



the results company



Overcoming the Odds

Digital Transformation Guidelines for Global Businesses

Executive Summary

As we race into the second decade of Industry 4.0, the dust is settling and it's becoming clearer what the best practices are for digital transformation. And still, the exponential nature of this revolution has created a Gold Rush environment which has companies diving head first into the unknown for fear they will miss the boat.



In mid-2023, Harvard Business Review reported that [89% of large companies globally](#) have undergone some level of digital and AI transformation. But the results are dire. A [study by McKinsey](#) reveals that these companies are missing their expected ROI by a long shot. In fact, these companies have captured a mere 31% of expected revenue increases, and just 25% of expected cost savings.

Those are catastrophic results when you consider that global spending on digital transformation was projected to reach [\\$6.8 trillion](#) in 2023.

The good news is that this gap has created a huge opportunity for those who are ready to pursue a level of growth that will cement their place on the global business stage and make their business resilient to future market disruptions.

As the multinational division of HSO, HSO International is a borderless implementation partner exclusively dedicated to serving enterprises with a global footprint. We thrive on helping businesses turn complex multi-country challenges into a competitive advantage, and our true global practice makes it a seamless experience.

With over 30 years of experience, we've ridden enough waves to spot the trends, and this has shaped our approach to helping companies realize their business transformation. We don't merely ensure that implementation goes smoothly, but that businesses can adopt an evolutionary posture and adapt to future market changes.

In the following pages, we point out the key ingredients for lasting success, pitfalls to avoid, and share insights that help you confidently lead your business through a successful digital transformation.

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01 Vision: Forging your Legacy

Think a few years into the future.

Conflict and geopolitical power competition has fundamentally restructured supply chains and shocked economic markets, increasing risks for globally competitive businesses. On the technological side, artificial intelligence has redefined how people work and made new frontiers accessible to those who boldly incorporate it into their digital strategy. In short, change is accelerating, and this demands that we adapt our digital posture to enable us to compete in an increasingly dynamic world.

With the right strategy, you will have transformed your business into an agile, data-driven enterprise, leveraging advanced technologies that provide transparent oversight and the ability to quickly react to market changes. With enhanced decision-making, you are not just predicting where the business will be driven, but control instead a prescriptive environment where you can set the course and leverage a platform that will spell out the steps to take your business there.

Instituting an end-to-end digital ecosystem with seamless integration has enabled real-time collaboration across geographies, fostering innovation and accelerating time-to-market for products and services. You have moved beyond ESG compliance and lead by example, driving the positive social impact that customers demand while delivering exceptional value to shareholders and stakeholders alike.

With a roadmap that lines up with your business goals and dedicated support that facilitates adoption throughout the implementation, your version of this vision is well within reach.

What will your legacy be five years from now? Will you build a resilient business that is ready to tackle tomorrow's challenges and poised to take advantage of new opportunities? In the next pages, we chart a course that will firmly establish your business as an industry leader and serve as a springboard to discover new frontiers.

02

The Need for Digital Transformation

Internationally operating companies are in a constant cycle of lowering costs, increasing productivity and optimizing data to pinpoint a single source of the truth. However, in mergers, acquisitions, and expansion, local autonomy and regional regulatory factors complicate this process. They fundamentally change how critical decision-making information flows between a company's core and subsidiaries. Furthermore, each country has unique processes and systems, and before long this can devolve into a tangled web of siloed data and manual processes that hinders productivity and data transparency at the central level.

