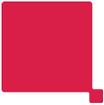


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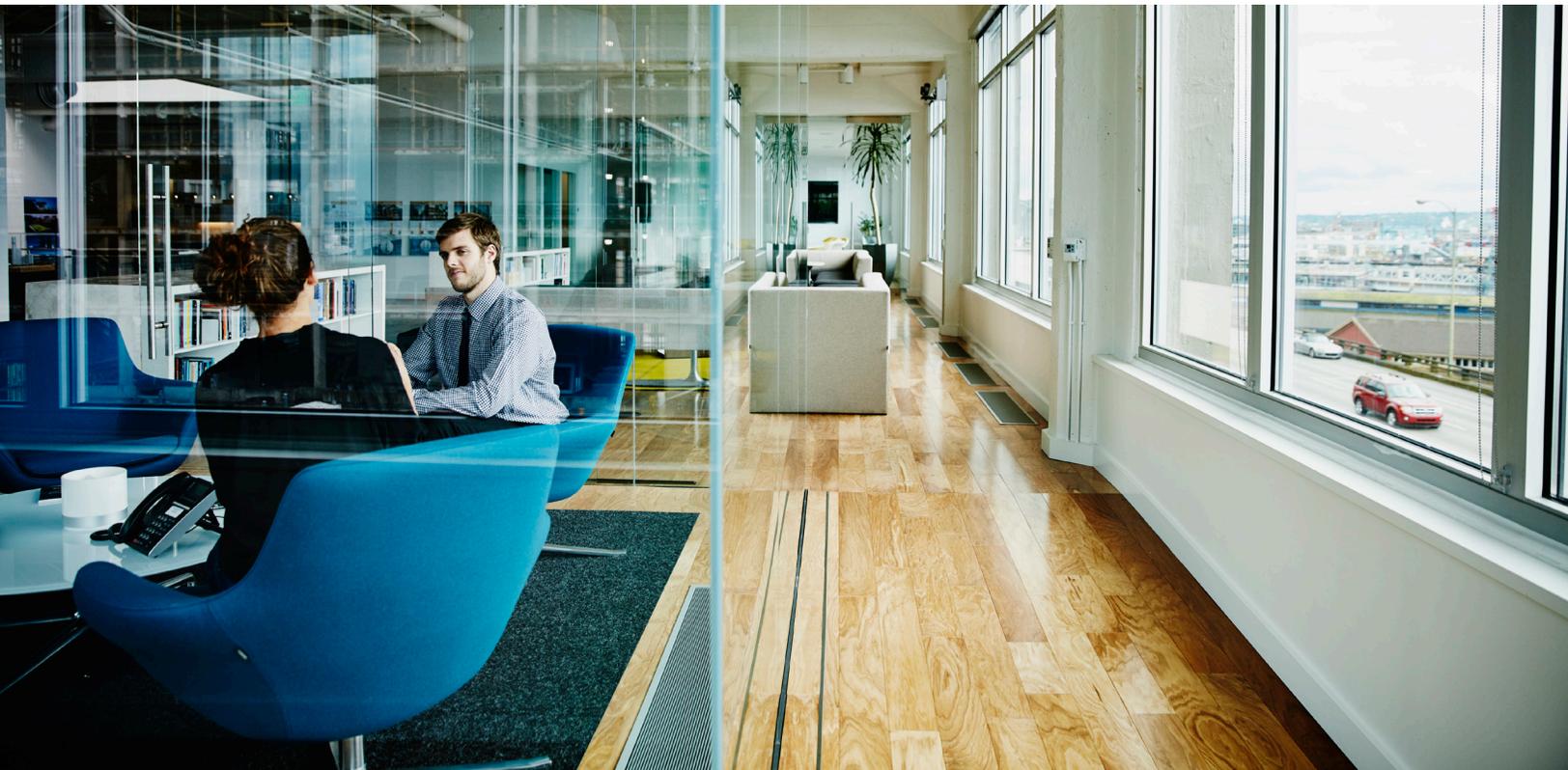
Bringing disparate
systems together
to create a high-
performance
workplace:

