

# How to Continuously Measure and Optimize Your Digital Execution

Hung LeHong

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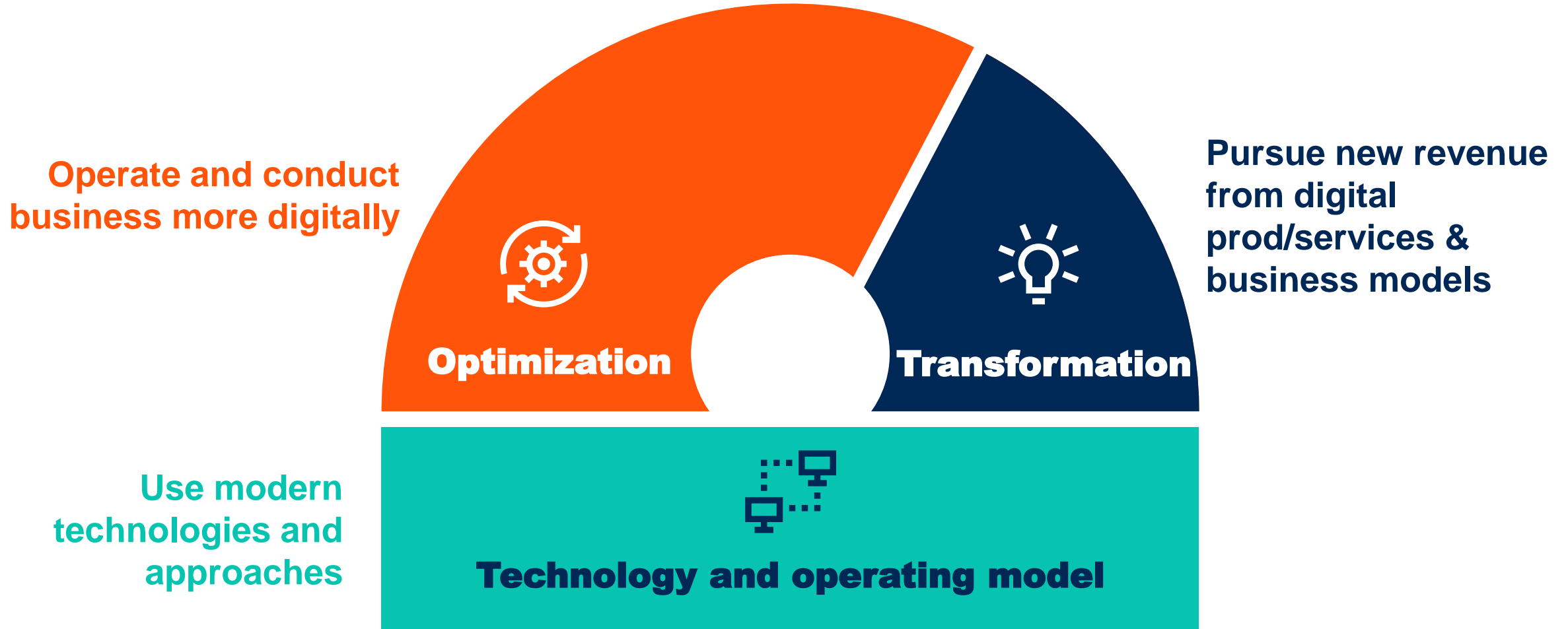
# As a CIO, Do You Know ...

- 1) How digital your enterprise should become?
- 2) Where you should be investing?
- 3) If you were offered more money to accelerate a digital transformation, where would that money create the greatest return?

