



# Unlocking the power of digital transformation through people

Your people winning today's race  
while running tomorrow's





In our fast-paced and interconnected world, where technology permeates every aspect of our lives, it is undeniable that we are witnessing a seismic shift in the business landscape. This transformation is being driven by the rapid advancement of digital technologies that are reshaping industries and redefining the rules of competition. Digital transformation is not about the technology itself; it's about how technology can offer better solutions to traditional problems, enable creativity and innovation and keep you competitive in an increasingly digital world.

To achieve meaningful transformation in today's context, success relies on addressing the new competitive dynamics. This means that companies must build differentiating capabilities that enable them to deliver value in a unique way, work with digitally enabled ecosystems and tackle some of the world's massive problems.

***“ Digital transformation is the way people and businesses are using innovation to do things differently – whether they are organising work processes or interacting with customers.*”**

## Evolve or die

It may sound like evolutionary theory, but it's the opening line of PwC's 26th Annual CEO Survey — titled [Winning today's race while running tomorrow's](https://www.pwc.com/ceosurvey) — in which 40% of the 4,000+ CEO respondents indicated that their organisation would no longer be economically viable in ten years' time if they continue on their current course. This figure was closer to 50% for CEOs in Africa. Most of them feel it is critically important to reinvent their businesses for the future. When unlocking future innovative opportunities to allow for business reinvention — digital transformation is front and centre.

Digital transformation is the catalyst that empowers organisations to unlock new opportunities, transcend traditional boundaries and deliver unparalleled value to their customers. Gartner's Magic Quadrant empowers organisations to assess vendors and service providers. It explicitly explains the way that customers are looking at and evaluating services. It also reflects the way businesses think about technology partners and what they are looking to invest in.



# Vision and Execution



*Gartner's Magic Quadrant: the importance of being a leader in digital transformations.*

But it is important to recognise that it also reflects how business leaders, their employees and their customers think about their own organisations. How important it is to be a leader — seen to be winning today's race while running tomorrow's — and how this requires excellence in both dimensions:

## 1 The completeness of your vision

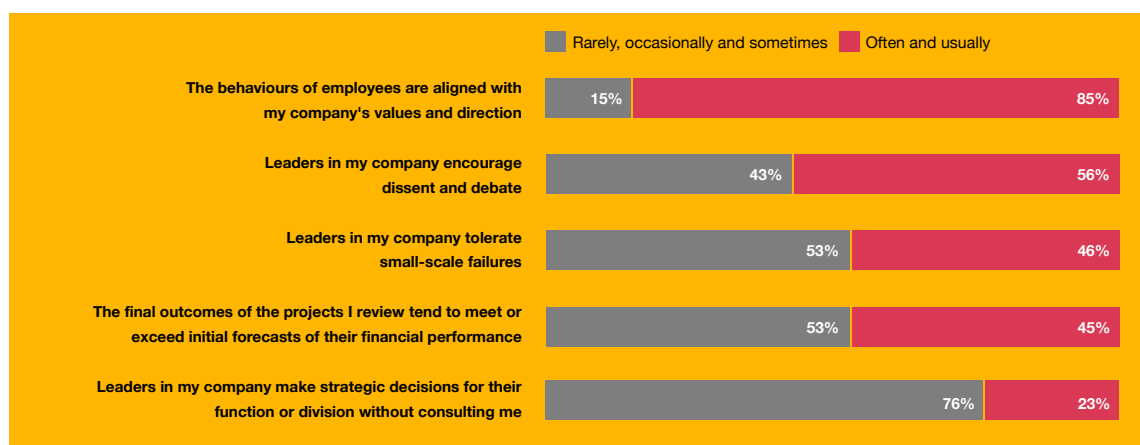
- When asked about the market forces most likely to impact their industry's profitability, more than half of surveyed CEOs cited changing customer preferences, regulatory change, skills shortages **and technology disruption**.
- On a micro level, it's about reimagining a company's place in the world: looking beyond the current portfolio of businesses and products to determine what value your organisation will create.

