

The C-Suite Guide to Digital Business Transformation

*Innovative ways to take your
business efficiency and collaboration
to the next level*



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Digital business transformation is strategically critical



Across every industry, C-level executives are focusing on innovation and technology to improve the efficiency and performance of their businesses. Now more than ever they need to develop strategies that make their organisations relevant, memorable and competitive in an era where digital business transformation is not just a goal, it's a continuous, speeding journey.

Why must your C-level executives choose to invest so much time and effort in digital business transformation?

You need your businesses to:

1 Take advantage of new opportunities.

Through innovation and new technology, forward-thinking organisations can gain an edge over the competition and bring value in areas like efficiency and productivity. Often the bottom line is whether technology can cut costs or meet required industry regulations. With the right investment, digital business transformation can help with both.

2 React to emerging threats and take advantage of new markets. The digital age means that competition is no longer limited by international boundaries. Translation: large multinational organisations and nimble startups with paradigm-changing tech are looking for new markets, with globalisation offering big opportunities in previously untapped, developing markets.

3 Cope with disruptive forces. Regulations and the economic winds can be unpredictable, with the long-running process of Brexit yet to conclude and the position of trade agreements like NAFTA still up in the air. With global regulatory requirements constantly changing and evolving, technology can be a great way to strengthen the structures needed for compliance.

What does your C-Level want from Digital Business Transformation?

The Chief Financial Officer (CFO)

There are significant opportunities for organisations leveraging technology in finance, including the use of data analytics to provide insight, which allow businesses to become more proactive. Benefits of this include more automated financial processes, time savings and increased efficiency.

Above all your CFO needs to spearhead digital business transformation, with processes financially rather than operationally driven. By leading the charge on ROI and revenue, your CFO can then focus on the cost-effectiveness and value digital technology will bring the organisation.

The Chief Marketing Officer (CMO)

Marketing has a vital role to play in the enterprise: meet short-term metrics and show ROI, and invest in longer-lasting, brand-building activity. From website conversions to lead generation, digital makes it easier to measure and report on marketing success.

To drive digital business transformation your CMO needs to own the customer experience and be fully accountable for revenue growth. By being brave and forward-thinking, they'll adeptly straddle a difficult line between investigating the huge potential of digital, while keeping a control on spending.

Chief Operations Officer (COO)

Digital business transformation can lead to more streamlined and connected business processes, which will accelerate collaboration among previously siloed business units and the real-time insight needed to best understand costs and operational performance. Together, these will help organisations adapt to constantly changing markets.

Your COO needs to ensure their business takes advantage of new technology and development. They must map out and understand where gains in efficiency can be made and cost savings are possible, plus have deep insight around the various operations of a business, understanding where productivity gains can be made.

Chief Information/Technical Officer (CIO/CTO)

Digital business transformation needs to allow an organisation to develop an ecosystem of partners who can support different departments and go beyond the confines of that business – think startups and research organisations. Yet legacy IT must not be forgotten, as strong foundations and the structure built from core infrastructure spending could be a base to be modernised.

Your CIO/CTO will want technology that's easy to implement, deploy and integrate with existing systems, involving minimal investment and use of resources. They'll also need to choose technology investments that support a shift to digital services, intended to attract and keep new customers and increase profits.

Digital Business Transformation is important across every industry

Digitisation is causing large-scale, sweeping business transformation across all industries. This is a prime opportunity for value creation and capture, yet it also means risk, as business leaders and C-level executives grapple with its strategic implications.

Manufacturing

Manufacturing generates a huge amount of data compared to other sectors of the economy, yet not all manufacturing businesses harness it as much as they could.

There's a need to move faster, as digital business transformation is resulting in innovation that's transforming the very nature of this sector, from R&D and supply chain to marketing and the way organisations serve customers. There's also great potential in verticals like artificial intelligence, robotics and IoT, with leading companies speeding ahead.

Distribution

A vital link in the supply chain, distributors must take advantage of digital business transformation to evolve and adapt, avoiding the risk of being left behind.

They need flexibility to adjust business practices, cutting costs while building customer loyalty, increasing reach and growth. Digital business transformation can help distributors spark growth and create better service-orientated relationships with suppliers and customers. The key is to choose their investment carefully from a plethora of options, led by advanced analytics, eCommerce and IoT.

Services

Digital disruption has changed the way service businesses and customers interact, with business models and revenue streams transformed by the innovation digital business transformation brings, such as cloud applications.

Leading service businesses are making investments to grow operational efficiency and enhance the customer experience, particularly vital in a multi-channel world where demands are high. The key is to make the right use of data, widely available yet needing skill and technology to be understood.

Automotive

Customer expectations place huge pressure on automotive C-level executives to modify their business strategies and manage their businesses. Moreover, there are often new requirements that call for the incorporation of data and interactivity, such as the connected car and electrification of vehicles, which increase the cost and complexity of production.

Through digital business transformation, automotive businesses can respond to these shifts by innovating and growing in new directions, moving physical experiences to ones where digital plays the central role.

