

# DIGITAL TRANSFORMATION

Digital transformation is the methodology of using digital technologies to transform business processes and services to deliver new and improved value for customers. This integration of digital technology into all areas of a business not just changes the way an organization operates, but also makes change a continuous and experimental process.

The COVID-19 pandemic changed the way the world conducted business. It has forced organizations to prioritize and expedite their digital transformation goals. The pandemic also made businesses realize that digital transformation is where the future lies, and that it is imperative for small and big sized companies to embrace it. Digital transformation is the most important way through which businesses can remain competitive and relevant. It gives companies an opportunity to revisit and rethink their business practices and operating models. It offers a chance for experimentation of new methodologies to be more agile in their ability to serve their customers.

## BENEFITS OF DIGITAL TRANSFORMATION

Companies are constantly looking to cut costs while simultaneously trying to improve the efficiency of their processes. While technology helps organizations reduce their operating costs, it is when they align their business goals with their digital transformation strategies that they realize efficiencies in all areas of their business. Let's look at some advantages that digital transformation offers:



More efficient business processes that can save time, money and resources.



Identification of trends and patterns based on better quality data gathering



Better customer experience across all touchpoints, leading to higher retention



Better employee engagement and culture, thereby reducing attrition



Quicker and more effective response to market needs due to a flexible and more adaptable business models

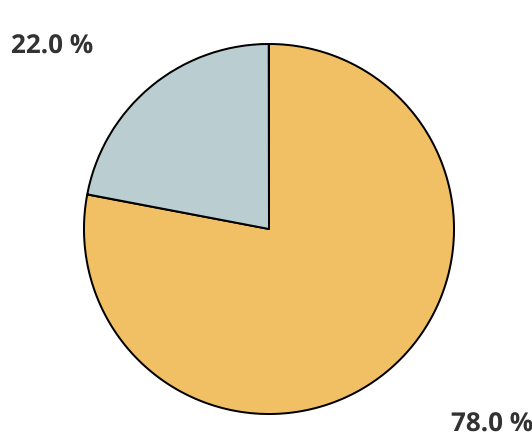


Improved competitive advantage because of a better digital infrastructure system

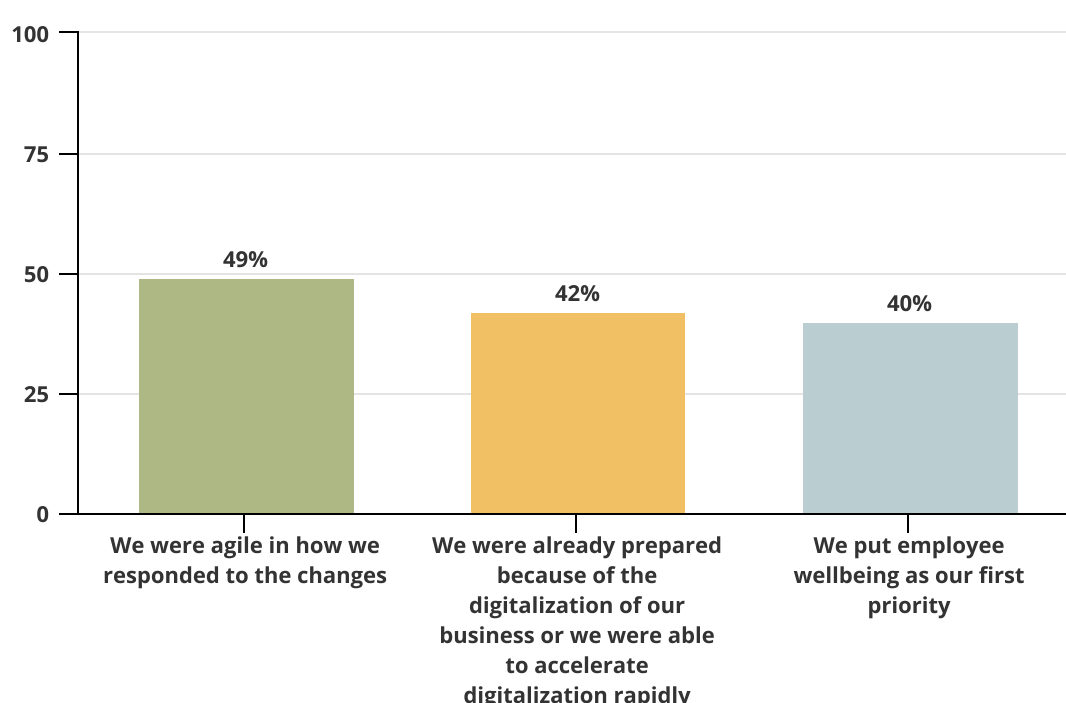
**“When digital transformation is done right, it’s like a caterpillar turning into a butterfly, but when done wrong, all you have is a really fast caterpillar.”**

