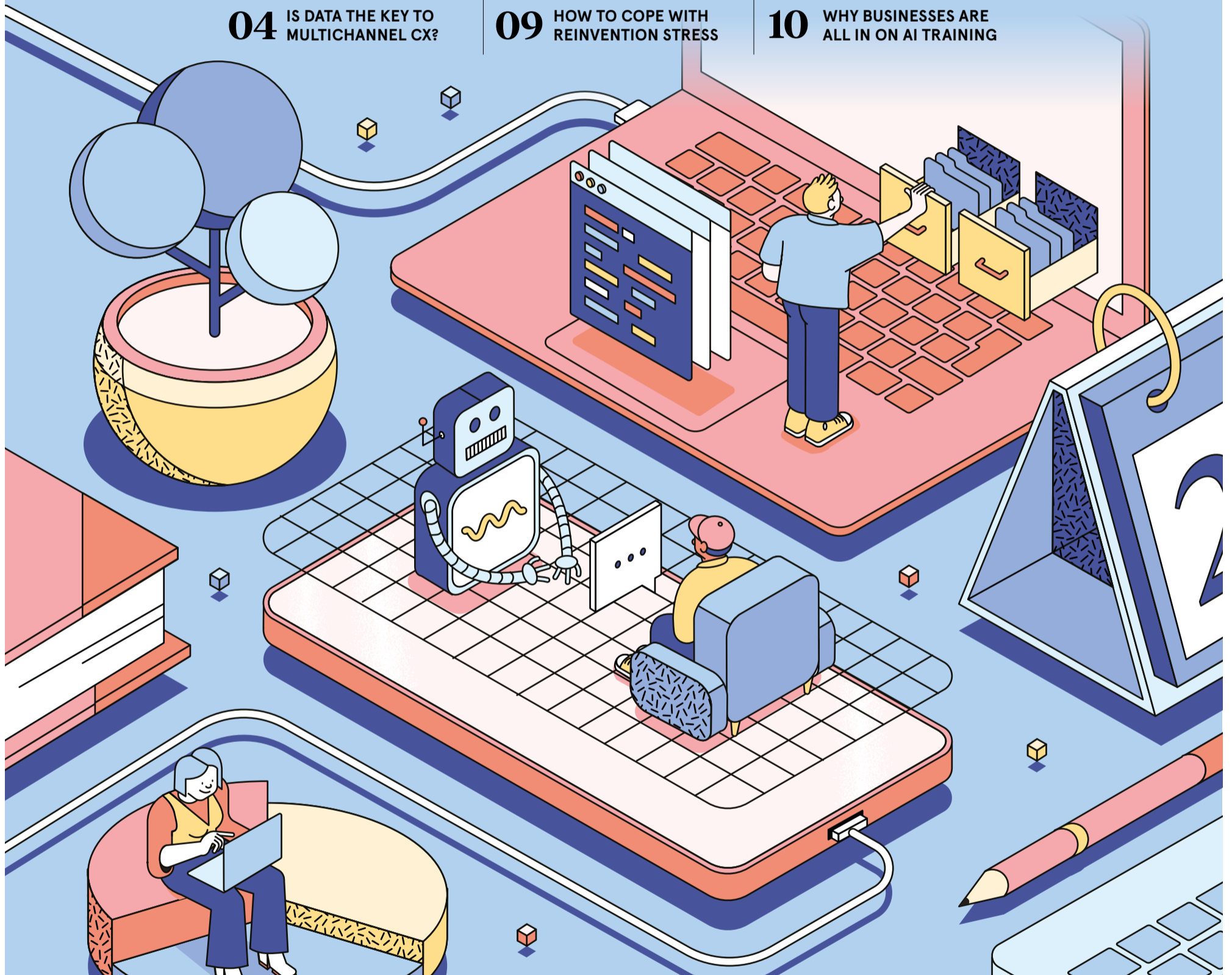


DIGITAL TRANSFORMATION

04 IS DATA THE KEY TO MULTICHANNEL CX?

09 HOW TO COPE WITH REINVENTION STRESS

10 WHY BUSINESSES ARE ALL IN ON AI TRAINING



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CUSTOMER EXPERIENCE

Savvy businesses turn to data for a multichannel edge

Companies with clear values that use data effectively can engage with their customers through multiple means, helping to win business and build brand loyalty

Sam Shaw

Every Monday morning, you head to the same coffee shop. You queue, order, pay by debit card and wait patiently to collect your drink.

But what if on one of those Mondays, your phone unexpectedly pings while you're standing in the queue: "Your coffee is on us today, thanks for being a great customer."

The notification isn't from the coffee shop, it's from your bank, which has recognised your spending habit.

Or maybe you're a frequent flyer with a particular airline. As you display your boarding pass, the air steward greets you by name: "Welcome! I understand you're vegetarian and I will make it a priority that your meal preference is honoured."

These are just two examples of how businesses can surprise and delight customers, simply by using data well. By bringing together offline and online, a customer's experience is elevated from an unremarkable everyday occurrence to a 'wow' moment. That's according to Antonia JA Hock, founder and CEO of an eponymous customer experience (CX) consultancy.

It's a common mistake to assume that customers can be wowed only over one channel, says Hock.

"Customers no longer typically start and stop their engagement on

one platform, so holistic design is essential. I might find you on TikTok, start my purchase in your app and decide to come into a physical location to complete. The 'wows' should not depend on the medium of engagement."

Hock's first step when advising on omnichannel strategy is setting 'standards of excellence' – non-negotiables that determine how the company will approach CX, reflective of the firm's values and what they want to be known for.

One client, for instance, selected eight focus areas, with an emphasis on storytelling.

"They have decided that customer storytelling has to be absolutely critical to every experience they deliver: social media, on the app, website or bricks-and-mortar experience, but ultimately results in a mismatched CX across channels, Hock explains. "We've all had that experience where the app is great, but we hate going into the store – often the case with banks or

airlines. Or the in-person experience is great, but the app is terribly lacking – typical of luxury retail." Another 'standard of excellence' for this client was gratitude, a value built into every way the client engaged with its customers. These 'standards' or values should be on-brand and reflect efficiency, emotional engagement and capability, Hock says.

"Only then should you start layering in data analysis, feature sets and implementation strategies that are aligned."

There's a reason CX consultancies exist. Companies across sectors are acutely aware of a customer base that is increasingly demanding and less loyal.

According to ServiceNow's *Consumer Voice Report 2024*, 61% of UK consumers are less loyal to brands than two years ago. The decline coincides with the cost-of-living crisis, but isn't just price-led.

The report says consumers are less tolerant of brands that "don't deliver exceptional experiences". Rather than suffer a subpar experience, they're voting with their feet.

Today's customers have complex needs. For instance, consumers appreciate the benefits of AI but don't trust it entirely, so they want the option of a human touch. ServiceNow's research concluded that organisations must "balance high tech with high touch" as consumers demand 24/7 convenience and real-time responses, supported by a friendly face when required.

