

Enterprise Velocity

An Executive Survey

How to move fast
**without breaking
things**



October 2021

About the survey

309 respondents

42% CEO and C-suite
38% Director
17% Vice-President
3% President

Industries

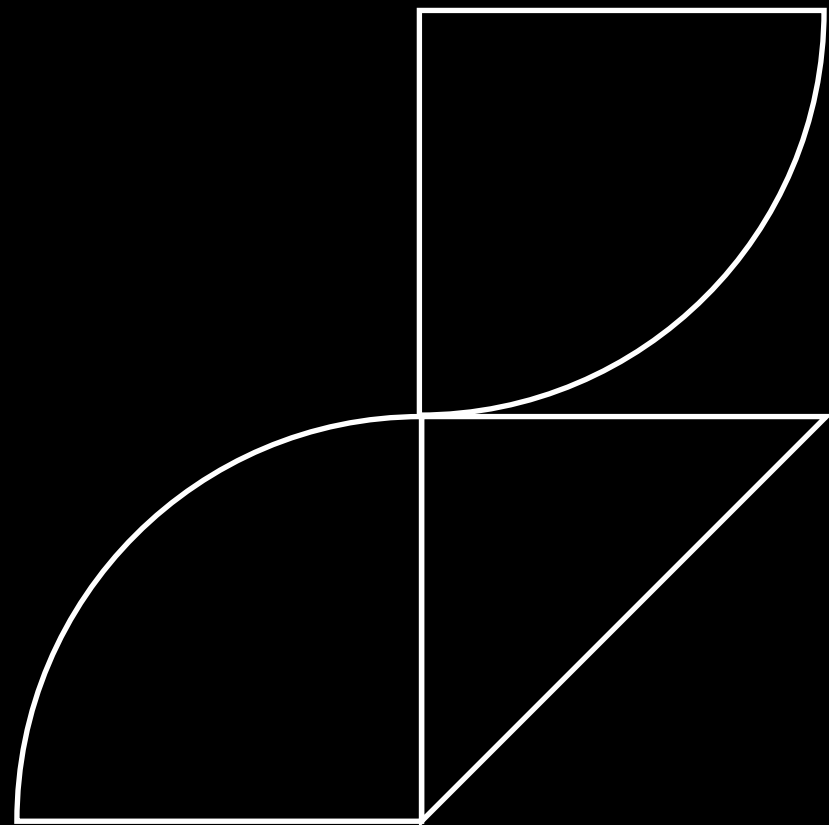
30% BFSI
12% Manufacturing
10% Science and Tech
7% Health-Tech
7% High-Tech
7% Accounting
5% Telecom
22% Others

Geographies

42% US
21% UK
15% Canada
13% Europe
5% South Africa
4% Australia

Gender

71% Male
29% Female



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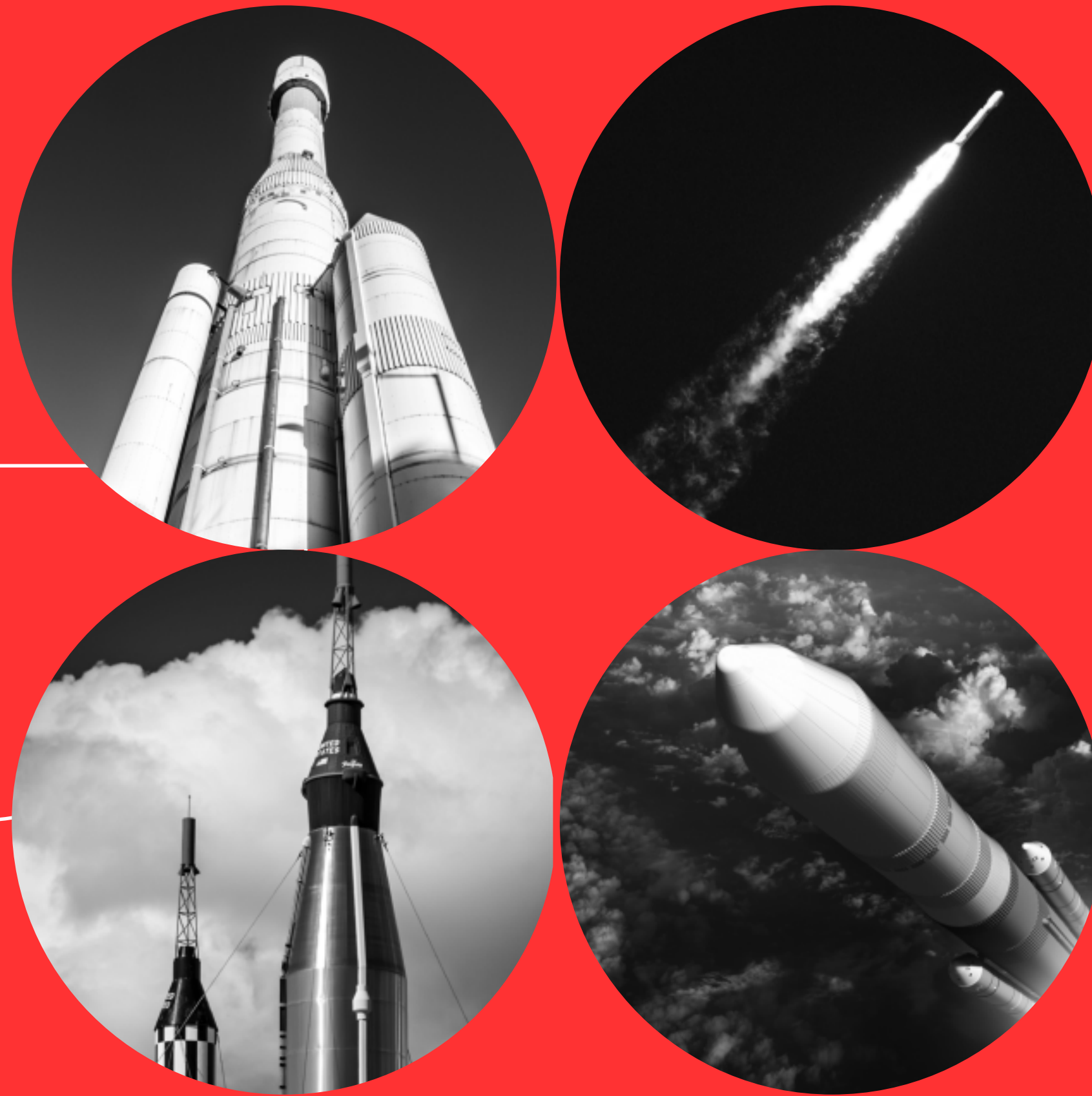


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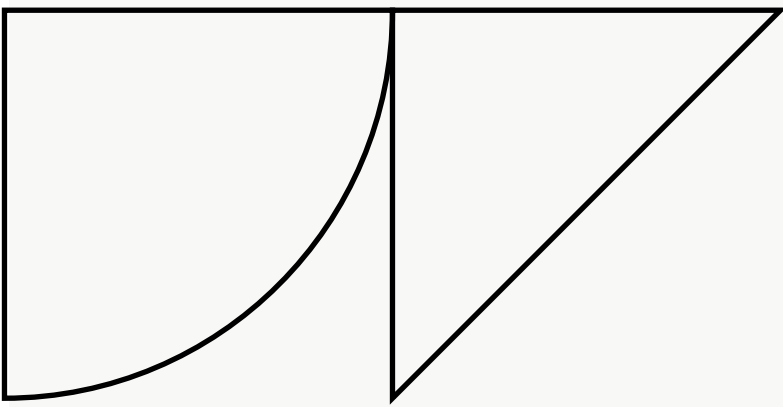
Demystifying enterprise velocity

How to move fast without
breaking things

In today's business landscape, speed alone does not guarantee success. For speed to be effective, you need to move in the right direction. The difference between speed and velocity is not eminently obvious. Both invoke notions of quickness and agility; the difference lies in layering it with intent and purpose.

Conventional wisdom once had us believe that big companies eat smaller competitors. Then came, "It's not the big that eat the small; it's the fast that eat the slow¹." Be hungry and hasty – move fast, fail fast, adapt fast, and recover fast. But action for its own sake, without a strategic vision dissipates easily. The key here is direction.

¹It's Not the Big That Eat the Small...It's the Fast That Eat the Slow: How to Use Speed as a Competitive Tool in Business, Jason Jennings, 2002



We tend to believe that planning for every conceivable contingency can shield us from unforeseen circumstances. However, this approach is often counterproductive because it is simply not possible to outrun every crash, calamity, and competition. Instead, if we invest time in honing a long-term vision, it stands to serve as a north star, uniquely positioned to provide direction and clarity when things get chaotic and confusing.

In the absence of this foundation, organizations tend to react and give into tropes and tactics that suit market favorability. These reactionary outbursts belie business resilience. For instance, anxious to counter competition, companies often slash prices of products and services or launch new ones without envisioning the customer journey outside-in. Sometimes they spend millions of dollars on tracking users and bombarding them with personalized, just-in-time offers. All this relentless noise precludes the power of long-term brand-led relationships. Over time, the propensity to

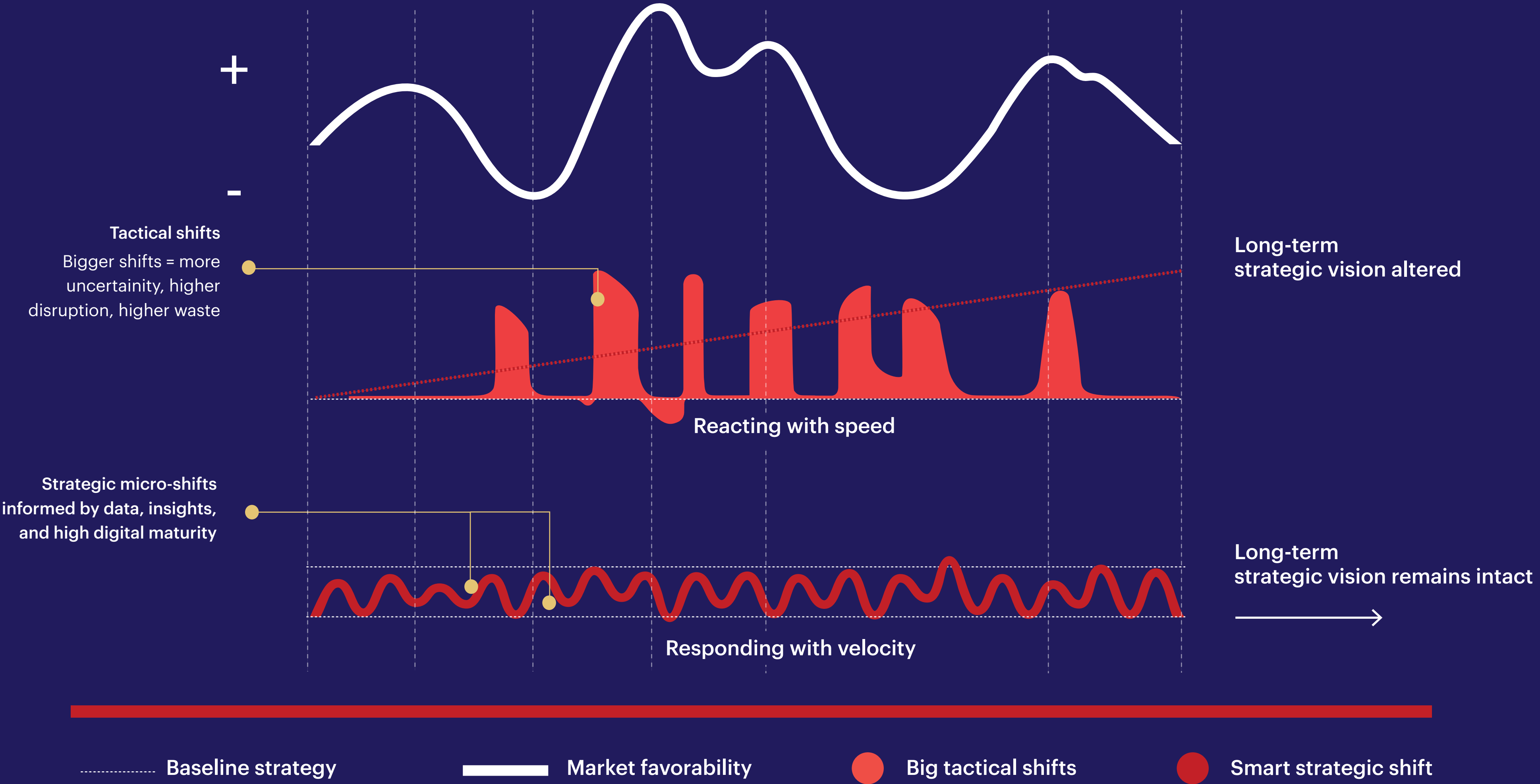
act fast with speed negatively impacts engagement and efficiency, and far too much is lost in terms of money, time, effort, and energy. In sharp contrast, enterprises that sustain success almost unequivocally demonstrate a remarkable ability to enforce their long-term vision even as they coast through inevitable ups and downs. It's not as if they don't ever change plans, but they do so without compromising on strategic direction or long-term vision. Less mindful of market variations and solely focused on delivering a great customer experience, these companies are devoted to what is popularly known as customer obsession. Instead of iterating an existing product and giving people what they already have, only one grade better, they spend time understanding customer goals and behaviors. This allows them to close the loop and pioneer new frontiers. Often, they achieve not only the right product or service but also the right behavior and communication style. Albeit this process takes time but done right, it turns customers into strong allies.

