

# Operational Agility: The Key To Business Resilience

A Spotlight On Organizations In Asia Pacific

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# Executive Summary

Today's operations professionals must contend with a massive and complicated collection of technology while trying to meet the rapidly changing expectations of multiple stakeholders. They must also embrace increasingly complex architectures, agile development techniques, and a remote, mobile, and geographically distributed workforce. Asia Pacific decision-makers know their organizations must digitally transform and modernize their operations to keep up.

To evaluate the operational maturity of organizations, Cisco commissioned Forrester Consulting to conduct a global online survey with IT and operations decision-makers. This spotlight focuses exclusively on the results for respondents in Australia, China, Japan, and New Zealand.

We found that, to succeed in a post-pandemic world, operations must be adaptable, resilient, and agile. Unfortunately, many respondents find their organizations less collaborative and responsive today than prior to the COVID-19 crisis. The key to solving this issue lies in operational agility.

## Key Findings In Asia Pacific Organizations



More than three-quarters of Asia Pacific decision-makers understood that IT agility is critical to their organizations' future success.



Operational leaders in this region have automated more processes, focused on keeping data quality high, and committed to thoughtful growth.



Less mature firms struggle with a general resistance to change, silos, and talent gaps that hold them back.



Operational leaders see major gains to customer, business, and technical KPIs.

# IT Agility Is Foundational To Business Success

Operations professionals recognized that digital transformation can vastly improve an organization's agility as it adapts to changing business and customer needs.

**76%**

of decision-makers will accelerate digital transformation efforts.

**79%**

know their business processes must become more agile.

**BUT ONLY**

**17%**

of Asia Pacific firms can call themselves operational leaders today.

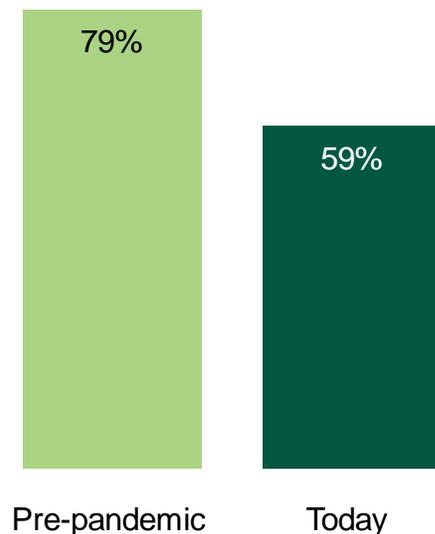
Base: 455 operations and IT decision-makers at Asia Pacific enterprises

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020

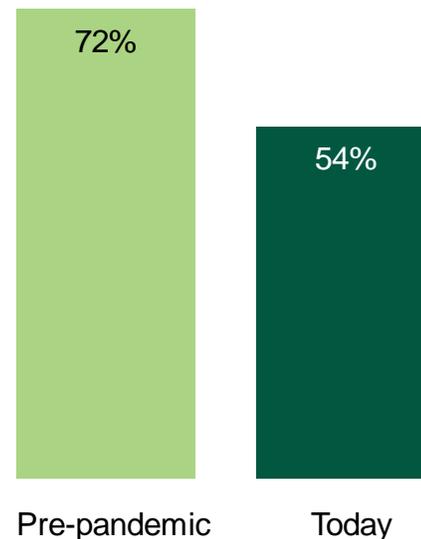
# Many Asia Pacific Firms Are *Less Collaborative And Agile* Than They Were Before 2020

The need for IT agility is not new. So, why act now? Major global crises are no longer once-in-a-lifetime events. To realize their digital transformation goals, increase resiliency, and grow, businesses must combine the power of automation and operational agility to close these gaps.

