



CGI Global 1000™

Insights from conversations with business and IT executives around the world

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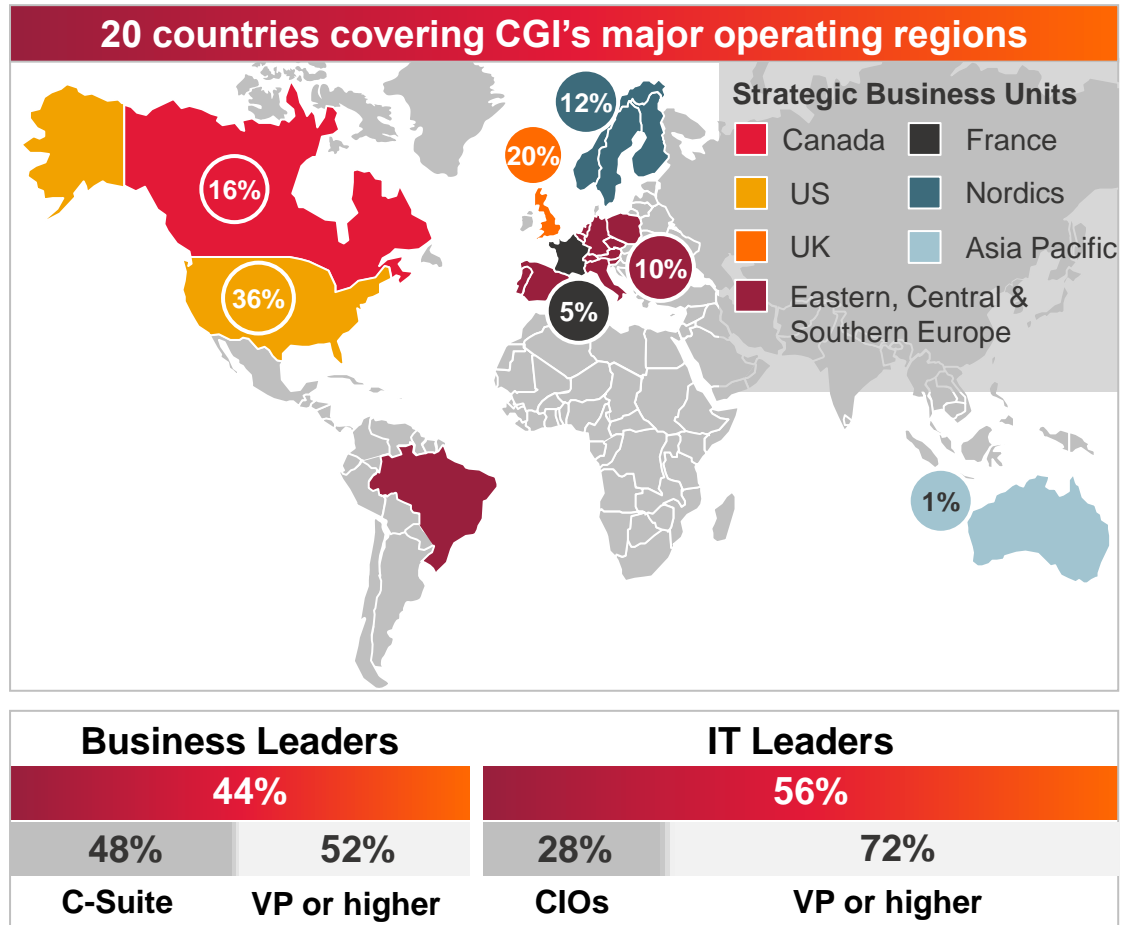
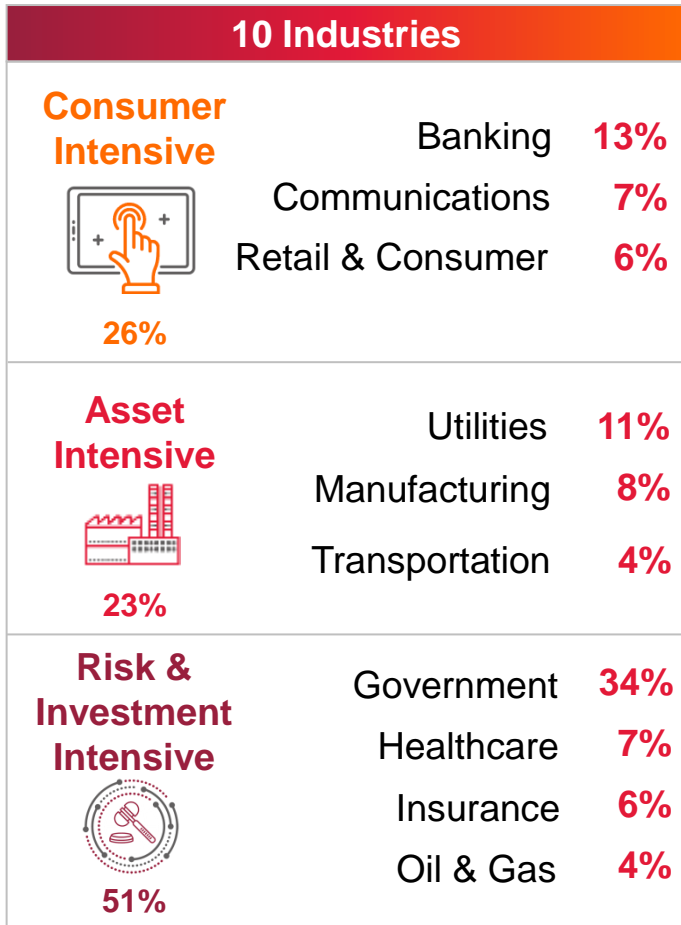
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Experience the commitment®

