Economist Intelligence Unit

The Economist

Organisational agility:
How business can survive and thrive in turbulent times

A report from the Economist Intelligence Unit
Sponsored by EMC

Preface

Organisational agility: how businesses can survive and thrive in turbulent times is an Economist Intelligence Unit briefing paper, sponsored by EMC. In December 2008 and January 2009, the Economist Intelligence Unit conducted a survey of 349 executives around the world on the benefits, challenges and risks associated with creating a more agile organisation. The Economist Intelligence Unit wrote and executed the survey, conducted the analysis and produced the report. To supplement the findings of the survey, the Economist Intelligence Unit also conducted in-depth interviews with a number of business executives from leading companies. The findings and views expressed in the report do not necessarily reflect the views of the sponsor. Marie Glenn was the author of the report, and Gilda Stahl was the editor.

Our thanks are due to all survey respondents and interviewees for their time and insight.

March 2009

Executive summary

The market turbulence of the past year may have foreshadowed a new phase of globalisation, one in which volatility is likely to remain a constant. Even after the current recession lifts, underlying fluctuations in energy, commodity and currency rates, the emergence of new and non-traditional competitors, and rising customer demands will continue to roil traditional business and operating models for some time to come.

To be competitive, companies may find themselves in a Houdini-like twist. How can they respond quickly and nimbly to the changing environment without getting caught in knots? In today's knowledge age, the ability to transform information into insight in response to market movements is core to sustainability. Companies must think of ways to make their processes more flexible. This report examines the challenges and rewards of organisational agility, particularly in tough economic times. The major findings are as follows:

- **Organisational agility is a core differentiator in today's rapidly changing business environment**. Nearly 90% of executives surveyed by the Economist Intelligence Unit believe that organisational agility is critical for business success. One-half of all chief executive officers (CEOs) and chief

Who took the survey?

This survey, conducted by the Economist Intelligence Unit in December 2008 and January 2009, included responses from 349 business executives around the world. Sixty came from the UK, 59 from France, 53 each from Germany and Singapore, 49 from the US, 46 from Australia, 18 from Canada and 11 from New Zealand. Executives from 19 different industries took part in the survey, 44% of whom had revenue of US$500m or less and 31% with revenue of US$5bn or more. Board members and C-level respondents comprised 43% of respondents, while senior directors and department heads made up an additional 31%. The survey included responses from a range of business functions and industries.

information officers (CIOs) polled agree that rapid decision-making and execution are not only important, but essential to a company's competitive standing. Agility may also be linked to profitable growth: research conducted at the Massachusetts Institute of Technology (MIT) suggests that agile firms grow revenue 37% faster and generate 30% higher profits than non-agile companies.

- **Yet most companies admit they are not flexible enough to compete successfully**. While the overwhelming majority of executives view organisational agility as a competitive necessity, actual business readiness is more mixed. More than one-quarter (27%) of respondents say that their organisation is at a competitive disadvantage because it is not agile enough to anticipate fundamental marketplace shifts.

- **Internal barriers stall agile change efforts**. More than 80% of survey respondents have undertaken one or more change initiatives to improve agility over the past three years, yet 34% say they have failed to deliver the desired benefits. The main obstacles to improved business responsiveness are slow decision-making, conflicting departmental goals and priorities, risk-averse cultures and silo-based information.

- **Technology can play an important supporting role in enabling organisations to become more agile**. Technology should function as a change agent in the use and adoption of best-in-class knowledge-sharing processes, so companies can improve their use of critical data.

Introduction: planning for the unpredictable

“In today’s globalised, free-market environment, the ability to satisfy customer expectations is core to profitability. If you’re not agile, you can’t do it, because customer expectations are never static.”

Peter Weill, director of the Center for Information Systems Research, MIT.

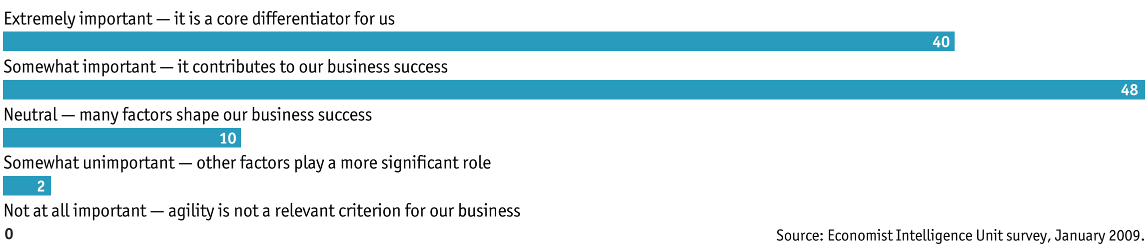
If information is the currency of our digital age, then knowledge is the coin of the realm. Nowhere is this more true than in today’s workplace. Everywhere we turn, we are inundated with data. Content, once largely proprietary, now proliferates through an abundance of channels. As the plethora of information swells, management and employees may find themselves drowning in it.

The surfeit of information comes at a time when companies the world over are challenged to become more nimble in the face of change. The market volatility of the past year has highlighted in sometimes painful fashion the need for companies to anticipate and address pivotal events that affect their business. Planning for the unpredictable may seem an impossible irony, but many firms appear to recognise that in a period of turbulence, an organisation’s ability to flex and respond is critical for sustaining growth.

Why is agility so important? Peter Weill, the director of the Center for Information Systems Research at the Massachusetts Institute of Technology (MIT), explains: “When I was a kid, the most successful companies were monopolies or duopolies, but in today’s globalised, free-market environment, the ability to satisfy customer expectations is core to profitability. If you’re not agile, you can’t do it, because customer expectations are never static.”

The importance of being quick to leverage information resounds throughout the survey results. An overwhelming majority of executives (88%) cite organisational agility as key to global success. This view is

In your view, how important is agility to your organisation’s overall business success?
(% respondents)



Source: Economist Intelligence Unit survey, January 2009.

particularly strong in the C-suite: one-half of all CEOs and CIOs say that agility is not only important, but a core differentiator. Other studies support this idea as well: research conducted at MIT suggests that agile firms grow revenue 37% faster and generate 30% higher profits than non-agile companies.

Still, more than one-quarter (27%) of respondents admit that their organisation is at a competitive disadvantage because it is not agile enough to anticipate fundamental marketplace shifts. Stefan Kohn, head of innovation management at Fujifilm Europe, believes that part of the problem is the fear of change itself. “Companies sometimes choose to neglect change,” he says. “Those that are truly agile embrace it, even when it risks cannibalising an existing product.”

Key points

- Many companies are adopting a "back to basics" mentality, with renewed focus on core operating costs.
- While retrenchment is often one of the first things companies do when a recession looms, today's executives are refraining from knee-jerk reactions.
- Companies are tailoring strategic investments to align with rising customer demand.

Drivers for organisational agility

"The ability to find new and non-traditional avenues to apply our strengths is fundamental to our ability to remain competitive and responsive."

Stefan Kohn, head of innovation management, Fujifilm Europe.

In an effort to free resources and become more responsive, business leaders across the industry spectrum are reshaping their business priorities, stretching budgets and applying greater scrutiny to capital expenditures. Some have found that when a precarious economic climate requires quick action, a company can open new avenues for growth by strengthening and redefining what is truly core to its business.

