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# The Future Belongs To The Adaptive Organisation

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## Executive Summary

During the pandemic, the lack of in-person contact forced businesses to make a rapid digital recalibration of customer experience (CX). Firms made huge strides forward with their digitisation to counter this driven by an existential need to transform and the real threat that if they didn't, they would fail to meet customers' needs. As a result, some changes were quick fixes that need optimisation.

Despite plans to digitally transform and improve customer and employee experience, the challenges that impede progress are well known. This suggests little or no advancement towards resolving the thorny issues of digital transformation.

Leaders frequently lack a data-driven approach to measure, monitor, and optimise CX and struggle to close the gap between strategy and execution. To future proof, firms must build an adaptive organisation that makes better use of data. To do this, firms are revisiting their back-end systems and a quarter of surveyed decision-makers anticipated budget uplift of over 10%.

Firms know their limits and seek help to become adaptable and future-fit, evolve their digital business model, and meet new targets around sustainability. They seek help with time-to-market, building partner networks, and leveraging third-party services. Six out of 10 respondents noted their organisations lean on outside firms to drive innovation.

GlobalLogic commissioned Forrester Consulting to evaluate the state of digital transformation. Forrester conducted an online survey of 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in financial services and energy, utilities, and/or waste management to examine this topic.

## Key Findings



**Only one in five respondents said their organisations have a suitable digital transformation strategy that will remain relevant beyond the next 12 months.** The pandemic forced firms to digitally transform at a rapid pace with a third of respondents noting their firms are actively refining their pandemic-driven transformation strategy.



**Firms know the importance of CX, but there is a wide gap between strategy and execution.** Firms recognise the importance of using data to improve CX, however they struggle to turn data into insights. Many firms must make better use of journey mapping and end-to-end, customer-oriented methodologies, and ensure data flows to where it is needed. However, firms often struggle with leadership and organisational buy-in, which impacts their ability to execute their strategy.



**Sustainability, adaptability, and innovation are focal points coming out of the pandemic.** Our survey revealed that organisations are looking to connect employees and customers to sustainable goals, building an adaptive future-fit organisation with a strong digital culture that places the customer at the centre. But it takes a village to achieve this. Effective transformation relies on the execution of a well-thought-out strategic vision that presents a compelling vision of the future for customers, operations, innovation, and ecosystem collaboration.<sup>1</sup>

## Adaptability Is At The Top Of The Transformation Agenda

Firms made huge strides forward with their digitisation during the pandemic driven by the need to meet their customers' digital needs. However, this quick digital transformation was a short-term requirement, and those strategies now require optimisation for the new post-pandemic environment. According to our study, a third of respondents noted their firms are already actively refining their pandemic-driven transformation strategy, but only one in five believe their organisations' strategy is suitable beyond the next 12 months. The top business priorities over the next year for survey respondents revealed that:

- **The pace of change mandates an adaptive organisation.** The pandemic amplified the adoption of new technologies with years of progress condensed into a few months. Growth is at the top of the agenda for firms. Nine out of 10 respondents cited it as the number one priority for their organisations (see Figure 1). However, as the pace of rapid digital transformation change continues, firms move forward to mitigate and optimise decisions that were taken during the pandemic. It's no surprise then that adaptability was second on the list of top business priorities with 84% of business leaders citing the need to improve existing IT capabilities to promote agility and innovation. Differentiation via digital services is another top priority with more than four out of five respondents noting their organisations are looking to improve product and service innovation in the next year.

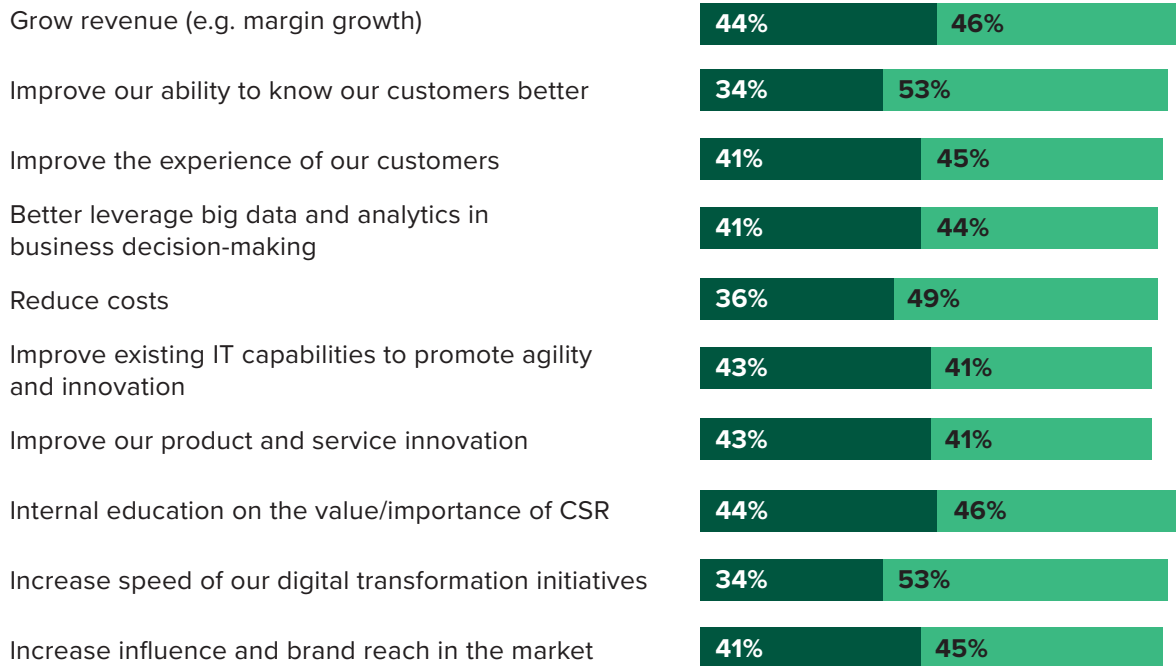
“Customer-centricity is key. To enhance the customer's experience, we have to think like the customer, put ourselves in their shoes, and see the experience from their point of view.”

