KFORCE®

Your Business Journey to
Digital Maturity
& Agility in 2021

In this guide:

Is your business ready for a transformation?

In a world where new technology is constantly emerging and consumer expectations are rapidly evolving, successful digital transformations require continuous assessment and innovation.

Combining digital maturity goals with an agile methodology allows your business to quickly launch, learn, and re-launch digital initiatives in response to changing customer needs and market conditions.

Understanding Digital Maturity & Agility

Many people look at digital maturity and agility as blanket terms. It's just not that simple.

Digital Maturity

in general, is an organization's willingness to continuously assess gaps in their digital infrastructure and readiness to adopt innovative technology. However, according to Kforce Advanced Services Transformation Leader, Jill Delgado, "digital maturity is more than having the latest technology. It also requires an adaptable operational structure with the right cultural mindset."

Agility

means seeking continuous improvements, adding value and achieving smaller goals faster through rapid learning and decision-making cycles. Companies operating with traditional methodologies built around a siloed, structural hierarchy may find a shift to an agile methodology difficult. A successful shift requires a close look at technological infrastructure, supporting processes and procedures, as well as team organization and operations.
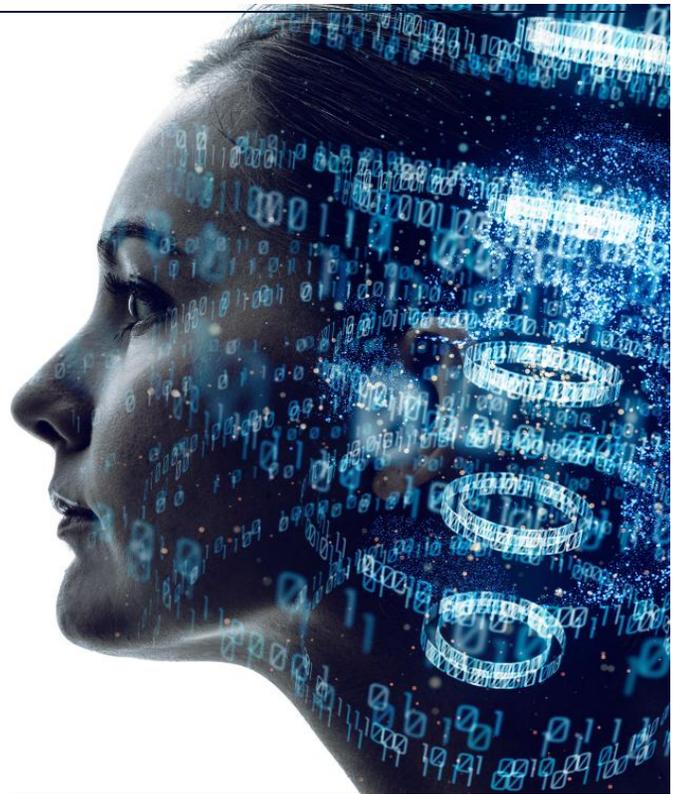
DIGITAL ACCELERATION

80%

Digital transformation is seen as a business driver for recovery by 4 out of 5 companies - 80% of organizations globally accelerated their digital transformation efforts in 2020. (Dell)