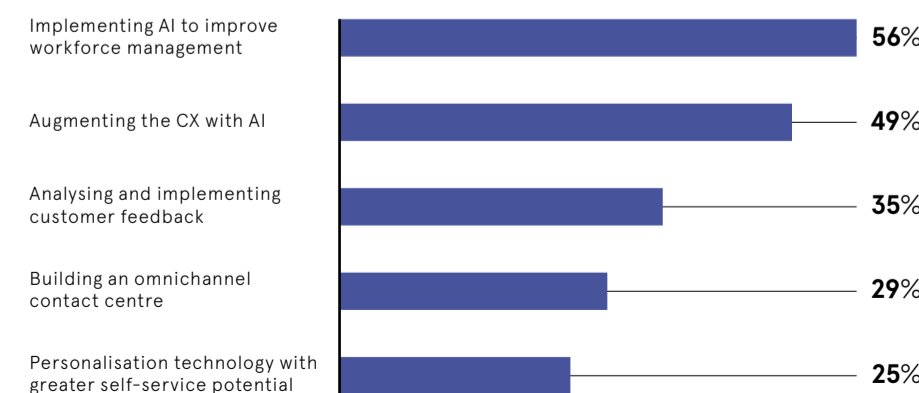
This is the tailored experience HSBC is striving to deliver – eradicating channel siloes and being more responsive.

For Christopher Dean, managing director, customer channels at HSBC UK, leveraging data to improve customer outcomes is a priority, making them more predictive and personalised.

PRIORITISING THE CUSTOMER EXPERIENCE

Verint, 2024

In-house CX professionals citing the following as having greatest impact on CX strategy in the next 12 months



“ Holistic design is essential. The ‘wows’ should not depend on the medium of engagement

Data from a range of sources, such as call or chatbot transcripts or social media posts, can inform those intercepts between cross-channel interactions, enabling them to nudge appropriately, Dean says.

While app-based interactions must be quick, easy and discoverable, he says, they can create a "runway" to other channels. In-app activity can indicate financial needs where phone, video or in-person conversations are more appropriate, such as around savings, debt consolidation or wealth advice.

Irrespective of channel, Dean says the business should have only one scorecard – the customer – because in today's age of instant gratification, customers won't hang about.

In addition to undertaking traditional market research, HSBC launched an ideas hub, which invites customer-facing staff – branch cashiers, colleagues in telephony or software engineers – to raise pain points in the customer experience. The information fed into the hub then informs a transformation roadmap, which covers physical and virtual channels.

It's important that all company tech and digital platforms integrate. After breaking away from Walmart, Asda is undertaking a massive digital transformation focused on omnichannel, loyalty-led, personalised customer experience. Included

in its transformation initiative is the loyalty programme Asda Rewards, which has accrued 6.2 million members in its first two years and now accounts for 52% of total sales.

Under Walmart ownership, Asda's tech was not its own to tinker with. But Mark Baxter, Asda's senior director for loyalty, is very aware of the importance of digital integration in creating a joined-up CX.

"Tech convergence is definitely in our plans," he says. "Having disparate platforms, requiring different logins that don't speak to one another dilutes the ability to understand our customers."

Baxter says a good integrated strategy contains five main stages and sequencing is crucial.

"It starts with setting out your scope and ambition; what do you want to do?"

Next, he says, thinking about the future is vital: "What new tech is coming down the line? How will customers be shopping differently?"

Then comes the rollout: "What are we going to integrate first, who will move first on to which platform and who will follow?"

The final two stages, he says, are about getting it done: "We build a workstream. Plan who is going to do what, by when and which team and resources are needed. You reevaluate at every point."

Finally, he says, it's about deployment and assessment. "Did it work? If not, why not? What do you need to change?"

A seamless, personalised customer experience isn't just for large, listed multinationals. It's a possibility for all businesses: it's just a case of scaling and prioritising accordingly.

Regardless of company size, sector or geography, Hock's approach to CX overhaul focuses on three outcomes. "Unless you're going to drive revenue, retention or referrals, it's probably not a good investment." ●

Q&A

What leaders need to know about business transformation in the age of AI

WNS' group CEO **Keshav R Murugesh** explains why the time has come for leaders to embrace AI and shares his key considerations for those embarking on their digital-led business transformation journey



Business transformation has taken on a new form in the AI era. As the AI hype settles, it's crucial that organisations shift from speculative excitement to actionable strategies to ensure a successful AI-driven digital transformation.

WNS' group CEO Keshav R Murugesh offers expert insights into how AI is fundamentally reshaping business landscapes, outlines the tangible benefits it offers and shares the practical steps leaders should take to successfully integrate technology into their operations.

is possible and charting a course towards sustainable success.

Q Industries are embracing AI at different speeds. Are there specific sectors where AI-powered digital transformation has led to significant, practical outcomes?

A All industries have the opportunity to transform their operations. Even if a process change is small, the impact can be endless. Take travel as an example. Travel management companies can now create personalised itineraries, while also streamlining the booking process. But the real innovation comes in its ability to predict as well as prevent travel disruption by foreseeing likely delays and reacting to this data by proactively changing plans.

On the logistics side, GenAI is helping the shipping industry contextualise millions of inbound customer queries with hyper-automation and large language models (LLMs). Businesses are now resolving incoming queries and workflows in an instant because of the speed of this technology.

In banking, GenAI is having a huge impact on fraud and money laundering detection. In healthcare, it's helping those on the frontline deliver more comprehensive care thanks to the volume of data it's able to analyse, massively expediting diagnosis. These are just a few examples of many.

Q How has AI reshaped the digital transformation landscape and what are the tangible benefits that businesses can expect to realise today?

A One of the greatest elements of life today is that we are constantly seeing change, which is most definitely the case with technology. As far as generative AI (GenAI) is concerned, it is completely rewriting the way businesses are approaching transformation and reinvention.

The advent of GenAI means that everything must change – the tools we have used up until now will be unrecognisable tomorrow. This shift is empowering a number of enterprises to reshape their business functions and generate innovative concepts for services that will diversify their revenue streams and evolve their operations.

Enterprises need to look at GenAI as a tailwind for their business, as opposed to a headwind. Strategically, businesses have only just started dipping their toes in this model but momentum is growing. We've worked with clients to achieve improvements in customer experience and productivity increases of up to 40%.

As organisations prioritise internal improvements and productivity gains, they must be cautious not to neglect the additional value levers that GenAI offers, such as market expansion, innovation and revenue growth. The GenAI journey is not just about efficiency; it is about reimagining what

“ Visionary leaders must create a clear path between GenAI vision and business value

solve operational challenges and drive strategic growth journeys will accelerate this process and put businesses on the path to success quicker.

Businesses also need to start thinking bigger. AI can no longer be restricted to small groups – all users in a business must be empowered to unleash value from technology.

Q While technology is often the focal point of AI discussions, the human element is just as crucial. What cultural shifts need to take place and how can organisations future-proof their workforces?

A Whether it's the advent of a new technology or a major global event, businesses and people have consistently adapted. The rise of AI will be no different. As technology continues to evolve, businesses must keep upskilling and reskilling talent. When people are properly trained, technology enables higher levels of human ingenuity. At WNS, we've made active investments in employee training and re-skilling with over 17,000 learners engaged across more than 20 curated GenAI training programs. Leaders need to invest in their people now for long-term success.

