Efforts and Strategies towards Continuous Optimization across Divisions, Processes, and Business Ecosystem through Digital Transformation at BIT Group Sdn. Bhd.

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Abstract

Technological challenges, slim profit margins and the change of industry landscape due to disruptive inventions will continue to challenge the status quo of traditional ICT industry today.   This is especially true for larger and older organizations.   Digital business for instance has become the mantra of most top executives of the world as they seek competitive advantages in the landscape of fast moving technological change. As a result, ICT businesses are realizing the significance on how new digital technologies can transform their existing traditional businesses, and driving business growth in order to keep ahead of the competition. Transforming business models from their traditional core business to digital business that is known as "digital transformation" has become crucial. It is not about focusing only on the present business needs, but also directing towards a prioritization for future needs, which boils down to innovative ideas, operational change, and cultural shift. Hence, the objective of this case study is to learn and discuss how a traditional ICT company, BIT Group constructed its digital business transformation through major efforts and strategies that have been undertaken in the context of reliable methodologies, standards and practices references. The transformation exercise implemented is to warrant the business directing towards continuous optimization across the company's people in various divisions, internal processes, and the business ecosystem, which has been the core elements involved in the delivery of the business services through both competition and cooperation.

Keywords

Information and Communications Technology, Digital Transformation, Continuous
Optimization, Processes, People and Business Ecosystem.

Introduction

This case will allow readers to learn and discuss on how efforts and strategies of realizing a business corporate transformation of BIT Group being implemented. It can be applied as an example or reference for businesses to initiate and exercise the processes and approaches used in a transformation initiative for effective organizational change management.

The case takes place in BIT Group Headquarters, Cyberjaya, Selangor; an ICT Company. BIT Group embarked on a Three-Year Strategic Transformation Plan (2017-2019), with significant focus on three strategic areas, People, Process, and System. The end game is by the Year 2020, BIT Group is a digital organization, BIT Digital 2020. There are effective immediate functions, sound and sustainable business and operating models, and stakeholders' engagement. The aspiration initiated with formation of implementer and execution coalition, as a temporary alliance of combined actions of multi business units of BIT Group, each focus on different business segment of the ICT industry markets.

BIT Group has also laid down its three significant focus in the digital transformation plan, which firstly is to address the employee resistance issues that could cause digital transformation efforts to fail. It turned out become a never-ending effort, and must always do it right. Secondly, to shift into new centralized operating model have extended to include benefits such as, process efficiencies, standardization, additional value, career opportunities for employees, information sharing across traditional inter-divisions, innovation and the integration of internal isolated systems. All are resulting in the better use of time and resources for the sustained business. Lastly, creating and reinvention of new company products by matching and optimizing the existing technologies to current and emerging market behaviors.

BIT Group is currently in the second year of its transformation plan, which was launched in early 2017, after having completed with a good traction for its first year of transformation (2017-2019). A transformation task force coalition has been tasked to facilitate the right interventions in addressing these challenges and continue to maintain the momentum for its second year. Expected and unexpected hurdles came along the way, which gives BIT Group far-reaching experience to be more certain and proficient in ICT industry. This is to ensure that BIT Group remains relevant in the industry today and fit for future growth.

Group Chief Executive Officer of BIT Group

Mohamed Hasbi Yaacob (Hasbi) is the Group CEO, also the founder and owner of BIT Group Sdn. Bhd. Back in 1995, he started the business capitalizing on the emerging Internet technology in Malaysia. Together with faithful associates, they rode the IT wave by planting a firm foothold in the local ICT industry in Malaysia. Hasbi nurtured BIT into a sounding and running success with impressive annual revenue growth. Competitions come and go; but BIT stands still.

Today, as founder and Group CEO, Hasbi anticipates that BIT's traditional business model will be obsolete by Year 2020, and the new models and strategies are evolving. He realized that the company is ripe for transformation towards digital economy, and in most cases, he is eager to bring the benefits of BIT's technology strength towards it. He then introduced and crafted BIT Digital 2020, a new aspiration that the ultimate objective is by the Year 2020 BIT Group has fully transformed as a digital organization.

Background of BIT Group

BIT Group Sdn. Bhd. (BIT Group), a Malaysian private-owned company incorporated in 1995. Been established for twenty-three years in ICT industry of Malaysia, and has been known quite well in the industry. The principal activities of BIT Group are to carry on business of supplying computers, computer's peripherals and software, network and telecommunication equipment and system, as well as providing services and consultancy in related fields.

BIT Group aims to become a leading ICT Solutions and Services company, and its core purpose is to improve the quality of life of the communities it serves, through long-term stakeholder value creation based on exceptional acumen and astute leaderships. They differentiate themselves through customer-centricity, innovation, entrepreneurship, trustworthiness and value-driven business operations, while balancing the interests of diverse stakeholders including employees, customers, shareholders and civil society. Total workforce of BIT Group is 335 employees across its operations among different business segments and staff functions, nationwide

Key Highlights on BIT Group

With vast experiences in ICT environment, BIT Group had proven that Malaysian local SME Company could contribute to the economic growth of the industry of the country, which focused on delivering on new business models, design, establish and deliver niched services, transact on higher values, create opportunities, and do things differently.

