Digital transformation

Rising awareness, various needs and approaches, Cēsis case

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@Nordregio 10.03.2020

Latvian IT Cluster

Facilitate IT **community**
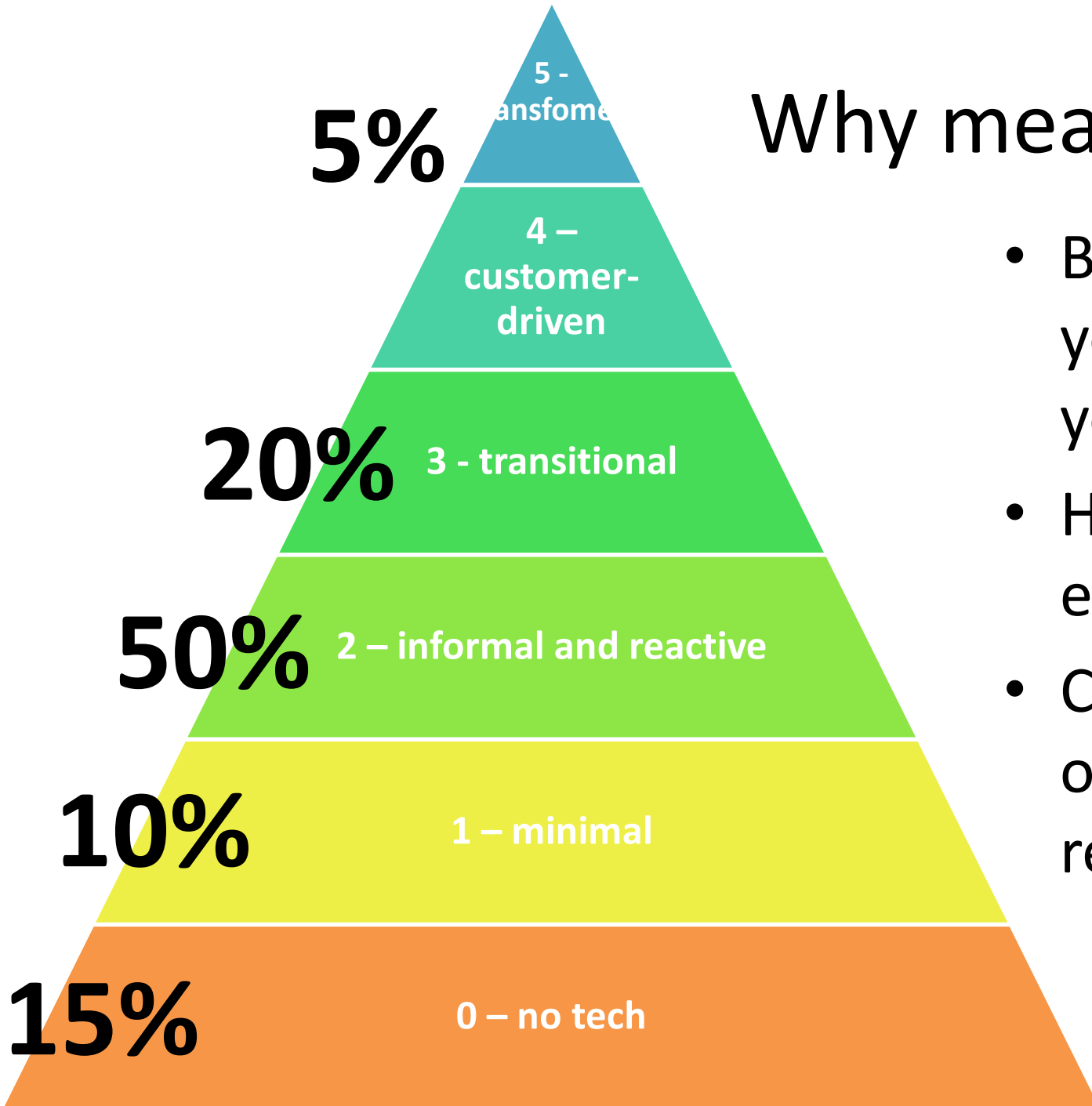
IT industry export and internationalization

**Digital Innovation Hub** Cross industry collaboration, digitalization and awareness

Digital maturity & how to use it

Why measure digital maturity?