CGI Global 1000

The CGI Global 1000™ is conducted annually as in-person conversations between CGI consultants and more than 1000 business and IT leaders around the world. Through these discussions, we gather input on the industry trends impacting commercial and government organizations and how the leaders plan to address the opportunities and challenges through their forward-looking priorities and plans.



Source: CGI Global 1000 (2016)

Organizations around the world are **evolving their approaches** to becoming digital organizations



Investigate to Understand

Start to react to emerging customer needs and digital-first entrants

Experiment to Learn

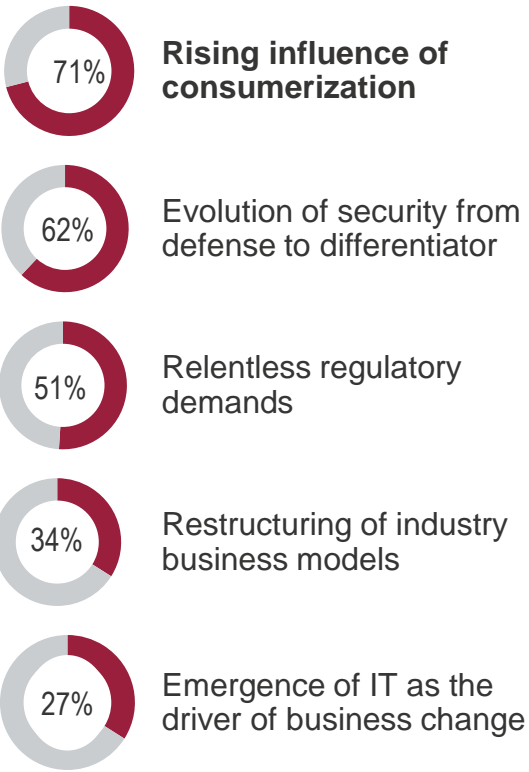
Create discrete digital projects, primarily to deliver customer-facing solutions

Transform to Evolve

Connect legacy and digital to execute enterprise-wide transformation to ensure survival

Business and technology leaders cited an **urgency to accelerate** digital transformation based on key trends