— George Westerman, MIT Sloan Initiative on the Digital Economy

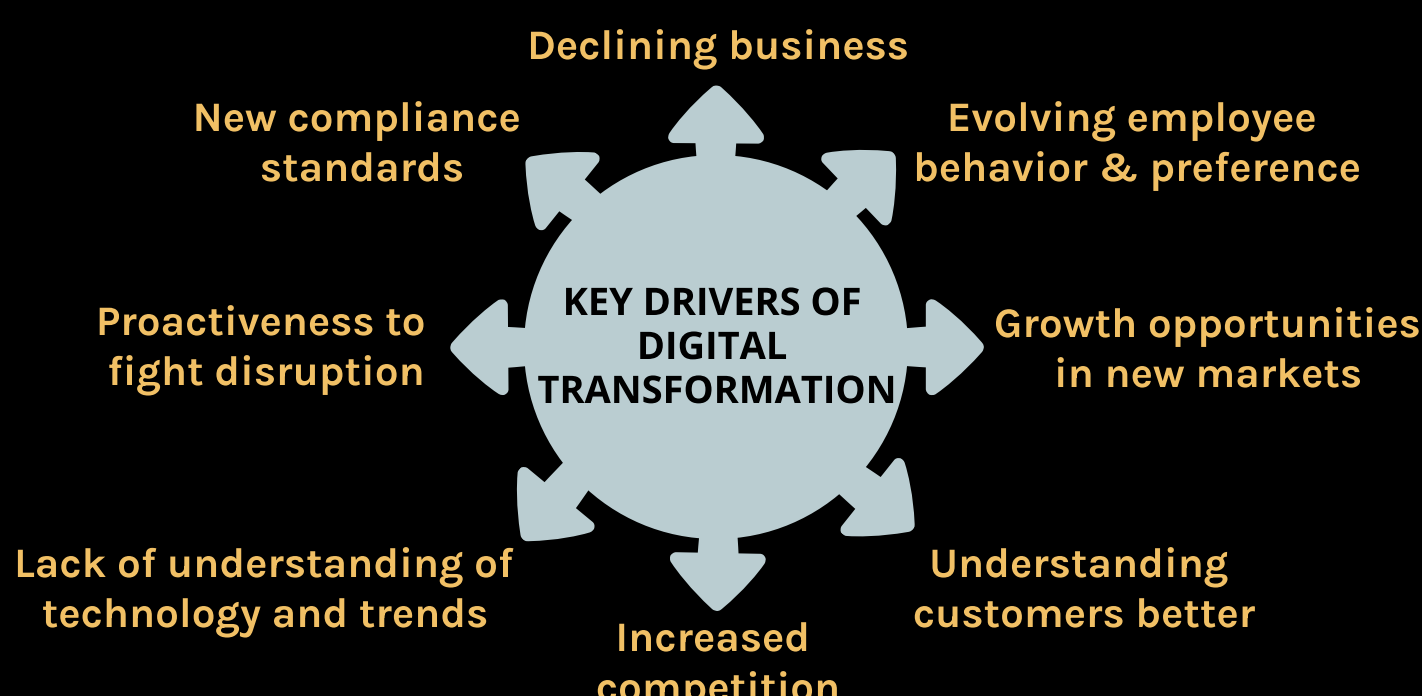
According to a digital transformation survey by Fujitsu, 78% of business leaders from offline organizations said that they were able to effectively respond to the changing needs of the COVID-19 pandemic



Of the 78% who said they responded effectively:



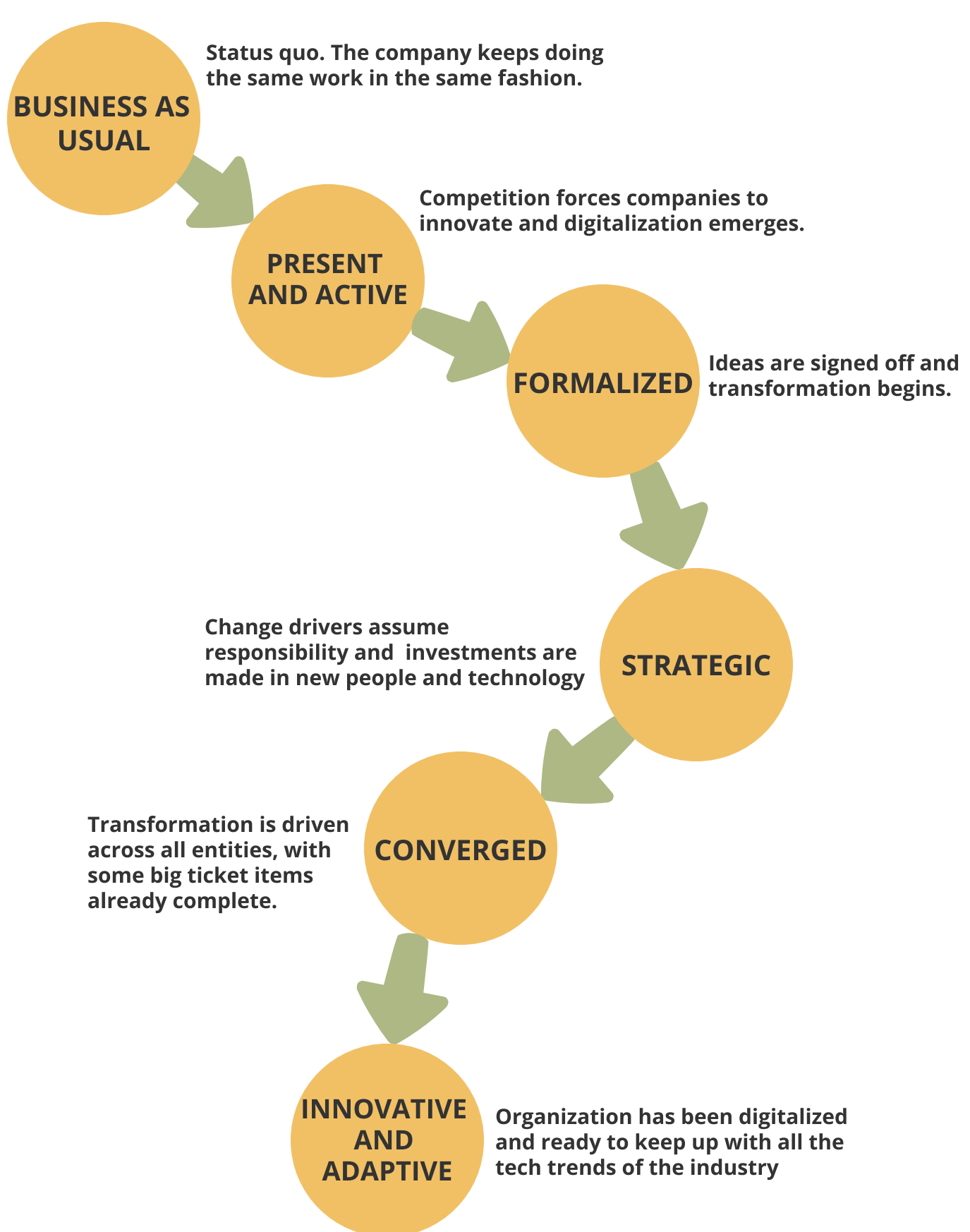
\*Offline organizations here refers to companies that provide products and services completely offline or partially online.



**“In today’s era of volatility, there is no other way but to re-invent. The only sustainable advantage you can have over others is agility, that’s it. Because nothing else is sustainable, everything else you create, somebody else will replicate.”**