Ultimately, the illiterate of the 21st century will not be those who cannot read or write, but those who cannot learn what they have learned in the past. Businesses need to build data literacy inside their organisations. As leaders, we need to embrace AI democratise as well as upskill employees.

Q Future-proofing is a key concern for businesses today. How can organisations ensure they are prepared not just for the current AI landscape but for future advancements?

A The AI journey for organisations should be built around setting the relevant goals and success measures. Visionary leaders must create a clear path between GenAI vision and business value.

Leaders must also be prepared to mitigate potential risks, whether it's security, compliance or reputational concerns. Elements of the business will need reassessment and a strong risk mitigation framework must be put in place.

We are at a defining moment in history and the adoption of AI is not a responsibility we can shirk. Business leaders all over the world need to be asking themselves: how can we scale quickly but also responsibly?

Q What are the most common challenges organisations face when operationalising AI and how can these obstacles be overcome to ensure long-term success?

A Organisations will need to navigate uncertainties when

operationalising AI. The first is a common pitfall – thinking that AI will solve all our problems immediately. Leaders must remember that GenAI is a tool for innovation and not a solution in itself. The human touch behind technology will remain crucial for long-term success.

This means thinking of AI as a collaborator and not a competitor. AI can help us make decisions more easily but human ingenuity will always be required. AI is a toolkit, not a quick fix.

Q How important is a business transformation partner for organisations who are embarking on this journey?

A Businesses want to focus on what they are good at. Working with a partner allows businesses to concentrate on their own industry, whether that is travel or banking, while their partner figures out how to leverage technology effectively.

Allowing a partner to come in, make sense of what their data is telling them and provide outcomes in a simple format, is the best way to take advantage of technology. At the end of the day, companies often can't navigate all aspects of technology and GenAI on their own. They need a partner.

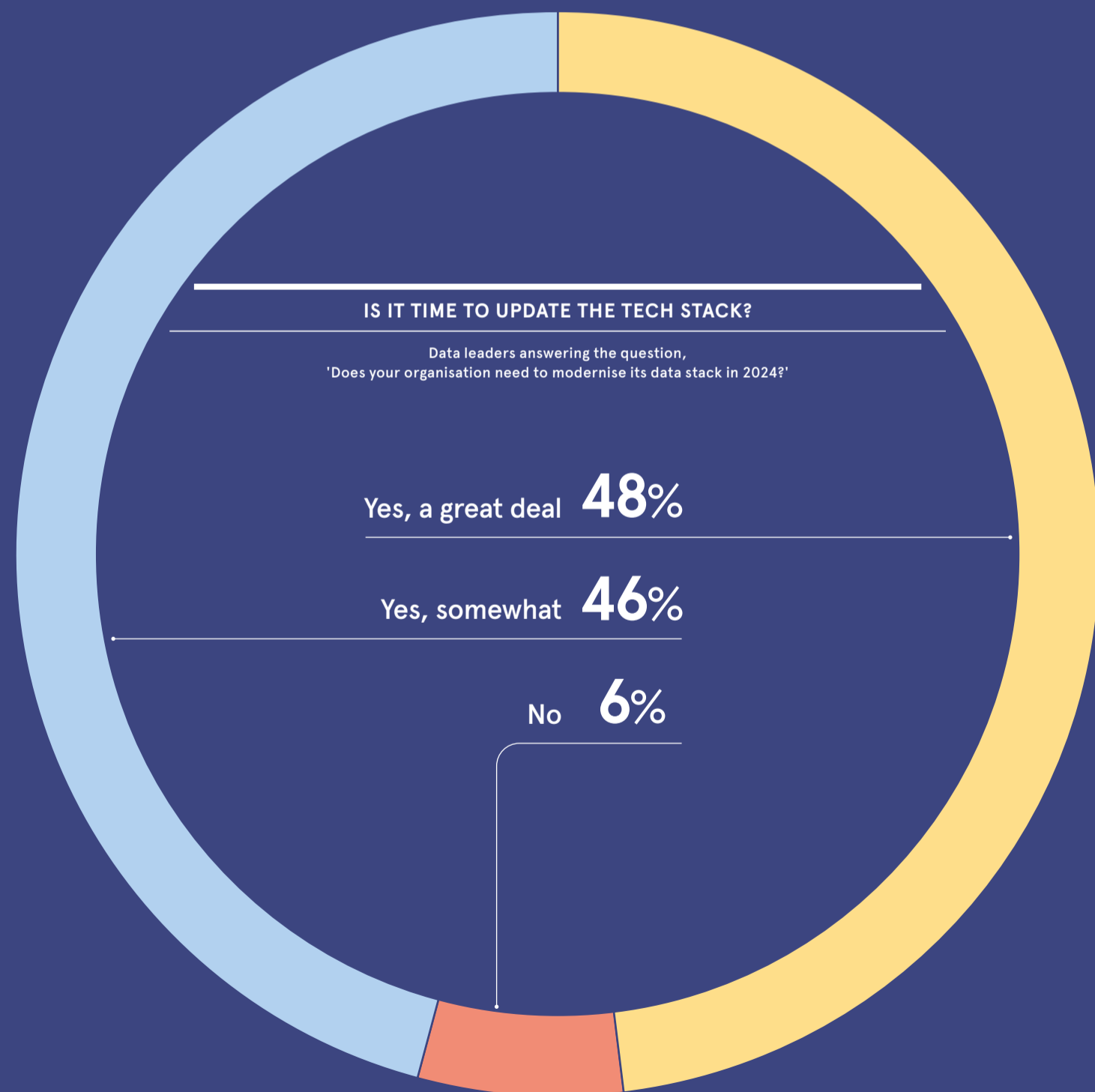
For more information please visit [wns.com](https://www.wns.com)



