# State of Transformation
## 2024 Global Transformation Survey

# Welcome to the 2024 State of Transformation Survey

Exploring the global state of transformation across large enterprise

Conductor® by Sensei Labs orchestrates transformation success for large enterprises, government agencies, top professional service firms, and leading private equity funds globally. Our work across thousands of transformation projects, side-by-side with some of the world's top transformation practitioners and consultancies, has given us a unique perspective into what makes these programs deliver results and what often causes them to fail.

We launched this survey in early 2024 in partnership with the Process Excellence Network's OPEX Week: Business Transformation World Summit to dig deeper into that understanding. Transformation is both a relatively new and overly broad term, so we wanted to uncover who has undertaken transformation roles, the kinds of enterprises undertaking transformation, what they're transforming, and the technologies they're using to accomplish them.

We're proud to present the results of this survey of **150+ respondents from virtually every industry, spanning much of the globe.** The survey results are divided into six sections, covering general demographics, followed by transformation roles, programs, management offices, and platforms. We wrap up with a look at the challenges facing transformation leaders in 2024 and beyond.

# 2024 State of Transformation Survey

## 1: Demographics

1. Which industry does your organization belong to?
2. What is the approximate size of your organization's headcount?
3. What is your organization's approximate annual revenue in USD?
4. What are the primary locations/regions of your organization's operation or headquarters?

## 2: Transformation Roles

5. Which area(s) of the organization are you in?
6. What is the seniority of your role?
7. How many years have you been in a transformation role?
8. What was your professional background before moving into a transformation role?

## 3: Transformation Programs

9. Which type of transformations are you currently undertaking?
10. How many programs is your Transformation Management Office currently overseeing?
11. What is the highest level of executive oversight on your transformation program?
12. What phase is your current transformation program in?
13. What percentage of financial target is your current transformation program achieving?
14. What percentage of your transformation's financial target does the transformation's budget represent?

15. Please rank your budget spend by category for your current program from highest to lowest.

## 4: Transformation Management Offices

16. How many people do you have dedicated to your Transformation Management Office?
17. Which roles do you have in your Transformation Management Office?
18. Please estimate the percentage of time spent on status-tracking activities
19. Has your TMO evolved to become a Strategic Programs Office team for ongoing operational excellence?
20. Please rank these common transformation challenges in order of impact in your organization.
21. Please rank the following concerns, from highest to lowest, for your current transformation programs.
22. Which of the following do you need more of to achieve transformation success?
23. How are you ensuring KPI target achievement?
24. How is change management addressed in your transformation initiatives?
25. Do you rely on external consultants/strategic advisors for transformations?
26. Which types of external consultants/strategic advisors?

# 2024 State of Transformation Survey

# 1

# Demographics

The first four questions establish a view of the respondent's organizations to anchor the other questions in context.

# 1: Demographics
## 2024 State of Transformation Survey

Our survey was sent to a truly global audience of large enterprises covering a very wide range of industries.

- About half of our respondents represent the Financial Services, Health and Pharma, Manufacturing, and Technology industries.

- Three-quarters work for organizations between 1,000 and 50,000 people.

- About 60% work for organizations ranging from <$1bn to $10bn in annual revenue.

- Roughly half of respondents have locations in Europe and North America and a quarter in Asia.

# Q1. Which industries does your organization belong to?
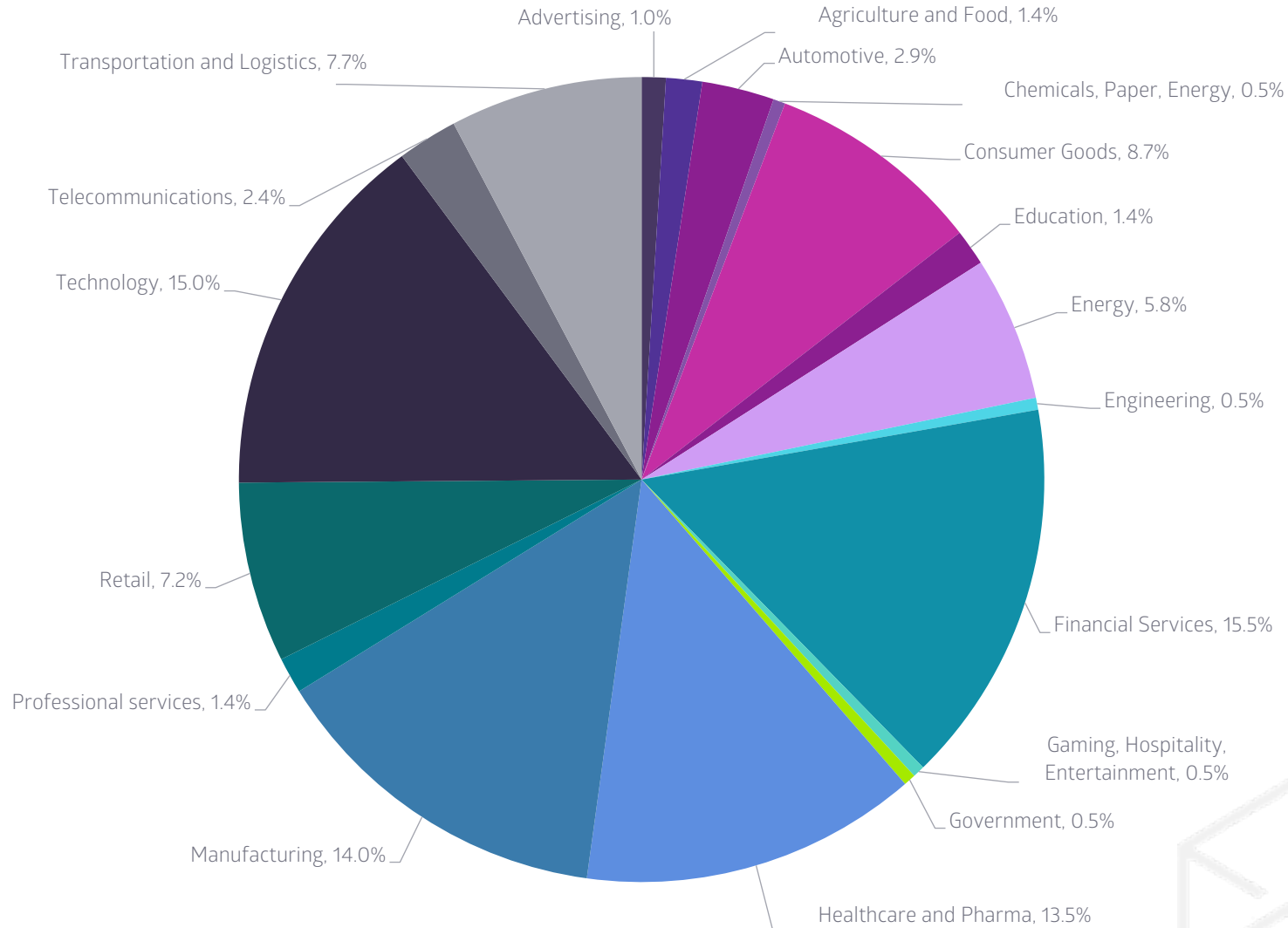
Our survey audience represents a wide variety of industries. This multiple-choice question enabled respondents to select as many industries as their organization belongs to, **with 18% selecting multiple options.** The wide variety of industries represents the majority of

Advertising, 1.0%
Agriculture and Food, 1.4%
Automotive, 2.9%
Chemicals, Paper, Energy, 0.5%
Transportation and Logistics, 7.7%
Consumer Goods, 8.7%
Education, 1.4%
Telecommunications, 2.4%
Energy, 5.8%
Technology, 15.0%
Engineering, 0.5%
Retail, 7.2%
Financial Services, 15.5%
Professional services, 1.4%
Gaming, Hospitality, Entertainment, 0.5%
Government, 0.5%
Manufacturing, 14.0%
Healthcare and Pharma, 13.5%

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# Q2. What is the approximate size of your organization's headcount?
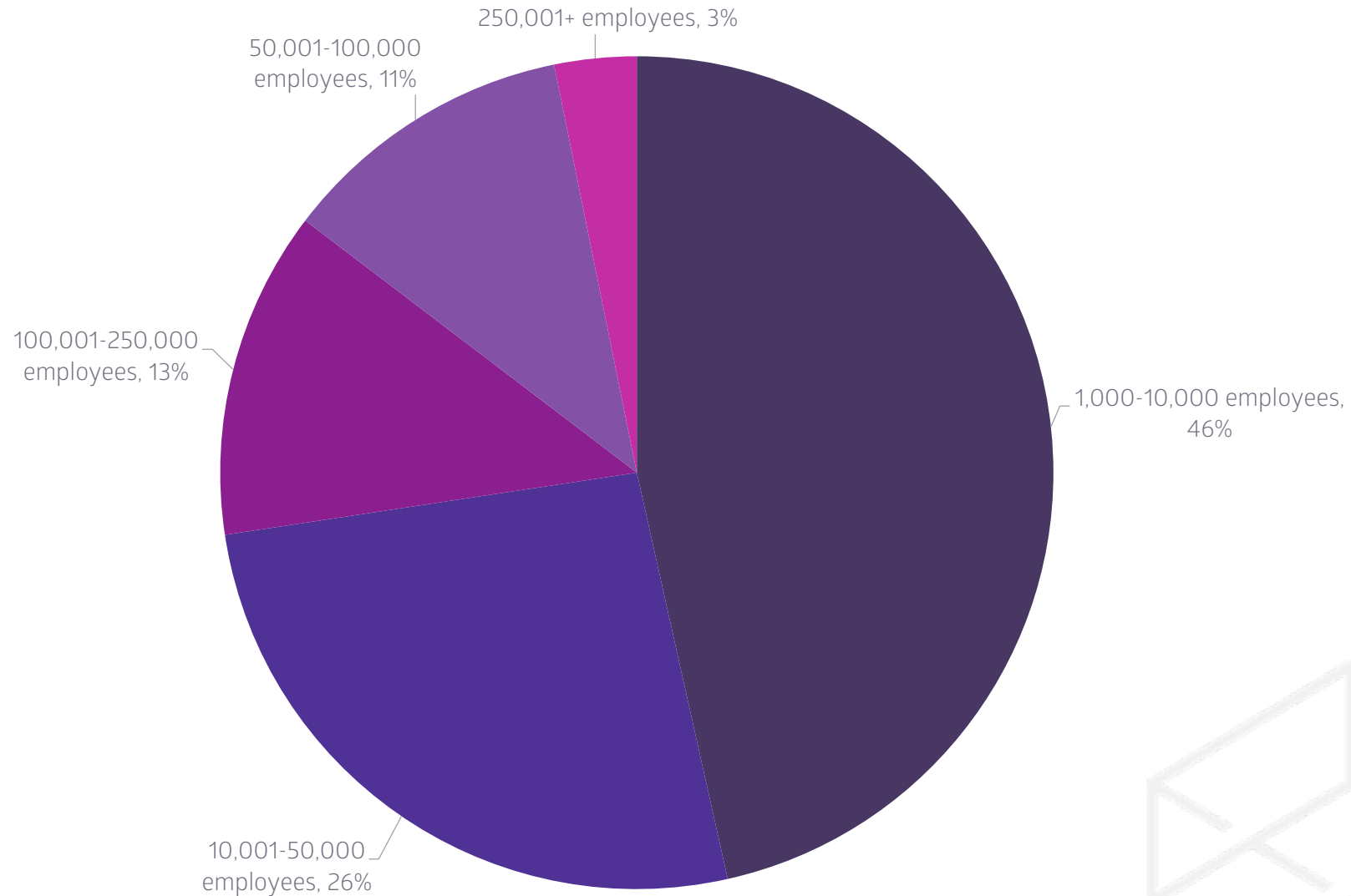
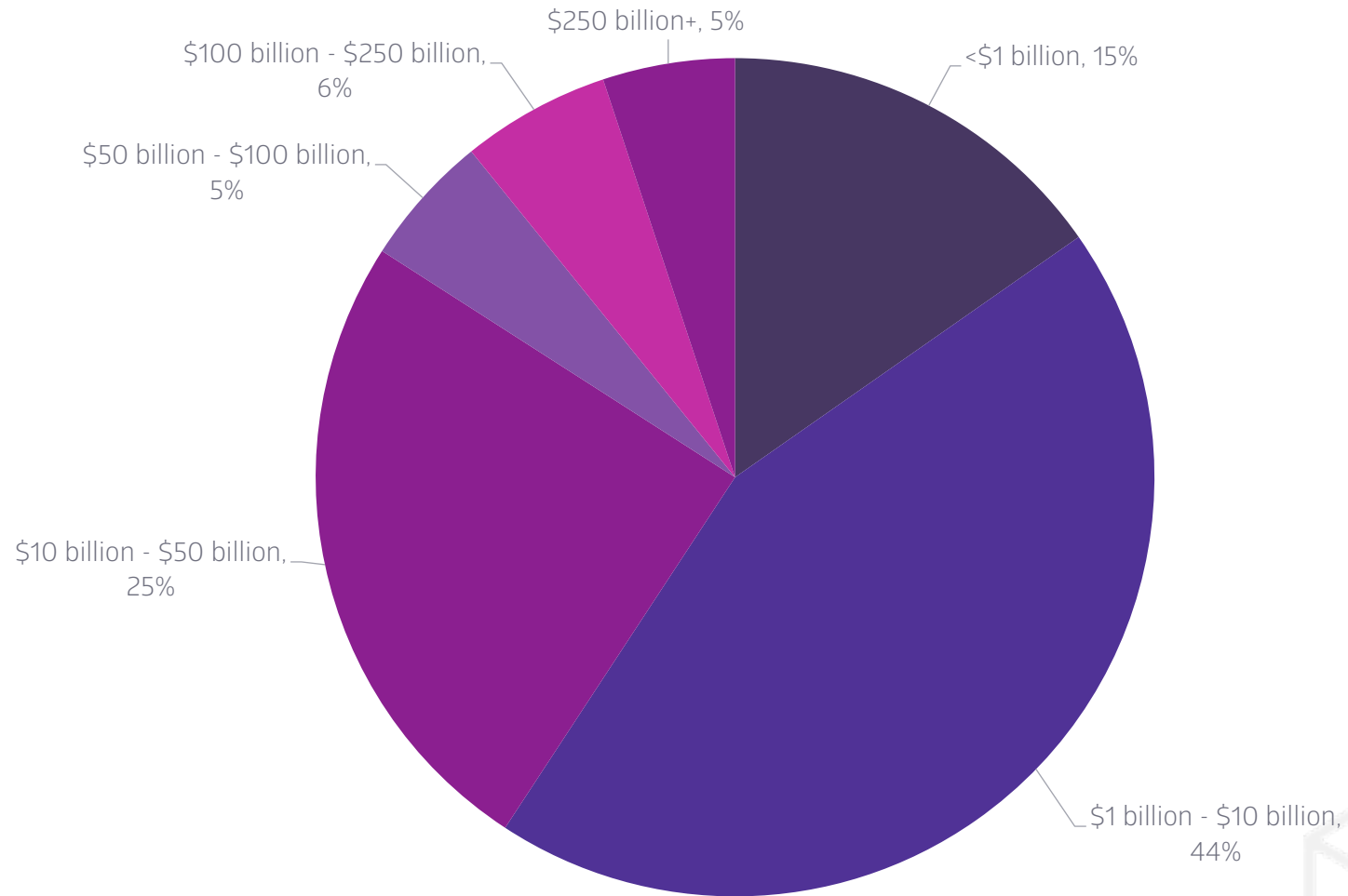Nearly three-quarters of our respondents work in companies ranging from 1,000 to 50,000 people in size. Our survey was aimed at large enterprises, so this scale comes as no surprise.

250,001+ employees, 3%

50,001-100,000 employees, 11%

100,001-250,000 employees, 13%

1,000-10,000 employees, 46%

10,001-50,000 employees, 26%

# Q3. What is your organization's approximate annual revenue in USD?

Company headcount and revenue tend to be correlated, so it's likewise no surprise that about 60% of our respondents work in companies ranging from <$1bn to $10bn in annual revenue.



$250 billion+, 5%

$100 billion - $250 billion, 6%

$50 billion - $100 billion, 5%

<$1 billion, 15%

$10 billion - $50 billion, 25%

$1 billion - $10 billion, 44%

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# Q4. What are the primary locations/regions of your organization's operation or headquarters?
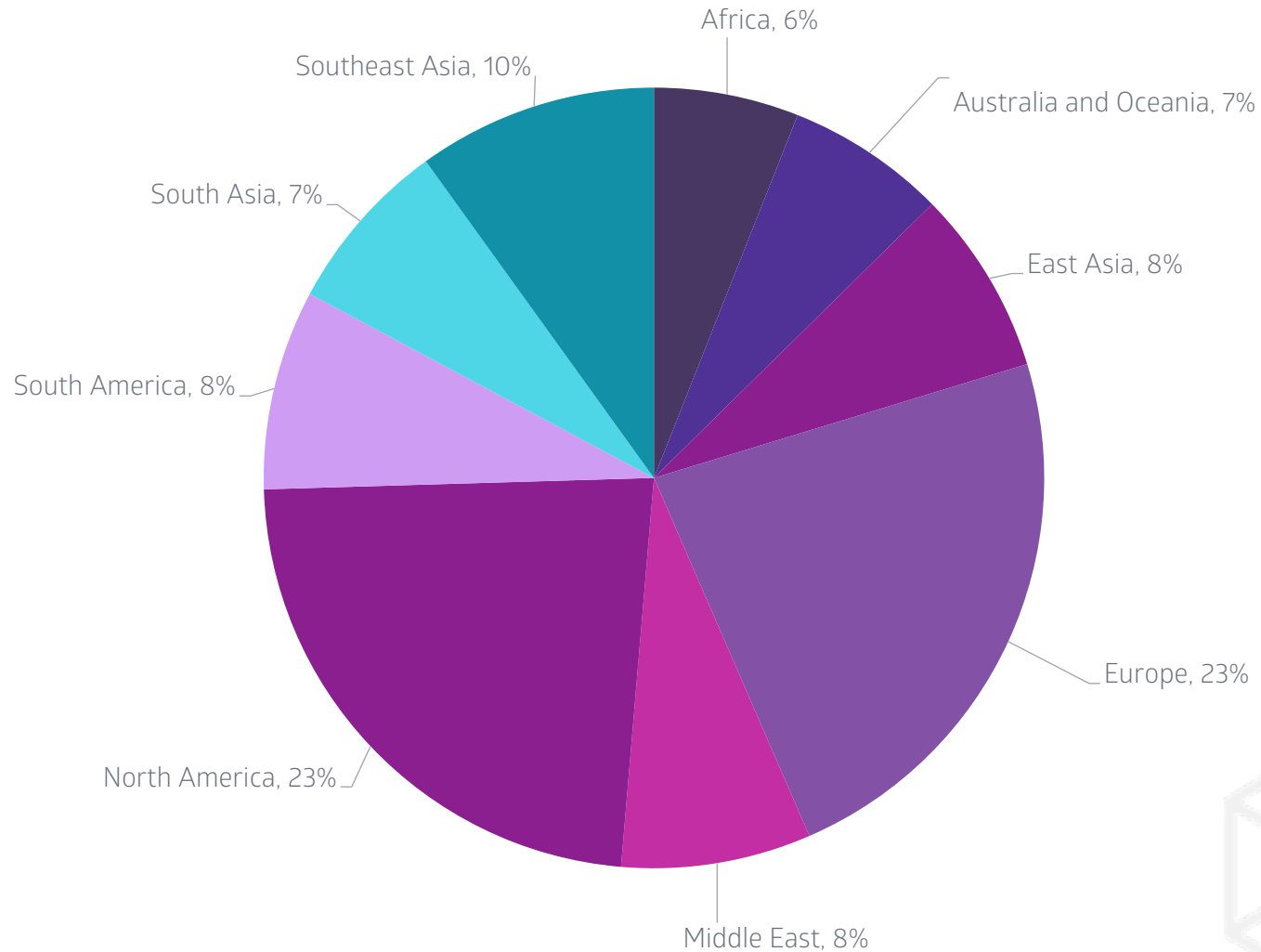
Given the scale of organizations represented in our results, it likewise follows that **about 50% have locations in Europe and North America and 25% in Asia**. Note that this question focused on the locations of operations and headquarters rather than the location of the respondents themselves.



