

# DIGITAL TRANSFORMATION RESEARCH

CONDUCTED BY SAPIO

AUGUST 2019

THE SURVEY WAS CONDUCTED AMONG 200 MANAGERS OR ABOVE, WITH RESPONSIBILITY FOR DECISION MAKING OVER IT PURCHASES, WORKING IN COMPANIES WITH OVER 250 EMPLOYEES IN THE FINANCE INDUSTRY (100) OR OTHER INDUSTRIES (100).



## KEY STATS

83% see digital transformation as a key focus

Almost half (46%) are ahead of their competitors in their digital transformation journey, while 29% are behind competitors

96%

Think its possible to put all or most business workloads into the cloud

Over 2 in 5 (44%) have **strong cyber security** in place, a further 55% have **adequate** practices in place but could do more

39% have been delivering infrastructure as code in their organisation for some time, while a further 44% have just started implementing it

Over 9 in 10 (94%) are confident that their data and governance program meets the needs of a company operating in the financial services sector

# SUMMARY OVERVIEW

1

**Migrating legacy apps are an issue!** — over 2 in 5 (44%) agree their inability to migrate legacy apps to the cloud is holding them back from their digital transformation journey, with over 8 in 10 saying their inability to migrate legacy apps is having a negative impact on their business

2

**What's holding companies back on their digital transformation journey** — Over half are kept awake at night due to their inability to update their legacy infrastructure, while those falling behind competitors are suffering from a lack of budget

3

**FCA...?** — 47% understand FCA requirements fully and a further 44% understand it to some extent. However, unclear guidance from the FCA is holding 27% from migrating to the cloud, as well as security issues

4

**Fully managed service...** — for a third (34%) issues around cloud security and security with data is holding them back from having a fully managed service, followed by service providers not being able to understand their business well enough

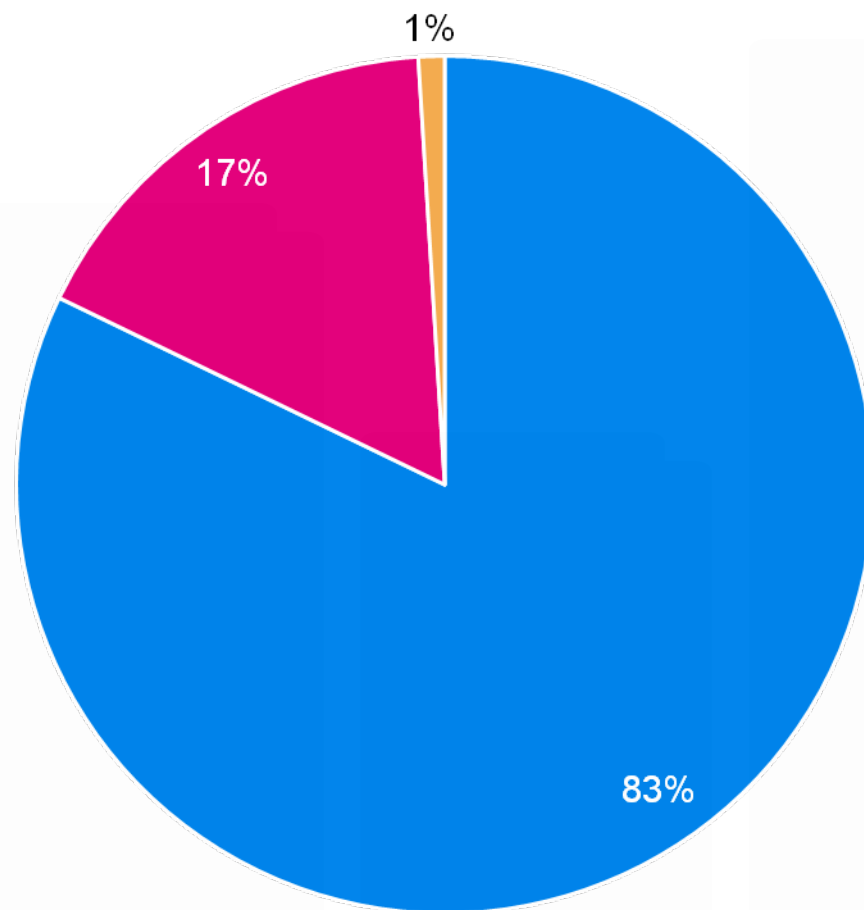
5

**Stationary State of Customer Experience** — almost two-fifths find lack of direct connections to issuing and acquiring banks, payment systems and converging services halting them from moving their customer experience forwards, followed by inability to bypass public or unreliable connections

# MAIN FINDINGS

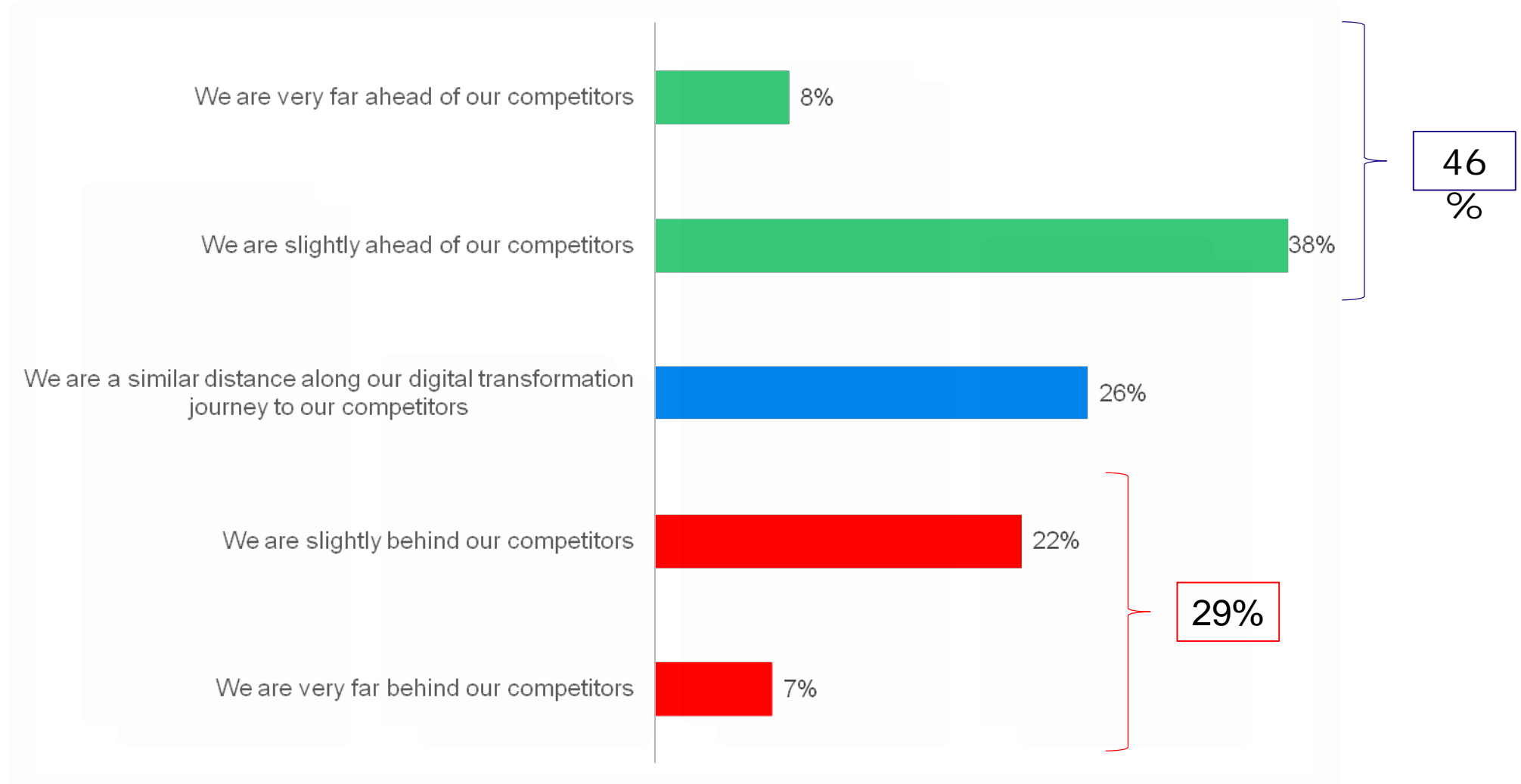
DIGITAL TRANSFORMATION IS A KEY FOCUS FOR OVER 4 IN 5 (83%) WHILE ITS OF SECONDARY IMPORTANCE TO A FURTHER 17%

