

NEWS RELEASE

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Australian Business Leaders Expect Workplace Transformation to Increase Revenues by 17 Percent

New Avanade study highlights major financial benefits of looking beyond technology upgrades to overall experiences for customers and employees at work

November 19, 2019 (Sydney) — [Avanade](#), the leading digital innovator on the Microsoft ecosystem, has published [new research](#) highlighting the achievable return on investment (ROI) through successfully implementing a holistic workplace experience (WX) strategy. As part of a global study, which included 1,375 senior decision-makers, 100 Australian respondents estimated they could achieve a 17 percent increase in annual revenues. They also said they could reduce operational costs by 14 percent by implementing a workplace transformation that includes **technology, operations, culture** and [employee experience](#).

To underscore the importance of workplace experience, 96 percent of Australian respondents cited their employees as a main source of competitive advantage for their business. When it comes to leading workplace transformation:

- 96 percent agreed that a successful workplace experience transformation requires a holistic approach.
- 47 percent said an executive leadership team member should lead workplace transformation with a cross-functional group.
- 28 percent indicated they *would like* to see their IT lead take charge of transformation with no other functional leads involved.

“Many organisations approach business transformation in discrete steps, and that isn’t necessarily the most effective way to improve ROI,” said Chris Stradling, Modern Workplace Lead, Avanade Australia. “Taking a holistic approach to workplace transformation encompasses modernising technology platforms, bridging digital and physical workplace experiences, optimising operations, and reimagining culture and employee experience. Through our research, we demonstrate that a great employee experience is a competitive differentiator that will drive sustainable business value and key to an exceptional customer experience.”

Productivity benefits driving workplace transformation

While there are clear revenue and operating cost benefits to be had, productivity also remains high on the agenda for Australian organisations:

- 64 percent cited '*Increased productivity by creating employee experiences that are on par with customer experiences*' as the biggest benefit to be gained.
- This was followed by 60 percent who said '*cost-efficient evergreen workplace platforms and services*' were a benefit.

Talent and skills shortages among top challenges

While the case for workplace transformation is compelling, challenges persist across multiple areas, according to respondents. Unsurprisingly, 41 percent of Australian respondents cited '*modernising IT*' as a significant challenge, but two-fifths (40 percent) cited '*upskilling talent*' and 35 percent added '*talent recruitment*' as obstacles companies need to overcome when implementing workplace experience strategies.

Despite these challenges, almost all senior decision-makers interviewed emphasised the importance of the following elements for a successful WX transformation:

- 99 percent said modernising workplace platforms and services is important.
- 98 percent said optimising/modernising operations is important.
- 97 percent said bridging the physical and digital gap is important.
- And, 96 percent said reimagining culture and employee experience is important.

WX Success with a New Avanade Methodology

To address the market need for a holistic approach to modernising the workplace from a customer and employee standpoint, Avanade is developing a new and exclusive methodology that measures the relationship between a company's customer experience (CX) and employee experience (EX) and its effect on their overall revenue, profits and ROI. Backed by extensive research, it believes this methodology can guide companies on how to transform their overall Workplace Experience (WX) to improve financial performance. It leverages a set of algorithms, methods and data recommendations based on advanced data science, multivariate analysis, AI, machine learning and predictive analytics. As work on this methodology matures and reaches final stages, Avanade plans to make further announcements.

About the research:

- The research was conducted in July and August 2019.
- It surveyed 1,375 global senior decision-makers in HR, Operations, IT, Marketing, Service and Support and other leadership roles including C-suite members.
- Of those 1,375 decision-makers, 100 were from Australian organisations.
- Industry sectors included: Industrial Manufacturing, Retail Banking/General Insurance, Consumer Packaged Goods/B2C Manufacturing, Resources, Retail and other commercial sectors.
- Other respondent countries included: US & Canada, UK & Ireland, France, Germany, Netherlands, Italy, Spain, Nordics and Japan.

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About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences delivered through the power of people and the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help fuel transformation and growth for our clients and their customers. Avanade has 38,000 digitally connected people across 25 countries, bringing clients the best thinking through a collaborative culture that honors diversity and reflects

the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com.