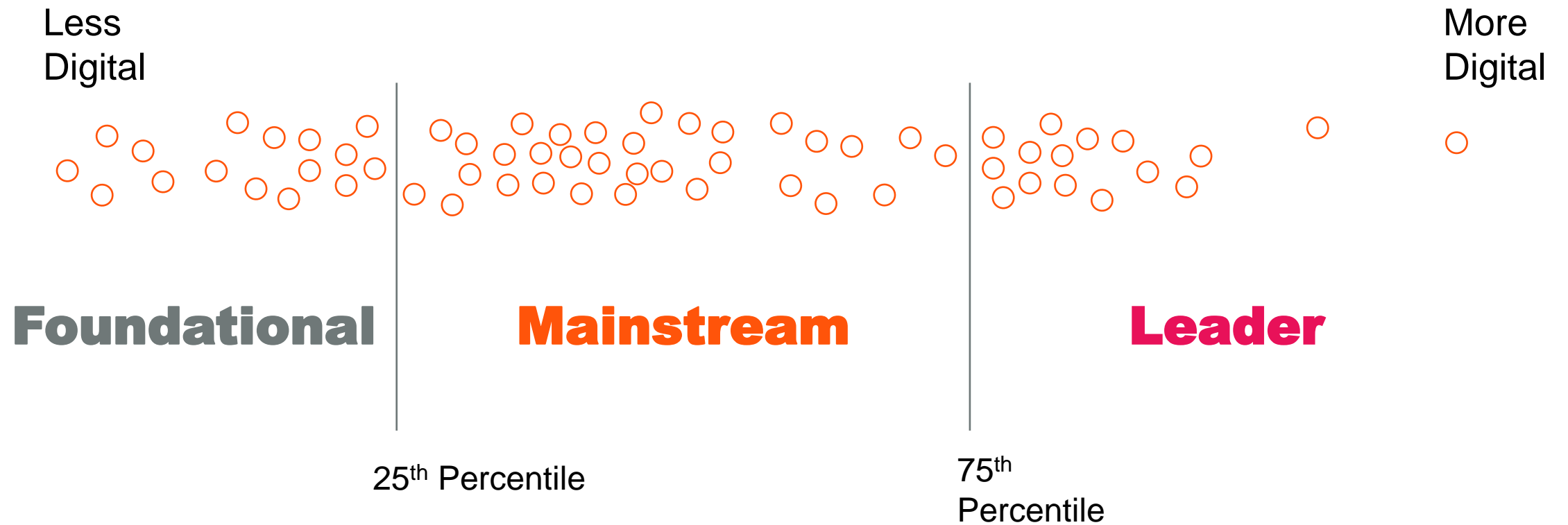


## Measure & Optimize

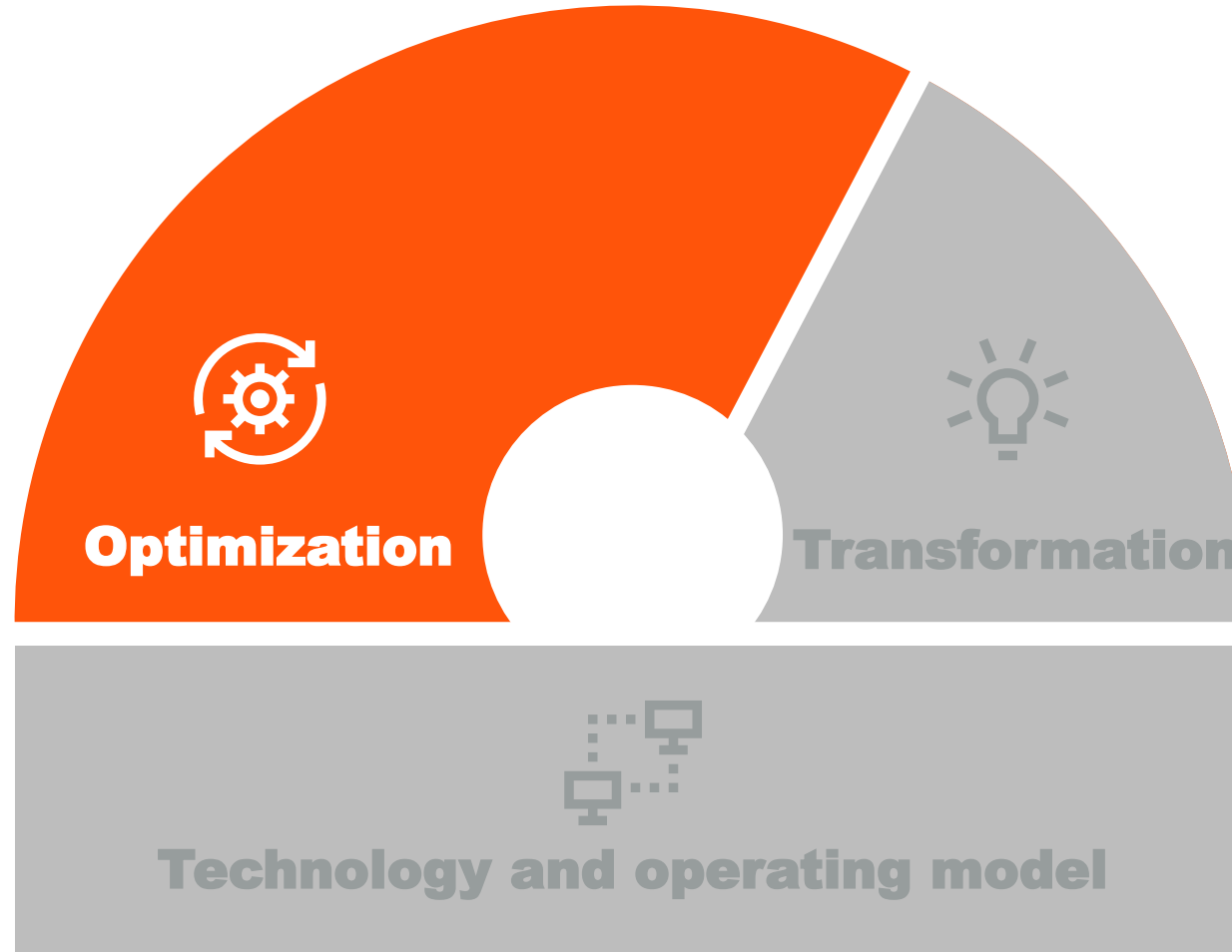
# Measure Progress in 3 Areas of the Digital Journey