91% of those **ahead on their digital transformation journey** see digital transformation as a key focus compared to 75% **far from competitors**



- Key focus: we are migrating to the cloud, restructuring workforces and consistently trying to advance through technology.
- Secondary importance: we're looking into new technologies, but are currently unsure which technology to invest in.
- Not at all: the business is running very well with the IT infrastructure we have, there is no need to change it.

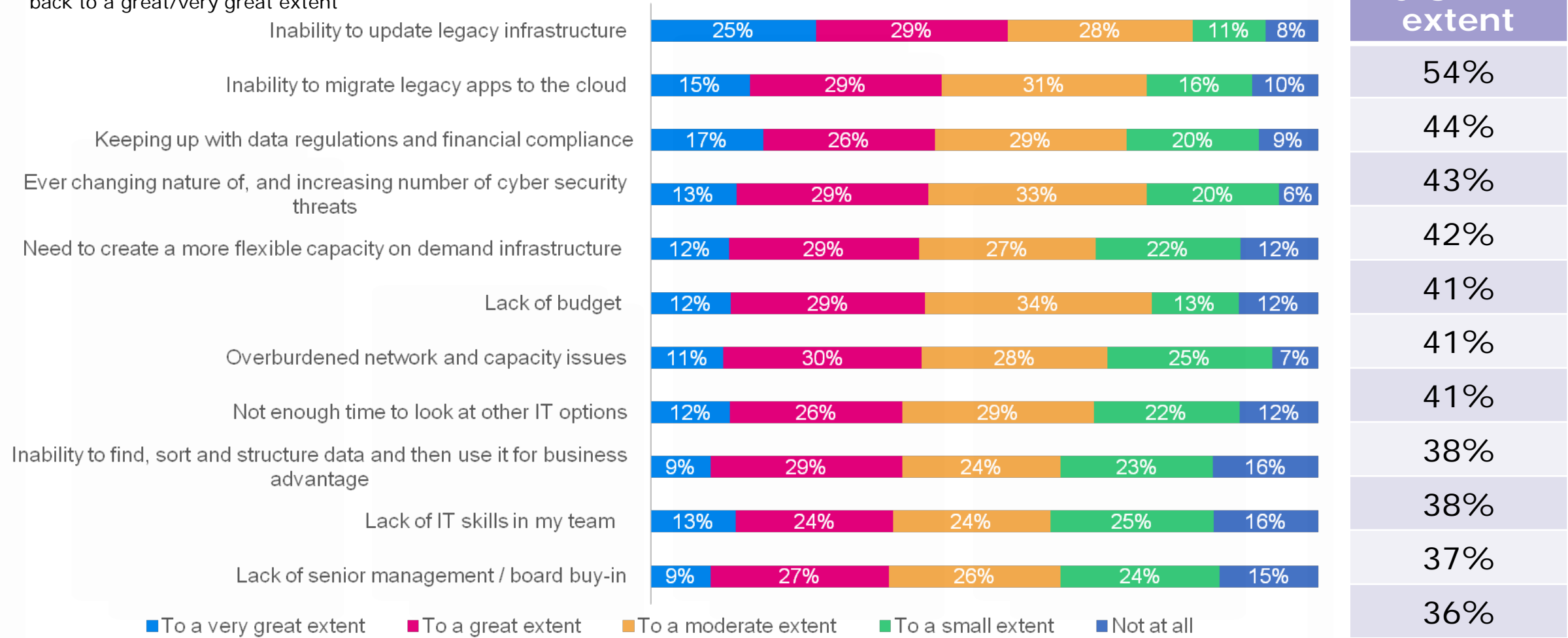
ALMOST HALF (46%) ARE CONFIDENT THINKING THEY ARE AHEAD OF THEIR COMPETITORS, WHILE 29% BELIEVE THEY ARE FALLING BEHIND COMPETITORS





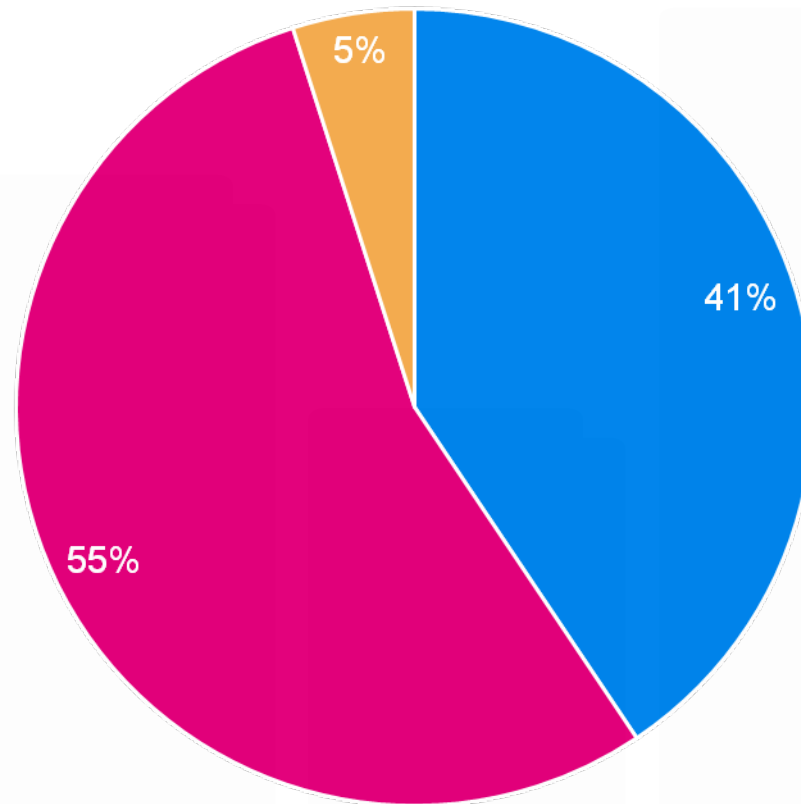
INABILITY TO UPDATE LEGACY INFRASTRUCTURE IS TROUBLING OVER HALF (54%),  
FOLLOWED BY INABILITY TO MIGRATE LEGACY APPS TO THE CLOUD

Those **far from their competitors** on their digital transformation journey are more likely to find an overburdened network and capacity issue (51% vs 32%) and a lack of budget (56% vs 31%) holding them back to a great/very great extent





2 IN 5 (41%) AGREE IT'S POSSIBLE TO PUT ALL BUSINESS WORKLOADS INTO THE CLOUD,  
AND A FURTHER 55% THINK IT'S POSSIBLE TO PUT MOST BUSINESS WORKLOADS INTO THE  
CLOUD EXCLUDING COMPLEX LEGACY APPS



