PULSE SURVEY
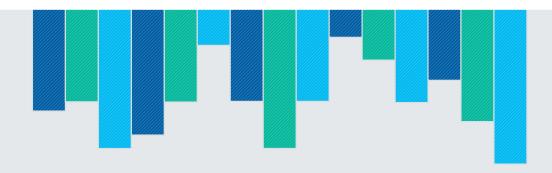
Accelerating Transformation for a Post-Covid-19 World

The Hype Is Real

The phrase "digital transformation" often evokes skepticism. Despite (or perhaps in spite of) the fact that it has been in common parlance for over 10 years, digital transformation strategies can be interpreted as vague, and are easily misunderstood. It's no wonder that 26% of the executives surveyed by Harvard Business Review Analytic Services report that one of their biggest organizational challenges is the lack of a clearly defined digital transformation strategy.

Yet in this year's survey—the third annual one by Harvard Business Review Analytic Services—an astounding 95% of executives report an increased importance of a digital transformation strategy within their industry—the highest percentage recorded to date. What could explain the increase?

In a word, Covid-19.

The global pandemic has darkly underscored the imperative to use technology as a lever to change how organizations achieve their goals. Covid-19 has put our digital transformation strategies to the test. The widening gap between those who are able to swiftly and successfully respond to change—and those who aren't—is validating the value of a digital transformation strategy.

In other words, the hype is real.

Everybody has a plan until they get punched in the mouth.

Perhaps an even more surprising finding in this year's survey is the fact that business continuity and resiliency (38%) have superseded profitability and productivity (35% each) as the most frequently cited business goal of our surveyed executives' digital transformation efforts.

The shift in focus from profits to resilience is remarkable, especially in a world where business decisions are increasingly influenced by market pressures that reward short-term results. Why the dramatic shift?

Because Covid-19 has bluntly demonstrated that all engines for innovation and growth have a finite life span and are always at risk of radical disruptions. Or, as boxer Mike Tyson once said, "Everybody has a plan until they get punched in the mouth."

So how are digital transformation leaders adapting their strategy?

We've seen dramatic shifts in ways of working, such as team-based remote and hybrid working models, and an overall focus on business agility. These shifts, catalyzed by Covid-19 response and accelerated by technology adoption, are solidifying into business cultures that can provide greater resiliency in a post-Covid-19 world.

We've seen similarly aggressive shifts to the hybrid cloud as an operating model for enterprise IT. The combination of private, public, and multi-cloud capabilities helps establish a platform for digital business that balances optionality with a set of enabling constraints—and enables business resilience.

What steps will you take? I invite you to read the results of this survey to learn more about what digital transformation leaders are doing today so that it might better inform your own strategy tomorrow.

Michael Walker
Head of Open Innovation Labs and Transformation Services
Red Hat

Accelerating Transformation for a Post-Covid-19 World

It's clear that Covid-19 has fundamentally disrupted business operations across industries and throughout the world. Just ask a supermarket executive whose company had to quickly pivot to the new normal of curbside pickups and home delivery. But has the pandemic also disrupted the digital transformation strategies that have been top corporate priorities for large organizations in recent years?

A third annual digital transformation survey by Harvard Business Review Analytic Services of 522 executives from multiple business sectors around the globe finds that digital transformation strategies were jolted by the pandemic. Ninety percent of the respondents say Covid-19 has accelerated the timing of their organization's modernization efforts. "The Covid pandemic has been a huge catalyst for transformation projects," says Kai Bender, who acts as the market leader for Germany and Austria at the management consulting firm Oliver Wyman, headquartered in New York. "Expanding digital services became an imperative when it became impossible to engage with clients in an analog way."

Global executives responding to the survey are nearly unanimous (95%) in their view that digital transformation has grown in importance in their industry over the past 12 months. What's more, 76% of the executives say transformation has become significantly more important to business success, which is six percentage points higher than in last year's Harvard Business Review Analytic Services survey.

