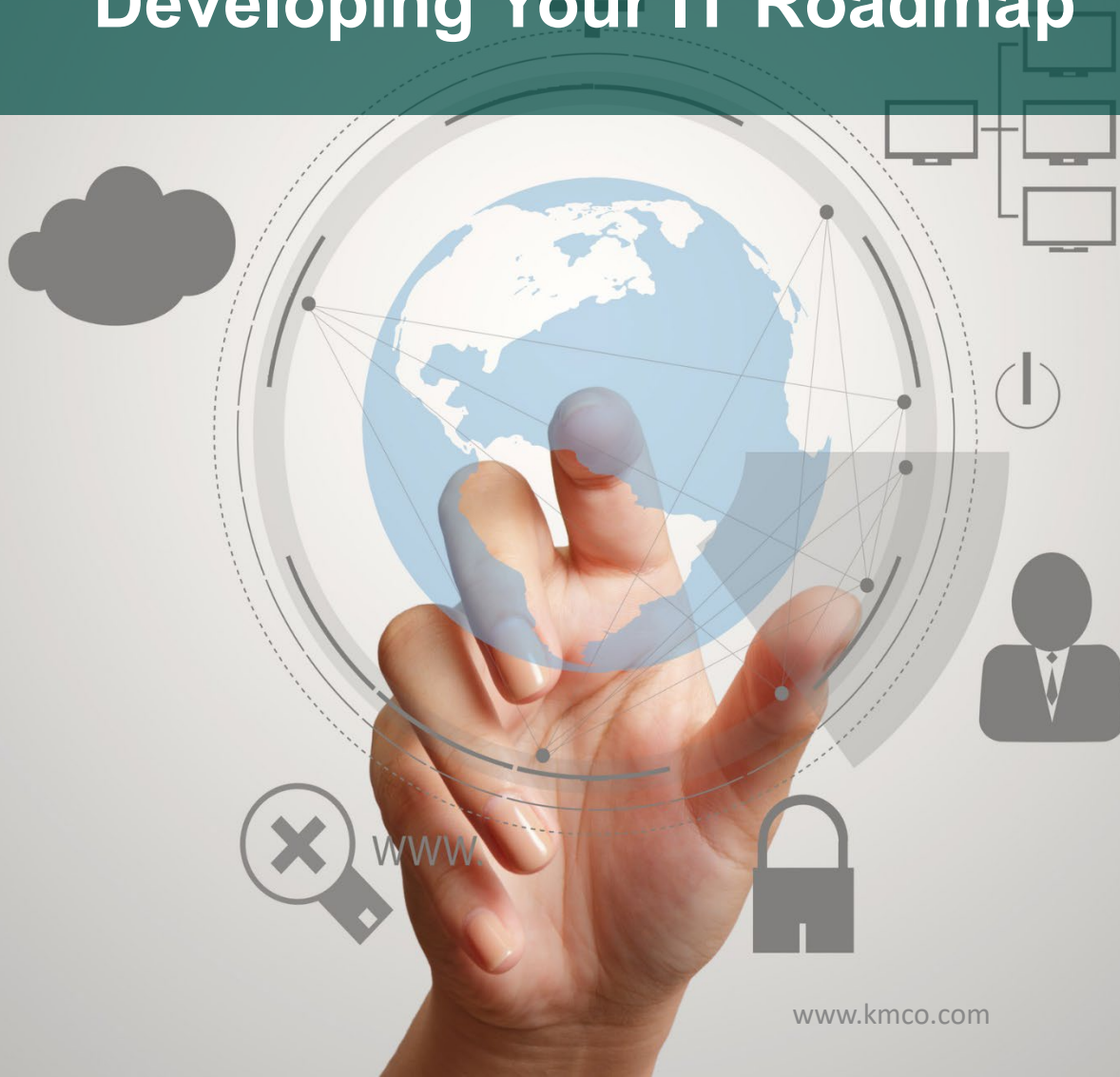


Digital Transformation Developing Your IT Roadmap



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On the call



IT Readiness

Are you positioned for long-term success?

