Why a Digital Twin of Your Organization is critical to Your Operational Resilience

Marc Kerremans

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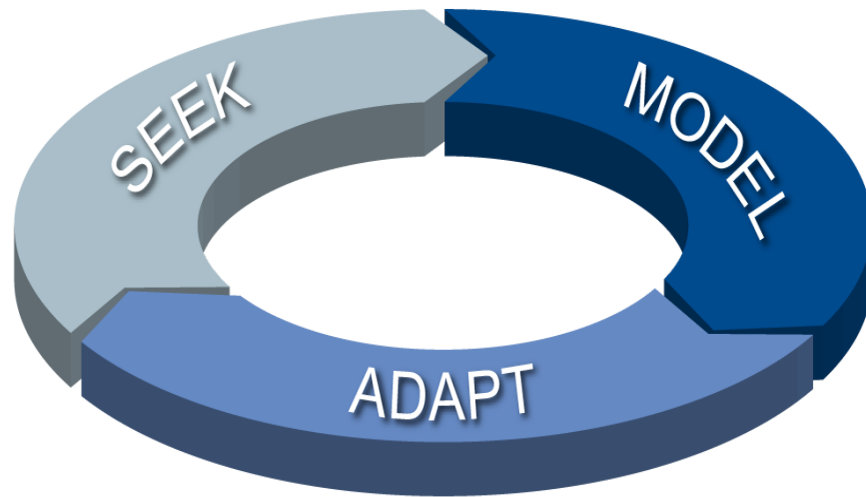# Operational Excellence to Operational Resilience

Find and document patterns

Interpret, analyze pattern impact, and define scenarios

SEEK

MODEL

ADAPT

Act on the results as appropriate at appropriate speed

Operational resilience enables enterprises to adapt by:

- Establishing relevant and achievable goals
- Breaking down complexity
- Facilitating collaboration
- Creating organizational capability for resiliency
- Defining measurements and adjusting

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Do You Know and Understand What Is Going On?

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Key Topics

1. What is a Digital Twin of an Organization (DTO)?

2. DTO in practice.

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Digital Twin

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What If ...

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What Is a Digital Twin of an Organization (DTO)?

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Digital Twin of an Organization (DTO): Blending the Digital and Physical Worlds
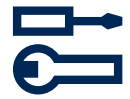
Model
A model of the "thing"

Data
E.g., identity, status, context ...

Uniqueness
Each physical thing has at least one unique twin

Monitor
Query state, obtain notifications

Analytics
Rules, predictions, algorithms ...

Control
Twins can control the "thing" they represent

Simulation
Simulate the real-world "thing"

"Thing"
=
Organization
People, Process, Technology

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The Constituents of a DTO — Think of a Navigator

Destination

Map

Time

Situation

Decision

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Digital Twin of an Organization

	Destination	Map	Performance	Situation	Value
Digital Twin Organization	Business Model	Business Operation	Business	...onal ...gence	Business Actions

Input   Output

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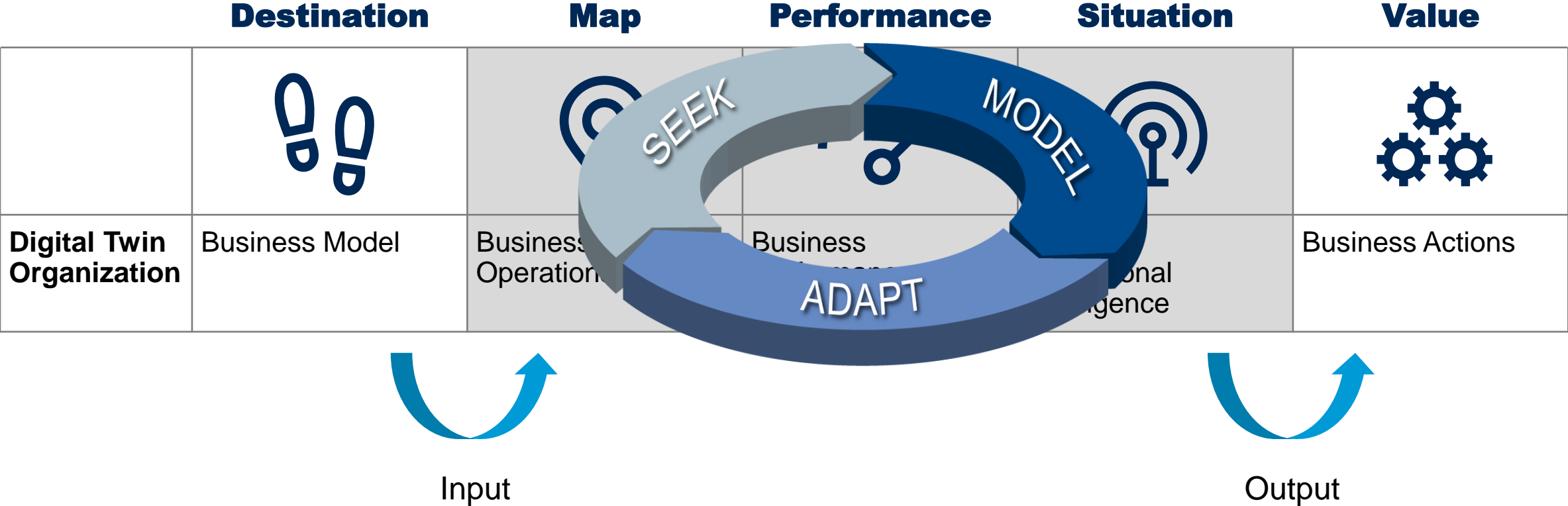
Map — Business Operations Model

