



Co-creation for Success

Unlocking Creativity, Knowledge & Innovation

Global study
exploring how organizations
can achieve success

shaping tomorrow with you

Foreword

Contents

Foreword	2
The ingredients for Success	3
Serving Employees	7
Serving Customers	11
Serving Society	15
The Global View	20
Conclusion	25
Methodology	26

In our Digital Transformation PACT report last year, we explored how leaders felt about four key dimensions of their businesses: People, Actions, Collaboration and Technology.

The research found that the world's organizations were at various levels of maturity for each of the areas. But it highlighted that those organizations that could achieve balance across areas all four, would have the best chance of realizing digital transformation. To help them innovate better and faster and maximize their potential in a competitive world.

When we analyzed these research findings, it prompted further questions about the nature of modern business.

But in one area of the study – “People” – the findings pointed to bigger challenges. Business leaders were not only concerned with ensuring employees have the right knowledge and skills for digital, but also that they are truly engaged in the organization and able to impact its success. While our research showed many had experienced mixed results in delivering digital transformation, being driven by customers was a common thread.

This led us to look further into the power and impact of “people” on the business. People are critical to business of course, but can act in one or more of three roles. They can be employees, they can be customers and they can be citizens who make up wider society. What do people in each of these roles expect from the business community? How much does success hinge on them and are organizations aware of and addressing this?

To take a closer look at this topic we surveyed almost 2,000 business decision-makers across financial services, retail, manufacturing and transport and public sector. We wanted to find out where organizations are in terms of engaging with these audiences and what their priorities and challenges are for the coming years.

The insights you'll find in the following pages shine a light on a business community being pulled in different directions. The report will explore how organizations are being challenged to balance three distinct groups of people, managing and responding to the demands and influence of each.

Employees, customers and citizens of the wider world around us – historically these roles have been viewed and treated as three distinct and largely disconnected entities. An organization might practice great customer service. It might have effective employee engagement and development programs. And it might carry out initiatives that have a positive impact on society.

But in today's world that's not enough. In today's world, you need to see and treat all three audiences holistically, engaging each and establishing trust in order to meet their expectations.

Because when you break this all down, when you remove the labels and language of the business world, there's one simple word that describes all these audiences: people.

Some of them buy your products and services. Some of them work within your organization. Some of them only experience your brand through the stories they read and hear. But they're all people. And they all impact your business on some level.

Considering this, organizations need to put people at the heart and at the forefront of every decision they make. Put people first and you'll satisfy the needs of employees, customers and society simultaneously. The ability to balance all three is the key to success.

Achieving that won't be easy, as you'll learn from this report. But I believe future success will be driven by knowledge, innovation and creativity, supported by advancements in digital technology and an evolved business approach with people at its heart.

Over the coming pages, you'll read about the factors the world's business leaders believe will most influence their organization's success. Exploring the relationship between the business community and employees, customer and citizens, it will explore how each group effects the future of an organization, the role of digital in addressing this challenge and, ultimately, how organizations must now think and act in order to get the best out of these three groups and ensure long-term success.

Duncan Tait

Corporate Executive Officer, SEVP and Head of Americas and EMEA at Fujitsu.



The ingredients for sustained success – creativity, knowledge and innovation

Future success will be driven by knowledge, creativity and innovation, supported by advancements in digital and an evolved business approach with people at its heart.

Key findings

- Of the three groups core to business success (employees, customers and society), organizations put most importance on serving employees (**60%**), then customers (**55%**), then society (**37%**)
- **60%** of business leaders admit it is difficult to balance the particular demands of all three groups
- The most sought-after skills are industry knowledge (**40%**), leadership skills (**39%**) and creativity (**37%**)
- **77%** of leaders believe creativity will be key to their future success
- **78%** believe the ability to change will be key to success in the next three years

People have always been vital to business. Every organization is there to serve someone, whoever that person may be. And it has been that way for centuries.

However, over the last few years, the group of people businesses need to focus on has shifted. Where once, success felt very much hinged to the customer, it is increasingly clear that employees and citizens within society play a huge role in the success of an organization.

No matter your industry, changes in society – from the rise of digital to the renewed focus on environmental impact – have raised expectations towards businesses and ‘people’ are more demanding and have more impact on organizations than ever before.

Today’s organizations have to serve three groups of people to succeed:



And they have to do more than just serve them. They have to create a significant positive impact across all three to succeed. And ultimately, organizations need to understand that each group is closely linked.

How can they achieve this? And what importance do organizations currently place on each of these three roles? Before we discuss each group in detail, let’s look at how organizations are responding at a high level.

The challenge of balancing the three roles

When asked to consider which of the three groups of people they feel the strongest duty to improving the lives of, 60% of business leaders surveyed said they feel most duty-bound to improve the lives of employees, closely followed by customers at 55%. But while organizations have plenty of experience in engaging their employees and understanding their customers, do they know how to relate to citizens and wider society?



The answer is interesting. Impacting wider society is seen as somewhat less of a priority, with only 37% saying this is their number-one concern. But as you will see later in this report, society is by no means an ignored group and its importance to future success is obvious. And certainly, as you'd expect, for public sector organizations this is already the number one priority – 52% of public sector leaders chose “contributing to society” as their main success factor.

