

Navigating The Technology Landscape: A Primer For Success In Digital Transformation

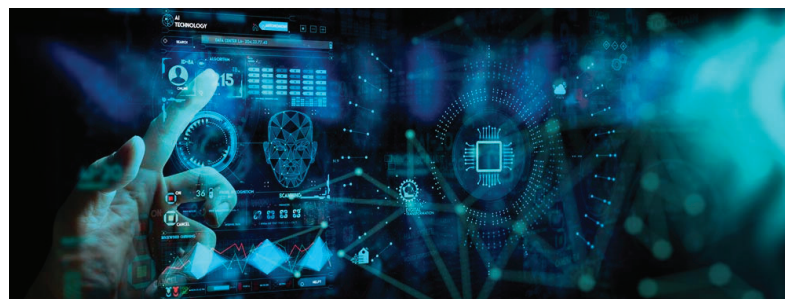
An IronOrbit Blog - By John McMahon

Digital Transformation

Uses digital technology to fundamentally change how a business operates and delivers new value propositions to its customers. Digital transformation involves the integration of digital technologies into all areas of a business. The changes can be so significant that they are no less than a revolutionary to the business model.

A recent Gartner study indicates 89% of Board Directors say digital is part of all business growth strategies. 35% of them have already achieved, or are on track to achieve, digital transformation goals.

The long journey to becoming a digital company is a tricky business. Success depends on many factors, including reasonable objectives that are clear and measurable. There needs to be organization-wide involvement. Sufficient investment in building capabilities needs to be allocated to sustain the change and use the right technology. That technology fits where the company is now and aligns with intermediate and long-term goals.



What to Look for in the “Right” Technologies

One of the critical factors in successful digital transformation is the use of the right technology. Your team has to use the new technology; therefore, it must be easy to use so employees can start using it quickly and see the benefits. Choosing the right technology to support a digital transformation strategy can make all the difference between your workforce adopting it or not.

Organization-wide engagement and discussion are vital in understanding the business’s specific needs and what challenges will be solved by the new technology. Ask yourself, what are the specific goals that need to be achieved? Once these questions have been answered, only then will it be possible to start looking at the available technologies and identify the best fit to meet the specific needs of your operation. Therefore, it’s essential to involve everyone in the discussion. C-level executives must talk with the IT department, and IT should be familiar with the challenges and goals of other aspects of the business.

Scalability is another essential quality to consider. As your business grows and evolves, your technology must grow and evolve with it. Choose technologies that are easily scalable and adaptable to the changing needs of your business. Finally, when choosing the “right” technology, be sure it’s secure and reliable. Businesses rely on its technology to operate. Security and reliability must be part of the design.

The Cloud as a Building Block to Transformation

As businesses evolve in the digital age, many realize the importance of moving to the cloud as a foundational building block to digital transformation. Cloud technology is becoming increasingly essential for companies that want to stay competitive and adapt to the changing business landscape.

One of the key benefits of moving to the cloud is its flexibility. By utilizing cloud-based solutions, companies can quickly and easily scale their operations to meet changing business needs. Scalability is particularly valuable in today's fast-paced business environment, where companies must respond to unexpected changes and opportunities.

Another significant benefit of cloud technology is the ability to access data anywhere on demand. Remote access allows for more efficient collaboration and decision-making, which is crucial for any business looking to stay ahead in the digital age. With cloud-based solutions, companies can share information with stakeholders without worrying about information infiltration.

As data breaches continue to be a significant concern, companies must ensure that they have the proper security measures to protect sensitive information. By moving to the cloud, companies can take advantage of the latest security technologies and best practices to keep their data safe and secure. In addition, the cloud enables companies to implement advanced and secure system infrastructures.

Cloud Computing is Foundational

Moving to the cloud is a foundational transition for businesses to undertake. 2023 marks a time when companies have already migrated to some type of cloud (public, private, or hybrid) or are about to start the process.

Cloud computing forms two core components of a company's transformational journey.

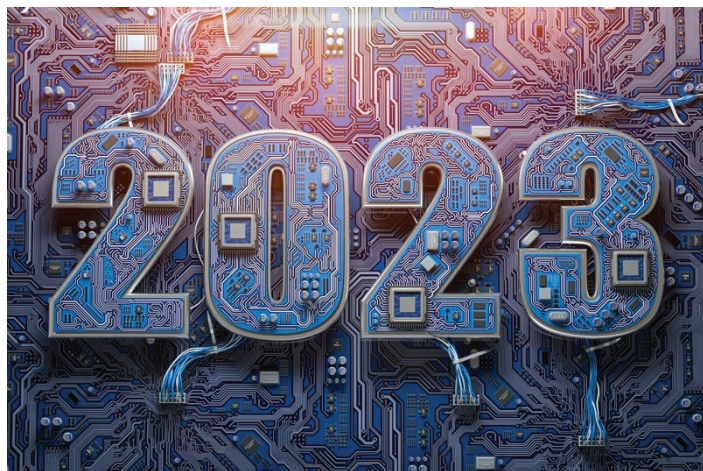
The Operational Backbone

First, cloud computing configures processes to support stable operations and helps prepare the infrastructure for further digitalization. Doing what you've always done, only better.

The Digital Platform

Second, cloud computing configures processes and enables additional technologies to configure new digital value propositions. Doing things you've never been able to do before.

