WHAT ENTERPRISES WANT

BIG EXPECTATIONS FROM TECHNOLOGY SERVICE PROVIDERS

There have been several Information Technology revolutions, heralded by breakthroughs ranging from the first computing machine to the mainframe to the personal computer, and then the Internet and the mobile. Each of these revolutions, aimed to create a new paradigm of efficiency, automation, productivity or agility, has left an indelible imprint on the way we do business and lead our lives. But for the first time in its history, technology – the digital revolution to be precise – is poised to fulfill a great destiny. One that will enable ordinary people to transcend their limitations, and examine their creative selves to do extraordinary things. Technologies and concepts such as Artificial Intelligence, Deep Analytics and Design Thinking, will converge to amplify our potential and our ability to deliver purposeful, unprecedented solutions.

As enterprises take stock of the magnitude of what this revolution might mean for all of us, they are turning to the experts in technology for answers to questions, such as: What is the way forward? How can we strategically leverage the transformation from a world

of atoms to bits? How should an enterprise deal with such massive change? How does an enterprise transform into an organization fit for the digital age? The ask enterprises have is for providers of technology to partner with them strategically to help manage change and create value in new ways in this new world.

To assess the mood among enterprises and understand their expectations from the technology industry, Infosys undertook a global survey. The study covered over 3,000 respondents from 500+ companies across industries and geographies. Its findings offer valuable inputs about global business' key expectations from IT service providers, potential opportunities for partnership, and the direction that these enterprises would like the technology industry to take. But the overarching message is that enterprises, across the world, want to see the technology industry evolve from mere executors of projects and solutions to thought leaders, change drivers, value creators and strategic partners. Here are the top takeaways from this global survey:

Beyond Execution

The role of technology companies as useful enablers of business cannot be overstated, nor undermined. However, most enterprises believe that the average provider of technology services is a diligent doer; proficient at basic delivery – application development and maintenance, legacy modernization, process improvement, and the like – but is yet to fulfill the potential for sparking fundamental shifts and assuming a thought leadership-led role offering strategic advice, insights into leading-edge innovation, and cross-industry best practices.

This is also part of a larger brief for providers of technology services. Enterprises reinforced through this survey that they are often disappointed when they expect their bid-winning technology partners to come to the implementation table with proactive and strategic advice around new concepts and solutions. Here is an example of a strategic partnership that Infosys has with one of the world's top pharmaceutical companies seeking to fight counterfeit pharmaceuticals and improve visibility into and management of the distribution of their products. The global serialization track and trace system they co-created with Infosys and SAP integrates into their existing technology landscape and enables third party distribution partners anywhere in the world to check the validity of medicines using an app downloaded onto an Android or iOS smartphone. This single global system will now help this pharma giant meet product security requirements and comply with current and foreseeable legislative requirements for serialization and product traceability in over 10 countries. Co-creation and co-innovation is being rapidly embraced by enterprises and often offers a great opportunity for technology companies to elevate their partnership status within the enterprises they serve.

Managing Transformation in Business Terms

The technology services industry and the technology it deals with are constantly in a state of flux. But here's the irony. Despite being surrounded and driven by change, the industry is yet to master the science of leading change within the organizations it serves. Enterprises keenly seek advice on how to elementally transform their businesses – leveraging digital tools - to deal with and benefit from the change around them. This demands the technology industry to fundamentally rethink the effort and success metrics for technology projects. Often, technology service providers visualize project deliverables and success in terms of pure IT metrics – number of tickets closed, processes rationalized, bugs fixed, cost incurred per FTE, and so on, whereas their client enterprises are eyeing the bigger prize of shareholder returns, customer acquisition, service and engagement, revenue growth, regulatory compliance, risk management and competitive differentiation. The differing perspectives lead enterprises to hire agencies, such as advisory firms, to reshape, redirect and sharpen business focus in what are essentially technology implementation programs.

Let me share an experience of a transformational project with one of the biggest and best-known retail chains in the United States. The retailer, along with Infosys, embarked on a program to transform their supply chain and fulfillment capabilities to beat new competition, especially from digital ecommerce giants. Infosys played a strategic role by defining and designing the solution, besides implementing it. In less than a year of going live at nearly 130 stores, the solution has made its mark by lowering fulfillment cost offering more channel choices, to the great delight of customers.

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From the Periphery to the Core

And that is really the nub of the matter. Today, if enterprises are hiring external management consultants to participate in their technology transformation initiatives, it is because their technology partners are not rising to the challenge. As part of the global survey, enterprises echo in one voice about their experience of technology service providers' inability to assume end-to-end ownership of large, complex, strategically important programs. And their inability to drive consensus among key stakeholders. Enterprises believe that most providers are unwilling to exit their comfort zone of modernization and process improvement projects to explore edgier, more business value driven strategic territory. This means that they end up playing at the fringes of any engagement – even the most transformational ones.

Raising the Bar on Communication

Often, technology providers servicing enterprises do not take an integrated communications approach to their projects, even concurrent ones. This means that there is no – or at best, there is inadequate – sharing of knowledge, experiences and practices among different implementation teams serving the same client organization. As a result, enterprises don't receive the full benefit of accumulated wisdom, and also end up spending more time and effort than they would like to, in communicating with technology project silos. Often all it takes is a bit of imagination and innovation, tempered with adequate viability checks, to fix the problem. At one of our strategic engagements, the program team set about implementing an innovative agile, open-source architecture for content delivery for a leading digital entertainment service provider. Ensuring that all participants from the business and technology side worked

cohesively as one team, helped to build an environment of mutual trust and alignment, and was a major factor in the project's success.

While indeed there is a certain gap between what enterprises expect and what providers of technology are largely delivering, this view is not so much an adverse pronouncement as it is an expression of the hopes that enterprises have from the exciting new developments in technology and their expectations from a partner that can help them succeed in this shifting landscape.

Technology providers must shift gears from not only implementing technology systems, but also leading technology thought. That calls for pioneering the use of concepts such as Design Thinking while visualizing systems and applications, cross-pollinating learning from across verticals, and continuously improving known best practices.

There's also a need for greater strategic business orientation in any technology endeavor. That not only means gauging technology transformation in terms of business metrics, but also securing commitment to such initiatives by building consensus within the client organization. It's

taking the broader and deeper view of how technology can help businesses evolve in synch with new realities and stay relevant.

It is up to the providers of technology and technology services to lead the change that is imperative for enterprises to succeed in the digital revolution. That means making changes to existing systems – renewing them to perform faster, better, cheaper, because even today cost optimization and system modernization rank as top organizational priorities – as well as creating new innovations that are absolutely unprecedented in scale, impact, vision, and ambition. This can happen by harnessing every opportunity to accelerate the adoption of Cloud, leveraging Artificial Intelligence, Automation and Analytics within their own and client enterprises. The fine balance between renewing the old and uncovering value from the new can enable the technology services industry to create the value that enterprises seek so ardently.

That would then be a fulfillment of the industry's responsibility towards catalyzing the benefits we all are destined to gain from the digital revolution unfolding around us.

Author

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