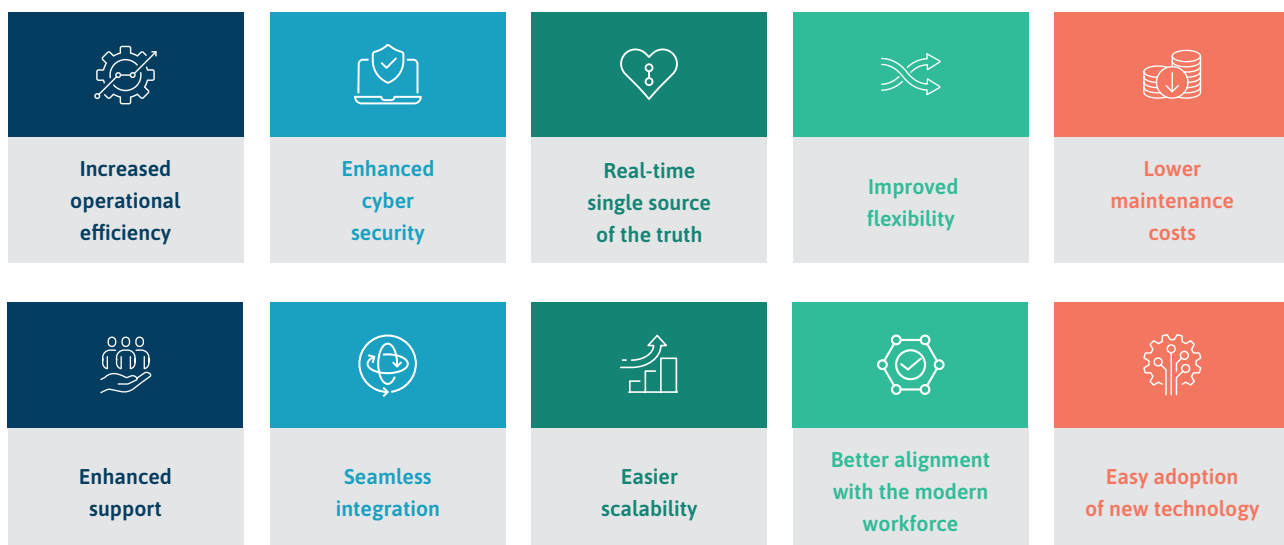
Many companies struggle with these segregated, outdated systems. This continues to result in low productivity and multiple sources of the truth. To maintain their course,

these companies must replace their fragmented software solutions with new, cloud native integrated business applications. The most important aspect of this process, however, is not the technology, but the people who make it happen.

For many multinationals, it's time to completely reset and choose a new core system that addresses bottlenecks in finance, supply chain, and production. Those who wait will be quickly outpaced by the competition and become victims of [digital Darwinism](#)

If it were easy, more companies would be successful in their business transformation. But what is causing so many of them to fail?

The Benefits of New Business Applications



03

Addressing Common Pitfalls

We live in an on-demand, 24/7 connected society where technology and market needs change rapidly. This can make it difficult to navigate the minefield of solutions available for your business transformation. At the same time, trying to survive with an inadequate digital infrastructure leads to technical and strategic disadvantages, so the stakes are high for those on the fence about making a switch. Imagine, for example, if you still had a landline phone. Left with compromised agility and communication blind spots, you would be on the market for a smartphone, and ideally one that takes your future needs into consideration.

Similarly, the viability of your business depends on an upgraded system that integrates your company with the new way of working and give you access to new opportunities in a comprehensive ecosystem.

But which approach is right for you?

Let's take a deeper look at six challenges inherent in implementing projects of this magnitude.

Common Pitfalls

1	2	3
Not Having an IT Strategy	Viewing global Business Transformation as a One-Time IT Project	Lacking The Right Implementation Partner
4	5	6
Inadequate Budget	Lacking Central Governance	Thinking The Implementation is Done

03 Addressing Common Pitfalls

1 Not Having an IT Strategy

Crafting a comprehensive strategy is crucial for successful global software implementations. But this is not as simple as copy-pasting from those ahead of you. It demands a shift in organizational and operational mindset, challenging the inertia of past practices.

A well-defined IT strategy empowers delegation, drives strategic thinking, and fosters accountability, creating a culture of agility and innovation. It will ultimately boost organizational efficiency and enhance customer experiences, positioning companies for sustained success in the global arena.

So how do you form yours? Every company's strategy will be different, taking financial factors, market predictions and required technologies into account. That's why coupling your vision with outside expertise is a best practice that ensures you are applying the right tools to the right problems.



Overcoming the Odds: Digital Transformation Guidelines for Global Businesses

With a robust strategy, businesses can:



Enhance
security
protocols



Modernize
outdated
technology



Optimize
budget
allocations



Maximize
investments



Foster growth
& innovation

03 Addressing Common Pitfalls

2 *Viewing Global Business Transformation as a One-time IT Project*



Implementing international software solutions should not be viewed solely as technical projects, but as complex endeavours requiring significant time and resources. Often, organizations prioritize cost and technology over the human element, neglecting the importance of stakeholder buy-in and change management. However, successful implementation hinges on active sponsorship from C-level executives and a shared vision across the organization.

