Tech Evolution: Unleashing Digital Transformation in Today's Organizations

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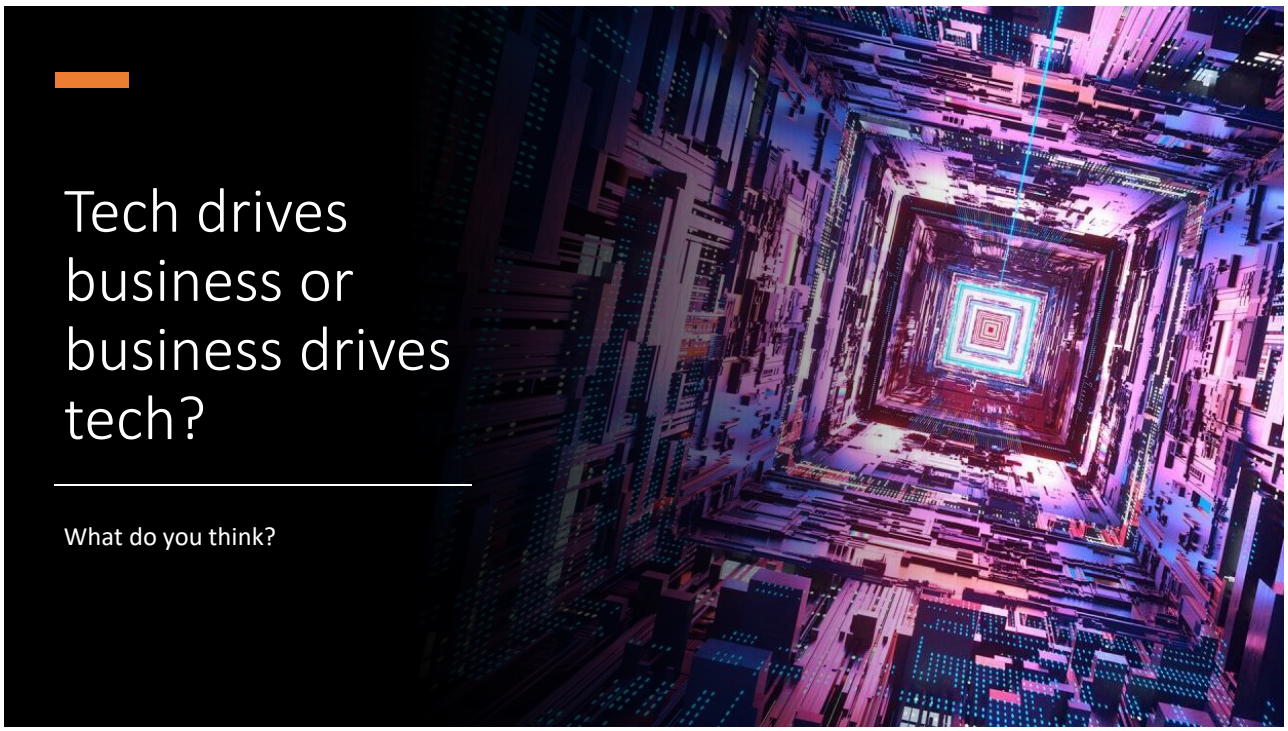
Tech drives business or business drives tech?

What do you think?



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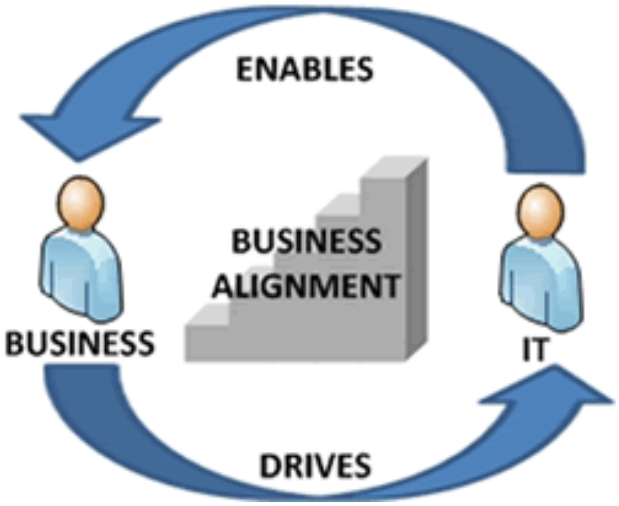

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Are you ready for the change?

