
Agility in the face of Lockdown

How UK businesses put faith in
technology to manage unique
challenges



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Executive Summary

In late April 2020, Microsoft CEO Satya Nadella delivered a [quarterly earnings report](#) to Wall Street - the first where COVID-19 would have a significant impact. In it he underlined the dramatic effect of lockdown on the technology strategies of businesses worldwide when he said, “we’ve seen two years’ worth of digital transformation in two months.”

That’s an unprecedented acceleration in momentum. In April alone, for example, Microsoft reported more than 200 million Microsoft Teams meeting participants in a single day, generating more than 4.1 billion meeting minutes. Looking elsewhere underlines the point: back in December last year, Zoom, the standout videoconferencing success story of 2020, was hosting 10 million meeting participants a day. That sounds impressive until you see that by April, they were running at 300 million.

Behind these global numbers, the response of UK businesses to lockdown offers a fascinating insight into their ability to adapt to COVID-19, and the role played by technology in facilitating such dramatic change. Qualities that the technology industry loves to emphasise, such as agility and resilience came to the fore as organisations large and small were forced to make drastic changes in strategy virtually overnight.

The stakes could not have been higher, and this research report reveals how UK organisations have adapted to the challenges brought about by lockdown. This includes a rapid - and effective - transition to home working, the lockdown investments made in technology, and the widespread success businesses have seen in facilitating a revolution in working culture.

It goes on to assess the feedback of UK workers to these changes, the impact on productivity, the effect on IT strategy and reveals how - for many - their efforts to adapt to the crisis were successful. Positive technology and organisational effects are being seen across UK businesses and these are not just short-term benefits related to lockdown, but long-term, permanent gains brought about by this condensed period of organisational change.



“In April Microsoft reported more than 200 million Microsoft Teams meeting participants in a single day, generating more than 4.1 billion meeting minutes”

Methodology

This research project was conducted out online during August 2020 with a group of 100 business and IT industry respondents.

The Survey used Microsoft Forms Pro (now Customer Voice) to invite potential respondents using links to the surveys through three avenues: direct messages over LinkedIn, targeted LinkedIn promotional ads and through personal invites to respond to the survey.

Research Findings

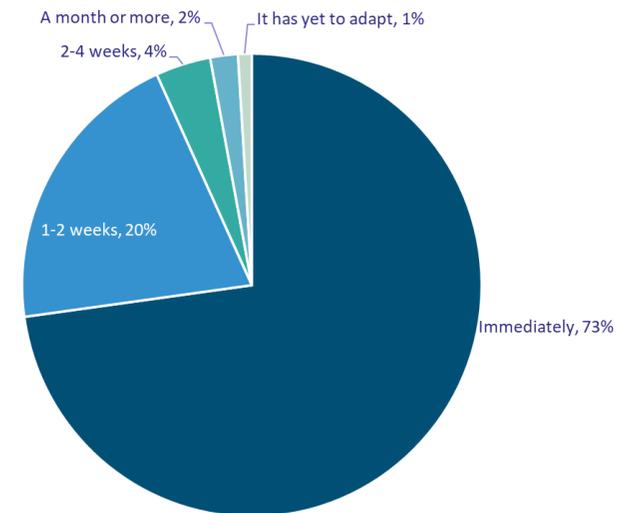
Question 1 - How long did it take your organisation to fully adopt working practices to enable employees to work from home as a result of the Coronavirus pandemic?

A significant level of respondents (73%) reported that their organisation was 'immediately' able to adopt processes and practices enabling them to work from home. In contrast, 20% said that it took 1-2 weeks before they were able to switch to home working, while only 2% had to wait for a month or more.

Without doubt, many organisations had technology and services in place allowing them to quickly pivot to a home working process. For some, existing flexible working practices will have simply been expanded to accommodate the requirements of lockdown without delay. Familiar technologies, including Unified Communication and collaboration tools (such as Microsoft Teams) and videoconferencing services (such as Zoom) offered a quick and affordable route to effective change.