**Director of digital transformation, energy, utilities and/or waste management**

Figure 1

**“Which of the following initiatives are likely to be your organisation’s top business priorities over the next 12 months?”**

● Critical priority ● High priority



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in financial services and energy, utilities, and/or waste management.

Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021.

- **Digital CX matters more than ever — and data is crucial to drive this insight.** The pandemic forced businesses to restructure their strategies to accelerate migration to digital channels, and these behaviour changes are here to stay.<sup>2</sup> The pandemic demanded a rethink of CX strategies to offset the lack of in-person contact and optimise brand experience. This required a deep insight into consumers and, over the next 12 months, 87% of respondents noted their firms are looking to improve their ability to know their customers

“We are actively looking for the biggest impact opportunities that we can either improve or introduce and that are going to yield the most benefit from a customer experience point of view.”

**Chief operating officer,  
financial services**

better. Eighty-six percent of respondents said their firms are focusing on overall CX improvement. Data is the lifeblood of this insight, and it is no surprise that 85% of respondents said their firms are investing heavily in data and analytics to improve customers' overall experience.

- **Corporate social responsibility (CSR) is a means to a positive brand awareness.** As governments, businesses, and citizens look to rebuild after the pandemic, they're paying more attention to CSR initiatives. Firms recognise the importance of becoming more sustainable and they're upgrading their business models to meet the demands of sustainability as well as provide training for their employees.<sup>3</sup> For 83% of our survey respondents, internal education on the importance of CSR is a "Critical priority" or "High priority" over the next 12 months. A firm's approach to social and environmental value is an important driver for increasing influence and brand reach in the market, which is a "Critical priority" for more than one-third of our respondents.



**9 out of 10 energy** and **8 out of 10 finance** firms are looking to upgrade their business models to meet the demands of sustainability.

## Top Transformation Challenges Are Disappointingly Familiar

Despite ambitious plans to digitally transform and improve both customer and employee experience, the challenges that respondents reported impede progress are already well known, suggesting little or no progress towards resolving the thorny issues of transformation. Top challenges include:

- **Legacy technology.** Just under half of the surveyed respondents reported that legacy technology and IT systems hinder their organisations' ability to execute on their digital strategy (see Figure 2). Nimble digital-first competitors are emerging on a weekly basis, including digital-only banks or apps and smart-meter-integrated utility firms. These new entrants disrupt with integrated offerings that entice customers from established firms — leading to higher customer expectations — and expose the outdated legacy systems and clunky processes of incumbent firms.<sup>4</sup> To compound this, 37% of respondents reported a lack of budget for strategic improvements, making transformation — and countering these threats — an impossible hill to climb.

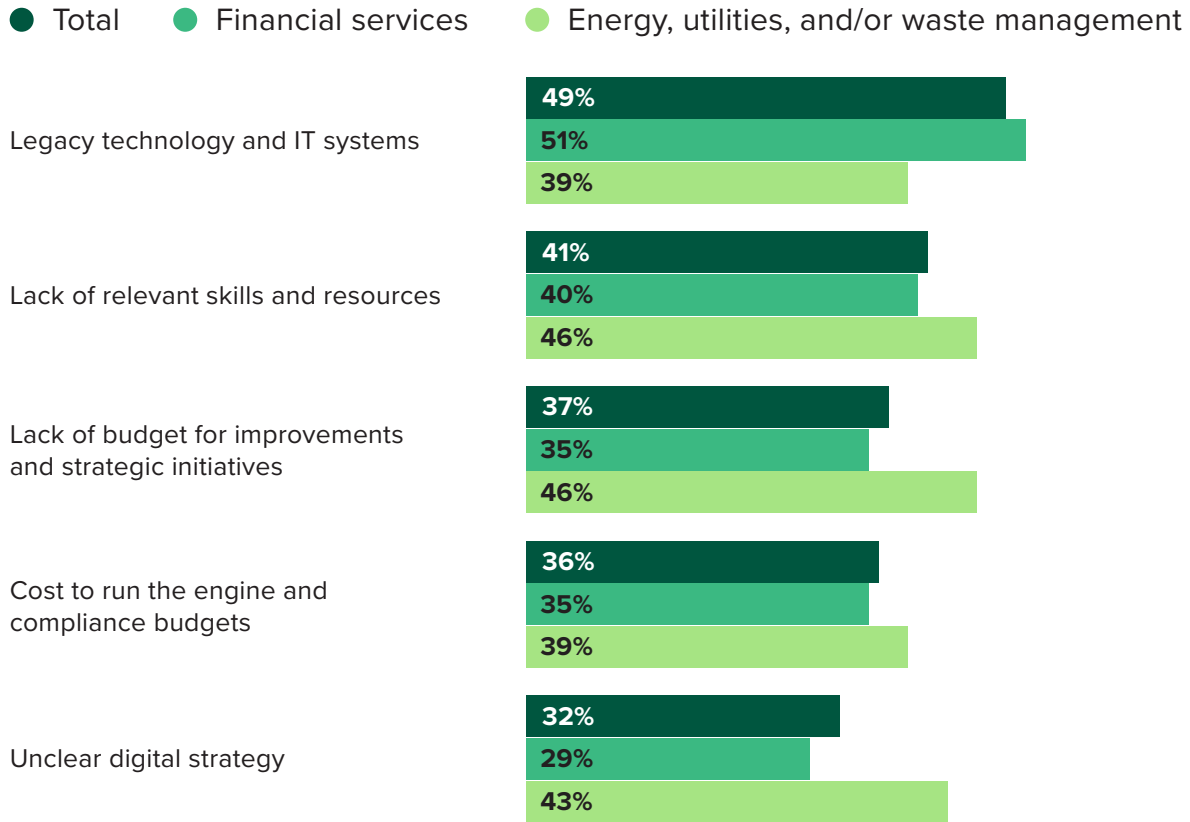
“The real problem is not having a single view of the customer, knowing the client’s various touchpoints across the business ... We’ll get data in different formats, data that’s incomplete, or both. You have all of this valuable information that you can’t get access to because of legacy technology — and you’re trying to connect it to newer CRM systems or machine-learning tools. Taking monolithic data out of a core legacy platform is challenging to say the least!”

