**VIEW POINT** 



# AN INTRODUCTION TO DIGITAL BACKBONE



## Upheaval in the business world

Most enterprises today have made digital transformation a top priority. They recognize that digital capabilities are clearly the biggest market differentiator, with digital innovators frequently disrupting markets and industries with astonishing speed. Digital transformation is not only changing the way business engage and transact with customers, but also rewiring the fabric of business itself: forming new ecosystems, opening new partnerships across industry lines, and creating wholly new customer-centric, personalized products. At the same time, digital transformation is essential

for enterprises to become, and remain, competitive in the way they operate, optimizing the use of their resources including inventory, cash, employee hours, equipment, facilities and more.

For a typical enterprise, there is a legacy mix of homegrown technology solutions, package apps and cloud SaaS products that becomes a complex puzzle to be solved to reach the promised land of digital competence. Companies spin up a number of digital initiatives across integration, automation, modernization and cloud migration in an attempt to solve the puzzle. However, approaching this challenge without a clear roadmap of capability development, often results in an even more complex and fragmented IT landscape, and resulting in limited, scaled down returns that can be discouraging for the entire digital agenda.

The need of the hour, therefore, is to understand and work towards a set of foundational capabilities that can help to organize, simplify and scale digital initiatives, providing the right construct for harnessing existing and new capabilities in a holistic manner for maximizing impact and value for digital transformation.

# A digital portfolio in today's context

The digital portfolio in any organization can be classified as **Innovation**, **Business and Enterprise portfolios**, which work at different speeds and have different expectations on agility and stability from the application ecosystems. Cloud can significantly enhance agility. However, many challenges impede digitization when legacy ecosystems, multi cloud adoption strategy, cloud apps ecosystem and data silos come together in a typical organization. Some of these challenges include:

Legacy ecosystem – It is no secret that many organizations still run-on legacy ecosystems that can hinder digital transformation. As a result, enterprises must decide if they must modernize the entire legacy ecosystem or adopt a top-down approach to digital transformation.

Integration – Although organizations adopt cloud apps for process and business transformation, they continue to operate in a hybrid setup with key business apps distributed across owned data centers and multiple cloud applications. Integrating the data, process, and experience across multicloud ecosystems and the hybrid setup poses another challenge. Automation – As organizations adopt cloud apps and modernize the way processes respond to customer needs, it is important to automate the business process end-to-end. Automating the process when experience, data and processes are distributed across multiple cloud apps, and legacy apps is not a simple task.

Data Access – Data is key to digital transformation – however, significant data is locked in legacy applications and cloud apps. Companies must democratize data access to make the digital transformation successful.

**Cloud Adoption** – Today, cloud provides simplified services required for digital transformation. However, organizations still operate in a hybrid mode and will continue to do so. So, how can an organization ensure that it is adopting cloud services and at the same time not create a technology potpourri when embarking on a digital transformation?

Managing digital assets – As digital transformation picks up speed, organizations are embarking on multiple digital journeys delivering digital assets housed across multiple clouds. Consistently managing these digital assets is a challenge.

# Digital technologies will shape organizations for

- Disruptive consumer engagement The way consumers expect services to be presented to them or consumed and the experience of using a company's services have changed. It has extended beyond a relationship with a sales agent or account manager, developing into an omnichannel experience fronted by bots that transact in the way consumers desire.
- Always connected Always on and always connected is the norm. Realtime communication, be it business-tocustomer (B2C), business-to-business (B2B) or inter-business, is critical to success. The ability to exchange information and respond instantly helps secure new business and retain established relationships.
- Intelligent automation Manual processes are becoming far more zerotouch with sensors detecting changes in behavior and the ability to interpret this to trigger automated resolution or corrective actions. When linked to analytics, it is possible to derive insights to determine appropriate courses of action proactively.

So, what must organizations do to manage these seismic shifts?

## Digital Backbone

The digital backbone provides a construct to bring new-age digital technologies and ways of working into traditional architecture and innovate at scale. The idea is to create a central nervous system for the enterprise, creating a sentient organism that can pivot in the face of disruption and bring new efficiencies to processes throughout business lines and across the whole enterprise.

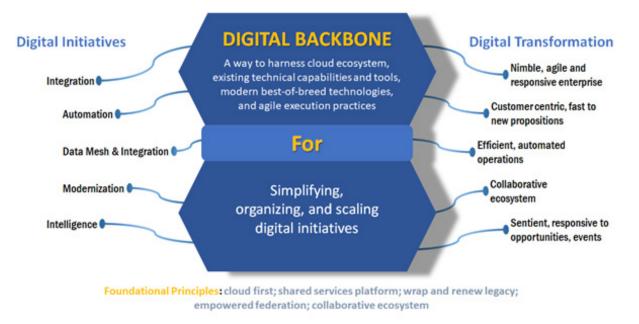


Figure 1 Digital Backbone Need of the hour

#### **Understanding Digital Backbone**

Digital Backbone provides companies the right construct to disrupt traditional IT architecture, enabling them to differentiate and innovate at scale. Simply put, Digital Backbone is the central nervous system that enables digital transformation at scale.

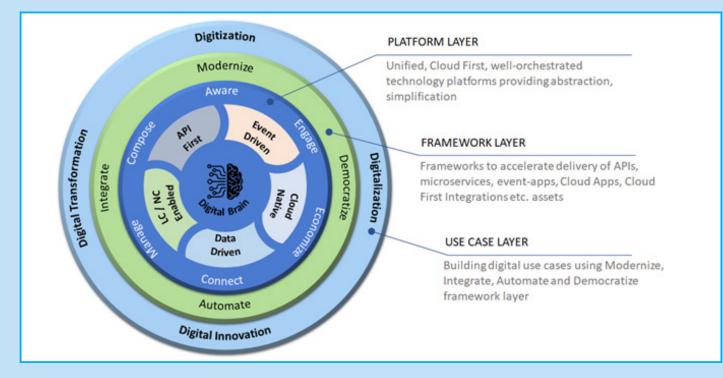


Figure 2 Digital Backbone Building Blocks - Organized for abstraction, composition, efficiency and value delivery



For more information, contact askus@infosys.com

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