

# THE POWER OF COMMUNICATIONS:

Unlocking Growth Through Digital Transformation



## SUMMARY

1

**Additional growth:** Businesses who have completed a digital transformation expect to experience an additional 9.7% growth

2

**A reluctance to embrace:** However, only 3 in 10 businesses have completed a digital transformation

3

**A challenge to get it right:** Only 1 in 4 businesses who have completed a digital transformation believe it has been fully successful

4

**Effective stakeholder engagement increases likelihood of success:** Engaging stakeholders enables businesses to understand unanticipated issues and produce solutions

5

**Measuring reputation is a must:** Developing a better understanding of how digital transformation impacts reputation among stakeholders and how to improve it is a critical aspect businesses struggle to get right

6

**Leadership can be the difference between success and failure:** The role of the CEO is significantly underestimated by unsuccessful businesses





## METHODOLOGY

### Digital transformation survey

Research was conducted online from 20th to the 27th of January 2023 with n=600 respondents who are C-suite and senior managers of large companies. The breakdown of respondents by country is n=200 in each of UK, France and Germany. Respondents in our sample employ a sum in excess of 7 million workers, and have a combined revenue of over £/€1 trillion globally.

To review the full survey report, please visit [here](#). For more information on the research methodology, please contact [Dan.Healy@FTIConsulting.com](mailto:Dan.Healy@FTIConsulting.com).

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### Definitions:

Digital transformation is defined as “the integration of digital technology into all areas of a business, fundamentally changing how you operate and deliver value to customers. It’s also a cultural change that requires organisations to continually challenge the status quo, experiment, and get comfortable with failure.”



# DIGITAL TRANSFORMATION IS CRITICAL FOR UNLOCKING GROWTH

9.7%

Businesses who have completed a digital transformation expect to see 9.7% **more organic growth**.

## Expected organic growth over the next 12 months

- Companies who have completed a digital transformation
- Companies who have not completed a digital transformation