*Why the C-suite/IT relationship
is critical to a successful
digital transformation*



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Introduction

When global business executives leave decisions about digital technologies to IT, they can overlook the role that these technologies play in driving business strategies—undermining the value of digital transformation. Jeff Pruitt, Chairman and CEO of Tallwave, argues that in today’s digital age, business success or failure is **“determined by a digital intelligence that goes beyond the back-end,”** and that CEOs need to understand how technology impacts their businesses.¹

When global executives take a high-level look at their current technologies and opportunities, it can lead to insights that can help them substantially improve performance across their organizations. Pruitt notes, **“The knowledge you’re seeking shouldn’t be of the specific how-to variety. Instead, aim to grasp how different apps and devices are used, which experiences are causing user headaches, and the features that are working well or falling short.”**² With their own insights, executives can empower their employees to help their organizations adjust to changes in the marketplace with increased speed and agility. This creates a high-performance workplace, what Gartner defines as **“a physical or virtual environment designed to make workers as effective as possible in supporting business goals and providing value.”**³



This kind of top-down visibility into digital technologies can also help global leaders manage accelerated business growth, with the ability to see relevant data and processes across departments for more informed decision-making. Accelerated growth can prove detrimental when various departments rush to implement new technologies or upgrade existing solutions—thereby creating disparate systems and data silos that reduce visibility. For example, an organization might introduce a content management system (CMS) in the marketing department, only to discover later that it will not integrate with the customer management relationship (CRM) technology in the sales department without additional programming.

Ricoh’s findings:

Global leaders need visibility into data that matters. In our experience, they get it by collecting and evaluating the current state of business processes, and addressing time and skills gaps for their digital technologies and business workflows.

With ideation and digital transformation workshops, we have helped to uncover:

- Detailed strategic frameworks that align digital transformation with business strategy.
- Maturity models that reveal how well an organization’s employees will be able to adapt to change.
- Roadmaps that are unique to each client’s specific business needs.

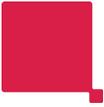
When a company's reach spans multiple locations, countries, languages, time zones and currencies, disparate systems can run amok. According to global marketing consultancy group Millward Brown Vermeer, one of the challenges that non-integrated systems can cause is the "lack of connectivity" employees experience when **"working across disparate data sets such as customer/consumer research, brand tracking, social media interactions, shopper data, revenue data and media results."**⁴

With these disparate systems across a global enterprise, business leaders can:

- Find it difficult to integrate and connect multiple solutions in order to automate various work processes across the organization—creating the need for programming, script creation and other IT workarounds.
- Lose visibility into ground-level performance at off-site departments and branches, along with the data needed to make decisions about strategic budget cutting, financial viability and market feasibility for new products, as well as other important business strategies.
- Struggle to keep up with, and strategize around, various mandates and regulatory processes across multiple countries—such as the European Commission's recent General Data Protection Regulation (GDPR) meant to help ensure end-user data protection—making it more difficult to navigate privacy risks and other legalities at a global level.



As we will discuss in this white paper, growing companies that continue to create disparate systems—without taking the time to understand and implement new technologies from the top down—are more likely to lose out to competitors who are successfully integrating technologies and data across their organizations. Global organizations can benefit by integrating disparate systems and making digital data easily accessible to all employees and stakeholders. According to a *Harvard Business Review* article, Global consumer goods company, Unilever, strives for **"one version of the truth"** where **"all users, wherever they reside in the firm, see the same information in the same way,"** helping them to **"see precisely the same picture when they look at data across brands, retailers, or regions."**⁵ Millward Brown Vermeer notes that **"centralizing ownership into 'one source of truth' and organizing into 'expert communities' that collaborate to turn data into actionable insights"** enable many fast-growing organizations to better leverage the power of their data.⁶



