



Improving Business in a Digital Era

How 2020 events are changing how IBM i organizations focus their digital efforts



Introductions: Fresche Team



Chris Koppe

VP, Client Advisory Services

20+ year IT Modernisation Strategist

30+ years in software industry



Nick Hampson

Senior Product Manager
Transformation

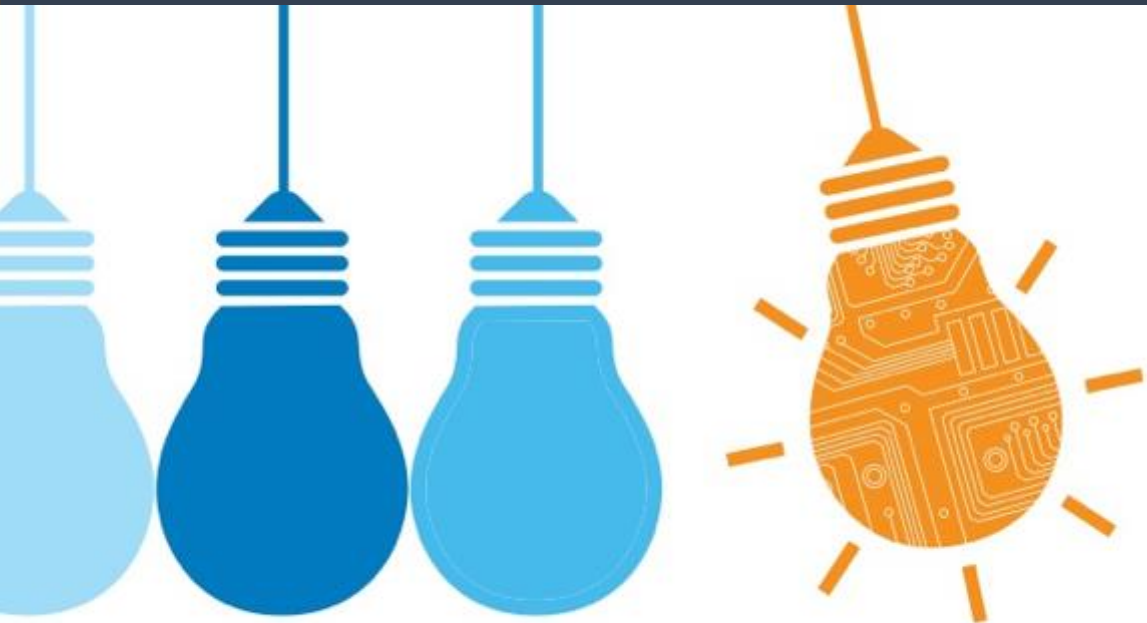
UX, Design, Modernisation

20+ years on IBM i

WHAT WE WILL COVER TODAY

Key Topics

- Digital Transformation & why
- Responding to challenges when disruption occurs
- HR initiatives for enabling digital transformation – leading the change
- Incremental modernisation strategies – maximize time to value
- Building your IBM i strategy





What is Digital Transformation and Why is it so Critical?

