Fit for Digital

Co-creation in the Age of Disruption

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Content

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Duncan Tait
CEO, SEVP and Head of Americas and EMEIA, Fujitsu

From creating richer, more rewarding customer relationships to honing razor sharp processes and operations, digital technology is giving organizations the power to reimagine what they can do and what they can be.

Introduction

Disruption is all around us. From the vast social and economic changes taking place in Europe to the global sustainability challenges presented by a growing population, disruption has become a defining theme of the 21st Century.

For businesses today, it is disruption of the digital kind that is creating the greatest upheaval. Across every industry, boundaries are being torn down as hyperconnected technology redefines the limits of what is possible.

From creating richer, more rewarding customer relationships to honing razor sharp processes and operations, digital technology is giving organizations the power to reimagine what they can do and what they can be.

For some, the concept of digital disruption is cause for concern: one more thing to worry about. The reality is that digital disruption is not a negative force, merely an unstoppable one. For those with the ambition, energy and imagination to capitalize on it, digital disruption is a path to a golden age of innovation and prosperity.

In late 2015, Fujitsu sought the views of 600 IT decision makers in order to gain their view on the opportunities and threats presented by digitalization. One year on from that study, we have widened our net to gain insight from almost 1,200 C-Suite decision makers across the world to gauge their readiness for an era of unprecedented digital disruption.

We learned much, not least that digital disruption is here for the duration. And while confidence amongst business leaders is high, they acknowledge that in order to thrive in a digitally disrupted world, they need to collaborate with partners who can help them embrace its full potential.

When I look at some of the work Fujitsu is doing with customers around the world, I see that collaborative spirit at its very best. From Heathrow Airport in the UK, where we are working together to revolutionize the passenger journey, to helping rail operator Comboios De Portugal build a ticketing network that is fit for the future, we are enabling customers of all kinds to capitalize on a better connected, faster world.

As the world around us continues to change, Fujitsu is proud to be helping our customers across the globe not just to survive, but to evolve, create and thrive.

Duncan Tait
CEO, SEVP and Head of Americas and EMEIA, Fujitsu

Disruption is the new normal, and it is fundamentally redefining the way that organizations operate.

Executive Summary

What does it take for an organization to thrive in the era of digital disruption? To find out, we explored the views of 1,180 C-Suite decision makers from around the world. Here's what they told us.

Digital disruption is here to stay
Disruption is the new normal, and it is fundamentally redefining the way that organizations operate. Revenue streams, processes, customer relationships: all have been transformed by digital disruption. And while business leaders are enthusiastic about the opportunities that digital is creating, many have concerns for the future - a future in which they see continued upheaval.

Technology is at the heart of the battle
The boardroom is driving the digital agenda, and that agenda is a technological one. Not only is new technology seen as the best way to thrive in a digitally disrupted world, aging infrastructure is held up as the biggest hindrance to an organization. As vital as technology is however, organizations are not afraid to make big changes elsewhere - from leadership to skills.

Evolution is key
Customers are demanding digital, and business leaders are only too aware of the consequences for failing to meet that demand. As the pace of change continues to grow, so too does competition, and many organizations say that the only way to thrive in this hyper-speed environment is to evolve. But even the scale of evolution is changing, as entire industries and the organizations within them are transformed in the digital era.

Organizations need strategic support to succeed
Despite the challenges posed by digital disruption, business leaders are highly confident that their organization can survive. Few, however, believe that they can do it alone. Digital disruption is fuelling a desire to work with expert technology partners, not just to provide guidance, but to collaboratively create digital strategies. Successful partnerships are seen as key to an organization's long-term future.

52%
say their business will not exist in their current form in 5 years' time

Digital Disruption: the new normal

The world has changed, and there is no going back. For the majority of organizations around the world, digital disruption is no longer an impending concern but the new normal.

Every industry, and almost every business, has been affected. Nine out of ten C-Suite decision makers say that digital has disrupted their sector, with 98% saying the same of their own business or organization. Although it might not be clear why this small minority believe that digital has passed them by, one thing is clear: the number of organizations left unaffected is rapidly shrinking.

If going through digital disruption serves to bring many organizations under a single umbrella, however, the form that this disruption takes and their attitude towards it separates them back out.

For some, this simply comes down to sentiment. While around two-thirds (67%) of respondents say that they are "excited or enthusiastic" about digital disruption, for instance, one fifth (20%) note that they are "concerned or worried" about its impact.

Responses diversify further when exploring the associations that digital disruption has amongst our C-Level audience. When asked to specify what digital disruption means to them, more than a third (37%) answered that it was about the transformation of business models and revenue streams. Around a quarter (27%) said the same of business operations and processes, with a slightly smaller number (23%) looking to the transformation of customer relationships and service.

As could be expected, digital disruption means different things to different people, likely shaped by the specific circumstances of their own organization and sector. At the same time, with significant support for its impact on everything from customer loyalty to process improvement, digital is now one of the defining factors in transforming the way in which businesses operate.