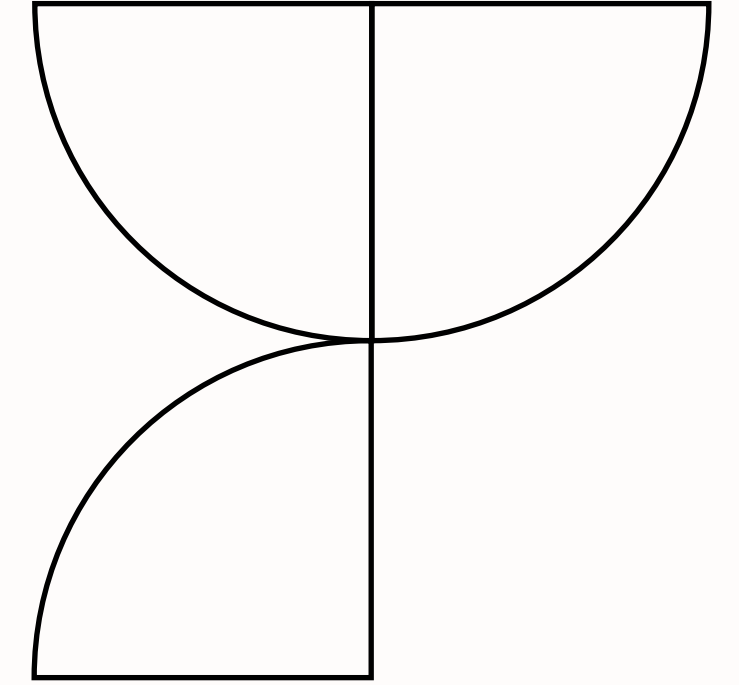


Companies should know who their competitors are and what products are available out there but be discerning about how much to let that information interfere with their values and actions. Frame a high-level implementation road map, which defines the guardrails in pursuit of the long-term vision.

The possibility of sudden change is at the heart of velocity; the trick is to know where to allow small-scale changes and how to alter smart micro-shifts so that nothing deviates from the foundational vision. For this scenario to become tangible and yield results, access to the right tools and technology architecture is indispensable; this is where velocity is rooted, ready to be strategically harnessed.

Allow small changes and micro-shifts without deviating from the long-term vision





Raw speed

Reacts to situations, threats, and opportunities

Maintains business continuity, contingencies, short-term earnings, and customer needs

Focuses on time taken for task completion and quantifiable outputs

Launches new products and services without envisioning the entire experience

Directional velocity

Uses discernment before responding to needs and opportunities

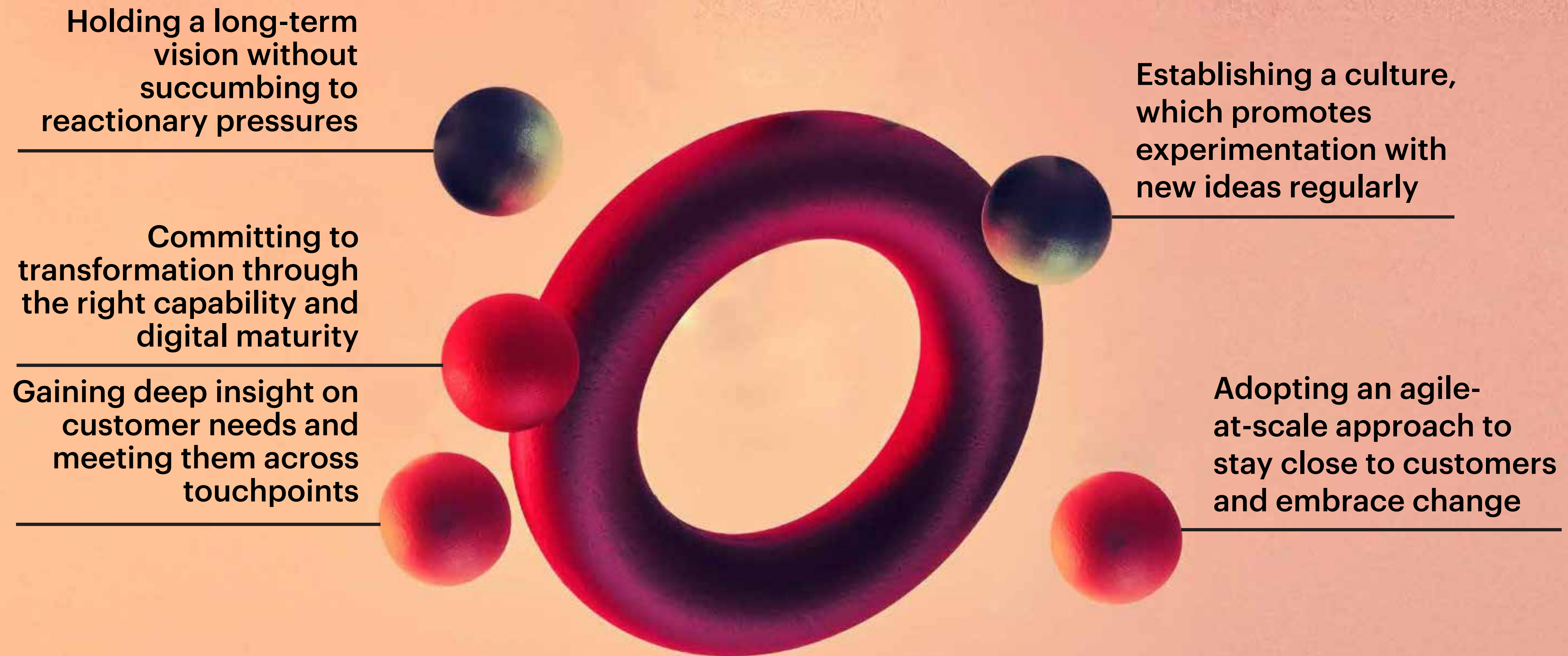
Roots business continuity in long-term vision and rewards the ability to hold direction

Adopts a people-led approach, prioritizing potential vs. working fast and delivering quantities

Invests in key platforms to build agility and responsiveness at every stage

It is easy to intellectually understand the advantages of long-term, value-based thinking without having to apply it. Pressure mounts when companies need to deliver quarterly earnings while sword fencing in an ecosystem, which constantly disrupts and challenges their position. The cascading effect overpowers, and performance becomes inextricably linked to how quickly tasks are completed or how much output is created in the least amount of time despite sounding off warnings against output for output's sake. This not only puts pressure on employees, leading to burn-out and dissatisfaction, but also erodes culture and harms collaboration. **A clear understanding, articulation, and alignment to a steady vision, with a focus on empowering employees rather than pushing them to work fast, builds a resilient culture and strong, people-led companies.**

Successful velocity implementation depends on engaging with five principles



We asked companies what they experienced when they singularly prioritized either speed or quality while engineering new solutions. With quality as the sole driver, companies experienced better customer feedback and improved metrics. With speed as the sole driver, companies ran into quality assurance issues. Both run the risk of compromising an early mover advantage or incurring additional expenses due to product recalls or other rushed, botched outcomes.

Quality as the sole driver

Better customer feedback,
improved metrics

Talent advancement or talent
stagnation

Lack of agility

Missed deadlines

Speed as the sole driver

QA issues

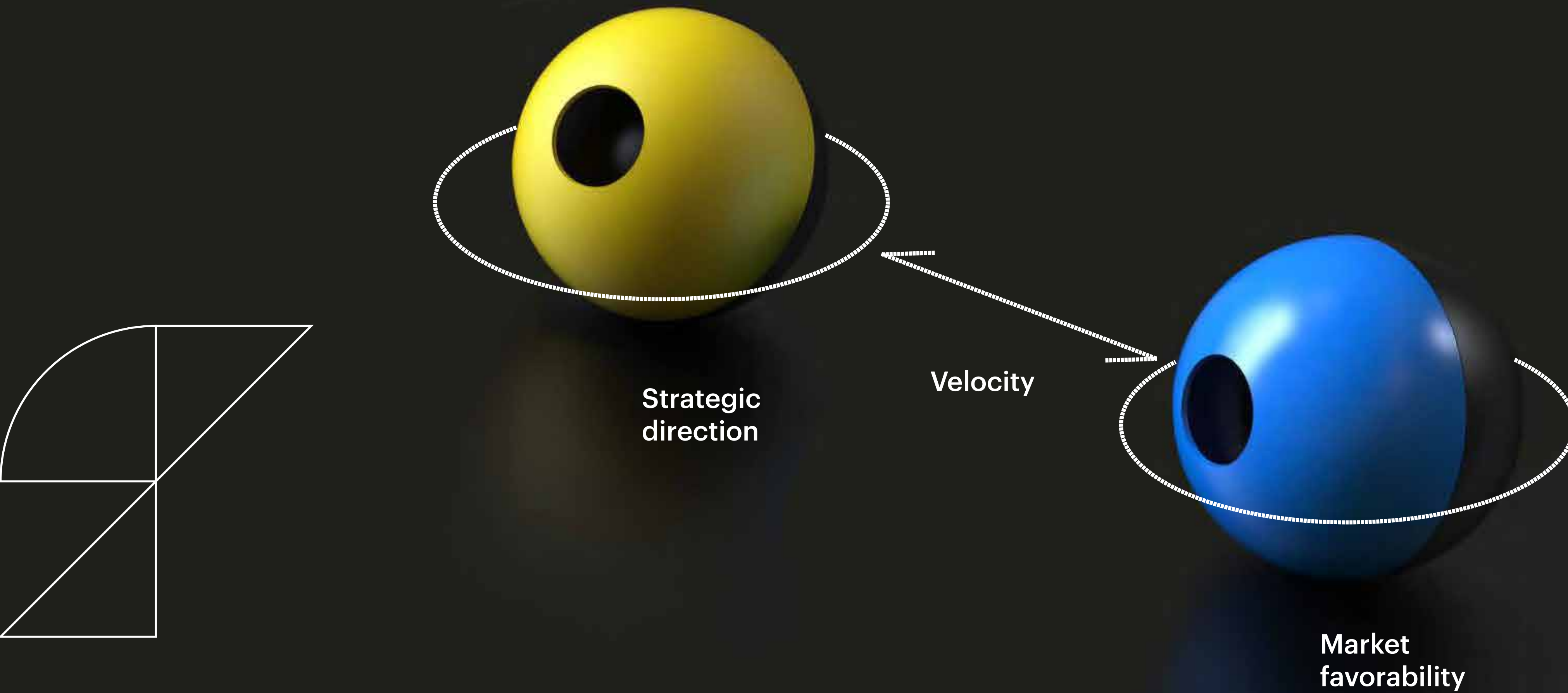
Delays due to multiple iterations, dealing with
unforeseen circumstances, and poor customer
experience scores

Searching for solutions to apply technology to

Poor product-market fit



Velocity can bridge the gap





Identifying **velocity**

Hone focus on business impact,
not big-bang transformations

It's easy to chime in with the importance of velocity in an armchair conversation because velocity is intuitive – everyone understands its importance – doing the right thing in the right way. But conceptual thinking doesn't reap business benefits. Instead, with a strong focus on short-term performance, survival instinct kicks into high gear, overpowering the purest of thinkers.

In our survey, 97% of the respondents agreed with the statement, "It is time to stop thinking in terms of speed and start thinking in terms of velocity." Moreover, every organization surveyed agreed that velocity in business is a positive driver. Fifty-two percent of the respondents said they are already ahead of the curve in identifying velocity as a key business imperative, signaling that companies broadly comprehend what velocity means. But hypothetical alignment is not enough.



97%

of the respondents said it's time to stop thinking in terms of speed and start thinking in terms of velocity

99%

of the respondents agreed that velocity in business is a positive driver

71%

of the respondents (leaders) said projects failed when teams were not aligned in a direction

52%

of the respondents said they are ahead of the curve in identifying velocity as a key imperative

Shifting stance from a single-minded pursuit of speed to identifying the need for velocity is a start but entirely insufficient to drive business advantage. Hyper-focused on bottom lines and business continuity, companies floundered and favored age-old tropes when approaching velocity practically.

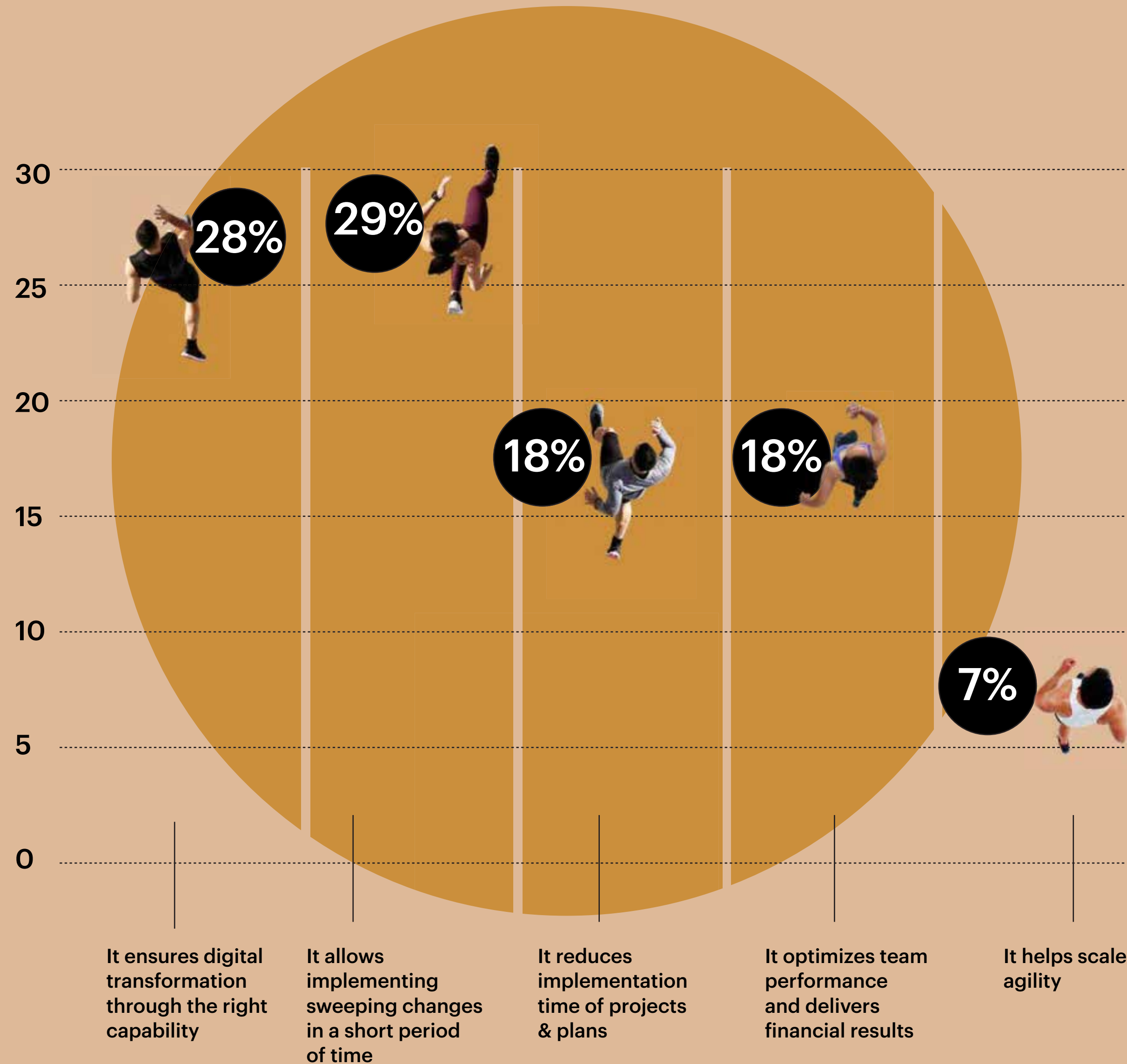
The survey revealed that their impulse associated velocity with implementing sweeping changes, prioritizing efficiencies, and delivering financial results versus going in the right direction, driving operational resilience, and scaling agility.