Pyramid (bottom to top):
- 15% — 0 – no tech
- 10% — 1 – minimal
- 50% — 2 – informal and reactive
- 20% — 3 - transitional
- 4 – customer-driven
- 5% — 5 - transformed

- Before you can know where to go, you need to understand where you are

- Help create goals and align the expectations

- Create meaningful digital service offering. Different maturity stages require different approach

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SILVER Cluster Management Excellence
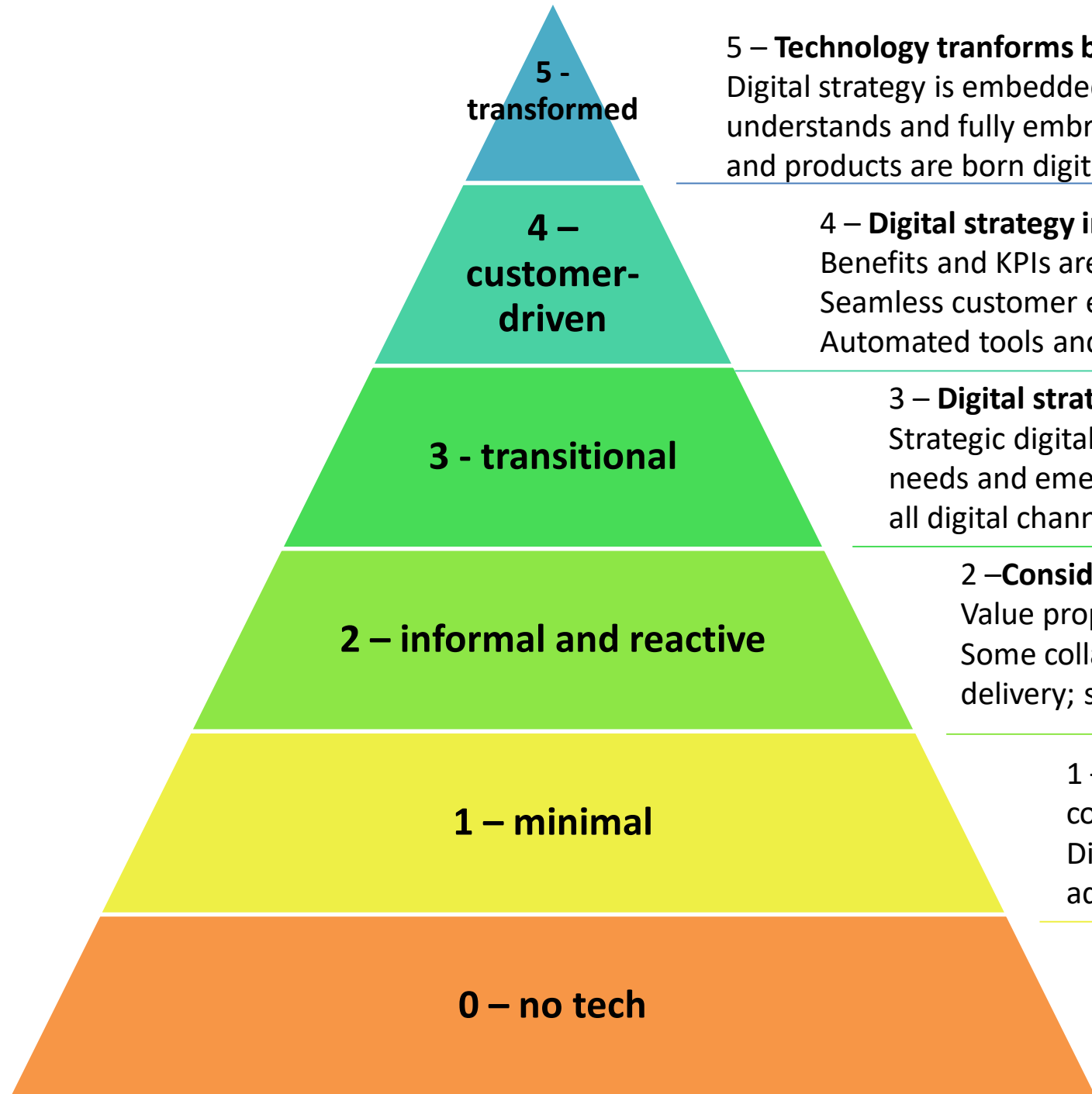
5 – transformed

5 – **Technology tranforms business model**
Digital strategy is embedded in organisational vision and strategy. Executives understands and fully embraces digital channels and leads by example. New services and products are born digital.