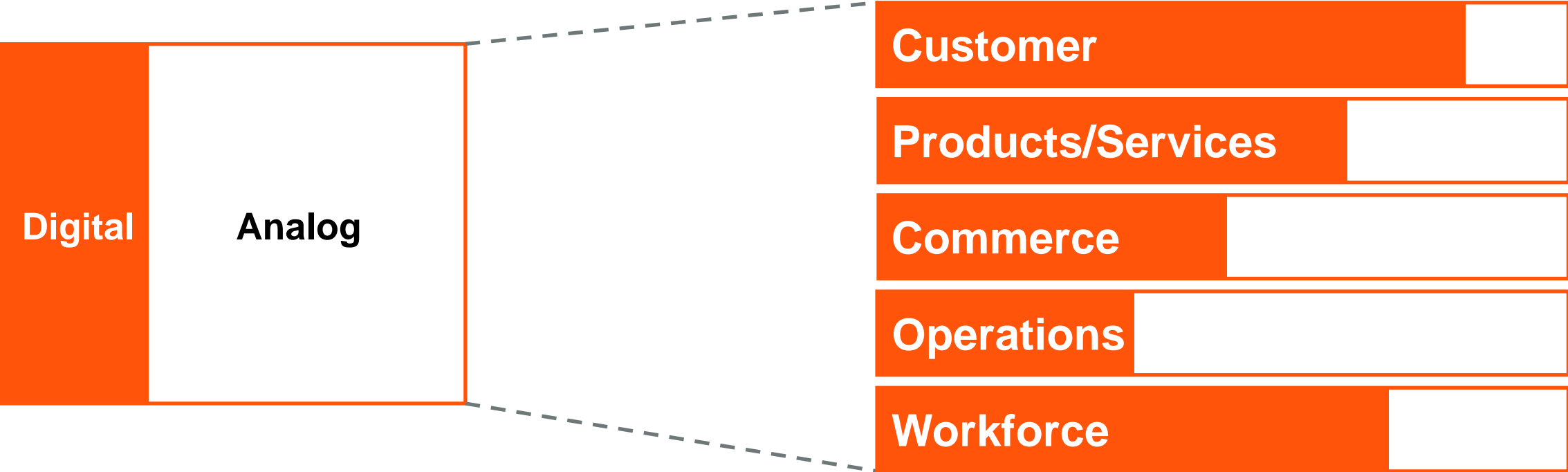
# In 2021, We Created Gartner's Digital Execution Scorecard



# How Digitally Should You Conduct Business or Public Mandate?



# Business and Operations Can Be Conducted Digitally in Many Parts of the Enterprise



# Digital Business Benchmarks



## Digital Customer Interaction Share

Mainstream

30%

of All Interactions



Leader

60%



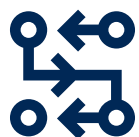
## Digital Commerce

5%

of All Revenue



20%



## Fully Digitized Transactions

50%

of All Transactions



80%

n size ranges from 768 to 809

Source: [Digital Business Benchmarks: Enterprises Must Improve](#) (G00766172)

# Government

**Government Services  
Available Digitally**

**Services Authenticated  
via Digital ID**

Mainstream

**60%**  
of All Services



Leader

**80%**

**40%**  
of All Services



**80%**

n size ranges from 164 to 198  
Source: [Digital Business Benchmarks: Enterprises Must Improve](#) (G00766172)



# Financial Services

**Autonomous Underwriting**

Mainstream

**12%**  
of All Transactions



Leader

**31%**

**Digital Customer Interaction Share**

**37%**  
of All Transactions



**60%**

n size ranges from 76 to 158  
Source: [Digital Business Benchmarks: Enterprises Must Improve](#) (G00766172)

