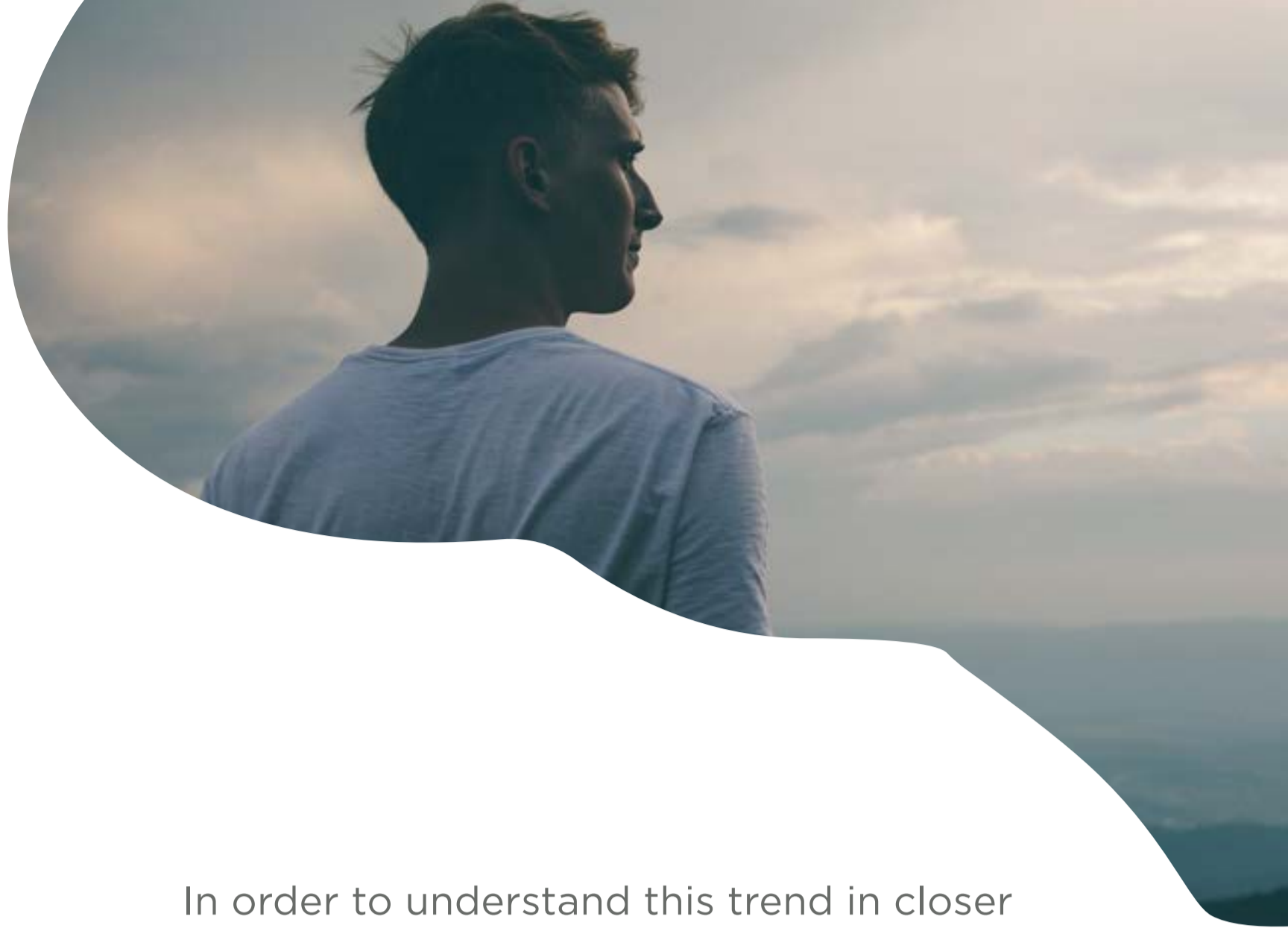
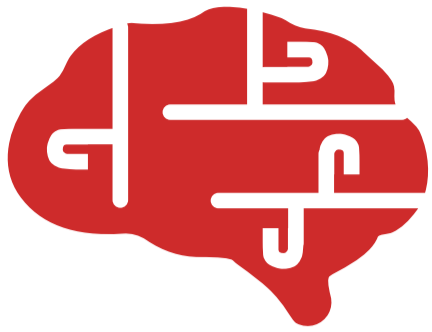


Think human

Ready for the next normal

Why enterprises need to think human to capture the value of intelligent transformation



Executive summary

One of the key advantages of being a Fortune 500 highly innovative company in the IT industry is the breadth of our perspective. Working with companies of a wide variety of sectors and profiles, we get a strong sense of how they and their peers are responding to common challenges.

