



From Digital Culture to Value Realization

*How EMEA Organizations Are Building
Their Digital Habitats*

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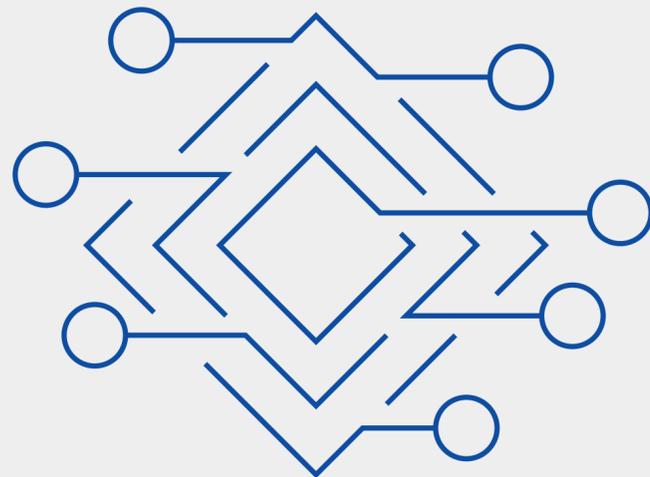
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EMEA organizations shifting to digital-first

The pandemic represented a point of no return for digital investments, accelerating the digital trajectories of many organizations and increasing the strategic relevance of IT and digital technologies within organizations.



84%

of IT leads in EMEA are under pressure to deliver on digital transformation (DX) strategies.

90% of organizations in EMEA recognize that having a digital-first strategy is now a must-have. Digital-first defines a corporate mindset according to which the CEO and the C-suite should look at digital technologies as the primary driver to achieve business objectives and overcome business challenges — in other words, the primary driver to thrive and grow.

“

Responding to the pandemic, organizations accelerated their investments in digital; this means that in 2022, more than half of the global economy will be based on or influenced by digital.

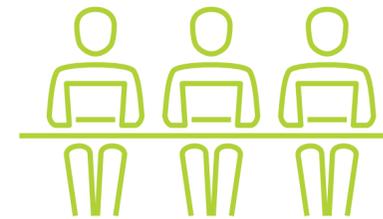
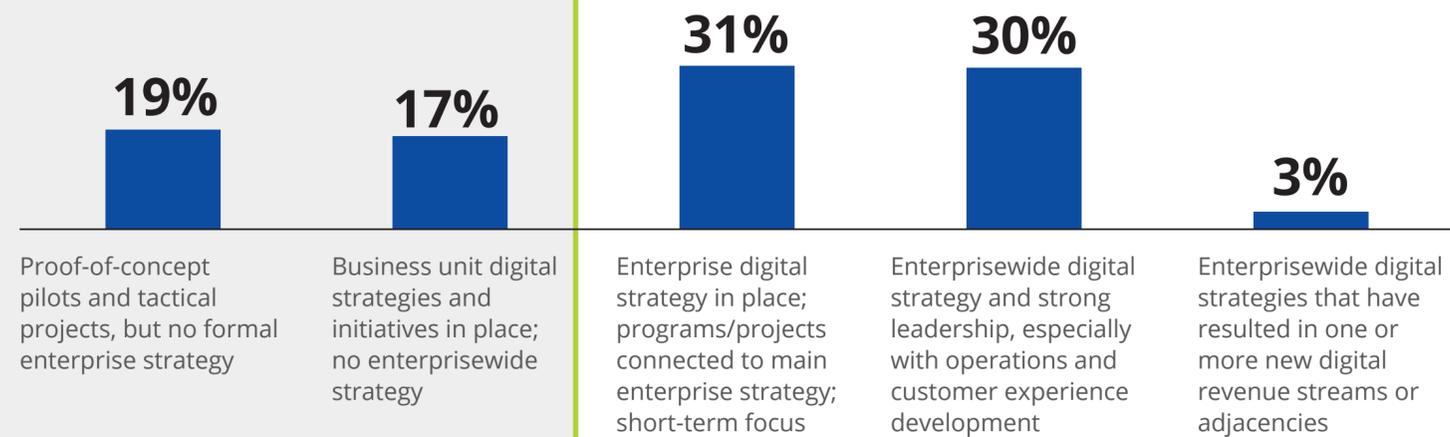
IDC PREDICTION

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Translating digital investments into new revenue streams is a top priority for EMEA organizations ...

More than 64% of EMEA organizations have an enterprisewide digital strategy already in place, with some differences across personas and industries. Only **3% of organizations** have an enterprisewide digital strategy, which has led to **new revenue streams**.

How would you characterize the state of your organization's digital strategy?



32% of lines of business consider themselves to be in the proof-of-concept pilot stage, versus 5% of IT people.

Delivering new digital revenue streams leveraging digital technologies remains a key challenge. **65% of EMEA organizations** consider leveraging data and software to generate new revenue and business models to be very or extremely challenging.