## 2 The ability to execute

- It's not enough to have a strategy and a vision to understand how you will create and capture value in the market: leaders need the ability to execute. To reinvent their business while navigating near-term operating challenges, CEOs need the **help of their people** — C-suite leaders, middle managers and frontline employees alike. Engaged, empowered organisations move faster, innovate more readily and collaborate more effectively to get things done.

Business transformation and reinvention has emerged as a full-contact sport for CEOs and their top teams because deep change is possible only when individuals at all levels adapt and grow.





PwC's 2023 Global Hopes and Fears Survey

## The hazard lights are flashing

Forty-three percent of global CEOs said that leaders in their organisations don't often encourage debate and dissent. According to PwC's 2023 Global Hopes and Fears Survey, 53% of Africa's workforce believe their managers consider their viewpoint when making decisions, and only 31% tolerate small-scale failures. Only 45% of projects meet or exceed the expected financial performance. However, 76% said their leaders don't often make independent strategic decisions for their function or division without consulting the CEO. For digital transformations to succeed — innovation needs to be front and centre, however if business leaders are not tolerating small scale failures — innovation will not be encouraged. People need to be encouraged to use technology to reinvent business practices for new opportunities as well as allow themselves to accelerate.

## Engage people to accelerate

According to the [World Economic Forum's Future of Jobs Report 2023](https://www3.weforum.org/docs/WEF_Future_of_Jobs_2023.pdf) technology adoption will remain a key driver of business transformation in the next five years. The impact of most technologies on jobs is expected to be net positive over the next five years. The human-machine frontier has shifted, with businesses introducing automation into their operations at a slower pace than previously anticipated. The fastest-growing roles relative to their size today are driven by technology, digitalisation and sustainability.

## Culture, history and leadership style

While differences may exist across organisations, everyone faces common challenges due to changing times and new expectations. To navigate this, develop a holistic workforce strategy aligned to your organisation's business imperatives, purpose and values. Drive proactive investments in upskilling and talent development to build people capabilities. Prioritise critical behaviours that shape the culture. Reinvent the social contract with your people. [Transformation beyond technology](#) unpacks why organisations need to lay the groundwork for transformation by driving cultural change across the organisation. People often resist change, especially when it appears to threaten their livelihoods. Yet winning the enthusiastic support of the majority of employees — and certainly senior leadership — is essential to the success of digital transformation. In most cases, a successful evolution to a digital and data-driven organisation requires significant cultural change.

## A winning recipe

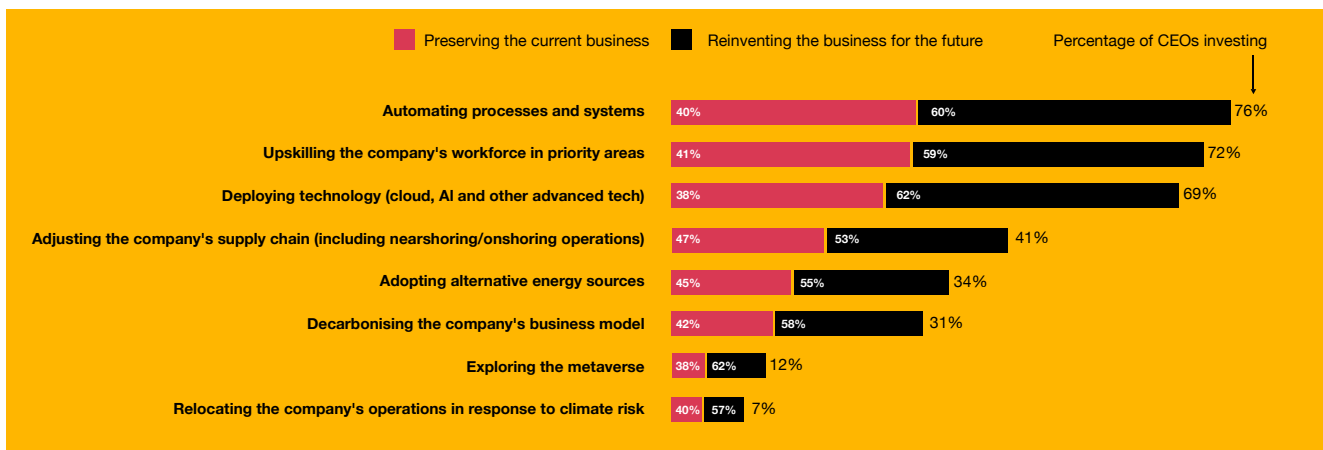
When looking at ways to innovate, to win and retain customers, bringing together business, experience and technology dimensions helps to maximise engagement, empower people and champion change.