27%

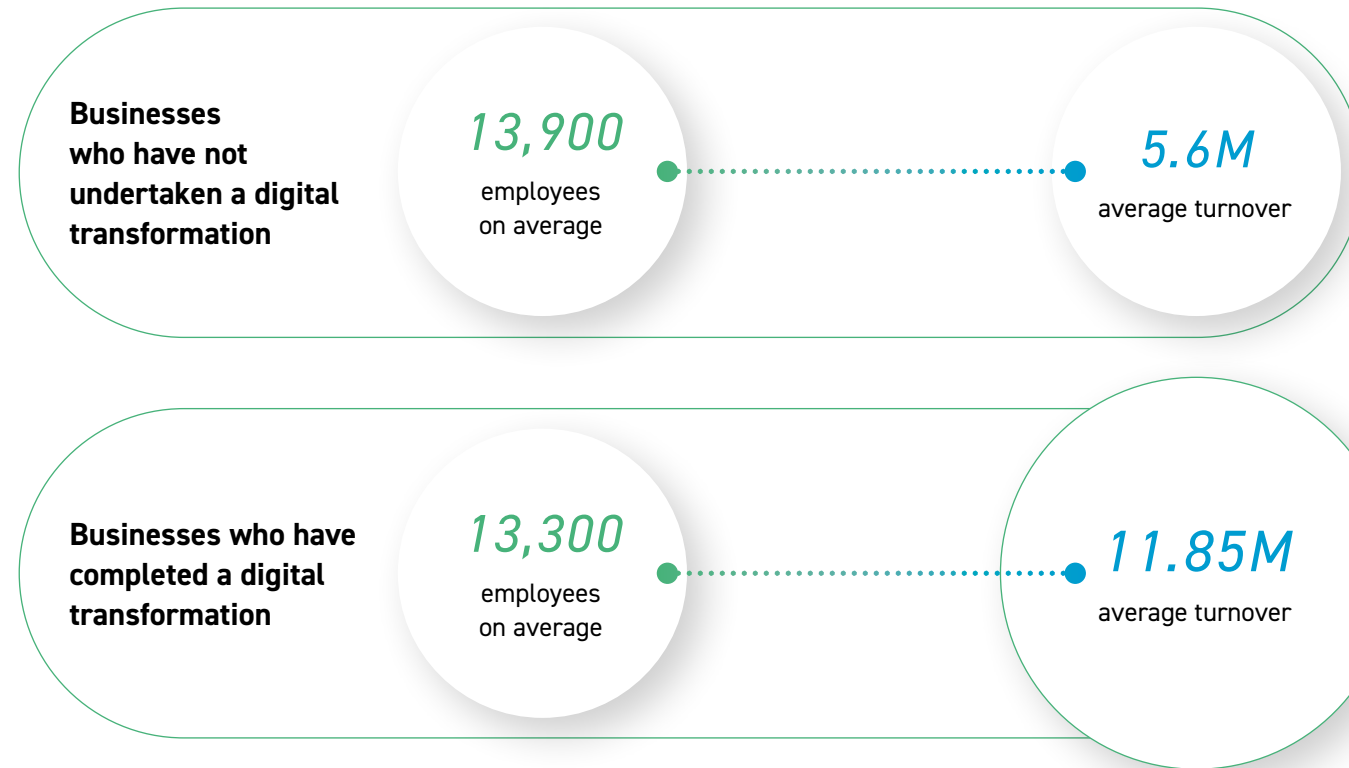
18%

Base size:  
Business decision makers in large companies - 'Completed digital transformation' (n=187), 'Not completed digital transformation' (n=413)



# AND IT CAN PLAY A KEY ROLE IN BOOSTING PRODUCTIVITY

*Businesses who have completed a digital transformation say on average their turnover is double despite having a similar size employee base*

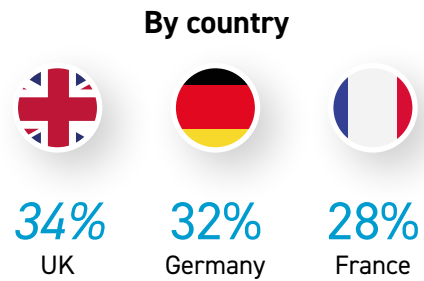


Base size: Senior decision makers in large companies - 'Completed digital transformation' (n=187), 'Not completed digital transformation' (n=408)  
Base size: Senior decision makers in large companies - 'Completed digital transformation'(n=187), 'Not completed digital transformation' (=413)



# BUT BUSINESS HAS BEEN SLOW TO EMBRACE DIGITAL TRANSFORMATION

Only **31%**  
of businesses say they have  
completed a digital transformation



Base size: Senior decision makers in large companies (n=600), based in the UK (n=200), Germany (n=200) and France (n=200)



# AND OF THOSE WHO HAVE ATTEMPTED DIGITAL TRANSFORMATION, THE MAJORITY STRUGGLE TO GET IT RIGHT

1 in 4

Only 1 in 4 who have managed a digital transformation say it has been fully successful.

How successful was your company in managing digital transformation across its various constituent elements in the past?

● Not fully successful ● Fully successful



Fully successful by country:



29%  
UK



27%  
Germany



16%  
France

# DATA-POWERED COMMUNICATIONS IS CRITICAL TO GETTING IT RIGHT

*Successful digital transformations are driven by always-on stakeholder engagement, employees empowered to drive change, CEOs leading from the front and reputation measurement*

## **Four critical factors for a successful digital transformation**



*Effective communication to key stakeholders throughout the whole process*



*Ensuring employee feedback is central to shaping the transformation*



*Positioning the CEO as the figurehead of the transformation to build trust in the process*



*Ability to use analytics to measure reputational impact and adapt when necessary*



# BETTER STAKEHOLDER ENGAGEMENT MEANS A BETTER BOTTOM LINE



67%

*Businesses who have completed a digital transformation and rate stakeholder communication as 'very important' report at least **67% higher turnover** than those who do not*

78%

*Of businesses say engaging stakeholders during a digital transformation helps them to understand **unanticipated issues and produce solutions***

Base size: Senior decision makers in large companies (n=600)

