

# Digital change begins with business leadership



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14 Nov 2016

Digital transformation is a powerful revolution that needs to happen in order to accelerate business activities, skills and models, enabling companies to fully leverage the changes and opportunities brought by new digital technologies in a strategic and prioritised manner.



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Driven by changing customer needs, those businesses that ride the wave and embrace digital change will survive and even gain a competitive edge, while those that do not digitise will become irrelevant and possibly extinct. Because digital transformation is not as simple as moving business applications to the cloud, there is a need for business leadership to get involved in the transformation process from the beginning. A journey with multiple connected transitional goals, digitisation is undertaken with the aim of continuous optimisation across processes and departments to create a business environment in which employees and decision-makers alike are empowered with the correct tools to fulfil their business function.

## End-to-end change is required

Through the digital transformation process, an organisation must move from the traditional, manual way to a digitised environment. This means customer interactions must also be digitised and requires a change in business model as well – all driven by the digital strategy.

As the main objective is to become more internally productive in terms of customer interaction and service delivery, it is critical that the task is not carried out in an isolated manner. Digital strategy, we believe, is 50% technology and 50% leadership. Thus an organisation cannot decide to, for example, transform its sales interaction team in isolation, without applying a similar approach to the other applications of the business, like end-supply chain, end-delivery and marketing.

The company's leadership team needs to be involved and must provide guidance based on the understanding that the way business happens today will change tomorrow – it is this understanding that must drive the digital strategy. The company leadership needs to acknowledge the importance of digitising customer interactions and customer data to ensure that the business can move closer to the customer in order to respond faster. This is only possible if the digital strategy is deployed simultaneously across all business-critical applications, from end to end.

## Change with a view for optimisation

Digitilisation means, at a basic level, looking at all business documentation and interactions with a view to capture them digitally. Once that is done, it's necessary to define processes to define what the business will be doing with that data in order to optimise operations. Once these processes have been established, the next logical step is to examine how a customer interaction would take place, and what changes are necessary here given that digital transformation is now underway.

Because the process is more than simply moving business applications to the cloud, it's necessary to critically examine business interactions, both internally and externally. The company needs to look at how they interact with their customers and suppliers, and consider how to use the information on both in such a way that they can give better service to their customers, or get better service from their suppliers.

On the internal side, once businesses understand that customer needs are no longer the same it becomes possible to find new ways to deliver their services faster, through digitilisation. It becomes possible, for example, for a financial institution to launch a new product and roll out an improved product within 48 hours, based on customer feedback through digital channels simply by placing analytical software to gather negative and positive sentiment from customer-facing social media platforms. By properly defining internal business processes, data in the form of customer feedback can be used by the company to ensure that the customer needs are met and fulfilled in a way that was not possible in a pre-digital world.

## **Change can be challenging**

As humans, we have a tendency to resist change, but the digital transformation cannot be refused. Given that it's a change driven by shifting customer behaviour and demands, if it does not happen, it will be the end of the company in time to come and convincing business leadership of this reality is the biggest challenge in implementing digital transformation. The second challenge lies constructing analytical engines that render enormous amounts of data produced in digital interactions into meaningful output that can be used by business leaders to make informed decisions and made available across multiple customer touchpoints to customer service representatives.

This is only possible if the digital transformation has been undertaken across operational environments as well, which ensures that if a customer reaches out (regardless of platform) with queries or concerns, the matter can be addressed on the channel of the customer's choosing. Once the internal business processes have been optimised, innovation becomes possible and given that a company's competitive edge depends on its ability to innovate and respond to customers, it becomes undeniably clear that digital transformation is not a journey that can be avoided.

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