Digital Transformation Journey

- **Digital transformation** is an effort by management to leverage the latest information technology capabilities in improving and integrating business processes within the organization and with outside parties such as suppliers and customers.
- This journey is an evolutionary process, and the pace of it is dictated by management and driven by several factors such as capabilities, resources, competitive forces and client demands.

Every organization embarks on this journey,
but to what extent and at what pace?

Managerial Priorities

- The Pandemic has accelerated IT enabled digital transformation efforts:
 - Need for agility, work from anywhere at anytime as applicable.
 - Need for flexibility, adjust to a multi-channel, multi-modal method of product and service delivery.
 - Flushing out inefficiencies, eliminating silos through increased process integration efforts.
 - Improved decision making by better leveraging data assets.
 - Increased customer and supplier intimacy, portal and self-serve features.
 - Realization that many of the changes made will have a long-term effect, and result in a new normal and shifts in habits.
 - Improved risk management in an increasingly distributed and collaborative environment.

Technological Drivers

- Cloud Computing Strategies
- Updated Financial/ERP Applications
- Robotic Process Automation
- Analytics/Management Dashboards
- Cyber/Information Security Considerations
- IT Resources/Capabilities

What is Cloud Computing?



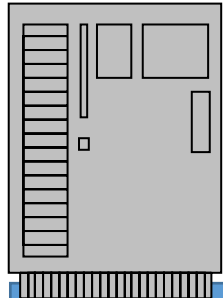
Making computing resources available as a utility service
just like the national electrical grid

Not All Clouds Are Right for You



So What's Changed?

Main frame



Bureau service
Compute on demand
Pay as you go
Low capital expenditure for consumers

The 60s

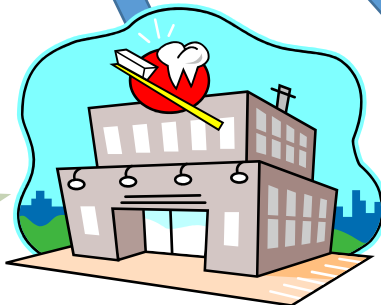
Time....

The future

Well defined interface?

- + Available everywhere
- + Available to many devices
- + Agility

I don't know how it works, I just get the answers I need



On-Premise Computing

- Requires hardware, space, energy
- Requires managing applications/updates
- Software licensing costs
- Difficult to scale
 - Too much or too little capacity
- High upfront capital costs
- You have control & responsibility

IT Agility

- How quickly can you:
 - Scale up/down the infrastructure and applications?
 - Upgrade to the latest applications?
 - Respond to mergers/acquisitions with new requirements for business process and IT capacity?
 - Respond to changes in your business model?

Cloud Characteristics

- Shared, multi-tenant environment
- Pools of computing resources
- Resources can be requested as required
- Available via the Internet
 - Private clouds can be available via private WAN
- Pay as you go
- Improved security posture

Many Players in the Game

- To name a few
 - SaaS: Microsoft, Salesforce, Oracle, Cisco, Google Apps
 - PaaS: Microsoft, Force.com, Google App Engine
 - IaaS: Amazon, IBM, VMware
- Expect change, the cloud is just beginning...

Updated Financial/ERP Systems

- ERP and financial systems form the backbone of an organization's digital nervous system.
- All processes within an organization need to be reflected in some shape or form within the ERP/financial system to enable capture of all activities and their impact on an organization's performance.
- ERP systems and capabilities have evolved:
 - Core Operations to Finance additions
 - Customer and Supply Management
 - Analytics and BI evolution
 - HRIS and Social XRP enablement
- Outdated and poorly integrated/enabled systems pose a significant obstacle towards digital transformation!

ERP Solution Approaches

All-in-one

- Using one primary software solution to handle various facets of the company.

