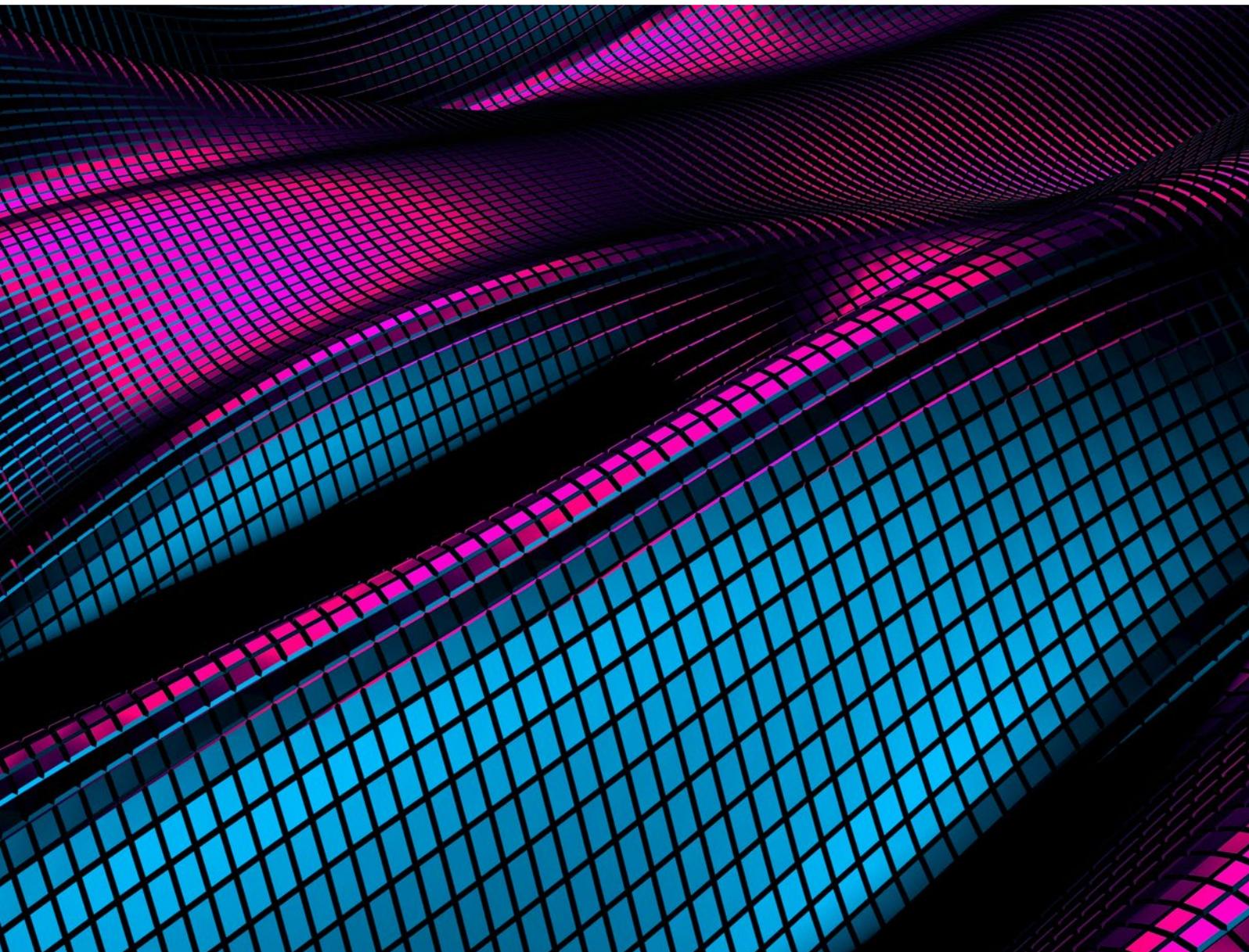# Hyper-Integration:
## How to be successful with digital transformation

A user guide for executives seeking to radically accelerate business performance

# Synopsis

High-performing companies establish business-IT alignment that goes far beyond just installing new software and integrating technologies to support day-to-day operations. These disruptors categorically transform industries and, as a result, topple established companies by developing new operating models defined by hyper-integration – the capability to connect and exploit the interactions of leadership, data, systems, analytics, people and processes in a single digital organisation.

This paper has been written to help you to establish a hyper-integrated organisation by providing a first-of-its-kind roadmap (and playbook) for successful digital transformation and the practical steps you should take to effectively and quickly transform the performance of your organisation. You will also learn:

→ What business value you can expect from Hyper-Integration

→ Where to start on your hyper-integration journey

→ How to turbo-charge your existing legacy and digital investments

# Introduction

Hyper-integrated technology platforms are critical to business transformation. Yet, technology isn't the primary driver of success. Business and IT leaders must collaboratively embrace a holistic approach that develops, aligns and digitalises capabilities. Unfortunately, companies often have fragmented, disconnected and competing systems and priorities that waste valuable time, resources and money.

Based on its extensive work with companies over the years, Xiatech have observed that hyper-integrated companies outperform those that take a traditional approach to digital transformation where, according to McKinsey, they experience a high failure rate of 70%.

Historically, and this remains a common approach to digital transformation, organisations have looked at business change as an evolutionary process. This is an expensive mistake. What is required is radical disruption, going beyond just digitising processes but building a whole new digital capability that incorporates leadership, data, systems, analytics, people and processes – an outcome that is optimised and made possible by hyper-integration.

The authors are not advocating writing off millions of investments because much of what has already been put in place can and should be used and exploited to achieve hyper integration. However, to accelerate business transformation, it's vital to establish the building blocks on which to add your capabilities, like Lego blocks, in a modular platform. In doing so, digital transformation can be accelerated at a lower total cost of ownership while increasing the performance of your organisation – at the same time!

