

DIGITAL BUSINESS TRANSFORMATION

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ABSTRACT

Digitalization processes is relevant not only at the level of individual enterprises: entire industries choose this path of development for themselves as the only opportunity to meet the rapidly changing conditions of the surrounding world. Thanks to this, the digital transformation of industry, retail, the public sector and other areas is already changing the life of every person and every company. The subject of the research is the concepts of “digital transformation of business” and “digital economy”. In accordance with this goal, a number of terms “digital economy” and “digital transformation” were studied, the differences between them were identified and formulated. The evolution of the terminal process “digital business transformation” is characterized, the reasons causing changes in the interpretation of these concepts are identified, the main approaches to the development of the digitalization process are considered, and the industry specifics of the digital business transformation are studied. As a result of the study, it was found that the terms “digital transformation” and “digital economy” are interpreted differently. The digital economy can be defined as part of the GDP obtained through the use of digital means; digital transformation, in the narrow sense, represents the transition from analog to digital data, and in the broad sense, it is a business transformation through the use of new digital technologies, which leads to new competitive advantages in the digital economy. In conclusion, an author's interpretation of the concept of "digital business transformation" is proposed.

Keywords: Digital business transformation, Digitalization, Digital economy, Digital maturity.

Introduction

Every year the level of computerization of various sectors of the economy is increasing, the whole world is embraced by the idea of digital transformation, since this process begins to affect absolutely all areas of activity, from the business processes of the organization to the creation of goods, services, etc. In order for this process to proceed competently, not only modern equipment and digital technologies are needed, but also a clear presentation of the results and business processes which in turn comes from an in-depth study of the terminology of this area.

Digital transformation is the introduction of modern technologies into the business processes of the enterprise. This approach implies not only the installation of modern equipment or software, but also fundamental changes in approaches to management, corporate culture, and external communications. As a result, the productivity of each employee and the level of customer satisfaction are increased, and the company gains a reputation for being a progressive and modern organization.

Digital transformation is taking place both globally in the economy and at the level of individual companies. The study of this process is especially relevant now, as we see that international corporations are introducing new technologies and digital transformation of their business models

Submission: 6 October 2021; **Acceptance:** 5 November 2021



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in order to maintain a leading position in their industry by creating technological barriers that their competitors will not be able to overcome.

Advantages digital transformation

Improving customer experience

Customers are one of the main drivers of digitalization. Every day they interact with commercial and government companies, many of which have already begun to transform their operations. In such cases, the client sees that modern technologies make processes faster and easier, and therefore expects such changes from other enterprises.

Digitalization technologies allow you to organize the most personalized experience that most customers prefer. Digital communication channels, omnichannel, artificial intelligence, robotization - we already face all this in our daily life. For example, the digital transformation of banks could not do without chat bots, and pharmaceuticals are actively using modern mobile devices in their work.

By customer experience, we mean not only interaction with the company of external customers, but also internal customers. Digital transformation of processes optimizes the work of enterprise employees, thereby increasing the productivity of each individual team member. For example, the automation of routine operations provides more time for solving really important and complex tasks.

Flexibility and acceleration of business processes.

There is an expression: "Companies are fast or dead." In the digital economy, this phrase is more than relevant: if an enterprise does not use the capabilities of modern technologies, does not adapt to the crazy pace and peculiarities of doing business, it will not be able to compete with those who are already doing it.

To be successful, you need to be quick and flexible: change not when there is an opportunity, but when there is a need. Digital transformation of business processes is aimed at ensuring that companies make decisions quickly, quickly adapt their work to the requirements of the current moment and meet the needs of customers.

Innovative opportunities for business development

Business digitalization opens the way to innovative ways of enterprise development:

- Cloud technologies allow several teams to work on one project at the same time and efficiently use company resources.
- Using the Mobile First strategy, the company receives and monetizes mobile traffic, which by its indicators has already caught up with traffic from stationary devices
- Ready-made solutions allow you to save time on solving problems. Various applications, extensions and connectors optimize the work of the company and require minimal time spent on their implementation and adaptation.

