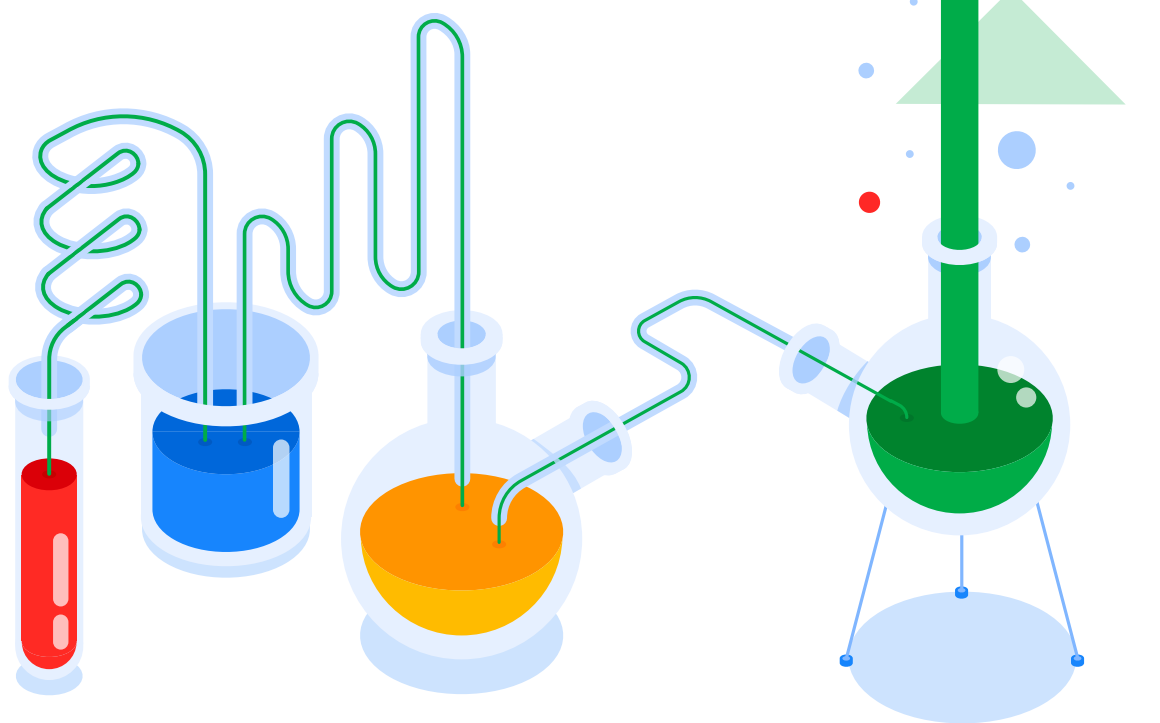




The Resilience Formula

Overlaying agility
and cost optimisation



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1

Introduction

Why the need for resilience is greater than ever

The need for organisational resilience has never been greater. Defined as the capacity to recover quickly from difficulties, true business resilience hinges on the ability to respond quickly to life-changing events – a necessity during the COVID-19 pandemic.

We surveyed 300 senior CIOs and IT decision makers from companies spanning a range of industries and European countries. The goal of the survey was to understand what resilience looks like within these organisations, and how – if at all – it is impacted by the workplace solution that is used.

An interesting finding – and perhaps a counter-intuitive one – was that priorities did not u-turn during COVID-19. Instead, the research showed an acceleration of existing trends and a renewed focus on longstanding priorities. CIOs and IT decision makers needed ‘soft’ benefits from their IT solution more than ever; flexibility, unsurprisingly, was reported as one of the most important benefits of workplace solutions. However, more tangible ‘hard’ benefits like security and cost savings were close behind. CIOs and their peers are required to juggle twin priorities, and they expect their IT solutions to help them.

The survey also exposed a gap in many companies’ resilience planning. While the pandemic has not shifted priorities as much as expected, the research suggests it



True resilience in today's challenging business environment can be achieved when both agility and cost optimisation are assessed and executed

has caused 66 percent of IT leaders to realise that they were not as resilient as they'd thought – yet the majority believe that resilience will remain an important future priority, even after the pandemic recedes.

To close the gap and start to build resilience strategies that will enable them to withstand not only COVID-19 and its impact, but future events too, we have developed a formula for resilience: cost optimisation + agility. Our hypothesis is that true resilience in today's challenging business environment can be achieved when both of these components are assessed and executed.

How well are companies faring at the moment, and where are they falling short? What obstacles to resilience still remain, and how can organisations from different sectors and regions overcome them? How are cost optimisation and agility measured and improved?

Throughout the report, the research data suggests that companies who use Google Workspace as their primary productivity and collaboration tool have a higher level of resilience than companies who use Google Workspace less extensively. Delivering key resilience metrics,

Google Workspace was found to be helping the new remote workforce stay connected and productive during the pandemic. Focusing on organisational resilience now, and understanding the key elements that underpin it, is crucial both for withstanding the current impact of COVID-19 and in preparation for whatever comes next. ●

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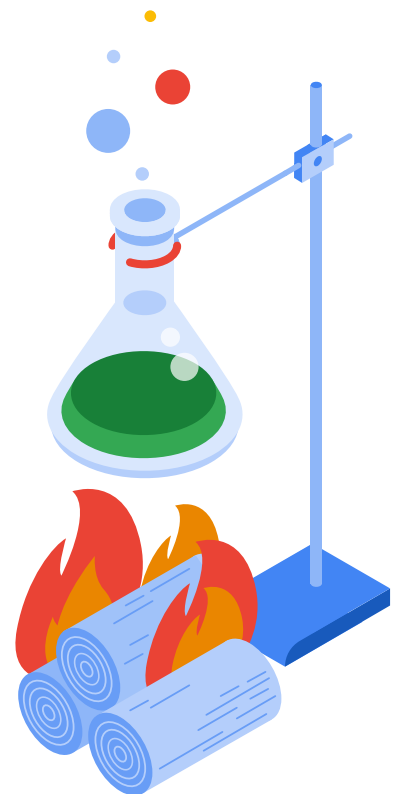
IT leaders and COVID-19

The pandemic forced companies to accelerate digital transformation efforts – but the research showed fundamental priorities haven't changed

The global COVID-19 pandemic presented every organisation with a plethora of extraordinary challenges. These have ranged from the need to instantly enable an entire workforce to work remotely, to finding ways to service and engage with customers solely online. For some, the pandemic meant battling for sheer survival as sales dropped drastically.

While every business leader has been under pressure to find rapid solutions to these once-in-a-generation problems, IT leaders in particular have been at the sharp end of enhancing and delivering the levels of organisational resilience required to keep their business running. Without the key role that digital technology played throughout the pandemic, many more would have struggled to adapt to such widespread and unexpected disruption.

Yet, despite this backdrop, the survey showed that the priorities of digital leaders have not changed as much as many observers might have expected. While IT leaders report some small priority shifts the pandemic has by no means brought about a profound sea-change in most core areas of focus.



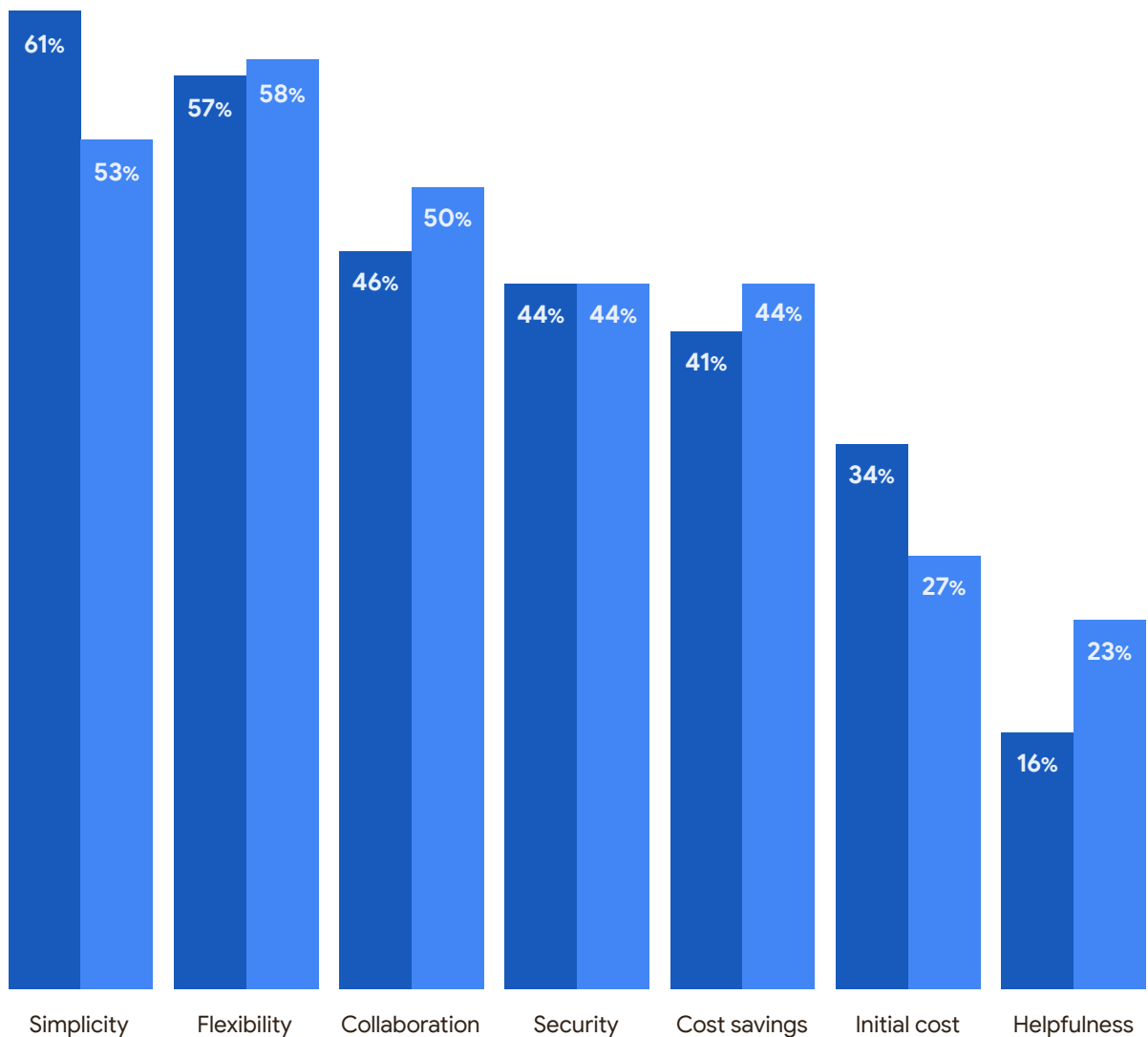
“Even if there is increased pressure on costs and budgets, the pandemic has been a way for IT leaders to make the point: ‘we need to transform *now*’”