Chasing quarterly earnings and short-term goals, companies often lose sight of a larger vision. In a hyper-aggressive environment, with coping mechanisms and capabilities pushed to the brink, people start reacting to competition instead of responding to customer needs. **Stock markets respond to expectations, so companies must proactively outline their long-term growth plan and articulate performance measures that will fulfill these goals to engage with shareholders.**

Leaders should stay laser-focused on tasks at hand but steadfast to the long-term vision because, “you have to be fast on your feet and adaptive or else a strategy is useless².” Agile organizations can quickly redirect people and priorities toward value-creating opportunities; that’s why it is a prerequisite to thrive in today’s transformative landscape. So, perhaps the most pressing ideological fault line lies in the fact that the respondents failed to recognize how agile principles underpin velocity. This indicates a lack of comprehensive understanding and fractured adoption of velocity in day-to-day functions. We believe that unless there is a rapid and meaningful course correction, companies stand to battle missed targets, misalignments, poor employee morale, and cost erosions.

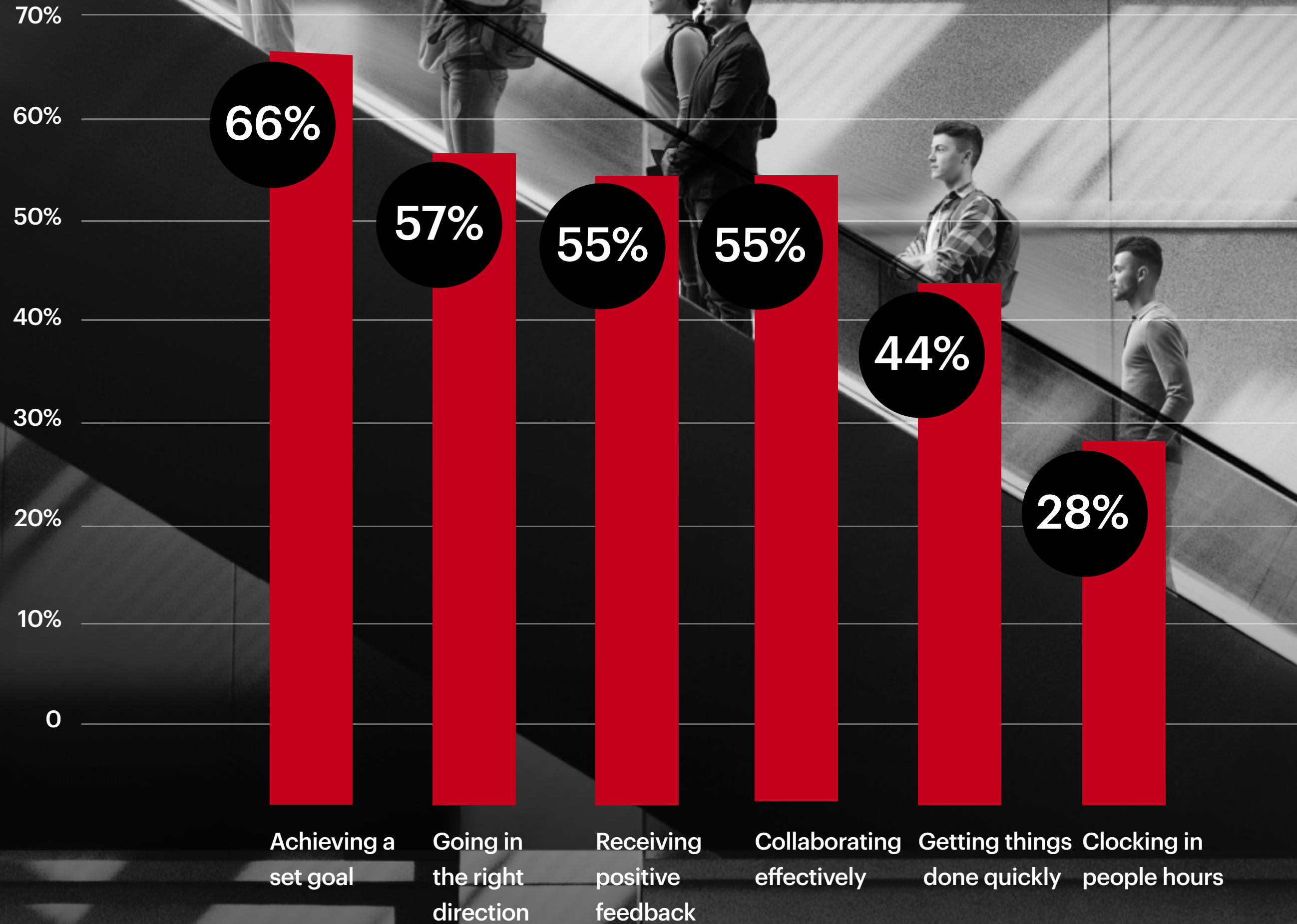
² Quote by Charles de Gaulle



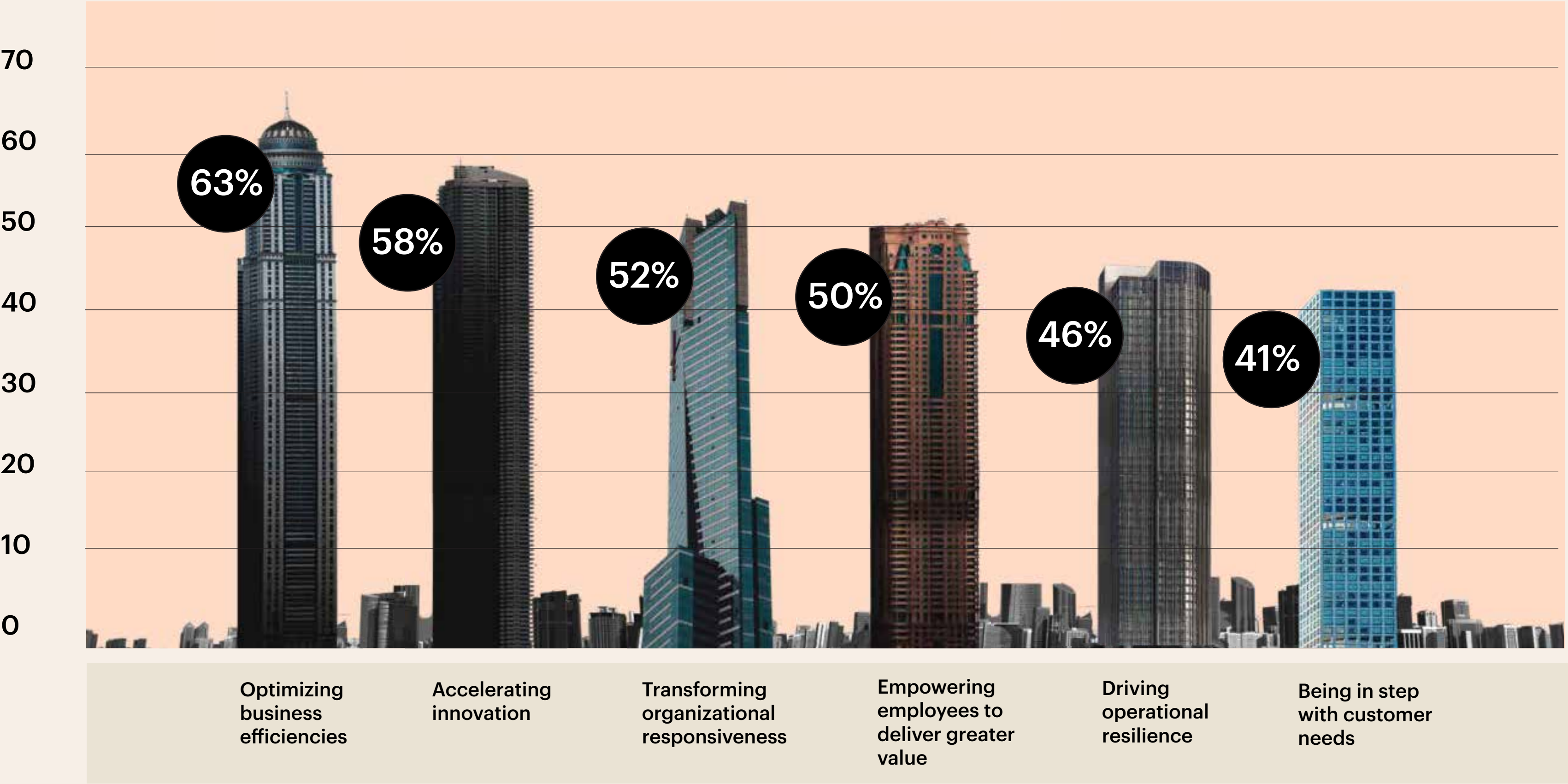
Which of the following statements best represent your understanding of velocity in business?

- Most of the respondents associated velocity with getting tasks done and increasing competitiveness over customer alignment and reducing waste
- 66% of the respondents associated positive outcomes with achieving a set goal while 57% of the respondents prioritized going in the right direction (refer to page15)
- 36% of the respondents said velocity optimizes team performance, delivers financial results, and reduces implementation time. Another 29% of the respondents viewed it as a tool to implement sweeping changes and just 7% of the respondents recognized the connection between velocity and agility
- 63% of the respondents said velocity most benefits optimizing business efficiencies versus being in step with customer needs and driving resilience (refer to page16)

How do you define a positive outcome?

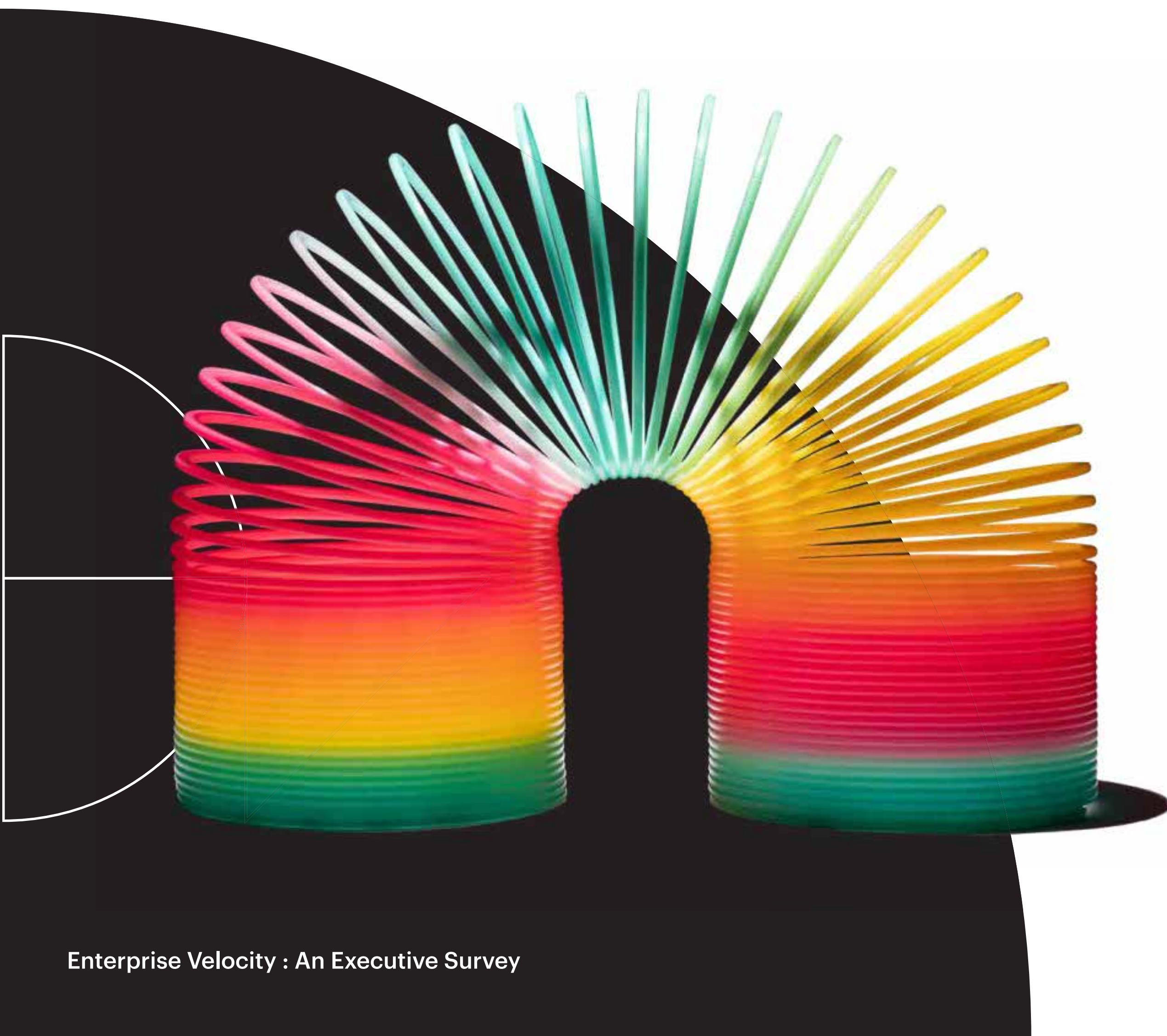


Which areas of business does velocity benefit the most?



What do you associate velocity most strongly with?

- Getting tasks done 1
- Increasing competitiveness 2
- Digital adoption 3
- Customer alignment 4
- Reduce wastage 5
- Fail fast culture 6



We have talked about the need to enforce a long-term vision, but we cannot nurture rigid ideas about how to get there.