Top 3 digital challenges for EMEA organizations



1. Leveraging data and software to drive **new revenue and business models**



2. Enabling employees in the **new working paradigm**



3. Locating or training **digital skillsets** in the technology and business functions

Q. To what extent do you see the following areas as challenging for your organization? (Respondents' average of "very challenging" or "extremely challenging")

... Not just for the IT department, but increasingly for the wider C-suite

Making digital strategies real and impactful requires a shift from the traditional command-and-control hierarchical structure to a more fluid and orchestrated approach across organizations, where business and IT units' leads work together on their organizations' digital road maps in a true tug of value (versus tug of war).



What's different?

- Every function is a technology function.
- Technology leadership has a seat at the table.
- The CEO is personally engaged — ensuring that this is a group of equals in a digital tug of value (versus tug of war).

What's new?

- Business outcomes are prioritized over technology features.
- There is demand for quicker time to value.
- Use cases are the language, backed up with measurable KPIs.

For at least **47% of DX initiatives** the sign off belongs to a CXO different from tech leads.

C-suites in EMEA need to shape their digital culture

To achieve business success and generate business value leveraging digital technologies, the **role of culture is fundamental**.

This is highlighted by the top challenges in DX, which are not technology related but rather related to **leadership, people, and skills** — corporate culture.

C-suites should be on the front line of this change, positioning digital culture as a priority, promoting **empathy, innovation, and collaboration** at all levels.



According to IDC, organizations will need to master ‘future of culture’ traits, such as empathy, empowerment, innovation, and customer data centricity, as they seek digital leadership at scale. This will accelerate co-innovation and enable businesses to respond to market changes at hyper speed as the enterprise learns as a single entity and at scale.



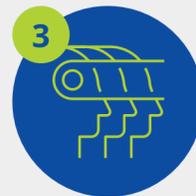
Top 3 measures EMEA organizations are considering to transform the organization's culture



Promote **change in management** awareness and build a system of cooperation among management levels



Redefine the **missions and evaluations** of existing businesses and new businesses



Promote **behavioral change in each individual** by renewing the company's purpose and action guidelines



Q. Which of the following measures is your organization (or your DX leader) considering/implementing to effectively transform the organization's culture?

Three key pillars for shaping digital culture in EMEA

C-suites must cooperate in three key areas to create the digital culture, using cloud as the enabler for all three digital culture streams



Value economics

The balance between investing in cost-reduction and revenue-generating technology

50%

of EMEA organizations think that additional investments in **managed infrastructure** will help their organization deliver better digital value.



Data-driven innovation

The pivotal role of data to support current and future needs

30%

of EMEA organizations are **co-creating new products with customers and partners** to develop an initial business case when launching new solutions.



Future workplace

Building a future-oriented digital workplace that can be sustained for years to come

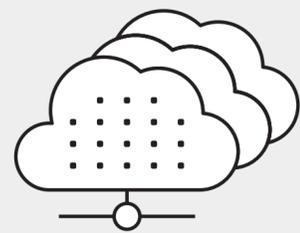
35%

of EMEA organizations think that **ensuring equal access to information and digital tools** to all staff regardless of location will be a challenge for a future workplace.

Value economics: EMEA C-suites need to keep cloud sprawl from casting a dark shadow on the organization



The pandemic has forced EMEA organizations to transform their operations and to deploy multiple cloud solutions.



To keep the business running and to rapidly adapt to the new normal, the **finance department must be the new technology evangelist** supporting **remote operations, hybrid working, instant access to resources, and cost reduction**, taking several actions in respect to cloud usage:

77% have redesigned their purchasing processes to enable pay-as-you-use and consumption models.

58% have rationalized business and developer expenditure in external cloud resources.

55% have actively reduced costs on legacy on-premises systems.

