

Digital transformation readiness not top of mind in SA

Multinational software company Citrix has announced new research which reveals that digital transformation readiness does not top the priority list of the South African business decision maker.



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The study, which was commissioned by Citrix and conducted by BMI-TechKnowledge (BMI-T), examined the impact of ICT on South African businesses. It involved a total of 329 interviews with both business leaders and technical respondents from 254 companies.

Keeping the lights on

The report suggests a sense of complacency among the South African business community regarding investment in progressive technologies. 53% of all respondents are opting to invest in technologies simply for the benefit of 'keeping the lights on' rather than for competitive-edge innovation. Companies are arguably at risk of becoming irrelevant on a global stage, as other countries surge ahead with digital transformation projects to create innovative and technology-driven businesses.

Digital is vital to future success

The disconnect between technical workers and business respondents is also clear. Technical respondents better understood the vital importance of digital transformation to improve performance and, ultimately, transform a company.

As many as 83% of the technical respondents identified a direct link between digital transformation and the achievement of strategic business objectives. However, only 31% of business respondents specified that their organisation had been driving digital transformation at the highest level. Business leaders are therefore failing to acknowledge the need to proactively invest in the future today.

In line with this finding, 56% of all respondents identified skills shortages as the top challenge to achieving technological innovation. Access to people with the right skill-sets to manage the new age of data-driven systems is important, yet tough, in the current market.

Despite this recognition, 75% of respondents did not see the need for a chief digital officer and only around 5% of respondents regarded technology as a threat to their current job role. The general consensus was that human input would always be a necessity; and nearly 35% of business respondents ultimately didn't see technology having any impact on their role at all.

Arriving at the holy trinity

On the flip side, all respondents understood that the right investment could result in improvements to growth, innovation and productivity. Respondents felt that should a business invest in the right technologies to enable digitisation, there would be a 53% improvement in productivity, a 68% improvement in business growth and a 69% improvement in innovation. Technologies such as virtualisation and cloud computing were viewed as most likely to transform businesses in the foreseeable future.

Brendan Mc Aravey, country manager, Citrix South Africa says: "Given how the convergence of cloud, mobile, big data analytics and IoT has changed and improved the way global counterparts work and live, South African businesses now have a choice. They can either invest in technology for the purpose of innovation rather than just operational efficiency, or they can opt to ignore the fact that digitisation is inevitable and continue on a path to global irrelevancy.

"The latter ultimately places companies at risk of technological devolution against more innovative competitors on a global scale. Investment in foundational technologies now may shift South Africa towards a more positive and productive future."

Research methodology: Citrix commissioned BMI-T to conduct a survey which consisted of 329 interviews in 254 companies with an eventual 40/60 split between business and ICT technical respondents. The surveys were conducted during the month of September 2016. Industry sectors selected were Finance, Manufacturing, Government, Health, Education, Media and Communications.

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