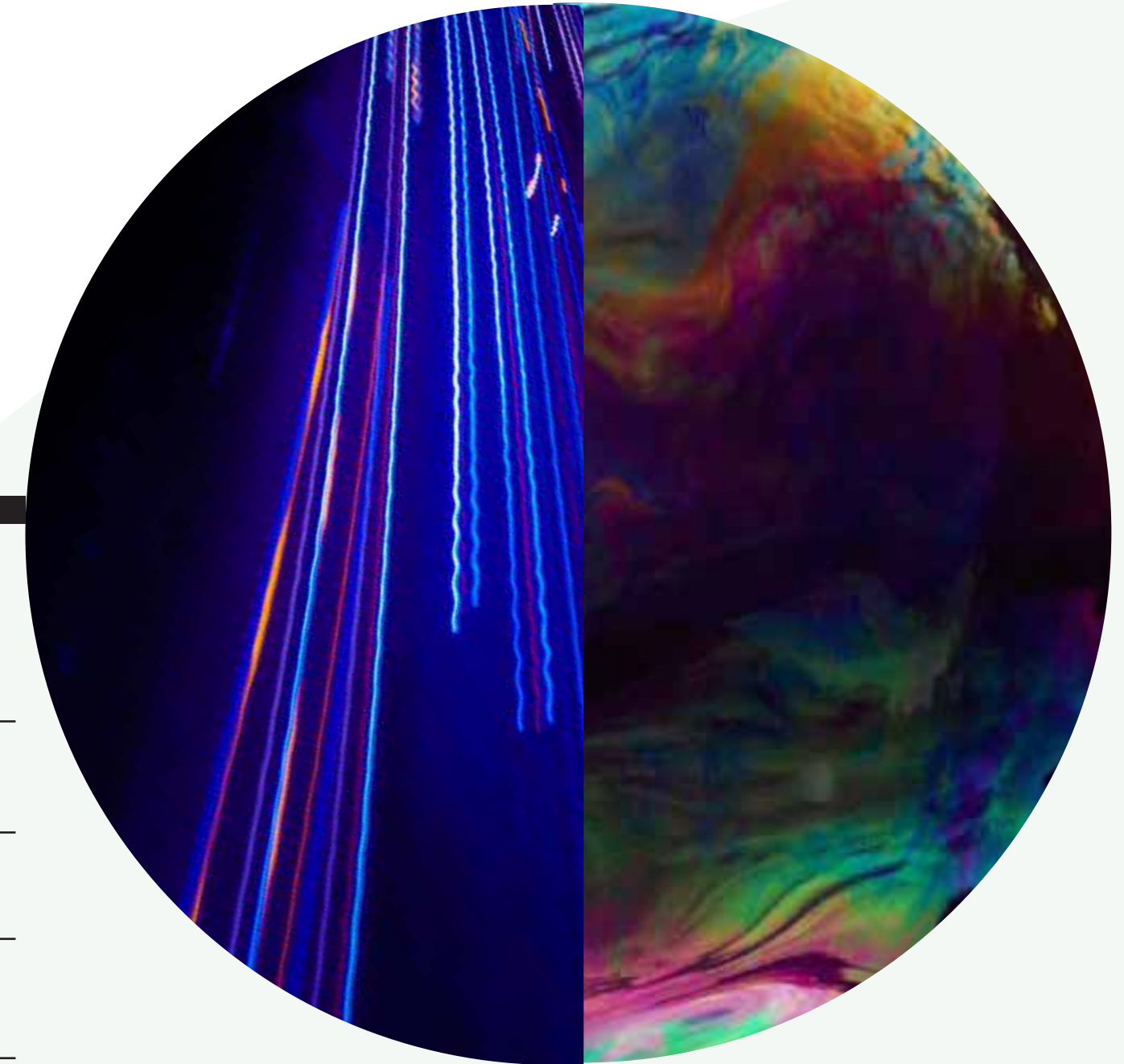
Organizations must be willing to modify their plans so long as the connection to long-term vision is intact. Be open to tweaking go-to-market strategies and business models, targeting new demographics, and pivoting from pursuing a path, which might have achieved initial traction, then peaked, and fell short. Flexibility does not undermine scale or stability.

Agile teams feel responsible for outcomes such as measured growth, profitability, customer loyalty, etc. and not outputs such as the number of new products, which is more a reactionary approach, likely motivated by the need to pull ahead of the competition. Drawing on data and digital maturity, velocity assures actionable insights and sustains high-value relationships. For today's ever-informed, always-on customers, the only experiences that matter are contextual and connected delivered via deep learning technologies, that can see, hear, speak, and understand emotions. Don't be irreverent of industry capabilities, but as we have said before, a devotion to competitive impulse does not yield ahead-of-the-curve solutions; investing time and resources in understanding customers do.

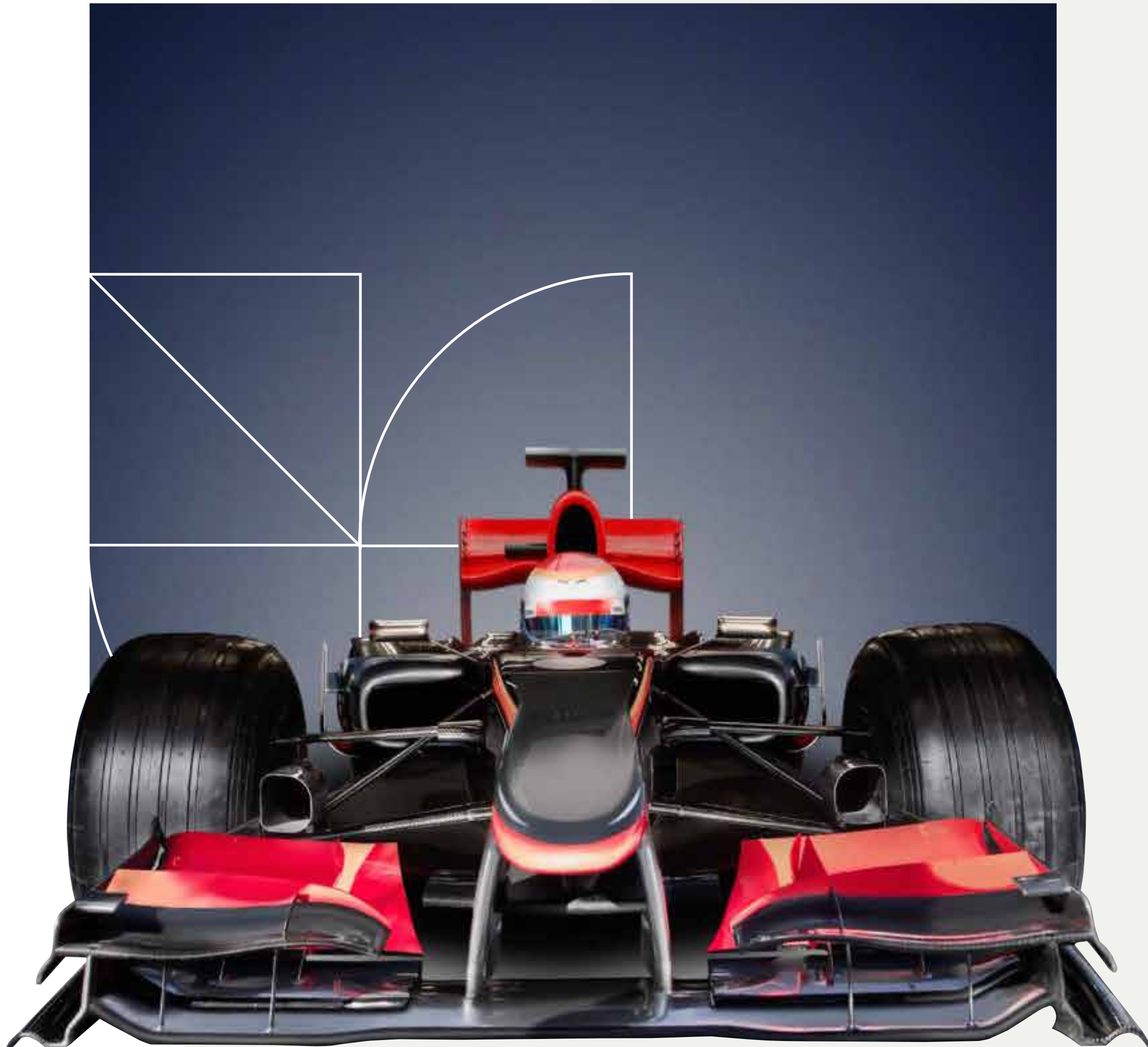
Velocity

Myth vs. Reality

Makes sweeping changes in a short period of time	Focused on going in the right direction
Gets tasks done	Drives operational resilience
Increases competitiveness	Walks in step with customers
Optimizes efficiencies	Reduces waste
Enables digital adoption	Adopts a holistic, people-centered approach
Allows for planning details and contingencies	Advocates a fail-fast (learn-fast) culture
Does not scale agile ways of working	Immersed in agile thinking and helps scale those principles across teams



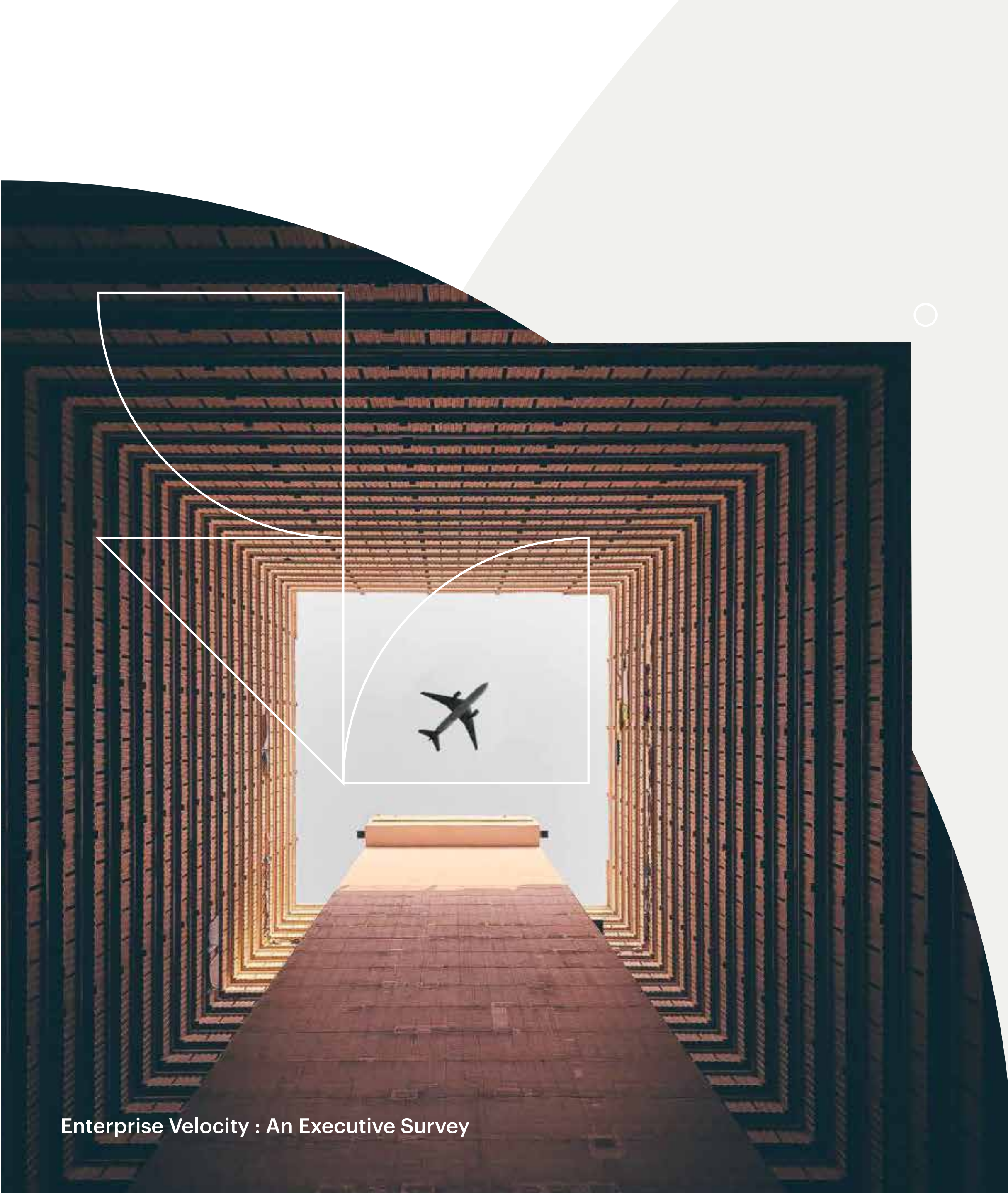
Ultimately, velocity is a mindset. Companies must bury the weight of traditional thinking and business practices rapidly. Just as digital transformation is about adopting a digital mindset more than adopting new technology, velocity too is a mindset more than a tried and tested tool kit. People think technology is the key driver for velocity, but no single technology can as such deliver velocity. Only a holistic approach – one that solicits a cultural and systemic change alongside necessary technological upgrades – will succeed.



