Forrester Consulting Thought Leadership Paper
Commissioned By Cisco

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# Modernize Operations To Digitally Transform And Weather Any Storm

Digital transformation is hardly a new imperative. Organizations have been focused on transforming both customer-facing and back-end processes for more than a decade, but the need remains as pressing today as it was then. Why? Digital transformation vastly improves an organization's ability to be agile and adapt to changing business and customer needs. The respondents in our study understand this: 80% report that their business processes will need to become more agile, and another 72% plan to accelerate their digital transformation efforts.

However, this digital transformation work is complicated by a diverse and distributed business technology landscape. While organizations currently plan for and begin improving on the quality of their digital experiences, they must do so:

- For both employees and customers.
- Via an environment that incorporates networks and applications on-premises, at the edge, and in the cloud.
- To incorporate advanced capabilities like AI and the internet of things (IoT).
- Across a variety of organizationally provided and bring-your-own devices.
- Via a workforce that can be remote, mobile, and geographically dispersed.

The enterprise technology landscape is no longer confined to the four walls of an office building. And to further complicate matters, all of this complexity creates blind spots — e.g., internet service providers (ISPs), cloud providers, and software-as-a-service (SaaS) providers — that can occur in portions of the landscape where organizations have limited visibility and control. Today's operations professionals must contend with this massive, complicated patchwork of technology and stakeholders while trying to meet the rapidly changing expectations of both customers and employees. At the same time, they must embrace increasingly complex architectures and agile development techniques. In order to meet critical business goals, operations must master this vast ecosystem, while remaining adaptable, resilient, and agile.[1]

Bear in mind that all of these issues existed for organizations prior to the world being plunged into the COVID-19 crisis. In addition to the economic, social, and political impacts of the pandemic, the experience of this last year has served as a much-needed reality check
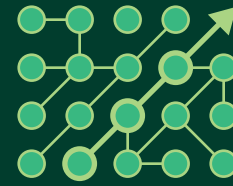
METHODOLOGY

Cisco commissioned Forrester Consulting to evaluate the operations maturity of organizations of 500 or more employees in North America, Europe, and Asia Pacific.

To achieve these objectives, Forrester conducted an online survey with 1,212 IT and operations decision-makers with responsibility for automation strategy.

This is the first installment of a four-part series.

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for enterprises. Suddenly, and quite dramatically, any operational issues that were regularly experienced became even more prominent, as entire workforces were required to go remote, practically overnight. As global conditions continue to change, events of this magnitude — which are thought to come once in a lifetime — now seem to happen with more frequency. Just think of the number of disruptive weather events countries across the globe have contended with over the past few years. If organizations are to remain resilient and successful through the barrage of obstacles being thrown their way, they must modernize their technical operations. We'll explore what modern operations entails in the next installment, but first we must understand how enterprises are organizing their operations today.

A Look At Operations Today

Operations are foundational to a successful business, even more so in times of crisis and uncertainty. So how exactly are firms attempting to modernize operations to improve agility? Our study found:

› **Operations teams are working to improve the resilience and inclusion of their organizations.** Forrester has long held that maintaining data integrity is critical for success in nearly any endeavor: Without the right data, one cannot produce useful insights nor meaningful action. And decision-makers in this study agree by highlighting their prioritization of improving both data resilience and quality as their top-two IT operations goals.[2] The impact of the complicated IT landscape is reflected in another top goal: improving remote worker inclusion (see Figure 1). The fact that remote workers factor into operations professionals' most critical goals showcases both the distributed nature of many enterprises today and the impact of the COVID-19 pandemic.

If organizations are to remain resilient and successful through the barrage of obstacles being thrown their way, they must modernize operations.

Figure 1

"What are the main goals of your IT operations work this year?" (Top five responses shown)

Improve data resilience	40%
Improve remote worker inclusion	35%
Reduce costs	33%
Improve data quality	31%
Automate as many tasks as possible	30%