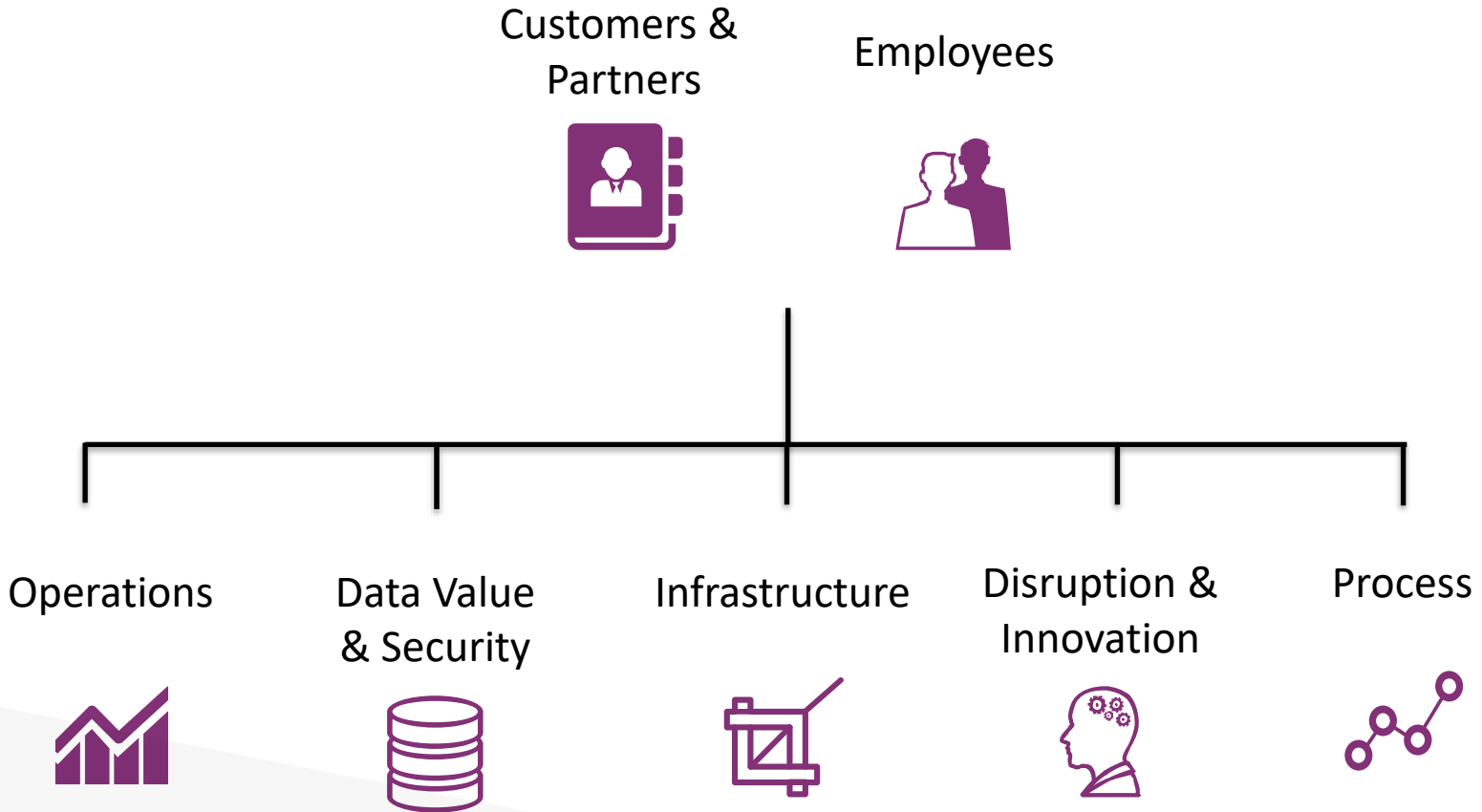
Definitions of Digital Transformation

Digital transformation is the process of shifting your organization from a legacy approach to new ways of working and thinking using digital, social, mobile and emerging technologies.

It involves a change in leadership, different thinking, the encouragement of innovation and new business models, incorporating digitization of assets and an increased use of technology to improve the experience of your organization's employees, customers, suppliers, partners and stakeholders.

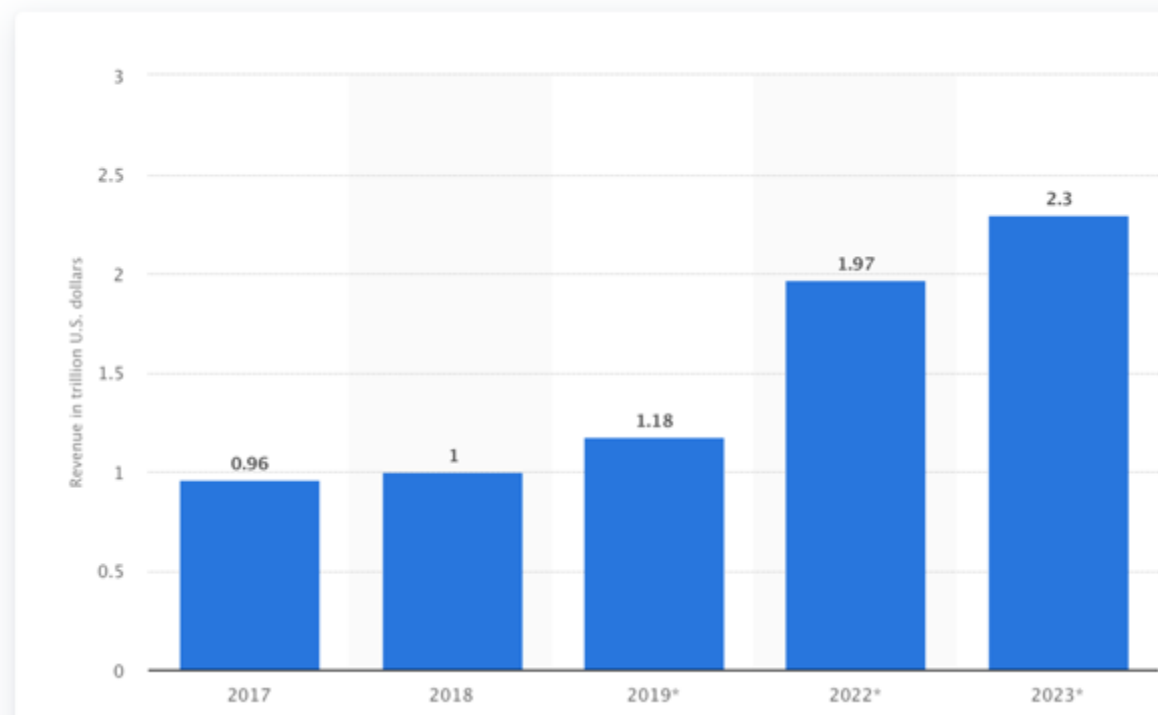
“Digital Transformation can refer to anything from IT modernization, to digital optimization, to the invention of new digital business models. The term is widely used in public-sector organizations to refer to modest initiatives such as putting services online or legacy modernization. Thus, the term is more like “digitization” than “digital business transformation.”

Defining Digital Transformation



Digital Transformation Rapidly Growing

Digital transformation market revenue worldwide from 2017 to 2019 and in 2022 and 2023 *(in trillion U.S. dollars)*



“Worldwide spending on the technologies and services that enable the digital transformation (DX) of business practices, products, and organizations is forecast to reach \$2.3 trillion in 2023, according to a new update to the International Data Corporation.”

Source: IDC Media Center, *World Spending on Digital Transformation*, October 28, 2019. “Worldwide Spending on Digital Transformation Will Reach \$2.3 Trillion in 2023, More Than Half of All ICT Spending, According to a New IDC Spending Guide” <https://www.idc.com/getdoc.jsp?containerId=prUS45612419> & (IDC) [Worldwide Semiannual Digital Transformation Spending Guide](#).

Rapid Changes



No touch delivery



Web orders and
customer support



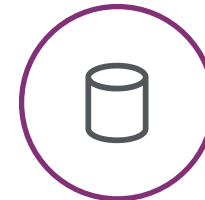
Access to new markets



Workflow optimisation
– paperless organisation
– timesheets, cheques



Remote access/insight
for staff



Agility and API First



New service delivery
models – onsite /
remote



HR Initiatives for Digital Transformation – Leading the Change

Barriers to Becoming a Digital Business



- › A change resisting culture
- › People won't share or collaborate
- › The business isn't ready
- › The talent gap
- › Current practices don't support the talent
- › Change isn't easy

Source: Gartner 2018

What Distinguishes Digital Organisations

Speed over perfection

Data over intuition

Talent over title

Having an impact

Constant improvement

Customer obsession

Autonomy

Transparency

Source: MIT Sloan School of
Management, 2019

Question- How Would You Describe Your Organisation?