The role of technology in enabling velocity

Use technology to build cohesion
between strategy and markets

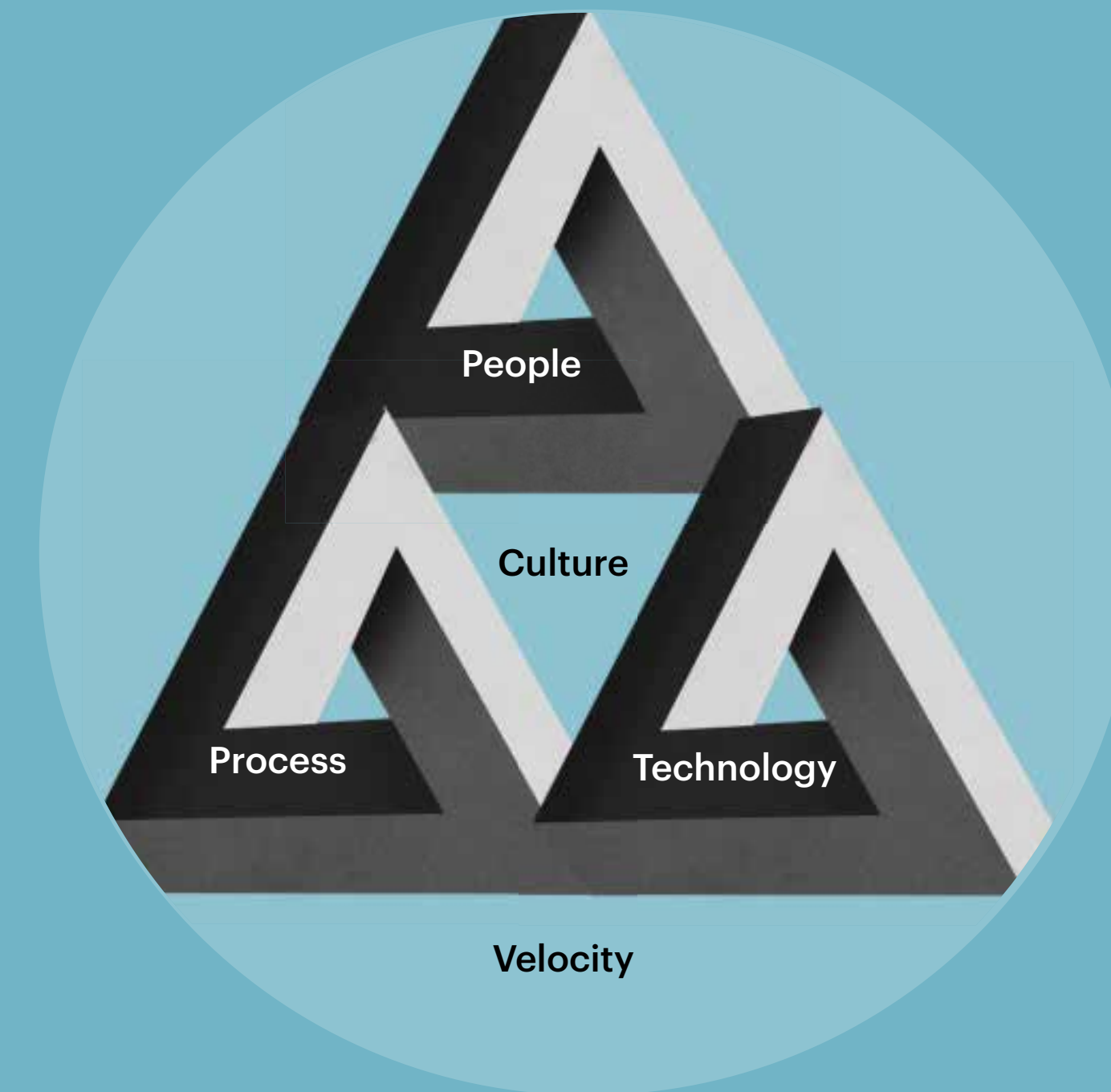
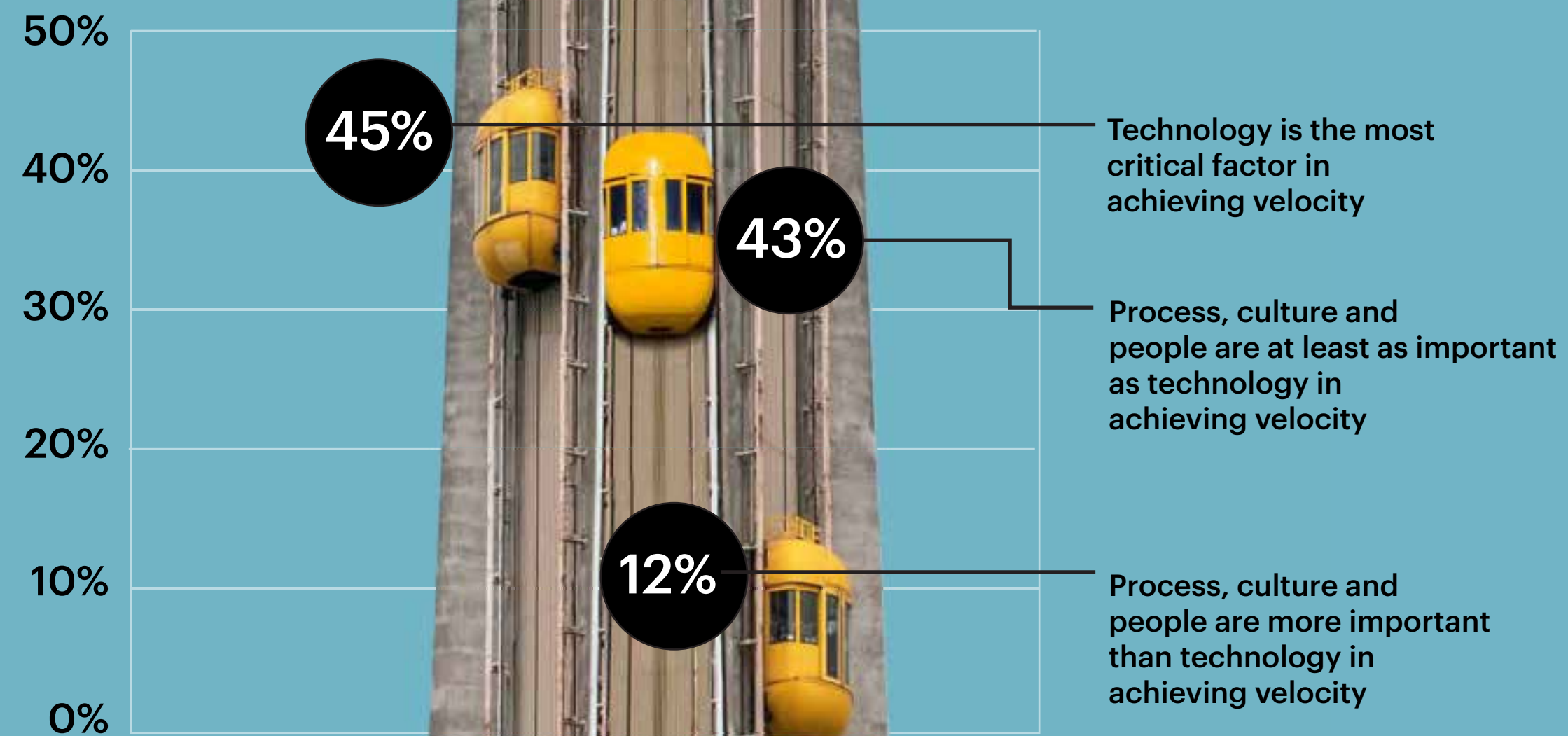
The foundation of velocity is agility. And agility has surely become the *raison d'être* for technology-based business transformation. Technology, when applied in a non-integrated and piecemeal fashion, yields non-integrated and piecemeal results. A great example is data. Data intelligence is vital for an up-to-date customer experience, but it does not guarantee returns. When companies break data silos, apply analytics, and leverage AI to guide processes, they can become genuinely customer-focused, velocity-driven, and agile while creating a data-driven culture.








Forty-seven percent of the respondents said that technology is the most critical factor in achieving business velocity. A commitment to transformation through the right digital capabilities wields velocity, no doubt, but our study shows that people, processes, and culture are at least as important.

Historically, technology was used to support businesses and broadly seen as a cost center. Therefore, the idea was to optimize technology for speed and cost benefits. Today, technology can enable intelligence that drives customer satisfaction and operational efficiencies. For instance, AI can suggest the highest quality leads for sales staff to pursue, but the suggestion itself cannot deliver success — a high-caliber team must be in place. When asked what describes the relationship between velocity and technology, 55% of the respondents favored a more holistic approach that envisions people, processes, and culture as an essential part of the equation.

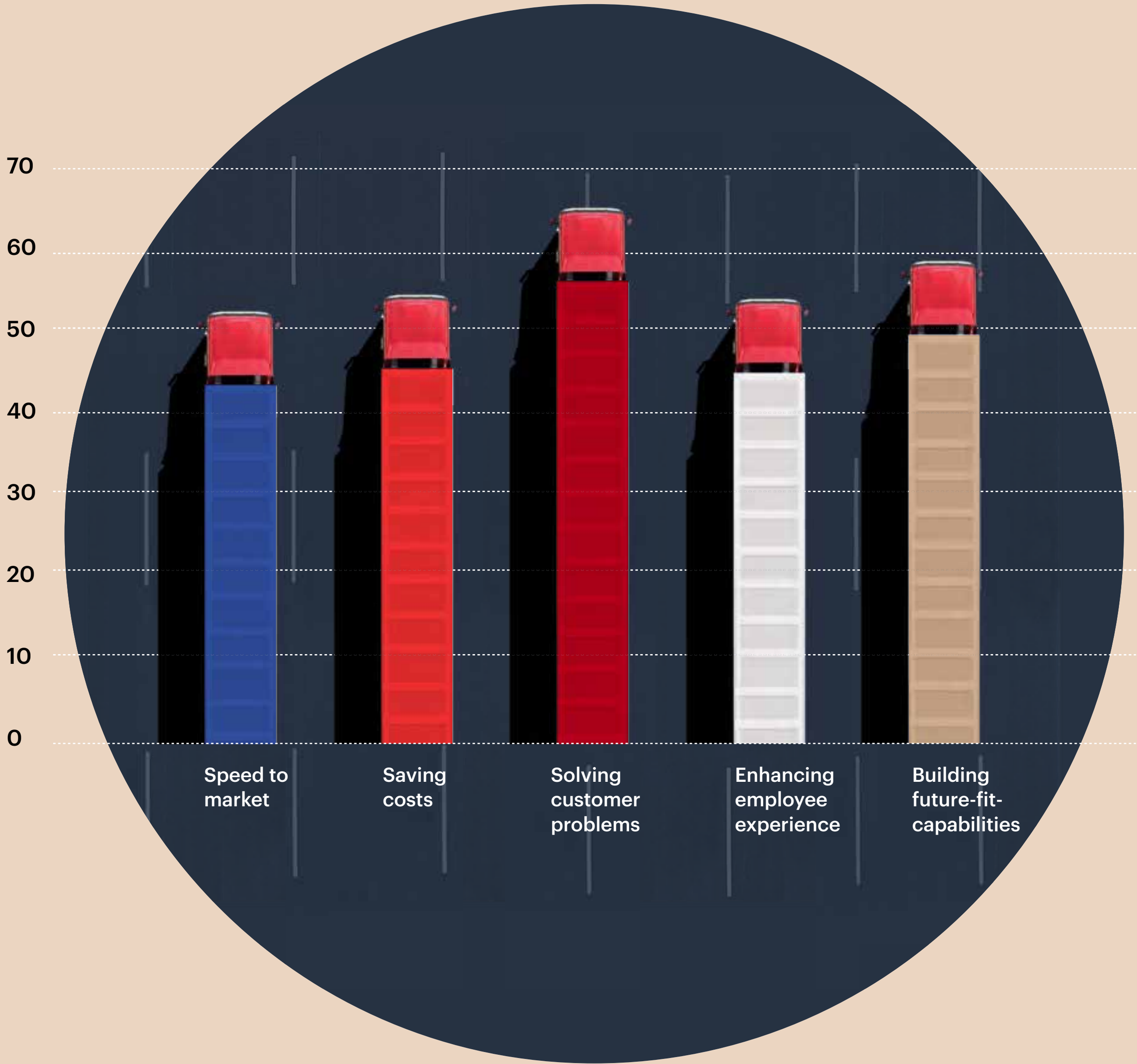
What best describes the relationship between velocity and technology?



When thinking about new technology, what would you say your company values the most?

Speed to market		52%
Saving costs		54%
Solving customer problems		66%
Enhancing employee experience		55%
Building future-fit-capabilities		59%

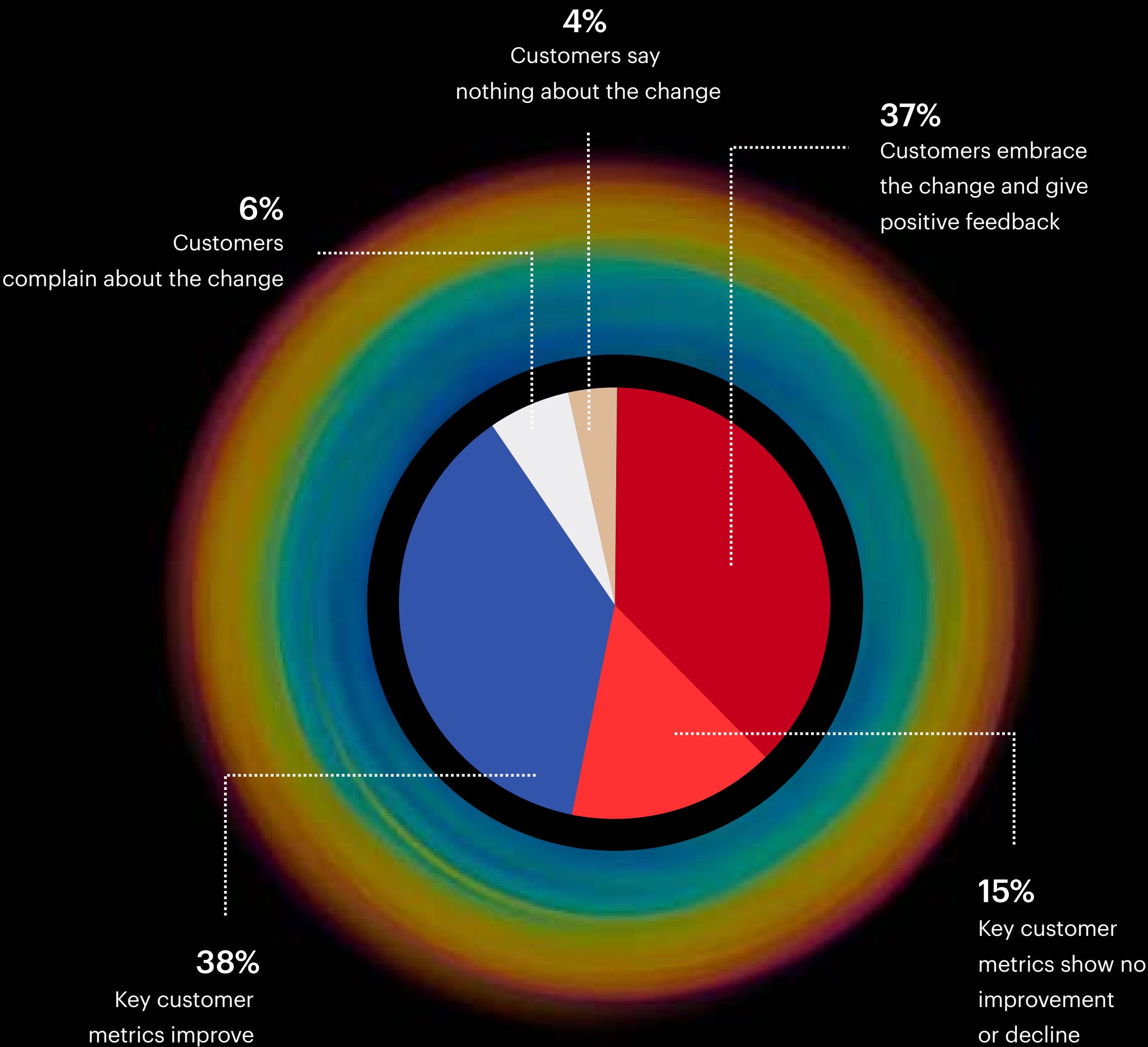
Technology is valued across multiple areas, but 66% of the respondents said solving customer problems is prioritized.