Key challenges when managing cloud sprawl

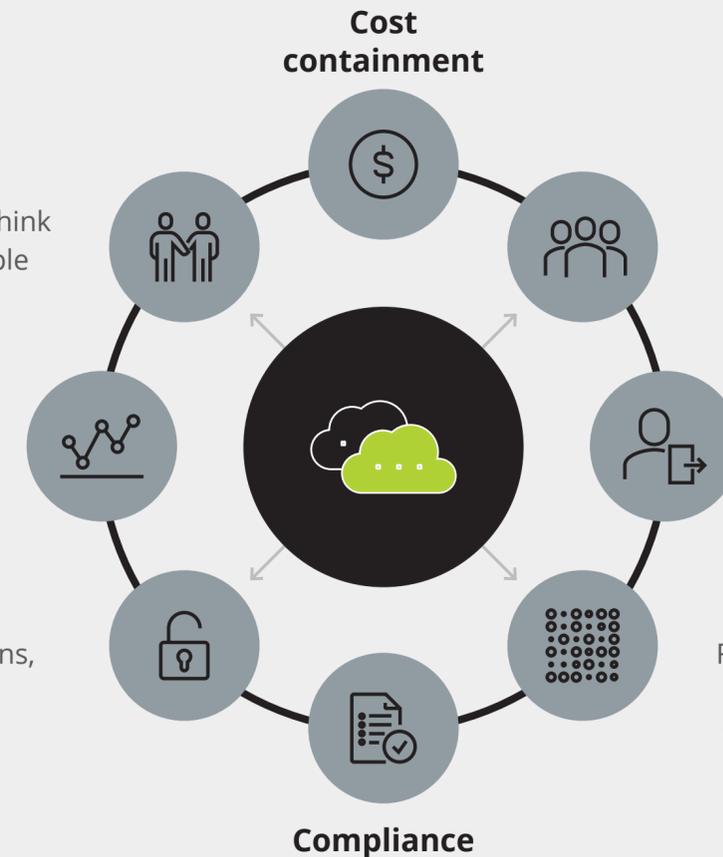
Supplier agreements

64% of EMEA organizations think that SLA tracking from multiple suppliers is a burden.

Enterprise-level reporting

Security issues

For 60% of EMEA organizations, security is a key issue when running multiple cloud instances that could expose the organization to potential breaches.



Cloud skills gap

62% of EMEA organizations lack cloud skills to manage multiple cloud resources.

Too many unique portals

Data fragmentation

For 60% of EMEA organizations, having the data scattered in silos across different platforms is a key challenge.

When expanding to a cloud-enabled model, organizations must consider potential challenges and costs when running multiple cloud instances: cloud sprawl.

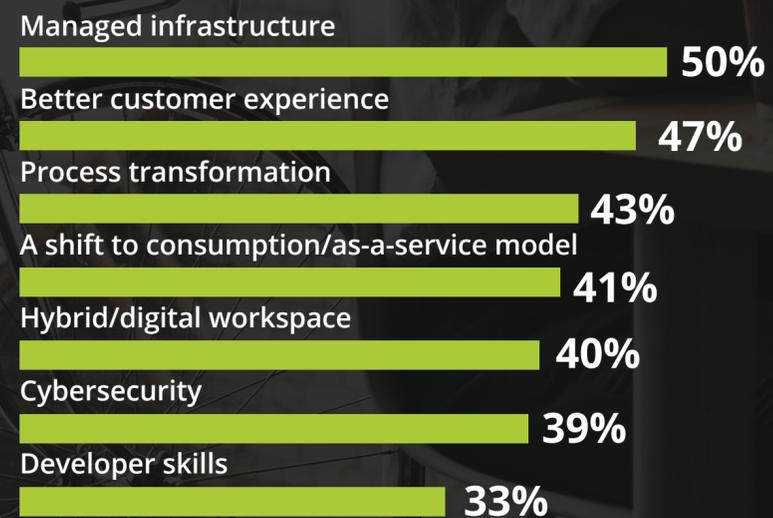
Value economics: Transform processes and experiences to achieve digital value



The (economic or business) value achieved by digitally transforming an organization is known as digital value.

EMEA organizations will invest in digital technologies to enhance existing infrastructure, drive customer engagement, boost employee productivity in a hybrid workspace, and increase business resilience.

Where would additional investments help your organization deliver better digital value?



According to IDC, by 2022, 55% of organizations will have expanded resilience plans to future proof their business, improving profitability, innovation rate, and cost efficiencies by more than 20% compared with peers.



In terms of value economics priorities, the **CFO, supported by the CIO, CTO, and CDO, is fully involved in the performance and cost efficiency discussions** to:

- Maintain the right cost structure for variable business models
- Adopt new consumption models for present and future needs
- Keep a lighter balance sheet
- Offer predictability and transparency of financial results



Customer voice

With its infrastructure coming to end of life and unable to cope with expected growth, Belfast City Airport had to rethink its entire IT strategy by replacing existing systems, changing its existing operating model, and enhancing disaster recovery capabilities without burdening its budget.

“Thanks to Nutanix, sleepless nights worrying about IT are a thing of the past. Not only has our new infrastructure cut operating costs almost in half, it’s also a lot more scalable, robust, and easier to manage. That, in turn, gives us the confidence to press ahead with plans to enhance both the internal and external customer experience, safe in the knowledge that we have the right technologies and partners to make it all happen.”

Brian Roche, Director of Information Technology, Belfast City Airport

Data-driven innovation: Thrive in a digital world by leveraging valuable data



To **remain competitive in the digital economy**, retain and attract customers and employees, and enhance their experience, organizations must **innovate on the digital offering**.

Data is the currency of a digital business and new strategies around the use of data must be shaped. Knowing your **customers' needs, priorities, and challenges** is key.