A “DIGITAL” COMPANY



A “DIGITAL BUSINESS
UNIT” WITHIN A
TRADITIONAL COMPANY



A “TRADITIONAL”
COMPANY

Key Findings from the Analysts



“Systems of Record (SoR) provide the foundational information to support Digital Transformation, enabling Systems of Engagement (SoE) and Systems of Insight (SoI).”

“Legacy systems contribute to Digital Debt and hinder digital transformation initiatives resulting in reduced ROI.”

“Digital transformation success hinges on whether your organisation’s core enterprise systems have the necessary agility, scalability, and reliability.”

“Significant and sustained investments in the Modernisation of SoR is a key factor to success with Digital Transformation initiatives.”

Forrester noted in a research report:

Businesses have been forced into an unprecedented experiment with remote working and bans on business travel. One IT leader told us: "In our culture, the prevailing wisdom was that you could never provide the service we do without being in the office. Having to deliver it remotely has shattered that belief." Firms will never return to the pre-pandemic normal; employees will insist on home working and mobile flexibility and question the necessity of air travel and in-person meetings.

Business execs who experienced firsthand the shortcomings of legacy technology environments will demand that IT accelerate roadmaps for app and infrastructure modernization, a high-performance network, high-availability architectures, automation for speed and reliability, and cloud for scale and flexibility.

Top Strategic Technology Trends for 2020

The Gartner top 10 strategic technology trends for 2020 highlight trends that will drive significant disruption and opportunity over the next five to 10 years.

People-centric



Hyperautomation



Multiexperience



Democratization



Human Augmentation



Transparency and Traceability

Smart spaces



Empowered Edge



Distributed Cloud



Autonomous Things



Practical Blockchain



AI Security





Incremental Modernisation Strategies

Application Modernisation Strategies & Solutions

Finding the Right Strategy

Strategy

Solution

Maintain

Application Support Services

Modernise

UI, UX, Workflows, Mobile, Portals

Services, APIs

Automated Conversion

Code Transformation

Re-architecting / Re-engineering

Replace

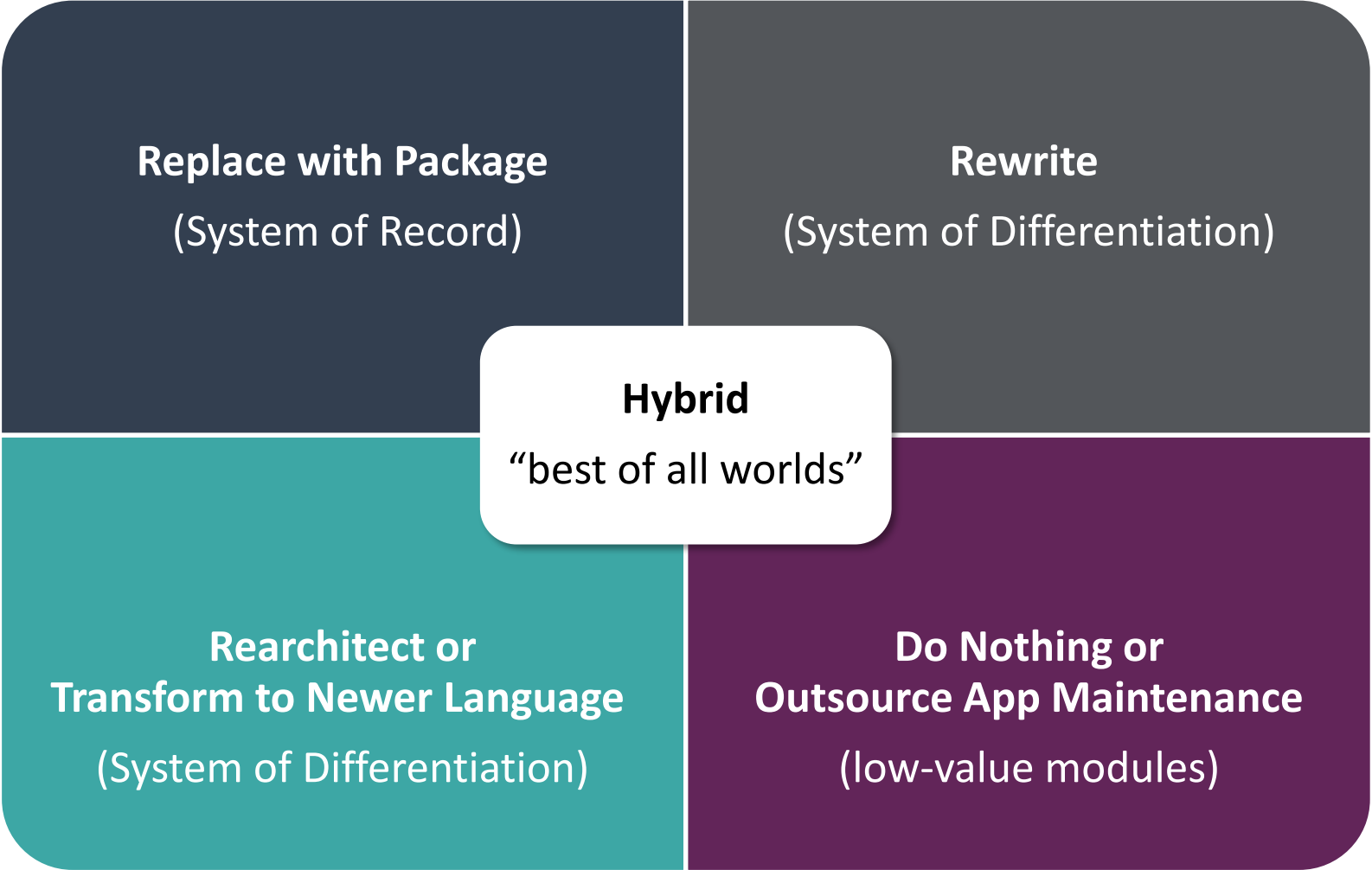
Re-write

Packaged Application

Retire

Decommissioning

Core Application Modernisation Strategies



Business Drivers for Modernisation



Agility – improve time to market

Reduce training / onboarding

Lower costs = increase profitability

Innovate beyond competitors

Enable new channels of access

Integrated business

Merger and acquisition consolidation

Compliance (GDPR, SOX, etc.)

