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Speed, Insight, Agility: three mandatory platform capabilities for today's Digital world

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Organisations that are aggressively embracing digital technologies and platforms have a very specific attitude to change: they see change as needing to be continuous; part of 'business as usual'. They see that change needs to be incremental and driven by experimentation, rather than being periodic and planned in isolation from operational reality. Model-driven, 'low-code' business process application development platforms bring three core capabilities to organisations that are a perfect fit to help enable real digital transformation.
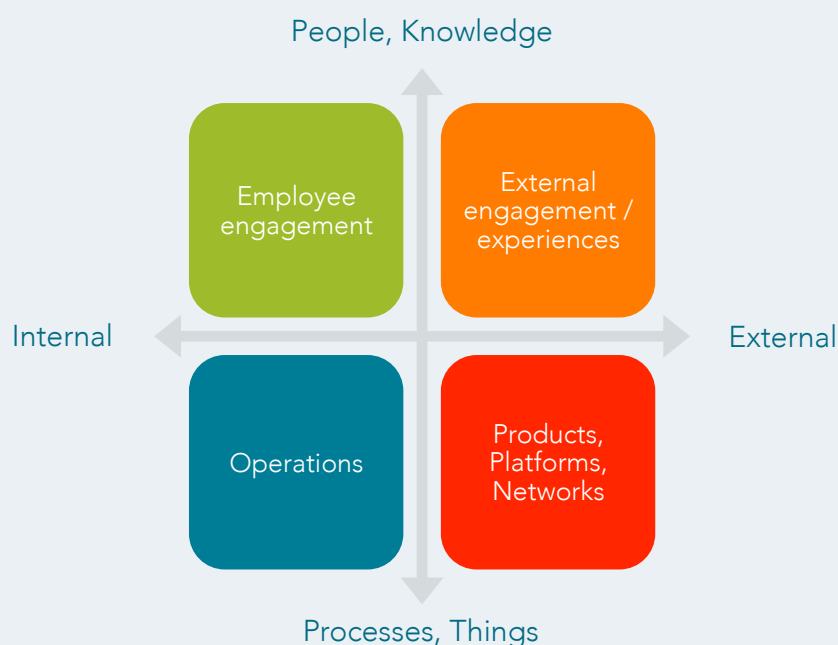
MWD Advisors is a specialist advisory firm which provides practical, independent industry insights to business leaders and technology professionals working to drive change with the help of digital technology. Our approach combines flexible, pragmatic mentoring and advisory services, built on a deep industry best practice and technology research foundation.

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Creating a 'digital thread' through your business

Digital transformation is a subject on every executive's lips – no matter what industry they're in. Organisations from sectors as diverse as financial services, retail, utilities and logistics see the threats posed by new digital natives entering their marketplaces. They want to find ways to protect against those threats – while at the same time improving the experiences they deliver to customers, improving their operational efficiency and agility, and driving more innovation into their products and services.

However, even though a great many executives consider digital transformation as a top priority, in our research work we've found very little real agreement between executives – even between executives in the same organisation – about what 'Digital transformation' actually means.

Figure 1   Four different perspectives on digital transformation

People, Knowledge

Employee engagement

External engagement / experiences

Internal

External

Operations

Products, Platforms, Networks

Processes, Things

Source: MWD Advisors

We commonly find four different perspectives on the purpose and impact of digital technologies:

- When we listen to Marketing leaders talk about 'doing digital', they're talking about how social, mobile, cloud, and analytics technologies are changing how their organisations need to create experiences and engage differently with customers (other leaders may also be thinking about implications for partner and supplier engagement, too).

- When we listen to HR and Communications leaders talk about 'doing digital', they're talking about how social, mobile and cloud technologies in particular affect the workplace and the ways that employees engage with each other and with the broader organisation/corporation.

- When we listen to Operations leaders talk about 'doing digital', they're thinking about how digital technologies can help their organisations co-ordinate internal processes and 'things' to create 'digital operations' capabilities.