The ability to quickly adapt to changing circumstances is a hallmark of any healthy organisation. In the light of recent experience, business leaders should continue to evaluate key operational functions to understand how agile technology can improve performance, provide more flexibility and benefit the bottom line.

“73% of organisations were immediately able to adopt processes to enable home working”



Question 2 - Has your organisation had to deploy new technology due to COVID-19?

There was an exact split between those organisations that had to deploy new technology due to COVID-19 (50%) and those that didn't (50%).

Many businesses were already well positioned to use existing technology to make an immediate switch to home working (see Question 1), while the remainder were able to identify and deploy new products or services without any delay.

This not only highlights the agility of businesses in the face of unexpected circumstances, but also that they were quick to identify and invest in the systems and services needed to cope with COVID-19.

The maturity of the cloud-enabled Software-as-a-Service (SaaS) industry allowed businesses to activate key remote working services 'off the shelf', evidenced by the popularity of Zoom and Microsoft Teams, among others. In general, service providers were able to effectively scale their products to meet demand, and many businesses were already familiar with their capabilities, meaning the technology-enabled transition to home working was broadly seamless.

Going forward, organisations who have increased their use of SaaS to enable remote working should make sure they are on the optimal pricing model for their needs. The scale at which they are consuming cloud-enabled services should always match their commercial model, and good SaaS providers should be willing to help customers find the right pricing package.

Question 3 - Has the new technology implemented during the lockdown proved to be reliable?

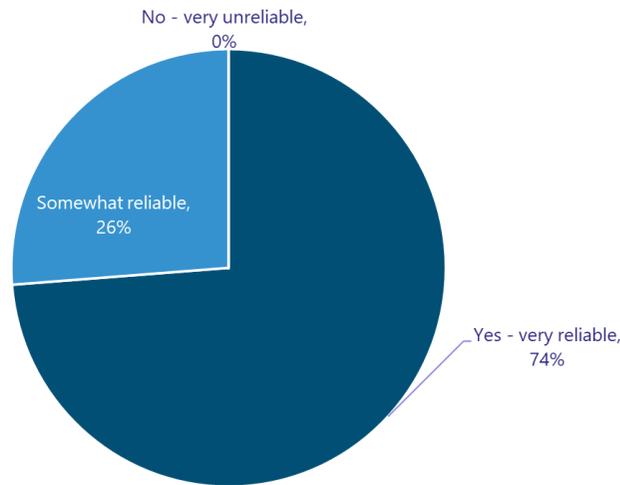
For those organisations who needed to implement new technology during lockdown, reliability would be key to the success of their remote working strategy.

“Almost three quarters of respondents said their lockdown technology choices were extremely reliable”

Almost three quarters (74%) of that group reported that their technology had proved to be 'very reliable'. In contrast, 26% said their lockdown tech investments were 'somewhat reliable'.

Given the speed and breadth of the sudden switch to remote and home working, the high level of technology reliability reported by respondents is extremely significant. For the overall process to be effective, businesses needed a quick and reliable alternative to their existing processes that could be adopted at scale and without the need for crippling levels of additional cost.

In future, organisations can have confidence that technology service providers have the infrastructure and capabilities in place to meet their needs. Choosing the right technology partners remains key to performance and reliability, and businesses should look to their track record and customer success evidence to maximise the impact of their investment in IT.



Question 4 – Were the technology changes made due to the lockdown already part of your business plan?

Those organisations who needed to implement new technology during lockdown were also asked about whether the changes they made were already part of their strategy going forward. One third (34%) of organisations said they were already part of their business plan while 60% said some of the changes were already planned, but others were required.

Only 5% reported that they needed to go beyond their existing business plan for all of their technology needs relating to COVID-19.

The widespread experience of many businesses in using digital collaboration and communication services meant that investment decisions had already been made – at least in part – for over 90% of respondents.

Question 5 - Did you have access to all the data, information and systems you required for effective remote working?

“92% of employees were given access to all the data, information and systems required for effective home working”

Only 8% of respondents said they didn't have access to the data, information and systems they needed. The vast majority - a total of 92% - were provided with those key components necessary to carry out their role.

