



DIGITAL TRANSFORMATION

Simple As Flicking A Switch

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Despite the fact that a lot of companies have already started going digital, it has been hard to make any real change in the business. It is not as simple as just thrusting digital products and innovative technologies to the company and waiting for magic to take place.

Take for instance GE, Ford and other major players in the market. They spent \$1.3 trillion on digital transformation, however, 70% of which (approximately \$900 billion) was wasted on unsuccessful programs.

We ask, why? The reason was, they failed to effectively communicate their purpose, strategy, goals, and outlook to their employees.

In this article, we will dig deeper into what it really takes to be successful in the digital world. We will explain the significant elements involved in digital transformation. We will also provide insights on how to be truly transformative and stay competitive.

BELOW ARE THE 4 VITAL ELEMENTS THAT CAN BRING SUCCESS TO DIGITAL TRANSFORMATION:

1. Technology

The apparent innovative technology is astounding. However, even though most new software is easy to use, understanding the transformational opportunity digital offers is difficult. Including adapting and integrating new software and data with existing systems and revenue pricing structures. As a matter of fact, most companies have existing legacy technologies that are not easy to change. Solving this issue is difficult, but not insurmountable, as having the right people will help you a lot. You need people to have technological knowledge and the capability to work with each other to solve technical data issues as they arise during the project.

Unfortunately, a lot of businesses have lost confidence in their IT department's capacity to bring about a major change. They believe that the IT manager's main function is to make sure things are ticking over okay rather than driving innovation or fixing problems. Failure in all areas are common with serial project delays, limited innovation value and zero margin returns.

Nevertheless, digital transformation should include institutional IT. Therefore, rebuilding faith is very important. That is, with every technological innovation, technologists should give and show business value. They must possess the strategic sense to create technological choices that give stability to innovation and dealing with technical issues in an effective and timely manner. So, technology leaders should be effective leaders and admit when they don't know what to do and clearly communicate when they do know.

2. Data

Data in most companies today is not up to basic standards. The accuracy of transformation needs better data quality and analytics.

Data has an interesting contradiction. Major businesses know data is relevant and they know the quality is not good, however, they still waste vast resources by not setting up the right roles and responsibilities. Same with technology, talent with great knowledge in data is needed. The capability to convince people to undertake new roles as data, customers and data creators are significant. Meaning, contemplating and communicating the data needed today and after the transformation.

3. Process

Transformation needs reevaluating approaches to meeting customers needs, the capacity to lead across silos, and smooth connection of work activities and going forward. A natural fit for these needs is process orientation. A business can have small improvements but without process management, it can't truly be transformative.

To build talent, look for the capability to control or organise – aligning silos favouring the customer to improve existing processes and create new ones. Make sure that it comes with a strategic sense that can tell when incremental process improvement is enough and when radical process re-engineering is needed.

4. Change Capability

The ability to change includes courage, emotional intelligence, leadership, teamwork, and other elements of change management. Anyone responsible for digital transformation should have the know how. It is important to look for those with excellent people skills.

IMPLICATIONS

- Many companies have legacy technologies that are not easy to change. Solving this issue is difficult, however, having the right people will accelerate the ROI from digital projects.
- The primary principle of digital transformation lies in how the organisation adapts to the ever growing market and how the human resources focus on future goals and the digital tools take care of the present. It also means that the employees in the organisation should adapt to the changing systems with time.
- The most valuable thing from making a plan, to designing and modifying, to working hard over a period of time over the details, is all about people. That is to say, talent is essential to digital transformation.

CONCLUSIONS

Failure to properly implement the 4 elements above will ruin all digital transformation programs.

Technology is the engine, data is the fuel, process is the guidance system and organisational change capability is the landing gear in digital transformation. All these four elements must work together. Automating a process that doesn't work makes no sense.