Lasting Transformation Requires Solution Design Disciplines

At a Glance

To achieve truly transformative impacts, organizations and IT executives must embrace Solution Design disciplines to:

- Align technology decision-making with strategic business vision

- Listen and respond to the voice of the external customer to shape transformation priorities

- Enlist internal customers to drive operational improvements

- Conduct a regular and candid evaluation of systems, skill sets and service providers

- Establish an architecture review board to maintain a comprehensive solution design

In the same way that marathons require rigorous preparation to reach the finish line, technological transformations will not yield lasting rewards without vision, planning, dedicated resources and unwavering determination. When organizations do not embrace digital transformation, failure ensues — enterprise value suffers, employee fatigue becomes rampant, customer experience is negatively impacted, and time is lost. To remain relevant, organizations must regularly reevaluate and optimize technology solutions to relentlessly pursue current business outcomes and enterprise value.

Strategic vision must drive decision-making

Transformation requires decision-making that is firmly anchored in the organization's strategic vision. Successful chief information officers (CIOs) and chief technology officers (CTOs) align technology solutions with the organization's business plan. They consistently lean on updated three- to five-year strategic vision plans to guide data and technology choices that maximize value and support business objectives. Their decision-making considers the status of the organization's strategic vision, including whether the organization is focused on:

- Aggressive growth

- Cost reduction and efficiency

- Employee morale and engagement

To have a strong pulse on business plans, technology executives must have a prominent role at the C-suite table. Next-level business leaders ensure the IT executive's voice is respected and leveraged in defining corporate vision. On the flip side, savvy CIOs and CTOs understand the opportunities and challenges within other C-suite functions. Smart IT departments do not function in an operational silo nor dictate technical strategy to the organization — rather they enlighten and inspire business leaders about technology to encourage adaptability to the potential of emerging technology. When executives are regularly engaged and informed, they become true partners in a digital transformation focused on a unified vision.

External customer experience is paramount

Revenue drives valuations — and the external customer experience is at the helm of sales growth, particularly in our modern hyperconnected world. Technology has become an essential ingredient in influencing customer perceptions of product value and interactions with the organization. However, there are so many potential areas of focus and so many technologies that could be brought to bear that prioritization of limited investments is essential. The voice of the external customer and the key moments that matter in an experience should be a driving force in determining modernization and transformation priorities.

Organizations must seek out and understand their customers' expectations, as well as the desired experience for interacting with the organization. Additionally, organizations should prioritize investments in technology based on data-driven insights into threats and opportunities that align with current strategic customer goals (i.e., market share, revenue per customer, brand awareness). Organizations should work toward near real-time analytics for metrics such as transaction speed, order size and repeat customers in order to enable accurate decision-making around potential experience friction points. These may proactively

indicate circumstances of perceived inefficient customer service or a lower degree of product choice compared to competitors, or conversely may highlight pockets of strength to expand. Hindrances must be identified, analyzed for root cause and potentially solutioned through technology optimization or acquisition.

Internal customers should drive operational transformations

While external customers drive revenue, internal customers drive operations and ultimately profitability — so they are equally integral. IT should likewise solicit candid and regular feedback from internal customers, including sales, finance, human resources and the supply chain regarding insight into the obstacles or inefficiencies that impede operations. Treating other departments as customers of IT enables a partnership that is synergistic and collaborative — and seeks to illuminate opportunities for departments to perform their jobs in ways that they never thought possible. Often there are cases where repetitive tasks can be automated through tools, enhancing quality and efficiency.

But the real opportunity is for IT to change the game for internal customers. IT can approach users with a message of, "I understand that is the process you've been following — but what if you don't have to handle that piece in the future? What if we implement a new feature or integration or cloud product that can eliminate that step altogether so you can focus on higher-level work?" A laundry list of possibilities will start to emerge that can be prioritized based on time and/or expenditures saved weighed against investment.

To know the path forward, take inventory

Successful technology executives regularly scan external trends and technology advances as well as external and internal customer voices to formulate plans to add value to the organization and its strategic goals. These opportunities should be weighed in the context of the

current inventory of technology. With the proliferation of cloud-based applications readily sourced by any department with funding, it is helpful to conduct a routine technology inventory and assessment. Ideally this can be performed across the enterprise with a candid evaluation to confirm whether the organization has the best portfolio of solutions, skill sets and service providers to transform.

Assessing the company's inventory of technology involves looking at the current managed application portfolio combined with a survey or review of external technology providers for completeness. Each technology should be evaluated for its fit for current needs, overlap or duplication, licensing sizing, dependencies on other systems, vendor roadmap and sunset plans. This exercise creates a conversation that reconfirms fit, considers upgrades or enhancements, identifies third-party risks and integrates planning towards the transformation goals of the company.

Solution Architecture Review Boards offer connected transformation

Harmonizing the varied and constantly changing technology elements in an organization requires a holistic perspective and guiding principles to maintain focus on the core vision and key priorities. One method to ensure that technology components and investments are compatible with the strategy-driven transformation environment is to form an Architecture Review Board (ARB). Designating business-minded technology architects who regularly engage with executives to evaluate new technology decisions enables the continual advancement of a connected and comprehensive solution design and avoidance of disruptive or distracting technology. This focus is more important than ever with the proliferation of distributed data, applications, channels and integrations that must work together. To promote comprehensive, communicative, and transparent transformations, ARBs can:

- Serve as the connective tissue that brings diverse and heterogeneous products into a common overarching solution design

- Ensure that all technology components and communication channels are integrating in a way that provides external and internal customers with a seamless experience

- Connect technology in a way that offers accurate data that is void of duplication and inconsistencies

- Prioritize investments towards business value

- Consider implications of risk, compliance and regulatory burdens

All drivers — including customer, process, technical and risk — must be considered in maintaining a high-performing organization's solution design. The portfolio of systems must be regularly tuned for maximum value while also advancing the organization's strategic vision. Ultimately, organizations must continually adapt and solve for business problems and opportunities by incorporating the right technology at the right time and in the right way.

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