**Chief technology officer, financial services**



Figure 2

“What are your organisation’s biggest challenges with regards to executing your digital strategy?”



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management

Note: Showing top 5

Source: Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

- **Lack of relevant skills and talent.** It is one thing to invest in emerging and leading technology and quite another to get the optimal results from it by matching technology to talented employees. Both financial services (40%) and utility (46%) respondents ranked a lack of relevant skills and resources as the biggest challenge for their firms with regards to executing digital strategy. It’s not simply a case of sourcing talent — upskilling and improving employee experience is positively linked to better CX outcomes driven by an engaged workforce.<sup>5</sup> Only 27% of respondents strongly agreed that their firms had a companywide program in place to find, hire, and nurture employees’ digital skills.<sup>6</sup>

- **Unclear digital strategy and high operating costs.** Surprisingly (and disappointingly) around one in three respondents noted their firms still lack a clear and coherent digital strategy. A strategic vision is the foundation for effective digital transformation, especially a vision that creates a compelling future for customers, operations, innovation, and ecosystem collaboration.<sup>7</sup> Even if they do have a North Star vision, over one-third of respondents reported challenges in the cost to run the engine, preventing their firms from driving forward on more strategic digital objectives.

“What’s hindering speed of transformation in this industry is a lack of skills. If we want to hire a data scientist, we’re not only competing with other energy companies, but also with every other industry, small startup, and tech disruptor.”

**Director of digital transformation, energy, utilities and/or waste management**

## Digital CX Requires Optimisation For Most Firms

Although more than one-third of respondents reported their firms are consistently providing good customer experiences, fewer than 30% were doing this in an optimised, continuously measured way across the business. In total, only 19% considered their organisations to be leaders in digital disruption. Customer experience is a crucial part of digital differentiation, and our respondents reported inconsistent progress:

- **Many firms still need to invest in end-to-end CX methodologies.**  
Firms are yet to consistently deploy tools and methodologies like design thinking, customer journey maps, and touchpoint analysis across the firm; examine the entire customer experience; and identify improvements across journeys and touchpoints (see Figure 3). This is echoed in the third area most in need of investment — integrating digital capabilities across the customer lifecycle, from service and product design, marketing, and sales, to supporting, servicing, and engaging customers.
- **Lack of leadership and organisational buy-in hinders progress.**  
Without executive alignment, efforts to improve CX fails to gain traction — especially when those efforts require close collaboration across silos. One in five survey respondents reported a lack of C-level support for digital CX strategy and optimisation.

“The onboarding journey of a bank is long and painful. Lots of paperwork and lots of time goes by. When you go to neobanks, the journey is seamless — we also need to make the customer journey as painless as possible.”

**Chief technology officer, financial services**

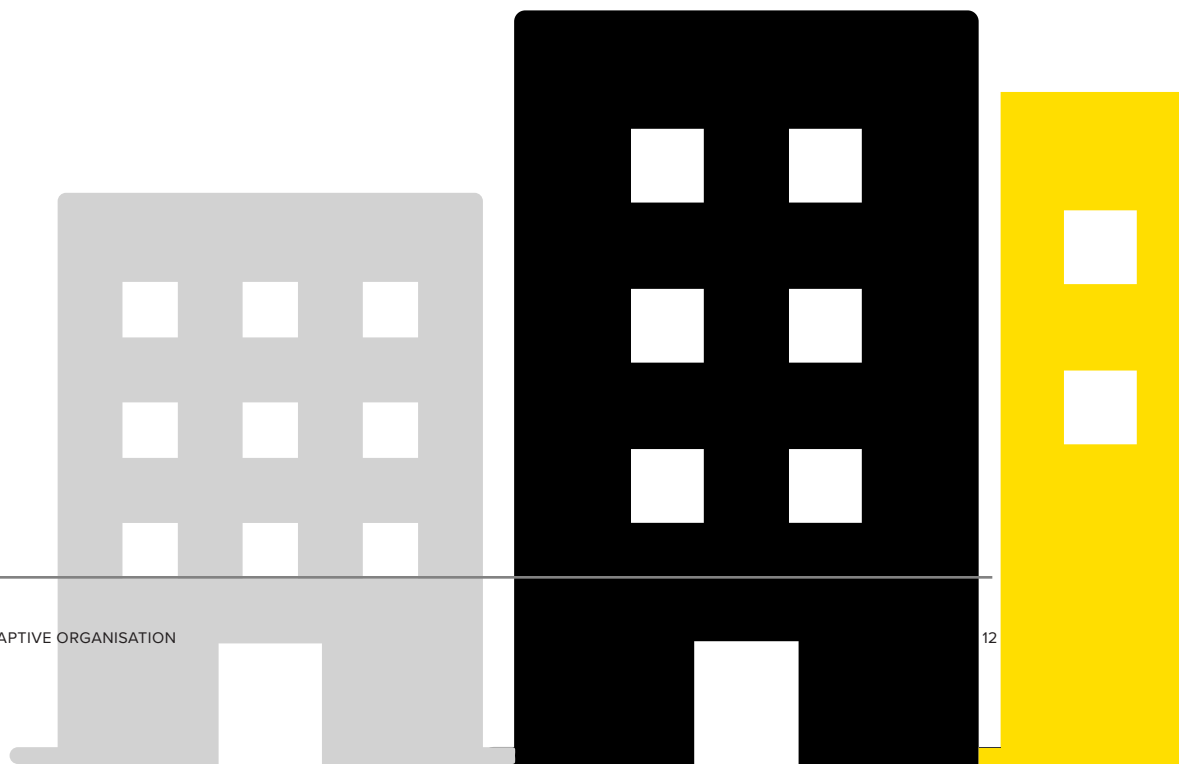
- **There is a wide gap between strategy and technical execution.** Forty percent of surveyed respondents reported that their organisations’ business strategy focuses on creating excellent experiences for their customers and is optimised through continuous measurement and feedback across the business and with customers. However, when it comes to sourcing new technologies and digital capabilities to deliver this, only 22% reported that their organisations actively seek opportunities to use digital technologies to improve the experience for their customers in the same way. Fewer than three out of 10 have a truly customer-centric design process that is both consistent across the firm and optimised with customer feedback.