Suppliers

Interactions

Operations

Products/ Services

Interactions

Clients

Resources

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Example

Suppliers	Interactions	Operations	Products	Interactions	Clients
Central Office	Client Requests	Onboarding	Linear MG	Mail/Post	One-Income Families
Intermediaries	Complaints	Offering MG	Credit MG	Direct Sales	Two-Income Families
Subsidiaries	Change Requests	Underwriting MG	Investment MG	Call	Singles
Third Parties		Accepting MG	Life MG	Internet	Retired
		Executing MG	Bank Savings MG	Branches	
			Savings MG		

MG = Mortgages

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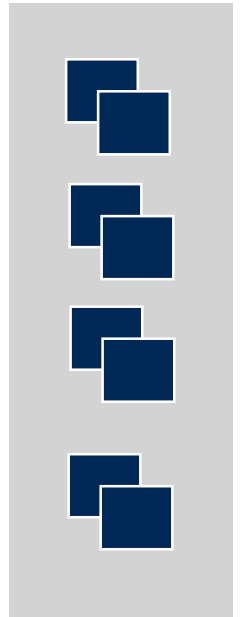
Performance — Business Performance Management

Suppliers

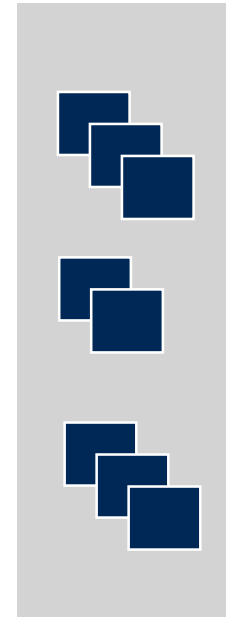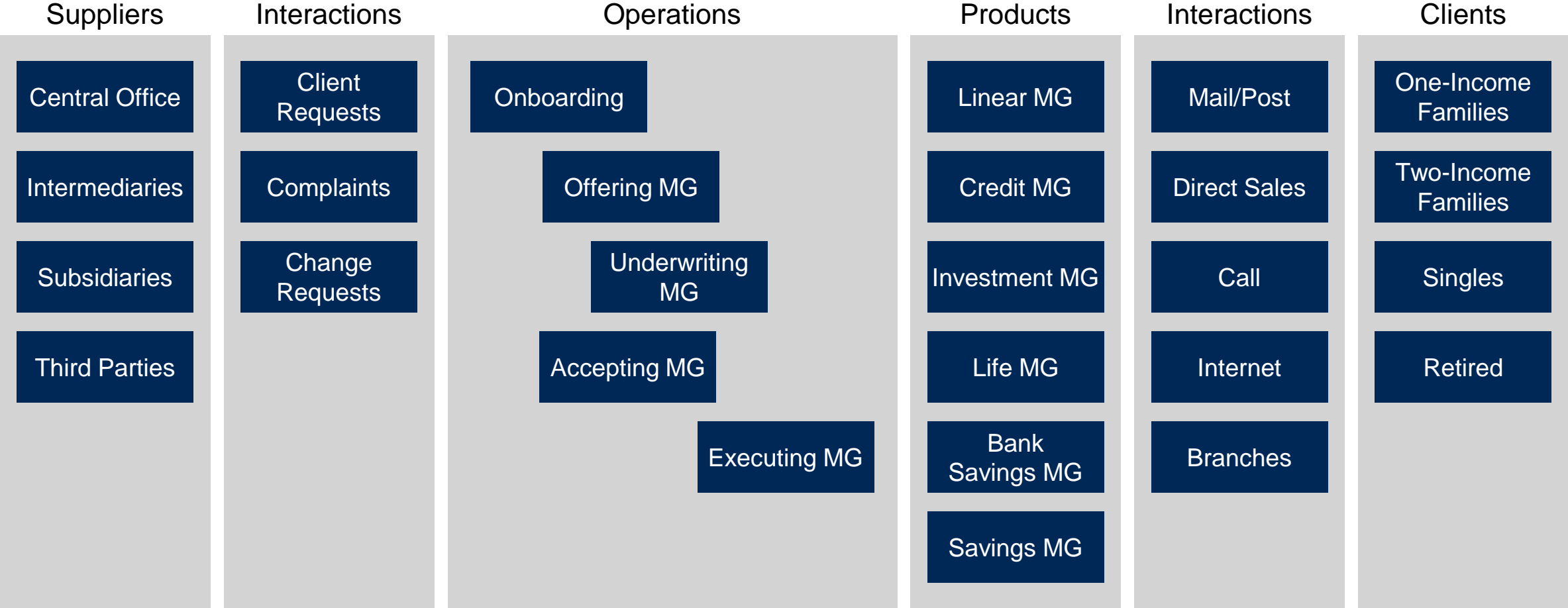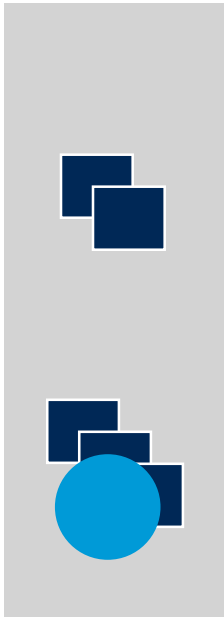Interactions

