HOW TO UNDERTAKE DIGITAL TRANSFORMATION FOR MID-SIZED ENTERPRISES

WHITE PAPER

# TABLE OF
CONTENTS

ABSTRACT

While working with multiple siloed business systems and inflexible system architectures, reorienting the business paradigm to conceive and deliver a new digital approach seems to be a distant digital dream for mid-sized organizations. A gradual movement from digital optimization to digital transformation helps them to protect against digitally savvy market entrants and the risk of significant customer churn.
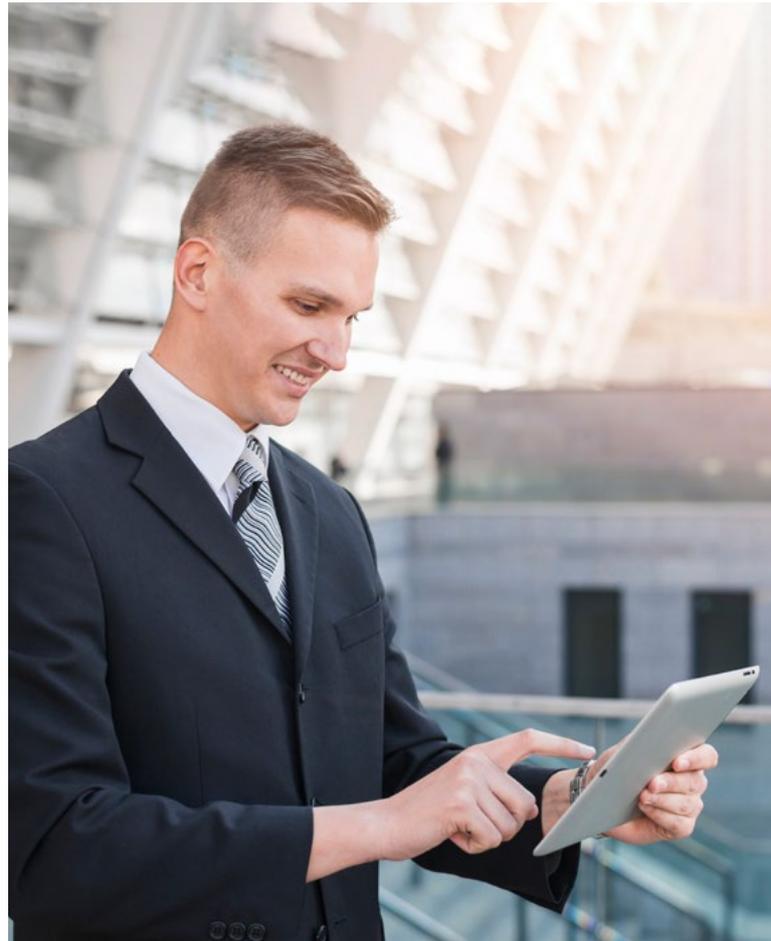
INTRODUCTION

Mid-sized companies tend to follow digital ambitions through digital transformation. Though the dream looks distant, optimization of the existing assets for the digital era is the first step. Internal collaboration and systematic synchronization of their existing IT estate to develop an orchestration platform business model is a need of the hour. The approach helps in protecting the existing revenue systems while yet creating sound foundations for a successful digital business transformation.

Investing in the right digital technologies at the right time improves the enterprise productivity, simplifies business operations, and provides the quintessential scalability factor not only locally but also across diverse geographies and across different customer channels.

PROBLEM STATEMENT

As mid-sized enterprises continue to grow through mergers and acquisitions, there is a corresponding rise in acquired business systems and ERPs. This results in further rise in technical debt and an increased Total-Cost-of-Ownership (TCO). Simplifying IT, reducing TCO, and hence the business spend is an imperative when enterprises have to deliver on reduced business margins.