“Customer-centricity is key. To enhance the customer’s experience, we have to think like the customer, put ourselves in their shoes, and see the experience from their point of view.”

**Director of digital transformation, energy, utilities and/or waste management**

“The expectation is that we will deliver results quickly, correctly, and using this new technology — and that’s not the way it works.”

**Head of global infrastructure, energy, utilities and/or waste management**



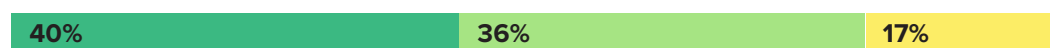
**Figure 3**

**“Please assess the extent to which your organisation follows each of the customer experience practices listed below.”**

- We optimise this through continuous measurement and feedback across the business and with customers.
- The organisation does this consistently in all business units.
- Some business units or teams do this in a well-defined way.



We look to provide customers with a consistent experience regardless of the channel or touchpoints they engage with us.



Our business strategy focuses on creating excellent experiences for our customers.



We design digital extensions to products and services to create new sources of value for customers.



We begin our product/service design from the customer perspective and the outcome they are seeking to achieve.



We build digital capabilities across the customer lifecycle.



We actively seek opportunities to use digital technologies to improve the experience for our customers.



We use tools and methodologies to examine the entire customer experience and identify improvements.

Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management

Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

## Firms Are Investing In Data And Insights To Improve CX

Respondents who identified CX improvement as their firms' strategic focus have noted their firms have also identified the need to be data driven, though more work to cement their success is required. Identifying, understanding, and mastering the customer journey sits at the heart of efforts to improve CX across the end-to-end customer experience. Firms are also striving to improve processes, technology, and employee experience across the entire business:

- **Data and insights play a critical role in addressing CX.** Data and analytics underpin a firm's ability to know their customers and respond proactively to customer needs. Eighty-six percent of respondents from CX-focused firms said their firms are investing in improving current CX measurement capabilities — an essential component in anticipating and responding to customer needs. Encouragingly, 87% of respondents from CX-focused firms said their firms are investing in tools that distribute insight to employees to help them make smarter decisions with the right information at the right time. This allows employees to reinforce customer and brand promises at the point of need.
- **Transforming the culture to instil the right values and behaviours.** A key tenet of digital transformation is customer obsession. Cultural alignment with business goals enables change. When executed poorly, though, it can stop transformation dead in its tracks.<sup>8</sup> Without the right culture, transformation is prone to failure. Eighty-seven percent of respondents from CX-focused firms agreed that businesses need to transform culture to be more customer-centric.

“AI is nothing without the data it's based on, and it's really, really difficult to convince the relevant stakeholders about doing the necessary groundwork and invest in the basic infrastructure.”

**Director of digital transformation, energy, utilities and/or waste management**

Cultural transformation is not easy. It takes time, but one in three respondents agreed their firms need to educate the business about the importance of CX and the role employees play in meeting that vision.

Half of respondents noted their firms want to develop a comprehensive view of the customer to improve CX.

#### Figure 4

**“You selected ‘Improve the experience of our customers.’  
What are the key actions your organisation is taking to do this?”**

● Strongly agree    ● Agree



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management

Note: Showing top 5

Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

## Businesses Are Hungry For Data, But Starved Of Insights

Business leaders intuitively understand they are delivering value to customers, but they often lack a data-driven approach for measuring, monitoring, and predicting customer activities and interactions to prioritise for maximum engagement. Many respondents noted the importance of data in customer engagement — and firms are taking key actions to improve their efficiency. Our survey revealed the priority of these key initiatives:

- **Establishing a data governance program is key to having a strong CX foundation.**

The key to satisfying customers is not just measure what happens when they interact with the business. Businesses must move from knowledge to action. Eighty-two percent of respondents recognised this and said their firms are implementing a robust data governance program (see Figure 5). Many respondents also noted their organisation elevated data to the C-level and appointed a chief data officer (78%). Additionally, respondents noted their organisations are also creating an organisational centre of excellence for business insights (79%) to further improve their data capabilities.

“We’re driving our own proprietary standards, thinking that we’re digitising. We shouldn’t be competing on data standards. We should be competing on the insights from the data.”

**Chief information officer,  
financial services**

- **Investing in employee technology to improve CX.** Eighty-six percent of respondents noted their firms are embracing or improving their use of automation technologies to alleviate routine tasks to enable employees to focus on more value-added work. Automation tools make employees more productive and happier, resulting in providing a better overall CX.<sup>9</sup>
- **Listening to the voice of the customer.** Firms are waking up to the importance of incorporating customer insight and feedback to elevate customer experiences when designing products and services. Forty-