Operations
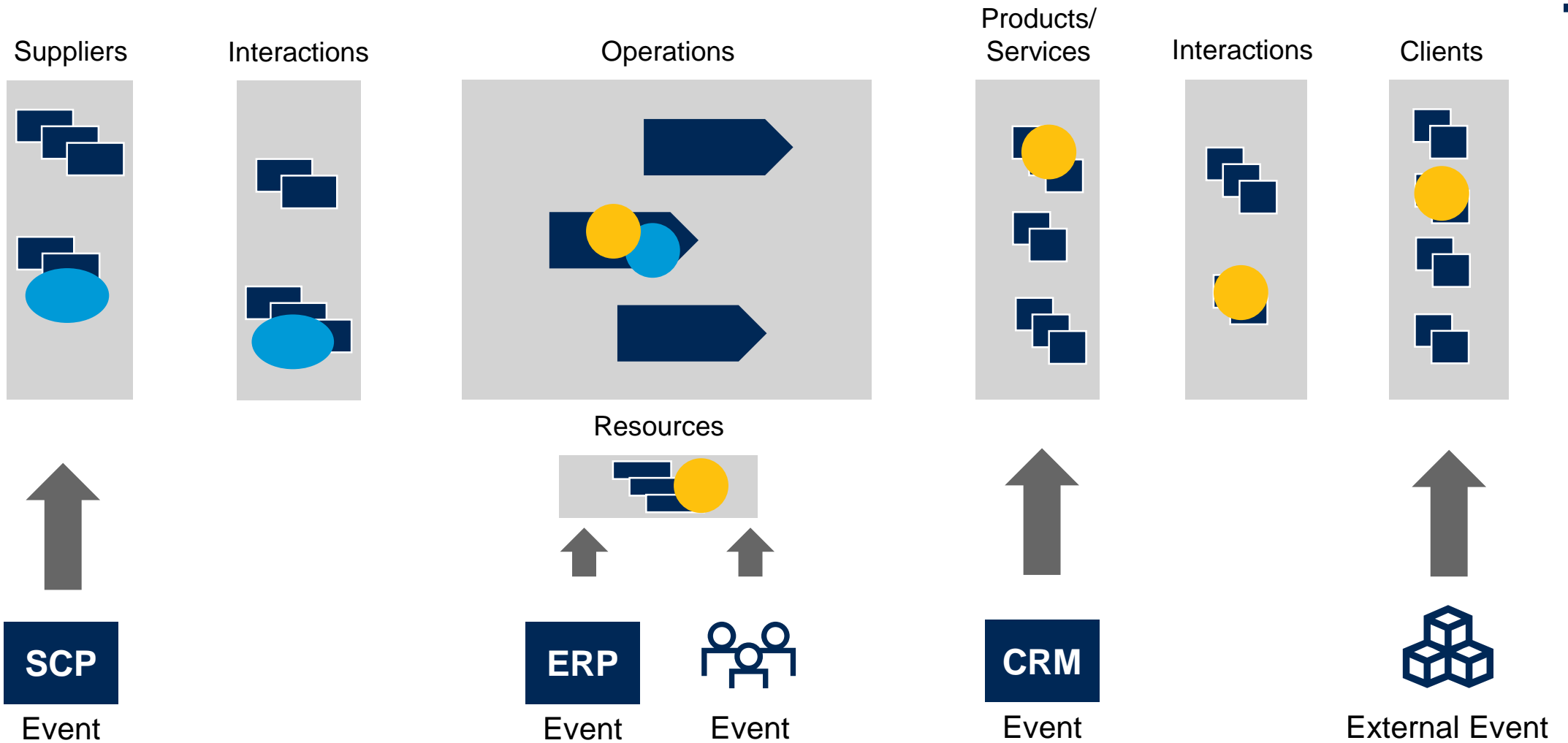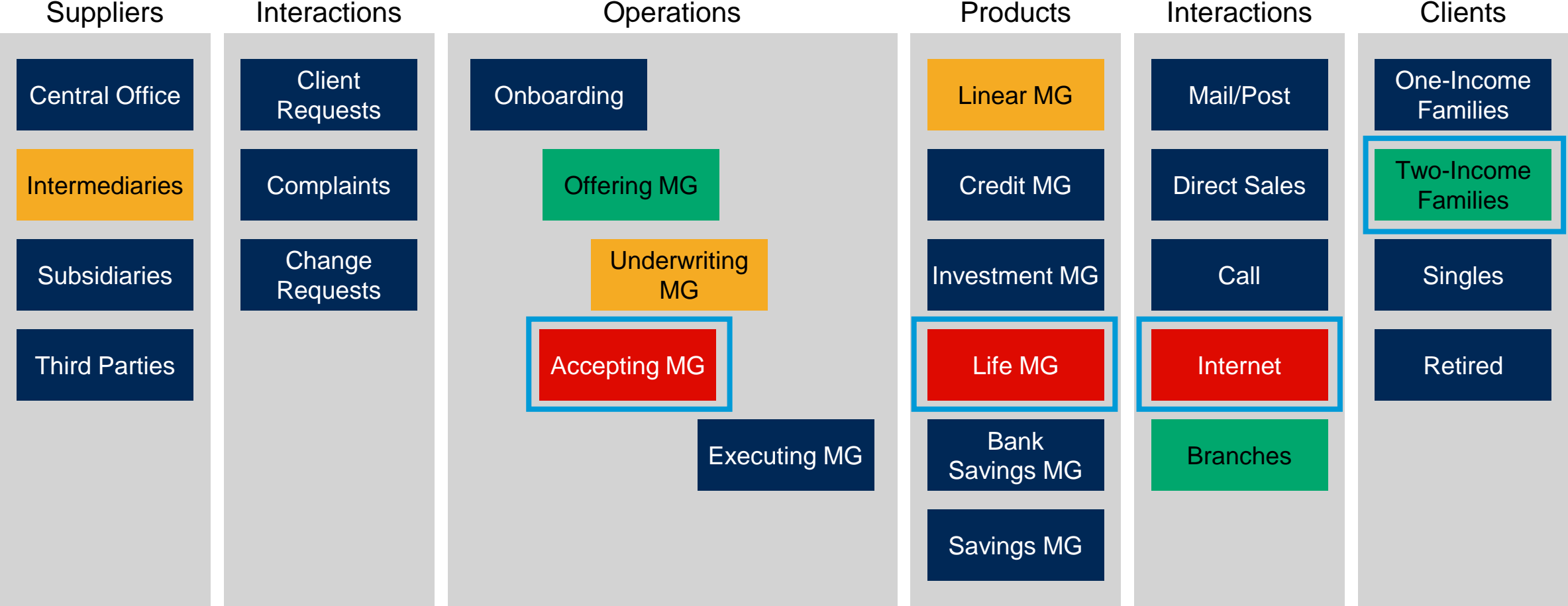
Products/ Services