# Manufacturing/Industrial

**Field/Factory Workers  
Using Wearables/AI**

Mainstream

**5%**  
of Workers



Leader

**15%**

**Remotely Monitored  
Assets**

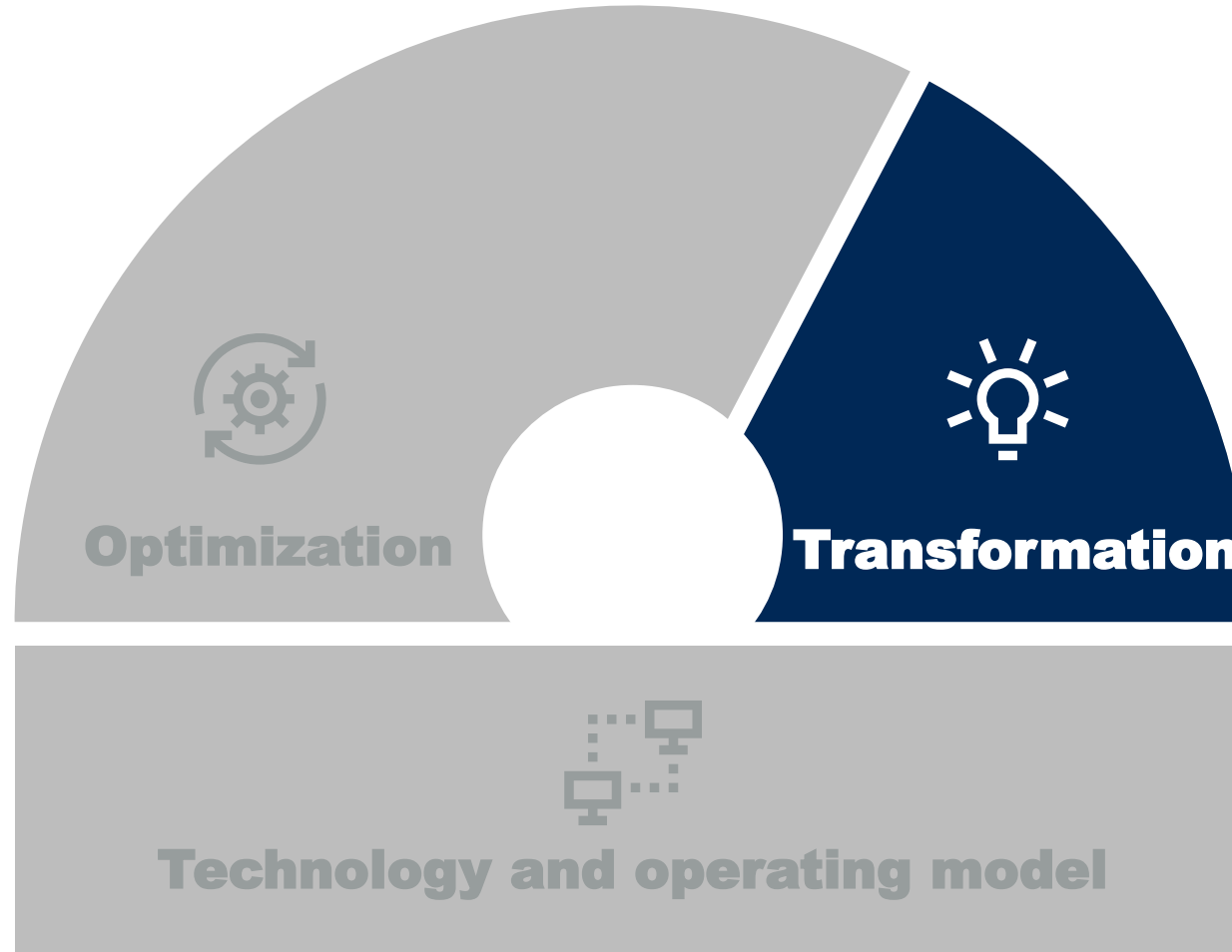
**15%**  
of All Equipment



**40%**

n size ranges from 115 to 139  
Source: [Digital Business Benchmarks: Enterprises Must Improve](#) (G00766172)