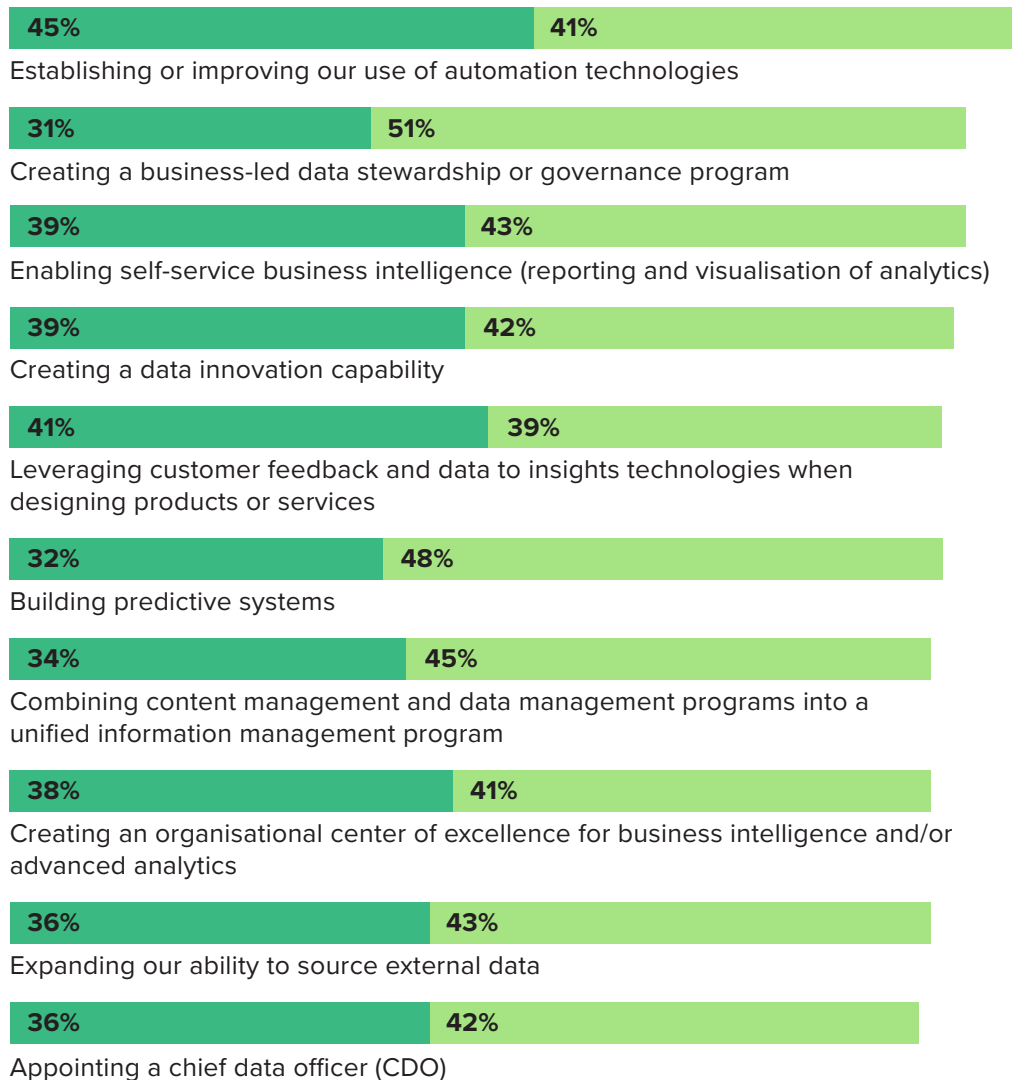


one percent of respondents reported their firms are working on this. Many are building or optimising the foundations, unifying content and data management into a unified data management program (34%), or implementing data stewardship programs (31%).

**Figure 5**

**“How important are the following initiatives for your organisation to become more data driven?”**

● Extremely important      ● Important



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management  
 Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

# Investment Funding Is Healthy But Industries Use It Differently

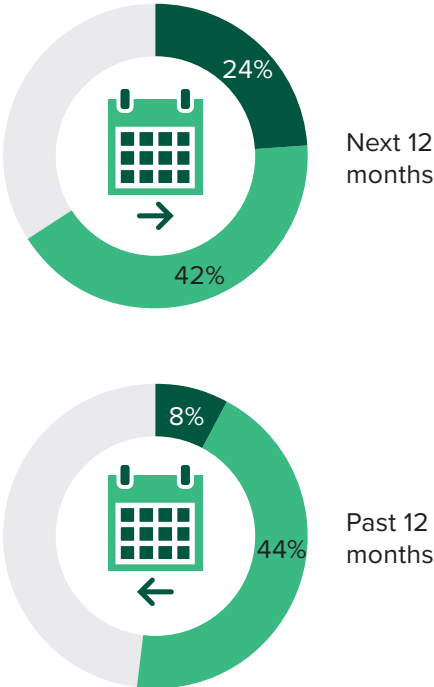
Technology spend has continuously increased over the past 12 months with no signs of slowing down. To achieve customer experience goals, make better use of data, and grow revenue, firms are actively looking to revisit their back-end systems. Two-thirds of respondents said their firms are expecting at least a 5% increase in technology spending and 24% anticipate budgets to increase over 10% in the next 12 months (see Figure 6). We found that:

- **Across sectors, innovation is a hotspot to keep up with digital demands.** To boost and enable innovation, six out of 10 respondents said their firms are creating innovation committees to oversee, prioritise, invest, and fast track opportunities. To turn this into operational reality, the same number of respondents noted their firms are building dedicated internal innovation teams to meet their overarching digital strategy goals.
- **For financial services firms, the focus is on cloud migration and workforce capabilities.** Firms in financial services (FS) regard investing in technology and enhancing the capabilities of their workforces as a critical priority to achieving their digital strategy. Firms aren't moving forward with this transformation alone, though, with 38% of respondents noting their FS firms are looking toward working with third-party providers to achieve their digital strategy (see Figure

Figure 6

“How has technology spending changed in the past 12 months? How do you expect it to change over the next 12 months?”

- Increase by more than 10%
- Increase 5% to 10%



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management  
Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

7). The top critical priority for FS firms is to leverage cloud technologies (44%) to achieve more flexibility and technological agility. With regards to workforce enablement, respondents noted their FS organisations are looking to work in cross-functional teams (43%), digitally upskill in areas such as analytics (40%), and expand the insights from data that employees have with an investment in expanding digital intelligence (37%).

- **In energy, utilities, and/or waste management, partners and data are the focus of investment.**

Organisations in the energy, utilities, and/or waste management (EUWM) sector are looking more towards working with partners and assessing their existing partnerships, while focusing on transformation that is prioritising data. The top priority for EUWM organisations according to survey respondents was working with third-party service providers (52%) to achieve their digital strategy objectives. EUWM respondents also noted their firms are also re-evaluating their partner network (48%) to make sure they have the necessary partners that suit their digital strategy. EUWM firms are looking to move from data to insights by using agile process (52%), necessary for technologies that leverage a lot of data, such as internet of things, while also investing in technologies that analyse data, such as artificial intelligence technologies (48%), and commercialising existing data assets (48%) to grow the business.<sup>10</sup>

“Getting all that client data in a single place is immensely valuable; then you need to analyse and understand, then you can create microservices and move services into the cloud.”

**Chief technology officer,  
financial services**

“There’s no area in our business where we don’t at least think about how to apply digital technologies.”