Demonstrating progress through value milestones and employing adaptable methodologies ensures smooth adoption that's aligned with business goals. Moreover, a global approach with localized practices acknowledges cultural nuances and maximizes business value while fostering employee engagement and alignment. By integrating these strategies, organizations can enhance software implementation success and drive meaningful transformation across their global footprint.

03 Addressing Common Pitfalls

3 *Lacking The Right Implementation Partner*

Successful global business applications implementations require effective teamwork between the company and its IT partner. Alignment and understanding among a team of equals is crucial. When stakeholders have a grasp on their processes, they can identify areas for improvement. This promotes smooth adoption across all levels and ensures best practices spread quickly to new regions.

Understanding business processes is key, especially in diverse subsidiaries. For example, while a manager in Country X may lack comprehensive process understanding, the counterpart in Country Y may excel in optimizing operations. This disparity can lead to local resistance and implementation failure.

To address this, an Organizational Readiness Assessment helps gauge subsidiary maturity levels and ensures sponsorship at both group and local levels. Additionally, a unified implementation team, present at strategic and operational levels, maintains coherence while accommodating local variations.

Implementing new applications requires a shift in processes and behaviours. The right implementation partner will understand the technology, the business processes and the change management tools that lead to their successful implementation.

They leverage PROSCI methodology and the ADKAR change model to ensure stakeholder buy-in and facilitate change adoption, through both virtual and on-site means. This comprehensive approach ensures successful global implementations, fostering unity and alignment across the entire organization.








03 Addressing Common Pitfalls

4 *Inadequate Budget*

Studies have shown that almost half of all software implementations go over budget. While some standard practices, like keeping a 20% buffer, can keep your project on the rails, there's no replacement for an honest implementation partner who dissects your needs with no-nonsense optimism.

Here are some common fiscal mistakes they can help you prevent:

<p>1 The overly optimistic path </p>	<p>2 Hidden labour costs </p>	<p>3 Focusing only on cost </p>
<p>It's easy to get caught up in a rosy picture of what a business transformation can do for you and not talk about the challenges. Financial considerations should be on the agenda from the very beginning.</p>	<p>Implementations are not just about tech and the project teams involved. Your entire organization is involved at some point, which can draw them away from their daily revenue generating activities. Properly calculating and planning for these lost work hours will prevent surprises.</p>	<p>Sticker shock with digital implementations is real, so it's important to couple the ROI to that price. If it costs €20 million but adds €50 million in value, it's a bargain. But don't consider just the end product. Look at your processes end-to-end to determine where you'll save time, and consider second and third-order effects, like workplace quality or repeat customer rates.</p>
<p>4 Deviating from the plan </p>	<p>5 Buy cheap, buy often </p>	
<p>A good plan allows for flexibility, but keeps you on task to maximize the value of your project. Establish strong governance to keep your team from straying off the path and spending money solving problems that have little impact on your vision.</p>	<p>Strive to think long term. A quality system adapts and continues to deliver value long after your tenure. If you go for cheaper one, you may find yourself replacing it and paying more in the long run.</p>	

03 Addressing Common Pitfalls

5 Lacking Central Governance



Multinationals increasingly rely on centralized business applications to streamline operations and gain insights into subsidiary performance. However, achieving a single source of truth across diverse entities poses challenges. Synchronizing processes and applications is essential to reduce costs and facilitate global reporting.

Without the right precautions, deviations occur as central control diminishes during local implementation. Multiple contracts with local partners exacerbate complexity and hinder adherence to the template. To counter this, multinationals must implement a standardized template that specifies definitions, processes, and key metrics.

Maintaining template integrity is critical. While local reporting may vary due to regulatory requirements, deviations in core definitions and processes can derail the implementation. Enforcing standardized practices at the group level ensures efficiency and cost-effectiveness.

This key is to form a cohesive global team comprising key roles like finance and sales, supported by a unified contract. This fosters central ownership and sponsorship throughout the implementation process, while regular validation by the core team aligns local changes with global standards.

03 Addressing Common Pitfalls

6 *Thinking The Implementation is Done*

The only constant in business... is change. Consistent with this, innovation is not an isolated event, but a continuous process of discovery and transformation. While the road to an agile, efficient business starts with a versatile core ERP system, it's important to maintain a mindset of constant evolution.

