

Turning digital threat into opportunity

 By [Lauren Hartzenberg](#)

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Digital transformation... not just a business buzzword, but a modern business reality. The new digital economy has resulted in a blurring of lines between industries and a fresh crop of digital competitors vying for the attention of the customers you believed to be yours. Anybody and everybody is at threat of being disrupted.

But Mpumi Nhlapo, head of solutions and demand delivery at T-Systems South Africa, believes that there has never been a greater opportunity for African businesses to level the playing field with First World digital competitors.

He sat down with us, ahead of his presentation 'digital transformation - threat or opportunity' at the Gartner Symposium/ITxpo in Cape Town this week, to share some of his thoughts on the matter.



Mpumi Nhlapo, head of solutions and demand delivery, T-Systems South Africa.

What value does the Gartner Symposium/ITxpo hold for technology businesses?

Mpumi Nhlapo: I think it's broader than technology companies, there's value for any organisation because if you look at the state of digital and technology it's part and parcel of every organisation. Every business needs to think about how they're using technology to enhance their operation and build their digital futures. What the Gartner conference does is contextualise all of that and show companies where to start – it can be very daunting to hear about disruptive technology when you're sitting on your own with no idea where to begin. It presents an opportunity to hear what's happening globally, and also to interact with industry peers.

What are you most looking forward to at this week's conference?

Nhlapo: Catching up with industry friends, customers, partners, which we don't get to do often because of our busy lives. It's always good to meet with people and share ideas. I'm also looking forward to my presentation and sharing some thoughts from my side and from a T-Systems perspective.

You will be presenting on the topic 'digital transformation – threat or opportunity' this week. Why this choice of topic?

Nhlapo: It's about elevating the thinking around the topic. If you look at the advancement of technology, by and large we've been an importer, taking it from other parts of the world and applying them to the South African context. In this rapidly digitalised world it's not just about technology, it's about business. The existence of services in the banking and agriculture industries, for example, is being threatened because of the global digitalisation that we're seeing.

Organisations need to be considering how they can transform digitally to survive in the new digital economy, because it's not just happening in South Africa it's a global phenomenon.

What opportunities are coming about as a result of digital transformation?

Nhlapo: I think the biggest opportunity is how we can impact people's lives. From a customer perspective, the customer experience can now be targeted and customised specifically for the individual. If you look at it from the perspective of a country's citizens, how can their experience be enhanced so that basic services can reach

people at a lower cost point and be more pervasive? Whether it be education, healthcare or road infrastructure, it can be managed through digital means. If we adopt a digital mindset and a digital economy philosophy we can find ways to do more with limited resources.

▣ *And the threats and challenges?*

Nhlapo: There's the threat of being disrupted by organisations in other industries because the lines between industry verticals are blurring. If companies are not evolving digitally themselves, they can find themselves disrupted and out of business. And then there are threats that come from abroad. You just need to look at blockchain and what that's doing to financial services by transacting outside of the traditional banking platforms.

And if we look at raw data centre computing capabilities or traditional IT, more and more is being put into the cloud, and much of this resides outside of country. So the administrator or person placed in charge of looking after the data centre environment locally... those jobs will eventually be gone if we don't have our own capabilities in country.

▣ *How do companies in emerging markets, such as South Africa, go about competing with First World digital competitors?*

Nhlapo: We have a very specific context that people who don't come from here won't full understand. If you look at the thinking around the 'Please Call Me' or prepaid mobile services, it was a uniquely African phenomenon and it took off massively here because it was based on contextual circumstances – people didn't have bank accounts or credit cards so it aided in getting them onto mobile networks. Whereas in First World countries, the majority was already banked so it wasn't a phenomenon that they had much experience with at the time.

I think the opportunity we have here is to understand the value that lies in our local context and our challenges, so that we can come up with innovations that address them directly. It's unlikely that it's going to come from anywhere else in the world. We can't wait for solutions to come from abroad, we need to create them ourselves... our own innovations, platforms, user interfaces and cloud infrastructures.

And finally, we need to think about what we can create locally than can have a global appeal. Perhaps starting in emerging markets because of similar circumstances, but with the aim to eventually become a global contender.

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