

*20th International Joint Conference:
Central and Eastern Europe in the Changing Business Environment*

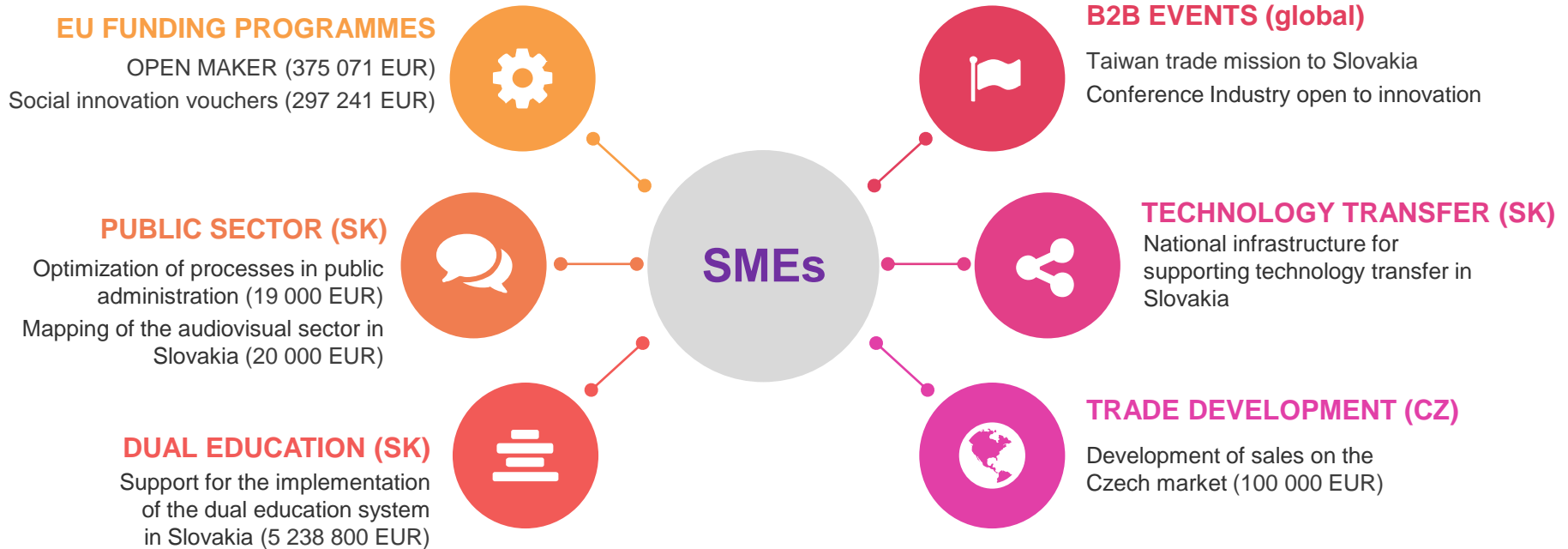
26.10.2020 University of Economics, Prague