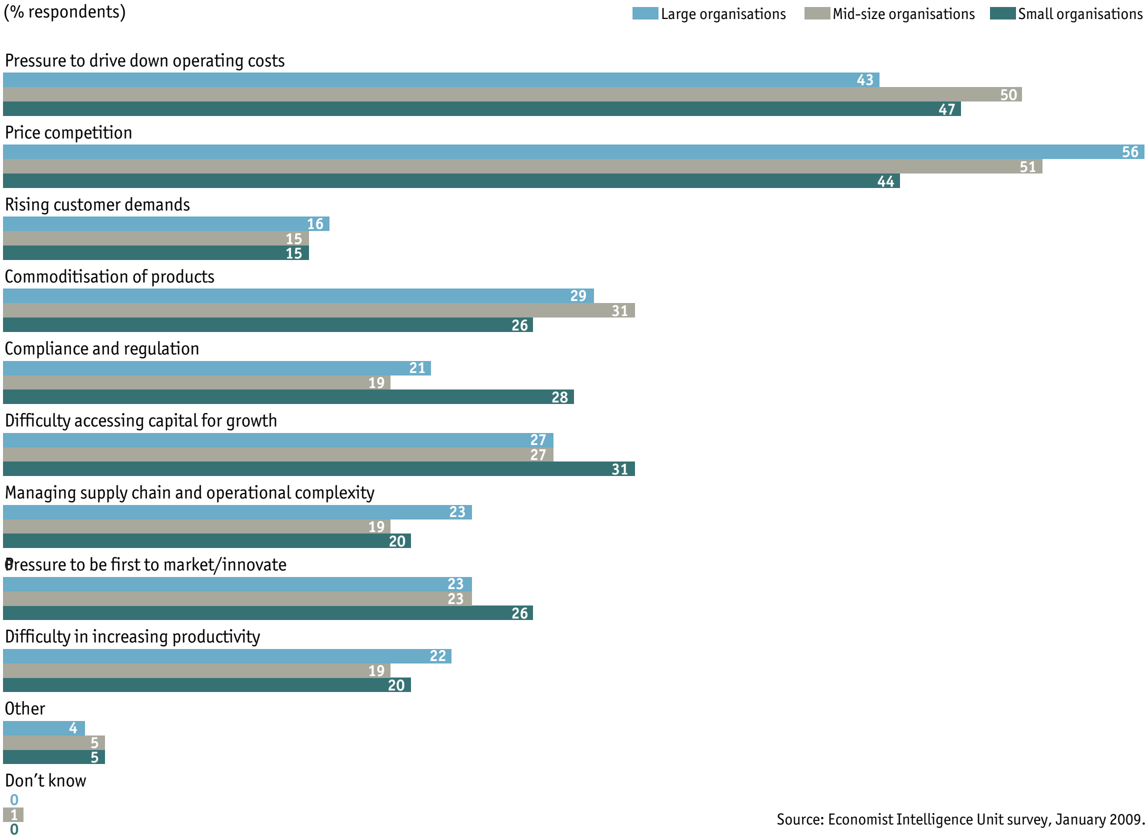
Take Fujifilm, for instance. As its name suggests, Fujifilm's roots are in photographic film, an industry that declined with the advent of digital photography. Faced with a serious challenge to its core business, the company learned early on that to stay viable, it had to innovate. Rather than abandon the film production business, however, the company reflected on how it might apply its expertise to new markets.

"We are a photo-imaging company," says Mr Kohn, "but we realised that human skin shares similar properties to thin-film photo processes." Just as free radicals can mar a smooth complexion, they can also degrade photo-imaging quality. Fujifilm recognised that the oxidation control mechanisms it invented to prevent photos from deteriorating over time could be modified to produce creams that preserve skin quality. Indeed in September 2007 the company launched a line of skincare products, called Astalift, based on technology it had developed for film. "A few years ago, who would have imagined moisturising with a photo-finishing byproduct?" says Mr Kohn. "But the ability to find new and non-traditional avenues to apply our strengths is fundamental to our ability to remain competitive and responsive."

Just as market changes nearly upended Fujifilm's business model, the worldwide economic downturn places many companies in a similar predicament. Regardless of location, size or industry, most face extreme operating pressures. "We are in an unprecedented time," says Sheila Hooda, senior managing director and head of M&A and corporate development for TIAA-CREF, one of the largest financial services companies in the US. "The business world has never seen anything like this complete market dislocation." Technological advances mean that cost and pricing pressures ripple faster through increasingly connected supply chains, putting pressure on margins.

In response, many of today's companies are adopting a "back to basics" mentality, with renewed focus on core operating costs. One-half of all respondents rank "driving down operating costs" as their number-

Over the next three years what do you see as your organisation's leading business challenges?
Select up to three.
(% respondents)



Source: Economist Intelligence Unit survey, January 2009.

one business challenge over the next three years. That emphasis grows larger with company size: more than three-quarters (77%) of businesses with US$5bn-10bn in revenue cite cost management as their greatest concern, compared with just one-third (35%) of those with less than US$500m in revenues.

Still, while retrenchment is often one of the first things companies do when a recession looms, today's executives are refraining from knee-jerk reactions. Only 13% of respondents indicate that their firms plan to reduce the number of initiatives under way. Instead, companies are tailoring strategic investments to align with rising customer demands. Forty-seven percent of executives responding to the survey say that retaining high-value customers will be their highest priority over the next three years, followed by creating superior customer value (43%) and accelerating product innovation (41%). By minimising excess spending and non-core programmes, companies can better direct limited resources to satisfying customer expectations.

Improving agility in tough times: three lessons

Prior to taking up her current post as chief financial officer (CFO) for the world's largest arts group, the London-based Southbank Centre, Caroline Stockmann directed global business planning for Novartis, a pharmaceutical company, and served as CFO for Unilever Thailand, a consumer-products company. In both roles she faced tough business challenges, from a division in need of a sharp turnaround to another whose product base was being undercut by private labels. From that experience, Ms Stockmann learned a few lessons when it comes to managing in difficult times.

Lesson #1: There should be as much rigour devoted to management before a crisis as during it. "People see volatility as something beyond their control. It puts them on edge, heightens emotions and compromises good decision-making," she says. When a crisis happens, organisations tend to overcompensate. "Companies often make the mistake of introducing new measures and heaping mounds of data analysis on employees," says Ms Stockmann. Yet during such times organisations need people at all levels to remain calm and focused. "To preserve a business-as-usual rigour in times of stress, a company must have the right processes and controls in place as a general management discipline," she says.

Lesson #2: Do not let communication and teamwork lapse. "People tend to withdraw when troubles brew," says Ms Stockman. As a result, teamwork can suffer, often at times when companies need it most. Management needs to make the first move to reassure anxious employees whose confidence in the company's direction may have waned. It's important for leaders to be honest, forthright and direct with their employees and communicate with greater frequency. "Employees also need to know that it is okay for them to continue to offer ideas and solve problems," adds Ms Stockmann.

Lesson #3: Be wary of the status quo. The point at which things start to go wrong is often when everything seems okay on the surface. Managers tend to miss the proverbial red flags until it's too late. Ms Stockmann speaks from experience: in reconciling the balance sheet of a new employer, she learned that the business had only recently become profitable. "The curious thing was that nothing in the business model had changed to explain it," she says. Further examination revealed that a significant accounting error had distorted the balance sheet. "If somebody simply paused to ask why there was this sudden rise to profitability when our pricing structure hadn't changed, they would have very quickly realised what was happening," she says. "But for three years, people were happy with this company and few questions were asked." People are more inclined to probe poor results than they are good ones, says Ms Stockmann. Putting that discipline in place before fiscal pressures mount can pre-empt bigger problems in the future.

Key points

- The flatter hierarchies and resource breadth that characterise many mid-size companies may facilitate better information flow and, in turn, speed decision-making.
- For CFOs facing a tight credit market, agility means finding new or alternative funding sources.
- One-half of all CIOs believe that integrating and upgrading knowledge-sharing processes will go furthest in improving agility.

