

Business, reimagined

Executive summary

Intent versus action:
Close the gap.



Introduction

In 2020, we published “The Future of Work: Reimagining business as usual”. Two years on, we wanted to explore how companies have fared against these objectives and how priorities may have changed. To do so, we commissioned Longitude, an FT company, to carry out another study. The results were mixed.

Respondents were more optimistic.

The good news is that, two years later, many business leaders reported that their organisation was stronger than before the start of the pandemic. A majority said that their organisation was:

- More agile in adopting new technologies (73%)
- Able to make decisions more quickly (69%)
- Better at developing empathy and trust with customers (68%)
- Better at developing empathy and trust with employees (66%)

But few felt actions matched ambitions.

The other common theme was the gap between strategic intent and execution. In almost every area, more respondents agreed on the need to act than had actually done something about it – or the actions that had been taken didn't quite line up with the company's post-pandemic ambitions.

Looking at the companies that had made the most progress, we call the Accelerators, they were much more likely to report increased revenue, improved profitability and increased productivity.

Three key takeaways

1. Businesses are bouncing back.

The majority of business leaders view their organisations today as stronger than before the pandemic. They reported being better equipped to make decisions quickly (71%); to think strategically about long-term objectives (72%); to adopt new technologies (75%); and to develop more empathetic and trusting relationships with both customers (71%) and employees (69%).

2. Uncertainty is leading to inertia.

Despite many business leaders' bullishness about their organisations, continual upheaval and the growing complexity of the business environment have left many companies with a deep sense of strategic uncertainty. Two thirds of business leaders (66%) said the pandemic had exposed weaknesses in their strategy, while 60% said that they struggle to act decisively in response to new market opportunities.

3. There is a gap between intent and execution.

One of the key findings of this follow-up research is a disconnect between ambitions and actions. For example, three-quarters of respondents said that a strategic priority in 2022 was improving customer experience (CX), but only 38% said that they had accelerated the use of data analytics to improve CX. Even fewer (34%) said they had increased their use of automation.



This paper is a summary of the findings of our latest research. Download the full report “Business, reimagined: Are you (really) ready to lead the workforce of tomorrow?”

[Read now](#)

New ways of working

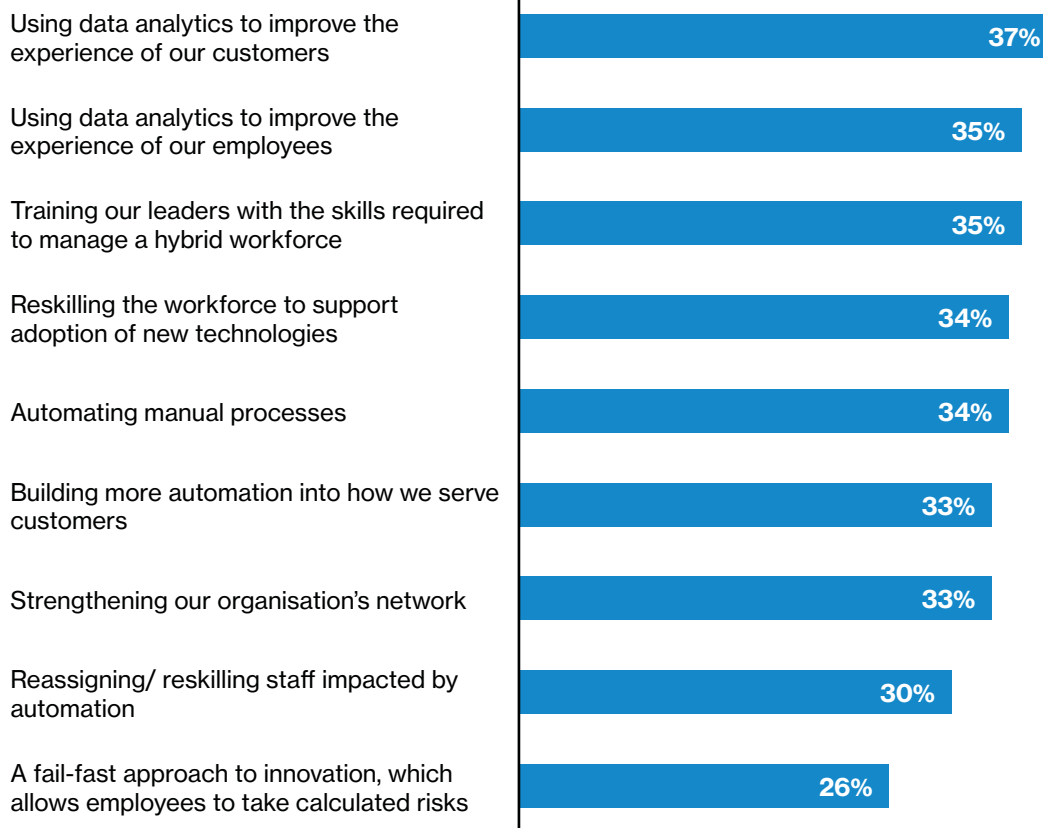
To what extent are organisations adapting their structures to improve their agility and allow for the sharing of data and ideas across the business?