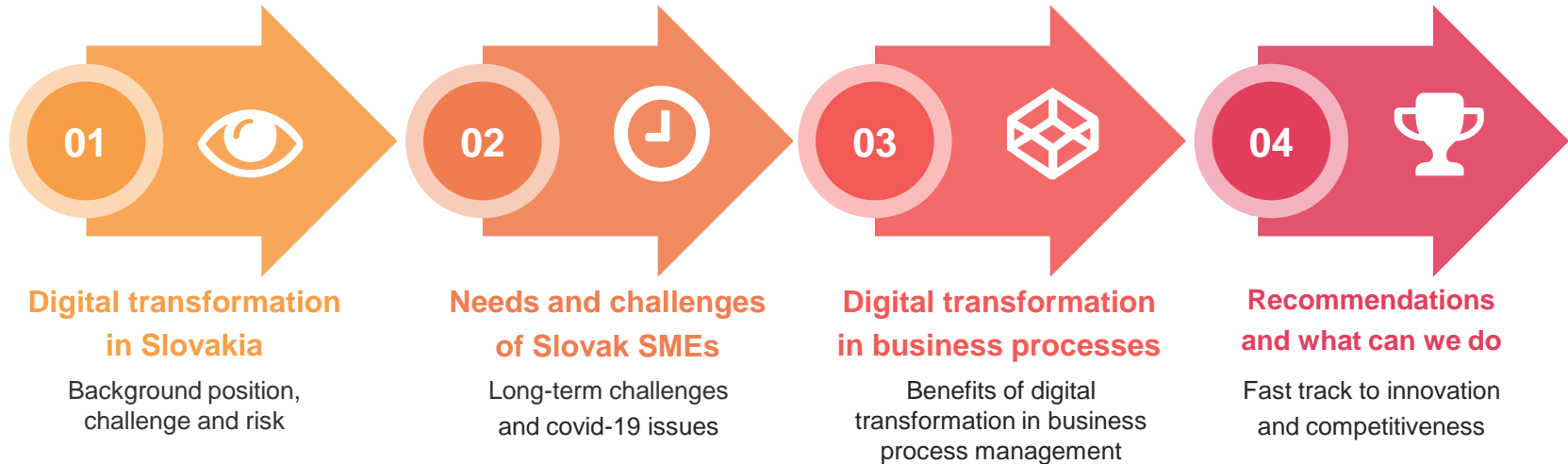
JURAJ KUČERA
SME business consultant

Digital transformation in business
processes of Slovak SMEs
as a post-pandemic opportunity
for stability and growth

References

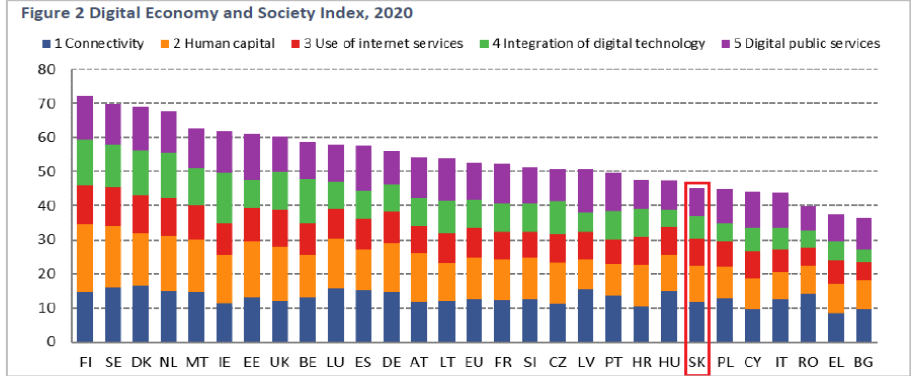


Goals of presentation

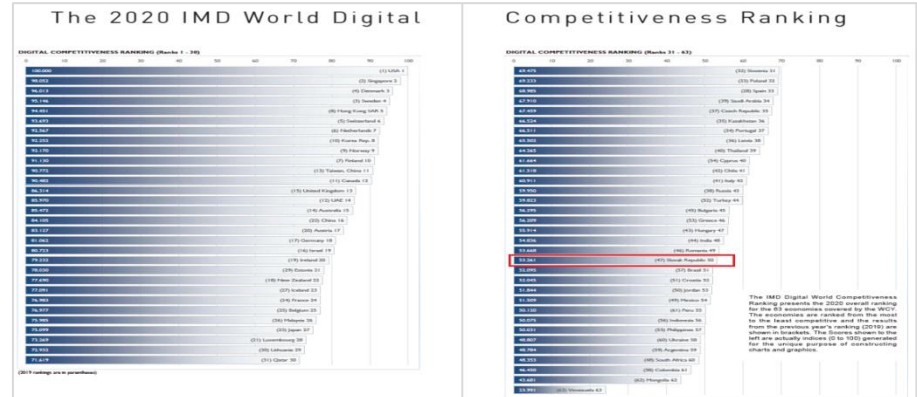


Digital transformation in Slovakia

- 22nd place among 28 EU countries (DESI index)
- 52% rate of digitization
- Only 13% of companies are highly digitized
- 60% of Slovak companies could not fill jobs



- 50th place among 63 countries in terms of readiness for digital transformation (World competitiveness centre)



Digital transformation in Slovakia

➤ 42nd position according to the Global Competitiveness Index 4.0
Competitiveness Index 4.0
(World Economic Forum)

➤ 45nd position according to the Doing Business
(World Bank)

➤ Only 10% of Slovak companies are engaged in advanced data analysis

Lack of manpower in with advanced skills

Insufficient technical background
And education

The Global Competitiveness Index 4.0 2019 Rankings

Covering 141 economies, the Global Competitiveness Index 4.0 measures national competitiveness—defined as the set of institutions, policies and factors that determine the level of productivity.