Against this backdrop, executives are reexamining key aspects of their transformation plans, including how well they support business goals that have been reprioritized since the pandemic struck. Change agents are

"We have seen digitalization projects in a broad range of industries where companies cut their cost-to-serve rates by 50%, while also increasing the number of touchpoints between companies and clients," says Kai Bender, market leader for Germany and Austria, Oliver Wyman.

also focusing on both new transformation challenges and persistent problems that impede three essential pillars of modernization: culture, business process, and technology. For example, 26% of the respondents say one of their organization's biggest process challenges is the lack of a clearly defined transformation strategy.

The survey reveals what initiatives companies with stellar transformation track records will undertake to promote ongoing success. What emerges are a series of concrete steps that others can model to support near-term business goals and long-term strategic imperatives.

"The clock speed of business is changing more quickly than ever," says Jeff Kavanaugh, adjunct professor at the University of Texas at Dallas and global head of a consulting and IT services company's research division. "The pandemic is forcing the need for greater agility, so companies can respond more quickly to whatever changes they are seeing. Like Darwin said, it isn't the most intelligent or the strongest who survive—it's those who are the most adaptable."

Gauging the Pandemic's Impact

The Covid-19 pandemic has done more than accelerate transformation projects; it has also prompted executives to view their modernization efforts in a new light. "There used to be reticence within some companies to take huge leaps, such as conducting important business meetings virtually or moving to fully paperless workflow processes," Kavanaugh says. "The pandemic enabled people to make big changes and not worry about repercussions if something doesn't work out because there's an imperative due to health concerns and a willingness to try something new."

The latest survey data shows how respondents are thinking differently about transformation. When asked to consider the performance of their strategies before the outbreak, only 20% of the survey respondents rate their efforts as effective. This number matches how executives assessed their transformation efforts in last year's survey. However, since Covid-19 hit, executives have become more upbeat about their transformation progress. More than half (58%) of executives say their organization's transformation strategies since the pandemic's start have been effective.

The rise in positive assessments of transformation effectiveness throughout the Covid-19 crisis may stem from the following four main factors: First, the pandemic gave new urgency to enterprise modernization, which unleashed a wave of investment to keep businesses running and serve customers with expanded digital services, such as online transactions. "The pandemic spurred organizations to make changes that may have been considered too tough to do, such as working remotely or doing telemedicine," says George Westerman, a senior lecturer with the MIT Sloan School of Management at the Massachusetts Institute of Technology. "Executives may have worried that no one would accept the changes, but suddenly, wild ideas started sounding legitimate, which accelerated those transitions." The pandemic may be helping speed change, but companies also have to take action to ensure current and ongoing success.

Another factor is that accelerated transformation efforts in reaction to Covid-19 have done more than just keep companies running during office lockdowns and the closing of physical stores. Covid-19-inspired modernizations are reducing expenses and enhancing customer engagement. "The cost of servicing customers is significantly lower in a digital world compared to brick-and-mortar businesses," Oliver Wyman's Bender says. "We have seen digitalization projects in a broad range of industries where companies cut their cost-to-serve rates by 50%, while also increasing the number of touchpoints between companies and clients."

An additional factor is that the transformation work many organizations completed before the pandemic benefited them once Covid-19 hit. Seventy-one percent of respondents say prior digital transformation efforts positioned their company to better address the pandemic's challenges.

Finally, assessments of transformation effectiveness may also be a sign that accelerated modernizations support evolving business goals. For example, while traditional goals like profitability, customer growth, and improving products and services remain important, enterprises see other areas as higher priorities. In 2021, the objective of improving business continuity and resiliency is tied with increasing agility associated with operations and business workflows as a top business goal. Continuity/resiliency showed the biggest rise in importance of all business goals—it spiked 21 percentage points, or more than double its ranking before Covid-19. **FIGURE 1**
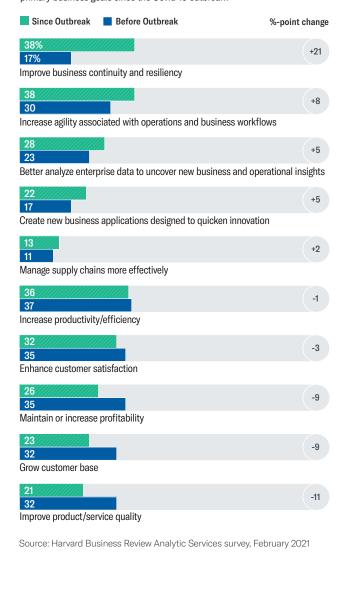
Eighty-four percent of executives surveyed say having the right culture in place is important for digital transformation in their organizations.

