

Transforming to a Digital Enterprise



Six things digital leaders do well

Through its research, DXC Technology's Leading Edge Forum (LEF) has defined digital transformation as not only adopting new technology but also acting and operating differently in six areas, with the customer at the center. Digital leaders:

- Recognize market trends and experiment with new technologies
- Create a market identity that makes sense in a digital world, and a strategy that maintains that identity
- Leverage IT infrastructure, information and talent outside their four walls, especially partners and customers (i.e., an "outside-in" approach)
- Reimagine their ecosystem of products and services to take advantage of digital augmentation, digital linkages between products and digital extensions into new industries
- Develop an agile business that responds quickly to threats and exploits opportunities
- Lead by focusing on value creation and risk, rather than tasks, with emphasis on platform economics, real option valuation and scenario analysis

These capabilities transcend digital technology and are the essence of the 21st century organization. (See the LEF report, "**Winning in the 21st Century: A User's Guide.**")

When an organization scales its digital transformation, it replaces legacy methods with automated, analytically enabled processes that extend across the enterprise, thereby reducing operational overhead, simplifying access and improving responsiveness. It focuses on standardization, robotic process automation, analytical insights, machine learning and self-healing.

These techniques require enterprises to rethink how information flows, how to promote the right information and how to govern its usage and protection. An information-driven enterprise requires a new form of enterprise operating platform.

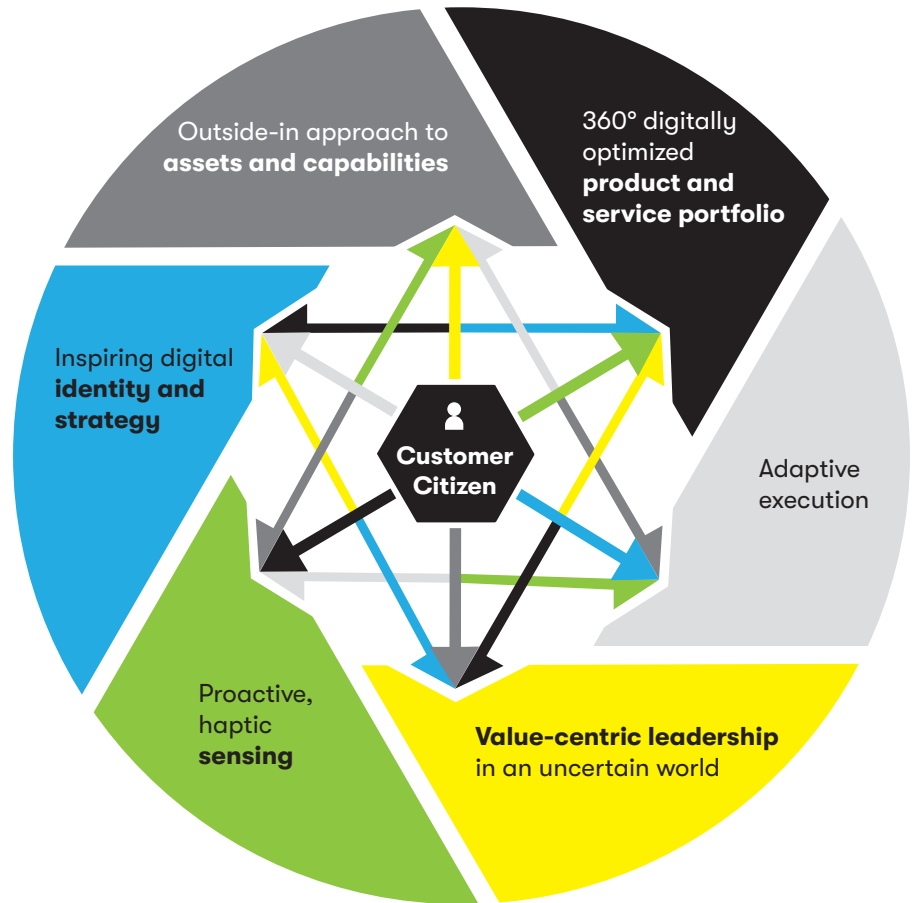
The digital platform

Information is the most lucrative asset in the 21st century. Chief information officers (CIOs) and chief technology officers (CTOs) need to rethink the value chains in their organizations and break down information silos — again. Information "ownership" used to be the defensive strategy of business units, but what's needed today is an offensive strategy of aggressive information sharing. By reducing information friction,

The vast majority (74%) of respondents say either the CEO or CIO leads IT strategy — not the strategic planning group, another C-level executive or other corporate leader. This reinforces how critical IT has become to business.

Source: What makes digital leaders: A full C-suite perspective, p. 9. <http://www.dxc.technology/digitalenterprisesurvey/>

The 21st Century Organization



“Digital” alone is not enough.

Source: Leading Edge Forum

an enterprise can cross-link information to derive new insights, which become its assets. The organization’s very processes themselves produce functional telemetry, which is meta-information that can be used for continuous improvement.

To free up this information, enterprises must deploy new tools for knowledge workers, establish new communities and ecosystems that fill information gaps, and – most importantly – develop a technology platform that enables information to be rapidly shared via application programming interfaces (APIs) that mask the constant change while providing control points for information governance.

The new enterprise digital platform comprises a set of microservices that work together to enable the enterprise to derive value from a consistent, information-driven operating model. This digital platform creates a foundation for change that enables consistent global execution.

Among companies identified as digital leaders, 37% indicate that their financial performance was much higher than that of their competitors in the previous fiscal year.