Disruption is not done

Digital may already have had a significant impact on the way that organizations operate, but - to the chagrin of some respondents - the disruption is not over.

Questioned on whether they expected to see future disruption within their sector and to what extent if so, more than half (54%) said they believe that "significant" change lies ahead, trailed by those who project "some" degree of disruption (39%). Only three percent feel that their sector will be unaffected.
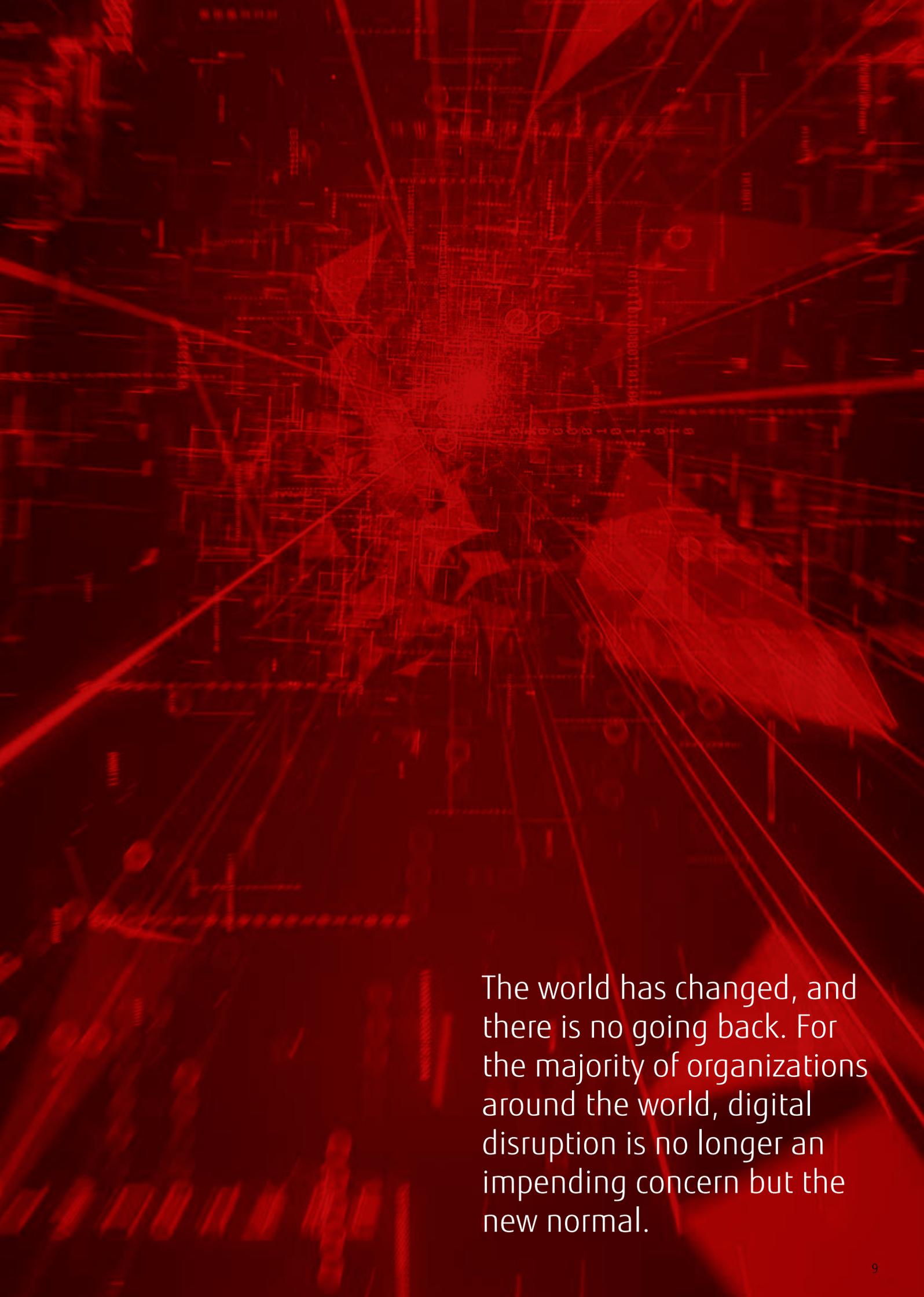
The implications of this continuing upheaval are keenly felt. A large majority (81%) of respondents recognize digital disruption as a "positive force for business", with three quarters (74%) stressing that change resulting from digital has been beneficial to their own organization.

While experiences of digital disruption to date have been broadly positive however, worries do creep through. Almost half (43%) of respondents say that the level of digital disruption in their sector concerns them, with one third (34%) going so far as to say that they wish that their industry was immune to its impact.