**— Jeff Bezos, Founder, Amazon**

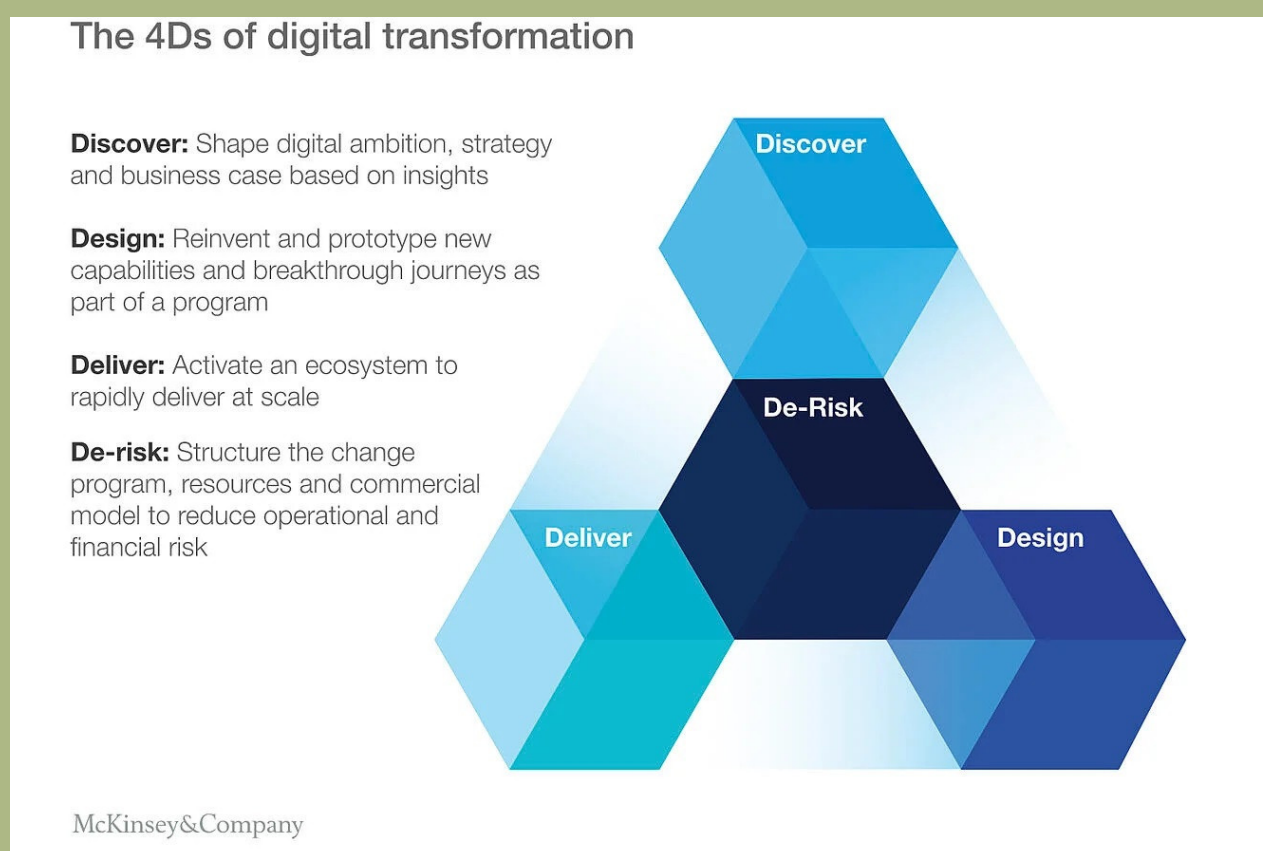
## DIGITAL TRANSFORMATION ROADMAP



## DIGITAL TRANSFORMATION FRAMEWORK

A digital transformation framework is a set of rules that are established by an organization to ensure a smoother digital transformation process. It is a step-by-step blueprint that defines the goals and objectives of the processes and documents the path to achieve them. A lot of consulting companies develop their own frameworks. Since a DX framework is what determines the success or failure of the transformation, it is important to understand which one works for the organization, its workforce and culture.

**McKinsey's a DX framework is called 4Ds. The focal point of this framework is Customer Experience i.e. to increase the value delivered to customers.**



According to McKinsey, “While this approach may seem self-evident, we find that most companies fall short in the execution.” Several companies make the mistake of investing heavily in the “Discover” stage but in the later stages, the efforts, perseverance and the budget, all diminish. It is therefore, important to focus on quick successes to keep the momentum going at all times. These will also help to cut costs that can be reinvested in the DX process.

Digital transformation is a continuous and evolving process. New technologies keep cropping up and need to be assimilated in to the business to keep up with the changing times. Therefore, one can never truly assume the job of digital transformation to be ever 'complete'. Transformation needs to happen on a regular basis to stay successful.

Digital transformation encourages organizations to rethink and reconsider how to conduct their business in a more efficient manner. It gives them an opportunity to avail and incorporate new technologies into their organizations to reach higher levels of success.

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