# How Far Should You Digitally Transform?



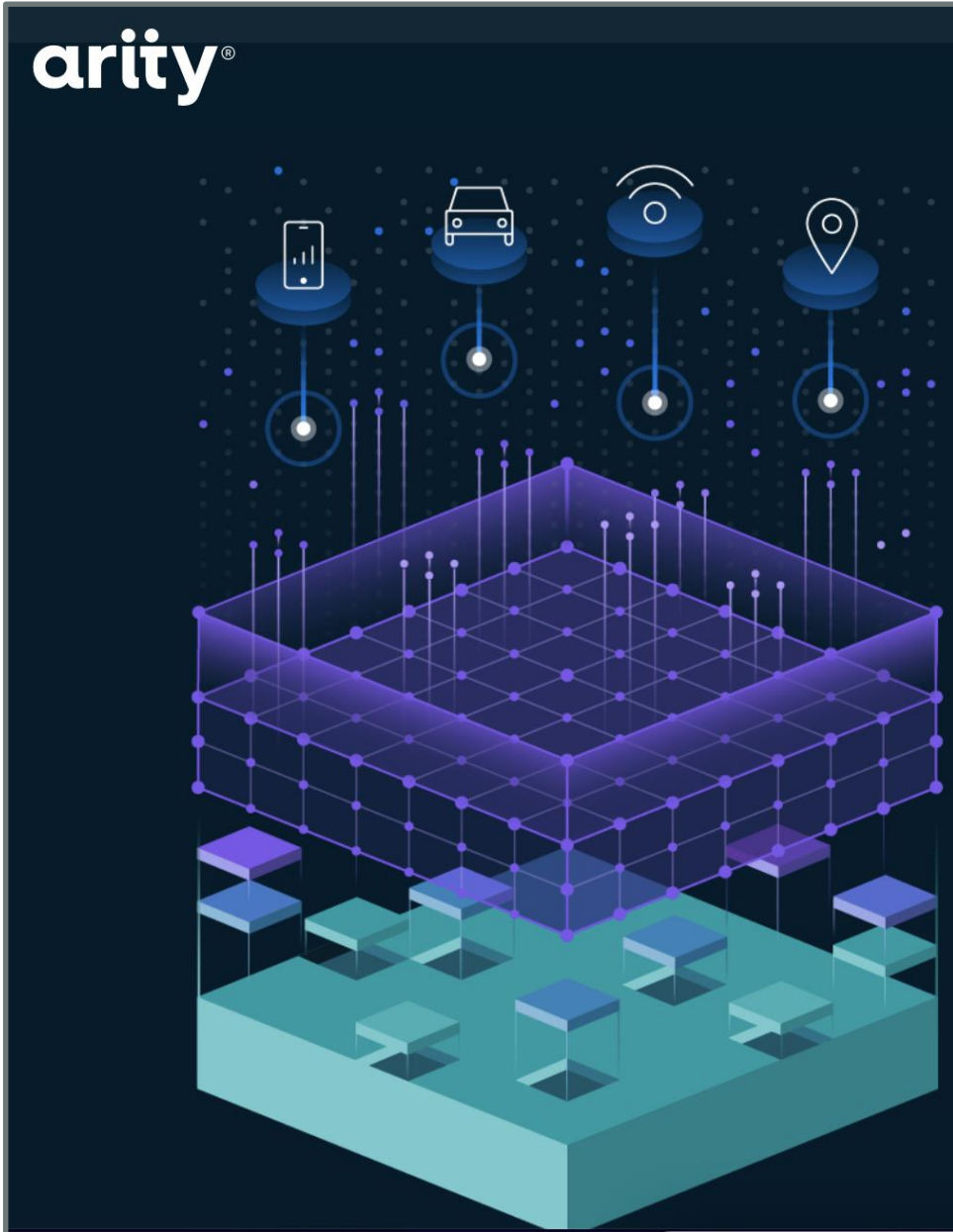


**Launch Carbon  
Marketplace**

**Become Industry  
Super App**

**Mobilize Virtual  
Power Plant**

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**2016**

**Allstate®**

Launched Arity

**2018**

**10B** Miles Of Driving  
Data per Month

**2021**

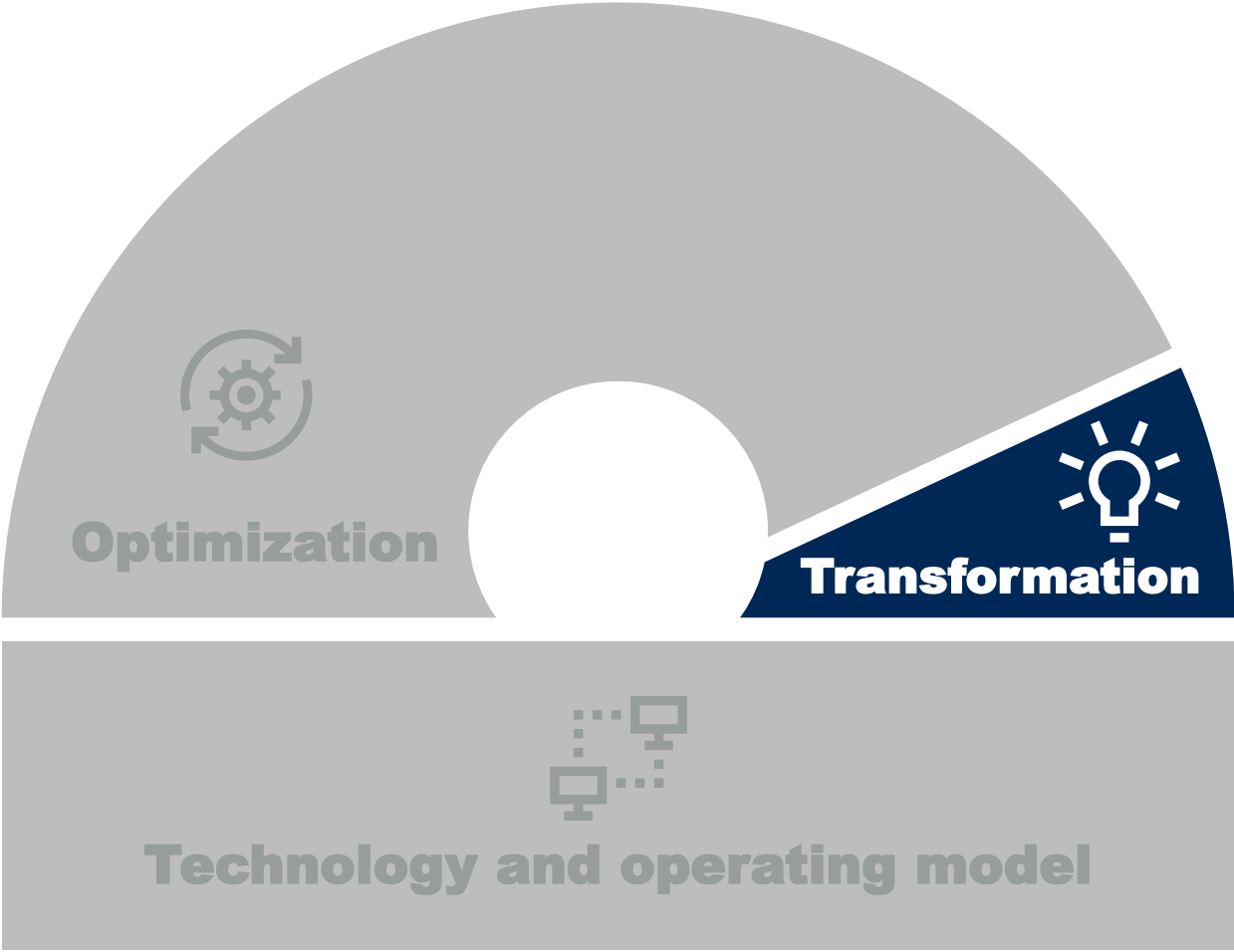
**68M** Revenue (US\$)

**1M** Profit (US\$)

Total Allstate Revenue \$50.6B, 2021

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# Digital Transformation Leads to New Revenue

