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# An Electrical Manufacturer's Guide

To an Effective Digital Transformation Strategy



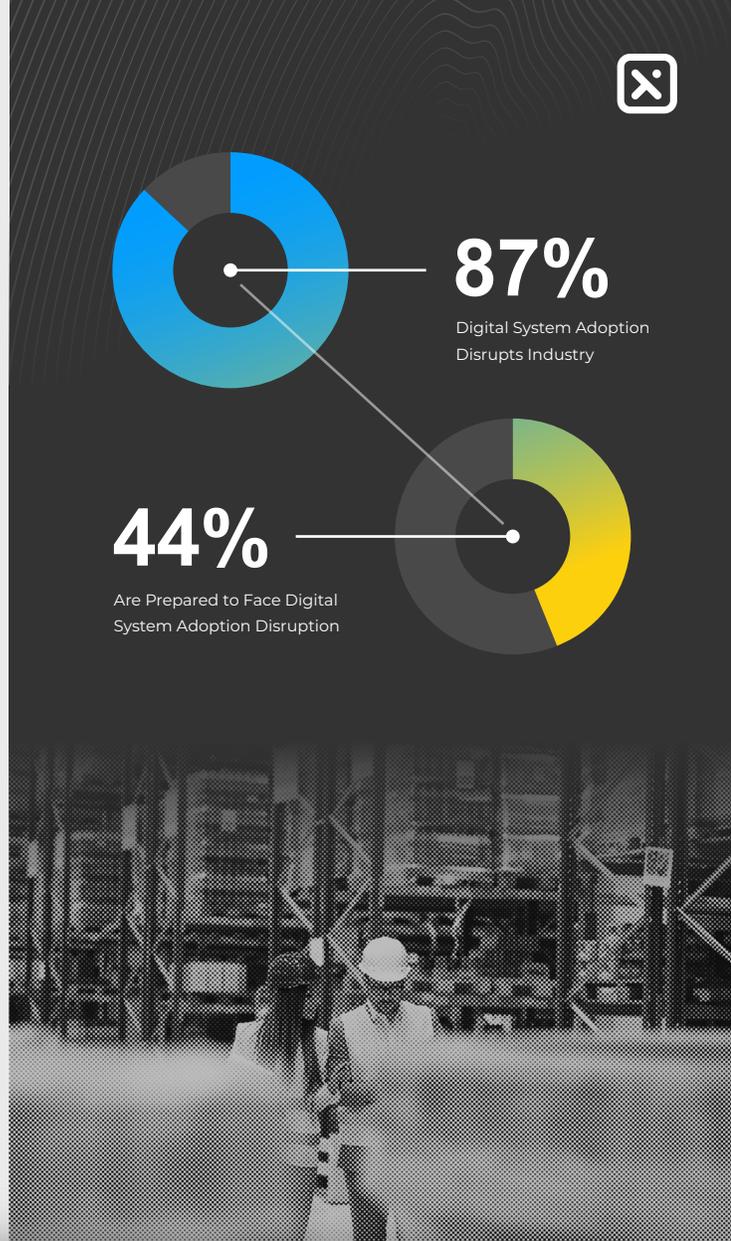
## What's Driving the Demand for Digital Transformation?

According to Deloitte, 87% of organizations agree broad adoption of digital systems is disrupting their industry, but only 44% feel prepared to face that disruption. This could explain why IDC forecasted that companies would invest more than \$10 trillion in digital transformation initiatives by 2025.

What's driving the acceleration? Market forces, including an economic downturn, a shortage of workers, seemingly endless supply chain disruptions, and changing customer expectations, all increase the value and necessity of innovation across industries. These forces also lead to increased competition for customer and employee retention, making it harder to find new ways to grow even as many electrical manufacturers continue to maintain and invest in resilient, agile operations.

Even marginal improvements to any of these areas can make a difference to your bottom line—which is critical when trying to conserve cash. Viewing key processes through the lens of digital transformation, you can identify opportunities for exponential improvement.

For example, electrical manufacturers facing recurring supply chain disruptions might pursue a digital transformation initiative to increase visibility by automatically processing and reconciling vendor order acknowledgments.



Naturally, any significant change to your business requires justification, which is why many digital transformations start with the fundamental questions, “what is ‘digital transformation,’ and how can we do it? And should we?”

This ebook will look at what goes into a digital transformation strategy and how to plan its implementation. We'll also share some key benefits, challenges, and metrics of digital transformation for electrical manufacturers.



## What Informs a Digital Transformation Strategy?

Digital transformation is modernizing your operations and finding effective ways to integrate technology to transform your work. It's modernization through the adoption of digital systems.

Essentially, digital transformation uses the latest software and hardware to improve how people work, recast business processes and update customer experiences for the modern age.