DATA MANAGEMENT STRATEGIES

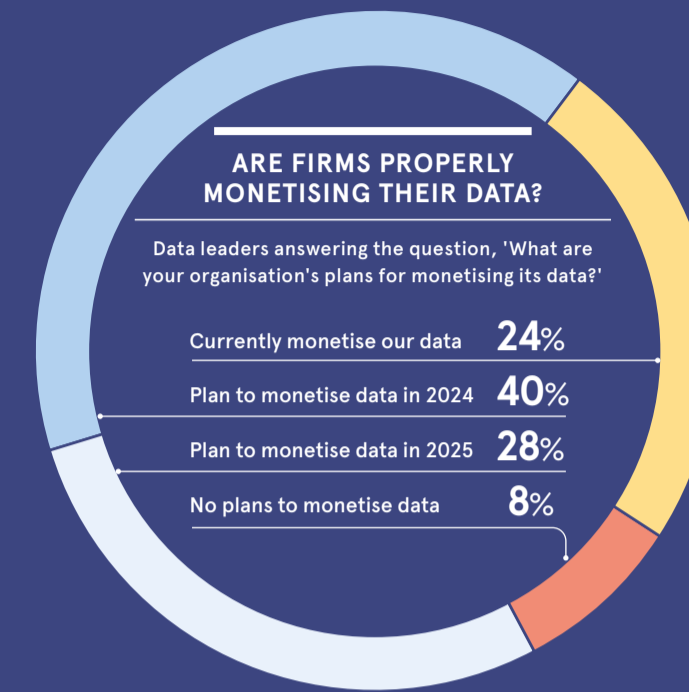
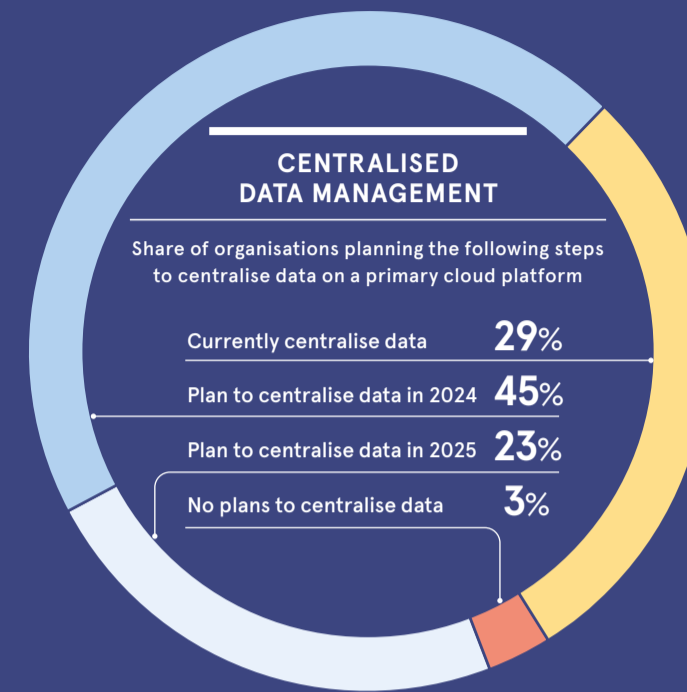
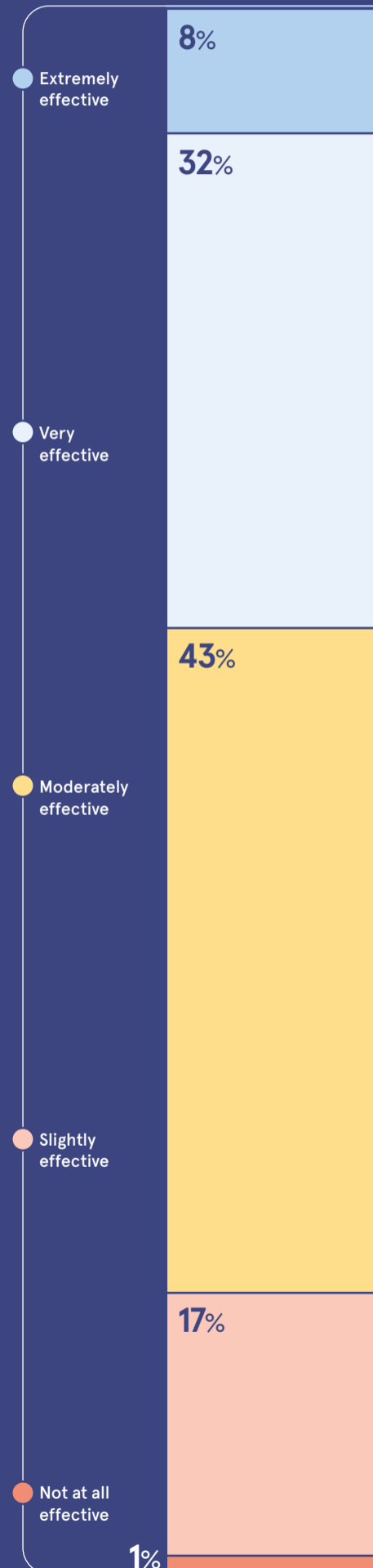
More than eight in 10 senior leaders believe the average business will not survive a decade without fundamental transformation, according to 2024 research by PwC. For many organisations, the success of their transformation – and therefore the long-term viability of their business model – will depend on how effectively they can leverage data and AI tools. No wonder more than 90% of data leaders say now is the time to modernise the data stack.

Hakkoda, 2024



ONLY TWO IN FIVE DATA LEADERS BELIEVE THEIR DATA STRATEGY IS VERY OR EXTREMELY EFFECTIVE

Data leaders answering the question, 'How effective was your organisation's data strategy in 2023?'



45%

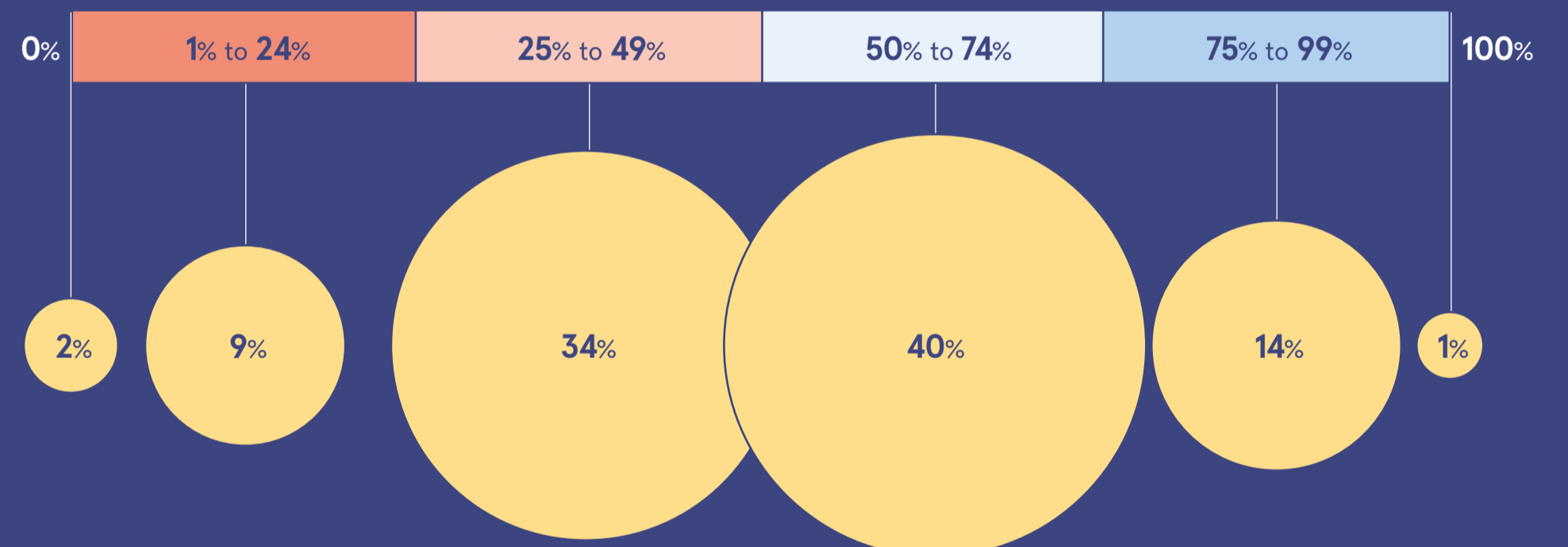
of C-level executives say their organisation will need a large amount of outside data-management help in 2024