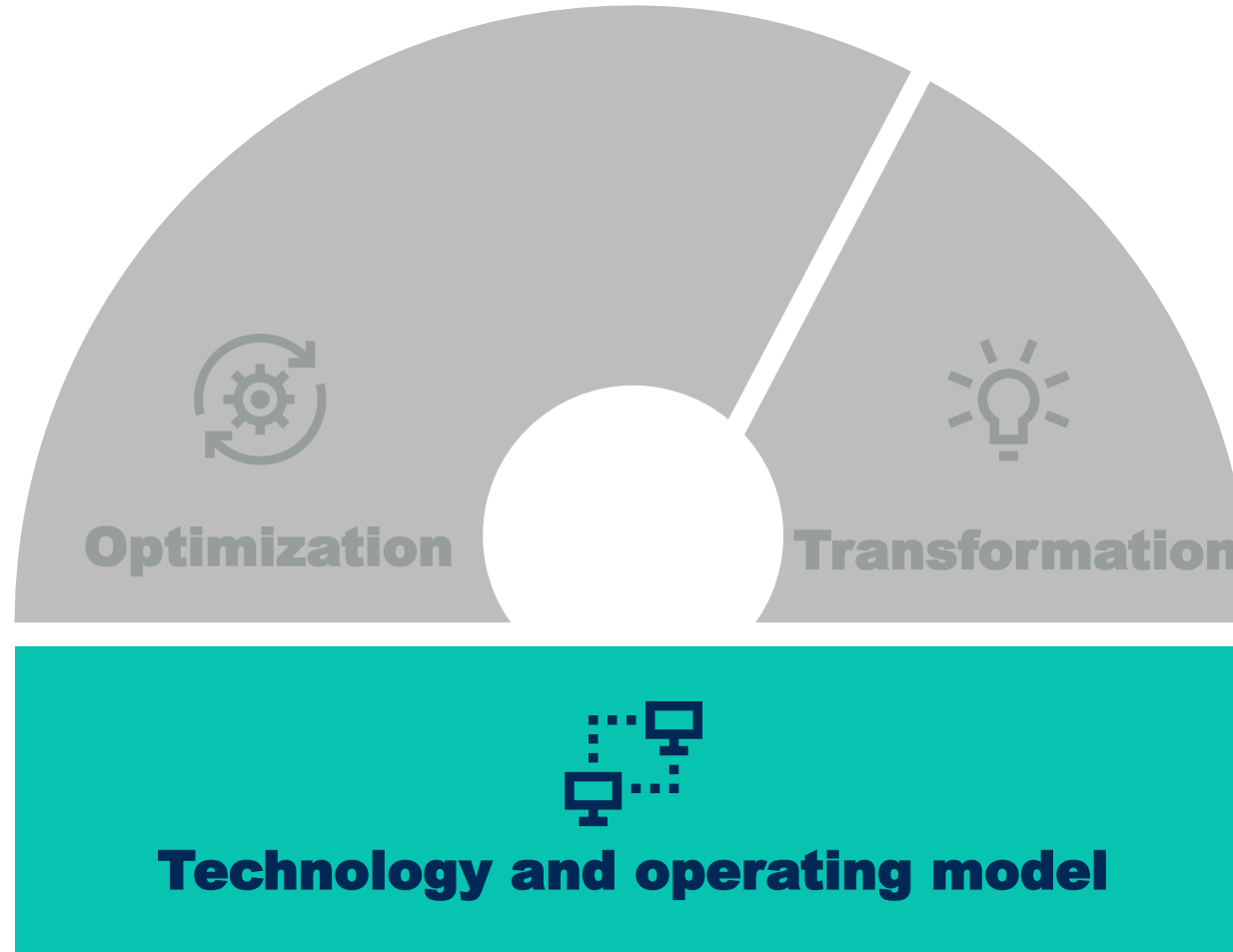


**Generate New Digital Revenue**

Mainstream      Leader  
**2%** → **8%**  
of Total Revenue  
From Digital  
Products and  
Business Models

n = 1,000+  
Source: [Digital Execution Scorecard](#) (G00766846)