When your organization introduces new technology to customer experience, the response is?

Key customer metrics improve	<div></div>	38%
Key customer metrics show no improvement or decline	<div></div>	15%
Customers embrace the change and give positive feedback	<div></div>	37%
Customers complain about the change	<div></div>	6%
Customers say nothing about the change	<div></div>	4%

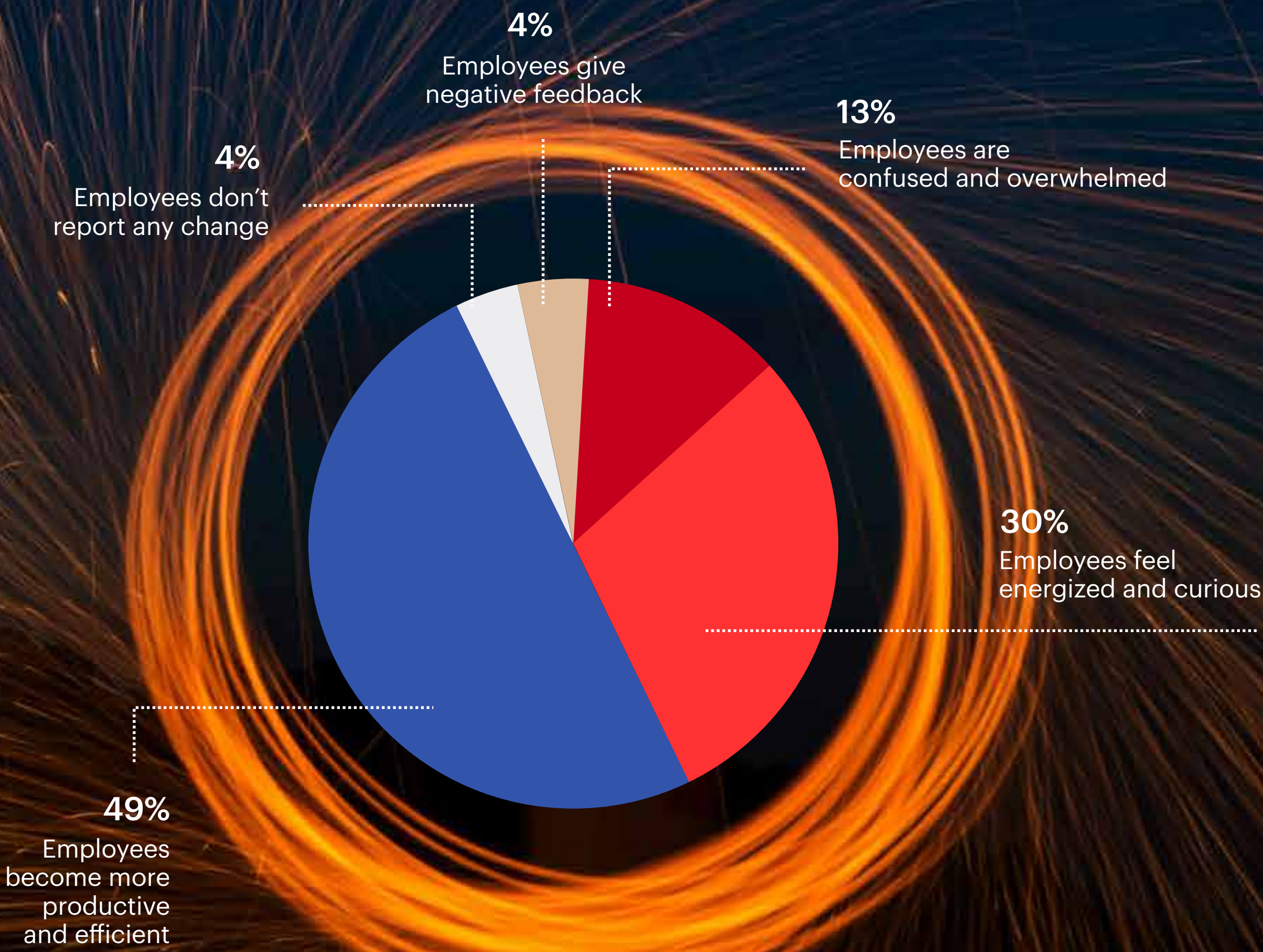
75% of the respondents said when technology is introduced to customer experience, the feedback is positive - key metrics improved, customers embraced change and provided positive feedback.



When your organization introduces new technology to enhance employee experience, the response is?

Employees are confused and overwhelmed	<div></div>	13%
Employees feel energized and curious	<div></div>	30%
Employees become more productive and efficient	<div></div>	49%
Employees don't report any change	<div></div>	4%
Employees give negative feedback	<div></div>	4%

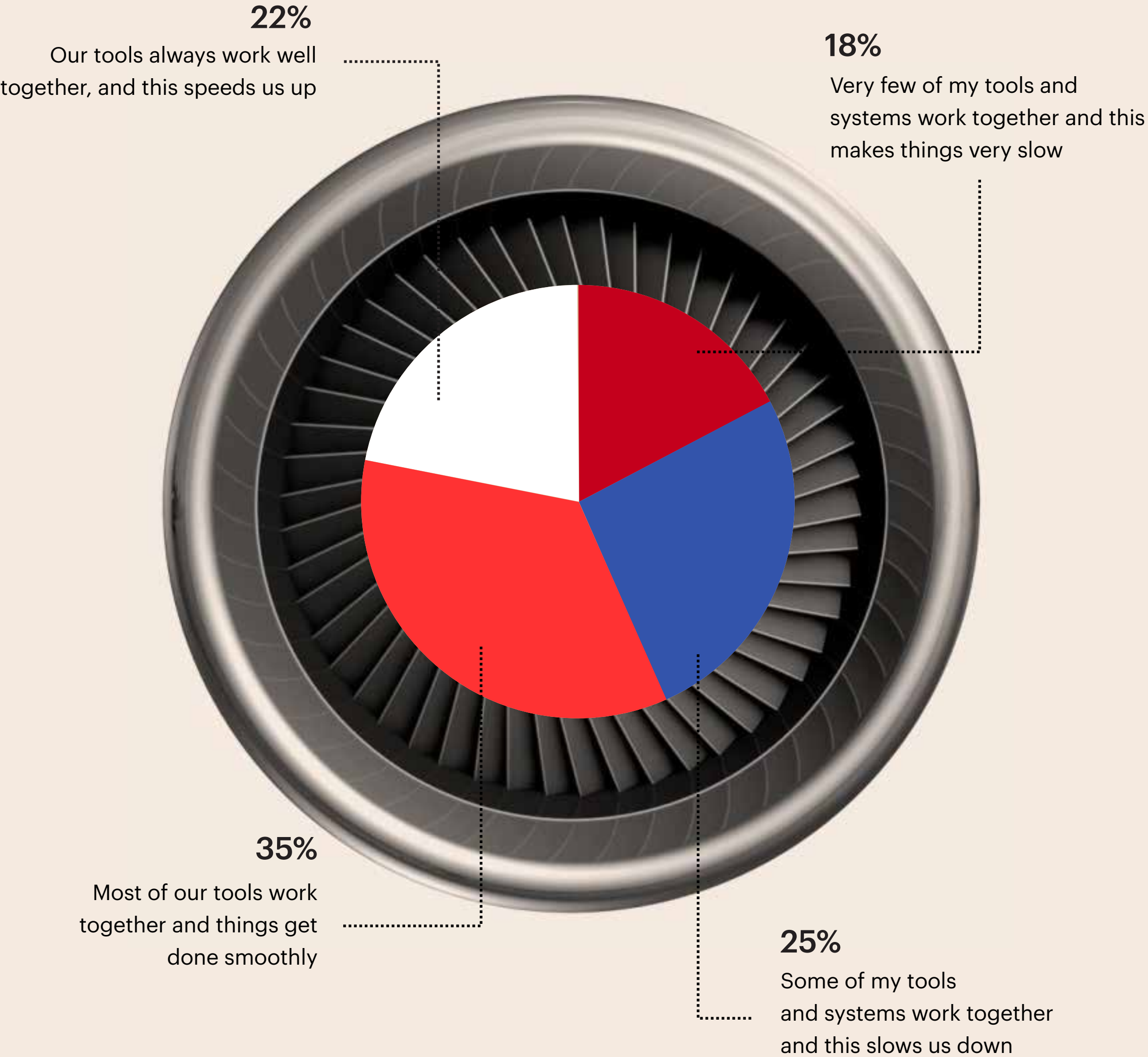
79% of the respondents said employees either felt energized and curious or became more productive and efficient with new technologies.

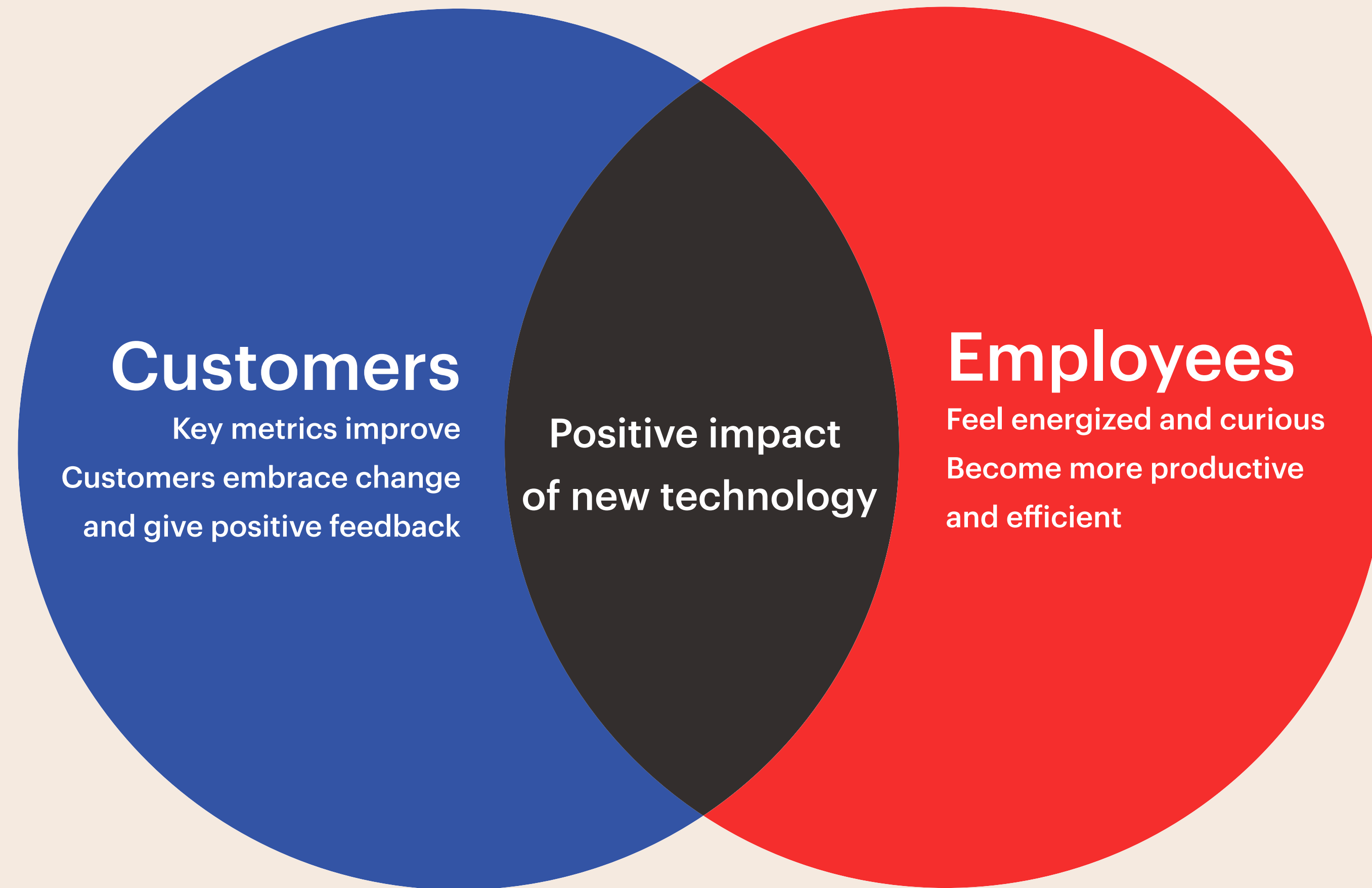
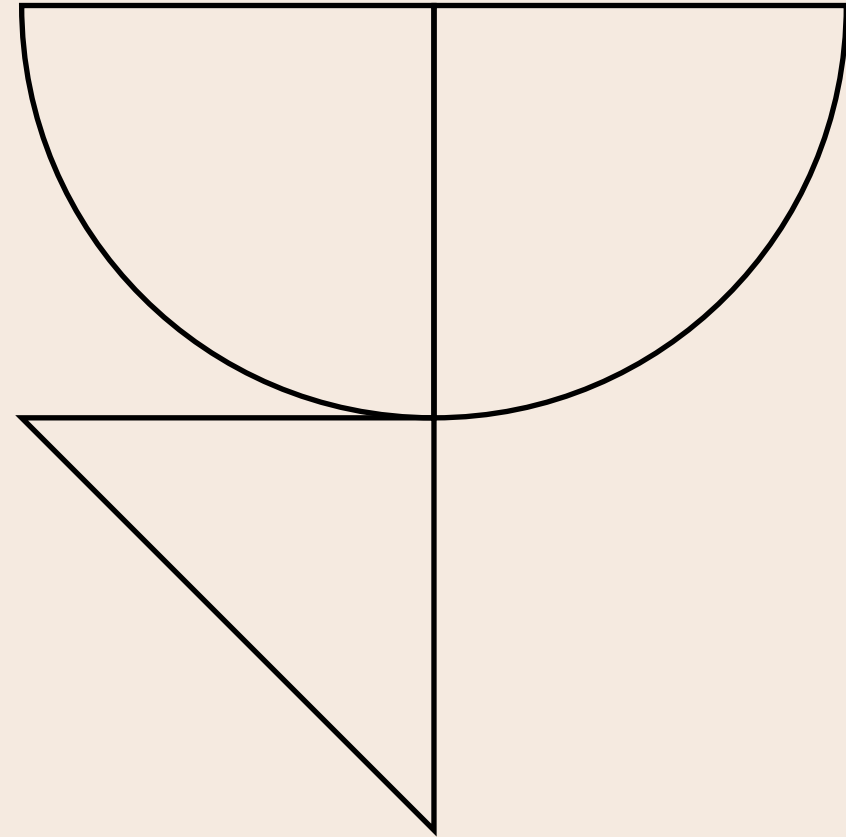


When thinking about technologies your organization has, which of the following statements resonate best?