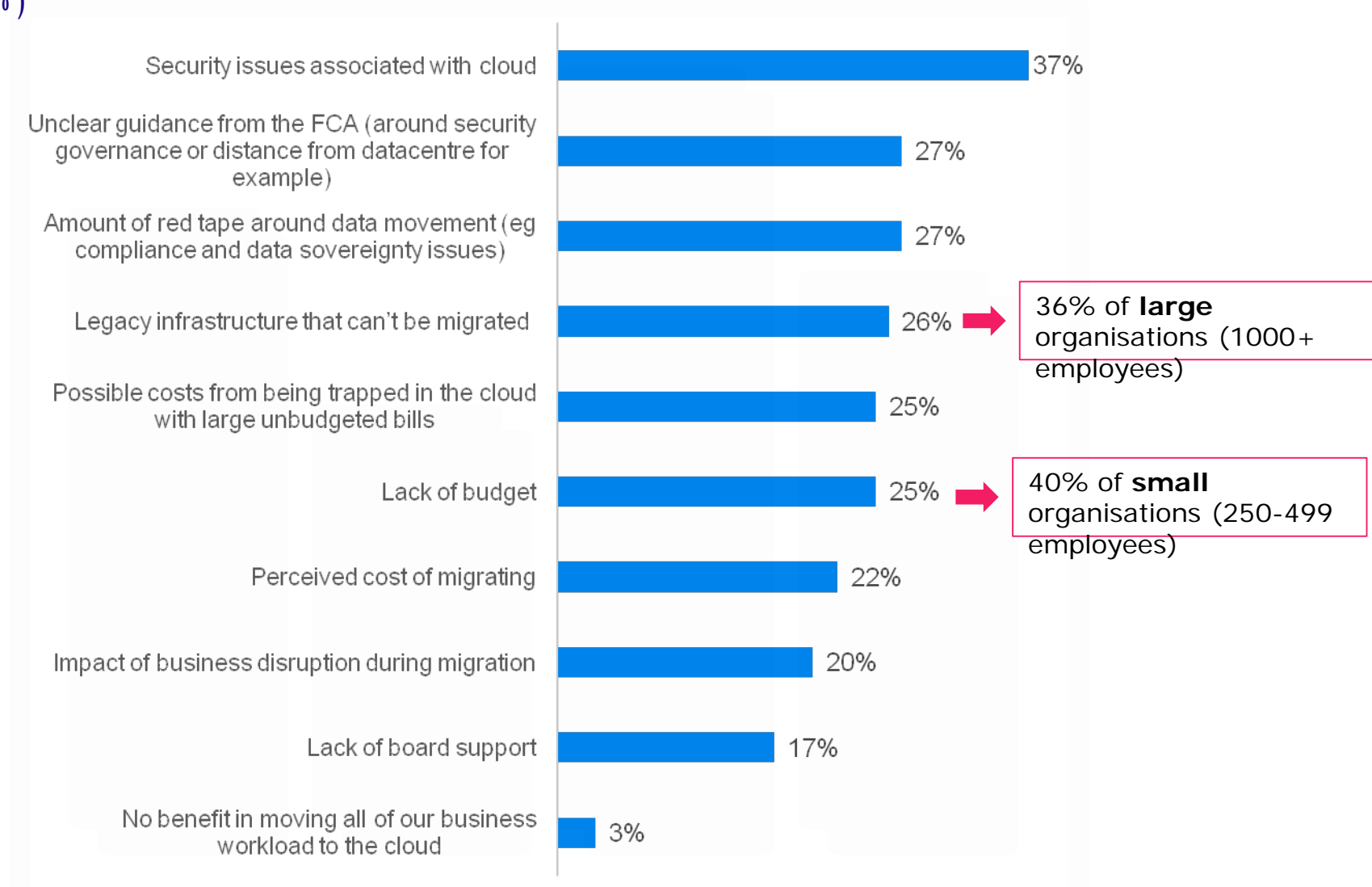
48% of the **financial industry** compared to 34% of **others** agree it's possible to put all business workloads into the cloud

While 60% of **other** industries think its possible to put most business workloads

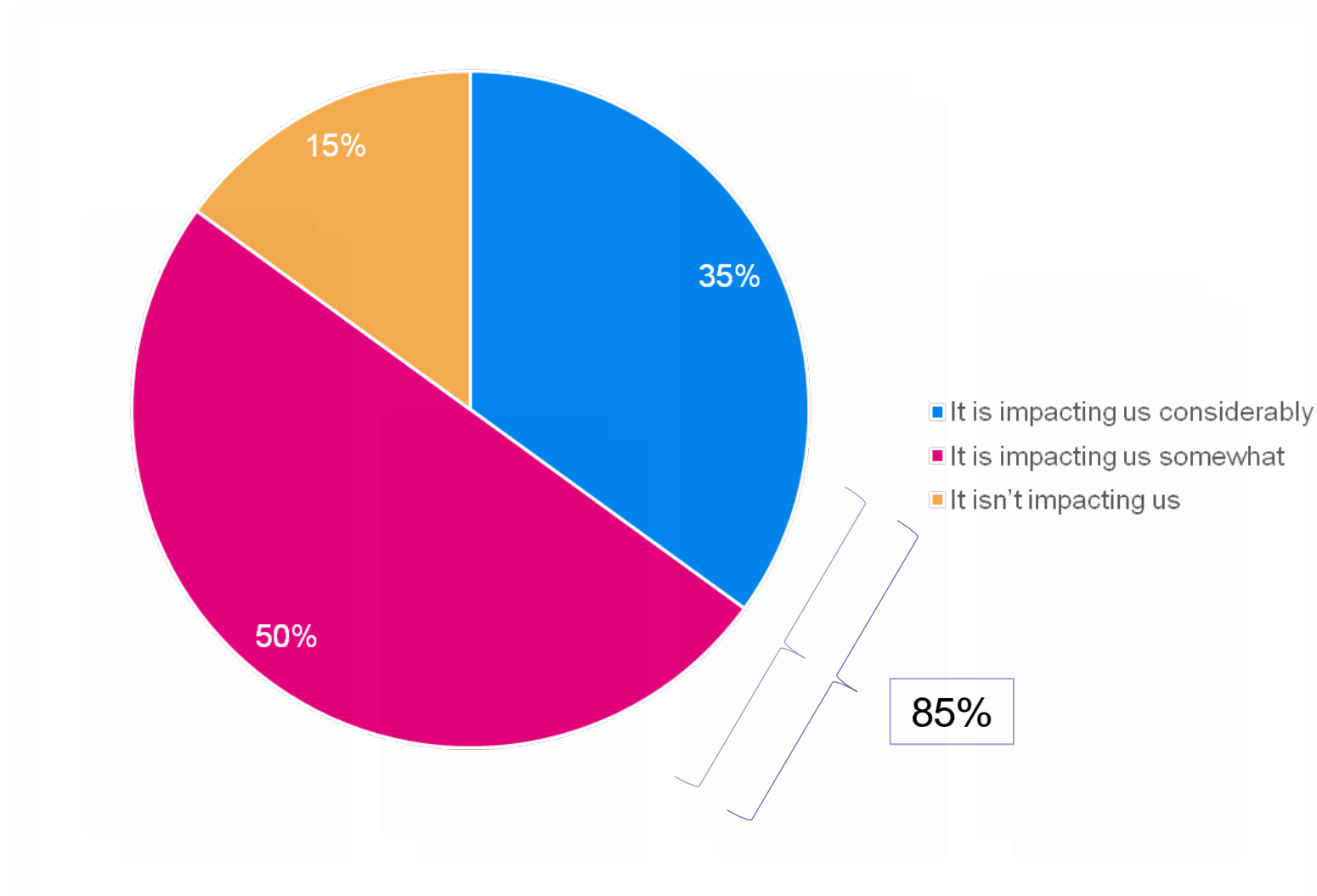
74% of **C-level** agree its possible to put all business workloads into the cloud