56%

of data goals were achieved by the average organisation in 2023

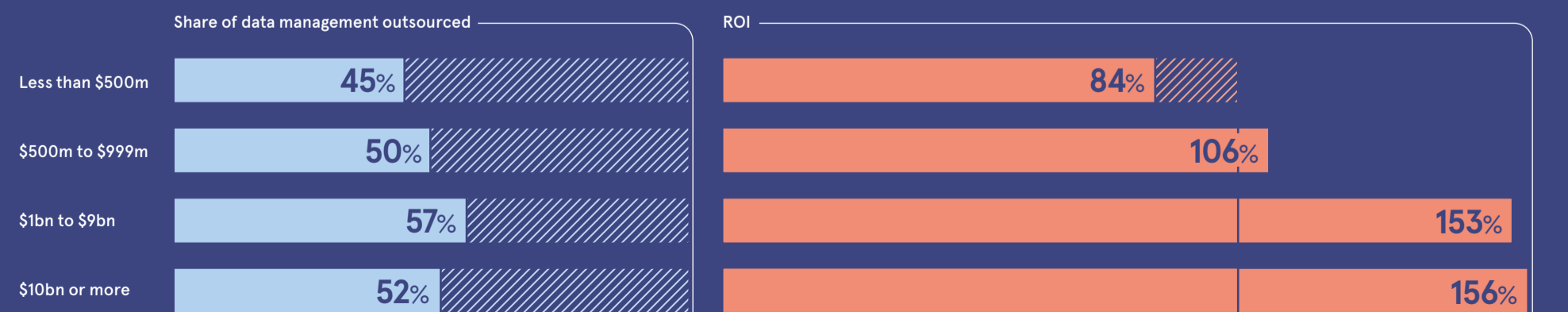
MOST FIRMS OUTSOURCE MORE THAN HALF OF THEIR DATA MANAGEMENT

Share of data management, at the average organisation, that is outsourced to a managed-service provider, IT consultant or systems integrator



ROI FOR DATA TECHNOLOGY IS ROUGHLY CORRELATED WITH THE SHARE OF DATA MANAGEMENT THAT IS OUTSOURCED

ROI from investing in data technology and tools compared with share of data management outsourced, by organisation revenue



THE RACONTEUR



Recognising those who lead.

The role of the modern-day CEO is evolving. It is no longer enough to focus solely on profit, revenue or share price. Leaders must balance financial performance with employee wellbeing and ESG concerns, finding ways to innovate and grow at a time of deep uncertainty and turmoil.

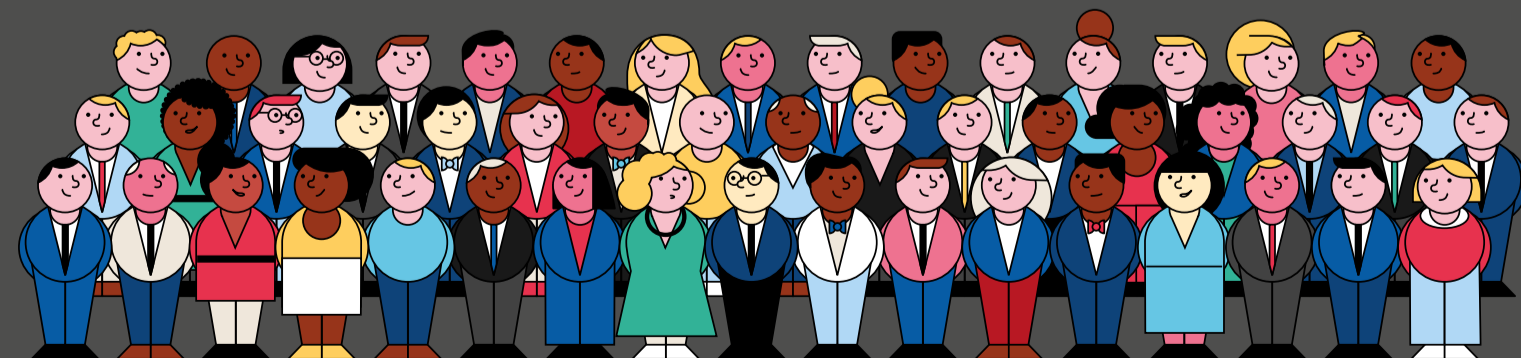
Across five categories, we hope that by shining a spotlight on the best business leaders, we can offer insights into what it takes to lead from the top and inspire the CEOs of the future.

Meet the 50 CEOs changing British business.



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STRATEGY

Is your company suffering from reinvention stress?

Reinventing business models for the digital future can be stressful. Too often, boardroom misalignment leads to organisational paralysis, making it difficult to achieve transformation goals

Tim Cooper

At a time of technological change and evolving customer demands, executives must rethink their business models. As they contemplate the transformation strategies needed to future-proof their businesses, many are becoming increasingly anxious. Over a third of US CEOs say their peers will be out of business within three years if they don't change their business models, according to 2024 research by PwC. More than eight in 10 say the average business will not survive a decade without fundamental transformation.

But the mad dash to transform is creating confusion and disagreement among board members about how to reinvent their companies and over what timeframe. The dissonance is an existential threat for businesses, according to PwC. Kelly Hungerford, director of digital transformation strategy and services at Sunstar, has seen the sting of reinvention stress first-hand.

"I've worked on massive transformations and it's painful when I'm looking for communication and it's not happening," she says. "But I've also seen the soothing reassurance

that consistent communication, transparency and planning bring." The stakes for boards have never been higher, says Hungerford, nor the technology landscape more complex. She explains that in this environment, strategy misalignment is a serious stressor for business decision-makers.

"Orchestrating the technology is a massive feat, plus there's now an extra layer around the impact of AI. Boards don't have their finger on the pulse yet. But you hear it in the corridors: 'What is our AI strategy? If we don't have one, what are we doing?'"

"The answers aren't there. AI is just beginning, but there's a lot of hype. It's hard to know where to start." Hungerford suggests a 'start small, bottom up' approach. Sunstar, for instance, enables certain business users to choose AI projects and pilot them. It gathers lessons from these projects to assess where it can make the greatest gains.

Each department will use AI differently based on its needs. A decentralised approach that emphasises small gains can help to take some pressure off leadership, she explains.

Naeem Zafar, CEO coach and director of the Alliance of Chief Executives, says the potential impact of AI-led transformations is so profound that boards are anxious about being left behind.

"People are panicking," he says. "Confusion causes them to try to implement too many initiatives, bogging down the organisation and not meeting expectations. A smarter approach is to pick one or two high-impact areas."

Zafar says these existential issues are overwhelming boards, which are already busy with other business-critical issues. He suggests reducing the immediate burden by creating a small taskforce to outline strategies and best practices on AI.

The taskforce may include subject experts and retired or non-executive directors who understand how the firm functions, but are not affected by company politics. This helps the board stave off pressure and reassures them that credible people are working on a long-term strategy.