The challenges they've faced in recent times are even more commonly shared than normal. In my decades-long business career I've never seen a situation like COVID-19, which has brought such a sudden shake up to the status quo. Despite its issues, it's also brought a concentrated focus to every business: protect your people.

People are at the centre of everything a business does, from the employees that show up to work each day (physically or virtually) to your customers, partners, vendors and service providers. This year has truly underlined that without people, our businesses don't function.

While the global situation has been testing for us all, it helps us to look at things we normally take for granted in a different light. The past decade has brought a great deal of technological change for businesses as digitisation of established processes and the introduction of new capabilities are elevated from IT concerns to wider business prerogatives. Yet, the risk exists that in the quest for intelligent transformation, people get left behind.

In order to understand this trend in closer detail, we conducted research among 1,000 IT decision makers across four key European markets (UK, Germany, France and the Netherlands). The study enabled us to gain insight into enterprise adoption of new technology and how it's impacting people within the workplace, in turn highlighting attitudes, challenges and opportunities for positive change.

We undertook the research with the premise that while enterprise IT decision makers deeply understand the value new technology can bring to their business, and have taken great efforts to make its introduction as seamless as possible, challenges still exist across the industry that have hindered these efforts from translating into frictionless experiences for users.

In this report we share what we've found, in order to help your business consider whether there are simple changes you can make to help your people embrace technology and, as a result, accelerate your intelligent transformation journey.

Giovanni Di Filippo

President EMEA

Lenovo Data Center Group



Introduction

Has intelligent transformation lived up to its promise? Over the past decade, enterprises have been preoccupied with ambitions to embrace the cloud, roll out the latest devices, raise their cybersecurity threshold and explore the possibilities of AI. Yet, from the perspective of the employee, little has changed. Maybe their desktop computer has become a laptop, they save files to a cloud server rather than a local destination or they're doing conference calls on their mobile or tablet. Progress, sure, but we're not living in the future yet.

The recent experience around COVID-19 has driven this home for many organisations. Even the most meticulous scenario planning came under stress from the entire organisation shifting en masse to remote working. The transition laid bare many areas for improvement: were staff able to access the data they needed from remote locations? Was virtual desktop infrastructure able to withstand the load of geographically-dispersed employees logging on at once? Were external-facing channels (such as payment gateways and customer support) able to scale to the unexpected demands?

Most organisations adapted, albeit with one or two hitches and delays. Some have thrived. Others have had to rethink how they're approaching transformation and supporting their employees to work better. For all, it's how their people have adapted to the new set of tools and processes that's the important part. No matter how much is spent on modernising enterprise technology, it's effect will be limited if employees can't use it, partners can't connect to it and customers don't understand it. Feelings of being overwhelmed persist, and for some organisations it will get worse as different paths to modernisation are tried and tested.

Technology will always be considered an inhibitor, as much as an enabler, if human impact isn't placed front and centre.



Section 1

The state of transformation

As part of our research, we wanted to pinpoint where the most significant challenges in transformation lay. Objectively speaking, change is good. Change is looking at a process or interaction and asking how can this be done better?

If this assumption were to hold true in all circumstances, then increased enterprise spend would in all cases directly correlate with greater productivity, lower costs, improved employee satisfaction and better customer outcomes.

But it doesn't. Not always.

There are a multitude of factors that can determine whether or not a transformation programme is successful. Maybe the organisation simply wasn't ready for change. Perhaps employees didn't see the pay-off in changing how they work or old habits die hard. It could be that the technology investment looked great on paper, but didn't really do the job in practice.

To avoid resting on assumptions, we asked IT decision makers about their experiences in implementing change. Here's what they told us.



