Lack of alignment and collaboration between C-suite, IT teams and wider business holding back digital transformation





NTT reveals lack of strategic ownership is stalling digital transformation plans

According to NTT Ltd.'s 2019 Digital Means Business Report, 11% of organizations are highly satisfied with those in charge of spearheading digital transformation, despite the fact that almost three-quarters of them are already underway on their journey.

Organizations worldwide are achieving some success with digital transformation, but there's still a strong belief that this evolution requires radical, far-reaching changes to achieve success. This, when combined with a lack of strong transformational leadership and focus on the need to change people, is holding many companies back:
• Some 71% of organizations in the early stages of transformation still believe a complete restructuring of the business and operating model is the primary definition of digital transformation.
• Only 49% of respondents believe their leadership team has the right skills to manage the execution of digital transformation.
• Lack of executive sponsorship or ownership is ranked as the top barrier to success.

This shortfall highlights the need for business leaders to change themselves, build a different environment, and set new behavioural priorities and performance indicators in order to drive a more proactive, tactical, and incremental approach to transformation.

The research also revealed there's a direct correlation between organizations' ability to realize relevant, outcomes-driven value from digital transformation on a regular basis, and their digital maturity. Yet, there still exists a discernible lack of alignment between IT teams and the wider business:

• Only 29% of organizations are embracing digital transformation as a collaborative effort between business and IT.
• While 42% of respondents say business and IT are delivering in a more integrated manner, supported in part with the introduction of a Chief Digital Officer function, only 12% are highly satisfied that planning is flowing effectively through to execution.
• Almost half (49%) of digital transformation projects are still IT-led.

Wayne Speechly, VP of Advanced Competencies, NTT Ltd. said: "Organizations are still grappling with how to shape their business to capitalise on a connected future. Digital creates the opportunity for value to be constantly derived from transformation initiatives across the business. Organizations should focus less on perfecting a grand digital plan, and more on taking considered and iterative steps in their transformation journey to progress value and clarity of subsequent moves. For various reasons, an organization is its own worst enemy, so any change has to be supported by pragmatic, self-aware leadership who are themselves changing."

The research surveyed over 1,150 executives, from 15 countries across North America, Europe, Middle East & Africa, and Asia Pacific, and from 11 industry verticals. The results provide invaluable insight into how these leaders perceive the business opportunities presented by digital transformation, the delivery challenges experienced in realising a digital transformation strategy, and the value being achieved.

To download the executive guide for the 2019 Digital Means Business Report, visit this website.