FIGURE 1

Covid-19 Upends Business Goals

Business continuity becomes a top priority

What were the primary business goals for your organization's digital transformation efforts prior to the Covid-19 outbreak? And what are the primary business goals since the Covid-19 outbreak?

■ Since Outbreak   ■ Before Outbreak   %-point change

38% / 17% — Improve business continuity and resiliency	+21
38 / 30 — Increase agility associated with operations and business workflows	+8
28 / 23 — Better analyze enterprise data to uncover new business and operational insights	+5
22 / 17 — Create new business applications designed to quicken innovation	+5
13 / 11 — Manage supply chains more effectively	+2
36 / 37 — Increase productivity/efficiency	-1
32 / 35 — Enhance customer satisfaction	-3
26 / 35 — Maintain or increase profitability	-9
23 / 32 — Grow customer base	-9
21 / 32 — Improve product/service quality	-11

Source: Harvard Business Review Analytic Services survey, February 2021

The drive to improve business continuity likely stems from the realization that global business disruptions are a threat to the very survival of a company rather than a worst-case scenario that few organizations have the resources to fully address.

Another of today's top business goals—increasing agility associated with operations and business workflows—jumped eight percentage points since the Covid-19 outbreak. "There is a drive toward hyperefficiency by going digital," Kavanaugh of the University of Texas–Dallas says. "Once a company digitizes its processes, it can apply rules and artificial intelligence to enable the extreme automation of those processes."

Two other higher priorities—each rising five percentage points—are improving the ability to create new business applications designed to quicken innovation and the use of enterprise data to uncover new business and operational insights. Together, the focus on agility, innovation, and analytics shows a growing interest among executives to bring about ongoing change and to quickly understand shifts in the marketplace.

The survey data also reveals that organizations aren't just rethinking business priorities; they are putting their money where their aspirations are. More than half (53%) of the respondents say funding has not become more difficult to obtain for transformation since Covid-19 hit. Instead, access to funding for these firms continues despite the financial hardships the pandemic wreaked on many organizations. The need for ongoing investments is clear; 97% of the respondents say transformation success will grow in importance as a competitive factor in their industry in 2021 and beyond.

How might respondents earmark their funding in the coming months? As will be shown later in this report, executives will pay close attention to three pillars of successful transformation: having the right culture, business processes, and technology in place. Eighty-four percent of executives surveyed say the right culture is important for digital transformation. The emphasis on culture continues a trend that emerged in the previous surveys. **FIGURE 2** Note that while respondents give culture an edge in importance, they understand that transformation requires companies to multitask—89% of executives surveyed say success comes from addressing all three components.

Workforce considerations are a focus area for cultivating cultures primed for transformation. Talent development is a
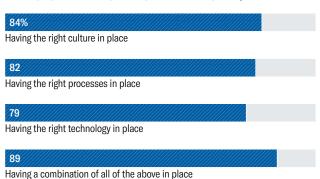
> "Smart organizations will put processes in place that make [informal meetings] more feasible when people are working remotely," says Thomas Davenport, Babson College distinguished professor of information technology and management.

Success Hinges on Three Pillars of Transformation

The right culture is key, but so is attention to processes and technology

How important are each of the following to the successful digital transformation efforts of your organization? [RESPONDENTS WHO SAY THE PILLAR IS MODERATELY IMPORTANT TO EXTREMELY IMPORTANT]

84%
Having the right culture in place

82
Having the right processes in place

79
Having the right technology in place

89
Having a combination of all of the above in place

Source: Harvard Business Review Analytic Services survey, February 2021

key component of cultural change. Seventy-nine percent of respondents say attracting new talent and enhancing people skills are higher priorities than in the past for their digital transformation efforts. Another goal is fostering corporate team building and loyalty among employees who work from home offices. "Cultural transformation and change management have attracted greater focus because retaining talent is so much harder when large numbers of people work in home offices," Bender says. "Executives need to do everything they can to make sure remote workers continue to identify with their companies."