- It's possible to put all business workloads into the cloud, including complex legacy apps and / or business critical ones
- It's possible to put most business workloads into the cloud but not complex legacy apps and / or business critical ones
- It's not possible to put most business workloads into the cloud

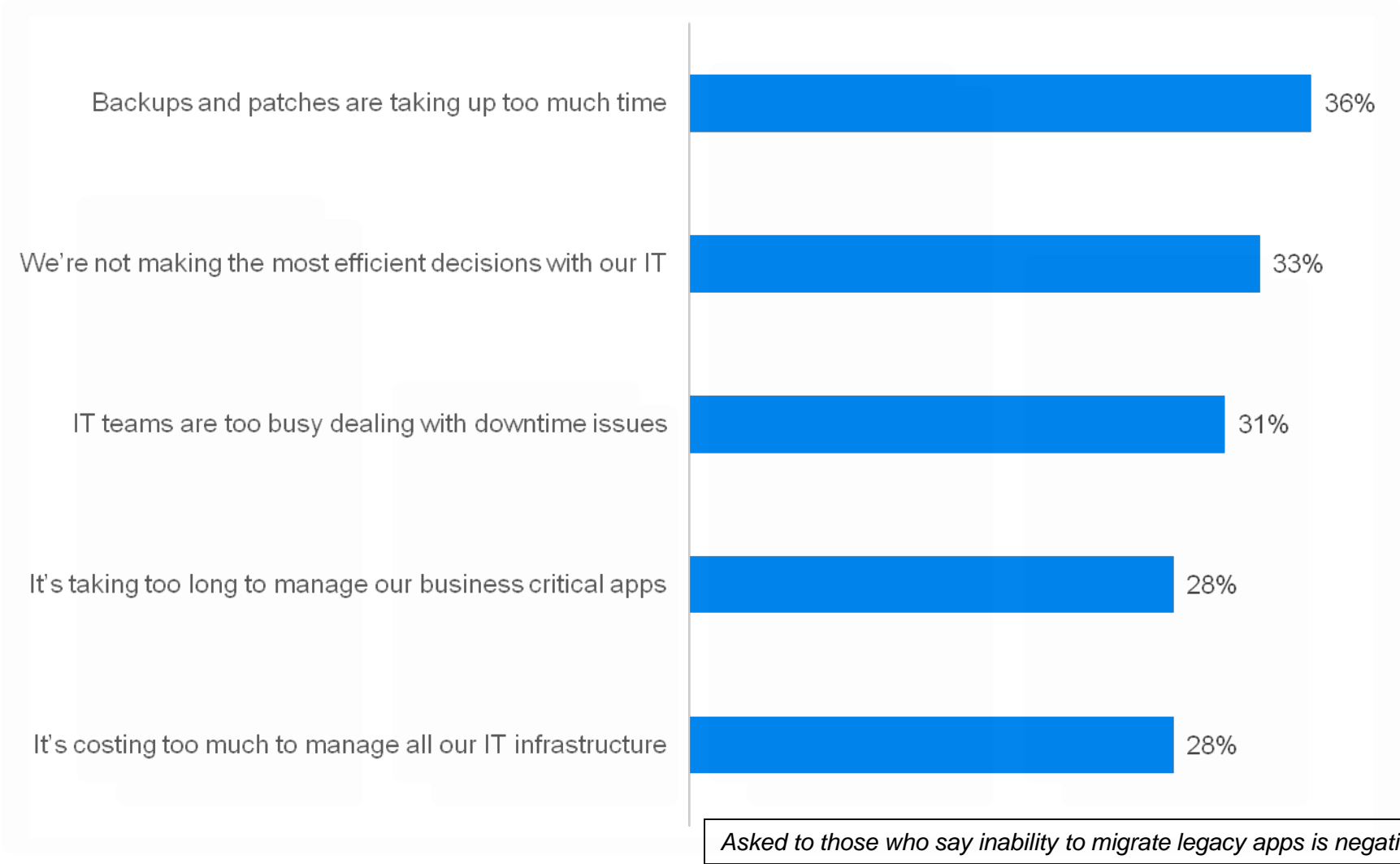
OVER A THIRD (37%) ARE CONCERNED WITH SECURITY ISSUES, WHILE OTHERS SEEM CONCERNED ABOUT UNCLEAR GUIDANCE FROM THE FCA AND AMOUNT OF RED TAPE AROUND DATA MOVEMENT (27%)



INABILITY TO MIGRATE LEGACY APPS IS HAVING A NEGATIVE IMPACT ON OVER 8 IN 10 (85%)

