



# Successful digitization requires quality competence

Digitization will enable many important breakthroughs, but it is important to watch out. Digitizing a process that does not deliver the right quality can easily lead to major problems. To succeed, you need to combine IT and technology expertise with expertise in quality and improvements.

**THERE IS A STRONG FOCUS** on digitization and how different forms of new technology dramatically will change the conditions for doing work and delivering customer benefits in the future. Many businesses today make very extensive investments in information technology of various kinds. Obviously this creates many new opportunities, but the awareness of the problems that surface in connection with digitization is also high. In order to prevent problems and ensure that the new technology really will deliver value, there is much to be gained from integrating the expertise that exists in technology

development into the existing expertise in quality development and systematic improvement work.

## Can become an end in itself

A significant risk in technology development is that the technology becomes an end in itself. To achieve success, it is important to use technology as the means it is, and always focus on the activities it intends to support and develop. This is something that has been in focus when making demands on technology during the past decades.

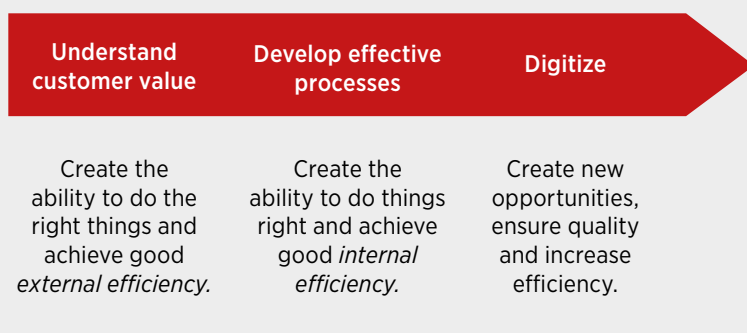
– However, the way this work is undertaken today is for many organiza-

tions not good enough. In order to really succeed, this work must start with the customers of the process that is to be developed. It is in the interface with customers that value is created, i.e. the value that makes the business exist at all, says *Lars Sörqvist*, CEO of Sandholm Associates.

## Start with effectiveness and efficiency

By fully understanding the customers' needs and expectations, conditions are set for "doing the right things" and achieving good effectiveness. This is an area where quality professionals can

## The journey towards digitization



contribute with both competence and experience.

Then it is important to focus on the process and its ability to do the desired tasks “in the right way” and achieve good efficiency. This work is about eliminating non-value-creating activities and shortcomings. When the process has both good effectiveness and efficiency, there are many opportunities to use new technology. Effectiveness and efficiency can be further increased, quality can be improved and new opportunities to perform the work smarter can be found.

### Combining IT and quality competence

The best prerequisites for successful implementation of new technology and digitization in a process are thus created by combining this work with the quality work’s ability to develop processes from a customer perspective.

– In practice, this is about better collaboration between the quality and IT departments as well as the development of the competence of those who lead and operate digitization. To succeed, IT professionals must, to a much greater extent than today, learn to use the knowledge available in systematic problem-solving and value-creating process development, says Lars Sörqvist.

### German-American study points out important needs

The importance of integrating quality and digitization skills is also highlighted by a recent study that included 220 manufacturing industrial companies in Germany and in the USA. The overall conclusion was that this integration significantly improves the chances of achieving good results and success in digitization. The study was conducted by the American Society for Quality

(ASQ), Deutsche Gesellschaft für Qualität (DGQ) and the Boston Consulting Group.

The study shows that relatively few companies have seriously started digital development focused on the ability to create value for customers. Furthermore, experience from the companies that have come a long way in the digitization shows that the difficulties are considerably greater than many initially thought. Success is about so much more than just acquiring new technology. There is a huge need for extensive investment in training, especially as many of the skills needed are difficult to find on the labor market.

An interesting finding in the study is that the areas we mainly need to develop are “soft skills”. It’s about the ability to solve problems, lead improvement teams, manage change and develop a quality culture. There is also a considerable need to quickly strengthen the ability to analyze data and use statistical methods. The study shows that several of the companies that have succeeded best with digitization have chosen to develop these skills internally before they started working with implementing technology. In addition, it is important that digitization is led by the company’s executive management, through a quality and improvement based leadership.