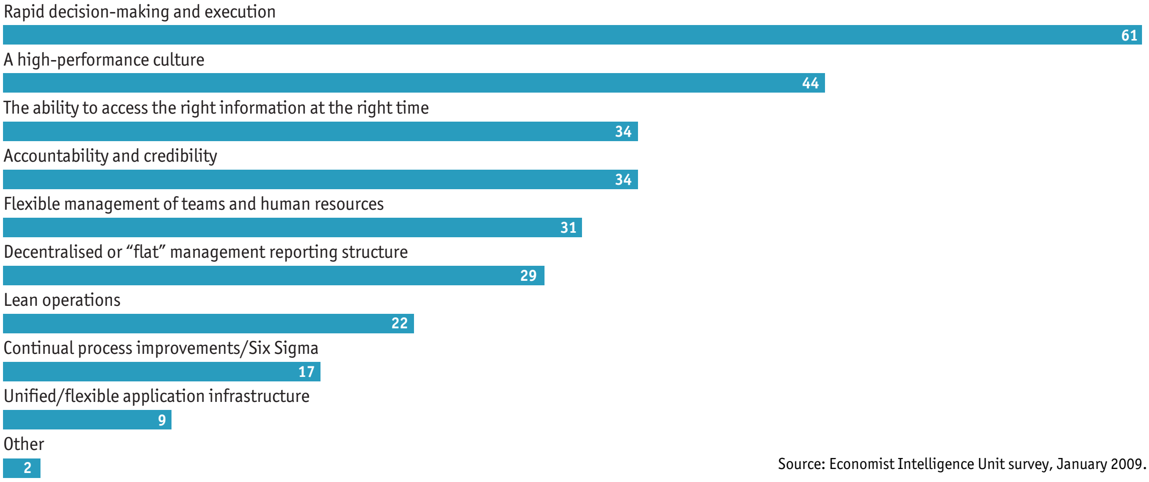
What makes an organisation nimble?

Despite a period in which consumers are flocking to discount retailers and private-label brands, only 3% of those polled say that being a low-cost leader is a top criterion for success in the global economy. Instead, survey participants highlight the following traits as more critical to business success: leadership in innovation; fostering a superior customer experience; the ability to turn knowledge into value; and consistent, "no surprises" execution.

The notion of customer-centricity underlies each of these traits. "The better you know your customer, the better you are able to gauge what matters most in defining a positive customer experience," says Michelle Cox, the head of contact centres at MBF (part of Bupa Australia, the leading health insurer). "Such customer-centricity is core to competitiveness in today's market, helping to direct innovation, create value, and ensure flexibility and nimbleness in decision-making," says Ms Cox.

61% of respondents say that rapid decision-making and execution are defining attributes of an agile business.

What are the critical traits of an agile business? Select up to three.
(% respondents)



Source: Economist Intelligence Unit survey, January 2009.

44% of respondents believe that mid-size companies have the agility edge over the size and reach of large companies and the entrepreneurial skill of small firms.

To nurture an environment in which innovation and customer-centricity can thrive, those polled emphasise the importance of a high-performance culture (44%), the ability to access the right information at the right time (34%) and accountability (34%) as key enablers. In addition, nearly two-thirds of executives say that rapid decision-making and execution are defining attributes of an agile business.

Agility takes different forms for different functions. In an era in which open source and collaborative networks are becoming a rich source of innovation, it may be no surprise that 37% of CEOs seek extended partner relationships. For CFOs facing a tight credit market, however, agility means finding new or alternative funding sources. Board members want improved scenario planning to carry out their oversight role amid the vagaries of a fluctuating market. For their part, one-half of all CIOs believe that integrating and upgrading knowledge-sharing processes will go furthest in improving agility.

When it comes to competitiveness and changing market conditions, the "David vs Goliath" factor doesn't come into play, say executives. Instead, 44% of respondents believe that mid-size companies have the agility edge over the size and reach of large companies and the entrepreneurial skill of small firms. The flatter hierarchies and resource breadth that characterise many mid-size companies may facilitate better information flow and, in turn, speed decision-making. Indeed, more than two-thirds of mid-size companies responding to the survey believe that they are moderately agile and have the business information available to support their primary job responsibilities.

Key points

- **52% of survey respondents acknowledge that they often have to spend valuable time hunting for key information.**
- **Barriers to organisational agility include conflicting departmental goals and priorities, a culture of risk aversion and silo-based information.**
- **Agile companies focus their time on standardising the processes that won't change, freeing up resources to develop value-added features that do respond to changing customer needs.**

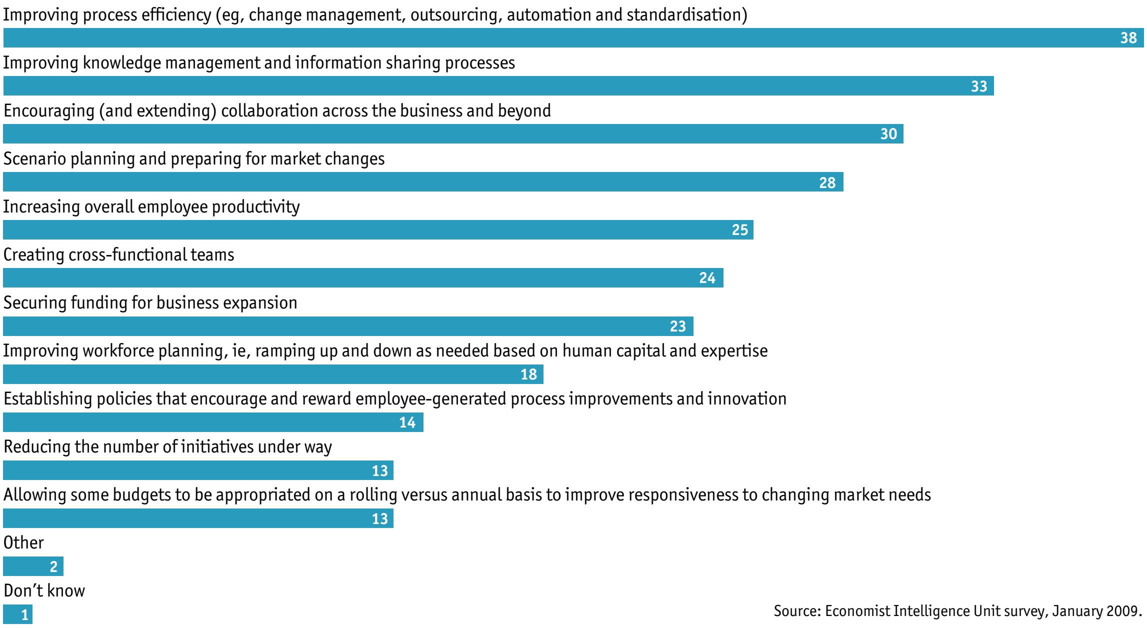
Becoming more flexible: overcoming obstacles

Managing in a time of impermanence is no easy feat. To compete, businesses need to refine organisational processes and leverage institutional and outside knowledge more effectively. Says Mr Kohn of Fujifilm Europe: "It's impossible to keep up with the amount of information that churns through the workplace. Making information easier to use is the 'Holy Grail'." Executives agree: 52% of survey respondents acknowledge that they often have to spend valuable time hunting for key information. In response, the onus, increasingly, will be on sense-making, arming decision-makers and employees with

"It's impossible to keep up with the amount of information that churns through the workplace. Making information easier to use is the 'Holy Grail'."

Stefan Kohn, Fujifilm Europe.

In light of the economic downturn, what do you believe are your organisation's priorities in terms of improving agility?
Select up to three.
(% respondents)



Source: Economist Intelligence Unit survey, January 2009.

the tools to find, filter and focus the content they need.

Companies can't change their infrastructure to meet the whims of the marketplace. What they can do, however, is streamline, simplify and integrate the processes that support their true engine of growth. Says Mr Weill of MIT: "We found that the firms with a higher degree of process and technological standardisation are more agile." Agile companies focus their time on standardising the processes that won't change, freeing up resources to develop value-added features that do respond to changing customer needs.

To help solidify their core competencies, almost 40% of executives say that they will emphasise change management, outsourcing, automation and other process efficiency improvements. Nearly one-third of those polled will also seek to make better use of knowledge management and information-sharing systems. To avoid the issues that have derailed many change programmes in the past, companies should consider sharply focusing these improvements to make the improvements sustainable.

