AI-FIRST BUSINESS TRANSFORMATION:

INCORPORATING AI INTO DIGITAL TRANSFORMATION GOALS

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INDEX

Business transformation often sounds like an amorphous topic. I'm sure this comes as no surprise since the umbrella term includes so many new and innovative ways companies are exploring to improve operations, gain a competitive edge, and keep their employees and customers happy.

Currently, Digital Transformation (DX) is the leading strategy most organizations employ to upgrade and compete more effectively in their given markets. As artificial intelligence and machine learning (ML) technologies reveal exceptional new transformative opportunities, more brand leaders want to know how to integrate them as an AI-first business transformation.

This usually involves an AI Digital Transformation, which offers a range of potential benefits for companies, largely through business process automation. AI integrations boost the productivity of software tools with improved workflow capabilities. These, in turn, free highly trained staff from rote tasks, allowing them to focus on core functions, like finding creative solutions to industry-specific pain points.

To maximize the value of this particular business transformation, however, brands must first understand how to initiate the digital transformation process. In this guide, we'll cover the steps of transforming your business with AI-powered software solutions:

1. Identify transformation opportunities.
2. Clarify your objective with a business requirements document (BRD).
3. Choose a software acquisition strategy.
4. Begin your digital transformation.

Let's explore each step further to clarify exactly how to incorporate cutting-edge AI and machine learning (ML) solutions into your business transformation goals.

STEP 1: IDENTIFY TRANSFORMATION OPPORTUNITIES

The fastest way to waste money and time is to look for a solution without defining a corresponding problem **first**. Before you begin to plan an AI-first transformation, business leaders must audit existing operations to determine the most valuable opportunities for innovation or automation.

When considering what to attack first, ask yourself the following questions:

- What business operations cause the most disruption or variability to your staff's daily workflows?
- What operations require the most time from your staff?
- If one of a few notable processes was automated, which would save your business the most time and money?

These are just a few sample questions to consider when deciding where to apply tech-forward solutions first. Keep in mind that, depending on the solution you choose, the door is always open to continue transforming and automating other business processes.

It's important to choose the most **immediately valuable** transformation opportunities first. This serves as a proof of concept and can also help you develop a better understanding of the value that more modern software features can add.

STEP 2: CLARIFY YOUR OBJECTIVE WITH A BUSINESS REQUIREMENTS DOCUMENT (BRD)

A BRD is an in-depth document that outlines your business goals in detail for a specific project. The goal of a BRD is to identify the following:

Objectives	What **problem** will this project solve, or what **opportunities** will it create?
Goals	What are the necessary **goals** this project must achieve to solve this problem or seize this opportunity?
Metrics for Success	What **material outcomes** must this project achieve in order to be considered successful?
Scope	What is and is *not* included in the **scope** of the project?

For a BRD outlining a digital transformation, brand leaders should include a list of essential features that would make an AI-powered software solution worth the investment. These may include workflow automation, integrated communications, automatic report generation, and other functions that would move the needle by saving time and money and allowing your business to operate with more accurate and updated information. Determine what features are "need-to-have," and which are simply "nice-to-have" before you start looking at options.

STEP 3: CHOOSE A SOFTWARE ACQUISITION STRATEGY

Once you've outlined what you need from an AI-first business transformation solution, you'll need to determine how you'll acquire it. There are two paths organizations can take when purchasing an innovative software solution: out-of-the-box (OOTB) software tools, or a custom software development partner. It's essential to understand the benefits and drawbacks of both OOTB and custom software partners, so we'll break down each to give brand leaders a better understanding of what may work best for them.

OOTB SOFTWARE

Out-of-the-box software tends to run cheaper in the short term than custom software development. However, additional long-term costs emerge when businesses must continue paying subscription fees to providers for access to their tools. Despite the ongoing fees, OOTB solutions do offer some distinct advantages.

Since vendors sell this software to multiple companies, it tends to be fairly bug-free and usually has dedicated bug-fixing teams. In addition, OOTB solutions also offer comprehensive libraries of end-user training content, since the developers have built their business on selling and onboarding their software tools for many different companies.

Pros	Cons
✅ Cost-efficient ✅ Easy to train staff ✅ Relatively bug-free	❌ Generic, limited feature sets ❌ Multiple provider contacts and timelines ❌ Expensive to add features ❌ Continued license and seat charges

These tools can present some challenges for firms with more complex or comprehensive needs. If an individual software option doesn't provide all the features outlined in the BRD, brand leaders may be forced to integrate tools from several different service providers. Since OOTB tools are not purpose-built for their needs, businesses tend to get nickel-and-dimed for "extra" features required to configure an end product that's truly valuable to them.

As a result, businesses should only choose an OOTB software tool if it includes **at least 80-90%** of the features detailed in their BRD. Software with fewer options often become more trouble and require more investment than they're worth to try and shoehorn your workflows into a tool that wasn't built to handle them. In such cases, custom software development would be both more useful *and* more cost-effective.

CUSTOM SOFTWARE DEVELOPMENT PARTNER

Partnering with a custom software developer provides the most overall value, and ensures that every feature listed in your BRD is included in your digital transformation solution. Expert custom developers will do a deep dive into your business and its workflows to understand exactly what you need and how this translates into Digital Transformation opportunities.

Custom developers are constantly required to innovate and adapt to a wide variety of business needs, which means they tend to staff exceptional talent. They are also used to complex onboarding processes, so they are generally more available for staff training and user support.

Pros	Cons
✅ Custom-tailored solutions ✅ Top-tier development talent ✅ Accessible training and support ✅ Full onboarding assistance ✅ IP creation can enhance enterprise value	❌ Costlier than OOTB software devs ❌ No in-house development staff

While custom software can cost more upfront than OOTB software, this is usually offset in the long term for two reasons:

1. It requires no ongoing subscriptions or fees to continue using the product, only **maintenance costs** (which tend to be about 20% of upfront costs).
2. The **ROI** of a truly comprehensive software solution tends to be **higher** than that of an adapted OOTB solution.

This makes custom software a great option – whether or not an OOTB solution offers most of the features you want. For many businesses, simply "owning" vs. "renting" an AI-powered software solution is enough of a draw to lean into a partnership with a reputable developer who will create their bespoke software.

STEP 4: BEGIN YOUR DIGITAL TRANSFORMATION

After purchasing (OOTB) or developing your digital transformation solution (custom), you'll begin the onboarding process. During this step, you'll train staff on the product and give them time to operate it in a pre-deployment state.

This not only enables your teams to learn how to use it, but also positions them to recommend improvements so that it's better tailored to their workflows. There won't always be a way to implement these changes with OOTB tools, but custom software developers can take employee feedback and convert it into better, more purpose-driven applications.

Take your time when planning your onboarding process. You'll want to plan for an onboarding period of at least a couple of months to avoid serious operational delays and any loss of important company data in case of mishaps. Give your teams and your leadership staff time to develop a deep understanding of your new software, and provide your IT staff enough time to back up vital data *prior* to onboarding.

START YOUR AI BUSINESS TRANSFORMATION WITH 7T

At 7T, we use a "Business First, Technology Follows" approach to create genAI solutions for our clients across countless industries. With our custom-built platforms, machine learning and AI technology can provide significant operational advantages with a robust ROI. Our team will audit your organization's challenges, often by showing up on-location for a time to embed ourselves within your business and understand your needs from a first-person perspective. Then, we'll architect a value-generating solution to transform your vital processes and meet your goals.

7T is based in Dallas, Houston, and Charlotte, NC, but our clientele spans the globe. If you're ready to learn more about digital transformation or AI technology, contact 7T today.

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