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Disruptor in Transportation Industry

- In transportation industry, Uber is a prime example of disruption. It challenged not only the ride hailing companies like Yellow Taxis in NYC but also automobile manufacturers like GM, Ford etc.
- Yellow taxis in NYC recorded 175 million rides in 2014 and is declining since then.
- Yellow Taxis has been in existence for ages and yet Uber upstaged it in very few years in scale, scope and speed.

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Disruptor in Transportation Industry

- For GM and Ford, volume depended on number of customers who want to fulfil their transportation need by owning a car.
- Uber disrupted that by providing an alternative to meet the need without owning a car.

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Disruptor in Transportation Industry

The future seems to be headed towards “Connected/Smart Cars”. Cars will be imagined as computer on wheels connected to cloud.

If car manufacturers do not innovate, digital companies like Uber and Tesla will run away with the market where a smart car can much be much more than just a means of transportation.

Both Uber and Tesla are experimenting on self-driving cars. Uber may not even need a driver base in the future.

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Any similar example in your industry?

Disruptors?

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Retail – Amazon!

In retail, Amazon has upstaged Walmart.

In 2015, Walmart reported 260 million customers whereas Amazon recorded over 300 million in only 20 years of existence.

There is a similar trend in hospitality industry, where long standing Marriott Hotel chain is left behind by Airbnb.

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Amazon vs Walmart

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What is the common pattern in the above comparisons?

All the new players operated with a very different business model which was heavily focused on Digital Processes, real-time connectivity with market and powered by AI.

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Nokia, Walmart, Kodak, Blackberry … What's common?

All of them WERE market leaders in their respective industries. They were obliterated when they failed to recognize the transformation brought about by tech entrepreneurs, then.

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Apple, Amazon, Google, Netflix etc… What's common?

They were tech entrepreneurs then. They are Digital Giants now who have changed the rules of the game forever.

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What rules did they change?

- They smashed the old concepts that controlled business success by **democratizing access, revolutionizing strategy, empowering market players (buyers and sellers)**.

How could they do this?

- They introduced the **ecosystem concept (Platform as a Service, Software as a Service, Infrastructure as a Service)**, leveraged the power of data and digital connectivity to crack open unlimited channels of business as against limited channels of business in the Industrial Age.

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What rules did they change?

- In Digital/Information Age, scale for a company is all that it can produce plus what it can achieve with it's partners in the ecosystem.
- In Industrial age, scale was defined by what a company could produce itself. Scale, scope and speed acted independently.

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Digitization, Digitalization & Digital Transformation

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How do you define “Digitization”?

Scanning of paper documents to a digital format. It is a conversion and can be used in downstream processes when connected. It is like “Fixing the Past”.

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How do you define “Digitalization”?

Interconnecting components of legacy processes that used these paper documents via online tools and using the digitized information for analysis and decision-making. It is like “**Focusing on the Present”**

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How do you define “Digital Transformation”?

Catalysing a cultural change where use of digital technology is a part of daily life to create smart/connected business model. The operating model is generally transformed where the value proposition is much more than before. Scope of revenue generation is multi-fold. It is **“Creating the Future”**.

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What is Digital Transformation?

Digital Transformation is the process of creating a re-imagined business model in the modern digital world where all relevant, related products are inter-connected, equipped to exchange information.

Each interaction is an opportunity for value creation which in turn can lead to proliferation of scope of doing business.

Speed & Scale of doing business are expected to be by-products of a digitally transformed operating model.