Overall, business leaders demonstrate a realistic, balanced attitude towards digital disruption. They have an appreciation for the opportunities it has created and continues to present but, at the same time, express concern about its potential consequences.

Digital disruption may be the new normal, but that doesn't mean organizations can afford to stay still.

98%
of executives say digital has disrupted their organization

The world has changed, and there is no going back. For the majority of organizations around the world, digital disruption is no longer an impending concern but the new normal.

92% of business leaders say that their organization has already taken steps to try and ensure that it can thrive in this disruptive environment.

Taking Action: thriving in a digital world

Surviving in a digitally disrupted world is one thing - but what does it take for an organization not just to endure, but to thrive?

The opportunities to do so, according to our respondents, are plentiful. Almost three quarters (72%) say that the digital disruption occurring in their sector is creating exciting opportunities for their organization. Digital may cause concern for some, but few reject the idea that it also creates compelling chances to get ahead.

Spotting an opportunity and capitalizing on it are, of course, two different things. It seems to be with that thought in mind that some 92% of business leaders say that their organization has already taken steps to try and ensure that it can thrive in this disruptive environment.

Vitally, the response to digital disruption is increasingly unlikely to be driven by silos within an organization. When Fujitsu surveyed a similar audience in 2015[1] , around a quarter of respondents said that just the IT department was driving their digital agenda. Today, nearly half of business leaders say that responsibility for that task falls with their combined leadership team.

Digital disruption is now, without doubt, a board-level issue.
Looking in more detail at how organizations are responding to this challenge reveals that they are exploring a diverse range of strategies in pursuit of digital success.

Chief amongst these, and entirely logically, is investment into new technology, selected by almost two thirds of respondents (61%). While technology proved to be the most popular response though, other answers reveal more about the lengths that many organizations are going to in order to prepare for a digitally disruptive future.

More than half of respondents (55%) say that their organization has changed its strategy in order to exploit the digital opportunity, for instance. And while more have invested in talent and skills and refined their processes, almost a quarter of organizations (22%) have embraced a change of leadership to better ready themselves.

Digital disruption is not only driving a tactical response from business such as the purchasing of new technology or the acquisition of new talent; it is fundamentally shaping the way in which some organizations are choosing to structure themselves going forward.
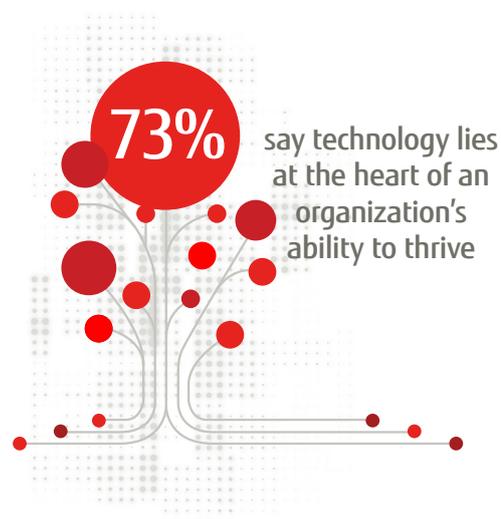
Technology at the core
While investing in technology might not be as seismic a reaction as the decision to change leadership or business strategy, its importance to the overall response should not be underestimated.

Although investment in technology is the primary choice for organizations seeking to capitalize on digital disruption, this only tells part of the story. Technology is important on the other side of the equation too, with close to half (40%) of business leaders saying that aging technology and infrastructure is the biggest factor hindering their ability to respond to digital disruption.

The significance of this response is heightened further when contrasted with other issues that respondents cite as standing in their way. While a third (33%) stress that a fear of change or their organization's internal culture is problematic, less than a quarter say the same about a shortfall of skills and talent (22%) or a lack of understanding amongst leadership (18%).

Culture, talent and leadership: all inextricably linked to the DNA of a modern organization, but all outweighed by technology as the governing factor in dictating whether that organization will thrive in an era of digital disruption.

Little wonder that almost three quarters (73%) of business leaders say that technology lies at the heart of their organization's ability to thrive.

73% say technology lies at the heart of an organization's ability to thrive

Digital Disruption: the global view

Digital disruption may be affecting organizations across the world, but that doesn't mean that its impacts are identical from country to country. While the issues that define disruption are universal - rapid change, greater innovation and fiercer competition, to name but a few - the degree to which they translate into business impact can vary between nations.

What follows is a summary of the most pertinent trends by country.

Australia

Just as elsewhere, digital disruption is having a tremendous impact on Australian business. Less than five percent of Antipodean respondents say that they've yet to see the impact of digital disruption on their organization, and more than the global average (95% Australia / 92% global) admit that their business needs to evolve in order to thrive. Where Australian business leaders differ however, is in the level of confidence and optimism they demonstrate towards the digital opportunity.

Just 12% of Australians surveyed said that they felt their own organization is leading digital disruption, the second lowest global response, while almost a fifth (18%) say that they are worried by the trend. Only 70% see digital disruption as a positive impact on their business, against a global average of 81%.