Lingering Transformation Challenges

While Covid-19 accelerated transformation plans and reshuffled business goals, it hasn't changed what executives see as the top roadblocks to modernization efforts. As in the previous two surveys, the new research shows organizations continue to struggle with the three transformation pillars. Unfortunately, the pandemic is exacerbating some problems in these three areas.

For example, survey data highlighted in the 2020 report identified cultural issues as the biggest barrier among the three transformation pillars to overall success. This year, the highest number of respondents—46%—also call out culture as an impediment to transformation. Respondents identify multiple underlying factors that contribute to cultural challenges. Twenty-six percent of respondents name a lack of experienced talent and skills in analytics or digital systems as their organization's top cultural challenge related to transformation. A similar number (25%) cite corporate inertia, while 23% rank resistance to change by business staff as their organization's top cultural challenge.

Overcoming cultural challenges was important prior to Covid-19, but pandemic-spurred office closures added another layer of difficulty to improving this area. Companies must balance the need for some people to work exclusively on-site—those running a manufacturing production line, for example—with knowledge workers and others who prefer to work remotely most of the time. Hybrid workforces can make it harder to foster innovation. "Certain activities, such as generating ideas for new products, are tough to do in a remote environment," says Thomas Davenport, Babson College distinguished professor of information technology and management. "These activities rely in part on informal interactions and chance encounters in the hallway. Smart organizations will put processes in place that make [informal meetings] more feasible when people are working remotely. That may mean scheduling one day a week in the office when people come in and have an opportunity to chat."

Outdated workflow processes represent another transformation challenge. Thirty-eight percent of respondents say that process problems hamper modernization efforts. What causes process problems? Nearly half (48%) of the executives surveyed name the complexity and resource demands associated with updating existing business policies and processes as the biggest process challenge to driving digital transformation in their organization.

The third transformation pillar, technology modernization, also faces hurdles. Twenty-nine percent of executives surveyed identified technology roadblocks as an impediment to transformation. The highest number of respondents—31%— name the complexity of the current IT environment as the biggest technology challenge to transformation. This percentage is nearly double that of the second-highest choice,

the lack of analytics capabilities, which was selected by 16% of executives surveyed.

Roadblocks associated with culture, processes, and technology may not have gotten sufficient attention in the past year. Many organizations raced to put out pandemic-sparked fires that threatened businesses. In the coming months, some organizations will reexamine what crisis measures must now be formalized and improved for future transformation success.

Five Ways to Fuel Change

Companies now must learn the transformation lessons of the past year and turn them into updated strategies. Helping inform this process are the plans of a select group of companies the survey identifies as "leaders." These organizations say their transformation initiatives were successful prior to the Covid-19 outbreak and the strategies have remained highly effective in the wake of the crisis. In addition, academic researchers and management consultants offer insights that complement and expand on the leaders' lessons. The combination of data and expertise culminates in five steps that organizations can take in the months ahead to better understand the status of their transformation journey, address modernization roadblocks within the three pillars, and gauge ongoing progress.

Focus on situational awareness. With so much change happening so quickly—in internal operations and throughout the marketplace—executives should take time to better understand the current state of their organizations to determine how to update transformation strategies. "The first step to adaptation or learning is having a thorough understanding of what the external context looks like," says Deborah Ancona, the Seley Distinguished Professor of Management at MIT. One framework for conducting these assessments is sensemaking, one critical part of a leadership model designed to help decision makers understand rapidly changing conditions and update business plans, she explains.

Principles borrowed from sensemaking models can guide meetings where people from a cross section of departments discuss next steps for transformation. To ensure that diverse ideas and perspectives are represented in these meetings, some organizations are turning to what Ancona dubs "X-teams." These teams bring together input not only from multiple internal stakeholders but also from experts outside the firm, including competitors that may collaborate in select, mutually beneficial projects. "The job of an X-team is to reach across boundaries," she explains. "An externally oriented, adaptive learning structure that pulls together different parts of the organization and the broader ecosystem can foster the development of new business models, products, and processes. X-teams can also help senior leadership learn

to build on the input of diverse groups to chart the strategy for the firm."