Technical Drivers for Modernisation

New Graphical / Web User Interface

Mobile Access

Reporting and Data Management

AI & Predictive Analytics

Integration via Web Services

Lead Innovation Efforts

Leverage New Technologies and Approaches

(Open Source, Cloud, Robotics, Blockchain)

What is an Essential Experience?





Uber



Taxi Company?

London says **NO Uber!** “We don’t need another taxi company”

Uber’s response: We’re not a taxi company, we’re a technology company!

Uber owns no cars and employs no drivers

Uber transformed the taxi experience.

- Accessibility – estimated wait
- Predictability
- Routing – driver and passenger expectations
- Payment / Price – estimates / cashless
- Quality – Experience rating

Who is Uber’s customer?

Uber put in controls to regulate the experience.

Technology is the differentiator!

- ✓ Uber owns the architecture
- ✓ Uber owns the data
- ✓ Uber owns the processes
- ✓ Uber owns the customer experience

Business Benefits of Modernisation

Increase Agility – Respond to business evolution

Position for scalability – Enabling business growth

Competitive Position – Maintain or improve

Ease of Integration with clients and partners

Business Continuity – Risk reduction

Regulatory and security compliance



Access to innovation – Aligned to Business Strategy

Poll- What is Your Top #1 Priority with Modernisation?



