

Next steps to future readiness



verizon✓



Finding opportunity in chaos.

It's never exactly easy to lead an organisation, but it's fair to say that it's probably easier when the economy is booming and the outlook is clear. Instead, we're faced with a global economy shaken up by the effects of a pandemic and massive uncertainty about the future.

Even at the beginning of 2020, before COVID-19 even had a name, it was clear that the world was changing. That's why we asked Longitude, an FT company, to survey senior business leaders around the world.

From the findings, we identified four dimensions that set apart the best performing companies from the rest – see right.

These form the basis of our Future of Work Index. Almost two-thirds (63%) of Pioneers, those scoring in the top 20% of respondents, reported annual revenue growth of 5% or higher over each of the past three years, compared to just 20% of Late-movers, those in the bottom 20%.

Then the world turned upside down. On March 23, Verizon went from having 4,000 employees working from home to about 115,000. Many of our customers were faced with much tougher challenges.

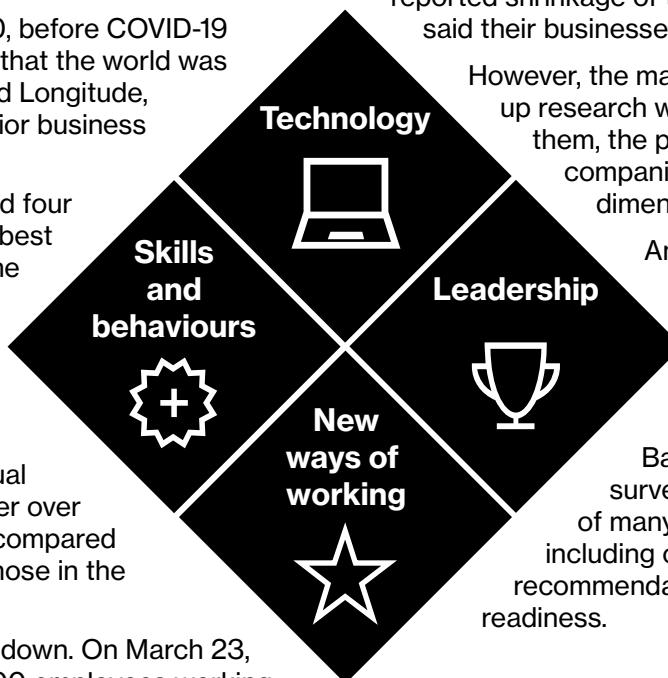
In May 2020, we asked Longitude to run another survey to see how our earlier findings held up and how companies were responding to the crisis.

Over half of the respondents said that their revenue (53%) and productivity (51%) had declined; 44% reported shrinkage of their customer base; and 32% said their businesses had become less competitive.

However, the main conclusion from our follow-up research was that far from distracting them, the pandemic had focused companies' attention on the four dimensions.

And many had already begun to act. More than two-thirds (68%) of respondents said they were rethinking their long-term business strategy.

Based on the analysis of these surveys, plus our experience of many digital transformations, including our own, we've identified eight recommendations to improve your future readiness.



Technology

Fast track deployment of new technologies.

Pioneer companies are actively investing in Internet of Things (IoT), artificial intelligence/machine learning (AI/ML) and 5G.