However, within the private sector, the current focus could be partly due to the fact that having a ‘purpose’ beyond making your employees and customers happy is a relatively new phenomenon. But it's worth considering, too, that societal impact is probably perceived to have less of an immediately obvious effect on the bottom line, causing it to get bumped down the list of priorities.

That said, you need only look at recent research into the importance of brand ethics to see that organizations may change their approach to societal impact in future.

It's worth noting that size has a significant effect on an organization's priorities when it comes to these three groups of people. For larger entities, they place stronger emphasis on their impact on the wider world – 47% of those with 250-500 employees selected society as their priority, 10% higher than the global average.

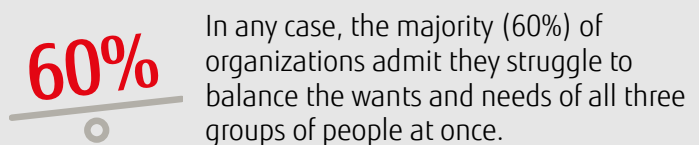
Perhaps these latter figures could be explained by a greater amount of external pressure to be seen to do the right thing, from both a brand perception and business perspective. After all, previous studies have shown that the majority of consumers prefer to purchase goods or services from companies that have a social purpose.

Financial gains and doing “good” – mutually exclusive or one and the same?

So far, so clear. But the insights become more contradictory when you dig a little further.

54% of organizations said achieving financial growth is important to them, for instance, while 45% said having a good reputation matters. Yet only 35% said creating new opportunities for employees and maximizing their potential is vital to success, while only 27% said the same of contributing to society.

It seems many organizations view factors like focusing on people and being a positive force in the world as separate from their financial and reputational goals. But can these really be separated? In today's global economy, reputation and financial success go hand-in-hand.



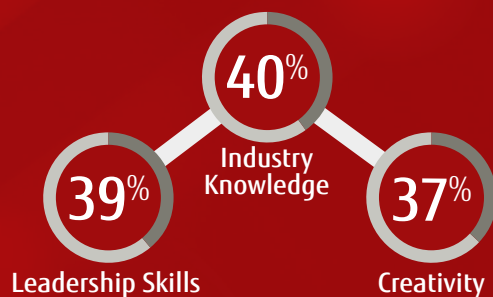
This is where things get interesting. Because Fujitsu believes that the organizations that do manage to accomplish this will leave their competitors behind in the coming years. And right now it feels like the playing field is wide open.

How to succeed – unleashing the full force of knowledge, innovation and creativity

Bearing all this in mind, what will give organizations the best chance of success?

Let's start by exploring things at a people and skills level.

Our research uncovered three traits in particular that will prove valuable in servicing the three groups of people outlined above, according to the organizations we surveyed – largely 'softer', people-led skills:



Other factors such as the need for digitally advanced technology capabilities (34%) and people management (33%) scored high, but a healthy balance of the three skills listed above seems to be the Holy Grail most organizations are seeking.

Now let's look at success factors on an organizational level.

'The world is transforming, and so too are the demands being placed on organizations global business leaders feel the key to success is knowledge, creativity and innovation'

77% of respondents said creativity is key when we specifically asked them how important it was to the future success of their organization.

But creativity isn't all about winning awards or coming up with eye-catching marketing campaigns. It's about the way people think and act, from the factory floor to the contact center and everywhere in between. Every single person needs to know they can have an impact – co-creating with everyone all over the organization and beyond to achieve the best possible results. So whatever the size of your company or the sector you're in, creativity is an attainable goal.

Agility scored highly, too, with 80% of organizations we surveyed saying it will be vital to their future success. This again speaks to how quickly the world is changing. And from this figure it's clear business-leaders are concerned with not being able to keep up.

We see further evidence of this in the fact that 78% of organizations see the ability to change as key to success in the next three years. This suggests that not only are leaders concerned about keeping up with the pace of change – they believe that change is imminent.

So what does that change look like in their eyes?

A focus on service and innovation

The top three areas where organizations have either reevaluated their approach or plan to in the next three years are:

1. Service and product development (50% have already reevaluated; 40% plan to)
2. Service delivery to customers (50% have already reevaluated; 39% plan to)
3. Business strategy and objectives (48% have already reevaluated; 42% plan to)

The area in which organizations are least likely to instigate change is corporate social responsibility (CSR), with only 39% saying they've reevaluated their approach already and only 39% planning to do so in the next three years.

This latter point again suggests that many organizations still don't see CSR as business-critical.

One thing the vast majority of organizations do agree on, however, is that they've got to address their skills shortages if they're going to succeed in the coming years, with 66% citing this as an issue.

Let's look in more detail at how business leaders regard their relationship with employees.



'Innovative, collaborative
employees are the key to
future success'

Serving Employees

In the previous chapter we explored the three different roles of people today's organizations need to serve in order to succeed.

Let's delve a little deeper into the first of those - the employees - and the way organizations are currently serving them.

