

# Digital Excellence Maturity Model

To navigate the digital world smoothly, businesses must learn to see, do and deliver things differently. But it is not easy. While several market factors push companies to go digital, many are in the initial stages of embarking on complex digital transformations, driving all aspects of their businesses to redefine how they operate.

Digital excellence is the culmination of adopting a series of methodologies and capabilities that allow organizations to accelerate decision-making, improve operations and excel at delivering products and services. It is based on the quality of processes, strategies, analysis, scoping and implementation undertaken to succeed in the connected age.

Digital excellence also includes the ability to address the following aspects:

#### **Environmental and energy considerations:**

Ensuring that an organization's digital transformation aligns with environmental and energy efficiency goals. This involves the evaluation of technologies' impact on energy consumption and environmental sustainability while considering green technology solutions.

**Open-source strategy:** Evaluating the role of open-source technologies in the digital strategy. It assesses how open-source solutions are integrated into the technology landscape, considering their potential benefits and alignment with business objectives.

Cybersecurity framework: Exploring an organization's cybersecurity practices in detail, including incident response, data protection and compliance frameworks. It focuses on how well an organization plans for and proactively addresses threats, vulnerabilities and security compliance requirements.



Al integration: Understanding an organization's Al strategy in depth and its application in achieving specific business outcomes. It analyzes how Al is leveraged, its impact on processes and its potential to create a competitive advantage.

Infrastructure resilience: A thorough assessment of an organization's infrastructure management, ensuring that it's well-structured, resilient and ready to support digital operations. It evaluates the management of infrastructure, connectivity technologies and the utilization of IP.

**Automation roadmap:** It provides insights into a strategy for automation. It examines how

an organization identifies and selects suitable processes for automation within the value chain, and highlights advancements in edge computing and zero-touch technology.

This is where our maturity model comes into play, enabling Cognizant to perform a quick assessment within a matter of two weeks. We employ the maturity model using collaborative platforms such as MIRO, to provide real-time access and keep track of all documents. By using this model, organizations can quickly gauge their maturity across various domains, identify opportunities, align expectations and craft a clear roadmap for growth.



#### Pillars of the maturity assessment



#### **Customer:**

Evaluates an organization's digital interactions with customers. This pillar provides a 360-degree view of an organization's performance around its customers. This includes topics such as privacy, brand promise and personalization.



#### Operations:

Focuses on capabilities to effectively deliver, deploy and retire services, understand stakeholders' needs, and efficiently run services in production to ensure availability, quality and responsiveness to demands.



#### **Culture:**

Refers to a company's own culture. How well does an organization manage and attract talent? Does it create a positive and effective work environment for its employees? Talent management is essential for building a work culture and it's one of the main drivers of digital excellence.



#### Strategy:

Assesses how well an organization can create and pivot its business model, and whether its marketing strategy effectively aligns with its overall strategy. This will be discussed and evaluated based on sub-pillars such as marketing, portfolio management, risk management and brand strategy, ensuring seamless overall performance.



#### Data:

Evaluates if the available data is useful and aligns with the business goals and objectives. Relevant data addresses specific analysis requirements to make informed decisions that enable an organization to achieve its goals and objectives.



#### Technology:

Encompasses various stages of digital excellence—from roadmaps and cyber security to Al and virtual reality—to enhance automation, optimize processes and enable intelliaent decision-makina. These technologies can analyze complex data, learn from patterns and make predictions or recommendations, leading to improved productivity and efficiency.

#### Purpose and benefits of this model

#### **Purpose**

The purpose of this model is to assess the maturity of an organization in different areas around digital excellence, identify opportunities, create a prioritization diagram and define a clear roadmap.

We will help clients enhance their capabilities and effectiveness in these areas, leading to improved performance, efficiency and outcomes. The maturity model also provides a structured and methodical approach to assess, benchmark and enhance an organization's performance and capabilities, fostering a culture of continuous improvement and excellence.

#### **Benefits**



#### Informed decision-making

Leveraging quality data allows for accurate analytics and insights, resulting in better strategic decisions. Alligns with consumer demand and market trends.