This implies that you maintain the upper hand in reacting to market changes by adding capabilities and scaling features as your business needs evolve. Along the way, you can't forget the people that drive your business. They are a part of this process too.

Here are some considerations that will help you maximize the value of your investment.

1 Start with a roadmap



The evolution of business software should be a vital part of the post-implementation plan. The client may want a business solution to adapt to their growth and changing operational structure as they expand their operations and scale up their business. A trusted vendor plays a vital role in developing a roadmap to address the ever-growing needs of the organization.

2 Train employees on new features



ERP systems and related applications require regular software updates and bug fixes, just like machines need regular maintenance to prevent breakdowns. Working with an IT partner in the Early Access Program can help you mitigate risks and realize the full capabilities of new features. Create a release schedule plan with your IT partner to ensure that software updates do not disrupt business. This should include a training plan to ensure that personnel are adequately trained to get the most out of your investment.

03 Addressing Common Pitfalls

3 Governance planning



After implementation, various departments might request changes within the Business Applications to adapt to local workflows, business processes, and application interfaces. To streamline these requests and implement them without affecting other functionality or departmental functioning, it is important to have a governance plan outlining the process. The IT team or vendor responsible for implementing these changes should follow this governance structure to prioritise requests based on importance and provide traceability information for post-implementation changes.

4 Set the organisation up for growth



To leverage the success of your Business Applications Program in a steady state, you can combine it with customer experience data to make your sellers more competitive. For example, you can start lead generation campaigns targeting new customers, focus on improving the experience and upselling to current clients, and build more efficient field service processes. These innovation efforts can help you provide a superior customer experience, manage and grow your customer base, and increase efficiency.

After considering all the factors above, it's time to search for an implementation partner that can address all your concerns, execute your vision and help you get the most of your investment.



04

Why multinationals choose HSO International



1 *Large Enough to Serve... Small Enough to Care*

At HSO International, we know how important it can be to have a truly international technology partner. Many of our enterprise customers struggle with a lack of global control and a centralized source of truth. They want to ensure control and

consistency in the template design and rollout of their multinational projects. We have a deep understanding of these needs, plus the breadth of resources and experience needed to lead a smooth implementation.

2 *Connected Everywhere*

Global operations need to be connected, and everybody must be on the same page, working as one towards business goals. Corporate and enterprise customers rely on HSO's global

practice. Consistency in template design and rollouts, a single point of contact, and a single point of contract, ensure a controlled rollout and maximum business results.

04 Why multinationals choose HSO International

3 *Global Practice*

HSO International understands the nuances of supporting the local requirements of different business cultures, but global strategic objectives are only met through strong template

management and control. We effortlessly bring the two together with a powerful approach that emphasizes governance and change management.

4 *The HSO International Ethos*

Employing over 40 nationalities, operating in 50 countries, and exclusively focused on implementing global software programs, HSO International is a true global business transformation partner. We strive to build project teams that are well-versed in the local culture and language, so we can bring them on board more efficiently.

But we don't just have an international DNA. We are a multinational team for multinational organizations. Our professionals are driven by a strong inner drive to rise up to your challenges and make possible what has never been done before. The importance of collaboration is engrained in their work ethic, and they are equipped to help you realize your vision.

5 *The Right Toolset*

HSO uses its Excellerate methodology in combination with its Gartner-recommended Kernel-Rollout approach to ensure that simultaneous multi-country projects can be managed with minimal risk, increased

efficiency and predictable results. Continuously improved processes, integrated program management and solid support across the enterprise maximize success and business value.

04 Why multinationals choose HSO International

6 *Acclaimed Capabilities*

HSO has been awarded the prestigious Microsoft Business Applications Inner Circle membership every year for two decades running. This distinction is more than a badge of honor. Inner Circle members have access to exclusive information about upcoming changes to the Microsoft ecosystem. We can leverage our connections to spot future opportunities for our customers and help them get a head start on the competition.

This cements HSO's position in the top echelon of Microsoft's global partners, thanks to its world-class industry knowledge, dedication, and experience. We're the best bet for successfully planning and optimizing your global business solutions.



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7 *Global Managed Services*

In addition to international implementation rollouts, HSO International offers global support and maintenance services to proactively support your Microsoft business applications. HSO's Global Managed Services teams are at your service 24/7, across regions and time zones. Thanks to these specialists, our customers can concentrate on their core business to stay on top in a dynamic world.