In spite of this slightly more downbeat viewpoint however, business leaders from Australia still recognize the benefits of technology and co-creation: 61% say that tech is at the heart of their organization's ability to thrive, and 63% embrace the concept of collaborating with technology experts to keep their business competitive.

Finland

Finnish business leaders shared some of the strongest viewpoints in the global survey. Every single respondent confirmed that their business has been affected by digital disruption, and they all agree that their organization needs to evolve in order to thrive, as well. It should come as little surprise, then, that well over three quarters of Finnish respondents expect their business to look very different by 2021 (86% Finland / 52% global).

In seeking leadership around this change, Finns tend to look more to a single role rather than the boardroom as a whole. While global respondents identified digital disruption as something that requires the attention of the entire C-Suite, less than a fifth (17%) of business leaders in Finland share that view. Instead, they feel that the onus lies with the CEO (41%).

The explanation for this more centralized approach may lie in the subsequent finding that around half (52%) of Finnish respondents feel that their digital direction is being shaped by shareholders, rather than customers (31%). No matter who is responsible for driving or leading the digital agenda in Finland though, business leaders show huge positivity towards the opportunities it presents - 97% are excited by the potential of a digitally disrupted world.

France

In France, it seems, the more things change, the more they stay the same. While we see widespread acknowledgement of digital disruption's many impacts, French respondents are more resistant to change than their global peers.

In many key areas, French business leaders either match or track slightly ahead of global averages. Almost all say that digital disruption has impacted their business (99% / 98% global), for instance, and they are similarly receptive to the idea that their business needs to evolve (92% both). At the same time, Gallic respondents are less convinced that their organization (45% / 52% global) or sector (62% / 75%) will fundamentally change within five years. Consequently, less than average see the need to innovate faster (59% / 71%).

This hesitancy to change at speed may be rooted in underlying fears about the consequences of doing so. Almost a third (31%) are worried about the impact of digital disruption on their organization, the highest response in the survey, and less than half (45%) feel that France is a leading light in digital disruption globally.

Germany

While German organizations exude confidence and positivity around digital disruption, they do so with the belief that the world is more likely to change around them than they are around it.

From a high level view, Germany generated some of the most enthusiastic responses to the opportunities of digital disruption seen in the worldwide survey. Executives here are more likely than their international counterparts to be excited by the opportunities presented by digital (82% / 72% global) - and while 96% recognize the need for their business to evolve in order to thrive, as many as half (49%) are "entirely" confident in its ability to do so.

This confidence goes a long way to justifying why it is that just 38% of German respondents are concerned about the future of their organization, and why only 35% say that their organization will no longer exist in its current form by 2021 (against a global average of 52%). With 79% viewing Germany as a digital leader, all signs point to a nation that feels largely in control of its digital destiny.

Italy

Change is coming and, for Italian organizations, that change looks set to be both fast and sweeping. More than three quarters (80%) of Italian business leaders say that their organization is unlikely to exist in the same form within five years, far higher than the global average (52%).

For many organizations here, this change will see the transformation of business operations and processes (39%), rather than business models and revenue streams as per the global survey. The C-Suite is still expected to lead that metamorphosis, but it is also expected to do it more rapidly than in other countries - 80% of Italian execs feel that their organization needs to innovate faster in order to stay relevant (72% global).

Innovation as a whole seems to be crucial to the Italian audience. More than half (53%) say that investing in innovation is essential to being able to thrive in a digital world - second only to Swedish respondents - and more than average (82% / 73% global) say that technology is critical to business success.

Spain

In pure attitudinal terms, Spanish business leaders seem weighed down by some of the global survey's most pessimistic views around digital disruption. Just 37% of Spanish respondents said that they are presented by exciting opportunities as a result of digital disruption, much lower than the global average (72%), and the lowest response in the survey overall.

Correspondingly, 15% say that they are skeptical or unconvinced by the potential of digital disruption - more than double that of any other region - and almost a quarter (22%) see it as a negative force on business. This skepticism translates into hesitance. Only one third (33%) of Spanish execs say that they want their business to move faster in response to digital, less than half of the global average (67%).

Worryingly, this reluctance to pivot around the digital opportunity exists in spite of widespread awareness that change is a necessity. 40% of business leaders in Spain say their organization will look dramatically different by the early part of the next decade and 70% that their business must evolve to keep up.

Sweden

For a country with its own share of disruptive giants such as Spotify, King and Mojang, it would be entirely reasonable to expect a fairly progressive viewpoint from Swedish respondents towards digital. With 100% of Sweden's respondents acknowledging digital disruption has already impacted their business, and the same percentage conscious of the need to evolve in the face of continuing upheaval, that's certainly true.