While the majority of executives view organisational agility as a competitive necessity, actual business readiness is more mixed. Only one in five participants believes that their company is able to react as swiftly as needed. CIOs take a particularly dour view: 30% of respondents—more than any other functional role—say that their business is not at all agile, and is too slow when it comes to decision-making. Unsurprisingly, barriers to change include conflicting departmental goals and priorities, a culture of risk aversion and silo-based information. It seems that even in challenging markets, turf wars persist.

Businesses have taken several steps to help improve responsiveness. More than 80% of those

BT Group: germinating customer solutions in the hothouse

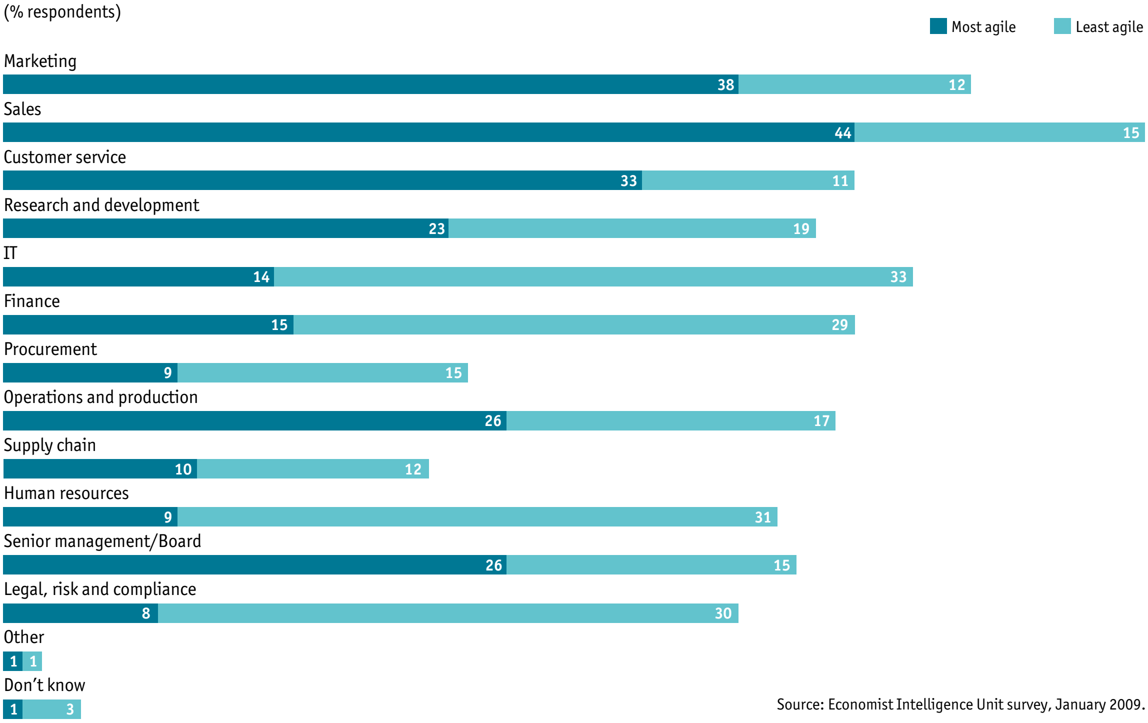
It is one thing to talk about what makes for an agile business, and another thing to create one. Al-Noor Ramji is the chief information officer (CIO) for BT Group PLC, the privatised UK state telecoms operator. When Mr Ramji joined BT, his brief was to transform a misaligned and largely decentralised IT organisation into a unified operation: "When I started, I was told we had 4,500 IT people. When we finally stopped counting, it turned out we had 14,500."

While part of the reorganisation was focused on cost savings, the larger thrust was an effort to improve the customer experience. "We needed our IT organisation to see that they had a front-office role," says Mr Ramji. Over the two-year transformation, more than 3,000 formerly back-office IT professionals found themselves at customer sites delivering services. Not everyone liked it at first. "This was a huge cultural change," says Mr Ramji. "People were plucked from their comfort zones and had to break themselves of the view that they were forbidden to speak to customers."

Mr Ramji and his team tackled the issue by plunging employees into BT's customer co-development centre, or "hothouse", as the company calls it. "We use the hothouse to conduct intensive threeday customer workshops with our IT, networks and process developers," he says. Once there, BT employees are given a current customer's challenge, divided into six competing teams, and asked to deliver one solution per day. "The prototyping we do in competitive rounds not only helps to build important client relationships", says Mr Ramji, "but also proves a powerful way to build employee pride and motivation. It's rare to have 36 hours in which employees can really see how customers think and customers can see how our employees work. And it doesn't end there. The outcomes from the 'hothouse' set out what we will deliver for our customers over the next 90 days, providing a level of transparency and accountability you can't obtain during a normal two-year cycle."

The triple combination of employee empowerment, an unambiguous mission in which everyone is invested and clear incentives is core to successful change efforts, he adds. "It took us two years to bake these ingredients into our culture, but after that, you just watch the transformation take off in your hands."

In your view, which areas of your company are most/least agile? Select up to three for each column.
(% respondents)



Source: Economist Intelligence Unit survey, January 2009.

surveyed say they launched one or more initiatives to become more agile over the past three years. Yet these programmes have had mixed results, with 34% of respondents saying that they failed to deliver desired benefits. Executives from Singapore and the US are more pessimistic: 42% and 43%, respectively, say their programmes under-delivered. By contrast, 78% of Australians are satisfied with their transformation initiatives.

Our survey responses suggest that transformation efforts are not as uniform and integrated across functions as they need to be. Executives tend to give high marks to sales, marketing and customer service operations, units that they say are among the most agile in the corporation. By contrast, finance, IT and human resources (HR) are singled out as among the least agile departments of global organisations. This may give management pause, since finance, IT and HR play particularly important roles in driving process efficiency, knowledge transfer, innovation and execution.

One reason for the disconnect is that process improvements are often poorly aligned with strategic imperatives. Righting this balance begins with reassessing the performance measures that underlie key business unit and functional activities. As the former administrator for the Office of E-Government and Information Technology for the United States, Mark Forman was the *de facto* government CIO. Now, as a partner with global professional services firm KPMG LLP, he has a hard-won perspective on what it takes to help large bureaucracies successfully transform. "Most leaders understand that an organisation's key processes should be tied to policy or agency goals, yet process and business objectives too often part ways," says Mr Forman.

"We found that the firms with a higher degree of process and technological standardisation are more agile."

Peter Weill, MIT.

Taking the long view at TIAA-CREF

TIAA-CREF is one of the few financial services companies to be weathering the current economic downturn. This not-for-profit retirement fund manager continually earns among the highest ratings in the industry. Sheila Hooda, senior managing director and the firm's head of M&A and corporate development, explains why the company has thrived in an industry sector riddled with disruption: "Many executives' time horizons are very short and tailored to meeting quarterly earnings targets," says Ms Hooda. "This lack of long-term orientation could cripple organisations by making them more reactive than proactive. TIAA-CREF is a private company, so we do not have to manage to short-term earnings expectations that confront other publicly held financial services companies."

Because TIAA-CREF primarily manages retirement funds, the firm is accustomed to taking the long view. But Ms Hooda acknowledges that even with this approach, the temptation to succumb to hasty decision-making can be great. "Without a strong internal rigour, it can be difficult to walk away or easier to overpay for deals that may appear to be a perfect fit in the short term," she says.

Such rigour may appear to run counter to improving operational flexibility, but Ms Hooda believes it is fundamental to managing in a time of change. She maintains that the due diligence applied to outside deals needs to be brought to internal change efforts as well. "To be agile, an organisation must embrace change, but it has to be done in a disciplined and structured way," says Ms Hooda. "For example, we know that 70% of initiatives in the M&A area fail. Therefore, we rely on very strong fiscal discipline and risk management. This has served us well."

