



RESILIENCE BAROMETER 2020



Build resilience. **Protect** value.

Technology:

Transforming business models to ensure future business resilience

Digital disruption is an all-pervasive trend that presents companies with an opportunity to transform their business models to drive long term success. Resilient companies optimise their planning decisions by making technology transformation a strategic priority.

Our research shows that over the next 12 months, 80% of senior executives rated their company as being under extreme or significant pressure to integrate technology and innovation into their business. The impetus for corporates to respond to the changing digital environment by transforming their business and demonstrating their technological relevance has never been greater.

Moreover, with 68% of respondents concerned that they will only have five years to remain competitive if they do not make the necessary investments in technological transformation, there is increasing recognition from senior business leaders that integrating technological transformation into a company's business model is an imperative. This goes beyond just creating a competitive advantage, it is a matter of corporate survival.

Across industries, transformative technologies such as artificial intelligence, blockchain, 5G and Internet of Things are disrupting the way companies, big and small, international and domestic deliver new and existing products



“The real opportunity for companies embracing the Fourth Industrial Revolution is to look outwards, beyond the transformation of their own business. To be resilient in the future, companies need to unlock the true potential of innovation by collaborating across digital ecosystems.”

CHARLES PALMER

Senior Managing Director, Global Head of TMT, Strategic Communications

and services. Not only is it about competing more effectively, managing costs, protecting and using customer data, but ultimately it is about how companies can retain the trust of customers. Importantly, it is also changing the way companies manage their workforces and continues to impact their culture and leadership.

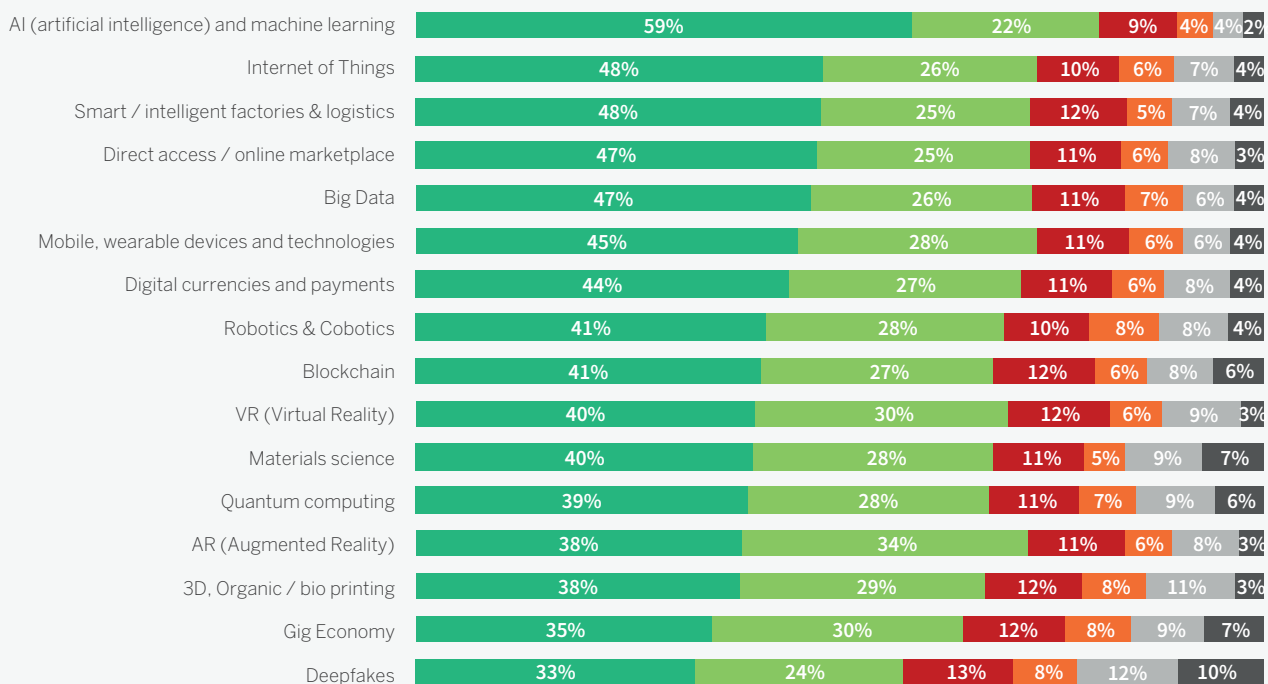
Our survey shows that sectors such as Resource Transformation (Industrials & Chemicals) and Healthcare need to be the most innovative to keep pace with rapid technological changes, although executives across all industries report this as an emerging threat for their businesses.

The potential benefits of innovation investment are often clear, but the challenges come in multiple forms.

PERSONAL ATTITUDES TOWARDS TECHNOLOGY

Q. Which of the following do you consider will have the greatest impact on your industry within the next 10 years?

■ Significant & positive impact
 ■ Not significant, but positive impact
 ■ Significant & negative impact
■ Not significant & negative impact
 ■ No impact
 ■ Don't know

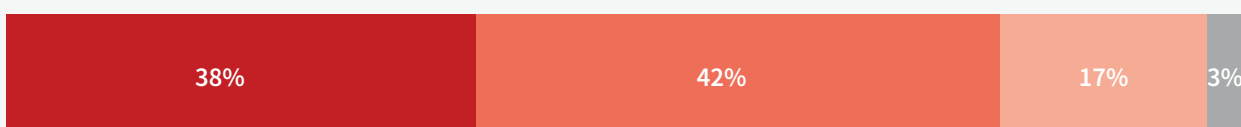


COMPANY PRESSURES OVER NEXT 12 MONTHS

Q. How would you generally rate the pressure upon your company to achieve the following over the next 12 months?

Integrate technology / innovation

■ Extreme
 ■ Significant
 ■ Slight
 ■ None



New business models present new risks, particularly around cybersecurity, data privacy and regulatory changes, as well as the more predictable operational and supply chain risk. Resilient companies are those that adapt their security and risk management practices to enable them to successfully prepare in a hyper-connected business environment.

59%

OF RESPONDENTS BELIEVE AI & MACHINE LEARNING WILL IMPACT SIGNIFICANTLY OVER THE NEXT 10 YEARS

While C-suite executives may not personally have the technical knowledge around advanced technologies, our findings show that they are not averse to using new technologies in transforming their businesses. Of those leaders surveyed, 59% say artificial intelligence and machine learning will have the most significant impact on their industry over the next 10 years. Of these, 81% believe this to be positive, in line with last year's 82%.



EXPERTS WITH IMPACT

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