Customers are involved before launching new solutions

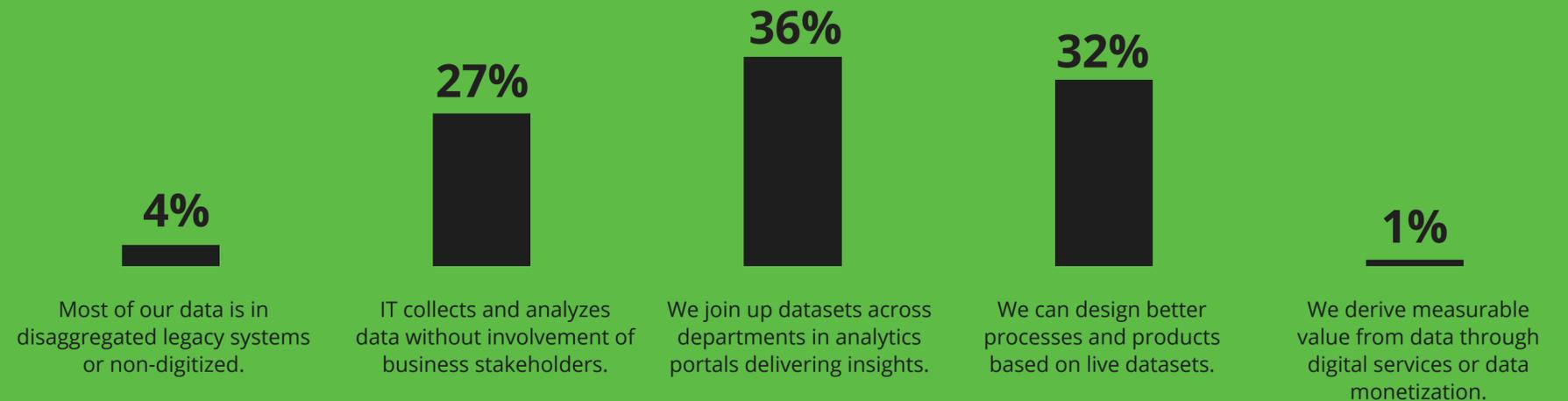
50%

Agile EMEA organizations are **incubating and testing new products and services** before going to market. They are taking a mixed approach to the innovative delivery of services: using **brainstorming with clients and partners, satisfaction analysis, and specific techs to improve pain points and priority areas**.

“
According to IDC, 70% of CEOs of large European organizations will be incentivized to generate at least 40% of their revenues from digital by 2025, driving more than €4 trillion of gross value added [GVA] in Europe.
”

CEOs must synchronize with the whole C-suite on internal, cultural, organizational, and business model shifts to enable new digital revenues by leveraging **tremendous insights from data**.

What best describes your organization's approach to data as part of the innovation process?



Data-driven innovation: Cloud enablement for digital innovation



EMEA organizations are **highly dependent on data**, whether for business reporting, business performance analysis, identifying new revenue opportunities, or meeting new regulations (including cloud governance). With only **one in two having data located in the cloud**, organizations must consider increasing investments in a **stable and secure cloud platform to share the data**, located in the core datacenter or even **at the edge**, **dramatically reducing time to value by enabling edge and cloud convergence**.

53% are lagging with their cloud infrastructure strategy and have no specific scalable data management in place.



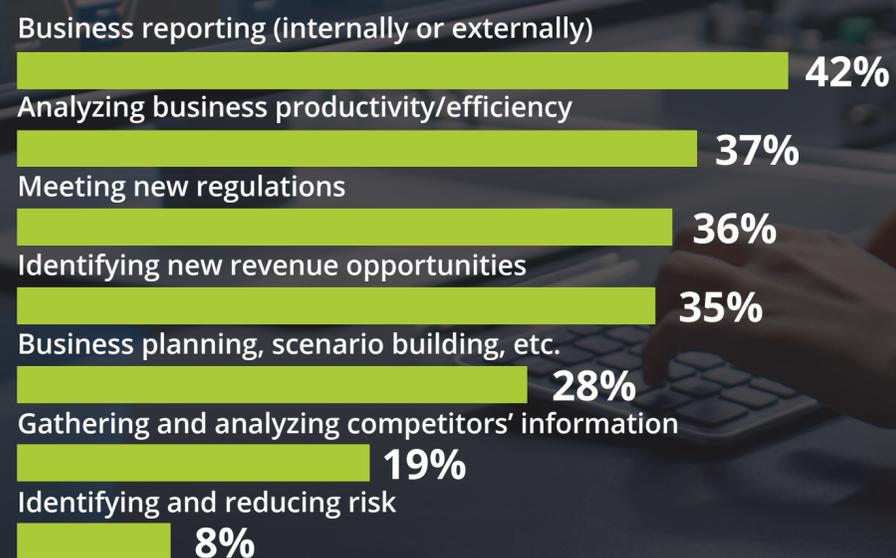
45% are unable to connect their legacy systems to cloud applications and cannot access real-time data on customers, users, or machines.



The data-driven innovation pillar stream is led by the **chief data officer**, together with the CTO and chief digital officer. Their related key priorities are:

- Data-driven decision making to increase customer digital experience
- Collection, structure, and value extraction from data
- Data storage, privacy, and security
- Data-enabled new business models

To what extent are the following activities in your organization highly dependent on data?



Customer voice

For EG Group, the leading convenience retailer based in the U.K. and currently employing around 45,000 team members in more than 6,200 sites across Europe, the U.S., and Australia, the rapid expansion also meant a mixed inheritance of legacy IT systems. Upscaling and migrating to a distributed private cloud environment was critical in this case.