We can conclude that Unilever has a distinct advantage over other consumer goods companies where employees cannot access the same centralized data—especially for making more informed decisions. In fact, **“anyone within Unilever can mine its 70,000 research documents for insights.”** This has proven advantageous: Unilever’s Consumer and Market Insights group has successfully turned raw data from social media, business analytics, customer-care lines and digital marketing channels that **“capture millions of conversations a day in 40 languages”** into positive business impact, with insights that help them improve customer engagement.⁷

With companies like Unilever transforming their businesses to be leaner and more agile by bringing disconnected systems and information together, it makes sense that other global organizations should

follow suit if they want to stay competitive. In “Why digital transformation is now on the CEO’s shoulders,” Thomas M. Siebel writes, **“It’s increasingly clear that we’re entering a highly disruptive extinction event. Many enterprises that fail to transform themselves will disappear.”**⁸

This white paper serves as a call to action for global enterprises to bring leadership and IT together when moving forward on their digital transformation journeys. Here, we will argue that to stay competitive in today’s digital world, organizations need to create a strong partnership between global business leaders and IT so they can better integrate their systems and make data more accessible. We will also look at how approaching digital transformation from the top down can lead to innovations that can help global organizations redefine the marketplace.

The importance of partnering with IT to assess digital technologies from the top down

As noted, global leaders can miss the value of digital technologies and their ability to drive business strategies when they push technology-related decisions off to IT personnel. The view that technological decisions are IT's domain is a dangerous mindset for global leaders to have today, because it is based on an obsolete way of thinking: **“Traditionally, digital leaders, such as CIOs, were tasked with focusing on automating and improving the processes of an existing business.”**⁹ In today's digital world, we need to rely on more than just IT to optimize organizational workflows in order to create a high-performance organization that can compete with today's digitally-driven businesses. Digital disruption requires businesses to **“reimagine and reinvent”** themselves¹⁰ to keep up with rapidly changing customer demands, as we will see.

How well do your organization's global leaders understand IT's role in digital transformation?

According to Korn Ferry research, 32% of technology officers surveyed say their CEO doesn't fully understand their role.¹¹ However, the World Economic Forum notes, “Companies that understand digital transformation earn 26% more profit than others.”¹² With so much at stake when it comes to digital transformation, global leaders need to consider how technology officers and their staff can help to align digital technologies with business strategy.



Therefore, global business executives who do see technology as IT's domain should make it a priority to change their perspectives on digital technologies and IT's purpose. The best bet is to form a partnership between global leaders and IT to help drive a more successful digital transformation. This brings IT staff into the loop on business strategy—enabling them to show leadership how specific digital technologies can be used to meet business goals. Thom Groot, Digital Director at The Automobile Association, goes so far as to call digital transformation another term for business transformation. Expanding on Groot's viewpoint, Mindi Chahal at *Marketing Week* underscores the importance of getting buy-in from business leaders, noting, **“As digital transformation projects require input from the entire business, it is vital they get buy-in from senior leaders and the board in order to be a success.”**¹³

But how can those tasked with overseeing a digital transformation get the support they need if their global leaders haven't taken the time to understand these technologies, and therefore can't see digital technologies as integral to business strategy?

According to market research analyst Vanson Bourne, there is a **“gap in understanding that needs to be addressed,”**¹⁴ and as long as this gap exists, CIOs, IT directors and digital transformation managers are more likely to struggle with getting buy-in from leadership—forcing them to optimize what they can get approved while sacrificing a holistic solution that ties everything together.

