walkme

2022-2023

The State of Digital Adoption

From transformation to adoption:
How enterprises can unlock value
from their digital spend

Table of Contents

Introduction

As organizations face challenges, including the Great Resignation, the hybrid working revolution, and a period of likely financial uncertainty, technology's capability to make businesses more adaptable, more productive, and more resilient will be essential. At present, **67% of organizations are under "incredible pressure" to accelerate digital transformation.**

Unlocking the full value of digital investments requires shifting attention from transformation to adoption. Digital adoption involves achieving a state in which users are able to utilize software to its fullest extent.

Digital adoption use cases include streamlining employee onboarding for enterprise apps, training of existing employees on new software, optimizing change management programs, and much more.

In 2021, WalkMe introduced The State of Digital Adoption report, an in-depth research project designed to understand organizations' level of digital adoption preparedness and to lay down a benchmark for digital adoption progress.

For 2022-2023, we expanded on this report to understand the need for digital adoption and the challenges organizations face that it could solve; the digital adoption resources and processes enterprises currently have in place; and enterprises' future digital adoption strategy and investment plans.

We are in a period of rapid digital transformation. Gartner's Q2 2022 IT Spend Forecast says that total global IT spend will reach $4.4 trillion in 2022, and grow by 5.5% in 2023.

Our research found that large **enterprises are spending more than $346 million on reaching their strategic goals,** with digital transformation, software and other IT spend forming a significant proportion of this amount. **Large enterprises surveyed spent on average more than $104 million on digital transformation and software.**
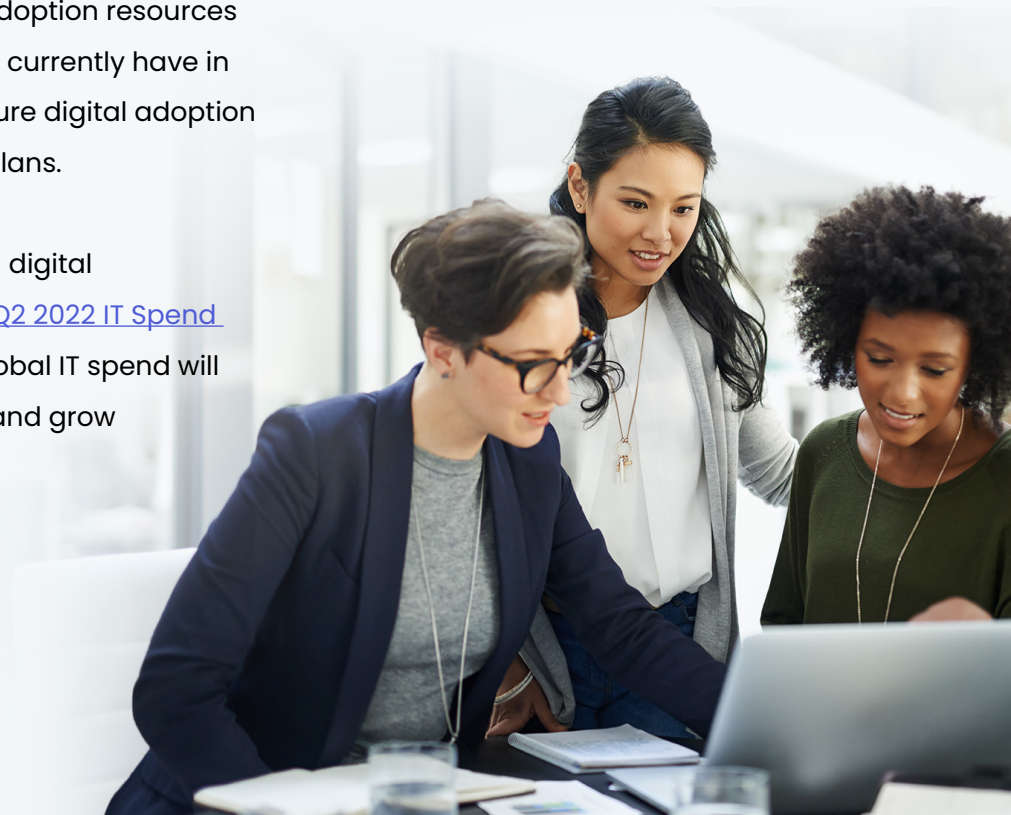
Digital technology is an essential strategic asset for enterprises, and respondents say it is more important than office facilities when it comes to attracting new talent. However, organizations are struggling to get employees to successfully use software. Legacy approaches to technology adoption and change management, such as instructor-led training, user manuals, and presentations, are no longer fit for purpose, meaning that enterprises are incurring increased costs and risk.

Enterprises incurred additional costs of almost $100 million in 2021, due to a combination of:

- An inability to realize the full value of application investments
- Increased costs of meeting strategic goals
- Compensating for employees' technology issues
- Employee churn caused by frustrations with technology

The right approach to digital adoption would help enterprises reduce these costs and take control of their technology assets. At present, enterprises understand the importance of digital adoption – to the extent that most have a team responsible for the adoption of new technology. However, their strategy is unclear, and ultimate responsibility is unknown — 70% of enterprise leaders do not know exactly who "owns" the digital adoption strategy in their organization. Addressing this will be crucial in order to realize the full benefits of technology.

Enterprises plan to invest on average more than $30 million in digital adoption over the next three years to address issues such as increased security risks, failure to take advantage of new technologies, and losing employees to competitors. If they can improve employees' digital dexterity, increase application utilization, and boost their visibility into technology adoption, they should be able to take full control of their digital investments.

> 66
>
> *It's become clear to more and more companies that successful digital transformation requires a user-centric approach. It doesn't matter how sophisticated the technology is - without proper usage, digital transformation projects simply won't achieve their desired outcomes.*
>
> *Digital adoption allows companies to manage desired outcomes by putting the user first, giving them the tools they need to effectively utilize software and drive business outcomes. This report provides you with the data and insights needed to empower users and further your digital transformation efforts.*

– Rafael Sweary
President and Co-Founder

Methodology

This report is based on a survey of 1,475 senior business leaders (i.e. heads of function, vice presidents, directors, or C-level executives) at organizations with 500 employees or more across North America, ANZ, UK & Ireland, DACH, Benelux, Nordics, and France. The online survey was conducted in March – May 2022. Unless otherwise noted, results are depicted based on company size – i.e. small enterprises with fewer than 5,000; medium-sized enterprises with 5,000-9,999; and large enterprises with 10,000+ employees.

Enterprise leaders

- **19**% | Chief Information Officer (CIO)
- **18**% | Head of/Vice President (VP)/Director - Departmental Operations
- **10**% | Chief Sales Officer (CSO)/Revenue Officer (CRO)
- **10**% | Head of/VP/Director - Departmental Operations
- **10**% | Chief Financial Officer (CFO)
- **10**% | Chief Operations Officer (COO)
- **6**% | Head of/VP/Director - HR
- **5**% | Chief of People
- **3**% | Head of/VP/Director/Manager - Digital Transformation
- **3**% | Head of/Director/VP - IT
- **3**% | Head of/VP/Director/Manager - Digital Workplace
- **3**% | Chief Digital Officer (CDO)

Size of organization (number of employees):

Small enterprises – 30%				Medium-sized enterprises – 41%	Large enterprises - 29%
500-999	1,000 – 1,999	2,000 – 2,999	3,000-4,999	5,000-9,999	10,000+
6%	8%	8%	8%	41%	29%

Job function:

IT/Digital	Customer service	Sales	HR	Operations	Finance
31%	10%	10%	10%	29%	10%

Region:

North America – 41%		ANZ – 16%		UK & Ireland – 21.5%		Western Europe – 21.5%			
USA	Canada	Australia	New Zealand	UK	Ireland	DACH	Benelux	Nordics	France
20.5%	20.5%	8%	8%	16%	5.5%	5%	5%	6.5%	5%

Industry:

Financial Services	Retail	Healthcare	Technology	Business services	Telecomm-unications	Professional services	Manu-facturing	Education	Government	Energy & Utilities
9%	9%	10%	10%	9%	9%	9%	9%	9%	9%	9%

The need for digital adoption

We are in a period of rapid digital transformation. Global IT budgets are constantly increasing and now measure in the trillions of dollars.

Enterprises invest $234 million on average attempting to reach their strategic goals. $48 million of this spend is devoted to digital transformation projects, such as enabling hybrid-work models and improving application user experience for employees and customers.

Digital transformation spend as part of strategic goal expenditures

- ■ Strategic goal spend
- ■ Digital transformation spend

$$_\$12_M \quad _\$77_M \quad _\$55_M \quad _\$268_M \quad _\$73_M \quad _\$346_M$$

Small enterprises   Medium-sized enterprises   Large enterprises

$4.4T
Global IT spend in 2022

Source: Gartner Press Release "Gartner Forecasts Worldwide IT Spending to Reach $4.4 Trillion in 2022", April 2022.

$234M
Average strategic goal spend

$48M
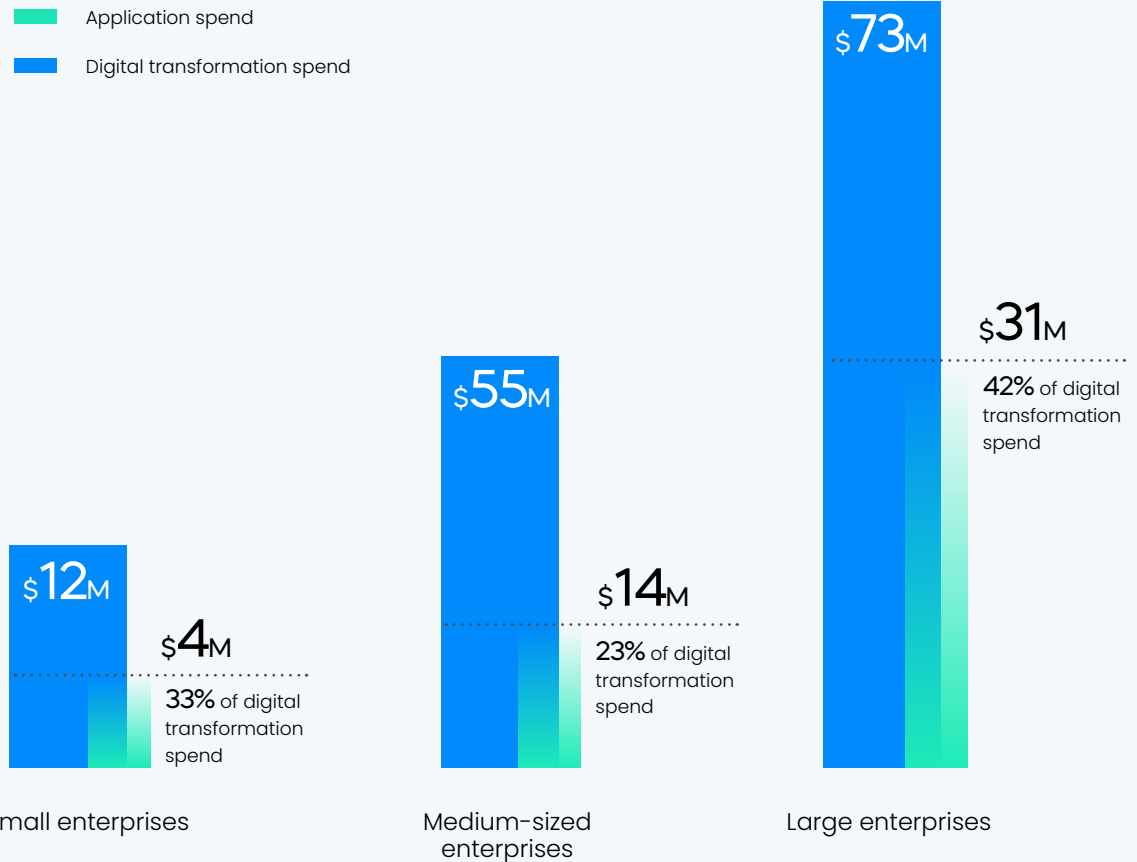Average digital transformation spend

Application spend as part of digital transformation expenditures

- ■ Application spend
- ■ Digital transformation spend

$73M

$31M
42% of digital transformation spend

$55M

$14M
23% of digital transformation spend

$12M

$4M
33% of digital transformation spend

Small enterprises

Medium-sized enterprises

Large enterprises

Enterprises are also spending, on average, more than $15 million on applications, including licensing and cloud services. While digital adoption covers all aspects of technology, the massive investment in applications are where it will be most keenly felt, making ROI a critical metric.