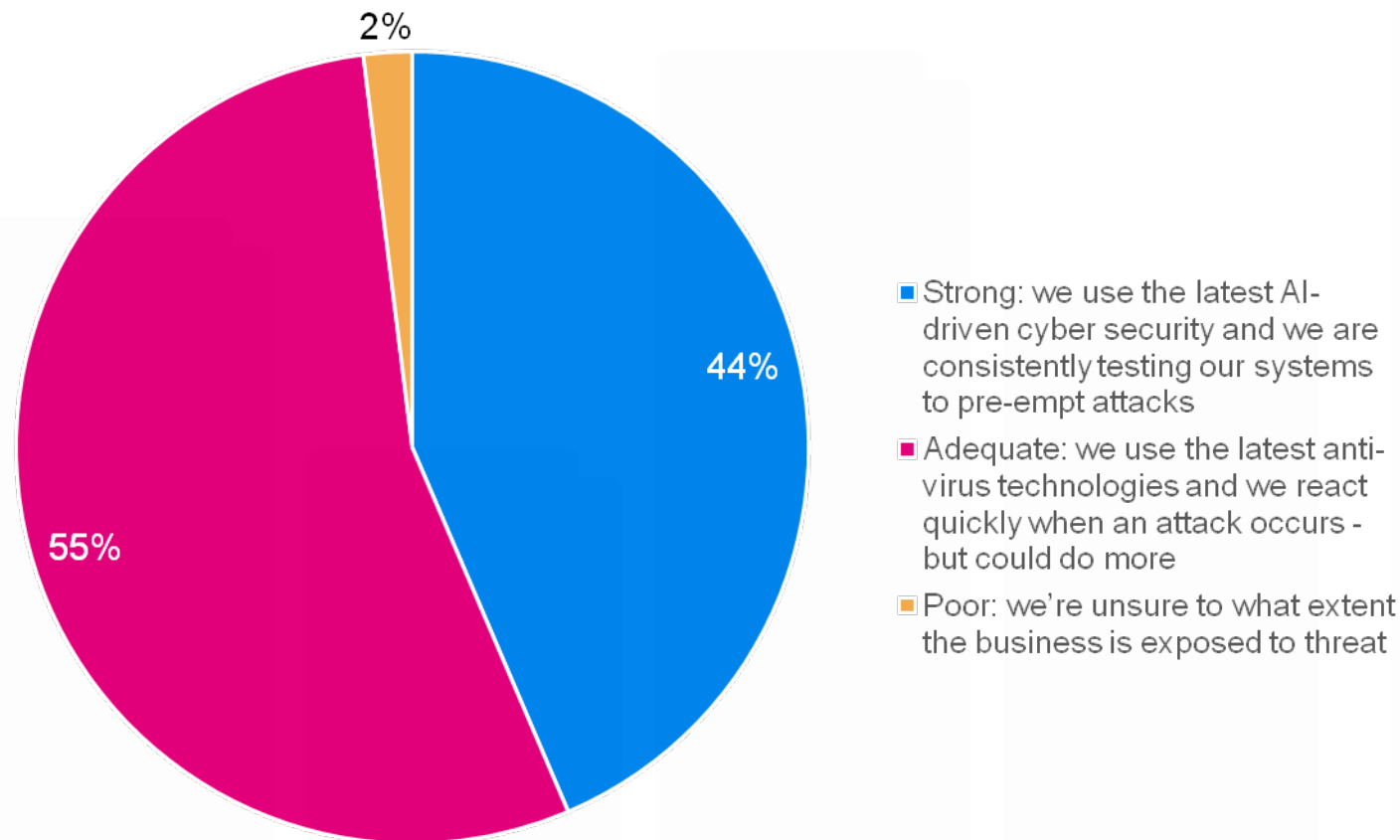


INABILITY TO MIGRATE LEGACY APPS IS RESULTING IN BACKUPS AND PATCHES TAKING TOO MUCH TIME FOR OVER A THIRD (36%) AND A FURTHER 33% ARE NOT MAKING EFFICIENT DECISIONS WITH THEIR IT



OVER 2 IN 5 (44%) HAVE STRONG CYBER SECURITY IN PLACE, A FURTHER 55% HAVE ADEQUATE PRACTICES IN PLACE BUT COULD DO MORE

74% of **C-level** describe their current cyber security practice as 'strong'

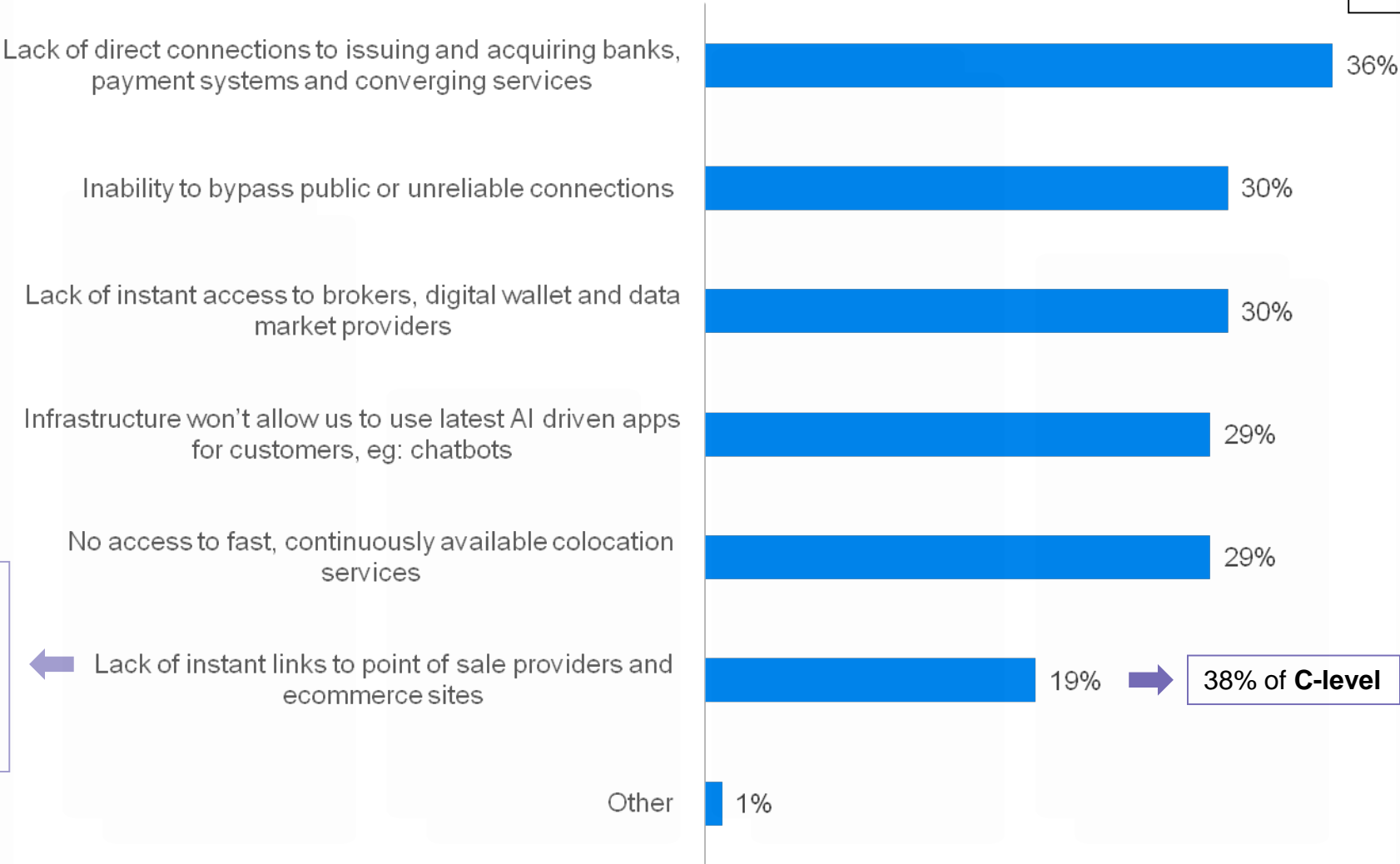


## ISSUES AROUND CLOUD SECURITY AND DATA SECURITY IS HOLDING BACK A THIRD (34%) FROM HAVING A FULLY MANAGED SERVICE



LACK OF DIRECT CONNECTIONS TO ISSUING AND ACQUIRING BANKS, PAYMENT SYSTEMS AND CONVERGING SERVICES IS STOPPING OVER A THIRD (36%) FROM MOVING THEIR CUSTOMER EXPERIENCE FORWARDS