All these and other digital transformation technologies have lowered the threshold of entry into many areas. Starting your own business and developing it has become easier thanks to the huge number of tools that digitalization of industries and enterprises provides.

Using modern technologies for working with data.

Information is a key resource in the modern world. Every second, humanity generates huge amounts of digital data that not only take up storage space, but also help companies do business. To take advantage of all the possibilities of available information, it is necessary to accumulate, structure and analyze it.

The digital transformation of the enterprise contributes to this thanks to advanced technologies, for example, Big Data (big data) or Artificial Intelligence (AI, artificial intelligence). They are aimed at processing flows of information, on the basis of which decisions can be made, offers tailored to specific customers and predicted their behavior.

Partnership and collaboration

It is difficult to imagine a successful modern business without partners. Digitalization opens up new opportunities for collaboration with other companies - and these opportunities are truly amazing. For example, thanks to modern technologies, geography is no longer an obstacle to work: you can conduct business and look for partners anywhere in the world. And the open API makes collaboration even easier and more convenient. For example, in the digitalization of finance, incl. banking industry, APIs have been in use for several years.

It is also worth remembering that without digitalization it is impossible to become the best or work with the best. Leading companies are already implementing digital transformation strategies in their lives and want to partner with those who match their level of development and share their values.

Digitalization has touched every business sector to one degree or another, and this is just the beginning. Enterprises aimed at success and development must accept the challenges of the modern economy - only in this case they can become leaders. This is where digital transformation will help them.

Strategy

An employee of the company who is responsible for the digital transformation of the enterprise (be it a CEO, CTO, CIO or other authorized person) must clearly understand its need for these conditions. Research by 451 Research shows that 60% of companies that have chosen the digital path for themselves do not have a corresponding approved strategy. This is the road to nowhere.

Without a clear strategy and vision, it is impossible to successfully digitalize a company of any size - you need to understand exactly how digitalization will help an enterprise move in the right direction and achieve its goals.

An important point: digital transformation is a long-term project that requires a systematic and serious approach. But even after the successful implementation of such a complex process, it is

impossible to stop: you need to constantly develop the company, taking into account new technologies and developments.

Motivated team

The development of modern technologies, which are the basis of digitalization, is characterized by an interesting feature: every year the developments are becoming more customer-oriented, that is, their use becomes more and more simple and convenient. For example, the Creatio business process management solution includes low-code tools that allow you to independently launch the system and customize it to the needs of the enterprise using custom settings.

In such conditions, the motivation of top management and employees responsible for transformation comes to the fore. Team members must understand the purpose of the change, be imbued with the idea that digitalization is not an option, it is a requirement of today, and convey this idea to all staff. Only if the team understands the importance of the process, the ultimate success is possible.

Personnel adaptation

The introduction of digitalization technologies is just one step. Often, business owners and change managers find that the most difficult part is adapting the team to the updated business processes. Transformation concerns every employee of the enterprise, in connection with which it will be necessary to carry out a number of activities that will allow people to master new processes and technologies.

Such events include trainings and master classes in which the personnel receive the necessary skills to work in the updated conditions. It is also worth noting that modern technologies themselves become assistants in adaptation: for example, the development of UX design makes the program interface intuitive, and artificial intelligence helps to process data faster and make optimal decisions.

Digitalization technologies

A well-thought-out strategy, a professional team and motivated employees are a significant but incomplete part of the elements necessary for a successful business transformation. The digitalization system also includes a special toolkit, in synergy with which qualitative changes are possible.

For example, Creatio software is developed on the basis of two modern concepts: Business Process Management (BPM) and Customer Relationship Management (CRM) Automation of actions.

Conclusion

As a result of the work, approaches to the definition of "digital business transformation" were identified and studied. Such important concepts as "digital transformation of business", "digitalization" and "digital economy" were considered.

As a result of the study, it was revealed that the terms "digital transformation of business" and "digital economy" are interpreted differently. It has been established that the digital economy can be defined as part of the GDP obtained through the use of digital means. At the same time, there are a number of different methods for assessing the digital economy and, as a consequence, determining its essence.

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