Pie chart:
- Africa, 6%
- Australia and Oceania, 7%
- East Asia, 8%
- Europe, 23%
- Middle East, 8%
- North America, 23%
- South America, 8%
- South Asia, 7%
- Southeast Asia, 10%

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# Transformation Roles

The next four questions look at the respondents themselves, including their background and history as transformation leaders.
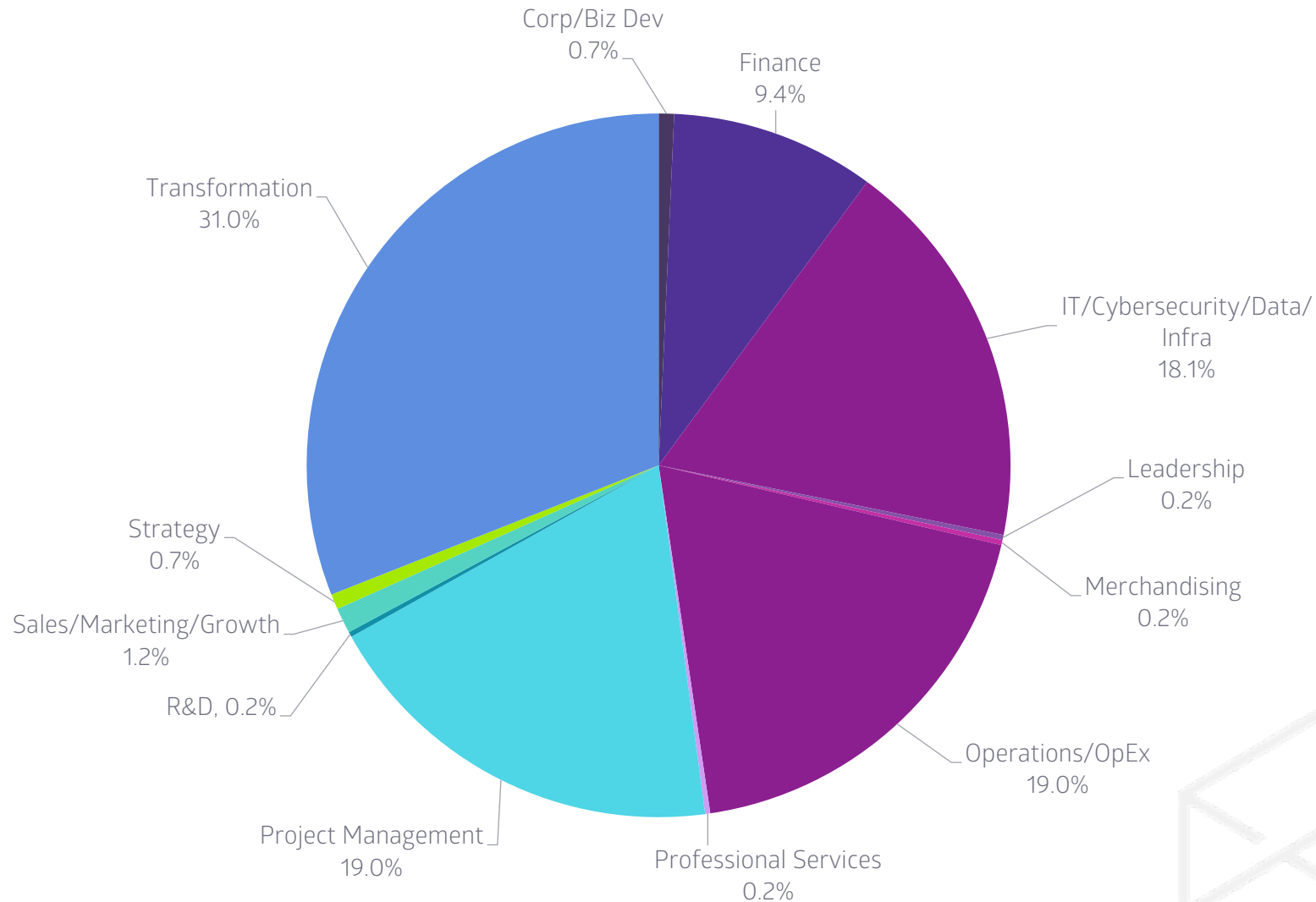
# 2: Transformation Roles
## 2024 State of Transformation Survey

Transformation job titles are a relatively new phenomenon, as are dedicated Transformation Management Offices (TMOs). This section looks at the people doing the jobs to understand where they sit in their organizations and how they came to be transformation leaders.

- About 30% of respondents included Transformation, and about 20% included Project Management or Operations/OpEx in their description of where they work.

- Over 60% of respondents are at a VP or higher level, reflecting the seniority of the people in charge of transformation in large enterprises.

- Over 60% have been in transformation roles for six years or more.

- The professional history of transformation leaders is varied, with many coming from consulting (17%), project management (15%), and supply chain/operations roles (15%).
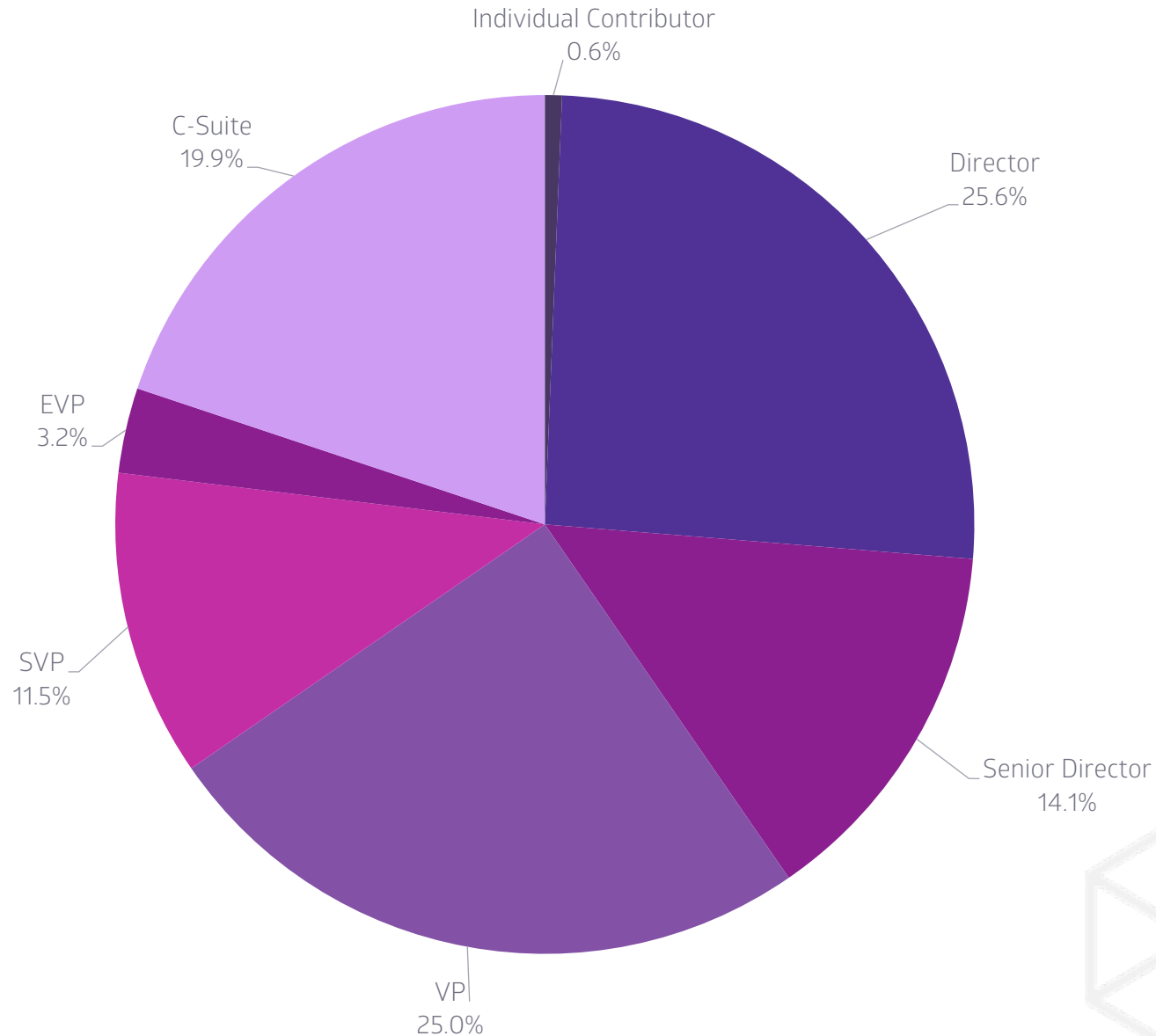
# Q5. Which area(s) of the organization are you in?



This multiple-choice question reflects the varied teams and departments that transformation roles become part of. **About 30% of respondents included Transformation, and about 20% included Project Management or Operations/OpEx**. Notably, just shy of 10% included Finance, which may represent an opportunity to better align transformation outcomes and financial results.

Corp/Biz Dev 0.7%
Finance 9.4%
Transformation 31.0%
IT/Cybersecurity/Data/Infra 18.1%
Leadership 0.2%
Strategy 0.7%
Merchandising 0.2%
Sales/Marketing/Growth 1.2%
R&D, 0.2%
Operations/OpEx 19.0%
Project Management 19.0%
Professional Services 0.2%

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# Q6. What is the seniority of your role?



Our respondents skewed very much to senior roles, with **about 60% at a VP level or higher**. It's difficult to determine how representative this is of the broader transformation community as it might represent some self-selection bias in who chose to participate. Either way, our respondents are executives within large organizations with significant decision-making power.

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# Q7. How many years have you been in a transformation role?

0 – 2 years
8%

2 – 4 years
13%

4 – 6 years
18%
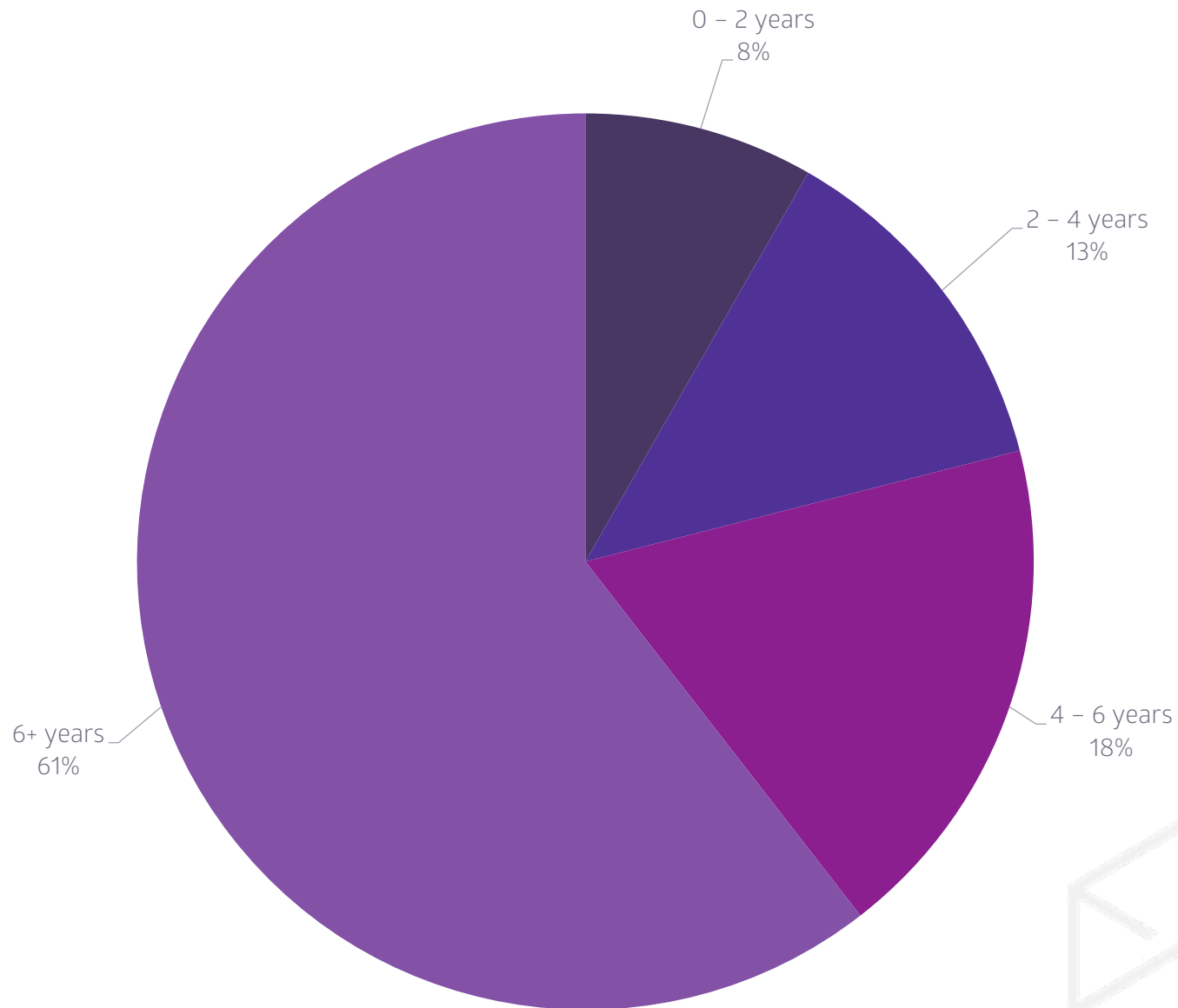
6+ years
61%

Transformation leaders are still a relatively new phenomenon, so it was somewhat surprising that **about 60% of our respondents have been in a transformation role for six+ years**. The data do not capture whether they have been in a dedicated transformation role for that time and may represent respondents who have at least been partially acting in a transformation capacity since at least 2018.

# Q8. What was your professional background before moving into a transformation role?
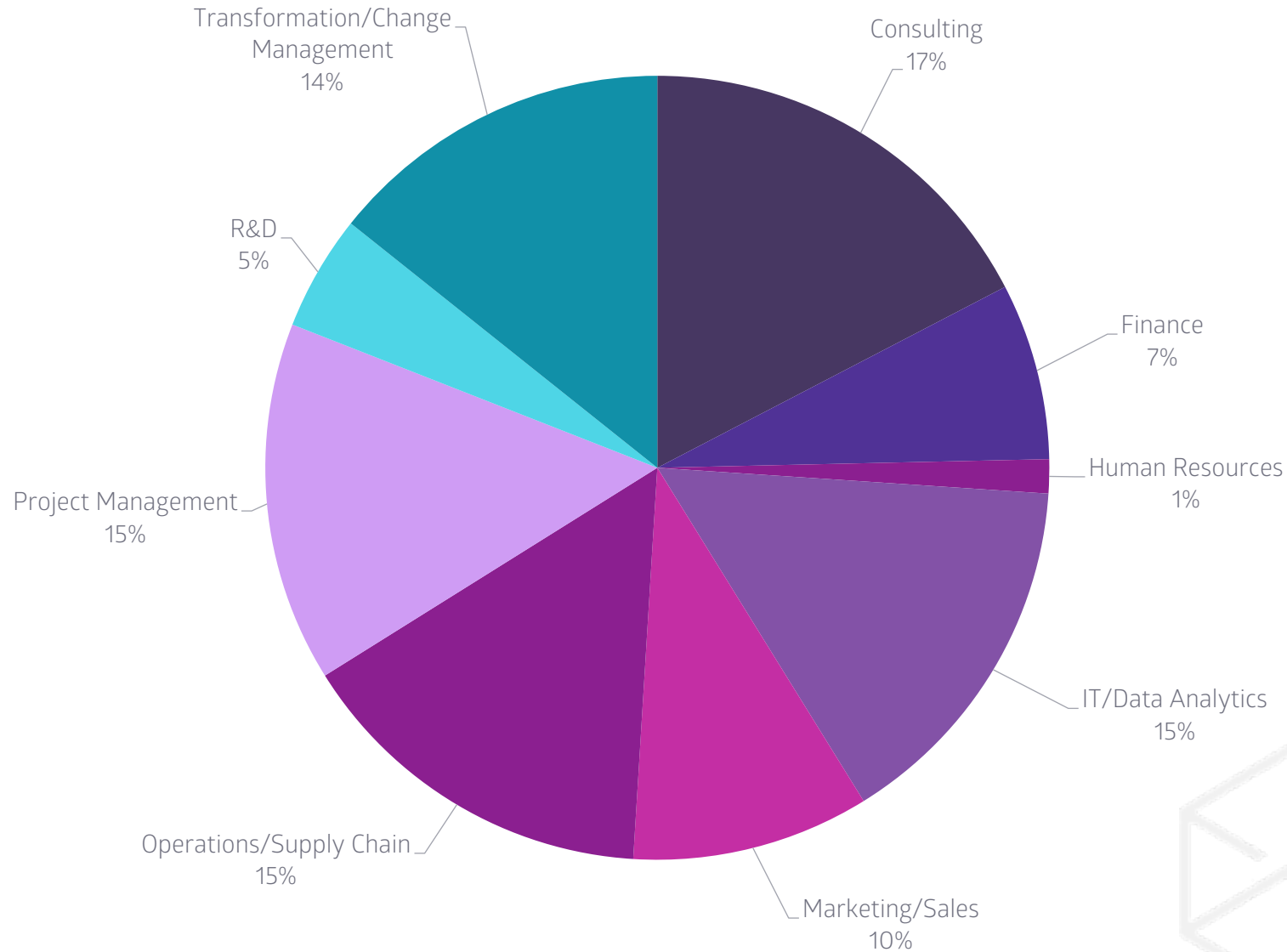


A fairly even split among backgrounds, with most respondents coming from Consulting, IT, Operations/Supply Chain, and Project Management.

Nearly 15% of respondents answered that they had been in a Transformation/Change Management role prior to moving into this transformation role, suggesting that they had been in adjacent functional areas prior to their current assignment.

Transformation/Change
Management
14%

Consulting
17%

R&D
5%

Finance
7%

Project Management
15%

Human Resources
1%

IT/Data Analytics
15%

Operations/Supply Chain
15%

Marketing/Sales
10%

16

# 3

# Transformation Programs

These seven questions look at the kinds and quantity of transformation programs enterprises are running, how they fund them, what they spend budget on, and how successful they are.
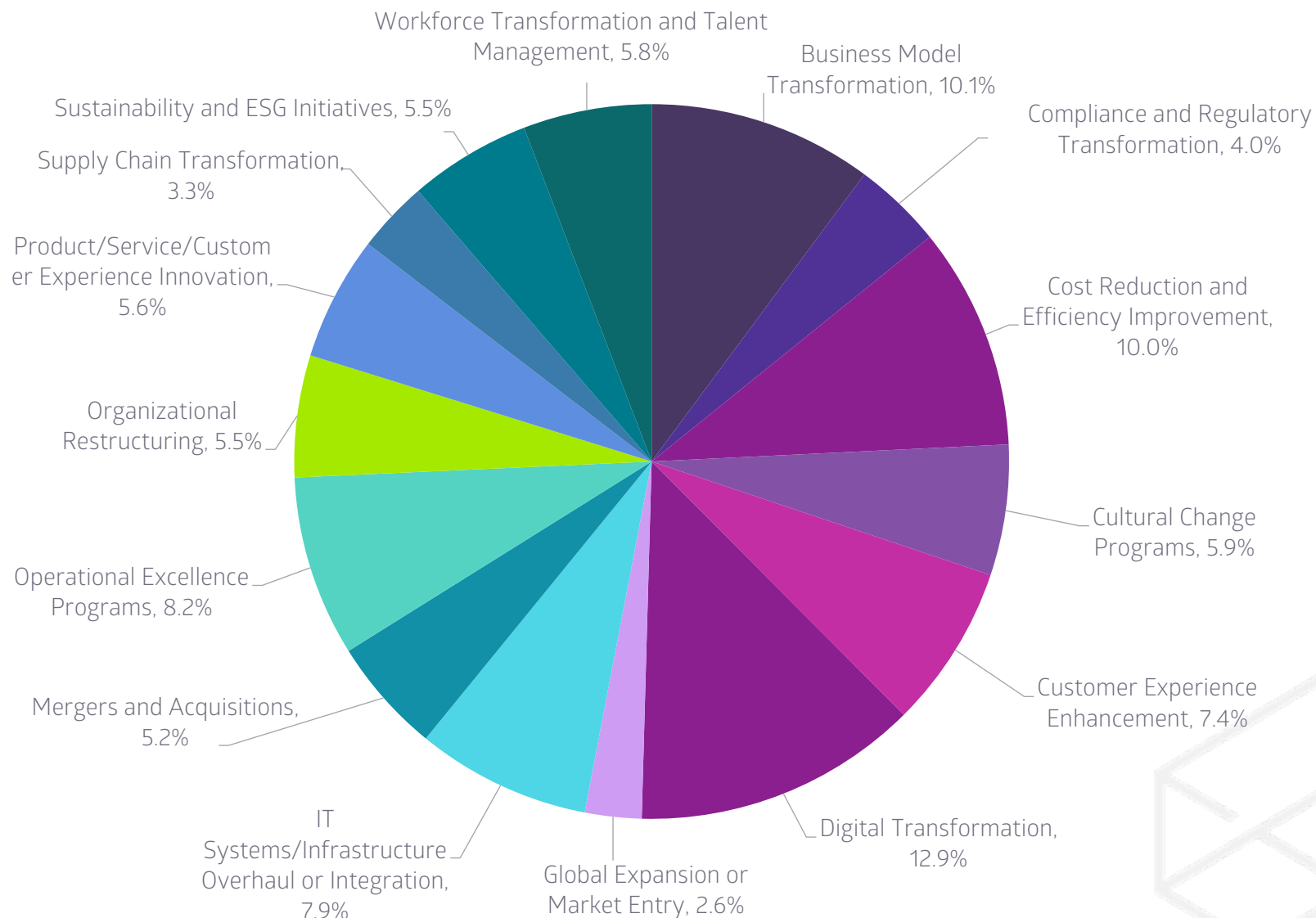
# 3: Transformation Programs
## 2024 State of Transformation Survey

Transformations are increasing in number, size, and complexity, putting additional strain on TMOs as they take on greater pressure to deliver results.