Key findings

Almost half of IT teams recognise their employees are struggling with new technology

47% of IT managers report users struggle to adopt new software

52% noted that they experience a high volume of helpdesk queries when implementing new solutions

Employee usability is the second least cited factor in IT investment (29%), just above ease of deployment with 28%

29% only cited employee usability as top priority

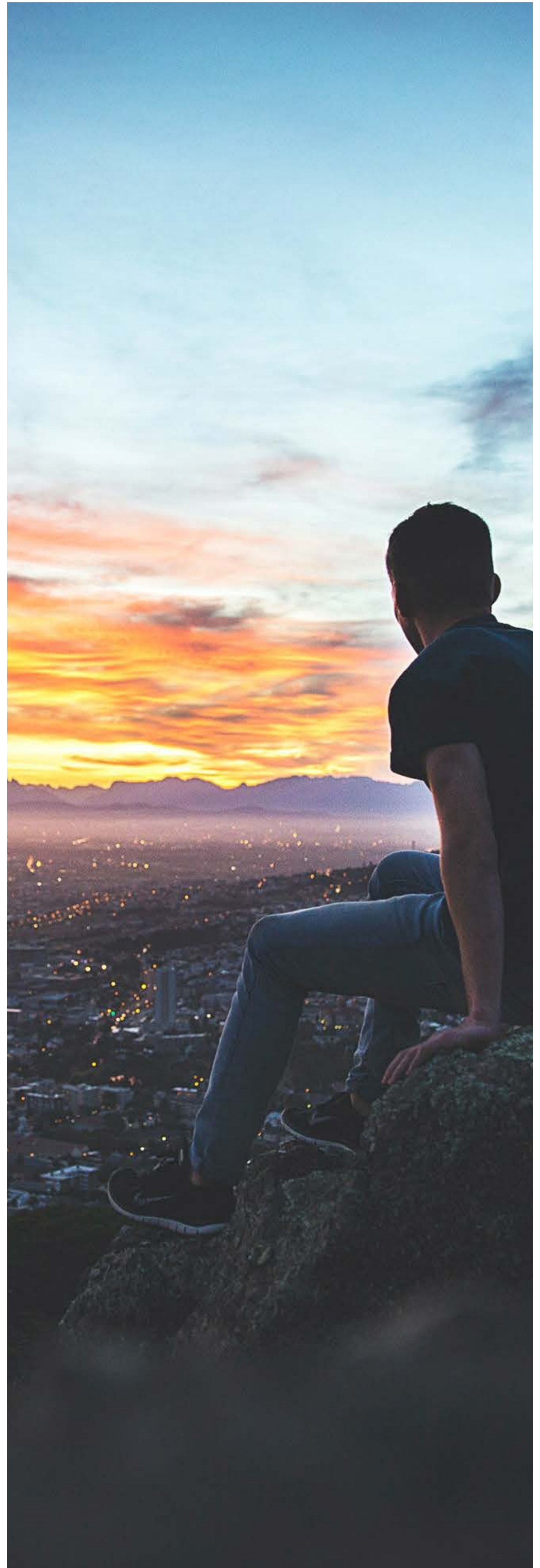
40% Cost is the number one consideration for IT investment decisions, with 40% of IT teams including it in their top factors

62% of IT managers report their investment decisions are entirely business-centric

