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DESIGNED FOR TOMORROW

Thought Leadership Report



Foreword

Change is inevitable in business. Think of the evolution of the printed word within our lifetime. The world of business has gone from halls with clacking typewriters to secure, intelligent networks of multi-function printers.

Today, 3D and commercial printers can manufacture personalised, bespoke products on demand. Businesses across all kinds of sectors are benefiting by adding a digital dimension to their paper processes and output. The options are endless and the rate of change is astounding.

But navigating this world of change as a business leader can be daunting. With markets, consumers and technologies evolving rapidly, executives are working to gain more control of their organisations to chart a steady course for success.

But how much of a business' success is driven by external factors? How much control do business leaders really have over their future success? And how important is the technology that we use every day for enabling businesses to weather changes, adapt and thrive?

To explore how leaders see their future, we commissioned a survey of 2,550 business owners and senior decision makers across 24 EMEA countries.

Positively, things that were once perceived to be business blockers are now being viewed as part of the recipe for success. As well as skills and technology, the issues of regulation and digital disruption are now viewed as providing opportunities, not threats.

But ensuring that a business can thrive in the future depends on the suitability of the technology at its heart. This has to be as adaptable as the organisation itself. Ultimately, success tomorrow will depend on flexibility today.

This report shines a light on what's required to create an organisation that can shape its own destiny, even in times of change.

I hope it inspires you to examine how your organisation is responding to change, how much flexibility you have in your business, and how you can be prepared for success regardless of what tomorrow brings.

David Mills
CEO Ricoh Europe



Executive Summary

This report explores how change is shaping leaders' decision making. Along the way we'll examine three key trends:

- How enterprise technology has shifted from a threat to an enabler – but must evolve further
- The importance of people and the workplace processes that enable them to innovate
- How regulation is helping businesses to adapt for the future

The key findings of the research are as follows:



European business leaders are working to gain more control of their organisation's future success (69%).

- Half (51%) believe external factors dictate success more than internal ones
- One third (31%) view a culture of agility as key for success – a further third (31%) are prioritising contingency plans



Business leaders across Europe view regulation as a springboard for organisational success.

- Only 22% agree that government and industry regulation is a blocker to their success
- Adhering to environmental (56%) and privacy regulations (55%) affords businesses greater control over their future success



The fast pace of technological change is an enabler of success, rather than a blocker

- 50% view digital disruption as an enabler, while the pace of technological change is the biggest opportunity for business success (66%)
- Workplace technologies are valued for their boost to productivity (70%) and problem solving (69%) as well as cutting down on mundane tasks (66%)



Yet workplace technology is limiting some businesses, by failing to keep pace with their current and future needs.

- Two thirds (69%) upgrade their technology at least once a year, at an average of over €26,000 each time
- Half worry their technology prevents them keeping pace with change in their market (50%) or that it can't support their future success (47%)



Business leaders recognise that agile, automated processes will be critical for responding to change in the future.

- Issues with digitising documents (41%), bottlenecked processes (39%) and unintuitive storage (37%) are the biggest timewasters – resulting in missed deadlines (48%) and failure to meet customer demands (48%)
- Two thirds (66%) agree that converting paper-based processes to automated technologies will help them to be more successful



Adaptability in uncertain times

At a time when the world is transforming fast, business leaders appear initially confident that they can determine their own fortunes.

The majority (86%) state that their organisation has the ability, resources and time to decide their own direction and success.

However, it's clear that rapidly changing markets are having an impact. In fact, half of business leaders (51%) believe that external factors dictate the success of their organisation more than the internal ones within their control.

The importance of external influences is highlighted through the lens of our increased connectivity: cross-border bandwidth – the data traffic between countries – [is 45 times larger today than it was in 2005](#).¹

Factors like the health of the global economy impact even local businesses worldwide. Executives point to the internationalisation of trade (44%) and the global economy (42%) as important to driving their success today, with the role of the global economy rising in importance to 48% by 2020.