- Last but not least, we listen to strategists. They inhabit the realm of Uber, Airbnb, Upwork, Zopa, open innovation networks, and so on. These people are tasked with looking at digitally-powered strategies

for new product approaches and changes to business models.

These perspectives might seem very different, but they all inhabit a bigger picture, as shown in figure 1.

The bigger picture is that digital technologies are important because *in combination*, they can be used to co-ordinate resources (people, plant, machinery, infrastructure, market information, goods, materials, knowledge) more efficiently.

Figure 1 lays all this out over two axes. Some of the resources that digital technologies can more efficiently co-ordinate are related to people and their knowledge; others are about processes and physical 'things'. Some of those resources are internal to your organisation or under its control; others are external – owned by customers or in a marketplace.

Crucially, the *gaps between the perspectives* shown in figure 1 also need very serious consideration. For any IT executive looking for a role in the digital world, this is it: the real strategic value of IT in today's investment environment is about bridging these different digital perspectives – on customer experiences, employee engagement, operations and business platforms.

In order to truly transform, organisations can't focus only on how to create better customer-facing service functionality, even though this is where a great many enterprises start their exploration. A customer experience perspective has to tie seamlessly into smart business operations, and better-empowered employees. What's needed to tie these different perspectives together is what we call a 'digital thread' – a co-operative system of people and technology that enables your organisation to share knowledge, co-ordinate work and make decisions in optimal ways, at scale, across boundaries, channels, territories, product and service teams, and so on.

Any organisation not working to thread together all these four perspectives runs the real risk that any new customer-facing initiatives they pursue will simply make extravagant promises to customers that the business can't ultimately deliver on.

The 'how' of digital transformation

Very often, we see that organisations fixate on the technology aspects of digital transformation: looking at how to use cloud, mobile, social, big data and analytics technologies (with more new technologies seemly arriving every week). However, this – the 'what' of digital transformation – is only one side of the story. The more fundamental side of the story is actually the 'how' of digital transformation.

What's really happening, through the exploitation of new technologies, is that the nature of business and technology change is itself changing. When we look at organisations that are aggressively embracing digital technologies and platforms, we find that they have a very specific attitude to change: they see change as needing to be continuous; part of 'business as usual'. They see that change needs to be incremental and driven by experimentation, rather than being periodic and planned in isolation from operational reality.

These companies operate their businesses on platforms that enable a virtuous cycle of instrumentation and optimisation. Digital-enabled products and services are instrumented and measured, revealing patterns of use and opportunities for improvement; customer interactions and operations are integrated, enabling seamless customer experiences; and the whole environment is managed so that changes can be made at scale, and quickly.