#### Enhanced customer experience

Consistent and high-quality data enables personalized marketing and customer engagement. Leads to higher customer retention and brand loyality.



#### Cost efficiency

Clean and well-managed data minimizes redundancy and streamlines operations, leading to cost savings. Enables optimal resource allocation and increases profitability.



#### Increased development speed

Speeds up development of new solutions, thanks to known data quality of a dataset.



#### Increased data quality

Less data quality issues because they can be raised in a systematic way.



#### Setting the right incentives

Incentivizing employees to maintain good data quality because they could be measured against it.



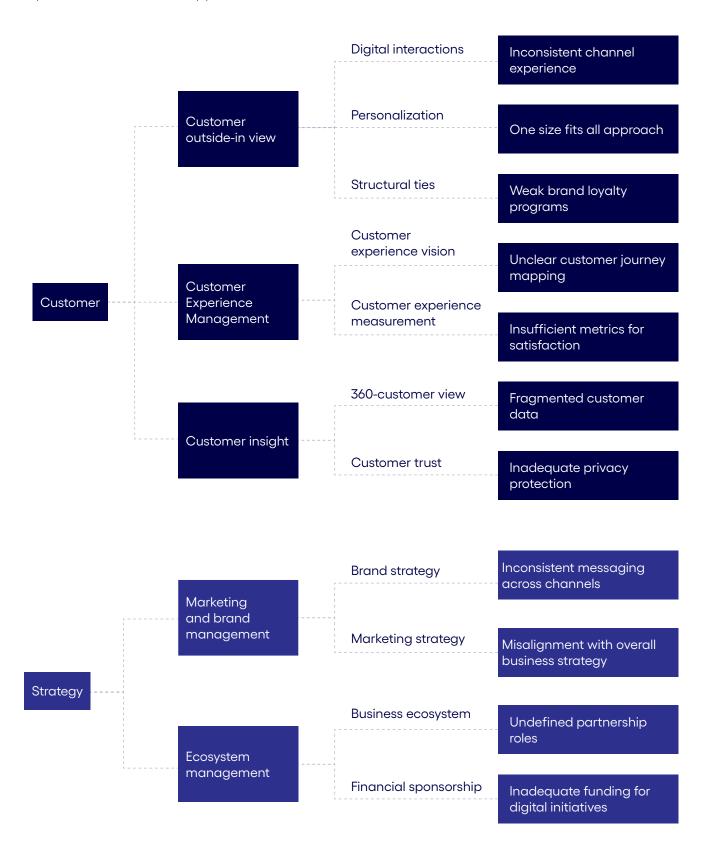
#### **Deliverables**

During this rapid assessment, we cover three key deliverables:

- Opportunity diagram
- Prioritization matrix
- KPIs

#### Opportunity diagram

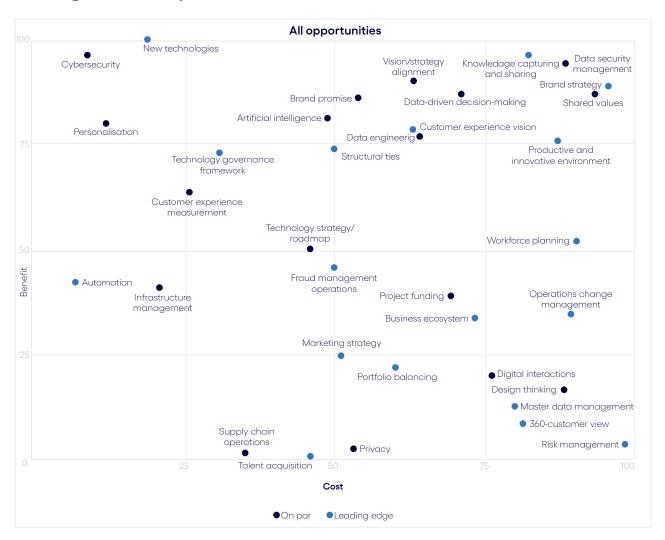
Pillars are major branches from the root, leading to child categories. On each connector, specific areas of interest are listed, creating direct paths to issues, outlining the common problems identified as opportunities.