“We needed a solution that would be agile, scalable, secure, and easy to manage, and Nutanix does all that. Beyond that, we were looking specifically for three things — simplicity, resilience, and, above all, innovative and flexible technology that would keep us on top of our IT no matter the future direction of the business. That, again, pointed us toward Nutanix.”

Graham Billsborough, CIO, EG Group

Future workplace: Setting the scene for the broader future-of-work shift



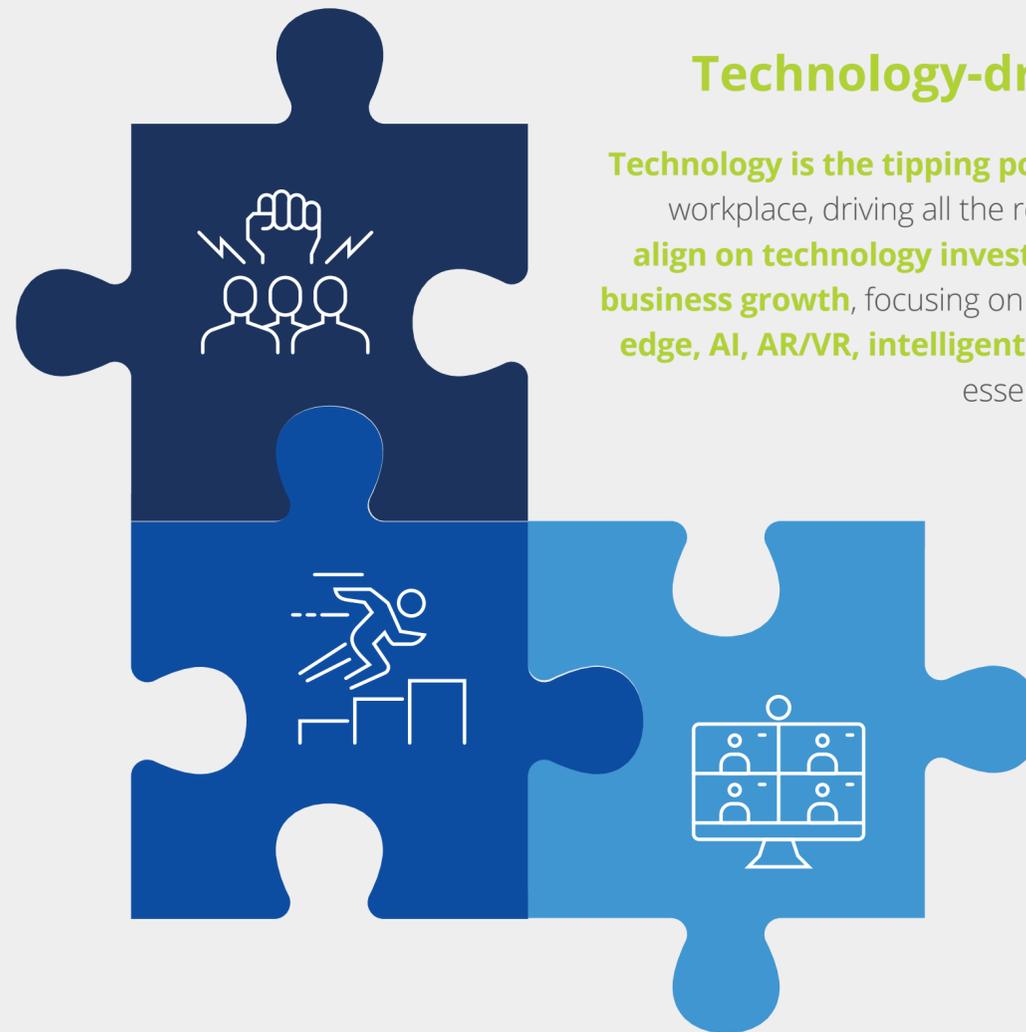
Pressured by the pandemic, EMEA organizations are starting to **redefine their work culture** and embrace the **new hybrid model, shifting leadership, processes, technology, and skills** to improve performance and productivity in the new normal. According to IDC, **defining the future workplace is a critical part of the extensive future-of-work model**, focused on:

New skills empowerment

60% of EMEA organizations have advanced digital skills. Organizations must continuously invest in the **upskilling and reskilling of the workforce**. More than **50% of EMEA organizations** are considering employees from **Gen Z and Y** and have already established onboarding processes for **remote and gig workers**.