Jérôme Gateau
EMEA Director, Google Workspace

Jérôme Gateau, EMEA Director of Google Workspace, believes that what we have seen is an acceleration of existing trends and key priorities, rather than a fundamental shift. This, he argues, stems from the digital transformation imperative that most organisations had already recognised and, to one extent or another, have been embracing. “The pandemic is an acceleration of this need for digital transformation,” says Gateau. “CIOs and IT leaders are needing to think about how their organisations can become more reactive and shift to having greater agility. So even if there is [increased] pressure on costs and budgets at the moment, it’s been a way for them to make the point: ‘We need to transform now.’”

Top three most important benefits of workplace solutions, according to IT leaders

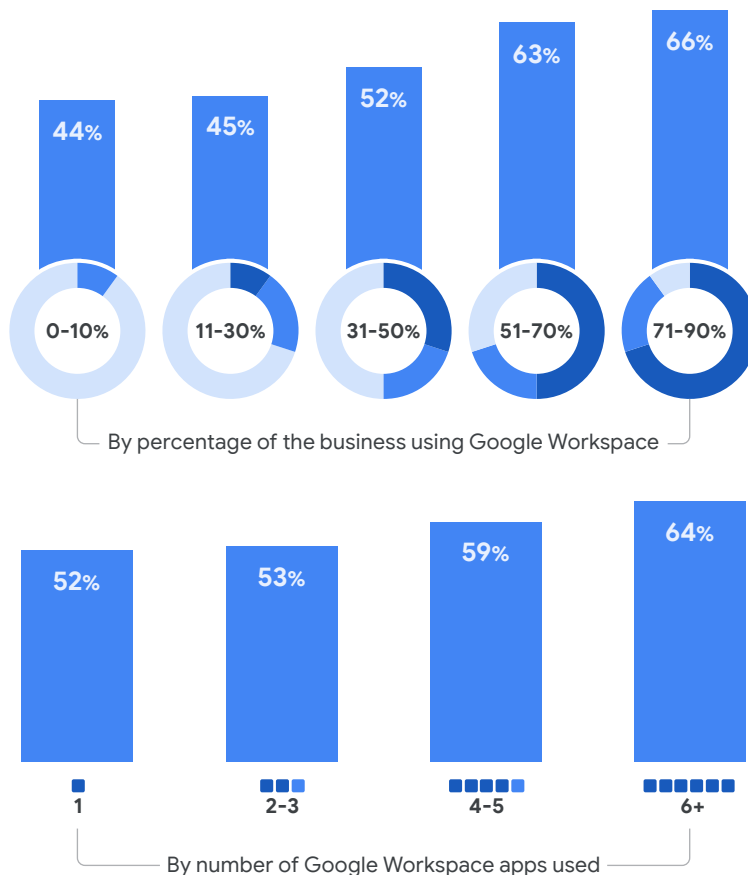
● At point of purchase
● During the pandemic



Of course, for many this has been a case of simple survival. Steve Clarke, Co-founder and Director of Freeman Clarke, which supplies interim and fractional CIOs to a wide range of businesses in the UK, agrees that the trend towards greater flexibility has been a fundamental factor in organisations' ability to find a viable path through the challenges of 2020. "A lot of CEOs realised that if they didn't sort out the flexibility side of things, then they might not have a business. There was a real need," he says.

Google Workspace was found to improve flexibility

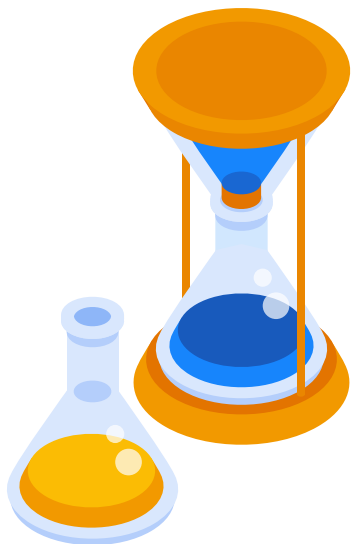
Percentage of respondents who selected flexibility as a top-three benefit of their workplace solution



Underpinning all of this, says Grateau, is the requirement to have the right digital technology in place. "Suddenly everyone was at home, so you needed to evolve," says Grateau. But that, he explains, has meant confronting some potentially serious issues around access to documents, collaborative processes, technology updates and more, all of which could lead to a significant decrease in competitiveness and innovation if organisations fail to address them effectively.

Meanwhile, he continues, this scenario is relevant not only for as long as the pandemic and various lockdowns last, but also in what is likely to be a far more 'blended' working environment in the future where employees split their working time between the office and home – a major trend even before the pandemic.

"The point is, if you don't have the technology to do all this, you will experience both a short-term and long-term negative effect – so it's crucial," he says. "Flexibility is about making sure that, in the new situations in which we find ourselves, we preserve the right kind of atmosphere and closeness of people. You need to be able to create an immersive environment and experience, where people can be as productive and creative as before."



“IT leaders need their new tools and solutions to generate a productivity gain. We all want to save time”

Jérôme Grateau
EMEA Director, Google Workspace

However, despite the clear importance of ‘softer’ imperatives like flexibility, the data shows that ‘harder’ priorities, such as cost optimisation and security, remain high on the IT agenda.

“I don’t think this is the time to be going to the CEO with a gigantic investment project,” says Clarke. “They would look on that as misguided – although I do think [that moment] will come in 2021.” But, despite the heightened need to preserve cash, cost-cutting in the IT department is also unlikely to be top-of-mind, he adds. “When technology has clearly enabled the business to survive in 2020, it’s not the time to be slicing off elements of that service, which could endanger the business’s capabilities.”

To that point, Grateau argues that one of the key ROI metrics that CIOs and IT decision makers are searching for is timesaving. This, again, is a long-term trend, but is accelerating sharply now that many white-collar workers are no longer co-located and business processes are having to be rethought. It’s especially critical when it comes to finding the right productivity solution for the workplace. “IT leaders are looking at the ROI [of new tools and solutions] and need it to generate a productivity gain,” Grateau says. “For example, a tool that will give the ability to find a document, or exchange information, faster. And, at the end of the day, we all want to save time.”

58%

of IT leaders cited flexibility as a top-three benefit of their workplace tools during the pandemic



44%

of Google Workspace users said “Security” was an important benefit offered by their workplace tools

Compared to

33%

of those using a different provider

Protecting a remote workforce has never been more important

With the global shift to remote working en masse, the security of remote systems, devices and employees has become of paramount importance. The survey reveals that “increased cyber risks and breaches” was the factor that put the greatest pressure on IT departments during the pandemic.