The technology priority gap

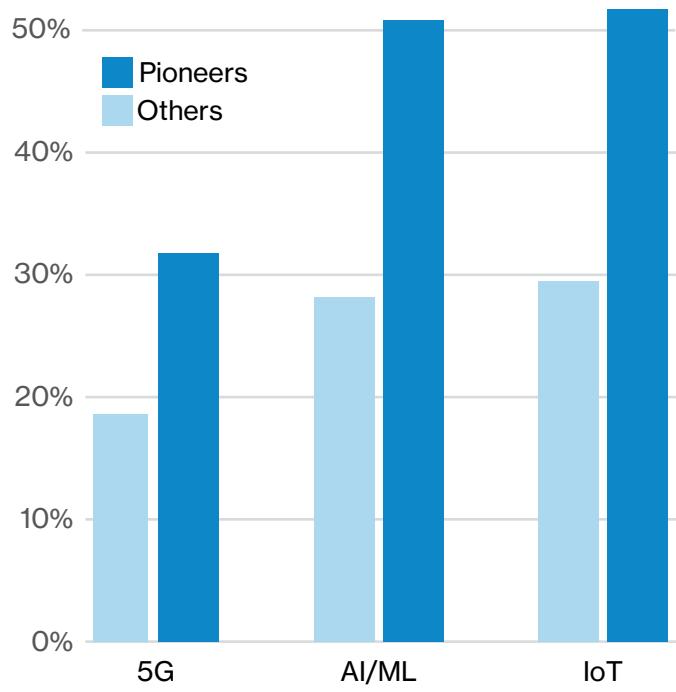


Figure 1: Technology investment priorities over the past two years (Survey 1: Share of respondents ranking each technology among their top three investment priorities in the past two years).

And it's paying off. 96% of Pioneers said that they were able to respond quickly to new opportunities.

Late-movers were still focused on cutting costs. Their technology priorities were cloud, data analytics, and cybersecurity. And just 46% said that they were able to respond quickly to new opportunities.

Plan ahead, think platforms.

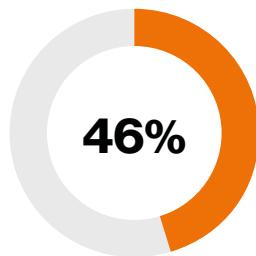
Technology moves fast. Investments shouldn't be just about today or tomorrow.

Most, if not all, of the most disruptive innovations involve a combination of technologies. For instance, IoT sensors to gather data, 5G to collect it and AI/ML tools to extract insight and automate action.

A flexible infrastructure is crucial. Taking a cloud-first approach is a given. But you can't make the most of that without a network that's flexible and scalable too. The right network is key to helping you take changes in demand, new applications and shifting work patterns in your stride.

Software-defined and intent-based networking are transforming the operation and management of infrastructure. Networks can now be reconfigured in minutes and automation used to cut the administrative burden and increase responsiveness.

Secure-access service edge (SASE, pronounced sassy) brings together wide-area networking (WAN) and network security services. By design it's a cloud-delivered model that takes into account the variety of users, devices and systems a digital enterprise needs.



Nearly half of respondents placed cybersecurity as a top-three priority over the next two years.

SASE also incorporates zero-trust network access – which, as its name implies, is based on the principle of not trusting anybody or anything by default, even people and devices inside the network. It's an adaptive model where trust is based on many factors, including identity, context and behaviour – even somebody using a known device and valid credentials could have low trust if what they are doing and how they are doing it is unusual or suspicious.

Together these technologies can create platforms that can help you to innovate, adapt to changing technology, and react to emerging business threats and opportunities more quickly and effectively.

Skills and behaviours

Strengthen your training programmes.

Nearly all (97%) respondents from Pioneer organisations said that their company had fully embraced continuous learning for staff, compared with just 48% of those from Late-mover organisations.

Pioneers also think about what's needed in the future: 44% said they are planning for the skills they will need at least four years ahead, compared with just 8% of Late-movers.

And what skills do respondents think will be most important?

Skills identified as more important since emergence of COVID-19

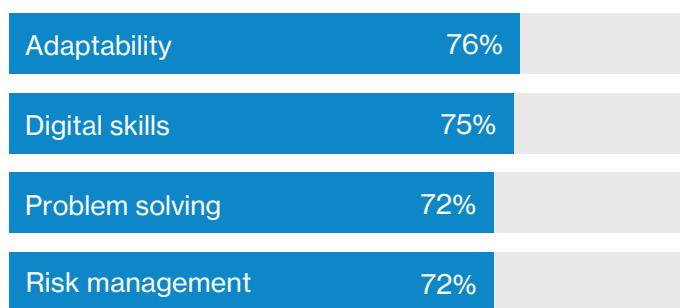


Figure 2: Share of respondents that said selected skills have become more important to their organisation as a result of COVID-19 (Survey 2).

It's little surprise that respondents said that skills associated with coping with change had grown in importance.