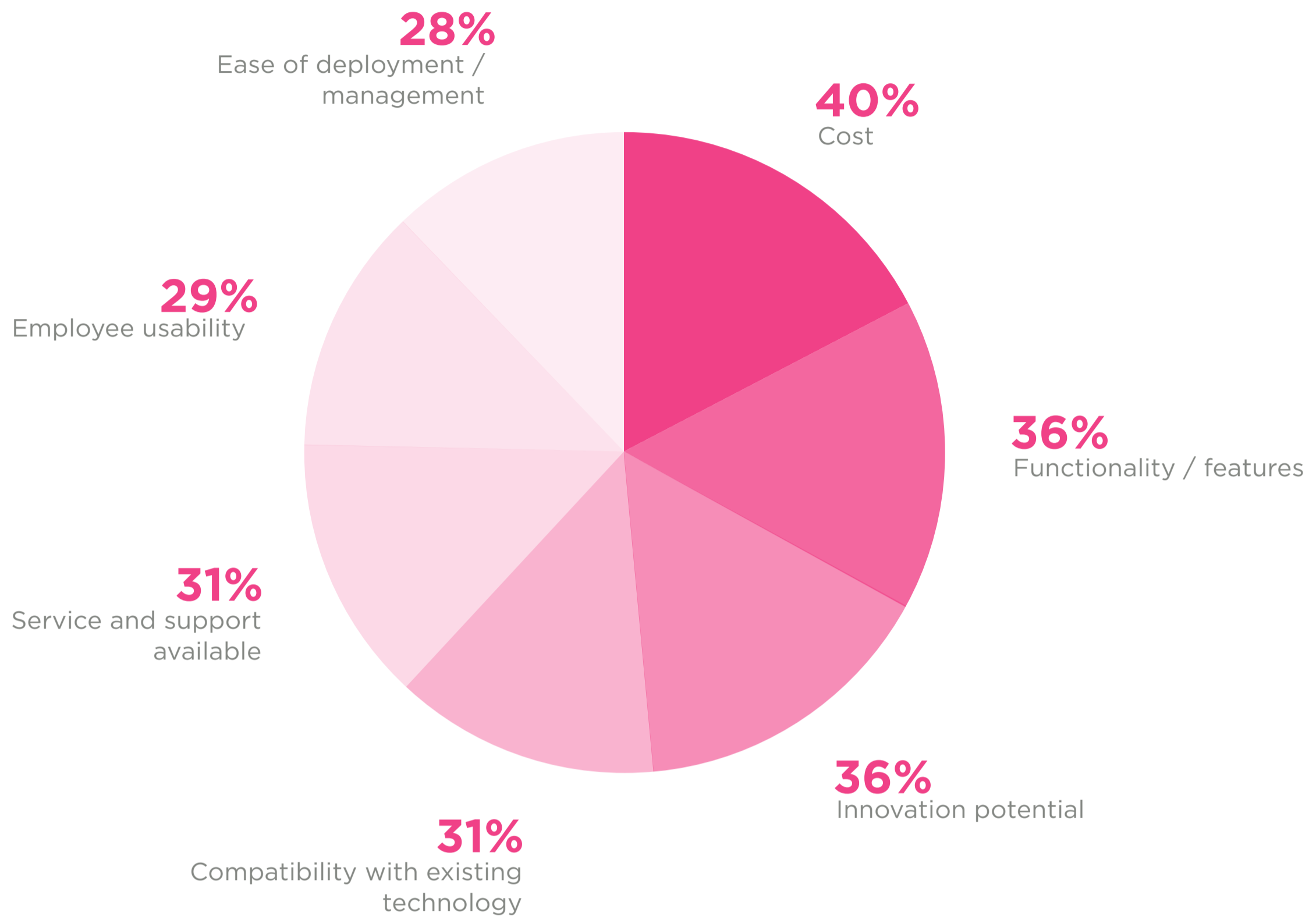
6% only of IT managers across EMEA stated their IT decision-making is user-centric

Legacy IT challenges (45%) and technology too complex for users to adopt (42%) are the most common factors in negative IT project impact across EMEA