Source: What makes digital leaders: A full C-suite perspective, p. 3. <http://www.dxc.technology/digitalenterprisesurvey/>

To guide your path forward, DXC's Transforming to a Digital Enterprise position papers series explores five fundamentals of a digital platform. These are the essentials that contribute to both top-line growth and cost-based improvements, as well as continuous optimization of business processes:

- **Applications:** Leverage agile applications and digital experiences. Bring information into the experience to improve context, personalization and value, and use API-driven design to increase speed to market for new and existing apps.
- **Cloud:** Operate the enterprise in the cloud, which provide a more consumerized experience for the business with a pace, quality and standardization that cannot be matched in bespoke IT.
- **Workplace:** Enable secure, productive mobile employees. Deliver better, faster, richer, more collaborative and more personal interactions and transactions, while improving information security in our regulated world.
- **Analytics:** Operate an information-driven digital business. Information must become the currency of the organization, with analytics driving correlation and insights to improve everything, and business decisions beginning to support the move from design and perfection to rapid experimentation.
- **Risk:** Manage the increasing complexity of operational risk, which permeates not only security but also availability, serviceability and regulatory execution. Security risks increase as the value of information grows, but other technology risks must become part of the conversation as businesses become more reliant on technology.

Three additional papers examine how specific industries are capitalizing on digital opportunities:

- **Insurance:** Deliver entirely new customer experiences, harnessing analytics and automation, via products centered on well-being, safety and the achievement of personal goals.
- **Healthcare:** Adopt patient-centric care powered by actionable information, distilled from numerous disparate data sources, that can improve outcomes for individual patients, cohorts and populations.
- **Transportation:** Deploy a connected transportation platform that unifies data throughout the value chain to create new value for both passengers and cargo during the entire journey.

Across the entire business and technology landscape, streamlining enterprise processes is a must. Many enterprises have not substantially changed their core

process architectures since Y2K. Yet today, processes can become more intelligent, thanks to the availability of more information. They can learn and predict, and with the right controls they can be more automated.

We are living in the second major wave of digital disruption (the first being the advent of the internet and ubiquitous email). This second wave of cloud, modern apps and analytics will usher in unprecedented levels of back-office productivity that will significantly differentiate firms on their execution.

What does a transformed organization look like?

Done correctly, digital transformation is a constant cadence of change. It's the sum of all the changes across business models, processes, technology and people.

A transformed organization is highly effective at information sharing and makes information-driven decisions on a wide scale. No longer is it just a few data scientists asking (and answering) business-shaping questions. Now the entire workforce can be augmented with artificial intelligence to glean insights for enhanced decision making while being freed from time-consuming basic tasks.

In a transformed organization, information can be accessed securely by anyone, at any time, on any device, anywhere in the world. Instead of the barriers to information often created by physical boundaries, the digital platform enables the free flow of information as well as the systems for accessing it, generating business value. APIs provide the integration fabric to allow internal and external access to data, as well as rapid development and deployment of new platform functionality.

A transformed organization recognizes the benefits of automation, robotics and straight-through processing to remove humans (and human error) from the workflow for improved accuracy, speed and reliability. The organization relies on well-considered business logic and policies to determine how data should be used. Further, it makes time for people to not only focus on process and policy improvements to the automatable components, but also dive into the information and generate business value from the weak and strong signals observed.

By having more and better information to guide decisions, transformed organizations will discover their next business opportunity, a change in user behavior they hadn't considered, the next disruption intent on taking their market share or the next security vulnerability intent on wreaking havoc — and they will have more time to counter these eventualities.

In all, the transformed organization:

- Delivers more personalized and collaborative experiences
- Recognizes that control has shifted to the consumer
- Makes better information-guided decisions, including more made by machines
- Leverages automation as robots follow “digital recipes” and become faster and more accurate
- Embraces innovation as a key element of culture, driven by a desire for both top-line and bottom-line differentiation

Companies are planning a clear transition from legacy technologies to emerging ones. Overall, executives expect to invest in more cloud and mobile technologies while reducing their reliance on traditional technologies such as PCs and on-premises servers. Whereas proprietary software used to be a competitive differentiator, many companies see the latest cloud-based technologies as table stakes.

Source: What makes digital leaders: A full C-suite perspective, p. 5. <http://www.dxc.technology/digitalenterprisesurvey/>

Starting or continuing the transformation

Enterprises need not – and should not – go it alone. A true partnership with collaborative experts, empowering technology and transformative ideas will accelerate your business's change and make your digital transformation successful.

We at DXC are often asked, “Where can I show incremental business value quickly?” Drawing on our expertise as a vendor-independent technology services provider along with our 250-plus world-class partners, we can quickly identify where to focus and how to reduce operating costs to invest in digital innovation. We can assess and design business and technology processes to ensure agility and speed, reflecting just-in-time and DevOps techniques. We can not only migrate your organization to a new digital platform but also reengineer workloads into new operating styles that include cloud, mobile and automation. Our proven solutions deliver operational analytics and de-risk technology investments.

DXC may be new, but we were not born yesterday. We have more than 60 years of experience in the technology industry; deep expertise in insurance, healthcare, transportation and other industries; and world-class talent, with 170,000 professionals in more than 70 countries. Having met the challenges of innovation many times before, our mission is to enable today's enterprise to succeed tomorrow and in the years to come.

We look forward to working with you to achieve the business results you need to thrive on change and win.

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Dan has more than 20 years of experience delivering technology-differentiated solutions to private, public and international customers. He served as CSC's CTO and vice president and general manager for cybersecurity, and he provided the leadership for driving the strategy and growth of CSC's product lines and boosting technology excellence across the company.

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