MKnowledge

Digital transformation

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We live in an ever-changing world, where the digital landscape evolves daily

With this comes a shift in the requirements and needs of business customers or consumers; heightened expectations, demand for a faster turnaround and continually enhanced customer service levels expected as standard.

Businesses need to adapt to these changes readily in order to ensure they can stay relevant and the first in mind for customers.

According to IDC, worldwide spending on technologies and services that enable digital transformation will reach $1.97 trillion by 2022 - a huge figure that makes the following worrysome:

In a new McKinsey Global Survey* on digital transformations, more than eight in ten respondents say their organizations have undertaken such efforts in the past five years. Yet their success rate in these transformations is lower than in the past years.*

*McKinsey Global Survey on 1,793 participants in January 2018

It's no secret that digital transformation is a top priority for businesses

Companies that do have success point to a few best practices, all of which make a digital transformation more likely to succeed. The following suggests where and how companies can start to improve their chances of successfully making digital changes to their business.

• Having the right, digital-savvy leaders in place

• Building capabilities for the workforce of the future

• Empowering people to work in new ways

• Giving day-to-day tools a digital upgrade

• Communicating frequently via traditional and digital methods

Digital transformation is not a destination you reach overnight, its time to start thinking and planning your journey.
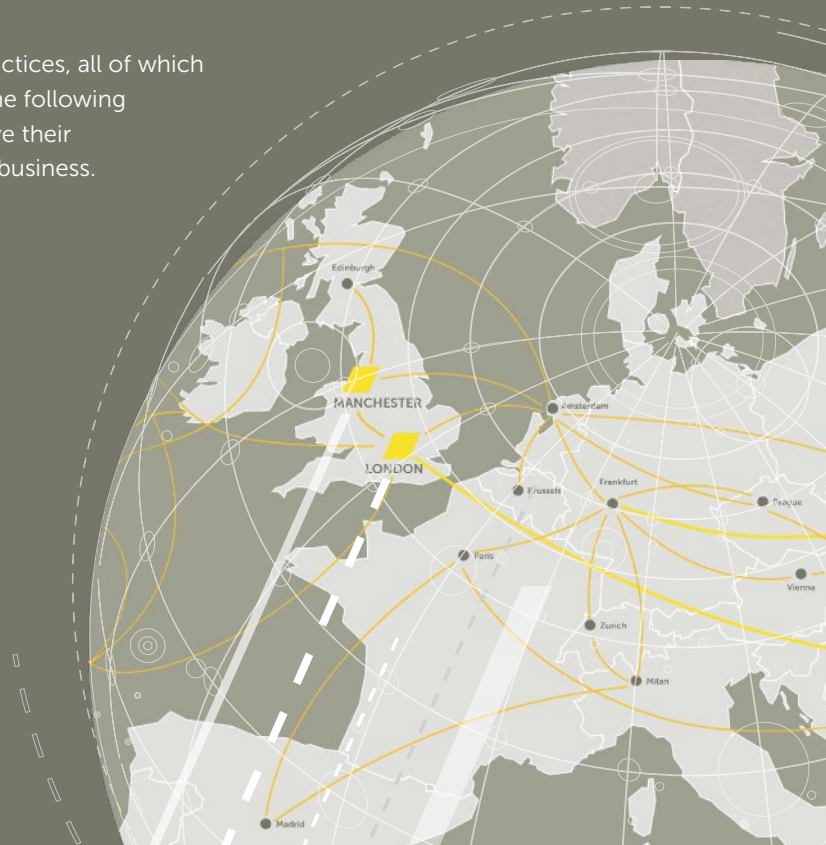
What is digital transformation?

We know why digital transformation
it's so important for businesses,
but what does it actually mean for
those who need to plan it?

**This quick guide discusses what digital transformation means,
the role 'Cloud' plays, and the things you will need to do
to get your strategy off the ground and stay on track.**

First things first

It's important to establish the difference between digitisation and digital transformation.

Digitisation means updating your business technology with new, current technology; a technology transformation.

Digital transformation is a little harder to define, in fact there is no set definition, as it means different things to different people and businesses.

The key difference lies in the purpose. Digital transformation solves problems using technology and helps to:

• Integrates technology into all areas of your business
• Fundamentally changes how your business operates
• Reshapes business models and processes

The first step - formulate your strategy

Digital transformation strategy

Because this is a high level change, you will need a strategy to ensure aims are clearly captured and keep on track.

Some believe digital transformation strategy means getting your hands on as much technology as possible, whereas others think adopting a Cloud-first strategy ticks the digital transformation box.

But, fundamental for every organisation is understanding evolving customer behaviour and how they can utilise digital technology to harness more interaction.

A simple idea which can enable a better customer experience.

Digital transformation doesn't stop there. It ripples through the whole business, impacting on employees, suppliers and stakeholders alike.

Flexibility
Public Cloud speed, efficiency and economics within the data centre

Scalability
Start small and easily scale up or out while maintaining performance

Simplicity
Simplify operations with software driven automation and lifecycle

The benefits

Digital transformation helps your business deliver some key objectives

For example:
• Enabling digital readiness, to change and react quickly
• Explore and develop business models, to stay competitive and generate new revenue
• Improve digital channels and customer facing processes
• Deliver up to date digital products
• Keep up with changing customer behaviours and expectations
• Improve/maintain customer satisfaction and dialogue

Resulting benefits:
• Reduced operational costs
• Consolidated operations
• Improved data analytics
• Ability to take products to market faster

In a recent survey, 40% of respondents said digital transformation is the single most important priority for businesses within the next 2 years*

*M247 survey conducted May-19 with a panel of 100 UK IT Decision Makers

Where do you begin?

