Sprinting towards digital transformation

Digitisation presents organisations with transformational opportunities. However, organisations will need to gear up to be able to take part in this 'transformational sprint marathon'

The first wave of automation and global connectivity began in early 1990 and continued to late 2000. This brought about a fundamental change in business models of large global companies. Words like 'offshore' and 'outsourcing' became popular parts of business lexicon. Businesses embarked on ambitious, transformative programmes aimed at capturing new market opportunities, reorganising business units, creating shared service organisations, implementing enterprise IT systems and more.

The rate of change that technology has brought has only accelerated over the last decade and this change is forecast to grow at an unprecedented scale. Advancement in how data is created, managed, stored and shared by individuals and businesses, has created both an exponentially growing range of opportunities as well as threats for organisations.

Picture this scenario

- As AI apps like Alexa and Google Home enter our daily lives, Gartner predicts that by 2020, 85% of business to customer interactions will not need a human
- A new cloud server is added for every 600 smartphones or 120 tablets in use. Smartphones are quickly beginning to outnumber the people on the planet. In order to facilitate this proliferation, new cloud servers have to go up so that more people can have access to data
- Cybercrime was the second-most reported crime, across the globe, last year, says a PricewaterhouseCoopers (PwC) survey adding that by 2020, 25% of cyber attacks against enterprises will involve IoT devices

Fourth industrial revolution

The 'Essential 10' emerging technologies – are most commonly now referred to under the catch-all term of 'digitisation', also sometimes referred to as the Fourth Industrial Revolution or Industry 4.0. This rapid change and technology evolution is driving unprecedented digitisation across industries – integrating value chains from suppliers to distributors and within organisations, from the shop-floor to the front-office.

Industry leaders are making serious investments in developing strategic views on their digital priorities – creating new digital business models, products and services, implementing digital technologies to enable cost efficiencies and capture new markets / market share and securing their "digital assets".

NEI – A case in point

Take the case of the precision manufacturing company – National Engineering Industries (NEI) that in the light of automation, global connectivity, and increasing government policy and regulatory activism, recognised the need to develop a comprehensive roadmap to prioritise its projects and investments in order to build a truly digital business. The company focused on five key tenets – Efficiency, Flexibility, Agility, Employee enablement and Innovation.

The need was to

- Increase operational efficiencies
- Maximise customer reach
- Create a culture that promotes knowledge curation and sharing
- Develop smart solutions that are in sync with the emerging trend of connected products

Explained NEI CEO Rohit Saboo, "We are on a digital transformational journey to develop smart solutions that are in sync with the emerging trend of connected products. We have also created a digital incubation centre to improve our implementation strategy and ensure seamless digital operations across our operations. We are confident that these new waves of innovation will collectively build sustained levels of superior performance over time."

Digitisation thus presents organisations, not only with transformational opportunities, but with significant threats as well – some of which have been discussed in the global media over the past few months – data privacy and cybersecurity and the rise of artificial intelligence being two prominent ones. And while every organisation may go through its own unique journey albeit at a different pace, it is increasingly clear that maintaining the status quo, is not an option any longer. Organisations will need to build a long-term outlook, as well as short-term execution capabilities to be able to take part in this 'transformational sprint marathon'.