

Welcome to the age of digital acceleration

People have long talked about digital transformation as an end goal. Once businesses transform, they will realise their ambitions, achieve their goals and enjoy the rewards.

Temps de lecture : minute

15 August 2023

Yet many companies found that when they digitally transformed a process, the net gains did not appear to match the promised benefits.

Introducing new business models

There are many reasons for that, but chief among them is that digital transformation is about, as *McKinsey* puts it, “the fundamental rewiring of how an organisation operates”. It does not automatically unlock new business models or engaging experiences, but it does set up companies to adopt innovations quickly.

Now this is a state all businesses need to be in. It’s a cliché to say that we’re living through an era of massive, ongoing disruption, but it’s a cliché because the statement is true. The companies adapting and thriving are the ones that have been able to pivot their business models in the face of ongoing and evolving challenges.

Some large enterprises are able to do this themselves in-house, while others have sought out support from technology vendors.

But it isn’t just major players that are offering enterprises digital transformation. New entrants and scale ups, often hyper-focused on

specific areas of technology, are being built to support or extend the functionality of established platforms. This gives businesses the chance to create solutions that work for their unique needs, so they can combine the technologies they have known for a while with tools that can help speed up transformation efforts and time to value.

The next stage in business evolution

But digital transformation isn't just about coping with chaos; it is the next step in business evolution.

Digital businesses can move faster, whatever they're doing. But fast today is pedestrian tomorrow, and that's why digital transformation is "just" a next step - not the end destination.

Laying the groundwork for digital acceleration

So, what comes next? Acceleration. That's when next-generation technology is fully integrated into the enterprise tech stack, making today's fast movers seem like they're going backwards.

Without the foundation that digital transformation provides, digital acceleration is not possible.

Look at ServiceNow. Its platform has seen immense uptake from enterprises to the extent that it has become the operating system for running a business. Companies love it because ServiceNow has it covered no matter what they need to do, whether the focus is customer, employee, tech or operations.

Its low-code approach allows businesses to create features and build apps that extend the platform's functionality. That means, in theory, enterprises can take something off-the-shelf and shape it to their specific needs very quickly. The speed of development means that value can be realised rapidly. It even has its own app store, where other technology vendors and next generation service providers are able to add their apps that can also support its services and customers.

That, in effect, is the digital transformation of the business. ServiceNow provides the digital foundation for companies to implement or pivot to new business models.

What's the next step? From a ServiceNow perspective, that's introducing artificial intelligence into its workflows. It makes perfect sense – the twenty years it's been operating has given it ample opportunity to gather data into how companies operate, which can be used to inform new AI-driven products and services. So now, ServiceNow customers can do everything they were doing much faster.

Get the house in order

But to be able to capitalise on these opportunities, businesses need to have fully transformed their operations and sorted out their processes and systems. Anyone that attempts to digitally accelerate without getting their organisation in order will digitise existing problems. This means that these problems will move much faster and further than before.

So, for example, different teams might operate using similar but separate data silos. Changes in one area might not be reflected in another. In an analogue or legacy environment, problems must be manually fixed. When those processes and systems are digitised, problems occur much more rapidly, at such a rate that manually fixing each one is impossible. Plus, with the information the teams are working from being different, they're

more likely to use old or outdated versions of information.

What needs to happen is to consolidate these silos into single versions of the truth, with any changes reflected across the entire organisation. That way, no matter who is using the data, they can trust that they have access to the latest versions.

The age of digital acceleration

Digital transformation is not the end goal; it's simply setting up the next step in business evolution.

That's digital acceleration. But to be prepared for it, organisations must ensure that their houses are in order and the next generation of technology vendors need to know where support is needed the most. If not, all they'll do is accelerate pre-existing issues.

Ron Gidron is CEO and cofounder of xtype.io.

Article by Ron Gidron