**Head of global infrastructure, energy, utilities and/or waste management**

## Figure 7

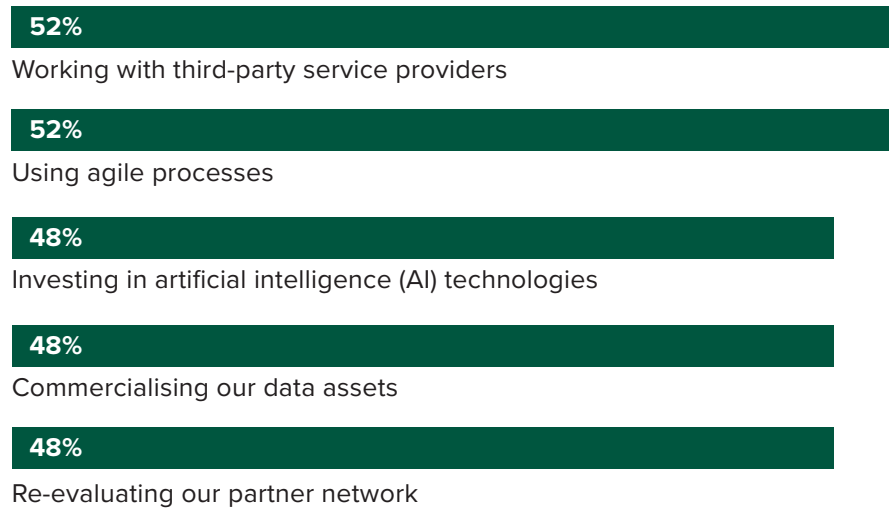
### “How much of a priority are the following initiatives to your organisation’s digital strategy?”

(Showing “Critical priority”)

#### FINANCIAL SERVICES



#### ENERGY, UTILITIES, AND/OR WASTE MANAGEMENT



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management

Note: Showing top 5

Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

## Firms Are Looking To Make Transformation More Sustainable

Both financial services and energy, utilities, and/or waste management firms have a strong focus on environmental, social, and governance (ESG) principles.

Transformation goals are not solely digital; the focus also encompasses sustainability, including:

- **Rearchitecting business models in both industries.** Environmental initiatives leapfrogged up the agenda during the pandemic, as stay-at-home mandates and the collapse of global travel laid bare the impact of humans on their environments. Consequently, consumer demand for more responsible, ethical, and sustainable practices within firms is now higher than ever. The responsibilities of a firm to grow and be sustainable according to ESG values are driving root and branch reform in both FS and EUWM. Forty-three percent of financial service respondents and 54% of EUWM respondents noted their firms are looking to upgrade their existing business models to meet the demands of sustainability (see Figure 8).
- **Internal sustainability transformation.** Educating the workforce is a key requirement to make sustainability a consistent action throughout firms. Two out of five financial services respondents said their firms are looking for digital trainings to upskill employees' technology knowledge. Corporate training in sustainability (42%) and garnering executive buy-in and tying brand to sustainability by appointing a chief sustainability officer (37%) boost internal transformation. Thirty-five percent of financial services respondents regarded increasing participation in local regions as critical to integrate corporate social responsibility.
- **Operationalising for sustainability and carbon neutrality.** Within the EUWM sector, the approach to sustainability is consistent, but

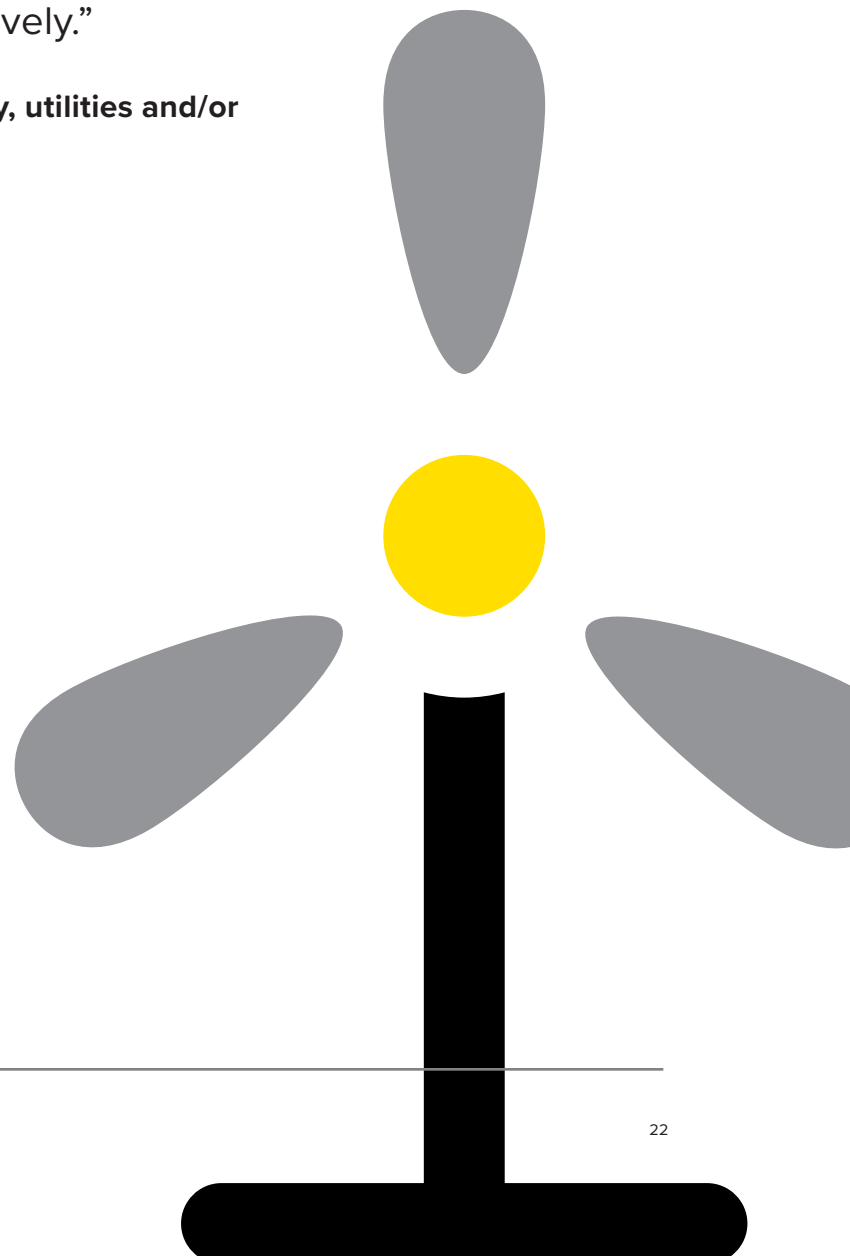


7 out of 10 firms will distance themselves from business partners that do not meet their sustainability and social responsibility practices.

with more focus on partners. Almost half of all respondents in the EUWM sector looked to re-evaluate their partner network in the shift towards sustainability. The sector is undergoing a profound shift with firms looking to operationalise and internalise sustainability. Many businesses are tying sustainability to employee performance, and our survey shows that 52% of EUWM respondents made goaling employees on sustainability practices or performance one of their organisations' top priorities.