- Respondents are running many kinds of transformations, with an emphasis on cost-cutting and efficiency that aligns with broader macroeconomic trends. Over 60% of respondents selected more than four types of transformation, and almost a quarter selected more than seven types.

- Nearly 70% of respondents were currently running five or more programs, and almost 30% were running 10+ programs.

- Almost 70% of transformation programs have direct CEO oversight.

- Over 50% of programs are achieving less than 25% of their financial targets, though they may be at earlier phases of their journey (nearly half were in planning or year one). Only 4% of programs aren't tracking their financial impact.

- Nearly 60% of programs are spending less than 10% of their financial target on their transformation budget, with the highest allocations going to technology, consulting/advisory, and change management.

# Q9. Which type of transformations are you currently undertaking?

Workforce Transformation and Talent Management, 5.8%

Sustainability and ESG Initiatives, 5.5%

Supply Chain Transformation, 3.3%

Product/Service/Custom er Experience Innovation, 5.6%

Organizational Restructuring, 5.5%

Operational Excellence Programs, 8.2%

Mergers and Acquisitions, 5.2%

IT Systems/Infrastructure Overhaul or Integration, 7.9%

Global Expansion or Market Entry, 2.6%

Digital Transformation, 12.9%

Customer Experience Enhancement, 7.4%

Cultural Change Programs, 5.9%

Cost Reduction and Efficiency Improvement, 10.0%

Compliance and Regulatory Transformation, 4.0%

Business Model Transformation, 10.1%

Given current macroeconomic conditions, it's not surprising that many of these program types connect to cost reductions and improving EBITDA performance.

This multiple-choice question represents the reality that most transformation programs have multiple stakeholders and, similarly, alignment to multiple strategic imperatives. **Notably, over 60% of respondents selected more than four types of transformation, and almost a quarter selected more than seven types.**

## Number of transformation types selected

>8 15%

>7... 

>6 32%

>5 46%

>4 62%

>3 78%

>2 90%

19
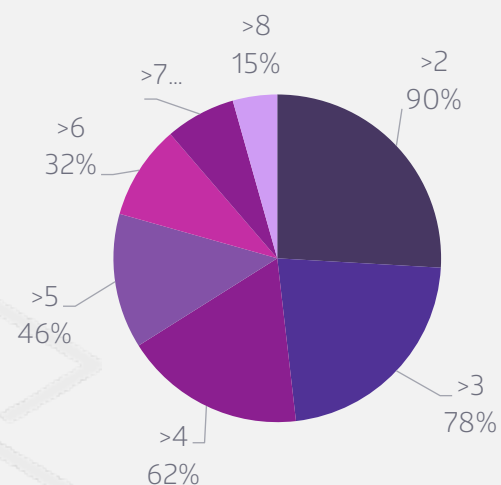
# Q10. How many programs is your Transformation Management Office currently overseeing?
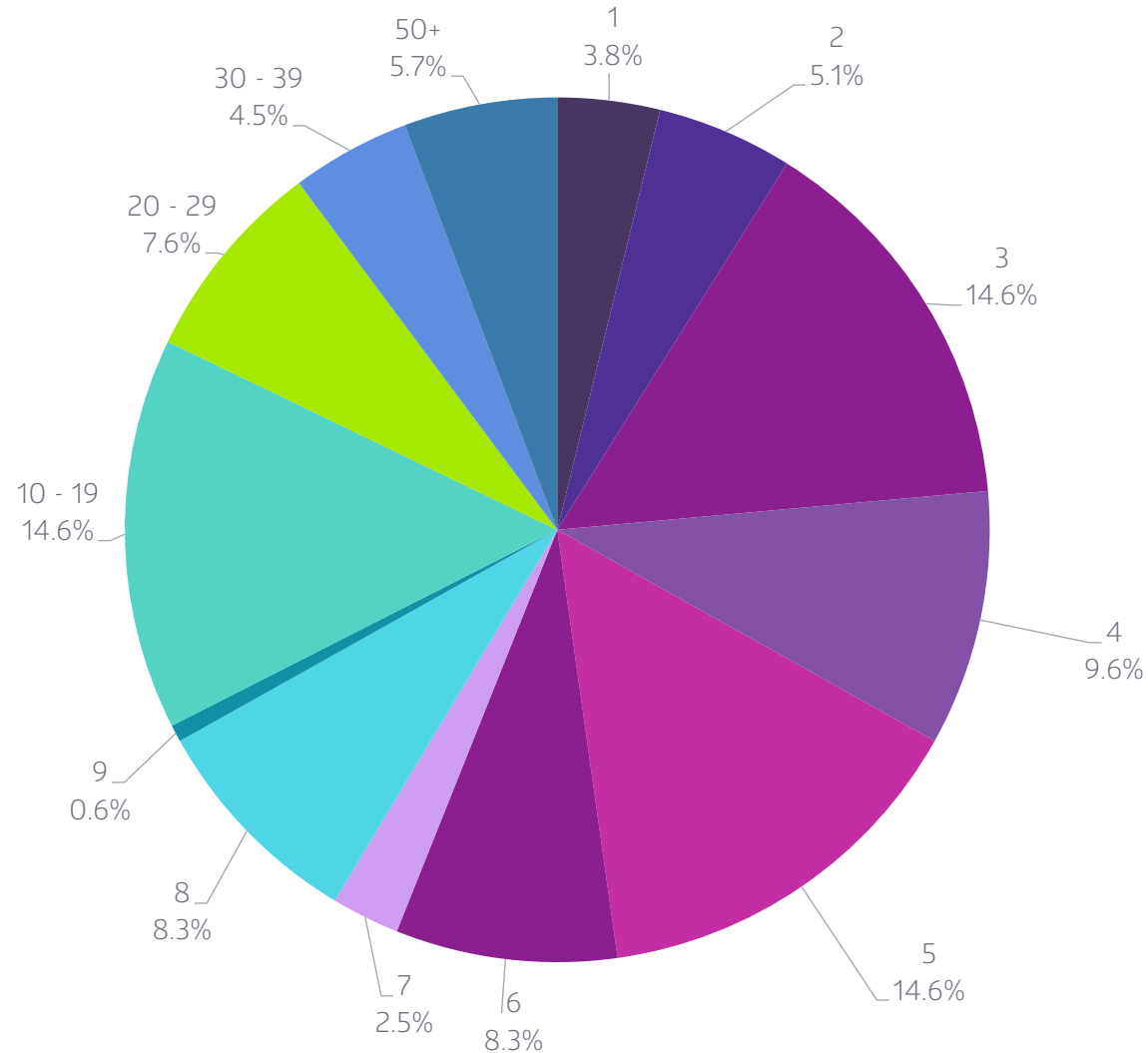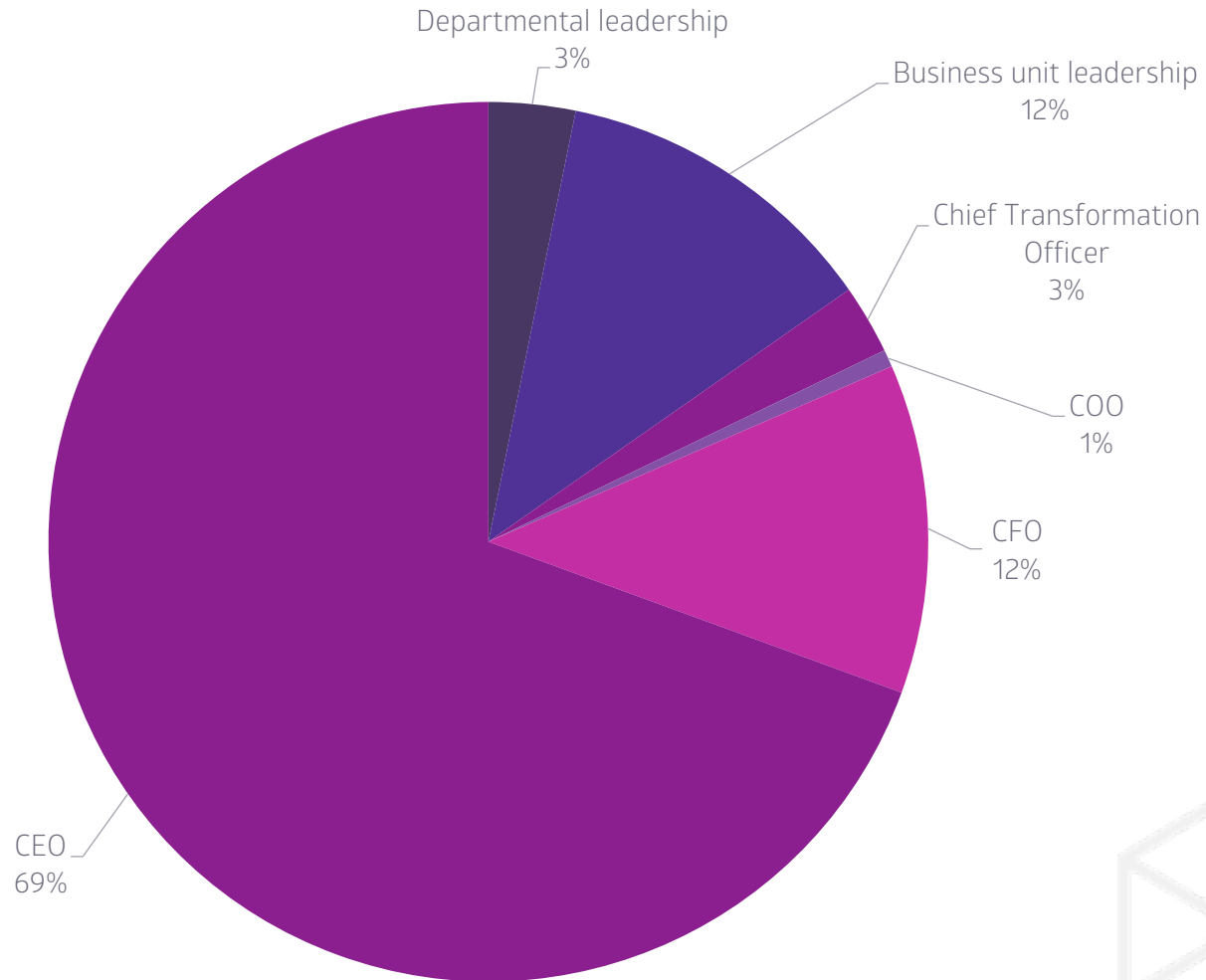


Transformation Management Offices are busy! This question didn't capture the scale of the programs, but **nearly 70% of respondents were currently running five or more programs**. Almost 30% of respondents were running 10+ programs, suggesting either a smaller definition of the program or a much larger team.

Ten years ago, this would have been two or three programs, and they would have leaned more toward Six Sigma-type process improvements. The more pressure organizations have to improve, the more their TMOs will be tasked with overseeing a wide variety of improvement programs.

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# Q11. What is the highest level of executive oversight on your transformation program?



Departmental leadership
3%

Business unit leadership
12%

Chief Transformation Officer
3%

COO
1%

CFO
12%

CEO
69%

Given the scale of organizations responding, it was somewhat surprising to find **nearly 70% of transformation programs have direct CEO oversight.** About a quarter of the remaining programs were either overseen by the CFO, suggesting a strong financial component to their targeted outcomes, or by business unit leadership, suggesting more line-of-business level programs.

We interpret the low percentage of Chief Transformation Officers (2.5%) as meaning they report to the CEO or CFO and, therefore, aren't at the highest level of oversight.

More and more, TMOs are a suite of specialists driving change, and the line managers are focused on BAU. The CEO is ultimately most responsible for change in an organization, and so it logically follows that the TMO report directly into him or her.

# Q12. What phase is your current transformation program in?



Planning and Design
17%

Year 3+ Execution
20%
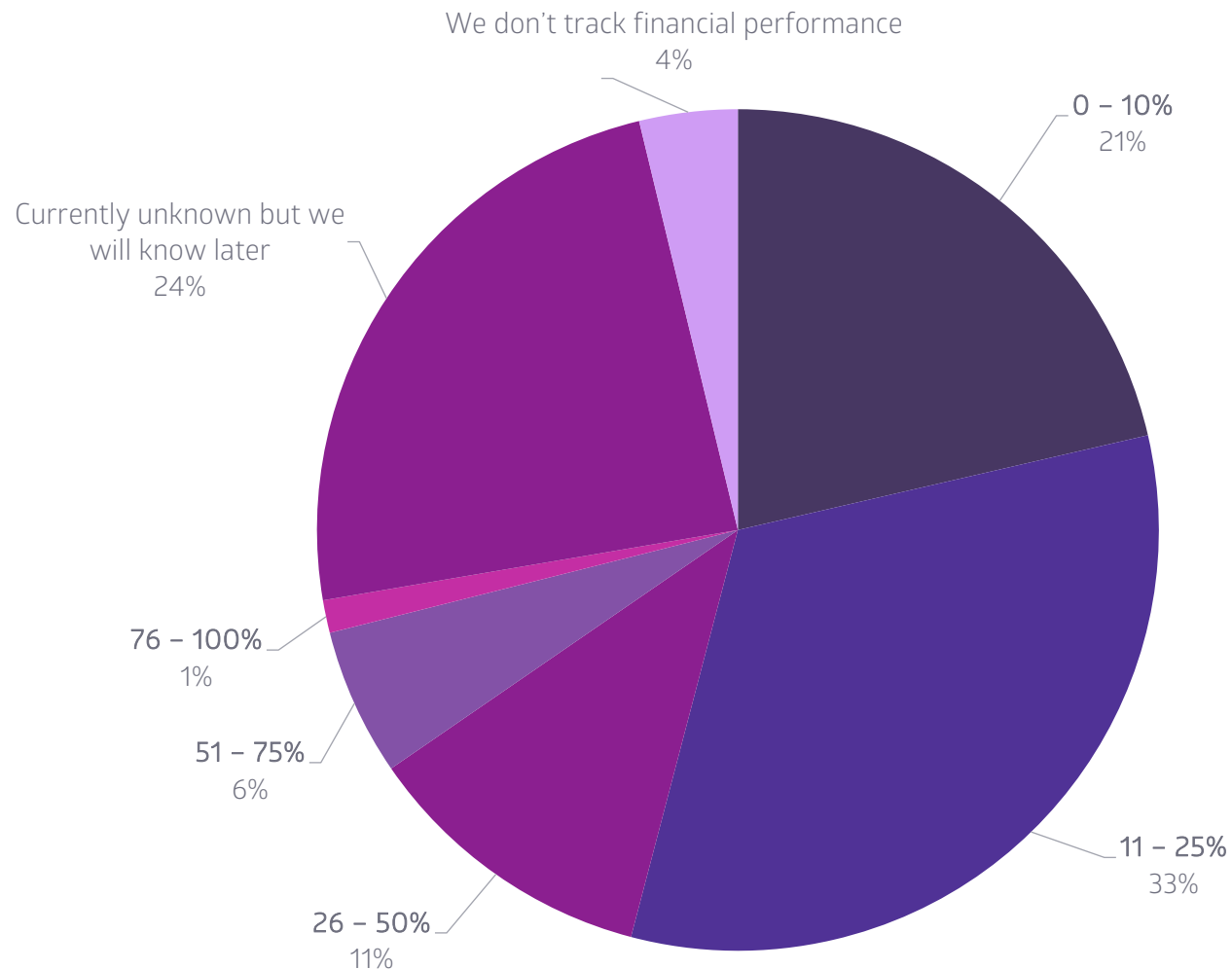
Year 1 Execution
29%

Year 2 Execution
34%
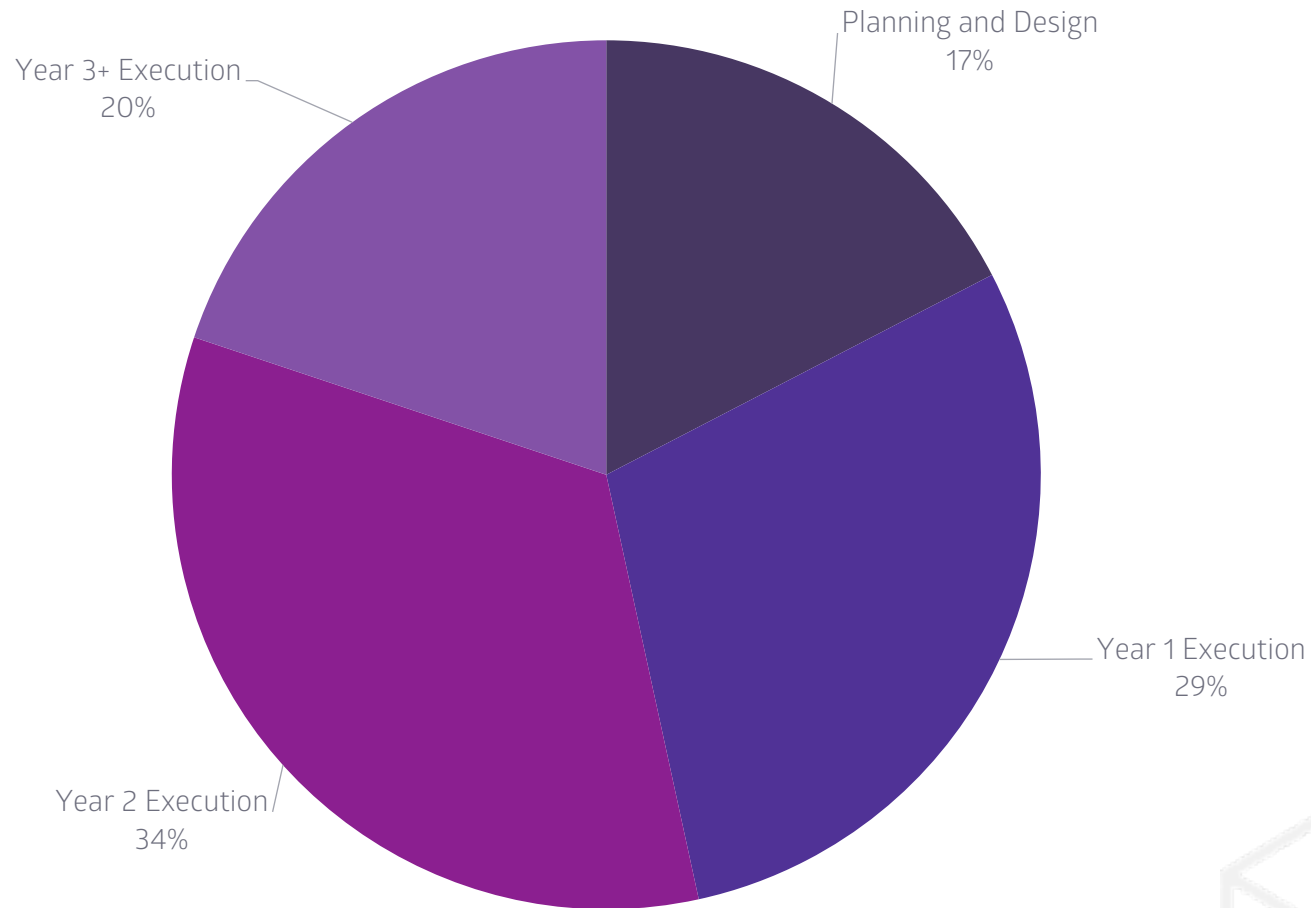
The majority of programs covered in this question were underway, with a fairly even split between the different execution points.

Some respondents answered for each of their underway programs, reflecting that they might be responsible for programs at each phase simultaneously.

Post-COVID, the broader trend is that shareholders and owners of businesses want to extract more value at a lower cost (e.g.: hybrid or remote teams, less office space, etc.) and are dealing with constant disruption (e.g.: supply chains, geopolitics, etc.), leading to an increasing need for transformation programs.