Latin America and the Pacific			Europe and North America			Middle East and Central Asia			South Asia			Africa			Oceania		
Rank	Economy	Score	Rank	Economy	Score	Rank	Economy	Score	Rank	Economy	Score	Rank	Economy	Score	Rank	Economy	Score
1	Switzerland	88.8	41	United Kingdom	54.1	81	Ukraine	30.8	121	Uganda	10.2	141	Yemen	24.9	171	Yemen	24.9
2	Netherlands	88.4	42	France	53.8	82	Uzbekistan	30.7	122	Uganda	10.2	142	Yemen	24.8	172	Yemen	24.8
3	Denmark	88.3	43	Germany	53.7	83	Vietnam	30.6	123	Uganda	10.2	143	Yemen	24.7	173	Yemen	24.7
4	Sweden	88.2	44	Italy	53.6	84	Yemen	30.5	124	Uganda	10.2	144	Yemen	24.6	174	Yemen	24.6
5	Finland	88.1	45	Spain	53.5	85	Zimbabwe	30.4	125	Uganda	10.2	145	Yemen	24.5	175	Yemen	24.5
6	United States	88.0	46	Canada	53.4	86	Yemen	30.3	126	Uganda	10.2	146	Yemen	24.4	176	Yemen	24.4
7	Germany	87.9	47	United Kingdom	53.3	87	Yemen	30.2	127	Uganda	10.2	147	Yemen	24.3	177	Yemen	24.3
8	France	87.8	48	United States	53.2	88	Yemen	30.1	128	Uganda	10.2	148	Yemen	24.2	178	Yemen	24.2
9	Sweden	87.7	49	United States	53.1	89	Yemen	30.0	129	Uganda	10.2	149	Yemen	24.1	179	Yemen	24.1
10	Denmark	87.6	50	United States	53.0	90	Yemen	29.9	130	Uganda	10.2	150	Yemen	24.0	180	Yemen	24.0
11	Finland	87.5	51	United States	52.9	91	Yemen	29.8	131	Uganda	10.2	151	Yemen	23.9	181	Yemen	23.9
12	United States	87.4	52	United States	52.8	92	Yemen	29.7	132	Uganda	10.2	152	Yemen	23.8	182	Yemen	23.8
13	United States	87.3	53	United States	52.7	93	Yemen	29.6	133	Uganda	10.2	153	Yemen	23.7	183	Yemen	23.7
14	United States	87.2	54	United States	52.6	94	Yemen	29.5	134	Uganda	10.2	154	Yemen	23.6	184	Yemen	23.6
15	United States	87.1	55	United States	52.5	95	Yemen	29.4	135	Uganda	10.2	155	Yemen	23.5	185	Yemen	23.5
16	United States	87.0	56	United States	52.4	96	Yemen	29.3	136	Uganda	10.2	156	Yemen	23.4	186	Yemen	23.4
17	United States	86.9	57	United States	52.3	97	Yemen	29.2	137	Uganda	10.2	157	Yemen	23.3	187	Yemen	23.3
18	United States	86.8	58	United States	52.2	98	Yemen	29.1	138	Uganda	10.2	158	Yemen	23.2	188	Yemen	23.2
19	United States	86.7	59	United States	52.1	99	Yemen	29.0	139	Uganda	10.2	159	Yemen	23.1	189	Yemen	23.1
20	United States	86.6	60	United States	52.0	100	Yemen	28.9	140	Uganda	10.2	160	Yemen	23.0	190	Yemen	23.0
21	United States	86.5	61	United States	51.9	101	Yemen	28.8	141	Uganda	10.2	161	Yemen	22.9	191	Yemen	22.9
22	United States	86.4	62	United States	51.8	102	Yemen	28.7	142	Uganda	10.2	162	Yemen	22.8	192	Yemen	22.8
23	United States	86.3	63	United States	51.7	103	Yemen	28.6	143	Uganda	10.2	163	Yemen	22.7	193	Yemen	22.7
24	United States	86.2	64	United States	51.6	104	Yemen	28.5	144	Uganda	10.2	164	Yemen	22.6	194	Yemen	22.6
25	United States	86.1	65	United States	51.5	105	Yemen	28.4	145	Uganda	10.2	165	Yemen	22.5	195	Yemen	22.5
26	United States	86.0	66	United States	51.4	106	Yemen	28.3	146	Uganda	10.2	166	Yemen	22.4	196	Yemen	22.4
27	United States	85.9	67	United States	51.3	107	Yemen	28.2	147	Uganda	10.2	167	Yemen	22.3	197	Yemen	22.3
28	United States	85.8	68	United States	51.2	108	Yemen	28.1	148	Uganda	10.2	168	Yemen	22.2	198	Yemen	22.2
29	United States	85.7	69	United States	51.1	109	Yemen	28.0	149	Uganda	10.2	169	Yemen	22.1	199	Yemen	22.1
30	United States	85.6	70	United States	51.0	110	Yemen	27.9	150	Uganda	10.2	170	Yemen	22.0	200	Yemen	22.0
31	United States	85.5	71	United States	50.9	111	Yemen	27.8	151	Uganda	10.2	171	Yemen	21.9	201	Yemen	21.9
32	United States	85.4	72	United States	50.8	112	Yemen	27.7	152	Uganda	10.2	172	Yemen	21.8	202	Yemen	21.8
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36	United States	85.0	76	United States	50.4	116	Yemen	27.3	156	Uganda	10.2	176	Yemen	21.4	206	Yemen	21.4
37	United States	84.9	77	United States	50.3	117	Yemen	27.2	157	Uganda	10.2	177	Yemen	21.3	207	Yemen	21.3
38	United States	84.8	78	United States	50.2	118	Yemen	27.1	158	Uganda	10.2	178	Yemen	21.2	208	Yemen	21.2
39	United States	84.7	79	United States	50.1	119	Yemen	27.0	159	Uganda	10.2	179	Yemen	21.1	209	Yemen	21.1
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46	United States	84.0	86	United States	49.4	126	Yemen	26.3	166	Uganda	10.2	186	Yemen	20.4	216	Yemen	20.4
47	United States	83.9	87	United States	49.3	127	Yemen	26.2	167	Uganda	10.2	187	Yemen	20.3	217	Yemen	20.3
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83	United States	80.3	123	United States	45.7	163	Yemen										

