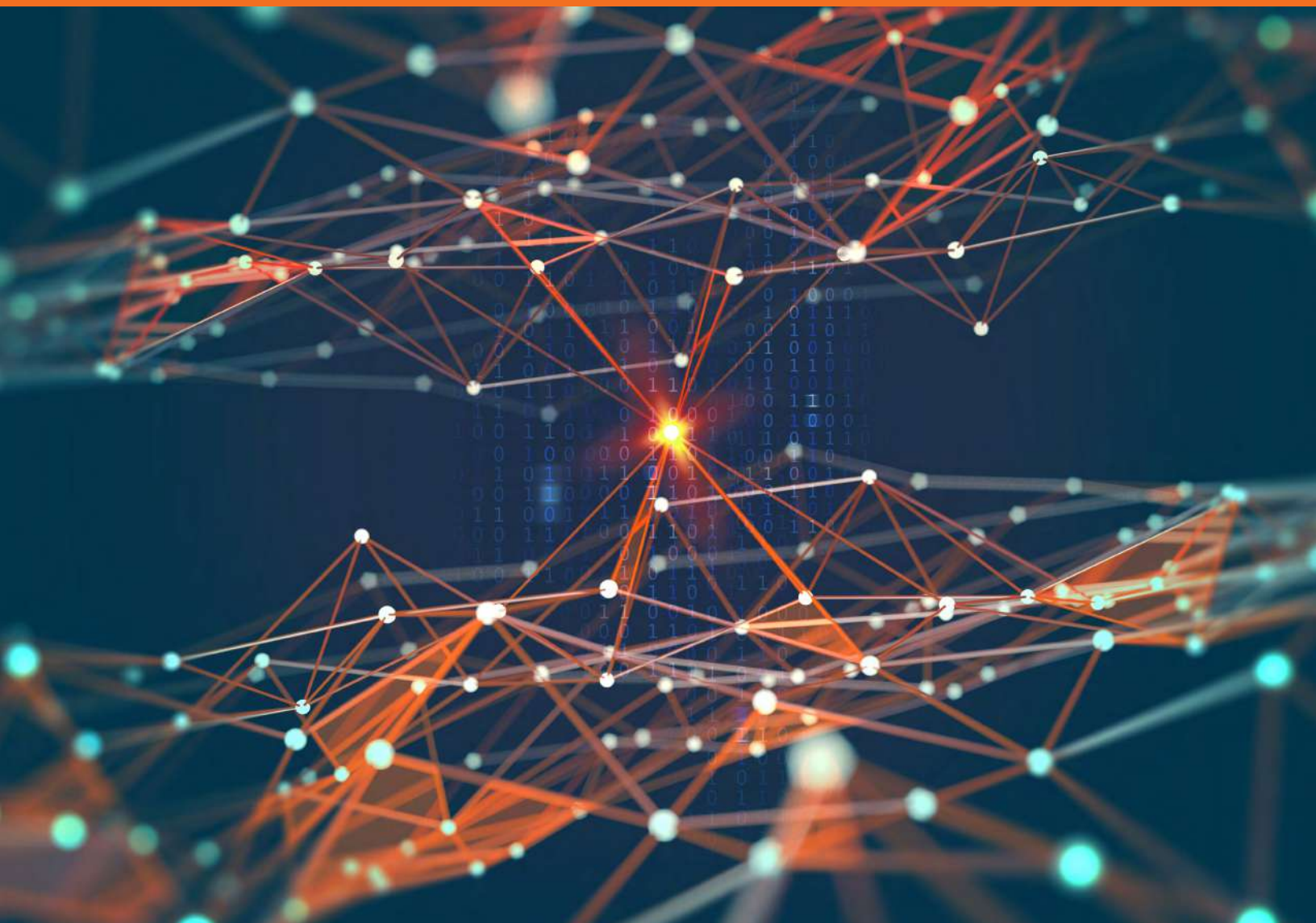


Digital Operations Strategy: A How-To Guide for Digital Transformation



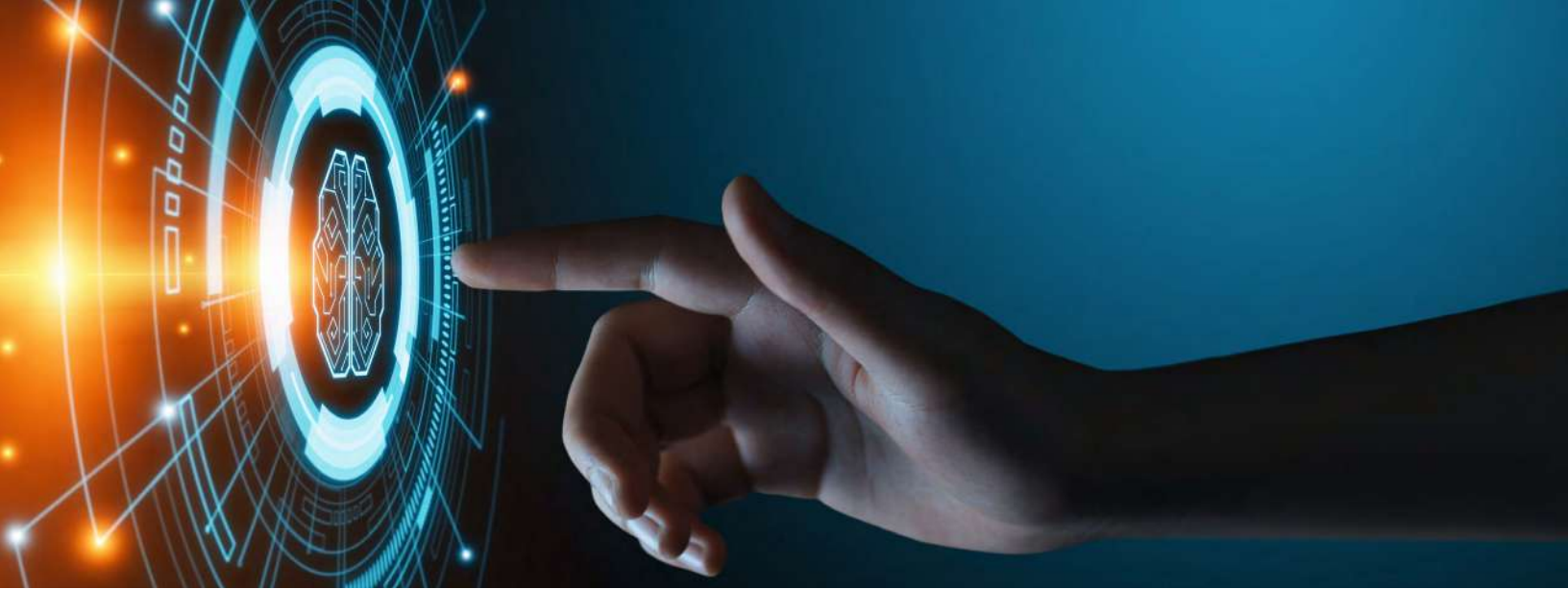


Modern technologies have become a core part of enterprise management, helping turn marginal growth into exponential success. Digital transformation continues to be a top priority for C-suite decision-makers, but many business leaders are grappling with challenges and opportunities to modernize their operations.

The COVID-19 pandemic has served as an inflection point about the need for a forward-looking digital operations strategy across industries. Paper-dependent processes have proven to be both inefficient and highly vulnerable to disruption, highlighting the need to digitize business operations from end to end.

Enforced lockdowns and increased guidelines have brought operations to a halt in many industries, leading to a greater reliance on business process automation and the enablement of digital-centric workflows. By automating back-end processes and customer-facing operations, enterprises can eliminate labor-intensive tasks and spend more time cultivating new business relationships.

During this time of crisis, robotic process automation (RPA) has played a major role in streamlining these traditional processes, and will continue to be a source of innovation after the health emergency has passed.



THE CURRENT STATE OF DIGITAL TRANSFORMATION

Every enterprise has its own unique blueprint for digital operations, meaning some businesses are further along in their integration than others. Research from IDG found that 89% of organizations have plans to adopt a digital-first business strategy, but only 44% have fully committed to this approach.¹

Despite the apprehension, capitalizing on digital operations strategy has become a matter of survival for many companies. One study from Adobe found that enterprises with digital-first frameworks are 64% more likely to achieve their business goals than those who still rely on outdated manual processes and legacy systems.²

To stay competitive and adaptable, companies must develop agile, intelligent and digitally enabled processes that can eliminate time-consuming tasks, cut operating costs and improve productivity.

Integrating workflow automation isn't just about streamlining internal processes, it's about providing a higher level of service that aligns with customers' shifting expectations and preferences. In fact, according to projections from Forrester, "intelligent systems" will likely drive 70% of customer engagements by the end of 2021.³

Embracing digital operations strategies can also facilitate a fundamental shift in business models that promotes business resilience and elasticity.

