

Vitria's Mike Rossi Makes the Case for Focusing on Digital Operations in the Context of Business Transformation Initiatives



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Mike Rossi, Senior Vice President, Vitria

While the jury is out on what percentage of large digital transformation initiatives are successful, projects that focus on digitizing and improving specific operations have a proven track record of delivering tangible cost and efficiency benefits in 90-, 60- and even 30-day timeframes, according to Mike Rossi, Senior Vice President for Menlo Park, Calif.-based Vitria (www.vitria.com).

“The concepts of digital transformation and digital operations are not mutually exclusive. In fact, it makes sense to pursue these initiatives in a coordinated fashion. Digital operations should be aligned with the objectives of the desired ‘future state’ defined by digital transformation strategies,” he says.

However, given that we live in a world of scarce resources, it is important to understand the return on investment (ROI) dynamics of both concepts, and develop a portfolio of initiatives that deliver the most bang for the buck across the short-, mid-, and long-term horizons.

“Generally speaking, the key distinction between digital operations and digital transformation initiatives are the scope and desired impact on the organization,” explains Rossi.

Digital transformation initiatives tend to revolve around redefining the strategy of an enterprise through the digital lens — using technologies like artificial intelligence, machine learning, Internet of Things, and more — to make the entire enterprise operate in a more intelligent and agile manner.

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Improving such processes offers the opportunity to enhance existing experiences with current markets. These outcomes are accomplished by using many of the same technologies — such as AI/ML, IoT, and big data analytics — as enterprise-wide digital transformation initiatives.

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Critical Success Factors for Digital Operations... and Beyond

When considering an investment in digital operations it is important to have a strong business case that defines the tangible outcome for a particular process. To that end, executives should:

- **Identify specific problem statements with a client-facing process.** It is a good idea to begin by optimizing the digital operations for a single business service or offering.
- **Inventory all sources of data** — including structured, unstructured and telemetry (IoT) — that affect, or are generated by, the process that is being improved.
- **Automate and align the data to the desired business objective.** Executives must understand how the different data sources can be integrated to provide insight and intelligence for accomplishing the mission of the project — whether it is to enhance the customer experience, or reduce the cost structure without a performance consequence.
- **Develop a meaningful and targeted analytical paradigm.** It is easy to be distracted by the results of broadly scoped big data analytics exercises. It is not uncommon to see data scientists dive into predictive analytics activities before aligning all their data sources to the problem statements associated with improving a process. This can disrupt disciplined coordination and delay the optimization of the process.
- **Limit the scope and duration** of the initiative to accomplishing specific ROI outcomes. Once a result is achieved, proceed to the next phase.

“At Vitria we have developed comprehensive mechanisms for uncovering the business case for digitizing operations — which is so important in allocating resources, staff and dollars for digital initiatives. We then apply standards-based engagements — based on 30-, 60- or 90-day sprints — that result in turn-key solutions that arm companies with the ability to continue the virtuous cycle of digital process improvement,” Rossi concludes.

To listen to a comprehensive audio interview with Vitria's Mike Rossi on the business case for digital operations, visit: <https://www.vitria.com/making-the-business-case-for-implementing-effective-digital-operations>