**IST 621 Mid Term Assignment**

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1. **Chosen Company’s History and Digital Transformation**

This is my midterm assignment. To get this assignment done I sent many requests on LinkedIn before finally connecting with two employees of **Agrawal Enterprises**

**Agrawal’s Company’s history**

Established in the **year** **1990**, **“Agrawal Enterprises”,** are a distinguished illustrious trader and supplier of **Food Flavors, Chemicals, and Colors**. Their products are well-known in the market for their features like purity, accurate composition, safe packaging, and reliability. These products find wide applications in the medical, food, and beverage industries. The products offered by them are also stringently tested on varied parameters by the quality auditors at our in-house testing unit.

They started as a small trading company and supplied to their local customers which made it to their retail shops, as the business developed, they started acquiring distributorship for the companies which provided quality products. They were able to provide the company with huge turnovers which attracted more popular brands to provide distribution rights. Their marketing team worked effortlessly to ensure increased sales.

Furthermore, they also started manufacturing their own Flavors and benchmarking them against their competitors.

They have an advanced warehousing facility that helps them in storing the products in bulk as well as with utmost safety. Moreover, they have a team of diligent professionals that carry out the entire business process in a smooth and streamlined manner. Owing to advanced facilities coupled with adept professionals, they have achieved critical acclamation by clients from different nooks and corners of the country.

Under the visionary guidance of their skilled mentor, **Mr. Pavan Agrawal (Proprietor)** they have climbed the ladder of success. His charismatic leadership, vast industry experience and sharp business acumen have enabled Agrawal enterprises  to occupy a reputed position in the industry.

Agrawal Enterprises is a coveted organization engaged in trading and supplying Food Flavors, Chemicals and Colors. Their products are procured from reliable and certified vendors, who use qualitative ingredients and advanced methodologies in processing and formulating these. These products are known for their features like purity, hygienic processing & packaging and accurate composition. The products they offer are extensively used in the food and beverage industry. Moreover, they are one of the few companies in India to have a large variety of Food Flavors at their stores. They are a classified distributor to a number of MNCs supplying Flavours and Chemicals.

At present they cater to specified industries such as Pharmaceutical industries, Food and Beverage Manufacturers, FMCG Companies, Bakery, Restaurants and many more.

**Digital transformation of Chosen Company**

Not so long before Agrawal Enterprises used to keep their records on paper which were usually handwritten and sometimes typed using typewriters. Entire business data was analog. Analog data made it very difficult for the company to analyse and share that information. Digital transformation made it easy for the company to manage their data in a more systematic way. Company made use of ERP softwares to record their business activities such as sales, purchase and finances.

Previously the company used to rely on paper billing for their retail outlets. The sales person had to remember the pricing of a large amount of products or refer to the price list every time. This process was time consuming and prone to errors. But the company installed a POS system which drastically reduced the effort and time required to handle a customer. This reduced the customer waiting time too. All the information related to product such as pricing, packaging and inventory became easily manageable.

Payments were done traditionally using cash and cheques. This method was time consuming and there was a potential risk of fraud and theft since there was no way to check for identity. Cash on the other hand required physical transfer from one place to another which wasn't feasible. But with the transformation in the payment industry and the rapid digitalisation there was a drastic change in the way people handled financial transaction.

Retail stores have a limited reach and usually have space constraints due to which they fail to provide a large variety of products to their customers. Peak hours can usually increase customer waiting time. All these factors might reduce customer satisfaction. So to change the way they served their customers, they started selling their products online using different platforms. The company started identifying their customers on different social media pages and ecommerce websites, and started reaching out to the customers on those platforms. They started advertising their products online using appropriate marketing strategies which brought in a lot of customers.

 Communication is an important activity that is conducted within a company. Previously all the communication with the stakeholders of the company was either conducted verbally or through letters which were transferred using courier services. Verbal form of communication lacked credibility and sending letters was a time consuming method. The company now uses email services to communicate with suppliers, employees, customers and other stakeholders. Emails are a credible source of formal communication and is an instant way of sending mails. Emails are used to notify customers about the new products that are launched and the customer can easily place their order using mails.

**Reason For Choosing Agrawal Company**

Agrawal enterprises have been recognized as a prestigious organization for providing the finest range of **Food Flavors, Chemicals and Colors**. The firm is highly acknowledged by the clients for the timely delivery of consignments. Furthermore they have been highly acknowledged in the market for their transparent and ethical business practices. There are also a variety of other factors that are considered to be the cause of the success of the firm. These factors are enlisted below:

* Diligent team of professionals
* Client-centric approach
* Quality packaging
* Cost-effectiveness
* Spacious warehousing facility
* Easy payment modes
* Wide distribution network
* Wide variety of products offered

Digital Transformation has helped the firm achieve greater profits and has increased the overall efficiency of the organization as a whole.