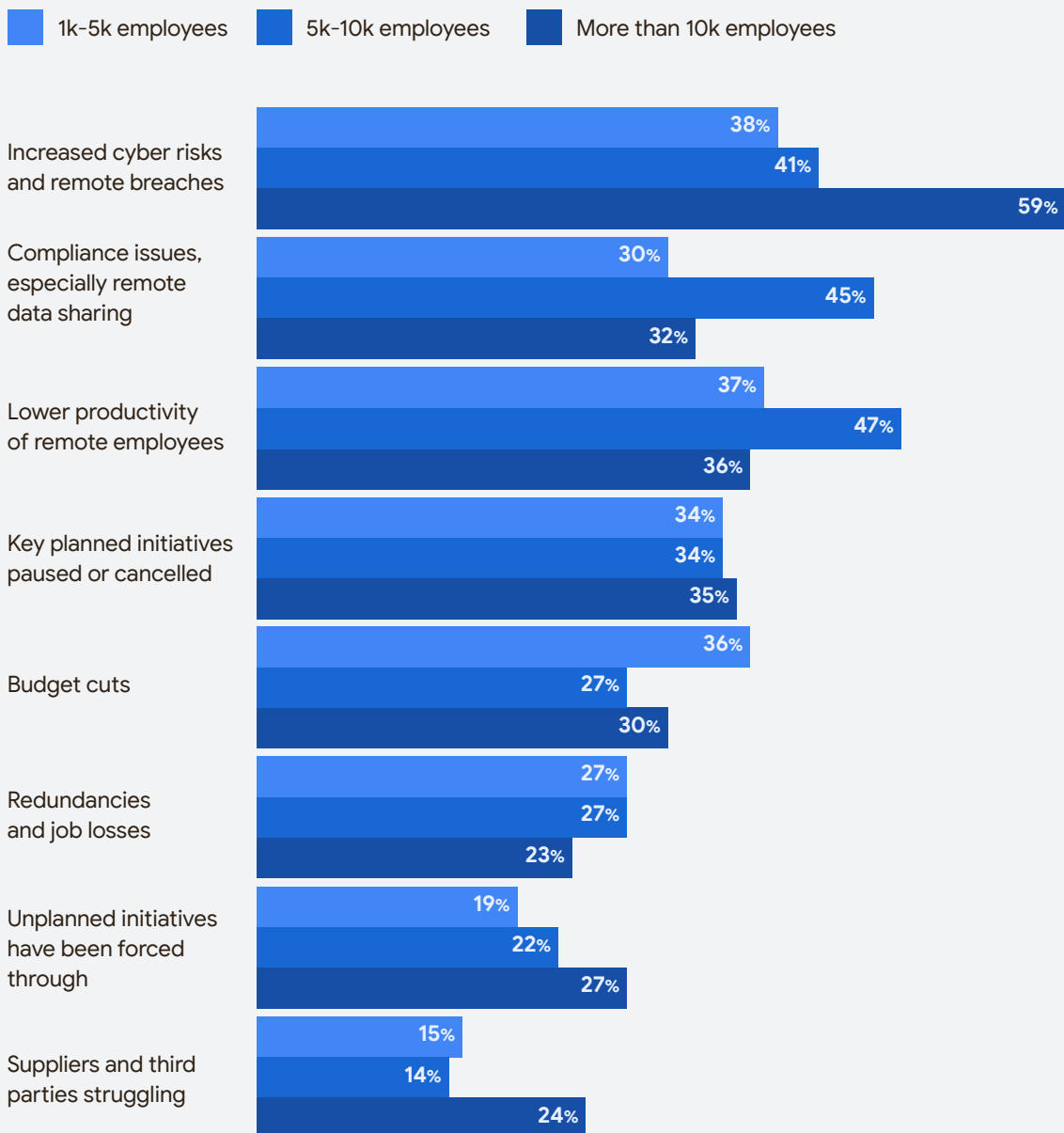
It came in first place for organisations of more than 10,000 employees and those with 1,000 to 5,000 employees, and ranked a close second to compliance issues and remote data-sharing for those with 5,000 to 10,000 employees.

Given the fact that, according to ENISA (the European Union’s agency for cybersecurity), cyberattacks became “more sophisticated, targeted, widespread and undetected” in 2020[1], this comes as no great surprise.

“The old paradigm was that you had to be inside your company’s network to be protected,” says Jérôme Grateau. “But then you suddenly send everybody home and give them access to your company using VPN solutions that do not scale easily, patch their computers remotely, and so on. The scenario shifted from where you were once able to control everything inside a firewall, to one where that is no longer possible. There was a realisation for many businesses that their security arrangements didn’t match the new reality.”

The solution to this, he says, is to adopt a zero-trust approach to security – meaning that access controls are moved from the network perimeter to individual users and devices. “This is at the core of Google Workspace and at the origin of Google’s approach to security,” he says. “And it’s what we’re implementing in all our technology layers.” The result is that users who follow these protocols are able to work securely – and seamlessly – from remote locations. •

Security is the top reported pressure on IT departments, with compliance a close second



3

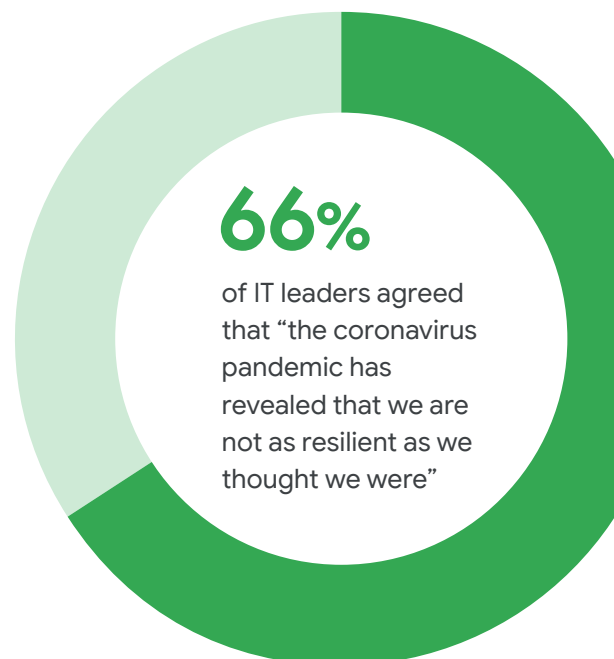
Redefining resilience for the long term

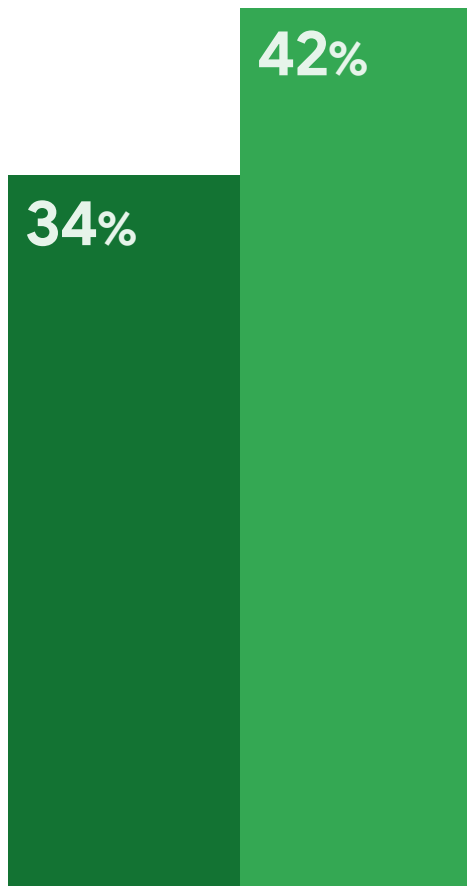
The pandemic revealed resilience gaps for thousands of organisations. Optimising costs and improving agility will help close these gaps

C OVID-19 uncovered an uncomfortable truth for a majority of organisations: they are lacking resilience. Two-thirds of digital leaders say the pandemic has revealed that their organisation was not as resilient as they had thought.

To some, this figure may appear startling. But to Steve Clarke, given his experience sourcing and placing CIOs within a wide range of businesses, it is not surprising. Until the pandemic struck, he found it was always challenging to persuade boards to focus on business continuity planning and other associated areas. "It's just not sexy," he says. "Compared to other business priorities, it's actually spectacularly boring. However, CEOs have realised two things during the pandemic: they never want to lose access to their customers again, and they never want to be without their product to sell to their customers. But for many businesses, one or both of those happened."

As a result, many organisations are now doubling down on their digital transformation efforts, as this is the solution to many of those challenges. "But engaging with customers, working with suppliers and working within the company in a more digital way is becoming more complicated – so how a business operates internally is likely to get more complicated," he says.



**Crucial**

It will still be the number one imperative around which we build business strategy

Important

It will be a priority, alongside 2-3 other essential strategies

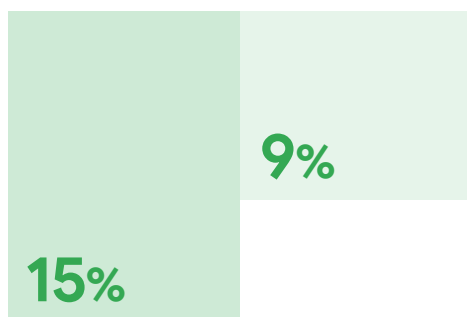
How will you categorise resilience in 2021 and beyond?