$104M
Spend on digital transformation and software
(Large enterprises)

$15.6M
Average spend on applications 2021

33%
Average proportion of application spend vs. digital transformation spend

While strategic spend does not increase greatly with size, larger enterprises spend more per employee on digital transformation and, at $3,132, almost double per employee on applications.

This suggests that such enterprises are investing in more tools or more sophisticated transformations – and will rely even more on successful digital adoption. Global IT spending is forecast to continue increasing into 2023, meaning these costs are likely to rise, signalling the importance of digital dexterity.

Large enterprises spend **2x** what small enterprises invest in applications

Organizational spend per employee

■ Small enterprises   ■ Medium-sized enterprises   ■ Large enterprises"

Average **$35,073**
Annual strategic spend per employee

- $33,850
- $35,801
- $34,601

Average **$7,163**
Annual digital transformation spend per employee

- $5,528
- $7,414
- $7,272

Average **$2,346**
Annual application spend per employee

- $1,572
- $1,757
- $3,132

67%

of enterprises are under "incredible pressure" to accelerate digital transformation

67% of enterprises are under "incredible pressure" to accelerate digital transformation, including through adding new applications and services, creating new business opportunities and ways of working, and adapting to new demands from customers and employees. This is especially important as 64% of enterprises say that technology now outranks office facilities when it comes to attracting new talent.

Despite this significant investment and its strategic importance to the business, organizations often struggle with training employees to properly use existing and new digital processes.

64%

of enterprises say tech/end-user experience outranks office facilities to attract and retain talent

60%

of enterprises say change management programs are **"no longer fit for purpose"**

63%

of enterprises say a one-size-fits-all approach to technology support and training **"isn't applicable"**

62%

of enterprises are **"concerned"** that a lack of understanding of new applications is increasing risk

60% of enterprises say that change management programs, like user manuals and tranining classes, are no longer "fit for purpose". Moreover, 63% of organizations say that a one-size-fits-all approach to tech spport and tranining doesn't work, while 62% are concerned about an increase in risk due to a lack of understanding of new applications.

The evolution of digital transformation is so rapid that organizations cannot keep pace and are potentially increasing costs and risks.
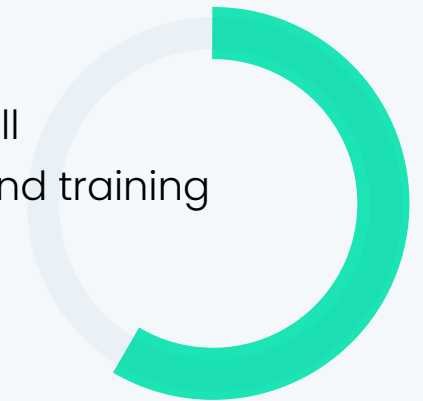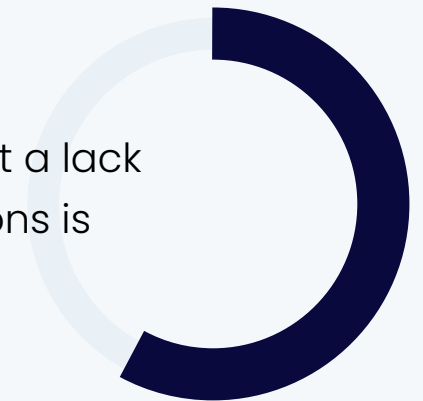
Failure to meet digital transformation expectations

Despite significant investment in digital transformation, business leaders are concerned that these projects are not reaching their full potential. The average enterprise only meets 41% of their digital KPIs, increasing wasteful spend while negatively impacting productivity.

On average, enterprises have only met **41%** of their digital project KPIs in the past year

60% of decision makers are concerned about whether digital projects will provide the expected ROI because end users aren't adopting the technology quickly enough

The survey indicates that a significant proportion of enterprises' digital transformation spend is on projects that do not meet their goals because end users – either employees or customers – do not or cannot use the technology. This represents, on average, $17 million in wasted investment, some or all of which could have been saved with better digital adoption practices.

Wasted investment on digital transformation projects that do not meet their goals

$4M Total wasted investment

Small enterprises

32%
Investment in projects that failed to meet their goals

$20M Total wasted investment

Medium-sized enterprises

35%
Investment in projects that failed to meet their goals

$26M Total wasted investment

Large enterprises

36%
Investment in projects that failed to meet their goals

Large organizations waste more than **6x** as much as small businesses on failed digital initiatives

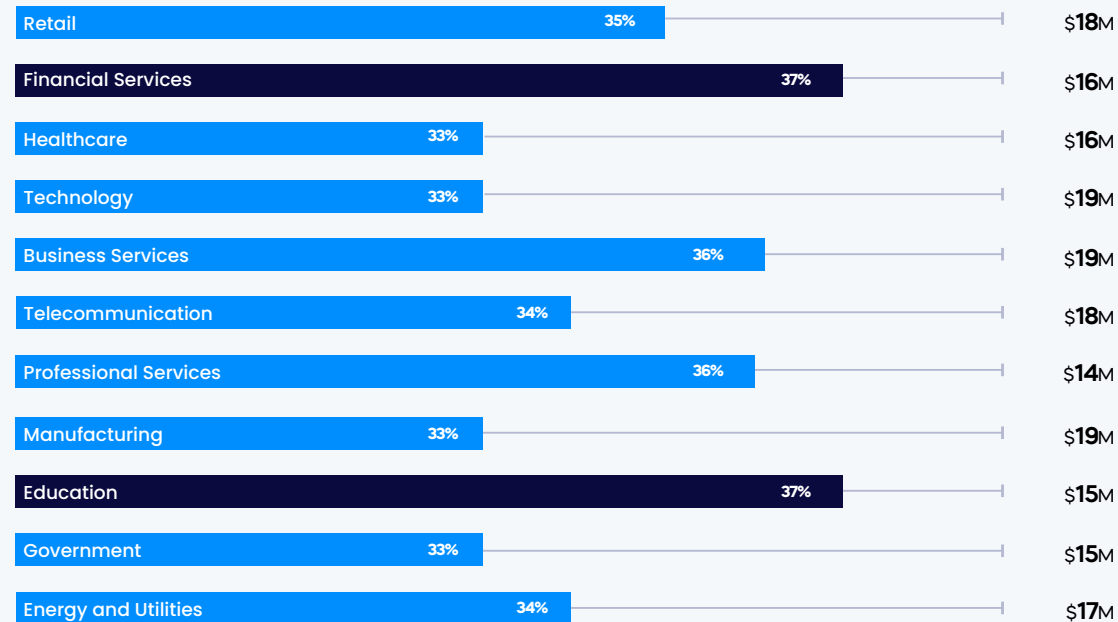$17M Total wasted investment

All organizations (average)

35%
Investment in projects that failed to meet their goals

This wasted investment transcends industry and region. While the financial services and education industries have the highest rate of failed digital investment projects, at 37% each, that's only slightly more than other industries. The same can be said for Benelux, which has a higher rate of wasted digital spend than other regions.
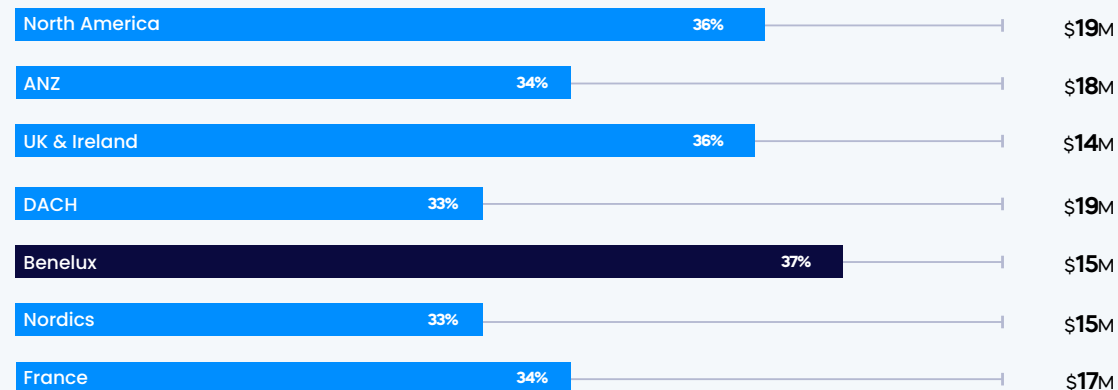
37% Amount of wasted investment in digital transformation projects in the Benelux region.

