

FIVE KEY FACTORS FOR DRIVING DIGITAL INNOVATION IN YOUR ENTERPRISE



IT decision makers estimate that **60%** of their companies' 2021 IT investments will be dedicated to transformation projects.¹

Source: IDG Research commissioned by WEI, January 2021.

In 2019, 85% of companies regarded digital capabilities as “nice to have.” Forrester reports: “In 2020, every company learned that digital is critical to customer and business success.”² Today, there is an impetus among Chief Digital Officers and other technology leaders to build stronger digital foundations, enabling their companies to head off future disruptions and secure long-term business success.

New, cloud-based operating models featuring greater speed, agility, and scalability can support the digital transformation enterprises across industries require. They leverage cutting edge technologies to improve their use of data-driven insights, for example, and high-performing organizations are three times more likely to claim data and analytics contribute at least 20% to earnings, according to McKinsey.³

REDEFINING DIGITAL TRANSFORMATION

Although the benefits of digital transformation are well understood, its success takes on new meaning as we look to improve operations, customer experiences, and security in 2021. Technology leaders must identify the pressing challenges and opportunities of the day and then work with

business leaders to identify domains that are top priorities for change.

As Forbes describes, “the authentic, nimble, connected and collaborative companies will win in 2021 and beyond.”⁴ Here we examine some of the key lessons learned from 2020, followed by five considerations you should take into account as you accelerate digital innovation in your own company.

SPEEDING UP INNOVATION

The speed of change in markets, supply chains, customer and employee expectations, and nearly all other business factors that characterized 2020 taught us that many of the systems and processes that have supported us for years will not provide the lasting agility we need. It was companies that had already established the right partnerships and cloud-based technologies who responded to the COVID-19 crisis with success.

Even so, Q4 2020 data suggests that in about eight weeks, global companies and consumers had collectively leaped forward five years in their adoption of digital capabilities.⁵ Indeed, many companies forced into a remote-work model now perceive it as an important practice they will continue in some capacity for years to come. Struggling with new cybersecurity challenges forced companies to reimagine their technologies and best practices. Manufacturers were quick to identify supply chain vulnerabilities and optimize processes to limit costs and risk.



Now, technology leaders must not only revisit these changes to assess them for long-term viability, but they must also find opportunities to introduce the agility they witnessed in 2020 into their business models. Automating key processes, adopting advanced analytics, and improving channels for customer engagement and response are all viable options. “Companies will accelerate their digital transformation with a focus on customers and the products, practices, platforms, partners, and places to sell to and serve them,” Forrester predicts.²

FIVE CONSIDERATIONS TO START ACCELERATING INNOVATION TODAY

Today, we face an urgency for creativity in digital transformation and for greater receptivity to those changes among business leaders. Technology leaders can take the best lessons learned from 2020 and then build a better technology strategy and infrastructure for our companies moving forward. These five considerations should help you determine the best path forward for your business.

1. Speed and agility are determining factors for success.

Whether reviewing and implementing a new strategy or reallocating resources in the event of a crisis, companies with greater speed and agility are simply more successful. Cloud technologies helped leading companies minimize friction in business processes and arrive at value more quickly when their customers needed it most. These companies “reallocate talent and capital four times more quickly than their peers,” says McKinsey.³

Companies can achieve new levels of agility by improving business interactions—that is, enabling better collaboration and cross-department communication, as well as the technologies that support them. “In 2021, every new digital division will embrace innovation through ecosystems, and we expect a further 50% of enterprises to make cloud-centric transformation a priority,” says Forrester. “Agile practices will infuse every facet of planning and execution, spanning business, operations, and technology teams.”²

SOLUTION SPOTLIGHT: DELL TECHNOLOGIES POWEREDGE PORTFOLIO

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Dell’s next-generation servers are making server innovation more affordable and accessible, putting more power into the hands of more people than ever before.



2. Renew focus on customers, build more holistic relationships.

Both consumer and business priorities have changed. There is a new impetus to reexamine what customer centricity means for B2B and B2C customers and how companies can deliver on enduring needs and expectations through new digital capabilities and experiences.

For example, the scale and impact of the pandemic have forced companies to think outside of their customers' immediate experiences with their brand and to incorporate how other aspects of their customers' lives and businesses should impact their design thinking. That means stepping outside of the comfort zone of their immediate value proposition and then becoming more analytical and agile in how they manage customer relationships.

According to Dell, 74% of digital leaders set up new digital channels to support customers during the pandemic.⁶ And as McKinsey describes, "Top companies that sustain a comprehensive focus on the customer (in addition to operational and IT improvements) can generate economic gains ranging from 20 to 50 percent of the cost base."³

3. Cybersecurity requirements are evolving as our companies and employees evolve.

New cybersecurity threats emerged in 2020, and existing vulnerabilities also worsened as we changed the way we work. Transitioning employees to remote-work environments exposed vulnerabilities, for example. Now, data privacy and security concerns are more likely to create barriers to the digital transformation companies require.

Cybersecurity solutions must become core investments over the next three years to make the transformation in other areas of the business possible. Companies will need the right technologies and teams in place as they embrace other innovations, such as 5G infrastructure or democratized analytics.

4. Workforces also need to transform.

Tech leaders cannot expect new technology adoption alone to solve their problems. They need employees who understand transformation, who can use those technologies to realize their goals. "Organizations need to get the people model right because that's what enables a culture of iteration and innovation across the organization," Belkis Vasquez-McCall, a McKinsey partner, describes.⁵

Tech leaders should identify existing and new talent gaps alongside their digital transformation efforts. They should also identify digital solutions that present realistic opportunities in terms of closing up talent gaps to realize the capabilities they need. They can then "triage" their approach to closing that gap with three strategies: hiring new talent, reskilling existing employees, and automating processes for which manual work is no longer needed.

5. We need to keep learning, even as we scale.

Among other things, the events of 2020 presented business leaders with learning opportunities. They forced most companies to pivot dramatically, with varying degrees of success. But our learning hasn't ended—in fact, companies must have an ingrained responsiveness as part of their operations so that they can succeed if either global or local crises strike again.

HELPING YOU PREPARE FOR WHAT'S NEXT

By the end of 2021, Forrester expects 30% of Global 2000 companies will have a "significant digital product portfolio," where many will have accelerated their transformation to establish "a full ecosystem of participation."¹ As a partner, Dell puts innovation at the forefront of all their solutions, enabling you to transform your infrastructure and accelerate the innovation you need to stay competitive.





TALK TO WEI TODAY

For more information about Dell's capabilities and how their solutions can future-proof your digital transformation, reach out to your friends at WEI. We have expertise across all Dell systems and can help architect a custom solution to achieve your desired business outcomes.

Sources:

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WEI is an innovative, full service, customer centric IT solutions provider.

Why WEI? Because we care. Because we go further.

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