Auxiliary

It will be mentioned, but it will not be an urgent imperative

Deprioritised

It has been a priority specific to 2020, and we will be focusing on new strategies by 2021



However, there is a path through this, particularly now that the pandemic has placed the need for business and organisational resilience high on current agendas. Our hypothesis is that resilience in today's environment is made up of two core elements: cost optimisation and agility. By focusing on these two crucial drivers, CIOs and IT decision makers can find a way to deliver both long-term stability, no matter what unexpected 'black swan' events may occur in the future, while also reducing complexity and adding value.

Although CIOs and their peers feel the pandemic has revealed challenges with business resilience that must be fixed in the short-term, 76 percent of them are seeing it as a long term priority too – even after COVID-19 has receded. An important foundation for this is to find the right workplace technology that can deliver both agility and cost optimisation – and combine it with the right change management processes. Jérôme Grateau puts it thus: "You need to provide the best tool. And the best tool is not necessarily the most complex one or the one with the most features – it's the simplest and easiest to use, as that's the one that really facilitates adoption".

Google Workspace, used by 2 billion people around the world, is a good example of this. "It's consumer-like technology that is designed to be used without any training", Grateau explains. "Because it's intuitive and seamless, people start to use it. They experience the benefits almost immediately, and the business as a whole starts to benefit very rapidly."

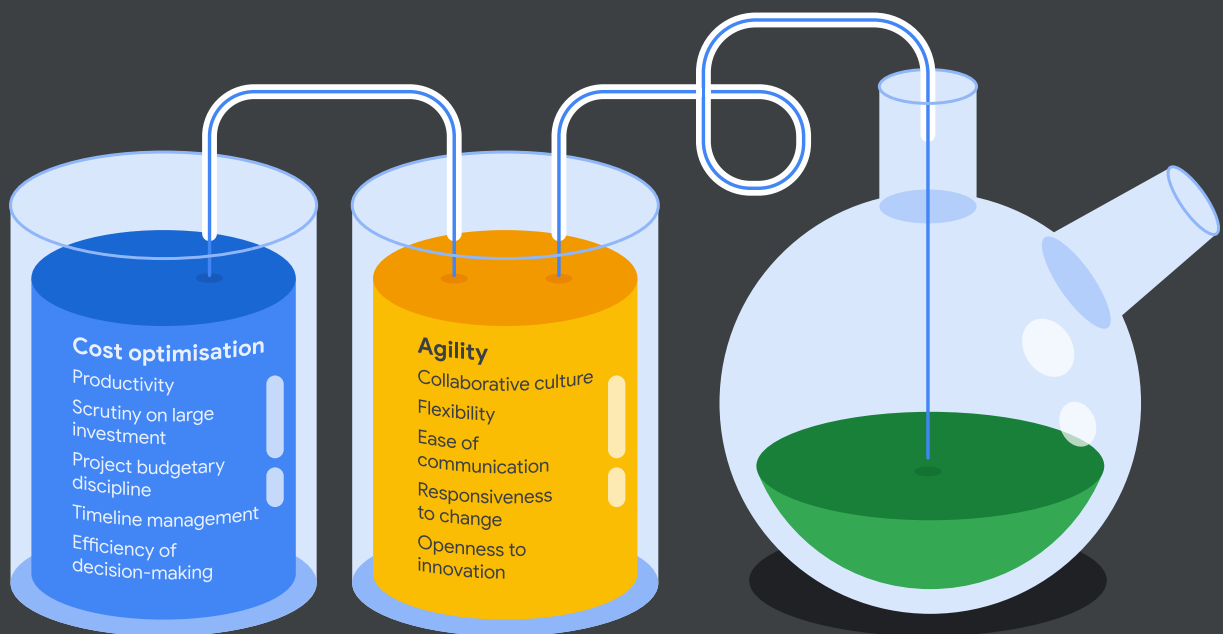
The capacity to innovate is an essential benefit – and this becomes easier once the organisation has the right tools and culture in place. CIOs and IT decision makers must be asking constant questions, from how they can improve interactions with customers or colleagues to whether their culture is enabling employees to operate effectively in a distributed work environment, involving the right talent regardless of location. Digital leaders must view their workplace tools and programmes as ways to boost digital transformation by enabling cultures of innovation and interaction.

This, ultimately, boils back down to the ongoing need to bridge the resilience gap. "It's about having the ability to react rapidly to external events," says Grateau. "If you don't have the agility required to be resilient, you'll soon realise you're wasting your time." ●

4

The Resilience Formula

True resilience is made up of cost optimisation and agility – and Google Workspace was shown to boost both



93%

of respondents who use 6 or more Google Workspace applications agreed that their workplace productivity tools have improved their organisation's cost optimisation

88%

of IT leaders who use Google Workspace agree that the productivity and collaboration tools they use have improved their business' agility

80

Average resilience score for companies where at least 50 percent of employees use Google Workspace

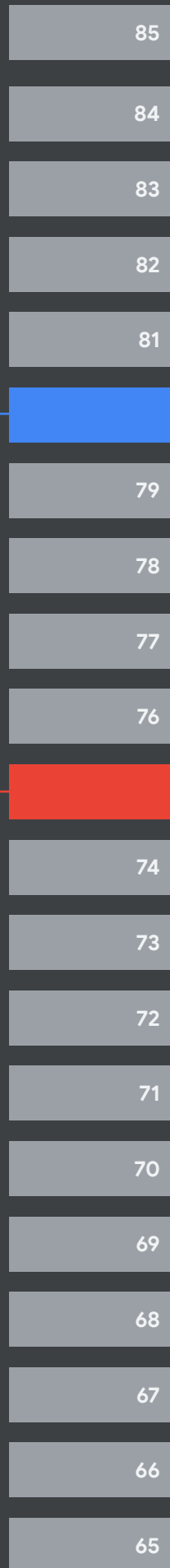
The Google Workspace difference

We broke down both cost optimisation and agility into five subcategories. CIOs and senior IT decision makers were asked to rate their companies on each subcategory, giving a score out of ten. The scores across all ten subcategories were then combined to give each company a total resilience score out of a possible 100.

92 percent of companies surveyed fell within a 20-point range, scoring between 65 and 85 on the resilience scale. Organisations where at least half of employees were using Google Workspace were five points higher in this 20-point range than organisations who used other providers for their primary solution.

75

Average resilience score for companies who use legacy platforms as their main productivity solution



Resilience score range for the vast majority of surveyed companies

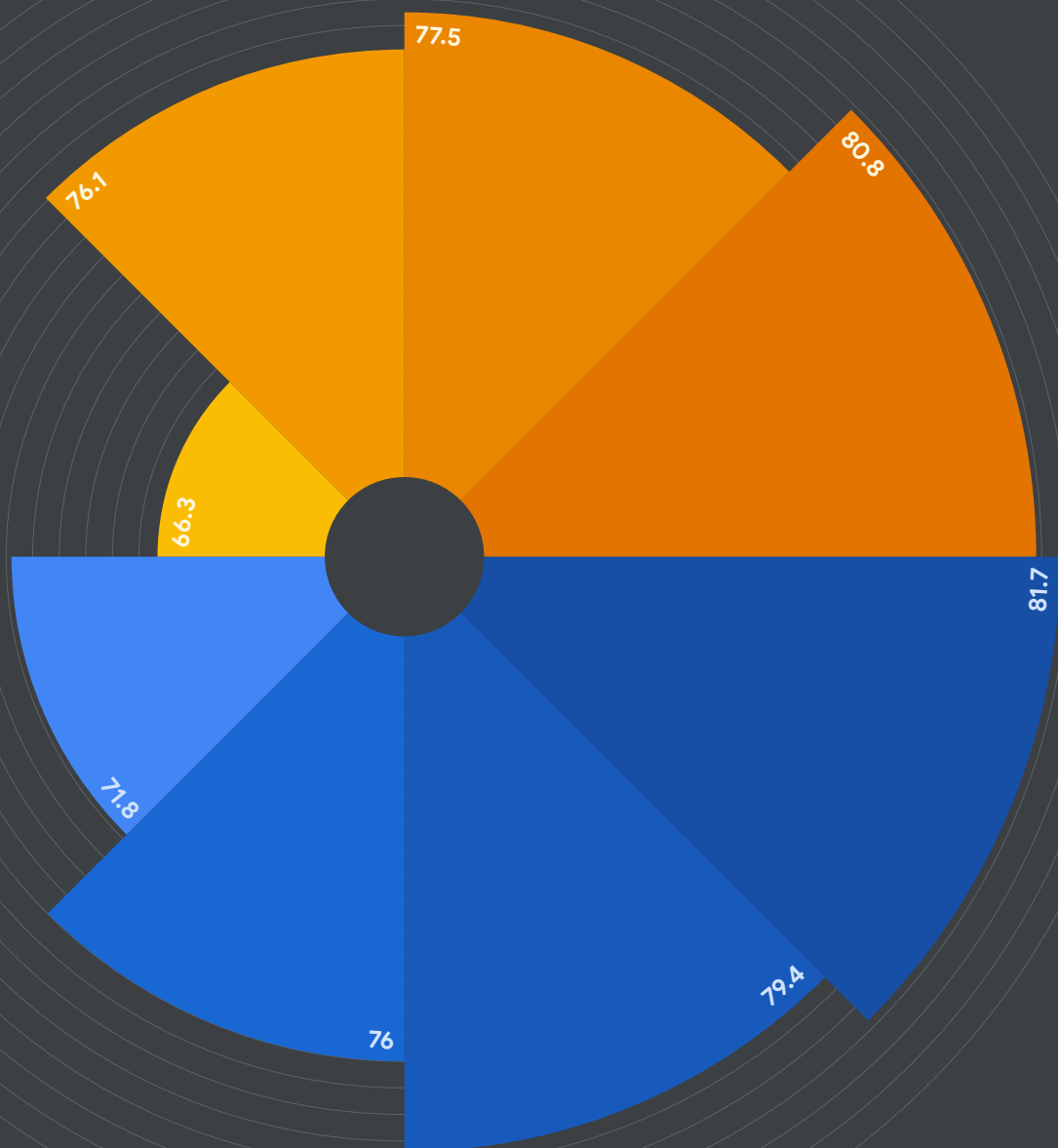
The research shows that use of Google Workspace increases resilience

