Preparing Organizations for
Digital Transformation.

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Organizations could be slow to react to digital transformation due to traditional methodologies, the nature of the organization or individual resistance to change. Digital transformation means something different to everyone, but digital leaders are 26 percent more profitable than their industry competitors[4].

Digitization is the automation of processes by the digitization of information through the injection of technology for automation. Digitalization is the use of digital technologies with digital data at the core to create revenue, improve or transform businesses to create an environment for digital business. Digital transformation involves a radical rethinking of how an organization uses technology in pursuit of new revenue streams or new business models.

Additionally, for many organizations, digital transformation is only digitalization or digital optimization in disguise, where the new digital initiatives merely augment existing services[1].

The concept of digital transformation is an all-encompassing change involving people, processes, systems, operations, technology, culture and finance in an entirely new paradigm of organizational change. Peter Drucker once said, "culture eats strategy for breakfast," that articulates the heart of digital transformation, which is core to IoT.nxt®.

Traditional approaches by organizations to obtain competitive advantage included cost leadership, market-leading research and development or marketing[5]. In contrast, Spil et al.[8] suggested that the ability to capitalize on new digital technologies will become a more significant way to maintain, improve and strategically change the competitive positioning of an organization. The research by Spil et al.[8] observed a lack of e-leadership, or the inability of organizations to capitalize on the new business model and product innovation opportunities, that were enabled by digital technologies and resources.

Established companies do not have to change their business model or become digital platforms by emulating other digital disruptors[3]. Schwab[7] predicts the winners of digital will be those who can participate fully in innovation-driven ecosystems by providing new ideas, business models, products and services. Ross[6] warns that digital transformation will be a long journey, consequently encouraging organizations to start soonest with the process.

The evolutionist Martin Nowak remarked that co-operation is the only thing that could possibly rescue humankind[2]. Technology should be employed to drive humanity towards more sustainable development[2]. The future ought to be formed by putting individuals first and enabling them to make a difference. Humankind continually needs to be reminded that all modern technologies are the foremost tools made by people for people. The closer technology mimics the reality of human existence, the more beneficial the impact of digital transformation will be on humanity.

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About the author.

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