Wasted investment in digital transformation projects that do not meet their goals

By industry

Industry	Percent	Amount
Retail	35%	$18M
Financial Services	37%	$16M
Healthcare	33%	$16M
Technology	33%	$19M
Business Services	36%	$19M
Telecommunication	34%	$18M
Professional Services	36%	$14M
Manufacturing	33%	$19M
Education	37%	$15M
Government	33%	$15M
Energy and Utilities	34%	$17M

By region

Region	Percent	Amount
North America	36%	$19M
ANZ	34%	$18M
UK & Ireland	36%	$14M
DACH	33%	$19M
Benelux	37%	$15M
Nordics	33%	$15M
France	34%	$17M

Maximizing value from applications

Enterprises are spending millions each year on software applications, and this does not include the additional costs of training and providing support to the people using them. Beyond total IT spend, Gartner has forecast that worldwide software spend alone will grow by 11.8% in 2023*. Extracting the maximum value from this investment should be a priority for enterprises. Yet, without a clear digital adoption strategy, they cannot be certain this is happening.
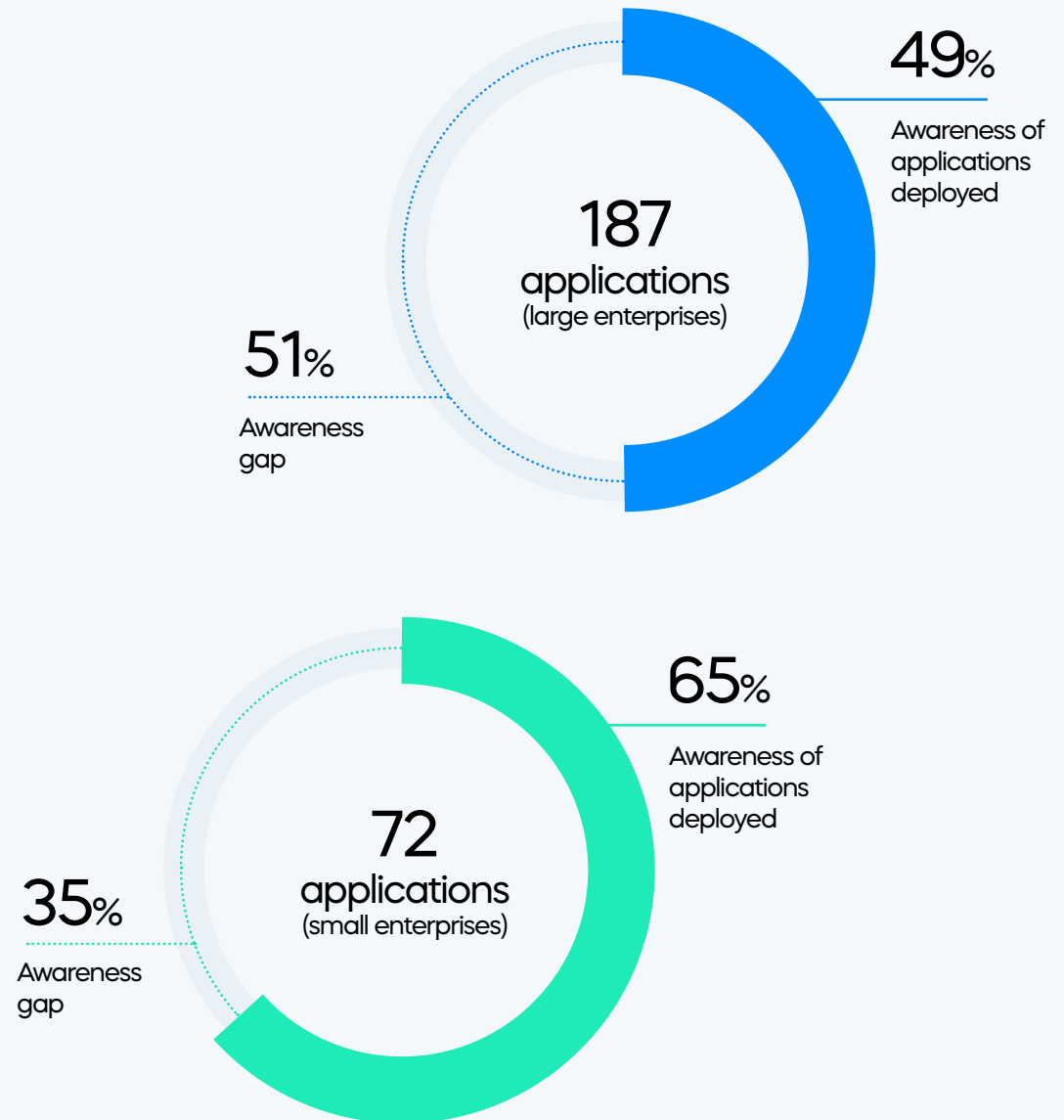
Furthermore, our data shows that large enterprises are only aware of 49% of their deployed applications. **This means that a significant amount of decentralized software, which has the potential to drive even greater value, is not being used.**

Application awareness gap

49% Awareness of applications deployed

187 applications (large enterprises)

51% Awareness gap

65% Awareness of applications deployed

72 applications (small enterprises)

35% Awareness gap

(Application-count source: Okta Businesses at Work 2022 report)

More significantly, enterprises believe they are only realizing approximately half of the total value of their applications.

Even focusing solely on those applications respondents say they use, it is clear they are not getting the full value from their investment. First is the issue of "**software residue**" – a WalkMe term for applications that duplicate the features of other applications and don't necessarily add value to an organization. This software is especially prevalent in the aftermath of 2020-2021, as organizations rushed to close technological gaps and prioritized speed over ensuring there was no duplication of functionality.

27%
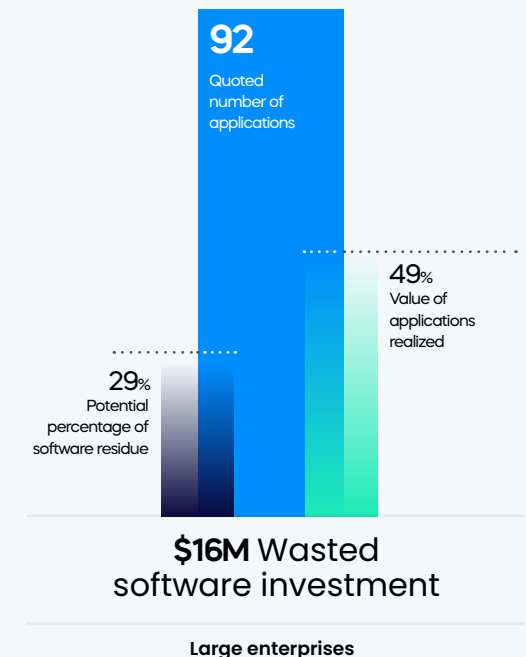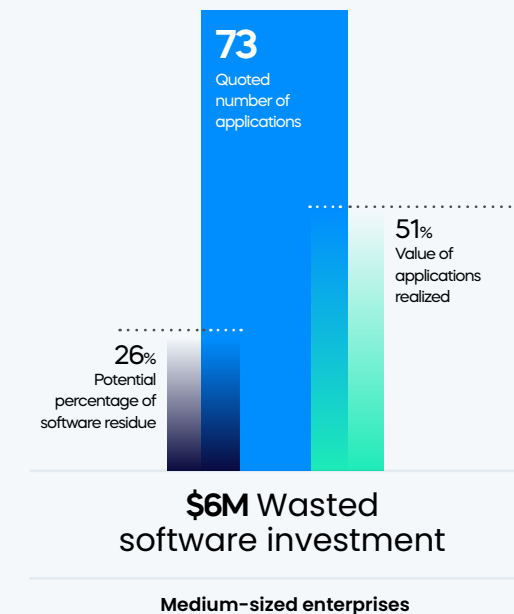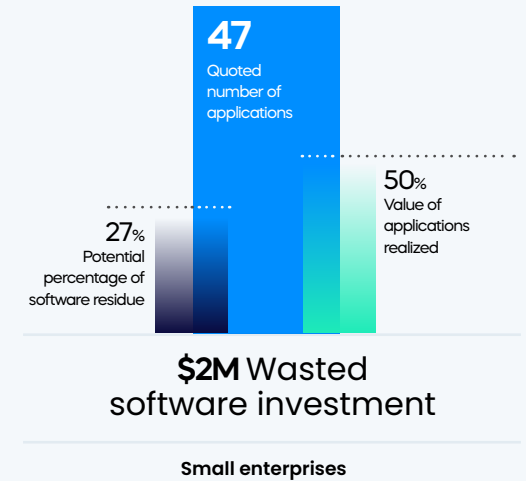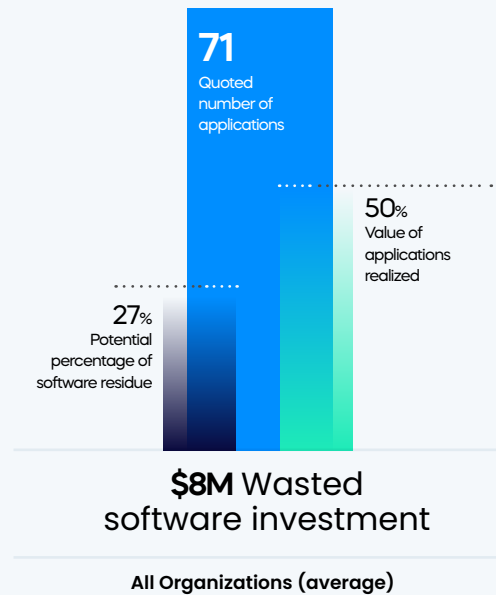## Average enterprise software residue

50%
of enterprises believe that they only realize half of the value of their applications

$16M
Wasted software investment (Large enterprises)

Application investment

71
Quoted number of applications

50%
Value of applications realized

27%
Potential percentage of software residue

$8M Wasted software investment

All Organizations (average)

47
Quoted number of applications

50%
Value of applications realized

27%
Potential percentage of software residue

$2M Wasted software investment

Small enterprises

73
Quoted number of applications

51%
Value of applications realized

26%
Potential percentage of software residue

$6M Wasted software investment

Medium-sized enterprises

92
Quoted number of applications

49%
Value of applications realized

29%
Potential percentage of software residue

$16M Wasted software investment

Large enterprises

Application inefficiencies

18%
Percentage of CRM form fields
filled in by end users

52%
Percentage of enterprises reporting that
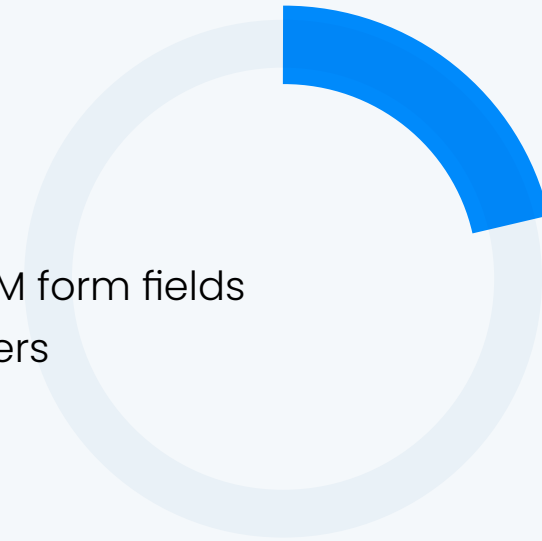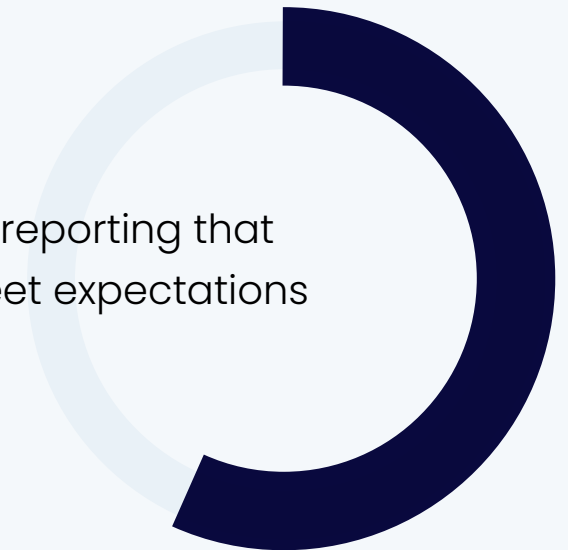their digital tools didn't meet expectations

There is further evidence that applications are not being used efficiently. For instance, WalkMe's user activity data shows that users only fill out 18% of the available fields on CRM forms – suggesting that processes could be simplified and make employees more productive, driving efficiency.

