The Path to Digital Transformation
A Roadmap for Business Success
Table of Contents

Introduction 3
Moving Toward Transformation 4
Overcoming Transformation Barriers 7
How DXC Technology Can Help 8
Conclusion 10
Introduction

The digital revolution is rewriting the rules of business. Today’s businesses are more data-driven than ever. Innovations in digital technology are increasingly changing how companies stay competitive in a global, connected economy.

At the heart of these shifting dynamics lies digital transformation — a host of new technologies to redefine traditional ways of doing business with partners, suppliers, and customers. Driven by staggering amounts of data and enabled by rapidly evolving technology, digital transformation is disrupting business models, products, and experiences across industries. It has already radically changed the way people consume content, communicate, and choose products and services. Building on these trends, companies everywhere are making digital transformation the linchpin of their growth strategy, using data collection and analytics to improve customer experience and creating operational models that help them stay ahead of the competition.

Digital transformation is no longer a luxury—it’s an urgent business necessity. To succeed in the face of digital disruption and provide the best consumer experiences, it’s imperative for businesses to enhance their digital customer experience, while also mobilising agility and efficiency through digital operational excellence. IDC expects that the percentage of companies embracing advanced digital transformation initiatives will more than double by 2020, from today’s 22% to almost 50%.

Spiceworks recently surveyed over 300 IT and business decisionmakers in the Asia Pacific region to find out where they stand in their digital transformation journey. The survey revealed that while the IT industry leads the trend in digital transformation, many others in the enterprise space including manufacturing, government, construction, engineering and financial services are also driving digital transformation initiatives as an important aspect of their current and future business strategies.

References

Spiceworks survey of 303 IT decision-makers in Australia, New Zealand, India, SE Asia and Hong Kong, on behalf of DXC Technology, March 2016.

https://www.idc.com/research/viewtoc.jsp?containerId=259850
CHAPTER 1:
Moving Toward Transformation

The Spiceworks survey revealed that digital business practices are a critical component of the current and future business strategies of companies across industries for nearly 60% of respondents. Far-sighted IT and business decision-makers across the board are investigating how they can create roadmaps for successful digital transformation journeys and capitalise on every digital-enabled opportunity to enhance their growth strategy.

Most organisations surveyed had already completed some amount of key preparation for their digital transformation initiatives, while few others had either finalised their strategies or already started to transform their systems.

According to the survey:

Top 5 steps completed as part of a digital transformation initiative:

- 59%
- 58%
- 56%
- 48%
- 48%

Top 5 outcomes that organisations hope to achieve through digital transformation:

- 51%
- 48%
- 48%
- 46%
- 45%
Despite understanding the critical role of digital, many businesses still struggle with taking the first step—determining how to move forward and write the first chapter of their digital transformation success story. While each business’s digital transformation journey is unique, the following key steps are typically consistent across different industries. Depending on your line of business, you may have different views and priorities.

But even then, these steps, based on the steps survey respondents have taken, can serve as thought starters as you launch your own digital transformation journey:

1. **Define your business model**
   First, design your disruptive business model. Review your own digital assets against the future business model and determine which digital tools are best suited to your organisation’s needs and goals. Ask questions, investigate various options, and open up the potential to innovate. For instance, can cloud capabilities enable more cost-effective experimentation?

2. **Analyse your strengths**
   Assess your current assets and liabilities against the future business model. Examine your options, risks, and gaps. Evaluate your readiness and potential transformations across people, processes, and technologies. Determine your audience and understand how they prefer to engage with you. Then, assess the market and identify your position among the competition. How are they transforming? Is there anything you can learn from their journey? Don’t overlook your strengths. You may have a large customer base, a big brand name, or a wealth of regulatory approvals. These are key strengths that can be built into your new digital business.

3. **Determine your execution method**
   As you determine your preferred method for digitally transforming your business, weigh all your options. Some firms turn to acquisitions and partnerships as a vehicle for digital change. Others aspire to the assets and branding of their larger competitors to break out from their many rivals. In many cases, joining forces with a partner or an insurgent challenger can accelerate time-to-market for the new business, which can be the tipping point in a digital space.
4. Define your optimal IT architecture

Create a new IT architecture that’s suited to your disruptive business model. Be fully aware of, and leverage, key technology enablers (e.g. cloud, mobility, big data, etc.) in the market so you can use them as foundational building blocks for your IT structure.

5. Audit your assets

Examine your current networks, processes, and personnel, taking stock of your assets as well as liabilities. For example, early technology leaders such as insurance companies and airlines frequently discover that their proprietary, server-based systems are holding them back. It’s important to identify your technology liabilities and replace them as necessary.

Take advantage of cloud while deploying your IT infrastructure. Many of today’s disruptive business models are also based on a hybrid delivery environment that combines traditional IT, private, managed and public clouds to power the workloads that drive your enterprise.

6. Build your IT infrastructure

As you begin to redesign your technology infrastructure, you might see the potential to overhaul your model to adjust to emerging models such as dual-speed IT, which is based on the premise that IT needs two speeds of service delivery. The first, often referred to as industrial speed, is the optimised speed at which IT delivers services to the business. The second—digital speed—is the speed necessary to drive a company’s digital agenda. This is the capability most disruptive IT organisations are working toward building.

7. Secure the business

Design a data security strategy with flexibility and scalability. With the increased sophistication and frequency of cyber attacks, it’s imperative to transition from traditional static security and recovery practices to intelligent, adaptive models.