This new cost-benefit of hyper-integration is important when considering research published by Deloitte, which reveals that the average digital transformation budget has increased by 25 percent over the past year, from £8.5 million to £10.5 million, with more than half of mid-sized and large companies spending more than £7.7 million on these efforts. The same research report reveals that only 59% of the organisations have generated basic business outcomes from their digital investments while 39% have yet to derive any business results.

> **"The high failure rate of traditional digital transformation initiatives means a new approach is required – and it's with hyper integration"**
> McKinsey

Xiatech defines hyper-integration as the interconnectivity and standardisation of individual business capabilities – leadership, data, systems, analytics, people and processes – into a single, unified operating model and platform.

Clearly, digital transformation must be reinvigorated, re-diagnosed and reinvented if it's to meet the expectation of and support the needs of business and technology leaders such as creating an agile organisation. Fortunately, there is a growing belief that something must change, with 91% of IT directors stating that revenue will be negatively impacted if digital transformation initiatives aren't successfully completed. So, what is preventing them from succeeding?

# A Brief History of Digital Transformation

To move in an upward trajectory, it's important to understand history so the same erroneous and costly path isn't repeated.  Let's look at what is meant by digital transformation. Gartner provides a definition as, "Digital transformation can refer to anything from IT modernisation (for example, cloud computing), to digital optimisation, to the invention of new digital business models."

**At Xiatech, we believe digital transformation requires a clearer definition of the outcomes sought followed by a plan of how to achieve the desired results.**

In his survey-based research paper, The State of Digital Transformation, Brian Solis, reveals that the five top reasons for digital transformation are:

1. **capitalise** on growth opportunities in new markets;

2. **evolve** with customer behaviours and preferences;

3. **respond** to increased competitive pressure;

4. **develop** new standards and compliance; and,

5. **adapt** to employee behaviours and preferences.

Yet, what can explain the high failure rate of digital transformation projects? It can often be traced to a lack of digital transformation-enabled business vision, poor business and IT alignment, technology first mindset and competing corporate priorities for budget, under investment, culture change, risk aversion and sourcing talent.  This alone doesn't always explain the failure rate.  We believe that other factors such as modernised system integration, strong data architecture, analytics and nimble processes and strong business change all need to be considered to avoid the high rate of transformation failure.

It's not to say that there aren't successful digital transformations initiatives underway. There are, but these are cases where Xiatech has observed a strong presence of hyper-integration and related vision.

For us, digital transformation is the effective enablement of business change and agility without delay and distraction in order to capitalise on market opportunities.

# A New Approach to Digital Transformation

Expenditure on digital transformation continues to increase but it's an investment that is typically in specific areas of the organisation such as IT and marketing, and on specific technologies such as "modern" data warehouses and customer experience solutions, independently and in isolation, without a coherent and holistic plan that builds a foundation for the entire company to roll-out, adopt and use.

Furthermore, success with digital transformation relies heavily on executive vision and communication (leadership) to support effective business change across the organisation. There are also other contributing factors including the effective integration of systems, the usage of data to guide decisions, the streamlining of business processes and the impact of business change in other areas. All these business and technology capabilities must come together to drive hyper-integration.

The diagram below shows the six capabilities that are essential for digital transformation – and we will help explain how you might achieve this desired state by embracing hyper-integration. Importantly, the paper outlines how Xiatech advocates that as organisations attempt to progress towards a digitally transformed business, it is crucial to assess the impact on business change.
Take the case of the mindset change required by the legacy system administrator and developers, or the website operator with many years' experience using their outdated content management system or HTML editor. What will be the impact as organisations transition to new modern technology platforms and how will these employees embrace the change?

This paper examines how softer factors such as these need to be combined with strong leadership, technology enhancements, future-proof data and system integrations and analytics to fully embrace the hyper-integration required for a successful digital transformation.

## Hyper-Integration Capabilities
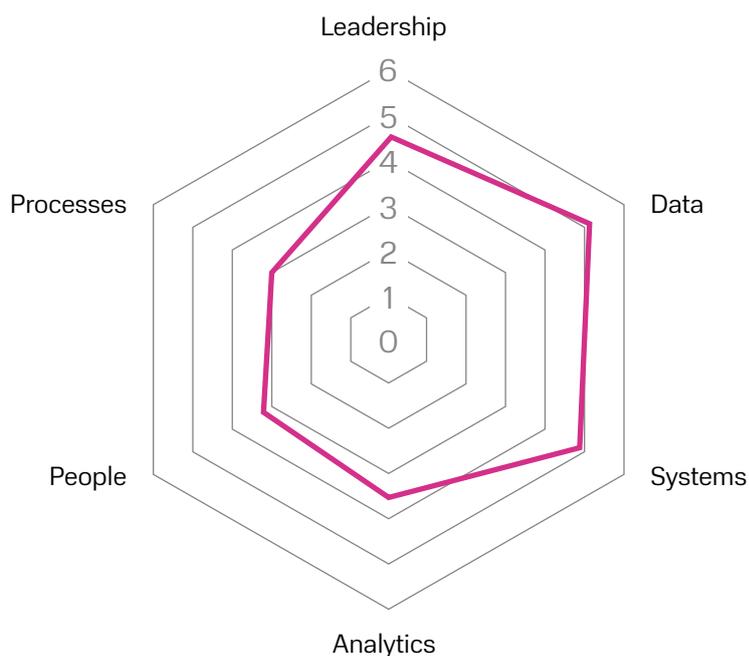


**How to read the diagram**

The higher the number, the greater the integration. The greater the integration, the higher the effectiveness of the business, in partnership with IT, to transform operations and deliver improved business performance, revenue and sustained growth – characteristics of digital transformation enabled by hyper integration.