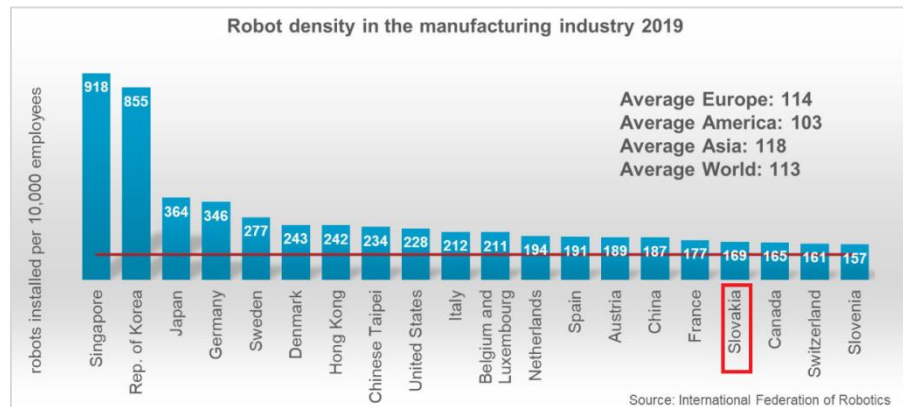
Digital transformation

Opportunity or risk for Slovakia



34% of jobs in Slovakia are at risk of being replaced by robotics
(World Economic Forum)