AGILE COMPETENCY

84%

of respondents in the 14th Annual State of Agile Report said their organizations were below a high level of competency with Agile practices.
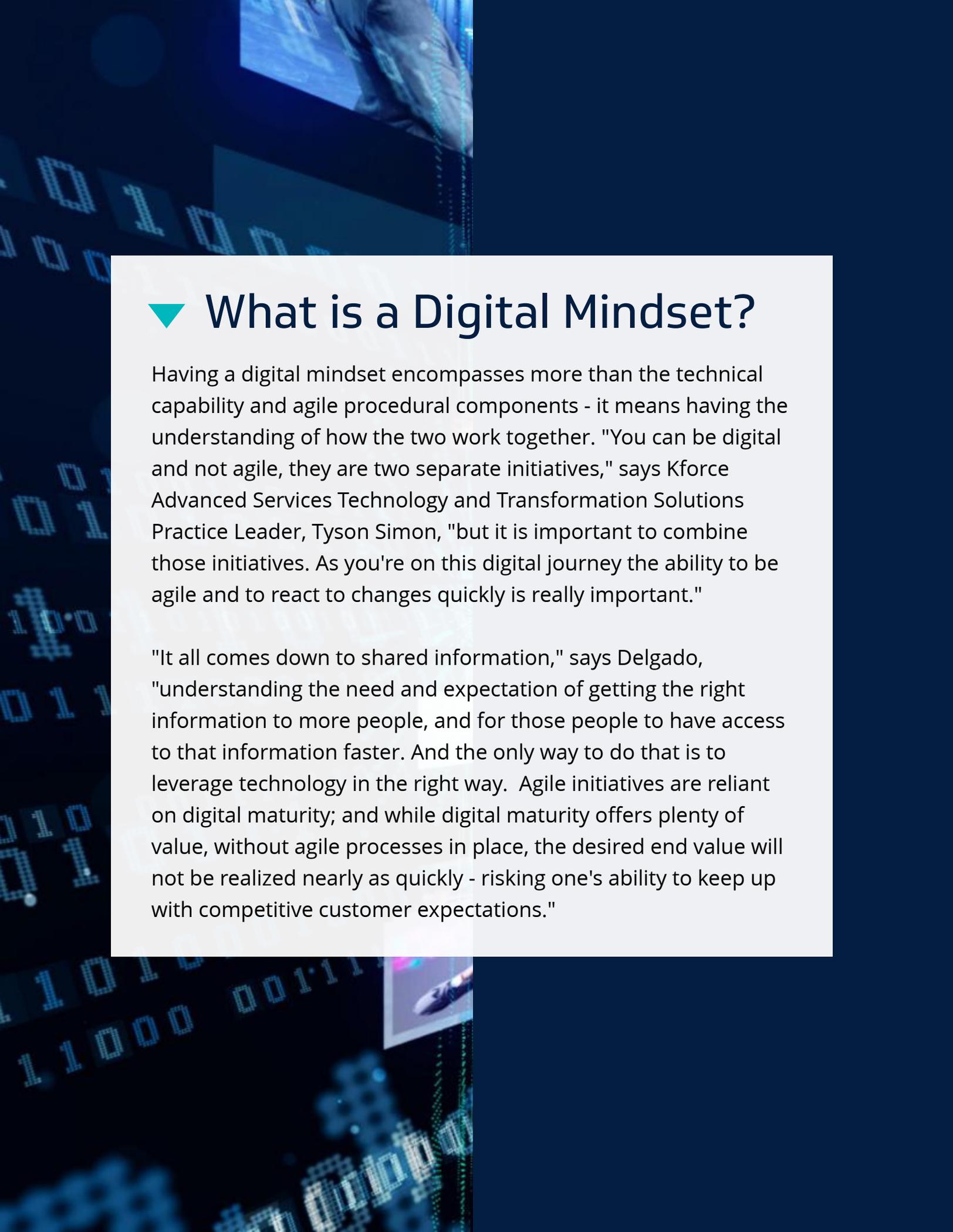
▼ What is a Digital Mindset?

Having a digital mindset encompasses more than the technical capability and agile procedural components - it means having the understanding of how the two work together. "You can be digital and not agile, they are two separate initiatives," says Kforce Advanced Services Technology and Transformation Solutions Practice Leader, Tyson Simon, "but it is important to combine those initiatives. As you're on this digital journey the ability to be agile and to react to changes quickly is really important."