By time spent using Google Workspace

■ <6 months
 ■ 6-12 months
 ■ 1-5 years
 ■ >5 years

By percentage of employees with access to Google Workspace

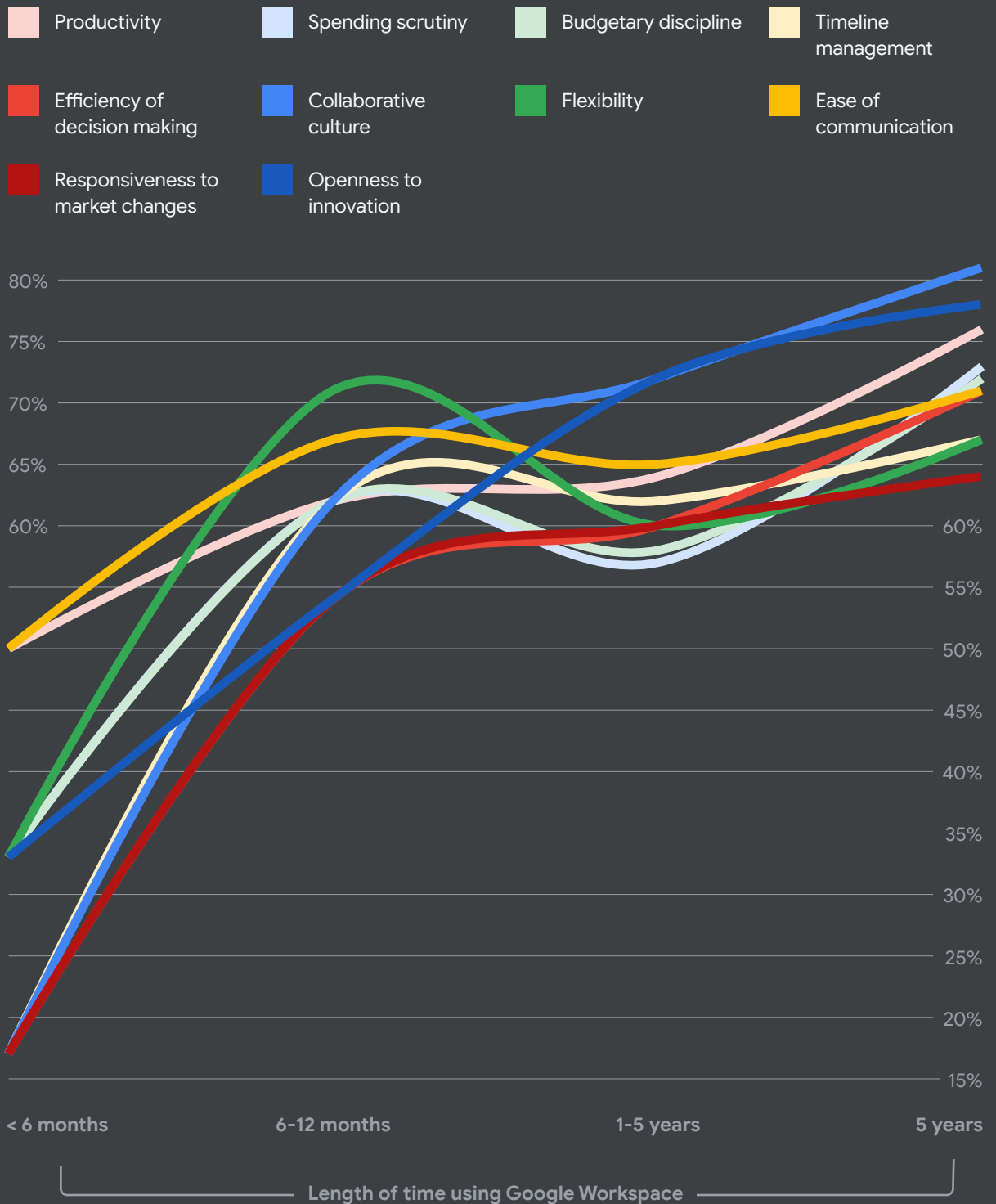
■ 0-10%
 ■ 11-50%
 ■ 51-90%
 ■ 91-100%



Resilience scores increase according to Google Workspace usage – both in terms of time spent using the tools, and percentage of employees who have access to them. In organisations where Google Workspace is used in silo by 10 percent of employees or fewer, the average resilience score was 71.8. When the vast majority of employees use Google Workspace, average resilience jumped to 81.7.

Google Workspace was found to boost all elements of resilience in six months

Percentage of respondents who ranked their business 8 or higher



The right solution can make a difference quickly. CIOs and IT decision makers transitioning to Google Workspace see massive resilience benefits in the first six months, across all 10 categories.

5

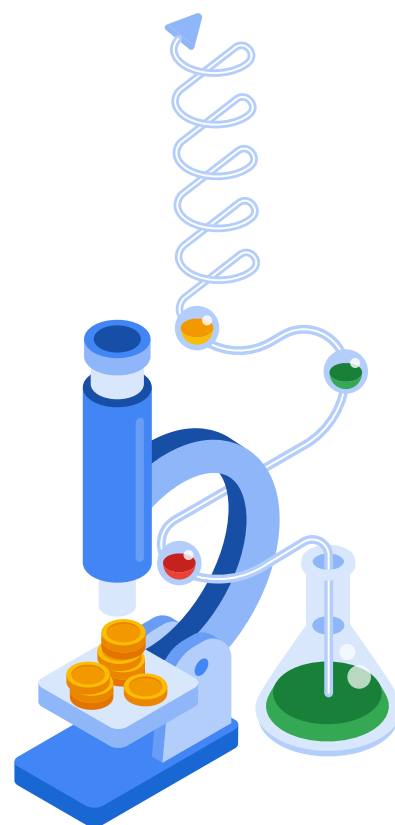
Building resilience: tackling both elements in tandem

The research reveals that companies tend to approach cost optimisation before agility – but both are essential to resilience

If true resilience is made up of two core components – cost optimisation and agility – then prioritising one over the other would lead to gaps in companies' resilience planning. Interestingly, IT leaders across all sectors ranked their organisations lower across cost optimisation metrics than agility-based metrics. Why?