SOLUTION

Embracing digital transformation and going paperless is a silver bullet while trying to curb huge spend on operations. Adopting end-to-end automation of back-offices and operations goes a long way while saving the dollar.
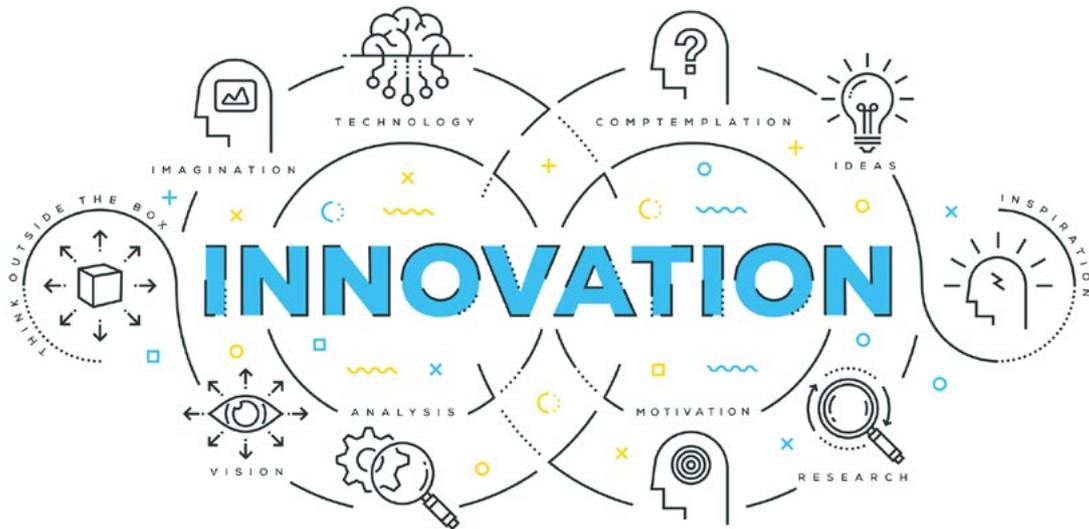
Digital helps in binding together the existing IT spread and simplifying it to a huge extent. The resulting IT estate is a Smart Platform, which helps in complete automation of the Accounts Receivable and Accounts Payable at the least and setting up a completely paperless office to the best.

Let us see how:

Automating AP & AR Processes

Common procurement as well as accounting processes are based on extensive processing cycles that are spread over diverse systems, which are more often than not operating in silos. These processes include but are not limited to Procure-to-Pay (P2P), Order-to-Cash (O2C), Record-to-Report (R2R), and Financial Planning & Analysis (FP&A). Here the enterprise can weave the different silos and ERPs into a Smart Platform by using technologies such as Robotic Process Automation (RPA), intelligent Optical Character Recognition (OCR), and Artificial Intelligence (AI). At the same time, while riding on top of modern day institutional processes such as Enterprise Agile and DevOps, they can increase the speed of the digital transformation.

01 **Intelligent OCR**
reads, interprets, and ingests data from free text, scanned, and printed documents into the digital ecosystem.

02 **RPA**
effectively integrates at surface level and helps to rekey and post data between systems.

03 **Workflows**
conjoin the outputs and inputs of two diverse systems and expedite electronic approvals, exception handlings, and mismatches.

04 **Artificial Intelligence**
brings in the quintessential intelligence layer where otherwise human decision is involved.

Automation of the individual processes under the umbrellas of P2P, O2C, R2R, FP&A gives rise to a bespoke FAS solution, which also simplifies the processes and significantly brings down the TCO, especially the costs involved in harnessing and routing data from one end to the other end.

Digitalization of Enterprise Content

Having the enterprise content in a digital format helps easy data management. A systematic data preparation and curation goes a long way in adopting a digital approach across the enterprise. It not only promotes proper data storage, indexing, archival, and retrieval but also helps in data warehousing, data mining & analytics and superimposing a data visualization layer, which enables to have a digital snapshot of the enterprise in real-time. Such a setup is highly scalable and

flexible. It acts as the corner stone of a digital enterprise and supports an agile transformation at enterprise level.

For example:
Some of the common processes that stand out as low hanging fruit in BFSI segment are:

▶ **Online entry for new business**

▶ **KYC / Re KYC / C KYC**

▶ **Account Maintenance Service Requests**

▶ **Loan & Mortgage Processing**

▶ **Scrutiny and Audit**

▶ **Reconciliations**

▶ **Financial Transaction Processing**

▶ **Vendor Payouts**

CONCLUSION

Enterprises need to protect the existing business at the same time leverage digital technology to simplify operations, improve productivity, and introduce scalability. Here a digital strategy that helps the enterprise decision makers prioritize between digital optimization and digital transformation is a must. This approach helps them pursue their digital vision without disrupting existing revenue streams and catch-up with customer expectations. Beginning with providing data accessibility through digitalization, automation using RPA & AI/ML, with the gradual target of becoming a paperless office is a suitable approach for pursing a vision of digital transformation. Extending this collaboration platform between business units, branch offices, vendors, and customers not only brings in value chain improvements but also lowers TCO.

ABOUT
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"
He is responsible for operational excellence, institutionalizing and building operational rhythm.

Navin spearheads all quality related endeavours and works towards achieving client satisfaction by ensuring all of Datamatics' deliverables reach its clients with top grade quality. He is responsible for operational excellence, institutionalizing and building operational rhythm.

Navin has over 26 years of experience in managing operations, software and services delivery, system analysis & design, business analysis, management consultancy, corporate planning, equity research and financial analysis. He has a rich experience of working in both IT Outsourcing and Manufacturing setups. Before joining Datamatics, Navin has worked with several reputed IT organizations, including iGate, Genpact, Birlasoft and Polaris.

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ABOUT
DATAMATICS

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Our portfolio spans across Information Technology Services, Business Process Management, Engineering Services and Big Data & Analytics, which are powered by Artificial Intelligence.

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