It is also clear that this is an ongoing issue. In our State of Digital Adoption 2021 report, 52% of enterprises reported that their digital tools didn't meet expecations.

Factors preventing application uptake

Better support and/or user experience from "shadow" applications
62%

Better support and/or user experience from legacy applications
56%

Lack of resources for training and support
44%

Lack of support from application vendors
37%

Lack of buy-in from senior management
30%

Lack of buy-in from end users
26%

Poor adoption practices
18%

Enterprises want to increase the uptake of their applications among end users and to realize more of their value. However, they are prevented from doing so by several factors. Many of these – such as people receiving better support and experiences from "shadow" applications that aren't controlled by IT (62%); better experience and/or support from legacy applications (56%); and a lack of resources for training and support (44%) – are issues that the right approach to digital adoption would solve. Yet, very few respondents identified poor adoption practices (18%) as a specific issue, suggesting this may be a blind spot.

Increased costs of meeting strategic goals

Ultimately, the aim of digital transformation should be to help enterprises meet strategic goals. Notably, the most important digital business objective in 2021, as cited by 37% of survey respondents, was improving user experience and staff retention, which digital adoption has been repeatedly proven to address. However, on average, enterprises could only meet one third of these goals.

33% of business objectives met from digital projects

Top business objectives from digital projects

Improving user experience and staff retention

37%

Complying with data security and protection

31%

Increasing efficiency

27%

Improving services to customers

23%

Reducing costs

22%

Amount added to cost of meeting strategic goals

$14M Added cost of meeting goals

Small enterprises

22%
Added cost of meeting goals

$29M Added cost of meeting goals

Medium-sized enterprises

12%
Added cost of meeting goals

$32M Added cost of meeting goals

Large enterprises

10%
Added cost of meeting goals

Without the right approach to digital adoption, enterprises will find it harder to meet their objectives from digital projects. A lack of uptake means that project timelines slip or are canceled outright, or that organizations need to invest significantly more to meet their strategic goals.

15%

Additional cost of meeting enterprises' digital transformation goals due to failure to adopt new technology

$32M

Average additional cost for large enterprises

$30M **Total wasted investment**

All organizations (average)

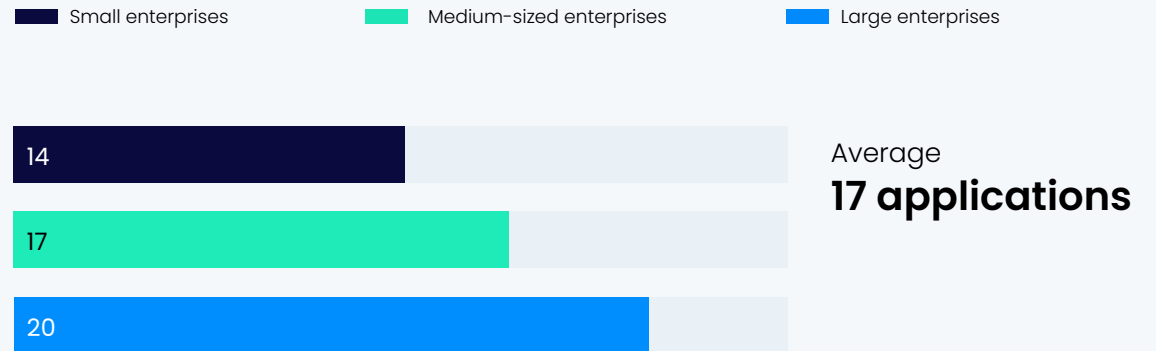**15%**
Added cost of meeting goals

Compensating for employee technology issues

The ultimate result of digital adoption should be employees who are able to use technology to its full extent, who are happy to do so, and who need the minimum of support and additional investment.
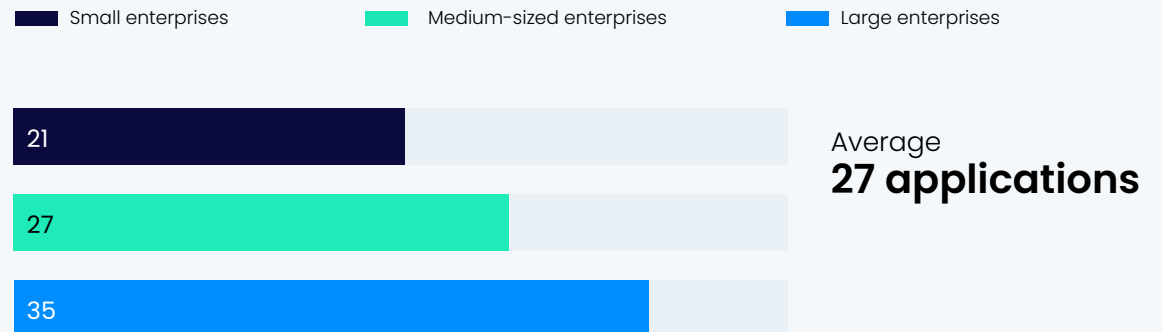
This means that enterprises need to help employees adapt to the more than 17 applications and digital processes being added every year. While the applications likely won't be used every day, proficiency is still critical.

+17 Applications added by enterprises in 2021

Applications added in 2021

- Small enterprises
- Medium-sized enterprises
- Large enterprises

14

17

20

Average
17 applications

Number of applications employees use on a weekly basis

- Small enterprises
- Medium-sized enterprises
- Large enterprises

21

27

35

Average
27 applications

There is also the question of whether organizations truly understand the number of business processes their employees have to use, and so whether they are underestimating the scale of the issue. According to the American Productivity & Quality Center's (APQC) Process Classification Framework, there are approximately 1,900 common business processes across organizations. The acceleration of digital transformation means that many or even most of these processes have become digitized. Yet respondents believe that their employees use relatively few digital business processes, suggesting a lack of visibility.

97% Awareness gap between the number of digital business processes enterprises think they use vs. what they actually use.

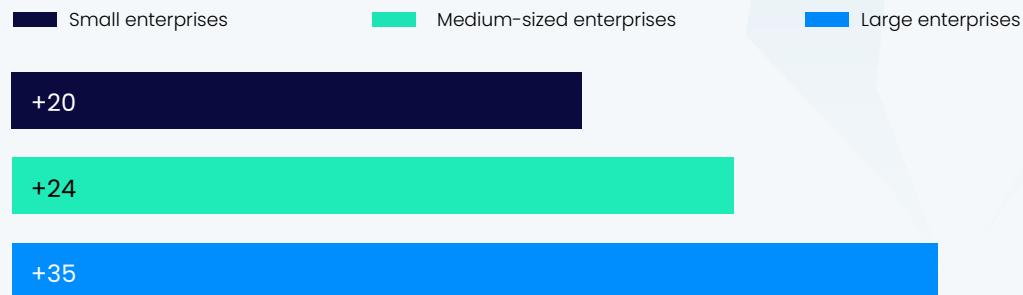## Known used digital processes vs. actual used digital processes

63

Number of digital business processes the average enterprise thinks that they use

1,893

Number of digital business processes the average enterprise actually uses

Number of digital business processes added in 2021

■ Small enterprises   ■ Medium-sized enterprises   ■ Large enterprises

+20

+24

+35

With the number of applications and digital processes in the enterprise increasing, it is harder to ensure that employees have the training and support they need to use all the technology at their disposal. In fact, only 22% of enterprise leaders can confidently say that their employees use new technologies correctly.

"

We now have a 100% digital approach for most new features and updates, and live training has been mainly eliminated - a potential savings of 10+ trainer hours and 60 minutes per Associate. Anywhere from 250-500 users need to be trained through 10-20 live sessions per major feature. Users can now quickly find the support that they need in-tool, when they need it, with no interruption to their workflow and experience less time away from customers.

- Christi Lopez
WalkMe Administrator, W.L. Gore & Associates

Troubles with technology

22%
Enterprise leaders who can **confidently** say that employees use new technologies correctly

61%
Organizations that have been sold applications as **"easy to use,"** but haven't turned out to be for end users

62%
Organizations that say using vendor-provided **solutions for onboarding support on business-critical applications is impossible**

60%
Organizations that say the help functions on applications are so different that **they confuse people instead of helping them**

66%
Organizations that say **consumer technology has changed employees' expectations** of how easy technology should be to use and understand

55% of enterprises say employees don't have the necessary digital dexterity to use the tools at their disposal. This has been an issue year on year, and enterprises are investing heavily in tools, training, and support to compensate for this lack of digital dexterity – when the right approach to digital adoption could significantly reduce the need for it.

> *Whether you call it by name or not, the new workplace frontier is going to be focused on the "Digital Dexterity" of teams and technology. We create Digital Dexterity by building consistent experiences across applications, embracing automation, taking a human-first approach to in-tool learning, and various other techniques. I'm focused on how we can use our digital adoption platform to holistically analyze our systems, challenge the status quo, and further our commitment to Digital Dexterity in the workplace.*

- Alexa Cordell
Digital Learning Manager, EDF

55% Enterprises saying employees do not have the necessary digital dexterity to use all their applications effectively
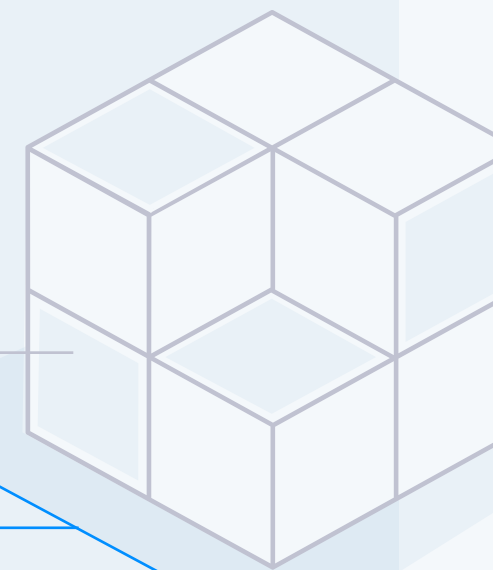
Annual cost per employee due to the inability to effectively use technology (large enterprises)

$2,100
Per employee

$21M
Minimum total cost

Employee churn

If digital adoption is not prioritized, one result will be increasingly frustrated employees. This will manifest in several ways, such as increased complaints to IT as employees struggle to use technology they don't fully understand.

