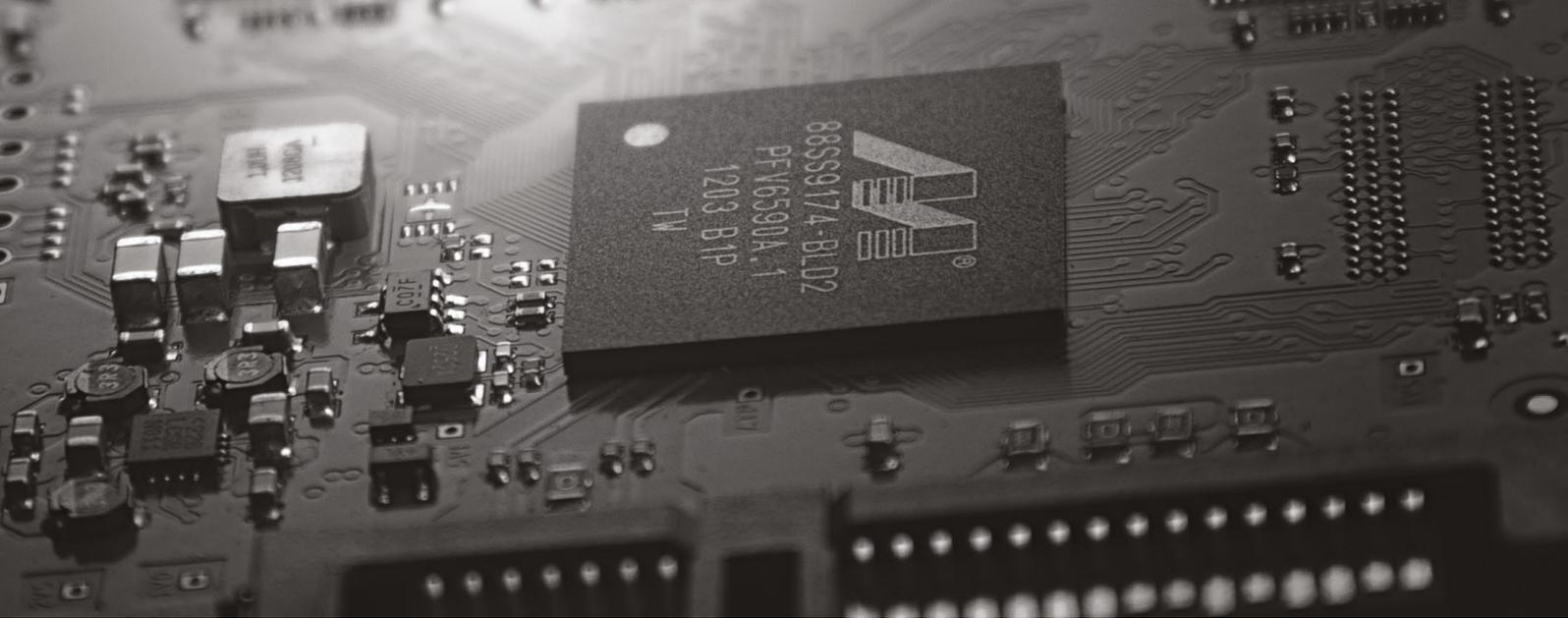# AUTOMATORS

BELIEVE IN TRANSFORMATION
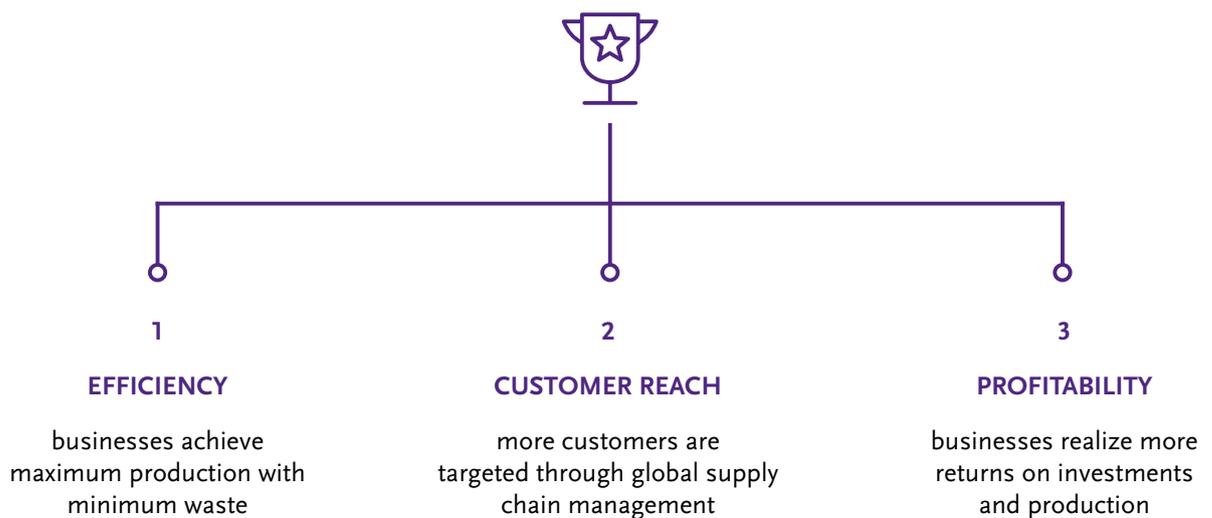
DIGITAL TRANSFORMATION

DIGITAL TRANSFORMATION (DX): THE PAST AND THE FUTURE PERSPECTIVE

If millennials got the chance to time travel back to the 17th century, they wouldn't survive a day without sending a text or tweeting about their current mood. Feeling Bored. #Cavemen. Gone are the days of smoke signals and letters in a bottle. Digital transformation has provided a profound change in our personal and business lives.

Digital transformation involves the integration of digital tools and strategies in the business environment and organizational activities. This change in business processes was triggered decades ago by the need to create efficiency in business and to have smooth running processes. It allowed many businesses to birth new career opportunities and to increase their competitive edge in the global market.

Many companies have embraced digital transformation in their core businesses. The main objective of digital transformation is to make businesses more customer-centric and innovative at the core. Delighting the customer is the main purpose of a business and digital tools engage them externally and streamline internal processes as well.

BUT WHAT ARE THE CORE BENEFITS OF DIGITAL TRANSFORMATION?

1

EFFICIENCY

businesses achieve maximum production with minimum waste

2

CUSTOMER REACH

more customers are targeted through global supply chain management

3

PROFITABILITY

businesses realize more returns on investments and production

1800

A BRIEF HISTORY OF DIGITAL TRANSFORMATION

About 200 years ago, the wheel and fire were already invented but there were no computerized processes. Imagine living in a world where you had to wait for weeks before getting a response from your romantic interest or money from your grandmother. Most companies relied on manual inputs to coordinate organizational and structural processes. The postal services were at their peak as letters were the only means of communication between people and businesses. Office preparation of documents was a slow process reliant on a typewriter and the skills of a loyal clerk.

And then the digital transformation began to happen. While the developments were slow and sometimes lethargic, they had a deliberate goal – to increase competitiveness by streamlining everyday business activities.