The financial highlights have suggested a positive outlook that BIT Group could sustain its business in the industry, and could work on more efforts and strategies to develop new competencies that revolves around. It is time to find new, significant, and sustainable sources of revenue.

BIT Group Culture for the Past Twenty Two Years

BIT Group in the nutshell is a family-run business and has a number of employees who have been with the company since the first decade, loyal and worked long and hard to help BIT Group get to where it is today. Among over three hundred employees of BIT Group, the Senior Management team are the faithful associates who were together with Hasbi since day one of the establishment of the company. They are the pioneers who need mere adaptability to digital transformation.

The working environment of BIT Group is Malay cultured, which has developed as a result of the inter-mingling of cultures that mostly from the owner's hometown, Kelantan[1]. Some of the influences have already been noted earlier, and thus there is no need to develop them any further at this point. As for the employees who are non-family members, trouble figuring out who is their real boss is typical. However, the sentiments are manageable.

The organizational structure of BIT Group is based on typically hierarchical arrangement of lines of authority, communications, rights and duties of an organization. It is based on three-tier chain of command, which are top management, senior management, and workers. The top management are individuals of Board of Directors, who tends to issue orders or directives. Senior management serves as liaison between the top management and the workers. The workers consist of wide base of employees who follows through on any orders or directives set forth by the top management.

One of the de facto for BIT Group success is its vision and strategic planning in making sure its employees have the right skills and it must be according to the industry or global standards. In fact, eighty percent of the total number of staff is highly qualified with at least Diploma and Bachelor holders. BIT Group believes in the knowledge society by investing in training and knowledge to cater with the global standards.

The Core Traditional Business

BIT Group principally engaged in the sale of information technology products and related services. The company operates in the sales and services of information technology products in Malaysia various market segments, providing various information and communications technology (ICT) services to operate its customers' information technology operations, such as Supply of ICT Hardware and Software, Integration Services, Managed Network Services, Managed Security Services, and Maintenance and Support Services.

BIT Group's business model is mainly as systems integrator, which builds computing systems for its customers by combining hardware and software products from multiple vendors. It aligns cheaper, pre-configured components and off-the-shelf application or software to meet key business goals, as opposed to more expensive, customized implementations that may require original programming or manufacture of unique components. Creation of these information systems may include designing or building a customized architecture or application, integrating it with new or existing hardware, packaged and custom software, and communications infrastructure. BIT Group is committed to bringing the best user experience to its customers through its ICT solutions and offerings. Its business strategy leverages its competency in designing and developing hardware, software, and services solution with superb seamless integration, crafted into a service catalogue.

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[1] Kelantan is one of the states in Malaysia. Known as the 'cradle of Malay culture' for having an overwhelming population of Malays (93 percent) and the rest made up of Chinese, Indians and Thai. The Kelantanese have preserved their customs, traditions and cultures well over the years. Kelantanese culture differs somewhat from Malay culture in the rest of peninsular Malaysia; this is reflected in the cuisine, arts and the unique Kelantanese Malay language, which is unintelligible even for some speakers of standard Malay.

Figure 1:

BIT Group Service Catalogue

Issues and Challenges

Digital transformation is a continuous process that part of it entails the adjustment or even total change in internal operations and business practices. The issue here is that BIT Group still operating with rigid and outdated processes, and still married to its legacy business models. This limits its ability to implement necessary changes to keep up. Not to mention digital transformation, which are new and unclear vision and strategy.

Employee Pushback for Digital Transformation

When discussing the digital transformation journey, Hasbi is well aware that it is not all about the technology. As the CEO, he must rethink of the shifts of the mindset of how the company could create value for their end-customers, and none of that would be possible without educated and agile employees. Departments or divisions must be tasked with implementing and executing on

parts of the strategy, but the whole company should be working towards the common goal. The technology is great, but the leaders need to ensure they are educating and empowering employees along the way.

Being stable and succeed in managing the business turbulence, BIT Group's employees are mostly in their comfort zones. By nature, they are not resistant to change, but they are skeptical of it. In the case of digital transformation, with all the talk around technology such as innovative reinventions, it is natural for them to wonder, "What's in it for me?" Several unfavorable reactions or responses were visible. Their fear of the unknown really haunts them as they assumed the change would not affect them positively. They are unsure whether they have the right skills to succeed in this new reality, and how the company help them learn. There is nothing worse than being "in the dark." There is swamp of fear, rumors, and sometimes anger created in the office environment.

The leaders of the senior management play a vital role because they are the ones who are near to the employees.   They are not digital leaders in the first place. For them, they have created enough wealth and generated incredible market position in the industry. Who is going to argue that what they are doing today is wrong? They lose the creativity and become complacent and assume that somehow, or whatever is going on today is a just another business phase, and they would get back to where they were and things will be back to normal. They are in fact in the state of denial that the company needs to transform in order to stay relevant in the market. The mentality that very deep legacy and has become cultural roots of BIT Group.