To secure success, most (69%) business leaders are working to gain more control over their organisations – and that means putting the foundations in place to ensure it can adapt to change.

Many business leaders identified contingency plans for global uncertainty (31%) and developing a culture of agility (31%) as top priorities for enabling success over the next two years.

Leaders realise that long-term success depends on building an agile organisation that can adapt to changes and challenges as they arise. As we'll see, key to this is making the right use of workplace technology.

But change doesn't just pose new challenges: it also creates new opportunities, often in unexpected places.

¹<https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/digital-globalization-the-new-era-of-global-flows>



The Regulation springboard

It's easy to see industry and government regulations as restrictive, especially in times of change. But business leaders are taking a much more optimistic view of new compliance requirements.

The process of adhering to environmental (56%) and privacy regulations (55%) is widely viewed as an enabler of organisational success. This includes high-profile regulations such as the Paris Agreement and GDPR. Encouragingly, only 22% of business leaders consider these requirements to be a blocker to their progress.

This could be because more businesses are starting to recognise the commercial power of behaving ethically.

Our research revealed that two thirds (66%) of leaders believe that sustainability will become an increasingly important success factor for their business as it grows.

Our research revealed that two thirds (66%) of leaders believe that sustainability will become an increasingly important success factor for their business as it grows. Almost as many (63%) agree technology has a key role to play in meeting these new requirements.

From a sustainability perspective, that could mean choosing devices that use fewer resources, like energy and paper. Two thirds (67%) of business leaders are looking to invest in smart technologies that are environmentally friendly, while a similar proportion (64%) want to purchase more low-energy devices.

Many are investing in reducing their reliance on paper-based processes, with two thirds (66%) stating that a move to more automated, digital processes would help them succeed in the future. Critically, choosing devices that can be updated, rather than discarded, can not only improve performance, but significantly reduce waste sent to landfill. Thankfully, the link between cost saving and environmentally responsibility is being increasingly recognised.

With regulation in mind, a crucial consideration when bridging the gap between digital and paper-based processes is the importance of safeguarding data. Business leaders appear to understand that regulations can in fact enable their organisation to be ready for the new business environment. Using agile and flexible technology, they can turn the challenge of compliance from a headache to a strength, and even make regulations a springboard for broader organisational success.



From blocker to enabler

Another unexpected source of opportunity is digital disruption. This has typically been characterised as an obstacle, perhaps even a threat, to established, incumbent businesses and industries.

In the past decade, technological change has enabled new competitors to reshape whole markets seemingly overnight, catching many organisations unaware.

But as we've seen with regulations, business leaders' views are changing. Digital disruption is increasingly viewed as an enabler of success, not a blocker, as half (50%) of all European business leaders agree.

The pace of technological change is now in fact seen as the biggest opportunity for business success (66%).

So why is technology viewed as such a powerful factor? It comes down to the importance of people, whose leaders still acknowledge as their most valuable asset. Nearly three quarters (71%) agree that the people skills in the business are the biggest enabler of success. And when used correctly, it's technology that enables businesses to maximise the power and expertise of their workforce.

Workplace technology brings three key benefits. It's seen as a productivity enabler (70%), that can motivate staff (68%) and enable them to reach their full potential (67%). It is also valuable because it can change the way that people work, enabling employees to innovate (67%) and focus on adding value over mundane tasks (66%). These new technologies are not just a result of the pace of change, but powerful means of responding to it. But for this strategy to work, businesses need access to a technology platform that can evolve as much and as quickly as they do.



Technology designed for yesterday

Workplace technology undoubtedly brings many benefits to European organisations. However, many are still grappling with tools that aren't fit for purpose. This is limiting their current and future success in the fast-moving business landscape.

Executives report frustrations with technology that is hard to customise to their needs (61%) and fails to reduce admin time (62%). Perhaps as a result, only two thirds (67%) say their employees are fully exploiting technology in the business.

Typically, technologies become outdated quickly and are difficult to upgrade.

Over two thirds (69%) of businesses upgrade their technology at least once a year, and this doesn't come cheap, at an average of £23,156 (€26,739) each time.