61% of leaders say that poor digital employee experiences are likely to **contribute to resignations**

32% Increase in complaints about software applications in 2021

76 Average number of employees who are known to have left large organizations in the last year **due to technology frustrations**

61% of executives think that poor digital experience will likely contribute to employee resignations, while 76 employees on average leave their jobs every year due to technology frustrations.
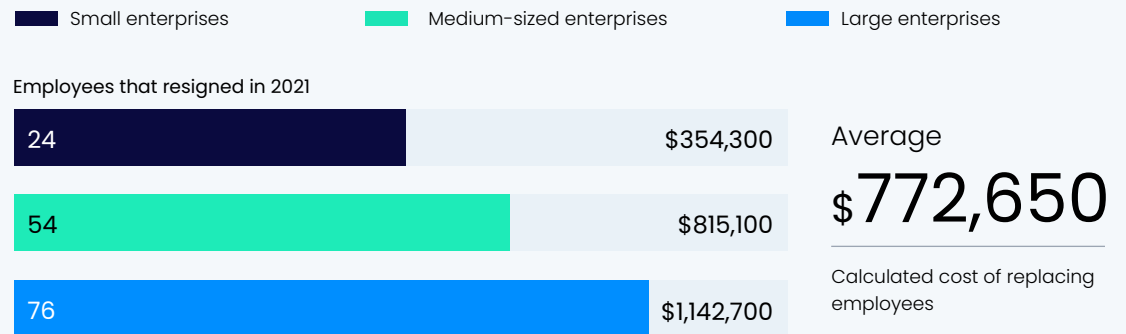
> "
>
> *If you want to minimize the need for support and maximize the impact of your human capital, you need to invest in a digital adoption platform. The goal of enablement is to meet users where they are and give them what they need, before they have to ask for it – and digital adoption technologies allow you to embrace a truly proactive and ongoing onboarding and enablement strategy.*

- Heather Wurtz

Sr. Director of Customer Experience, LeaseAccelerator

[Studies show](#) that replacing an employee can cost between 20% and 50% of their salary. Assuming an average salary of $45,000 USD across all regions surveyed, and a 33% cost of replacing relatively skilled workers, we can estimate an average cost of replacement per employee of $15,000. This means the costs of replacing frustrated employees can quickly add up.
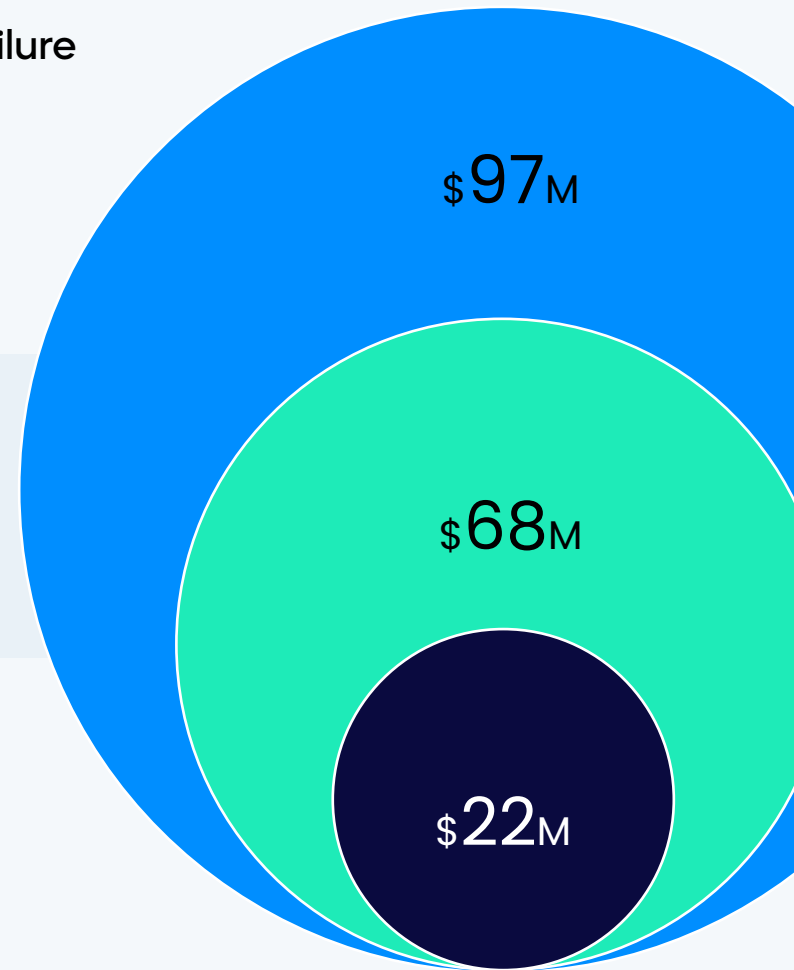
Employee churn due to technology frustrations

■ Small enterprises   ■ Medium-sized enterprises   ■ Large enterprises

Employees that resigned in 2021

24	$354,300
54	$815,100
76	$1,142,700

Average

$772,650

Calculated cost of replacing employees

$1.14M Annual cost of replacing employees frustrated with technology in large enterprises

Summary:

The need for digital adaoption

The wrong approach to digital adoption has the potential to cost enterprises tens of millions of dollars in wasted investments, strategic challenges, and compensating for employee difficulties.

It's clear that digital adoption needs to be addressed. The question is, how are enterprises currently doing that?

Total potential cost
of digital adoption failure

- Small enterprises
- Medium-sized enterprises
- Large enterprises

$97M

$68M

$22M

Average
$65M

Neglecting or taking the wrong approach to digital adoption can **cost large organizations close to $100M**

Part two:

The current state of digital adoption

The right digital adoption strategy can save enterprises millions. Currently, many are encountering issues that prevent them from getting the most out of their software. A crucial first step in addressing this will be giving digital adoption the attention and prominence it deserves. This will mean being able to identify exactly who has responsibility for digital adoption, which 70% of enterprise leaders currently do not know.

70%

of enterprise leaders do not know exactly who has responsibility for digital adoption in their organization
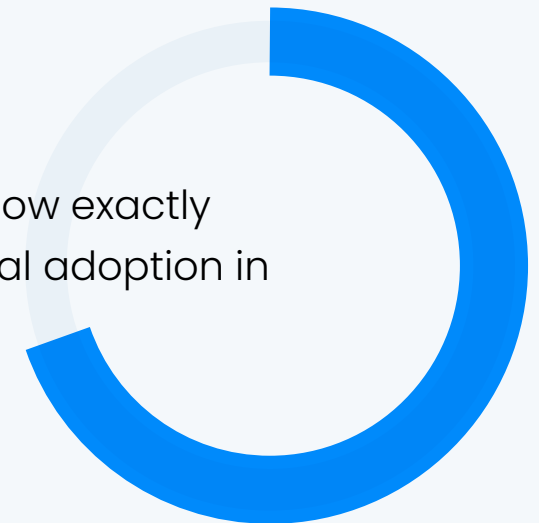
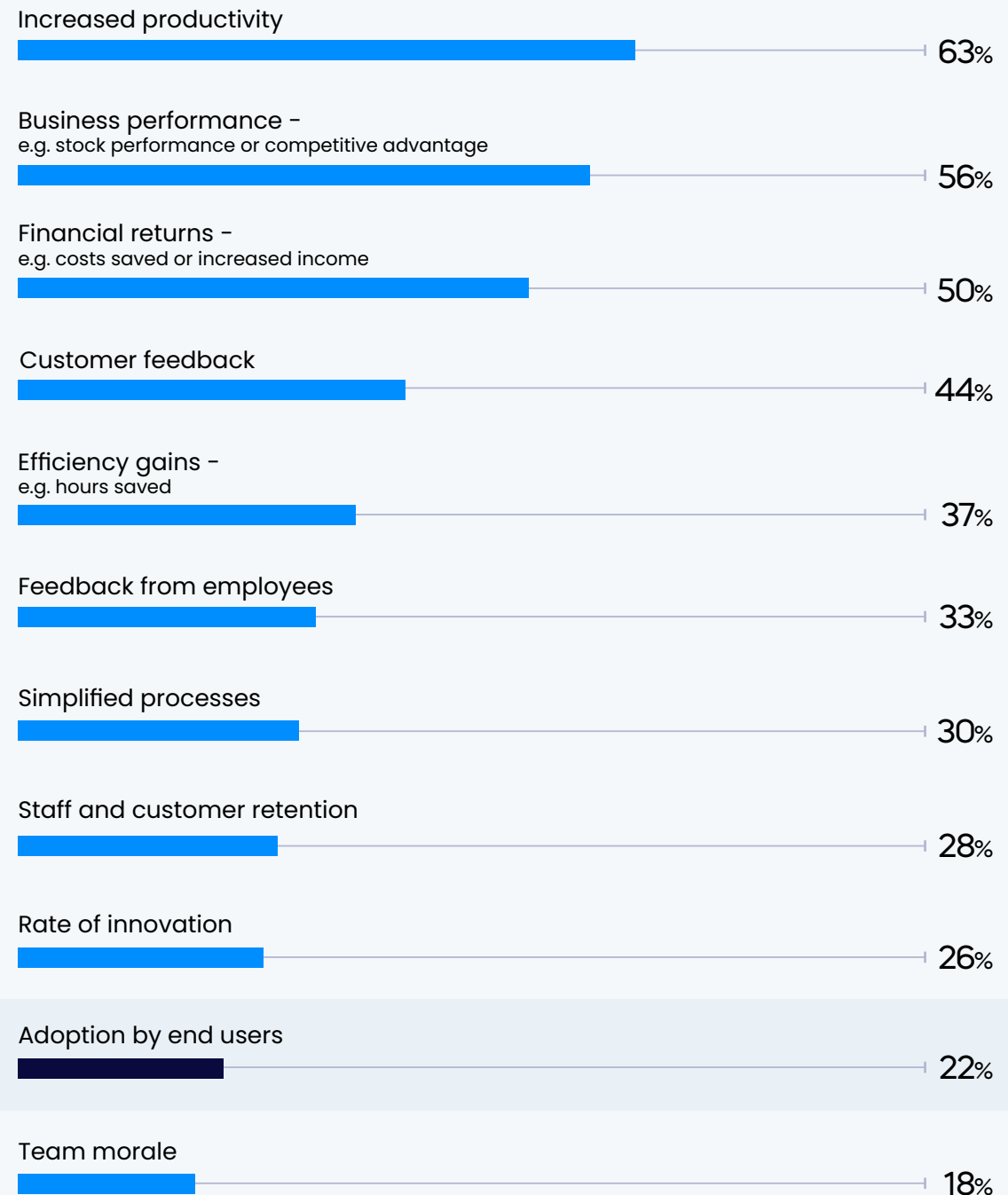# Digital transformation KPIs used by enterprises

Enterprises use metrics such as employee engagement scores or customer reviews to judge the success and effectiveness of legacy technology. However, digital adoption is only used by 22% of enterprises as a KPI for digital transformation.

There is a strong sense that while enterprises recognize digital adoption should be an important concern for the business, not many are taking direct action to improve it. The majority of organizations (68%) say they use adoption as a measure of digital transformation success, despite not listing it as a KPI – suggesting there may be some confusion over how important adoption truly is.

Increased productivity
63%

Business performance -
e.g. stock performance or competitive advantage
56%

Financial returns -
e.g. costs saved or increased income
50%

Customer feedback
44%

Efficiency gains -
e.g. hours saved
37%

Feedback from employees
33%

Simplified processes
30%

Staff and customer retention
28%

Rate of innovation
26%

Adoption by end users
22%

Team morale
18%

60%

Organizations that do not yet have a clear strategy to increase adoption of digital technologies

This is borne out by the fact that a significant majority (60%) admit they do not have a clear strategy to increase digital adoption and that 59% of organizations don't have specific KPIs designed to measure digital adoption.