Asked to those in finance



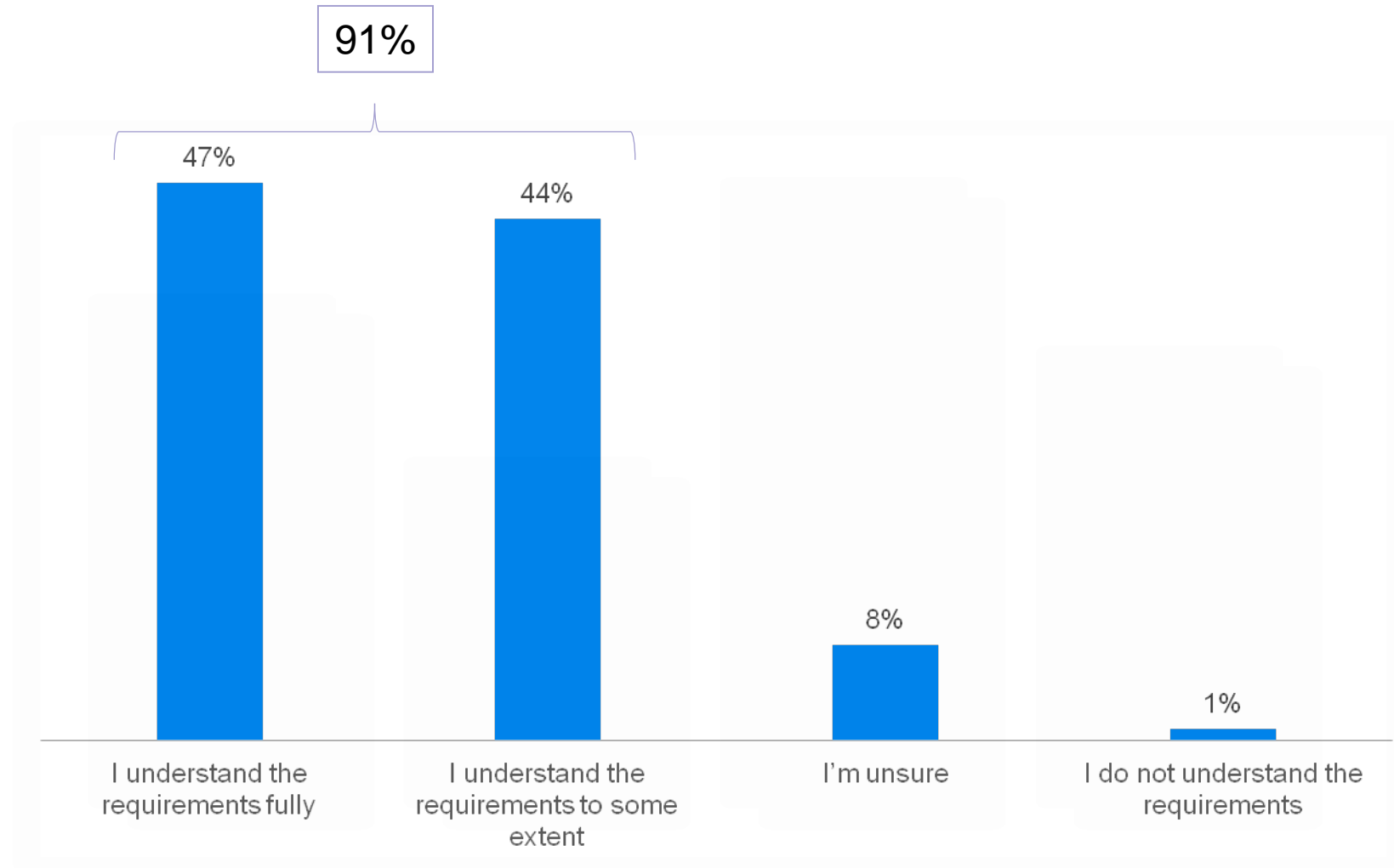
41% of those **far from competitors** on their digital transformation journey compared to 15% of those **ahead of competitors**