But it is the potential direction of that change that presents some of the most interesting responses, however. It is more likely to be driven by either the CIO (38%) or CFO (35%) than the board, for instance, and it is far less likely to be customer-centric. Just three percent say that their digital strategy is customer-driven, compared to almost two thirds (62%) who say that it is in response to competitor activity.

Regardless of what fuels their digital agenda, Swedish decision makers are confident for the future. More than three quarters (77%) are enthusiastic about the opportunities presented by digital, and 97% feel digital disruption has a positive impact on business - two of the highest responses across the globe. A very high number of businesses (97%) have already taken action to ensure their ability to thrive, which may go a long way to explaining why almost every respondent here sees Sweden as a digital leader on the global stage (also 97%).

United Kingdom

In many ways, the UK tracks most closely with overall survey responses around digital disruption: views from business leaders in Britain are largely identical to those of their combined global peers. Nonetheless, a few key differences reveal some fundamental differences as to the nature of digital disruption.

Chief amongst these is what digital disruption represented to a UK audience. While for most business leaders across the globe it represents the chance to transform business models and revenue streams, UK respondents associate digital disruption with the remodeling of processes and operations (25% / 27% global).

Supporting this focus on internal operations is the subsequent finding that most UK business leaders place responsibility for driving digital change with the CIO. More than a third (36%) stated that to be the case, although support for C-Suite leadership remains high (33%).

Overall, leadership is one of the defining factors for UK organizations. While the global survey revealed that investment in innovation was the most important capability for future success (46%), for UK respondents the priority is instead "digitally-driven, forward thinking leadership" (also 46%).

United States

Innovation is still key, but for US respondents it is the emergence of stronger competition that defines the impact of digital disruption: well over half (59%) said that digital has created a more competitive environment for them.

As with the UK, it is the CIO who is charged with responding to this growing challenge, with more than a third (34%) assigning digital transformation responsibilities to the role. While that alignment might not be uncommon in many businesses, American CIOs seem to be under greater pressure to deliver than their global peers - 84% of US respondents say that their business needs to move faster in order to stay relevant (67% global average).

Away from the actual mechanics of digital delivery, confidence in the US is soaring. 95% of those surveyed see their nation as a digital leader, and 100% of American respondents are positive about their organization's ability to thrive in a digitally disrupted world.

And yet, US execs are more likely than most to feel that they cannot make it alone. 58% feel that the right technology partner is needed to help them make the most of the digital opportunity, and 49% are looking for a partner to help them co-create their digital strategy. As a nation, only Germany places more emphasis on this collaborative approach.

The disruption opportunity: an expert opinion

As head of Innovation and Strategy at Spanish financial group Bankia, Ignacio Cea is at the heart of one of the fastest moving and most digitally disruptive industries on the planet. Here, he shares his view on the results of the global survey.

"For me, these results closely represent what we see on a daily basis. At Bankia, digital transformation is definitely a board and management team level concern. It is being driven by three people: our President, our CEO and our COO. As the head of Innovation and Strategy I meet the President very often to discuss digital transformation, how it affects us, and how we can use all of the technology at our disposal to improve our customer service and make our processes more efficient.

"All of our digital initiatives are led by a desire to better serve our customers. Even if we are transforming our internal processes, those changes are driven by the results of focus groups that explore how we can improve our offering to our customers. Our online presence has been designed entirely around our customers, and specifically around different customer groups to ensure that we are giving them all the best service that we can.

"When you look at some of the concerns that people seem to have around digital moving too fast, or their industry or business changing, it's easy to see that as a negative. But really, I think it just means that they are conscious of that change, and that's a good thing. It would be worse if they suggested that they didn't see that change coming, or that it wasn't going to happen, because it very clearly is.

"I think that the idea of co-creation is one that is really important to innovation. In my opinion, if you're trying to create something genuinely new, something groundbreaking, it isn't possible to do that on your own. Looking for new approaches, new points of view, new partners - that's how you help your business improve.

"Some of the new products and services that we are testing with the market aren't ideas that you'd expect to come from a bank. That's because they're based on the insight and experiences of partners from outside of the finance industry, and that adds huge value for us."

> "All of our digital initiatives are led by a desire to better serve our customers."
>
> Ignacio Cea
> Chief Strategy and Innovation Officer, Bankia

The Global View in summary

US:
- Believe they are in a leader in digital disruption
- Must continually adapt in this competitive landscape
- Are investing in digital

Australia:
- Believe digital is transforming their sectors
- Is growing in confidence when making digital decisions
- Are less confident in country position in digital

France:
- Believe they can thrive but need to evolve
- Expect digital to bring market growth
- Are updating legacy systems

Spain:
- Think digital has had mixed impact on businesses
- Believe digital a strategic issue linked to future success
- Are unsure whether they are prepared

Italy:
- Need agile change and more innovation to thrive
- Believe most of their businesses will be fundamentally different in 5 years
- Feel lack of investment and aging technology restricting success

