

Whitepaper

TOP UNTOLD CHALLENGES

FACED BY DIGITAL LAGGARDS

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Top Five Challenges of Post-Pandemic Digital World

Digital transformation is a strategic move that businesses opt to take their business model and deliberately incorporate modern, digital technologies to improve their business processes, culture, and the overall customer experience they deliver to their clients. As there are several reasons why some companies hesitate to adapt and fall behind in the competition, here are the "Top Five Untold Challenges" that businesses, that are not digital drivers, are likely to face in the post-pandemic digital world.

Lost time and decreased productivity with legacy systems



Businesses having outdated workflow management systems often suffer from low employee morale and poor work performance due to - missed deadlines, a high number of manual errors leading to rework, or a decline in service levels. When morale is low, employee workplace productivity tends to decline, leading to absenteeism and even turnover.

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Increased operational cost



According to McKinsey Global Survey report, companies that adopted a digital-first strategy before the COVID-19 pandemic reported lower operational costs compared to those that were slow to adopt digital technologies. Companies that were slow to adopt digital transformation have seen the biggest revenue losses in recent years. Businesses should now take advantage of management trends such as cloud collaboration and insights mining to further optimize their workflows. The future belongs to the companies with a winning digital strategy, that puts technology at the center of a company's outlook, capabilities, and leadership mandate.

Late to market & missed opportunity



Digital laggards may not be able to compete with digital frontrunners, as they may not have the clear plans, resources, the expertise to harness new technology; or may be still using outdated systems and software that are not compatible with newer technologies, making it difficult to keep up with the competition.

Top Five Challenges of Post-Pandemic Digital World

Some of the top benefits of adoption of digital transformation are faster time to market (36%), improved operational efficiency (40%), and the ability to meet customer expectations (35%) as captured in the Digital Transformation Report by PTC. To capitalize on opportunities, businesses should embrace smart solutions in their workflows.

Unable to cater to tech savvy customer needs



Digital disruption often indicates a shift in consumer needs. Companies that have successfully embraced digital technology to enhance their business processes and better serve their customers will prosper, while those who were unable to adjust to disruption, technological improvements, and evolving client demands will not be able to endure over the long run.

Therefore, understanding the disruption enables businesses to keep existing customers happy and create opportunities for new customers. So, listen to your customers' needs and tailor your offerings to satisfy their growing demands.

Impede business growth



In the post pandemic era, digital-first has taken a front seat with increases use of technology by people in their everyday life. The pandemic has clearly sped up the adoption of digital transformation to many folds creating digital disruption in the world. According to the McKinsey Survey report, many companies have chosen digital-first strategy as their top priority for investments even if they must cut on investments in other business areas.

A majority of 64% of the survey respondents think that their companies must embrace digital transformation to become economically viable and only 11% of them say that they are already there. According to another report by Forbes, it was observed that 56% of CEOs say digital improvements have led to increased revenue and business growth, while 55% of companies believe that they have less than a year before they start to lose market share if they don't embed digital technologies into their business models.

Businesses should embed end-to-end workflow management systems to optimize their internal workflows and deliver high quality products and services while holding down costs. This can help to promote business growth and development, which is key to becoming a future-ready company.

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The covid-19 pandemic era has indeed made us realize that it's imperative that businesses adapt as the world is moving towards digitalization. The narrative "it is not happening to us" is very likable for digital laggards to believe and continue with their legacy systems. But it is critical for businesses to closely monitor the underlying digital drivers, not just the hindsight of financial outcomes and embark on a journey towards success with a digital growth mindset.

Sources

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