62% according the Legatum Institute



Source: <https://ifr.org/case-studies/collaborative-robots/stihl-opens-up-new->

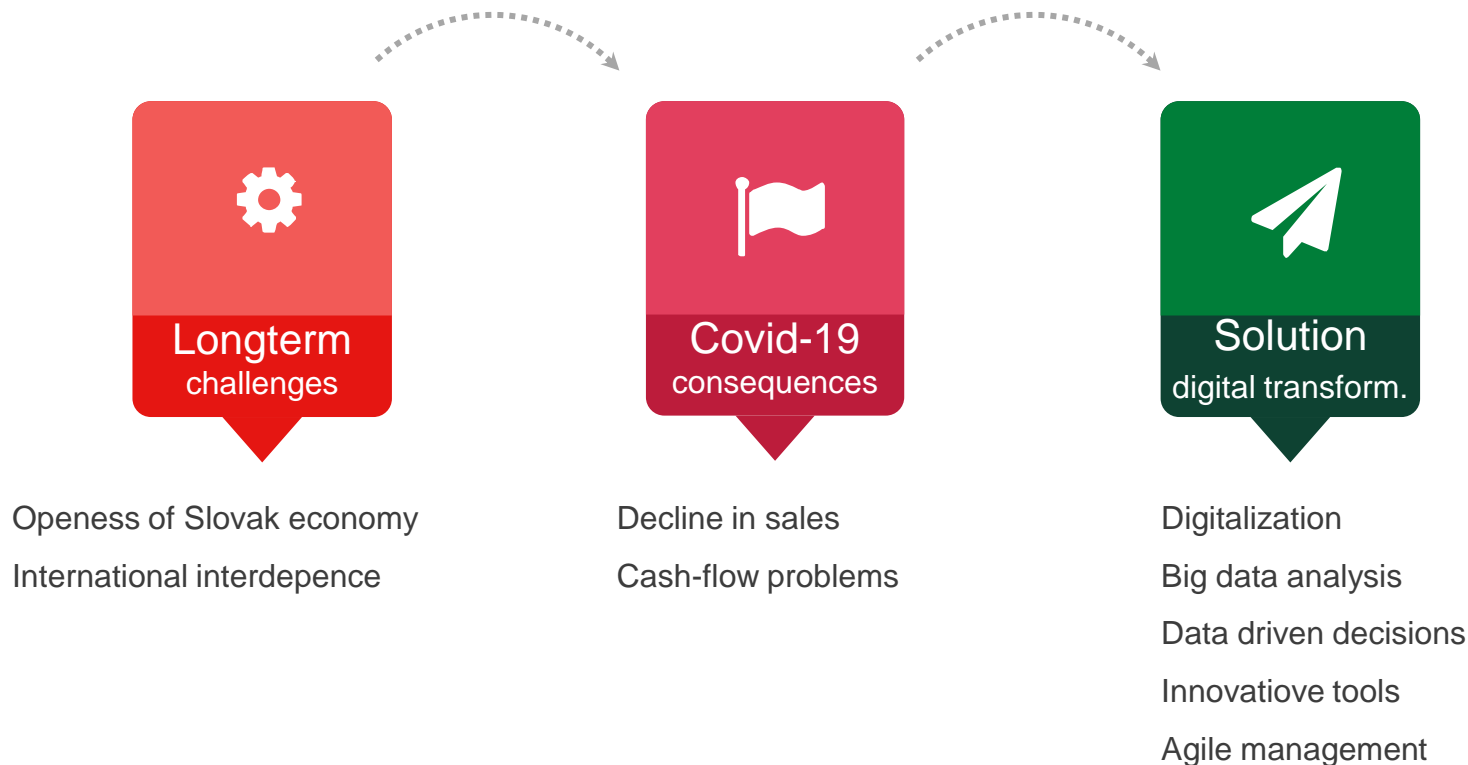
Slovakia and central eastern Europe are among the regions most at risk.

Low-qualified positions will be reduced

The automotive industry is one of the sectors with the largest introduction of robots into the production line

Employee costs are rising faster than labor productivity

COVID-19 as an accelerator of digitalization



Benefits of digital transformation

in business process management

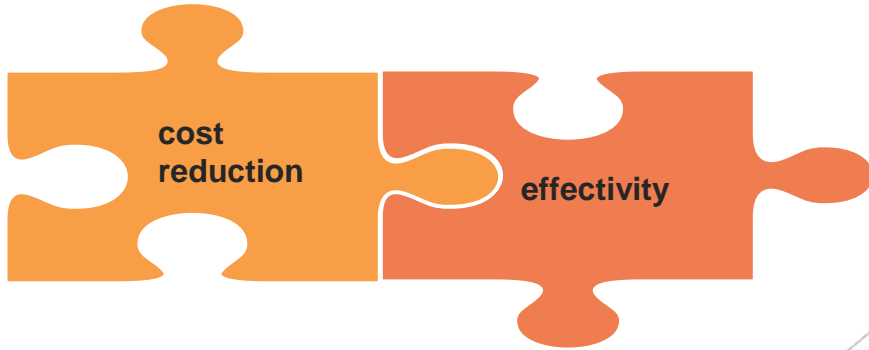
„Digital transformation in business process management allows better response to changing market situations or customer expectations. Digital transformation can discover, model, analyze, measure, improve, optimize and automate business processes.“