38% of **C-level**



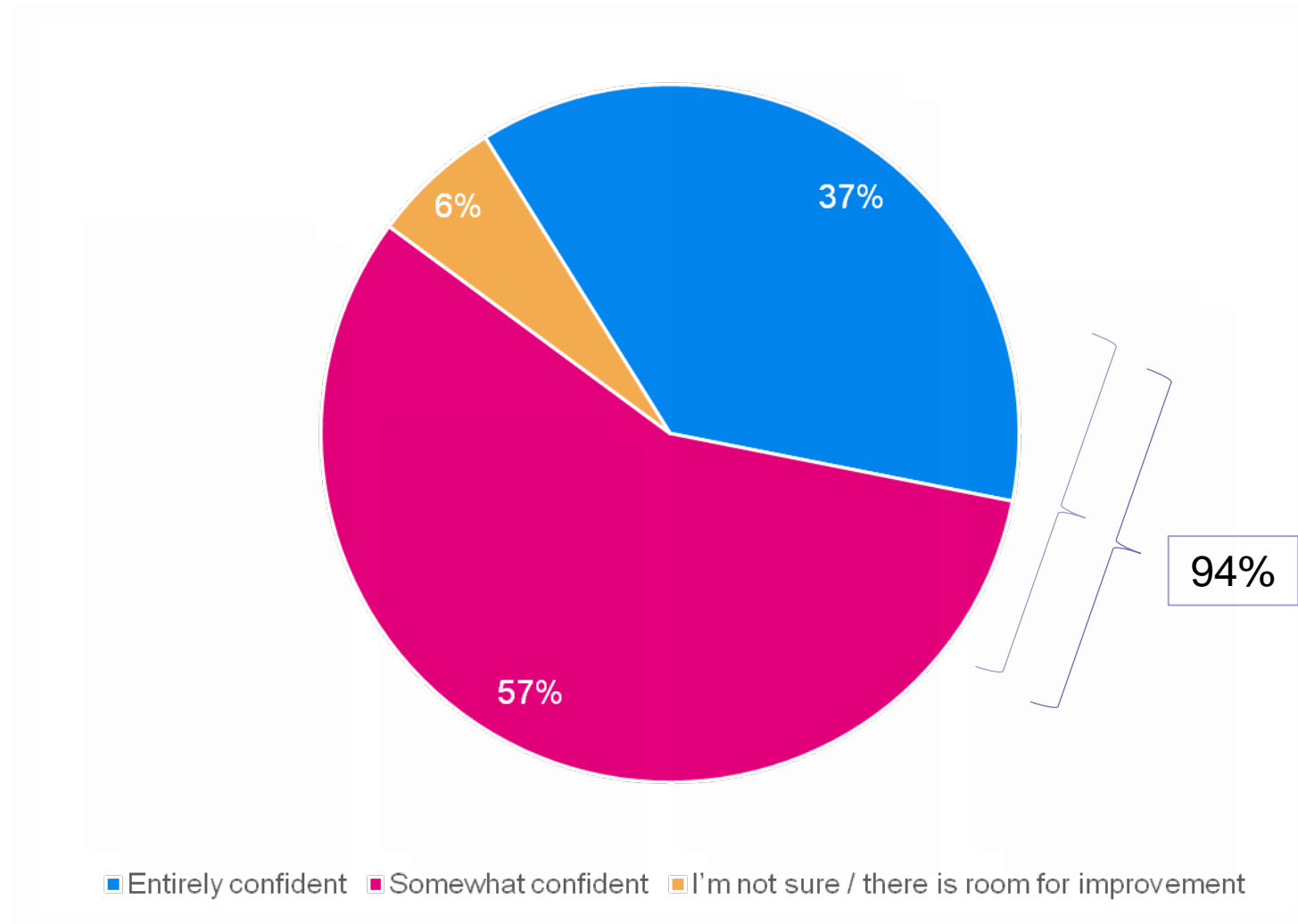
## 9 IN 10 (91%) UNDERSTAND FCA REGULATIONS FOR OUTSOURCING IT TO THE CLOUD

Asked to those in finance



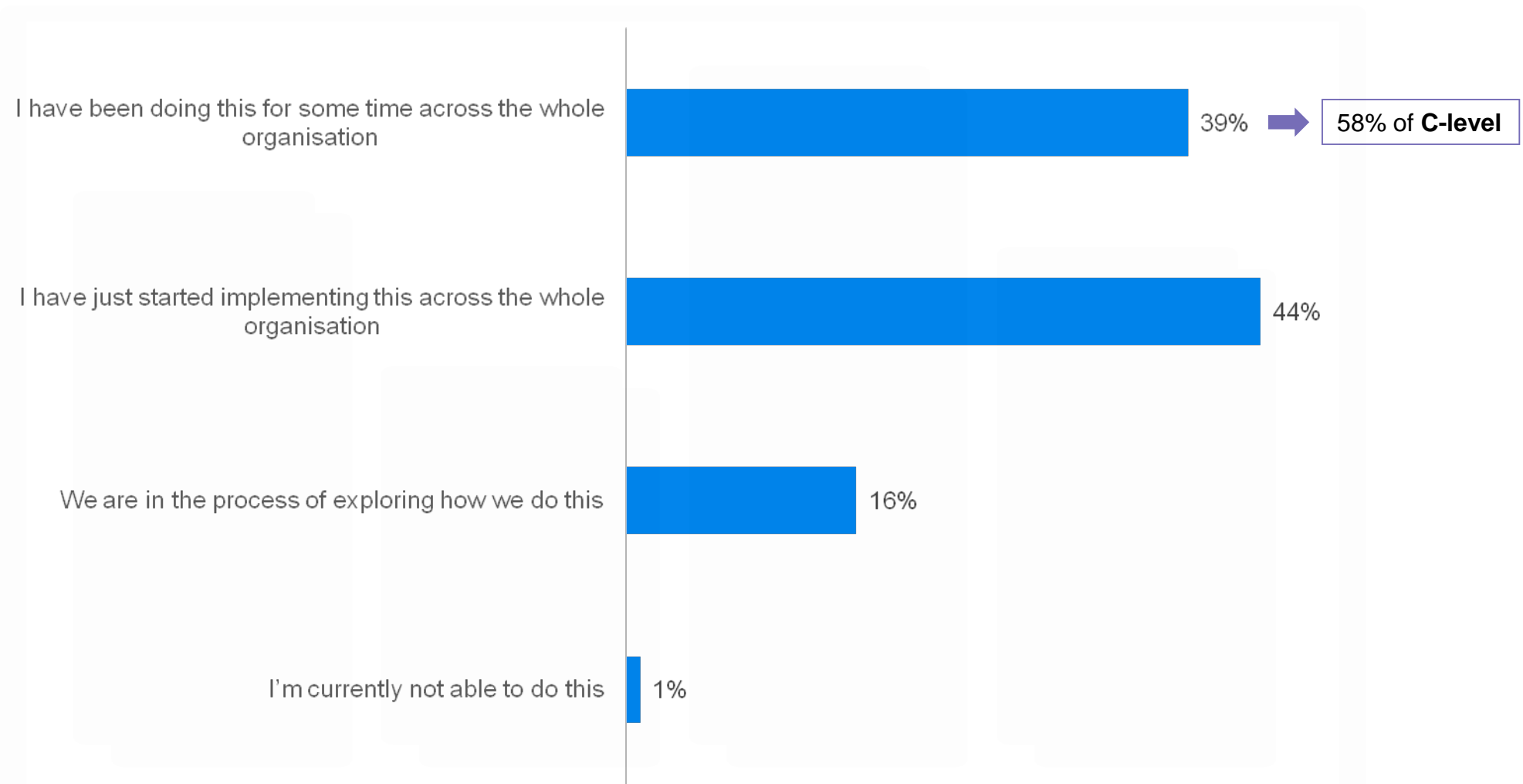
OVER 9 IN 10 (94%) ARE CONFIDENT THAT THEIR DATA AND GOVERNANCE PROGRAM MEETS THE NEEDS OF A COMPANY OPERATING IN THE FINANCIAL SERVICES SECTOR

Asked to those in finance



39% HAVE BEEN DELIVERING INFRASTRUCTURE AS CODE ACROSS THEIR WHOLE ORGANISATION FOR SOME TIME AND OVER 2 IN 5 (44%) HAVE JUST STARTED IMPLEMENTING THIS, WHILE 16% ARE IN THE PROCESS OF EXPLORING HOW THEY DO THIS