# Q13. What percentage of your financial target is your current transformation program achieving?
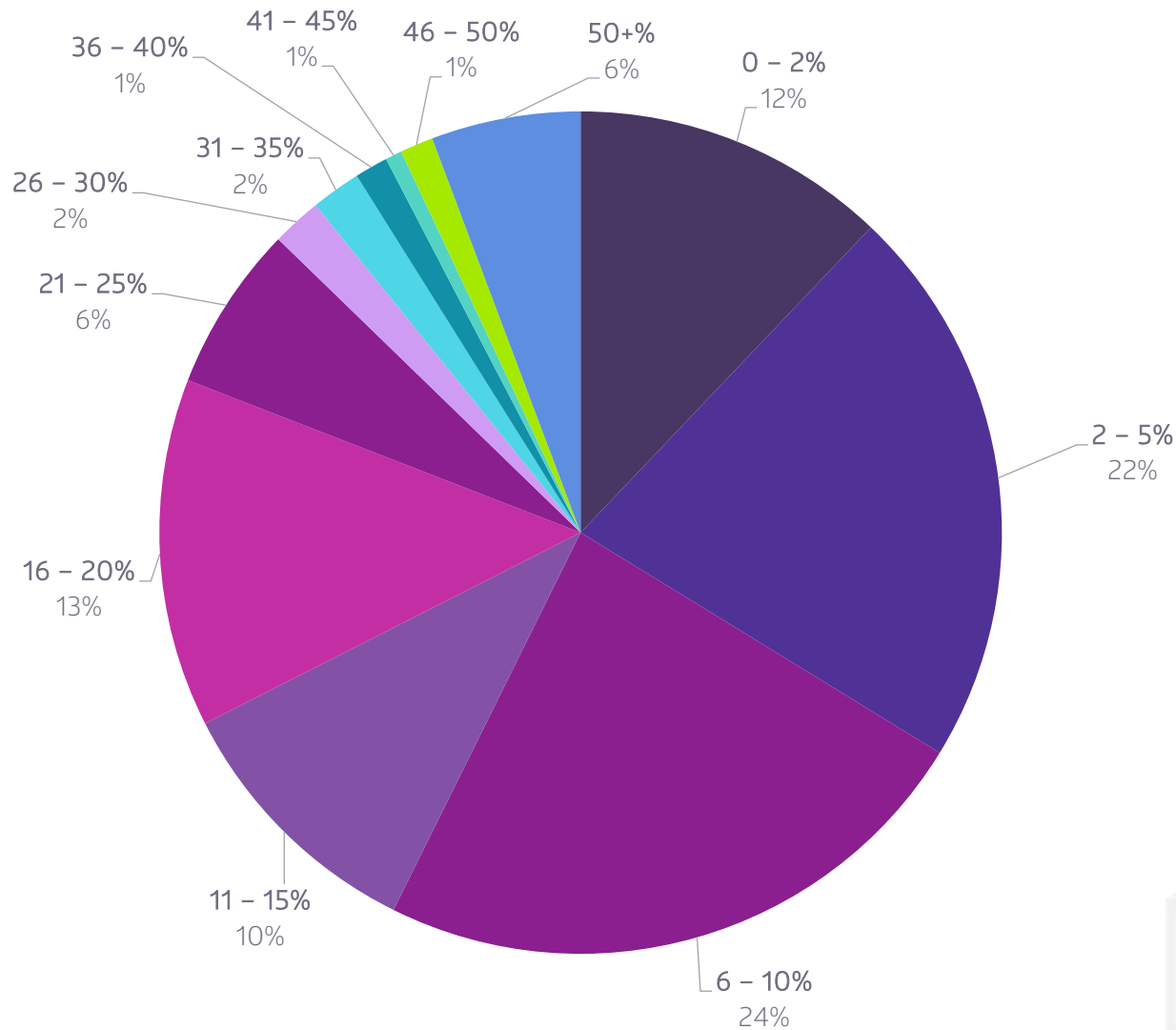
We don't track financial performance
4%

0 – 10%
21%

Currently unknown but we will know later
24%

11 – 25%
33%

76 – 100%
1%

51 – 75%
6%

26 – 50%
11%

We defined "financial target" as EBITDA growth, cost reduction, revenue growth, etc. Read these answers as:

**0 – 10%**          Percentage of target

21%          Percentage of respondents

Combining the answers to questions 12 and 13, we can conclude that most programs are in the first or second year (60+%) and not yet achieving their financial targets (~65% achieving less than 50% of targets).

We were heartened to see that only a very small percentage of programs don't track financial performance (3.8%) and that a quarter don't currently know the answer but will later. Connecting program outcomes to measurable financial targets is a critical governance model for orchestrating transformation success. This requires a higher degree of transformation orchestration maturity, and so it makes sense that a smaller percentage of respondents are achieving higher outcomes.

# Q14. What percentage of your transformation's financial target does the transformation's budget represent?



Pie chart segments:

- 36 – 40% — 1%
- 41 – 45% — 1%
- 46 – 50% — 1%
- 50+% — 6%
- 0 – 2% — 12%
- 31 – 35% — 2%
- 26 – 30% — 2%
- 21 – 25% — 6%
- 16 – 20% — 13%
- 11 – 15% — 10%
- 6 – 10% — 24%
- 2 – 5% — 22%

We provided an example for clarity: a transformation with a $100m target and a budget of $1m budget would represent 1%.

Read these answers as:

**0 – 2%**   Percentage of budgets

12%   Percentage of respondents

For the purpose of this question, the lower the percentage representation, the better (i.e.: you're spending less to get a bigger outcome). To that end, **almost 70% of programs are spending 20% or less of their total target on the transformation program itself, suggesting an ROI of at least a 4x ROI.**

Q14 might provide some good support for those of you looking to increase your budget allocation. Nearly a quarter of respondents are spending between 10 – 20% of their target on their transformation, which might help lift the 12% of you spending less than 2%.

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# Q15. Please rank your budget spend by category for your current program from highest to lowest.

| Rank | Category |
|------|----------|
| 1 | Technology and software, including Investments in new technologies, software licenses, IT infrastructure, and digital tools. |
| 2 | Consulting and advisory services, including costs for external expertise in strategy, management, and technical consulting. |
| 3 | Change management, including resources allocated to change management activities, including communication, stakeholder engagement, and support structures. |
| 4 | Personnel and staffing, including costs related to hiring new staff, temporary workers, or reallocating existing employees for the transformation project. |
| 5 | Training and development, including budget for employee training programs, skill development, and learning resources to support the transformation. |
| 6 | Operational costs, including expenditures for streamlining operations, process reengineering, supply chain optimization, or efficiency improvements. |
| 7 | Compliance and legal, including expenses for legal advice, compliance audits, regulatory filings, and adherence to new standards or regulations. |
| 8 | R&D, including investment in innovation, product development, market research, and testing new business models or solutions. |
| 9 | Marketing and communication, including budget for internal and external marketing, branding, and communication efforts related to the transformation. |
| 10 | Facilities and Infrastructure, including costs related to physical infrastructure, office space modifications, new facilities for expansion, or logistics enhancements. |

Large enterprises have traditionally spent considerable sums on external consultants and advisors (#2) driving transformation, which is second only to technology spending (#1). This may represent the growing maturity of internal TMOs and their need for less reliance on outside expertise, as well as the growth of transformation-specific technologies and the impending wave of AI.

We expect, in the short-term, that AI will drive growth in both technology and consulting but that the longer-term impact will be a further reduction in consulting spend. The automation of manual tasks, especially in lower-cost roles, is likely to further reduce personnel (#4) and related costs (#3 and #5) while increasing operational (#6) and R&D spending (#8).

# 4

# Transformation Management Offices

The 11 questions in this section look at the size and composition of TMOs, how they spend their time, their challenges and concerns, and their future evolution.

# 4: Transformation Management Offices
## 2024 State of Transformation Survey

TMOs are changing almost as rapidly as the programs they run. This year has seen the start of a shift from 'transformation' teams to 'strategic program' teams, employing many of the same roles and skills to move from ensuring business survival to business growth.

- The average TMO has 31 dedicated members with strong traditional representation (CTO, Directors of Transformation, Project Managers, Business Analysts, Finance), but are expanding to include more roles like Human Resources and Communication as Change Management finally gets its due.

- Teams are spending far too much of their time on low-value work like status tracking, averaging about 25% of their work effort and costing hundreds of thousands of precious budget dollars.

- 63% of TMOs have either already evolved into Strategic Program Offices (22%) or are on their way there (41%).

- They're concerned with inconsistent planning, lack of benefits tracking, and ineffective collaboration while being challenged by alignment with long-term strategic goals, culture and change management, and managing complex interdependent tasks and workstreams.

- TMOs need better data and dashboards and more time, money, autonomy, good leaders, and people.

- They're evenly split on how to achieve KPI alignment to strategic goals and how to drive change management.

- The majority are relying on external consultants/strategic advisors, mostly to plan programs and stand up TMOs, mostly from the large advisory firms (Accenture, Deloitte, KPMG, etc.) and management consultancies (Bain, BCG, McKinsey, Kearney, etc.).

# Q16. How many people do you have dedicated to your Transformation Management Office?
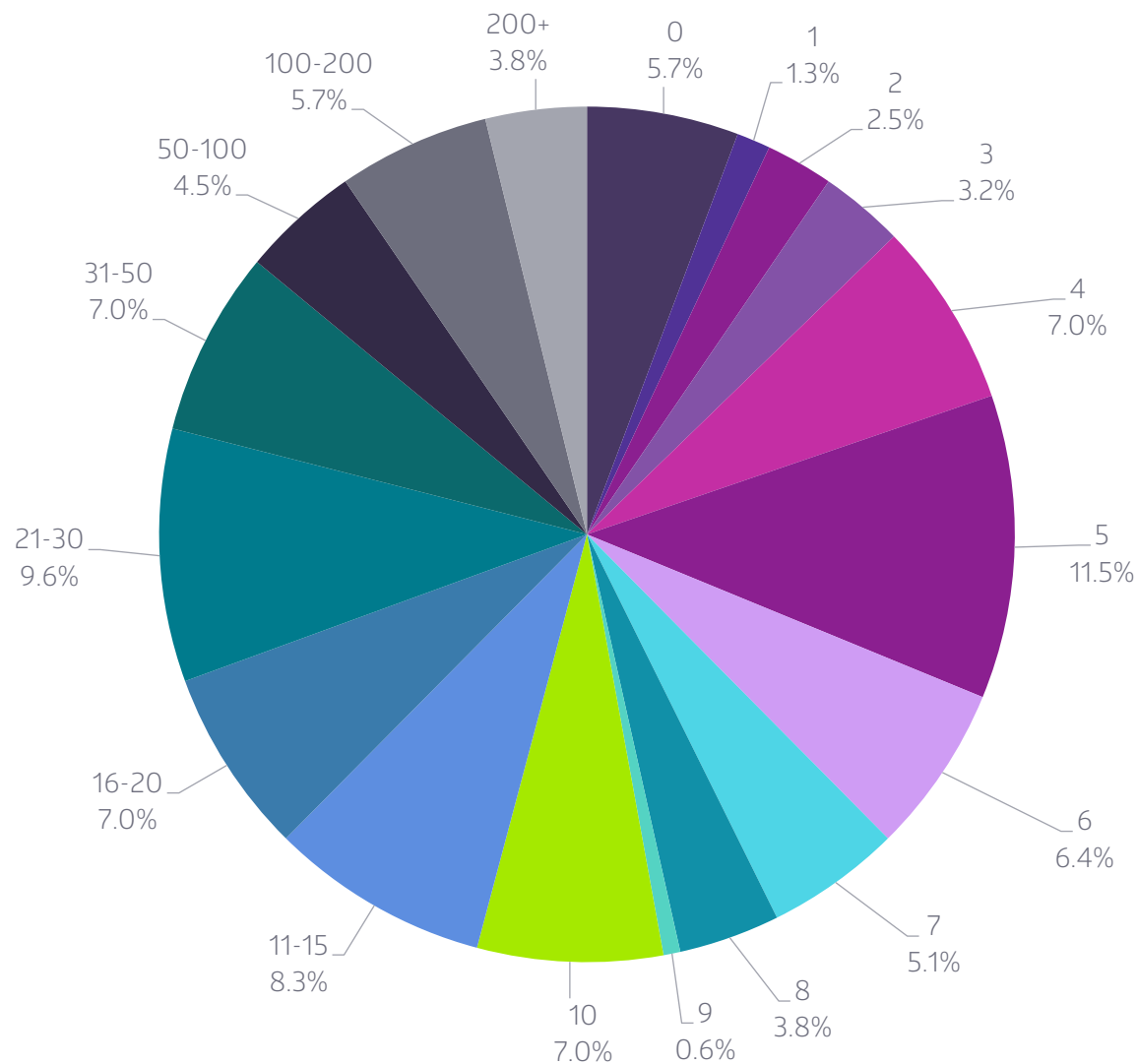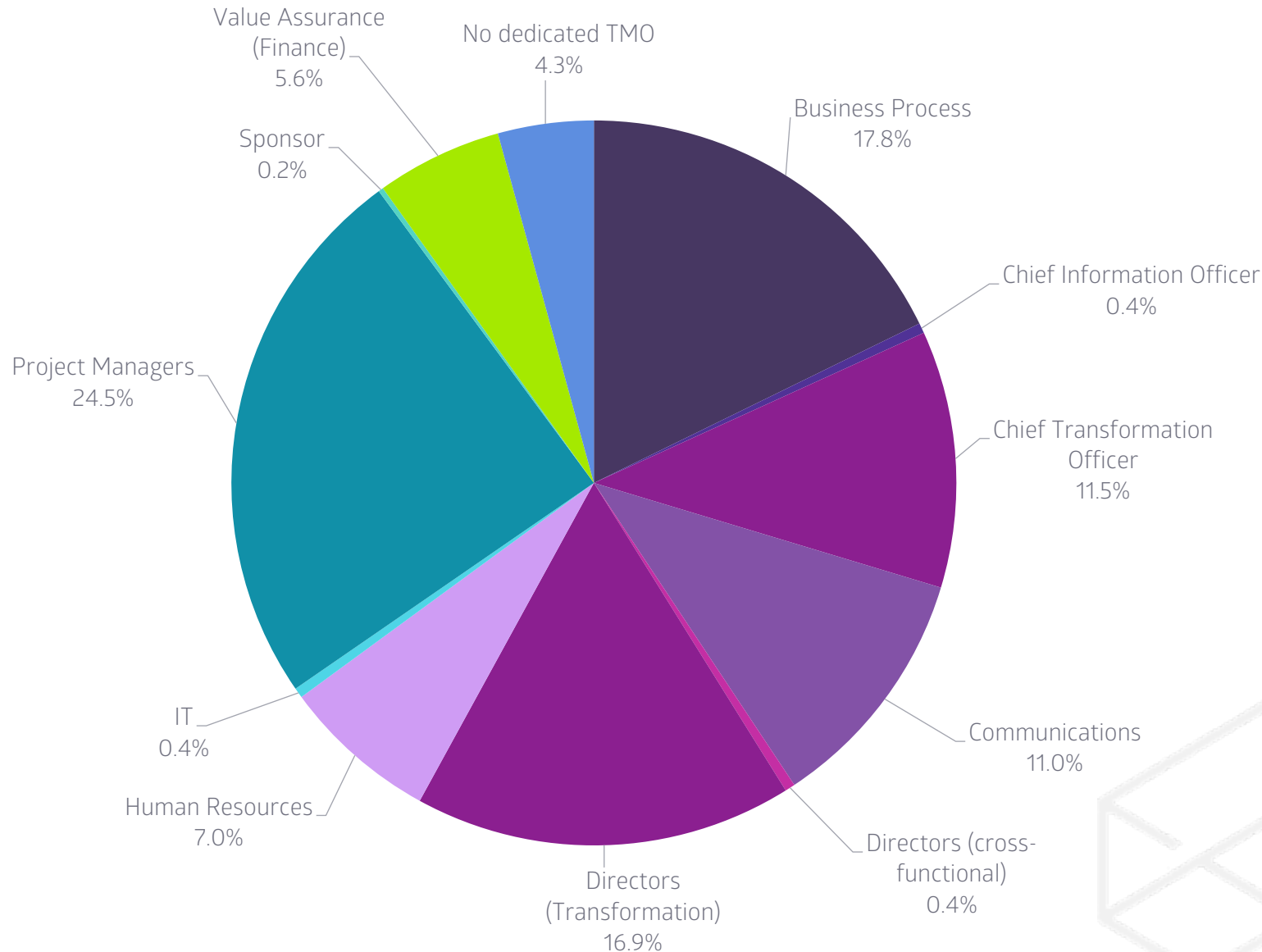


The scale of enterprises employing our respondents makes the larger teams here less surprising (although nearly 4% have teams of over 200 dedicated TMO members!). The bigger surprise might be in the number of smaller teams, with over 30% of respondents coming from TMOs of five or fewer people. **The average team size is 31 people (assuming the open-ended 200+ range averages to 225).**

Broadly speaking, the automation of TMOs through transformation orchestration platforms is reducing the overall size of their teams even as they're able to handle more work. This answer provides a snapshot/moment-in-time view for TMO sizes but doesn't reflect the elastic nature of those teams at various stages of the transformation journey. It may be that some of the larger teams are at earlier stages of those journeys and have less transformation maturity, thereby requiring more people.

# Q17. Which roles do you have in your Transformation Management Office?



Pie chart:
- Business Process 17.8%
- Chief Information Officer 0.4%
- Chief Transformation Officer 11.5%
- Communications 11.0%
- Directors (cross-functional) 0.4%
- Directors (Transformation) 16.9%
- Human Resources 7.0%
- IT 0.4%
- Project Managers 24.5%
- Sponsor 0.2%
- Value Assurance (Finance) 5.6%
- No dedicated TMO 4.3%

Traditional TMOs would have had a CTO, some Directors of Transformation, Project Managers, and some representatives from Finance to check the numbers. It's encouraging to see TMOs becoming more diverse microcosms of the broader business as they mature.

It's especially noteworthy to see Communications and Human Resources making relatively strong appearances here, suggesting that Change Management is finally getting the attention it has long deserved (although not with any dedicated Change Management roles specifically).

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# Q18. Please estimate the percentage of time spent on status tracking activities across your team.
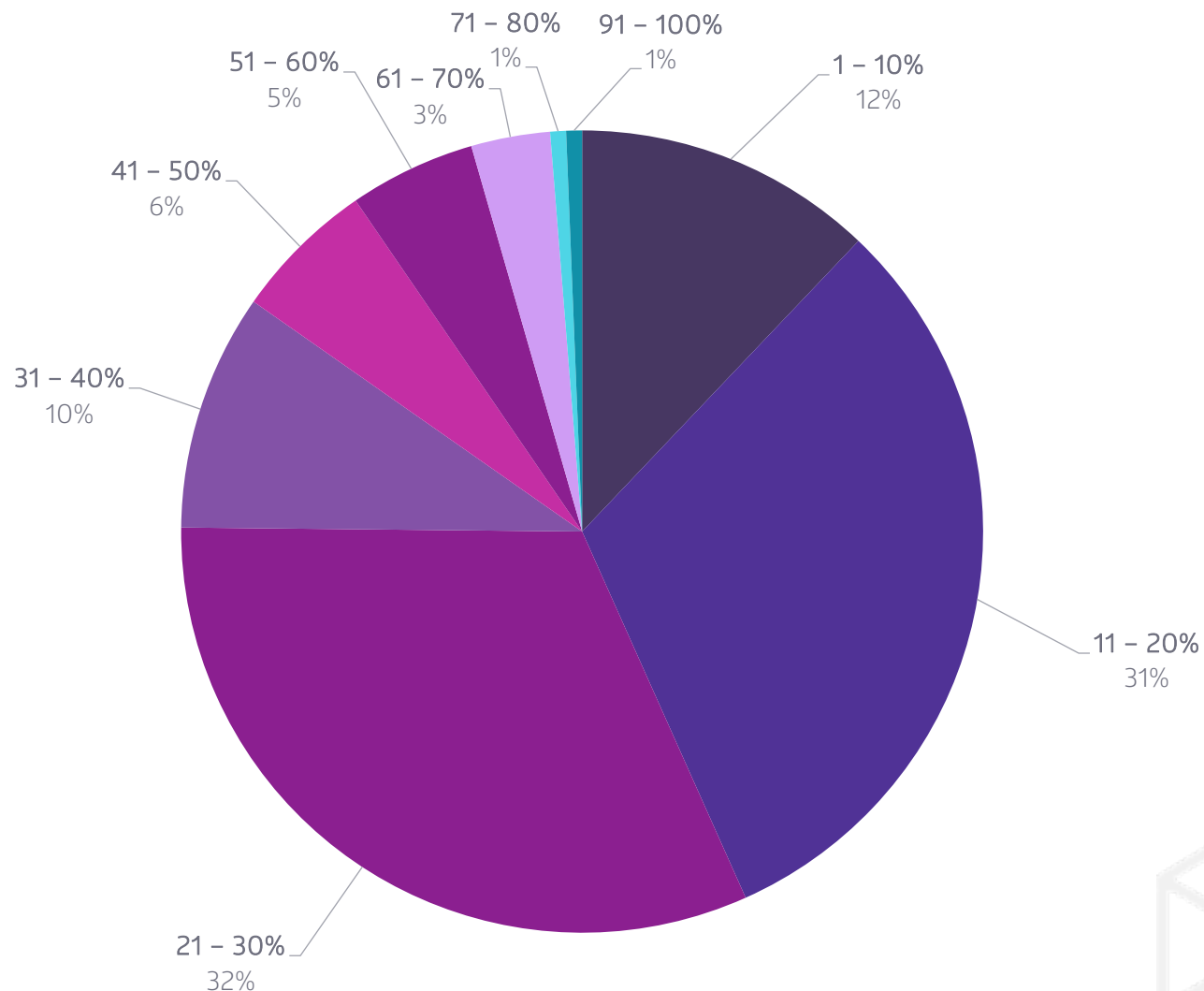


We defined status-tracking activities as tracking KPIs, project management, building project/workstream charters, updating PowerPoint, presenting updates, status meetings, etc. Read these answers as:

**1 – 10%** Percentage of time

**12%** Percentage of respondents

In an ideal world, transformation teams would spend as little time on low-value work as possible, with status tracking being one of the lowest. The majority of programs ultimately report status via Microsoft Excel and PowerPoint, with a significant manual effort required to produce both.