"It all comes down to shared information," says Delgado, "understanding the need and expectation of getting the right information to more people, and for those people to have access to that information faster. And the only way to do that is to leverage technology in the right way. Agile initiatives are reliant on digital maturity; and while digital maturity offers plenty of value, without agile processes in place, the desired end value will not be realized nearly as quickly - risking one's ability to keep up with competitive customer expectations."

Business Challenges that Drive Agile Digital Transformations

Agile digital transformations are important to all areas of a business. But some organizations may have to prioritize certain business functions over others based on their needs and available resources. There are several challenges that businesses face that force them to examine their level of digital maturity and agility. Understanding your organization's specific challenges will help you decide which areas to prioritize throughout your transformation journey.

" **An organization is either trying to stay competitive or trying to get ahead. Either way, the focus is on bottom line growth. The driver behind that growth is what prioritizes digital transformation initiatives.** "

Jill Delgado,
Kforce Advanced Services Transformation Leader

Business Challenges that Drive Agile Digital Transformations

Changing customer expectations

Remaining adaptive and responsive to consumer expectations is crucial in any business. "Consumers expect the companies they do business with to be digitally mature," says Delgado, "so you must move quickly to meet those expectations." Failure to do so can drive your customers to do business with your digitally mature competitors.

"If you must prioritize where you are going to start or focus your efforts, the most important area would be the front-end customer experience," says Simon, adding that "you will then need to focus your efforts on ensuring you have appropriate processes in the middle and back-end to support the customers' front-end experience."

80%

of marketers expect to be competing mostly or completely on the basis of customer experience with their competitors in two years. - Gartner

Loss of market share

Challenges surrounding market share and growth are often primary drivers of agile digital initiatives. "If you start to lose market share, you need to ask yourself why," says Simon. "These challenges may present themselves in various ways, such as not seeing expected growth while your competitors are or shifts in your industry or the market in general", Delgado adds. While it is important to look at what your competitors are doing, your business may still need to make adjustments even if your current strategies and processes are closely aligned with your competitors.

84%

of executives interviewed by Harvard Business Review agreed that new business opportunities are emerging as their organization digitally transforms.

Business Challenges that Drive Agile Digital Transformations

Long-term corporate sustainability

Certain events, such as natural disasters, can be difficult or impossible to predict. Agile digital businesses often respond to such events better than their less mature peers. But companies that are still in the early stages of a transformation may find themselves being forced to examine their levels of digital maturity and agility when facing these events.

For example, the recent pandemic forced many organizations to prioritize and accelerate transformations they previously put off or were reluctant to begin. In a recent report from McKinsey, 67% of the organizations with the most successful responses to the pandemic said they were more advanced in using technology than their peers prior to the crisis.

89%

of companies surveyed globally recognized that, as a result of the pandemic, they needed a more agile and scalable IT infrastructure. - Dell
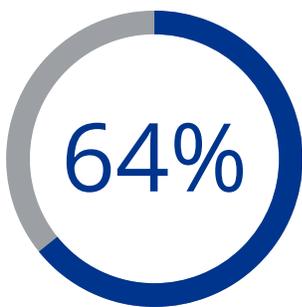
Operational challenges

Maximizing levels of digital maturity and agility can also help companies address operational challenges such as rising costs in the form of labor or equipment, high employee turnover, inefficient and manual processes, regulatory and compliance errors and responding to competition. Optimizing operations through your transformation also helps boost corporate profitability and efficiency. According to a recent survey conducted by Accenture, future-ready organizations showed 2.8x higher profitability and 1.7x higher efficiency than organizations at other levels of operational maturity.

40%

of executives surveyed across verticals identified improvements to operational efficiency as the top benefit of digital transformations.

The Digital Advantage

When agile digital maturity is an intentional, consistent behavior and a core component of your company's culture, your entire organization experiences the benefits of your transformation. A few key benefits of being an agile digital organization include:

Efficiency

Agile digital maturity impacts efficiency in several ways, including increasing speed and access to information, more efficient processes and a better ability to react to market conditions.