**2. LinkedIn Connections to Individuals at the Company.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Company | Name | Title | Tenure | LinkedIn URL |
| Agrawal Enterprises | Mr Pavan Agrawal | CEO/PROPRIETOR | Jan 1990-Present  31 years 11 months | [PAVAN KUMAR AGRAWAL | LinkedIn](https://www.linkedin.com/in/pavan-kumar-agrawal-70711a58/) |
| Agrawal Enterprises | Mr Jatin Agrawal | Production and Supply Manager | Mar 2020-Present  1 year 8 months | [Jatin Agrawal | LinkedIn](https://www.linkedin.com/in/jatin-agrawal-a55572183/) |

**3. Job Responsibilities Of each of The Interviewees**

**Proprietor: Mr Pavan Agrawal**

Mr Pavan Agrawal heads and supervises all employees who are managing important business processes such as supply chain, banking while coordinating with suppliers for the procurement of raw materials for manufacturing and finished products for supplying to different customers.

Mr Agrawal supervises the purchase of goods from different suppliers and also manages the finances of the company- He maintains and keeps track of the bills recorded by the suppliers and the bills generated by customers. Furthermore Mr Agrawal sends quotations to prospective customers while simultaneously

coordinating and communicating to get market updates and planning out about the long term developments and expansions.

**Production and supply Manager: Mr Jatin Agrawal**

Mr Jatin Agrawal deals with procuring raw materials from different suppliers and transforming them into finished products. He also analyses the need for different products and on the basis of demand, manufactures that particular product.

Moreover he makes sure that the orders received are duly dispatched and delivered.

Additionally Mr Jatin Agrawal also ensures quality standards in the entire manufacturing procedure since quality is an important factor in manufacturing flavours and food colours

Finally Mr Jatin also leads the R & D team to develop new products which are better than that of the competitors. He also guides the labelling and branding team to create more appealing products which inturn drives greater profits. He advises the teams on choosing the ideal label and the appropriate size/quantity of product that should be manufactured.

**4.Full list of interview questions and a paragraph answer for each.**

**Mr Pavan Agrawal**

**-Do you ever feel like losing your job to a bot?**

“I think the work that I do on a daily basis is not what a bot can effectively manage. There are a lot of things which are situational and require decisions based on reasoning. Bots can be used for work that is monotonous but working as a proprietor involves effective decision making and managing the company's resources.”

**-How do you see your company changing in the next 5 years?**

“We plan to expand our market and reach as many customers as possible. Food industry is ever expanding. People don't normally stop eating food. We want to reach out to different customer segments which will be helpful.

Diversifying into other products which are new in the market.

Setting up offices and retail stores in big cities to increase the volume of sales and marketing our product to a wider market.”

**-How did Digital Transformation help your organization during the pandemic?**

“During the pandemic we were able to continue part of our business process since we supplied our products to companies which manufactured essential goods. We received orders online and the products were delivered at their location.

Our customers and employees worked together to successfully keep the business activities running.”

**-Are there any other forms Of AI that can be used?**

“Perhaps we can use an employee reward system which can keep track of the hours worked by the employees, goals completed, time duration etc and reward those employees that excel.”

**-Do you think the company would survive without digital transformation**

“Digital transformation has surely helped the company to manage different business activities in a more user friendly way which requires less hustle. But the company would still have survived without digital transformation but the processes would have been a lot more difficult.”

**Jatin Agrawal**

**Do you ever feel like losing your job to a bot?**

“We do use machines to manufacture products, labelling and packing but these machines do require human supervision at present. I often advice people working under me in matters such as branding, research and development, supply chain etc. So, the work I handle cannot be fully managed by a bot.”

**How do you see your company changing in the next 5 years?**

“Our company is already expanding into newer markets. I see the company leading the market and supplying to all major food manufacturers. A dedicated and skilled workforce working together to achieve the company's goals.”

**How did Digital Transformation help your organization during the pandemic?**

“During the pandemic there were no in-person orders. All orders were received online and the goods were delivered at the right location.”

**Do you think the company would survive without digital transformation?**

“Yes the company would definitely survive for the time being without digital transformation but since all our competitors are transforming digitally we would not be making that much profits as we are.”

