Clearing up key misunderstandings about digital transformation

When it comes to digital transformation and what it is and what it is not, James Hickman, head of sales at Altron Karabina, wants to clear up some misunderstandings that some people might still have with and about this topic. "The first thing that needs to be addressed is confusing digital transformation with modernisation," says Hickman.

James Hickman, head of sales at Altron Karabina | image supplied

"Digital transformation is about embracing new technologies to do new things in your organisation or to do current things in a new way. The problem however is that digital transformation blends into the murkiness of everything that is mildly new and innovative when most of these are just basic modernisation. There is a very important differentiation that needs to be drawn between the two," Hickman notes.

There is no doubt that any organisation that is not embracing technology or thinking about how they are doing their business differently will almost certainly not be around in a few years. And just doing the basics to stay alive is not digital transformation, to Hickman, this is merely modernising the organisation.

"Digital transformation is when an organisation uses technology and skills to fundamentally either transform what they do, how they do it, change the customer experience of what they do or the employee experience of their business. If you are not touching on one of these four points you cannot really claim that you are implementing digital transformation," adds Hickman.

"A company launching a new mobile app for customers is not digital transformation. That is simply modernisation and updating your platform for your clients to be able to use it. There are hundreds and thousands of new mobile apps

developed and released today and it is just keeping with what is required by their customers today. It is not fundamentally new," he stresses.

It's not the CIOs job

The second, yet equally important, misconception Hickman says that needs to be cleared up when it comes to digital transformation is whose responsibility and job digital transformation in an organisation is.

Inevitably one has to look at what would be the driver of digital transformation in organisations and for Hickman, changing and improving the customer's experience is the first and foremost driver, which is ultimately driven by business and not IT. IT plays a role in delivering it through technology which is the enabler.

"Digital transformation is not the chief information officer's (CIO) job. That is very important to note. The CIO never deals with the customer and the customer's experience. Yes, the CIO will play a role in delivering some of the technology to enable digital transformation, but it is not the role and responsibility of the CIO to drive and see to it that digital transformation in an organisation happens," Hickman says.

If a company is making digital transformation the CIO's job, they are, according to Hickman, getting off on the wrong foot.

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"The CIO does not really impact the businesses strategy in any meaningful way. The CIO is there to enable people with technology. If they are making it a CIO priority, they are putting it in the wrong place." Hickman continues to add.

The short-term insurance story is another example of true digital transformation, according to Hickman, "And who is responsible for that move? It was not the CIO I assure you. The CIO might have been involved when it came to building the technology and responsible for building the system that transforms information into actionable insights, but that is how far the CIOs role stretched."

Those who say that digital transformation is the CIOs job are probably the same people who are confusing the modernisation of technology and digital transformation.