Executives redouble efforts to overcome cultural challenges. As organizations compile post-pandemic roadmaps, they are also addressing five key elements of cultural change. **FIGURE 3** Leaders display levels of commitment similar to those of their peers to collaboration and adaptability, but leaders distinguish themselves by a heightened interest in a handful of other important areas. One is transparency, where multiple teams and decision makers routinely share information with each other. By a margin of eight percentage points, more leaders than the rest of respondents call this a focus area. The second area of higher commitment among leaders is community, an approach that looks to shared values to guide decision

FIGURE 3

Cultural Change Enables Transformation

Leaders focus on collaborative and inclusive cultures

Which of the following cultural characteristics is your organization focusing on to enable digital transformation in your organization?

■ Leaders   ■ The Rest

73%
69%
Collaboration
There is support for sharing work, initiating projects in group settings, and effectively connecting with additional project groups to form cross-functional teams.

56%
53%
Adaptability
Information flows freely, and individuals are able to make decisions and respond to changing conditions; experimentation and learning are encouraged.

46%
38%
Transparency
Individuals and teams regularly disclose their plans, products, or processes to multiple stakeholders; decision makers share data and resources.

53%
36%
Inclusivity
There are established channels for providing feedback or learning about projects and activities; leaders and project teams actively solicit diverse perspectives; there are processes for collective or collaborative decision making.

42%
36%
Community
Shared values guide decision making, so rather than relying solely on top-down directives, organizations mobilize expertise from people closest to challenges or opportunities to promote agility, quicker decisions, and better ideas.

Source: Harvard Business Review Analytic Services survey, February 2021

"Companies have an opportunity to clean up and streamline their processes, which then makes it more possible to implement additional digital innovations," says George Westerman at MIT.

making. Forty-two percent of leaders versus 36% of other respondents say they look to expertise from people closest to challenges or opportunities to promote agility, quicker decisions, and better ideas.

A third area where leaders diverge from peers is inclusivity, which includes encouraging managers and project teams to actively solicit diverse perspectives. More than half (53%) of the leaders, compared to 36% of the rest of the respondents, focus on this area. Bender says organizations are taking important steps to become more inclusive. "Many companies realize they must invest in new efforts to maintain one-to-one relationships," he says.

Bender adds that communications systems that senior leaders use to engage and motivate employees need to evolve from broadcast-oriented to more personalized approaches. "Management needs to have individual interactions with employees, especially when workforces spend less time in office settings," he explains. Otherwise, corporate goals and values "become less tangible to employees."

Some executives are encouraging a two-way flow of information between senior staff and frontline workers. "Highly effective companies are doing more to dialogue with employees in ways that are much more immersive and based on grassroots movements," Bender says. "It's much easier for employees to support decisions when there's mutual commitment compared to when [a new policy] falls from the clear blue sky."

Organizations are also addressing another cultural challenge fueled by the pandemic—how to keep workers engaged when they spend some or all their time working remotely. "As we come out of the pandemic, it's going to be a great time to analyze data about what is and isn't working for particular types of work arrangements," Davenport of Babson College says. "For example, are people who are working remotely just as happy and productive as on-site workers? There is a fantastic opportunity to find answers to these questions."

Process modernization offers bottom-line benefits. While cultural change has deservedly become a focus of transformation managers, executives should also pay close attention to process modernization. Improved processes can yield financial benefits, which can free resources for other transformation initiatives. "Executives pay a lot of attention to customer experience and business models when they think about digital transformation. But my advice is to not overlook modernizing internal operations, which can be a tremendous source of competitive advantage," says MIT's Westerman. "Companies have an opportunity to clean up and streamline their processes, which then makes it more possible to implement additional digital innovations."

To modernize processes, 57% of leaders use continuous integration/continuous delivery (CI/CD), a process for expediting the rollout and ongoing enhancement of new applications to address changing business requirements. **FIGURE 4** This finding compares to less than a third (30%) of other respondents who have adopted this approach. Leaders further distinguish themselves from the rest of the respondents (39% versus 26%, respectively) by their embrace of lean or startup methodologies.