INCREASE AGILITY &
RESPOND TO
BUSINESS NEEDS



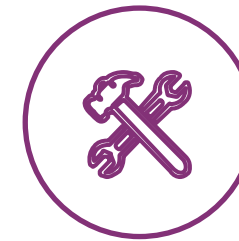
SUPPORT BUSINESS
GROWTH



MAINTAIN OR
IMPROVE
COMPETITIVE
POSITION



REDUCE RISK WITH
BUSINESS
CONTINUITY



EASE OF INTEGRATION
WITH CLIENTS/PARTNERS
& NEW CHANNELS



Defining the Journey

Aligning Business Vision to Modernisation Plans

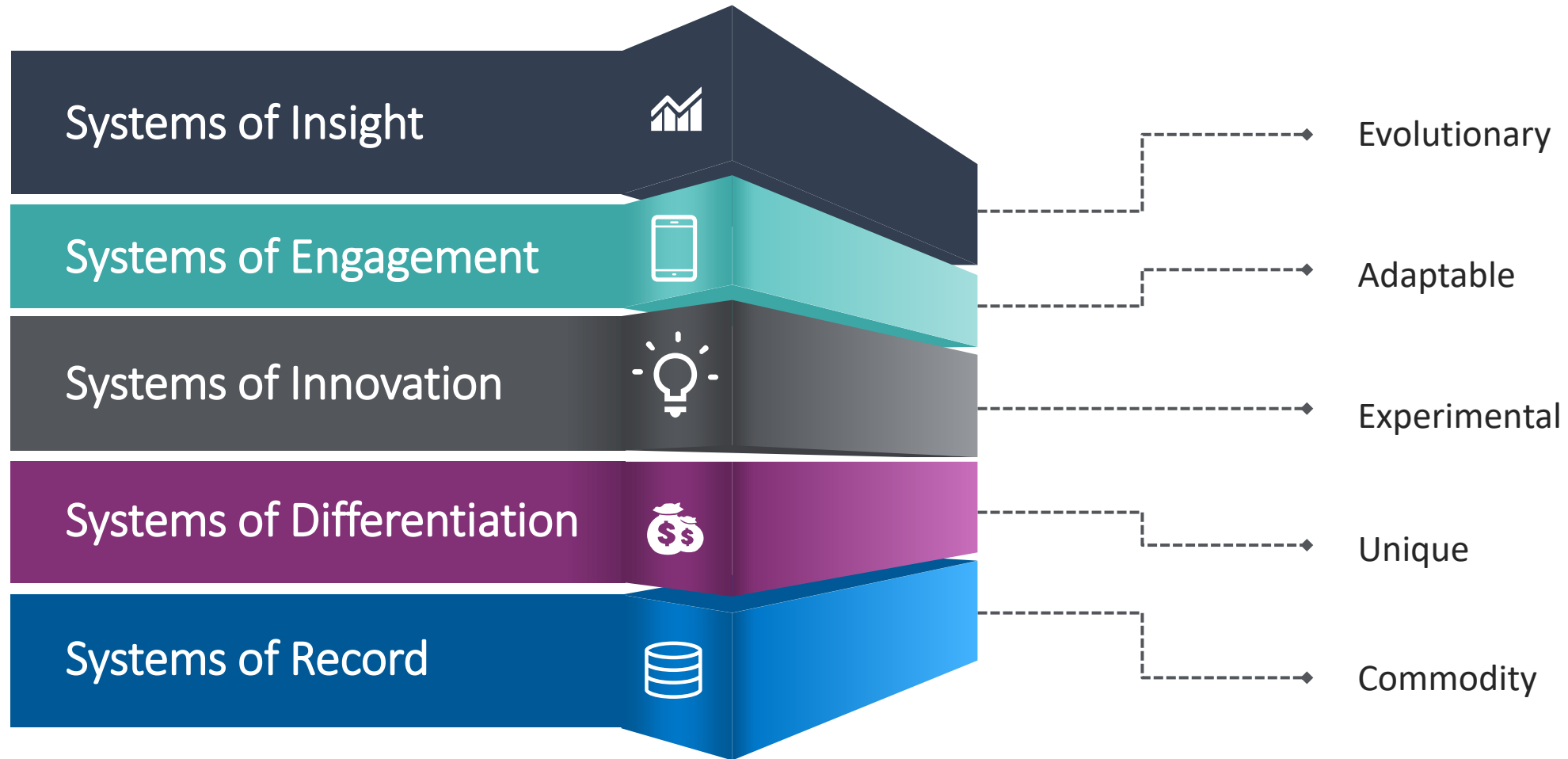


- Lead the market
- Innovative
- Optimised
- Automated
- Price and service advantage
- Unparalleled customer experience

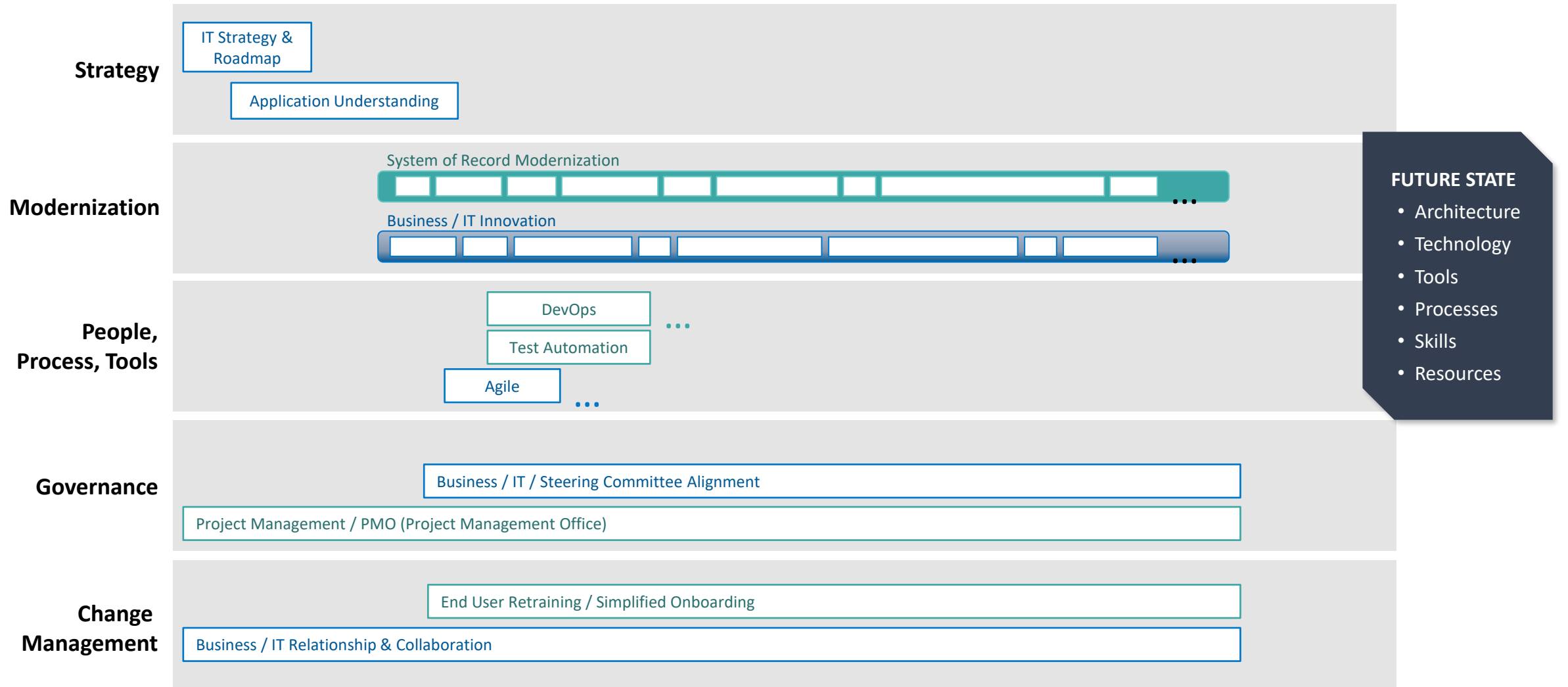
- Technology as a strategic enabler
- Differentiated processes
- Own architecture and data model
- Optimize through automation and predictive analytics
- Empower customers and employees with real-time information

- Modernisation of all core applications
- Integrate best-of-breed applications / components
- Open architecture, cloud-ready
- Reporting & analytics
- Mobile-enabled and paperless