By understanding the value of digital technologies from the top down, organizations can better drive innovation in order to redefine marketplaces—helping them to gain more significant competitive advantages. Nalaka Gunawardene, science writer and information and communication technology (ICT) researcher, notes that digital technologies **“disrupt conventional business”** and create **“new opportunities for digital startups to innovate.”**¹⁵ This is great for digital startups, but it can put global enterprises at a disadvantage. When leaders of global organizations understand the value of digital technologies, they have a much better chance of using them to disrupt the marketplace by introducing innovative products, services and

processes. With so many digital solutions now available, global business leaders have no excuse for allowing younger digital startups to out-innovate them.

Is speed to act a high priority in your digital transformation journey?

According to Daniel Newman, CEO of Broadsuite Media Group, “68% of companies identify agility as one of their most important initiatives.”¹⁶ When working with clients to support successful digital transformation, we have found that speed to act must be treated as one of the most critical areas of focus. In today’s digital world, businesses can’t keep up with rapidly changing technologies and evolving marketplaces without the ability to stay flexible, scale up or down with ease, and change directions quickly.



How reactive leadership decisions can lead to more disparate systems and company-wide inefficiencies

When disparate systems increase and create inefficiencies due to accelerated business growth, executives may feel the need to react—seeking quick solutions to improve upon these inefficiencies. However, making reactive decisions instead of approaching strategies in more proactive ways can exacerbate problems.

Consider a directive to IT and/or other departments to update their current technologies in order to streamline workflows and increase productivity. The problem is that updating existing technologies can actually create more disparate systems—making it increasingly difficult to integrate already incompatible systems. *Forbes* Technology Council's Nikhil Hasija notes, **“Merely upgrading current tools is not transformation. That will only be achieved when information is flowing instantaneously and transparently to the entire organization, and the customer journey is as frictionless as possible.”**¹⁷

However, to make information flow in this way, systems in various departments have to be able to communicate with each other—and employees in various departments need easy, quick access to the same data. Continuing to update current technologies without considering whether or not they will work with other solutions across the enterprise could eventually lead to the need to hire developers and engineers to integrate these systems. This can be an expensive solution—one that a proactive, top-down approach to digital transformation, with a focus on global integration, can help organizations avoid.

Expense is not the only problem when it comes to hiring developers and engineers. Hasija notes, **“Developers are a scarce resource — experienced engineers who know how to scale and deliver a customer-ready cloud system are even more scarce. There are simply not enough to tackle all the integrations and process-mapping that needs to happen.”**¹⁸ Trying to drive

Is your organization guilty of these mistakes?