Asked to those in finance

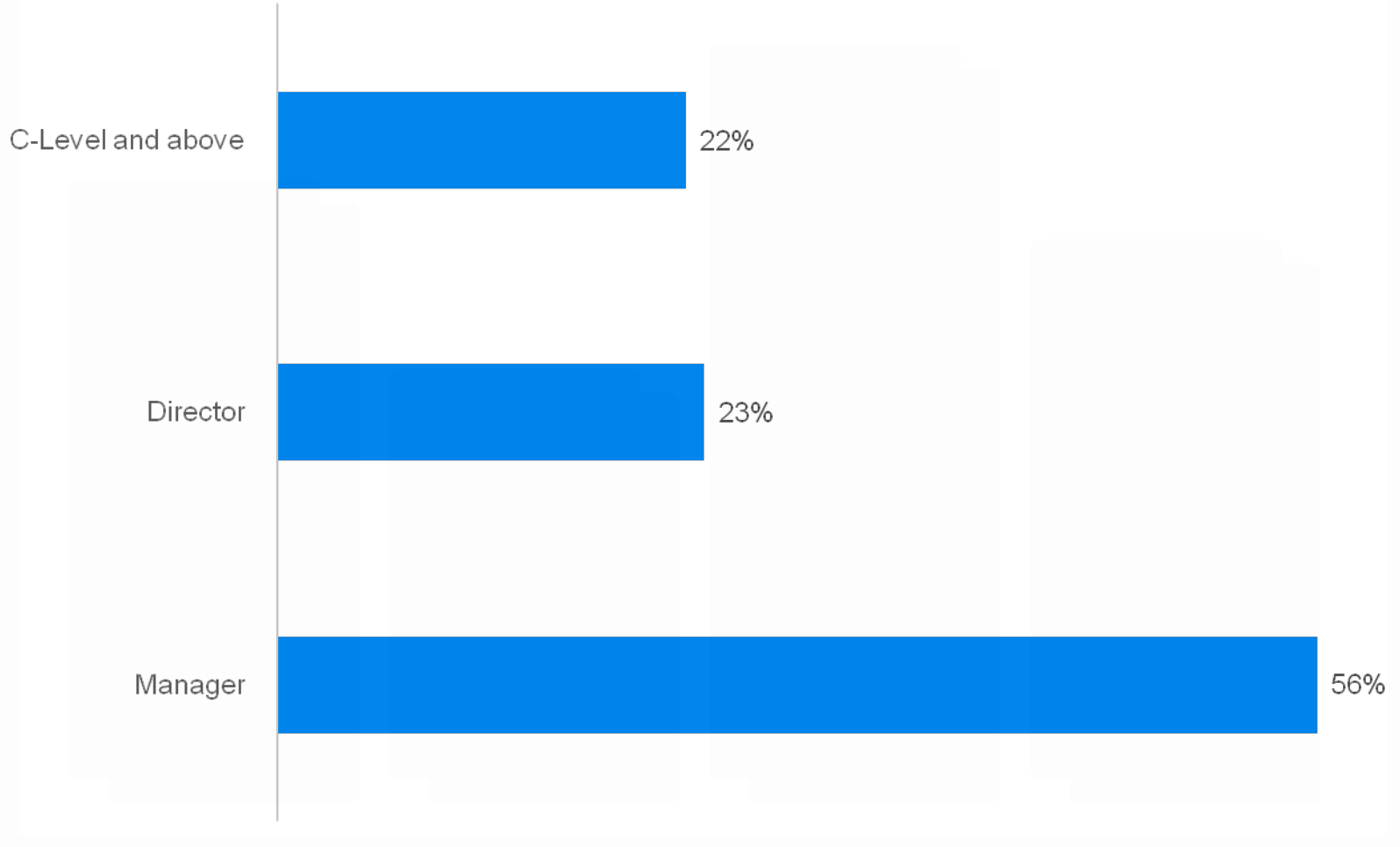


# DEMOGRAPHICS



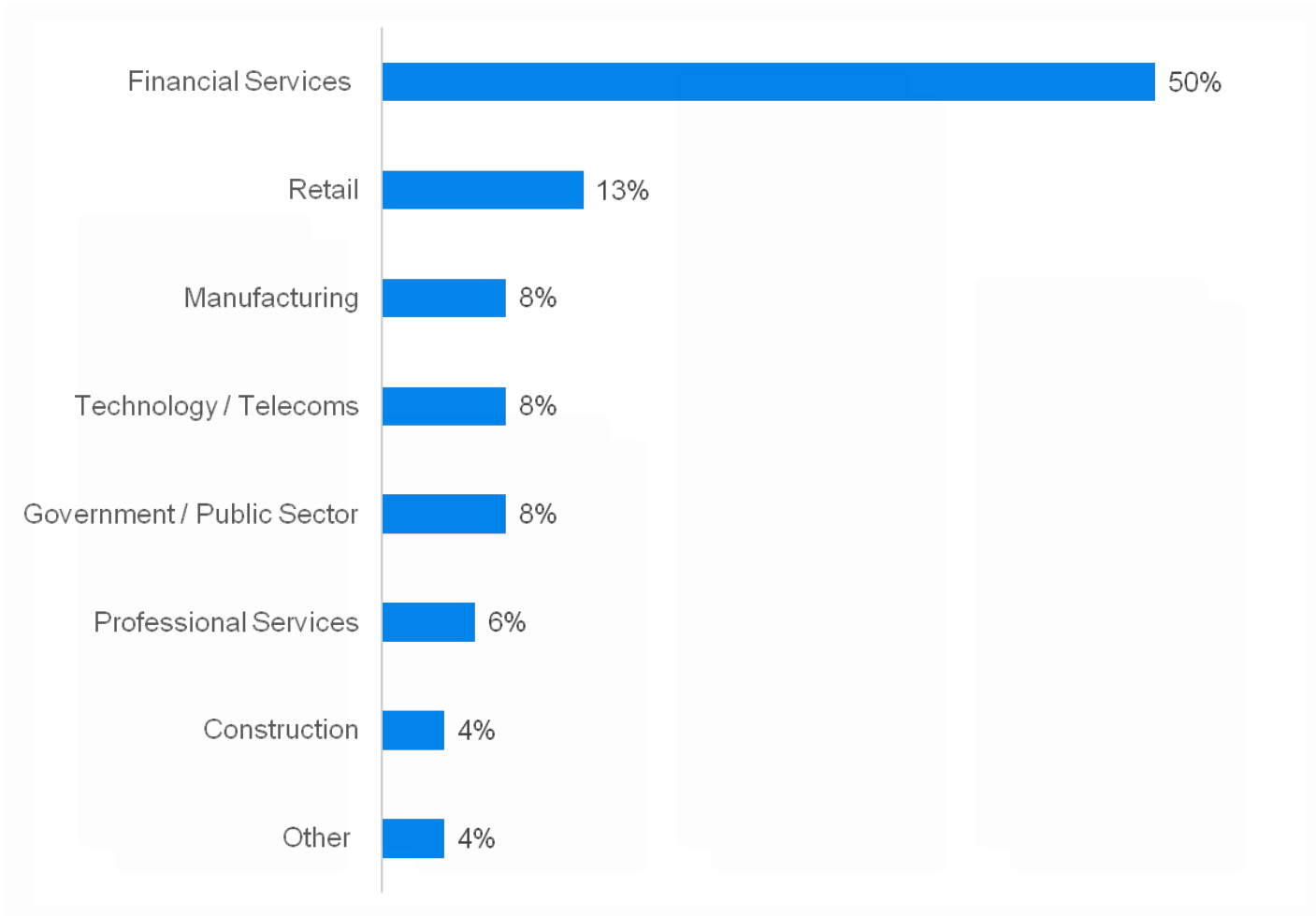
# JOB ROLE

Which of the following best describes your job role / position?



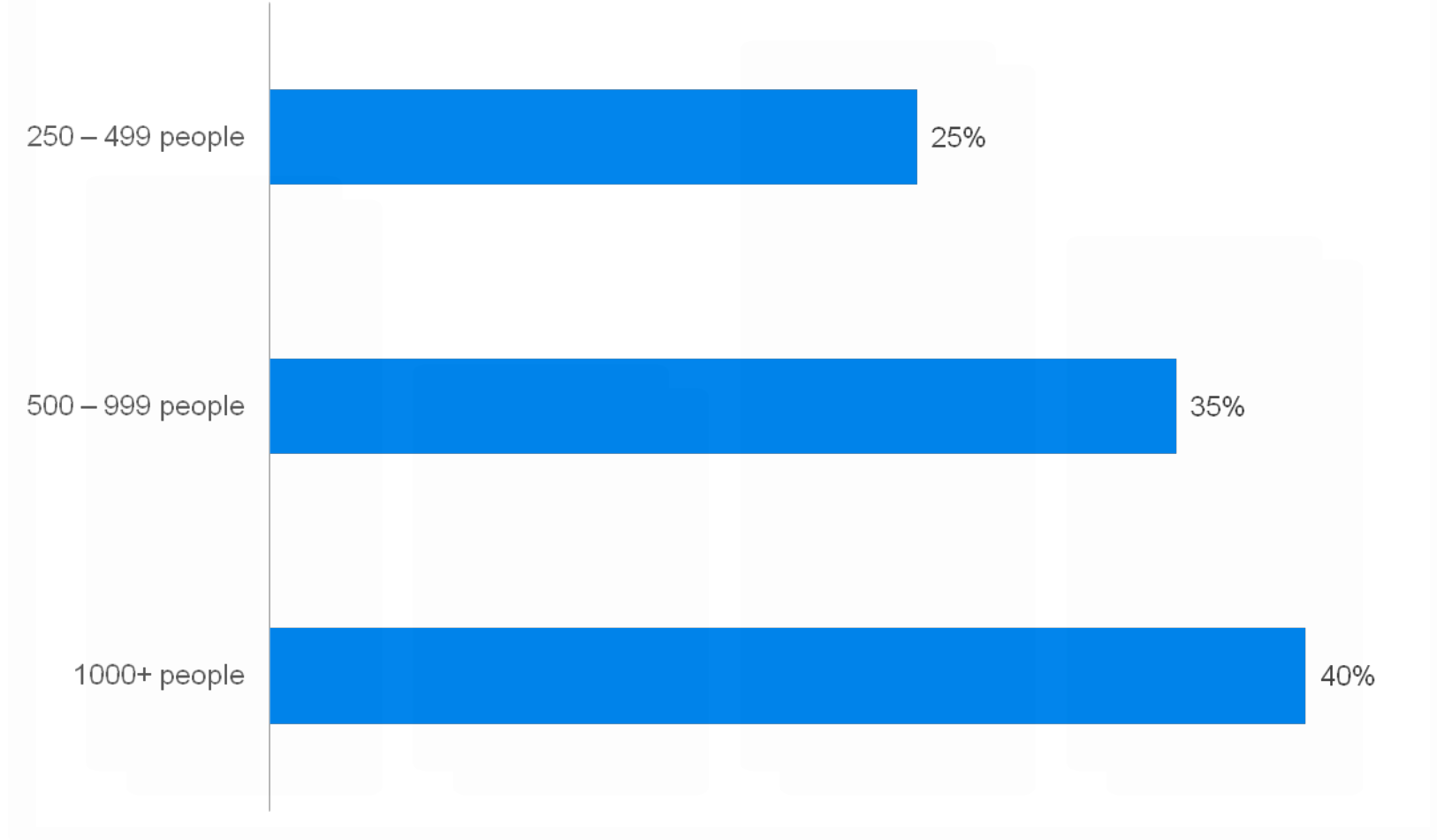
# SECTOR

What sector does your organisation work in?



## COMPANY SIZE

How many people does the organisation you work for employ?





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# THANK YOU

## Contact

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