1. Process engines
2. Business analytics
3. Content management
4. Collaboration tools
5. Agile organisation

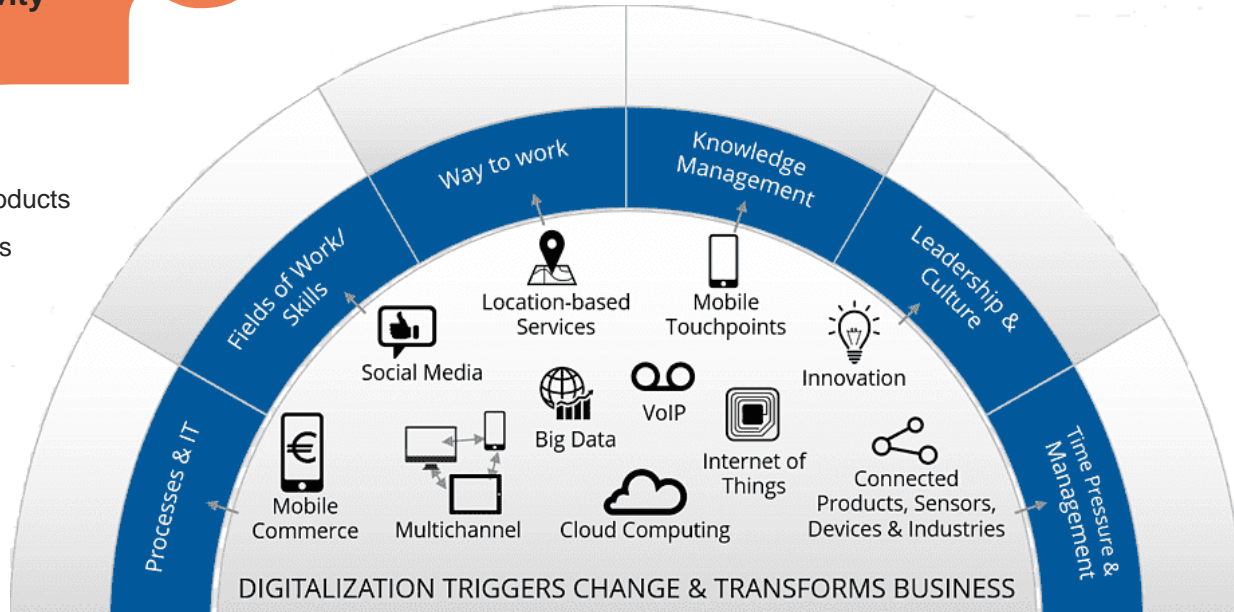


Benefits of digital transformation

in business process management



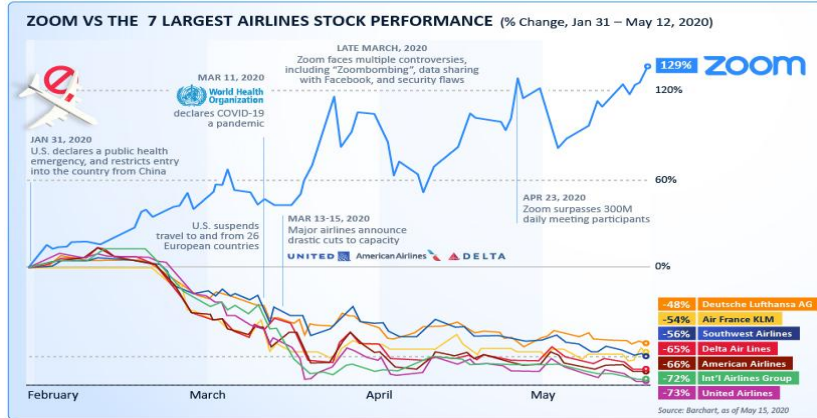
- business process optimization
- workflow optimization
- organizational optimization
- collaboration optimization
- value-added products
- suitable services