New ways of working aren't just about remote or hybrid work, indispensable as these have become to many people's lives. There is a more fundamental shift under way.

The principal strategic driver today is improving CX by organising strategy around customer needs, rather than the needs of the business. Organisations also report that they are working to improve integration and automation with their supply-chain partners.

Despite this common strategic focus on CX, the research raises questions about how effectively organisations are delivering it.

Initiatives companies have accelerated over the past 12 months



38%

Fewer than two out of five organisations surveyed said that they had accelerated initiatives to use data analytics to improve customer experience over the last 12 months.

Figure 1: Percentage of companies that answered “Yes” to “Has your organisation accelerated any of the following initiatives over the past 12 months?” [n = 600]

Close the gap

Leaders may aspire to improve CX. But they need to be wary of allowing a gap to grow between strategic intent and execution. For many, if not most, organisations, digital technology is critical to customer experience. Yet only 38% of organisations report that they have accelerated initiatives to use data analytics to improve customer experience over the last 12 months; only 34% have built more automation into how they serve customers.

Leadership

What are business leaders doing to bring about change, and how are they preparing their workforces for the future? How do they view the roles of sustainability, social responsibility and diversity in their businesses?

Our 2020 research highlighted widespread concerns about business leadership in the early phases of the pandemic, with many business leaders saying they had not responded effectively in terms of managing business performance (44%), nor in terms of looking after employee wellbeing (41%).

Only 39% of business leaders overall said they had implemented social-responsibility initiatives; even fewer reported having put in place initiatives to support ethnic minority or LGBTQ+ employees (28%). Employers who only pay lip service to diversity risk their workforces becoming disengaged and, ultimately, moving on. Failing in this area will also reflect badly in the firm's public profile.

Personal effectiveness in a “moment that matters”

How can leaders maximise their effectiveness in a time of deep uncertainty and fast-paced change? The answer may be to slow down, suggests leadership expert Kevin Eikenberry. “When change is coming at us, we tend to speed up,” he notes. “Sometimes we need to stop, slow down, and get a broader perspective.”

Otherwise, leaders risk focusing on the wrong things. “Busy is a dangerous four-letter word,” he says. “Busy is not productive!”

Leaders also have a responsibility for their own wellbeing and mental health, as well as that of their team. “We can't thrive in times of change if we're not at our best,” he says. “Don't forget about yourself.”

66%

of leaders admitted the pandemic had highlighted weaknesses in their business strategies.

Close the gap

Many organisations are struggling to realise their ambition to create a future-ready business. Two-thirds (66%) of leaders admitted the pandemic had highlighted weaknesses in their business strategies. Faced by rapid change, 60% said they struggle to act decisively in response to new opportunities.

And although wellbeing has leapt up the corporate agenda, action is lagging behind. While 61% of respondents in our 2022 survey say that business leaders have demonstrated empathy in communications with employees, only 38% report initiatives to support wellbeing in a hybrid-working environment.

Technology

Which emerging technologies are organisations adopting, and how successful have they been in rolling them out?

When it comes to the technology dimension of future-readiness, business leaders are seeking to accelerate adoption.

We compared companies' technology investment priorities for 2022-23 with the intentions reported in our 2020 research. In all categories, the majority of companies are planning to increase investment this year.