The cost of this low-value work is considerable. An average-sized transformation team of 31 people (from Q16), at an average fully-loaded cost of $90k per person, spending 25% of their time on status-tracking, is burning through nearly $700k of budget every year. Automating those same activities so they only take up 5% of the team's time would save $560k in budget and enable the team to focus on higher-value work that drives even better outcomes.

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# Q19. Has your TMO evolved to become a Strategic Programs Office team for ongoing operational excellence?



Not intended to evolve in that direction
10%

No dedicated TMO
10%

Yes
22%

No
17%
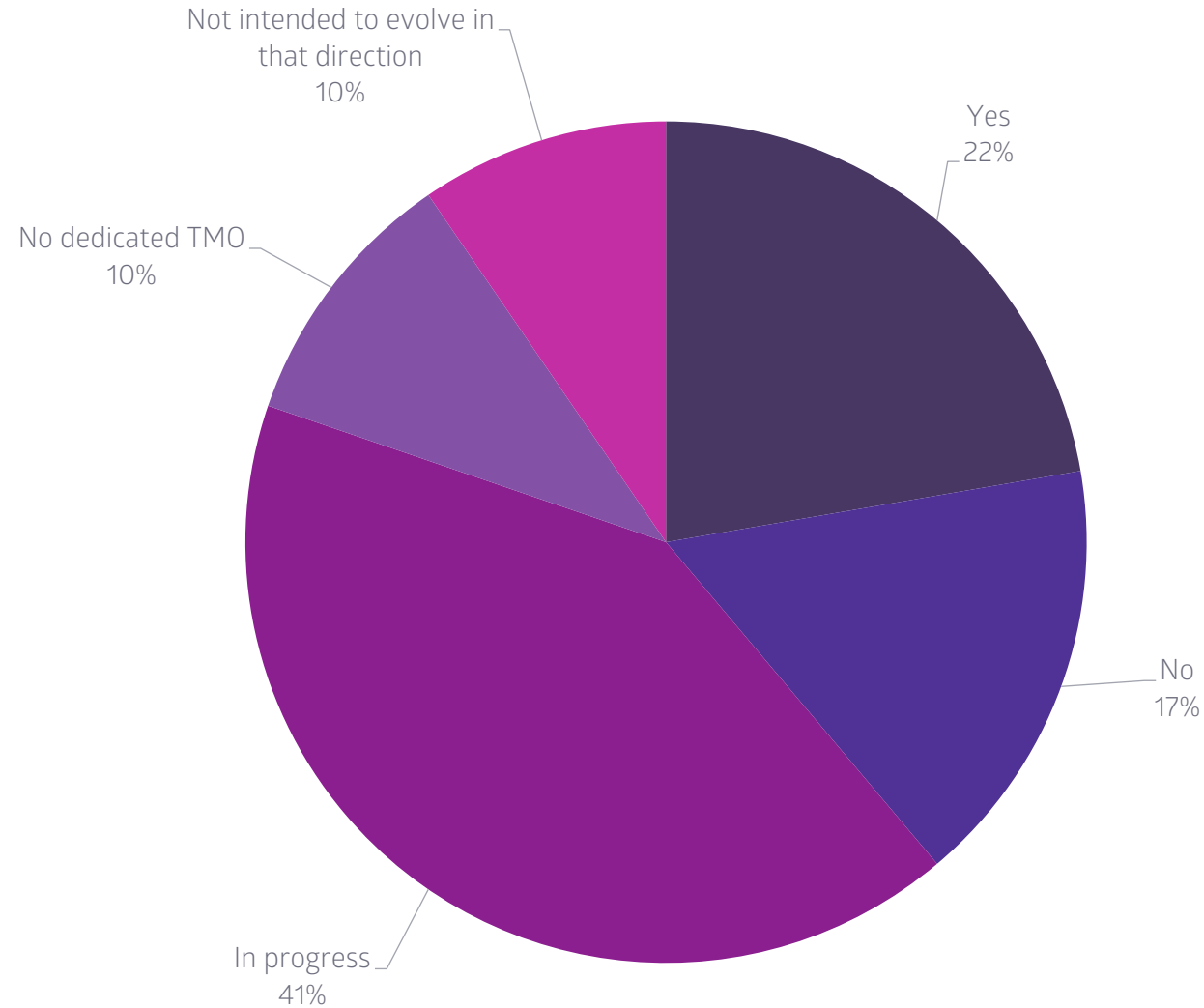
In progress
41%

Enterprises embark on their transformation journeys often in response to a problem (e.g.: declining market share) or an event (e.g.: an M&A transaction). Those journeys progress through various stages of transformation maturity, from their first transformation project to a broad portfolio/program and from borrowed team members to a dedicated Transformation Management Office. Increasingly, those TMO teams and their unique skills are evolving from "transformation," or Business As Unusual, toward becoming Strategic Program Offices, or Business as Usual.

The core skills are the same, though often with a shift from cost-cutting/saving the business as a TMO toward growth and expansion as an SPO. This shift also represents the increasing VUCA (volatility, uncertainty, complexity, and ambiguity) nature of our world and the need for more data-driven approaches to real-time decision-making and strategic prioritization.

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# Q20. Please rank these common transformation challenges in order of impact in your organization.

| Rank | Category |
|------|----------|
| 1 | Inconsistent planning across phases of programs, leading to inefficiencies and rework. |
| 2 | Lack of benefits tracking tying project costs to outcomes or multiple sources of data with manual reporting. |
| 3 | Ineffective collaboration both internally (between departments/workstreams/silos) and externally (third parties). |
| 4 | No single source of truth or limited, consolidated, real-time visibility into progress prevents data-driven decision-making. |
| 5 | High degree of manual processes and effort to plan, track, orchestrate, and execute programs, resulting in expensive people doing lower-value work. |
| 6 | Continued risk management throughout long-term programs. |

Transformation programs increasingly extend across longer timelines with more people involved and more complexity in how benefits are realized and calculated. Inconsistent planning (#1), especially after a program is established and the TMO has been stood up, results in the need for much larger and more expensive course corrections in later phases. That's often tied to a lack of benefits reporting (#2) and no single source of truth (#4), especially when cross-silo teams (internally and externally) can't easily collaborate on shared platforms and data (#3). Some of this can be masked with a high degree of much-detested manual processes (#5), though at a considerable cost (see Q18 for the cost of status-tracking alone).
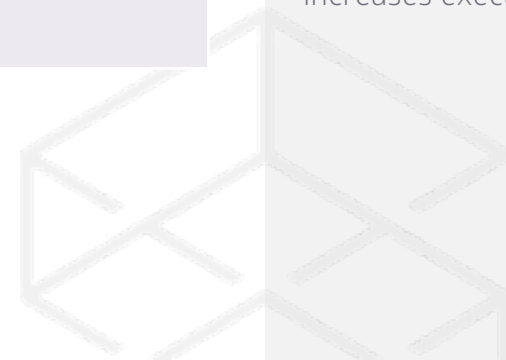
# Q21. Please rank the following concerns, from highest to lowest, for your current transformation programs.

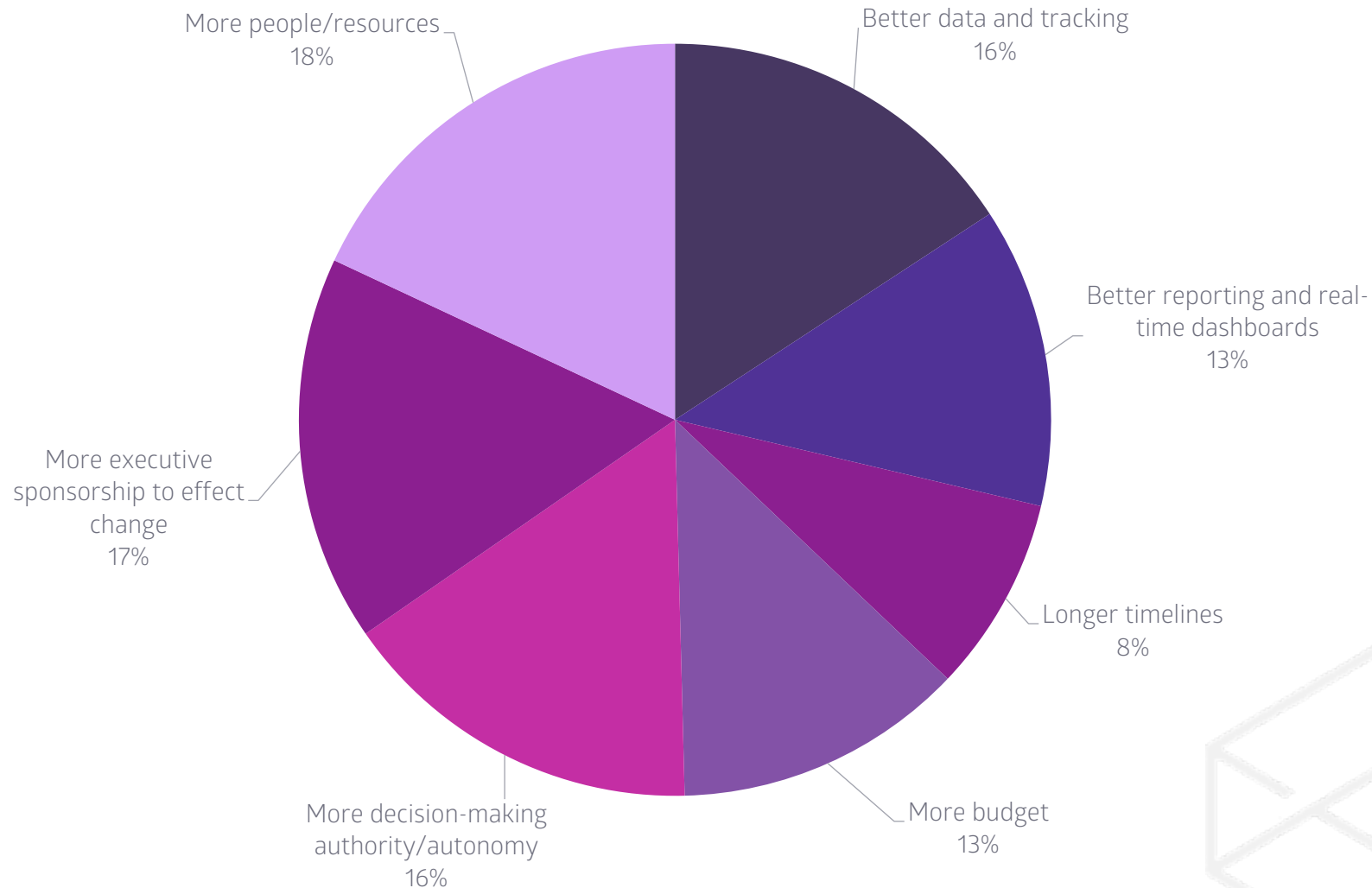| Rank | Category |
|------|----------|
| 1 | Alignment with long-term strategic goals |
| 2 | Culture and change management |
| 3 | Managing complex, interdependent tasks and workstreams |
| 4 | Technology integration and adaptation |
| 5 | Effective resource and budget utilization |
| 6 | Connecting strategy to execution |
| 7 | Strategic prioritization of ongoing programs |
| 8 | Meeting diverse and/or changing stakeholder expectations |
| 9 | Tracking KPIs consistently across workstreams and teams |
| 10 | Connecting the work within transformations to financial results |

The longer transformation programs run, the higher the risk that they become misaligned with shifting strategic goals — hence the #1 answer here.

The prominence of culture and change management on this list (#2) isn't a surprise when you ask experienced transformation leaders about their challenges, but it does represent a long-standing dichotomy in where budgets and headcount have been traditionally allocated (although both are shifting — see Q15 and Q17).

Given the top of this list, we were surprised to see connecting the work to the results (#10) rank so low. Long-term strategic goals should ideally be translated into defined KPIs (possibly via a framework like OKRs), and work to achieve those goals should be governed through an adaptive framework that reduces risk and increases execution at every phase.

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# Q22. Which of the following do you need more of to achieve transformation success?

More people/resources
18%

Better data and tracking
16%

Better reporting and real-time dashboards
13%

Longer timelines
8%

More budget
13%

More decision-making authority/autonomy
16%

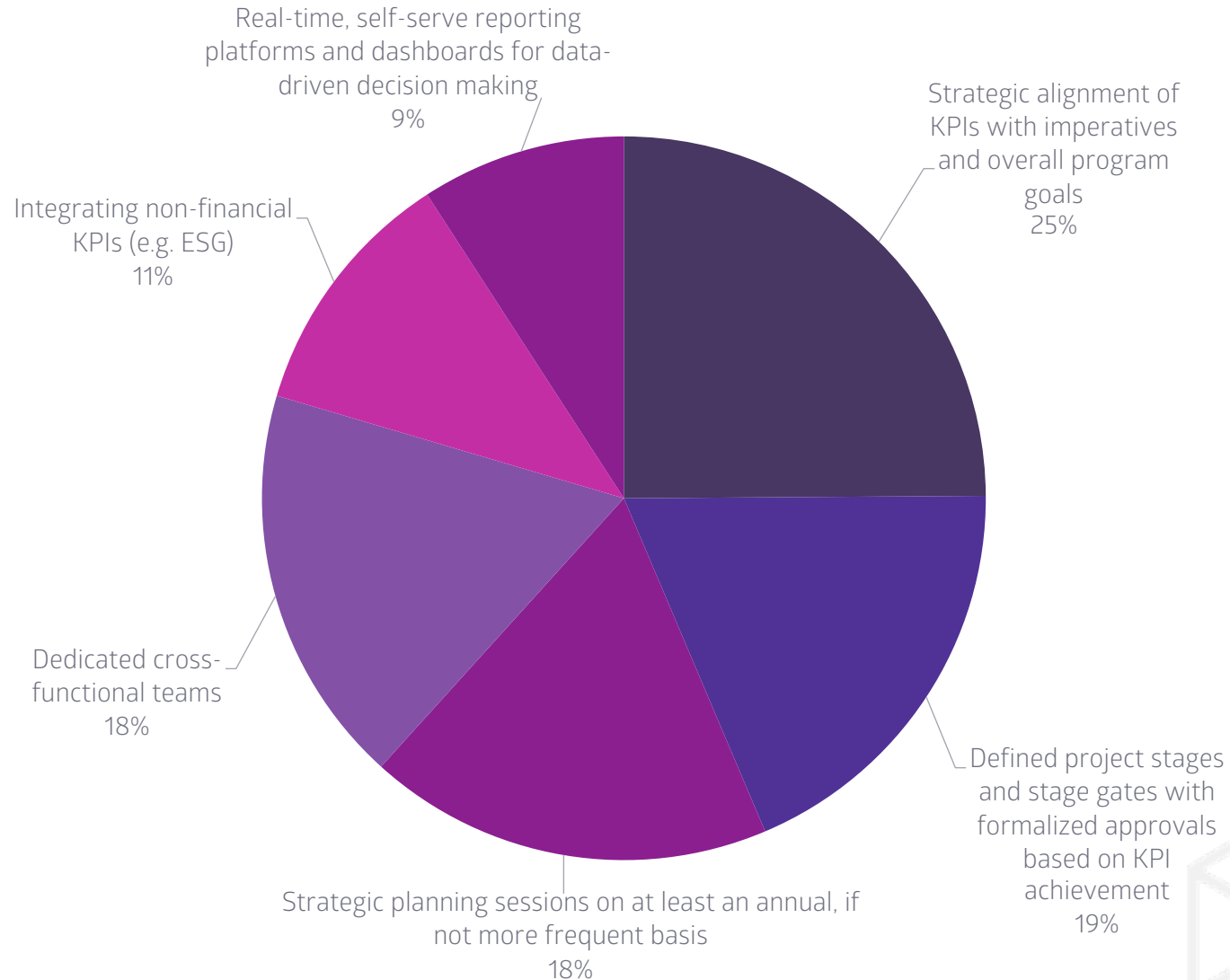More executive sponsorship to effect change
17%

This multiple-choice question gave respondents the opportunity to highlight what was holding them back. Unsurprisingly, the answer was an almost even split of everything — we need better data and dashboards and more time, money, autonomy, good leaders, and people.

The question also gave respondents an opportunity to list 'Other' roadblocks, which included:

- Better ability to tie transformation results to strategic plans

- More effective testing vs rushing to go live

- People with the right skills and expertise

- Clear leadership and a dedicated team

- Improvements to change management to improve adoption

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# Q23. How are you ensuring KPI target achievement?



Real-time, self-serve reporting platforms and dashboards for data-driven decision making
9%

Integrating non-financial KPIs (e.g. ESG)
11%

Strategic alignment of KPIs with imperatives and overall program goals
25%

Dedicated cross-functional teams
18%

Defined project stages and stage gates with formalized approvals based on KPI achievement
19%

Strategic planning sessions on at least an annual, if not more frequent basis
18%

This question focuses on what happens in the messy bits between setting goals and measuring their outcome. Driving KPI achievement during a program's execution is possibly the most critical skill for TMOs as it keeps them aligned with strategic goals, informs strategic prioritizations (especially on longer programs), and provides shape to the work itself.
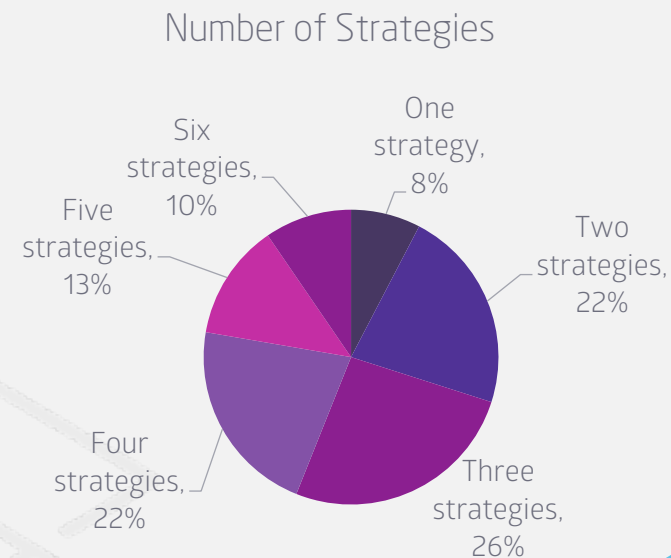
Respondents are using an almost even split of these tools, with a bit more emphasis on strategic alignment at the start and a bit less on real-time, self-serve reporting. We expected to see cross-functional teams achieve more prominence here, given how essential they are in driving outcomes in larger enterprises.