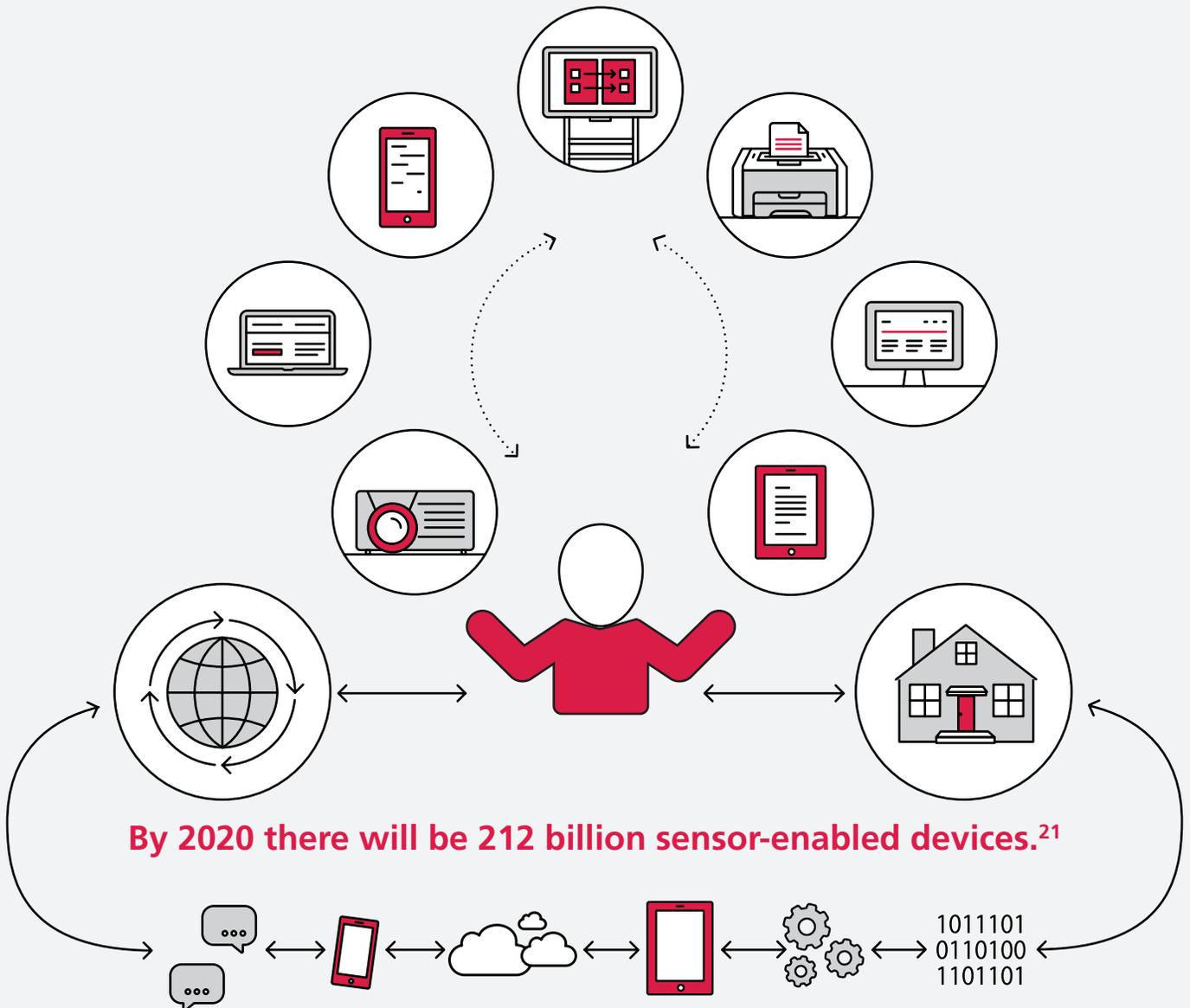
- Enterprise resource planning (ERP) and CRM applications across multiple locations that cannot talk to each other and are disconnected from other internal applications.
- Content management, document management and knowledge management systems that can't capture all the information assets located in employee computers.
- Individual spreadsheets and macro-driven applications located across branch offices that become outdated and error-prone due to data redundancies created by siloed employees.
- Collaboration and project management applications that create additional silos of automated processes and data.
- Multiple portals and intranets for employees, customers and partners that provide human resource information, internal news and communications, and asset or document dissemination, and require increasing support to maintain and keep up to date.
- Business intelligence applications that cannot connect with other forms of customer, partner, employee, transaction or product information.

a digital transformation by reacting to inefficiencies caused by disparate systems can be like painting yourself into a corner—leading to an even more siloed, increasingly complex organization that struggles to keep up with competitors and meet new customer demands with no realistic solution in sight.

Keeping up with the digital curve

“By 2020 there will be more than 50 billion connected devices worldwide; that’s seven devices per person.”¹⁹

Systems, data and processes should be equally well connected if global organizations expect to attract and retain customers, and keep employees engaged. According to a Gallup poll, only “one-third of U.S. employees are engaged.”²⁰ By providing more speed to act via a well-connected organization, enterprises can improve employee engagement by making it easier to keep work and ideas moving. Providing access to external data—such as the Internet of Things (IoT) and social media—will also help employees succeed with valuable insights into what customers want and need.