Best of Breed

- Using several software applications and providers to satisfy needs.

Hybrid

- Using a minimum number of applications to reduce the number of applications used in support of business needs.

Middle Market Key Players

- SAP ERP, Business By Design, Business One
- Oracle
 - EBS, NetSuite, Several offerings (PeopleSoft, JDE, etc.)
- Microsoft Dynamics
 - Dynamics GP, Dynamics AX, NAV & SL, Dynamics 365
- Sage
 - ERP 50, 100, 200, 300 and 500, Intacct
- Financial Force, Salesforce Eco System
- EPICOR, Workday, INFOR ...
- Vertical Market Applications
 - Non-Profits, AEC, Mfg., Distribution, etc.

Updated Financial/ERP Promise

- Process integration/efficiency (direct or API)
- Break down the silos, provide visibility
- Real-time information updates and alerts
- Access any where/time/device
- Less paper, more workflow
- Increased self service capabilities
- Software as a service, ease of IT management

Robotic Process Automation

- Many organizations have developed a patchwork of applications, with data being entered in multiple places and requests travelling via various tools ranging from manual reports and forms to emails and spreadsheets from one system to another in different ways.
- Robotic Process Automation, commonly referred to as RPA, democratizes automation through integration of all applications using a unified set of tools to eliminate non-value added activities while at the same time increase overall process efficiency, quality and scalability levels.
- RPA enables managers to achieve “hyper automation,” by having the ability to quickly identify business process improvement opportunities and use available tools to achieve high ROIs in a rapid and quantifiable fashion.