Diagram: Example of plotting of level of maturity for hyper-integration capabilities
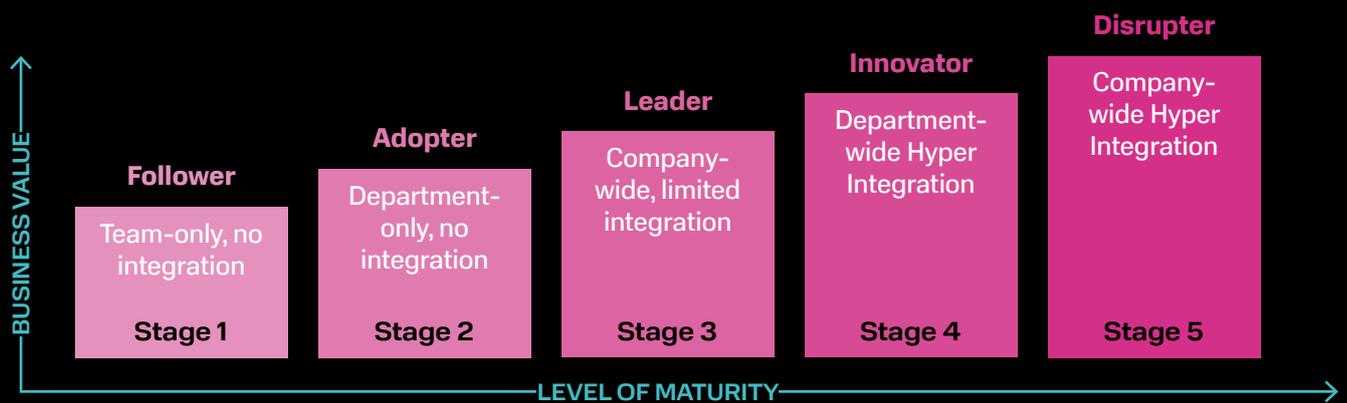
Let's now look at each pillar or capability so you understand its meaning, and the three key drivers under each that you should look at when evaluating your organisation's current and planned investment in digital transformation. (Use this diagram to assess and plot where you believe your company is today.)

| HYPER-INTEGRATION CAPABILITY | QUESTIONS | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| **LEADERSHIP** | | | | | | |
| Executive vision | Has my company's executive team articulated a clear vision of what digital transformation means and how, with a plan, we plan to achieve it? | | | | | |
| Revenue alignment | Has my company put the customer at the centre of business success, so solutions are developed that customers want, use and evangelise? | | | | | |
| Business change | Has my company established a change management methodology that successfully educates colleagues to support business transformation? | | | | | |
| **DATA** | | | | | | |
| Data roadmap | Has my company developed a roadmap of collecting and using data to support colleagues in making decisions? | | | | | |
| Data integration | Has my company established a formal process for integrating and governing the handling and management of real-time data to support informed decision-making through business intelligence and analytics? | | | | | |
| Data quality and compliance | Has my company established a formal process of driving the effective improvement of data quality for and by appropriate colleagues? | | | | | |
| **SYSTEMS** | | | | | | |
| Digital roadmap | Has my company developed a digital transformation roadmap that aligns and delivers defined business outcomes? | | | | | |
| Cloud deployment model | Has my company established a cloud-first strategy? | | | | | |
| System integration | Has my company established a real-time system integration platform? | | | | | |
| **ANALYTICS** | | | | | | |
| Self-service | Has my company developed a self-service reporting and analytics strategy? | | | | | |
| Integrated processes | Has my company embedded analytics into business processes to support effective decision-making for colleagues? | | | | | |
| Data integration | Has my company developed a formal process for supporting real-time data integration with other systems, including real-time processing of data for continuous reporting and analysis of update to date data? | | | | | |
| **PEOPLE** | | | | | | |
| Learning and development | Has my company created a structured learning and development programme that helps improve the digital skills of employees? | | | | | |
| Innovation culture | Has my company developed a culture that encourages and rewards new ideas and innovations from colleagues? | | | | | |
| Collaboration | Has my company developed a culture of collaboration, including the wide use of technology to promote, facilitate and recognise sharing of information? | | | | | |
| **PROCESSES** | | | | | | |
| Standardised operational processes | Has my company identified and mapped out areas of continuous operational business process improvement associated with digital change? | | | | | |
| Automation | Has my company established a roadmap for implementing robotic process automation in business processes? | | | | | |
| Technology framework | Has my company developed a framework for the future implementation, management and governance of technology investments? | | | | | |

# The Hyper-Integration Maturity Model

In this section of the paper, we explore in greater detail the six pillars (also known as capabilities) of hyper-integration and what you should do to achieve success. However, let's first look at where organisations are based on the Xiatech Hyper-Integration Maturity Model. The diagram below provides an overview of the key phases in the digital transformation journey taken by companies.

## The Digital Transformation Maturity Curve

BUSINESS VALUE

**Follower**

Team-only, no integration

**Stage 1**

**Adopter**

Department-only, no integration

**Stage 2**

**Leader**

Company-wide, limited integration

**Stage 3**

**Innovator**

Department-wide Hyper Integration

**Stage 4**

**Disrupter**

Company-wide Hyper Integration

**Stage 5**

LEVEL OF MATURITY

Depending on the size and aspiration of executives, most companies fall within the **second stage** of the digital transformation maturity curve. This is defined as providing integration of business and technology pillars/capabilities – leadership, data, analytics, processes, systems and people – at the departmental level. For example, a marketing organisation may deploy a customer analytics package to look at website traffic but not connect this technology into a customer data platform, to start to build a unified view of customers, in order to use this data to drive increased, personalised customer engagement and lifetime value.

For business executives that have bigger visions, coupled with a greater appetite for change and value generation, their companies fall within **stage three**. Here, a company-wide digital transformation initiative is characterised by an increasing but limited systemised way of integration of business and technology capabilities. An example includes rolling-out a company-wide talent management system to support employees throughout the employee lifecycle.