So, how can we expect the bottom lines to get involved, when the bosses despise the directive? This means a lot of work to do. Level of attention and commitment from senior management is rather low, although the top management is giving greatest support. This cultural piece has become quite a challenging part of the transformation exercise. More importantly, how can Hasbi get the buy in? It is important to note, however, that the digital transformation exercise is a requirement to keep up with the times, because not changing is far riskier.   It is up to him to rally the troops, aligning everyone around the strategy, narrative and vision.

Adoption of Internal Infrastructure, Processes and Procedures

BIT Group minimally practice standard operating procedure (SOP) that in place, despite being an ISO 9001 and ISO 20000 champ. The internal operations in BIT Group are not centralized. Each division head wants to own their own system. In other words, they advocate decentralization. In fact, in some cases, how they produce their work still by manual process. Everyone had become very protective over his or her domain. Every time when information is required, one would have to do the searching for the folders, which is time consuming. The entire operation owners do not even consider participating in the standards development and that they are not aware of the potential contribution that standards can bring to their activities. The role and the internal organization of corporate functions only influenced by rapid developments in organization strategic partnerships and the growing pervasiveness of market effects. Corporate Services, Human Resource, Sales and Marketing, and Operations are all on their own way of doing things separately. As long as the job is done, they are good to go.

Hasbi realized that communicating and demonstrating the value of standards is one of the important strategies to make the digital transformation a success. He wanted the employees to have a clear perception of the impact of standards on their activities and performance. However, it is not as easy as what he wanted. There must be a clear way to pull the operations from all divisions together. A policy on data centralized in an information warehouse that they may use for reporting must be in place. They must recognize the effectiveness of gathering, storing and leveraging of customer data at the core. Additionally, the employees must have to adopt the use of that data in a manner that provides value to the customers. Hasbi believes that the only way can deliver a digital business model is by having a digital operating model. That does not mean that everything goes digital but it does mean that the operating model goes digital.

Legacy Business Model

Incremental adjustments or building something new outside of the core business can provide real benefits and, in many cases, are a crucial first step for a digital transformation. Simply taking an existing business model and putting it on an Internet, as digital marketing or digitizing a customer experience is not a digital reinvention. It is about rethinking of the business itself.

For over twenty years, BIT Group acts as a systems integrator and provide services to its customers, pulling together other manufacturing products by technology principals. Product lines of IT hardware and software are just at the fingertips. Moving towards digital business recommends BIT Group to transform its project-based business model to product-based. Strategic alliance with the technology principals can be advantageous to develop the right product lines with the latest technologies.

Hasbi initiated an idea of developing the company's own software application products. The greatest challenge is, huge investment is required that includes capital, time, and work force. Hasbi knows that a digital success requires not only that investment must align closely with the strategy, but also at sufficient scale. He has a high threshold for risk and is willing to make bold decision to pursue the intention.

Solutions and Recommendations

1. Establishment of BIT Transformation Coalition

BIT Digital Transformation taskforce formed in January 2017 to achieve the transformation outcomes by establishing a strategic direction for BIT Group. Namely BIT Transformation Coalition, led by Faizal. The coalition consists of twenty-eight (28) representatives from each division working in unison and common understanding to achieve the transformation objectives. The ultimate objective of this coalition is to create and enhance collaborative opportunities among all BIT Group's stakeholders to make BIT Digital 2020 is a reality.

Since it formed, the coalition has established an agreed vision and strategy for digital transformation of BIT Group, established a fact base through current assessment results, identified key areas for targeted activity through working groups, and recommended the application of the collaboration portal as the mantra and buzzword in BIT Group's transformation activities. The

appointment of Transformation Agents (TAs) among the employees also been conducted and received prior endorsement by the board.

Application of John P. Kotter's 8-Step Leading Change Model

Kotter's 8-Step Process for Leading Change was identified as the most effective tool to digitally transform BIT Group towards digital business. The change is seen more immediate as expected, but must be reinforced to keep up the momentum.
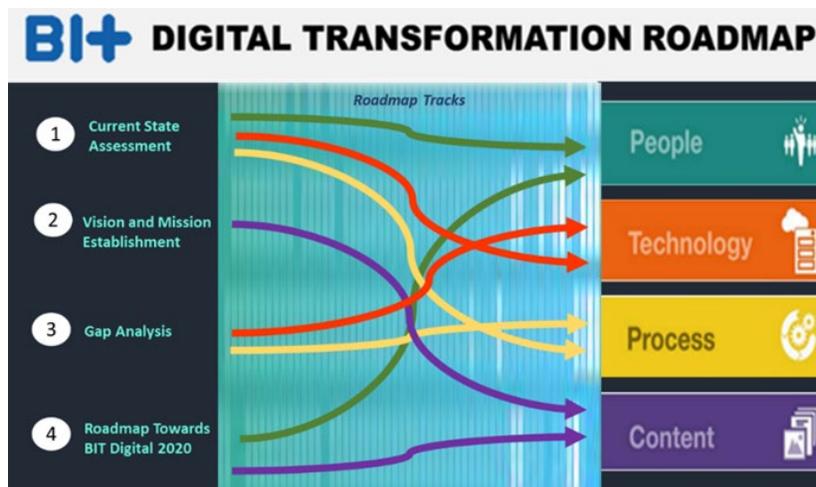

Digital Transformation Roadmap

The Digital Transformation Plan is based on the Digital Transformation Roadmap as figure below:

Figure 2:

BIT Digital Transformation Roadmap

The roadmap above provides a structured way for BIT Group to move through many programs that begins with an assessment of the digital maturity of BIT Group today, and moves on to a definition of a future vision, which is BIT Digital by Year 2020. New vision and mission statements redefined; to align with the aspiration, BIT Digital 2020. So does the entire organization structure.