59%

Organizations that don't have specific KPIs designed to measure the adoption of digital technologies

22% of enterprises use adoption by end users as a KPI for digital transformation projects
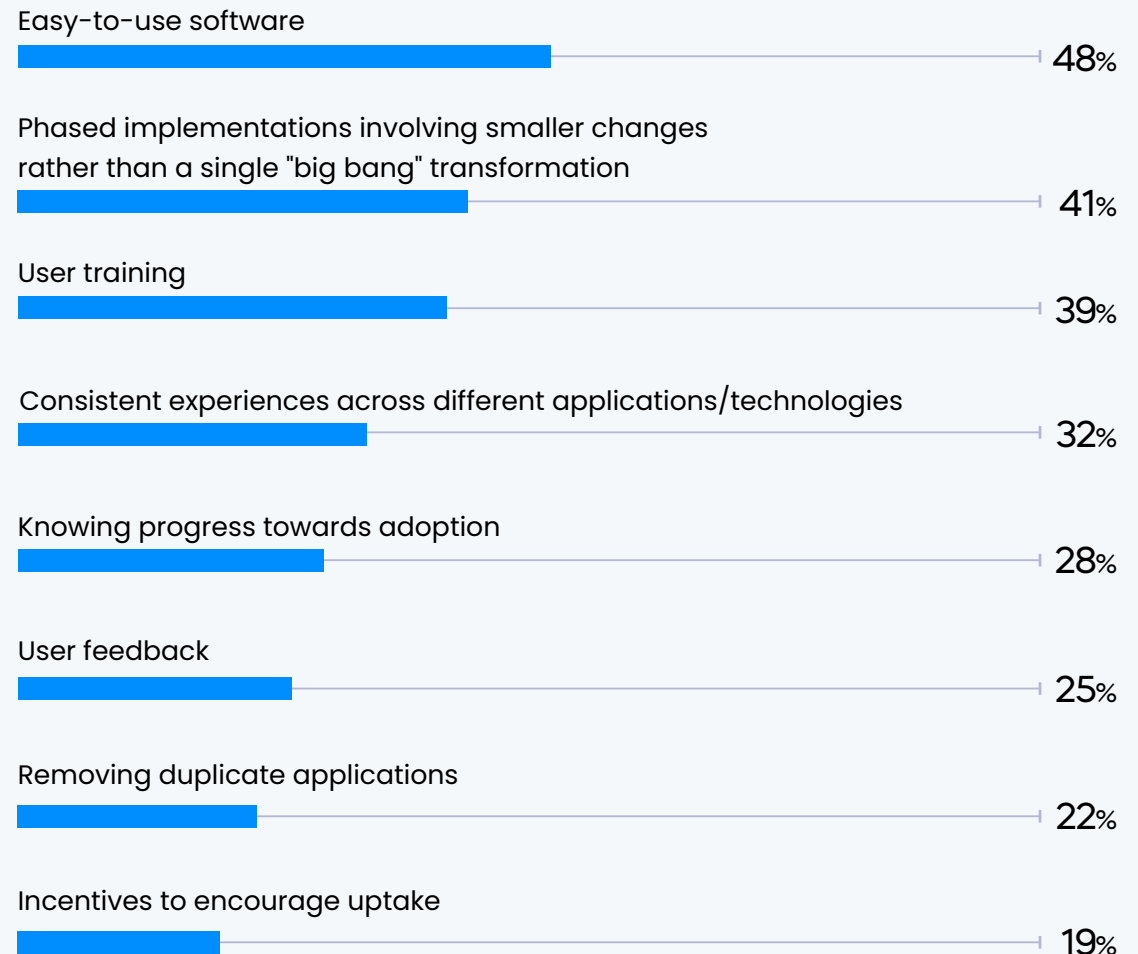
Digital adoption success factors

Without a clear strategy and specific KPIs, it is difficult to measure digital adoption success. Respondents have identified easy-to-use software (48%), user training, and using phased implementations involving small changes rather than a single, "big bang" transformation (41%) as the most important factors behind digital transformation success.
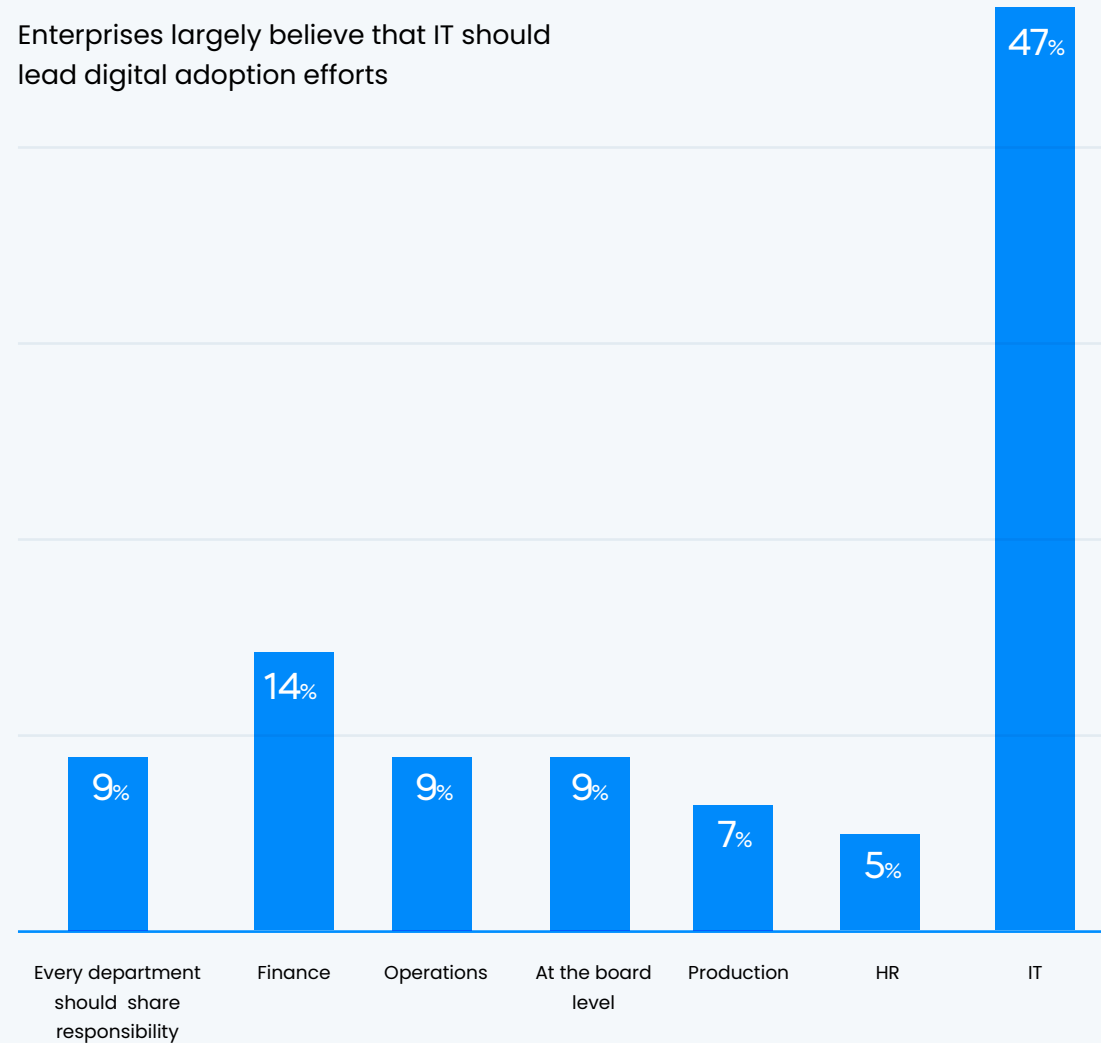
But they need a well-executed strategy to ensure these happen and strict KPIs to ensure that the organization still meets its targets. And above all, they need buy-in from the entire business to make adoption a success.

What are the most important factors in digital adoption success?

Easy-to-use software
48%

Phased implementations involving smaller changes rather than a single "big bang" transformation
41%

User training
39%

Consistent experiences across different applications/technologies
32%

Knowing progress towards adoption
28%

User feedback
25%

Removing duplicate applications
22%

Incentives to encourage uptake
19%

47% of enterprises believe that digital adoption should sit with the IT department, a striking figure given that software optimization is also an essential component of HR, finance, operations, and product departments.

While the C-Suite in the majority of organizations (71%) is aware of and even interested in digital transformation, only 9% of enterprises think that digital adoption responsibility sits at the board level.

Although ultimate responsibility, according to our data, should fall on IT, collaboration with other departments can help ensure enterprise-wide digital adoption.

Where does digital adoption responsibility sit?

Enterprises largely believe that IT should lead digital adoption efforts

Category	Value
Every department should share responsibility	9%
Finance	14%
Operations	9%
At the board level	9%
Production	7%
HR	5%
IT	47%

Ideally, over time we will see more organizations give responsibility for digital adoption to the executive team or share it across all business units instead of placing all of the responsibility on IT.

Regardless of where responsibility for digital adoption lies, organizations need to know who holds it. Many organizations cannot say precisely who has responsibility for digital adoption, in most enterprises (76%) the task is given to a dedicated internal team.

Who inside or outside the organization is responsible for facilitating/accelerating adoption of digital tools/software?