4 – customer-driven

4 – **Digital strategy integrated into planning processes**
Benefits and KPIs are well-defined, understood by everyone and drive all digital activity
Seamless customer experience across all channels – digital and non-digital.
Automated tools and data exchange in place.

3 - transitional

3 – **Digital strategy in place**
Strategic digital partnerships among departments; focus on audiences and their needs and emerging technologies; pro-active engagement with customers across all digital channels. The benefits of social media are understood and driven

2 – informal and reactive

2 –**Considered digital impact on business**
Value proposition of digital starting to be acknowledged by executive
Some collaboration cases between departments regarding digital service delivery; social media are monitored but is seen more as a risk/cost
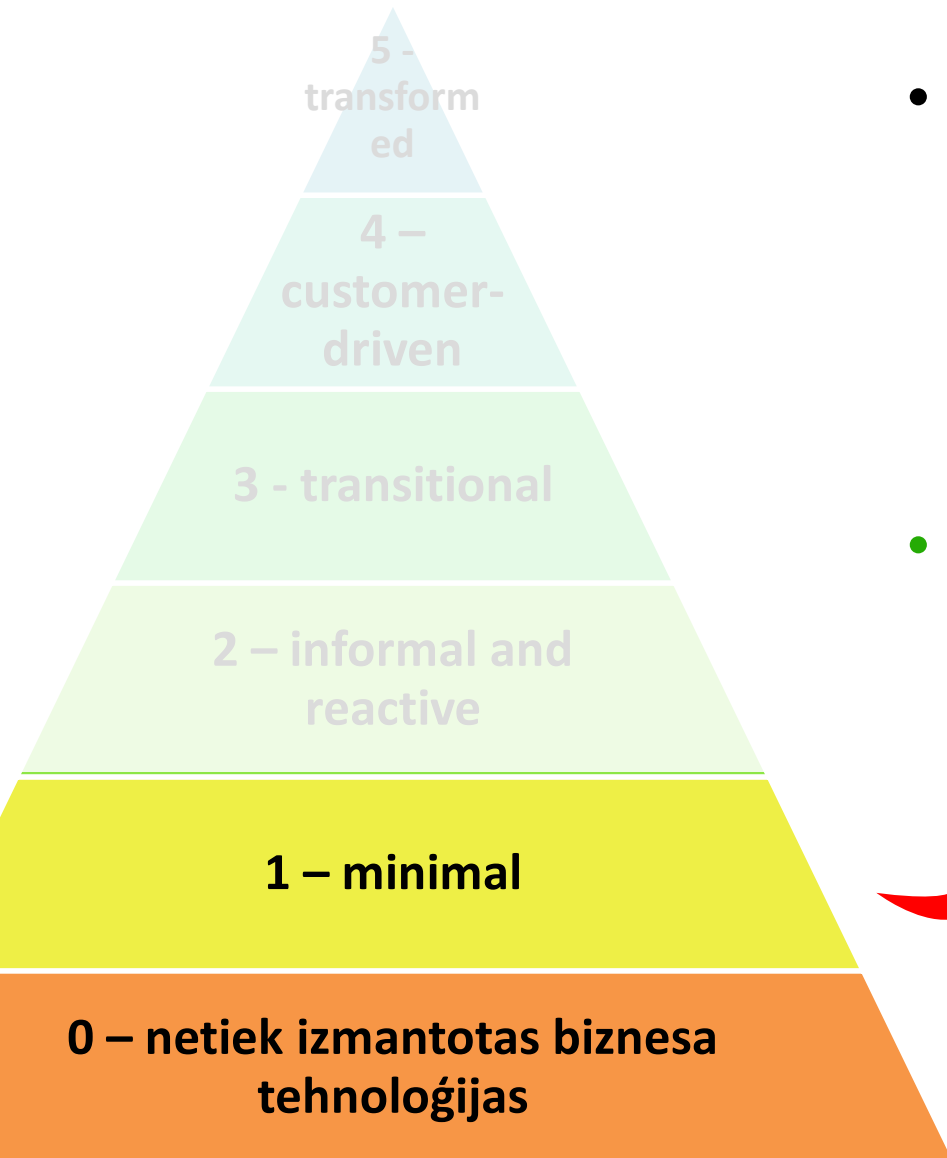
1 – minimal

