Chapter 12
Demystifying the Power of Digital to Become a Cleverer Enterprise:
The Concept of "Digital Quotient"

Murat Yaslioglu
Istanbul University, Turkey

Duygu Toplu Yaslioglu
Istanbul University, Turkey

ABSTRACT

New challenge in all industries is to catch up with the digital revolution. There are some pioneers and some followers in all industries but it is inevitable that digits catch every company by its claws. Our research aims to put forward the dynamics of the digital era or in other words new economy. Companies with a good level of digital maturity and thus high digital quotient become the leaders of their industries. Of course it is in some sectors digitization has become more obvious compared to others, but it is a rising trend in every industry, one can appoint. Banking sector is casts a great example how digital quotient and its factors come into play. Our research tries to define the new concept of digital quotient and illustrate a good practice by evaluating the strategies of a leading bank in Turkey.

DOI: 10.4018/978-1-5225-2897-5.ch012

Copyright © 2018, IGI Global. Copying or distributing in print or electronic forms without written permission of IGI Global is prohibited.

INTRODUCTION

The word digital refers to numbers, however the digitization and its effect on business and industrialization have altered the way we work and produce entirely. Digital business has begun with the internet in the early 90s. It was never expected that this network would expand globally and would even connect "things" in our lives (Kopetz, 2011; Bughin, et.al., 2015). Increased connectivity, new technical opportunities and more "knowledge power" helps us to discover and share even more. Contemporary meaning of digital hence refers to technological foundations that allow humans and things to share information among each other (EY, 2014).

Today's most of the known enterprises such as Facebook, Google, Twitter, Amazon, e.g. can be said to be "born digital". However, digitization has its own eras in it; information technologies' craftsmanship or so called "ITsmiths" focused on the technology's development itself. Their capabilities included but not limited to mostly programming and system management. These ITsmiths were isolated and disengaged. Most of the outputs were inordinate and ragged automation with every problem. Second era followed immediately with IT's rapid industrialization through process focused IT and service management. CIOs and information workers whom treat colleagues as valuable customers have emerged, however this era had its deficiencies such as their very low engagement with external environment and especially customers. Outcome of this era were high tech services and solutions focused to efficiency and effectiveness (Taylor, & Todd, 1995). We can account ourselves at the end of this era, because drivers of digital intelligence such as cloud services, mobile engagement, social networking, social media and its analytics has already started to force us think out of the clichés and paradigm shift for the new digital enterprise. Change is not an isolated event, but a constantly evolving way of being. Leaders must embed a capability to adapt and react to change within their organizational fabric, including cultures, business models and strategies, value propositions, processes, and, crucially, their internal and external communication strategies and channels. (Tapscott, & Caston, 1993; Veling, et.al, 2014). Businesses will be forced to think on platform models which interlocks and connects everything; not just our computers to the mobile phones but smart things in our life, including our milieu and us. Yesterday's ITsmiths have started to evolve into "digital leaders" with deep knowledge of IT and its necessary use; treat their colleagues as partners and also engage with external customers. The result will be digital business innovation, new types of value and higher "digital quotient".

The term digital transformation is perhaps one of the most frightening words in contemporary corporate lexicon. Stakes are high and new technology with new

24 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the product's webpage:
www.igi-global.com/chapter/demystifying-the-power-of-digital-to-become-a-cleverer-enterprise/185908?camid=4v1

This title is available in Advances in Knowledge Acquisition, Transfer, and Management, InfoSci-Books, InfoSci-Business and Management Information Science and Technology, Business, Administration, and Management, Communications, Social Science, and Healthcare, InfoSci-Computer Science and Information Technology, InfoSci-Media and Communication Science and Technology, Science, Engineering, and Information Technology.
Recommend this product to your librarian:
www.igi-global.com/e-resources/library-recommendation/?id=98

Related Content

Transforming Small Businesses into Intelligent Enterprises through Knowledge Management
Nory B. Jones and Jatinder N.D. Gupta (2008). *Knowledge Management: Concepts, Methodologies, Tools, and Applications (pp. 2687-2698).*
www.igi-global.com/chapter/transforming-small-businesses-into-intelligent/25291?camid=4v1a

HERMES: A Trajectory DB Engine for Mobility-Centric Applications
Nikos Pelekis, Elias Frentzos, Nikos Giatrakos and Yannis Theodoridis (2015). *International Journal of Knowledge-Based Organizations (pp. 19-41).*
www.igi-global.com/article/hermes/125583?camid=4v1a

Spam Detection Approaches with Case Study Implementation on Spam Corpora

Biju Issac (2011). *Teaching Cases Collection (pp. 194-212).*
www.igi-global.com/chapter/spam-detection-approaches-case-study/49222?camid=4v1a

Automatic Pattern Proposition in Transformation Life Cycle

Mahsa Sadat Panahandeh and Bahman Zamani (2017). *International Journal of Information Technologies and Systems Approach (pp. 1-16).*
www.igi-global.com/article/automatic-pattern-proposition-in-transformation-life-cycle/178220?camid=4v1a