The transformation journey itself creates a period of elevated security risk, since it introduces new entities within your firewalls. New devices, new networks, and new employees all present potential entry points and security vulnerabilities. To counter these threats, it’s important to implement an aggressive data security strategy as an integral part of the transformation process.
CHAPTER 2:
Overcoming Transformation Barriers

As digital transformation is clearly important for organisations, the question remains: Why are so many organisations still unable to execute?

The Spiceworks survey identified shrinking IT budgets as the key barrier challenging organisations when it comes to achieving digital transformation, closely followed by competing business or IT priorities, limited staff and expertise, and inadequate technology solutions.

The perennial business problems of budget and resource availability are a common roadblock to digital transformation. When companies face pressures to cut costs in tech budgets, they often turn to cloud solutions or spreading IT teams thin. Luckily, IDC estimates worldwide spending on digital transformation technologies to grow at a compound annual growth rate of 16.8% over the 2014–2019 forecast period.²

Top 5 challenges experienced with digital transformation:

1. Limited budget
2. Competing business priorities
3. Competing IT
4. Limited time/staff
5. Limited skill/experience

References
CHAPTER 3:

Accelerating Change Together: How DXC Can Help

As digital transformation gains momentum, more and more businesses are looking to create operating models to help them stay ahead of the competition. Technology makes it easier to bring new products and services to market quickly and with minimal capital investment, creating disruption in every industry. Organisations everywhere are turning to IT as a differentiator and enabler for rapidly accelerating their ability to execute on ideas and to create new value from applications and data.

The challenge for business is how fast and how far to go, while struggling with managing diversity of applications, adapting infrastructure to meet business demands, and ultimately enhancing the end-user experience. Many companies that undertake digital transformation also navigate the additional pressure of managing a mix of IT assets, from traditional data centers to a range of private and virtual private cloud instances.

To survive and thrive in the idea economy, companies increasingly turn to partners who can help them quickly deliver differentiated products and create new revenue digital channels, specifically aligned to enterprise requirements. DXC can be your trusted partner on your journey to digital transformation by integrating cloud applications and mobile workplaces with enhanced security and providing the ability to gain deeper insights into your business.

DXC’s solutions enable rapid development and deployment of high-performance, high-quality applications across legacy, cloud, and mobile applications that drive digital transformation for business growth. By bringing development and operations together to automate, orchestrate, and transform the delivery of digital applications and IT services, DXC can help companies leverage digital innovation, not just to reduce costs and improve operations, but also to provide exceptional user experiences.
As your ally in the digital transformation journey, DXC recognises that businesses need to take four key steps in order to thrive in an economy of innovation.

They must transform to a hybrid infrastructure; protect the digital enterprise; empower the data driven organisation; and enable workplace productivity. DXC is committed to supporting your digital transformation journey by bringing all these elements together and specifically aligning them to your unique business goals.

1. Transform to a hybrid infrastructure

Finding the right mix of hybrid infrastructure is critical to powering applications and achieving business outcomes. Organisations need the right mix of traditional infrastructure, private and public cloud with consistent management and control software to meet the demands for agility and optimal user experience. As industry leaders in all major infrastructure categories including private cloud, servers, storage, and networking, DXC uniquely combines IT expertise with innovations in infrastructure, software, and services to create the best IT solutions to accelerate organisational goals, based on companies’ unique industry and application needs.

2. Protect the digital enterprise

To protect the digital enterprise, it’s important to create a business-aligned, integrated, and proactive strategy that supports hybrid IT infrastructure and data-driven operations — while also enabling workplace productivity. DXC partners with companies to create a holistic, integrated service management framework that takes into account security, business continuity, and operational processes.

DXC helps companies create roadmaps that align to their digital protection goals. By focusing on digital protection as a business enabler, DXC’s solutions help organisations transform from traditional static security and recovery practices to intelligent, adaptive models that keep pace with business dynamics and enable IT to reach shortand long-term enterprise security and resiliency goals.
3. Empower the data-driven organisation

The best way to navigate the current data explosion is to approach it with greater agility and gather information in near real time. Data-driven organisations can successfully harness insights from data and leverage valuable feedback that’s available from internal and external sources.

DXC’s experts work with businesses to understand their overall business vision, identify the impact on business and IT when transitioning to a data-driven organisation, and determine the best strategies to integrate agile capabilities into existing environments. The DXC approach to a data-driven organisation leverages existing tools and infrastructure whenever possible. DXC helps organisations ensure processes, security, tools, and overall collaboration are addressed for successful outcomes.

4. Enable workplace productivity

While consumers everywhere are rapidly embracing digital, it’s important for businesses to consider the question: Is our workplace keeping up?

Organisations need to enable digital workplaces to increase both individual and team productivity. DXC combines a holistic view with a practical approach to work with businesses everywhere to help them shape a successful workplace and mobility strategy.

Conclusion

Before you can unlock the potential of a truly digital enterprise, you need to understand its critical success factors, benefits, challenges, and how they relate to your business. For that, you need to map out a path that’s specifically designed to support your business objectives and technology goals—for today and tomorrow. It helps to have a trusted advisor with the experience and practical approach to help you navigate the best options for your organisation, and how best to source, build, deliver, and manage them. DXC offers a complete portfolio of solutions to help you transform your organisation. No matter where you are in your digital transformation journey, you’ll find a reliable partner in DXC Technology.