Industry Trends



Business Priorities



Technology Priorities



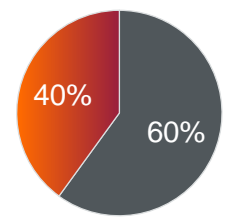
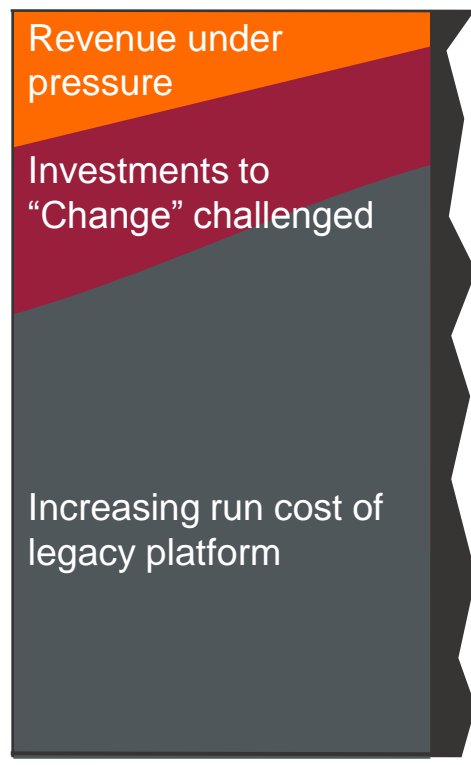
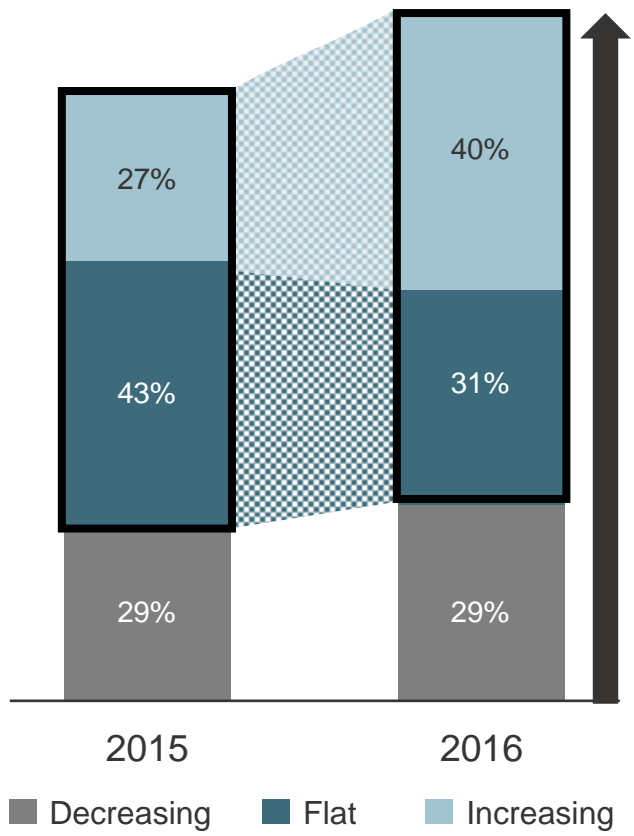
Source: CGI Global 1000 (2016)



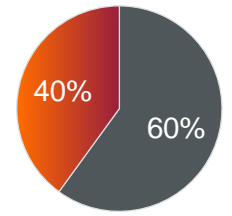
Total IT budgets are increasing, reflecting technology's role as driver—not just enabler—of business change

71% plan to increase or maintain Total IT Budgets...

...however organizations **have not been able to change the mix** to fund transformation



2015



2016

■ Change ■ Run

Source: CGI Global 1000 (2016)

The gap between business and technology priorities is creating **two IT “organizations”**

IT modernizing legacy and Business transforming to digital (2-speed)

Current State



Revenue under pressure

Investments to “Change” challenged

Increasing run cost of legacy platform



IT’s priorities are to modernize in order to **reduce run costs and simplify legacy...**

Urgency to change >>>



...while the business is demanding **agile, IT-driven transformation** to meet customer needs and competitive threats

<<< *Urgency to change*

Future State



Drive growth...

...by building a digital organization...

...on a transformed, modern digital platform

Source: CGI Global 1000 (2016)



Culture change is the top barrier to implementing digital transformation

Top Barriers to Digital Transformation



Current State



Revenue under pressure

Investments to “Change” challenged

Increasing run cost of legacy platform

Urgency to change

Future State



Drive growth...