Interactions

Clients

Resources

Customer Experience Rate

Service-Level Agreement

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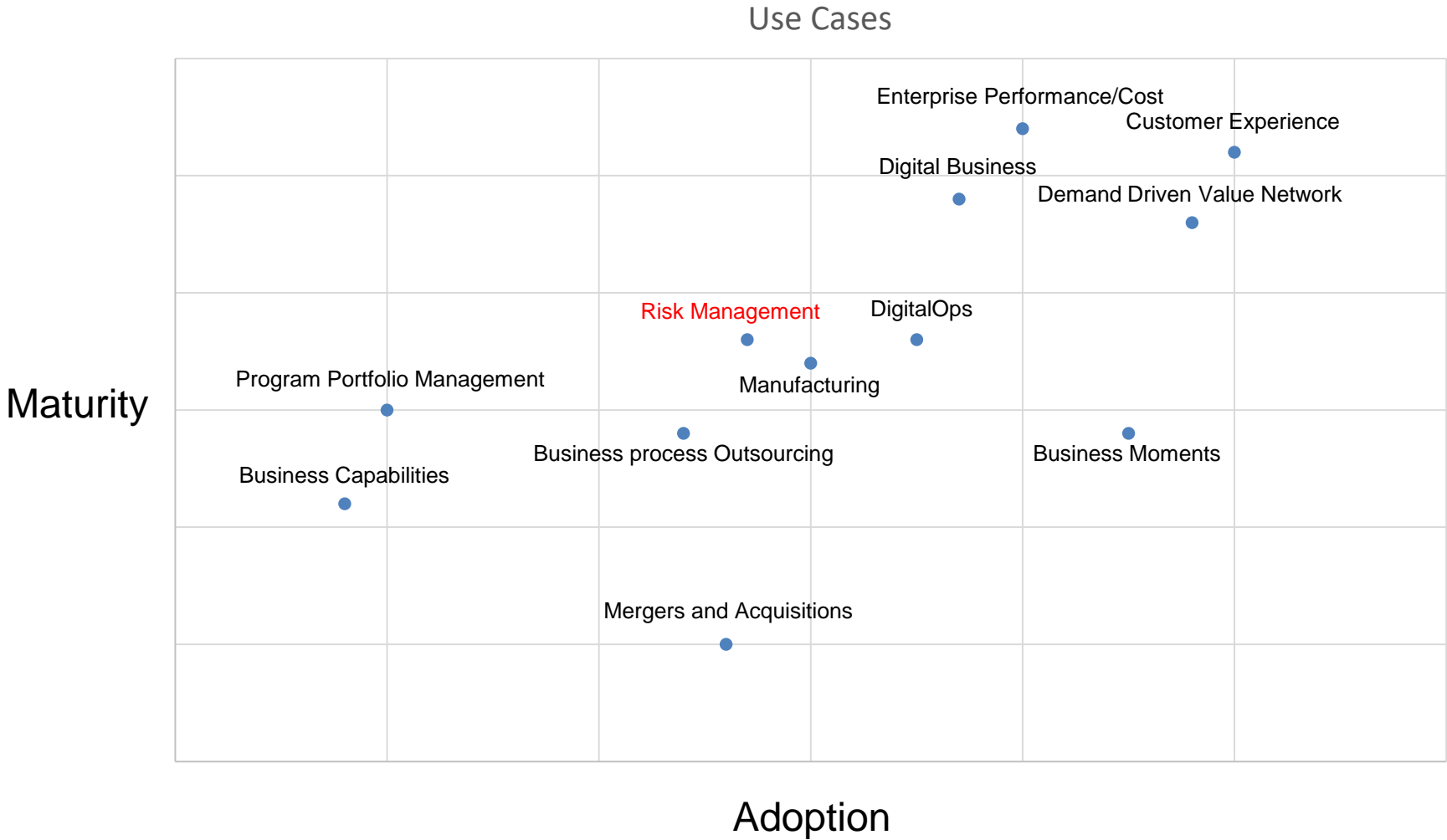# Situation — Continuous Intelligence

Example

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MG = Mortgages

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DTO in Practice

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Use Cases

Use Cases

Maturity (vertical axis)

Adoption (horizontal axis)