Few companies have reached **stage four** because of a lack of vision, or inability to execute that vision. Maturity Level 4 usually comprises a strong hyper-integrated foundation, where all major business applications are integrated in near-real-time via an integration hub and a centralised view of data. This allows all business applications to run from a centralised and consistent view of data that also incorporates relevant internal and external sources of information, enabling various forms of process automation to reduce manual effort or data duplication. Companies that have succeeded with this phase can more quickly move to step five because of a proven experience of deploying hyper-integration on a small scale, albeit limited to a function such as marketing where the focus is on establishing an omni-view of and omni-experience for customers.

A select few have achieved large scale hyper-integration described in **stage five** of the maturity curve, but achieving this status is easier and faster to reach if the technology foundation is in place – sometimes this is most easily done with new start-ups but established businesses can achieve the same by investing in previous phases and following our plan. It's a direct association of optimising existing technologies in order to capitalise on the full potential and unlock the true value of hyper-integration.

# What's Meant by "Integration"

Historically, companies have integrated technology vertically. This means IT buys, integrates and supports a myriad of hardware and software at the bottom (IT infrastructure), middle (databases) and top (applications) of the "tech stack" to support business decision-makers.

Verticalisation is important and helpful especially when a function such as marketing needs to use the best technologies to focus on customers, for example. However, it can be slow and expensive to roll-out new capabilities for the function or for the benefit of the entire company across multiple functions e.g. customer centricity (horizontal integration).

According to a 2018 KPMG Harvey Nash CIO survey, only 32% of IT leaders have a digital strategy that spans the enterprise, with most of the investment focused on the front-end, rather than on deeper operational capabilities. In other words, digital transformation is predominately deployed vertically, not horizontal (organisation-wide).

Historically, integration is largely restricted to just systems and/or is limited to only integrating systems with some (not all) of the must-have business and technology capabilities of people, processes, analytics and data.

This lack of hyper-integration greatly limits the ability of executives to reduce the cost of technology (as well as optimising exciting technology investments) while improving the agility to respond to opportunities and accelerate business growth.

## Traditional Integration
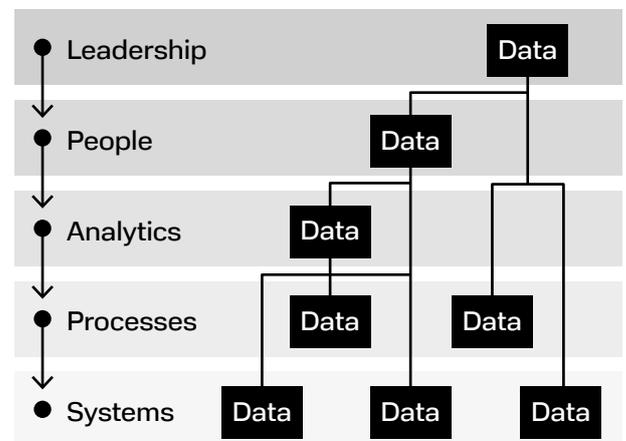


## Hyper-Integration
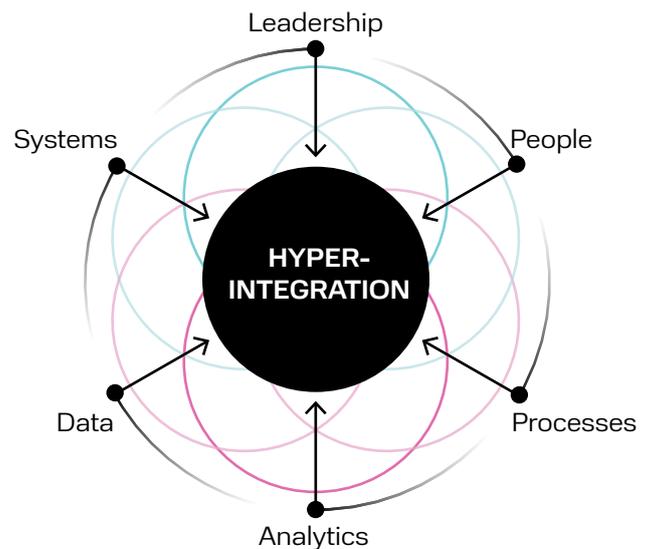


Functionally, companies that embrace hyper-integration will be able to establish higher quality relationships with customers, employees and suppliers while also creating greater levels of value and flexibility from data and systems through streamlined and fully connected operations.

To bring Hyper Integration to life, below are four digital transformation ideas that deliver business growth and operational efficiencies.

### Seamless customer engagement

Beacons, connected IoT devices, and smart digital stations allow for better customer engagement and rich in-store experiences. The technologies offer a wide array of opportunities: from indoor navigation, contextual promotions distribution, and customer self-service.

### Drive sales with customer experience

When the pandemic hit, the behaviour of millions of consumers changed. In response, a European retailer accelerated its transformation by embracing a best-in-breed composable architecture which enabled it to quickly add new customer channels such as an e-commerce solution across 20+ countries in just four months, to capture sales.

### Create positive, performance culture

Automate the employee lifecycle from talent identification, selection and hiring through to employee onboarding, learning and development and exit by leveraging digital tools and analytics to understand and personalise engagement based on employee interactions and communications.

### Improve employee productivity

Leverage a smart bot to handle most of the typical issues, like answering standard questions or handling returns, retail companies can reduce staff, while improving efficiency and customer satisfaction

## The Six Capabilities of Hyper-Integration

Xiatech estimates that a large amount of investment, both in terms of money and people effort, is duplicated and wasted by not developing a hyper-integration strategy that provides a single platform upon which to plan, develop and run digital transformation initiatives.

This section provides guidance on what you should do to identify, improve and align your investment in business powered digital transformation to achieve hyper integration.