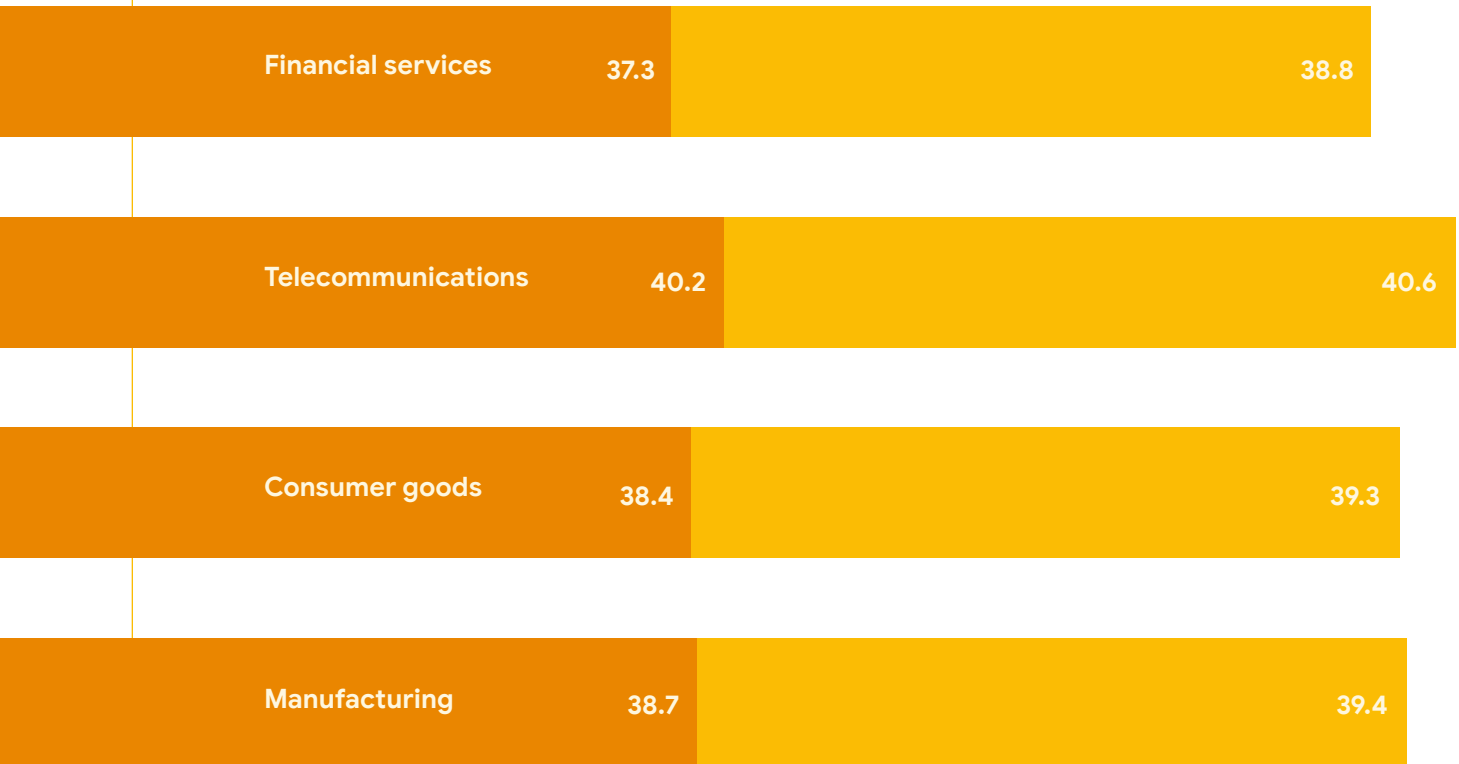
This finding could indicate that organisations are better at agility than cost optimisation. But it could also reflect the fact that many IT leaders are simply more realistic about their cost optimisation challenges. They are more familiar with this half of the resilience puzzle.

These results may suggest that many of the companies surveyed are deep into the cost optimisation stage, delving into tangible metrics and outcomes, and auditing processes to shave down their operating margins. CIOs and IT decision makers are aware of the challenges of cost optimisation, and are scoring themselves realistically.



Average cost optimisation and agility scores by sector

■ Cost optimisation ■ Agility



IT leaders across all sectors ranked their organisations lower across cost optimisation metrics than agility-based metrics

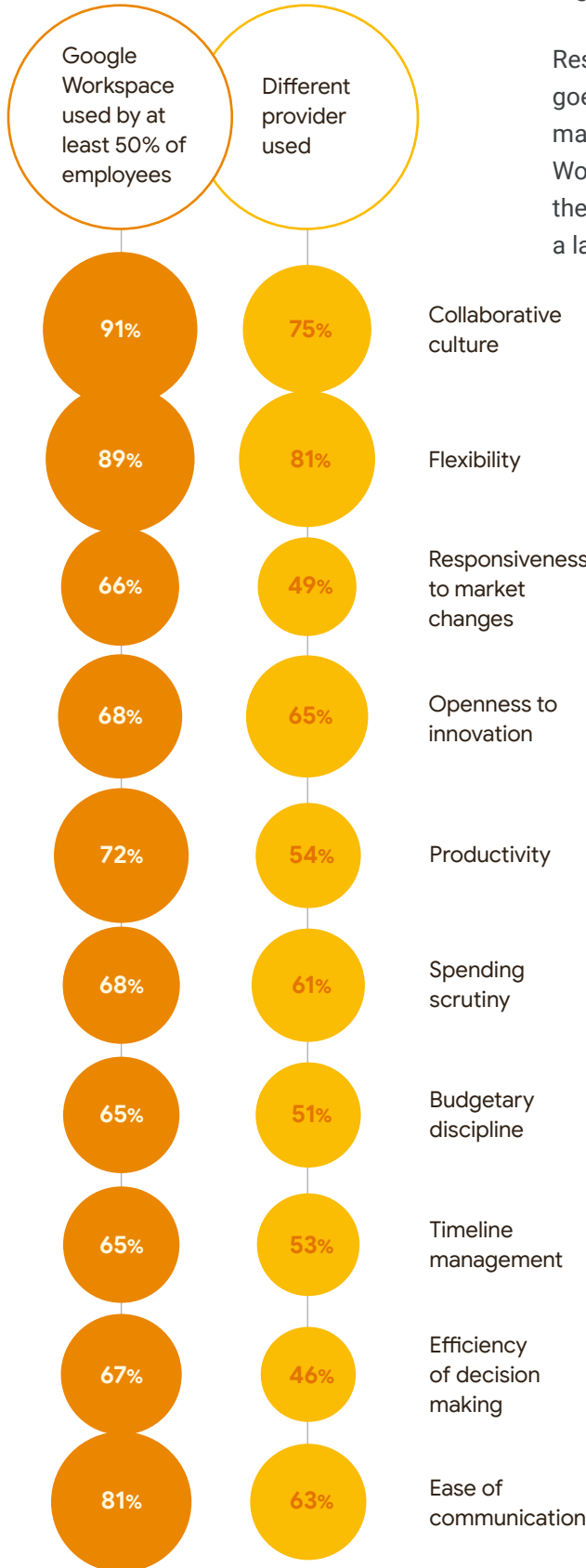
Agility is altogether trickier to define, and perhaps this makes senior IT leaders less sure of themselves. Elements like openness, collaboration and responsiveness have traditionally been more difficult to assess and measure. Is it therefore possible that companies are susceptible to a level of overconfidence when rating their internal agility?

The research data could suggest that companies even find it easier to tackle cost optimisation challenges and so these come first - which would leave some failing to proactively address the challenges of becoming truly agile.

Optimising costs with Google Workspace

The importance of cost optimisation is well-recognised. IT leaders in Europe cited cost savings

Respondents who ranked their businesses 8 or higher in the following categories



as the most important benefit of productivity tools between April and August 2020 – the first peak of the pandemic in the region. Moreover, 88 percent agreed that improving cost optimisation would make their organisation more resilient.

Research responses show us that a little also goes a long way; budgetary discipline and timeline management are crucial areas where Google Workspace can make a difference fast. A small jump in the number of employees using Google Workspace has a large impact on both scores.

When fewer than 10 percent of employees used Google Workspace, around one in five respondents ranked themselves at 8 or more in these areas. Increase the number of employees to using Google Workspace to eleven percent or more, and the number ranking themselves at eight or above jumps to two-third of respondents.

Using Google Workspace to tackle agility

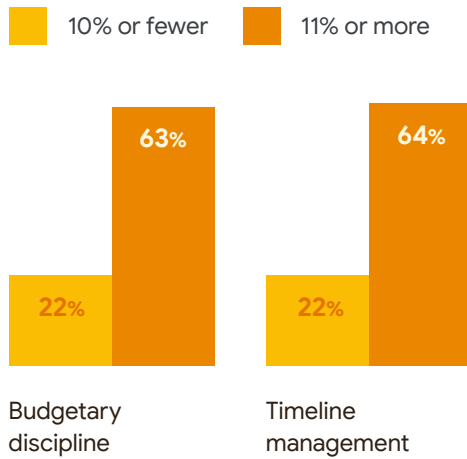
The need for agility in business resilience became clearer than ever in 2020, with COVID-19 demonstrating the importance of flexibility, responsiveness and innovation alongside cost optimisation strategies.

The research shows that respondents who use Google Workspace as their primary productivity solution score themselves higher than those who use different providers. In organisations where Google Workspace is used by more than half of the employees, 90 percent of respondents agreed that the productivity and collaboration tools they use have improved agility within their organisation. For those who used different platforms as their primary tool, that figure was 67 percent.

In addition, the longer an organisation has been using Google Workspace, the higher their agility score. There is a sharp jump in some agility metrics when companies have been using Google Workspace for 6-12 months.

