

## The State of Digital Transformation

Digital transformation has accelerated as organizations seek to increase efficiency, differentiate their brand, and increase revenues. Valoir's global digital transformation study found that nearly 9 out of 10 organizations are more than halfway complete with their digital transformation efforts. Digital transformation is not just about adopting technologies, but about adopting new digital-first mindsets and business models that enable new products, services, and practices.

Digital transformation is most advanced in the information technology (IT) and customer experience (CX) domains, followed by operations, product and service development, and human resources (HR) and employee experience (EX).

Across all industries, there is a clear correlation between level of transformation and business performance, both in terms of revenue and margin growth.

### AT A GLANCE



On a scale of 1-10, the average company is at a 7 on their digital transformation, with healthcare, financial services, high tech and aerospace, and communications leading the way. The public sector, consumer goods, and utilities lag behind.

### DEEP DIVE



Valoir conducted a global survey of more than 1400 companies worldwide about their current and planned digital transformation across key operational areas. The data was validated with more than 40 in-depth interviews with digital transformation leaders.

### LONG VIEW



The biggest digital transformation potential is still in human resources. Enabling HR transformation will drive bottom-line benefits in productivity and retention while enabling broader transformation efforts through reskilling, mentoring, and collaboration.



**MONEY:** Companies with a digital transformation score of 8 or higher had roughly twice the revenue growth rate of those with a 3 or lower.



**MARKET:** The technology vendors most commonly associated with digital transformation are Amazon, IBM, Microsoft, Oracle, Salesforce, SAP, and ServiceNow.



**PEOPLE:** The biggest hurdles to digital transformation are human factors, with departmental politics and lack of leadership ranking far higher than lack of resources or budget.



**TECH:** Technology vendors are key in digital transformation efforts, not just as enabling providers but as partners providing prescriptive guidance.