Keeping abreast of the latest technology also stretches other resources, as over half (56%) find keeping their systems up to date a chore.

Critically, the limitations of businesses' technology may be damaging their overall success. Worryingly, half of business leaders (50%) believe their current technology prevents them from keeping up with their market. A further 47% worry it will be unable to support their future growth.

In many organisations, workplace technology appears to be falling behind. When most customers and employees can access personal devices that have evolved at speed, it's simply not good enough for businesses to offer them outdated technologies that are difficult to use and costly to upgrade.

Like smartphones and tablets, our new multifunction printers can be simply and securely updated to integrate with new applications and technologies as they're adopted by the evolving business. This technology platform, designed for the needs of tomorrow, ensures business leaders are ready for future challenges, without being locked into expensive upgrade cycles.

Technology that can keep pace with the business – without excessive costs – will be key for organisations to succeed in this environment.



Due process: a platform for change

For a business to perform at its best, whatever the future brings, it needs to lay down streamlined and agile processes. However, our research shows this is precisely where technology is often slowing them down.

Digitising documents was cited as the biggest technological time-waster (41%), followed by bottlenecked processes (39%) and unintuitive storage (37%).

Importantly, these limitations are starting to impact business performance.

Issues with workplace technology have resulted in missed deadlines (48%) and failure to meet customer demands (48%).

As customer experience becomes an increasingly important marker of success, these findings are concerning.

While the right technology can enable employees, poor workflows undermine their satisfaction.

Businesses report that employees feel frustrated (47%) and are less productive (43%) and less motivated (41%) as a result of technological frustrations.

Processes have a pivotal role to play in productivity – and business leaders recognise the role that technology can play. Two thirds (66%) agree that converting paper-based processes to automated technologies will enable them to be more successful.

This trend is part of what has made cloud computing so overwhelmingly successful. Our [Intelligent Devices](#) range is designed specifically to seamlessly bridge the gap between paper and digital processes. This bridge is essential. As we've seen, frustrations and delays in this process can have a real impact on a business' bottom line.

Business leaders need agile processes in place, so that they can steer their business readily and quickly in the future.

Improvements in workplace technology and workflows could reduce inefficiencies today and underpin a more nimble organisation for tomorrow – empowering businesses to succeed in changing times.



Conclusion

Business leaders have always had to contend with external factors beyond their control. But today, success depends on responding to more uncertainty than ever before.

While leaders can't completely control – or in some cases even predict – what lies ahead, they can shape their organisation to be adaptable enough to respond to change.

That means using workplace technology to its full potential, to reshape processes, make efficiencies and improve overall agility.

It means ensuring that technology keeps pace with the business, with flexible solutions that can be customised and updated according to the organisation's evolving needs.

And it means taking advantage of technology to foster the full potential of the talented individuals in the business – and attract new ones.

This is why we developed our new [Intelligent Devices](#) range that can integrate with and complement any future workflow solution. This allows businesses to be confident that their system will always be compatible, effective and suitable to their ever-changing needs.

We're seeing businesses respond to change by transforming many former challenges into new opportunities. This includes compliance, regulation and digital disruption. Perhaps as a result, despite the challenges ahead, business leaders are optimistic for the future.

Most business leaders expect to increase employee productivity (40%), create new revenue opportunities (38%), and improve customer experience and loyalty (38%) in the next five years.

But to guarantee their success, business leaders must make sure their business – as well as their technology – is designed for tomorrow.

Methodology

This survey of 2,550 business owners and senior decision makers was conducted by Coleman Parkes in January 2019. Respondents were located in the UK, Germany, Spain, France, Italy, Denmark, Ireland, Austria, Switzerland, Netherlands, Norway, Poland, Portugal, South Africa, Russia, Sweden, Slovakia, Turkey, Finland, Belgium, Luxembourg, Hungary, the Czech Republic and Middle East, and worked in businesses in the public sector, healthcare, education, financial services, professional services, utilities/energy, manufacturing and retail sectors.



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