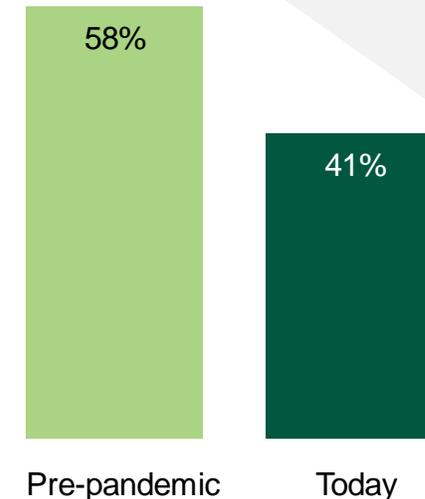
“We anticipate and rapidly respond to market changes and changes in customers’ needs.”



“Collaboration across different business units or organization units is high-bandwidth and happens seamlessly.”



“We quickly create new teams to support emerging products or opportunities.”

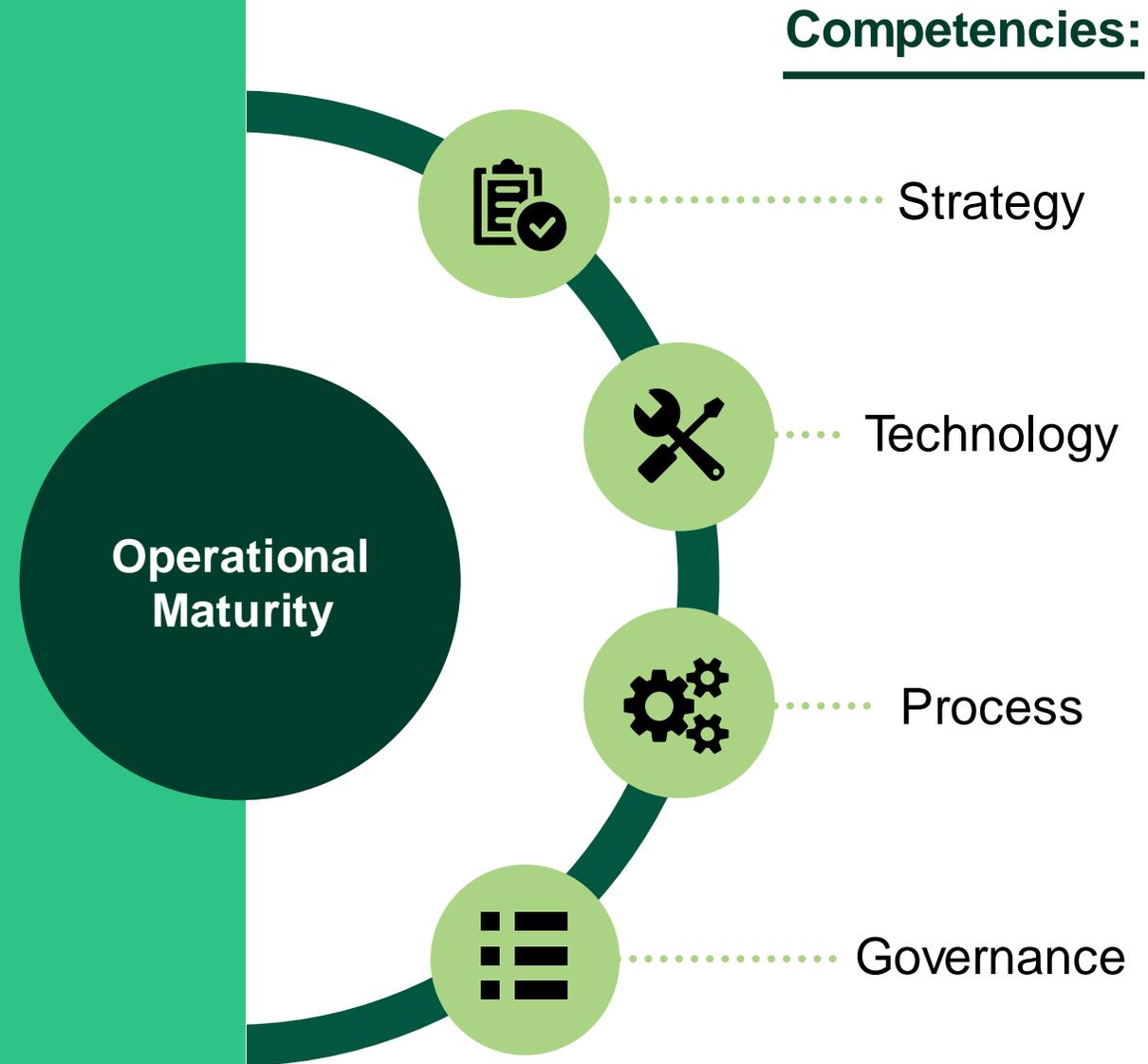


# What Makes A Leader?

Operational maturity is gauged on four basic competencies. The degree to which an organization successfully realizes modern technology operations depends on multiple organizational and practice dimensions.<sup>1</sup>

