Newsroom | Workday

Workday Global Study: Organisations Forecast Spike in Digital Revenue as CEOs Champion Digital Initiatives

One-in-Three Executives Project 75% of Revenue to Come from Digital in Next Three Years; Forecast Triples Since 2019 Study

LONDON, Dec. 17, 2020 (GLOBE NEWSWIRE) --Workday, Inc. (NASDAQ:WDAY), a leader in enterprise cloud applications for finance and human resources, today released initial findings of its global executive survey "Organisational Agility: Roadmap to Digital Acceleration" exploring the state of digital initiatives and organisational agility.

In a year that started with a global health crisis triggering economic and geopolitical disruption, agility became a defining hallmark for success, according to the study. Workday surveyed more than 1,000 C-suite executives and business leaders to identify key challenges and opportunities across the offices of the CEO, chief financial officer (CFO), chief human resources officer (CHRO), and chief information officer (CIO) in adopting digital best practices for greater organisational agility. The survey results indicate that business leaders plan to accelerate digital initiatives, with one-third noting that the single change that would improve organisational resilience with future crises is accelerated rates of digital growth.

Key highlights of the survey include:

- Digital revenues dominate and are accelerating. Over one-third of firms expect 75% or more of their revenue to come from digital (either digital products or traditional goods sold via online means) in three years' time. This has tripled since 2019, where just one-in-10 firms had the same projection.
- Changing tools is easier than changing minds and habits. While more than half of organisations (56%) say their technology is compatible with digital transformation goals, just 16% say the same about their company's culture. Without additional emphasis on employees and culture, organisations run the risk of not getting the desired returns on technology investments.
- Agility extends to technology investment. More than three-quarters (77%) of firms now report that their organisation is fast to act on failing investments in new technology (technology that isn't successfully deployed or used)—up from 70% in 2019.
- Continuous planning emerges as a new best practice. With nearly half (43%) the respondents having embraced continuous planning prior to the pandemic, three core enablers signal success: access to data, deployment of smart technologies, and an agile culture.

The report details strategies for organisations to overcome barriers to adopting digital technologies to achieve greater organisational agility. These include creating an adaptable culture, investing in smart technologies to increase digital revenue growth, ensuring real-time data is accessible for decision making, and leveraging cross-functional teams to boost upskilling and reskilling to empower employees.

Digital Initiative Priorities Differ Across the C-Suite

The findings also explore the perceptions and challenges across key functions when considering digital technology initiatives and challenges. Among the offices of the CEO, CFO, CHRO, and CIO, different priorities emerged:

- Office of the CEO: The Digital Optimists. CEOs are the most optimistic of the C-suite when it comes to their firm's digital transformation efforts. Yet they view culture as a barrier to almost all aspects of agility with nearly one-in-three seeing culture as the biggest barrier to continuous planning (31%) and data accessibility (32%).
- Office of the CFO: Future Technologist. Finance is focused on ensuring systems are highly integrated (64%) and cloud technology is deployed (49%) to improve the planning/reporting loop as well as mitigate the risk of future crises.
- Office of the CHRO: Cultural Renegades. HR leaders are focused on developing the culture their firm needs to embrace true agility. Yet, only 62% of HR leaders agree that incentives and key performance indicators (KPIs) align to cultural outcomes or that the organisation's culture equips the business to embrace change.
- Office of the CIO: Data Champions. The skills deemed most valuable among IT and operations leaders are the ability to use smart technologies (33%) and advanced analytics and data visualisation (30%).

Comment on the news:

"Business leaders now face a harsher reality about the urgency of digital transformation," said Leighanne Levensaler, executive vice president, corporate strategy, and managing director and co-head, Workday Ventures, Workday. "This study highlights that COVID-19 not only cemented the need for companies to modernise but, as important, to accelerate those efforts. From supporting remote work processes to increasing opportunities for digital revenue and rebuilding supply chains, technology limitations proved to be a challenge for organisations in 2020, creating urgency to embrace and adopt new digital strategies."

Additional Information

The full report "Organisational Agility: Roadmap to Digital Acceleration" will be available first quarter 2021, with initial findings around the differences between fast and slow responders during the COVID-19 pandemic on the Workday blog. Additional insights around organisational agility can be found at https://www.workday.com/en-gb/pages/organizational-agility.html.

Methodology

The data in this report comes from a global survey commissioned by Workday and conducted by Longitude, a Financial Times company, in June and July 2020. The survey of 1,024 business leaders and senior executives (C-suite or their direct reports) investigated how businesses approach digital transformation strategy and execution, the capabilities they need to embrace an agile approach to transformation, and the impact of the COVID-19 pandemic on business performance and forward planning.

Respondents were based in 14 countries and worked across 12 sectors, with most from the financial services (18%), professional services (15%), and technology (10%) sectors.

About Workday
Workday is a leading provider of enterprise cloud applications forfinance and human resources, helping customers adapt and thrive in a changing world. Workday applications for financial management, human resources, planning, spend management, and analytics have been adopted by thousands of organisations around the world and across industries—from medium-sized businesses to more than 45 percent of the *Fortune* 500. For more information about Workday, visit workday.com.

Forward Looking Statements
This press release contains forward-looking statements including, among other things, statements regarding the expected performance and benefits of Workday's and Workday Strategic Sourcing's offerings. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "seek," "plan," "project," and similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to risks, uncertainties, and assumptions. If the risks materialise or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Risks include, but are not limited to, risks described in Workday's filings with the Securities and Exchange Commission ("SEC"), including Workday's Form 10-Q for the fiscal quarter ended October 31, 2020 and future reports that may be filed with the SEC from time to time, which could cause actual results to vary from expectations. Workday assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release.

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