Sampling of Market Leaders



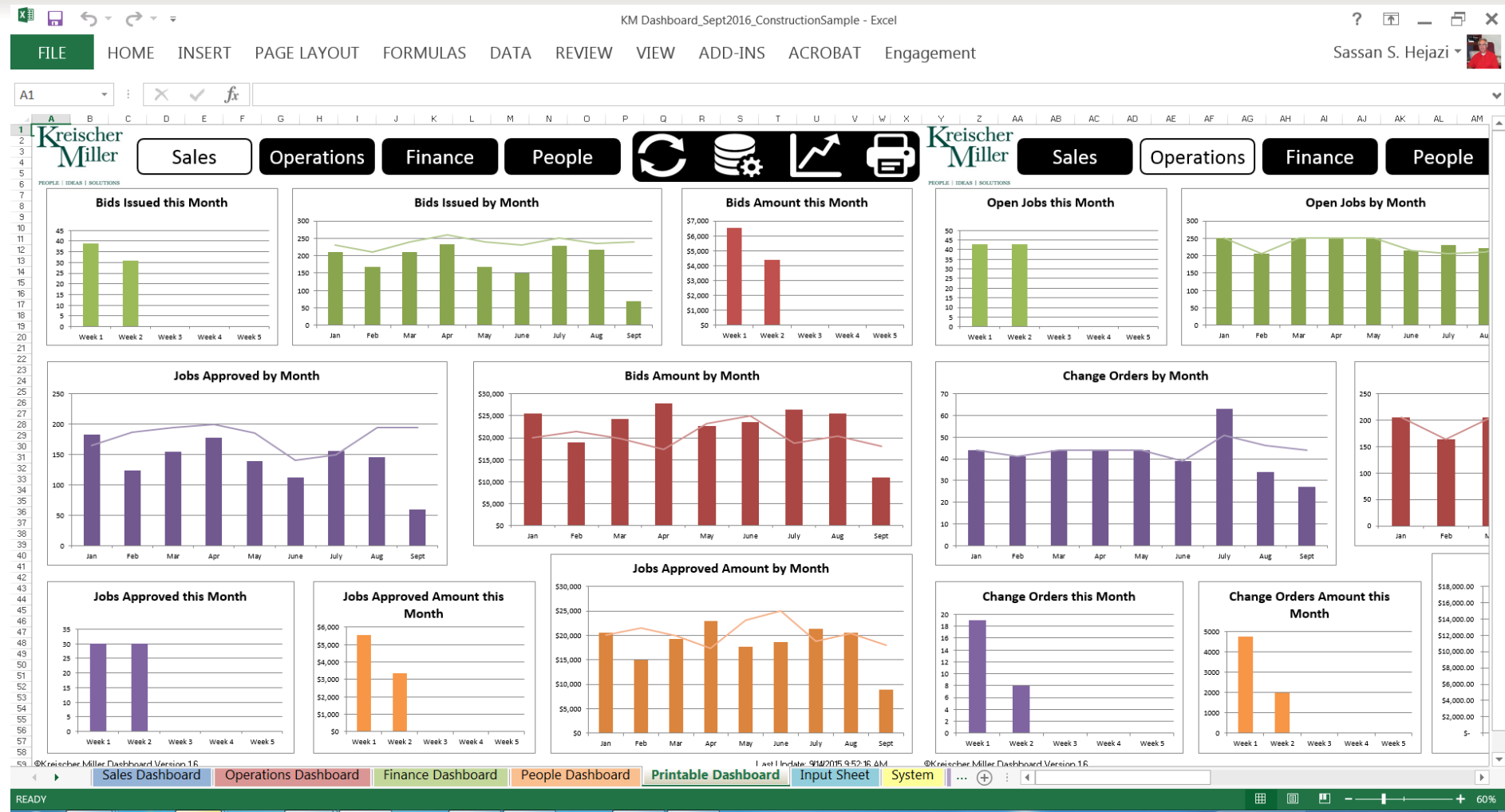
RPA Examples

- Accounting & Finance – Payables and receivables processes. Automated reconciliation and financial close activities.
- Operations – Customer and vendor management, inventory automation, cycle counts, order fulfillment, quality tracking, job/project setups, project budget monitoring.
- Sales & Marketing – Campaign and outreach email management, brochure and content sharing processes, CRM automation.
- H/R – Employee forms, onboarding and termination processes, benefits management support processes.
- Executive Management – Business analysis, monitoring and reporting. Risk management and regulatory compliance support.