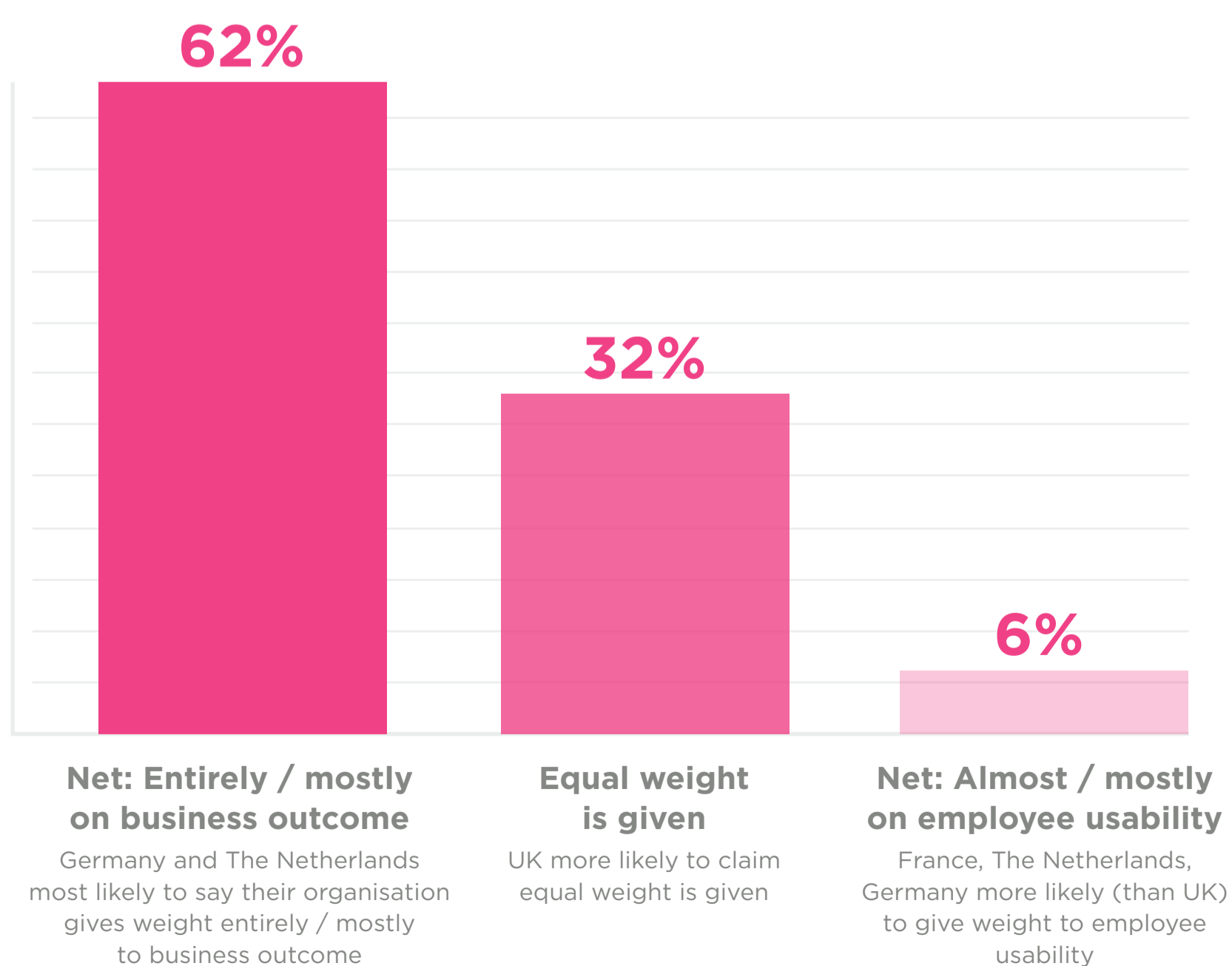
42% said their users found new technology too difficult to use




Employee usability is the second least cited factor in IT investment (29%), just above ease of deployment with 28%



62% of IT managers report their investment decisions are entirely business-centric. Only 6% of IT managers across EMEA stated their IT decision-making is user-centric.





More than 50% of new technology projects are positive in enabling the business, but 20% of IT managers have also experienced a reduction in capability

50% plus said technology deployed has helped increase productivity

20% have also seen technology inhibit users' ability to benefit from new tech

Responsible business has elevated from a 'nice to have' into an integral part of how enterprises attract and retain their people

70% of respondents said their organisation is putting strong emphasis on responsible business

78% consider ethical supply chain as important or very important when investing in new technologies, the number one consideration for responsible business within IT teams in EMEA

72% mentioned sustainability impact of the technology's manufacturing process as an important factor in investment decision-making

52% of IT managers are optimistic about emerging tech's ability to deliver improved productivity, although 26% express concern around users' ability to adopt it, and 25% expect it to add complexity to their infrastructure

25% of IT Managers expect emerging technology to add complexity to their existing infrastructure

Insights and inferences

Based on these findings, there are several insights we can draw:

Technology adoption isn't living up to its promise

IT managers are, as you might expect, optimistic about the potential impact of new technologies, yet reported that they regularly see employees struggling to adopt new technology due to the pace and complexity of intelligent transformation. As much as half of respondents had experienced instances where technology adoption actually got in the way of the team's ability to operate.

Corporate priorities don't always support smooth transformation

The research showed evidence that enterprises are still overly-focused on business outcomes, such as shareholder value and its impact on bottom line, as primary considerations for technology investment. This comes at the expense of softer, yet no less important, measures of success such as user satisfaction.

Employees want to see their employers walking the walk

The research highlighted a shift in emphasis regarding the topic of 'responsible' businesses. What may once have been seen as the costs of doing business are now subject to deeper scrutiny. Employees want to see their employer consciously applying sound sustainable and ethical practices across all their supply chain, from how they work with vendors and suppliers right through to how they serve their end customers.

Successful transformation depends on people buying into change

Humans ultimately make or break the success of digitisation and modernisation programmes. Taking the human interaction with technology for granted is a cost few businesses should be prepared to pay.





