

Practical InSights



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Digital Transformation

The Holistic Guide to Transforming Your Business into a Customer-Centric Organization

“Digital Transformation is more than just a technology exercise; it’s about tuning four critical company dimensions as you would the finest violin in the world: your business vision and goals, your organizational structure, your processes, and your technology architecture so you’re more responsive to your customers’ needs.”

Digital transformation has become a popular buzzword. In 2013 online searches for the term shot up dramatically, [according to Google Trends](#). But there is much confusion about what digital transformation actually means. The simplistic view is that it’s all about technology. Put everything online and give customers, suppliers and partners access to your internal systems, and that’s the end of the story.

But digital transformation is much deeper than that. Think of the economy as an ecosystem. Just as changing environmental circumstances causes species to adapt and evolve, our technology-empowered customers are forcing us to evolve. The breathtaking changes taking place in today’s marketplace, such as hyper connectivity through mobile devices, the Internet of Things, and unlimited data at everyone’s fingertips,

“Digital Transformation is the transformation of the whole business.”

has made customers more fickle and competition fiercer than ever. Organizations must become more responsive and ready to change at a moment's notice.

Your digital transformation journey must include all four areas in order to be effective. But how do you map out and track what you need to improve? For that we need a dashboard.

The Four Focus Areas

Digital transformation is then the transformation of the whole business so you can respond to changing market conditions quicker than ever. But it must take place along four dimensions: Your business, the reason why your company exists; your organization, which executes your business goals; your processes, whether formal or informal, which represent a standardization of your company's activities; and your technology infrastructure, through which flows your company's knowledge and becomes a type of corporate brain.

Think of these four dimensions as the four strings on a **Stradivarius Violin**, the finest violin in the world. You need to tune the strings so your company can play the music your customer wants to hear.

Before starting a transformational effort to tune your four dimensions you must conduct an assessment to determine where you are right now, what's your new north (in other words, what's your vision), and identify the gaps between where you're headed now, and where you'd ideally like to go.

Let's look in a little more detail at how to identify the gaps in each of the four critical categories:

1. Business. You need to re-assess your relationship with your customer, their interests, how technology has empowered them, and how you engage with them through our products. Do you need to change your business vision, your value and operational drivers as a result?

2. Organization. Assess the different departments and people within your organization, and their impact on your company's vision, processes and technology. Determine what limitations and challenges exist, and how to improve organizational gaps in the future.

3. Processes. Assess the status of your core business activities around delivery of your product or service offerings, your sales and marketing processes, and your post-sale as well as customer service processes.

4. Technology. Finally, make an accounting of your technology infrastructure, applications, architecture and integrations that support your core processes. Are they flexible enough to support your new business vision, or do you need to create a new, more responsive architecture?

The Transformation Dashboard

The transformation dashboard is a critical component of your transformational assessment and planning. By mapping out your mega-processes, your milestones, and the components of each milestone along the four focus areas, you can narrow down with pinpoint accuracy specific areas of you organization you need to improve, and which areas are in good condition.

For example, by categorizing each milestone within each one of your mega-processes as either strategic, core or support you can prioritize and create a weighted score for each milestone. You can also determine, by color coding, if a capability is in good working order, is adequate, or in need of urgent attention.

You Need a Digital Transformation Luthier

Digital Transformation is more than just a technology exercise; it's about tuning four critical company dimensions as you would the finest violin in the world: your business vision and goals, your organizational structure, your processes, and your technology architecture so you're more responsive to your customers' needs. You need more than a technology – you need a company luthier, who can perfectly tune your organization to play the music of today's market.

“Drive your digital transformation along these four dimensions:

- **Business:** Your business vision, value and operational drivers.
- **Organization:** How your departments and people impact your business, processes and technology.
- **Processes:** Your product, marketing, sales and customer service processes.
- **Technology:** Your technology infrastructure, applications, architecture and integrations.”