

Digital Transformation: Opportunities and Challenges

Digital Transformation (DT) is a predominant buzz word used in business context. It is like everyone wants to do it, everyone wants to advise on DT, everyone has something to sell for DT, and surely all are here to talk about DT for themselves and others. Digital-led Business Transformation, Adoption of Modern-day's Digital platform & tools for stakeholder's engagements, Digital literacy, Digital Innovation are among the DT initiatives and conversations.



Lately, DT has become like inevitable for two key reasons:

- (a) People and organization who genuinely want to do it for themselves to achieve natural and transformational benefits of DT
- (b) To remain relevant & engaged with ecosystem meaningfully. The level and degree of DT may vary as the case may be.

In a real sense, any meaningful and useful DT means 360° impacts on organization, internally and externally. DT journey needs to be Visionary, Disruptive, and Programmatic to execute like a top-down plan. In real DT journey, anything and everything internally & externally needs to be seen through critically and more of Outside-Inside view. Identification of people & process includes:

- (a) 'Not Adding Value'
 - (b) 'Counter-productive,'
 - (c) 'Holding back organization'
- which are among the Critical Success Factors (CSF) in the DT journey. Through Outside-Inside glasses, understand what the World is doing & how changing trends, future directions, aspirations & expectations of internal & external stakeholders will build compelling DT storyline.

A word of caution makes a impost 'what is right for me' @ a given point of time and internalize appropriately. 'One shoe doesn't fit all' applies for more than many reasons, especially in DT context.

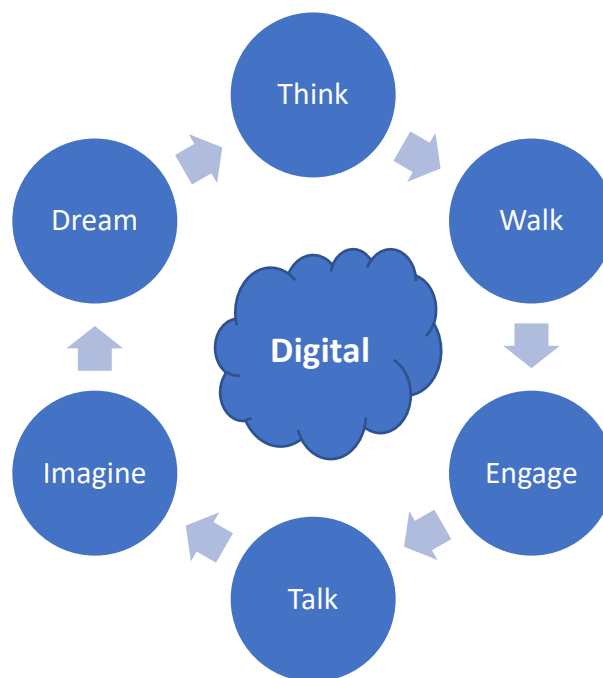
Digital journey starts from simple digital initiatives to the real digital transformational program. The purpose and objective of DT can be different from a different organization at different point of time. Real Digital Transformational in nature & spirit ought to be BIG BANG

approach. The transformational journey cannot be incremental and 'Revolutionary, but Evolutionary.'

There are two key perspectives in DT such as: (a) Internal and (b) External. For now, look at some of the aspects of internal perspective.

What does DT mean?

DT means, Think Digital, Walk Digital, Talk Digital, Imagine and Dream Digital, Engage Digital, Believe-in Digital, Act Digital, It is about "Digital Digital & Digital".



DT: Key to Success:

A Comprehensive Disruptive Vision at the Top with absolute Commitment is the beginning of DT.

- **Non-negotiable** Believe-in-Belief in doing digital.
- Focus on 'Value minus, and not Cost -Plus'
- Challenge the 'Status Quo' 360° is among the top success factor.
- Shake people internally across levels and get them out of 'Comfort Zone.'
- Let the concerned stakeholders, internally and externally, **be aware of DT** with an idea of what does it mean for them.
- **Agile** DT Strategy with Built-in provisions to tweak DT continuously as Digital Disruptions around would happen faster than ever and faster than expected/ imagination. One should not be building 'Future-proof' organization on 'Yesteryears thinking & environment'.
- Have checkpoints for effective review with a focus on course correction and embrace new ways of doing things.