Piers Fallowfield-Cooper is a leadership mentor and author of the leadership guide *Are You Still The Future?* Most businesses he works with are safe from reinvention stress, he says. "When I meet boards, they usually know what they want to reinvent and how. Plus, if the board isn't backing the CEO, you either need a new board or a new CEO."

But board members and executives alike must be aware of the signs of reinvention stress, he adds. One is that they keep asking for more and more data: "This can actually make tasks more complicated and send them into a state of paralysis, which eventually becomes a 'self-reinforcing doom spiral'."

Fallowfield-Cooper agrees that misalignment on timescales is common. "I recently worked with a client who had a jaw-droppingly late and over-budget digital project," he says. "They tried to achieve too much in one big bang. It's better to agree on a solid framework, then reinvent with an incremental approach and learn by doing."

Jacqui Leaman-Grey, director at Pantheon Leadership, adds that intense pressure to change business models is heaping stress on leaders, which can lead to burnout. "Reinvention stress occurs when people face too much complexity for the human brain to cope with," she says. "It manifests as toxic cultures, misalignment between top team members and unhealthy working behaviours. Organisations need to address this as a core piece of reinvention strategy as it's the element that causes most initiatives to fail."

There is no simple fix for workplace stress and burnout, but Leaman-Grey suggests mindfulness practice, cognitive behavioural therapy, exercise, strong social connections, downtime and doing things unrelated to work could help individual leaders to cope.

To address knotty board disagreements, she recommends using specialist alignment tools that use psychological techniques to identify and solve dissonance.

Hungerford agrees that avoiding major upheavals should help leaders and staff to avoid stress. She recommends a more flexible and modular approach to transformation. "Within 18 months you'll likely need to swap out parts of the technology and the strategy," she says.

However, she maintains that clear communication is the most important component of a stress-free business-reinvention strategy. "Healthy organisations use a so-called 'matrix approach' in which managers report to multiple bosses across departments and geographies," she says. "For example, you might report directly to the heads of marketing and IT and into local and central team leaders."

This joined-up approach boosts transparency around plans and strategies and reduces misalignment. It also coordinates knowledge across teams and helps firms avoid mistakes like duplicated effort and blown-out budgets during reinvention, says Hungerford.

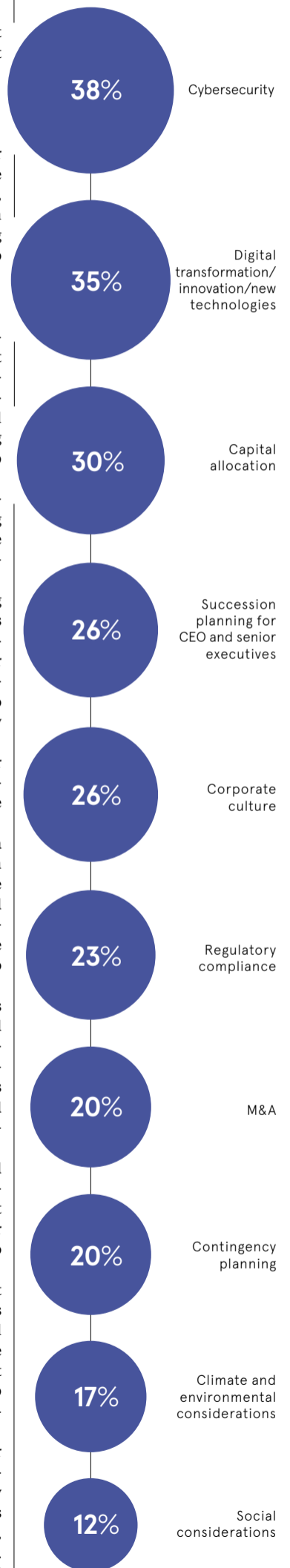
Furthermore, businesses should avoid spending too much time diving deep into projects, she adds. Set aside some time to come up for air and communicate. This will help to avoid disconnected thinking.

"The longer you go without informing others about progress and strategy, the more stressful transformation becomes for the organisation. Ensuring a frequent cadence of information can help calm the organisation and is a critical part of reinvention."

How staff perceive you as a leader of change is also critical, says Hungerford. Frequent and high-quality communication can make leaders appear more part of the solution, rather than part of the problem. And that is a much less stressful position to be in. ●

BOARDS STRUGGLE TO OVERSEE CYBERSECURITY AND DIGITAL TRANSFORMATION

Directors citing the following as the most challenging issues to oversee in their role



“**Reinvention stress manifests as toxic cultures, misalignment between top team members and unhealthy working behaviours**”

SKILLS

Machine learning: big companies ramp up AI training

Large enterprises such as Ikea, WPP and JPMorgan Chase have recognised the need to offer AI training and upskilling across the organisation

Mark Walsh

Ikea might not be the first company that springs to mind when you think about digital transformation – especially a large-scale initiative such as educating employees on generative AI. But in April the furniture giant announced a plan to provide AI literacy training to around 30,000 workers and 500 managers.

The programme offers a range of learning materials for understanding and using AI. It has already surpassed internal expectations. Training has been offered to some 40,000 employees (out of roughly 165,000 in total) through August, according to company figures.

Ikea isn't alone in its AI training ambitions. Large companies such as MasterCard, JPMorgan Chase and S&P Global are rolling out programmes to help prepare employees across the organisation for the AI era, not just technical staff.

Behind these efforts is the assumption that many workers, from entry-level to CEO, will need to gain at least some proficiency with GenAI tools to meet future job demands.

Consider recent Accenture research, which found that more than 40% of all US work activity can be augmented, automated or changed with GenAI. A World Economic Forum report in January

revealed that 58% of employees expect their job skills to change significantly in the next five years owing to AI and big data.

Despite the big success stories, progress by major companies in equipping employees for the AI-centric workplace has been slow. Less than half of companies in the US (38%) and the UK (44%) are taking steps to train workers to use AI tools, according to a 2023 LinkedIn survey of 3,000 senior executives.

Moreover, a KPMG report in May found that 61% of desk-based workers in the UK want training in GenAI. More than half of 18- to 24-year-olds are already using the technology to learn professional skills, but only a fifth of UK employees can find learning resources quickly at their job.

Gina Smith is research director, IT skills for digital business, at IDC, a technology research firm. She highlights challenges to providing training amid rapid technological change. "Organisations have to train everybody on GenAI, but they still have to keep everybody up to speed on cybersecurity, data security and all the things that are changing with cloud computing."

After the initial surge of enthusiasm accompanying the launch of ChatGPT in late 2022, a more sober

assessment of the technology's risks and limitations began, says Smith. More scrutiny was applied to its reliability, arising from LLMs tendency to 'hallucinate' – or present false or misleading information as fact – as well as security risks stemming from use of confidential company data or intellectual property in AI prompts or model training.

Reflecting on the corporate policies and procedures needed to govern the use of AI, Smith says that even getting the guardrails in place takes a lot of time.