By similar percentages, leaders and their peers are turning to agile methodologies for activities inside IT and beyond. Forty-seven percent of all respondents say their organizations

FIGURE 4

Process Modernizations Target Agile Methods

Leaders break from peers with greater emphasis on agile

Which of the following process changes has your organization implemented to support digital transformation?

■ Leaders ■ The Rest

	Leaders	The Rest
Continuous integration/continuous delivery	57%	30%
Agile development processes	52	46
Agile project management processes	51	45
Lean/startup methodologies	39	26
DevOps approaches	35	24

Source: Harvard Business Review Analytic Services survey, February 2021

have implemented agile development process, and similarly, 46% overall report that agile methods are supporting project-management processes in their organizations. Agile methods encourage moves like assembling cross-functional teams that promote transformation through a series of iterative steps.

Leaders assign agile methods and CI/CD guidelines greater importance as resources for accelerating workflows—more than half of leaders are applying the two frameworks to their digital transformation efforts. Some management consultants think techniques for spurring flexibility and change recognize today's market realities. "If you look at processes for approving things like credit or insurance applications, it appears that if they're not real time, decisions are unacceptable these days," Bender says. "Focusing on improving processing speed is one of the most important areas for organizations to target today."

Technology modernization requires a multifaceted approach. Process modernization often goes hand in hand with technology transformation, transformation veterans say. That connection exists because one of the biggest inhibitors of speeding up business workflows is legacy technology. One especially stubborn legacy problem is digital "spaghetti," the management and maintenance complexities that arise as IT systems and applications are customized over time. "By rethinking business processes and cleaning out legacy spaghetti, organizations become more agile," Westerman says. "Streamlined systems give companies cleaner information, more agility, and the ability to engage with customers more effectively."

Executives are hearing this message. Half of survey respondents report that they plan to invest in business process automation over the next 12 to 18 months, a move that can directly address IT complexities and workflow inefficiency. **FIGURE 5** Leaders expect to increase automation investments by more than four percentage points than their peers do. Leaders separate themselves from the rest of the respondents with greater attention to another technology area—platforms for application development. By a difference of 13 percentage points, leaders versus the rest will invest in systems that could help them quickly roll out software and services in response to new business priorities.
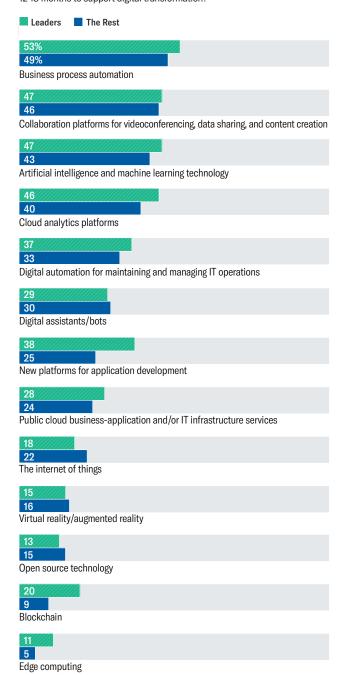
Leaders also express greater interest in investing in two areas for better understanding and acting on corporate data. By a difference of four and six percentage points, respectively, leaders plan to outspend their peers for artificial intelligence and machine learning technology, as well as for cloud analytics platforms.

In addition, nearly half (47%) of the leaders plan to earmark spending for collaboration platforms that support videoconferencing, data sharing, and content creation. The attention to collaboration systems isn't a surprise given the ubiquity of remote workforces spurred by the pandemic.

FIGURE 5

Process Automation Becomes an Investment Priority

Leaders will also focus on new development platforms

What new technologies is your organization planning to invest in over the next 12-18 months to support digital transformation?

■ Leaders   ■ The Rest

	Leaders	The Rest
Business process automation	53%	49%
Collaboration platforms for videoconferencing, data sharing, and content creation	47	46
Artificial intelligence and machine learning technology	47	43
Cloud analytics platforms	46	40
Digital automation for maintaining and managing IT operations	37	33
Digital assistants/bots	29	30
New platforms for application development	38	25
Public cloud business-application and/or IT infrastructure services	28	24
The internet of things	18	22
Virtual reality/augmented reality	15	16
Open source technology	13	15
Blockchain	20	9
Edge computing	11	5

Source: Harvard Business Review Analytic Services survey, February 2021

The data suggests that a growing number of executives feel that efficient back-end services are a foundation for retaining customers, which can be important for staying profitable given the expenses associated with attracting new clients.