Missed opportunities for innovations due to disconnected global organizational systems

Lack of company-wide interconnectivity within a global organization makes it difficult to move at the speed that customers demand due to the gaps in data, systems and processes. Hasija notes, **“Customers have different expectations than 10 or even five years ago. Today’s most successful businesses (think Uber or Amazon) are not new products or services but are instead traditional products offered with a completely new experience.”**²²

It is no secret that digital businesses like Uber and Amazon have access to customer data that helps them recognize and deliver on customer expectations. This is an obvious advantage over

companies that do not have the same level of capability, and organizational leaders can bet that more and more competitors will gain these types of capabilities going forward. Tracking IoT data and customer conversations on social media can help companies gain insights into how customers use and view products and services. That makes leadership visibility into these technologies and capabilities something that organizations should seriously consider.

If global organizations want to outperform their competitors in today’s marketplace, global leaders should view all of their technologies holistically—never viewing one digital solution without considering how all technologies across the organization can work as part of one system. With digital technologies becoming more affordable, there’s less of a reason to continue creating disparate systems across an organization by upgrading or purchasing digital technologies separately.

According to the World Economic Forum, the falling costs of advanced technologies bring new **“opportunities to combine them in innovative ways. This unleashes ‘combinatorial’ effects, where the capability of technologies working in tandem far exceed their capabilities when deployed separately.”**²³ Now that it is becoming increasingly more cost-effective to combine technologies across a global organization, leadership can more affordably create a well-connected, high-performance organization that allows all employees to optimize their workflows and meet customer demands with more speed to act.



Conclusion: Using digital transformation to create a leaner, more connected global enterprise

When assessing digital technologies, ask the following question to keep the focus on ways to connect and integrate disparate systems and simplify the over-complexity of global business:

Can these technologies help us to flatten our enterprise into a leaner, less complex organization?

Answering this question can help large, global enterprises become more agile and fleet-footed—as long as leadership takes a proactive approach to digital transformation that looks at digital technologies from a holistic perspective.

As we have discussed, to stay competitive, a global enterprise needs to be able to move fast to meet quickly evolving customer demands. The bigger the organization and the faster it grows, the more critical it is that all systems are well-connected, and that the same data is accessible to everyone who needs it. A global enterprise that can help provide all of their employees with more speed to act has obvious advantages over slow-moving organizations with departments that cannot effectively retrieve needed information or interact with ease, speed and efficiency. Connecting systems, data and processes is perhaps the most effective way that a global enterprise can flatten itself into a leaner, more agile organization in today's digital world.

Ricoh's findings:

By working with clients on digital transformation, we have discovered four areas of focus that help business and technology leaders better understand how execution and strategy are misaligned across their organizations. Global leaders and IT can work together to align these elements:

- 1. Strategy:** Gain visibility into resources and assess internal and external environments in which the organization competes.
- 2. Structure:** Assess the way the organization is structured to help uncover critical needs or gaps in company-wide communications.
- 3. Skills:** Measure scope and capability of current staff and key business processes to help leaders understand how to make changes that can more effectively drive digital transformation while keeping employees happy.
- 4. Systems:** Make a more positive impact on deliverables by providing leadership with insights into how digital technologies and IT systems can improve speed to act.

About us

Ricoh works with enterprise leaders to align digital solutions with business strategy. By partnering with executive leadership teams and IT staff, we can help to digitally transform your business—making it easier for you to gain valuable data insights, drive innovation, increase productivity, improve customer relationships and help keep information safe.

All digital transformation starting points and client-solution requirements are unique. That's why we go beyond our traditional services by working with clients to get to the heart of their specific business challenges. Our modular approach helps us to define and prescribe only what is needed, when it is needed at every point along your digital transformation journey. With a unique ideation and workshop approach, we will take steps to understand both your short- and long-term business needs as we plan a roadmap to success.



To find out how Ricoh can help you build a solid C-Suite/IT partnership and create a high-performance workplace, join us for a no-cost, no-obligation whiteboarding session.

[Click here](#)

go.ricoh-usa.com/journey

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