

Guideline for digital transformation in organisations

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You have probably heard of digital transformation before. Yes, it is real and its impact is evident. KPMG records that about 800 of the 1200 HR executives they surveyed concur that human resource has undergone or is undergoing a digital transformation. Digital transformation is more than upgrading your technology and business processes. It speaks to revenue and even shareholder value. Below is an image which shows examples of companies who have undertaken digital transformation and their stock price growth rate. This should help you appreciate digital transformation a little more.

What is digital transformation anyway?

Wikipedia defines digital transformation as the use of new, fast and frequently changing digital technology to solve problems. Salesforce.com defines digital transformation as follows: "Digital transformation is the process of using digital technologies to create new or modify existing business processes, culture, and customer experiences to meet changing business and market requirements. Understanding customers and their needs are central to successful digital transformation. According to a Harvard Business Review study (The Value of Customer Experience, Quantified), customers who had the best past interactions with transaction-based businesses spent 140 per cent more than those who had negative experiences. By implication, there must be a willingness to relinquish products, services and business models that don't contribute to better customer experiences. This reimagining of business in the digital age is digital transformation." To implement digital transformation in your organisation you should have an understanding of the best practices used.

Best Practice when you are thinking of carrying out a digital transformation.

1. Set your digital transformation goals.

Before beginning digital transformation, organisations must identify their end goal. Beyond the clear need to remain competitive and improve market share, some companies may choose to digitally transform so they can serve their customers better, by introducing new products or services. Others may digitise to streamline internal processes or free up their employees' time to do less mundane tasks. Take the time to outline these desired outcomes, as this will define the sort of digital strategy you should be creating.

1. Identify and address the need for a cultural shift if present.

Some corporate cultures do not motivate innovation and in such a culture it is difficult to carry out a digital transformation. I am not saying it is not possible but it can be very daunting. Organizational culture is the invisible force that manifests in how people behave in an organization. The right culture acts as a lubricant that aligns employees and encourages the right behaviour towards achieving the

company goals. Conversely, a poor culture results in organizational friction, making it hard to get anything done. Gopi Suri, an executive who has a background of successfully positioning IT organizations to be more transformational to support their company's business shares one of his experience of leading digital transformation of a leading company's call centre operations. He notes that in an interview, he did with Peter Bendor-Samuel, the business executives realized the company needed a paradigm shift in its culture to be able to focus on innovation and generating ideas. Changing corporate culture can take time. So in this instance, after the company realised the need to change culture was required, they decided to bring in external digitization expertise for the customer call centre to accelerate the transformation while taking steps to build its innovation culture.

1. Clearly articulate the reason why the digital transformation is taking place.

Like any change program, people have to understand why. Buy-in is very important otherwise your digital transformation is doomed from the start. Understand you are asking people to change and they will want to know the reason why? You cannot over-communicate when you are asking your organization to change. Every successful executive who has led a successful change management effort expresses the need for over-communicating during a change experience.

1. Ensure collaboration among all your team members and departments

While IT may be at the core of digital services, there is a great need for synergy and partnership with other teams within the business. Henry Ford says, "If everyone is moving forward together, then success takes care of itself." Progressive companies are increasingly realizing the value of collaboration and looking for ways to foster it within their teams.

1. Choosing or outsourcing a service provider

You might be considering digital transformation for your organisation for 2020 but for one reason or the other you just can not carry it out for yourself. You might consider bringing in some external expertise to lead your digital transformation. Understand that digital transformation could be a game of balancing between innovation and cost reduction. Having clearly defined goals of where you want to be after a digital transformation will help you in choosing the right service provider for your digital transformation plan.

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