When responding to opportunities, both internal and external, many executives naturally seek to understand the financial implications. Yet, Ms Hooda stresses that "companies often place undue emphasis on the numbers and often only involve financial people in the discussion. This creates risk, because other business and operational factors can often have an equal or greater bearing. Therefore, we take a broad-based integrated approach, involving experts from across the organisation." Hence TIAA-CREF assembles cross-functional teams in an effort to keep both client needs and organisational risk in mind.

"We have independent risk management," says Ms Hooda. "It's an equal partnership: the investment and business side does not have more leverage than the risk side. That system of constructive and balanced tension serves as a perfect foil to the chaos of the broader marketplace."

If performance measures are pointed in the wrong direction, the change initiative itself can become misdirected. Says Mr Forman: "Key performance indicators can unwittingly place undue emphasis on one priority at the expense of another." He cites an example of a government housing authority whose policy directive emphasised increasing loan volumes. Supporting processes were updated to speed the mortgage application and review process. But the drive for higher volumes ignored what became a huge spike in default risk. The problem was addressed, but as Mr Forman explains, "by bringing the right parties together at the outset and articulating both the strategic objectives and the business requirements, leaders have a better chance of succeeding in their aims and avoiding costly missteps."

Key points

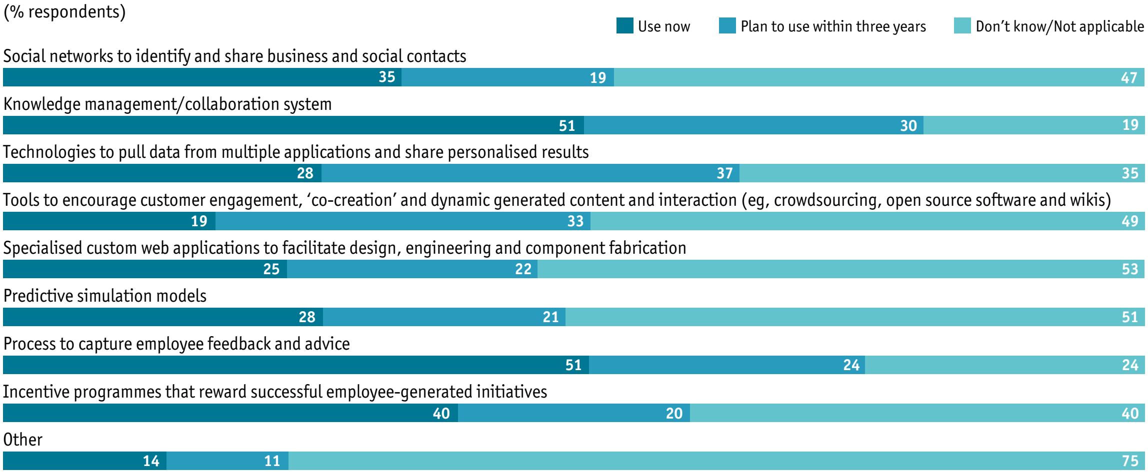
- ➔ Because technology underpins nearly every business process today, it can help those in the workplace improve their use of critical data.
- ➔ Knowledge management and collaboration systems top the list of tools that will play a key role in the interplay between organisational agility and superior innovation.
- ➔ Nearly 80% of survey respondents expect that IT spending on technologies related to organisational agility will remain flat or increase only slightly over the next three years.

The role of technology

Most companies need to make more progress in transforming their knowledge processes to fit the demands of the knowledge age. While 64% of respondents say they are largely satisfied with the business information available to support their primary job responsibilities, only 30% indicate that they have the needed information to conduct their duties effectively. Because technology underpins nearly every business process today, it can help those in the workplace improve their use of critical data.

CEOs and CFOs seek easier real-time access to information. For CIOs, who are charged with simplifying and standardising complex and (in some cases) competing layers of technology, the primary focus is on improving systems integration. As companies grow in size, the desire for more comprehensive integration of IT systems across the enterprise also increases: more than 60% of respondents with annual revenues in excess of US$5bn cite this as the number-one priority for their company's IT departments, compared with 42% of companies with revenues of less than US$500m.

To spur innovation, does your organisation currently use the following programs, or plan to use them within three years?
(% respondents)



Source: Economist Intelligence Unit survey, January 2009.

In acknowledging the interplay between organisational agility and superior innovation, executives expect several tools to take a central role. Topping the list are knowledge management and collaboration systems, something that 81% of those polled indicate will go furthest in spurring innovation. Two-thirds of respondents are eager to see technologies that pull data from multiple applications used in aid of research and development (R&D) and product/service innovation.

In meeting these goals, the challenge for CIOs and IT leaders will be to target strategic investments in a precise manner, as budgets are unlikely to grow significantly in the near future. Nearly 80% of survey respondents expect that IT spending on technologies related to organisational agility will remain flat or increase only slightly over the next three years. Only 9% of those polled say that they will increase their IT investment significantly.

Conclusion

When the ground rocks, structures must flex. The same is true for companies competing in today's turbulent environment. Organisations that are best able to anticipate market movements, re-emerge from the worst system shocks and take advantage of gaps left by those unable to withstand the brunt will win. Doing so requires organisational agility.

For most companies, the path to organisational agility involves transformation, the ability to whittle away at inefficiency and regroup around what is truly core to the business. While the task may appear daunting, there are a number of steps that management can consider to lighten the burden of change:

- **Optimise core processes**. By minimising excess spending and non-core programmes, companies can better direct limited resources to satisfying customer expectations, activities that position a company well not only during times of recession but also for long periods of growth.

- **Minimise information silos**. Barriers to change include conflicting departmental goals and priorities, a culture of risk aversion and silo-based information. By reducing silos, business leaders can improve collaboration inside and outside their enterprise and better align departmental goals and performance measures with overall strategy.

- **Integrate and automate fundamental knowledge-sharing processes**. Such integration will enable IT to advance an organisation's ability to problem-solve, improve decision-making and convert information into insight.

The tangle of forces that created the current economic difficulties looks set to leave an undercurrent of volatility even after the global recession eases. Competitive advantage will go to those who align their businesses well to embrace and respond to change.

Appendix: Survey results

What drives most of your organisation's new revenue growth today? Select up to three.
(% respondents)

Introducing new products	46
Entering new markets	44
Increasing revenue per customer	40
Improving services	36
Penetrating underserved segments	32
Growing through acquisition	24
Deploying new sales channels	21
Other	5
Don't know	1

What are your organisation's leading business priorities over the next three years? Select up to three.
(% respondents)

Creating superior customer value	47
Retaining high-value customers	43
Accelerating innovation in new products, services and/or sales channels	41
Streamlining, automating and standardising business processes	36
Recruiting and retaining high-quality talent	33
Accelerating productivity	25
Entering new overseas markets	24
Leveraging employee knowledge assets more effectively	20

Over this same three-year period, what do you see as your organisation's leading business challenges?
Select up to three.
(% respondents)

Pressure to drive down operating costs	50
Price competition	47
Rising customer demands	29
Commoditisation of products	28
Compliance and regulation	24
Difficulty accessing capital for growth	23
Managing supply chain and operational complexity	20
Pressure to be first to market/innovate	20
Difficulty in increasing productivity	15
Other	5

In your view, what size organisation is best suited to changing market conditions?
(% respondents)

