastersResearch@gibs.co.za](mailto:MastersResearch@gibs.co.za)>



The image shows a screenshot of an email. At the top, there is a blue header bar with the text "Ethical Clearance Approved" in white. Below this, the email body is white and contains the following text: "Dear", "Please be advised that your application for Ethical Clearance has been approved.", "You are therefore allowed to continue collecting your data.", "We wish you everything of the best for the rest of the project.", and a blue underlined link "Ethical Clearance Form". Below the main text, it says "Kind Regards". At the bottom of the email body, there is a blue footer bar with white text: "This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS Research Admin team."

## Appendix 4: Code book from ATLAS.ti

<b>Code</b>
Absorptive Capacity
Access
Access Challenges
Access Issues
Access Points
Access to Capital
Accessibility
Accountability
Acknowledgment
Acquisition
Acquisition Strategy
Acquisition Success
Action
Active Listening
Adaptability
Adaptable
Adaptation
Adaptation Challenges
Adaptive development
Adaptive Mindset
Additional Requirements
Adoption
Adoption Challenges
Adoption Hurdles
Adoption Issues
Advisory
Advisory Insights
Advocacy
Agile Mindset
Agility
AI Efficiency
AI Integration
AI Utilization
Alignment
Analytics
Anticipation
API Integrations
APIs
Approach
Appropriate Partners
Approval Processes
Assurance
Authority
Automation
Autonomy
Awareness
Bank Adaptation
Bank Performance
Banking Sector
Banking Systems

Banking Transformation
Barriers
Best Practices
Blame Avoidance
Board Support
Bravery
Budget Constraints
Budget Policy
Budgeting
Bureaucracy
Business Acquisition
Business Adaptation
Business Benefits
Business Case
Business Enhancement
Business Growth
Business Innovation
Business Intelligence
Business Processes
Business Requirements
Business Turnaround
Business Understanding
Buy-in
Capability
Capability Access
Capability Building
Capacity Shift
Capital Access
Capital Allocation
Capital Deployment
Capitalization
Case Studies
CEO
CEO Influence
Challenge Awareness
Challenge Norms
Challenge Resolution
Challenges
Champions
Change
Change Complexity
Change Failure
Change Frequency
Change Limitation
Change Management
Change Perception
Change Process
Change Recognition
Change Resistance
Change Strategy
Channels
CIO Role
Claims Process

Clarity
Client Acquisition
Client Benefits
Client Engagement
Client Experience
Client Insights
Client Interface
Client Lifecycle
Client Management
Client Navigation
Client Outcomes
Client Pressure
Client Protection
Client Reception
Client Solutions
Client Understanding
Client-Centric
Cloud-based Solutions
Co-creation
Cohesion
Collaboration
Commercial Advantage
Commercial Agreements
Commercialization
Commitment
Communication
Communication Challenges
Competition
Competitive Advantage
Competitiveness
Competitors
Complaint Reduction
Complementary Capabilities
Complexity
Compliance
Confidence
Confusion
Connection
Consequences
Constraints
Consultants
Consulting
Consulting Partnership
Consumer Needs
Contextual Understanding
Continuity
Continuity Issues
Continuous Change
Contracts
Conversion Rates
Copyright Infringement
Core Business
Corporate Clients

Cost
Cost Benefits
Cost Management
Cost Reduction
Cost Savings
Cost Structure
Cost-Effectiveness
Cost-saving
Creative Solutions
Critical Success Factor
Cultural Alignment
Cultural Fit
Cultural Merger
Cultural Resistance
Cultural Shift
Culture
Customer Acquisition
Customer Alignment
Customer Behaviour
Customer Care
Customer Context
Customer Demand
Customer Engagement
Customer Experience
Customer Interaction
Customer Interface
Customer Needs
Customer Satisfaction
Customer Verification
Customization
Cybersecurity
Data Access
Data Accuracy
Data Complexity
Data Insights
Data Management
Data Privacy
Data Protection
Data Quality
Data Roles
Data Safety
Data Utilization
Data Visibility
Data-Driven
Data-Driven Decisions
Decision-Making
Delays
Delivery
Desire
Desired Outcomes
Digital Adoption
Digital Agenda
Digital Efficiency

Digital Enablement
Digital Integration
Digital Investment
Digital Leadership
Digital Mindset
Digital Natives
Digital Needs
Digital Strategy
Digital Tools
Digital Transformation
Digital Transition
Digital-First Approach
Digitalization
Digitization
Direction
Disruption
Distraction
Distribution
Diverse Expertise
Diversification
Diversity
Ease of Use
E-commerce
Efficiency
Effort
Employee Engagement
Employment Opportunities
Empowerment
Enabler
Enablers
Endorsement
Engagement
Established Practices
Evaluation
Evolving
Evolving Business
Exclusive Rights
Execution
Execution Methods
Execution Team
Expansion
Expense Management
Experience
Experimentation
Expertise
External Collaboration
External Solutions
Failure Acceptance
Fast Change
Fast Tracking
Feature Focus
Financial Barriers
Financial Growth