“If I know why I’m doing something, I’m more likely to connect positively to it. We help our employees understand sustainability when we train them in digital and data transformation to help them contribute more effectively.”

**Director of digital transformation, energy, utilities and/or waste management**



## Figure 8

**“How much of a priority are the following initiatives for your organisation to become more sustainable/carbon neutral?”**

(Showing “Critical priority”)

### FINANCIAL SERVICES



### ENERGY, UTILITIES, AND/OR WASTE MANAGEMENT



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management

Note: Showing top 5

Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

## Firms Know Their Limits And Seek Help To Solve Business Problems

Most organisations employ the services of an outside firm to drive innovation. Eighty-eight percent of respondents said their organisations are looking for a third-party service provider that has a robust partner network, while 92% of respondents noted their firms want service capabilities in the form of customer success teams (see Figure 9). Other qualities firms are looking for in their third-party service providers include:

- **Service guidance and partner networks.** Respondents want more guidance and service capabilities from their organisations' third-party service providers (92%) with a more on-demand approach through customer success management (CSM) teams and a robust partner network (88%) to expand their organisations' existing service and product capabilities.
- **Faster time-to-market and flexibility.** Organisations want to improve their CX, enable self-service business intelligence (BI) for better insights, and leverage data and customer insights for better products and services. It is fundamental for third-party service providers to deploy quickly through continuous integration and development (91%). Additionally, respondents want their firms to have the ability to scale up or scale down. Flexible contracts (78%), and pricing transparency (66%) are vital to strike a balance between digital transformation investments and costs.
- **Leveraging third-party services.** With one-third of respondents looking for more guidance from their organisations' partner ecosystem, eight out of 10 want to work more closely with third-party service providers to provide not only new functionalities but also support and guidance to employees and the organisation.



8 out of 10 respondents noted their firms want to work with third-party service providers to achieve their digital strategy objectives.



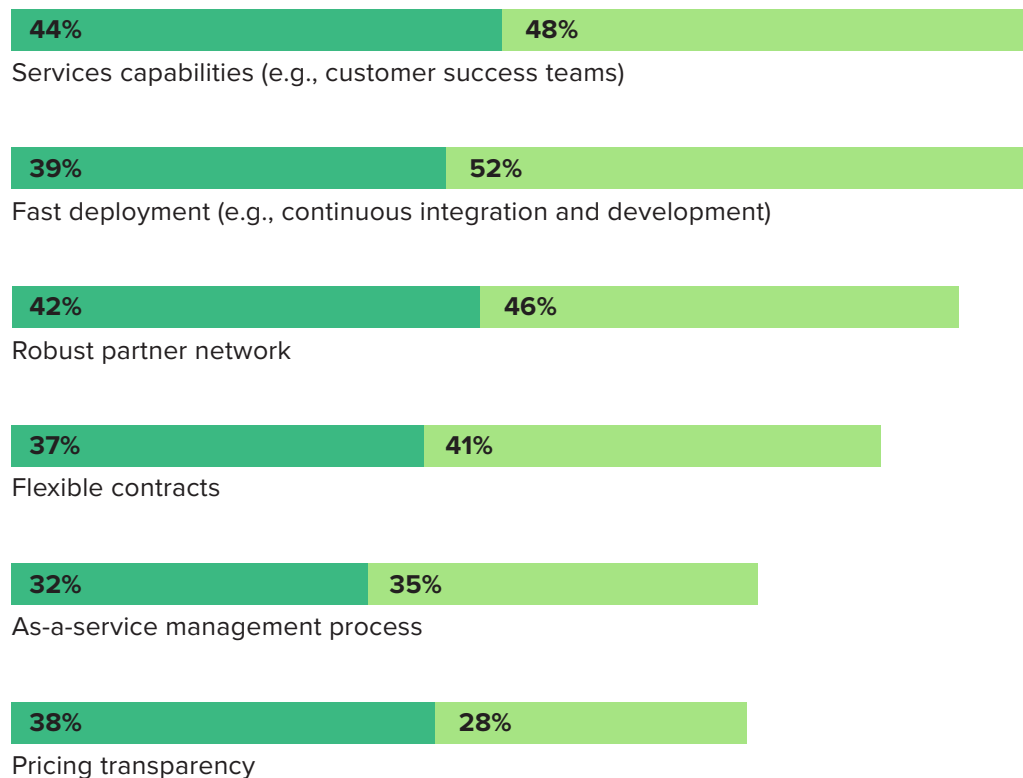
“I mean, it won’t go away and digital transformation alone won’t end ... it will be a continuous, ongoing thing for the next 100 years. It has to become deeply ingrained in the DNA of our company and of our employees.”

**Director of digital transformation, energy, utilities and/or waste management**

**Figure 9**

**“What qualities do you look for in third-party service provider?”**

● Financial services    ● Energy, utilities, and/or waste management



Base: 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in finance services and energy, utilities, and/or waste management

Note: Showing top 6

Source: “The Future Belongs To The Adaptive Organisation”, a commissioned study conducted by Forrester Consulting on behalf of GlobalLogic, November 2021

## Key Recommendations

The pace of change has never been faster, and it will continue to accelerate. The most successful firms will capitalise on this, using the pandemic to cement lasting, positive change for customers and employees. The good news? Tech budgets are healthy with a quarter of respondents noting their firms expect to increase investment by more than 10%.