Balance your skills priorities.

Our research also identified the importance of qualities such as emotional intelligence (EI) – the ability to communicate with sensitivity to others – as well as other more traditional skills.

In the survey prior to the pandemic, fewer than 20% of respondents said that EI would be an important skill for the future. After the pandemic, 69% said that it had grown in importance.

Stages of emotional intelligence

- 1** Correct perception of emotions
- 2** Understanding of emotions
- 3** Emotional facilitation of thinking
- 4** Proper regulation of emotions

Figure 3: Salovey and Mayer's emotional intelligence ability model.

People skills are not only important to help teams adapt to new ways of working – like working in isolation – they can also help employees cope with their own difficulties and deal with customers and suppliers more effectively.

Relook at how you assess employees and identify skills gaps. Ensure that you give empathy and creativity due prominence in your training programmes.

Make sure that your talent acquisition takes skills and strengths into account as well as qualifications and experience.

🏆 Leadership

Be bold. Write your own rules.

During the COVID-19 crisis, even the most visionary business leaders had to focus on immediate challenges. But the long-term technological, demographic and environmental shifts that were transforming business before the pandemic have not gone away.

No one expects you to have all the answers, but you should set the tone. Don't be afraid to be the one to write the new rules. But make sure that you communicate your vision and seek input from those around you.

"The pandemic represents a rare but narrow window of opportunity to reflect, reimagine, and reset our world to create a healthier, more equitable, and more prosperous future."

Klaus Schwab, founder and executive chairman of the World Economic Forum¹

Times of great disruption can offer great opportunity. This can take many forms, from opening doors to new markets and greater market share to shaking up outdated working practices to improve the employee experience and increase satisfaction and retention.

Don't let entrenched ideas or legacy systems hold you back. The pandemic has shattered many norms, take advantage of this to challenge assumptions and norms usually considered immune from questioning or criticism.

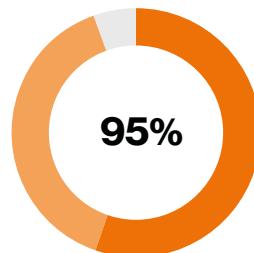
Increasing the flexibility of your processes, people and technology will not only help you to take advantage of the immediate possibilities, but also set you up for future success.

This could benefit employees, customers and shareholders.

Commit to social responsibility.

The most successful companies understand the importance of diversity and employee wellbeing.

Almost all Pioneers (95%) said that increasing workforce diversity is a key part of their future business strategy – and 56% said it was vital. This compares with just 46% and 23% of Late-movers.



Almost all Pioneers said that workforce diversity is an important part of their business strategy.

Post-COVID-19, worries about job security and disruption to family life have caused many employees anguish. It's therefore encouraging that 75% of respondents said it's more important than ever to protect employees' wellbeing.

Leaders are also looking outside their organisation. The vast majority (90%) of Pioneers agree on the importance of reducing their environmental impact, versus less than half (47%) of Late-movers. Most (59%) respondents also said that supporting the community was now even more important.

"In the future, it will be impossible to run an [environmentally] unsustainable business, because customers will not support you, investors won't invest in you and the smartest people won't want to work for you."

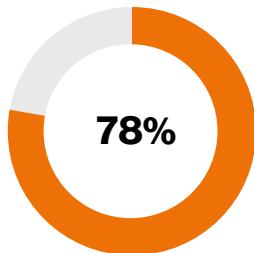
Osvald Bjelland, founder and CEO of Xynteo

These initiatives aren't just about public image; they make good business sense.

★ New ways of working

Learn from others and work with them.

According to a 2019 Everest Group study, just over one in five (22%) digital transformations achieved their desired business results.²



More than 4 out of 5 digital transformations failed to meet objectives.

No matter how many smart people there are in your organisation, there will always be more outside of it. Strive to break down barriers and develop an ecosystem of talent.

Choose partners that not only have the expertise that you need, but can also align with your corporate culture. Successful digital transformation takes time and there will be bumps along the way – you're not operating in a vacuum.

It's important that your whole team takes a pragmatic approach, is prepared to change as the landscape changes, and is committed to staying the course.