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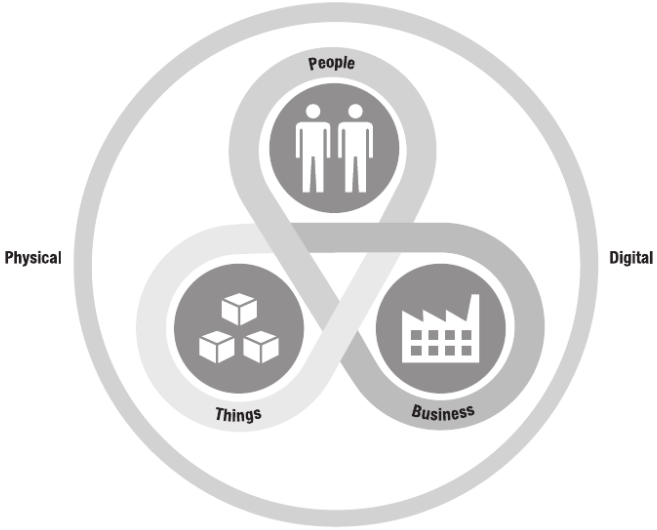
We are in the era of Digital Business



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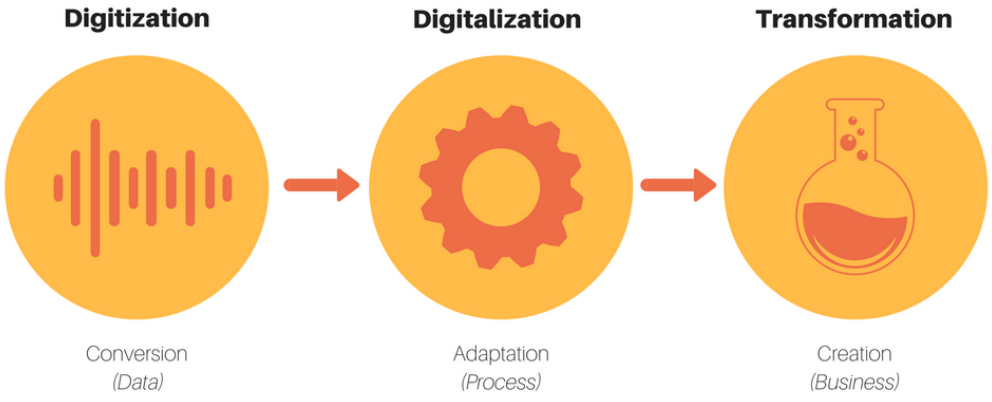
Digitization, Digitalization & Digital Transformation



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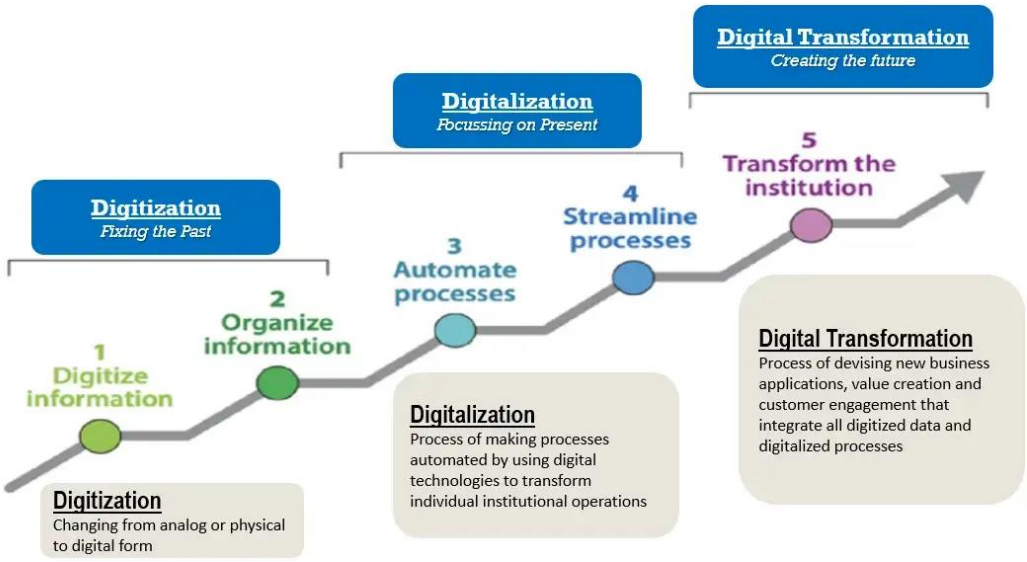
To Summarize…