"Has your organization's experience during the COVID-19 pandemic made any of these goals more or less important?" (More/significantly more important)
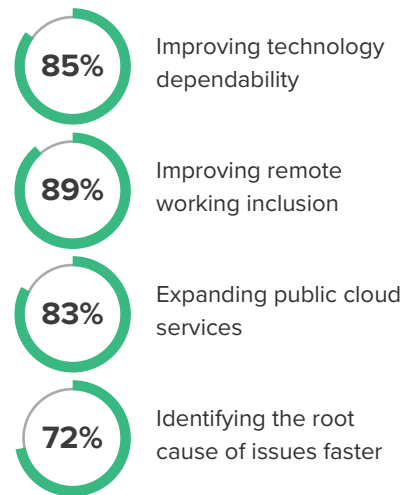
- 78%
- 89%
- 81%
- 78%
- 84%
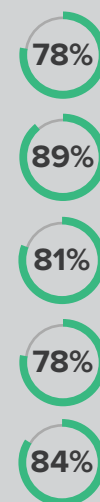
Base: 1,212 global decision-makers of automation strategy and purchasing decisions
Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020

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› **The pandemic has made this work much more critical.** More than three-quarters of all survey respondents agree that their top IT operations goals are even more important now, in light of what they've experienced during the pandemic (see Figure 1). This is particularly true for goals that are related to remote work, such as improving remote worker inclusion and technology dependability, expanding public cloud services, and identifying the root cause of issues faster (see Figure 2). Considering the complexity of the expanding and evolving technology landscape discussed earlier, these issues can now no longer be ignored as many countries and regions begin shifting toward reconvening operations in the post-pandemic world.

› **The pandemic's effects have taken a toll on firms.** The pandemic's impact to organizations around the world should not be understated. Many feel that they are currently *less* collaborative and responsive to changing needs than they were before the crisis (see Figure 3). This is concerning, given respondents' desire to become more agile in the long term, especially since businesses are likely to feel the effects of the pandemic for years to come. Changes to the way we work, which were made as a matter of necessity during the height of the crisis, will remain, creating the often referenced "new normal."[3] If organizations don't find a way to reverse course — by fixing issues of responsiveness and collaboration — recovery may be a long way off.

One way to reverse this alarming trend and create a more resilient and agile practice is to assess your organization's operations maturity. The next installment of this study will dive deeply into this maturity model, showing both how we define maturity and what sets mature leaders apart from their less-mature counterparts when it comes to automation, emerging technology, and smart investments. Take advantage of this close look to identify areas for improvement at your own firm.
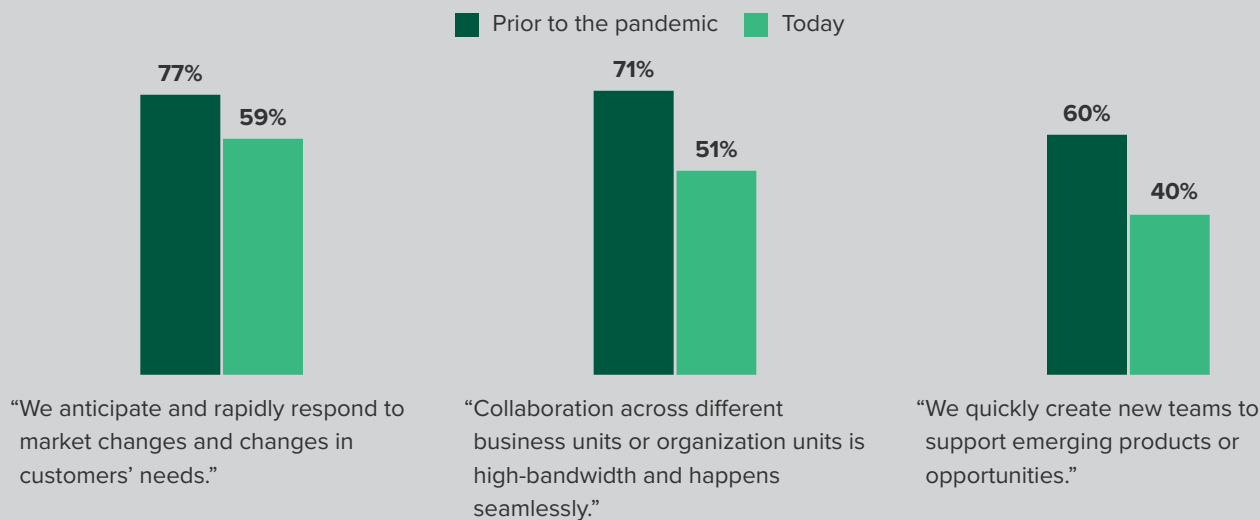
Figure 2
"Has your organization's experience during the COVID-19 pandemic made any of these goals more or less important?" (More/significantly more important shown)