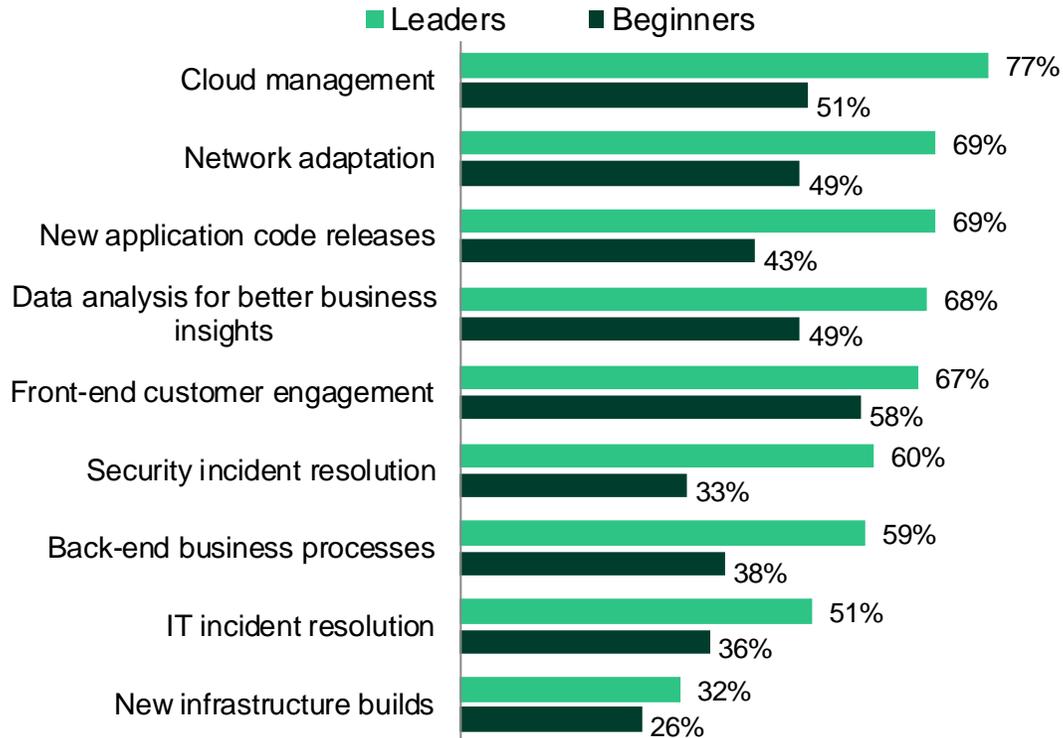
Asia Pacific operational leaders further distinguish themselves by:

- 1 Harnessing the power of automation.
- 2 Ensuring high-quality data.
- 3 Committing to a growth mindset.