# How Digitally Advanced Should Your Technology and Operating Model Be?



# Start With These Median Benchmarks



**AI/ML adoption**

**5%**

of Applications



**Cloud-Based  
Applications**

**30%**

of Applications



**Agile Methods  
Adoption**

**15%**

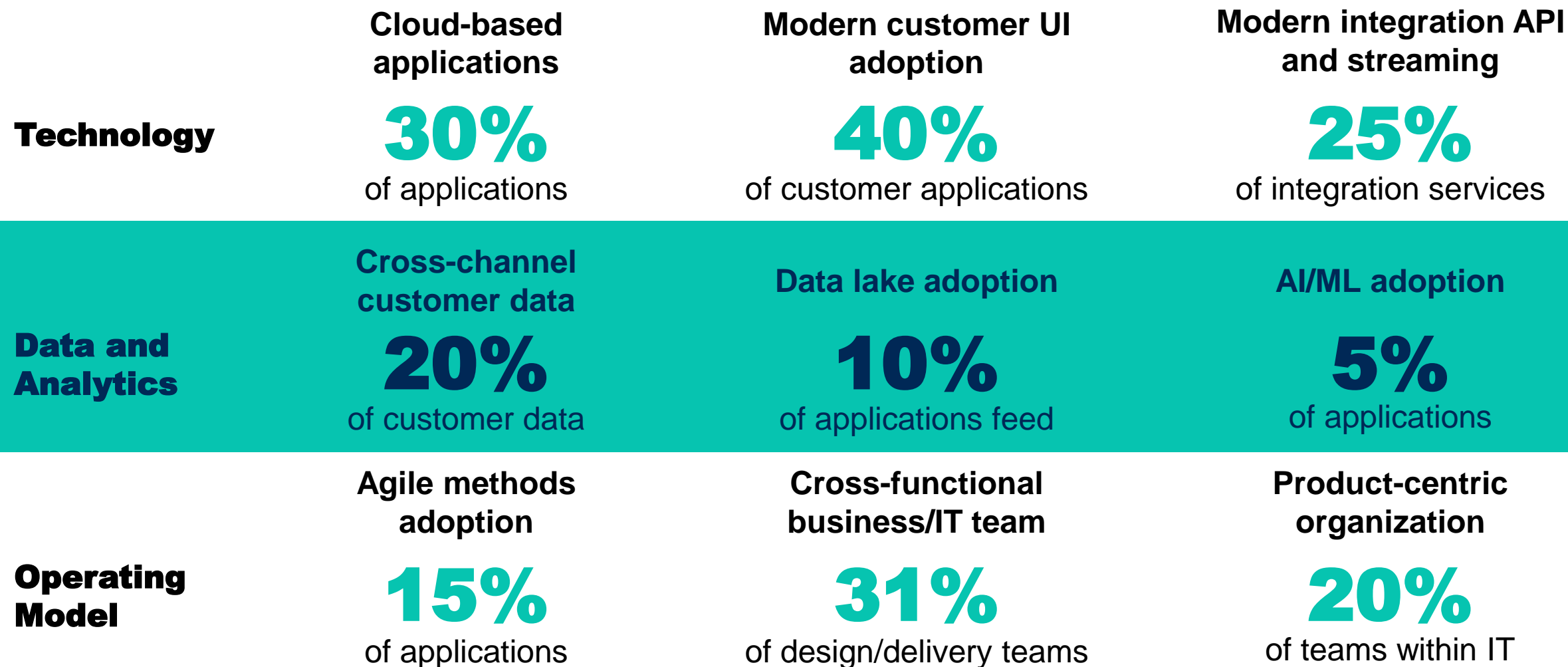
of Applications

n = 1,000+

Source: [Digital Execution Scorecard](#) (G00766846)



# Technology and Operating Model Median Benchmarks



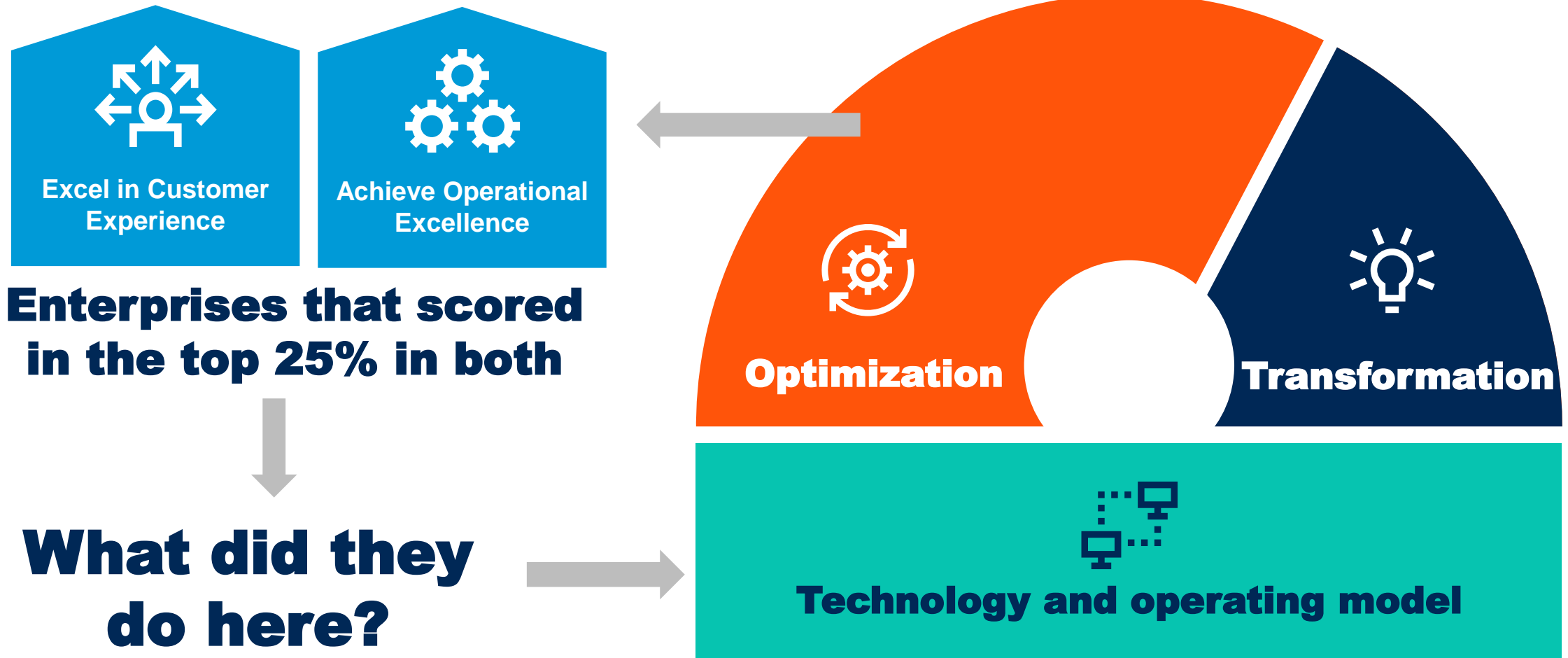
n = 1,000+

Source: Median percentages based on [Digital Execution Scorecard](#) (G00766846)