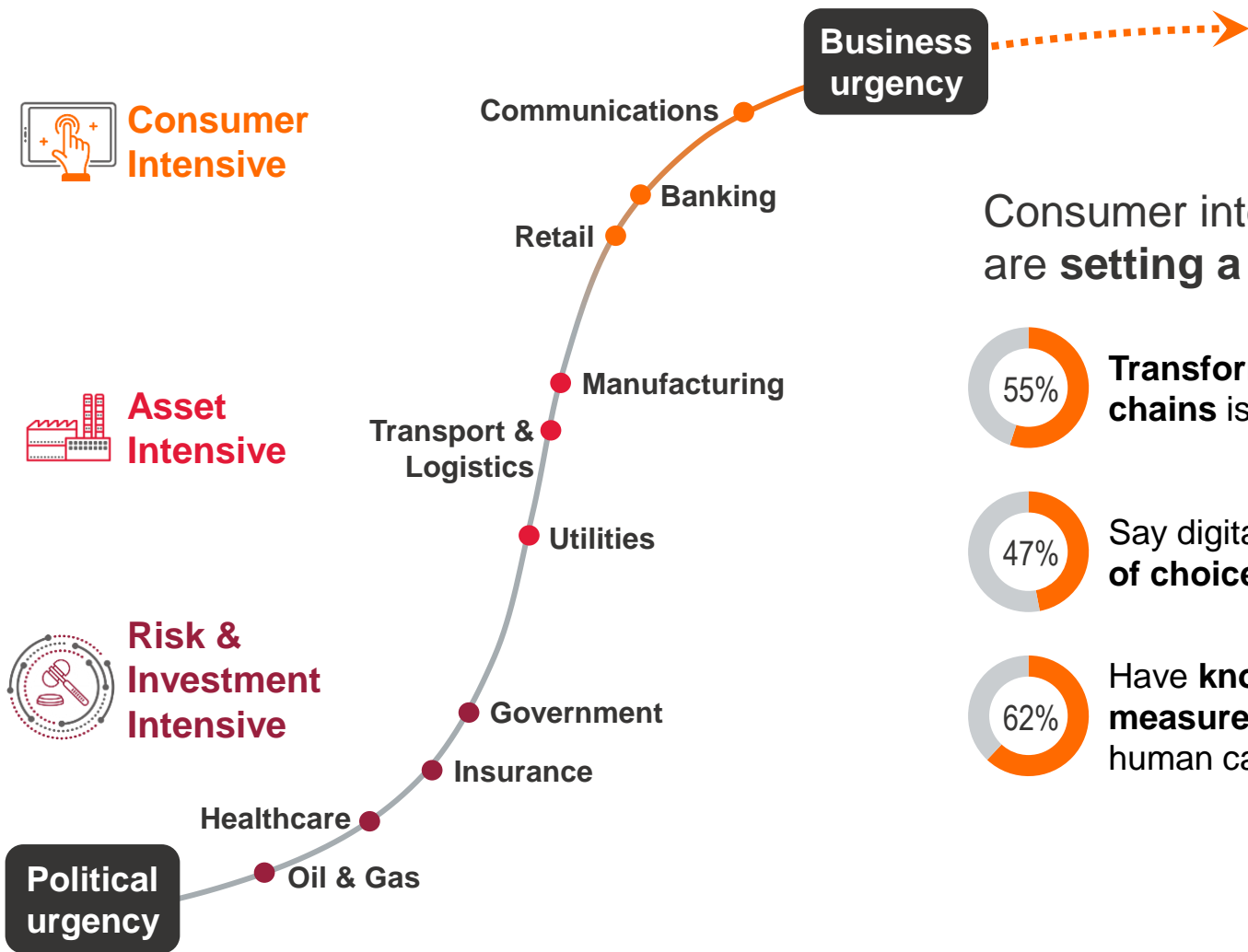
...by building a digital organization...

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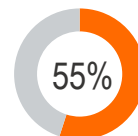
Urgency to change

Source: CGI Global 1000 (2016)

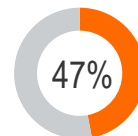
Industries are moving at **different paces** to implement digital transformation



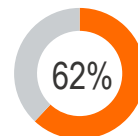
Consumer intensive organizations are **setting a rapid digital pace**



Transformation of industry value chains is #2 trend



Say digital is now the **only channel of choice** for customers



Have **knowledge management measures** in place to address human capital risks

Source: CGI Global 1000 (2016)