But, at HSO, we go a step further. We realize it's important for companies to develop self-sustaining capabilities. That's why we also

offer our expertise to help you develop your capabilities to your desired level of technological maturity and independence.

Don't take our word for it. Next, we share a success story from a company that pivoted from an unsuccessful transformation attempt to a methodical approach that has revolutionized how they do business across the board.

05

A Glimpse of Success: Bossard's Business Transformation

For 200 years, fastening technology giant Bossard has amassed an extensive network of suppliers, enabling them to deliver the highest quality products for critical industries across the globe. Their unwavering commitment to safety and effectiveness requires massive amounts of data, and maintaining it is a gargantuan task which was further complicated by newly acquired local systems and processes.



Bossard quickly realized that siloed data and archaic processes were jeopardizing reliability across the entire supply chain reliability and preventing further growth. Their One Bossard vision was aimed at addressing this challenge by aligning subsidiary efforts, yet allowing them room to manoeuvre in their respective markets. To restore efficiency and drive innovation that would impact the whole company, they went on the hunt for an IT implementation partner who could think as big as them.

After considering 10 different options across the spectrum of partners and software solutions, Bossard partnered with HSO International and embarked on a wider digital transformation, developing a roadmap to deploy Microsoft cloud-based solutions across their organization. This revamped their core Enterprise Resource Planning, Customer Relationship Management, and Business Intelligence platforms, but most importantly it untangled their digital architecture and laid out a modern infrastructure that allows for future scalability and adaptability.

05

A Glimpse of Success: Bossard's Business Transformation

Before breaking ground, it was crucial to develop a digital roadmap with a template that would be easy to deploy globally. This had proved to be a major obstacle in Bossard's previous transformation attempt. HSO International conducted a widespread operations analysis to establish where there was most overlap, an enormous undertaking that uncovered common practices in unexpected regions.



Along with Bossard, HSO established a two-tier classification system that helped determine where Bossard could make quick gains. By first implementing solutions that provided a short-term ROI, Bossard generated revenue to grow their business and extracted lessons learned that could be applied to their expanding digital infrastructure. In fact, the initial rollout yielded a global template that was 90% compatible with most locations, greatly reducing the deployment time projections for other regions.



For the broader project, Bossard and HSO instituted a change management support structure. By including key stakeholders in the feedback loop, they gained buy-in from subsidiaries and replicated processes that benefit the company globally. At the same time, working with a cohesive global HSO team preserved centralized governance and ownership, so compatibility issues could be resolved seamlessly and the program could proceed on schedule. It's a method that is self-sustaining and leaves room for refining the plan along the way.

05

A Glimpse of Success: Bossard's Business Transformation

Layered on top of the ERP was HSO's DNA Data Analytics platform, which was customized to turn Bossard's newly unified data into a wealth of business insights. Its adaptable nature means they can breeze through new EU sustainability reporting directives and exploit new opportunities. This platform doesn't merely enable reactive decision-making, but empowers Bossard to decide where they want to take the company and highlights what KPIs they need to tweak to get there.

With support from HSO's Managed Services, Bossard has not missed a beat during the implementation. High volume tasks and system issues are handled through a single service point while Bossard focuses on executing their business strategy, building up their knowledge and capacity along the way.

This is just the beginning. The greatest wins are yet to come, as Bossard's new digital infrastructure has future-proofed their business and freed up time to invest in innovation.