Collaboration

Digital maturity and agility enables collaboration throughout the organization by making it easier and faster for teams to work together and for companies to gather feedback.

Relevancy

Consumers expect the company's they do business with to offer omnichannel experiences. Being an agile, digitally mature business helps you stay competitive and remain relevant.

64%

Digital-first companies are 64% more likely to achieve their business goals than their peers.
-Adobe
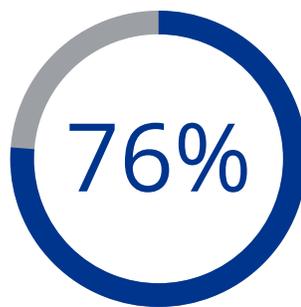
76%

of executives agree that organizations need to dramatically reengineer the experiences that bring technology and people together in a more human-centric manner.
-Accenture
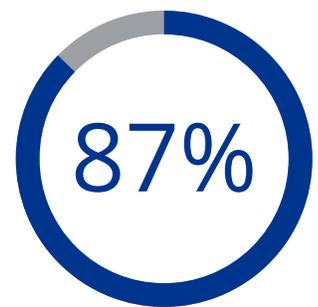
87%

of companies believe digital transformation and business agility provide a competitive opportunity.
-MIT

Pillars of Agile Organizations

"These pillars need to be built into your organization overall."
- Tyson Simon

While every company is unique, all agile organizations share a set of common characteristics and behaviors. According to data from McKinsey, 70% of transformations fail, most often due to resistance from employees. Thus, it is crucial to ensure your transformation is built around the following "pillars" of agile organizations.

Agile organizations are:

Nimble & Adaptable

A Cohesive Community

Thoughtful

Collaborative

Results-Oriented

Agile Organizations are Thoughtful

Agile organizations have an entrepreneurial drive that is supported by next-generation technology development and delivery practices. They make informed decisions backed by data and rely on continuous learning and actionable strategic guidance to continuously improve their organization.

See how Kforce can Help

100% of Consultants Retained

25 Niche Resources

Replicable Pilot Model Built

ON TIME

Customer Story | Cruise Line Revolutionizes Hospitality Industry

One of the world's largest cruise lines partnered with Kforce to successfully launch a cutting-edge platform and unique wearable device to gather data analytics on their guests' purchasing and activity behavior. The real-time data collected by our team is enabling the cruise line to immediately make decisions that elevate their guests' experience while eliminating massive amounts of paperwork.

Agile Organizations are Nimble & Adaptable

Agile organizations know working in rapid decision, iteration, experimentation and learning cycles is crucial to surviving in today's market. They sense and seize opportunities and are adaptive to evolving technology, architecture, systems and tools. They also have a culture that supports an open physical and virtual environment with role mobility.

See how Kforce can Help

500	Staging Tables
240	EDS Tables
140	Data Marts with Guidewire Data
208	Reports Transitioned to New Data Source

Our client, a Super Regional Carrier in the property & casualty insurance industry, partnered with Kforce to re-architect their enterprise data warehouse (EDW) to a cloud-based platform. Our team successfully led and navigated each phase of the client's transition - even while making an unexpected transition to fully remote work amid the covid-19 pandemic.

Agile Organizations are Collaborative

Agile organizations are comprised of a network of empowered teams capable of making real-time decisions without having to wait for top-down guidance. They value the opinions and feedback of everyone within the organization. They have a dynamic people model that ignites passion and encourages an ecosystem of active partnerships and servant leadership.

See how Kforce can Help

Successful SAFe Adoption | Kforce Customer Story

As a strategic partner, Kforce proactively created a SAFe training and certification roadmap for existing scrum consultants. When our client kicked off their SAFe transformation and Agile scaling initiative, our consultants were ready to lead Agile projects. The partnership between Kforce and our client promoted a wave of innovation and collaboration well beyond the areas of the course content itself.