Very few of my tools and systems work together and this makes things very slow	●	18%
Some of my tools and systems work together and this slows us down	●	25%
Most of our tools work together and things get done smoothly	●	35%
Our tools always work well together, and this speeds us up	●	22%

57% of the respondents said technological tools available to them worked well together and can deliver on both speed and efficiency. However, 43% of the respondents felt that their tools were incompatible with their systems, often slowing them down.





When technology improves employee experience and addresses customer needs, its cohesion with velocity comes full circle. It is only when these elements move together that organizations can stay on course with their long-term vision. Once companies begin adopting digital technologies such as composable applications, cloud platforms, and data analytics, they do more than modernize their technology landscape; they put together a digital foundation that provides stability and resilience through market shifts. This foundation will provide a backdrop for a culture, which promotes collaboration and employee well-being. This is what drives enterprise velocity in the long run.



The future of velocity

Using velocity to build a business case

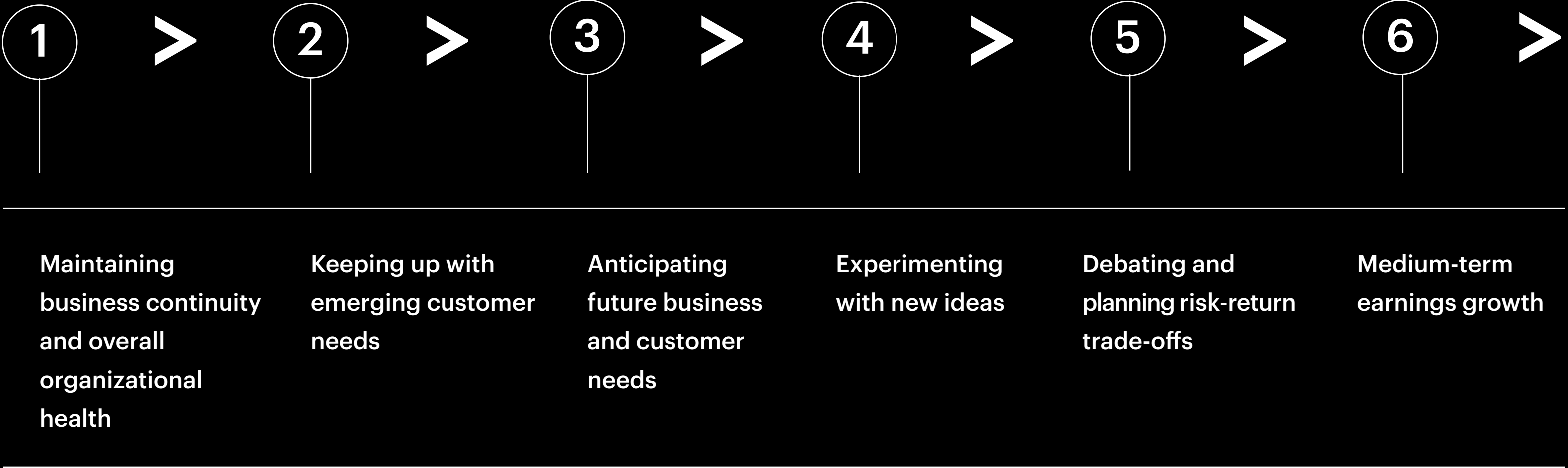
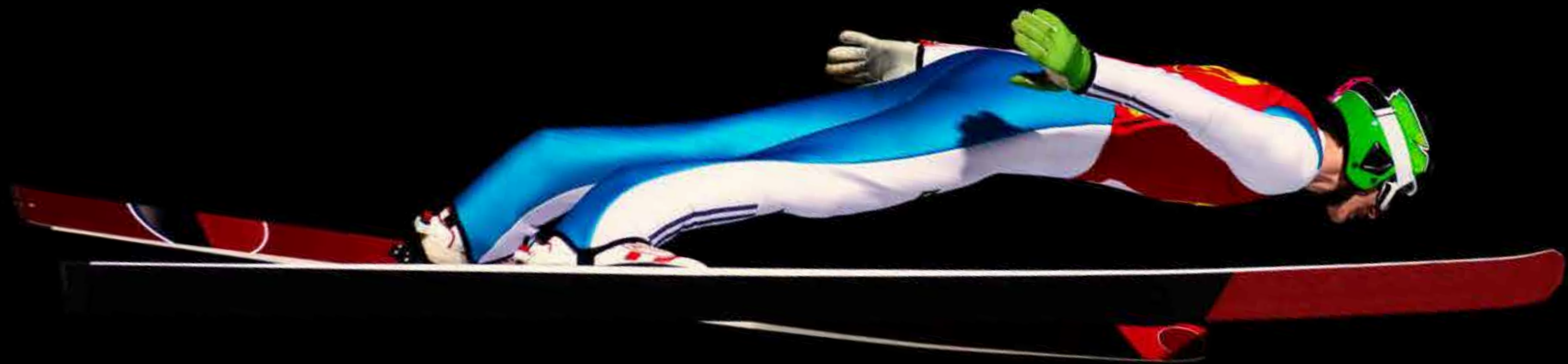
As the idea of velocity is still limited to conceptual understanding, companies are hesitant to organize investments around velocity-driven initiatives. Here is a round-up of how to move the needle and make enterprise velocity a profitable proposition.

Change management has never been easy, but the sudden and unexpected global pandemic of 2020 has pushed organizations to the edge, testing coping mechanisms to the fullest. We have discussed about the negative impact of panic-ridden survival, but consider this a profound opportunity to curb reactionary outbursts and weave sustainability into the fabric. It is conceivable that if 97% of the respondents said it's time to stop thinking in terms of speed and start thinking in terms of velocity, companies must be organizing investments around velocity-driven initiatives. However, that's not the case because problem-solving needs concrete action.

It's time to start thinking in terms of velocity	Velocity is a key business imperative	Velocity is mission-critical and should be rapidly accelerated	Unsure of how to use it to build a business case
97%	52%	36%	18%
Will take time to structure investments in terms of velocity		Organization needs to embody velocity for investment considerations	
38%		25%	
See little difference between speed and velocity and are unwilling to change approach			
20%			

Companies are hesitant to invest in velocity despite 99% of the respondents recognizing it as a positive business driver and 97% stating it is time to think in terms of velocity vs. speed. People said they would invest in velocity if the organization embodies velocity. Some did not know how to build a business case using velocity. For velocity to become more functional, fundamental values and company vision act as a sieve that distills strategies, outlines tasks, and creates short-term goals. **The survey demonstrated that leaders are too focused on the immediate versus the new and the next. Managers prioritized maintaining business continuity and meeting emerging customer needs over debating and planning risk-return trade-offs or experimenting with new ideas.** This reflects the attitude that people generally associated velocity with - getting tasks done, increasing competitiveness, and optimizing efficiencies rather than focusing on the right direction, reducing waste, and understanding customers.

What are your priorities in the current business environment?





A round-up of how to move the needle and make enterprise velocity a profitable proposition

- 1** Define long-term focus and the range for shifts and changes
 - 2** Understand that leaders are not process managers
 - 3** Bury the weight of traditional practices and guaranteed-to-succeed mindset
 - 4** Curb knee-jerk competitive impulses
 - 5** Experiment with new ideas without compromising on the company vision
-
- 6** Demonstrate confidence in team capabilities
 - 7** Incentivize outcomes and reward intelligent failures
 - 8** Challenge core impulses and assumptions regularly
 - 9** Invest in deep digital transformations
 - 10** Embrace the power of engineering on the cloud
-

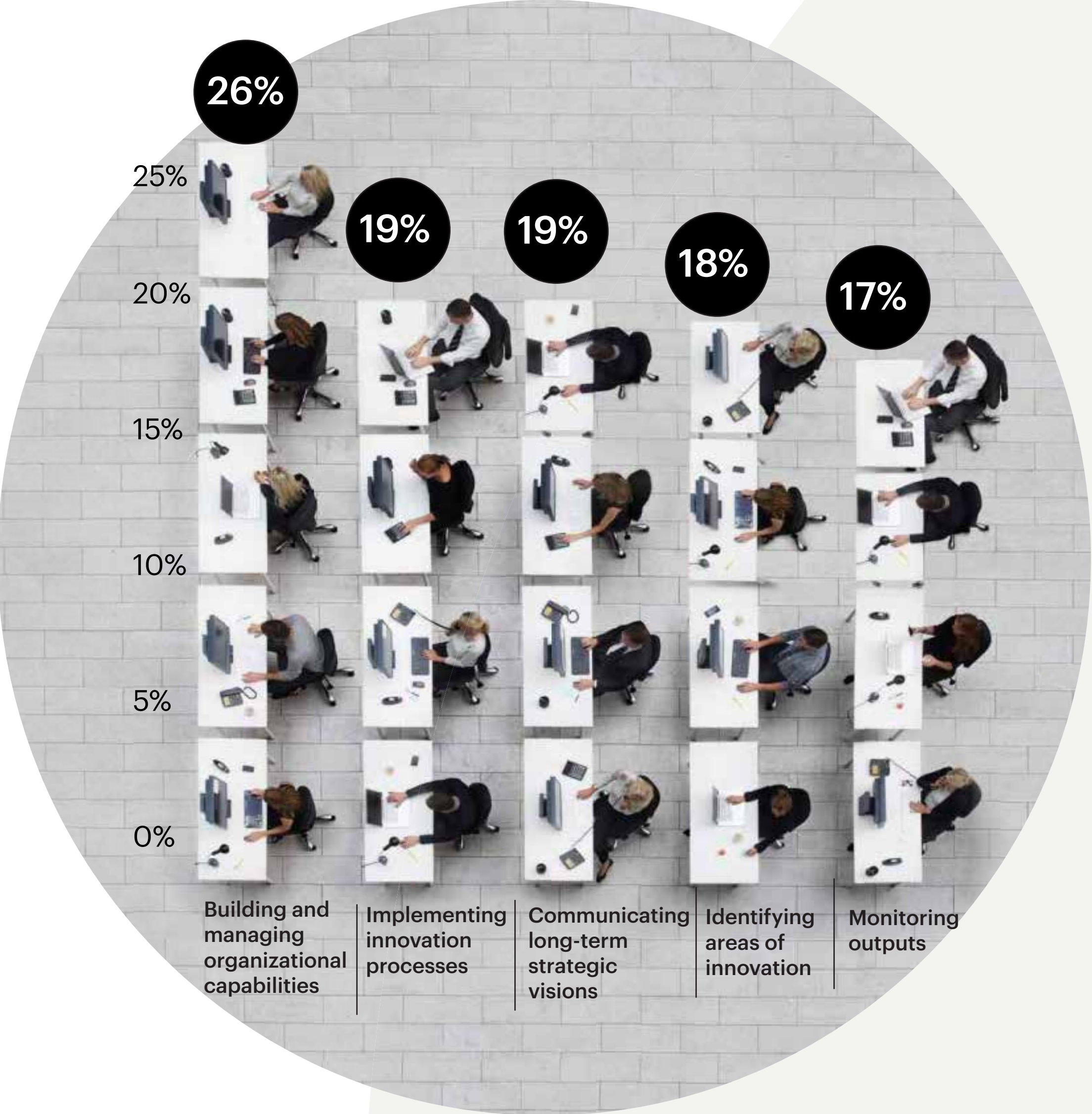


1

Define long-term focus and the range for shifts and changes

Get clear on the long-term growth plan and the values that stand to inform your action. It could be derived from your employees, your customers, an innovation, something more tangible, or a combination of things, and communicate this north star to every team. Motivation acts as a fuel so reinforce these conversations often. Allow possibilities of micro-shifts and small-scale changes, informed by data. This will dignify the long-term vision and pave an adaptable path to success.

Team leads spend time in



2

Understand that leaders are not process managers

Instead of communicating long-term strategic visions (19%) and identifying areas of innovation (18%), team leads spend most of their time building and managing organizational capabilities (26%) and implementing innovation processes (19%). This approach needs to change. Leaders outline and underline the **what** and the **why** and leave the **how** for the team to figure out. Set a sequence to priorities and build organizational capabilities to deliver those.

3

Bury the weight of traditional practices and guaranteed-to-succeed mindset

Twenty-six percent of the respondents said they planned every detail and had a contingency plan in place while practicing agility rituals. An agile organization focuses on outcomes and impact. In this environment, people focus on the right goals; they feel empowered, trusted, and supported. Hence, they perform efficiently. It has nothing to do with detailed planning or a guaranteed-to-succeed mindset. Teams reported that they create learning experiences via outputs, use self-assessment tools, and have visibility of project potential, which means people practice some established rituals but not effectively enough. This is possibly a holdover from worn-out traditional practices and legacy issues.

What agility rituals do you practice in your organization?

26%

Plan every detail and have contingency plans in place

22%

Create learning experiences via outputs

18%

Have a well instituted rapid feedback mechanism

17%

Use self-assessment tools effectively

17%

Have total visibility of project potential

A black and white photograph of a roller coaster track. A train is at the peak of a large loop, with the track curving downwards on either side. The background is a light gray with a large, faint, light-colored triangle.

