

IMPACT OF DIGITIZATION ON ORGANIZATIONAL PERFORMANCE

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ABSTRACT:

Digitization creates new value chains. For businesses, it creates new experiences and creates new revenue streams, a company may use Commerce Cloud to understand their customers better. By using the same technology, companies can increase their productivity and profitability. In business, digitalization can help companies in transforming their products and services to increase customer loyalty. This is a great way to improve customer experience. With it, they can differentiate themselves from their competitors and create more value from their customers. In business, digitization has numerous benefits. It is a process of converting non-digital data into a digital format. Non-digital data include health records, signals, and identity cards. By leveraging the power of the Internet, businesses can increase their revenue and create value. They can also benefit from a higher level of efficiency in a business's operations. It is crucial for every business to make the most of the benefits of digitization. This paper will light on the impact of digitization on organizational performance.

Keywords: *digitization, digitalization, business, organization, technology, company*

INTRODUCTION:

In business, digitization is the process of converting non-digital information into a digital format. This can be done for a variety of reasons. It can make your business more efficient by increasing your revenue and improving value-added prospects. The process can be costly to implement, but it is well worth the investment. The benefits of digitization can be derived from lower costs and greater efficiency. The digitalization of a business can be disruptive because it can make the whole world more efficient. Digitalization has become the most important force driving the world economy, but few companies are ready for the new challenges and opportunities it brings. Nine out of ten CEOs believe that their organizations are not ready for digital disruption. As a result, they focus on new offerings and processes that make them more competitive, we'll explore how digitization can improve organizational performance (Tohanian, Toma, in, & 2018, 2018).

The most critical component of digitization is a thorough review of an organization's existing workflow. Complex workflows often leave out many business processes. Even documentation of these processes is often incomplete or inaccurate. In order to make the most of the new technology, organizations must identify a suitable process that meets the requirements of the digitalization strategy. The next step is to determine how to make the changes in an organization happen. The process of implementing digitization starts with a thorough review of existing workflow. As digitalization advances, a company's operations must adapt. The key is to remain agile and responsive. Ultimately, digitalization can be a force for innovation, growth, and efficiency. It can make or break a company. But it can also provide a better future. In the end, this is a win-win situation. For those looking for a better future, digitalization is the only way to go (Aral, science, & 2007, 2007).

To implement digitalization effectively, companies must first digitize simple processes. They should leave digitized business processes to others. In addition, businesses must also prioritize business processes that don't require total re-engineering. The complexity of digitalizing a process will increase the risks to customers, but a successful implementation will result in increased customer satisfaction and enterprise cost savings. This is why it's vital to consult with

stakeholders to ensure that a new process is appropriate for the organization. While digitization can increase organizational performance, it can also make internal processes more efficient. In addition to facilitating better internal processes, digitalization can also give an organization a competitive advantage in the marketplace. It can also increase employee productivity, reduce labor costs, and improve the bottom line. So, while digitization is inevitable, the benefits it brings are many. There's no question that the benefits of digitalization can significantly boost an organization's performance(Technol & 2019, 2019).

Whether or not you're looking to boost your organization's efficiency, digitization will bring a wealth of benefits to your company. The streamlined processes and improved business results will benefit from the use of big data and analytics. In addition to improving your processes, digitalization will improve your culture and require the right kind of people in your finance department. When done properly, digitization will enhance efficiency and boost productivity, allowing any company to operate more efficiently. When done properly, digitization will greatly enhance the efficiency of an organization. Not only does it improve operational efficiency, it can also increase profit margins(Abou-foul, Ruiz-Alba, & Soares, 2021).

Impact of Digitization:

As technology continues to evolve, so will the number of new products, services, and organizations. The impact on organizational performance depends on the organization's ability to adapt and innovate. With this in mind, a company should think about the ways in which it can utilize digitization to enhance its bottom line. For this, it needs to create a culture that encourages innovation, while empowering its employees. The impact of digitization on organizations is accelerating the pace of change in most industries. However, it has also exposed organizational inefficiencies and misalignments. Most organizations still operate in silos and lack a holistic approach. This can be remedied by aligning the different units with cross-functional teams. Large organizations often grew without a clear strategy, becoming unique constructs. Although the individual units may perform well, the overall organization can be ineffective at ensuring employee satisfaction(Elsevier, Alford, Kallmünzer, Research, & 2020, n.d.).

Organizations can use digitization to create a more flexible and agile environment. It can also improve the efficiency and effectiveness of the entire workforce. Businesses need to ensure that their processes and employees are scalable. For example, if customers experience a poor experience, they will be less likely to return. With digitization, this process can be automated, making it easier for employees to move and connect with each other. The impact of digitalization on organizational performance is not only driven by the growth of technology but also by the need to rethink the way they do business. Companies are rushing to modernize their processes and make their products and services more accessible to their customers. This change will impact not only their products, but also their organizational models, customer and supplier relationships, and employee relationships. As a result, it is important to understand how digitalization can improve corporate performance(Economics & 2017, n.d.).

