

Bülent EKER¹⁾

THE EFFECT OF DIGITAL TRANSFORMATION ON THE DEVELOPMENT OF QUALITY IN WORK LIFE

Abstract: Digital transformation has undergone our lives for the last 15 years. Now the internet has become one of the places where people spend most of their time. While change and transformation were very fast, it was easier for people to keep up with this change. With our digital transformation, our ideas, habits, ways of working, our business life have changed completely. Nowadays, the inevitable consequences of the effects of digital transformation on business models and customer behavior deeply affect the business world. This transformation in the business world, which gained momentum with the ease of access to information, also increased competition. Countries need a sufficient number of skilled workforce to capture and sustain digital transformation. In this paper, the effect of digital transformation on the development of quality in business life was examined on the basis of Accenture Digitization Index.

Keywords: Digital, Technology, Work life, Quality

1.Introduction

Digital technologies began to function as a general-purpose technology that would transform markets and companies just as steam and power did in the past. These technologies have the potential to create a revolutionary change in a wide range of production and consumption processes. Digital offers opportunities and innovation at a speed and scale that has never been seen before. Opportunities arise when companies and economies use digitalization to create new physical and digital resource combinations to achieve efficiency and growth. There are several studies investigating the impact of digitalization on the performance of companies and economies. One of these is the joint effort, which was recently made in cooperation with Accenture and Oxford Economics. Not

only did this work prove a tight link between the use of digital technology and increased productivity, it also demonstrated how effective it was for competition and economic growth. According to this study, while the expansion of digital technologies into economic activities has significantly increased the efficiency and GDP growth, in 2020 the world's top 10 economies can add US \$ 1.36 trillion to the GNP.

This is a figure above 2.3 percent of the estimates made today. In this ambitious but accessible scenario; The 10-point increase in the Digital Density Index (an index of 50 indicators across four equally effective economic zones in a country) provides an increase of 0.25 percent in developed economies and 0.5 percent in developing economies, with annual growth rates between 2020 and today.

¹ Corresponding author: Bülent Eker
Email: beker@nku.edu.tr

2. The Meaning of Digitalization

Digitalization is the process of converting digitalized resources into new revenue, growth and operational results that add value to the company, rather than having an integrated IT infrastructure. In other words, digitalization means developing new business models, combining information, company resources, and digital technologies with new combinations, creating unique customer experiences, enabling new products and services, and applying technology to these resources to make more efficient use of company resources. Digital transformation does not mean that the company will replace the old technology with the new technology without changing the way it works.

It is very easy for the senior management team to make the mistake of having their companies digitized from time to time even though it is not. When processes are simply digitized, the only thing that happens is to implement technology by simply copying existing processes without changing the business model or growth power. New technologies can increase productivity but generally do not change growth expectations.

For example, using a mobile application that increases interaction with the customer but does not increase revenue is an insufficient digital approach. In this case, customers continue their old habits by using the new channel, because the company has not provided him a good reason to strengthen the relationship. Growth requires becoming an innovative digital company.

3. Basic Properties of Digitalization

Digitalization is an important leverage for companies that want to increase revenue, improve quality in customer relations and have a simpler and more efficient operation. Our analysis shows that there are certain features specific to the industry that enable companies to stand out in the competition,

but some common features of the Digitization Pioneers are not sector-based.

For example, the digital capabilities of the aftermarket service function of the motor vehicles manufacturing sector are the main difference between the Digitalization Pioneers and others. Providing real-time information to customers about their complaints or requests for after-sales support services, and providing after-sales support services through online social communities, are the main distinguishing features in the manufacturing of motor vehicles. In the retail trade sector, sales functions have a significant impact on the Accenture Digitization Index score. Retail trading companies use e-commerce and mobile trading channels to score higher points than their competitors. By using product recognition technologies such as data matrix or barcode, we provide customers with information about the product and support customers with digital consulting tools that make product recommendations and comparisons. Moreover, the revenue per employee of digitally developed companies in the retail trade sector is higher than their competitors. In the financial services sector, Digitization Pioneers perform better by providing customer services with digital technologies such as digital assistance and online social community management.

Making digitalization a part of corporate strategy is key to the future success and competitiveness of companies. Companies with a strong digital strategy have identified the right direction in their digitalization work and are better positioned to be successful in their digital transformation journey.

Our research shows that companies with Digital Strategy scores are more likely to perform better in the Accenture Digitization Index's Digital Services and Digital Operational Competencies dimensions.

According to our methodology, getting a higher score in the Digital Strategy dimension requires fulfilling certain conditions. First of all, companies need to build their corporate strategies in line with

prioritization of digitalization and an understanding that will ensure the commitment of its senior management. This strategy should be supported by a list of prioritized initiatives and a road map with clearly defined milestones.

To successfully implement this roadmap, it must be controlled by an effective governance structure. In addition, companies need to establish R & D departments, collaborate with research companies and start-up companies to increase their existing digital resources and capabilities, as well as outsource consulting support to gain new capabilities and accelerate digitalization efforts.

