

The Future is Digital

To win in today's digital economy, companies must see IT as a way to create new business capabilities that will earn them a competitive edge.

As the digital business revolution accelerates, powered by cloud, social, big data, mobility (SMAC Stack™) technologies and the Internet of Things (IoT), it has become imperative for organizations to deliver engaging and meaningful experiences, both inside and outside their companies. To win in the new digital economy, progressive companies worldwide must see IT not only as a way to cut costs and generate new operational efficiency, but also to create new business capabilities that spur competitive differentiation and outperformance.

As Stephen Fernandes, Assistant Vice President and Regional Head - Middle East at Cognizant Technology Solutions, says: "Businesses are looking to free up their budgets to invest in new digital technologies, in order to capitalize on new opportunities." The expert team at Cognizant Technology Solutions is frequently invited by CXOs to help architect their digital transformation. "We are helping clients address their dual mandate of simultaneously achieving efficiency and innovation, and reimagining their businesses for the digital era. We are leveraging the Cognizant Crossroad Model to help our client jumpstart their Digital Transformation journey," adds Fernandes.

Moving into a new digital era

Today's digital era differs in two very fundamental ways from previous IT transitions. For one, SMAC Stack and IoT technologies are enabling business to shift focus from only transactional automation to instrumenting all aspects of life—and at incredible cost efficiency and scale. Secondly, the pace of change is like nothing seen before. Innovation cycles have compressed so dramatically that business leaders around the world have to think of innovation and improvement simultaneously. Businesses are looking for a partner with the ability to integrate



and execute end-to-end business IT transformations in ways that improve existing operations and create new business opportunities.

Digital drive across industries

Digital is becoming more and more embedded into all aspects of business across industries and service lines. Take the financial services sector, which counts among the digitization pioneers. The sector is experiencing unprecedented growth—extending across retail banking, investment banking, as well as insurance—driven largely by new forms of business process digitization. In each of these areas, the ability to reach out to customers through digital channels is very important. Big data initiatives also enable financial services providers to make decisions on a range of topics from managing risks to managing customer relationships.

Healthcare, similarly, is embracing digitization to help consumers take control of their personal well-being. Instrumentation of IoT devices, such as wearables, gives individuals access to everything from electronic medical records to their vital signs, helping them more effectively manage their health. Meanwhile, in retail, digital is delivering consistent

and connected experiences over multiple channels, giving customers the ability to search online and buy in-store, or buy online and return in-store. For its part, in manufacturing, there is renewed energy around IT investment, particularly in the instrumentation of products, production processes and after-market services. As a result, there will soon be machines that are Internet-enabled, online and IT-addressable at all times.

Digital transformation—the way ahead

It is no easy task for organizations to undertake a digital transformation project. It is often difficult to figure out where to start—and end—since in many cases, digital is the business. And the impact is typically far reaching: internally, on business processes, the organization, and employees; and externally, on how the organization engages with customers, clients and partners across its value chain.

Given the need for enhanced cross-functional collaboration, a good starting point is at the customer interface level, where organizations can build, prototype, and scale digital business solutions that extend more streamlined and productive ways of working. Businesses need to think big, start small, act fast, and scale quickly to rapidly accelerate their digital transformation journeys and avoid erroneous and irrelevant technology trajectories with analysis paralysis.

Most importantly, beyond the CIO, senior leaders, stakeholders, and influencers outside of the IT department need to get out front. Collaboration across departments is important to ensure that an organization's digital transformation proceeds on pace and remains focused on key business objectives that balance the need to deliver enhanced operational efficiencies and business capabilities that meet, if not exceed, corporate objectives.