Key findings

- The types of employees business leaders believe will be most critical to their success are innovators (54%), collaborators (49%) and doers (46%)
- 66% said employees have an increasing amount of influence on their business
- 73% believe unlocking employee creativity is vital to the success of their organization
- 68% believe employee engagement has increased in the past three years
- Almost half said their organization has lost great employees because they felt stifled or frustrated

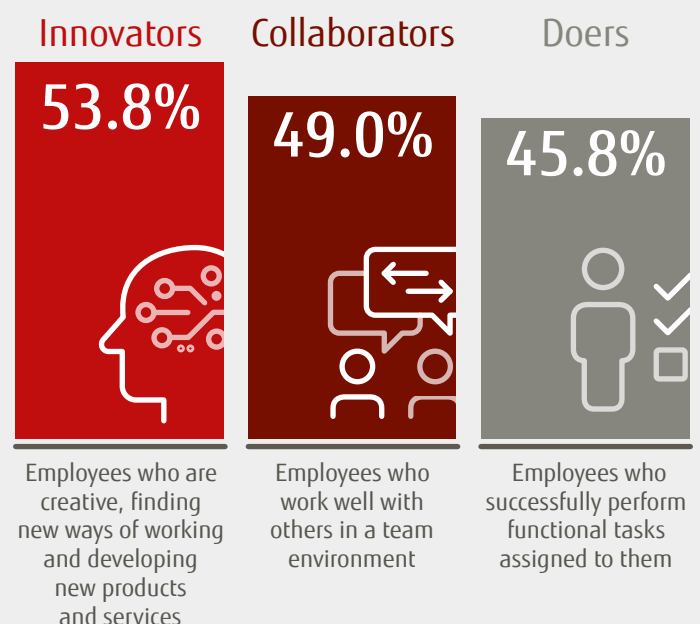
If there were two words that summed up the findings focused on employees they would be creativity and influence, with the former being needed to truly unlock the latter.

Throughout the following section you will see that business leaders from all over the world believe in the need to instill creative, innovative thinking in their organization.

The most forward-thinking business leaders realize that to really drive success they have to unlock all the talent within their organization and use it to its full potential. As a result they're seeking creative, adaptive people who can unlock innovation, delivering bigger ideas that lead to better services that will ultimately help them serve their customers better.

Three employee types to bring success

When we asked respondents to select the two employee 'types' that will be most important to their organization's future success, three came out as clear leaders:





The only time this preference changes is in the public sector, where collaborators are the most in-demand, selected by 51% of leaders. Globally, the fact that 'innovators' was the top result here shows the quest for increased creativity we highlighted in the previous chapter. The only way an organization can become more creative in its thinking is to hire and develop more creative talent and encourage a creative culture.

And this isn't just about new hires – **73%** of leaders feel that unlocking creativity that already exists in their organization is vital to success, and much of that focus could, and should, be on the talent they've already got.

The 'innovators' result also makes sense when you consider that 66% of leaders said employees have an increasing amount of influence on their organization.

It seems organizations are recognizing that employees can actually become competitive differentiators in themselves when given the tools and opportunity to do so. And that allowing creativity at all levels to shape the direction of the organization can lead to greater diversity of ideas than simply leaving business decisions to the C-suite.

The cultural impact of a more open way of operating is also acknowledged. Employees who are engaged with and enthused by their business we can assume make for a happier team than those who are pigeon-holed. As such, almost three-quarters (74%) of leaders surveyed believe employee happiness is intrinsically linked to their organization's success.

Which leads us to the engagement question.

'Organizations need to trust and engage their teams to unlock their talent'

Employee engagement is key

High employee engagement levels have been shown to have a **significantly positive impact in the workplace**, from increasing productivity to reducing sick leave.

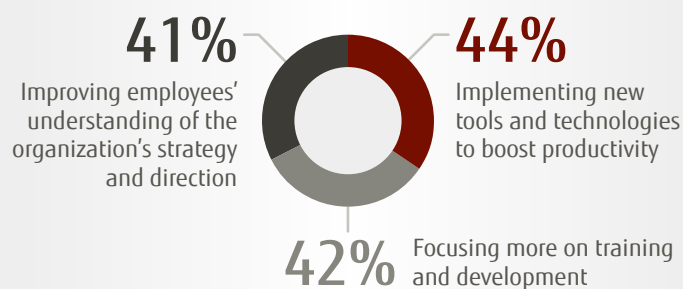
This is good news for the majority of organizations, as 68% of those we surveyed believe employee engagement has improved in past three years.

But while this looks positive at first glance, there are some more alarming figures lurking beneath the surface.

24% of organizations have seen no change in employee engagement at all, while 9% said engagement levels have actually gone down.

When business leaders acknowledge that fully engaging their workforce is critical to success, it is concerned that almost 1-in-10 organization admit to a worsening relationship with their employees. As the world evolves and becomes even more competitive, failing to improve could lead to disaster. As for the organizations who have managed to boost employee engagement, let's look at how they achieved it.

The top three reasons for improved engagement levels are:



And what about the organizations whose employee engagement levels went down?