Section 2

**Three key takeaways
for enterprise IT
decision makers**

We've established that the process of change is often far more difficult in practice than it is on a presentation slide.

We've also established that these challenges are endemic across the industry. Aligning people, processes and technology is a never-ending challenge, and even if you get it right for a period, these three elements are subject to so many variables and fluctuations that there's a need for constant rebalancing.

In this section we argue that there are fundamental steps that you as an enterprise decision maker can take to put the odds of successfully implementing intelligent transformation firmly in your favour.

The answer, you'll be pleased to hear, isn't tearing up the planning work you've done to date; it isn't ripping out the tech you've invested in before; it isn't even trebling your IT spend. It's about people.

Here are three important takeaways you can pick up from the research and use to make deep-seated and incremental changes to how your organisation approaches intelligent transformation.



1. The cost of not ‘thinking human’ is slower productivity and innovation

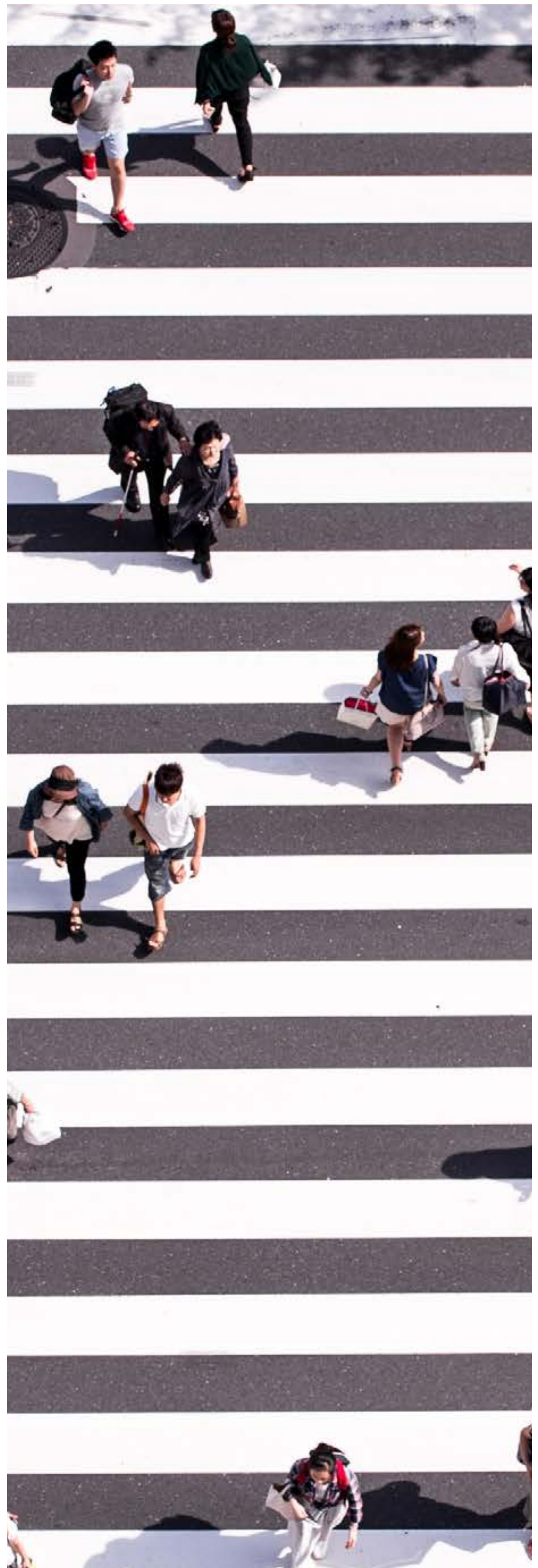
Technology should empower users to achieve greater things, yet is commonly having the effect of inhibiting progress. The speed at which technology changes can be breathtaking, even for IT professionals. Participants in the study reported that they regularly see employees feeling overwhelmed by the speed and complexity of technology change, and the volume of information.

As a result, many employees avoid new technology, or require a large investment of time from the IT team to get them up to speed. With the advent of emerging technologies such as artificial intelligence (AI), Internet of Things (IoT), augmented reality (AR) and more, there is a potential for this problem to grow at an exponential scale, before it gets better.

Greater attention therefore needs to be given to execution. How is the technology being deployed? How are we transitioning from proof of concept to full implementation? What support is being put in place? How is that support being automated and scaled? How are we measuring the impact and success of change?

These are all questions that need to be answered pre-, not post-implementation.