1 – **at least some of digital business solutins are deployed** (email, collaboration platforms, customer management, calendar...)
Digital opportunities are not understood or defined;
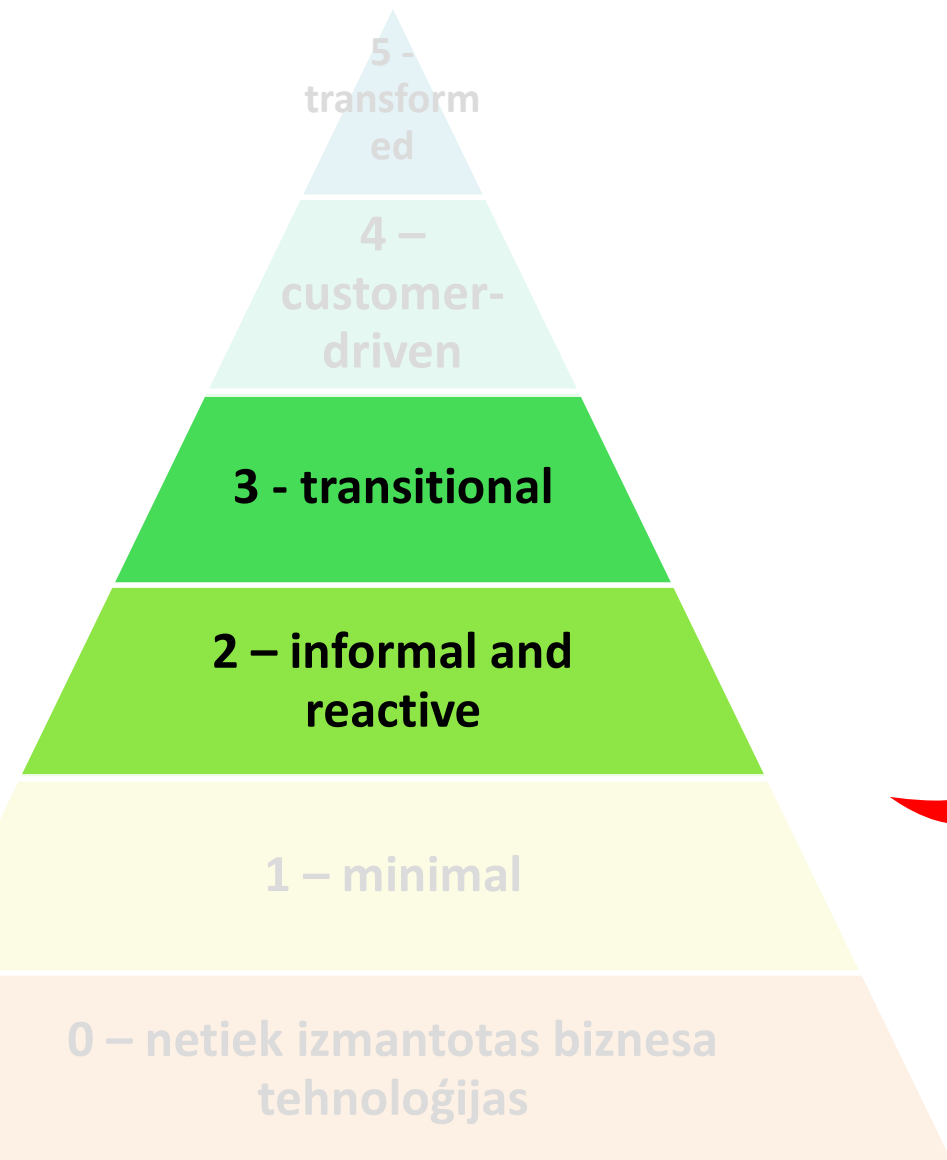ad hoc digital projects initiated by internal groups and individuals

0 – no tech

0 – no business email; web page or social networks doesn't exist or is out-dated; no data accumulation

How digital are you? (oh, not very really...)