**-Are there any other forms Of AI that can be used?**

“Perhaps using software that can predict market prices a month or two in advance. I know the prediction won't be 100 percent accurate, but it might give us an inking in which direction the prices will sway.”

**5.Summary Paragraph**

As I have learnt from my research of Agrawal enterprises and by conducting interviews the organization has a clear and concise working structure. We are talking about one of the biggest providers of food flavours, colours, and chemicals. Even during the pandemic, the firm did not suffer losses as people are always going to eat hence, they would always require food. From the two interviews I conducted I understood the organization has a hierarchical structure with all information and important decisions flowing to and from Mr. Pavan Agrawal who is the proprietor. I am curious to know can the organization function as efficiently as it does in a Horizontal /Flat organizational structure as that would ask for more responsibility from every employee of the organization. Furthermore, it would be interesting to know how the employees would make decisions on their own using their own intuition rather than always drawing from the vast experience of Mr. Pavan Agrawal. I feel this is important since Mr. Pavan Agrawal himself said he wants to expand his business and I feel a horizontal organizational structure is easier to maintain in the longer run.

**Case Study Deep Dive**

**Introduction: -**

Nowadays organizations are trying to combine fragmented and makeshift digitalization efforts in a way that is more sustainable. In this case there are three levers that has been suggested for accelerating digitalization projects that will help organizations of any size reap the benefits of true transformations. To understand the three levers the article explains an important concept called complexity in use which help understand the difficulties users face when trying to cope with the impacts of new digital tools on their work.

**Study and Key Findings: -**

The authors of this article have performed a two year research study at one of the leading banks in Europe. The activities of the bank’s business units that provides shared after-sales services connected to the bank’s mortgage and loan business were tracked. Over 60 interviews were conducted with stakeholders from various levels of the unit. The aim was to see the contrast between employees of departments that found using the system easy compared to those that found them tough. From the study it was found that one group of clerks used the new SAP-based loan management system to enter new contracts. For them, learning how to do their work with the new system was much easier as compared to the clerks who needed to make edits to loans in stock. Clerks in the former group achieved effective use within six to eight weeks while those in the latter group needed over six months to do their work effectively again.

**Two factors explain the difference: -**

**1.System Dependency-** System Dependency is how much of a users task and relative environment is implemented in the system through data and algorithms.

**2.Semantic Dependency-** Semantic dependency is the degree to which users need to understand how the business logic of their task is implemented in the system.

The data entry clerks’ task only requires the loan contract data to be represented in the system. Hence understanding the deeper logic of a loan contract is not required to enter the data successfully, nor is understanding how loan contracts are represented or processed in the system. That’s why the learning the system for that specific task is relatively straightforward.

But it’s a different ball game for the clerks editing loans Other than just the loan contract data, a significant number of their tasks rely on additional business concepts that are represented in the system. These clerks also need to understand what the data represents and how it’s being processed in order to make correct edits to the loan. Hence learning the system is much more complex and effortful.

**Three levers for accelerated digitalization**

**1.Conducting pre-implementation-** The case states to create a complexity heatmap that will identify the different degrees of complexity in use across the organization. In the first step the case states to analyze relevant processes and tasks while for the second step features of the new system need to be analyzed. In the third step the systems need to be mapped to the tasks to understand which steps need to be digitalized. This is followed by analyzing the properties of the two be digitalized tasks and understanding how much business logic is involved. In the final step heat maps of to be digitalized processes are created and their complexities in use is to be compared. The initial two steps show which tasks depend on the new system. Step 3 shows where on the x axis the individual tasks are located while step 4 will show where they are located on the y axis (i.e degree of system dependency).

**2.Design a Step-by-Step Transformation Plan-** The case states to direct resources to areas which have low complexity in use first because project effort in “quick win areas” are very different from high complexity in use areas in terms of scope, manpower and transformational measures. Other than financial benefits quick wins also have an important psychological benefit. Since digitalization projects are often marathons as compared to sprints successful pilot projects serve as motivation and enable a lean approach to transformational management that can be improved upon.

**3**. **Develop tailor-made transformation measures.**

Means using different forms of trainings for employees working in low complexity in use areas and high complexity in use areas. Eg for low complexity in use areas traditional feature based training can be used but for high complexity in use areas task focussed training might have to be used

**Conclusion**

Complexity in use provides three important implications for processes, projects, and people.

For **processes** system and semantic dependencies which are important factors of complexity needs updated ways to document and model processes

For **projects** complexity-in-use opens up new methods on how to phase transformation projects.

For **people the** case study shows that similar digitalization approach does not work for all organizations.