**B** – bringing business industry and functional expertise and **aligning these with internal operating models and organisational strategy**.

**X** – focusing on human-centric thinking and engaging people. Creating a better, more **personalised experience** for customers is a priority, but to get there, every employee who interacts with a potential buyer needs to believe in a new way of doing things, and adapt to a culture that is more relationships and technology-based.

**T** – how you make it real is **through connected technology which becomes a platform** for the things you make or services you provide and you need the architects that will **connect technology with your value proposition**.

## Reinventing through technology



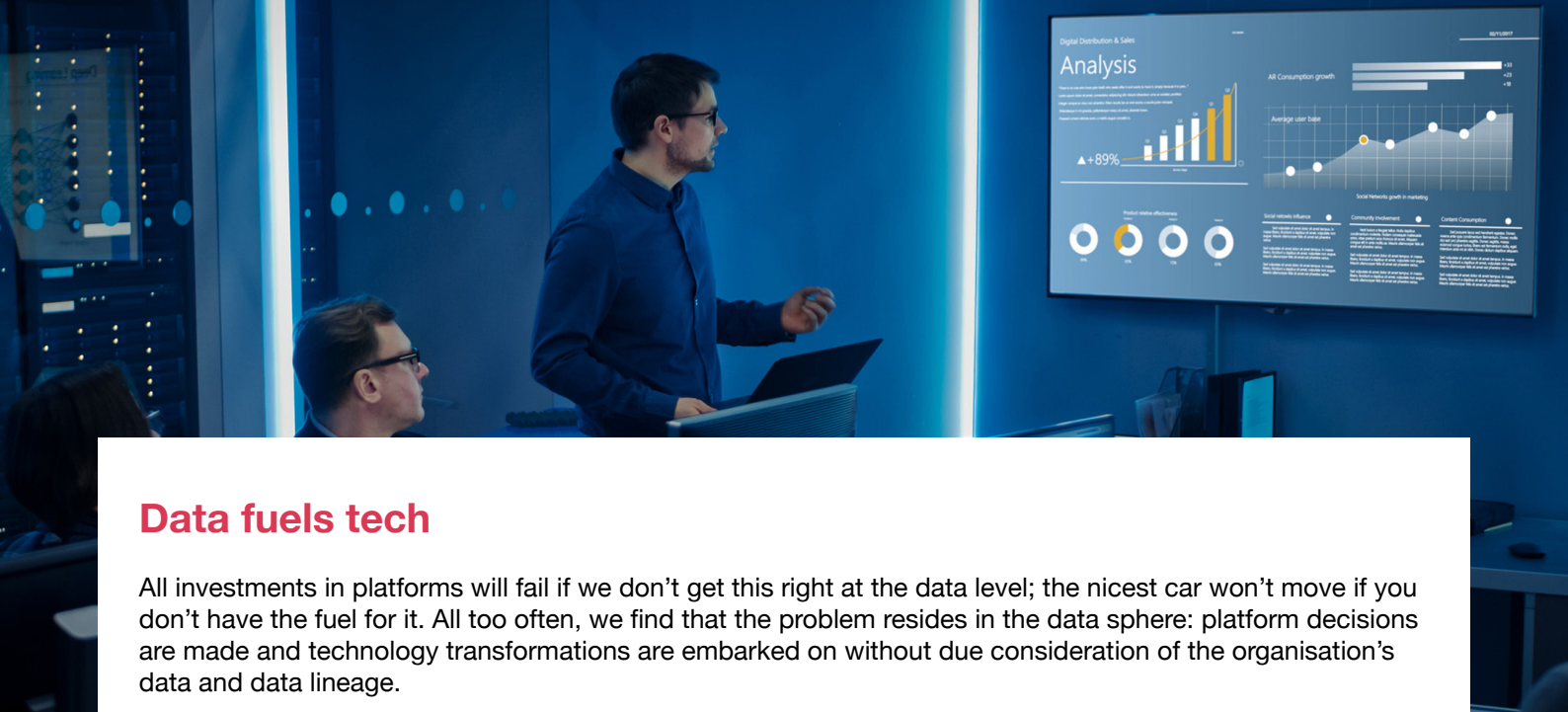
PwC's 26th Annual CEO Survey

Leaders see technology as an opportunity to reinvent their organisation's value propositions. Technology and tech-enabled investments came out as a top priority: around three-quarters of companies are focused on automation, upskilling, and deploying advanced technologies such as Artificial intelligence (AI). With 76%, 72% and 69% of all CEOs indicating they would prioritise their investment in these areas, when we drilled down into Africa, this percentage was in the 80s, especially in the financial services industry, with far fewer prioritising decarbonising the company's business model and exploring the metaverse.

Drilling down into the underlying rationale for those investments, roughly 60% in each category is focused on reinventing the business for the future, and 40% is concentrated on preserving the current business — highlighting the ambidexterity challenge that CEOs are faced with in requiring their executives to explore new opportunities even as they work diligently to exploit existing capabilities.

With technology and reinvention-oriented investments looming large, the burning question remains: do we build or buy, or in some cases borrow? Are there platforms in the market that see the world the way we do?

Solutions that leverage common core cloud services for a standard architecture and deliver end-to-end digital industry solutions are key. Delivered via one platform, these solutions drive improved flexibility, integration, consistency and scalability.