UK:
- Are confident they can thrive but only with dramatic change
- Think digital has huge potential to benefit business
- Believe in digital and are investing

Finland:
- Believe they can thrive but there will be dramatic change
- Think digital impact is affected by external factors
- The country believing most in the power of digital

Germany:
- Feel digital already made huge positive impact
- Believe digital disruption is driving change
- Think sheer scale of evolution is creating concerning challenges

Sweden:
- Confident they can thrive but only with agility and innovation
- Confident they will cope
- Believes it has taken appropriate measures

7 out of 9 countries state co-creation is the key to digital success

Business Evolved: survival of the fittest

Technology may be recognized as the great enabler for any organization seeking to thrive in a digital world, but it is not the catalyst for disruption. Better technology might give businesses the tools they need to respond, but for many business leaders, the disruption that they are facing is the result of customer demand.

For almost half (45%) of respondents, customers are seen as the most influential force outside of their organization driving their response to digital disruption. This compares to around a third (31%) who say the same of competitors, while less than a fifth specify partners and third parties (18%) or shareholders and citizens (5%).

This represents a marked change from our 2015 study. Although respondents to that survey were also presented with the choice to select from internal drivers (such as the IT department or employees), just one fifth (20%) of those questioned said that the end customer had the greatest influence on shaping their digital agenda.

The sense that customers - and in some cases, the competition - are driving digital disruption seems to weigh heavily on the minds of some business leaders. Undoubtedly cognizant of the consequences of failing to meet the benchmarks set by these groups, many respondents express worries for the future.

For more than half of respondents, digital disruption is something that gives them cause for concern about the future of their business (53%) and a challenge that they recognize as the biggest that their organization faces today (58%).

Business leaders may be enthusiastic about digital disruption, and they may be excited by the opportunities it offers, but they are acutely aware of the perils of falling behind.

A new speed of innovation

Much of the concern seems to originate with the idea that the pace and scale of change are almost impossible to keep up with. Within their sector, business leaders say not only that digital disruption has helped to drive more innovation (56%), but that it has increased competition (46%) and created a faster pace of change (42%) as well.

The combined impact of this upheaval is such that almost three quarters (71%) of those surveyed say digital disruption means organizations need to innovate faster in order to remain relevant, a sentiment with which less than five percent disagreed.