Source: <https://medium.com/cioreviewindia/digital-transformation-is-no-longer-a-choice-its-a-new-way-of-doing-business-ed21e8b052d6>

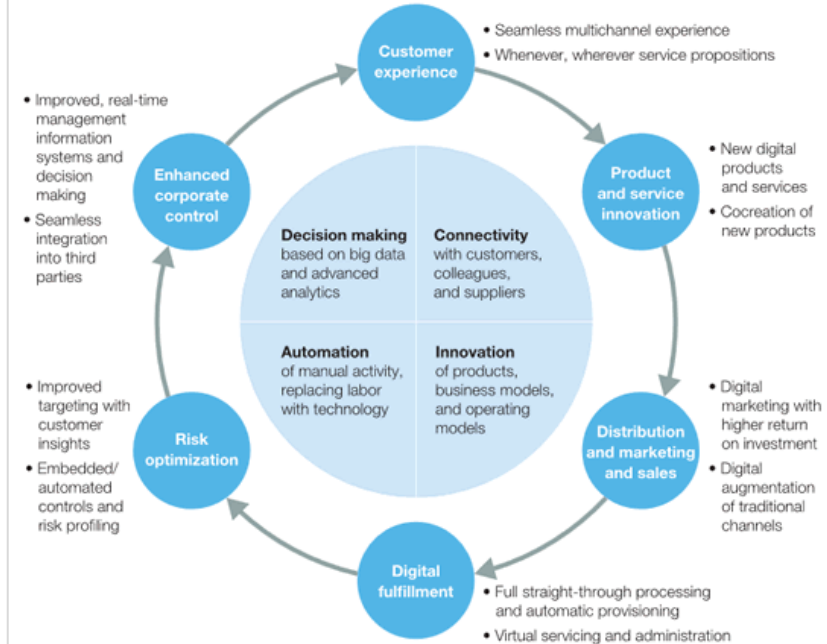
Digital transformation process

„COVID-19 was the digital accelerant of the decade. COVID-19 accelerated companies' digital communications strategy by a global average of 6 years“



Source: <https://medium.com/@worldbusinessbites/how-the-worlds-downfall-led-to-the-rise-of-zoom-6dfbf03b91ad>

Digital can reshape every aspect of the modern enterprise.



Source: Expert interviews; McKinsey analysis

Source: <https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/finding-your-digital-sweet-spot>

Quo vadis

Continue with changes

External consulting services

Digital transformation strategy

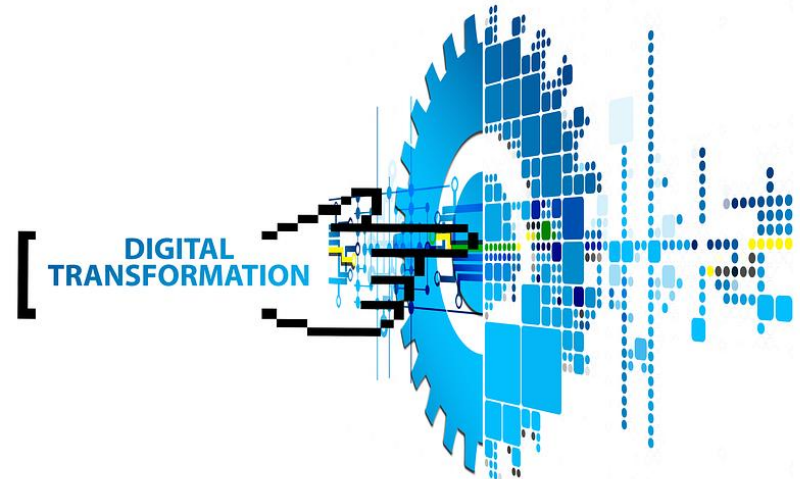
Big-data analysis

Artificial intelligence, Cloud Computing, IoT....

European digital and innovation hubs

State interventions

Education



Source: <https://www.leadseed.io/business-needs-digital-transformation/>

“

***Experience
is transferable***

”

Juraj Kučera





Thanks for paying attention

CONTACT



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ICRA.sk