Considering 93% of companies agree that innovative technologies (including AI, machine learning, IoT and others) are necessary to reach their digital transformation goals, according to a joint study by Forrester and SAP, it's crucial for CXOs to choose the right solutions and create a detailed guide for digital operations sooner rather than later.⁴



WHAT IS DIGITAL OPERATIONS?

Digital operations is the fusion of integrated business processes and hyperautomation, which allows enterprises to optimize their IT systems and workflows in ways that enhance their customer and employee experience, efficiency and decision-making.

Businesses are increasingly investing in cognitive agents that enable more intelligent, data-driven interactions with customers and employees. However, to effectively leverage this strategy, enterprises must move beyond merely fixing legacy issues and start rewiring business operations.

Although every company uses a different collection of digital technologies, modernizing business processes usually involves some level of process redefinition and workflow automation. By weaving together artificial intelligence, machine learning and data analytics, companies can develop hyper-intelligent systems and applications that outpace traditional software. Business leaders should focus on creating a holistic integration plan that can harness the potential of their digital operations strategy.

Key focus areas include:

- Moving business process from legacy systems to resilient digital platforms
- Enabling digital insights (driven by analytics) to enhance decision-making
- Creating integrated automation systems to streamline labor-intensive tasks
- Managing the digital operations ecosystem to capitalize on new IT solutions and market trends

Prioritizing individual solutions over the big picture can lead to misaligned and inefficient business processes, wasted spending and subpar digital transformation. In fact, research from Forrester discovered that more than 50% of digital transformation efforts stalled out completely in 2018, leading to a decline in the customer experience.⁵ To mitigate risk, business leaders must create a robust blueprint for digital operations before investing in new solutions.

THE FOUR PILLARS OF A DIGITAL OPERATIONS STRATEGY

Creating a comprehensive digital operations strategy is the best way to prepare for large-scale IT initiatives. While most digital transformation is contextual, enterprises often make use of these innovative approaches:



Intelligent automation: Intelligent automation is a holistic approach to digital operations that enhances the core RPA competencies with artificial intelligence, machine learning and use case discovery. IA platforms can leverage software robots to mimic human interactions with business systems, allowing for automation of front and back office tasks for marketing, finance, HR and supply chain departments. Beyond streamlining repetitive, time-consuming processes, IA can also empower data analytics projects, support demand forecasting and provide real-time updates about ongoing business activities. Integrating IA can lead to higher accuracy and compliance, greater scalability through touchless transactions and cost reductions through FTE savings.



Application modernization: Legacy systems and applications are often incompatible with cutting-edge management and automation platforms. Before leveraging hyper-intelligent automation, enterprises need to modernize their IT infrastructure and eliminate silos between platforms. This optimization can transform monolithic, on-premises applications into flexible, cloud-based solutions that offer far more resilience and scalability. Application modernization can help improve the performance of a variety of business software, from ERP and CRM systems to DevOps platforms and beyond using low code/no code options.



Cloud integration: On-premises hardware and software is quickly being phased out in favor of cloud-based systems and applications. Currently, around 60% of enterprises in North America rely on public cloud platforms for data storage, computing, app development or some combination of the three.⁶ Moving to the cloud offers unmatched scalability and elasticity, as companies are able to adjust their service contracts to meet their evolving needs and resources. Cloud-based solutions can also reduce hardware costs, on-site maintenance requirements and burdens placed on in-house IT staff.



Data analytics: The ability to collect, store and analyze both structured and unstructured data is crucial for any digital operations strategy. By integrating analytic process automation (APA), businesses can more easily automate tedious and complex tasks, turn raw data into actionable insights and share critical information with relevant stakeholders. While these capabilities have been available for some time through the use of multiple tools, modern solutions bring together data, people and processes in a single, unified platform.

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BUILDING A DIGITAL OPERATIONS ROADMAP

To overcome the challenges of digitizing operations and automating business processes, organizations must set a clear and compelling vision for their digital transformation.

Securing buy-in from executive teams is essential to reinforce the enterprise's commitment to a digital operations strategy and encourage key stakeholders to act.

The first step to modernizing business processes is to conduct a close assessment of current IT systems and applications. This will allow digital leaders to identify which operations can be automated and help narrow down their list of potential IT solutions and management platforms.

iOPEX helps organizations perform digital benchmarking to determine the maturity of their IT systems and establish KPIs that support future optimizations.