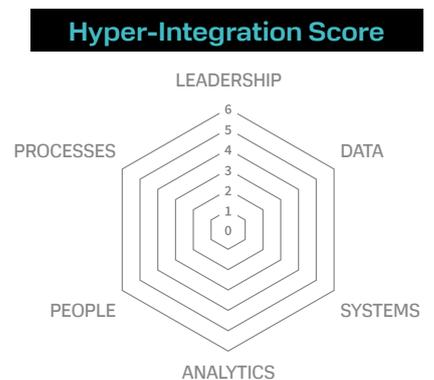Capabilites for hyper-integration enabled digital transformation

LEADERSHIP    SYSTEMS    DATA    ANALYTICS    PEOPLE    PROCESSES

HYPER-INTEGRATED PLATFORM
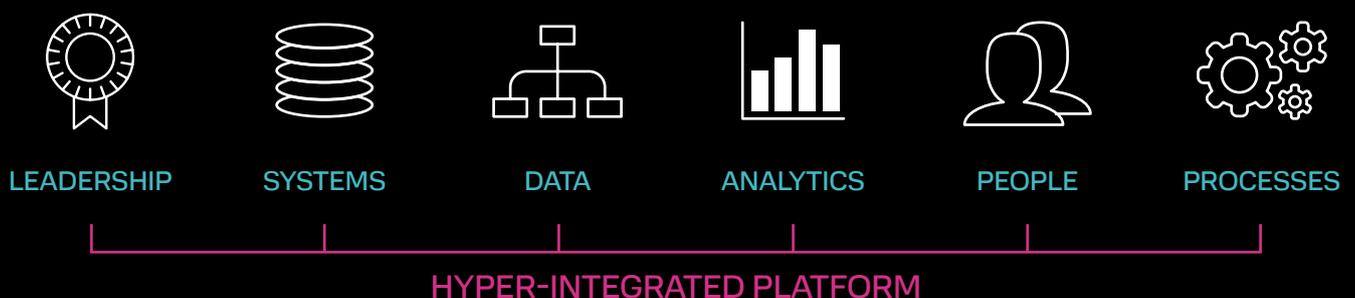
# The Six Capabilities of Hyper-Integration: Leadership

One of the biggest challenges for organisations as they embark on digital transformation is the requisite cultural change. The technology decisions, while daunting, are easier compared to the cultural shift organisations must undertake to truly become digital leaders (or, according to the Xiatech Hyper-Integration Maturity Model, attain the status of "Disrupters").

Not surprisingly, digital transformation requires leadership in order to successfully communicate, garner support and align employees on the importance, value and steps necessary to implement business change toward a vision, or business outcome.

To succeed with digital transformation and, specifically, hyper-integration, business and IT executives should concentrate their leadership efforts on three capabilities – Executive vision, revenue alignment and business change. To assess your organisation's maturity with these areas, score your answers in the diagram below (by calculating the average score based on the answers to the three questions).

| Capability | Questions | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| **Leadership** | | | | | | |
| **Executive vision** | Has my company's executive team articulated a clear vision of what digital transformation means and how, with a plan, we plan to achieve it? | | | | | |
| **Revenue alignment** | Has my company put the customer at the centre of business success, so solutions are developed that customers want, use and evangelise? | | | | | |
| **Business change** | Has my company established a change management methodology that successfully educates colleagues to support business transformation? | | | | | |

### Hyper-Integration Score



## Recommendations

To help you, we have provided five tips you may want to consider when looking at leadership:

1   Establish an executive team responsible for digital transformation across the organisation. These leaders, from all functions of the organisation, are held accountable for deliverables. Central to this, create and monitor KPIs across all departments or functions associated with digital transformation.

2   Define the business benefits of your digital transformation and the key milestones of when these outcomes are expected. If your objective is to increase revenue, can you improve the way customers engage with your organisation?  Are you able to enter new markets, and generate additional streams of revenue, quickly and effectively?

3   Ensure that you have a holistic communications programme to support change management, so all employees understand your leadership's digital transformation vision,  that they are aligned, assured and supportive of this necessary journey.

4   Enable collaboration in  the planning and delivering of digital transformation initiatives, ensuring that everyone can contribute to its success. Invest in an innovation platform that encourages and recognise contributions from colleagues, while also providing a forum for open discussion and interactions at all levels of your organisation.

5   Don't be afraid of taking risks because many aspects of digital transformation are new, and thus require going into unchartered waters. Start small before scaling. "Fail fast" is a widely accepted management mantra that should be encouraged and embraced by all employees.
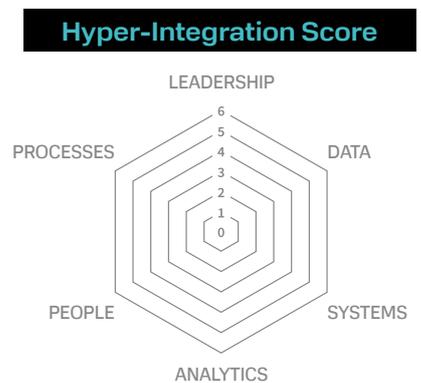
# The Six Capabilities of Hyper-Integration: Data

Data is a strategic asset that, when combined with other data sources, creates immense business value. When leveraged, data is used to create new business models, which is only possible by exploiting the entire data ecosystem.  The good news is 65% of business executives fear their organisations will become irrelevant or uncompetitive if they fail to embrace data.

Unfortunately,  data is scattered amongst many disparate internal systems, making it difficult to effectively obtain a single, timely view of customers, of suppliers, of employees and of products.  Due to legacy technology investments, incorporating new sources of data such as external third-parties or new systems, can be difficult to accomplish without huge expenditure.