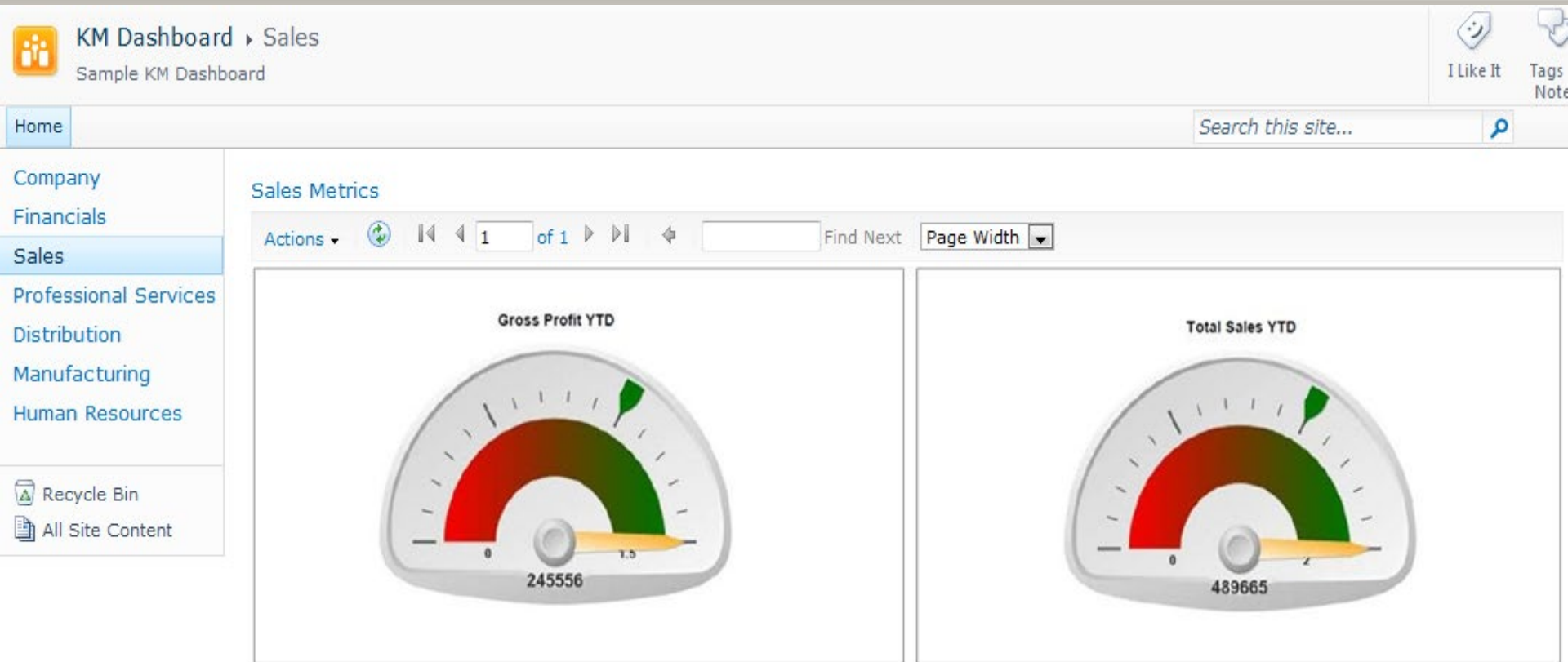
Analytics/Management Dashboards

- Dashboards are enablement tools of business performance management in today's modern organizations.
- Dashboards have become popular due to recent advances in cloud and open interface technologies.
- Dashboards are used to report on KPIs in an effective manner in order to enable management to keep everyone focused on achieving tangible results.
- Dashboards, when implemented properly, improve communication and accountability throughout the organization.

Management Dashboards



Dashboard Visuals



Use of 'gauges' to provide quick visual representation of firm performance

Dashboard Examples

- Opportunity tracking and management
- Sales performance and leaderboard
- Order fulfillment management
- Inventory and supply chain management
- Operational/outcome monitoring
- Project tracking and costing
- Workforce planning and utilization
- Product and customer segmentation analysis
- Financial metrics and forecasting

Cyber Security Considerations

The protection of information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide **confidentiality, integrity, and availability.**