Next, business leaders should assemble a dedicated digital transformation team that includes professionals with different backgrounds and specializations. This collaboration helps ensure the strategy will deliver real, tangible benefits for end users across departments.

Below is a brief how-to guide that can prepare enterprises for business process automation:

Choosing the right digital technologies

There is no one-size-fits all solution for optimizing business processes and integrating automation into key workflows. When selecting digital technologies, companies should ensure they will make use of all the features and benefits to prevent waste. In terms of specific solutions, leading cloud providers offer a suite of products and services that accelerate digital transformation, including:

- Software as a Service (SaaS)
- Infrastructure as a Service (IaaS)
- Platform as a Service (PaaS)
- Machine Learning as a Service (MLaaS)
- Artificial Intelligence as a Service (AIaaS)
- Robotic Process Automation (RPA)
- Low Code / No Code (LCNC)

For enterprises that still rely on legacy systems, it's crucial to identify and mitigate compatibility issues in the early planning stages.



Digitizing your business processes

Digital transformation requires a prolonged and concerted effort from IT leaders, C-suite decision-makers and end users. Simply automating a manual process without redesigning it for high performance will only deliver suboptimal results. Even after new digital technologies have been deployed, IT administrators must continue to optimize systems and applications to stay current and competitive. Companies can use the following steps to identify, prioritize, test and scale use cases prior to deployment:



STEP 1:
Digital Benchmarking & Indexing
Through Process Mining



STEP 2:
Identify Use Cases in
Fact-Based Workshops



STEP 3:
Prioritize and Refine Use Cases



STEP 4:
Test in Proof-of-Concept Projects



STEP 5:
Scale Up in Waves

Gauging the current maturity of business processes to be transformed is typically the first step. iOPEX advises enterprises on how to start their automation journey with Process Mining, a benchmark of the current state is created, followed by devising a blueprint to identify the use cases that are sub-optimal, which are priority candidates for automation to achieve better results and higher ROI.

Knowing which processes when digitized will have the maximum impact is crucial, and companies may have to carefully weigh this against security and/or regulatory pressures that prevent them from transitioning certain systems, applications and data stores. Businesses must do this analysis in order to establish a leading digital first strategy for maximum results.

Executing your digital transformation strategy

Once the right digital solutions are in place, there's still work to be done. Ensuring AI and ML capabilities are fully integrated into different business processes is essential; a lack of optimization can lead to wasted spending, unplanned downtime and a drop in productivity.

Key decision-makers will have to closely monitor the performance of the digital ecosystem to keep their strategy aligned when business needs evolve. As applications using AI and ML become more intelligent, companies will need to scale up their resources to remain leaders in their respective markets.

HOW IOPEX CAN SUPPORT YOUR DIGITAL OPERATIONS STRATEGY

Through end to end automation, business process optimization, and modernizing your applications using low-code platforms, iOPEX Technologies can combine your processes into a unified whole and rework your operating model to streamline and automate workflows.

- **Digital Studio:** Future-proof your technology landscape by modernizing core infrastructure and enterprise platforms, transforming legacy applications for the cloud and leveraging automation via RPA and iPaaS.
- **Digital Operations:** Benchmark your digital index, reimagine and automate your business processes to achieve true digital transformation. iOPEX can enable end-to-end digitization and data integration of your back office and front office.
- **Digital Insights:** Leverage big data and the power of AI/ML to innovate and deliver superior customer experience. iOPEX provides data rationalization, analysis and visualization services to deliver actionable insights.
- **Managed Services:** Minimize downtime and increase operational efficiency with Managed Services from iOPEX. We provide ongoing and regular maintenance and support for application, cloud, infrastructure, network, and security. iOPEX can help improve service resilience, align IT with business goals and bring down operational costs significantly.

To know how iOPEX Technologies can help you automate business operations to scale your digital business, write to solutions@iopex.com

ABOUT IOPEX TECHNOLOGIES

iOPEX Technologies is a global business and technology service provider, powering clients to achieve digital transformation through process optimization and intelligent automation solutions. Founded in 2009, iOPEX has grown to over 1,800 employees with offices in 3 countries. Our expertise across multiple domains and managing business operations makes us the trusted partner for digital transformation. We have helped in \$1.5 billion cost savings with continuous innovation and tailor-made solutions for our clients.

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