BIT Group needs to get the right talent to support its digital transformation. They also need to create the right culture to ensure that the employees are always excited and contribute towards the journey. This track requires a complete customer lifecycle analysis, including developing a map of the customer journey. The employees must understand how every stakeholder engages with the brand during every step of the customer experience lifecycle- PEOPLE.

The IT infrastructure needs to be changed. The focus is on building an integrated information infrastructure, which serves as a foundation for integrating data across silos. It is also the foundation that enables all the information distributed to interact, and allows for the predictive data analytics that drive growth. – TECHNOLOGY and PROCESSES. Additionally, content management is important, which focused on managing both internal enterprise information and customer facing content, ensuring that it is accurate, findable by the user, personalized, and contextualized. Content helps determine how information is organized, and organizations could identify new quick wins – CONTENT.

Comprehensive digital business range of products were developed. It focuses on three segments where BIT Group brings its best capabilities and capacities in delivering differentiated values. The three segments are Digital Finance, Digital Health, and Digital Community. These digital businesses are complementing end-game BIT Digital 2020, for BIT Group with its new vision "To be the leading innovative Tech Company, driving positive changes to those we serve." The digital business's main market coverage would be the digital ecosystem for Islamic community.

Figure 3:

Proposed Outcomes of BIT Digital 2020
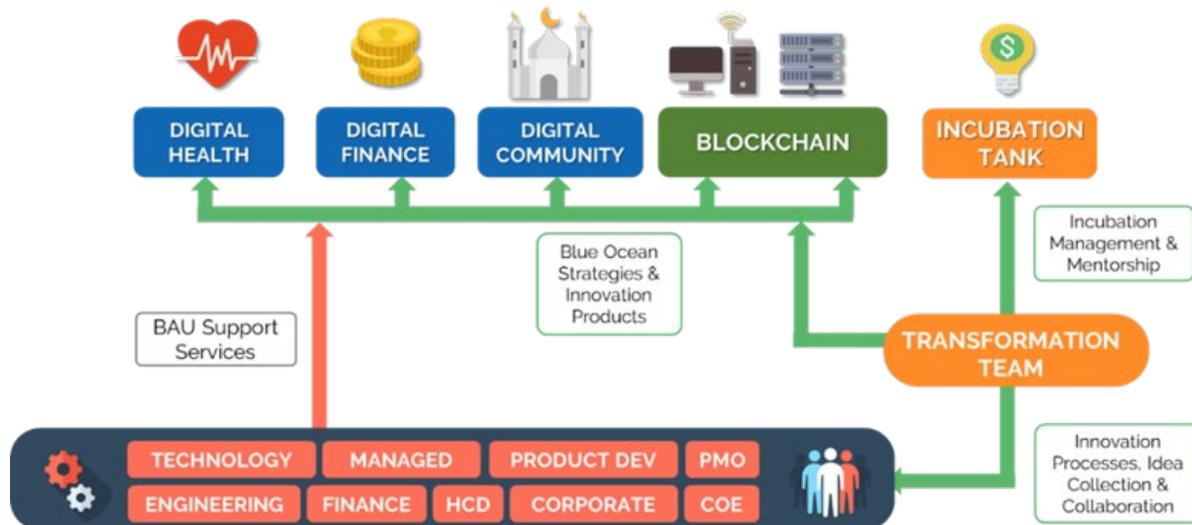
2.   Engaging the Employees to Accelerate Digital Transformation

To achieve the company's strategic vision is only as good as the people behind it. Digital Transformation is no different. Making new digital ways of working stick is a matter of winning the hearts and minds of people at all levels in the organization. Instead of offering resistance, employees who are engaged in a shared vision of the company's digital initiatives would help accelerate the journey, and that the vision become a reality.

Management of Change: Tipping Point Leadership

Effective Leadership is critical for sustainability of BIT Group. It is also important to ensure its long-term survival. It is about focusing on resources that matter and then mobilizing the commitment of the company's key players. These players have the charisma to silence the carping critics who always focus on what can go wrong.