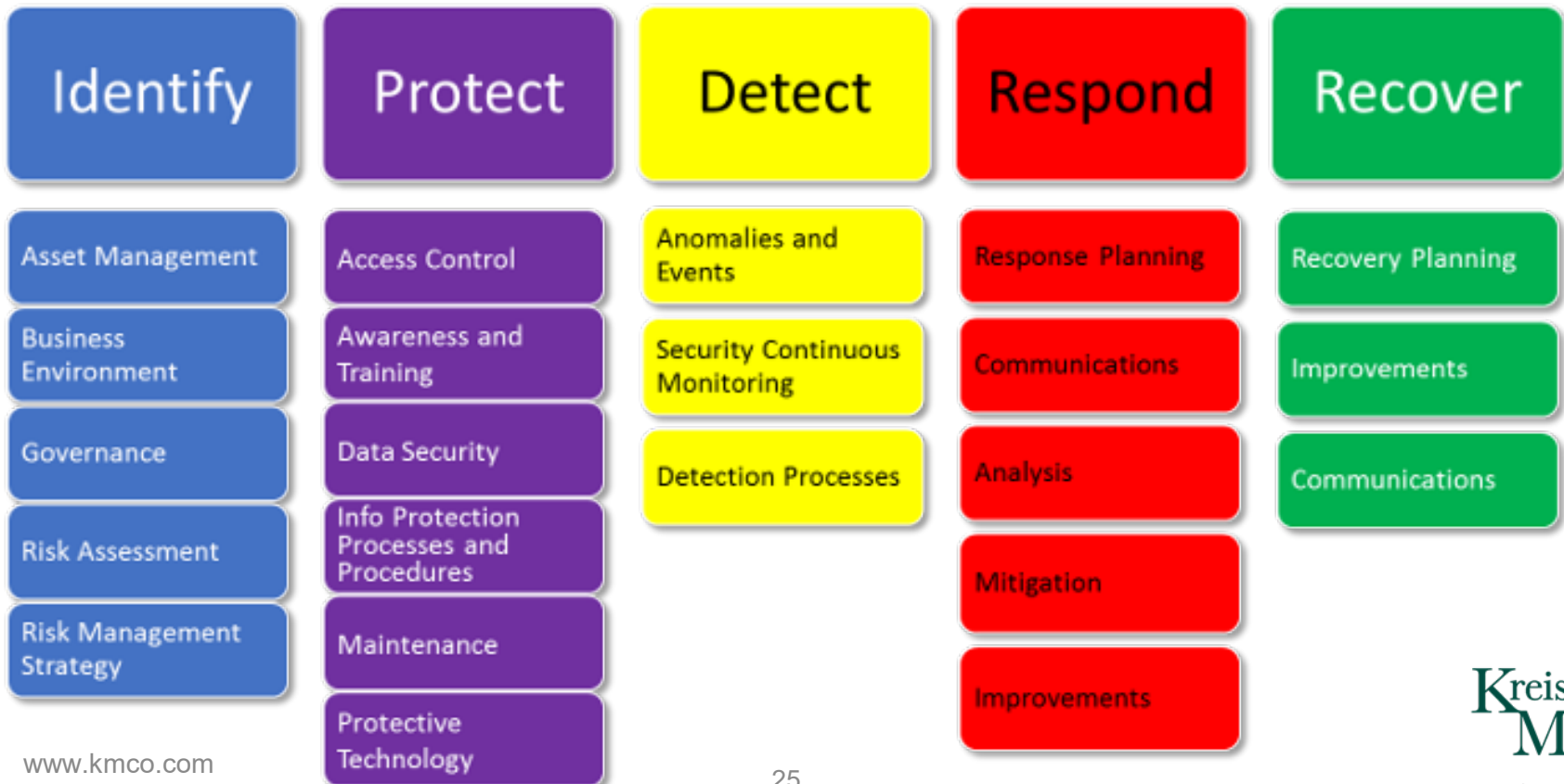
Middle Market & Information Security

- Increased frequency of attacks
- Limited internal resources
- Increased regulatory pressures
- Confusion among management regarding priorities, assuming IT is addressing it all!
- Lots of noise/offering in the IT vendor community
- Too many solutions resulting in less than desired results!
- Need for a unified methodology and approach