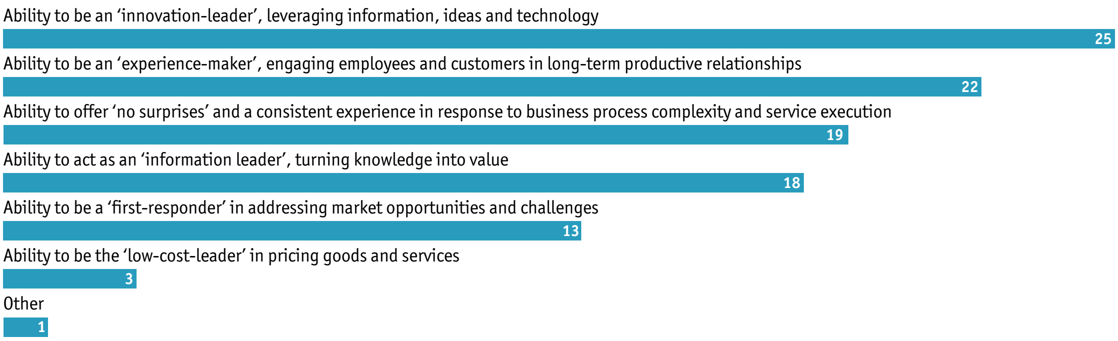
Large — because it has size, scale and financial muscle	23
Mid-size — because it has fewer organisational layers	43
Small — because it is entrepreneurial by nature and can move more swiftly	34

In your view, how important is agility to your organisation's overall business success?
(% respondents)

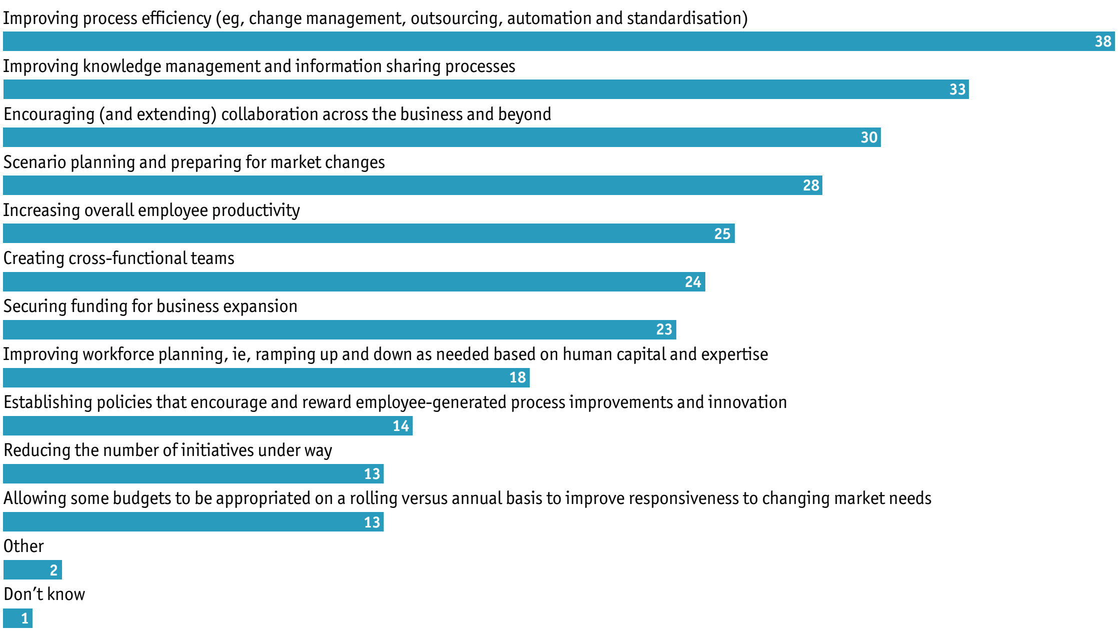
Extremely important — it is a core differentiator for us	40
Somewhat important — it contributes to our business success	48
Neutral — many factors shape our business success	10
Somewhat unimportant — other factors play a more significant role	2
Not at all important — agility is not a relevant criterion for our business	0

How would you rate your organisation’s overall agility? My organisation is...
(% respondents)

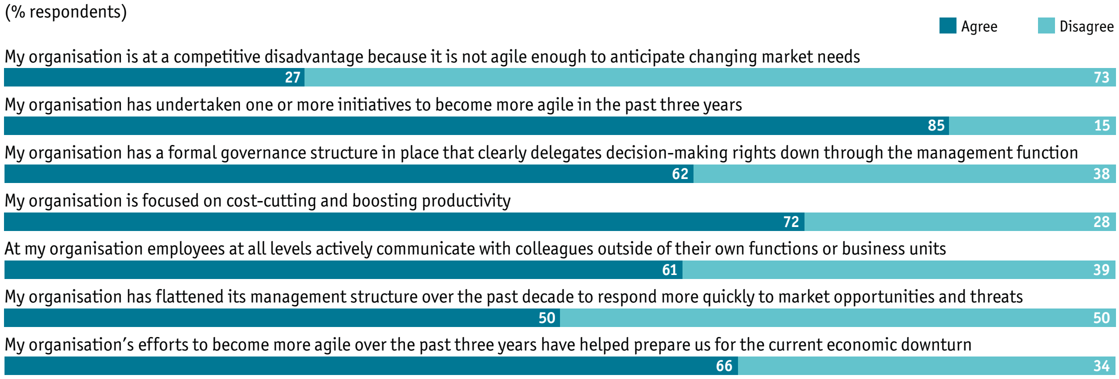
Which of the following attributes will be most important to compete in the global economy?
(% respondents)



In light of the economic downturn, what do you believe are your organisation’s priorities in terms of improving agility?
Select up to three.
(% respondents)

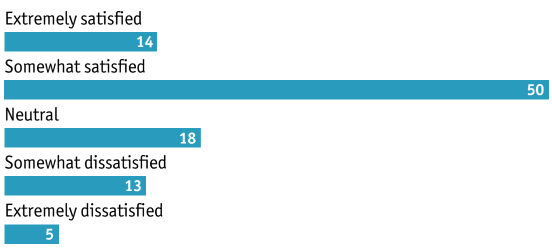


Do you agree or disagree with the following statements?
(% respondents)

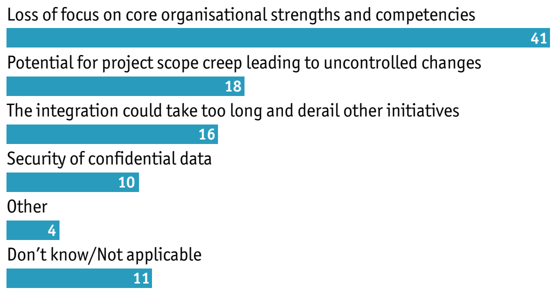


In your view, what are the critical traits of an agile business? Select up to three.
(% respondents)

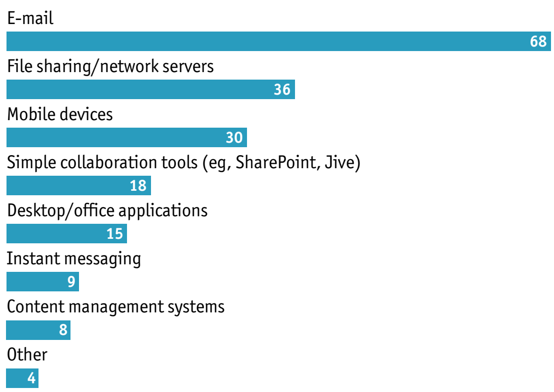
How satisfied are you with the business information available to you and your team to support your primary job responsibilities?
(% respondents)



