

How to get digital transformation right

By [Jayne Archbold](#)

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There has been a lot of talk recently about digital transformation and how every business has to be a digital business. And it is certainly true that the rise of the web, digital communications and internet tools have penetrated and disrupted just about every aspect of business life. To take digital at its simplest, for example, I don't think there are many enterprises out there now that would argue against the urgent need for some sort of presence on the web.



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But digital transformation is about more than just a website, it is about taking advantage of technology to improve processes, communications and operations to become a faster, more productive, more successful business.

This is why, in this day and age, I was a little surprised to find in a survey Sage carried out as part of our Economic Impact Report, that only half of mid-market businesses across Europe believe digital transformation is a priority. The question is: Is the other half missing a trick?

Keep tight controls on costs

Through extensive research and by talking regularly to customers, we know that the primary aim for mid-market businesses is to ensure they remain competitive, while managing financial risks and boosting profits. They need to keep tight controls on costs by streamlining processes and increasing the efficiency of their operations.

Mid-market enterprises often work across a shared network and multiple sites, and it is imperative to be able to share documents and information, and work to keep the business as lean as possible, whether this is through cloud, mobility or more traditional methods.

Digital transformation means it is important for organisations to be able to extract meaningful information from data quickly

and easily, to enable them to be responsive to the needs of their business and make the right decisions at the right time, wherever they are. They do not want to waste valuable resources inputting data multiple times when systems do not integrate or are difficult to use.

All these objectives can be achieved with the help of the right technology.

One of the important things about approaching digital transformation, to my mind, is that it is not just about technology and its implementation. It is about first considering your business strategy and what is possible technically. Then you can see how that transforms your operations and your revenue generation.

In other words, it is about starting with the strategy for the business, rather than the functionality of the technology itself. You need to decide what goals you have for your business and then think about how the technology can get you there (and not the other way round).

The good news is that it seems many enterprises understand that IT investment is important. In the same survey for the Economic Impact Report, 93% of mid-market enterprises are planning IT investment in 2015 - the main priorities are document management (30%), business intelligence (28%) and business apps/office software (28%). This is a crucial part of arming the workforce with the digital tools to increase productivity and job satisfaction.

But it is interesting to note that in the survey only 32% of mid-market enterprises said they were getting the full value or most of the value out of their software investments. A lack of user understanding or lack of training (27%) and incompatibility between different software systems (23%) is stopping businesses from using their software to the best effect.

There are four key points organisations need to consider in order to ensure they get value from their investments and transformation programmes - whether this involves the adoption of an HR programme, a social enterprise platform, or a new ERP solution:

1. Get buy-in from the management team. No software implementation ever worked without the full support of the senior team. Preferably, get a senior advocate to drive the transformation, not just from IT;
2. Find the right implementation partner. The vendor is important and needs to fit with you culturally as well as financially;
3. Train for success. Many people think that training is just a routine part of the process. It is absolutely vital to get the training right to drive adoption and to ensure that full advantage is taken from all the features and functions; and
4. Don't allow the implementation to stall. Momentum is everything and you have to keep it moving or natural inertia will win out. Plan for milestones and hit them.

IT investment is a key part of innovation and transformation. Get that right and you can put your business on the route to greater growth and profitability.

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