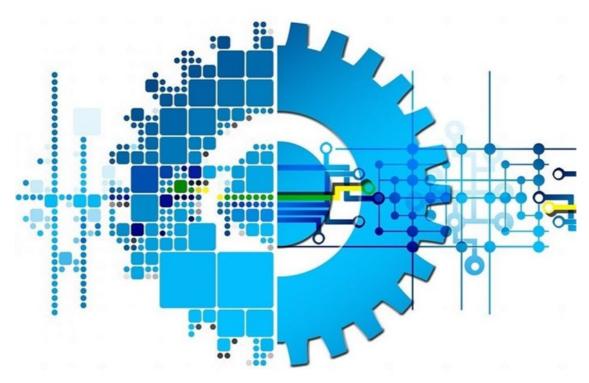


## A snapshot of digital transformation in SA

The distorting of the physical and virtual world is reshaping businesses, industries and sectors and while it's one thing to recognise it, making digital transformation a reality is another and many businesses are grappling with the changes and challenges it can present.



Source: pixabay.com

However, a recent Forrester survey shows that executives believe that within five years, as much as 50% of their revenue will be driven by digital changes to their businesses and as such, it's easy to see why many organisations are focusing on such transformation for sustained competitiveness.

So where are SA businesses in their digital transformation journeys?

According to a recent online transformation poll conducted by SUSE, 76% of respondents believe that their company is on the right path for digital transformation.

What's more, 64% are proactively working on their digital strategy, while 20% are interested in making the transformation, but are unsure of their strategy as of yet. Only 16% of respondents indicated that their company does not have any digital

strategy in place.

"It's encouraging to see that South African businesses are taking digital transformation seriously and that many of them are confident that they are on the path most suited to their business," says Grant Bennett, country manager for SUSE South Africa and sub-Saharan Africa.

While the term digital transformation has become a catchphrase, true transformation doesn't come in a box – it is the sum of more than just the adoption of technology - it's a newway of thinking that embraces disruption and technology to drive innovation and newprocesses. It challenges and changes business performance and howa company delivers value and it is for this reason, some companies are hesitant to start their digital transformation journey.

When asked what aspects are holding their company back when it comes to digital transformation, the following reasons were cited:

- Lack of resources and in-house skills (30%)
- Security concerns (20%)
- Too many solutions to understand which one is best for the organisation (20%)
- Lack of focus from top management (19%)
- No digital transformation strategy across the company (11%)

Continues Bennett, "All too often organisations gravitate too quickly to cut costs without calibrating their digital transformation strategy against customer and business expectations and needs – resulting in siloed for failed transformation. However, this need not be the case with the technology and solution options that exist today that provide convenient, on-demand access for scalability - offering businesses new ways to improve efficiency, reduce costs or rebalance Capex and Opex expenditure."

## The use of cloud solutions

The cloud has been a great way for businesses to scale their infrastructure and IT staff more efficiently on their digital transformation journey. In fact, over two thirds (68%) of respondents indicated that they have a cloud solution in place to do exactly that, however almost a third (32%) have not moved to the cloud as of yet – although many are looking to adopt a cloud solution in the next 6-12 months.

Those that have invested in the cloud are very satisfied with their solutions – with satisfaction ratings sitting predominately at 8 out of 10 on the satisfaction index. From a storage perspective, 43% of respondents indicated that their organisations still use traditional servers to manage their data, while 34% have moved their storage into the cloud. 17% are exploring other options such as software-defined storage solutions.

With these transformation elements in mind, it's also interesting to note that 61% of respondents believe that their businesses are agile. Agility is critical today – especially considering the market challenges being experienced.

"Hyper-performance computing, cloud, big data, AI, machine learning and complex software are driving the businesses of the future – all pointing to adaptability to a changing environment. And South African businesses have the ability to leapfrog – we just need to embrace digital transformation and find partners that are able to help navigate the waters," concludes Bennett.

SUSE conducted this online poll with BusinessTech, where over 2130 respondents participated in the digital transformation snap-shot survey. Download the Digital Transformation <u>infographic</u>

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