A Strategic View of IT Systems

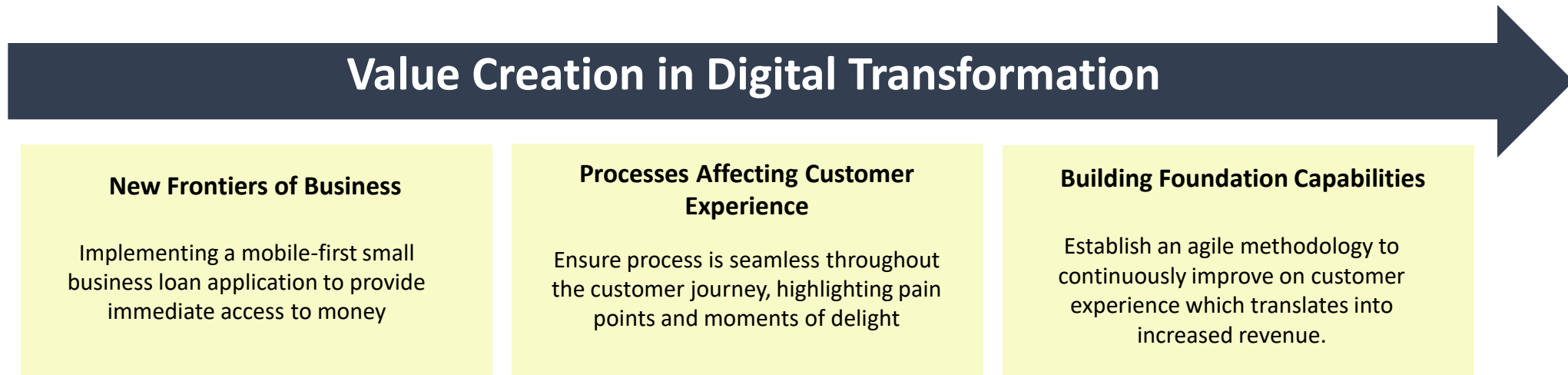


Sample Roadmap: Business & IT Evolution



Digital Transformation

Example: A bank is implementing a digital strategy to capture additional revenue from its lending business.



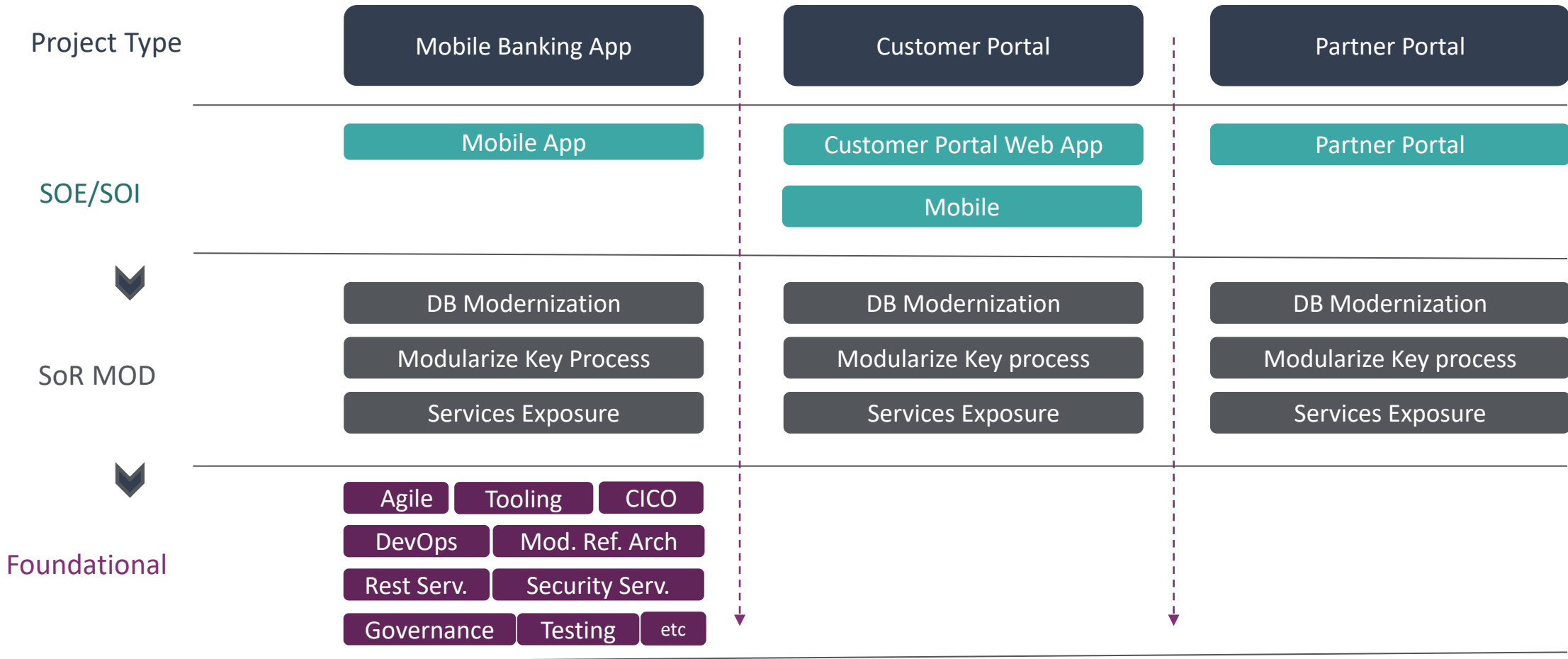
Where does IBM i Modernization fit?

Companies who successfully undergo digital transformation *typically* decouple and modernize slow-moving, mature systems from agile, digital friendly technology used throughout the customer journey. Required system of record business processes and data are exposed as services.