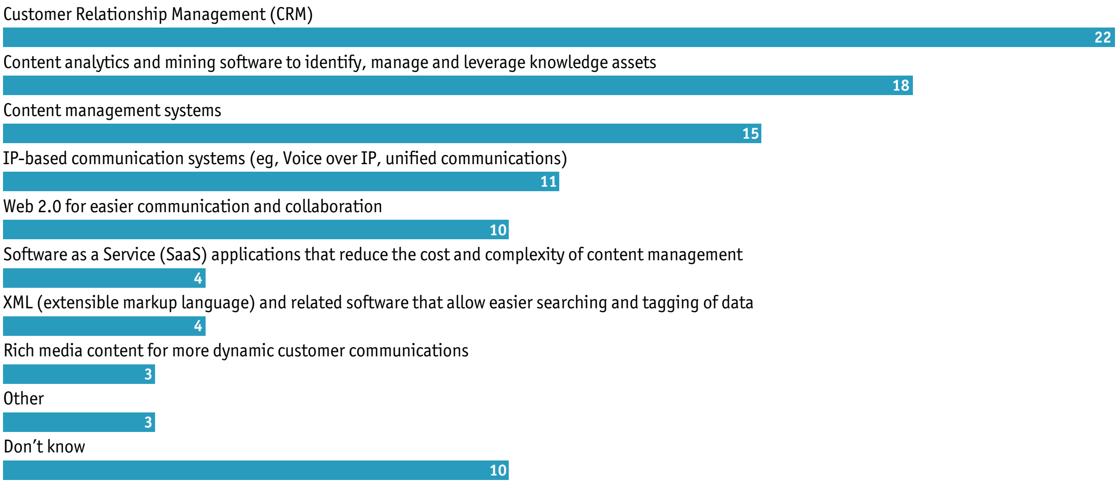
In changing business operations to become more agile, what do you see as the greatest risks to your business?
(% respondents)



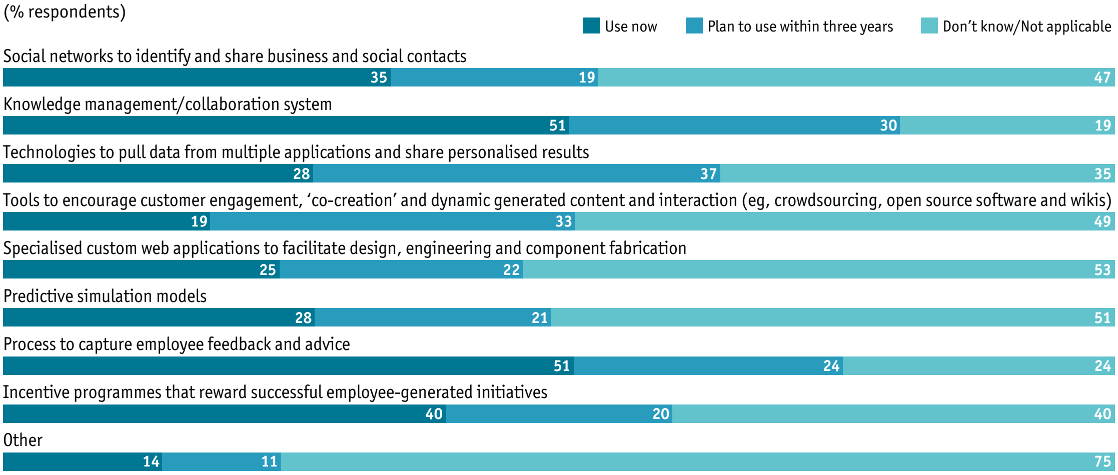
What technology tools contribute most to organisational agility in your company today? Select up to two.
(% respondents)



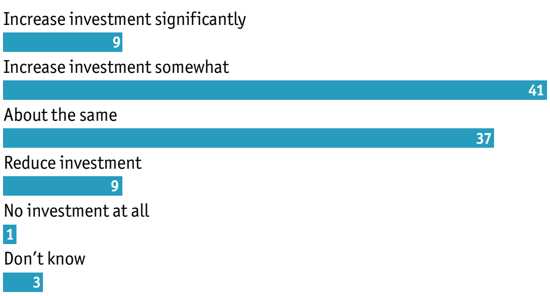
In your view, which of the following technologies are most helpful in making your organisation become more agile in three years?
(% respondents)



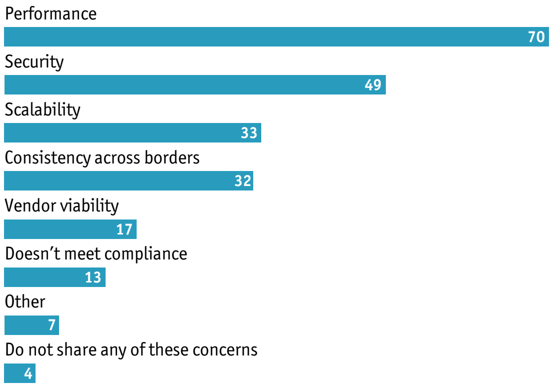
To spur innovation, does your organisation currently use the following programs, or plan to use them within three years?
(% respondents)



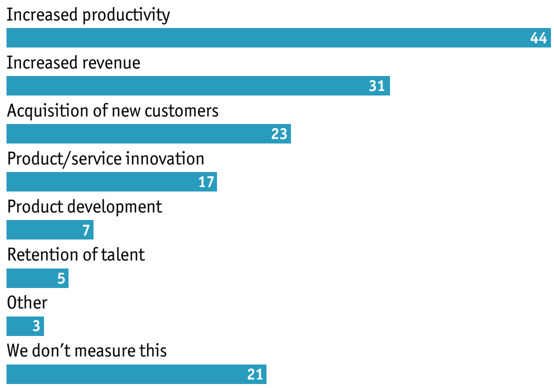
How do you expect your organisation's spending on technologies related to organisational agility to change over the next three years?
(% respondents)



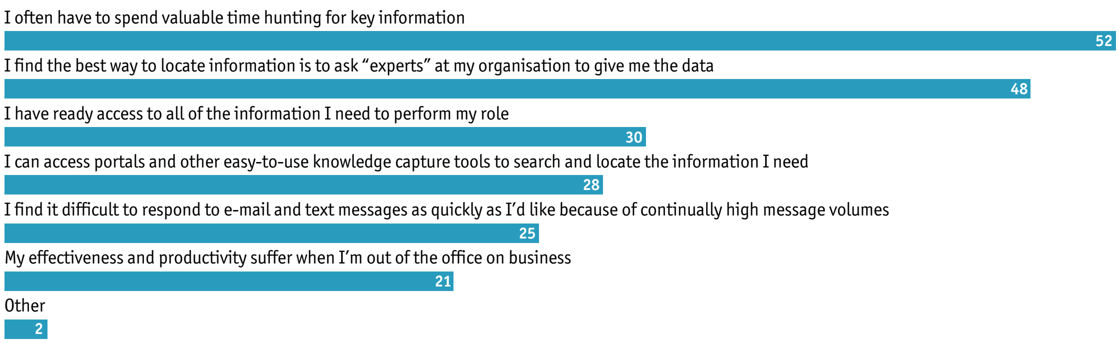
When considering the adoption of new technologies or applications, what, if any, are your greatest concerns? Select up to three.
(% respondents)



How does your organisation measure the return on its information management investment? Select up to two.
(% respondents)

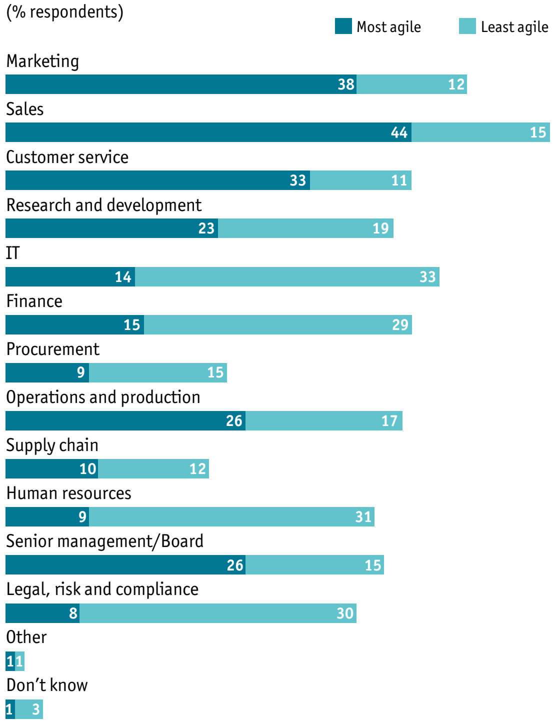


Which of the following statements best describe your ability to access, analyse and use unstructured information (eg, ad hoc but often valuable set of data loosely contained in e-mails, video files, web pages, PDFs, documents and other sources) in your day-to-day responsibilities? Select up to three.
(% respondents)