Your digital transformation strategy is the outcome of an evaluation of existing operations. It refers to the area(s) of your business or strategic process that you decide to transform, founded on the reasons why those areas are the focus – often stemming from operational inefficiencies – and including the actions you'll take to realize that transformation.

For example, your business may digitally transform invoice processing by implementing touchless automation software, reducing costs and increasing productivity.

When deciding what you want to automate, knowing where that process sits on the digital transformation spectrum is essential, as that will help inform your plan.

- ➊ Digitization means moving from analog to digital systems, e.g., ditching grid notebooks for spreadsheet software.
- ➋ According to Gartner, digitalization is changing or updating a business model to afford new opportunities via implementing digital technology. It aims to improve working methods and increase revenue using digital systems.
- ➌ Digital transformation uses digital technologies to upgrade operations on a deep level while focusing on the customer and their experience. It uses desired outcomes rather than systems as its starting point. Salesforce defines digital transformation as re-rendering processes, culture, and customer experiences for the modern digital age.



## How to Select a Target for Digital Transformation

A digital transformation plan should focus on adding value to operations, but the first step is understanding your current processes' efficiency – or lack thereof. Highlighting the areas of your business and functions that are ripe for digital transformation should be an early step in developing your strategy.

Conducting a future-oriented and systematic operational audit is a way of identifying those targets. This process would review how a company does business currently and examine processes, procedures, and various systems through the lens of efficiency to home in on areas for improvement.

Similarly, by bringing together data mining and process analytics, process mining is a way of verifying and optimizing existing workflows to improve them.

Process mining follows a data-driven approach and enables a company to dig into information from its system of records to identify process or operational targets for digital transformation.

## The Outcomes of Digital Transformation

At the very top level, we could sum up the outcomes of digital transformation as fully optimized, integrated operations to achieve efficiency.

For instance, implementing supply chain automation allows you to respond quickly to issues while adjusting to supply chain changes. Similarly, sales order automation enables you to deliver orders in full, on time, and at lower costs. Digital Transformation is all about upgrading your system so it works in the quickest, most logical, and most well-structured way possible. Achieving this leads to several valuable outcomes...





## Resilience

Equipped with fully-optimized systems, your business will be well-positioned to face an ever-changing industry landscape. Technology enables your business to be faster, increase capacity, and streamline workflows so that you can be agile in the face of change.



## Improved Customer Experience

Automated processes decrease errors and allow Customer Service Representatives (CSRs) to focus on enhancing client relationships, both critical aspects of the overall customer experience.



## Increased Capacity

Your business will use efficient tools and have a seamlessly functioning infrastructure. This leads to increased output and productivity.



## Data Accuracy

Automation removes the risk of human error, guaranteeing the accuracy of your data. It's also faster than manual input processing.



## Streamlined Systems

Digital transformation connects all resources and departments, making information standardized and instantly accessible.

In terms of challenges, businesses can encounter difficulties from a lack of preparation. Digital transformation is a deep and complex process. Commit to the long haul and dedicate time and resources to set things on a sound footing for success.

Employees can sometimes initially resist digital transformation, fearing technological advances could replace them. Digital upgrades are not job-replacers but job-enhancers, and ultimately something that will improve their work life.



## Key Metrics to Evaluate Digital Integrations

Executed correctly, digital transformation can yield several critical improvements for your manufacturing business. It's worth keeping track of exactly how much value they're adding.

This can be measured by monitoring specific key metrics and KPIs.



### Operational Impact

Digital transformation is much more than purchasing new software: it's about integrating new systems to increase effectiveness and efficiency. It would be best if you aimed to measure the impact of new integrations as they relate to your overall business goals. Generally, you can quantify this by measuring output statistics against investment.



### New Revenue Generation

It's essential to check how much new revenue can be directly attributed to recent technological upgrades. Examples of this might be generating new customers due to faster, more accurate, and better service.



### Customer Satisfaction

Technological integrations should create many positive outcomes for the customer experience. You will retain and grow your current customer base if you can service your customers faster and with fewer errors. Customer satisfaction is measured through an index or an NPS (Net Promoter Score).



### Workforce Participation

Digital upgrades should improve employees' workflow by implementing systems that make their lives easier. If those upgrades are not being used, they are not providing value.

# Starting Your Digital Transformation Journey

Developing a digital transformation strategy can be difficult without the most effective skills and expertise. Automation specialists have the experience and knowledge to help you implement some incredible digital systems capable of transforming your business.

The first step is recognizing the need for change and starting the process; the next is to find the right platform to support your business goals. Conexiom provides purpose-built trade document automation to extract instantly, transform, and deliver data into your records.

[Explore More](#)

Discover how Conexiom's trade document automation can transform your manufacturing business.





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