Food & Beverage

With leading food and beverage organisations expanding investment in digital business transformation, the need for innovation is quickly moving up in priority.

First and foremost, C-level executives understand that product innovation is vital to satisfying the ever-changing demands of customers. For food and beverage businesses to remain viable, they must be able to nimbly shift their business strategies and invest in technology that succeeds in process optimisation and profit margin growth.

Digital Business Transformation must meet today's challenges

According to Aberdeen Group, today's organisations are tasked with a series of challenges in a flexible, changing environment:

As businesses grow and industries evolve, it's increasingly difficult to keep costs in check, maintain efficiency and customer service, and support changes in business models. Digital business transformation is the key, because it will support organisational flexibility and access to timely information, giving C-level executives the agility to make decisions that grow their business and support new business initiatives.

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Source: "Address your changing needs with flexible, modern ERP," Aberdeen Group, December 2016, % of Respondents, n=231

Five Digital Business Transformation tips

Digital business transformation is by no means a straightforward process – after all, it may mean a re-invention of business operations to benefit from technology. It won't be straightforward, and no two digital business transformation projects will be the same. Here are some great tips for you to follow:

1. Build a dream team

It's important for the whole C-suite to engage with digital business transformation, along with legal counsel and procurement executives. Everyone needs to be aware of each other's needs and priorities and stay focused on moving the business ahead.

Since different lines-of-business leaders will have different priorities when it comes to digital business transformation, it may help to bring them together in a workshop setting. Remember: the priority is the health and ongoing success of your business.

Ideally, a high-level leader in the business will be identified to take responsibility for the digital business transformation project, able to balance the requirements of employees, departments and shareholders. And if there appears to be a skills gap – fill it.

2. Have a shared vision

Digital business transformation will be met through a series of projects or initiatives, so there needs to be a shared, desired vision of what your organisation is trying to do and how they want to get there. It's a fundamental change.

Successful digital business transformation affects every element of an organisation. Every department and its employees must be engaged and included in the process, starting with HR, which will be instrumental, because staff will need to adapt to workplace change.

3. Create a culture of collaboration

For some companies, digital business transformation could mean the difference between competing and collapsing, yet it should be remembered that it isn't all about technology – businesses can't become more efficient, productive and innovative unless it's embedded into the culture.

There must also be trust and partnership between different departments, with shared cross-functional goals and teams. This can be accomplished by finding ways to get people from separate parts of your business working side by side and understanding each other's strengths and challenges.

4. Think data and innovation

Digital business transformation is not possible without data, which enables new technology and solutions. And data is where an organisation can gain those important, actionable business insights that make innovation powerful.

There is now a need for people to become quantitative thinkers where measurement is important, yet only when the data analysed can drive action. This might require the absorption of new skills through recruitment, or training for your existing workforce.

5. Don't be afraid to experiment

Every business is different – digital business transformation will come in many flavours, depending on short and long-term needs. Instead of going for the home run, think about iterative steps and small initiatives where feedback can be quick.

Make sure to experiment and evaluate with a business lens. And remember that digital business transformation is a process that doesn't end – your businesses will ideally have the technical flexibility to triumph with what the world throws at you.

What is modern ERP's role in Digital Business Transformation?

In the past, ERP implementations were notorious for not meeting evolving business demands – focused on automating already inefficient processes and only providing incremental improvements to business processes. It's got to the point where only 12% of corporate executives say they are "very satisfied" with their current ERP solutions, while 59% say they are "burdened" by them.

This is because they:

- Are too complex.
- Aren't flexible or customisable.
- Lack the real-time data collection and analytics insight needed to make smart, timely decisions.
- Can't adequately scale as the global economy grows and intensifies.

Many ERP solutions simply don't meet the needs of digital business transformation. It requires technology that supports the material disruption and improvement of current business models, as well as ways to provide better products and services.

Change is inevitable. Businesses must ensure a new ERP system can adapt to new business models, product lines and regulations. According to Aberdeen Group, best-in-class organisations are 83% more likely to have a solution which can be quickly tailored to reflect business change.

Why Sage Business Cloud Enterprise Management?

Because manufacturing businesses can now replace their legacy ERP systems with modern Enterprise Management solutions that support digital business transformation, they're greatly improving business efficiency and collaboration.

Enterprise Management is an integral part of the Sage Business Cloud that will future proof your organisation. The great thing is you can join the platform at any stage of your business and grow over time by adding new products as you need them.

Sage Business Cloud Enterprise Management will help your businesses:

- Access support for mobile sales forces.
- Accommodate future merger and acquisition activity.
- Achieve process and product consistency across operations.
- Automate rigid, time-consuming, error-prone manual processes.
- Be agile enough to cope with changing needs.
- Consolidate work systems into one solution.
- Gain real-time visibility and insight across global supply chain.
- Scale and allow extension/integration.
- Support more lean and agile processes.

Contact us for a business review or request a demo today

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