To succeed with digital transformation and, specifically, hyper-integration, business and IT executives should concentrate their data efforts on three capabilities – Data roadmap, data integration, and data quality.  To assess your organisation's maturity with these areas, score your answers in the diagram below (by calculating the average score based on the answers to the three questions).

| Capability | Questions | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| **DATA** | | | | | | |
| **Data roadmap** | Has my company developed a roadmap of collecting and using data to support colleagues in making decisions? | | | | | |
| **Data integration** | Has my company established a formal process for integrating and governing the handling and management of real-time data to support informed decision-making through business intelligence and analytics? | | | | | |
| **Data quality and compliance** | Has my company established a formal process of driving the effective improvement of data quality for and by appropriate colleagues? | | | | | |

### Hyper-Integration Score



## Recommendations

To help you, we have provided six tips you may want to consider when looking at data:

1  Develop a data strategy that supports your organisation's business objectives. This important activity requires aligning your senor leadership team, so they are working together toward the same goals and milestones. If you don't have a Chief Data Officer, you may want to hire one.

2  Assess your organisation's current business processes, data sources, data assets, technology assets, capabilities, and policies in order to conduct a gap analysis of existing state and the desired future state. Removing data silos should be a key target, by focusing on creating a single enterprise view of data.

3  Develop a data roadmap that also encompasses data governance, data management and data quality so there is a short- and long-term strategy and programme to support business transformation that is also tied to your organisation's objectives. The detailed roadmap should include tangible business and technology deliverables.

4  Once your data strategy is ready to be executed, it's vital to ensure that all employees are fully aware and supportive of change, which will take place across the different functions with your organisation.

5  High performing organisations have a highly motivated and aligned workforce. They also have highly skilled employees so it's important to ensure that everyone is confident using digital tools that empower them to understand how to use data to support decision. Adding data training to your organisation's Learning and Development competency framework will reap massive business value.

6  Don't just see the single data view as a means for reporting and analysis but exploit this data to support business revenue drivers such as enhancing customer experience via personalisation, cross-sell and up-sell.

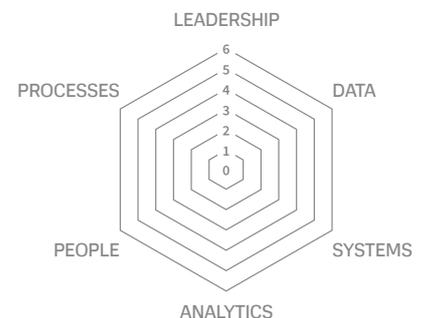# The Six Capabilities of Hyper-Integration: Systems

A digital business requires much more than just technology (for example, strong leadership, learning and development, change management). However, it's vital that a future-proof technology foundation be established, and this means creating a new platform to support hyper-integration.

System integration involves linking different IT systems and applications residing in an enterprise ecosystem together so that they work cohesively in a unified manner. System integration improves working relationships with customers and partners within the ecosystem. It also bolsters workflow efficiency, increases IT and business productivity, and lowers operational costs. Typically, this is achieved by adopting an integration hub. In this way, new systems and data sources can be added with much more flexibility at a lower TCO.

Successful CIOs can modernise their systems while also building a digital ready platform that aligns and supports both the needs of the business and IT. This isn't a story of re-platforming or throwing away existing software and hardware. In fact, the opposite is true. Build up your existing technology stack, which will turbo change your legacy estate and enable you to properly plan your digital transformation strategy.

To succeed with digital transformation and, specifically, hyper-integration, business and IT executives should concentrate their system integration efforts on three capabilities — Digital roadmap, cloud deployment model and system integration. To assess your organisation's maturity in these areas, score your answers in the diagram below (by calculating the average score based on the answers to the three questions).

| Capability | Questions | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| **SYSTEMS** | | | | | | |
| **Digital roadmap** | Has my company developed a digital transformation roadmap that aligns and delivers defined business outcomes? | | | | | |
| **Cloud deployment model** | Has my company established a cloud-first strategy? | | | | | |
| **System integration** | Has my company established a real-time system integration platform? | | | | | |

### Hyper-Integration Score



## Recommendations

To help you, we have provided five tips you may want to consider when looking at systems:

1. The first step is to assess your organisation's technology landscape in order to determine what historic and current investments can be leveraged to support your digital transformation strategy, and what new expenditure is required to replace and/or add to your digital technology stack.
2. Develop a system integration roadmap that is aligned to your digital transformation strategy and, most importantly, to expected business outcomes. Invest in an integration hub to simplify system integration and break free monolithic legacy systems and under investment.
3. Rethink the architecture and prioritise simplicity when defining the technology foundation for your organisation's digital transformation.
4. Set timelines and get the right people in place by establishing a cross-function team that will ensure everyone is aligned and working toward defined milestones. Since system integration is the means of connecting data, applications and processes to support the seamless flow of information, many people (employees, suppliers, partners, and customers) will and should be involved in its planning, testing and implementation.
5. Democratise your organisation's data by rolling out analytical tools and business applications that are easy to use by non-technical employees. This will require a lot of tools training as well as changing how you, work to support the business as a digital change agent, such as creating a data source that colleagues can access on-demand.
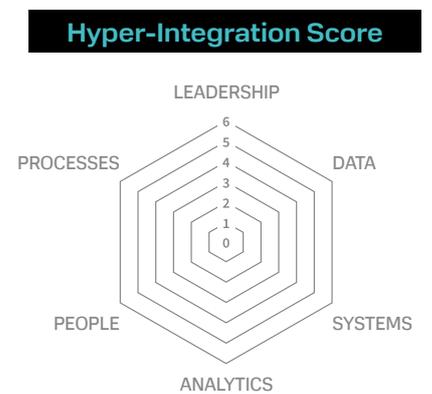
# The Six Capabilities of Hyper-Integration: Analytics

Digitisation is more than just embedding analytics into your organisation for use by as many employees as possible. Analytics should also be used to assess and determine where future investment decisions should be made to ensure success with digital transformation.