Enterprise Performance/Cost

Customer Experience

Digital Business

Demand Driven Value Network

Risk Management

DigitalOps

Program Portfolio Management

Manufacturing

Business process Outsourcing

Business Moments

Business Capabilities

Mergers and Acquisitions

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Technology Supporting a DTO

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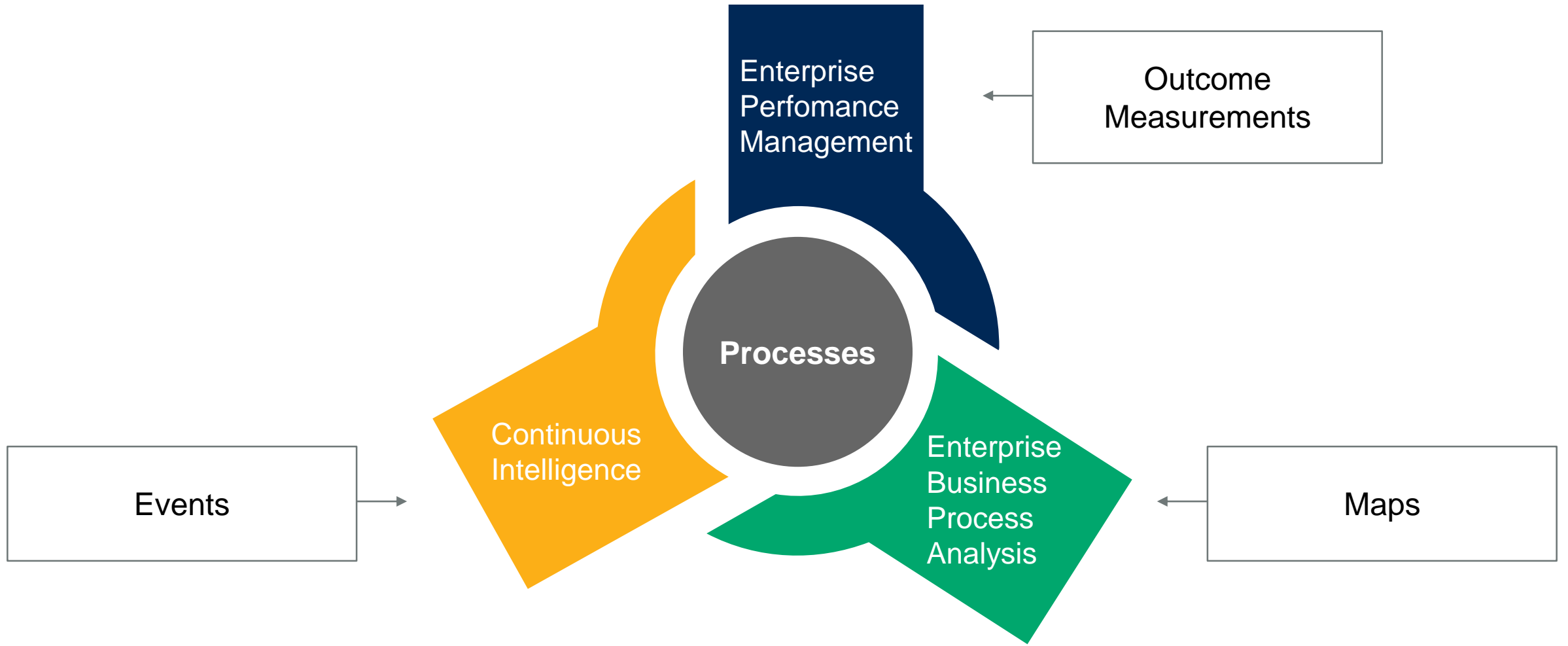
Start With Operations — Process Mining
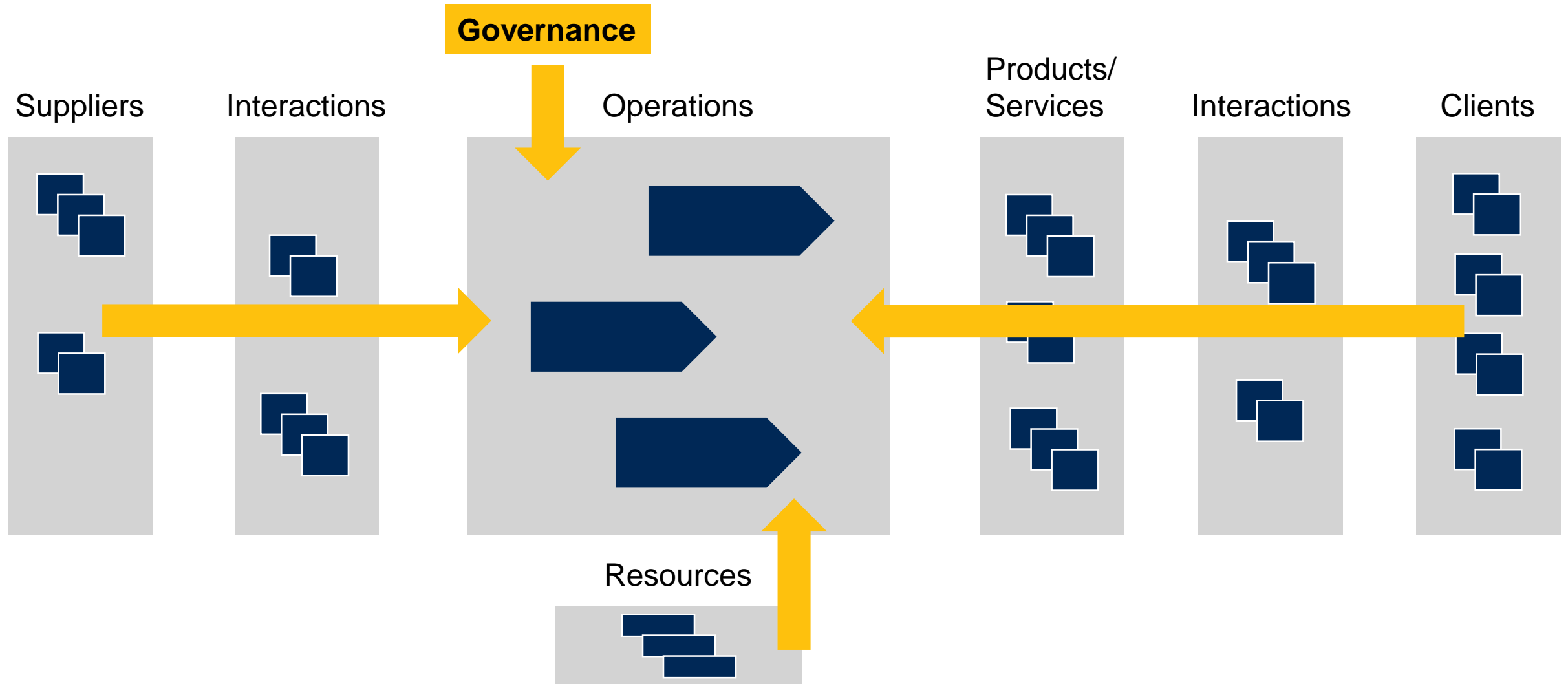
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Example of Use

Insight into the E2E process and clickable process activity for detailed information.