	Technology		Technology governance framework	Lack of policy enforcement
	governance	1	New technologies	Slow adoption of emerging tech
Technology	Technology	1	Technology strategy/ roadmap	Misalignment with business objectives
	and application architecture		Cyber security	Vulnerability to cyber threats
	Organizational values		Shared values	Lack of digital culture
Culture		1	Workforce planning	Skill gaps in digital capabilities
	Talent management		Talent acquisition	Challenges in attracting digital talent
	Service transition/ deployment		Design thinking	Lack of digital culture
Operations	Service design and innovation		Operations change management	Challenges in attracting digital talent
			Master data management	Inconsistent data quality
	Service design and innovation	 	Data security management	Lack of comprehensive data policies
Data			Data engineering	·
	Service			Inefficient data processing
(	transition/ deployment		Data value realization	Underutilized data for decision-making

#### **Prioritization matrix**

This prioritization matrix is a tool to systematically evaluate and prioritize options or alternatives based on multiple criteria. It offers a structured approach to decision-making, particularly when addressing complex problems or assessing various projects, tasks or concepts. Informed decisions can be made regarding which options to pursue based on the ranking. Top-ranked options are those that align most closely with the criteria and hold the greatest potential for achieving the desired objectives.



**Digital Excellence Prioritization Matrix** 

#### **KPIs**

A successful digital excellence model is the one that delivers results for the business. But how can an organization most effectively measure those results? One way is to establish and track the key performance indicators (KPIs):

- · Provide objective evidence of progress toward desired goals
- Measure the intended parameters to facilitate informed decision-making
- Enable comparisons to gauge performance changes over time
- Monitor performance metrics

Question	Level	KPI 1	KPI 2	KPI 3	KPI 4	KPI 5	KPI 6	KPI 7	KPI 8	KPIs (To be checked, integrated or modified)	
How well can your organization create and pivot marketing and sales strategies?	1	•	•							<ul> <li>Marketing channel performance</li> <li>Market research effectiveness</li> <li>Digital marketing performance</li> <li>Consumer segmentation accuracy</li> <li>Marketing automation efficiency</li> <li>Cross-functional collaboration score</li> </ul>	
	2			•	•	•					
	3						•	•	•	Continuous strategy optimization rate     Omnichannel engagement index	
How customer-centric is your company's operating model?	1	•	•	•						<ul> <li>Customer satisfaction score (CSAT)</li> <li>Customer retention rate (CRR)</li> <li>Customer lifetime value (CLV)</li> <li>Net promoter score (NPS)</li> <li>Al and automation impact score</li> <li>Customer engagement rate</li> </ul>	
	2				•	•	•				
	3							•	•	Personalization effectiveness score     Customer experience index (CXI)	

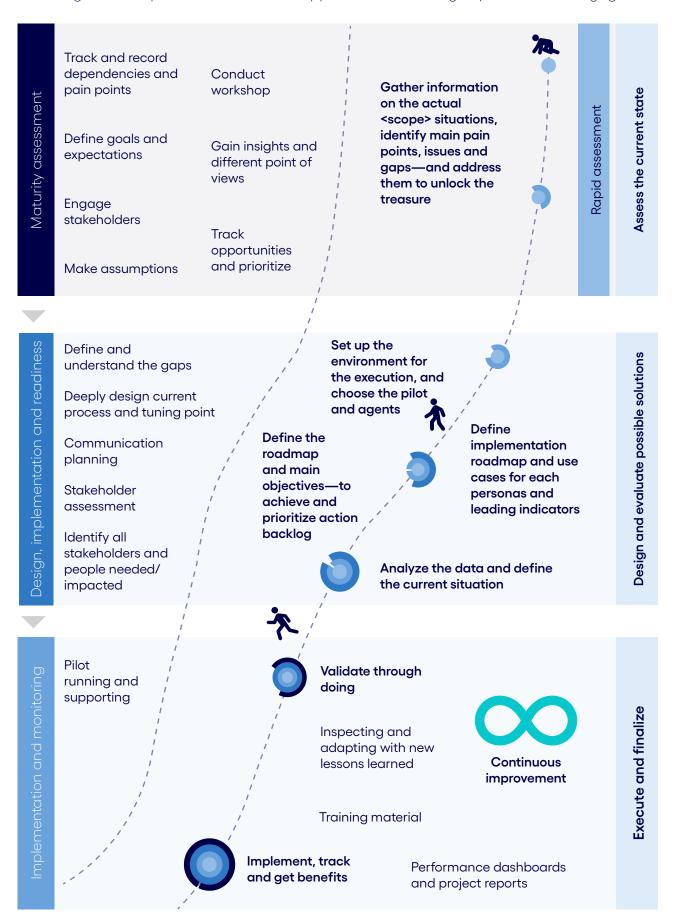
KPI recommendations to measure improvements in Digital Excellence