DT Challenges:



Fear of Exposure

People across functions and levels will experience fear of exposure entirely in more than one manner. People's role will come under question; what people do and how they will be exposed through DT implementation

Youngsters Vs. Old Timers

Every organization will have all kind of people including, not limited to, old-timers across levels and doing specific tasks in a given manner. DT will question anything and everything differently. New kids on the block across levels, across functions, will emerge as new champions and will lead initiatives. All in a system you need to develop an attitude of 'Mutual Trust – Mutual Respect.' It will become extremely difficult and challenging to achieve.

Hierarchical Vs. Flat/ Virtual/ Task-based teams

DT may evolve very new work culture. The organization would typically be flatter than multiple layers across. People will be expected to work with virtual teams and achieve results objectively.

Transparency as never before

Automation across the globe brought a certain level of transparency, and people have accepted by far. However, DT will bring a very different level of openness all over. People won't even know that the newer technologies & processes will be monitoring throw results to whomever it belongs to. There will be practically no scope for hiding behind any process and anything for that matter.

Accountability as never before

Liability will be absolute with lots of accurate data and information. Anything and everything will be monitored regularly and predictively to keep everyone stay vigilant on top of the

affairs. The new DT systems and processes will keep throwing Red, Yellow, and Green symptoms like Traffic Signal methodology will concern in the virtual world.

Highest level of Objectivity

One of the significant achievements of DT is the ability of the organization to set the highest degree of measurable objectivity. Data is seen as New Oil and New Currency, Data-driven role definition and performance measurement will make overall system more objective than ever.

Absolute Measurement (Data-led)

With molecular level detailing @ fingertips and system's phenomenal ability & capability, through DT, to produce predictive data – the results will speak for itself than too much scope for English and Covering Strategies.

Routine work booted out to Technologies like AI. Automation moved lots of donkey's work to the system to relieve people for better things to do. Now, technologies like AI (Artificial Intelligence & others) will even free people from doing repeated jobs and continue to let people do better things. With People-Machine continuous engagements, systems will have the ability & capability to learn continuously. This will have a two-fold impact:

- (a) Systems will free people for better things
- (b) System will predict more intuitive.

Intuitive Dashboards, what is coming your way, through technologies like AI.

Collaborative, enhanced, and self-regulated Security through Blockchain technologies. The entire Regulatory and Security regime is undergoing transformation and creating challenges for Regulatory & Statutory organization to stay relevant.

Real-time Data-led Performance Management with little scope for favoritism. DT focuses extensively on objectivity supported by data to make it compelling.

Live-Data led business planning, reviews, and discussions. Under DT, anything and everything is all around data. Data-centricity drives all conversations and helps to enhance integration across the organization.

Losing Power

DT mainly focuses on technology-led process-driven over people-centric, this typically causes discomfort among people. People tend to feel losing power for many reasons:

- (a) Enhanced focus on systems with transparency & visibility of affairs
- (b) Clear definition of measurable objectives & deliverables leaving little scope for ambiguity & manipulations
- (c) Other natural DT factors.

Digital Transformation is long-term perspectives that minimize People's-dependency in anything & everything.

DT is inevitable.