The top three reasons given for the decrease were:

1. The business not empowering employees to influence decision-making (34%)
2. The business focusing too much on revenue and not on the employee (33%)
3. The business losing its strong culture as a result of rapid growth and/or mergers/acquisitions (28%)

The first of those three points is particularly interesting when we consider the earlier finding about workers having an increasing influence on their organizations. It seems doing so not only has the power to breed innovation but also has a significant impact on employee engagement.

But it goes even further than that.

Almost half (47%) of the organization we surveyed said they've actually lost great people because they felt stifled and frustrated.

This is hugely concerning. Given all we have read here about how vital creativity and innovation is to the future success of organizations, the fact that many are struggling to give employees the right platform to showcase such skills must not be ignored.

It also points to an uncollaborative culture, which is a fascinating contradiction given "collaborators" are the second most in-demand employee "type" cited earlier in the study.

Putting more power in employees' hands, it seems, is more than just a nice-to-have. It's a business-critical decision.



‘Investment into digital technology will be key in meeting future customer expectations’

Serving Customers

The customer relationship is changing – customers demand more innovation but at lower cost. Leaders believe that knowledge, talent and innovation are the keys to success.

Key findings

- **71%** of business leaders said customers expect their organization to be more innovative in the service it delivers
- **73%** said their customers expect the organization to be more cost-competitive in its pricing
- **73%** believe digital technology has improved customer service at their organization
- **73%** are confident their organization will be able to meet customer demands in the next 10 years, leaving **27%** who are not-so-confident
- **61%** believe AI will transform the services and products their organization can offer



of leaders do not believe they are in a good position to meet customer demands in 10 years.

Let's delve a little deeper into the first of those - the employees - and the way organizations are currently serving them.

It's no secret that organizations across the world are feeling the pressure to keep up with changing customer demands.

In our PACT report last year, in fact, 58% of business leaders told us customers were the biggest drivers for digital transformation.

Keeping up with these evolving needs is becoming increasingly difficult, not to mention the constantly changing tide of public opinion when it comes to things like data, privacy and social responsibility, which in recent times has hit technology brands particularly hard.

And while 70% of leaders told us the relationship between their organization and its customers has improved in the past three years, more can clearly be done.

Increasingly hard to keep up

71% said their customers expect the organization to be more innovative in terms of the services they deliver and the way they work with them.

One of the themes you'll notice throughout this report is that the three groups we're exploring – employees, customers, society – are intrinsically linked, and the above stat is evidence of that.

It's clear to see that this constant battle to keep up with customer needs has led organizations to focus more on their internal talent, which in turn has an impact on the way they serve their customers and how they're perceived by the outside world as each group of people has a knock-on effect on the next.



On top of this, 73% of business leaders said their customers expect them to be more cost-competitive in their pricing, and herein lies one of the biggest challenges for many of today's organizations:

When it becomes impossible to compete on price any more without doing harm to your bottom line, what can you do instead to ensure your customers keep coming back?

The road to satisfaction

Fortunately our research has gone some way to shedding some light on this problem.

For organizations who've seen an improvement in customer satisfaction in the past three years, the top three reasons given are:

1. Improved customer service and/or service delivery (44%)
2. Improved communications with customers (44%)
3. Improved understanding of customers and their industries (34%)

What's interesting about the above three points is that none of them rely on slashing prices or making a huge financial investment.

Really what customers care about is good-old-fashioned service. They want to be treated in the right way, and a lot of that simply comes down to effective communication and research, both of which can be partly achieved through the right people and culture.

We should stress, however, that 73% of leaders believe digital technology has improved customer service in their organization, so it's worth investigating how the right tools could help you improve in the three areas listed above. Digital technology is an absolutely fundamental way of delivering for customers and organizations must ensure they are maximizing its potential.

But what about the organizations who saw their customer satisfaction levels dip in the past three years?

For those, the top three reasons given were:



Point three in this list will come as little surprise given what we now know about organizations that have managed to increase customer satisfaction. If an improved understanding of customers has a positive impact it stands to reason a lack of said understanding would have the opposite effect.

But points one and two again show how important it is to consider all three groups outlined in this report as equally important. If you don't serve your employees in the right way, they won't be able to help you innovate and become more competitive. Or worse: they'll leave altogether, which will inevitably have a negative knock-on effect on the way you serve your customers.

The future of customer service – digital technology is the key

Now we've explored what's been happening these past three years, let's look at what lies ahead in the customer landscape.

While 80% of leaders believe their organization currently does everything it can to satisfy customers, they're less confident about doing so in future.

Only 73% said they're in a good position to meet customer demands in the next 10 years, which leaves 27% believing they could fail to do so.

With the global economy growing more competitive every year, these findings suggest many organizations need to invest in their people and technology to catch up with those who are further along in this journey.

And they need to do it fast.

But where should that investment go?

When asked which single factor best describes how their organization is planning to adapt to meet customer expectations over the next 10 years, the three biggest focus areas were:

1. Digital investment to improve business operations and efficiencies (17%)
2. Digital investment to improve service delivery to customers (16%)
3. Research and development investment to improve products and services (13%)

And it seems the key to achieving point three could lie in a specific area of technology innovation: artificial intelligence (AI).

61% of the leaders we surveyed said AI will transform the products and services they offer.