Respondents who ranked their businesses 8 or higher

Employees using Google Workspace

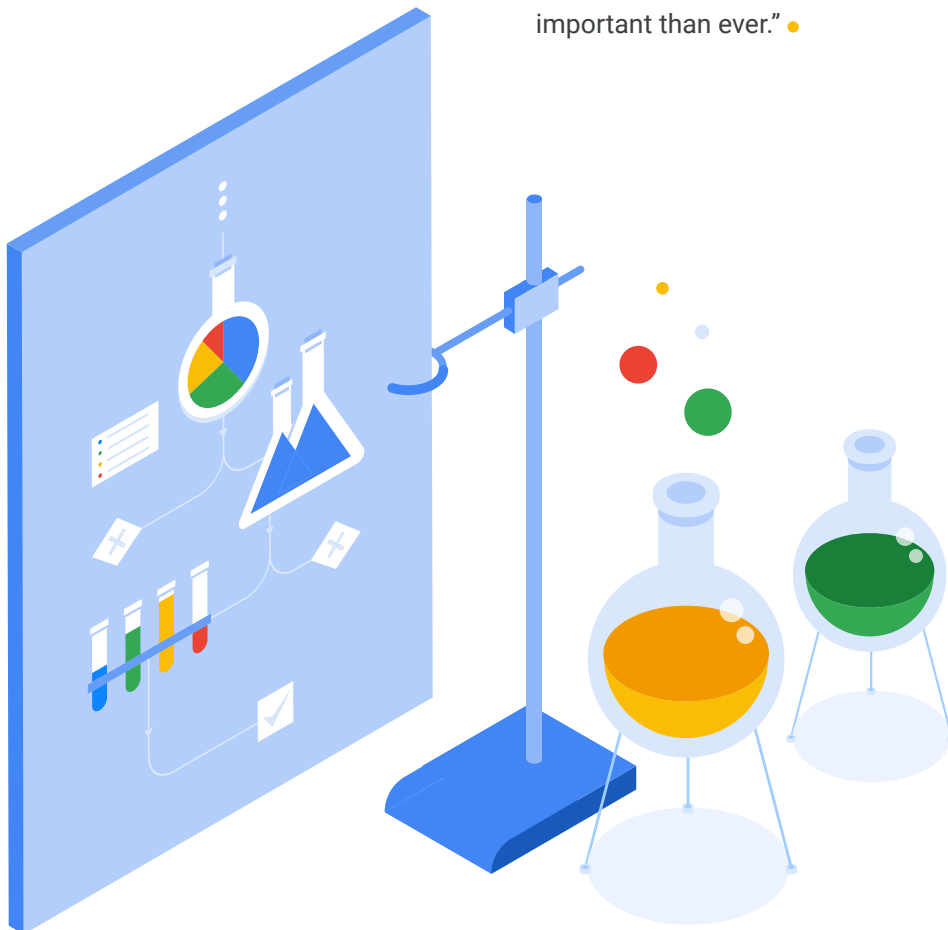


This suggests that Google Workspace's benefits were particularly evident when the pandemic kicked in and organisations across Europe had an immediate need for remote collaboration and flexible communication.

If businesses have learned anything from the impact of 2020, it is that agility cannot come second to cost optimisation – both elements must be assessed and addressed if businesses are to remain resilient.

"When things change, you need the agility to adapt rapidly. Agility today is about not being locked into legacy platforms with a dependency of outdated technology purchasing models," says Jérôme Grateau. "The pandemic has accelerated the move to the cloud, and more flexible platforms like Google Workspace which provide both greater agility and cost savings.

"They enable the move to remote working, empowering employees to be productive from anywhere, while optimising costs – which is more important than ever." ●



6

A resilient future

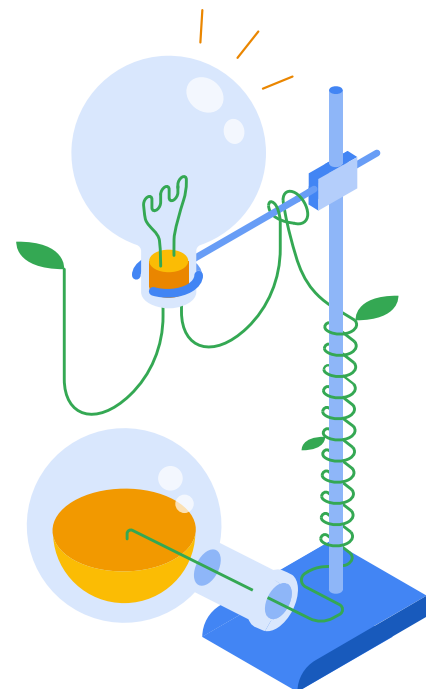
Being able to respond to market changes has proved invaluable during the pandemic – but it’s also the key to resilience in the long-term

“**R**esponsiveness to market changes” was one of the ten metrics used to assess companies’ resilience in the research survey. Responsiveness includes the ability to innovate rapidly in response to external factors, such as answering customer needs or seizing opportunity faster than competitors.

Responsiveness was clearly demonstrated during the pandemic when business survival depended on being able to respond quickly to life-changing events. However, some IT leaders believe that it will become the most important of all ten metrics when companies are building resilience in the longer term.

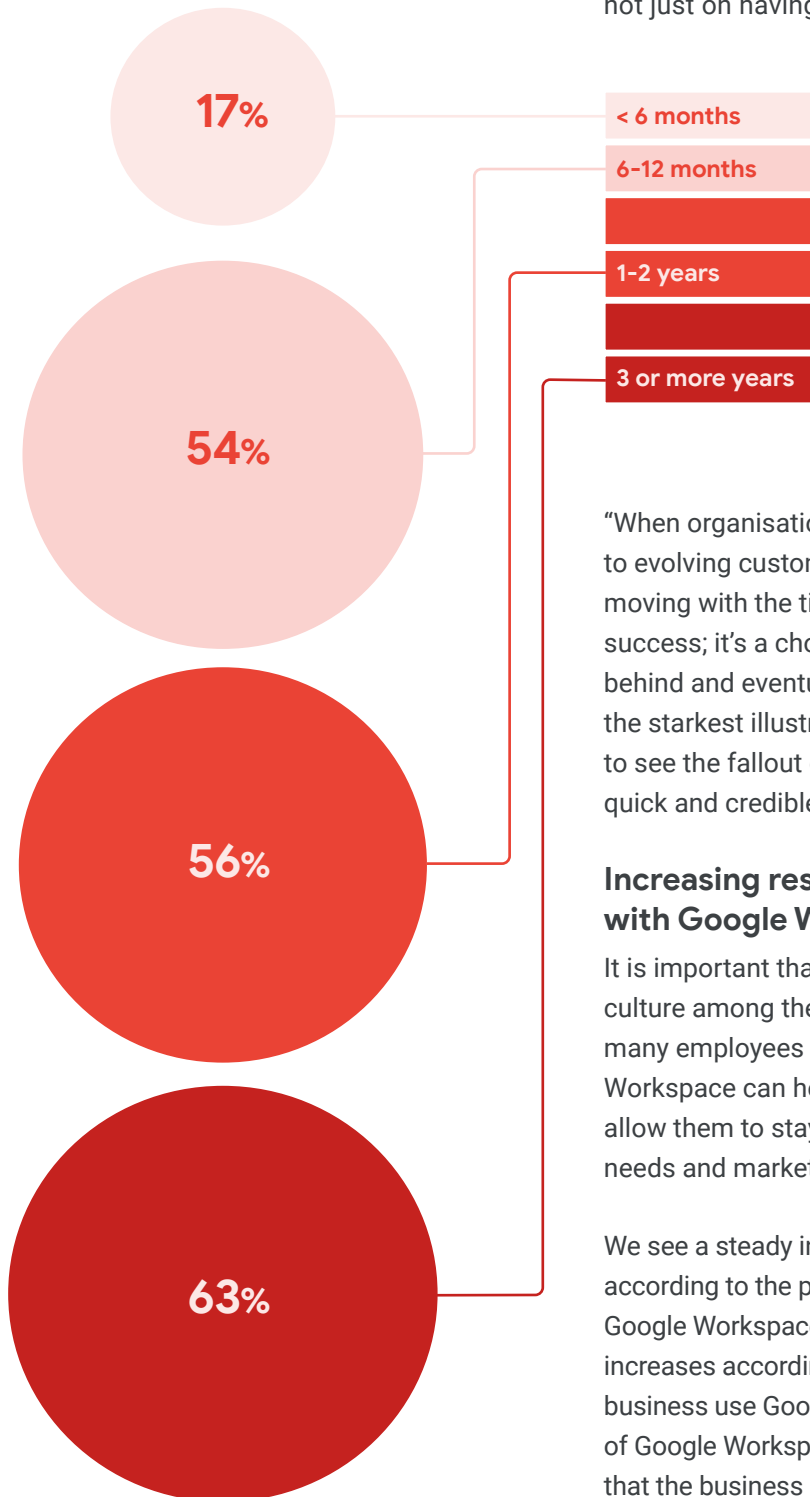
“Responsiveness to market changes has always played a key role in business resilience, especially in retail, but its importance has been accelerated by the pandemic, says Antoine Boatwright, CIO of Go Instore, a retail technology company that connects in-store experts to consumers shopping from home.

“The brands that are best placed to survive this shift are the ones innovating as a direct response to the changes in the retail market and focusing on their online channels to enhance the customer experience. By being responsive and adapting, these companies are successfully replacing physical footfall with digital footfall and not allowing sudden market changes to have a negative impact on their business.”