5.1%
The original
software provider

2.2%
Don't know

6.5%
Other

7.9%
Global systems integrator
or other consultant

5.1%
One in-house
employee

25.2%
In-house team
of five people or
fewer

47.9%
In-house team of
six or more people

78% Organizations where in-house employees or teams are responsible for facilitating and/or accelerating digital adoption
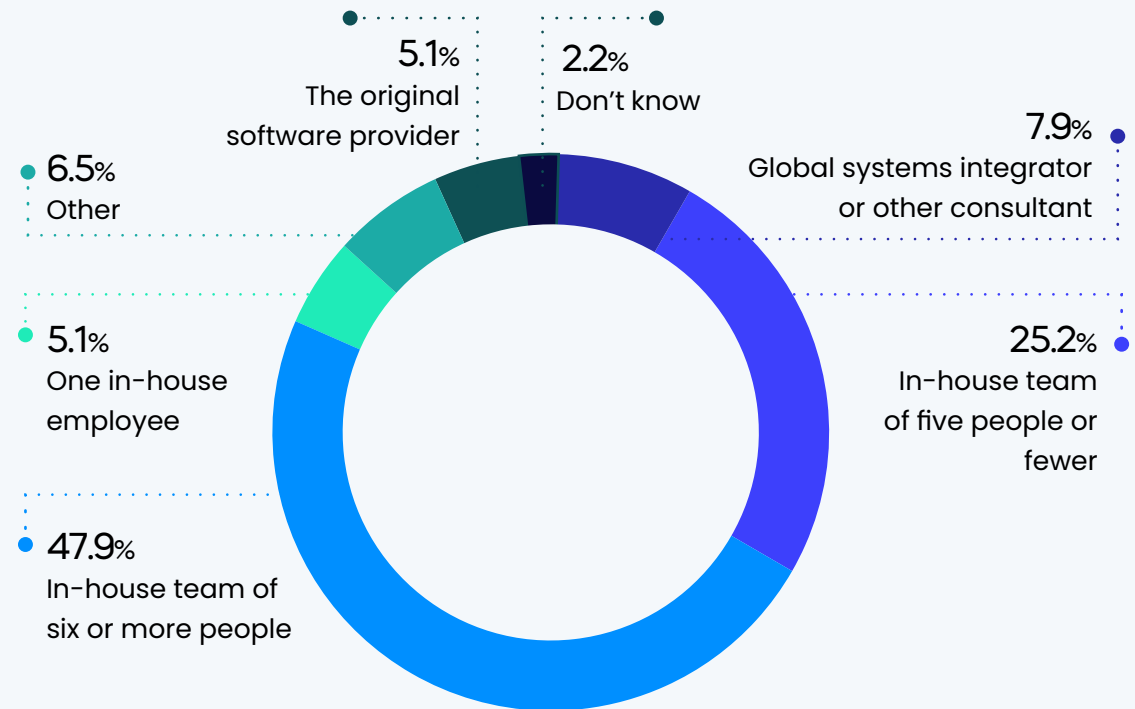
68% Enterprises where one or more individuals in the business have responsibility for ensuring adoption of digital technologies
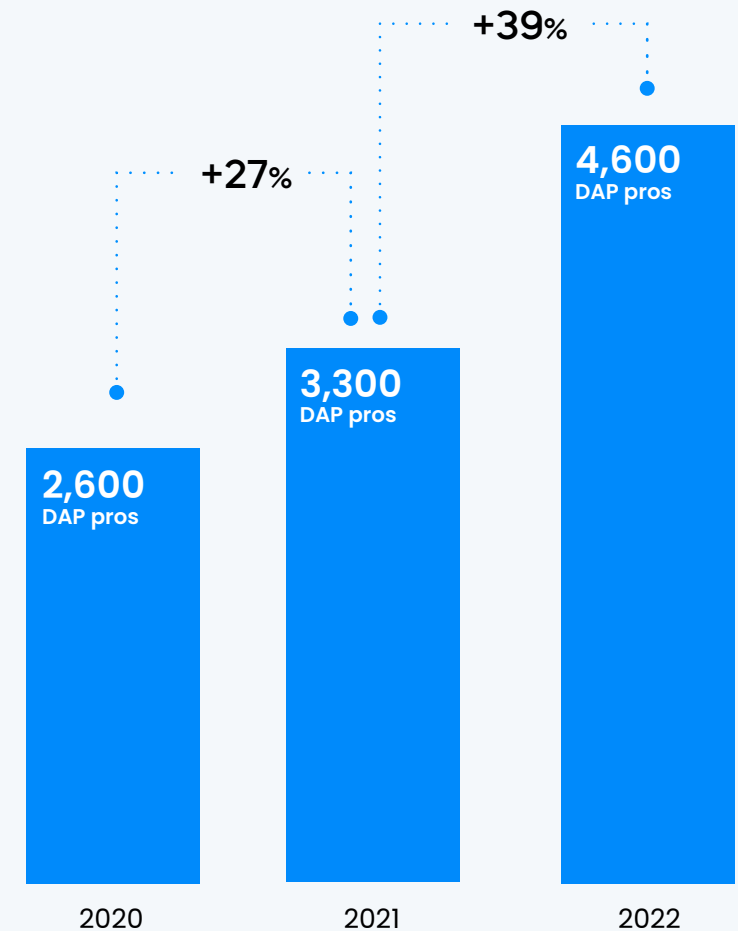
The DAP professional

Internal WalkMe data and LinkedIn statistics signal the growth of a new role - the digital adoption platform (DAP) professional or DAP analyst/designer.

This employee is dedicated to improving the enterprise digital experience, internal digital dexterity, and application adoption and proficiency - often through using a digital adoption platform (DAP).

There has been additional evidence calling out the need for skilled DAP professionals as a specific role; and the number of individuals listing expertise with DAPs, such as WalkMe, on LinkedIn increasing by 39% year-on-year.

DAP professionals

(source: LinkedIn)

+27%

+39%

2,600
DAP pros

3,300
DAP pros

4,600
DAP pros

2020

2021

2022

39% increase year-on-year

– Mike Bentley
Senior Partner, IBM

This will be an increasingly important role as digital transformation gathers pace and reducing digital friction becomes critical. The DAP professional will need to work in concert with both business and IT colleagues and external partners to both drive adoption of existing applications and plan for new technology deployments. This means defining, tracking, and acting to make sure enterprises maximize their digital investments.

In large-scale or especially complex projects, organizations will likely need to partner with specialist consultants and integrators. Here, the DAP professional's task will be to coordinate and provide internal expertise to ensure the successful execution of business priorities.

DAP is designed specifically to drive this value, enabling organizations to leverage data across business applications and workflows to take action and simplify processes.
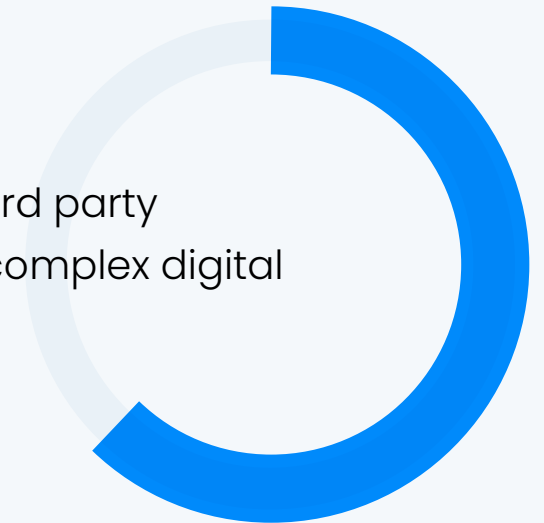
64%
of organizations partner with 3rd party integrators on large-scale or complex digital transformation initiatives.

Top-5 consequences of failed digital adoption

Increased security risk

Operational inefficiencies and wasted resources

Poor employee retention

Failing to adapt to industry changes

Losing competitive edge

See appendix 1 for a full breakdown of survey responses

Part three:

The future of digital adoption

While many organizations do not have a specific digital adoption strategy, a large number are identifying that digital adoption can solve the challenges holding back their digital ambitions. In particular, they have identified that a failure to fully adopt technology leaves the business open to severe consequences.

Even if enterprises don't always know how to approach it, increasing application utilization is now a major priority.

Top-5 priorities for new technologies

Improving existing IT security

Efficiently increasing application utilization

Optimizing support for hybrid work

Improving infrastructure and cloud migration

Adapting to cutting-edge technologies
(e.g., edge computing, blockchain)

See appendix 2 for a full breakdown of survey responses

Closing the application visibility gap

There is a gap of 40% between the amount of visibility enterprises believe they have and full visibility over all application adoption. A successful digital adoption strategy means closing this gap and evaluating the existing tech stack to find friction points and areas for improvement.

If organizations are to succeed in their digital adoption strategies, they need to ensure they have visibility into adoption for all their applications – even those that are not immediately deemed business critical.

Application adoption visibility

70% Enterprises that **believe** they have complete visibility into new application adoption

40% Visibility gap

30% Enterprises that **actually** have complete visibility into new application adoption

64% of enterprises do not know what their level of digital adoption is or where it should be.
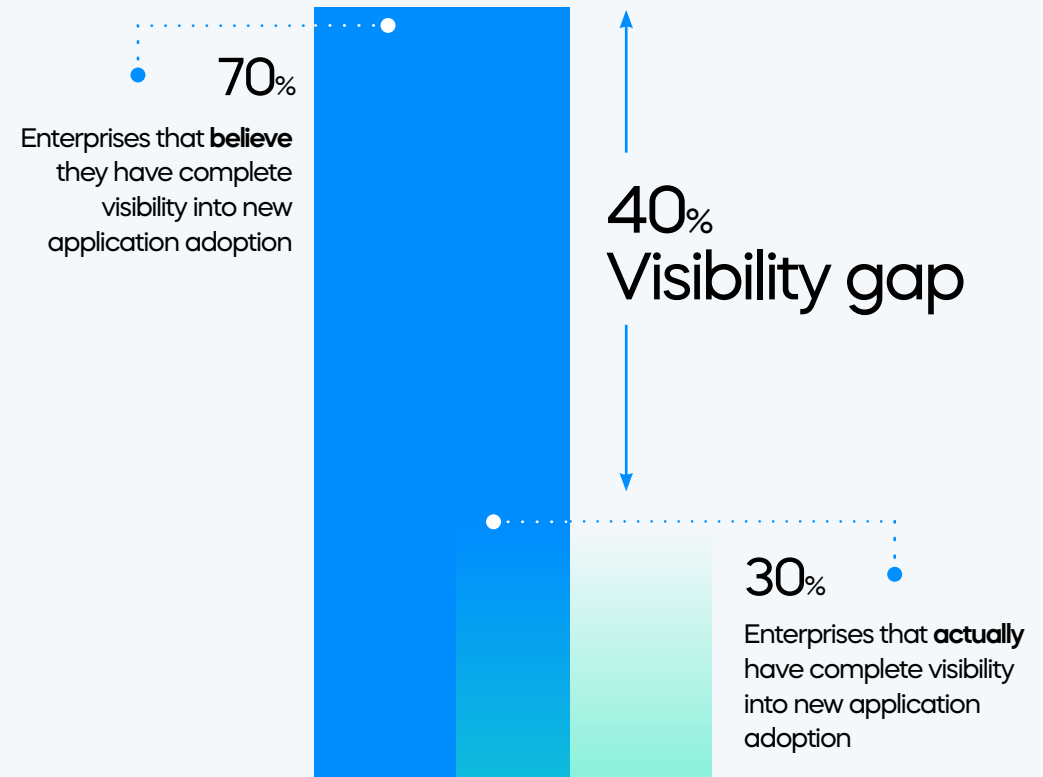
41% Enterprises that say take-up of applications has not met expectations

Enterprises are planning to invest signficantly in digital adoption over the next three years, including in improving employees' digital dexterity, increasing new technology adoption, and boosting application utilization.

This includes $7 million from small enterprises, $22 million from medium-sized enterprises, and more than $31 million from large enterprises, highlighting the growing importance of regaining control of tech stacks, reducing digital friction, and optimizing software utilization and ROI.

If enterprises invest wisely and follow a clear strategy, they will soon see the benefits, including employees that can more readily use technology and digital transformation projects that meet business goals.