Pyramid levels (top to bottom):
- 5 - transformed
- 4 – customer-driven
- 3 - transitional
- 2 – informal and reactive
- 1 – minimal
- 0 – netiek izmantotas biznesa tehnoloģijas

- **Basic digital skills and awareness**
  – Life – long learning initiatives
  – Vocational courses
  – Seminars, workshops,
  – Inspirational events

- **Start using basic business-level digital tools**
  – Remove obstacles, train yourself and get used to technologies
  – Learn that technologies make you life easier
  – Accumulate data

Most probably the organization won't benefit from immediate cost-efficiency, but the sound foundation for future digital development

How digital are you? (quite average, you know...)

5 - transformed

4 – customer-driven

3 - transitional

2 – informal and reactive

1 – minimal

0 – netiek izmantotas biznesa tehnoloģijas

- Objective – business efficiency
  - Address bigest cost items or malfunctioning/time-consuming processes
  - Are my systems compatible
  - What data do I have and what can I do with that

Look for packeged solutions

Digital audits, maturity tests

Hands-on trainings, courses, educational programs

Employee training (e.g. data analytics)

Efficiency, new income (channels), improved customer experience

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Proffesional GPS Fleet-management solution with fuel control solution

- Effective fuel consumption control
- Continuous vehicle and driving habbit monitoring
- Real-time monitoring
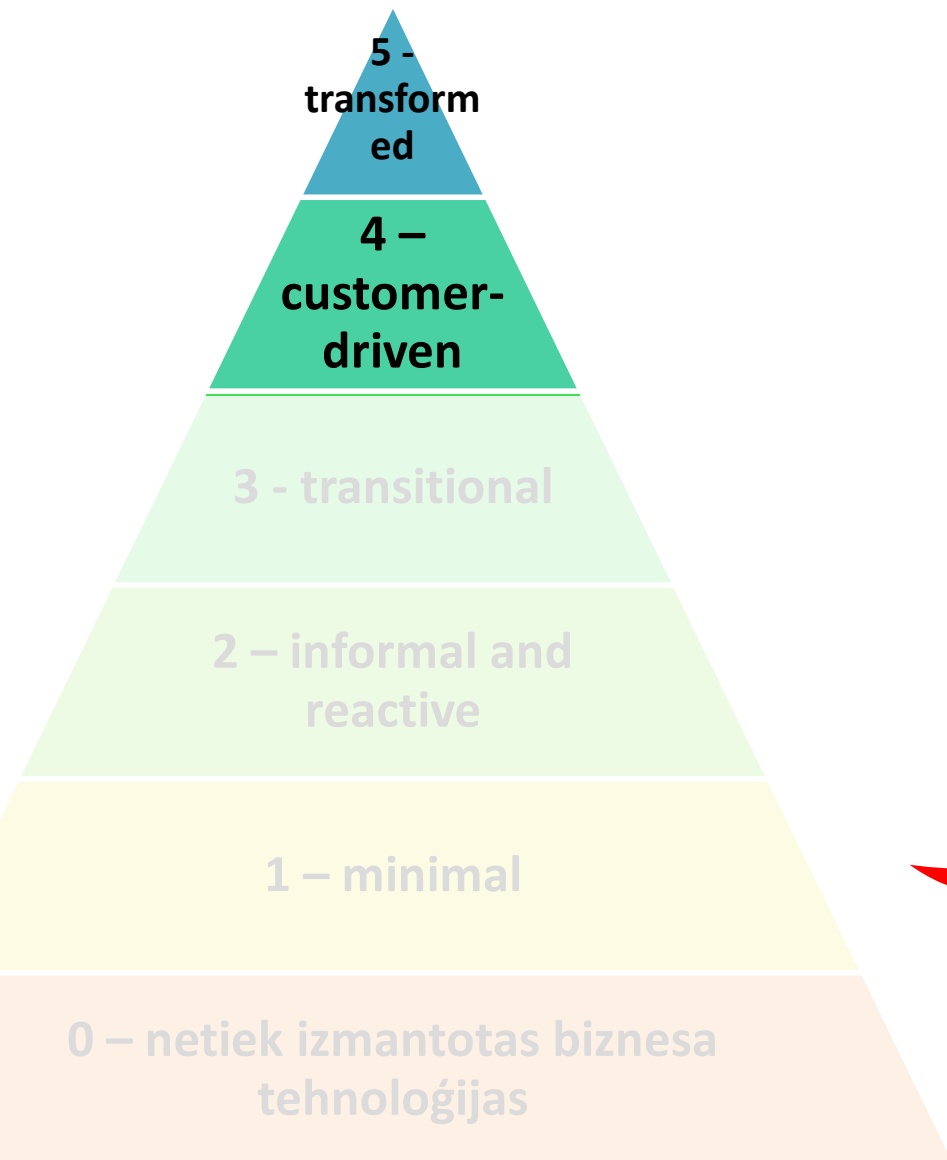- Instant reports and Security