To address the people issues that the senior management team who are reluctant to be part of the transformation plan, all the C-level positions and General Managers of BIT Group leadership were forced to attend a leadership program. As advised by HR, Tipping Point Leadership (TPL) Program was recommended and conducted for them. The program was tailor-made to specific challenges, and to develop personal leadership in leaders of BIT Group, which impacting the corporate leadership culture as a whole. The program combined individual and collective face-to-face learning, with the possibility of digital support platforms. It was conducted to look for the root cause of the employees' resistance against the digital transformation initiative. The theme of the training program was a transition from management skills to leadership.
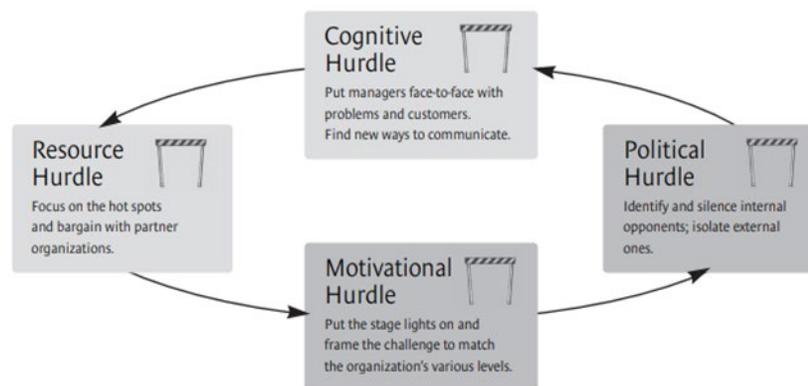
The cognitive and resource hurdles represent the obstacles that organizations face in reorienting and formulating strategy. The motivational and political hurdles prevent a strategy's rapid execution. Tipping all four hurdles leads to rapid strategy reorientation and execution. Overcoming these hurdles is, of course, a continuous process because the innovation of today soon becomes the conventional norm of tomorrow.

The outcome of the program was amazing. Positive impacts were visible. The participants managed to identify their personal preference and develop leadership skills in an uncertain context. They finally get a feel of the resistance that happened, and they started experiencing the people

problems that were faced by the company on a daily basis. They also realized and recognized Hasbi's aspiration that it is crucial for BIT Group to transform itself to digital business for long-term survival.

They also embodied the new vision, mission, and values of BIT Group. They identified the strategic zones where the resistance level was the highest and deployed a friendlier office environment in these zones. The result was not radical but slowly the resistance level among workers gradually decreased. The program has thought the participants to determine and manage their leadership tensions that specific to their posts and personalities, and most importantly, the participants started developing networks and cooperation between divisions and workers. They managed to identify the "kingpins" in the organization that can create a ripple effect by touching and motivating employees to embrace the new strategy.

It is proven that the impacts of Tipping Point Leadership Program had strengthened the group's identity and sense of belonging among the leadership team.

Feminine Leadership for the Female Managers

This is a highly engaging one-day program specially designed for the female leaders of BIT Group. The training has helped the participants to unleash and unlock the hidden strength of their leadership qualities as a woman that will propel them to a greater height as a leader. Learning the evolving of female leadership in many most fortune companies, he believed that women in corporate leadership positions can contribute to and advance a company's performance. Hasbi learned that having greater diversity in the leadership team is positively and significantly correlated with measures of financial performance, such as gross revenue margins.

The key points of the program was to create a sustainable change, a heart-centered (inner strength) approached and designed based on Kurt Lewin's Change Model, Unfreeze-Change-Refreeze.

The participants have learnt how they can tap into the feminine leadership qualities that already built in them to navigate in a male dominated organization, and be recognized and respected in the man's world. They will also discover the traits to embody that make a difference and positive impact in their lives, and specifically in their workplace.

Blue Ocean Simulation Workshop (BOS)

The Blue Ocean Simulation Workshop meant for all heads of business units and the new reinvention product champions. The workshop showed the participants how to apply the process and tools outlined to build the confidence of the people and seize new growth with the company's product lines. The aim is to create uncontested market space and make competition irrelevant, which means the goal of these strategies is not to beat the competition, but to make the competition irrelevant.

Participants had learnt to employ a strategy formula on process developed according to "The 4 Steps to Visualizing Strategy". They learned how to create a new strategy by understanding and analyzing the industry and exploring and integrating new opportunities in the market.

Figure 4:

Four Steps to Visualizing Strategy

The BOS sessions had received excellent feedback from all the participants from the leading product divisions of BIT Group. The content, presentation, knowledge on the subject and overall facilitation capability were consistently of a high quality and best of all engaging. Most importantly, each session provided an excellent review of the challenges and learning opportunities inherent in each simulation exercise, while challenging the participants to clarify and determine their own answers and finally to present professionally as a group reflecting a strong understanding about each framework. The participants feel that all the techniques used, the methods, the videos and slides were extremely engaging. It was great that they have experienced the trainer delivering a high concept program with so much energy.

Employees Personal Transformation

Current employees understand the traditional business and, hopefully, the market, and they are comfortable with the status quo. It is obvious that for the sake of making the boss happy, one would just agree to whatever directive given. For them, it is easier said than done. Not to mention to make a change. Employee resistance will alleviate the success of the transformation progress.