Digital servicing and hybrid customer experiences are the future, and many firms in our study are redesigning customer engagement strategies and investing in insights-based innovation to meet changing needs. Innovation also powers business plan rearchitecture with sustainable practices at the top of the agenda. Meeting this pace of change, while continuing to cement positive digital gains from the pandemic, is no small task; and firms are turning to partners for help.

Forrester's in-depth survey of 259 business decision-makers in financial services and energy, utilities, and/or waste management about their organisations' digital transformation priorities and investments yielded several important recommendations:

### **Build an adaptive, future-fit organisation.**

Adaptive firms travel on a perpetual journey, using a future-fit technology strategy in pursuit of customer obsession as their North Star.<sup>11</sup> Adaptive firms invest in improving their technology to reduce costs, speed delivery, and enable rapid business change. But they can't do it alone; it's too slow. They seek partners who can help with areas like cloud migration, digital operations, digital experience, data, and analytics to speed their transformation. They also use partner augmentation to build internal employee bench strength, and cocreate innovative solutions.

### **Optimise customer experience based on journey, not touchpoints.**

Many firms have shifted to a journey-centric mindset. They also make customer understanding a key input for strategic decisions. Techniques like future-state journey mapping help firms create new offerings, unlock new areas of value, and envision possible futures ranging across multiple

horizons — near and long term. Start with current customer needs, channels, and services, but also review accompanying ecosystem maps, as they offer insight into the supporting employees, technologies, and processes that affect the journey.<sup>12</sup> Quantitative and qualitative research can only support customer-focused business decisions when decision-makers know how to act on those insights.

### **Double down on data — the lifeblood of insight.**

By constantly applying insights to predict emerging customer needs and expectations, adaptive firms can recognise and respond, adjusting offerings and their business model to meet those needs. But without a clear strategy to improve underlying data, flow it to where it matters, invest in the right technology, and — crucially — train staff in its use, your efforts may flounder.

### **Fold digital into your firms DNA.**

Very few companies have truly digital cultures that can create and sustain a competitive advantage; those that do got there by innovating.<sup>13</sup> For digital innovators, technology is synonymous with business, as employees internalise technology in all aspects of their work, so make sure you support employees with the time to learn and appreciate the value of the technology you introduce. Reinforcing digital culture must be at the centre of a leader's desk and conversation, not an afterthought. Measurement and feedback loops should be as short as possible to identify, celebrate, and reward when behaviours and practices drive positive customer-centric outcomes.

### **Connect employees and customers to sustainable goals.**

Becoming a sustainable business means changing your corporate strategy, mission, and a host of policies across functions in a way that aligns with your brand. It is your employees and customers who will actually make this happen and they need to understand, relate, and connect to your policies. Your metrics should align with the issues you have identified as material; communicate and educate as sustainability is everyone's goal. Banks are starting to use retail and business customer transaction data to show customers their carbon footprint and offer advice on reducing it.

## Appendix A: Methodology

In this study, Forrester conducted an online survey of 259 business decision-makers at director level or above in the UK, Germany, Austria, and Switzerland in financial services and energy, utilities, and/or waste management. Forrester also conducted five interviews with financial services and energy, utilities, and/or waste management decision-makers at the director level or above. Questions provided to the participants were related to their organisations’ digital transformation priorities and investments. The study began in April 2021 and was completed in September 2021.

## Appendix B: Demographics

| COUNTRY        |     |
|----------------|-----|
| United Kingdom | 32% |
| Germany        | 23% |
| Switzerland    | 12% |
| Austria        | 11% |

| RESPONSIBILITY    |     |
|-------------------|-----|
| Director          | 27% |
| Manager           | 24% |
| C-level executive | 24% |
| Vice president    | 21% |
| Project manager   | 4%  |

| COMPANY REVENUE  |     |
|------------------|-----|
| \$1M to \$99M    | 5%  |
| \$100M to \$199M | 14% |
| \$200M to \$299M | 15% |
| \$300M to \$399M | 15% |
| \$400M to \$499M | 13% |
| \$500M to \$1B   | 14% |
| \$1B to \$5B     | 18% |
| >\$5B            | 7%  |

| INDUSTRY                                   |     |
|--|-----|
| Financial services                         | 79% |
| Energy, utilities, and/or waste management | 21% |

## Appendix C: Endnotes

- <sup>1</sup> Source: Nigel Fenwick, “The Digital Transformation Playbook,” Forrester Research, Inc., February 23, 2016.
- <sup>2</sup> Source: “Update: How Firms Continue To Adjust Their Customer Experience Due To COVID-19,” Forrester Research, Inc., November 12, 2020.
- <sup>3</sup> Source: “How Financial Services Firms Are Embracing Sustainability Around The World,” Forrester Research, Inc., February 17, 2021.
- <sup>4</sup> Source: “The State Of Digital Banking, 2021,” Forrester Research, Inc., January 29, 2021.
- <sup>5</sup> Source: “The ROI Of EX,” Forrester Research, Inc., September 3, 2019.
- <sup>6</sup> Source: “Why EX? Why Now?,” Forrester Research, Inc., November 27, 2018.
- <sup>7</sup> Source: Nigel Fenwick, “The Digital Transformation Playbook,” Forrester Research, Inc., February 23, 2016.
- <sup>8</sup> Source: “A Strong Digital Culture Helps Drive Successful Digital Transformation,” Forrester Research, Inc., September 2, 2019.
- <sup>9</sup> Source: “The ROI Of CX Transformation,” Forrester Research, Inc., January 22, 2021.
- <sup>10</sup> Source: “IoT Delivery Best Practices: Adopt a Tailored Agile Process,” Forrester Research, Inc., August 13, 2018.
- <sup>11</sup> Source: Nigel Fenwick, “The Digital Transformation Playbook,” Forrester Research, Inc., February 23, 2016.
- <sup>12</sup> Source: Nigel Fenwick, “The Digital Transformation Playbook,” Forrester Research, Inc., February 23, 2016.
- <sup>13</sup> Source: “Apply Cultural Patterns From Leading Digital Innovators,” Forrester Research, Inc., October 4, 2019.



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