KEY TAKEAWAY: Elevate the focus placed on employee understanding, education and usability through careful planning and support. Give specific focus to what role your vendor can play in lessening the onboarding demands, and in the longer term how service desk demands can be filtered and automated through AR tutorials and conversational AI software.





2. Responsible business is no longer a nice to have

While the study showed that more businesses are seeing responsible business and corporate sustainability as an opportunity instead of a hindrance, shareholder value still very much dominates IT decision-making, resulting in strained IT teams and human potential that is often unfulfilled.

Some elements of responsible business are relatively simple to implement. Activities such as energy conservation, reducing waste and partnering to make a positive impact in the community have been on the agenda for most enterprises for some years now. Other elements, such as sustainable and ethical sourcing of raw materials for production, or efforts to improve diversity and representation at different levels of the organisation, require discrete strategies along with a sustained commitment to achieving ambitious targets.

Organisations must make the leap to become a responsible business, whilst also ensuring technology adoption is optimised. And, when done right, the benefits will be reaped; not only through employee satisfaction, but by enabling businesses to discover new levels of productivity.

KEY TAKEAWAY: Make sustainability and ethical practices integral to the criteria used to select technology and enhance supply chains.

3. Connecting the power of people

To address the enabler vs. inhibitor balance in their technology adoption, businesses should opt for Smarter Technology for All. This means taking an inclusive approach that helps realise the true enabling capacity of technology, supporting users to arrive at their intended outcomes faster and smarter.

Businesses should always have the user front of mind when making IT decisions. If technology is overly complex, it will have a negative impact on both the productivity of the technology, as well as those using it.

By reducing complexity and ensuring technology is adopted for users, rather than financial benefit, employees will be more productive. It will also lead to greater levels of productivity, innovation and deployment success when implementing future IT projects.

KEY TAKEAWAY: Businesses are experiencing unprecedented change at a fundamental level. Enterprise decision makers therefore need to think about the role they want their business to play in the next normal, both in terms of how they adapt internal operations and in how they interact across their ecosystem. The whole IT industry has a part to play in helping technology reach its true potential.





Section 3

Reweighting priorities



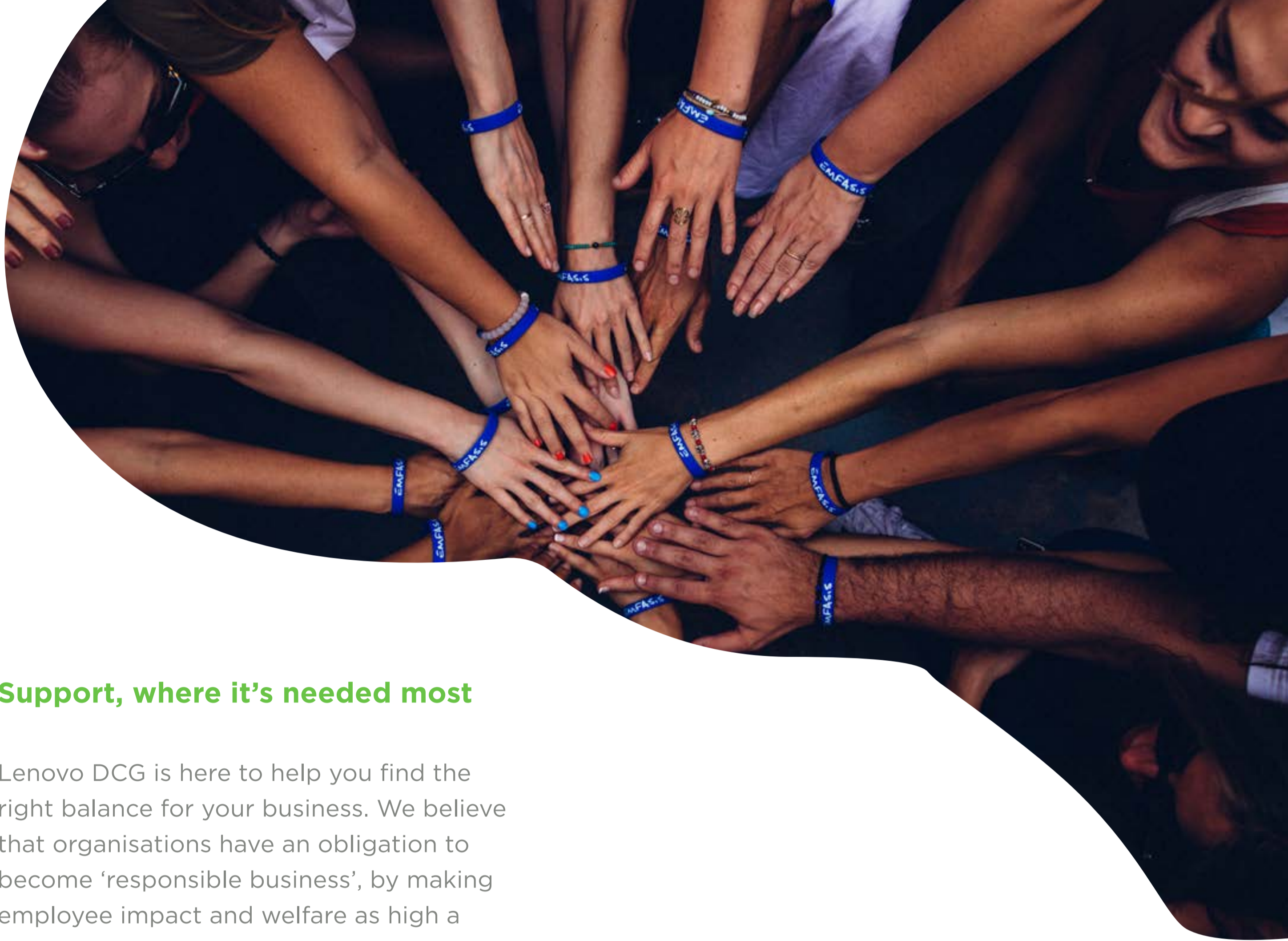
Any enterprise decision maker knows the challenges that come with committing to major decisions. Meeting performance targets, reducing costs and keeping a range of stakeholders onside all carry their own sets of pressures and expectations.