06

Pioneering in The Next Era of Digital Transformation

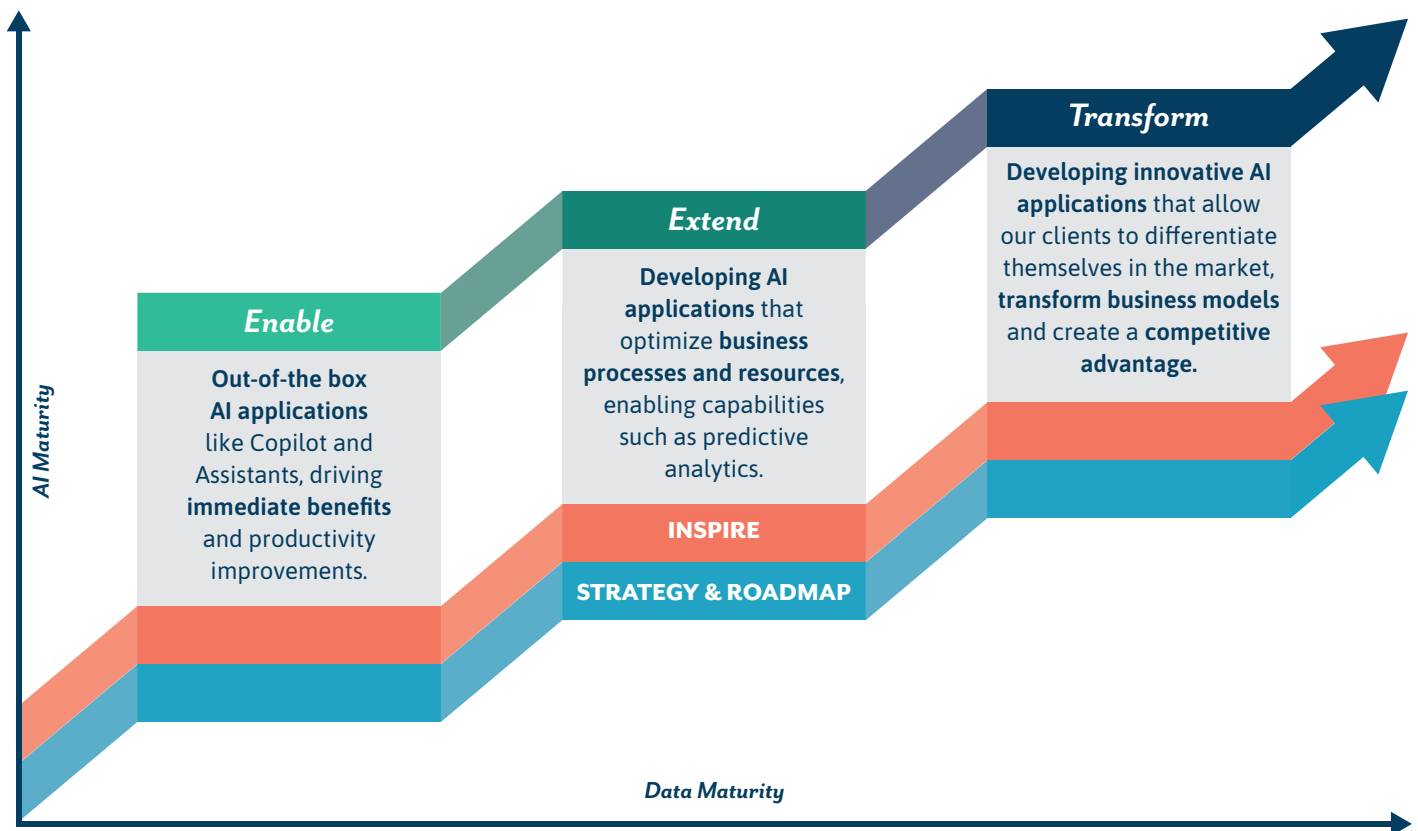
Artificial Intelligence: The Newest Accelerator for Global Competitors

Looking ahead, several emerging trends are poised to significantly impact companies with a global footprint. The obvious one is AI and machine learning.

As these technologies mature, they will revolutionize various aspects of business operations, from predictive analytics and automation to personalized customer experiences. Companies that leverage AI effectively will gain a competitive edge by optimizing processes, enhancing decision-making, and unlocking valuable insights from vast datasets.

What is not so obvious is how to craft a strategy that will allow incremental adoption of these technologies in a methodical way. To this end, we have codified a roadmap for AI strategy, with a path to take companies from ensuring basic data security to enabling innovation. Based on a company's AI maturity level, they can pick up where they are and structurally expand their capabilities.

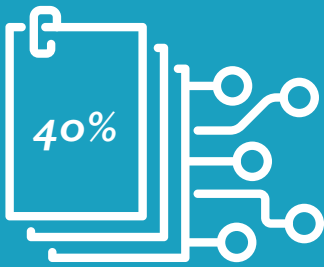
The HSO Data & AI Maturity Model



o6 Pioneering in The Next Era of Digital Transformation

The Changing Role of Executives

The role of key executives has broadened in recent years. Chief Financial Officers, for example, have been traditionally seen as advocates for fiscally conservative practices. HSO aims to change this, instead empowering them to lead innovation in their businesses. Investing in a smart digital strategy is the key to unlocking this potential.