Employees Transformation Program (PTP) has been designed for the employees. The program focuses on team and character building. It was tailor-made to the current state assessment done by the trainer. It was a program that forming the right mindset and change from a single physical motivation to emotional and spiritual motivation (Abundance Mentality). The main objectives were to build the awareness of "meaning of work", and develop the integrity of a person through finding life purpose and personal values. The program focused on significant capitals and motivation to support the improvement and transformation initiatives. Three core elements of IQ

(knowledge, skills and behavior), EQ (values), and SQ (beliefs) were well blended and delivered through the PTP program.

Figure 5:

Three core elements in Personal Transformation Program for BIT Group
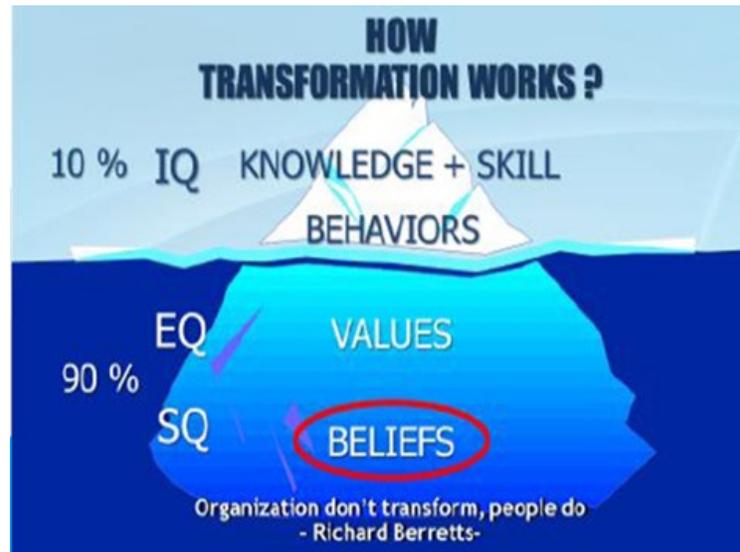
It was the hope of Hasbi that with this program, BIT Group may have a greater working culture that is more adaptable to internal and external changes, thus adding value to achieve its vision and mission.

3.   Centralize and Standardize Operations – Strategy for Today and Tomorrow

Centralization of operations is core to the transformational journey to digital convergence. Collaboration or consolidation of internal processes is often a key target for centralization as it offers considerable and immediate operational savings. In a consolidated environment, it is easier to apply automation progressively to further reduce service delivery costs, and increase productivity.

As part of BIT's digital transformation initiative, the change coalition team introduced a tool that assist in the internal, and cross team collaboration and documentation of everyday tasks. Imagine combining secure file sharing, project management, external collaboration and social networking in one easy-to-use platform, as the following features:

•   *Knowledge, Collaboration and Document Sharing Portal (collabro)*

The portal allows teams to work more efficiently, individuals to be more productive and divisions to unify internal and external collaboration in one secure space that can be accessed from anywhere and from any device. All information are stored into a single data warehouse.

- *System to Capture Insights and Ideas from Staff*

An effective communication platform that enables employees to tap into the unique knowledge, insights, and talents of its people.   It creates ways for the employees to exchange ideas, information, and questions. It empowers the staff to seek answers from their peers, strengthen connections between colleagues, and transfer knowledge.

- *Internal Social Networking*

The informal style of social networking platform that allows bottom –up communication, which let the employees of specific departments and divisions share any news that is relevant to them, or post any concerns by getting in touch with the respective parties, virtually.

- *Online Collaboration to Manage Projects, Teams and Tasks*

It is a management tool for team collaboration. The Project Management Office (PMO) can view each member's progress of how much work have completed according to his or her schedule.

- *Business Intelligence and Dashboard*

Business intelligence include reporting, online analytical processing, analytics, business performance management, benchmarking, and prescriptive analytics. Great dashboard UI design is also developed for ease of navigation.

- *Process and SOP Guidance for Staff*

Information on Standard Operating Procedures (SOP) are deposited into the database of myBIT, as guidance for staff; to achieve uniformity of the performance of a specific function. These can be used to satisfy compliance requirements, mitigate business risks, improve quality or simply to work in a consistent and efficient manner throughout the company. All updated existing SOPs and new ones are just clicks away.

- *Accessibility from Web Portal and Mobile App*

Named as myBIT. It is a consolidation of new enterprise application modules, which includes customer relationship management (CRM), sales order processing, online sales, financials, human resources, and project management, and operation support system of BIT Group's internal functions and the existing back-office applications. Some of the application modules are off-the-shelf applications and some are exclusively developed in-house. The integration was executed by BIT Group's employees.