35

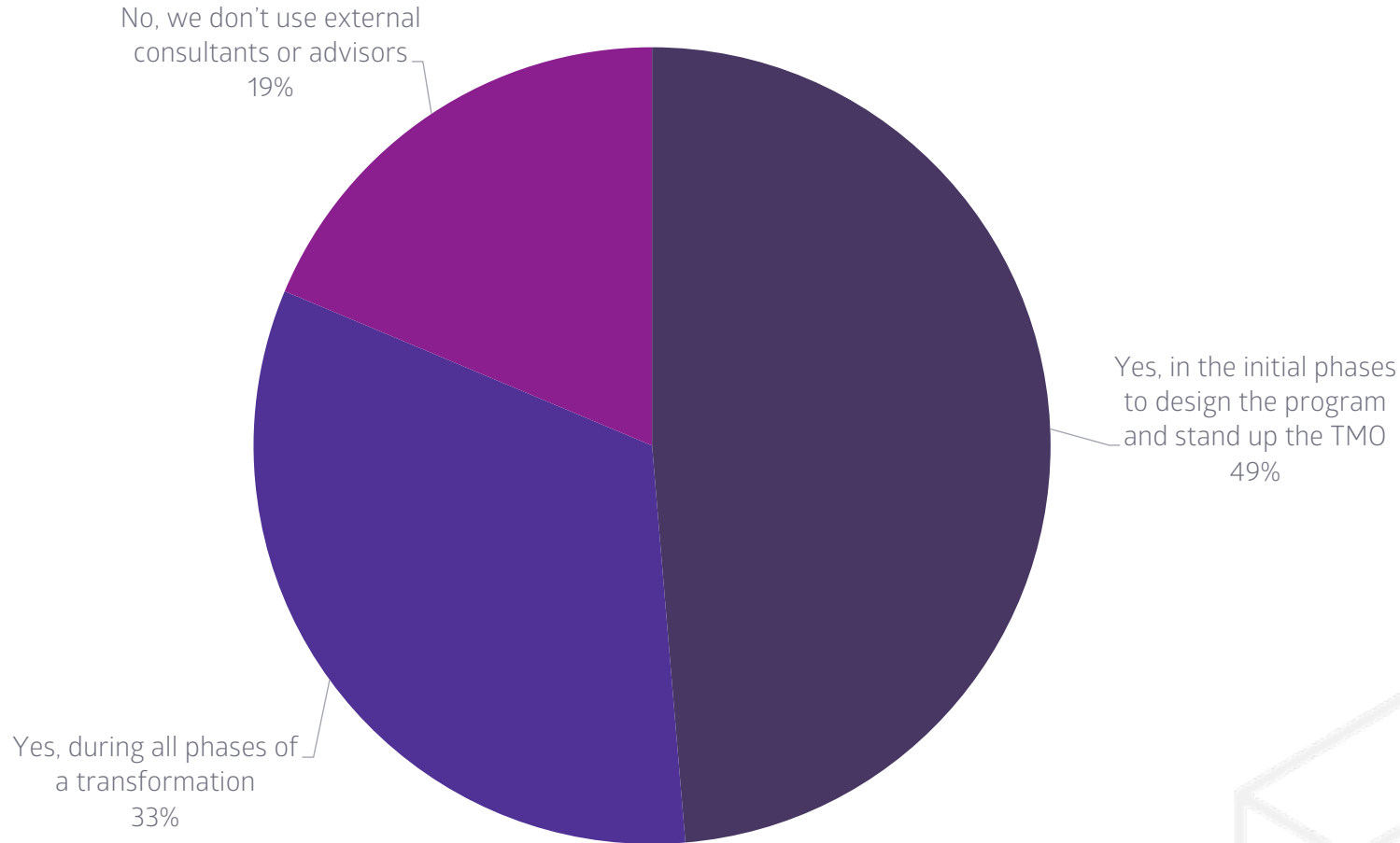# Q24. How is change management addressed in your transformation initiatives?
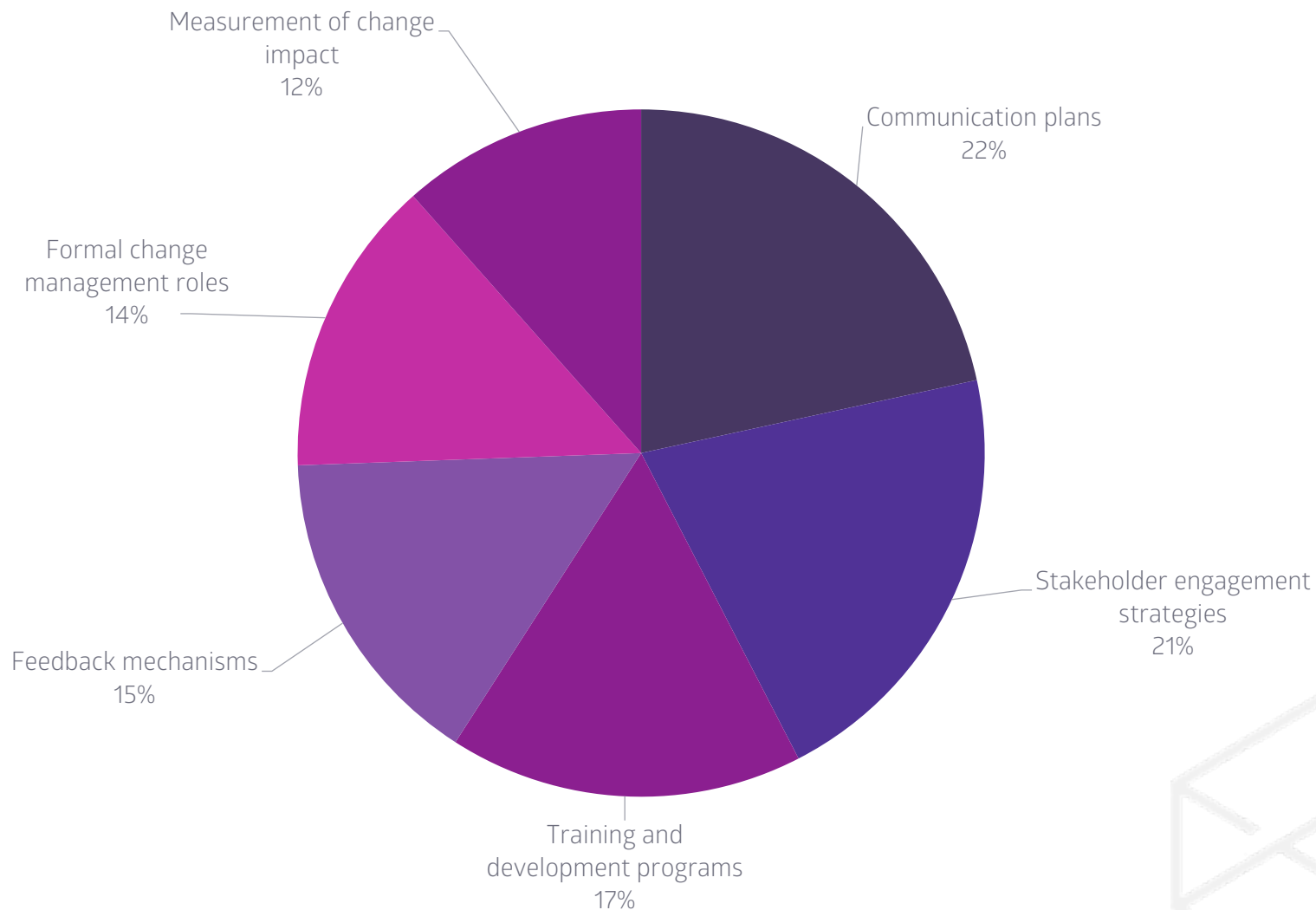
As Peter Drucker famously said, "Only what gets measured gets managed." The most effective way to make change management a priority is to measure it and make specific people responsible for the outcome. **Nearly 30% of respondents have taken that to heart, creating formal roles and measuring the impact they have.**

Also of interest is the number of strategies employed by each respondent, with more than half of the teams using three or fewer.

Measurement of change impact
12%

Communication plans
22%

Formal change management roles
14%

Feedback mechanisms
15%

Stakeholder engagement strategies
21%

Training and development programs
17%

## Number of Strategies

One strategy,
8%

Six strategies,
10%

Five strategies,
13%

Two strategies,
22%

Four strategies,
22%

Three strategies,
26%

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# Q25. Do you rely on external consultants/strategic advisors for transformations?

No, we don't use external
consultants or advisors
19%

Yes, in the initial phases
to design the program
and stand up the TMO
49%

Yes, during all phases of
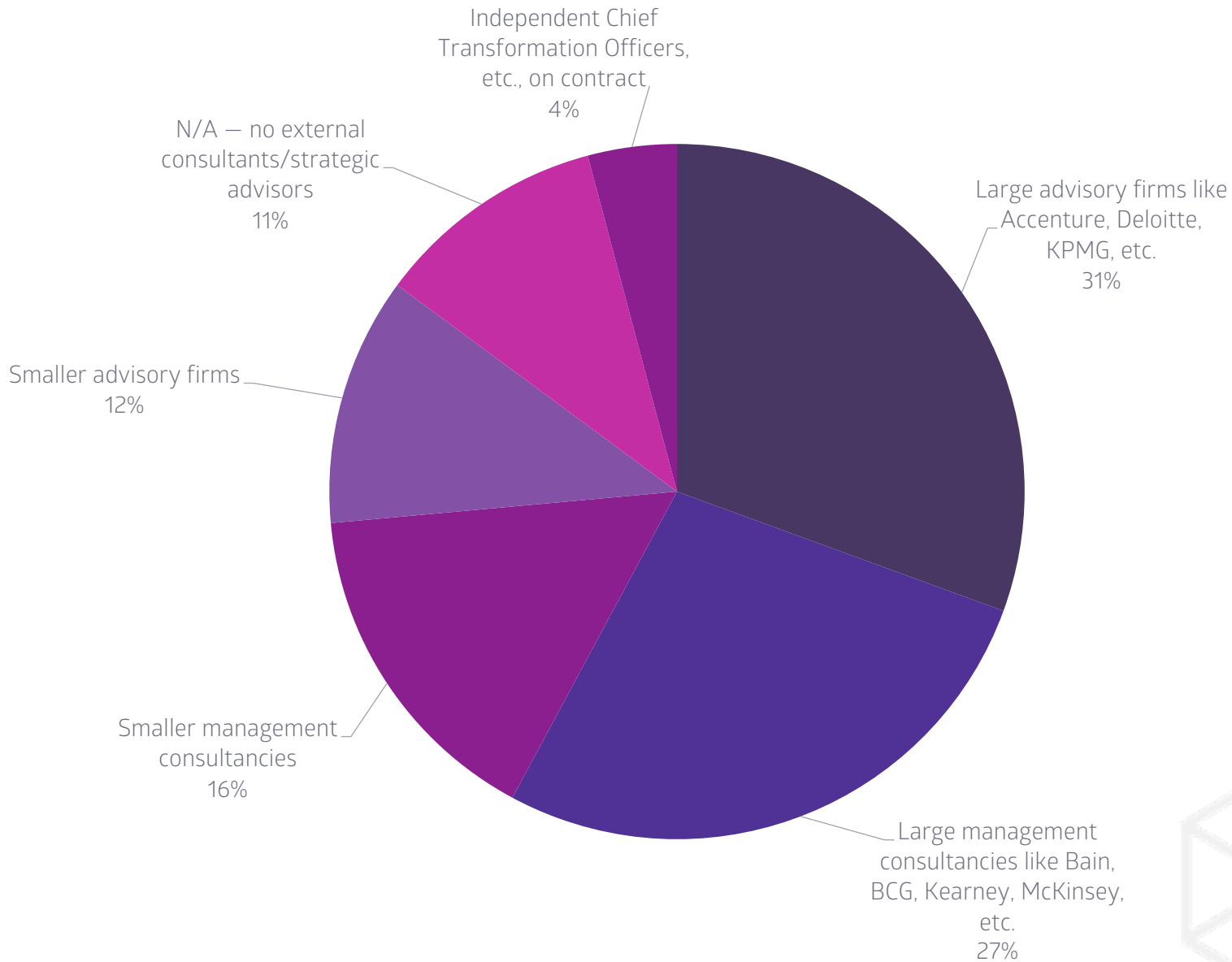a transformation
33%

The majority of our respondents are using external consultants and strategic advisors, though the majority of them are only using them to design programs and stand up the TMO and then taking on the burden of the execution internally.

Change management is harder to accomplish if internal teams have external people to rely on to do the work. Long-lasting change and transformation only happen when the people ultimately responsible for it have their sleeves rolled up and are getting their hands dirty, so it's critical to have your teams heavily engaged in the work after the initial phases.

# Q26. Which types of external consultants/strategic advisors?

Independent Chief Transformation Officers, etc., on contract
4%

N/A — no external consultants/strategic advisors
11%

Smaller advisory firms
12%

Large advisory firms like Accenture, Deloitte, KPMG, etc.
31%

Smaller management consultancies
16%

Large management consultancies like Bain, BCG, Kearney, McKinsey, etc.
27%

Given the scale of the enterprises surveyed, it's no surprise that **over 50% of this answer was a combination of the large advisory firms (Accenture, Deloitte, KPMG, etc.) and management consultancies (Bain, BCG, Kearney, McKinsey, etc.).**

We've seen an increase in the number of independent CTOs brought in to stand-up programs and hire a full-time CTO, especially by Private Equity funds for value creation programs. This doesn't necessarily replace the need for large-scale consulting but can often represent an effective bridging strategy at a lower cost.

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# 5

# Transformation Platforms

This section's five questions look at the technology platforms helping TMOs achieve their outcomes, including AI adoption and their platforms' weak points.

# 5: Transformation Platforms
## 2024 State of Transformation Survey

Technology and transformation go hand-in-hand, with many of today's broader transformation teams coming out of yesterday's digital transformations.
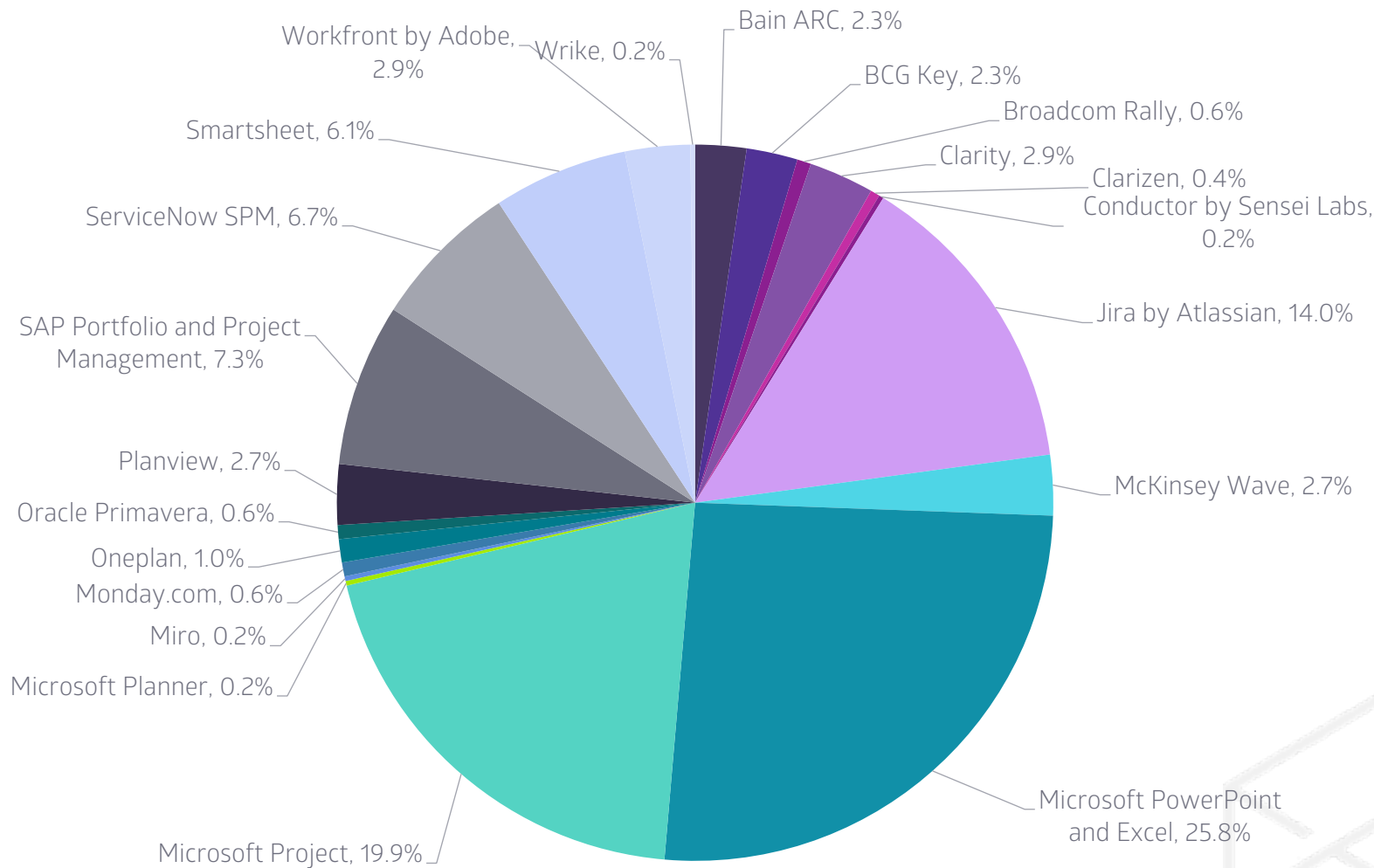
- About 85% of respondents have some AI program underway, with over 50% already having a policy and even measurable results.

- Microsoft 365 dominates the platform landscape, with about 50% of teams relying on Microsoft Project and a combination of Excel and PowerPoint for their PPM/SPM needs and over 50% using a combination of Microsoft Excel and Power BI for their KPI tracking and reporting.

- The most common weak point for both types of platforms is a lack of integrations, with an even split of other concerns across each (change management, lack of customization, lack of existing templates, complexity, cost, etc.).

# Q27. How far has your organization progressed in deploying AI technologies as part of your transformations?
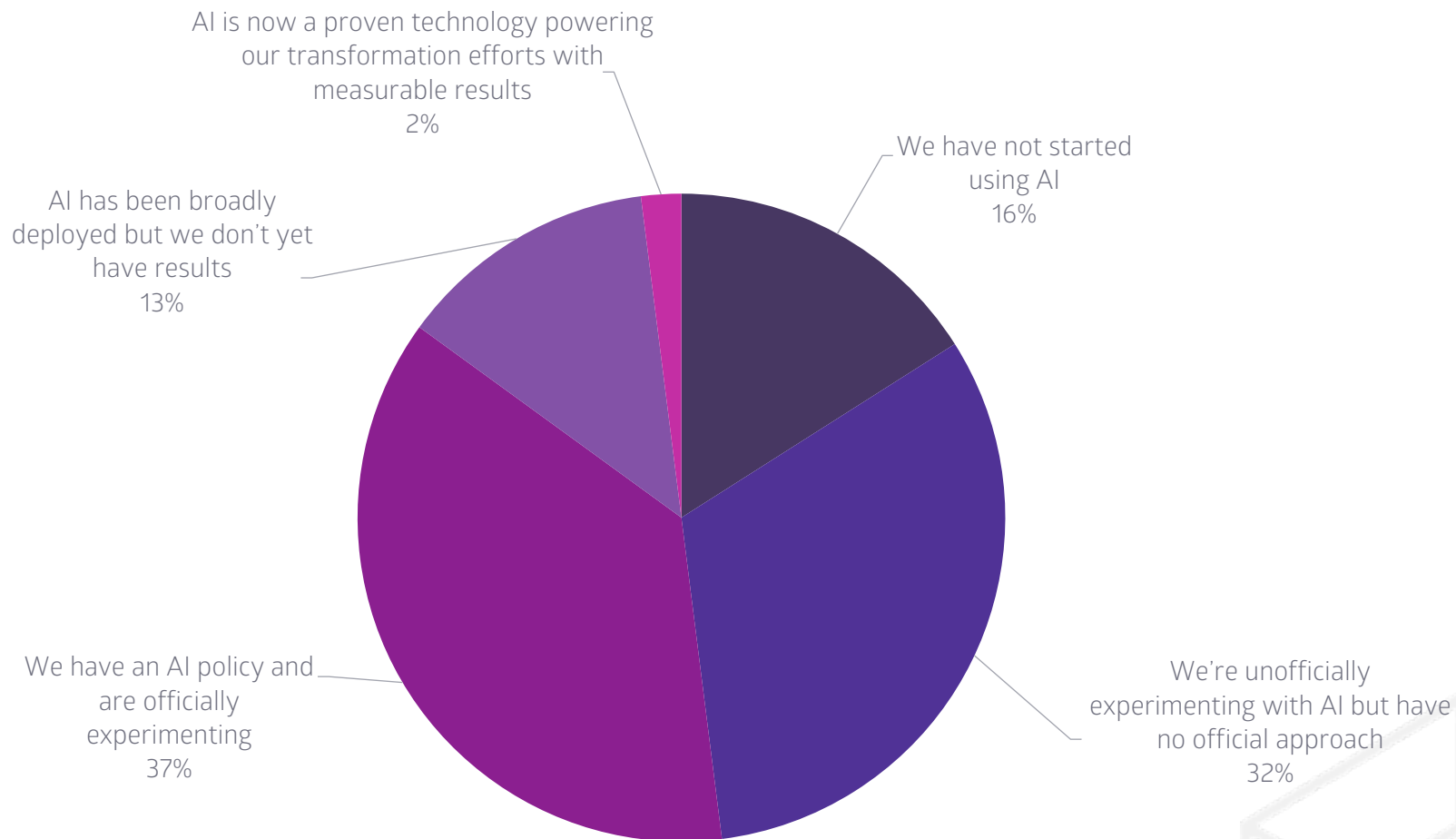
AI has taken the world by storm and most TMOs have are certainly paying attention. **About 85% have some AI program underway, with over 50% already having a policy and even measurable results.**



AI is now a proven technology powering our transformation efforts with measurable results
2%

We have not started using AI
16%

AI has been broadly deployed but we don't yet have results
13%

We're unofficially experimenting with AI but have no official approach
32%

We have an AI policy and are officially experimenting
37%

# Q28. Which SPM/PPM platforms are used to manage your transformation programs?



Pie chart data:
- Bain ARC, 2.3%
- Wrike, 0.2%
- Workfront by Adobe, 2.9%
- Smartsheet, 6.1%
- ServiceNow SPM, 6.7%
- SAP Portfolio and Project Management, 7.3%
- Planview, 2.7%
- Oracle Primavera, 0.6%
- Oneplan, 1.0%
- Monday.com, 0.6%
- Miro, 0.2%
- Microsoft Planner, 0.2%
- Microsoft Project, 19.9%
- BCG Key, 2.3%
- Broadcom Rally, 0.6%
- Clarity, 2.9%
- Clarizen, 0.4%
- Conductor by Sensei Labs, 0.2%
- Jira by Atlassian, 14.0%
- McKinsey Wave, 2.7%
- Microsoft PowerPoint and Excel, 25.8%

The platforms market remains heavily dominated by Microsoft 365, largely in the form of Microsoft Project for project management (~20%) and Microsoft Excel and PowerPoint (~26%) for KPI tracking and status reporting. Jira's strong showing here likely speaks to the prominence of digital transformation programs, as it has a very strong market position with engineering teams but rarely outside of them. The remaining slices are all relatively small, including the proprietary platforms from the large consultancies (McKinsey's Wave at ~3%, BCG's Key at 2%, and Bain's ARC also at 2%).