But with the rise of AI and other automated and data-led technologies comes another issue: trust.

84% of business leaders believe trust is an important factor when it comes to satisfying their customers, yet 54% admit their customers trust them less now than they did three years ago.

As for the cause of that drop in trust, it could be linked to any number of factors: data breaches, privacy concerns, the fact that negative stories are easier to come by in the age of rapidly moving social media.

The important thing for organizations to do is recognize how the outside world views them – or organizations like them – and tackle those issues head-on, which leads us onto our third and final group of people: society.



Organizations do not currently
prioritize societal impact but
they know this must change

Serving Society

Organizations want to positively impact society and they have invested in ways to achieve that. But right now, it is not critical for them. While this is changing, there is uncertainty about how to ensure positive societal impact.

Key findings

- **63%** of business leaders believe society has become more critical of the business community in the past three years
- **59%** said CSR initiatives are a nice-to-have but are not vital to success
- **63%** said that to be successful in future they need to change their organization's approach to working with society
- **71%** admit their organization could be doing more to positively contribute to the lives of citizens
- **78%** said it's important to their organization that they are trusted by society
- **47%** of leaders don't believe their organization can actually make a big impact on the world around them

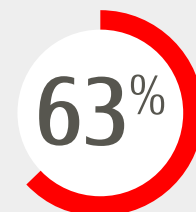
In the first chapter of this report we introduced the three key roles that people play that organizations have to focus on in order to succeed in today's world. We showed how most business leaders still place greater importance on the needs of people and customers than of society at large.

Yet our research found that the tide may well be turning, with an increasing number of business leaders recognizing the importance of making a good impression on the wider world. They understand that they should want to positively impact citizens' lives.

Many are still in the dark when it comes to making that happen, however. Whereas when discussing employees and customers, business leaders were definitive and relatively clear about what's expected of them and how they'll achieve that, when asked about society, there is some contradiction and confusion.

But few deny that there is a shift happening and the long-term success of world's organizations increasingly lies outside employees and customers. So what's causing this change in perspective among the business community? And why now?

Part of it could stem from the fact that business leaders feel public sentiment towards organizations has dipped in recent times.



of leaders believe society has become more critical of businesses in the past three years

Perhaps this figure reflects the true feelings of the public. Perhaps it's a side effect of the fact that it's easier than ever for people to publicly voice their opinion in the age of social media. Or perhaps it's a little bit of both. As these people have become buyers, are we now seeing the impact on the relationships between organizations and the general public?

Whatever the answer, it certainly seems to be prompting business leaders to think harder about the people beyond their employees and customers.



CSR still not seen as essential

The majority of organizations still don't seem to view CSR as business-critical, with 59% of business leaders saying it's a 'nice-to-have' but isn't vital to success.

This harks back to our findings in the first chapter of this report, which suggested CSR is the area in which organizations are least likely to instigate change.

And we see further evidence of this when we look at what organizations are already doing to have a societal impact, and what they plan to do in future:

- While 48% have developed products to drive society forward in the past three years, 37% haven't and have no plans to
- While 45% have established charity partnerships over the past three years, 37% haven't and have no plans to
- While 45% of organizations have established community outreach programs in the past three years, 38% haven't and have no plans to

But we should be careful not to focus too much on the negatives here.

Despite claiming wider society is not as vital to business success as employees and customers, many organizations are at least making it their goal to have a positive impact on the world around them, even if they don't yet see it as critical to business success. Where they are doing good things there's plenty to get excited about, although the most popular initiatives do tend to be ones that have a more obvious business impact attached.

Of the organizations that have already rolled out CSR initiatives:

- 53% have put in place environmental initiatives and a further 16% plan to within the next three years
- 57% have already run internship and/or apprenticeship schemes and a further 13% plan to in the next three years
- 52% have diversity and inclusion initiatives in place and a further 14% plan to in the next three years
- 53% have put in place employee outreach and/or activity opportunities and a further 13% plan to in the next three years

And if that wasn't enough evidence of the importance of this group, we should also note that while many organizations said they don't currently believe societal impact is a business-critical issue, that opinion is beginning to change.

An outward-facing future

74% of the leaders we surveyed said making a positive impact on society will help their organization succeed in future.

Yet in another sign of the uncertainty business leaders exhibit when discussing their organization's relationship with this group, by their own admission most are not yet in a position to have a positive impact on society. Almost two-thirds (63%) of leaders say their organization needs to change its approach to working with society and 71% admit they could be doing more to positively contribute to the lives of citizens.

While that could be deemed a criticism, this is actually hugely encouraging. Few leaders appear to have yet perfected their approach to impacting society but they are determined to do so. In fact, not only are the world's business leaders recognizing the need to have a wider societal impact, they're also aware of the gaps in their organization's ability to do that and they're taking steps to improve.

And while this can only ever be a good thing for humankind as a whole, it could also help organizations succeed.



of those we surveyed believe it's important to be trusted by society, and having a visibly positive impact on the world is one way to gain that trust

But can organizations actually play a significant role in shaping society, or are they chasing an impossible goal?

47% seem to think it's the latter, saying they don't believe their organization can make a big impact on the world around them.