Many organizations may be struggling to do this successfully, however. More than two thirds (67%) of business leaders wish that their own company could move faster in response to digital disruption. While it might not be clear whether this is indicative of the sheer speed with which things are moving or their own organization's inability to react as swiftly as desired, the net result remains the same: digital disruption is creating a new speed of innovation.
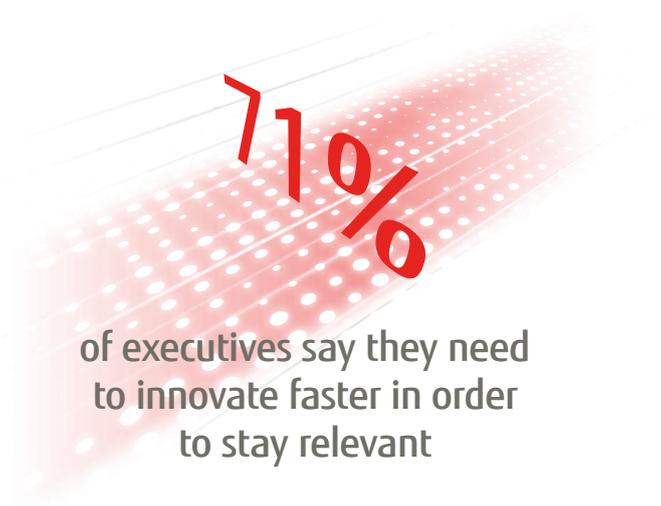
One of the factors fuelling this high-octane environment is the changing nature of the competitive ecosystem. While respondents say that their digital agenda is driven primarily by their customers, they also acknowledge that their competitive base itself is shifting as a result of digital disruption.
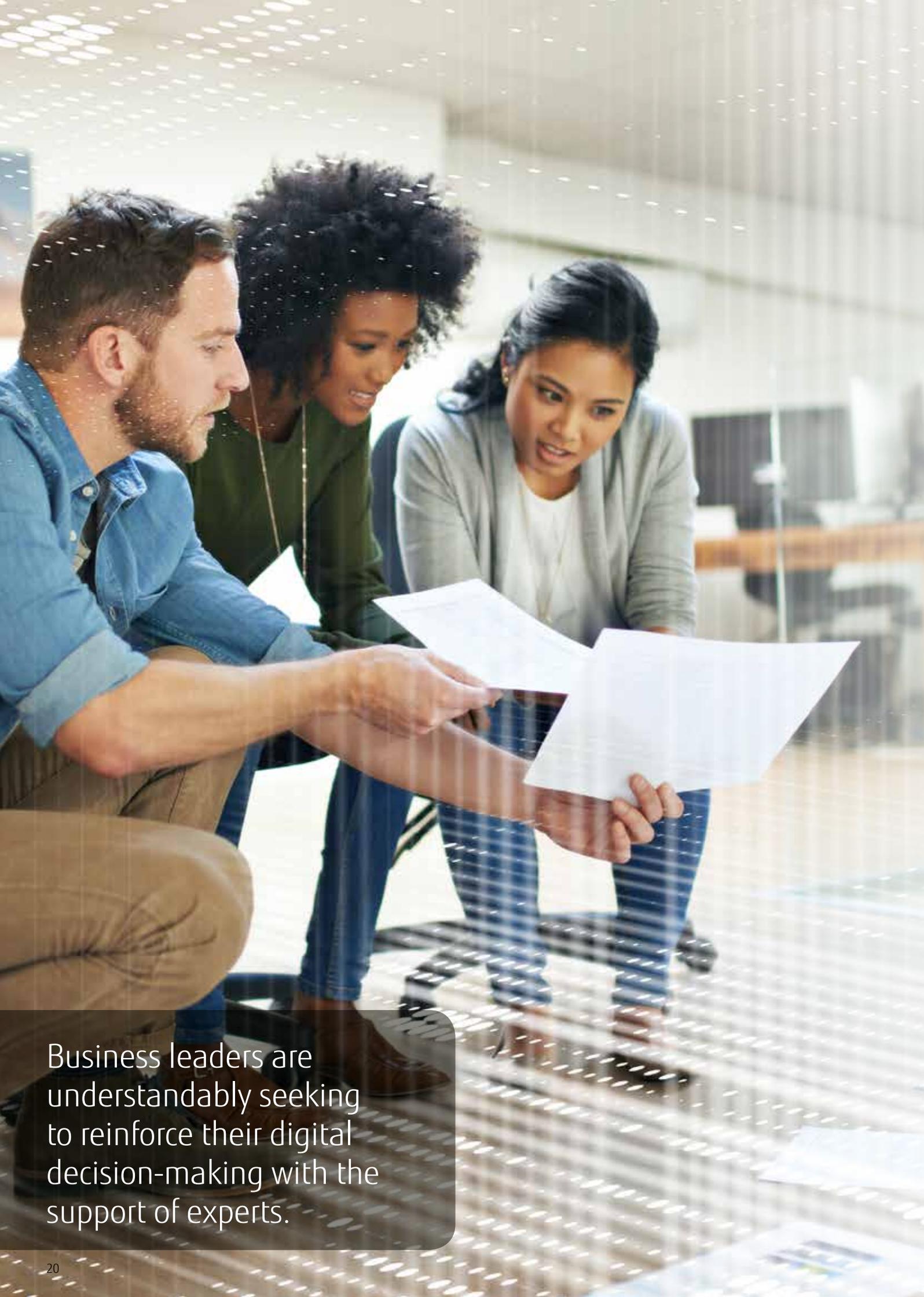
This is most evident in the fact, although one third (32%) of business leaders say that digital disruption in their sector is being driven by an established industry player, an almost identical amount (29%) say that it is as a result of an established organization entering the market from outside. In essence, not only is competition becoming more fierce, but more diverse as well.

This has vital implications for organizations of all kinds. Not only are they faced with out-innovating their traditional competition in order to stay relevant, they now need to keep pace with - or, ideally, outpace - new challengers from adjacent industries.

It is change on this scale that seems to be causing many respondents to expect monumental shifts within their industry sector over the next few years. Not only do three quarters (75%) believe their sector will fundamentally change within the next five years, more than half (52%) go so far as to say that their own organization will not even exist in its current form by that time.

The majority of organizations may have taken steps already to try and safeguard their long-term success, but their journey is far from over. With more than nine out of 10 (92%) business leaders stating that their organization needs to evolve in order to thrive in a digitally disrupted world, there is a long road ahead.

71%

of executives say they need to innovate faster in order to stay relevant

Business leaders are understandably seeking to reinforce their digital decision-making with the support of experts.

Better Together: co-creating digital confidence

Business leaders are facing a maelstrom of change stirred up by digital disruption. The scale, pace and potential repercussions of that change are all growing, leading many to suggest that their whole sector and entire organization will change radically in just half a decade.

In the path of such turmoil, it would be easy to predict wavering confidence or a lack of direction amongst those surveyed. In reality, we see quite the opposite.

Although the vast majority of leaders understand that their organization needs to evolve in order to thrive in this new world, for instance, most are either "somewhat" (53%) or "entirely" (40%) confident about its prospects for doing so. Accordingly, the lion's share of respondents say that they are "very confident" (48%) or simply "confident" (46%) about their organization's ability to thrive in a digitally disrupted future.

Optimism is high. At the same time, however, this certainty amongst C-Level respondents is tempered by the admission that they see numerous ways in which their hopes could be boosted further.