Cloud implementation is the enabler we need to reach digital goals and facilitate digital transformation. And it is easy to see why. Moving to the cloud creates the flexibility company needs to respond to the unexpected. Moving to the cloud is the first step. Businesses with a strategy will ultimately reach digital maturity and be able to reap the rewards that the digital transformation journey promises. Building a plan will help you navigate from where you start today to where you want the business to be at various points in the future.



2023: The Year of Cloud-Driven Technology

As we move deeper into 2023, it's clear that moving to the cloud is a crucial transition for businesses. Cloud implementation is vital for reaching digital goals and facilitating digital transformation. It creates the flexibility needed to respond to unexpected changes and is the first step toward digital maturity.

Companies are increasing their competitiveness by embracing digital technologies such as cloud computing, AI, IoT, virtual and augmented reality, blockchain, and 5G. The Fourth Industrial Revolution, or Industry 4.0, has disrupted nearly every sector and aspect of our lives, forcing industries to change how they do business.

Retail

Physical stores are shifting towards online shopping carts.

Healthcare

Telehealth offers more efficient access to the best medical care available.

Manufacturing

Industry 4.0 promises a smart warehouse where connected equipment tracks inventory and sends alerts when it's time for maintenance.

Publishing

Digital editions are increasingly the preference over more traditional forms of publishing, such as books, magazines, and newspapers.

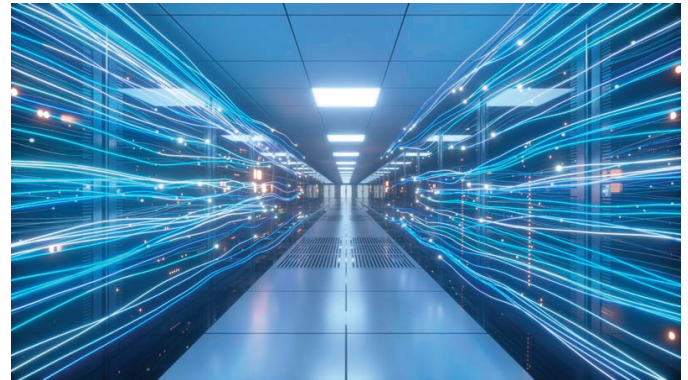
Connectivity and being constantly on and available are essential for industries to stay relevant.

An important thing to remember about digital technologies is that they are interconnected. More and more, the boundaries between them are blurring. Cloud-based solutions for hybrid and remote working and automation combine in ways that enable them to enhance each other. Digital transformation is no longer an option for businesses that want to remain relevant. Thanks to the pandemic, the world is digital, and there is no going back. Many project investments in digital transformation to reach \$2.3 trillion by 2023, and industries as diverse as manufacturing, agriculture, health, energy, and mobility will be a part of this transformation.

Even the best in-house IT departments are too busy to stay on top of the new ways technologies can help businesses grow and work more efficiently. But there are fundamental steps every company must take to be on a level playing field with their competitors. One is having at least part of their environment on the cloud. Another is identifying essential business objectives that could only be achieved through leveraging digital technology. There is a crucial difference between those companies that follow trends to jump on the bandwagon and those that envision how technology can help them achieve far-reaching business objectives.

Have a Vision

Sometimes creativity and innovation kick in when our backs are against the wall. Best Buy is an excellent example of using technology to turn a crisis into an opportunity. For years, Best Buy has been confronted with visitors checking out products in their physical store and ordering them at a discount through Amazon. It's a practice called "showrooming." It has been a thorn in the side of many retail companies, not just Best Buy. Target, Walmart, and Macy's have all been struggling with "showrooming" to one degree or another.



By reconfiguring its supply chain and leveraging its retail footprint, Best Buy began offering order online and curbside pickup options to its customers. Best Buy started doing that over 12 years ago. When the pandemic hit, they quickly transformed each physical store into a hub for customer pickup. Halfway through 2020, Best Buy made the most of the situation to experiment with different value propositions, including opening new stores for one-on-one in-store consultation. The company knows that its customers still crave a shopping experience. They like the convenience of going into a store, looking around, checking out products, and being able to ask questions about it. They're trying different things based on this assumption, which seems to be working for them.

Best Buy just opened a couple of experimental concept stores. One is a small foot boutique in North Carolina. The store is a showroom where customers use their phones to scan what they want, and an employee brings the item out for purchase. The other "experiment" is a larger "virtual store" inside an existing warehouse. Customers get the same excellent Best Buy service through live video product demonstrations. The aim of digital business design is to make companies agile enough to create a steady stream of innovative and evolving portfolios of digitally born offerings. One benefit of becoming a digital company is the ability to experiment with different value propositions. Leadership can respond rapidly to changing technologies and consumer behavior.

Conclusion

The digitization of nearly every sector is leading us into uncharted territory. With new technologies come new opportunities and challenges for businesses across all industries. To stay competitive in this rapidly changing landscape, companies must embrace digital transformation or risk being left behind.

Undergoing digital transformation is not easy; it requires a fundamental change to the way businesses operate on every level. But for companies that can successfully make the transition, the rewards are numerous and significant. From improving customer experiences to generating new revenue streams, there are many reasons why businesses should embark on the journey toward digital transformation.

When done correctly, digital transformation can majorly impact businesses by driving growth, improving efficiency, and creating competitive advantages. However, it's important to remember that successful digital transformation requires careful planning and execution. There is no one-size-fits-all solution. Digital business design aims to make companies agile enough to create a steady stream of innovative and evolving portfolios of digitally born offerings. Embracing digital technologies and aligning them with business goals will be crucial for companies to stay competitive in the 21st century.