This is a fascinating and complex issue. Leaders know that being viewed well by the world around them will be vital to future success. They want to "do good" and have a positive impact on society. But a significant number don't know how to really go about this – believing in fact that their organization simply cannot achieve it.

This could go some way to explaining why many don't see it as a priority. If they don't truly believe it's going to yield positive results they're unlikely to spend too much time, money and effort making it happen. But this could also be a hangover from a time when business and social issues were mostly seen as separate things.

Today, however, the two are increasingly linked. And the public seems to recognize that the former has a fundamental impact on the latter. Businesses that don't respond to that risk being left behind by competitors that do.



A creative and collaborative
culture fosters a positive
influence on society

A positive start, but some way to go

The good news for organizations is that the majority (58%) believe they've managed to improve their contribution to society in the past three years. Looking across the sectors and verticals, the one which stands out is the public sector where 18% of leaders admit to a decline in its ability to positively contribute to society.

Assessing the ways in which organizations have improved their ability to contribute positive, the top reasons given were:

1. Specifically focusing on innovating products and services that have a positive impact on society (54%)
2. Changing their strategy to focus more on societal impact (47%)
3. Taking steps to ensure all customer data is protected (43%)

The top two points above point towards organizations making significant changes to the way they do business specifically to instigate positive societal change, which is promising, but the third point is particularly interesting.

It seems the high-profile news stories about personal data, from breeches to questionable use, no doubt bolstered by increased regulation in some parts of the world, have ultimately had a positive effect by prompting organization to better protect people's information.

Despite these positive findings, however, a fairly high 32% of organizations have seen no change at all in their contribution to society over the past three years, while 10% believe their contribution has actually lessened.

For those who saw a decline, the top reasons given were:

1. Focusing more on core business needs over social responsibility (41%)
2. Reducing involvement in not-for-profit initiatives (35%)
3. Failing to innovate products and services to benefit society (34%)

The first point on this list again points to the fact that many organizations still do not see social impact as a core business need. If they really want to see change in the coming years, they may need to change that mindset.

It is worth noting that 73% of leaders also pointed to building and maintaining a creative and collaborative culture as key to making a positive impact on society, which shows once again how connected these different groups are. Creativity is not purely a factor in unlocking employee talent, it's a driver for business success in wider society.

Digital technology, too, will likely play a significant role in future CSR initiatives, with 69% of business leaders saying it will be vital to helping them have a better impact on society in the coming years.

However, the majority are aware that some technologies in themselves could actually lead to a dent in public trust, with 54% worrying that society will react negatively to how technology is automating some job functions.

The key to success, as has become an overarching theme of this report, will lie in balance.

The global view

Through this report we wanted to shine a light on the global view across these three groups of people, but while analyzing the data we uncovered a number of interesting distinctions between different parts of the world.

Below are some of the findings that stood out.



Australia

Australian leaders have a higher-than-average focus on the customer (65%) than the global average. And this seems to impact on the other two groups. 57% of Australian organizations have lost great employees because they felt stifled or frustrated, which is significantly higher than the global average. And 74% believe Australian society has become more critical of business, yet 67% believe CSR is only a nice-to-have and not business-critical, with both these figures significantly higher than the global average.



China

Chinese leaders put more focus on having a positive societal impact than any other group of people across the world, with 63% citing it as their primary concern. In fact, Chinese leaders were the only group of respondents to collectively see wider society as the most important of the three. When it comes to the skills required for future success, Chinese leaders prioritized creativity (58%), while on a global level creativity is only seen as the third-most-important skill. Chinese organizations, too, are more likely to put emphasis on diversity and inclusion schemes (57%) than their global counterparts – further evidence of the positive impact Chinese firms are trying to have on society.



France

While 'creating new opportunities for employees and maximizing their potential' only came fifth on the list of people-led initiatives across the globe, French leaders believe it's more important than that with 36% citing it as the biggest success-driver, placing it third overall. French leaders are also more likely to prioritize creativity above other skills and areas of expertise when it comes to achieving success in the coming years, with 42% citing this as the most important one – higher than the global average.



Germany

Perhaps the most significant difference between German organizations and the rest of the world is what their leaders view as the ideal employee type. While globally the most desired employees are 'innovators', followed by 'collaborators', the story in Germany is quite different. 63% of the German leaders we surveyed said they have a preference for 'doers' – much higher than the global average. This may well reflect the focus German leaders appear to place on more immediate business gains. With financial growth being the clear measure of business success (50%) and only 33% believe the group they have more responsibility for is wider society/citizens. Indeed, while German organizations may not place most emphasis on creativity, innovation or collaboration in their teams, they do very much value their people – the majority (61%) of leaders believe that they have most responsibility to positive impact are their employees.



Hong Kong

Hong Kong tops the list of business leaders who see “having a good reputation” as the key element for success with 61% of the vote, much higher than the global average at 45%. The need to “do good” and develop a positive reputation for that is further highlighted by the fact that business leaders in the region believe that they have the strongest duty to improving the lives of employees (80%). Indeed, Hong Kong businesses seem to truly value and focus on employees in the workplace, as when asked how employee engagement has changed over the last three years, 88% of leaders said that it has improved.