This underlines a broadly consistent pattern of organisational effectiveness, enabled by pragmatic investment in reliable services. It also suggests that any business leaders who may have been opposed to the practicalities of remote working should rethink their position in the light of broadly positive experiences. However, businesses should also remember to keep security and audit processes under review, as widespread remote access to data could lead to compliance issues, such as when team members share a house with others who are not subject to the same company policies.

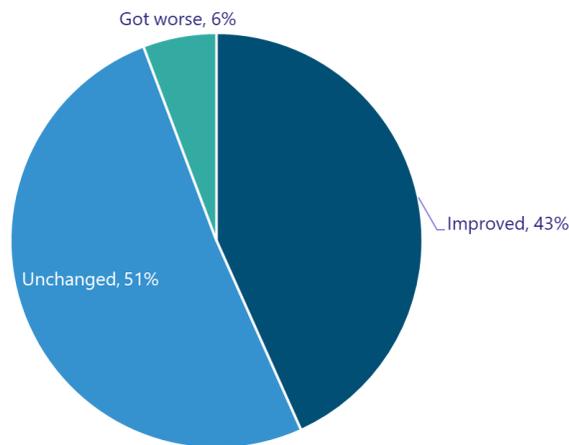
Despite the growing success of the cloud computing industry, businesses now have further broad evidence that outsourced technology infrastructure and services are able to meet emerging challenges head on.

Question 6 - Do you feel that technology has enabled you to do your job effectively during the pandemic?

This is a key question and is one that received an emphatically positive answer from the research respondents. A massive 98% said that their technology had enabled them to work effectively during the pandemic.

Once again, this underlines the maturity of the solutions on offer, the ability of businesses to extend or introduce it to their teams and the adaptability of employees (whether they were experienced in remote working or not). What remains key, however, is ensuring those that were furloughed are given training and support to become equally effective at remote working. Pre-lockdown, for example, far fewer conference calls included video - now it is the complete reverse. Anyone furloughed may simply not have adapted to these new cultural behaviours in the same way, and organisations need to build this into their training processes.

Question 7 - How has employee productivity changed due to the solutions adopted to enable the business during the pandemic?



“94% said productivity had either improved or was unchanged. Only 6% said it had got worse

In the early days of lockdown, concerns about its effect on employee productivity were commonplace across the media and within digital work-related communities such as LinkedIn. Those who predicted remote productivity would decline, however, were mistaken - only 6% of survey respondents said employee productivity had got worse.

In contrast, 43% said productivity had improved, with 51% reporting that it was unchanged. Businesses and employees alike have proved themselves extremely adaptable - for many, factors such as the convenience of working from home, lack of commute and the technology and processes put in place to support productivity have contributed to this broadly positive outcome.

Question 8 - Will the technology you have used during lockdown still be used after COVID-19?

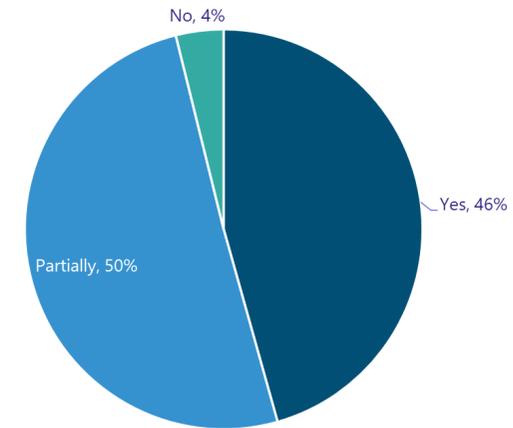
Despite the success of organisations in using technology to make the transition to remote working, some questions remain: is this the beginning of permanent change or just a very effective short-term emergency fix? Will businesses discard their lockdown investments to return to the 'old normal', a hybrid mix of the two approaches, or have leaders been won over by their recent digital transformation experiences?

Only 1% of research respondents said they would not be using their lockdown technology in post-pandemic circumstances. In a near unanimous collective response, 99% will retain their lockdown technologies when COVID-19 public health measures are no longer dictating how businesses must organise the workplace.