The research shows that Google Workspace allows companies to respond better to market changes

Respondents ranking their companies 8+ for 'responsiveness to market changes', by length of time using Google Workspace



The same need for responsiveness exists in banking, says Ben Goldin, CTO of SaaS cloud banking platform Mambu. "If the pandemic has taught us anything, it is that circumstances can change in a matter of days, or even hours, and retailers need to be prepared to tackle those sudden changes head on and continue to deliver an optimal, and engaging service to customers.

"Success in today's fast-changing world depends not just on having the right technology, but also on the right approach. To keep up, organisations need a new 'responsive' mindset that sees change as a fact of life and agility as the way to deal with it. Those who don't adopt this mindset will be powerless to transform and modernise their businesses; they will remain static, gradually losing relevance," he adds.

"When organisations are capable of being responsive to evolving customer needs, and adapting, growing and moving with the times, they stand the best chance of success; it's a choice between innovating or staying behind and eventually disappearing. The pandemic is the starkest illustration of the point and we are starting to see the fallout of institutions unable to develop a quick and credible response to customer needs."

Increasing responsiveness with Google Workspace

It is important that organisations create a responsive culture among the workforce – particularly when so many employees are now working remotely. Google Workspace can help employees work in new ways that allow them to stay in sync with changing customer needs and market dynamics.

We see a steady increase in responsiveness ratings according to the percentage of employees who are using Google Workspace, according to the research. Resilience increases according to how many employees within the business use Google Workspace, as well as the number of Google Workspace apps used, and the length of time that the business has been using Google Workspace.

63%

of organisations who use Google Workspace as their primary tool ranked themselves 8+ for responsiveness

“Success in today’s fast-changing world depends not just on having the right technology, but also the right approach. Organisations need a new ‘responsive’ mindset”

Ben Goldin
CTO, Mambu

Where respondents have been using Google Workspace for less than six months, only 17 percent rank themselves highly on “responsiveness to market changes”. However, using Google Workspace makes a difference, fast: 54 percent score their responsiveness highly after six months of use, and this figure rises to 63 percent after 3 years.

This suggests that incremental adoption of Google Workspace among employees can have a significant effect on the responsiveness of an organisation.

Responsiveness: The new digital maturity?

While it is important to achieve a state of digital maturity, it must go hand in hand with organisational responsiveness. Indeed, businesses that are solely focused on their digital maturity are playing catch up and will fall even further behind, says Adam Lauffer, interim CIO at click & collect firm, Duddle.

“It is the businesses that were already moving toward, and are continuing to invest in, the ability to leverage their technology to be responsive and agile, that will lead in their markets. Digital maturity was top of the agenda for businesses over the last couple of decades. Now, as we are into the 2020s, digital

“Digital maturity was only ever designed to support and foster responsiveness. Never wait for the market to stop changing”

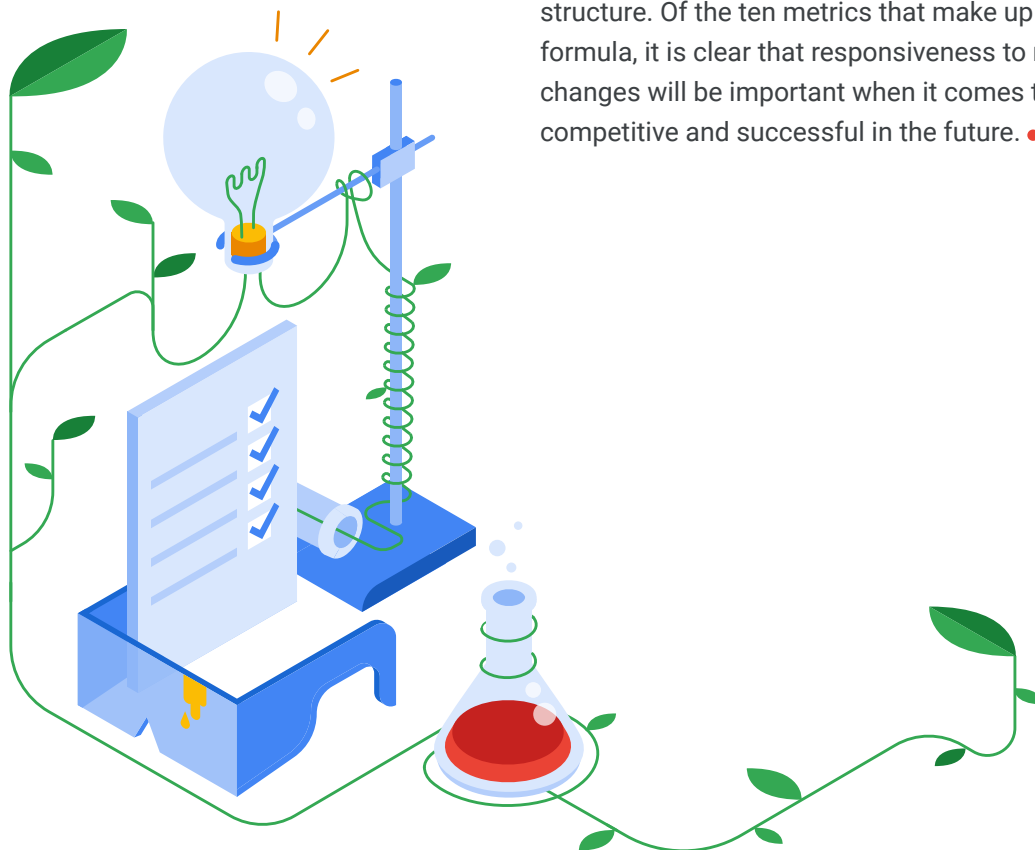
Tom Samuel
Chief Executive, Harmonic

maturity is another hygiene factor in an overall agenda. Driving innovation to adapt to changing market dynamics is a critical aspect that should be on top of every CIO agenda.”

Delivering what the customer wants and seizing opportunities before your competitors can are the hallmarks of a successful business, agrees Tom Samuel, chief executive at Harmonic, a digital transformation and management consultancy firm that specialises in transport, outsourcing, infrastructure and defence.

“Digital maturity was – at any point – only ever designed to support those hallmarks and foster that responsiveness. Never wait for the market to stop changing; learn to like the change. That makes your organisation fundamentally more resilient. Even if you get it wrong, there are still lessons to be learned.”

If businesses learn one lesson from the pandemic, it should be to keep responsiveness front-of-mind when thinking about both technology and organisational structure. Of the ten metrics that make up the resilience formula, it is clear that responsiveness to market changes will be important when it comes to remaining competitive and successful in the future. ●



7 Demographics

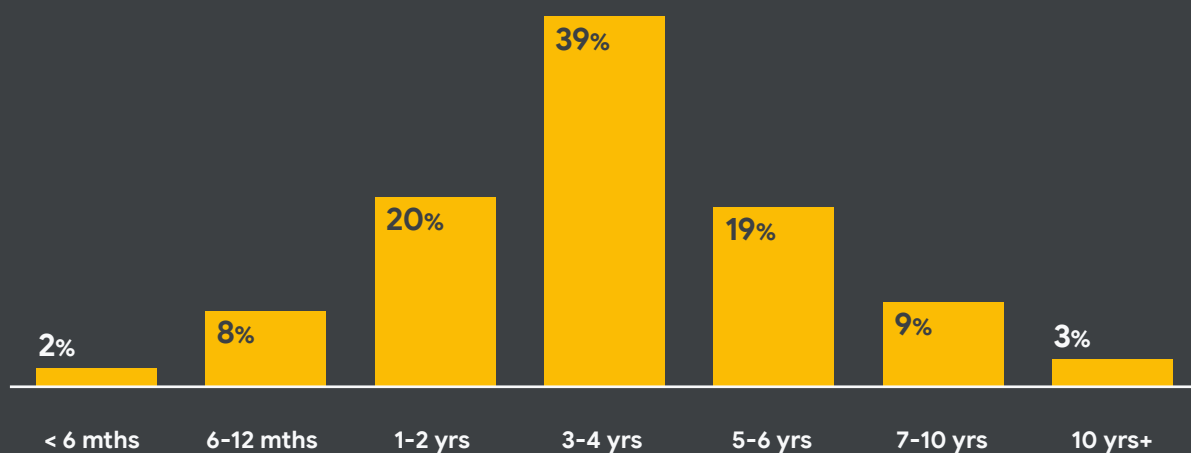
All quantitative data in this report was derived from a survey of 300 senior IT decision makers at companies from a range of industries and European countries. The survey was carried out August-October 2020, and respondents based their answers on the period April-August of the same year.

Job title	Sector	Company size (employees)
CIO	Financial services	1,000-4,999
	Telecoms, media or gaming	5,000-9,999
	Consumer, retail and travel	10,000+
Senior IT decision makers	Manufacturing	

Region

24%	19%	19%	20%	19%
UK & ROI	DACH (Germany, Austria, Switzerland)	France	Nordics (Denmark, Finland, Iceland, Sweden, Norway)	Southern Europe (Italy, Spain)

Length of time using Google Workspace as a primary solution



Google Workspace

Everything you need to get anything done,
now in one place: find out more about
Google Workspace [here](#)