Panelists discussed the CIO priorities in a digital enterprise

Building digital business for the dynamic future

Hong Kong IT experts gathered to explore the opportunities and challenges in building digital enterprises through business-centric data centers

By Lye-Ching Lam

Data centers of the future will be critical to create value-added products and services at a faster pace, but at a lower cost. According to Albert Wong, general manager of managed services at Fujitsu Hong Kong, building data centers of tomorrow needs a business-centric approach that leverages cloud, mobility and social media.

At the Fujitsu Technology Symposium held in Hong Kong last November, Wong outlined his views on the management of data centers and how it can empower businesses and CIOs.

With accelerating and unstable market conditions, businesses and people are facing increasing pressure to create more value for their businesses. ICT have to meet these needs to enable businesses to have the agility, but "many data centers of today are struggling to meet such expectations," he warned.

Business-centric data centers

To meet these demands, Wong suggested adopting a business-centric data center approach. It leverages "the advantages of silo and virtualization approaches together with cloud capabilities" to align market trends with the right technologies and business priorities.

He explained most organizations determine technology investments based on business requirements. But multiple business units within an organization often request for different application service levels and performance requirements, thus no one-size-fits-all approach for technology investment.

Wong suggested that IT leaders start building a business-centric data center by asking the right questions–What are the business challenges? What applications do we need to address this? How can ICT be optimized?

At the same time, security has to be in place. Wong added it is important to ensure that partners and vendors are offering products that comply with various regulations. Henk ten Bos, CIO of Ageas from the insurance industry agreed that security is important.

"We try to leverage technologies and try to outsource [to secure our environment]," he said at the symposium panel discussion session. "But I am still accountable for everything that we do with the outsource provider. So if there is a breach somewhere, people will be at my doorstep."

This is particularly important among digital enterprises, where organizations leverage digital technologies to gain a competitive advantage by optimizing operations. Unlike traditional enterprises, a digital enterprise is outward-focused. Gartner predicted that by 2017 a lack of digital business competence will cause 25% of businesses to lose competitive ranking.

Digital enterprises drive business outcome

"We focus on modern technologies to ensure that our agents and brokers have the right tools to sell our products," said ten Bos. "We want to give the agents the right tools so that they can be efficient. So we use web-based applications and make sure they are available on mobile devices as well."

Ten Bos added the firm focuses on

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using iPads and mobile apps to enable its agents and brokers to engage with customers.

"How the agents engage with our customers is crucial," he said. "There is visual story telling. The next step is to use a similar approach for generating a quotation."

Advertising group Publicis Groupe's regional CIO Richard Lord agreed. "Every single client we work with has digital data," said Lord. "The challenge is to understand the scope of this data, as the technology continues to evolve."

Lord added the firm is starting to understand the full potential of data from different media channels and how to exploit it to enhance customer experiences, and ultimately to create commercial value. "[We are trying to] enable our agencies to understand and exploit the potential by building platforms and tools."

Diverging roles of CIOs

To build a digital enterprise, Wong from Fujitsu said CIOs are often pulled from these three diverging roles: an agent of change to enable business growth and innovation; an efficiency driver to reduce cost; and to provide service delivery to ensure businesses perform effectively.

"These three roles are pulling CIOs in different directions. [In many organizations] They are making it difficult for the CIO to deliver more flexibility or new services while minimizing investments and cost without adversely affecting service delivery," he said.

To perform these roles effectively, Wong said the ability to assess IT holistically, the capability to understand and exploit emerging technologies, as well as soft people skills are essential.

"The soft skills are as important as the hard skills," added Stuart Smith, chief service innovation practice from the Institute of Systems Science at the National University of Singapore.

He explained that CIOs need to have the soft skills to communicate with customers, as well as the hard skills to understand the data and its implications on business. These skills are particularly important, as "increasingly, dealing with risk is also seen as the CIO's role," he said.

"[Successful CIOs tend to be] people that have proven the ability to communicate with internal and external parties," Lord from Publicis Groupe added.

Bridging cultural differences and human-centric intelligence

Cultural differences are also an important consideration in building digital enterprises, as offering customized service is a critical success factor. Fujitsu's general manager, IT solutions and services business Derek Yiu quoted an example within his company.

"In Asia, we have to do things that are relevant to Asian customers. "Part of our challenges is to leverage the opportunities that are unique in Asia," said Yiu.

He added that understanding cultural differences and personalization are increasingly significant in the upcoming hyper-connected world, where more than 50 billion things will be connected to the Internet, as compared to only 10 million things in 2013.

"It is a new industrial revolution led by people and empowered by ICT," said Yiu. "The key drivers [of this revolution] will be people, as Fujitsu calls it 'human centric intelligent society,' where knowledge is continually harnessed to empower people to innovate."

Despite the emergence of different technologies, Wong added that offering technology with a customized approach is key at Fujitsu.

"We are committed to provide the right technology and the right solutions," he said. "We are helping our customers as they are facing these major challenges. We have the ability to foresee the market one step ahead of them, in order to provide the right solutions at the right time."

Yiu from Fujitsu: Part of our challenges is to leverage the opportunities that are unique in Asia

Wong from Fujitsu: Adopting a business-centric data center approach helps businesses to remain agile

Smith from NUS: The soft skills are as important as the hard skills