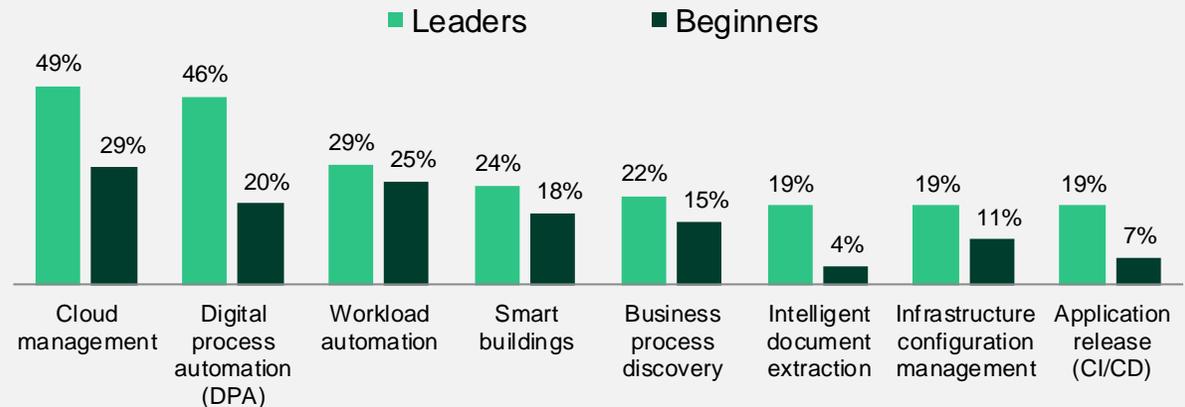
# Leaders Couple Operational Maturity With Advanced Automation

## Fully/Mostly Automated Processes



Asia Pacific leaders are well ahead in automation, having automated more processes and adopted more critical automation solutions than their beginner counterparts. Notably, leaders have expanded their work past the low-hanging fruit of customer-facing processes and automate throughout the enterprise.

## Automation Solution Adoption

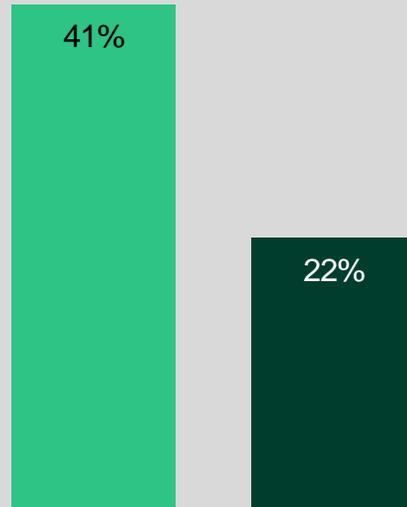


# Leaders Know That Better Data Leads To Better Insights



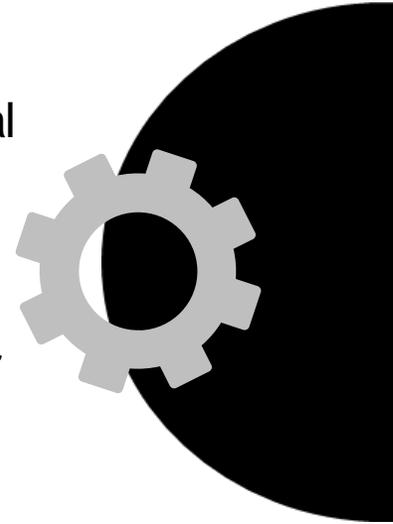
**39%**  
Asia Pacific respondents agreed that improving **data resiliency** is a key IT operations goal.

Leaders have an outsized focus on **data quality**.



Leaders      Beginners

Forrester has long held that maintaining data integrity is critical to business success, regardless of the specific initiative at hand. Leaders understand that the better their data is, the better their insights are and, ultimately, the better their automations will be.