Lead change instead of reacting to it.

Start by analysing your company's experience of mass remote working. It was a challenge for most companies – 42% said their existing networks couldn't handle the massive shift. That explains why our follow-up survey found that 62% planned to put more resources into core network technologies.

This isn't just about coping with the crisis. Even as offices and plants reopen, over two-thirds (68%) of respondents said that in future more of their staff will work from home than before the pandemic.

That's partly because employers saw staff can be equally productive when working remotely. As a CIO at one of the UK's leading retail banks put it: "We know for certain now that people can remain connected and productive. This creates many new options around things such as how we use office spaces, how we access talent and what processes we really need."

Make sure that you have the right infrastructure and security in place to deal with the more flexible work patterns of the future.

On average, an organization with 2,000–4,000 employees has 1,148 web-based apps in use. Backhauling all remote-working traffic back through an on-premises VPN could significantly affect performance. Investigate next generation secure web gateways.

Firewalls and other perimeter-based security measures were not designed for the reality of large parts of the workforce working from home or other locations. It's not just about the technology, legacy processes can have a major impact on the end-user experience.

According to Netmotion, 20% of mobile workers list a restrictive IT security policy as their most frustrating issue at work – "cumbersome authentication" came fifth overall.³ Explore the concept of zero-trust network access (ZTNA) and the latest identity solutions.

There's no time to waste.

Hesitation could be worse than failure.

During times of great turmoil it may be tempting to take shelter and wait for things to blow over. Focusing on the long term isn't easy during times of disruption, but you can't afford to miss this chance.

"...economic calamities – even tragic, once-a-century global pandemics – require business leaders to find opportunity in the chaos."

Geoff Colvin, editor of Fortune⁴

The World Economic Forum has called for a "Great reset"¹. Around the world, companies and governments are rethinking their priorities and investments.

As Yogi Berra said, "It's tough to make predictions, especially about the future." But holding back is potentially much more risky as everything around you changes dramatically. Now is the time to reassess your strategy around technology, skills and behaviours, leadership, and ways of working.

Doing so will help you rebound in the days ahead and build a better future for your company, your staff and the world around you.

Find out more.

Even before the COVID-19 crisis hit, major shifts were under way in how businesses and their employees operate. Our Future of Work report investigates to what degree companies have been preparing themselves for the future, and how their efforts have been affected by the crisis.

[The Future of Work: Reimagining business as usual >](#)

What makes you ready for the future? An efficient operating model? Reliable connectivity? Today's most innovative organizations understand that readiness is not determined by any one thing at any one time.

[Five States of Ready reports >](#)

Verizon is one of the world's biggest communication companies. You might know us best as a phone company or a networking company, but that's just the tip of the iceberg. We deliver services that help our customers realise their potential, whether that's secure, high-performance networking or state-of-the-art multi-access edge computing. We've pioneered technologies like software-defined networking and 5G, and we're leaders in cutting-edge applications like extended reality.

[Ready to get started? Let's talk >](#)

Citizen Verizon is our framework to leverage our resources, technology, and employees to drive progress in three key areas:

- Digital inclusion: We are committed to providing 10 million youths with digital skills training and one million small businesses with resources to help them thrive in the digital economy by 2030.
- Climate protection: Verizon has pledged to be carbon neutral in our operations by 2035.
- Human prosperity: By 2030, Verizon will prepare 500,000 individuals for the jobs of the future through skills training and mentorship.

[Find out more about Citizen Verizon >](#)

The analysis in this report is based on the responses of over 1,700 senior executives from a range of industries and regions to two surveys: the first carried out in January/February 2020 and the second in May 2020. These were carried out by Longitude, a Financial Times company, on behalf of Verizon.

1 Klaus Schwab, Now is the time for a 'great reset', World Economic Forum, June 2020

2 Peter Bendor-Samuel, Why digital transformations fail: 3 exhausting reasons, August 2019

3 Netmotion, Mobile Frustration Index, September 2019

4 Geoff Colvin, Fortune Magazine, Coming out of a crisis, the boldest companies win, June 2020