It's worth noting that many of these tools focus exclusively on the project management and execution side of transformation, requiring teams to use them in combination with a KPI/financial tracking platform (most often falling back to Microsoft Excel).

42

# Q29. What are the weak points of your current SPM/PPM platform?

High costs
10%

Project but not program-focused (i.e., can look within one project but not across a portfolio)
14%

Insufficient reporting
11%

Non-user-friendly or dated user interface
11%

Lack of integration
21%

Limited scalability
10%

Limited customization
12%

Lack of pre-built templates/playbooks
12%
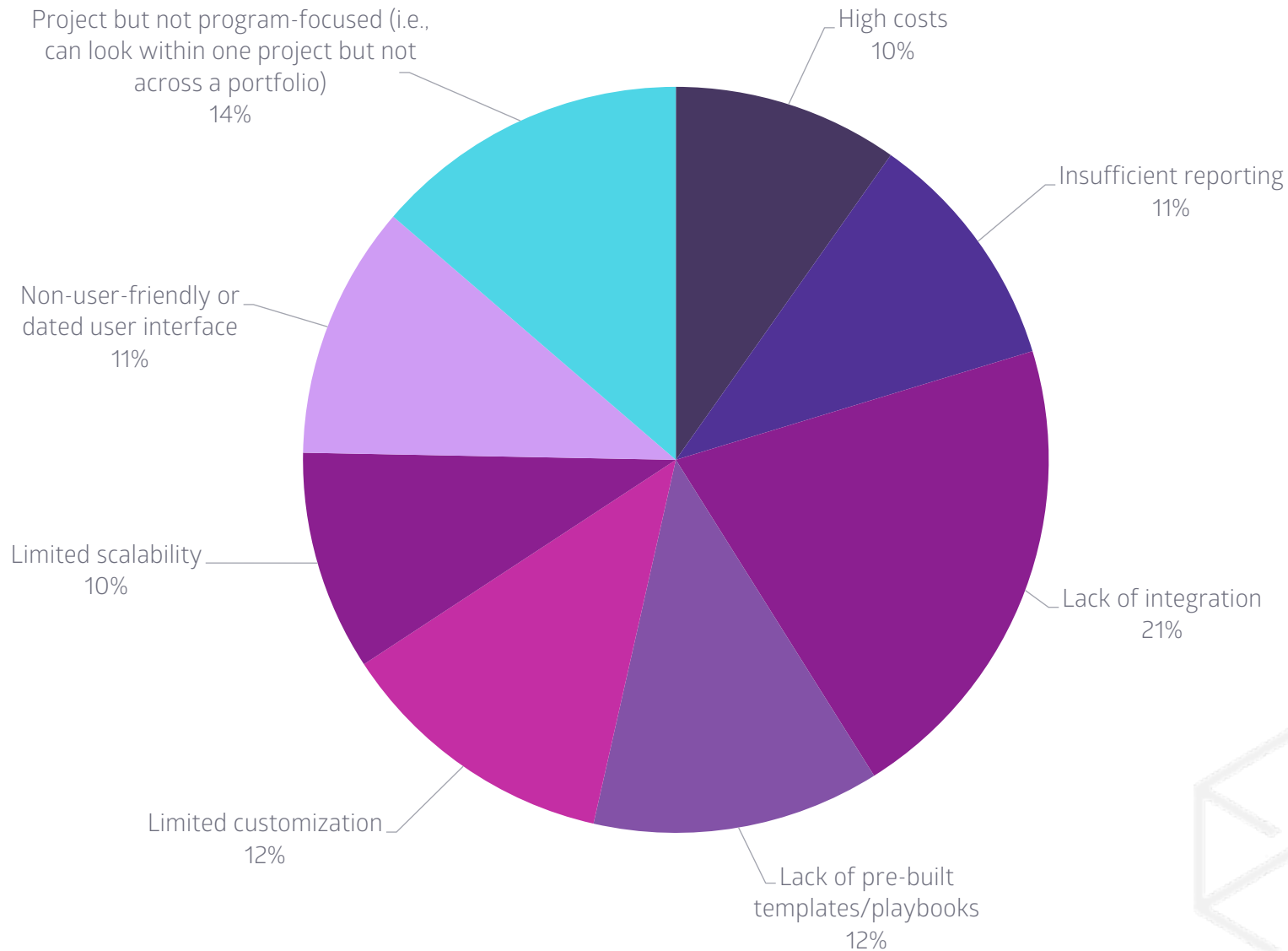
The most frequent answer to this multiple-choice question was **a lack of integration**, especially when taking into account the 'Other' option to write in additional responses. Many respondents shared their frustration with having to double-enter data, particularly financials, into their ERP and/or FP&A systems and then again into their SPM/PPM tools.

The other responses were all about 10%, with some of the 'Other' answers providing additional context:

- A lack of training and skilled users

- Change management and adoption challenges

- Inconsistency across business units/teams

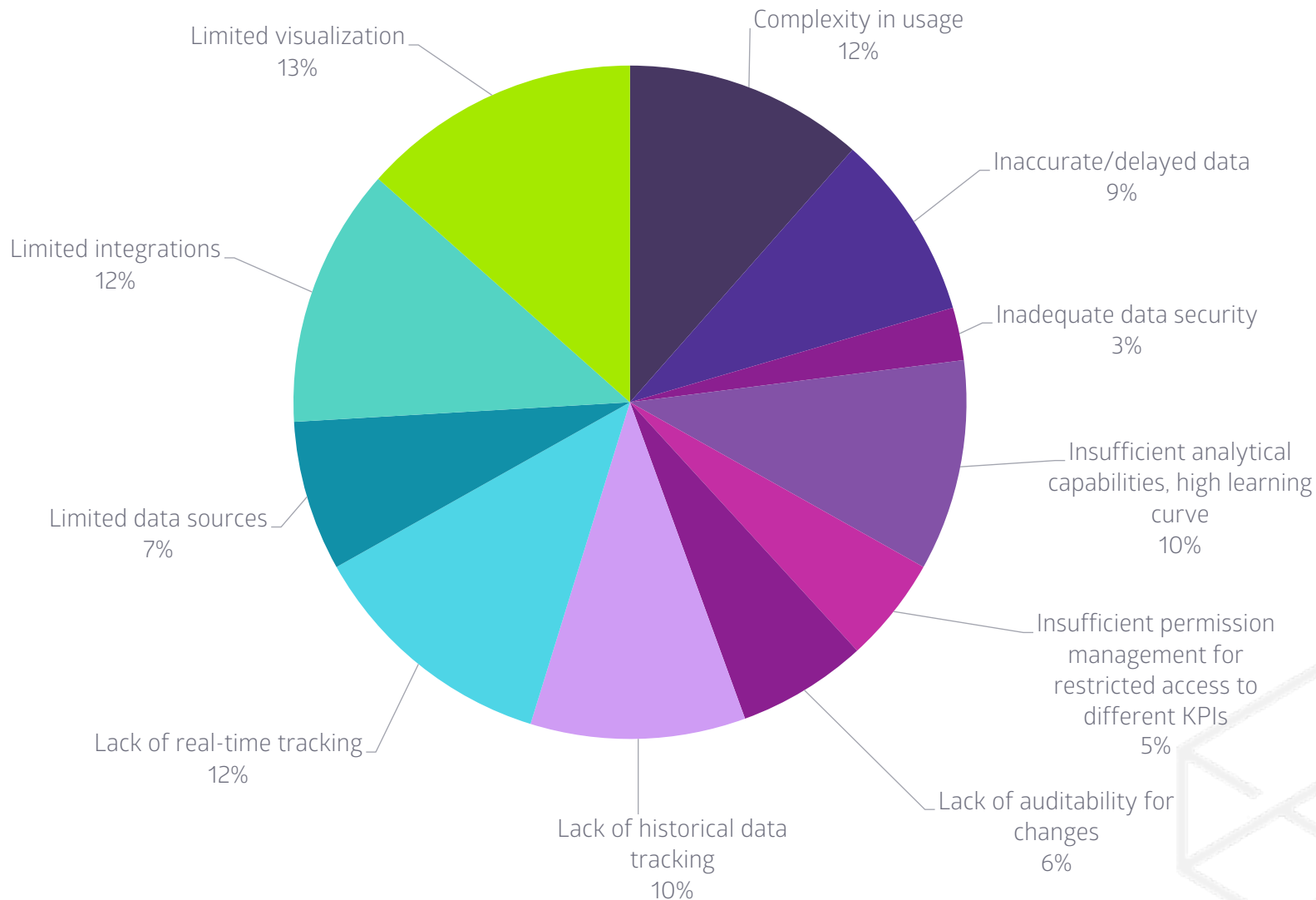- Tool burnout across phases of programs and across teams

# Q30. Which KPI tracking and dashboard/BI platforms are used in your organization?
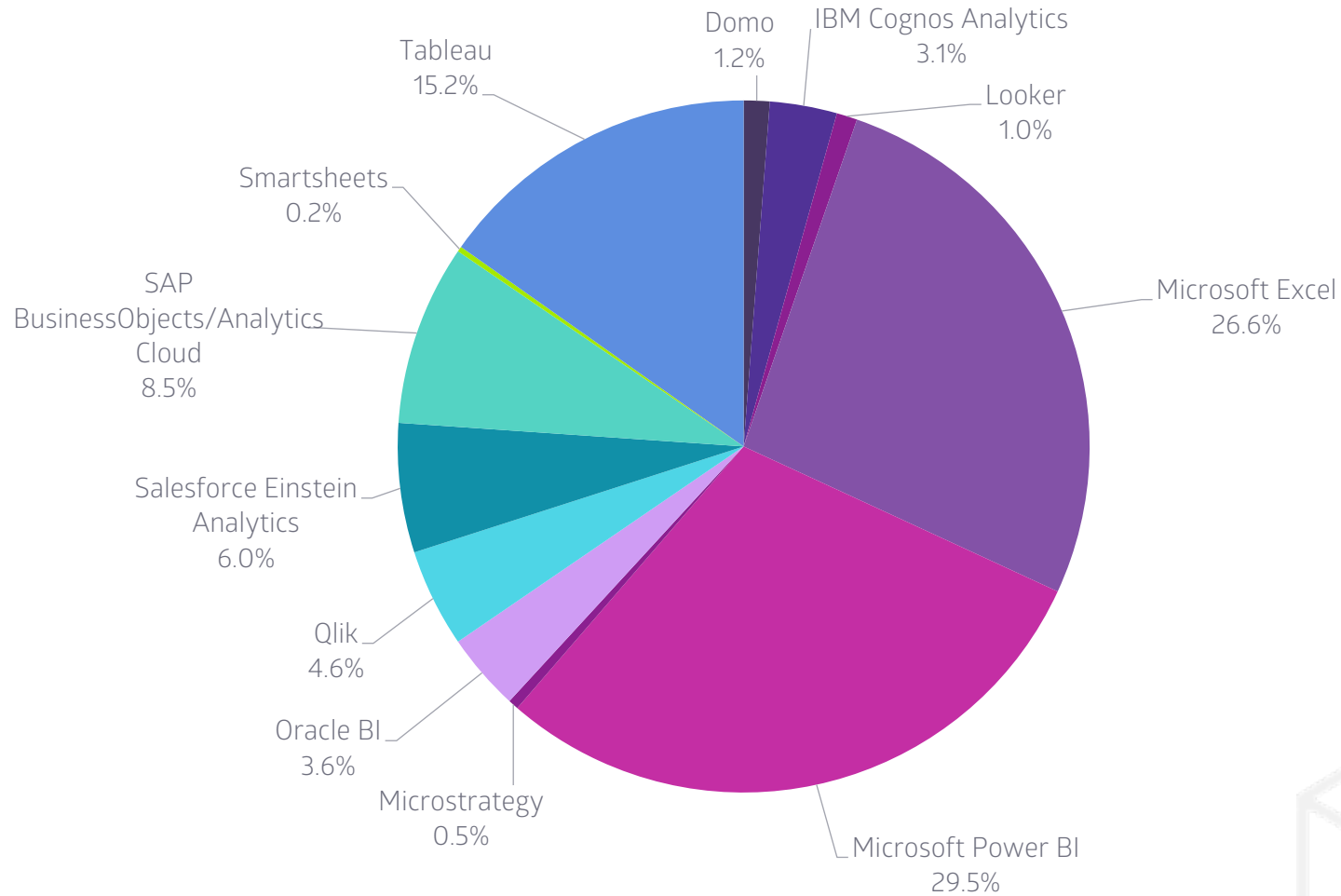
Microsoft 365 again dominates the KPI side of platforms, with **57% of respondents using some combination of Excel and Power BI.** Pairing these results with Q28, it's apparent that the vast majority of programs continue to be run using Microsoft's tools.

Tableau has retained a fairly strong position, though it appears to be ceding ground to Power BI in many organizations, given the latter's inclusion in Microsoft 365 licenses and integration with the rest of the suite.



Pie chart data:

- Domo 1.2%
- IBM Cognos Analytics 3.1%
- Tableau 15.2%
- Looker 1.0%
- Smartsheets 0.2%
- Microsoft Excel 26.6%
- SAP BusinessObjects/Analytics Cloud 8.5%
- Salesforce Einstein Analytics 6.0%
- Qlik 4.6%
- Oracle BI 3.6%
- Microstrategy 0.5%
- Microsoft Power BI 29.5%

# Q31. What are the weak points of your current KPI/dashboard/BI platforms?

This multiple-choice question had respondents fairly evenly divided on their challenges, with no particular weak point dominating. Limited integrations are a constant theme between Q29 and here, illustrating a need for platform vendors to step up their ability to automatically ingest data from existing enterprise platforms (and, likely, a need for better hygiene and consolidation of those data sources).

Complexity in usage
12%

Inaccurate/delayed data
9%

Inadequate data security
3%

Insufficient analytical capabilities, high learning curve
10%

Insufficient permission management for restricted access to different KPIs
5%

Lack of auditability for changes
6%

Lack of historical data tracking
10%

Lack of real-time tracking
12%

Limited data sources
7%

Limited integrations
12%

Limited visualization
13%

45

# 6

# Transformation Challenges for 2024 and Beyond

Our final question asked respondents to think about their biggest challenges, both this year coming year and beyond.

# Q32. What do you consider to be the largest challenges facing Transformation leaders in 2024 and beyond?

Our respondents provided unique answers to this open-text format question. We asked ChatGPT to analyze all the responses and summarize them into five trends. **How many of these stand out in your organization?**

- **Data-driven decisions:** establishing a single source of truth with reliable data is a recurring theme. This involves consolidating data streams, ensuring data quality, and using AI effectively to enable informed decision-making.

- **Resource optimization:** strategic management and optimization of resources, especially within constrained budgets and amidst economic pressures, are critical. Effective allocation of funds and resources to sustain technological upgrades and drive efficiencies is a recurring challenge.

- **Adaptive leadership:** leaders must adapt to rapidly changing technological landscapes and economic conditions while fostering resilience within their teams. The ability to pivot strategies in response to evolving market demands is essential.

- **Cultural and change management:** driving cultural transformation and managing change is pivotal. Leaders face the task of breaking down silos, overcoming resistance, and cultivating an environment that embraces continual adaptation and learning.

- **Navigating uncertainty:** transformation leaders must operate in a climate of uncertainty, balancing innovation with risk management and navigating complex regulatory landscapes alongside geopolitical concerns.

# 7

# Conductor
# by Sensei Labs

Learn more about our transformation orchestration platform and how it can help orchestrate your transformation success.
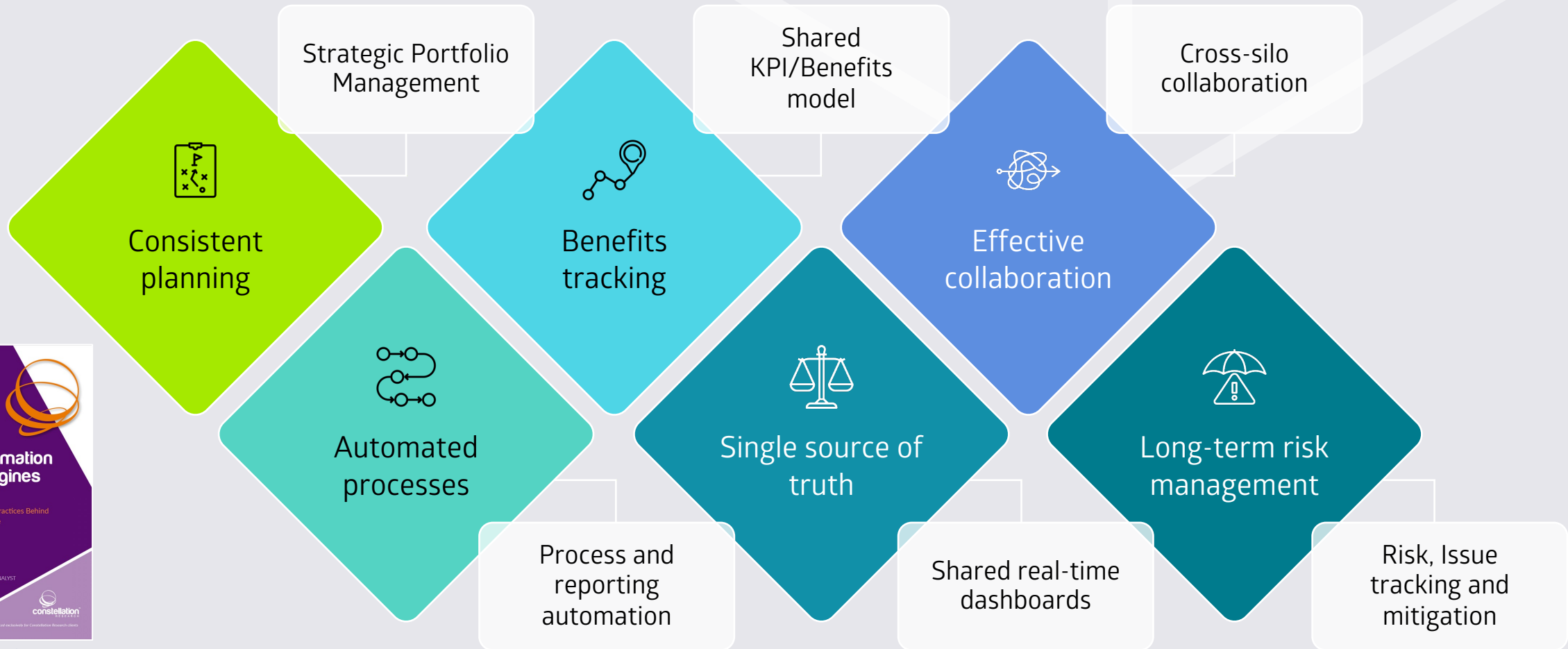
# Orchestrating transformation success

Conductor® is an enterprise-grade, AI-powered transformation platform that creates harmony from strategy through execution, delivering KPI/benefits tracking, accountability, and governance on your terms.
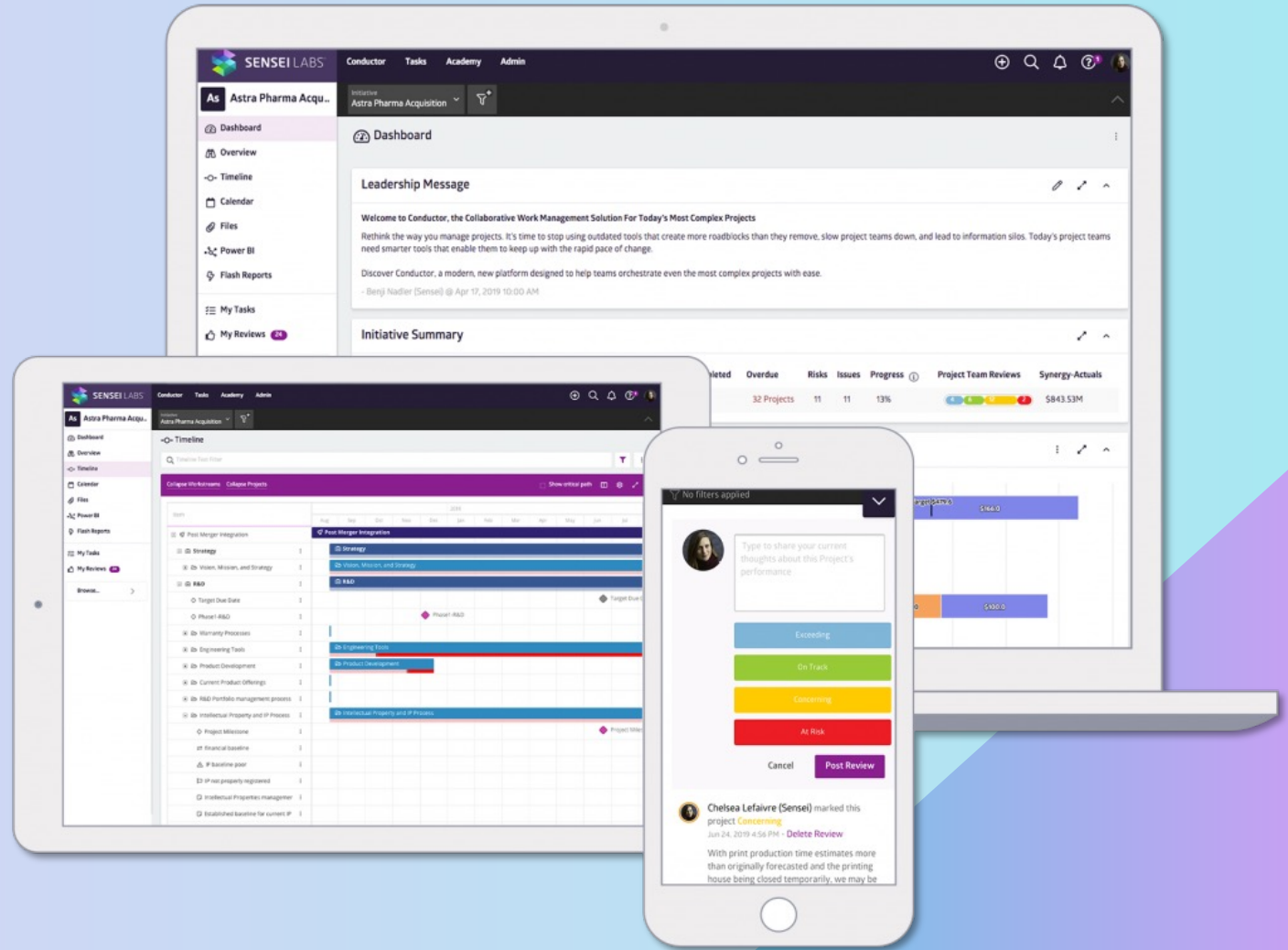
# The power of platform-based transformation

A modern platform-based transformation effort has nearly **3x the average success rate of a traditional transformation** using standard point solutions (e.g., PPM, Excel, PowerPoint).