While these considerations clearly serve as priorities, the question remains where do people fit into all this?

Keeping people happy and engaged is difficult to quantify, and nearly impossible to set KPIs around. Yet, it is crucial to successful outcomes. Putting people at the centre of decision-making becomes a tail-wind that helps drive all other measures of success. To win in the marketplace, you must first win in the workplace.

The rebalancing begins by putting people first. Offering better employee training, giving more focus to how employees are using technology outside of the workplace and aligning with those experiences, and working with vendors that can offer easy-to-use and seamlessly compatible solutions are all steps that can lead to faster implementation, lower burden on the individual and better adoption.

And here's the win-win: IT decision makers agree that when the systems and technologies they're able to offer their users are simpler and less stress-inducing, the organisation's productivity increases. What delivers better outcomes for the employee, delivers better outcomes for the business, and always in that order.



Support, where it's needed most

Lenovo DCG is here to help you find the right balance for your business. We believe that organisations have an obligation to become 'responsible business', by making employee impact and welfare as high a priority as their financial goals. And we can help you achieve that.

Our portfolio of solutions is designed to:

Put usability first.

Focus on simplicity, support and automation, underpinned by top-rated performance and reliability. Our solutions are customised and personalised to the users' needs and preferences.

Work easily with other brands.

Reduce complexity through a breadth of partners, interoperability of solutions and an open mind-set. We help our customers avoid lock-in and compromise, and support IT leaders in better enabling their users to unlock business success.

Maximise choice.

Enable complete choice in IT infrastructure through improved selection of front office applications and end-user tools - maximising the IT team's ability to deploy and the user's ability to adopt.



Time to think human

It's time for organisations to 'think human' by placing people at the centre of technology decisions for digital transformation and embracing smarter technology for all. By thinking human in the technology we offer our customers, we empower intelligent transformation that focuses on usability and reduced complexity so that our customers can reach their goals, as well as those of their customers.

Through this approach, we can help you to deploy technology that helps reduce the burden on your most valuable asset: your people.

Technology alone can be both an enabler and an inhibitor. Which side it falls on depends on its execution. This can be solved by smarter technology, which supports IT leaders in enabling their users to unlock business success and lay the path to greater innovation.

We are seen as a trusted adviser to our customers - we go the extra mile to truly listen and understand our customers, to meet their criteria and their metrics, and this in turn helps them to become market leaders in their industry.

Business and people are not conflicting priorities; they are complementary. By thinking human, businesses can therefore achieve their business goals and prioritise responsible business to get ahead in the next normal.

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