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So, to summarize….

To keep pace with customers and competition,

- Information must be "**digitized**"
- Processes "**digitalized**"
- Business must be progressing in its **digital transformation** journey

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People, Process and Technology - Digital

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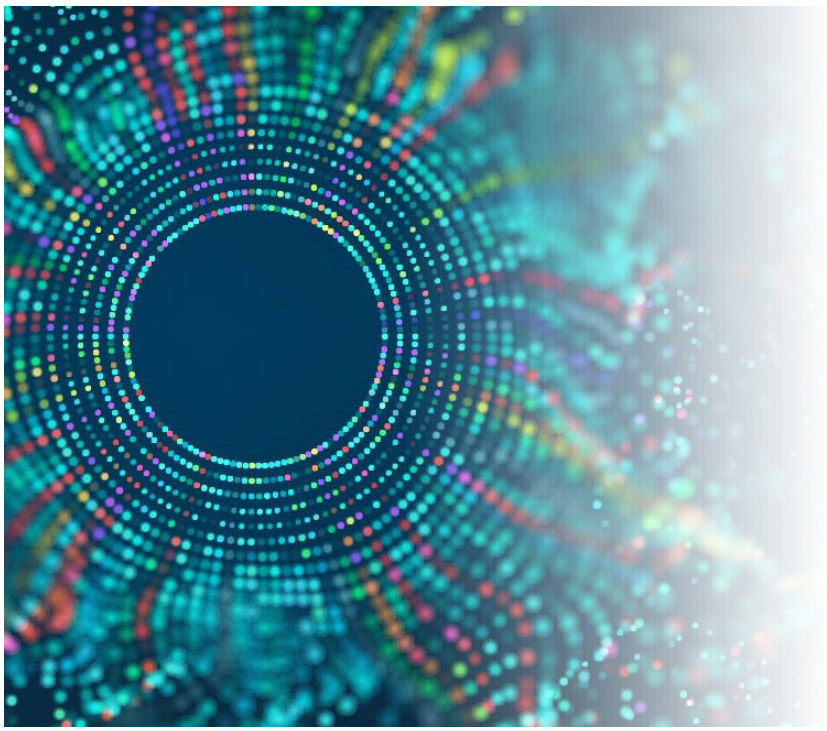

When I say Digital, which technologies come to your mind?

List of Digital Tech!

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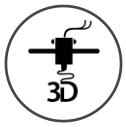
Digital Technologies

Artificial intelligence

Analytics

Big Data Analytics



3D Printing

Cloud

BlockChain

Internet of Things (IoT)

Robots and Drones

AR/VR

Mobility

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Do you think these technologies work independently?