Technologies companies will spend more on in 2022



Figure 2: Percentage of companies that answered “Yes” to “We are planning to invest more in each of the following technologies in 2022 compared in 2021” [n = 538]

To succeed, it's vital that businesses adopt the right mix of technologies and implement them strategically. For example, this may mean strengthening the organisation's networks and cybersecurity to ensure a seamless experience for customers and employees, while accelerating cloud migration to enable the analysis of increasingly large volumes of data.

62%

When asked what their leadership priorities were over the past twelve months, the most frequent response was driving the adoption of new technology.

61%

Despite this, a similar number were concerned about whether their current digital tools can support new ways of working.

Close the gap

Nearly two-fifths (38%) of the executives we surveyed said their leadership team had failed to take an active role in technology adoption over the past 12 months. This shows in the lack of alignment between technology investments and new business priorities, such as improving CX. Relatively few participants reported increased use of technology to accelerate transactions or improved personalisation.

Skills and behaviours

Which skills do organisations expect to need in the future, and what steps are they taking to secure them?

Our survey found that the majority of companies had adopted a range of good practices in their talent, skills and recruitment activities. But few people predicted such a rapid rebalancing of power between employers and employees.

As technology disrupts more of today's jobs, employees will seek out employers that support them in continuing to learn. The focus of learning is also likely to change, with employers, and hence employees, increasingly valuing horizontal skills. This includes nurturing abilities like collaboration, partnership building, and cross-boundary thinking to "connect the dots" and innovate.

40%

Orders for robots in the first quarter of 2022 were up 40% year-on-year.¹ Automation is no longer the stuff of sci-fi, it's happening all around us – in office jobs and service jobs as well as ones on the factory floor.