It appears, however, that many companies have decided that now is the time to ramp up AI training. Take JPMorgan Chase, for instance. "This year, everyone coming in here will have prompt engineering training to get them ready for the AI of the future," according to Mary Callahan Erdoes, CEO of the bank's Asset & Wealth Management business line, who was speaking at its 'Investor Day' in May.

Instruction in such foundational skills is part of the AI literacy that companies seek to give employees as a baseline for AI training. Training also typically covers issues in AI ethics and company policy governing the use of AI.

Ikea's initiative, for instance, includes training on AI ethics, which



“The uses and limitations of GenAI are often highly task-specific, so firms should give teams the autonomy to experiment and share knowledge

the company says is meant to reflect its values in how the technology is applied. Likewise, MasterCard offers training on responsible AI principles such as fairness and transparency; this is delivered through an intranet hub for company-wide AI learning launched in August.

Arvind Narayanan is a computer science professor at Princeton Uni-

versity and author of the forthcoming book *AI Snake Oil*. While conceding the importance of AI literacy, he suggests that upskilling workers requires more than just literacy. "The uses and limitations of generative AI are often highly task-specific, so firms should give teams the autonomy to experiment and share knowledge," he says.

Companies are also offering more specialised instruction. Ikea, for instance, runs an accelerator programme for new digital hires with AI-related degrees to help them get up to speed in their jobs.

Meanwhile, USAA, a financial services provider, which has 37,000 employees, relies on hackathons to give technical and other staff the chance to get hands-on experience with AI software and try to find novel use cases for the technology.

Advertising behemoth WPP, which has long championed the use

of AI technology, has developed various strategies for training staff at all levels. These range from providing 'future readiness academies' – online courses in various tech disciplines including data and AI – to sponsoring a group of senior executives for a postgraduate diploma in AI at Oxford University's Saïd Business School in 2023.

A range of organisations are assisting companies with AI training. These include consultancies such as Accenture, which has a proprietary skills learning platform; major tech providers including Microsoft, Adobe and Meta; LinkedIn, through its LinkedIn Learning service; and online learning specialists such as Pearson, which in September is introducing a certificate for GenAI.

To address the significant skills gaps, roughly half of organisations say they're relying on professional certifications from big tech firms; about the same proportion are providing internal upskilling training, according to a July IDC survey of 1,269 organisations globally.

But only about 40% are doing the kind of immersive, hands-on training Narayanan says is most useful.

“Firms have to train everybody on GenAI, but they still have to keep up to speed on cybersecurity, data and cloud computing

Smith says that large organisations are also experimenting with multiple GenAI platforms rather than focusing on just one. This not only reduces the possibility of bias, she says, but also gives employees the opportunity to learn more broadly across different AI systems.

Whether they're hiring outside experts or finding purely internal solutions, most firms will need to up their investment to provide AI training to staff.

Just how much these efforts cost is difficult to pin down. WPP, for instance, says in its 2024 Strategic Report that it plans to spend £250m this year to support its AI strategy, but it's not clear if that includes AI development skills.

IDC projects worldwide IT training and educational services spending to increase 5% annually in the coming years, from just over £16bn this year to almost £19bn in 2027. The Americas will account for almost half that total, at £8.7bn.

What about the return on investment from the recent AI training push? Because most AI training programmes are still in the early stages, it's difficult for companies to tout any measurable results yet. A LinkedIn report released in March found that just 4% of large-scale upskilling programmes had reached the measurement stage, based on a global survey of more than 1,600 learning and development and HR staff in September 2023.

But new skills are not learnt overnight. AI is likely to be central to future business models, so more firms may well bet that the returns they generate for training staff now will be seen in the success of the organisation in the future. ●

Why businesses must go 'back to basics' to thrive in uncertainty

When tech disruption and turmoil are the new norm, core business principles win out

From disruptive tech innovations such as generative AI to turbulent economic data spooking businesses and requiring a retrenchment of staff, it's a tough time to be a business leader.

A 2023 survey by *The Economist*, commissioned by enterprise software company Planview, lays bare business leaders' worries: 85% of executives admit their organisations struggle to adapt to change effectively. And although nearly a third of leaders view technology as crucial for strategy implementation, there is a growing recognition that rushing into innovation investments without proper planning can lead to costly missteps.

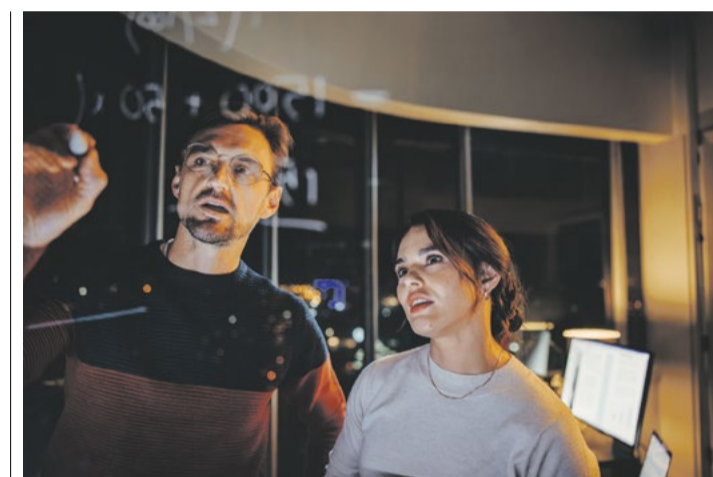
"Everybody is punch-drunk with change, with disruption, with the whip-saw effect of market challenges and black swan events around the world," says David Stevens, chief revenue officer for Europe, the Middle East and Africa at Planview. "Global businesses are having to respond rapidly to stay competitive while also needing to drive down costs."

Narrowed horizons

In recent years, volatility has meant strategic planning has taken a back seat. Companies used to plan on a three-to-five-year horizon. "They're struggling to stick to a three-to-five-month plan right now," Stevens says.

The most successful businesses can respond quickly to opportunities but also ensure investments are realistic and aligned with their core strategic aims. This latter point requires a "back to basics" approach. But what does this mean in practice?

It doesn't mean stepping back in time and slowing the business down by applying inappropriately heavy governance and control. Rather, it means being able to rapidly compare different investment mixes against benefit outcomes, cost and organisational capacity. It also means making decisions based on facts whilst providing the organisational agility needed in today's dynamic environment.



Core decision-making chains have been eroded by the Covid-19 pandemic, working from home and the array of new tech available to businesses. "Boards of governors, boards of directors, CEOs and CFOs are all starting to demand a much more connected way of making decisions," says Stevens.

Accountability at its core

A key aspect of this renewed focus is the shift from project-based thinking to product-oriented investment strategies. "It's starting to think about funding products and customer outcomes, not funding projects which discretely don't deliver value," Stevens explains. This perspective allows for a more holistic view of how various initiatives contribute to overall business value – and a better understanding of what to prioritise.

"Back to basics" also means companies must adopt "a much more agile approach to funding" and not be afraid to call an end to pilot projects that fail to meet expectations, says Stevens. Iterative funding approaches allow businesses to be more responsive to market changes and customer demands, without committing vast resources to projects that may become obsolete before completion.