4. Digital Services

In the digital age, customer relations do not end at the point of sale; maintains its existence anytime and anywhere. In order to shape customer interactions, companies need to use digital services as widely as possible. In assessing the digital maturity of the companies, the Accenture Digitization Index focuses on the five criteria of the Digital Services dimension:

- Products and Solutions: Monitoring and analyzing customer behavior using smart / digitalized and customized products and solutions offered by the company, as well as data obtained from these products and solutions.
- Services: Internet-based or digital services offered by the company.
- Interaction: Digital interaction functions used by the company (eg analytics capabilities for customer interactions, online feedback, social media, mobile applications)
- Sales Functions: Digital functions specific to customer-oriented sales / order processes.
- Service Functions: Company-specific digital / online functions specific to the customer (eg delivery tracking, after-sales services).

5. Digital Competencies

Digital transformation of internal competencies; companies are developing their competitive positions by enabling them to be simpler, more efficient, more flexible and more agile. What makes digital technologies attractive is the ability of companies to transform their working patterns and the ability to improve the time, cost and distance of an activity or process. In the digital age, it is key to align internal operations and processes with workflows and organizational structure to create a leap in productivity and productivity and to improve efficiency at the enterprise level. For the Digital Operational Competencies dimension, the Accenture Digitization Index examines three criteria of the evaluation results of thirty-six indicators:

- Operations and Processes: Digital and analytical capabilities used by the company to improve operations and processes within the organization (eg process automation, digital solution monitoring and management, use of digital solutions by employees and suppliers, use of analytical solutions to improve in-house operations and processes) .
- Resources and Organization. The ability of the company to leverage digitally derived resources and the necessary governance structures (eg analytical and / or digital departments and related KPI structures)
- Workflow: The ability to use video digital, to organize and perform daily operations of the company (eg virtual teams, video conferences, social in-house networks, employees' use of smart devices). According to the Accenture Digitization Index methodology, Digitization Pioneers consist of high-performing companies in three criteria of Digital Operational Competencies

6. Optimization Opportunities, Challenges and Risks

Digitalization and its underlying

technologies have changed the way we live and work, how customers buy products and services, and how they interact with companies, and how companies operate and innovate.

Today, successful digitalization; In addition to innovation opportunities, new business models, more effective customer interaction, and productivity and productivity growth, it is undisputed that companies contribute to their growth expectations, profitability and competitiveness. This requires “living Bu by following the following principles:

- Each company's strategy should include any form of digitalization. Digital change comes quickly and brings with it an uncertainty that will affect every sector and company.
- Growth is achieved through customer experiences and relationships that adapt to customer dynamics and demands. Growth is no longer possible by developing new products and marketing strategies that push the customer into linear purchasing processes.

The all new rule of the digital world kusursuz is to create a smarter, more precise and secure customer experience at every kur. Customers expect their experience to be permanent, continuous, highly private and cross-channel.

- Operational results can be achieved by combining information, processes, channels and labor capabilities in a whole new way, based on a high-performance enterprise and operating model. Social media brings new ways of interaction and cooperation; mobile technologies enable access anywhere, anytime; analytical capabilities make it possible to process huge amounts of data and

References

- Accenture. (2015). Digital Density Index, Guiding digital transformation
Accenture. (2015). Accenture-CEO-Briefing-2014-the-Global-Agenda
Accenture. (2015). Courage to think differently: Digitization Strategies of Germany's Top500
Constellation Research. (2014). Constellation's 2014 Outlook on Dominating Digital Business
Disruption
The Future of Jobs; Employment, Skills and Workforce Strategy for the Fourth Industrial

create business insights for differentiated customer experiences and more efficient operations.

- IT infrastructures turn into digital platforms. Companies; they may not be able to achieve their digital goals if they do not stop sticking to obstacles such as cost, complexity and limited capacity of their old infrastructure.

A digital business platform supports different customer and operational requirements. Cloud platforms can contribute to companies by providing investment flexibility, enabling other companies to use their IT infrastructure, and using kullan like a service .

7. Conclusion and Recommendation

Digital transformation is a long journey. Companies; they can begin their journey by developing an understanding of their current situation relative to their sectors and competitors and how digitalization supports them. The Accenture Digitization Index can be a good starting point for the management teams in building this insight. After the current position is understood, companies need to develop a clear digitalization strategy and roadmap. Companies need to set up a digitalization journey that will help them focus on the areas needed to manage their digital transformation for their business and to perfect their areas of success and differentiation for the most important issues, and they need to set a route to guide them here.

Revolution, World Economic Forum, 2016
Industry 4.0; Federal Ministry of Education and Research, Zukunftsbild, 2013
Industry 4.0 in Production, Automation and Logistics; Bauernhansl, Hompel, Vogel-Heuser;
2014
Industry 4.0 Making Achievable: IT2Industry; Wehinger, J [Mieschke Hofman und Partner];
2014
Prioritize Your Projects- the MuShCo Method; Maxwell, S. A.; 2010

Bülent EKER

Faculty of Biosystem

Engineering, University of
Namık Kemal, Tekirdağ
Turkey,

beker@nku.edu.tr

13th IQC
QUALITY
RESEARCH **International Quality Conference**