#### Our approach to unlock clients' potential

We help clients unlock value within their business processes by harnessing the power of data to discover insights that will guide their transformation journey. In that sense, the maturity assessment is the first step, gathering the building blocks that indicate the current state of their processes. At the same time, we gain insights about their goals and expectations. Using this information, we provide an agile, data-driven and high-level diagnostic approach—to identify the challenges and dependencies that can impact the actions required to bridge the gap between their current situation and their desired outcomes. This is the blueprint that guides the design of the transformation roadmap.

The second stage involves detailed design for enhanced results. This includes prioritizing initiatives and establishing measurable KPIs that define the expected improvements for each project. The roadmap also requires the identification of significant milestones to track progress and the impact of the prescribed measures.

The final step is the implementation of the transformation plan while closely monitoring the deployment of each project—tracking challenges, gains and lessons learned to facilitate agility and foster a culture of continuous improvement.



Our approach to unlock all the potential value

#### Roadmap

The below roadmap is the holistic view which outlines the objectives priorities, and timelines for this specific type of engagement.

#### Maturity assessment

Start with our maturity assessment to determine the current level of agility

#### **Develop solution roadmap**

Design solutions that address the gaps and improvement points

# Iteratively increase your agile maturity

Follow our roadmap to grow to the defined future state and determine the next goal



# Understand gaps and improvement points

Determine the focus areas and pain points

# Support your transformation programs

Start your transformation journey with our support through training, advice and implementation

### Agree on end state and vision

Determine what level of agility is envisioned as an organization

#### **Authors**

**Stefano Montanari**, Head of Retail and Consumer Goods – Stefano.Montanari@cognizant.com **Dmitrii Semenov**, Business Analyst – Dmitrii.Semenov@cognizant.com



Cognizant (Nasdaq-100: CTSH) engineers modern businesses. We help our clients modernize technology, reimagine processes and transform experiences so they can stay ahead in our fast-changing world. Together, we're improving everyday life. See how at www.cognizant.com or @cognizant.

#### **World Headquarters**

300 Frank W. Burr Blvd. Suite 36, 6th Floor Teaneck, NJ 07666 USA Phone: +1 201 801 0233 Fax: +1 201 801 0243 Toll Free: +1 888 937 3277

#### **European Headquarters**

280 Bishopsgate London EC2M 4RB, England Tel: +44 (01) 020 7297 7600

#### India Operations Headquarters

5/535, Okkiam Thoraipakkam, Old Mahabalipuram Road, Chennai 600 096 Tel: 1-800-208-6999 Fax: +91 (01) 44 4209 6060

#### **APAC Headquarters**

1 Fusionopolis Link, Level 5 NEXUS@One-North, North Tower, Singapore 138542 Phone: +65 6812 4000

© Copyright 2024, Cognizant. All rights reserved. No part of this document may be reproduced, stored in a retrieval system, transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the express written permission of Cognizant. The information contained herein is subject to change without notice. All other trademarks mentioned here in are the property of their respective owners.