

Digital transformation falling onto the back burner due to a widening ‘Hesitancy Gap’

IT teams are wasting more than a quarter of their time just laying the groundwork for projects, reveals research from NTT Ltd.

London – 12 May 2020 – Global Data Centers, a division of NTT Ltd., today released a new report revealing that digital transformation projects are stalling due to a ‘hesitancy gap’, as enterprises struggle to navigate the risks and complexity associated with turning innovation from concept to reality. The report, ‘Mind the Hesitancy Gap: There’s No Time to Waste in High Stakes Digital Transformation’, shows that 26% of IT teams’ time is wasted laying the groundwork for digital transformation projects, costing UK enterprises an average of £ 2.01m per year.

Despite a continued focus on digital transformation – with respondents saying they are investing in Artificial Intelligence (63%), Internet of Things (58%), and software defined networks (51%) – half of UK enterprises admit their projects are always or regularly delayed, as a result of too many barriers to overcome, or too much existing pressure on IT. At the same time, 65% are heavily reliant on multi-cloud services to underpin their projects, creating added integration challenges. In fact, 35% cite the complexity of connecting the range of cloud services and other technologies together as a major barrier to the progression of their digital transformation projects.

“In a rapidly evolving landscape, enterprises can’t afford to drag their feet on digital transformation, but it’s not surprising that many are feeling hesitant,” explains John Eland, Chief Strategy Officer of Global Data Centers. “The complexity of connecting a mix of cloud services and other technologies together, adds a significant challenge to overcome before transformation projects can turn into a reality. Adding further strain, there’s the risk that even just a Proof of Concept could have a negative impact on live production systems, leading to service failures that result in reputational or revenue damage. This is understandably causing enterprises concern, resulting in many projects falling behind and innovation to stagnate.”

Other key challenges to innovation include:

- Concerns over whether a new digital capability could introduce a security risk or leave the company non-compliant with regulation (42%)
- The need to provide significant upfront investment, before even trialling a new transformational concept (37%)
- Limited access to the skills needed to run successful projects with emerging technology, such as AI and Blockchain (35%)
- Concerns that a transformation project could lead to business disruption (35%)
- The time needed to design and build a production-ready environment to run a transformation project or Proof of Concept (PoC) (34%)

Addressing these concerns, the survey showed that UK enterprises estimate they could shave an average of nine months of digital transformation projects, if they didn’t have to spend time building a partner ecosystem and cloud infrastructure and implementing connectivity. A further 94% of enterprises say their digital transformation projects could be ‘supercharged’ if they could test new concepts in a full-scale,



production-ready environment, using a multitude of cloud services, partners and connections – without the hassle of pulling everything together by themselves.

“Many of the challenges associated with a project’s viability could be overcome if enterprises could connect with partners and start-ups to test out their concept before taking the plunge,” continues John Eland. “Having access to a full-scale, production-ready environment where an innovation project can be trailed using, connections, technologies and service providers, would undoubtedly be a significant boon for businesses. By supercharging digital transformation projects and accelerating time to market, enterprises will be well on their way to closing the hesitancy gap.”

The report is based on a survey of 200 IT decision makers in large UK enterprises with over 1,000 people, across multiple industry sectors, conducted by independent research firm Vanson Bourne on behalf of the Global Data Centers division of NTT Ltd. [Download the full report.](#)

With its Technology Experience Labs NTT enables enterprises to overcome the hesitancy gap by helping them to develop efficient cloud strategies, optimize their internal IT landscape, and embrace new business models to remain competitive. Enterprises can gain access to a network of service providers, and to a broad range of tools, technologies, cloud services and connectivity. This reduces the initial investment in complex new scenarios, enables IT departments to measure the impact on IT service delivery, and helps accelerate time to market deployment – crucial to the modern ‘agile’ enterprise.

-ends-

About Global Data Centers and NTT Ltd.

Global Data Centers is a division of NTT Ltd. and incorporates DPA, e-shelter, Gyron, NetMagic, NTT Indonesia Nexcenter, RagingWire and other NTT Communications group data center divisions. Our combined global platform is one of the largest in the world, with over 160 data centers spanning more than 20 countries and regions including North America, Europe, Africa and APAC. As a neutral operator, we offer access to multiple cloud providers, a large variety of Internet Exchanges and telecommunication network providers including our own IPv6 compliant, tier-one global IP network. Our clients benefit from tailored infrastructure and experience consistent best practices in design and operations across all of our highly reliable, scalable and customizable data centers.

NTT Ltd. is a global technology services company bringing together the expertise of leaders in the field, including NTT Communications, Dimension Data and NTT Security. We partner with organizations around the world to shape and achieve outcomes through intelligent technology solutions. For us, intelligent means data-driven, connected, digital and secure. As a global ICT provider, we employ more than 40,000 people in a diverse and dynamic workplace and deliver services in over 200 countries and regions. Together we enable the connected future. Visit our new website hello.global.ntt

Media Enquiries:

Marie-Terese Kachler
Global Data Centers EMEA
T: +49 69 7801-2457
E: press@e-shelter.com