Strategic Portfolio Management

Shared KPI/Benefits model

Cross-silo collaboration

Consistent planning

Benefits tracking

Effective collaboration

Automated processes

Single source of truth

Long-term risk management

Process and reporting automation

Shared real-time dashboards

Risk, Issue tracking and mitigation



October 28, 2022

BEST PRACTICES
**How a Transformation Platform Reimagines Success**

A Look at the Traits, Data, and New Practices Behind High-Success Business and IT Change

Dion Hinchcliffe
VICE PRESIDENT AND PRINCIPAL ANALYST

constellation

From Constellation Research's Report.

# Bringing clarity to complexity

Conductor accelerates benefits and de-risks execution across every stage of the transformation journey.

# KPI/Benefits tracking

Link strategic targets with daily decisions, offering in-the-moment insights on value creation and financial impact through focused dashboards.

Single source of truth

Smart dashboards

Data-driven strategies
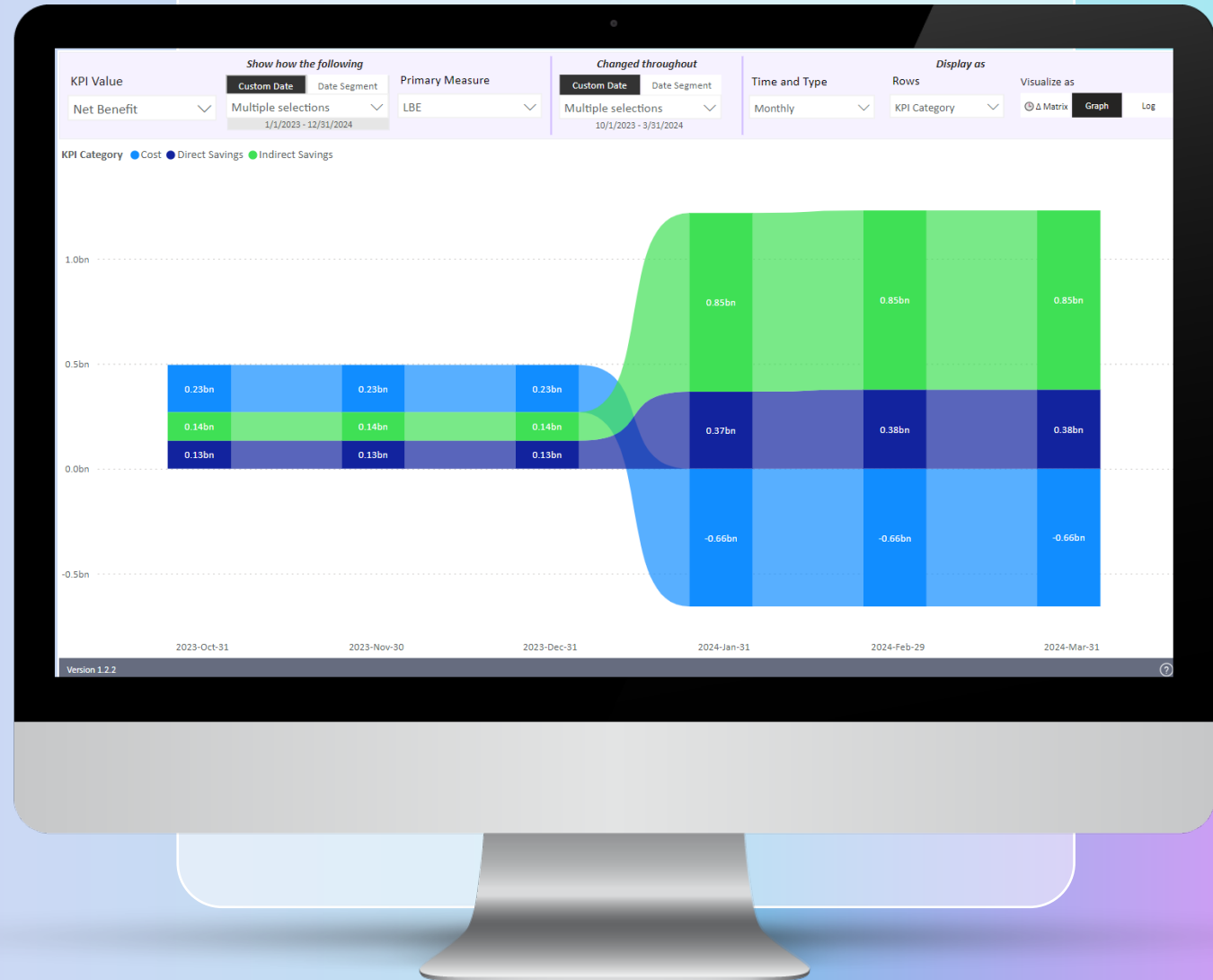
# Perform better together

Ensure every team is focused on the right things that deliver the right results with an intuitive transformation copilot. Deliver the right data at the right time to the right people through automated status reporting.

Robust portfolio planning and project management

Project management workflows and approvals

Automate meeting prep, presentations, and PowerPoint
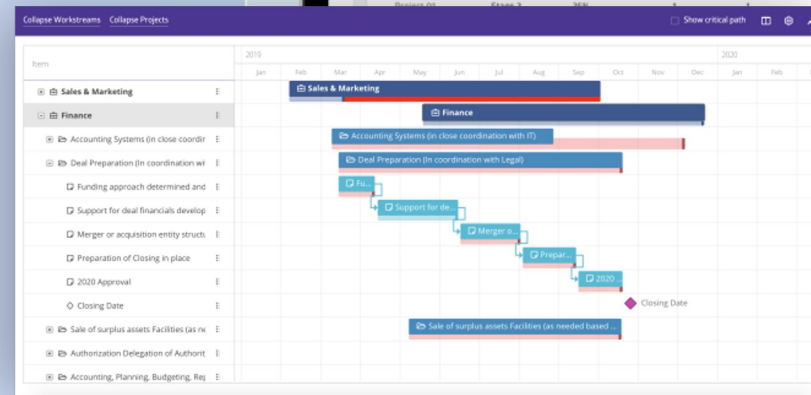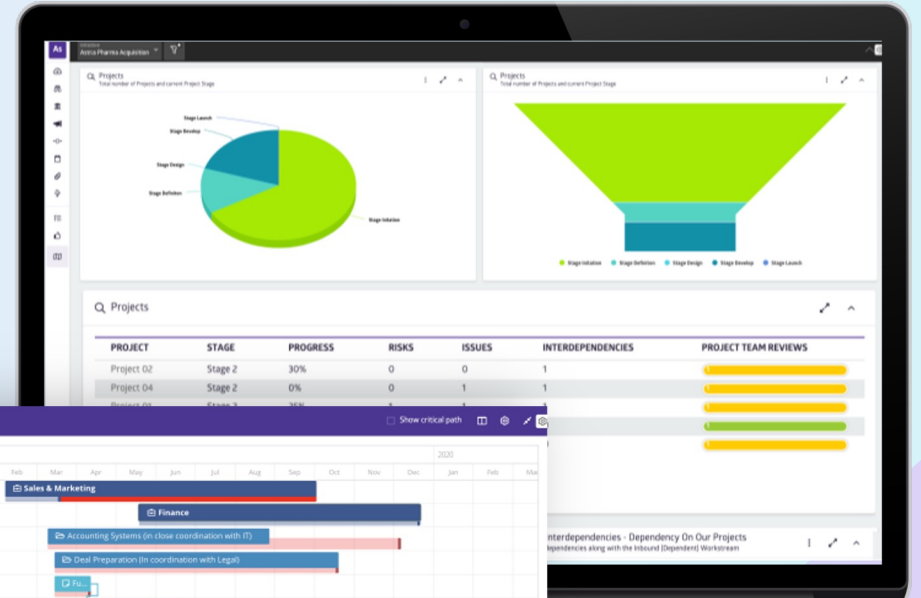
# Reduce risks

Create a single source of truth by connecting financial and program execution data to enable real-time, context-rich insights for faster, better decisions that reduce risks and accelerate benefits realization.

- Unify financial and program execution
- Risk and issue tracking and mitigation
- Dependency management
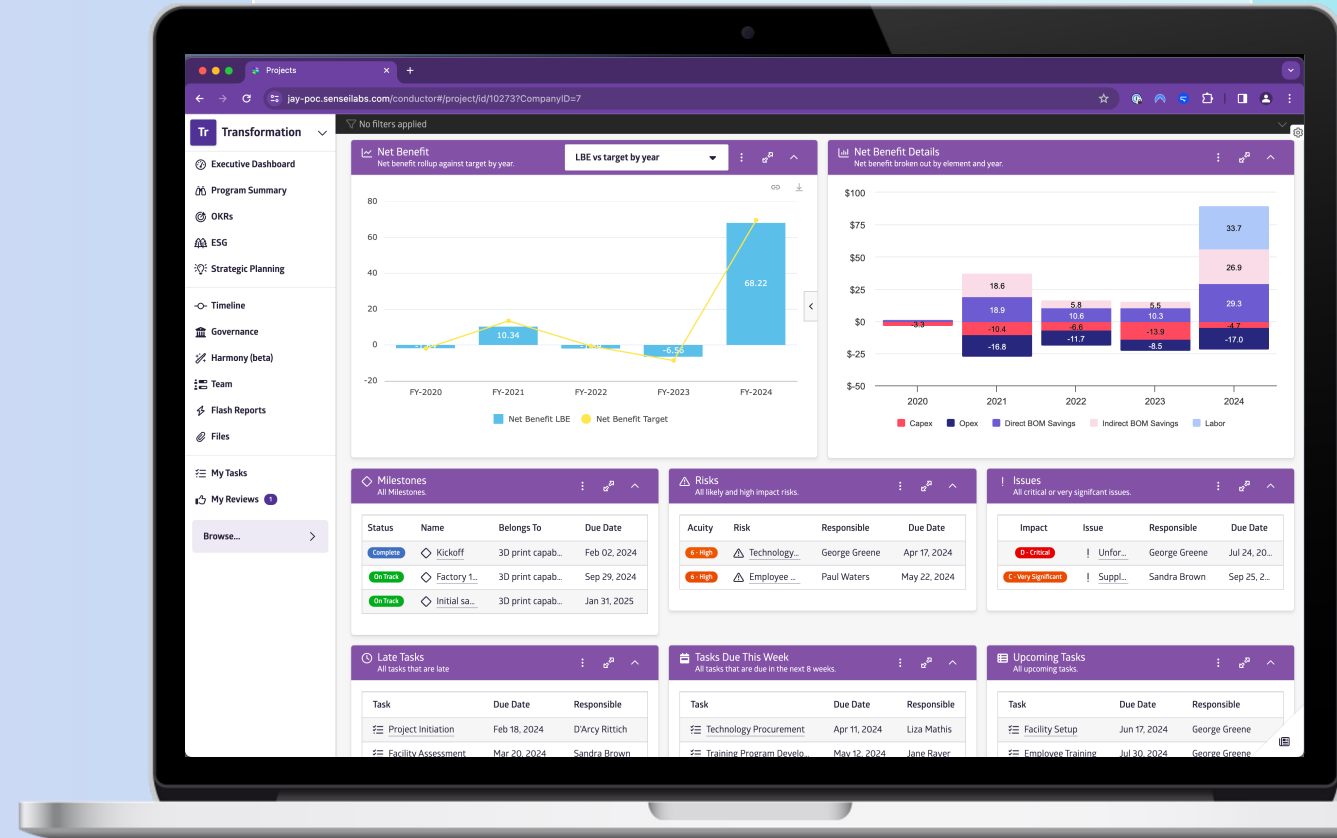
# Stay in control

Set permissions at various levels of your program and organization to ensure the right people have access to the right information, alerts, and guidance. Define adaptive governance requirements to proactively monitor execution.
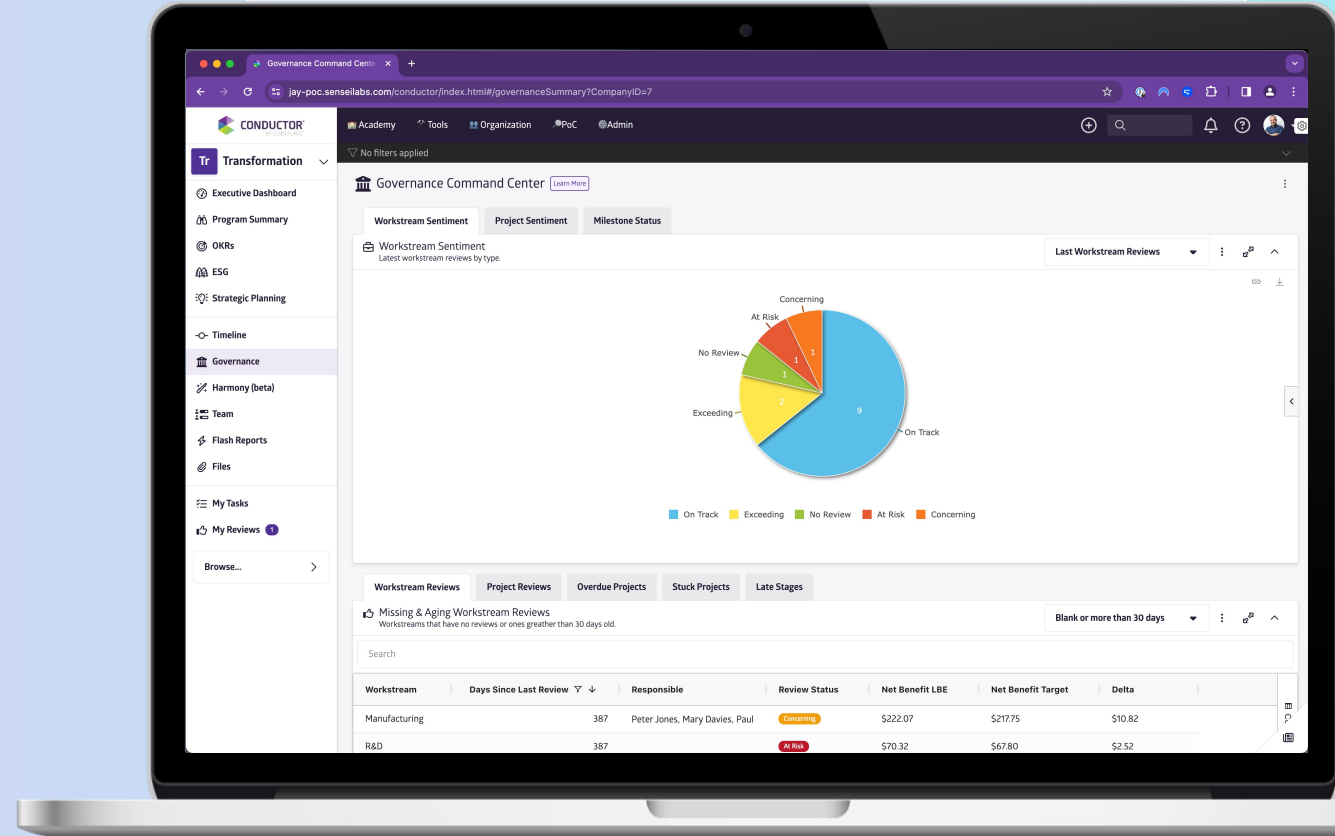
Adaptive governance provides flexibility within your framework

Configurable to your unique requirements
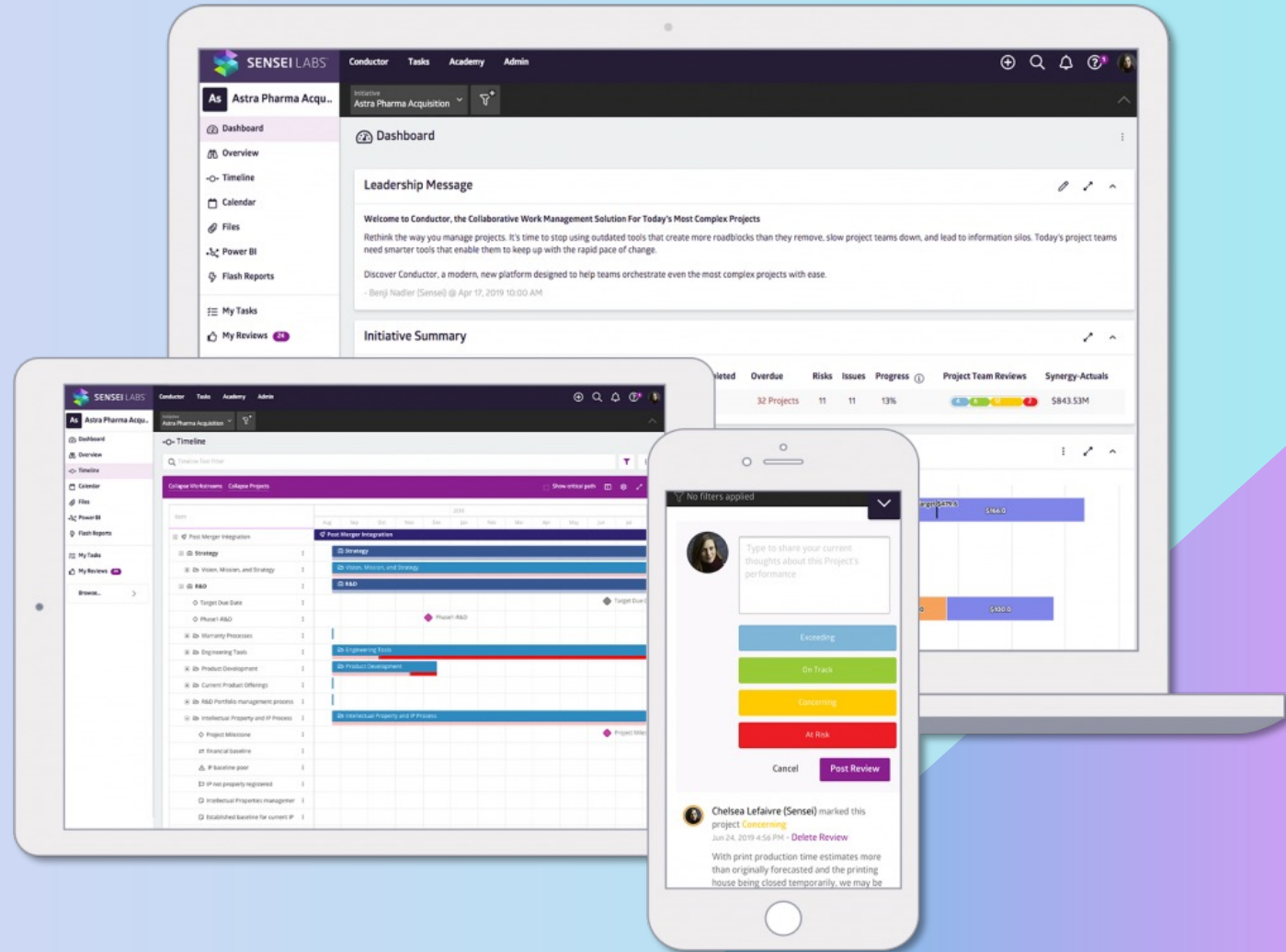
Robust access and permission controls

# Thank you!

2024 State of Transformation Survey

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senseilabs.com/state-of-transformation

May, 2024