Fuel Your Growth: Breaking Down the Silos in a Hyperconnected Ecosystem

A LUNCH THINK TANK

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The COVID-19 pandemic years have transformed how people perceive *business as usual*. Back in 2020, as lockdowns started menacing the global business world, organizations scurried to go remote. Retailers went from brick-and-mortar stores to becoming online businesses, with the storefront suddenly operating as a fulfillment warehouse. Rideshare companies such as Uber transformed into a critical piece of last-mile delivery for restaurants that were forced to become ghost kitchens. A large chunk of a much older demographic got a crash course in eCommerce, and the world has never been the same. Most businesses (not all) have seemingly come through, though not unscathed, and all have scars to show with a lot of lessons learned.

A key reason why many businesses managed to survive was that they had the underlying infrastructure to pivot. For example, some quickly provided remote work capabilities to their workforce while others started to fulfill even more online orders or deploy AI-driven automation to fill in for scarce human resources. Whatever the use case, businesses have embraced the hyperconnectivity that the underlying communication infrastructure enabled, and as they promise resilience going forward, hyperconnectivity is arguably poised as the top business imperative.

In March 2023, Frost & Sullivan discussed these issues with prominent movers and shakers across various verticals through an in-person Think Tank. This article summarizes that discussion.

Key Insights from the Think Tank

The pandemic accelerated the push toward hyperconnectivity, and there is no going back.

Hyperconnectivity enables critical technologies such as AI-based automation, IoT, the cloud, and edge computing, and their adoption is only going to increase; therefore, the supporting communications infrastructure needs to be robust and resilient.

Agility is critical to business success, and hyperconnectivity is the way to achieve it.

Organizations must become more people-centric and provide secure connectivity across the business ecosystem for employees, partners, and customers.

Adapting to a New Normal

The discussion kicked off by articulating how the business environment had changed since the onset of the pandemic, especially around work culture. Sensitivity toward employee safety has increased, especially when it is not possible to work remotely, whereas traditional office workers are now asking for more flexibility when it comes to managing a work-life balance. Ravi Dasani pointed out that as work has now expanded well beyond the enterprise firewall, the definition of what constitutes an office has changed drastically, so it is incumbent on businesses to ensure that their communications infrastructure supports workers who start spending more time in office, but still have the flexibility of a hybrid work environment that fosters innovation, collaboration, and the desired work culture. In the retail sector, however, some jobs cannot translate to a remote work environment, especially when significant brick-and-mortar investment is involved.

Businesses have also discovered that providing a certain amount of flexibility to employees helps achieve higher productivity levels because it improves job satisfaction measurements. Vishwas Manral elaborated on this idea and discussed how businesses need to be much more people-centric, starting with equipping employees with the tools that will make them work most efficiently, regardless of their location. Since agility and speed of innovation are crucial in today's business environment, an equally agile workforce that can work together in-person or remotely becomes a solid competitive edge.

Growing Digital Maturity and the Hyperconnectivity Value Proposition

For way too long, digitization and connectivity projects have occurred in fits and starts as reactions to specific challenges, making them more tactical than strategic. This occasionally would lead to effort duplication within the organization or the inability for certain divisions to collaborate due to a technological gap. That issue has been changing during the past few years and accelerated through the pandemic as C-suites have become focused on achieving more strategic long-term goals.

Ramesh Marimuthu observed that much of the digital transformation seen previously was conducted in silos. This explains why so many point solutions today are not connected to each other or to the various people who need them to collaborate. For example, when a lot of businesses were running after cloud transformation, customer experience took a back seat. Few were asking these questions: What's the impact of this on my end customer? What's the impact of this on my employees? What's the impact of this on my supplier? Today, as businesses try to connect the many disparate and disjointed areas with SD-WAN, they are actually asking how the technology will work with suppliers, customers, and employees. They are now starting to think about the consequences of these transformation projects from a 360-degree perspective—something that businesses failed to address a decade ago.

The effect of digital transformation projects is best illustrated through the following case study.

> A global ride-hailing and food-delivery business achieved a 40% lower cost of operation in its food-delivery business following the adoption of DIGO to handle customer engagement. The company wanted to protect its customers' identity when they contact employees or agents and ensure no unsupervised conversation happens after the delivery is complete.
>
> Tata Communications delivered a Cloud IVR that assigns each customer a PIN code that dictates delivery routing. As such, when a delivery agent calls the main number to get delivery instructions, they will have no direct interaction with the consumer. The system allows recording for certain calls only when triggered by an enterprise application via an API request.