Facets of talent and skills strategies

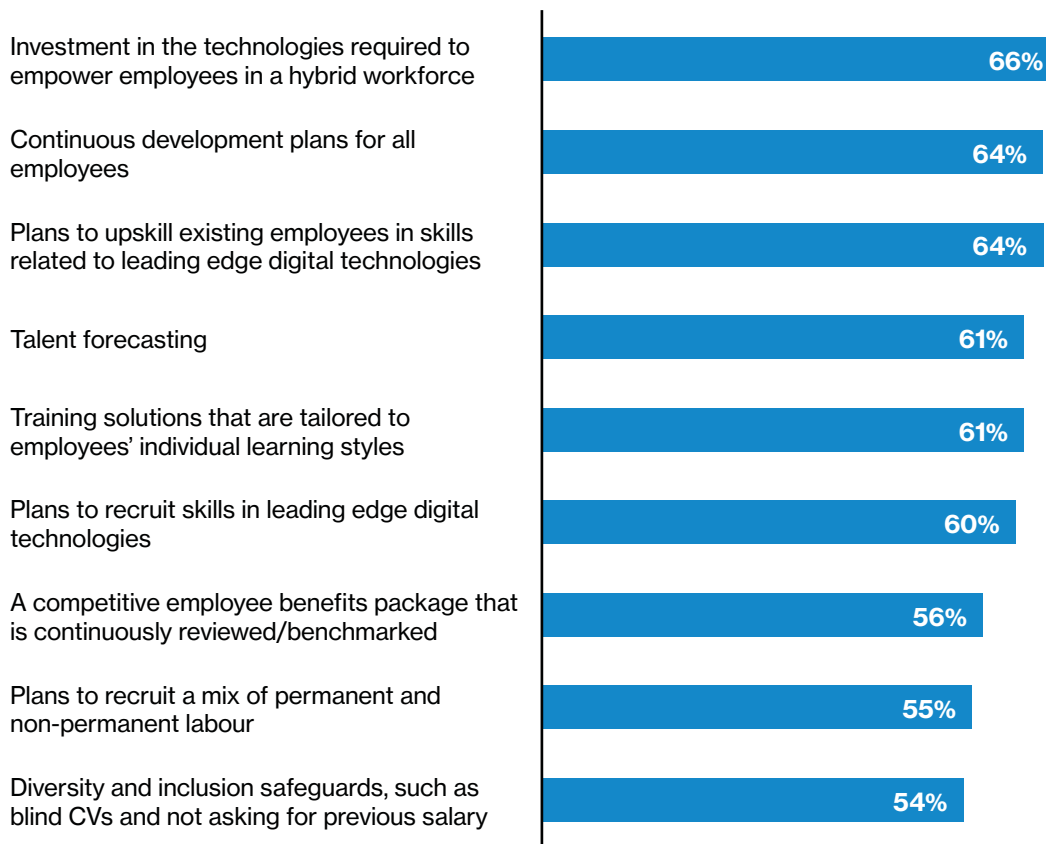


Figure 3: Percentage of companies that answered "Yes" to "To what extent do your talent and skills strategies included the following?" [n = 600]

Close the gap

Our research found that employee churn had increased in more than two-fifths (44%) of companies over the last 12 months. This likely reflects a failure to respond to people's changing expectations of work. This includes increased expectations for flexibility, alignment of values, purpose and continuing education.

A call to leaders

Leaders need to accelerate transformation in their organisations and define the future on their terms.

Businesses have always faced challenges, but we're seeing an unprecedented coalescence of factors – including changing consumer expectations and behaviours; rapid advances in technology; and disruption of labour markets.

Our research found that companies can break their strategic inertia if they act boldly across each of the four dimensions of future-readiness.

Those that were able to do so – we call them Accelerators – were more likely to perform well on key criteria.

Performance against key business performance indicators

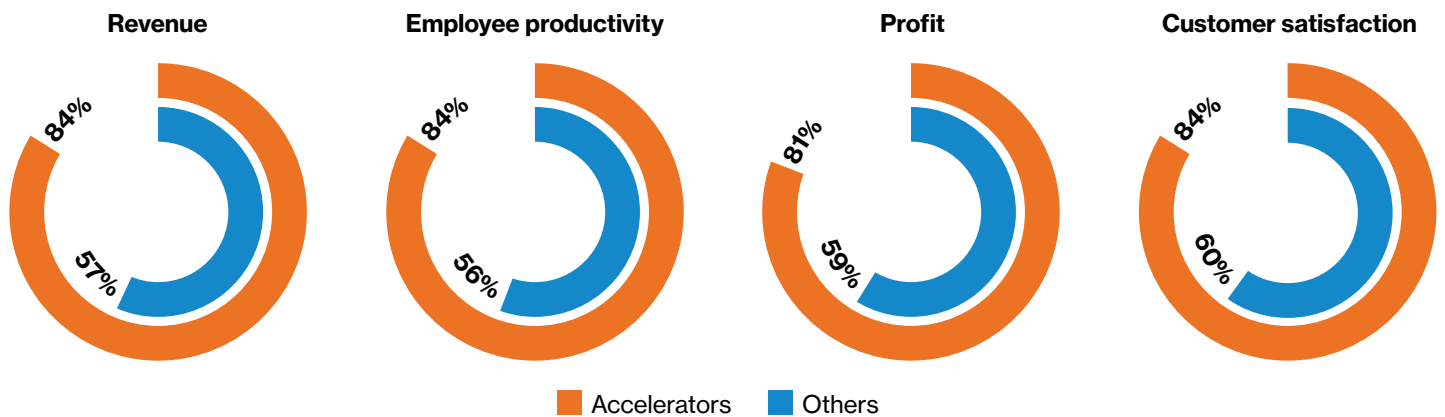


Figure 4: Percentage that answered “Increased” or “Increased to a great extent” to “How have the following changed for your organisation over the past 12 months? [n=62, 538]

Learn more

Download the full report “Business, reimagined: Are you (really) ready to lead the workforce of tomorrow?” to:

- See more results and analysis
- Read what a group of leading experts had to say about the subject
- Find out how to turn your company into an Accelerator

[Read now](#)



About the study

The data in this report is based on a survey of 600 business leaders carried out on behalf of Verizon by Longitude, a Financial Times company, in January 2022. Respondents were drawn from across nine industries: energy and utilities, finance, insurance, legal, manufacturing, media, professional services, retail and supply chain.

¹ Business Insider, Robot orders increase in first quarter as desperate employers seek relief from labor shortage, 2022