About 30 years ago, the computerization process began in many organizations. Digital channels or the websites started linking companies to their customers. Later all devises and processes were connected to a digital network in order to eliminate the use of intermediaries to target their customers. Magnificent isn't it?

DIGITAL TRANSFORMATION AS WE KNOW IT TODAY

We are in a digital age where you can easily get food delivered to your house at a touch of a button, record a show if you are not available to watch it and can store your money online.

That is just a tip of the iceberg. To date, companies are constantly experimenting with new digital platforms when conducting business in order to retain talent and effectively leverage data. Most digital transformation ideas are being built on cloud, mobile, social technologies and big data/analytics.

3rd Platform technologies are used in robotics, next-generation security and 3D printing among others. These features stretch out the capabilities of the 3rd platform making them growth drivers for many businesses in the rapidly changing digital marketplace.

Companies that fail to embrace digital transformation are either left behind or totally wiped out of the market. Telecomm, consumer financial services, and the media were the hardest hit by the digital transformation as their services were disrupted or taken over by other market sectors.

WHAT IS THE CURRENT STATE OF DIGITAL PREPAREDNESS?

New digital transformation phases are expected in the future. And for companies to remain relevant, they must embrace winning digital strategies to propel them to digital maturity. Corporate leaders and SMEs owners must lead their organizations to digital maturity by exuding digital fluency to their team members. The fact that a team leader can clearly articulate the value of digital transformations to the organizations future, is by itself a winning strategy.

TOWARDS 2021: FUTURE OF DIGITAL TRANSFORMATION

Looking into the future perspectives, it is estimated that digital transformation will reach a larger global scale within the next five years. Global 2000 enterprise CEOs will implement digital transformation in the core of their corporate strategy. A new digital vision will be invented for businesses to deliver digital experiences that are revenue generating.