Asked which factors might make them feel more confident in their organization's ability to thrive in a digitally disrupted world, half (49%) see great benefit in finding the right technology partner to help shape their response. Many other answers revolve around the subject of knowledge acquisition, with respondents wishing that they could improve the level of digital skills within their business (38%), better understand their customers' needs (35%) or gain a deeper understanding of digital technology (34%).

For some respondents, the prospect of finding a suitable technology partner goes one step further. Around one third (31%) say that they would gain confidence not just from finding a technology partner, but from actually being able to co-create innovation with one.

Co-creation: an essential capability

Co-creation isn't only a confidence booster; for more than a third of respondents (38%) it is something that they consider to be an essential capability for any organization that wishes to thrive in a digitally disrupted marketplace.

The concept of pooling knowledge, ideas and resources with a technology partner - "the ability to co-create with a technology expert to deliver our digital strategy" - is seen not only as a skill for many, but as being more important even than issues such as nurturing the right people and talent (37%) or company vision (17%).

67% say that partnering with technology experts is essential in the future

Indicative of the scale of the challenge created by digital disruption, a challenge that many respondents expect to alter the fabric of their industry, business leaders are understandably seeking to reinforce their digital decision making with the support of experts that can help them plan and deliver more compelling, more competitive digital strategies.

In an environment in which half (47%) of respondents say that digital disruption is making it harder to make long-term business decisions, co-creation appears to be an increasingly practical solution.

Indeed, for the majority of respondents, the long-term success of their organization will not just be shaped by those kinds of partnerships, but actually hinge upon them: more than two thirds (67%) say that partnering with third-party technology experts will be essential to their ability to thrive in the future.

Conclusion

Monumental, irreversible change: digital disruption has swept through business the world over and left no stone unturned. From whipping up a lightning fast pace of change to reshaping the dynamics of industry and competition, the transformative impact of digital disruption is being felt by every organization in every sector.

In the minds of business leaders from around the world, there is little to suggest that this change is done. Instead, we see the expectation that rapid and radical change is now one of the major factors that defines business in the 21st Century. Disruption is the new normal.

Many say that they are ready for the challenges of this new world: that they are excited about the opportunities it brings. But few do so without consideration for what it means to fail. How to evolve, how to make the right decisions about what shape their organization takes in the future, are questions that are front of mind. And more often than not, technology is seen as the answer.

At Fujitsu, we believe that thriving in this new world goes beyond technology. Digital disruption means that organizations need to learn fast, act quickly and scale rapidly. All of these qualities can be enabled by technology, but only when it is employed in a way that is truly aligned to the needs of that organization.

The concept of co-creation, readily embraced by many respondents in this study, is key to that alignment. To create something that delivers real, lasting value, businesses and their technology partners cannot be at arms-length from each other. Instead, they must work together to create solutions that draw from the expertise present on both sides.

When we look at the issues that cause business leaders concern, or that hold their organizations back, we can see why co-creation is so vital to their ability to thrive. Internal issues that govern their ability to respond to digital disruption - strategy, culture, talent, leadership - all take a backseat when compared to worries about how to be more agile, innovate faster, or deal with aging infrastructure.
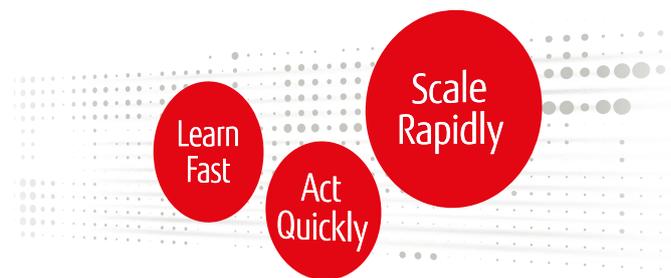
The challenge for many organizations now seems not to harness their internal capabilities to pivot and capitalize on the opportunities of digitalization, but how to connect those capabilities with expertise provided by technology partners - to co-create value and meaning through shared understanding.

As we continue the journey into the digitally disrupted era, the factors that define whether an organization merely survives or truly thrives will continue to diversify. The pace of change will continue to quicken. The scale of that change will grow ever larger.

The way to deal with that is not to wish it would go away, or to pretend it is not happening. It is those that move first, those that are boldest, that will prosper.

Thriving in this era means evolving, transforming and learning to create value at tremendous speed. Now, more than ever, the best way to do that is together.

Organizations need to

Learn Fast

Act Quickly

Scale Rapidly

Methodology

Data used in this report was gathered and compiled by independent research company Censuswide during September 2016. Surveys were conducted with 1,180 global C-Suite decision makers in mid- to large-sized business from public sector, financial services, retail and manufacturing organizations.

Sample sizes by country were as follows:
- United States: 210
- United Kingdom: 156
- Australia: 152
- Germany: 152
- Spain: 150
- France: 150
- Italy: 150
- Finland: 30
- Sweden 30

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