Question 9 - Will working from home continue as we come out of lockdown?

“Only 4% of businesses say that home working will cease completely after lockdown is no longer in place”

But to what extent would that technology be used in a post-pandemic UK? When asked about their future plans for home working, for example, only 4% said it would not continue in any form after lockdown restrictions were lifted.



Half (50%) said home working would play a 'partial' role in their future working practices, whereas 46% intend to retain their new home working policies.

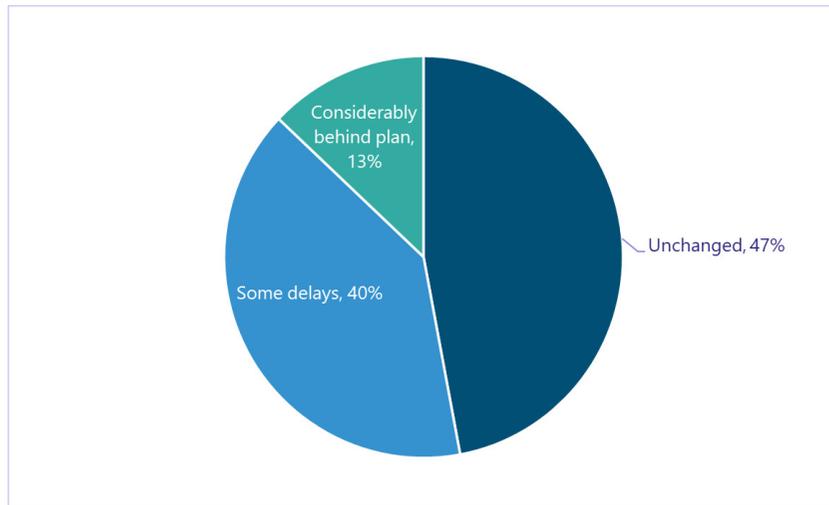
Question 10 - Do you believe your organisation's technology is in a better strategic position as a result of COVID-19?

The impact of the business response to COVID-19 on technology strategy has been significant. In fact, exactly half of organisations believe their technology strategy is now in a better position than it was before the onset of the pandemic.

No respondents said that it had become worse, with 48% stating that it was 'unchanged'. This suggests that businesses are working through a potentially seismic shift in the speed of their digital transformation, whether it was already in their business and IT strategy or not.

Certainly, businesses could have been forgiven for struggling to adapt in the unexpected and stressful changes brought about by lockdown. How many business leaders, though, would have predicted the technology revolution brought about by COVID-19 would be either positive or permanent?

Question 11 - How have your IT projects been impacted by the lockdown?



Despite the rapid and efficient response to the crisis seen across many organisations, 53% of respondents said existing IT projects have been delayed or are now 'considerably behind plan'. These organisations may need to revisit their priorities, investment and resource planning to ensure post-pandemic strategy is not badly affected by delays in the delivery of important IT projects.

Forty seven percent believe their existing IT projects are unchanged - even in the light of COVID-19.

Question 12 - How has COVID-19 impacted your IT budget?

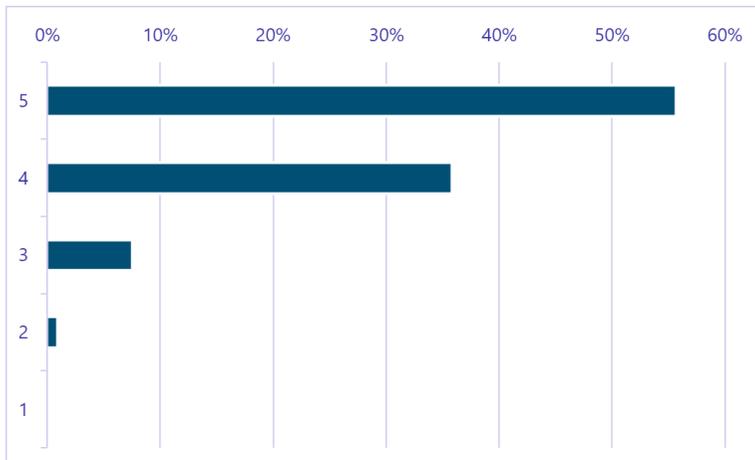
“38% have spent more on IT since the onset of COVID-19”

The serious economic impact of the pandemic has led to widespread speculation that businesses would cut spending across key areas. However, it appears that investment in IT has remained robust, with 16% spending less on IT as a result of COVID-19. In contrast, 38% have spent more and 46% say their budgets are unchanged.

