

WHY COMPANIES SHOULD EMBRACE DIGITAL TRANSFORMATION

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Digital transformation has been evolving for decades, but today it's becoming more than a consideration – it's a necessity. In nearly every industry, digital technologies are evolving at a rapid pace, bringing unprecedented transformation to the way businesses operate. With so many new technology trends, companies are challenged with identifying which of these complement their business operations and goals. It's easy to get overwhelmed by the latest trends such as AI and machine learning, but the application benefits depend entirely on stringent planning around company strategy and objectives, and successful adoption.

Overcoming Challenges of Digital Transformation

In order to stay relevant in today's business climate, companies developed before the recent digital age must transform. This is easier said than done, as changing the way a business operates is a

lengthy and costly process. It can also be daunting as to where to start and how to wrap your mind around what exactly needs to get done. It can also be a challenge to get everyone on board for a change in their roles that would naturally come from upgrading operations.

The best way to combat challenges is to develop a company-wide digital transformation strategy. This strategy should have a clear end vision, and include benchmarking goals along the journey to ensure the company is on track to meet this vision. It's also important that digital transformation not take place in just one department, but rather the entire business should be working towards the common goal.

Digital transformation may require new, and sometimes substantial, investments in technology and the company itself, so it's important that budget is built into the

strategy. For each step along the journey, budget can be used as a reality check to see how much the company can handle. While digital transformation is important and can put the company at an advantage, it's not a race. Digital transformation can involve a few phases over several years, making budgeting easier to manage.

The Digital Transformation Journey

Digital technologies are transforming industries in completely new and different ways, offering improvements in personalization, efficiency and safety. Digital transformation initiatives are built on new platforms including mobile, cloud, analytics and social technologies. Innovation accelerators such as IoT, robotics, 3D printing, and AI depend on these platforms and expand their capabilities. The massive benefits of these accelerators have led them to become the key growth drivers for companies, but not all of these



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technologies may be a fit for every business. Businesses should focus on what technologies will align with their company strategy and accelerate growth.

It's also important to recognize that digital transformation is a journey, and it's only just begun. Digital innovations and initiatives are constantly developing and evolving, taking businesses into new transformational phases.

The Impact of IoT on Digital Transformation

Of all the developments accelerating digital transformation, IoT is one that is rapidly transforming businesses across many industries including manufacturing, pharmaceuticals, logistics and more. For example, IoT enables machines from assembly equipment to medical appliances to become autonomic.

Sensors, or instruments that measure and capture data such as location, temperature, vibration, flow rate and more, are becoming easier to obtain at

a lower cost. Through sensors, the inner workings of systems can be turned into massive amounts of data points that can be measured, linking the physical and digital worlds. Businesses can use this data to learn about the environment in which they operate, which can be turned into actionable insights. IoT enables devices to effectively communicate with each other, leading to improved decision making, increased productivity, more efficiency, better inventory management and more.

Using Data to Drive Intelligent Business Decisions

As companies digitally transform and adopt technologies such as IoT devices, they gain access to incredible amounts of data. This data has the potential to unlock valuable insights that companies can use to make strategic business solutions. However, businesses need to learn how they can best interpret data in order to draw out these insights.

Analytic technologies provide

businesses a platform to not only store data, but automatically analyze it to generate insights that are usable and easier to interpret. Some companies use AI generated tools to derive insights from multiple data sources, leaving it up to businesses to act on the insights as they see fit. For example, a food manufacturer may have IoT devices that sense the shape and size of carrots to determine if they should be sorted or packaged for different goods such as bags of carrots and bagged salad. Another device could sense how many carrots are being purposed elsewhere.

Companies that embrace digital transformation will see themselves at an advantage. The fact is the world is going digital, and businesses that adopt new technologies will be more prepared for future innovations. Businesses on their digital transformation journey will soon see benefits, including improved efficiency, decision making, customer satisfaction and profitability.



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