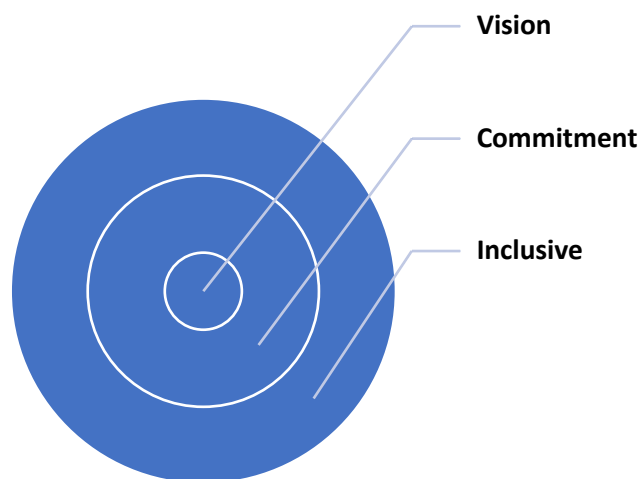
Some of the suggested Strategies that organization shall focus to manage successful implementation and rollout of DT effectively:

- Lead from Front, Top-led by Example. The initiative/ program need to be led from the top with conviction and by being an integral part of DT is among the Single most success criteria.
- Campaign-led program. DT shall be run like a festival within the organization. It is critical to conceive various actionable programs to engage anyone and everyone in the program.
- Education, Education, and Education → Learnability. A massive investment is required in educating people about change in letter and spirit. The focus should be on learnability to ensure everyone understands the change and adapt during the education program.
- Communication, Communication, Communication. All kind of possible communication channels should help in creating an internal momentum and make the program inclusive. It is essential that everyone must be an integral part of DT program and own something or other.
- Change Management through hand-holding. This is among the genuine 'easier said than done.' Change Management can be among the critical success factors. It can make or break. Change Management would need extensive, comprehensive, and careful hand-holding.

- Capacity Management through Gamification. People and processes need to graduate to post DT scenario. Understanding and driving change among people is tough. Gamification techniques should bring key strategies to hand-hold people for DT.
- Celebrate quick successes with select champions. There is nothing better than success, even the smallest and low-hanging. Reward and Recognise people appropriately to sustain and grow the motivation level & mood. Communicating and celebrating the victory makes the difference.
- Policy of Zero Tolerance through a roadmap During DT journey, certain areas of transformations have to be declared Zero Tolerance Zone starting from the top. Any deviation and leeway can disrupt the success expensively.
- Insecurity Management. Everyone in the organization would go through change with all kind of possible system, behavior, and other changes. Some of the insecurities like losing a job, losing power centers, equations, enhanced transparency, and measurable system in organization would need to learn the science & art of it. Everyone and everything will be good for all; however, things can be better if people understand the concept of Insecurity well and start managing them systematically.
- Unlearn. Old habits die hard. With DT, understanding & learning the 'Digital' and relating to transformation is not that easy. People have lived in the comfort zone and performed their task. Some of it is just not going to work anymore. People won't have a choice, but to learn new ways of doing by unlearning an earlier way of doing. Among many, business reviews basis CRM (Customer Relationship Management) data in the system over traditional excel sheet base review shakes the entire organization.
- Culture of 'Mutual Trust and Mutual Respect.' As the organization is expected to observe all kind of changes like oldies would need to give way to youngsters, people would need to give control, people in the organization would need to learn and adopt 'Mutual Trust Mutual Respect.'
- Continuous effective feedback system, Crowdsourcing, Listen-Listen-Listen. DT has to be Top-down program with leadership leading by example; however, keeping ears to the ground realities would be no less critical. Some of the bottom-up feedback would be very crucial to tweak the system and change.

To summarise and reiterate, DT is like a change in the way of doing business in life and to get succeed with

- Clear Vision and Measurable Objectives
- Absolute non-negotiable Commitment with focus on accountability, starting from Top
- Inclusive by taking all stakeholders together through Change Management
- Appropriate all-round Investments
- Regular reviews, health check, appropriate course correction, and Tough decisions
- Drive anything and everything like a journey



DT is among the most exciting things happening around. DT impacts all of us in one or more manner, by choice or otherwise.

Natural benefits of DT: Natural benefits of DT in traditional manners are like less paper, process automation with built-in checks & balances, single source of truth, backup and business continuity, one can access it anytime from anywhere as it has role-based access.