India

India is the country second-most-likely to prioritize creativity above other areas of expertise, with 51% citing it as the key to future success. Indian leaders also differ when it comes to employee type, with a strong preference (66%) for collaborator – the highest score for this employee type of any nation we surveyed. And when it comes to social impact, Indian firms have a strong track record in mentoring and reverse mentoring schemes, with 44% of Indian leaders saying they’ve already rolled these out.



Ireland

When it comes to customer service, Ireland recognizes that the world is changing very quickly and will transform the relationship with the customer. For example 55% of Irish organizations have re-evaluated the business’s approach to service delivery and 45% of leaders say the same in regards to customer satisfaction programs. A further 51% go on to say that “improving processes and service delivery” is the most important factor when it comes to applying creativity to achieve success. Improving the life of customers (60%) is more of a priority than employees and society, while more than two-thirds (70%) believe the overall customer relationship has improved over the past three years.



Italy

When asked to consider their role in the world, Italian business leaders place improving the lives of citizens and society as a whole (50%) above employees (49%) and customers (38%). This is particularly interesting as it’s far higher than the global average (37%), yet less than 20% of Italian business leaders said that contributing to society is what defines their success overall.

When asked which employee types are most important to an organization’s success, only 33% of leaders said that “doers” were most important. This is the lowest of all countries surveyed and much lower than the global average (46%). Italy instead seems to be hungry for “collaborators” (51%) and “innovators” (54%) as the most important types of employees.



Portugal

Portuguese leaders find it particularly difficult to serve employees, customers and society in equal measure, with 78% admitting their organization struggles to find the balance between the three – much higher than the global average. And they tend to favor collaborator type employees, followed by doers, rather than the innovators favored by the average global company. As for social impact, the findings are quite significant here. 98% of Portuguese leaders believe trust is important, yet 84% believe Portuguese society has become more critical of the business community – significantly higher than the global average on both counts. Yet 75% don't believe CSR is business-critical – again far above the global average.



Singapore

Singapore is a nation that puts greater focus on initiatives that could have a positive impact on its employees. When asked which of the groups they feel the strongest duty to improving the lives of, the majority (68%) said their employees. Additionally, half (50%) of Singaporean leaders we surveyed said their organizations have already rolled out mentoring or reverse mentoring schemes, significantly higher than the global average. The reasons for this are also made clear – Singaporean leaders strongly believe that the ability to engage and unleashing the potential of their teams is key to business success with 80% stating that unlocking employee creativity specifically is vital to the success of their organization.



Spain

There seem to be conflicting emotions when it comes to choosing priorities in Spain. The nation's business leaders were extremely balanced when evaluating which stakeholders they had a duty to improve life for – 53% picked employees while 52% said customers. With that said, it's no surprise to see that near half (49%) value industry knowledge as the top area of expertise for future success, a figure that only Hong Kong matched and no other country could surpass. The balancing act continues as the majority (54%) of customer satisfaction programs have changed over the past three years, while over two-thirds (69%) believe that employee engagement has significantly improved in the same time period.



Thailand

Thailand scores particularly high when it comes to maximizing the potential of employees and creating new opportunities for them. While only 35% of companies across the world cited this as a primary concern for people-led initiatives, putting it in fifth place globally, 42% of Thai leaders said it's a key area for their organization. This puts it in the top three success drivers according to Thai business leaders, the others being "financial growth" (76%) and "having a good reputation" (50%). It is a noticeable difference compared to other countries and regions, showing that businesses in this country have a higher-than-average focus on unlocking people's potential and helping them grow.



United Kingdom

As in Thailand, UK firms are more focused on unleashing their people's potential than the average organization across the world. 35% of UK companies said maximizing the potential of employees and creating opportunities for them is a key success factor when it comes to people-led initiatives. This is promising in a nation where the skills shortage is widely cited as a future concern across multiple industries. For those organizations struggling to fill gaps in their knowledge and skills, developing and growing from within is a cost-effective way to start.



United States

The most notable differentiator in the US is employee type. While the average global organization favors the innovator, US firms lean much more towards the collaborator, with 57% saying this is their favored employee type. Looking at the three groups, US organizations appear to have a more well-balanced approach than many other regions/countries. The majority (59%) feel they have the strongest duty to improving the lives of customers. However 58% say the same of employees. As is the trend globally, impact on society is not yet as much of a priority, selected by just 31% of US leaders. Though as with their global counterparts, many believe this will change with 70% stating that making a positive impact on society will help their organization succeed.



Japan

The opinions of leaders from Japanese organizations at times differ from their global counterparts – particularly when it comes to employee engagement and customer relationships. Looking at their relationships with wider society, only 39% of businesses said that over the last three years their ability to contribute to society has improved. That said, Japan's leaders acknowledge that their focus may change in future with 55% stating that, to be successful in the longer-term, their organization will need to change its approach to working with society. While almost two-thirds (63%) of leaders believe that making a positive impact on society will help my organization succeed.