Agile Organizations are a Cohesive Community

A cohesive community with a shared purpose and vision is vital to agile organizations. This community has a culture with their goals as their priorities. They also have a shared set of values of trust, collaboration, communication and transparency. In fact, companies move twice as fast on digital transformation when there is a shared understanding among the organization as a whole.

See how Kforce can Help

14 highly skilled professionals brought in to upgrade in-house talent, enabling client to complete their initiative 3 months early

Customer Story | Kforce Talent Solutions Transforms Financial Organization

The client's goal was to upgrade the in-house talent of their finance and accounting operations to remain competitive, while also reducing costs. Kforce's multi-phase, customer-centric solution delivered 14 highly-skilled professionals that upgraded in-house talent, completed the goals of the client's project and provided cost-savings all nearly three months ahead of schedule.

Agile Organizations are Results-Oriented

Agile organizations have an entrepreneurial drive that is supported by next-generation technology development and delivery practices. They have a performance orientation with the ability to make informed decisions backed by data. They also rely on continuous learning and actionable strategic guidance to improve their organization.

See how Kforce can Help

Managed Solutions Saves Customer $800,000

Spread out in silos across the nation and experiencing information disconnects, a multi-billion dollar tech company's network operations team struggled as their workload increased. Kforce proposed its customer-centric Managed Services solution and worked with our client to build a new cloud-based platform. This solution eliminated silos, prevented 95% of repeated production events and is saving our client over $800,000 annually.

⟫ Digital Maturity & Agility Assessment

Before you can begin a digital maturity or agile transformation, you must know where you already are in your journey. This is where a digital maturity and agility audit comes in. According to Tyson Simon, this process "begins with creating a score card as your baseline measure."

However, both Simon and Delgado note that which KPIs you choose to use vary based on the business function you are measuring and should be specific to each unique organization.

At the highest level, senior leadership will likely be most concerned with financial reporting and growth - so they may look at KPIs such as market share, revenue and margin. However, mid-level leadership and people throughout the rest of the organization will likely look to operational reporting - so they may consider KPIs related to customers, processes, projects and learning.

Simon recommends "proactively performing health checks" by reviewing current technology and processes in high-priority areas of business and evaluating how well you're operating, meeting expectations and leveraging opportunities within each business function.

Assess Your Company's Digital Maturity & Agility Levels

KFORCE

DIGITAL MATURITY ASSESSMENT WORKBOOK
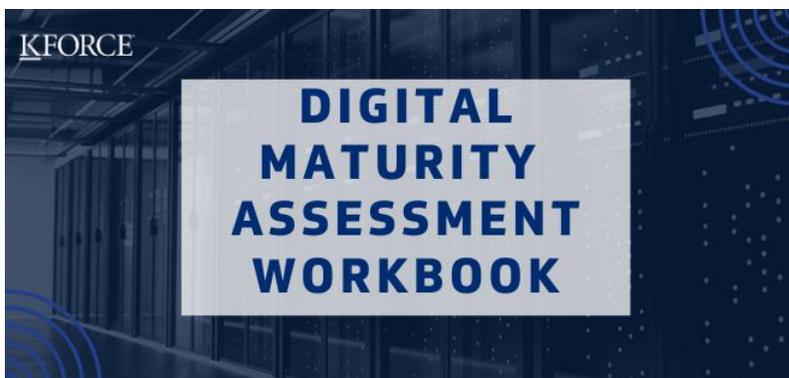
Discover where your organization is in its journey to becoming an agile digital business. Our workbook makes conducting an audit of your company's digital maturity and agility easy. The insights you gain from your audit will help your company ensure it is ready for a transformation.

≫ Agile Transformation Roadmap

When preparing for an agile digital transformation, there are several different digital maturity models your company may consider. While there is no one authoritative model, all digital maturity models share a set of common principles and stages that combined create a framework on which a successful transformation strategy can be built.