**91%** of Asia Pacific leaders said improving data quality is even more important in a post-pandemic world.

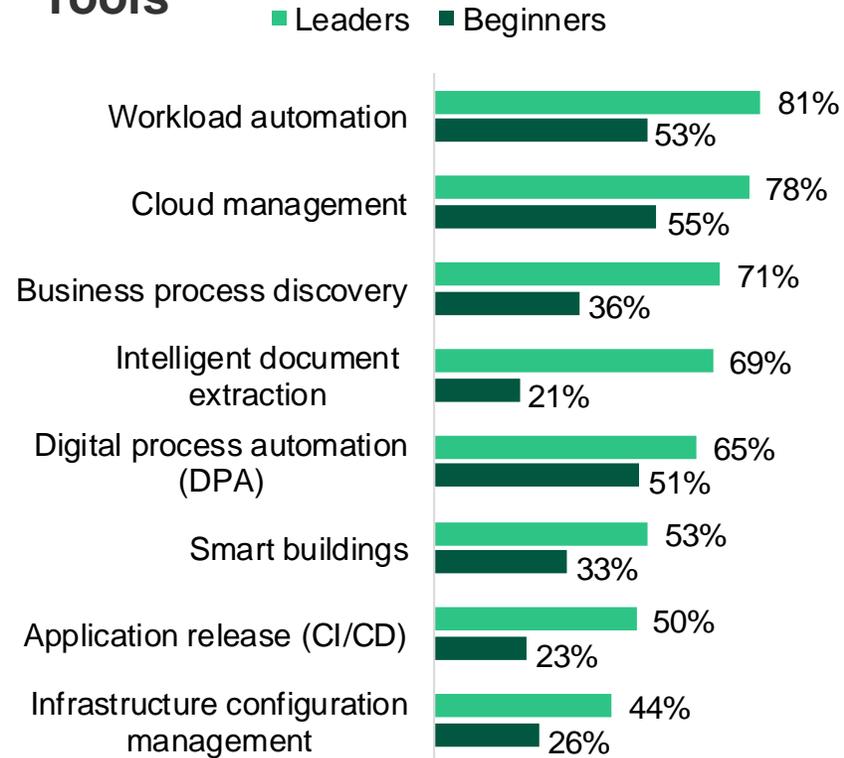


# Leaders Aren't Afraid To Spend Wisely

Not only do leaders make more consistent use of automation technologies, but they also plan more investments in these same solutions for the coming year. Even during times of economic hardship, leaders understand the importance of strategic spending. Beginners, on the other hand, are more likely to be in survival mode, as they focus on broad cost-cutting measures in the hopes that things will eventually get better.

Leaders are more than **3x** as likely to be early adopters of new technologies, as compared to beginners.

## More Asia Pacific Leaders Plan To Increase Investment In Key Automation Tools



**84%**

Most beginners say that **reducing costs** is more important given their pandemic experience.

Ironically, **leaders see greater cost savings** than beginners because of their more advanced posture.

# Silos, Skill Gaps, And Fear Of Change Hold Non-Leaders Back

Low- and medium-maturity organizations struggle with a piecemeal approach to automation. Their reluctance to spend on holistic efforts results in siloed tools, data, and automations while a lack of investment in people leads to underskilled teams. They are also more likely to report a general resistance to automation. Operations professionals in Asia Pacific who have yet to achieve operational maturity must find a way to make the business case for adaptable, resilient, and agile operations to gain the needed investment and cultural buy-in to drive real change.

## Key Technical Challenges

45% Tool integration

38% Lack of in-house skills to use new technologies

36% Data silos

34% Isolated islands of automation

## Key Organizational Challenges

41% Resistance to change

38% Lack of skills to drive automation efforts

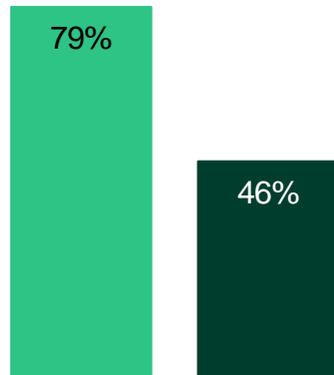
36% Organizational silos

35% Psychological resistance to automation

# Leaders Are Better Equipped To Overcome Challenges

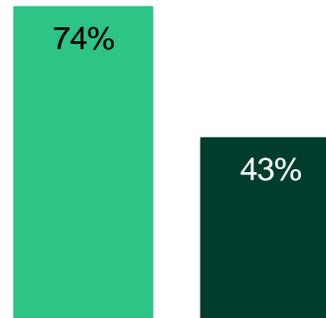
Operating in today's business landscape is no easy feat. Technology ecosystems, partner networks, and both business and back-end processes grow increasingly complex while disruptive global phenomena like super storms and epidemics occur with greater frequency. To both survive and thrive, operations must be adaptable, resilient, and agile.

