DELL Technologies

DIGITAL TRANSFORMATION INDEX II

COMPETING IN A HYPER-DIGITAL WORLD

Worldwide, digital transformation progress has been slow. A mere 5% of organizations have been categorized as Digital Leaders, the same as 2016. So what's the situation today and what can we expect tomorrow?

9% 15%
DIGITAL LAGGARDS
No digital plan; limited initiatives and investments

30% 32%
DIGITAL FOLLOWERS
Very few investments; tentative plans

33% 34%
DIGITAL EVALUATORS
Gradual digital transformation and planning

23% 14%
DIGITAL ADOPTERS
Mature digital plans; investments and innovations in place

5% 5%
DIGITAL LEADERS
Digital ingrained in DNA

REDRAWING THE BUSINESS LANDSCAPE

Believe that digital transformation should be more widespread throughout their organization

Believe they'll struggle to meet changing customer demands within 5 years

Are facing major hurdles to digital transformation

WHAT'S SLOWING DIGITAL PROGRESS?

Here are the top 5 barriers:

1. DATA PRIVACY AND SECURITY CONCERNS
2. LACK OF BUDGET AND RESOURCES
3. LACK OF THE RIGHT IN-HOUSE SKILL SETS AND EXPERTISE
4. REGULATION AND LEGISLATIVE CHANGES
5. IMMATURE DIGITAL CULTURE

DIGITAL TRUST ISSUES

1/2
Report they'll struggle to prove that they're trustworthy in the next 5 years

1/3
Don't trust their organization to:
- Comply with regulations (like GDPR)
- Protect their employee data
- Safeguard customer data

FORMULATING A RESCUE PLAN

In this 'transform or die' landscape, businesses are formulating plans to overcome these barriers and restore confidence.

77%
Will harness emerging technologies to predict customer demand and manage resources

68%
Will be using emerging technologies to improve supply chain transparency, traceability and efficiency

TOP IT INVESTMENT AREAS

SECURITY
58%

INTERNET OF THINGS
46%

MULTI-CLOUD
44%

ARTIFICIAL INTELLIGENCE
40%

TOP WORKFORCE INVESTMENT AREAS

46% 27% in 2016
Are developing their in-house digital skills and talent (e.g. by teaching employees how to code)

44% 19% in 2016
Are sharing knowledge across functions (e.g. by equipping IT leaders with business skills and business leaders with IT skills)

CONCLUSION

The Digital Transformation Index shows that the majority of businesses still have a long way to go. To realize their digital future, every business will have to be digital at heart: powered by data, running in a multi-cloud world. The time to act is now – while a huge opportunity remains in play.

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SOURCE: Vanson Bourne Digital Transformation Index Survey, August 2018. 4,600 business leaders from companies with 250+ employees, across 40+ countries and 12 industries. Some lists have been shortened for clarity.

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