New analysis reveals a lack of digital focus among the world's biggest firms

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PeopleTECH audit of FTSE 100 shows only 2% of FTSE 100 firms have a digitally-focused executive on the board

London, UK – 24 October, 2016 – New analysis by customer management consultancy PeopleTECH (http://www.peopletechuk.com/) has revealed a lack of digital focus at a senior level amongst FTSE 100 companies.

While many businesses claim digital transformation is a priority, only 2% of FTSE companies have a chief digital officer (CDO) or equivalent on the board, with just 5% having a CDO on their senior management team or executive committee.

A further 11% have a senior digital employee listed elsewhere on their website, but overall the findings suggest that many firms are not addressing digital transformation as seriously as you might expect, according to PeopleTECH MD, Mike Hughes:

"The sheer impact and importance of digital cannot be under-estimated. I think that a large number of companies confuse IT and digital, and in 2016 still aren't focused enough at a board level on digital transformation."

"Not having a chief digital officer in a senior role does not necessarily mean that organisation is not focused on digital transformation, but it can be no coincidence that organisations said to be ahead of the game with digital transformation, generally have a senior digital executive to bring it all together."

"The chief digital officer (CDO)is arguably the most important role in an entire organisation. Instead of digital transformation falling under the remit of the CIO, CMO or even a COO, having a CDO in place means there is a focus on integrating digital throughout the business and it prevents digital becoming isolated."

The PeopleTECH audit also took in the FTSE AIM 100, which comprises younger and more high-growth companies. Perhaps surprisingly, not a single firm had a chief digital officer on the board. Just 2% had a chief digital officer on the senior management team or executive committee, while another 2% had people with digital prominent in their job description listed elsewhere on their website.

These findings can be put down to the fact that many younger companies are run by digital natives, and have digital embedded through throughout the organisation, reducing the need for someone to integrate digital efforts at a senior level.

"If a company has digital embedded in its DNA, then there is less need for a CDO, and that's certainly the case for many of the firms on the FTSE AIM 100. But that's not to say that high-growth companies shouldn't keep focused on digital transformation – it's vital to all companies

irrespective of size, industry or maturity level."

Digital transformation is a highly complex process and many organisations on that journey are simply not integrated digitally. The digital team (or teams) can be siloed and don't always have input into the overall strategy or direction of a company, or its products and services, accordingly to Mike Hughes:

"There is no blueprint for universal success in digital transformation. But it stands to reason that without someone to work with the rest of the board, defining and delivering a digital vision for the company, and integrating it across the entire organisation, it is hard to imagine many firms being successful."

-ends-

About the analysis

In October 2016, PeopleTECH analysed all companies on both the FTSE 100 and FTSE AIM 100. A search was conducted for chief digital officer (or equivalent) roles on the company board and also the senior management team or executive committee. Allowances were made if an executive did not have a job title that suggested a digital focus, but that their biography revealed that to be a significant part of their role, or that it was their background in digital that had led to their appointment.

About PeopleTECH

PeopleTECH is a customer management consultancy that advises organisations on how to deliver the right customer experience via people, processes and technology. Founded in 2002, PeopleTECH combines experience working with some of the world's biggest companies, with a deep understanding of digital transformation, helping to drive efficiency and profitability by offering a bespoke and agile approach to improving the customer journey. The company provides a variety of consultancy services, including procurement service Evaluate, Select, Procure (ESP) and DARE (Discovery, Analysis, Recommendations for change, Evolve), a contact centre evaluation service.
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