" **Rather than subscribing to one specific model, agility is rooted into each one of Kforce's service offerings, with domain expertise designed to support the digital transformation regardless of where your company is in their journey.** "

Tyson Simon,
Kforce Advanced Services Practice Leader,
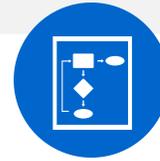Technology & Transformation Solutions

Agile Transformation Roadmap

Envision

- Assess business needs and company culture
- Identify maturity gaps
- Agree on end-state vision

Establish

- Set objectives and document business risks
- Develop a blueprint
- Commit to the process

Execute

- Begin implementation
- Run frequent tests and pilots
- Ask for internal feedback on new technology and process roll-outs and learn from experimentation

Elevate

- Implement feedback and insights
- Scale your transformation
- Continue to innovate, look for new technologies and optimize processes

Whether your organization chooses to create its own digital maturity model, adopt an existing model or combine best-practices of several models into one, the key to a successful transformation is selecting the model that best fits your company's unique needs, goals and resources. "You need to have a holistic view of what your goals are and what you're doing," says Simon, "and from there you can prioritize specific business functions as needed."

Challenges Along the Agile Digital Transformation Journey

Lack of buy-in and support

Lack of leadership buy-in and employee support is often a major challenge organizations face during a transformation. A successful transformation requires leadership alignment and support around your initiatives. Your company also needs to have a culture that is ready to embrace your transformation. According to McKinsey, 70% of digital transformations fail, most often due to resistance from employees.

Kforce Advanced Services Transformation Leader, Jill Delgado, says "while there are multiple facets to any transformational strategy, success and failure boils down to leadership alignment and strategic organizational engagement."

59%

of professionals say culture and performance management are the key challenges in their shift towards agility.

93%

of companies consider innovative technologies as necessary to reaching their digital transformation goals.

Inadequate resources

Another challenge many companies face along their journey to becoming agile, digital organizations is inadequate access to resources such as tools, technologies or budget. Data from a survey conducted by PwC found that 45% of executives don't think their company has the right technology to implement a digital transformation. Additionally, 74% of workers say their employers do not give them access to the latest technology to help them do their job more effectively and efficiently.

Challenges Along the Agile Digital Transformation Journey

Improper planning

Another challenge many businesses face is improperly preparing for their agile digital transformation. A successful journey always begins with a cohesive plan backed by the proper data. Before you can create a plan for your agile digital transformation, you need to make sure you really know your customers' needs, expectations and behaviors. Once you know that, you can build a plan focused around meeting specific customer related goals.

Many companies also struggle with analysis paralysis delaying their speed of decision-making. Delgado says, "hope is not a business strategy - not making a decision is a decision itself. When properly equipped with research and data, decision making becomes easier."

41%

of companies are making investments in digital transformation without the guidance of thorough customer research. -Prophet

80%

of CIOs are worried about recruiting and upskilling tech staff to ensure they have the right mix of skills available within the organization. -Barclaycard

Lack of skill or talent

Even with the right goals, leadership buy-in, organizational support, tools and resources, data and plan, your transformation is unlikely to succeed without the proper skill and talent to execute your plan. Adding new technology is not sufficient for a successful transformation. You need to ensure the people within your organization are quickly given access to these new tools and are provided adequate training and support to help them use new technologies effectively.

⌄ Collaborate with External Partners

Digitally maturing companies are far more likely to collaborate with external partners than their less mature counterparts. According to the 2019 Digital Business Global Executive Study and Research Project conducted by MIT Sloan Management Review, 80% report cultivating partnerships with external organizations to facilitate their digital transformations, while only one-third of early-stage companies do the same. Optimize your journey to becoming an agile digital business with Kforce as your strategic partner.

55%

of companies that have yet to implement a plan for business agility and technology believe they have less than a year before they start to lose market share.

Partner with Kforce to

ACCELERATE

your transformation

Start a conversation with our Advanced Services team today.