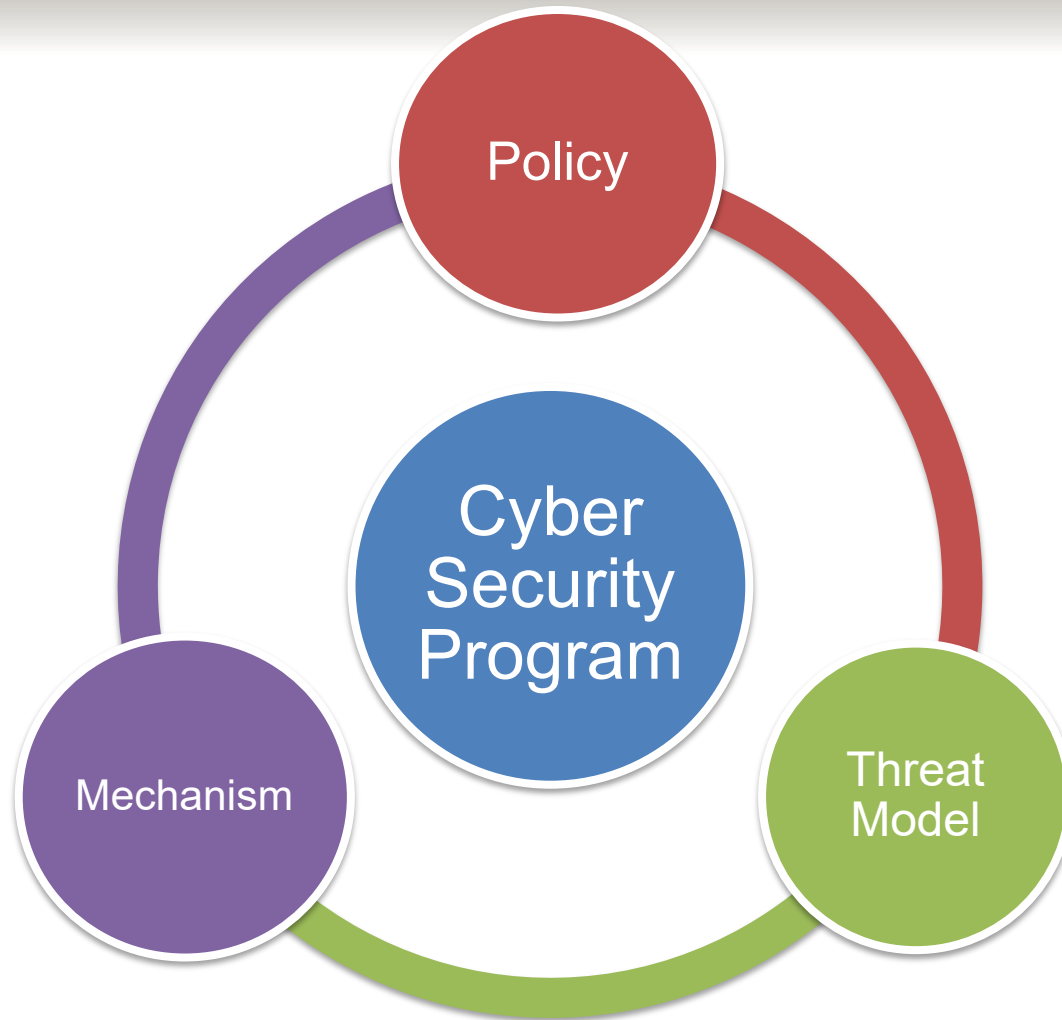


Leveraging Frameworks

NIST Cyber Security Framework



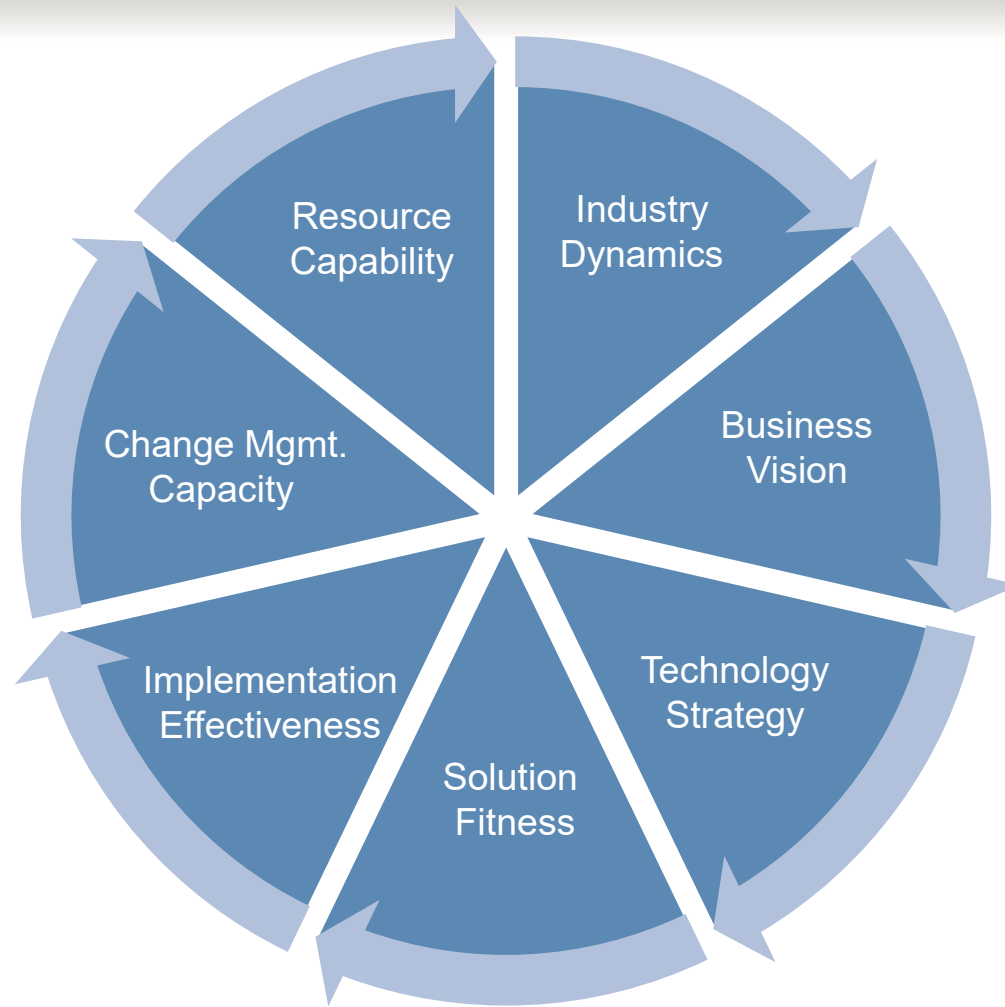
Cyber Security Program Triad



IT Resources & Capabilities

- Middle market organizations leverage a combination of internal and external resources in support of their IT needs:
 - IT Coordinator Role
 - IT Management Role
 - Solo IT Department
 - Small IT Department
 - Managed Service Provider(s) Role
 - vCIO services
 - Specialized Resources Roles
 - General Management Roles
 - IT Governance/Oversight Mechanisms

IT Roadmap Success Model



IT Roadmap – Business Vision

- What improvements and enhancements would you like to make to your existing products and services?
- What new products or services are you planning to offer in the next three to five years?
- Are there any new markets or customers you would like to serve?
- Are you planning any potential acquisitions or facility or workforce expansions?
- What are key cyber and information privacy risks related to your business plans that you need to address?

IT Roadmap – Technology Enablement

- What are some IT capabilities that could support our business objectives?
- Which IT capabilities would best help us satisfy our customer requirements?
- What are some IT capabilities that could enhance our employees' productivity levels?
- What service and support arrangements do we expect from our IT resources?
- What tools and resources do we need to manage our cyber risks?

IT Roadmap – Gap Analysis

- Do you need to replace or upgrade any of your existing software applications?
- Are there any new systems you should research that would support your future business goals?
- Are your current systems integrated with one another to satisfy your productivity and efficiency objectives?
- Are your current IT resources and arrangements adequate for your future plans?
- Do you have proper cyber security and business continuity mechanisms in place?

IT Roadmap – Potential Hurdles

- Is your leadership a true believer in the role that emerging technologies can play in achieving your organization's objectives?
- Are members of the executive team open to change in achieving competitive advantage?
- Is your management team willing to listen to everyone's needs and participate in an integrated and coordinated planning effort?
- Have there been successes or failures with recent IT and change management initiatives?
- Do you have the right resources to assist the organization on this journey?

Thank You for Attending!



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