

81% of Executives Surveyed Cite Digital Adoption as a Differentiator, But Only 20% Rate Their Transformation Strategies as Effective

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Harvard Business Review Analytic Services research, sponsored by WalkMe, reveals close link between successful digital transformation and accelerated digital adoption

SAN FRANCISCO, March 30, 2021 /PRNewswire/ -- <u>WalkMe</u>, the digital adoption leader and one of the fastest-growing software companies globally, today announced the release of its inaugural report, 'The State of Digital Adoption,' launched by Harvard Business Review Analytic Services.

The report reveals that employees are overwhelmed by the multiple systems that they are expected to master and the number of digital tools that are added to the stack every year. The rate of new digital transformation initiatives is outpacing the digital aptitude of the organization and, as a result, executives are struggling to gain the competitive differentiation they need in an increasingly digital world.



The study surveyed more than 500 corporate executives and provides insights into the objectives of their digital transformation initiatives, the use of digital touchpoints in their operations, and the management and governance of <u>digital adoption</u>. The research shows that executives (81% of the respondents) are pushing hard on <u>digital transformation</u> to achieve outcomes that will differentiate their organizations in the market. However, challenges in the implementation of digital strategies leave those same executives scoring effectiveness at only 20%.

Digging deeper into why implementations are struggling, the research reveals that digital adoption suffers when multiple applications are needed to

perform <u>cross-functional business processes</u>. 82% of respondents say that their typical employee interacts with four or more digital touchpoints every day, while the typical employee at 56% of companies surveyed is expected to master at least three new digital touchpoints every year.

"There is much to learn from the 20% of executives who rate their transformation strategies as effective," said Alex Clemente, Managing Director of Harvard Business Review Analytic Services. "They leverage the visibility provided to them by digital adoption platforms to pinpoint problem areas and to show users how to get the most value out of their tech stack."

The report reveals a close link between successful digital transformation and accelerated digital adoption. 81% of respondents say it is 'important' or 'very important' to give senior leaders visibility into digital adoption initiatives so that they can prioritize development efforts. However, the study found that there are no universal benchmarks for measuring transformation success even though 70% of organizations have a digital transformation strategy. They tend to use a mix of qualitative and quantitative metrics to gauge the effectiveness of their technologies, many of which are lagging indicators. Even more striking, 13% of survey respondents either don't know, or don't measure at all, the effectiveness of their digital strategy.

"Digital Adoption Platforms (DAPs) provide executives with the insights they need to identify and resolve digital friction," said Rafael Sweary, President and Co-Founder of WalkMe. "The study confirms that the world's most digitally transformed companies rely on DAPs to reduce time-to-aptitude, increase competitive agility and improve many other ROI measurements that have been out of their reach until now."

For a market-leading SaaS business whose cloud computing platform helps companies manage digital workflows, the emergence and growth of DAPs in recent years has been a welcome development. They state in the report, "You can build the greatest system in the world, but getting someone to use it is a whole other battle. Winning that battle becomes a lot easier with a DAP because it gets people to understand the system in the quickest amount of time possible while still being engaged in the system itself."

Summary excerpt from 'The State of Digital Adoption 2021': "Because DAPs make software adapt to the user, and not the other way around, DAPs have potential to become essential components of virtually any transformation. By providing a single, all-purpose interface for user needs and inquiries, the DAP can serve as the flywheel that drives the exponential expansion of a transformation and ensures that organizations are not only solving for today but are prepared for tomorrow's challenges."

To accelerate <u>digital adoption benefits</u>, 73% of executives surveyed are empowering in-house centers of excellence or fusion teams. As a result, "<u>digital adoption manager</u>" is emerging as a new job category and could increase in demand as organizations seek to generate faster and higher returns on their technology investments.

This report is the result of an annual study conducted by Harvard Business Review Analytic Services and sponsored by WalkMe to track year-over-year digital adoption trends. To download the full report, "The State of Digital Adoption," please visit this link.

Learn More:

- Read the 'State of Digital Adoption 2021' blog
- Read more analyst coverage of digital adoption
- Learn more about WalkMe

Methodology

Harvard Business Review Analytic Services surveyed 507 corporate executives, drawn from the HBR audience of readers (magazine/newsletter readers, customers, HBR.org users).

About WalkMe

<u>WalkMe</u> is a code-free <u>digital adoption platform</u> that enables organizations to measure, drive, and act to ultimately maximize the impact of their digital transformation and accelerate the return on their software <u>investment</u>. The all-encompassing platform leverages proprietary technology to provide visibility to the CIO and executive management, while improving <u>user experience</u>, productivity and <u>efficiency for employees</u> and customers. Alongside <u>walkthroughs</u> and 3rd party integration capabilities, WalkMe's platform offers endless opportunities to customize WalkMe for every organization's needs. WalkMe is a trademark of WalkMe Ltd. Other names mentioned are owned by their respective holders. For more information, please visit our website at <u>www.walkme.com</u>.

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