Financial Inclusion
Financial Institutions
Financial Management
Fintech Approach
Fintech Solutions
Fintechs
Firm Size
Flexibility
Focus
Fragmentation
Fraud Detection
Funding
Future Direction
Future Focus
Future Orientation
Gap Analysis
Generational Dynamics
Generational Gap
Global Operations
Goal Alignment
Governance
Government Oversight
Gradual Implementation
Growth
Growth Alignment
Growth Mindset
Guidance
Hindrance
Hindrance to Adoption
Hiring Challenges
Historical Data
Impact Understanding
Implementation Challenges
Implementation Struggles
Implicit Challenges
Incompatibility
Incremental Changes
Incremental Trials
Industry Forces
Inefficiencies
Inefficiency
Influence
Informal Networks
Infrastructure Changes
Initiation
Initiatives
Innovation
Innovation Barriers
Innovation Challenges
Innovation Culture
Innovation Development
Innovation Hurdles
Innovation Limitations

Innovation Responsibility
Innovation Support
Insights
Insurance Sector
Integration
Integration Challenges
Integration Complexity
Integration Concerns
Integration Difficulty
Integration Issues
Integration Methods
Investment in People
Involvement
IT Complexity
IT Delivery
IT Support
IVR
Leadership
Leadership Focus
Leadership Hesitation
Leadership Impact
Leadership Importance
Leadership Influence
Leadership Priorities
Leadership Recognition
Leadership Role
Legacy Systems
Lifecycle
Lifestyle Solutions
Limitations
Local Partnerships
Logistics Improvement
Long-term Investment
Long-term Relationships
Long-term Strategy
Machine Oversight
Management Challenges
Market Absence
Market Access
Market Enhancement
Market Fit
Market Needs
Market Opportunities
Market Positioning
Market Segmentation
Mindset Challenge
New Business Acquisition
New Solutions
Obsolescence
Omnichannel
Onboarding
Ongoing Challenges
Online Crime

Open Banking
Operational Efficiency
Operational Reliance
Opportunities for Improvement
Optimization
Organizational Growth
Organizational Reluctance
Organizational Requirements
Organizational Structure
Outcome Definition
Outdated Systems
Outdated Technology
Ownership
Partnership Effectiveness
Partnership Models
Partnership Strategy
Partnership Structure
Past Achievements
Payment Processing
Peer Comparison
Performance Improvement
Personnel Reassessment
Phased Approach
Policy Influence
Policy Limitations
Poor Experience
Preparation
Pricing Models
Problem Solving
Process Enhancement
Process Improvement
Process Integrity
Process Optimization
Processes
Procurement Challenges
Procurement Standards
Procurement Technology
Product Evolution
Product Introduction
Product Launch
Profitability
Proof of Concept
Prudential Standards
Quality Solutions
R&D
Real Estate
Refactoring
Regulatory Burdens
Regulatory Requirements
Reinsurance
Reliability
Resistance
Resistance Factors

Resistance to Change
Resource Allocation
Resource Constraints
Resource Sharing
Retention
Revenue Streams
Risk Sharing
Role Change
Sales Expansion
Sales Extension
Sales Network
Seamless Transition
Self-imposed Barriers
Sensitivity
Service Provider
Service Providers
Shareholder Mentality
Size
Slow Adaptation
Slow Adoption
Slow Innovation
Slowness
Small Organizations
Small Teams
Software Development
Spending Alignment
Stakeholder Alignment
Stakeholder Buy-in
Stakeholder Engagement
Standalone Solution
Start-ups
Strategic Actions
Strategic Alliances
Strategic Implementation
Strategic Insight
Strategic Investments
Strategic Limitations
Strategic Partnership
Strategy Alignment
Structural Change
Success Factors
Support
System Change
System Disparity
System Replacement
Systems Focus
Tech Solutions
Technical Focus
Technological Limitations
Technological Transition
Technology Adoption
Technology Constraints
Technology Delivery

Technology Solutions
Technology Upgrade
Time Reduction
Tool Alignment
Tool Launch
Transactional Banking
Transformation
Transformation Drive
Transformation Failure
Transformation Outcomes
Transformation Risk
Transformation Scope
Transformation Tools
Uncertainty
Underestimation
Understanding
Unified Success
Unified Vision
User Interviews
User Resistance
Vendor Management
Vendor Strengths
Venture Building
Vision Alignment
Vision Articulation
Vision Establishment
Weak Responses
Workflow Adoption