Figure 6:

Anticipated Centralized Internal System – myBIT

myBIT Framework
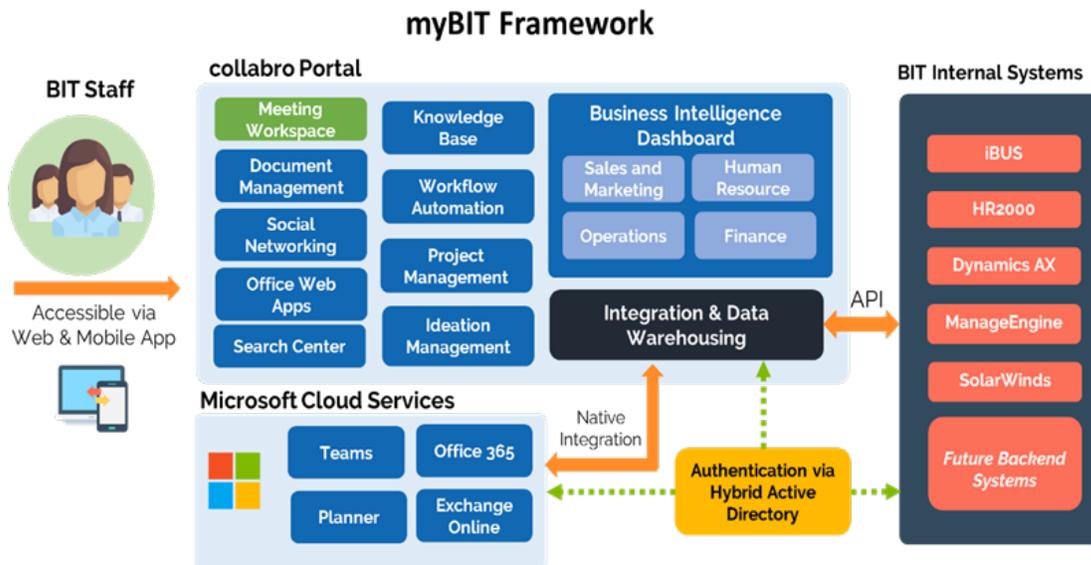
4.   Transforming from Projects to Products – Creation of Digital Business

This is the major cultural change for BIT Group, and the hardest one. It is a complete shift in perspective, moving from planning the delivery of projects to collaborating on the creation of products. Moving IT from project-based methodology to product-based methodology is another significant step in changing the language and culture of BIT Group. Huge investment and resources are certain. Yet, it must be enforced.

Hasbi anticipated this major hurdles and took extensive approach by forming an exclusive coalition, a combination of representatives from BIT Group's digital business units and shared services. The coalition is named as BIT Digital Federation, led by Hasbi himself.

Software Application Products

With some challenges went along, BIT Group have developed a comprehensive suite of Sharia-compliant based software solutions to address the growing needs of Muslims. It was all started with eDental, a project-based dental application tendered by a client in 2008. The second software application developed namely eFARAID, another project-based Islamic apps tendered by another big client. Until today, BIT Group is still the incumbent developer and support of the two applications.

Workforce of product development team expanded radically since then. Their focus is on software application development. The aim is BIT Group to have its own products as additional sources of revenue. To date, BIT Group had lined up three ready-to-market applications, and more than five applications in product development phase.

Figure 7:

BIT Digital Business Product Lifecycle
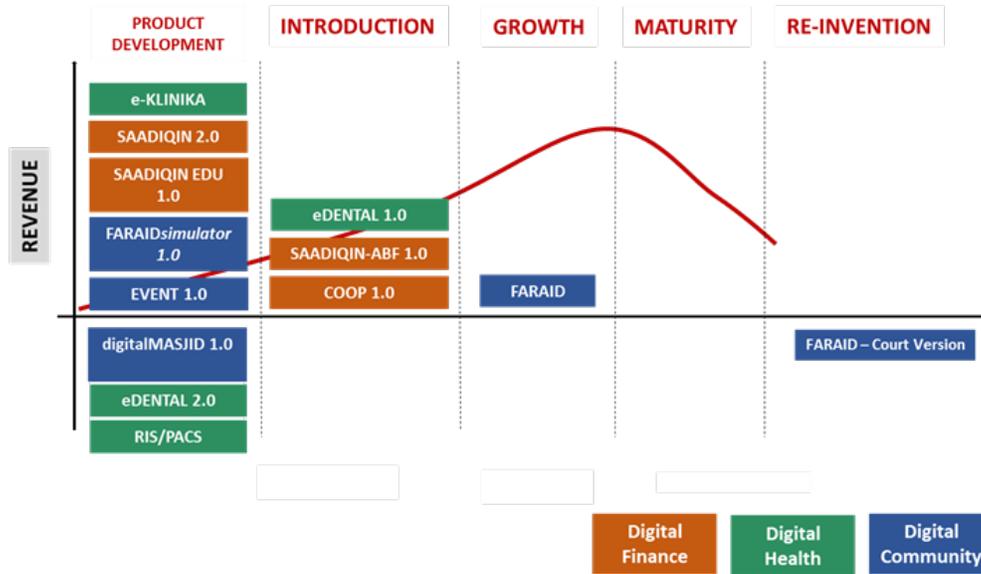
Cloud Service Infrastructure

On top of the expanding market opportunity, BIT Group has embarked in offering cloud services, as it is a great way to grow its revenue and gain access to new customer markets. On top of it, the trend today is, customer wants the cloud. IT infrastructure and architecture are moving from the traditional on-premises approach and into the cloud. BIT Group must never miss to adapt with the trend. The successful creation and deployment of cloud services will become the foundation for BIT Group to making it essential to get it right from the start.