Consumer behavior will be the driving factor for businesses embracing digital transformation. Businesses will come up with new ways to spot trends, react to new situations and to predict changing behavioral patterns. Fashion, for instance, is a constantly changing phenomenon and most fashion houses like Burberry are going digital in their apparel manufactory. By 2019, most businesses will be extremely tech-savvy, more equipped and ready to evolve with the emerging digital trends.

By 2020, more than half of the Global 2000 enterprises will have the ability to make digitally enhanced commodities.

WHAT ARE SOME OF THE DIGITAL FUTURE PERSPECTIVES?

TRENDS IN DIGITAL TRANSFORMATION

Lean Software Transformation
is one of the key strategies that every forward-looking company will be focusing on. By harnessing the computing power and the already analytic minds in your team, organizations can optimize their digital transformation strategy. We are looking at new levels of competitiveness where guided software development process- through Continuous Delivery, DevOps and Automation will be optimized through tactical implementations to bring actual transformation and digital maturity.

The Internet of Things (IoT)
is the backbone of digital growth. It provides a platform for devices to gather data and to store it in a database elsewhere. Communication companies, however, require a more speedy and efficient process for data transfer. This is what has created the rush to build 5G networks. The deployment of IoT devices makes it easier to process data in other areas besides the central server and thereby contributing to the growth of edge computing systems.

More emphasis is put on speed
Businesses want to be the first to get to the customers and the personnel necessary for the production process. All this will necessitate automation of core processes, faster data processing and analytics and ways to search for relevant information relating to the business.

Breakthrough of blockchain trading
Cryptocurrencies such as the Bitcoin emerge as the second most searched item on the internet. The tech that powers the bitcoin by default attracts people's attention. The amazing fact is that blockchain can also be used for other forms of trading like for sneakers, wine or products shipped internationally. Basically, anything that requires provenance.

Artificial intelligence (AI)
will advance to the boardrooms. Use cases including AI can comprise teaching machines to map and be the first responders in case of disasters such as earthquakes or hurricanes or using an algorithm to stand in for the doctor-or perhaps diagnose sepsis in patients.

So, what happens when AI becomes an integral part of boardroom decision making?

Well, AI can be used as a strategizing tool for business plans and marketing by manipulating data, assembling information and placing it in context. It can help the government to deploy resources in a fair and efficient manner.

⚠ **Digital transformation bottlenecks**
Openness is the driving factor for digital transformation. Businesses must be ready to embrace new digital trends and encourage their personnel to integrate them into the workflow. However, the following challenges greatly affect the transformation:

⚠ **Quality Control**
New releases are coming up more often and quality tests cannot keep up anymore. A test is required every time a code changes and developers need quicker quality feedback loops in various stages of their deployment pipeline.

⚠ **Conducting tests**
is costly and takes on a lot of time so not every new release will be tested in time before it reaches the customers. To top it off, many companies fear tests as they may point to defects and the tests cannot be reliable enough to tell how bad the defect is.

⚠ **Lack of Knowledge**
Majority of global companies are not digitally adaptive due to lack of knowledge on how to integrate digital tools into their businesses. Proper training on digital tools is not emphasized in the work process.

⚠ **Poor management support**
The management is the main body that spearheads change in an organization. When they fail to adapt to new digital trends, they fail the whole company in general.

⚠ **Excessive complexity**
Digital tools are rapidly changing and getting complex by the minute. People fear that the complex tools will replace them in their jobs especially when they don't understand how they work.

⚠ **Culture**
Change is seldom embraced by traditional cultures. Digital transformation entails creating new processes and giving rise to innovative future perspectives. Culture should constantly evolve to empower people to work in harmony towards new ways to solve problems and acquire new opportunities.

WHAT ARE SOME OF THE CHALLENGES FACING DIGITAL TRANSFORMATION?

The act of digital transformation throughout history constantly invests in people, systems, technology, and processes to enhance how businesses operate in this digital economy. It is time to change perspectives and to find new ways of connecting employees and customers.

And what better place to start than defining your digital goals and objectives; and then putting into perspective some of the challenges facing digital transformation in your company.

CONTACT DETAILS

AUTOMATORS GmbH

Saturn Tower
Leonard-Bernstein-Straße 10
1220 Wien

+43 1 393 00 50
office@automators.com

automators.com