Fuel consumption savings by **15-20%**

Average ROI **4-6 month**

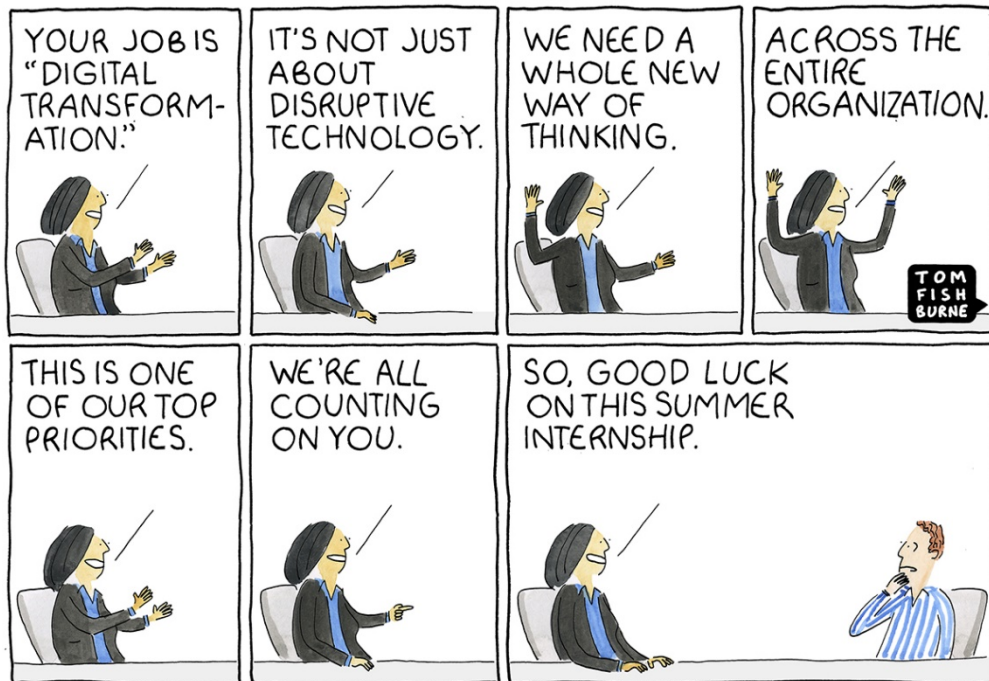# How digital are you? (ha! Surprise me!)

- Innovations and new business models
  - Competence centers, RTO, University offers
  - Hackathons and startups
  - Various innovation vouchers through H2020 calls

Challenge your business model through technologies!

New products, new income sources, new business models; improved processes as well.