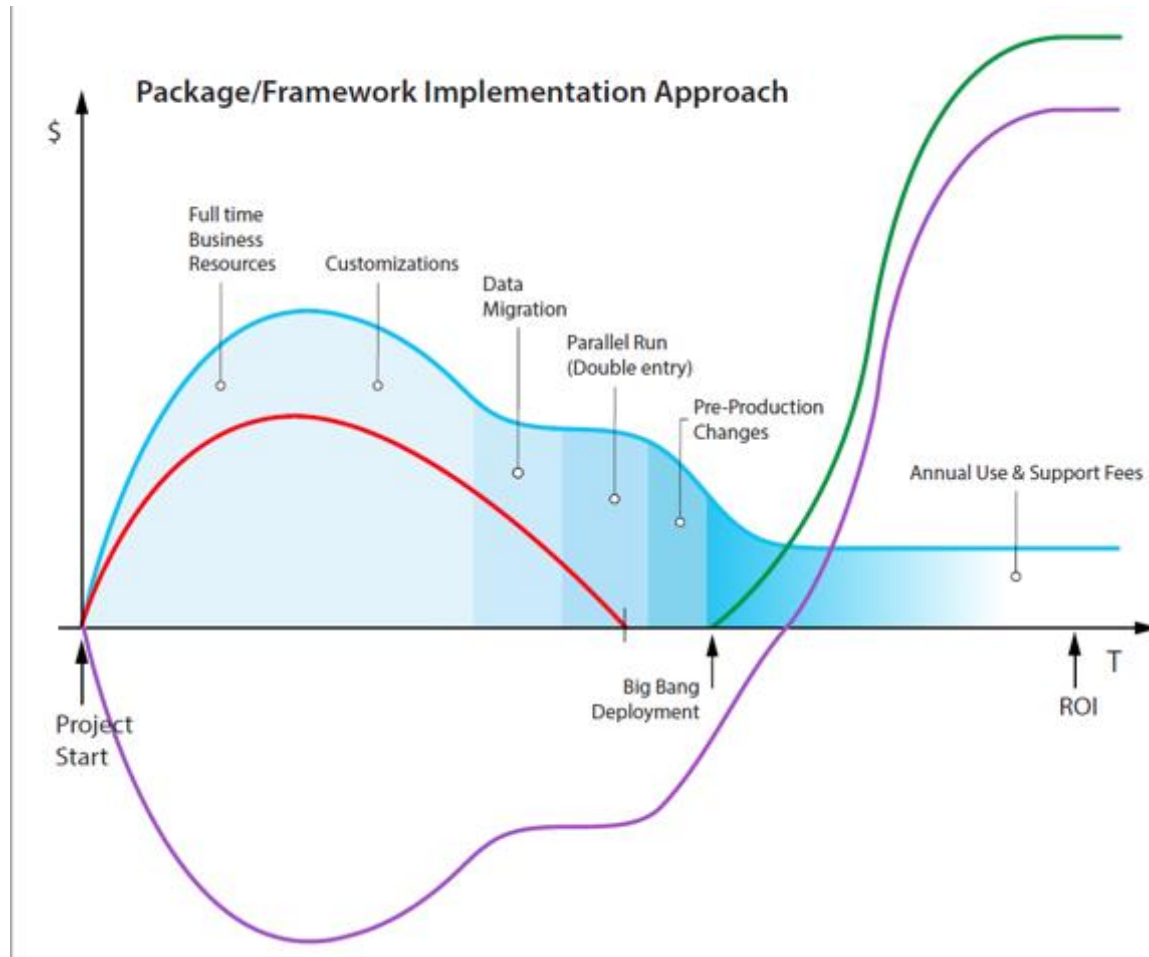
In the above example, the bank would implement a customer facing application(s) based on new, agile platforms, and modernize its system of record to continue supporting its lending risk analysis.

Think: Replace your knee, but fix your spine

Digital Transformation Roadmap Example



Business-centric Approach to Strategy Validation



Financial

- Evaluation for packages should include a 5 years projection (including hardware, training for all facilities, customisation, integration layers, etc.).
- Perpetual costs via use and support fees for Package solution
- Hidden Costs – Package approach is Big Bang at end of project, which delays ROI and holds back company growth