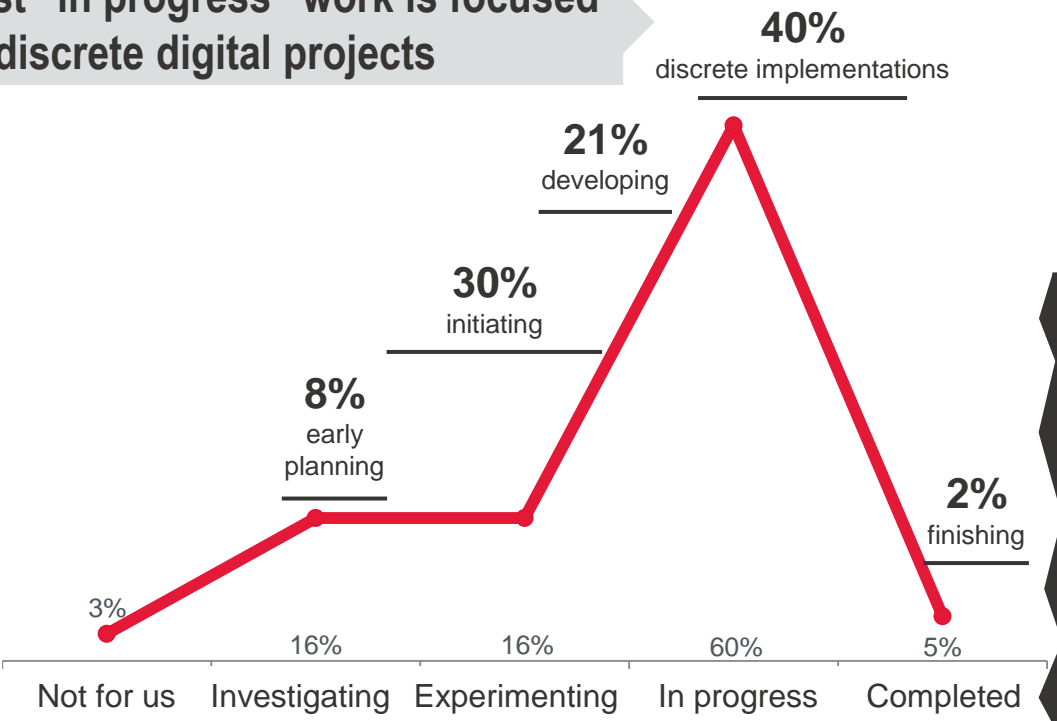
** Many organizations span multiple industries and may be more advanced. For this graph, we have used the predominant industry and average across all participants.*

Most organizations are in **early stages** of designing and implementing enterprise digital transformation roadmaps

Most “in progress” work is focused on discrete digital projects

Current State

Revenue under pressure
 Investments to “Change” challenged
 Increasing run cost of legacy platform



Enterprise Digital Transformation Implementation Stages

Urgency to change

Urgency to change

Future State

Drive growth...
 ...by building a digital organization...
 ...on a transformed, modern digital platform

Source: CGI Global 1000 (2016)



These market dynamics require substantial **business model change**, enabled by digital transformation

IT-driven
Y2K



System-centric



Point in time



Internally focused

Business-driven



Digital Transformation



Customer & Citizen-centric



Enduring



Globally connected marketplace

CGI : The end-to-end legacy and digital transformation partner of choice

Reduce run costs to invest in change through **CGI's Transformational Outsourcing**



Create a digital transformation roadmap through **CGI's High-End Consulting**



Accelerate transformation through **CGI's IP**



CGI builds, integrates and operates digital platforms

Key takeaways: CGI Global 1000

1

Digital transformation is **accelerating** with a digital-first trend emerging from the consumer-intensive industries

2

Digital transformation is driving the need for **structural change** in all industries

3

Technology is moving from an enabler to a **driver of business change** – and **increasing IT spend** reflects this

4

Run costs continue to increase due to regulatory and security requirements

5

The gap between business and IT priorities is creating **two IT “organizations”**

6

Culture change is the top barrier to implementing digital transformation

7

CGI, as an end-to-end services provider can assist in:

- a. Transformational Outsourcing, to fund the development of:
- b. The Roadmap,
- c. Identification of mission-critical processes, assets, and gaps; and
- d. The Change program to become digital organizations



Visit us online to request a meeting with one of our experts to discuss the Global 1000 findings, including industry-specific insights

cgi.com/global1000