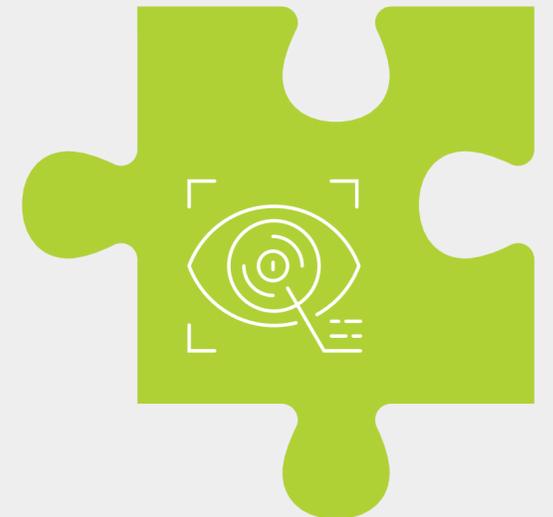
Enhancing employee experiences

For **40% of EMEA organizations, supporting staff physical and mental well-being is still a challenge**. As talent retention is as important as talent attraction, offering the **necessary support (including the right digital tools to work with) to improve the experience and satisfaction** will be key.



Technology-driven augmentation

Technology is the tipping point in the journey toward a future workplace, driving all the required DX efforts. **C-suites must align on technology investments to drive innovation and business growth**, focusing on adopting solutions such as **cloud, edge, AI, AR/VR, intelligent process automation**, and so on, essential for new agile ways of working.



Work enablement unbounded by time and space

For **84% of EMEA organizations, productivity has remained stable in a hybrid workplace**. Deploying appropriate metrics and processes to **enable productivity and performance in a hybrid workplace** is a priority for EMEA organizations. **Secure, borderless collaboration and process automation** are among the areas where organizations must expand in the coming years.

Future workplace: Start building a technology foundation sustainable for years to come



The new working culture requires a **fundamental change toward new technology investments**, quickly adapting to new business and market demands. This change must be **driven and supported by the C-suite**, promoting a **digital-first approach where the needs of customers and employees are a priority**. Achieving the desired digital state may take time and will require organizations to follow multiple investment steps.



The data-driven innovation pillar stream is led by the **chief human resources officer**, supported by the chief information officer. Their key priorities are:

- Enhancing the productivity of technology teams and related business effectiveness
- Automating end-to-end processes
- Employee satisfaction (employee net promoter score)
- Talent retention and attraction

50% of EMEA organizations increased their investment in **workforce performance management, virtual workspace, and videoconferencing and collaboration solutions**.

This is the first step, to connecting people and ensuring their ability to work.

30% increased investment in **secure remote access, connectivity, and application delivery**.

This is the second step, to guarantee secure access to all necessary data and applications.

25% increased investment in **remote learning, database management, cloud applications, and infrastructure**.

This is the third step, to empower teams to create new products, grow their skillsets, and focus on added-value tasks.



Customer voice

Challenged by the pandemic and by the increased demand on the existing cloud platform, the Department for Work and Pensions in the U.K. was able to manage its workloads in different environments thanks to the Nutanix Cloud platform.

“With the Nutanix platform that we’ve got, the resilience is there and we’ve got the scope to increase our footprint as demand also increased. From now on, we are looking to bring our public cloud services that we’ve got into the Nutanix platform.”

Jamie Faram, Head of Hybrid Cloud Services Operations, UK’s Department of Work and Pensions

Advice for C-suites: Invest, innovate, automate

Leveraging **valuable data** and information is critical to achieve **business resilience and performance** in the **digital economy**. Technology is a key part of the process, but when organizations are building their digital culture, they must look beyond technology. They need to **empower and trust their employees to use the underlying technologies** to make business decisions and deliver a **valued customer experience** in the new normal. **Innovating and automating** business processes drives digital culture.



INVEST in people (to adopt new, flexible, and hybrid approaches)

Organizations must invest in their relationships with employees, customers, partners, and their suppliers. Next, they should invest in the right technology to sustain these relationships, adapt to changing environments, and achieve competitive advantage.

INNOVATE on data (to achieve business value)

C-suites must collaborate to transform the organization by improving business performance and innovating to drive growth. This transformation can be achieved by using the right tools, including data and information. Organizations must be open to build innovative projects based on valuable data. Creating a strong foundation of technology, culture, and data ensures that an enterprise can turn innovation into business value.

AUTOMATE on processes (to achieve higher productivity and performance)

Organizations must continue deploying automation technologies by using large-scale software and cloud services across many processes. Over half of companies are already doing this for customer relationship management, operations and finance, IT infrastructure management, and industry-specific processes to increase productivity, reliability, availability, and performance.