Quick Activity – Let us find combination of technologies which results in applications

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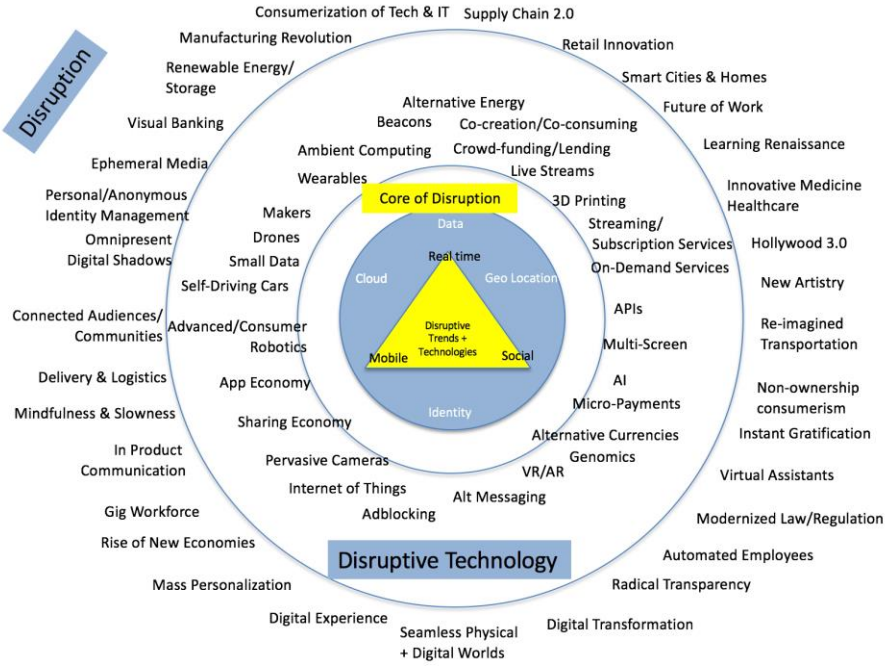
Disruptive Digital Technologies



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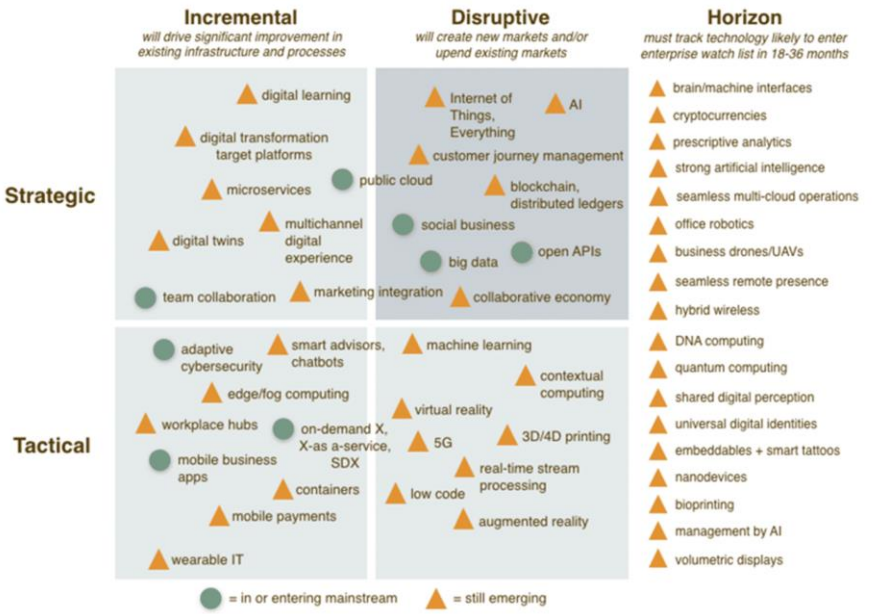
Disruptive Digital Technologies



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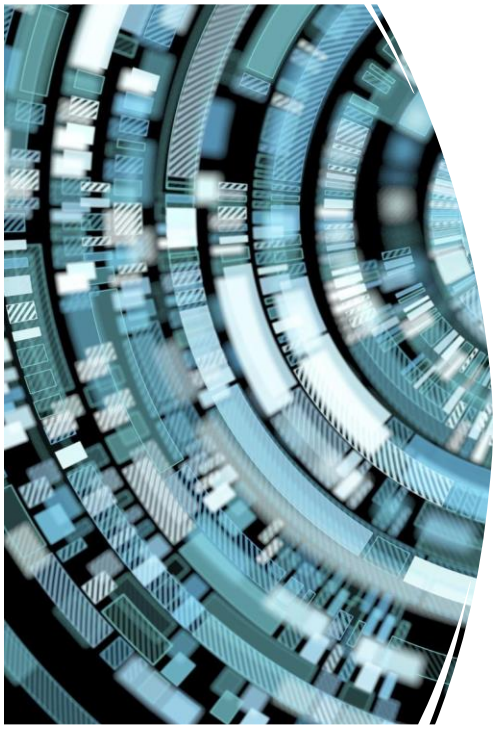