40% of CFOs spend most of their time on strategy, transformation and other non-finance areas

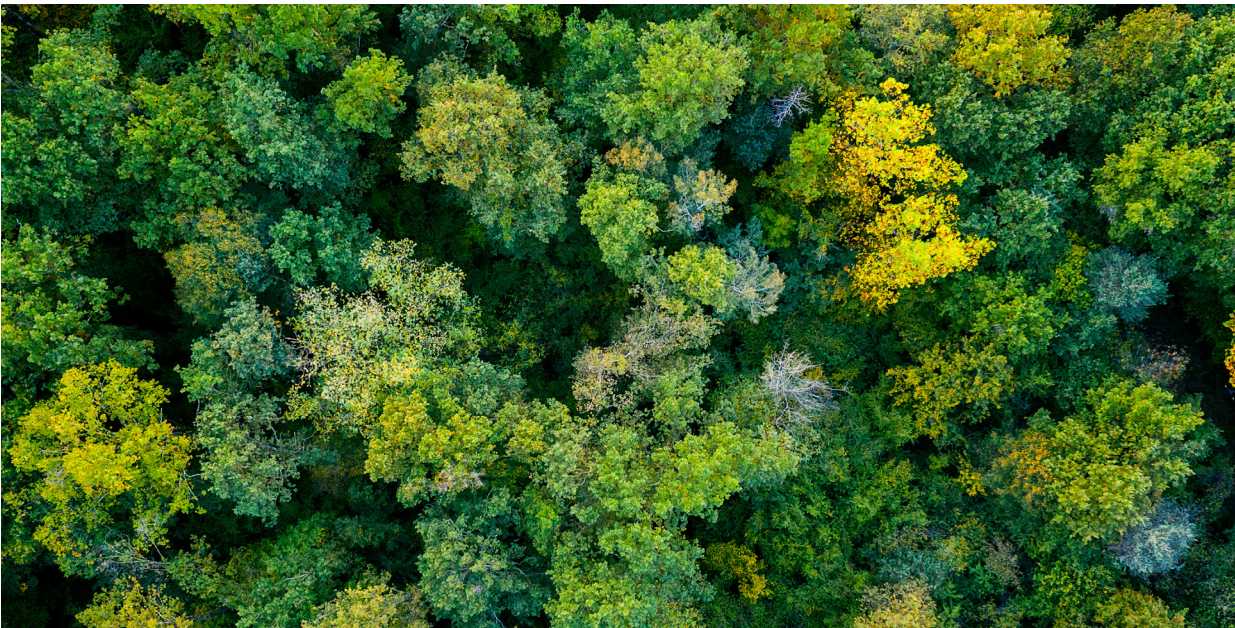
According to [research by McKinsey and Company](#), 40% of CFOs spend most of their time on strategy, transformation, and other non-finance areas. This trend will continue to increase as we blur the lines between business roles.

But if CFOs devote most of their time to daily finance processes, they cannot adapt to growing uncertainty and business requests, so they will be keen to invest in digital development in the next years. In line with the Microsoft vision, HSO leads the way, enabling C-suite executives to leverage their influence and become true allies for innovation.



Turning Shrinking Resources into Growth Opportunities

The inverting population pyramid in many OECD countries is another variable that is changing economics and will present an opportunity for tech in the coming decades. A shrinking labor force will become more digitally minded and discerning of how their employers enable them to leverage technology to perform their work.



There is of course much that automation can do to assist workers, from performing physical tasks and data analysis to assisting decision-making. But a less explored option is how the persisting adoption of digital collaboration tools is reshaping traditional office dynamics and enabling companies to access talent pools on a global scale. This trend not only increases workforce flexibility but also drives efficiency and reduces overhead costs.

Furthermore, the growing [emphasis on sustainability](#) and corporate social responsibility is expected to intensify, with consumers, investors, and regulators demanding greater transparency and accountability from companies. Organizations that prioritize sustainability initiatives and integrate them into their business strategies will not only mitigate risks but also enhance brand reputation and foster long-term resilience in an increasingly volatile world market.

Moving Forward With Confidence

The current business climate calls for cautious optimism. New opportunities are emerging to give businesses with a global presence a competitive advantage, and the right strategy will decide how much of that market share you can capture.

Are you ready to redefine yours?



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