In other words: 'digital native' organisations build their business capabilities on digital platforms that enable them to do three core things in parallel, in an integrated way:
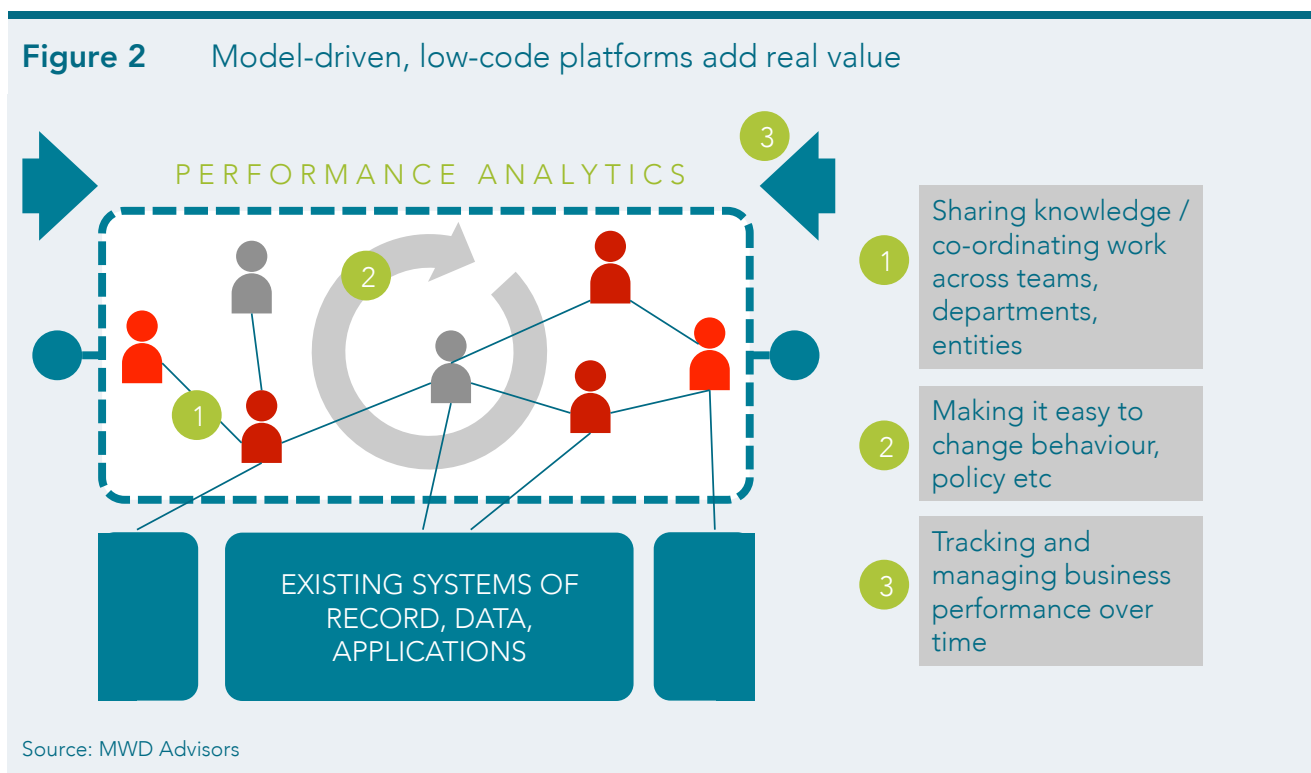
- Build new capabilities quickly, leveraging *speed*
- Measure what works and doesn't work, leveraging *insight*.
- Make changes quickly, based on measurement and feedback, leveraging *agility*.

The value of a model-driven, low-code platform

To recap: to really enable digital transformation in your business, you need a platform that will enable you to weave a 'digital thread' through your customer-facing activities, through your operations and platforms, and enabling employees – ensuring that people can share knowledge and co-ordinate work at scale. You also need a platform that will give you speed, insight and agility when you're delivering new business capabilities.

Good 'model-driven', low-code development platforms fulfil all these requirements. Because they work from logical, usually visual, models of application behaviour – rather than requiring developers to write thousands of lines of code – the applications they deliver can be developed in the open, and collaboratively. What's more, making changes to the behaviour of applications – whether at the user experience, workflow, business rules or data management level – is easier to do with confidence, at scale and speed than it is if you rely on extensive custom coding.

As figure 2 shows, these platforms add value in three specific ways: making it easy to share knowledge and co-ordinate work across teams, departments and business entities; making it easy to change behaviour and reflect policy changes; and making it easy to track and manage performance over time (so providing a sound basis for continuous optimisation).

Figure 2   Model-driven, low-code platforms add real value

PERFORMANCE ANALYTICS

1 Sharing knowledge / co-ordinating work across teams, departments, entities

2 Making it easy to change behaviour, policy etc

3 Tracking and managing business performance over time

EXISTING SYSTEMS OF RECORD, DATA, APPLICATIONS

Source: MWD Advisors

If you're seriously exploring how to enable real digital transformation in your organisation, a platform like this is a major asset. Many technology specialists may prefer to go their own way, using their own favourite collections of personal tools – but in situations like this, the results of their efforts will be difficult to sustain over time. Model-driven, low-code tools make it easier to sustain productivity over time in the face of change; and what's more, they enable broader sections of your organisation's workforce to participate in design and development work intimately, because they don't require anything like the same level of technical knowledge to understand and use.