**“We anticipate and rapidly respond to market changes and changes in customers' needs.”**



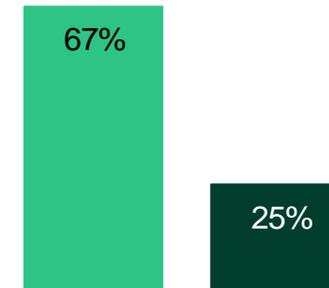
Leaders      Beginners

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Leaders      Beginners

**“We quickly create new teams to support emerging products or opportunities.”**



Leaders      Beginners

Operational maturity must be considered an important factor for organizations that want to survive a world that is increasingly fast-moving and unpredictable.

# Operations Leaders In Asia Pacific See Major Returns That Drive Business Value

**95%**

Application uptime



Leaders at Asia Pacific firms see greater impact to critical KPIs like:

**88%**

Customer satisfaction



**79%**

Infrastructure uptime



Leaders also enjoy an average of:



**3.16%** increase in revenue.



**5.26%** decrease in costs.

**93%**

Cost savings



# Notable Regional Differences: Focus On Asia Pacific

Asia Pacific respondents stood out from the global sample in several ways.



- 1. Agile rollout of new offerings is critical.**  
Organizations in Asia Pacific are keenly aware that they will need to quickly introduce new and improved products and services to keep their market position. Even during times of crisis, disruptive entrants will continue to make competition for customers fierce. Firms can't afford to fall behind.
- 2. Cost-cutting measures put large projects on hold.**  
As in other regions, about two-thirds of respondents in Asia Pacific plan to shift their organizations' operational focus to reducing costs. What's notable is that, in this region, that push to conserve capital is happening via the pause of large projects. As more of these organizations mature, hopefully this overemphasis on cost savings will fade in favor of more strategic spending.
- 3. Employee productivity could be better.** Although 47% of all respondents in Asia Pacific saw improvements to their organizations' employee productivity as a result of their automation efforts, this is lower than other regions. Working to overcome some of their top challenges will help improve returns in this area.

# Key Recommendations

This study provides the data and insights your firm can use to evaluate your organization's own operational maturity and identify critical areas for improvement, starting with the following recommendations:



**Passionately pursue data integrity.** Every organization is swimming in an ocean of data, yet general trust in that data is at an all-time low. There is too much of it, it's dispersed, it may be tainted by malicious actors or innocent mistakes, and too many copies render confusion about what the right data is. Discover, map, track, and maintain your data with tight policies and technology. Leverage AI and automation to ensure the integrity of your data because it is impossible to do it manually. Your data will be more trustworthy, and you can therefore trust the results you seek.



**Promote a philosophy for change.** Aversion to change is a disease to any organization, yet it's common even among technologists. People dislike change because it's often done wrong, and the results are painful. Develop a program to socialize the attractive results of change done right and remain relentless in its promotion. An idea becomes a movement only when it becomes a lifestyle. Persistent reinforcement will make people desire change, and not just tolerate it. That is when the magic happens.



**Embrace risk — to a limit.** Innovation requires more risk than most people can tolerate. However, nobody ever changed the world by taking the comfortable path. Your business's future viability — and probably your own — demands experimentation and creativity. Try a new approach or a new technology, even if you are unsure of its success. You will fail, and that needs to be acceptable if you learn and improve for the next attempt. Risk is good, but careless risk is not, so always exercise good engineering as you proceed. If you can depart your comfort zone to develop a new idea, that idea may transform your business. The future favors the innovators who are willing to try the impossible.

# Methodology

In this study, Forrester conducted an online survey of 1,212 global IT and operations decision-makers to evaluate the operations maturity and automation strategy of their organizations. Respondents came from enterprises of 500 or more employees and a range of industries. The 455 Asia Pacific respondents from Australia, China, Japan, and New Zealand are the basis for this spotlight. All survey participants were offered an incentive as a thank-you for time spent on the survey. The study began and was completed in December 2020.

## Endnotes

<sup>1</sup>For an in-depth discussion of this maturity model, see the second installment of the Cisco-commissioned Forrester Consulting study, [“Operational Maturity Is Critical To Business Success.”](#)

### ABOUT FORRESTER CONSULTING

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