Shown is the "process" portal that focuses on E2E processes. More views from an organizational perspective.

Information on the process/process activity.

Two main KPIs: Customer effort score (CES) and the number of complaints.

Several dimensions (product, process, type, team and channels) to view the performance in different aspects.

KPIs on E2E performance, internal performance and process activity.

Graphics linked to selected KPIs, over different time periods and detail.

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Case — SPHERAes: DTO applied to IRM
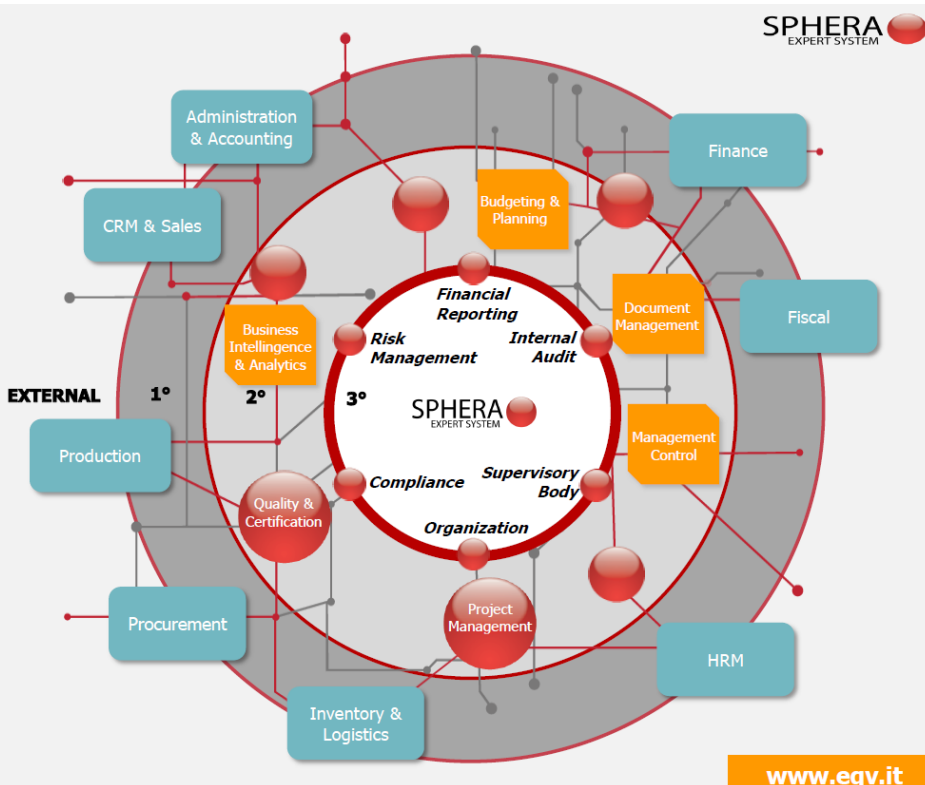

Use Case

- The concept and technology behind the DTO are able to realize the shift from the old GRC perspective to the new Integrated Risk Management

Solution

- Thanks to the adoption of a DTO within the IRM use case, it is possible to implement the complete Auditing operating cycle: Audit scoping, Audit risk assessment, Audit project management, Time and expense management, Audit work paper management, Audit evidence management, Reporting, Issue Tracking, Internal Audit performance management.