85% Improving technology dependability

89% Improving remote working inclusion

83% Expanding public cloud services

72% Identifying the root cause of issues faster

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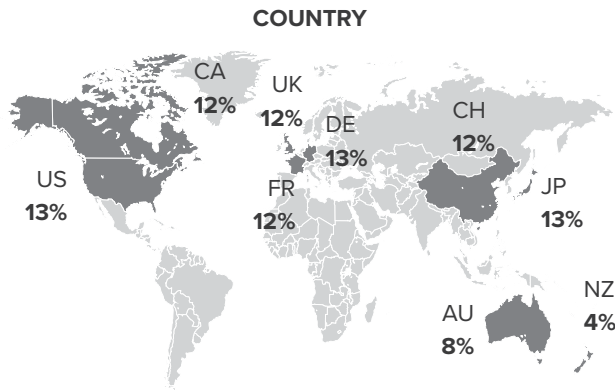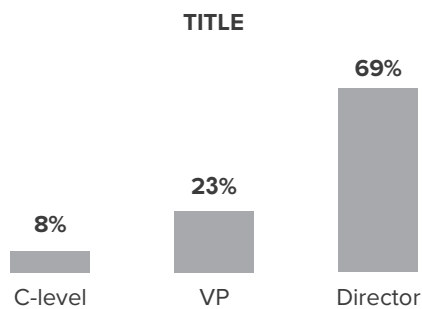
Figure 3
"How would you rate your company's agility across the following dimensions today and prior to the COVID-19 pandemic?" (Percent describes respondents' organizations)

■ Prior to the pandemic   ■ Today

77% / 59%
"We anticipate and rapidly respond to market changes and changes in customers' needs."

71% / 51%
"Collaboration across different business units or organization units is high-bandwidth and happens seamlessly."

60% / 40%
"We quickly create new teams to support emerging products or opportunities."

Base: 1,212 global decision-makers of automation strategy and purchasing decisions
Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020
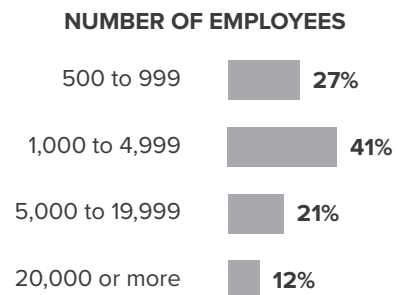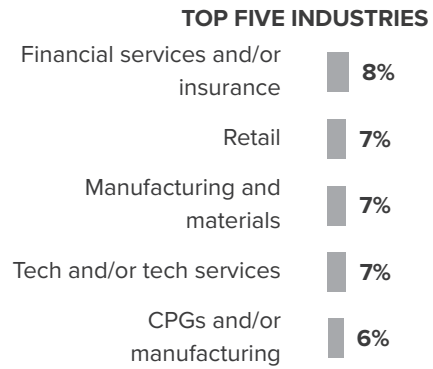
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Appendix A: Demographics

COUNTRY

CA **12%**

UK **12%**

DE **13%**

CH **12%**

FR **12%**

US **13%**

JP **13%**

NZ **4%**

AU **8%**

NA: **25%**   EU: **37%**   APAC: **38%**

TITLE

8%
C-level

23%
VP

69%
Director

DEPARTMENT

50% IT
50% Operations

TOP FIVE INDUSTRIES

Financial services and/or insurance **8%**

Retail **7%**

Manufacturing and materials **7%**

Tech and/or tech services **7%**

CPGs and/or manufacturing **6%**

NUMBER OF EMPLOYEES

500 to 999 **27%**

1,000 to 4,999 **41%**

5,000 to 19,999 **21%**

20,000 or more **12%**

PRIMARY ACTIVITY

66% Tech infrastructure and/or ops
34% App development and/or support

Base: 1,212 global decision-makers of automation strategy and purchasing decisions
Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020

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Appendix A: Endnotes

[1] Source: "Gauge Your Modern Technology Operations Maturity," Forrester Research, Inc., September 29, 2020.

[2] Forrester defines data resilience as the ability of data storage and retention technologies to absorb the impact of any unexpected occurrence without data loss and with minimal customer-perceived impact. Data quality is defined as ensuring any data set is fit for its intended purpose according to the standards put in place by the organization; it usually involves resolving discrepancies and deduplication. Data integrity is aligned with the concept of data quality and ensuring accuracy.

[3] Source: "The New, Unstable Normal: How COVID-19 Will Change Business And Technology Forever," Forrester Research, Inc., July 14, 2020.

ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

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