ROTATING TO NEW IT:
NO LONGER AN OPTION—IT’S A MUST

accenture consulting
Intelligent Automation

Automation plays a key role not only in delivering new digital experiences and services, but in helping to reduce the run costs of legacy IT by as much as 30-40 percent. Those savings can then be dedicated to transformational initiatives. For example, AI, machine learning, robotic process automation (RPA) and chatbots can all be deployed to help run existing IT legacy more efficiently and effectively.

Organizational Change

The final and critical area of focus is organizational—changing culture and ways of working to operate as a digital business. Digital transformation isn’t solely driven by technology. It’s also about bringing together the power of technology with a culture that embraces the change it needs to be a successful organization. Accordingly, the roles of the CIO or CTO have evolved dramatically over the past decade, and they’re now becoming true architects of business value. The rise of new roles, such as the Chief Digital Officer and the Chief Customer Officer, show how digital transformation is taking place not just in technology, but across the entire organization. And an enterprise-wide, holistic approach is essential. That’s because operating with agility requires the eradication of silos and operational disconnects in order to allow greater collaboration and innovation to flourish.

Data and Analytics

Today, data is the currency of business. Unlocking its value requires investment in analytics. A data-powered enterprise integrates analytics and data to generate tangible outcomes by organizing and curating data, and translating that data into valuable and actionable insights. Having clear business goals is critical to selecting the right data to get your analytics right. This requires a pragmatic approach that builds use cases and iterates continuously. Selecting fit-for-purpose technology is equally important in creating a hybrid ecosystem, which integrates legacy and modern architectures that will co-exist in a business, while also driving analytics. An agile and flexible data management platform and insight-driven analytics are ultimately critical to unlocking business value.

Multi-Speed IT

The third area to focus on is multi-speed IT. This is done to ensure that the business is able to support the ever-growing demands of increasingly digitally-savvy customers. Since it’s neither realistic nor practical to always ‘rip and replace’ entire legacy technology systems, a multi-speed approach is required. This distinguishes systems of record (ERP, etc.) from systems of engagement that interface directly with the customer and support the digital experiences that customers demand (and which further drive value). Systems of engagement should be the prime candidates for cloud migration and digital integration, with budgets and resources prioritized accordingly.

Customer-centric approaches must also be the guiding principle underpinning digital transformation. Consumers show increasing intolerance for any service or experience that fails to meet their needs the first time. So, a detailed understanding of changing consumer demands is key. That needs to be matched with delivery capabilities that can manage an accelerated throughput of change, leveraging agile methodologies and harnessing DevOps alongside a “fail fast” mentality.

All enterprise companies need to respond to an array of challenges and opportunities ushered in by the Digital Era. From rising consumer expectations, embracing the Internet of Things (IoT) and artificial intelligence (AI), to harnessing the power of augmented and virtual reality, while participating in emerging digital ecosystems—the case for IT transformation is strong.

With the unceasing emergence of new technologies, IT departments face incredible pressure. Technology is moving rapidly from an enabler of business value to becoming in many ways the source of value, itself. Pivoting decisively to the ‘new IT’ is, therefore, a business imperative.

But at the same time, the IT function in enterprises often faces flat or declining budgets. This requires them to chart a new path forward within funding constraints. That means identifying which technologies are critical to success, setting a transformation agenda, and developing IT capabilities and operations to drive business in a cost-effective and timely way.

We see achieving this agenda as requiring attention to four key, and interrelated, areas of focus: intelligent automation, data and analytics, multi-speed IT and organizational change.
NEW IT IN ACTION
An example of new IT in action can be drawn from when a large, global telecom equipment manufacturer engaged Accenture on a large RPA (robotics process automation) program. This was a business-driven initiative that secured the following goals for the telecom company:

- Improved overall efficiency and reduce IT (and other) costs
- Enhanced speed and quality of processes
- Enabled the business to win in its market through innovation and enhanced capabilities
- Enabled RPA capabilities within the organization in order to replicate automation to other functions

Another example of new IT in action involved Accenture helping the IT department of one of the world’s leading software and consumer electronics companies. Our approach was rather differentiated and allowed Accenture to deliver:

- A full transformational maturity journey across two closely linked dimensions—modern engineering maturing (a move to Agile/DevOps, intelligent automation, and modernization) and sourcing maturity (a move to managed services and outcomes)
- Significant business value and total cost of ownership (TCO) reductions for the company

A third example is when Accenture recently worked with a leading global communications business to create an end-to-end data quality solution that delivered over $70M in business benefits. This program achieved:

- Significant savings in operational costs
- Reduced capital expenditures
- Improved billing accuracy
- Enhanced asset utilization

NEW IT—YOUR BUSINESS IMPERATIVE
Rotating rapidly to ‘new IT’ is no longer an option—it’s a must. Enterprises must build organizations that can change both their technology and culture at pace. This ability will be essential for not only for surviving in a time of unprecedented business disruption, but it will also be key for building a business model that is agile, adaptable and designed to thrive long into the future.

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