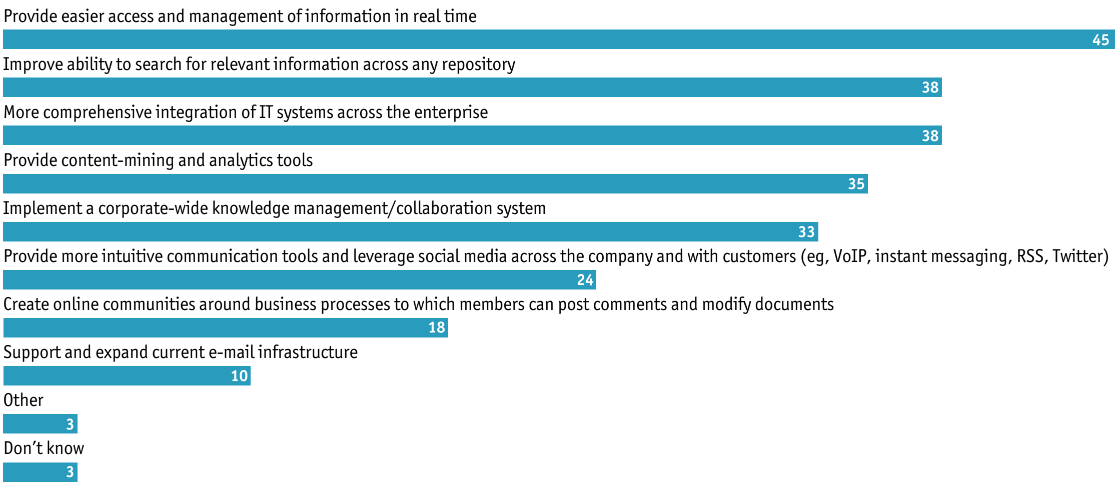


In your view, what are the main obstacles to increasing business agility at your organisation? Select up to three.
(% respondents)

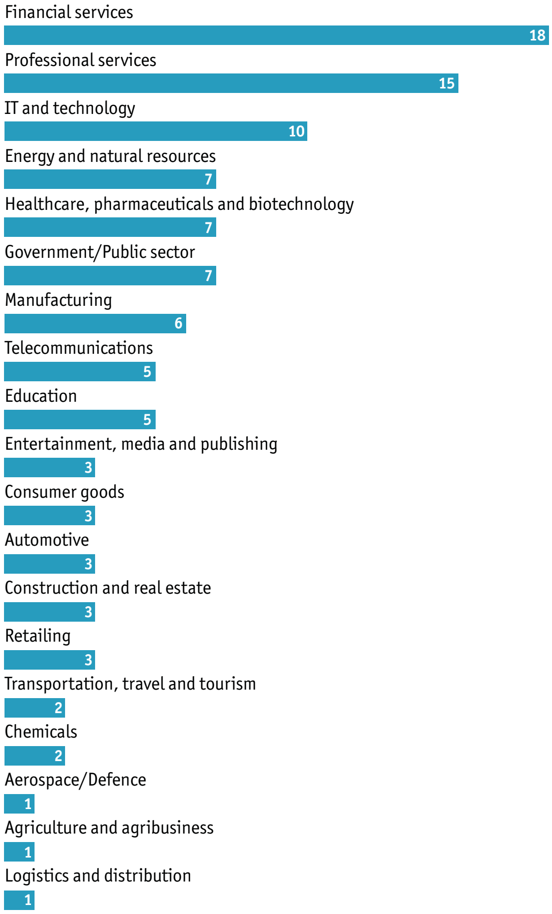
In your view, which areas of your company are most/least agile? Select up to three for each column.
(% respondents)



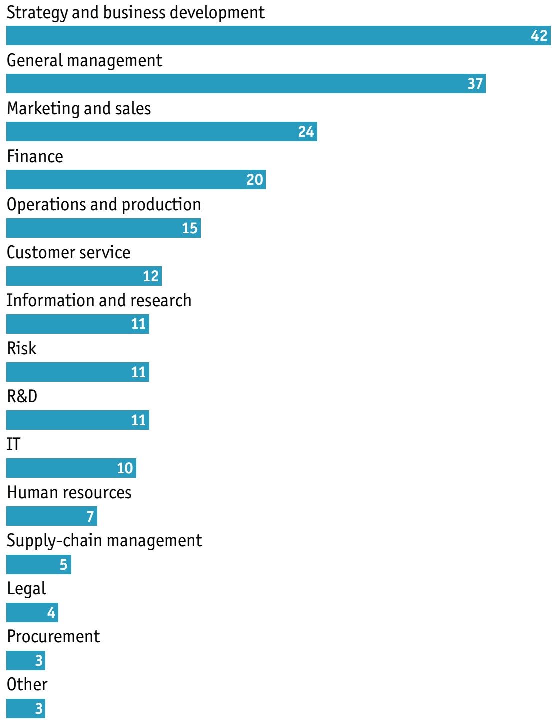
In your view, how can corporate IT best support efforts to improve productivity, performance and responsiveness? Select up to three.
(% respondents)



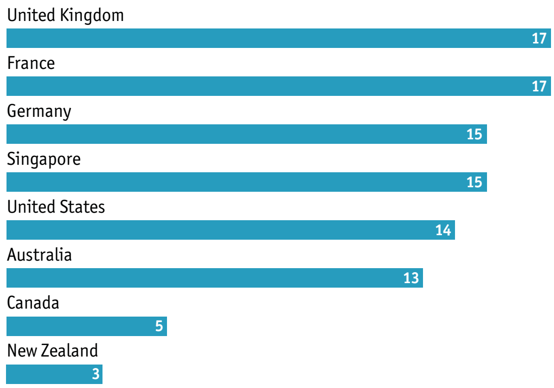
What is your primary industry?
(% respondents)



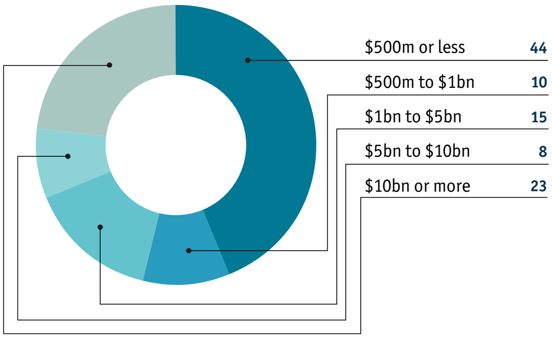
What are your main functional roles?
Please choose no more than three functions.
(% respondents)



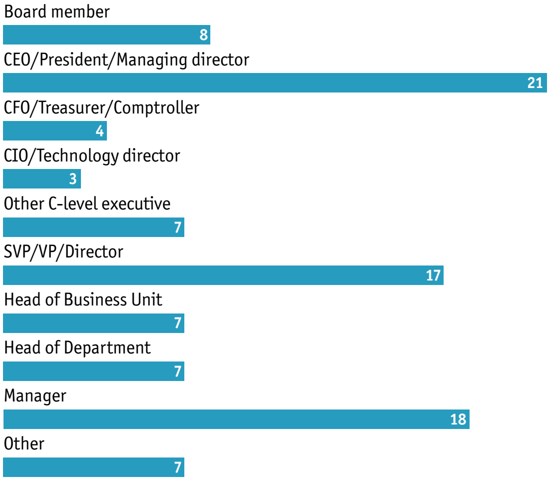
In which country are you personally located?
(% respondents)



What are your organisation's global annual revenues in US dollars?
(% respondents)



Which of the following best describes your job title?
(% respondents)



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