4

Curb knee-jerk competitive impulses

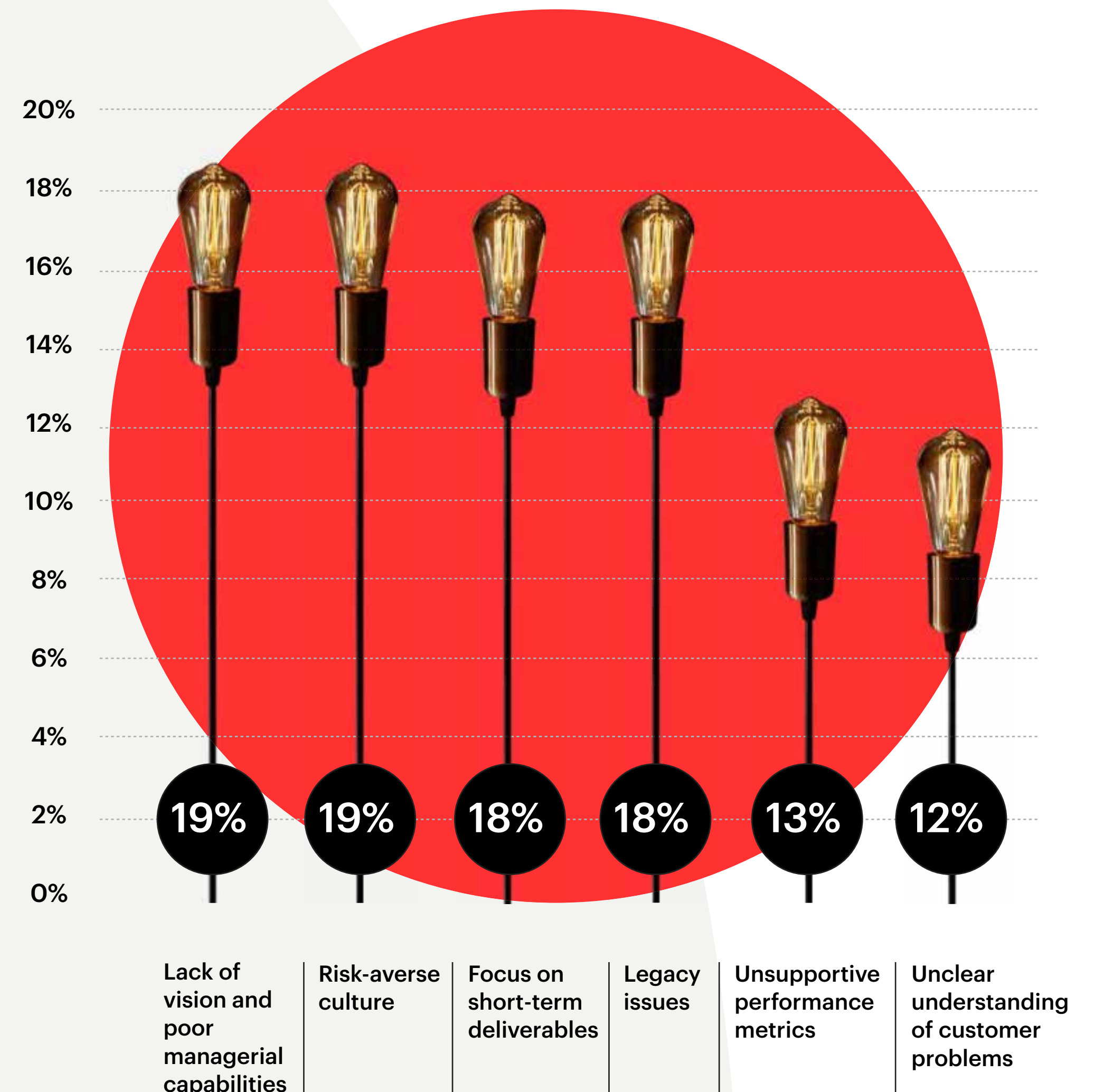
Invest time to understand customer journeys, apply design-thinking principles rigorously, and prototype compelling experiences. Remember, if the tendency is to always look over one's shoulder, solutions will also be limited to the imagination of competitors. At a basic level, be aware of market dynamics and erudite about how these factors can influence your unique response.

5

Experiment with new ideas without compromising on company vision

Restraining from knee-jerk instincts is closely tied to experimenting with new ideas. Companies must encourage people to dedicate time and try new things, such as week-long hackathons, with a mission to promote creative brainstorming. Will all ideas make the grade? It doesn't matter because it will still enforce learning via doing and spotlight the process instead of the product. Tweak daily productivity goals and free people from prevalent ways of measuring success.

What obstacles do you encounter when experimenting with new ideas?



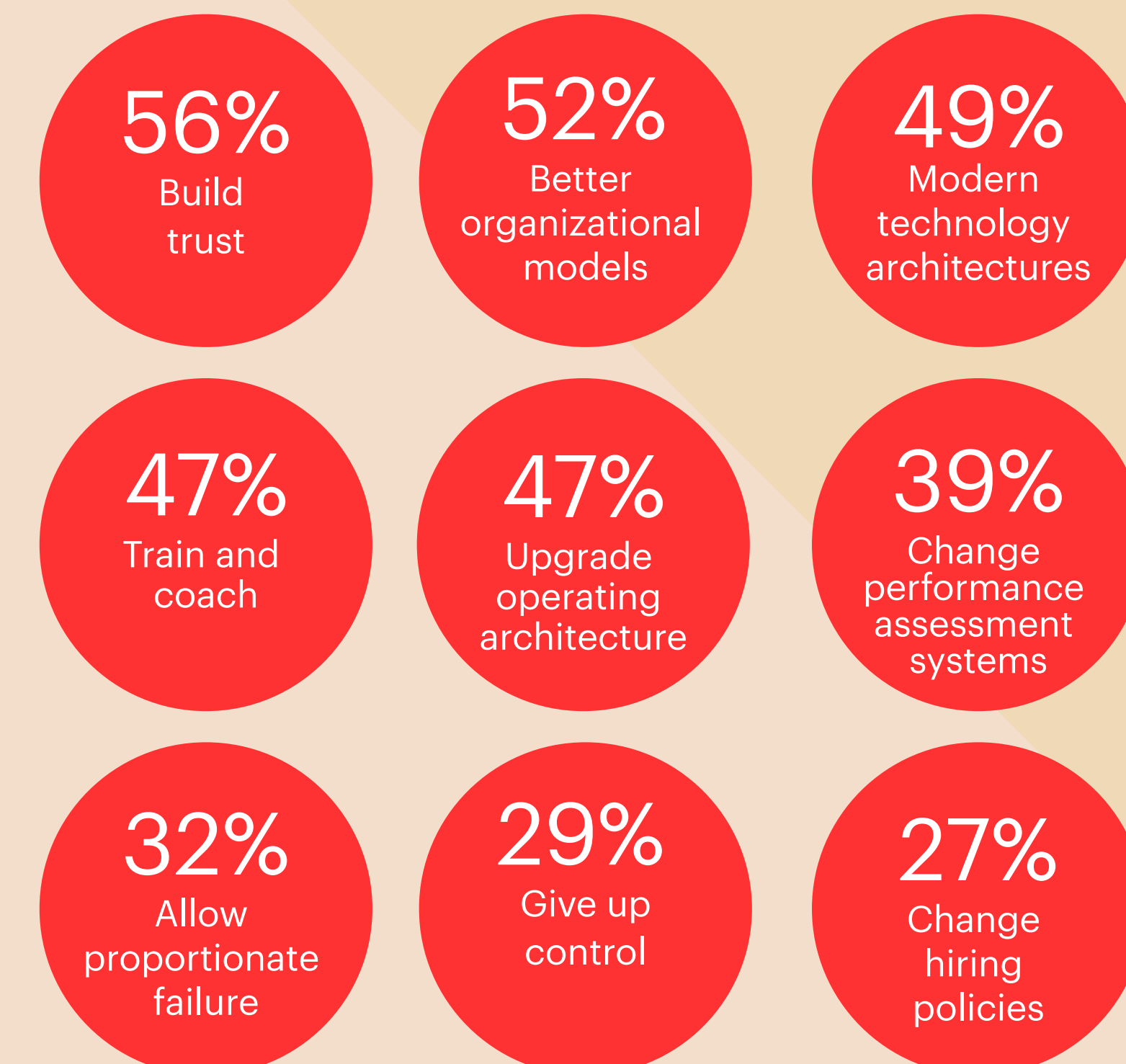


6

Demonstrate confidence in team capabilities and back them fully

Agile teams are self-motivated, self-governed, and self-regulated. Define the mission, the broad strategy, and the short-term milestones. Self-autonomy is primal to agility. Sometimes companies can contextualize long-term vision and still try to micro-manage short-term goals, leading to high alignment with the vision but low autonomy overall. Over time, this leads to less than desirable results. Turning over control is critical.

We asked companies to rank traits most needed for agility



An abstract graphic on the left side of the slide. It features a large, dark blue curved shape that resembles a stylized 'S' or a wave. A teal-colored wavy line runs through the center of this blue shape. A small, bright yellow sphere is positioned at the peak of the teal line. On the far left, there is a white line drawing of a square with a curved line inside, possibly representing a stylized 'C' or a path.

7

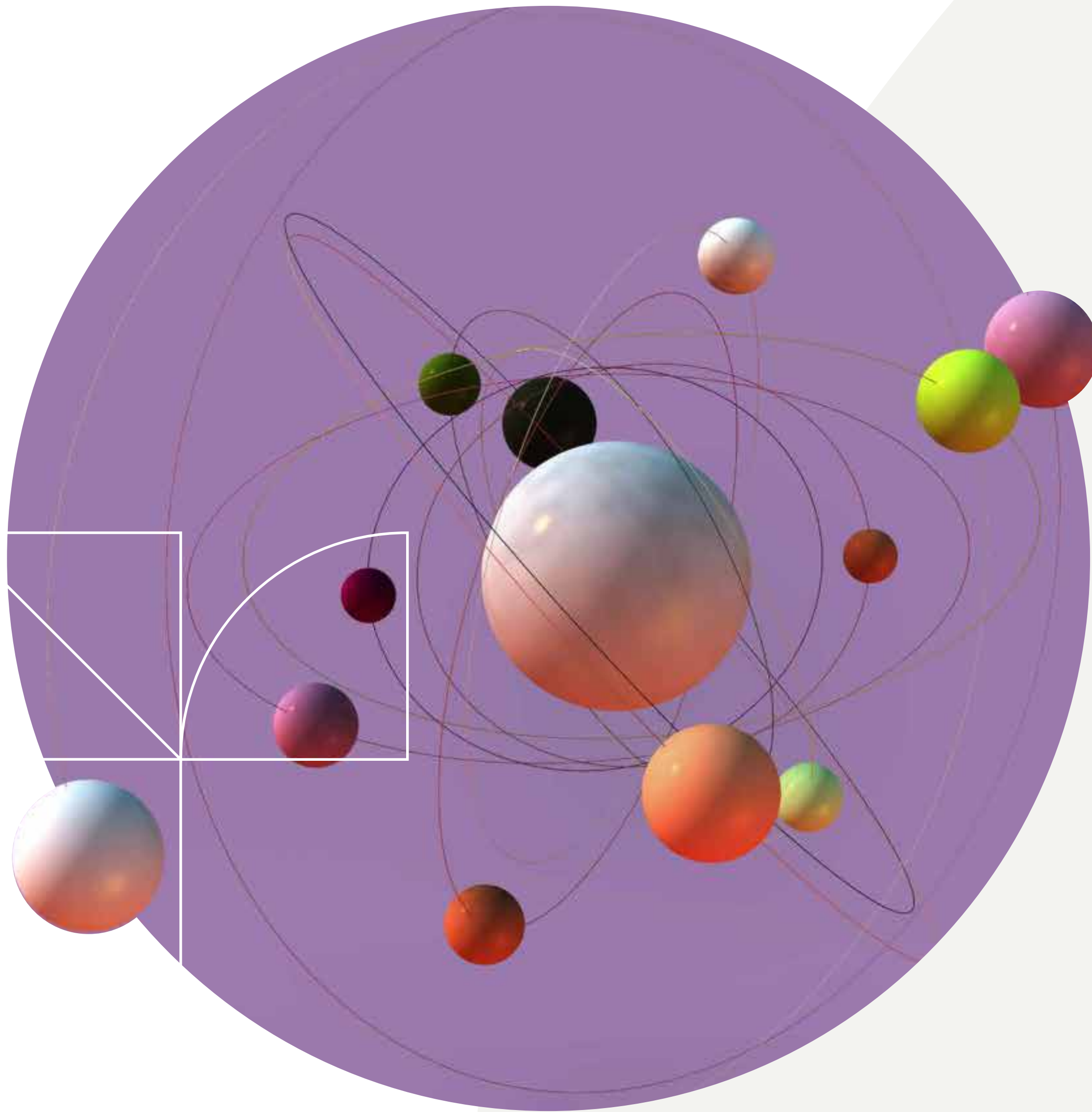
Incentivize outcomes and reward intelligent failures

Human beings respond to stimuli, and most large companies reward only success. Culture changes require patience, but the investment builds strong alignment with the company vision and maximizes enterprise focus. A fail-fast environment leads to rapid learning. The approach to risk and failure needs to change fast and change dramatically. The key is to institute activities that take the taboo and stigma out of failure and risk-taking.

8

Challenge core impulses and assumptions regularly

Digital transformation is foundational to velocity, no doubt. But technology is an enabling tool for people to become more responsive, intelligent, and fluid. Mindset transformation will always trump technology transformation. No matter how strong a heritage, there comes a time when old must give way to new. But if people lack the right mindset to change and current organizational practices are flawed, digital transformation will only magnify the flaws.



9

Invest in deep digital transformations

It is impossible to know precisely when your business or customer base will reach a tipping point. A velocity-driven enterprise is always prepared for potential impact. The goal is to achieve favorable quality under dynamic conditions and varying workload intensity. This can be triggered by a variety of factors – for instance, holiday season sales or launching a campaign that targets a broad reach. Traditional technologies are not sophisticated enough to respond to buying behavior in real-time and so companies are unable to adjust to sudden spikes. Velocity requires businesses to build better architecture, invest in deep digital transformations, and embrace the power of engineering – all contained within a proactive, people-oriented, automation-first, and agile-at-scale approach.



10

Embrace the power of engineering on the cloud

Cloud is no longer just a lever that delivers technology needs with cost reduction benefits rather it is the foundation for innovation. The scalability cloud offers drives business agility and innovation, and makes it an essential enabler for future transformations. Admittedly, cloud adoption is complex and time-consuming for legacy firms, but it tangibly shifts stifling status quos and equips seamlessness, empowers people, and modernizes possibilities. Alongside an engineering mindset, which includes the DevOps philosophy, this becomes a game-changer for companies to become more modular, agile, and fast-paced.

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