Hasbi knew there is no better time to invest in the cloud infrastructure. It is learnt that due to the way cloud licensing works, recurring revenue goes hand-in-hand with offering cloud services, which from regular subscription fees to pay-as-you-go billing, providing cloud services enables BIT Group to create a steady stream of income.

Blockchain Solution Provider

Blockchain is a major disruptive force in IT stage today. In fact, it has spreading throughout the core of company's corporate strategy. BIT Group has planned to develop its blockchain prototype for financial application namely BITChain. It is a platform that aims to provide cryptocurrency enthusiasts with an effective alternative that take their transactions well above the present standards of the industry aiding it in delivering the promise of providing customers with a seamless, decentralized, cost-efficient, and instant means of sending anything of value between any two points without the use of any kind of mediator.

Figure 8:

BIT Blockchain Initiatives

BIT GROUP BLOCKCHAIN INITIATIVES
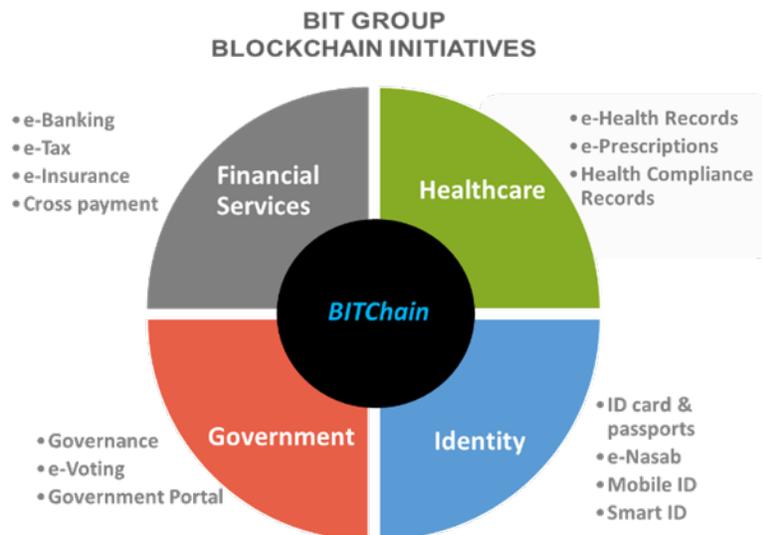
Lessons Learned and More to Learn

Leading digital transformation initiatives might be crucial to BIT Group success, as the driving is not straightforward as expected. In addition, it is constantly difficult in all stages. What is certain is that the leadership team must and will have to play a key role in the change process, especially the top management.

Pushing the culture of transformation across the organization took the whole nine yards to get the buy-in. Good communication is the key factor to ensure everyone gets clear direction and understand the message. However, it was not so bad and employees gradually are making improvement in their behaviours and capabilities throughout the organization, towards realizing BIT Digital 2020. Through basic centralized and standardized operations, everyone seems so close, yet so far. That was an unintended but great consequence. BIT Group citizens are now working in a new agile mindset, innovative way where they are trying out new technologies, like blockchain, in order to learn. And still learning.

Disrupting the legacy business model through brand new digital products is the toughest journey. And, it continues despite very high dedication and teamwork among the employees. Thanks to the employees' development programs that had been taken into place. Of course, in the middle of the processes, deliverables most of the time kept on changing that what a good one should include, and what is bad to remove. Mitigating risks are challenging, and opinions always vary all over the maps. No significant success is visible now. Product marketing and branding are playing crucial role for near coming years. The market is too soft, and level of competition is increasing. Even, the company is fighting against individual millennials. However, BIT Group stands still working on it. The efforts that count for now.

Hasbi is very passionate for BIT Digital 2020 aspiration. He consistently never gives up and always courageous to keep going on. Despite so many hurdles to overcome, he is always looking for next thing that might give the business a competitive advantage. He has led the adoption of agile mindset among the employees that give high impact on every little change. That is all what any employee wants. A leader who inspires.

Conclusion

Realizing the importance of digital business in order to stay relevant in the market, BIT Group has to take bold initiative to push itself to embark in digital transformation plan. The plan is not designed to change quickly, as it mapped into Three-Year Business Strategic Plan (2017 – 2019). Yet, it is objectively designed to systemize and optimize the in-hand gems, and allow significant change when thoroughly proven to be beneficial, and only to the degree that it does not create grievances to the company citizens. This sounds sensible and can be effective in relatively static markets, but digital world is a major agility, which needs to catch up.

Hasbi, the number one man in BIT Group anticipated the game and determined to pursue digital business for BIT Group. He crafted BIT Digital 2020. Faizal, the so called lead transformer of the company is given the task to draw the digital transformation canvas, and the details to come later as it goes along the journey. Employees pushback, collaboration in operations, and reinvention of new digital product lines have been identified as crucial to transform. The sense of urgency and awareness had been established and next steps followed just accordingly.

To date, the transformation journey is in its half-way, coming from top to bottom, and implementations are taking place at the division level. Although it was a chaotic in the beginning, BIT Group has conquered the experience and looking forward to completing the journey, to achieve BIT Digital 2020 aspiration.

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