Planned digital adoption investment

- Small enterprises
- Medium-sized enterprises
- Large enterprises

Improving employees' digital dexterity
- $1.97M
- $5.58M
- $8.26M

Improving the way in which the organization adopts new technologies
- $1.95M
- $5.66M
- $7.58M

Increasing enterprise application utilization
- $1.56M
- $5.65M
- $7.90M

Improving visibility of application utilization
- $1.67M
- $5.40M
- $7.62M

Total
- $7.15M
- $22.29M
- $31.36M
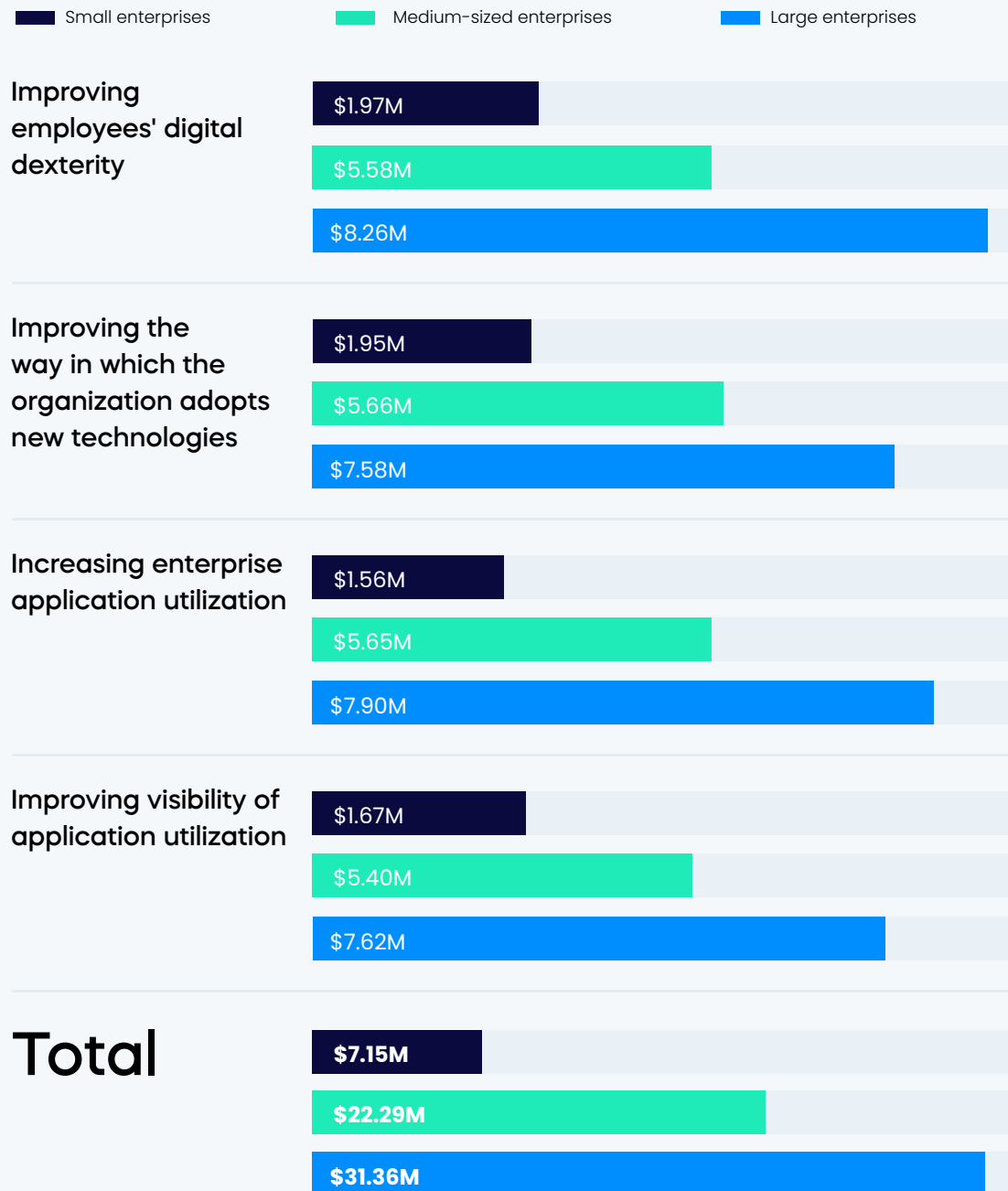
Mature digital adoption platforms, such as WalkMe, should be instrumental in this investment. DAPs comprise three main pillars: Data, Action and Experience to ensure a flywheel motion of continuous process improvement.

Nestlé delivers DAP at scale for 270K+ team members across over 60 enterprise applications:

Brings together actionable tasks, frequently used tools, real-time IT communications, and onboarding items in a single place for employees to access, review, and record progress

Uses data-driven methodology to drive increased task completion, improve employee engagement, and identify friction points and quickly address them

Reduced training needs and ongoing support tickets and queries, as it's now easier for employees to find what they need

02 | Identify areas of improvement, including friction points and opportunities within business processes

01 | Evaluate and measure current processes

03 | Define what success looks like, including KPIs, project scope, and business goals

DAP
Flywheel

Data

Action

Experience

05 | Ensure immediate and intuitive access to any application, workflow, or resource as you increase process completion and improve the quality of business outcomes

04 | Leverage the data to design and deploy user experiences that increase adoption and engagement across workflows and applications

This approach allows the execution of a myriad of use cases, to drive business value that can be quantitatively measured while providing qualitative benefits.

Warner Music Group branded WalkMe Workstation as WMG Assistant to connect enterprise applications, giving employees one unified interface where they can ask questions and perform actions. WMG Assistant acts as a digital concierge to enable team members to navigate complex digital ecosystems to work more efficiently. WMG's DAP program continues to thrive:
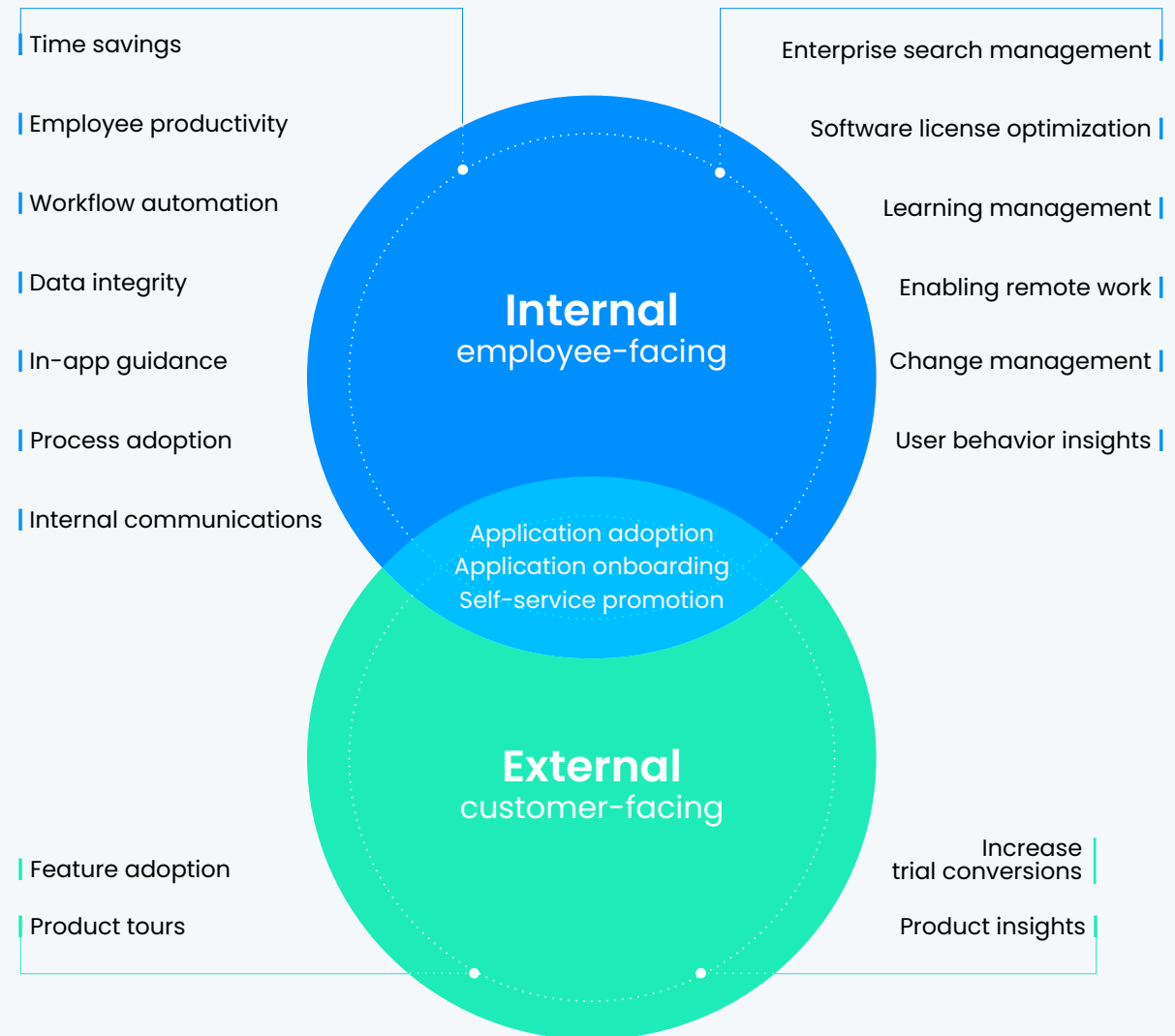
WMG Assistant saw more than 100K sessions from team members around the globe in its first two weeks of operation, and it's currently accessed thousands of times per day

WMG automated common tasks - such as booking leave or managing goals - halving the amount of time employees spend on basic processes

Analytics empower business leaders to identify opportunities for further automation or employee experience improvements

Time savings

Employee productivity

Workflow automation

Data integrity

In-app guidance

Process adoption

Internal communications

Enterprise search management

Software license optimization

Learning management

Enabling remote work

Change management

User behavior insights

Internal
employee-facing

Application adoption
Application onboarding
Self-service promotion

External
customer-facing

Feature adoption

Product tours

Increase
trial conversions

Product insights

Conclusion

Digital adoption is crucial for enterprises that want to realize the full value of their digital investments. Without the right approach, including making digital adoption a strategic priority, organizations risk incurring significant financial costs, without seeing the promised benefits. Not to mention issues stemming from factors such as employee turnover, shadow IT, lost productivity, and resource-intensive training programs.

With the right approach, enterprises can realize spectacular results from their digital adoption strategies. In particular, saving just a few minutes of employees' time every week can translate to significant annual savings across a global enterprise with thousands or tens of thousands of employees.

Enterprises are beginning to realize the challenges they face with digital adoption, and the limitations they face in their current approach. If they can make digital adoption a strategic priority, assign responsibility effectively, coordinate with external partners, and implement a digital adoption platform that allows them to monitor and manage adoption, then they will be in a position to save tens of millions of dollars and unlock the full value of the global $4.4 trillion IT investment.

Appendix

Appendix 1:

Consequences of failing to adopt new technologies	Total
We would experience increased security risks	44%
We would waste resources on digital transformation that can't meet its objectives	40%
We wouldn't get the expected benefits from the technology that we have invested in	36%
We would lose skilled employees to competitors or other industries	32%
We would be unable to adapt to major industry changes, e.g. hybrid working	29%
We would suffer from reduced productivity	26%
We would end up several years behind our competitors	22%
We would waste money on unused technologies	20%

Appendix 2:

Top priorities around new technologies	Total
Improving on existing IT security	45%
Increasing application utilization	40%
Increasing support for hybrid working	37%
Reducing waste and delays in digital projects	32%
Improving infrastructure management	27%
Increasing adoption of the cloud	24%
Making greater use of edge computing	23%
Building offerings around the metaverse	20%
Building offerings around NFTs	16%

walk me