

The Hindu**Author:** B. Pradeep Nair**Date:** January 11, 2015**Gains and pains of digital transformation**

Social, cloud, analytics and mobility are rapidly changing the way companies operate. Their synergy has resulted in easy-to-use products and services for customers on the one hand, and richer dividends for companies on the other. Seeing a positive correlation between business performance and the emerging technologies, companies are fast-forwarding to digital transformation.

Customer expectations are changing faster than what IT teams can anticipate. “With multiple conversation platforms, it doesn’t matter where it starts: may be with a chat, then goes on to a social platform. Digital transformation is about integrating platforms and departments to get a unified experience,” says Suman Reddy, Managing Director, Pegasystems.

Some companies are even looking at new functions. Sudhir Tiwari, Managing Director, ThoughtWorks, says they now have a Chief Capability Officer. “One of his mandates concerns capabilities we need to build, and how we match them with what we believe where the market is headed.”

Enterprise mobility is an emerging area. “Apps are being created for specific tasks that would otherwise take a long time to punch in if one has to follow traditional methods of accessing company’s intranet,” says Mohit Bhisikar, Chief Information Officer, Persistent Systems.

Data analytics is no longer a geek’s domain. It’s become mobile, visual and accessible to common people. Vizable is a free iPad application from Tableau Software that can be used to explore data, personal or business, by using gestures such as pinching, swiping and dragging. Users can sculpt data into visual patterns in seconds, and the visualizations can be shared with friends and colleagues through email, instant message or social media, according to Deepak Ghodke, Country Manager, India, Tableau Software.

The challenges

New technologies are fascinating but transitioning to them can be challenging for companies. According to a global survey of 444 executives conducted by The Economist Intelligence Unit, and sponsored by Accenture and Pegasystems, most companies say their digital processes are only partially integrated with their traditional business functions, and very few claim to be able to present a seamless customer experience across channels.

A big challenge is the change in the IT customer who is now behaving like a consumer, feels M. G. Raghuraman, Senior Vice-President and Chief Information Officer, Mphasis. “The customer now wants everything quick, flexible, scaleable, and as much as possible on fingertips.”

Though cloud is perceived as a panacea for many infrastructural issues, moving on-premise data is easier said than done. There is also the problem of awareness, especially among established old economy enterprises. “Financial services organizations have always been intrigued by cloud and what

harnessing its power could mean to them,” says Snehal Fulzele, CEO and Co-Founder, Cloud Lending Solutions.

Public cloud comes with issues of security and policies regarding backing up of data. According to Siddhesh Naik, Director, Enterprise Business Group, India and South Asia at Lenovo, the budgets allocated to CIOs are shrinking which makes it difficult for them to draw the line and the whole IT operation becomes a complex balancing act for them.

Since technology now becomes obsolete faster than ever before, companies have to scout for fresh talent. Often there aren't programmers with required knowledge base. Coupled with this is the need to re-skill existing employees.

“If you take 100 programmers, the chances are that a majority are trained in native language that is tied to a platform. There are fewer people trained in open source. If a company has to hire a PHP programmer, it will have to shell out a much higher amount,” says Gerald Jaideep, COO of Simplilearn.

Companies are adopting multiple means for training. Deepa Mukherjee, Vice President – HR & Head – Learning and Development, NIIT Technologies, says, “We leverage MOOCs (Massive Online Open Courses) for the foundation learning and invest in instructor-led training for advanced levels.”

EMC collaborates with colleges to make students industry-ready. “The Academic Alliance program offers courses that focus on technology concepts applicable to any vendor environment, enabling students to develop skills required in today's evolving IT industry,” says Abhijit Potnis, Director Technology Solutions, India & SAARC, EMC. Obstacles notwithstanding, companies are fast-forwarding to new technologies, often fearing competition, as Ray Wang, CEO of Constellation Research and author of Digital Disruption puts it. “Things are moving so fast, companies that have been built over 100 years are disappearing. In the 1950s the average age of a company in the Standard & Poor's index was about 60 years. It's trending towards 15 years now, and we think it's going to be about 12 years by 2020. Digital Darwinism is unkind to those who wait.”

Changing landscape

***B Digital transformation is the reinvention of business practices to get maximum value from social media, cloud computing, mobile technology and big data.**

*** IT no longer plays a supporting function, it's actually driving business.**

***Number of employees for maintenance is coming down and that for innovation is going up.**

***Work flows and job profiles are undergoing major changes.**

Stumbling blocks

***Rapidly evolving technology and high expectations of customers put pressure on companies.**

***Issues like security, organizational silos, cultural biases, legacy processes, lack of innovative thinking, risk averseness.**

***Digital world problems require different approach for solution.**

***Shortage of engineers who have expertise in new technology.**

***Need for massive re-skilling investments at fast pace. Existing staff might resist change.**