Unfortunately, many business and IT leaders are not leveraging the power of combining disparate data sources and providing insight to measure the effectiveness of decisions - and it will cost them.  According to Gartner, 80% of organisations seeking to scale digital business will fail because they do not take a modern approach to data and analytics.  One of the challenges facing organisations is the inability to effectively provide analytics-ready, real-time data access for colleagues.

To succeed with digital transformation and, specifically, hyper-integration, business and IT executives should concentrate their analytics efforts on three capabilities  – Self-service, integrated processes and data integration. To assess your organisation's maturity with these areas, score your answers in the diagram below (by calculating the average score based on the answers to the three questions).

| Capability | Questions | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| **ANALYTICS** | | | | | | |
| **Self-service** | Has my company developed a self-service reporting and analytics strategy? | | | | | |
| **Integrated processes** | Has my company embedded analytics into business processes to support effective decision-making for colleagues? | | | | | |
| **Data integration** | Has my company developed a formal process for supporting real-time data integration with other systems, including real-time processing of data for continuous reporting and analysis of update to date data? | | | | | |

### Hyper-Integration Score

## Recommendations

To help you, we have provided five tips you may want to consider when looking at analytics:

1   Develop an analytics vision for your organisation and the desired state of business capabilities you'd like to have in the future to support your digital transformation. Then, build this capability by starting with a small team before expanding by enlisting other colleagues and hiring new talent.

2   Define the tools and data your organisation requires to be successful. Contrary to belief, you don't need to create a massive data lake from all data sources. Instead, identify and use only the small data set you need to support your business requirements. Moreover, leverage the cloud for minimising the cost and facilitating your team's ability to become self-sufficient. Gone are the days of waiting 12-18 months for a large and inflexible data warehouse to be built.

3   Improving the digital skills of employees requires the creation of competencies focused on data and analytics capabilities. Given the huge demand/supply gap for data and analytics professionals, particularly data scientists, organisations must proactively and enticingly attract and retain the right talent.

4   Create an analytics centre of excellence in order to establish collaboration and best practices among colleagues seeking to create value from data and analytics. This cross-function centre, managed by a chief data officer, will ensure the creation, management and governance of business processes across your organisation. Identify data champions to help as change agents to adopt new data techniques.

5   Embed your data analytics into existing business and system processes in order to streamline and deliver efficiencies, such as setting automated alerts for decision-makers. This will require ensuring that your IT infrastructure can handle the volume, variety, and velocity of the data and the complexity of the analytics.
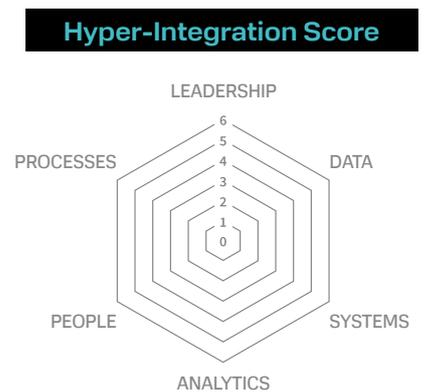
# The Six Capabilities of Hyper-Integration: Processes

Executives are increasing investment in business process improvements in order to reduce operating costs and improve employee productivity. According to survey-based research by Red Hat, 54% of respondents spend under $500,000 on process work while 21% and 15% invest $500,000 to $999,000, and between $1 million to $5 million, respectively, on business process improvements. In other words, business and IT leaders understand the importance of business process improvement.

Recognising an organisation must continuously evolve and optimise its way of working to stay competitive is fundamental to creating cost improvements, agility and employee productivity. Therefore, process improvement is vital for successful digital transformation; and, as you identify gaps in the performance of key processes, you will uncover the specific ways that the workflow can benefit from digital transformation.

To succeed with digital transformation and, specifically, hyper-integration, you should concentrate **business process improvement** efforts on three capabilities – Standardised operational processes, robotic process automation (RPA) and technology framework. To assess your organisation's maturity with these areas, score your answers in the diagram below (by calculating the average score based on the answers to the three questions).

| Capability | Questions | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| **PROCESSES** | | | | | | |
| **Standardised operational processes** | Has my company identified and mapped out areas of continuous operational business process improvement associated with digital change? | | | | | |
| **Automation** | Has my company established a roadmap for implementing robotic process automation in business processes? | | | | | |
| **Technology framework** | Has my company developed a framework for the future implementation, management and governance of technology investments? | | | | | |

### Hyper-Integration Score

## Recommendations

To help you, we have provided five tips you may want to consider when looking at process improvement:

1. Assess your business process at a high level and identify what needs changing. You can uncover areas ripe for improvement by conducting a process audit to discover where issues and risks lurk.

2. Take all the information you've collected and turn it into a process map. This will likely include the process or overall workflow. This includes tasks, or each step of the workflow; flows, which are the connections between the tasks indicating how the tasks flow; events, these are triggers or gateways that begin, redirect or end a process; and participants, or those who are involved in the process.

3. After you've figured out which parts of your process need improvement, it's time to understand what's happening and how to make improvements. Ask yourself: *What steps are creating roadblocks? What aspects are most time consuming and inefficient? Is there an undue increase in cost and resources?*

4. Once you've identified and analysed the issues, secure support to make changes. These improvements can take time and use resources, so it's important to ensure support from colleagues.

5. When you are ready to present your recommended business process improvement, factor in the role of technology including robotic process automation and analytical tools as a component to your organisation's overall digital transformation strategy and roadmap.
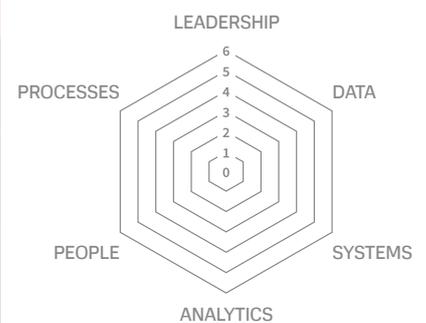
# The Six Capabilities of Hyper-Integration: People

When change management isn't embedded in the planning and implementation of digital transformation, employees will be disengaged and unsupportive of the necessary business change required to advance the company's successful evolution and performance. This fact explains why only 26% of transformation initiatives succeed, according to McKinsey.

