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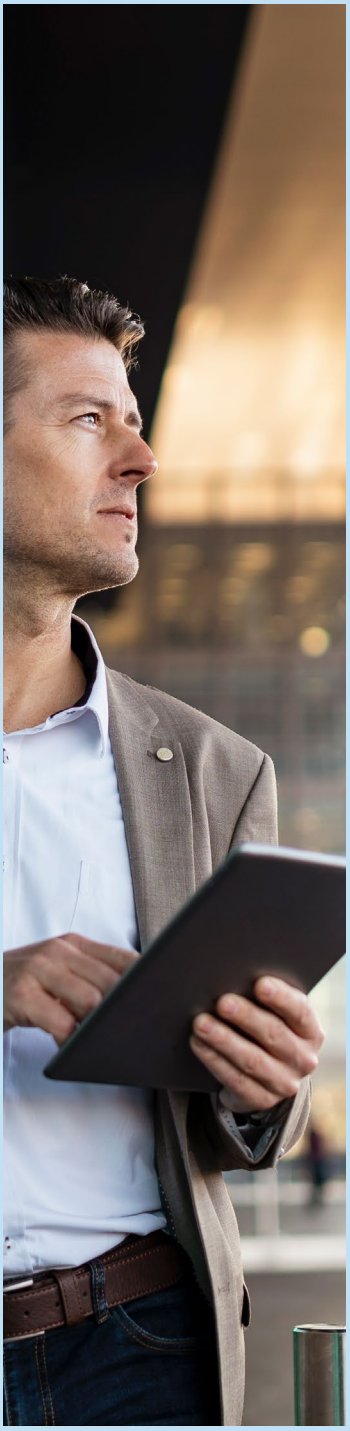

A DOZEN BEST PRACTICES FOR A SUCCESSFUL SAAS CLOUD TRANSFORMATION JOURNEY

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About a decade ago, enterprises switched to the cloud with the twin objectives of cost savings and scalability. However, as digital technologies evolved and innovation flourished, cloud has become a crucial lever for business transformation. The Infosys "Cloud Radar 2021" study polled over 2500 respondents worldwide and states that cloud is now viewed as a business enabler and finds room in the core business strategy[1]. Suffice it to say that the success of an enterprise's digital transformation is closely linked to its cloud strategy.

However, the enterprise cloud transformation path is seldom smooth. Stories about enterprises struggling with digital transformation and ultimately abandoning it are unexpectedly common. According to BCG[2], the odds are against the success of a digital transformation, as they believe 70% of such projects will fail. But, according to the Infosys Digital Radar 2022 study, companies that delay the adoption of digital technologies will fall behind their peers and struggle to survive[3].

Clearly, digital transformation is a complicated undertaking and must be viewed through the organizational lens rather than just as another IT initiative. Yet, some organizations have succeeded in this journey. So, what's the secret behind those?

12 levers for a cloud transformation

This paper discusses 12 critical success factors to navigate a successful Oracle Cloud transformation. We identified these factors from our experience with a wide range of Oracle cloud engagements and enterprise transformation journeys.

1. Process centric approach

Moving to Oracle SaaS Cloud is a good opportunity for enterprises to simplify processes. The approach should harmonize processes to the maximum extent and allow deviations only for legal, regulatory and statutory requirements. This is particularly relevant for large organizations that are present in many locations and regions,

As processes get defined, it is important to incorporate standard Oracle Cloud best practices, challenge business users during workshops on adopting outlier processes and avoid unnecessary customizations.

2. Customization of SaaS

Customizing SaaS software goes against the very foundation it is based on - however, extraneous circumstances may force the issue. For example, the required functionality may not be available through a third-party tool and is core to business process execution. In such cases, personalization is the preferred approach as it helps personalize the user interface for the end user.

3. Scope management

Scope management is critical to the success of cloud programs. We recommend defining a minimum viable (MVP) product and adhering to its scope for the pilot deployment. Scope creep is a major factor in many organizations' cloud journeys. The inability to manage scope increase effectively allows new elements to find their way in until user acceptance testing. Project management teams must monitor scope changes closely and accept them only if requisite approvals and strong justifications of effort versus costs are available.

[1] *Infosys Cloud Radar Report 2021*

[2] *Flipping the Odds of Digital Transformation Success | BCG*

[3] *Infosys Digital Radar 2022*

4. Show and tell approach

Cloud software implementations require deep involvement from key superusers right from the beginning to ensure smoother adoption and, more importantly, avoid surprises later. The show and tell approach is about walking through the configured application with sample business data. This is a foolproof way for users to see how processes will work in the cloud application.

5. Persona based approach to drive adoption

We recommend a persona-based approach to design to enable easier adoption. This approach also showcases the execution with a "day in a life" methodology to design future state processes. The "day in a life" approach gives an early view of how the processes will work in the future state.

6. Hybrid agile project execution approach

Our experience shows that adopting a hybrid agile approach for cloud deployments guarantees success. Here, we break up the project into multiple sprints, each cycle lasting three weeks, including design and build. Of course, SIT and UAT can still be executed using the waterfall approach, but the design and the development cycles must be executed using sprints to drive better user adoption.

7. Focus on data

A staggering 70% of projects still fail due to data issues. Most enterprises fail to focus sufficiently on data conversion, especially around the data quality and specifically that of master data. If the bad data in legacy systems is not cleaned up, the same low quality data gets migrated to the new cloud application. Another common challenge is insufficient mock conversions to validate the end-to-end conversion process and the migrated data quality. So, good quality data and multiple practice conversion runs are essential for a smooth end-to-end data conversion process.

8. Test, Test and Test

The mantra to success has always been to "test, test and test." Testing by key users should begin at the start of the project utilizing an agile approach. Since most projects fail as users are uncomfortable with the new application, testing becomes supercritical. It means identifying test scenarios and testers executing test scripts to familiarize themselves with the application. For reasonably sized programs, it is vital to use a testing tool that to track the testing progress and defects logged.

9. Strong program governance

Proper program monitoring, scope management and managing key design decisions occur with strong program governance. Therefore, key Design Decision (KDD) documents are created during the design phase to make design decisions with the required level of buy-in from the business and IT.

10. Focus on organization change management

Since customizing the cloud is the least preferred option, change management becomes critical in this context. It is all about abandoning legacy processes and embracing new ways of working as much as possible. Change management plays a lead role in conducting a change impact analysis and guiding the key users through the adoption process. In addition, we find that identifying a few "key change champions" from the business side to be the primary leads to introduce it to the larger user community ensures smoother adoption.

11. Focus on automation

Automation is key to success in cloud implementations. While automation may not always be native to the cloud application, we can look at other tools to automate processes to boost execution efficiencies. Automation opportunities should be identified, and a team should work on analyzing and enabling them simultaneously.

12. Emphasize training

User training influences the success of any program heavily. Typically, the implementation partner "trains the trainer," namely the key super users who, in turn, train the end users.

While the super user training content is more IT oriented, the end user training content must be modeled differently by considering the user's daily tasks. As a result, it must be more instructional.

In conclusion, these 12 recommendations are based on experience garnered across Infosys' diverse client portfolio. Given the clear connection between digital transformation and business performance, organizations will do well in including these practices in cloud transformation programs.

About the Author

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Somnath Majumdar is a Senior Industry Principal with Infosys. He has over 22 years of experience in master data management (MDM) and supply chain transformation programs. Somnath has driven MDM strategy and deployments for global clients in the manufacturing, hi-tech, retail, and financial services industries. He is a thought leader in the data management and supply chain management space.

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