

# So, what is modernisation really?



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In a <u>previous article</u>, I stated that a failure to embrace digital transformation can cause companies financial harm within a year. But replacing core systems with new digital platforms can be an enormous project taking up to 10 years. What can you do in such an impossible predicament?



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#### No future shock

In my view, it is neither possible nor always necessary to enter the digital era with a big bang. There are ways to embrace digital transformation and preserve your current IT investment. Like other vendors with offerings in this space, we call it IT modernisation.

IT modernisation is a less extreme form of digital transformation: Whereas the latter refers to wholesale change, the former leaves room for modular or gradual change. Focused on extending the life of your IT infrastructure and always supportive of business objectives, it doesn't embark on digitisation for its own sake but enables organisations to ride the wave of new technologies without a forklift upgrade.

It's the future without the shock.

#### IT that makes sense

IT modernisation has a simple mantra. Does it make business sense?

For example, there are thousands of apps that add no business value whatsoever, but there may be a small percentage that already does what you need in various functional areas. Knowing which variety you're getting into requires clarity of purpose (what you want to achieve, e.g. operational efficiencies) and knowledge of what's out there.

Your choice might meet an immediate need or a longer-term one. Either way, it must fit into the technology roadmap that underpins your purpose. But how do you expose legacy systems in new-world apps?

## Making digital transformation look good

Vendors with IT modernisation platforms do not require a wholesale rewrite of core systems. They can offer it as an alternative front-end or add-on to your core CRM, ERP or business systems.

Peripheral or satellite app development platforms, for example, allow companies to leverage modern functionality while leaving their core system intact. This either buys them time to complete their upgrade or lets them sweat their assets a little longer. In both cases, it gives digital transformation a friendlier, more attainable face.

Leading offerings are available as cloud-based rapid development environments in which you can knock out new functionality, sometimes within weeks.

### In with the old, in with the new

This will be big news in South Africa and the continent, where IT budgets are under pressure and companies need a bridge between the old and the new.

New front-end functionality can extend the company's core services to new channels, for instance bringing its HR processes into the digital world without having to rewrite its back-end systems. In other cases, it can leverage new technology to create new services, for example, mobile self-service policy queries.

In both cases, the company gets to keep the best of the old and the new – leveraging the investment, power, data, robustness and stability of its back-end systems, while providing new value out of databases.

## Heed the urgency, not the hype

There's a lot of scaremongering out there, and the danger is that the sheer effort, investment and difficulty of the way digital transformation is presented will scare people into inaction.

We get that, but you can be sure that someone is going to come along with some sexy-looking competitive offering, and it's going to knock your customers' socks off. It may not be their best decision ever, but when it's done, it's done. To combat it, you have to keep adding value. It's not enough to keep doing what you've done for the last five or ten years.

Luckily, with IT modernisation you don't have to throw out the baby (your IT investment) with the bathwater (the old interface) to create value. You can swap the old services and interfaces for the bright new ones without losing the goodness of what isn't broken.

#### ABOUT RICK PARRY

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