Nordics (Finland and Sweden)

When exploring impact on the three core groups, organizations in the Nordics place less emphasis on citizens and wider society than any other region or country. Just 36% of leaders feel their primary duty is to improve the lives of society. The focus is very much on improving the lives of customers (65%). Only India and Singapore gave customers a higher value. Almost half (47%) of Nordic leaders see financial growth as an indicator, while only 19% say that "maximizing the potential of employee development" is pivotal to success; only Portugal puts the figure lower. Similarly, people skills (19%) came last when businesses define the primary areas of skills needed to ensure future success while industry knowledge was the most valuable factor at 47%.





Digital technology helps
achieve a balanced approach

Conclusion

Looking at the research results as a whole, we came to the following three conclusions:

1

Customers, employees and wider society are intrinsically linked

The research results showed us that it's no longer an option to see the people you employ, the people you sell to and the people who live in the world around you as three distinct groups. Not if you want to compete in today's global economy.

Ultimately they're all people who experience your organization in different ways, and they all have a knock-on effect on each other.

Fail to serve your employee in the right way, for instance, and they won't unlock the kind of innovation and service that could help you serve your customers better. Fail to have a positive impact on society, and you could alienate both customers and employees.

From our research it seems many organizations are starting to realize this, although many have yet to work out how to change their approach accordingly and some are unconvinced altogether.

We believe the ones who acknowledge the link between these three groups of people and start making the necessary investments now will have the best chance of succeeding in the future.

2

Balancing all three is not going to be easy – unlocking creativity and innovation is key

While acknowledging that these three groups are intrinsically linked and committing to investing in the right skills, technology and processes is the first step toward success, it is only the very beginning of the road.

Many organizations know they have to unlock the potential of their people, for example, yet almost half have experienced talented employees leaving because those individuals felt stifled or frustrated. And while the majority of organizations believe having a positive social impact will help their business in the coming years, many don't yet know how to achieve that or even believe they can.

We are convinced that any organization has the power to serve these three groups effectively, however, as long as they start putting the right changes in place now. Whether that is investing in digital technology, instilling a different culture, reorganizing into a different structure or changing business processes. The need to establish a creative, open, digitally-savvy and empowering culture has become evident when analyzing the results of this survey.

We can help organizations determine what those specific changes should be, but the first and most fundamental change is one that anyone can make without any investment at all, and we've outlined it in our third and last conclusion.

3

People – all people – are the key to business success

Throughout this study, the power of people became obvious. The three core groups identified have a huge impact on the success of an organization. And as we've outlined, they should be viewed as one group. Yet right now, they are not.

There is acceptance that, in an increasingly socially-conscious world, the most successful businesses will be those that understand that even people who are not as connected to the organization as an employee or customer have a major impact on the success of a certain brand.

Yet there remains confusion and contradiction in how the world's organizations approach the need to positively impact the world around them. Some are confident, most are unsure and many don't see how they can possibly fulfill that societal responsibility. This is understandable – we live in a complex world. But we must adapt. We must work together as a business community, guiding and supporting each other through this new territory.

Trust is a vital component here. In building trust across the three groups of people, organizations can have the kind of impact they desire. Building trust with employees enables you to attract and retain the best talent, develop key skills and empower creativity. This will lead to better services, products and more trust in the relationship with customers. Which in turn will build trust with wider society, of which employees and customers are part. It's a cycle where the three influential groups are one.


All organizations need to have people at their heart and no-one can afford to ignore this. At Fujitsu, we envisage a Human Centric Intelligent Society, which we define as bringing together people, information and infrastructure to create real value from technology. In an age where everyone and everything is becoming more connected, innovation must be centered on people, and so must an organization. In short: we advise organizations to make a positive difference to people. All three groups of people. In taking this approach, they will have the best possible chance of success.

Methodology

Data for this study was gathered surveying 1,936 C-Suite decision makers within mid to large sized businesses within the public sector and transport, financial services, retail and manufacturing.

Research was conducted by Censuswide, an independent survey consultancy, with respondents taking part in an online study during September 2018.

Sample sizes by region or country were as follows:

- 
- | | |
|-------------------|------------------------|
| ■ Australia – 150 | ■ Japan – 154 |
| ■ China – 152 | ■ Nordics – 15 |
| ■ France – 154 | ■ Portugal – 51 |
| ■ Germany – 153 | ■ Singapore – 50 |
| ■ Hong Kong – 51 | ■ Spain – 150 |
| ■ Ireland – 53 | ■ Thailand – 50 |
| ■ Italy – 151 | ■ United Kingdom – 156 |
| ■ India – 156 | ■ United States – 155 |

FUJITSU

ASK FUJITSU

Tel: +44 (0)1235 797711

Email: askfujitsu@uk.fujitsu.com

Ref: 3858

www.fujitsu.com



© FUJITSU 2018. All rights reserved. FUJITSU and FUJITSU logo are trademarks of Fujitsu Limited registered in many jurisdictions worldwide. Other product, service and company names mentioned herein may be trademarks of Fujitsu or other companies. This document is current as of the initial date of publication and subject to be changed by Fujitsu without notice. This material is provided for information purposes only and Fujitsu assumes no liability related to its use. ID:5340-001-10/18