Chad Aronson discussed how critical change management is to this entire process. Taking Uber's example, Chad explained that a strong change management practice is essential. It not only helps with effectively connecting people and processes but also helps a business think about its customers, internal resources, and external partners. Therefore, before any initiative is undertaken at Uber, the company first assesses the potential impact on all these different stakeholders and plans a strategy to minimize the friction that comes with changes.

Hyperconnectivity also enables automation, as without it, the Internet of Things is unattainable. This has been top of mind for retailers, as Dasani pointed out. The reasons to automate are varied and cover various factors such as the lack of skills, personnel, or tools spanning process automation, quality control, and predictive analysis, among others. Williams Sonoma evaluated all such factors and fast-forwarded automation, which improved internal and external processes, for both internal and external customers.

Talking about lessons learned in response to the COVID-19 pandemic, Dasani explained that hyperconnectivity also provides the capabilities needed to be truly omnichannel from a customer engagement and customer experience perspective. A business can now interact with customers where they want, how they want, and when they want.

Show Me the Money! Revisiting the Economic Impact of Hyperconnectivity

On the topic of prioritizing digitization initiatives, the panel discussed how evaluating the return on investment (ROI) of these projects—and if they are helping the top line, bottom line, or both—is crucial in decision-making. Mukul Krishna pointed out that the opportunity cost of not pursuing an initiative because things seem to be working fine now is a pitfall that many face. As businesses strive for resilience, infrastructure investment that will enhance communication and collaboration across internal and external stakeholders must be a priority. Decision-makers must also remain cognizant that as their businesses strive for borderless growth, a significant connectivity gap could emerge in different global regions, which they would need to bridge because it impacts business agility. In response, Marimuthu mentioned that risk management has become a core requirement for many Tata Communications business customers as they try to ensure effective communication and collaboration globally, despite the many geopolitical hotspots that constantly threaten their ability to do so.

The panelists agreed that innovation and investment in cutting-edge technologies beyond predictive analytics for faster and better decision-making will only increase and now include AI-driven automation, IoT, and RFID across the supply chain, regardless of region. This puts even greater pressure on the underlying infrastructure to support the massive demands that such high compute and data transfer environments keep adding.

Persistent Security that Spans the Business Ecosystem

Security is another vital factor that businesses must consider, as Marimuthu and Manral pointed out. Even large companies that have about 30% of their workloads in the cloud are saying that in the next two years they want to increase that to 80%. Yet with applications running on the edge, data security (both in the cloud and on the edge) becomes equally important. Customers, partners, and employees need constant assurance that bad actors will find it close to impossible to breach the security. Customers also want to protect their anonymity where possible as Marimuthu articulated, something that Tata Communications easily enables for its customers.

Empowering Business Ecosystem Engagement through Hyperconnectivity

As the business environment rapidly changes, companies must remain agile, resilient, and hyperconnected. To empower a collaborative business ecosystem, a strong, secure, persistent, and predictable communications infrastructure is a must.

Group consensus was that businesses are struggling with hybrid work because adopting the model was a shock to the system. Although changes were inevitable, many businesses strain to cope with the change management issues tied to such sudden shifts in their operations.

As Aronson articulated,

> **A key best practice is having a more value-centric organization that understands ROI and change management as it transforms."**

Manral stressed that with so many technologies out there, consolidating has become tougher. Technologies chosen need to deliver the desired business outcomes without overwhelming users with complexity. As more applications, data, and processes move to the cloud, having technologies that provide better control and visibility into the company's business environment are going to be much sought after.

Dasani expressed a desire to see hyperconnectivity become more homogenous and gain widespread acceptance and deployment across business ecosystems, as that is the need of the hour.

The business ecosystem has transformed drastically during the past 36 months. With larger amounts of data available and more sophisticated AI helping leaders make decisions in close to real time, the ability to communicate and collaborate across the business ecosystem could not be more critical to success. This ability needs to be massively scalable and work equally well in local and global contexts.

For any business looking to compete in the global marketplace today, it is essential to have strong communication infrastructure that will ensure the devices, applications, and processes that define how people collaborate, make decisions, and maintain high productivity are efficient, secure, and scalable.

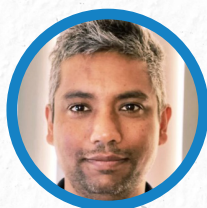## The following participants contributed to this Think Tank:

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