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Appendix

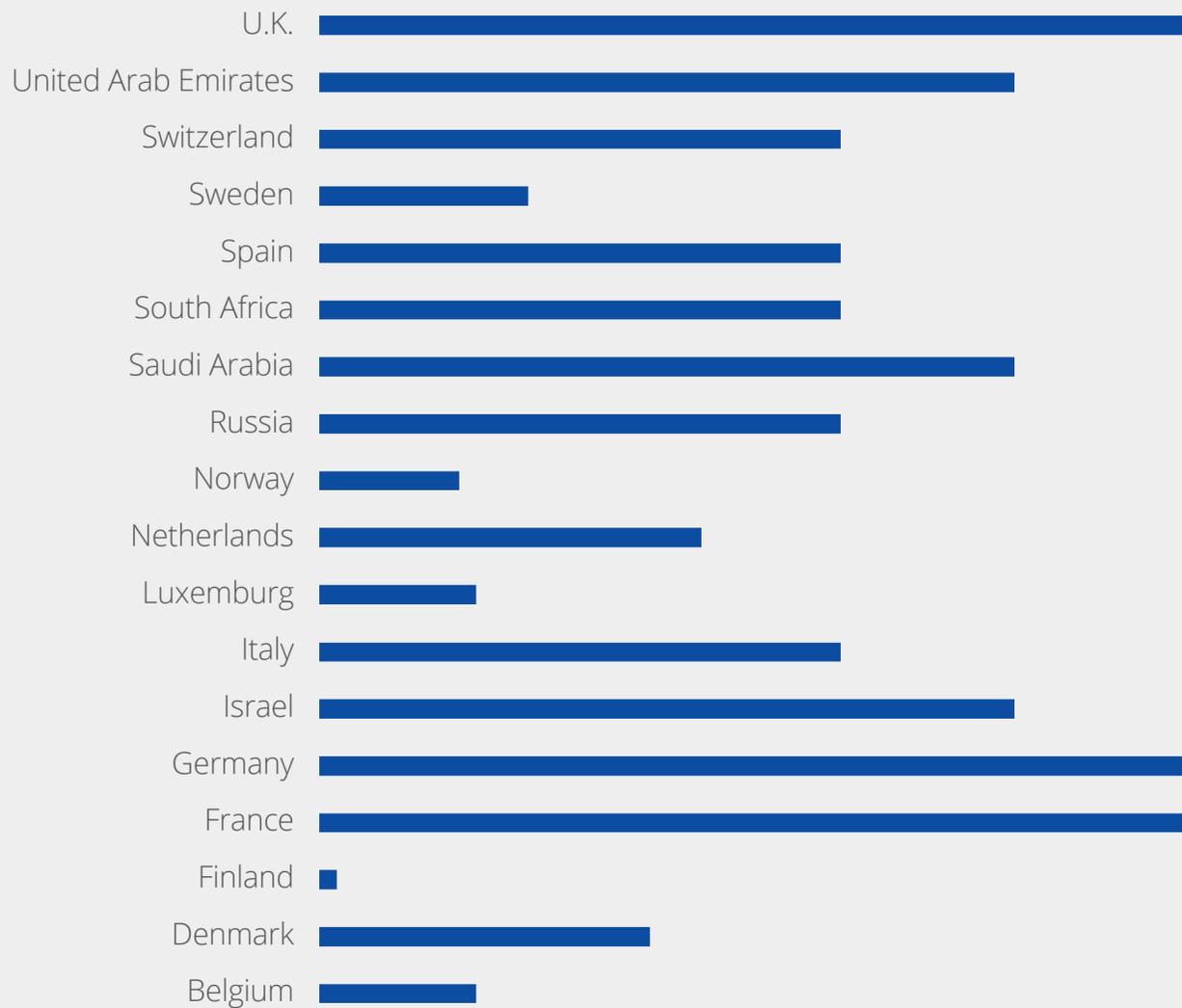
Methodology

Segment	Total	France	Germany	Israel	Italy	Benelux	Nordics	Russia	Saudi Arabia	South Africa	Spain	Switzerland	UAE	U.K.
250 to 999 employees	250	25	25	20	15	20	20	15	20	15	15	15	20	25
1,000+ employees	250	25	25	20	15	20	20	15	20	15	15	15	20	25
IT	250	25	25	20	15	20	20	15	20	15	15	15	20	25
Non-IT	250	25	25	20	15	20	20	15	20	15	15	15	20	25
Total	500	50	50	40	30	40	40	30	40	30	30	30	40	50