Digital transformations require cultural and behavioural changes such as calculated risk taking, increased collaboration, and customer centricity. It's also about upskilling employees so they can leverage and use the new digital tools provided by digital transformation.

To succeed with digital transformation and, specifically, hyper-integration, business and IT executives should concentrate their **employee engagement** efforts on three capabilities – Learning and Development (L&D), innovation culture and collaboration.  To assess your organisation's maturity with these areas, score your answers in the diagram below (by calculating the average score based on the answers to the three questions).

| Capability | Questions | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| **PEOPLE** | | | | | | |
| **Learning and development** | Has my company created a structured learning and development programme that helps improve the digital skills of employees? | | | | | |
| **Innovation culture** | Has my company developed a culture that encourages and rewards new ideas and innovations from colleagues? | | | | | |
| **Collaboration** | Has my company developed a culture of collaboration, including the wide use of technology to promote, facilitate and recognise sharing of information? | | | | | |

## Hyper-Integration Score

## Recommendations

To help you, we have provided five tips you may want to consider when looking at people and, specifically, developing a change management programme:

1   Digital transformation is an imperative so it's critical to establish a sense of urgency with employees – that, without change, the future may be challenging. Naturally, this message must be balanced with the opportunity that will be given to colleagues seeking new skills and experiences that would be afforded them from digital transformation initiatives or projects.

2   Develop a plan for your organisation. It's important to have a plan for every step in the process. Otherwise, your initiative could get off track early and never be implemented. Your plan should continually answer three questions: Where are we? Where are we going? And how are we going to get there? The answers should be aligned to your organisation's digital transformation vision.

3   Start with baby steps because most successful transformations begin with small groups that are loosely connected but united by a shared purpose. They're made of people who are already enthusiastic about the initiative but are willing to test assumptions and, later, to recruit their peers. Leaders can give voice to that shared purpose and help those small groups connect, but the convincing must be done on the ground, not in the boardroom. Gone are the days of large scale "big-bang" change.

4   To combat the change fatigue that creeps in as an organisation's evolution takes its natural course, celebrate small successes on a regular basis. Give managers the directive - and budget - to arrange small-scale team celebrations – as well as recognising people who have made a positive difference.

5   Many executives don't tap into the ideas of their employees – and it's a lost opportunity. Since digital transformation should be centred on designing and delivering a new user experience and, in turn, enhances the way people work, solicit employee input, which will also help create a culture of innovation.

# Conclusion

Expenditure on technologies that enable [digital transformation (DX) of companies is at an all-time high and is expected to reach $1.97 trillion](#) by 2022. However, questions remain how much benefit this spending will return for business and IT leaders.

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Companies that embrace this new approach will effectively compete in an economy that's constantly shifting as technology evolves.  They will also better serve customers, the source of revenue for companies, and more quickly address the needs of other key stakeholders, including employees, suppliers and partners.

Below are our core recommendations to help you plan and deliver digital transformation in your company, taking into consideration what you have read in this user guide.

> To assure success with your digital transformation, it's vital to take a different approach by embracing the hyper-integration of the vital capabilities in your company - leadership, data, systems, analytics, people and processes - in a single digital enabled organisation.

**Articulate a vision.** Developing a clear vision and strategy for digital transformation, coupled with defined business objectives and targets, will ensure success as you embark on this important journey of change that requires the alignment and support of everyone in your company, from the board through to each and every employee.

**Establish a DX team.** Create a dedicated team of individuals responsible for planning, managing and delivering the business outcomes expected of your digital transformation vision. This team, reporting directly to the CEO should be given the responsibility, and the accountability, working in partnership with the business and IT to foster alignment and support, to deliver results.

**Develop a roadmap.**  A long-term plan that takes into consideration the immediate need of the business to digitise operational capabilities in order to improve service and lower costs with mid-term requirements of IT to digitally modernise technology must be developed for success.

**Build the foundation.**  It's vital to develop a hyper-integration platform in which to run your hyper integration strategy. Yet, executives mistakenly believe that they need to re-platform their companies.  This isn't true because, though they have invested in IT architecture, and a hybrid of technologies, these haven't been connected to form a common, standardised platform from which to effectively scale digital transformation, from one department to organisation-wide, without massive expenditure of money and people.

**Win-over colleagues**. Digital transformation  requires communications so you educate and win the support of employees about why you are changing the business, how you are changing the business, what are the impacts of the changes, and the benefits it will bring to the company and, most importantly, to everyone.

**Don't delay today.**  The journey to hyper-integration will take time so it's important to start to accelerate the digitalisation of your company.  By taking a strategic, focused approach to improving operations such as through the automating of manual processes, you will generate savings which will pay for your digital transformation.  Plan small baby-steps that collectively move toward delivering the vision.

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# About Xiatech

Xiatech is the Hyper-Integration Company that dramatically shortens time-to-insights and business transformation for organisations.

Xiatech pioneered the Hyper-Integration Platform (HIP), the fastest way to create a hyperconnected business that dynamically connects systems, unifies data, automates processes and delivers continuous insights to people in an era when real-time interactions of systems and data-driven decisions are essential for success today.

Xiatech is chosen by digital leaders around the world such as Reiss, Life Style Sports, Flying Tiger, Fitflop, Db Journey and G-Star to radically accelerate business growth.

For more information, please visit **www.xiatech.co.uk**

*Xiatech's approach to Hyper-Integration should not be confused with the more hardware-specific Hyper-V integration from Microsoft.*