Every business is different. Digital transformation needs to be customised to meet the current needs of your business and have the flexibility to adapt and grow with it in the future.

One size does not fit all

For some companies digital transformation is all about shifting workloads to the Cloud, whereas others may want to focus on understanding data analytics in more detail. Or maybe your business needs mobility options for employees and to automate more operational processes. Clearly, the approach taken can vary significantly.

One thing is for certain though, no matter what the digital transformation strategy looks like, the network you use has a central role to play. It will be either a hero or a hindrance to the digital transformation efforts.

This is where the Cloud comes in - not so much in a Cloud-first way, but for the flexibility it provides.

Reach for the sky

The Cloud and digital transformation

Digital transformation is customised, highly personalised
and built to meet the specific needs of an individual business.
For many this journey begins with a Cloud-based approach,
but for some it's not that simple.

The evolution of the marketplace means it is demanding genuine
Cloud choice with the capability to tailor to individual requirements.
Whether this is on-premise private Cloud or a hybrid approach
(mix of hosted private   and public Cloud), there is
no one-size-fits all Cloud solution either.

**The two go hand in hand, bound by their own unique parts
in meeting the needs of different businesses in different ways.**

Your Cloud journey

Digital transformation begins with Cloud migration

1. Assess
Review what applications you use

2. Check
Do you have appropriate connectivity

3. Understand
Workload requirements

4. Application strategy
Can apps delivered via the vendor provide SAAS?

5. Determine Legacy applications and systems which are to be retained

6. Data protection strategy
Understand your RTO and RPO

7. Workforce strategy
Consider how many users will access applications and data

8. Compliance strategy
Understand your legal requirements ie; GDPR/DPA

9. Security strategy

10. Cloud repatriation

Steps you need to take

1. Assess applications

Step 1

Ensure you have a comprehensive understanding of the applications you have and what their requirements upon the infrastructure are, or will be

2. Check connectivity

Step 2

The speed and resilience of your bandwidth (and their appropriate backup circuits) are the foundations to a successful Cloud migration and stability going forwards. Without the appropriate level of connectivity infrastructure in place your Cloud solution, and therefore digital transformation strategy, will fail to succeed

3. Understand workload

Step 3

Understand where you need your performance to be, and whether this can be delivered from the Cloud or does it need to remain local?

4. Application strategy

Step 4

Consider your application strategy and whether these can be delivered from a SAAS platform. Take into account compatibility, for example do they link to other applications and will they link to applications delivered from the Cloud.

5. Legacy applications

Step 5

Don't forget or bypass legacy applications in the quest for something new. These retain data for the business, so consider if access is still required or if they can be archived. Archiving will help reduce overheads but still maintain availability to historical information and access to data should it be needed.

6. Data protection strategy

Step 6

How long can the business operate when a disaster strikes leaving you without some or all IT functionality? What would users do in the event of a disaster to keep the business bringing in money? Do you understand Recovery Time Objective (RTO) and Recovery Point Objective (RPO)?

7. Workforce strategy

Step 7

Successful deployments need user adoption and for benefits to be seen – if the user experience is poor you'll suffer long term as culturally the change will struggle to embed. Positive impact upon employees workload and efficiencies are key to ongoing success

8. Compliance strategy

Step 8

Understanding what regulations you need to adhere to is a critical step. GDPR, DPA and SBO are at the top of this list but you also need to consider industry specific measures to ensure business compliancy.

9. Security strategy

Step 9

Ensuring your data is well protected, and in the event of a cyber security attack, you have a clear plan to restore the data cleanly with the minimum of impact is essential.

10. Cloud repatriation

Step 10

Understand what needs to stay on site or offsite. Cloud is rarely the answer to all of your business needs there will be some elements that remain onsite or better suited to a private Cloud - many companies find a hybrid approach works best and will ensure they can fulfil their digital transformation strategy.

Beware the pitfalls

A recent McKinsey report stated that while 80% of companies surveyed started digital transformation projects in the last five years, less than 30% were deemed successful.

This is not overly surprising given that the average business has over 210 different services that employees use to collaborate* Whilst digital transformation is inevitable, presenting with it a great opportunity, there are significant cultural and business changes required in order to make it work and have a successful impact.

But celebrate the successes

Ultimately the measure of the success of a digital transformation strategy for most businesses is an increased bottom line.

However, there are many tangible benefits that are also compelling, such as employee well-being with reduced stress levels and more efficient working practises. Not forgetting increased productivity with the same number of staff and the ability for flexible working practices, but there are countless more.

* McAfee Cloud Adoption & Risk Report 2016

The benefits to your business

If your digital transformation strategy is a success then so too will your business continue to be. Digital transformation enables it to remain relevant in an ever-changing digital landscape and marketplace.

- **Supportive, agile organisational culture**
- **Well managed transformation activites**
- **Leverage knowledge and expertise**
- **Engage managers and employees**
- **Grow IS capabilites**
- **Develop dynamic capabilities**
- **Develop digital strategies, align business with IS**

Get started on your digital transformation journey

Contact our experienced team today to find out more

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