Pyramid (bottom to top):
- 0 – netiek izmantotas biznesa tehnoloģijas
- 1 – minimal
- 2 – informal and reactive
- 3 - transitional
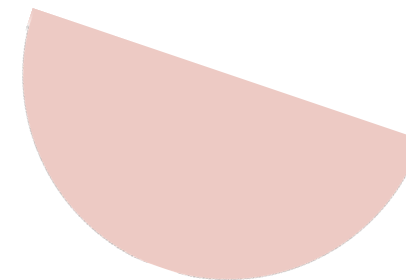- 4 – customer-driven
- 5 - transformed

Digital tranformation

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- In digital transformation, the transformation is more important than the digital
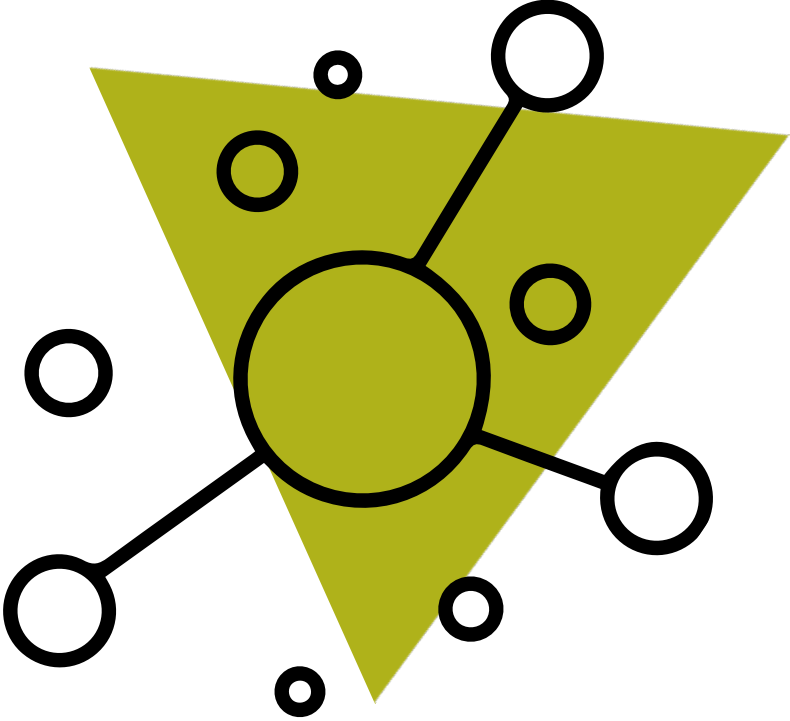- Life-long learning culture accross whole organization & society
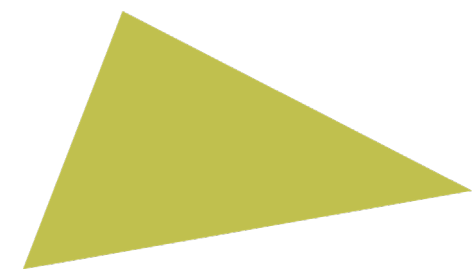
Promote and advocate development of digital skills, encourage ability of people to achieve more!

Develop digital identity through knowledge and ability to use in business and private

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Founders

Microsoft
squalio

Ekonomikas ministrija

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Cēsis city

- Population in Cēsis Region: 18,3 th
- Active enterprises: 1791
- Unemployment rate: ~ 3.5%
- Main industries: tourism, food processing, wood manufacturing

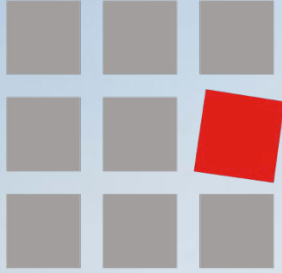**Objective – sustainable city through data-driven development**

Cēsis city

- Digital awareness conference
- First place outside Riga to host "Work from Anywhere" day
- Series of smaller events, trainings, workshops, meet-ups
- Consult municipality on data strategy, internal seminars, help to set-up working groups etc.
- First VET **course on Data Analytics** hosted by Riga Technical University Cesis branch. 135 applicants ready to change their career path.
  - First municipality open data hackathon is taking place in Cesis May'2020. Municipality is ready to open completely new sets of data for participants.

Objective – in 2 years 1% of city population will receive Data Analytics training

Thank you!

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