# REPUTATIONAL DATA HOLDS THE KEY TO SUCCESS; IF YOU CAN'T MEASURE, YOU CAN'T SUCCEED

*When digital transformations go wrong, businesses say the most important aspect to improve is a better understanding of how digital transformation impacts reputation among stakeholders and how to improve it*

## **Most important digital transformation elements to improve** (Businesses who have been unsuccessful with their digital transformation)

- 1** *Understanding of how digital transformation impacts reputation among stakeholders and how to improve it*
- 2** *Understanding of the cultural and behavioural changes required for a successful digital transformation*
- =3** *Engagement with media and commentators to communicate proactively on the digital transformation journey*
- =3** *Understanding of technology required to execute a digital transformation successfully*
- 5** *Engagement with investors and analysts to communicate proactively on the digital transformation journey*
- 6** *Understanding of the financial implications and outcomes of digital transformation*
- 7** *Engagement with internal audiences to help them through the process of change*

Base size: Senior decision-makers in large companies who have gone through an unsuccessful digital transformation (n=62%)





# ENGAGING EMPLOYEES EARLY SETS THE FOUNDATION FOR SUCCESS

2X

More likely to believe **employee feedback** is a key driver for managing a successful digital transformation

## Employee feedback as a trigger for implementing a digital transformation

Businesses who have successfully managed a digital transformation

41%

Businesses who have unsuccessfully managed a digital transformation

19%

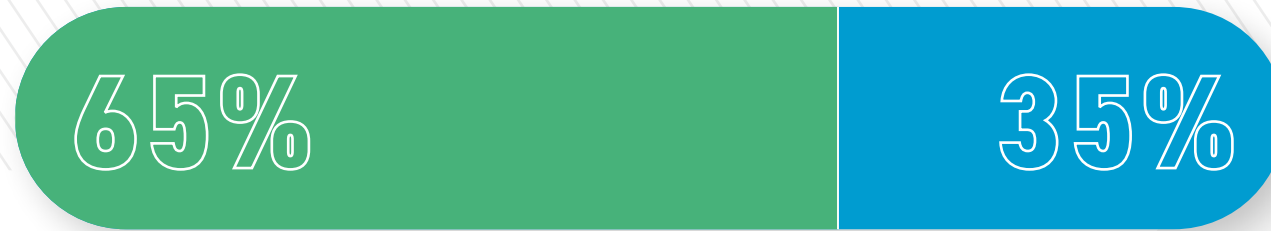
# THE ROLE OF THE CEO: FAIL TO PREPARE, PREPARE TO FAIL

*Leaders who have managed successful digital transformations are significantly less likely to be risk takers and much more likely to be meticulous planners focused on long-term reward*

## Attitudes towards risk taking

● Low risk-taker      ● Emphasis on high-risk

*Businesses who have managed a successful digital transformation*



*Businesses who have been unsuccessful in managing a digital transformation*





# THE ROLE OF THE CEO: BUILD TRUST AND LEAD FROM THE FRONT

*The role of the CEO is significantly underestimated by businesses who have been unsuccessful with their digital transformation*

**CEO building a high trust environment as a condition for driving success**

2X

*More likely to believe a **CEO creating a high trust environment** will drive a successful digital transformation*

*Businesses who have successfully managed a digital transformation*

41%

*Businesses who have unsuccessfully managed a digital transformation*

19%

Base size, Senior decision makers in large companies, those having successfully completed a digital transformation (n=66), those having unsuccessfully completed a digital transformation (n=52)

# AGILITY WINS THE DAY; THOSE WHO ADAPT SUCCEED

*Being open to 'changing the programme deliverables to reflect changes in strategy' considered significantly more important by businesses who have managed a successful digital transformation*

**Change the programme outcomes/deliverables to reflect changes in the strategy as a condition to reduce time and cost to deliver a digital transformation:**

*Businesses who have managed a successful digital transformation*

42%

*Businesses who have been unsuccessful in managing a digital transformation*

15%

Base size, Senior decision makers in large companies, those having successfully completed a digital transformation (n=66), those having unsuccessfully completed a digital transformation (n=52)





# THANK YOU

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