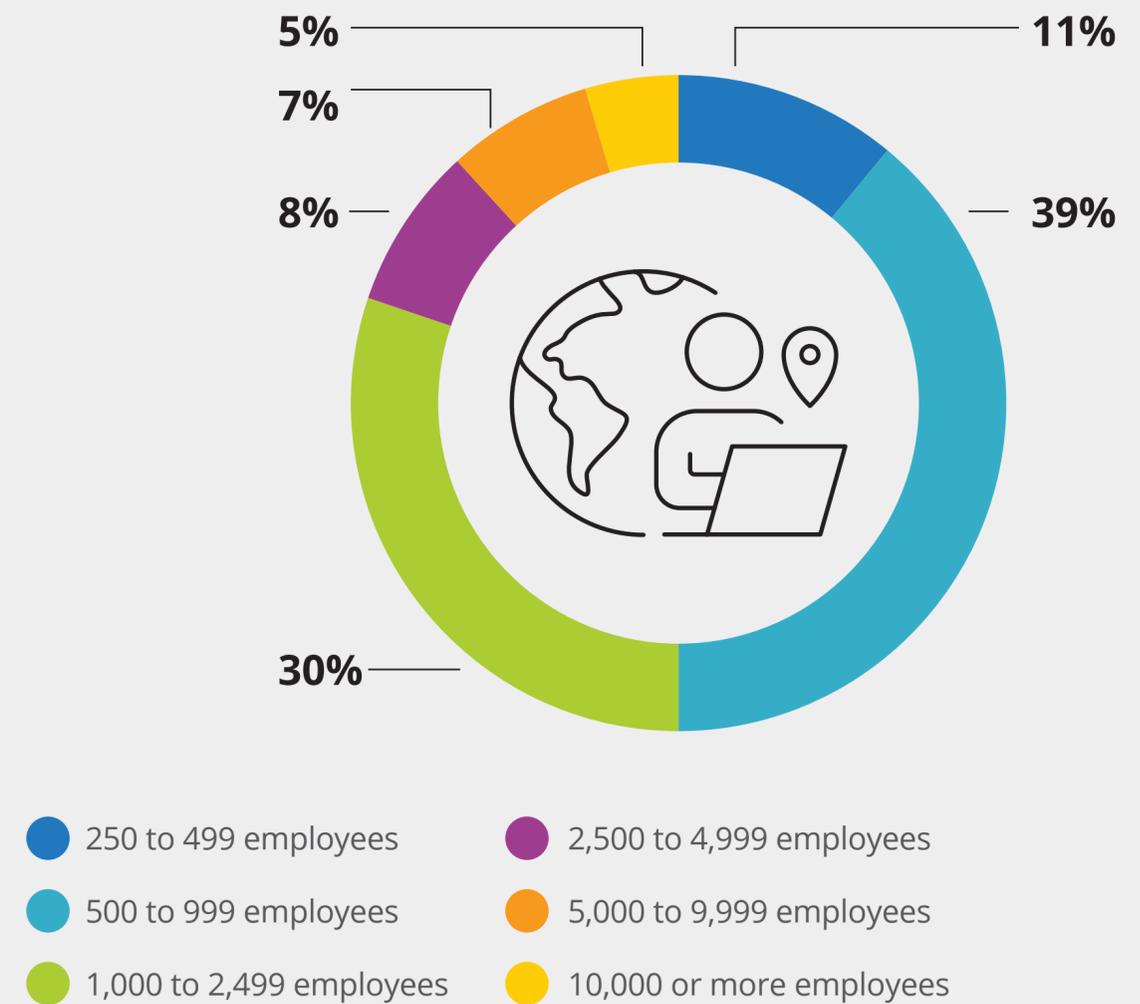
- Project name: IDC, CIO Assets Survey, Nutanix, June 2021
- Total sample size: 500
- Field time: May 2021
- Respondents are EMEA organizations with more than 250 employees, from industry-mixed companies
- Eligible respondents were IT and LOB decision makers, manager-level+, able to discuss the role of technology and digital on business processes and models

Demographics

In which country do you primarily work?

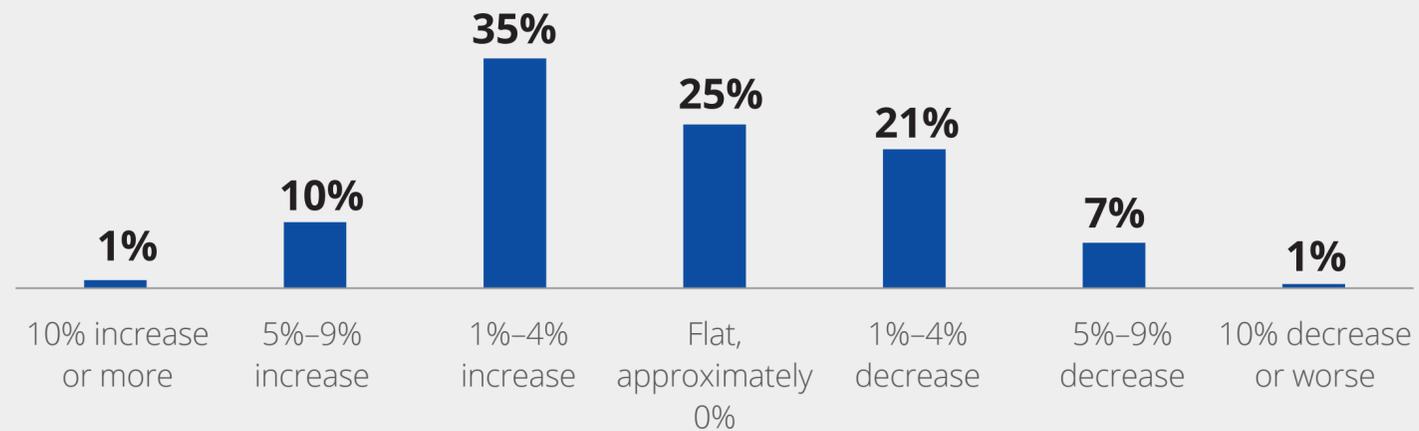


How many people are employed by your organization at all locations worldwide?



Demographics

What was your revenue growth in your last complete financial year?



What was your organization's 2020 total annual revenue worldwide in dollars?