These findings underline the importance of technology, not just in enabling businesses to operate, but in their ability to adapt, stabilise and recover from the impact of the pandemic. It also indicates that while a significant number of businesses needed to spend more in order to react to the crisis, more were able to manage their needs without adding to their IT budget.

Question 13 - Rate the overall effectiveness of how your organisation implemented working from home technology

“92% of respondents gave their organisation a rating of four or five on their effectiveness of implementing home working technology”



Survey respondents were asked to rate their organisation out of five on their effectiveness of implementing home working technology.

Over half (56%) gave their organisation the maximum score of five, with 36% offering a rating of four. Only 8% responded with a score of three or below. In total, therefore, 92% of respondents gave their organisation a score of either four or five.

Considering the speed at which these changes came about, the lack of equivalent experience and the potential for technology problems to occur in any given project, let alone one taking place simultaneously across thousands of businesses, this outcome is remarkable.

It underlines both the strategic reliance UK businesses place on their technology infrastructure and their ability to quickly identify how to pivot key areas of strategy. It also serves as an endorsement of the ‘as-a-Service’ technologies adopted so widely during lockdown, and the strong performance of in-house IT teams and service providers in bringing users online, scaling services and maintaining high levels of reliability.

Question 14 - Are you currently thinking about establishing or have established a digital transformation strategic initiative in your organisation?

Forty-seven percent said their organisation was not currently thinking about or has established a digital transformation strategy. Just over a third (37%) say their organisation is focusing on digital transformation, either in the planning or implementation stages. A fifth (22%) didn't know the status of digital transformation within their organisation.

The organisational and technology issues created by COVID-19 suggest that more businesses should be closely examining their strategic use of technology. Identifying processes and functions where technology can bring efficiency and resilience is vital - recent experience has demonstrated that point beyond any doubt. This serves as a note of caution that organisations should be taking a holistic perspective on digital transformation and avoid just using technology as an emergency remedy to an emerging crisis. Those who maximise the investments they have made (even if forced into it) during lockdown will be better prepared for the future.

There is also another perspective: given the huge levels of home working within organisations taking part in this study, it could be argued that almost all of them have recently implemented a digital transformation strategy, even if it is not classified as such. This suggests that digital transformation has an awareness problem across the people who it is designed to help.

Conclusion

Despite the huge challenges presented by COVID-19, UK businesses have adapted with positivity, speed and considerable agility to pivot to new ways of working at unprecedented scale and with huge success.

Organisations previously opposed to the concept of ubiquitous home working now understand the possibilities offered by today's highly effective and reliable cloud-based digital services.

The accelerated adoption of new tech and ways of working has shown that digital transformation can be done at scale and at pace. This raises a key question: why wouldn't an organisation want to capture this momentum in a broader digital transformation strategy, especially in light of the employee productivity and satisfaction gains in this survey?

However, the lack of awareness and implementation of digital transformation strategies raises concerns that organisations are not fully recognising its potential, and as a result, are storing up problems for the future. Business leaders should take the vital experience gained during this period of adversity and re-examine the way they focus on technology as a route to success.

In a post-pandemic economy, where recovery and a return to growth return to the top of boardroom agendas, businesses will be looking for an edge that digital transformation is uniquely positioned to deliver.

Next Steps

- Review the technology you have adopted, its long-term suitability, adoption, security and cost optimisation.
- Take stock of your digital transformation strategy and re-baseline based on new hybrid working practices.
- Understand the impact of the pandemic on IT projects and budgets, and consider external assistance to get back on track.

IJYI are delighted to offer a free consultation to help you get started on your digital transformation journey contact us today on the details below to book.

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