Digital Technologies - Ecosystem

With different technologies at play, can you find the combination of technologies that create value for the organization. For Ex:

- AI + IOT + Cloud = Smart Home/Digital Twin
- AI + Cloud = Predictive analytics
- Computer Vision + Machine Learning + 5G + Cloud = Traffic monitoring and control in a smart city
- Augmented Reality + Virtual Reality = Entertainment, education and work
- 5G + Autonomous Vehicles + Computer Vision = Real time route optimization and last mile travel and delivery
- Blockchain + Smart Contract + AI = Distributed systems that can enforce laws and implement services, the next generation of 'public utilities'

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The striking commonality amongst all these new breed of companies is that they are born in the digital era.

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3 Dimensions of Business in Information Change

In information age, these 3 dimensions of business are interconnected, reinforcing and provide “Combinatorial Advantages”

(1) Eco-System Advantage

(2) Learning Advantage (AI from data)

(3) Mastering exponential trajectory.

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Remember…Digital is eating physical, industrial world.

So you can’t ignore Digital Transformation in today’s world!

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Let us discuss the components of Digital Transformation

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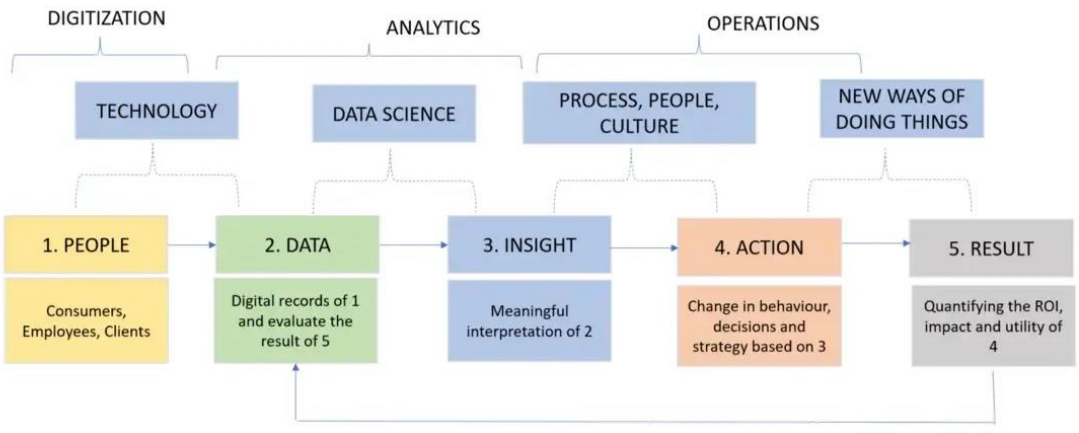
Components of Digital Transformation



Components of Digital Transformation (Source: HBR)

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Digital organization
Digital organization model
New leadership organization roles
New processes and working methods
New Competen-cies and skillsets
Examples
Central model
Integrated model
Hybrid model
Centrally facilitated and integrated model
etc.
Chief Digital Officer
Chief Data Officer
Chief Agility Officer
Chief Transformation Officer
etc.
Communities management
Design thinking
Products factory
Rapid prototyping
Bimodal IT, etc.
Data scientists, advanced analytics
UI/UX design
Expertise in new technologies
Partner management, etc.
Source: Arthur D. Little

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