## Data fuels tech

All investments in platforms will fail if we don't get this right at the data level; the nicest car won't move if you don't have the fuel for it. All too often, we find that the problem resides in the data sphere: platform decisions are made and technology transformations are embarked on without due consideration of the organisation's data and data lineage.

To fuel the platform, organisations must understand how to architect their data and how to set up their data for success or they will find themselves deriving a fraction of the potential value they could be gaining from their data.

## Transforming different data sources and connecting them to one another

- How are we going to understand and interpret the data?
- Do we have the skills to understand and interpret the data?
- Where are we going to store the data and in what format?
- Who will have access to the data?
- How long is that data useful for and how long will we keep it — how do we get rid of the data when it is time?

When your whole world changes, you can't run your business the same old way. Real cultural and workplace changes are vital for a new vision to take hold. An empowered workforce with the right tools is happier and more productive. Powered by our own digital transformation — and in strong alliance with our technology partners — we help you provide what your people need to innovate, grow and continue to thrive. We help you bring all the right pieces together to deliver your future of work. Transformation goes beyond implementation.

At PwC, we think about your digital transformation journey with outcomes in mind. With our strategy, industry and engineering experience we help you weave technology throughout your business to create something unique, drive growth and accelerate outcomes.

This is what tomorrow looks like. **Say hello.**



## Authors



### Marthle du Plessis

PwC South Africa

*Africa Workforce of the Future Platform Leader*



### Riaan Singh

PwC South Africa

*Africa Digital Transformation Leader*



### Isabel Papadakis

PwC South Africa

*Africa Alliances Leader*



### Jesse Twum-Boafo

PwC South Africa

*South Africa Salesforce Practice Lead*

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