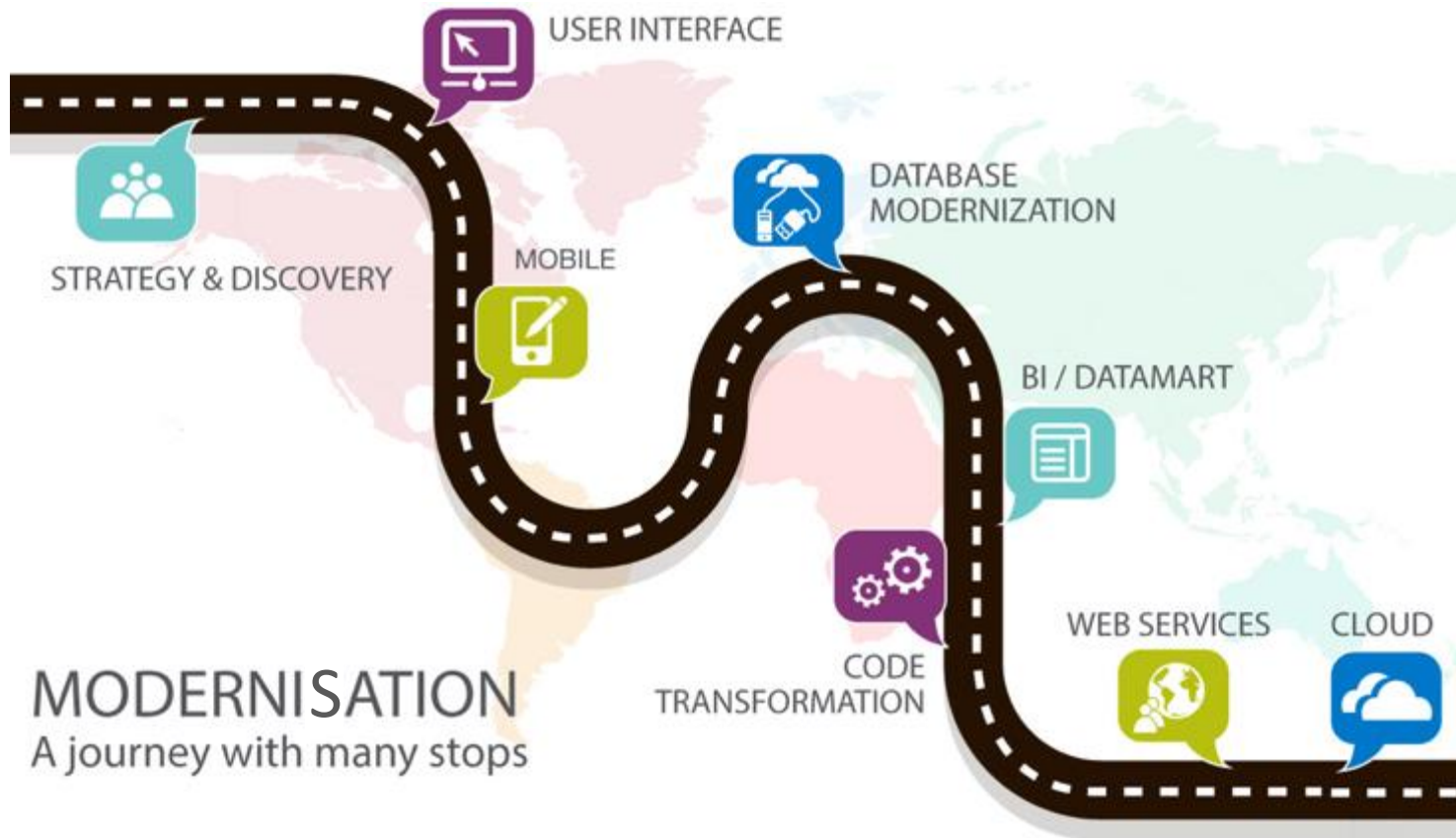
Market Differentiator

- Package is a right choice for centralized and generic operations
- Packages brings you to the same level as your competitors using that package
- Integration can be a challenge – You can lose information in movement of data through the package (entry and exit)
- Evolution is locked into the roadmap of the chosen vendor for that package

Change management

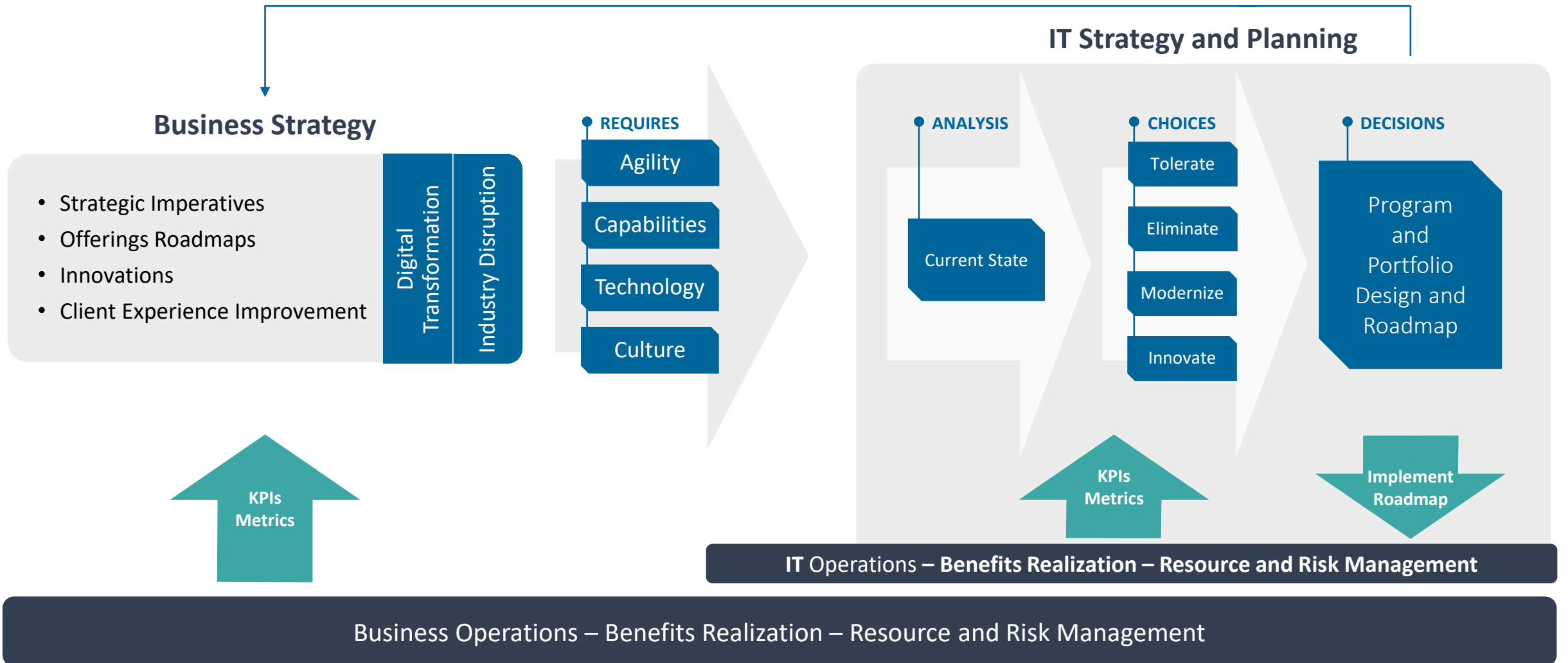
- Slower operational efficiency; risk of turnover if operation become unstable or chaotic

Modernisation is a Unique Journey



- Unique Starting Point (languages, technologies, apps)
- Unique Destination (target technology stack, packaged apps, etc.)
- Uniquely staged to the needs of your organization
- Executed in a model that matches your needs

Aligned With Your Business Strategy





What do we do Tomorrow?

Create more debt

vs.

Create more agility

CONNECT WITH US

Nick Hampson

Senior Product Manager

Nick.hampson@freschesolutions.com

+44 7973 824 319

Chris Koppe

VP, Client Advisory Services

Chris.koppe@freschesolutions.com

514-747-7007 (8264)

Email Inquiries: info@freschesolutions.com



www.freschesolutions.com | **1 800 361 6782**



ca.linkedin.com/company/fresche-solutions

A close-up photograph of two people shaking hands. The person on the left is wearing a dark suit jacket and a silver watch with a black dial. The person on the right is wearing a red suit jacket and a purple and white striped shirt cuff. The background is blurred, showing other people in business attire.

Thank you!