To boost analytics capabilities, 41% of firms plan to invest in cloud analytics platforms. "Analytics were already a top priority prior to the pandemic, and their importance is ever increasing," Bender says. "Analytics, including artificial intelligence, are tools that can improve and transform businesses—from calculating customer lifetime value to making sure that a company offers the appropriate product to a certain client. Analyses like that are the present and the future."

Firms will also have to monitor progress to keep transformation on track. To judge the success of their digital transformation efforts, survey respondents are looking to a variety of business and performance metrics. More than half (55%) of the executives focus on the performance metrics of growth and revenue generation, while a similar number (53%) say they assess operational efficiency. Measures of profitability and customer retention follow at 48% and 44%, respectively.

Two of these key performance indicators (KPIs) have seen greater scrutiny over the past 12 months: Attention to efficiency rose by 17 percentage points, and customer retention gained 13 percentage points as measures of success during the Covid-19 era. The focus on efficiency and retention shows how the pandemic has shifted how executives look at their businesses. When customers increase their reliance on online channels to engage with companies, competitors must find new ways to provide superior digital experiences. The data suggests that a growing number of executives feel that efficient back-end services are a foundation for retaining customers, which can be important for staying profitable given the expenses associated with attracting new clients.

The KPIs show that global enterprises are seeing benefits from their digital transformation efforts. Forty-three percent of the executives say operational efficiency has improved significantly as a result of their organization's digital transformation efforts. The efficiency gains may stem from investments in the latest digital tools and in process modernization. But as the earlier survey also showed, cultural modernization continues to be challenging. Only about a quarter (28%) of respondents are seeing significant improvement in this area. However, there is a hopeful sign; in the previous survey, just 16% of respondents said cultural change improved significantly.

Leaders have even more reason to be optimistic about their transformation progress. They note significant improvements in operational efficiency and employee satisfaction. In both categories, the number of leaders reporting improvements is 19 percentage points higher than in the rest of the sample. Financial gain is another reason it pays to be a leader; 11% more executives in the high-performing group say profitability has improved significantly as a result of digital transformation.

Leaving the Past Behind

The impact of the Covid-19 pandemic on global businesses will likely resonate for years to come. Already, the pandemic has reprioritized the business goals of companies across industrial sectors and geographic regions. The lingering effects of the pandemic are forcing executives to reexamine and revise digital transformation plans, including the speed at which organizations are digitizing business systems and automating workflows. At the same time, organizations continue to focus on the challenges and opportunities associated with three pillars of transformation: culture, business processes, and technology. Fortunately, new best practices are emerging from leading researchers and practitioners of digital transformation.

As executives decide how to promote modernization in the months ahead, they should be ready to embrace new ideas. "The question isn't how to get back to the old ways of working," Westerman says. "The issue is how organizations can take what they've learned and put together the right combination of improvements for the future."

METHODOLOGY AND PARTICIPANT PROFILE

A total of 522 respondents drawn from the HBR audience of readers (magazine/newsletter readers, customers, HBR.org users) completed the survey. All respondents were based in the United States.

Size of Organization

38%
10,000 or more employees

31%
1,000 – 9,999 employees

10%
500 – 999 employees

21%
100 – 499 employees

Seniority

25%
Executive management/ board members

20%
Senior management

18%
Middle management

14%
Other grades

Key Industry Sectors

15%
Financial services

11%
Technology

10%
Education

10%
Manufacturing

8%
Government/ not for profit

8%
Business/professional services

All other sectors less than 8% each

Job Function

21%
General/executive management

9%
Sales/business development/ customer service

8%
Consulting

All other functions less than 8% each

Regions

39%
North America

22%
Asia

19%
Europe

9%
Latin America

7%
Middle East/Africa

Figures may not add up to 100% due to rounding.

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