Leaders don't need to decide between fostering innovation and maintaining operational efficiency. Although agile methodologies have become widespread, implementing them alone doesn't make a business more agile in its thinking or value delivery. "The ability to innovate more quickly, but at the same time be much more efficient in how you deliver, is the perfect combination that businesses are striving for right now," says Stevens.

prioritise initiatives while aligning them with the overarching goals of a business. It brings confidence back to decision-making. SPM provides a "single pane of glass" across a business, says Stevens, giving visibility into investments, processes and their impact on customer value. That approach allows companies to quickly identify inefficiencies and make informed decisions about where to allocate resources for maximum impact.

It's an approach that Planview provides to its customers using its SPM technology solution. One Planview customer had to rapidly reformulate and repackage many products when its raw material supply chain collapsed due to Russia's invasion of Ukraine. The company was able to quickly pivot resources and funding from new product development to these business-critical priorities.

While that may once have been a rare situation, such disruption has become the new norm for most businesses. As a result, firms have to learn to adapt. They can only do this if they are able to blend mature analysis with speed and agility. "Business agility is key to surviving in this new world," Stevens says. "I don't think any of our customers believe there's ever going to be a return to business as usual, and transformation is an ongoing reality, not a one-time project."

85%
of executives admit their organisations struggle to adapt to change effectively
The Economist, Planview, 2024

A strong business framework
Strategic portfolio management (SPM) can provide the framework to

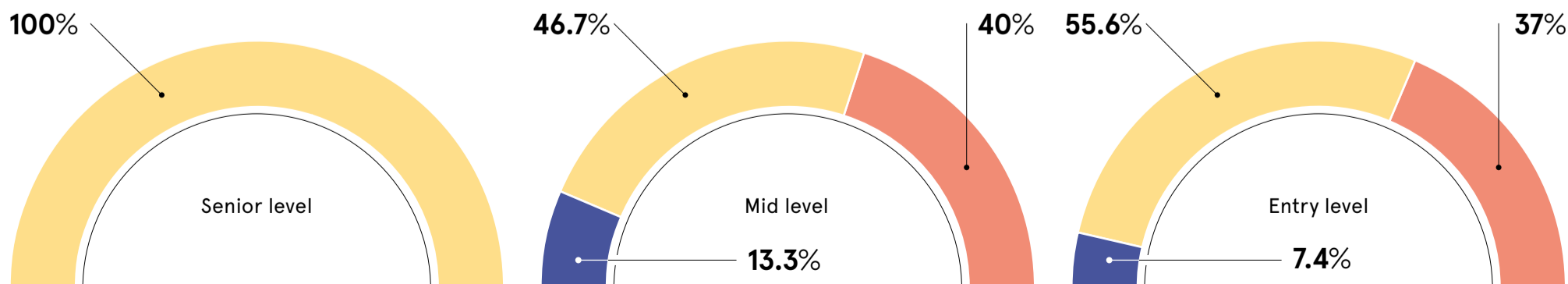


HOW WILL AI TRANSFORM ICT ROLES?

Cisco, 2024

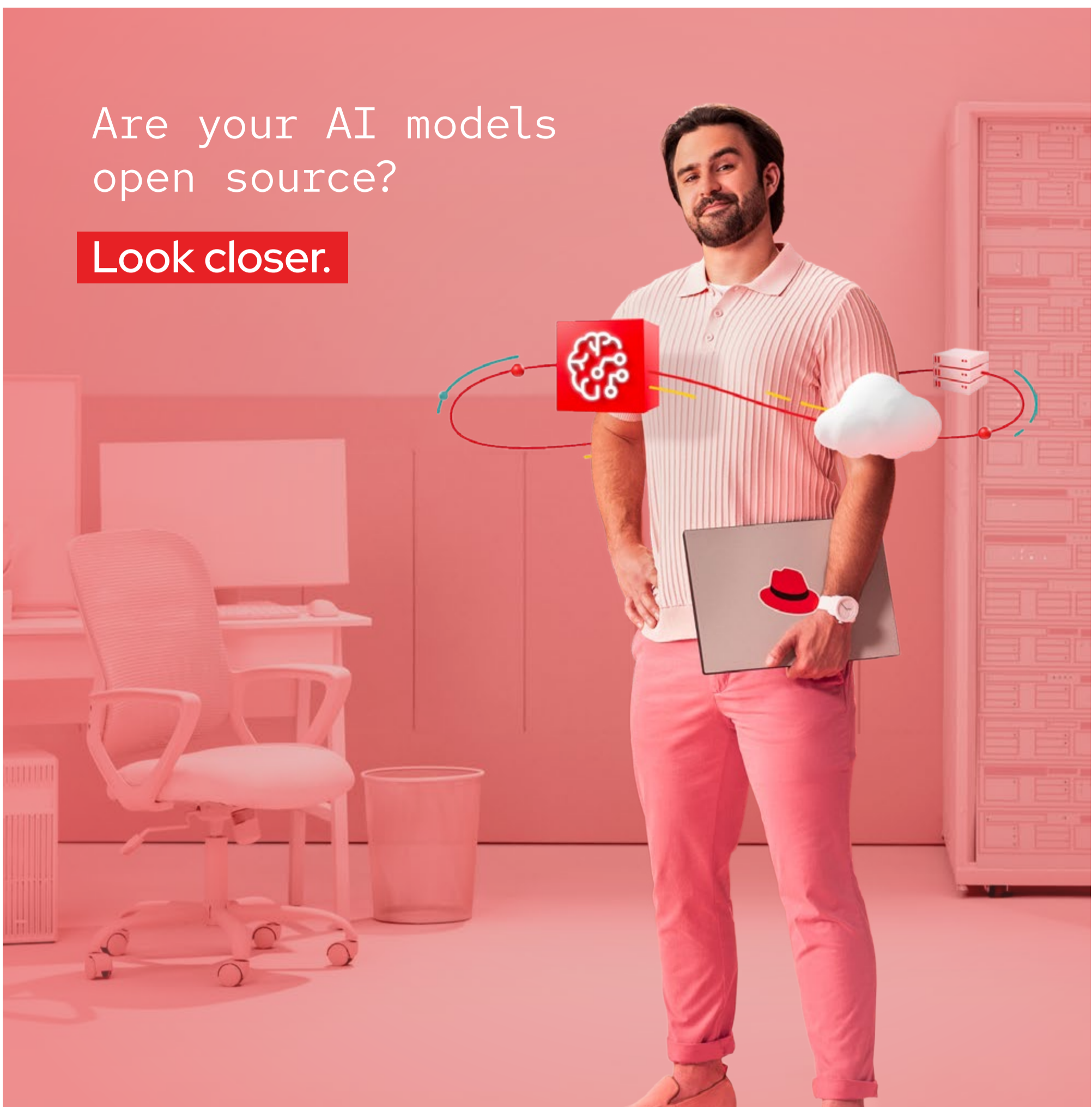
Share of ICT jobs that will be transformed by AI, by seniority (High = 70% or more of principal skills affected; Moderate = 50% to 70% of principal skills affected; Low = less than 50% of principal skills affected)

● Low transformation ● Moderate transformation ● High transformation



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