- The optimal DTO solution in this scenario should be a unique and uniform tool to manage its processes in an organic and integrated way, with decision-making support based on Artificial Intelligence (AI) algorithms and monitoring of the KPIs / KRIs associated with the various processes, business units and entities involved.
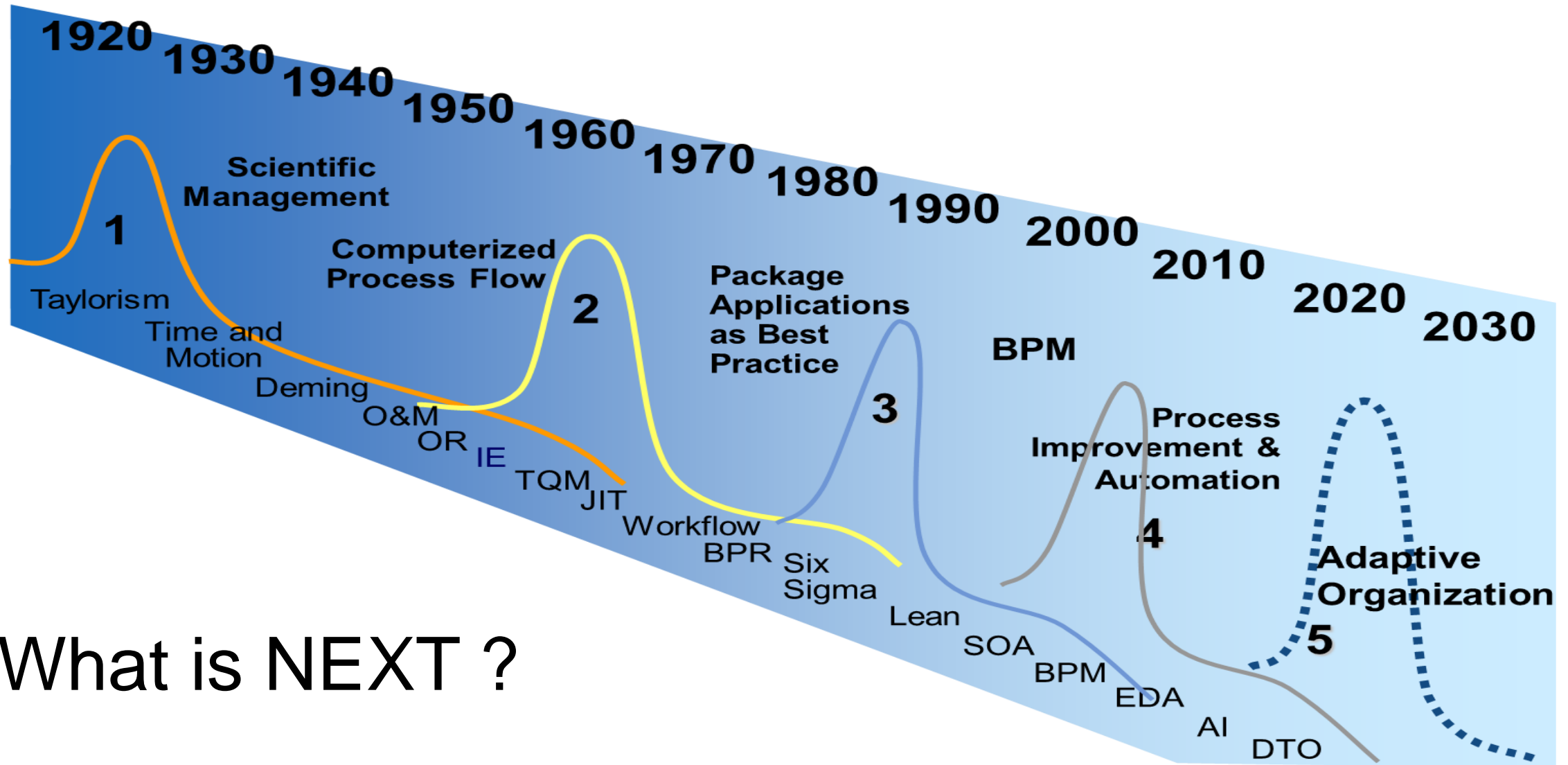
Outcomes

- The DTO allows to monitor and act in real time on every aspect of the organization: the progress of the individual processes; the use of resources allocated and their impact on other processes; the forecast of possible critical issues and the need to reformulate the operational plans; the fulfilment of regulatory requirements and internal policies; automatic and controlled drafting of documentation ensuring high levels of safeguards.

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100 years of process management

What is NEXT ?

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Recommendations

- ✅ Use a DTO to guide business leaders in managing their operational resilience initiatives by connecting the organization's objectives with the organization's operations and providing the relevant monitoring in order to make smarter decisions.

- ✅ Start with a limited market/offering/process organization such as a department or a business unit, and build from there.

- ✅ Emerging technologies that support a DTO, such as process mining provide a first step to discover optimization opportunities in a very fast manner and to prepare for the next level of maturity expanding further into the organization.

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Action Plan for the TI/EA Leader

Monday Morning:

- *Identify* a transformation initiative within your organization.
- *Create* an operational performance management team.

Next 90 Days:

- *Apply* process mining related to a selected client offering.
- *Communicate* the results.

Next 12 Months:

- *Investigate* supporting technology.
- *Grow* the DTO by instantiating more client offerings.

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Recommended Gartner Research

▶ **Optimize Digital Business Transformation by Creating a Digital Twin of Your Organization**

▶ **12 Powerful Use Cases for Creating a DTO**

▶ **Market Guide for Process Mining**

▶ **Market Guide for Technologies Supporting a DTO**

▶ **How Process Mining can support Operational Resilience in times of a Crisis**

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