While the impact of digitization on organizational performance is inevitable, there are some specific benefits. One of these is the creation of digital assets. These tools can help an organization automate important business processes. For example, a company can develop a predictive model for its customers by using artificial intelligence (AI). This can help an organization make better decisions and boost its profitability. The benefits of this type of technology are obvious. A digitally-oriented organization can also be disruptive, which means it could be a threat to any company. It can change the way people use products or services, and it can even disrupt existing organizations. The most prominent example of disruption is Uber, which used digital technologies to revolutionize the transportation industry. Its success was directly related to the fact that it was able to create an unbeatable user experience(Katz, Technovation, & 2013, n.d.). A company's space is an essential cost. A company may be paying

several dollars per square foot for office space, but it will also need to invest in a scanner and space for employees to work. By utilizing digital technology, businesses can save money on office space and energy. They can also improve their overall organizational performance. Lastly, business digitization has many environmental benefits. For example, a company can reduce its carbon footprint, while enhancing its efficiency(Khan, Kusi-Sarpong, ..., & 2021, n.d.).

The benefits of digitization are many. Using digital technologies and software helps companies to automate processes and improve efficiency. The use of new technology can be beneficial to the environment. It can help a company transition from pen and paper to the cloud. It also helps to increase employee engagement and productivity. It can also improve their bottom line. In addition to its benefits, digital technology can help organizations save money. So, the impact of digitization on organizational performance is measurable. The impact of digitization on organizational performance is obvious. It also reveals what types of digital technologies are useful for organizations. The study is conducted across nine countries, and based on the results of this study, the impact of digitization on organizational performance is considerable. Its findings are worth considering in light of the global business climate today(Kuusisto, 2017).

REVIEW OF LITERATURE:

As the global economy becomes more digitized, companies are finding that their hierarchy structure must adapt accordingly. The rise of digitalization means that a business can benefit from new technologies that will change the way it conducts business. The use of digital tools will help companies track goods, anticipate needs, and sell products faster. Moreover, this will also enhance the quality of added value. In the long run, the benefits of digitalization will translate into higher profits and greater profitability. As businesses adopt digital technologies, they can also benefit from the changes that digitalization brings to the world. For example, digitalization can make the world more equitable, more peaceful, and more efficient. For example, it can dramatically reduce operating costs. By using data from a wireless network, a company can improve its efficiency and increase its profits. In addition, it can enhance the quality of work in various departments. Its benefits can be significant(Standing, Jackson, Tian, Martin, & Deng, 2008).

By digitizing its transactions, a business can collect valuable data and improve the quality of its services. In addition to this, it can also improve its network and create a more efficient business. However, this is only the first step of digitalization. It is important to continue investing in technology in the long run to reap the benefits of the digitalization of businesses. You will be surprised by the results. For example, a digital network will increase the number of customers you serve. For businesses, digitalization is the next frontier in customer experience, product innovation, and marketing. New digital technologies and processes help companies unlock new value from data, creating new business models and enabling companies to better understand consumer needs. As the use of the internet continues to grow, the pace of digitalization is also accelerating. According to the Digital 2020 report, 4.54 billion people are now online, and 5 billion now use mobile phones. In 2013, 298 million people joined the Internet, and that number is expected to double by 2025. The average user spends six hours and 43 minutes online each day. When digitalization is successful, it creates a more efficient working environment for a company. For example, the way that a company can work with its customers has changed. Now, employees can collaborate better with fewer constraints, allowing them to make more informed decisions faster and more efficiently. And with the democratization of knowledge, businesses can experiment with new ideas without risking too much money or relying on expensive prototypes(Moşteanu, Faccia, 4th, & 2020, n.d.).

Digitalization creates new value chains and new experiences. It also helps businesses make the most of their existing assets. With SAP Commerce Cloud, Porsche has increased its understanding of its customers. By using digital technology, it delivers five-star experiences to

customers. As a result, digitalization is helping companies to stay competitive and grow. These investments will help companies remain relevant and competitive in a changing world (Khan et al., n.d.). You can also take advantage of new business opportunities. In business, digitalization helps companies create new experiences and value chains. It helps them improve the quality of their products and services, which ultimately increases their profits and revenue. A company that embraces the power of technology can make its customers more loyal and happier. With the right digital transformation, it can create new businesses. These companies can offer better customer experiences, and in the process, create a more efficient value chain. When utilizing these benefits, it can be the catalyst for a new era of innovation (Zhou, Liu, Chang, & Wang, 2021).

The impact of digital technologies on the economy is enormous. The digital transformation of businesses can make all the difference between an affluent society and a poor one. In emerging economies, market liberalization has increased competition and decreased inequality. It is important to note that the digital transformation of business and government services is a major driver of economic development. Therefore, policymakers must take a holistic view of the benefits of digital technology in their respective countries. The advanced economies are also learning from their mistakes and accelerating their adoption of digital technologies. For example, France has increased its ICT spending annually by five percent since 2003. By investing in digital technologies, national governments can enhance the capabilities of their citizens and businesses. This, in turn, will allow them to compete in a global economy. A digital society provides an advantage over its competitors. So, the impact of digitalization on the economy is far-reaching (Benitez, Arenas, Castillo, Management, & 2022, n.d.).

CONCLUSION:

The process of digitization will transform information and processes from paper to digital. This will create a more digital workplace. This means more than just a paperless office. It will involve a completely new way of working, employees can collaborate with remote workers through electronic tools, and access data and documents from anywhere. For reducing operational costs, digitization will also improve their communication with customers and improve their relationships with employees. A more digital workplace is a more efficient work environment. In addition to the elimination of paper, it will also allow for new ways to collaborate, it will allow you to share and access information on the go and it will encourage your employees to use digital methods. In this way, your company can become more competitive. But it's important to make sure you're prepared before digitization. If you don't, you'll only be limiting your business's productivity.

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