# What to Do?

**Let's Ask Digital Leaders**

# What Do **Digital Optimization** Leaders Do?



# 4 Areas That Distinguish Digital Optimization Leaders



**Accelerated Time to Value**



**Improved Customer and Market Responsiveness**



**Focused IT Staff on Business Performance**



**Accelerated Business Decision Making With Analytics**





## Accelerated Time to Value



## Improved Customer and Market Responsiveness



## Focused IT Staff on Business Performance



## Accelerated Business Decision Making With Analytics

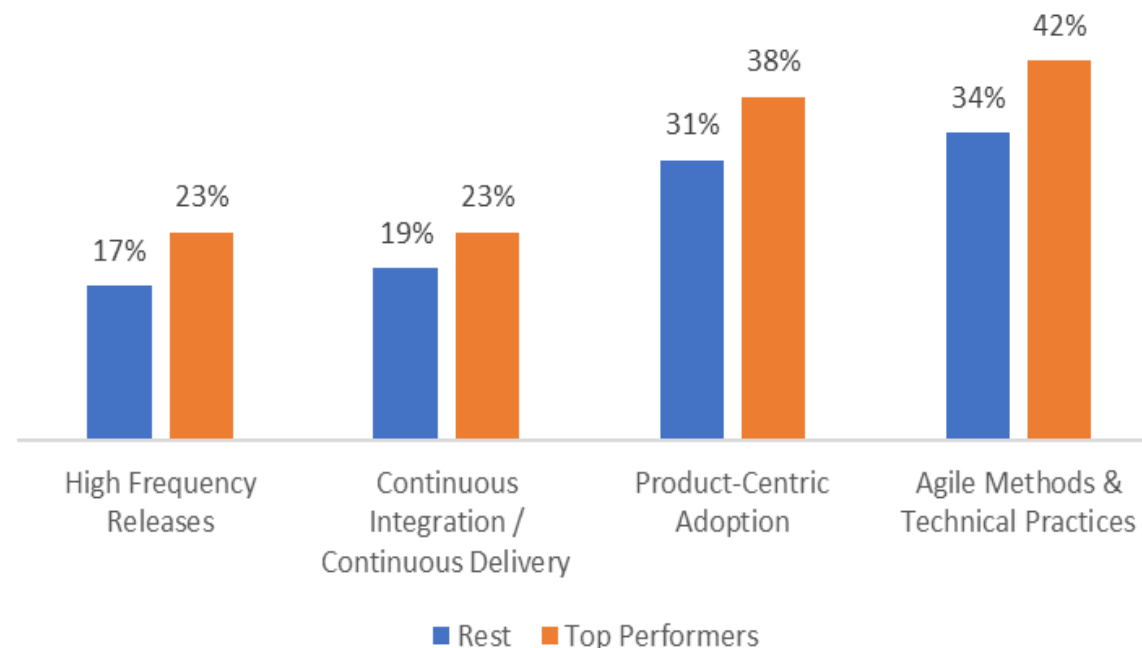
High-Frequency Releases

Continuous Integration/  
Continuous Delivery

Product-Centric Adoption

Agile Methods & Technical Practices

IT Cycle Time KPIs



n = 744 organizations

Source: Gartner Digital Execution Scorecard

High-Frequency Release Applications (%); Continuous Integration/Continuous Delivery Adoption (%); Product-Centric Organization Adoption (%); Agile Methods and Technical Practices Adoption (%)



Accelerated Time to Value



Improved Customer and Market Responsiveness



Focused IT Staff on Business Performance



Accelerated Business Decision Making With Analytics

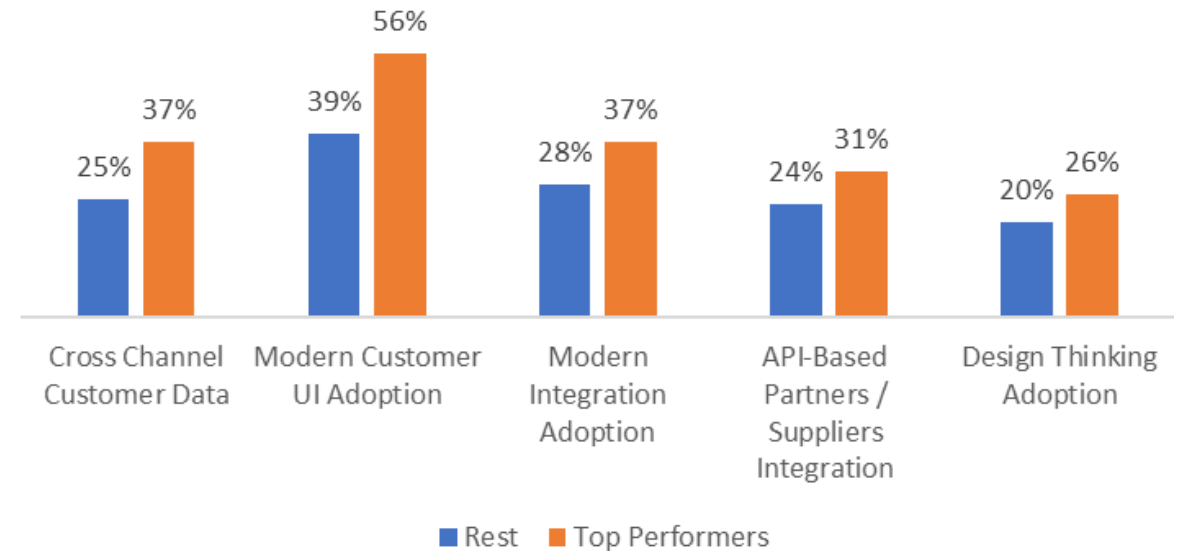
Cross-Channel Customer Data

Modern Customer UI Adoption

Modern Integration Adoption

Design Thinking Adoption

Customer and Market Responsiveness Oriented KPIs



n = 744 organizations

Source: Gartner Digital Execution Scorecard

Cross-Channel Customer Data Access (%); Modern Customer UI Adoption (%); Modern Integration Adoption (%); API-Based Partners/Suppliers Integration (%); Design Thinking Adoption (%)



Accelerated Time to Value



Improved Customer and Market Responsiveness



**Focused IT Staff on Business Performance**



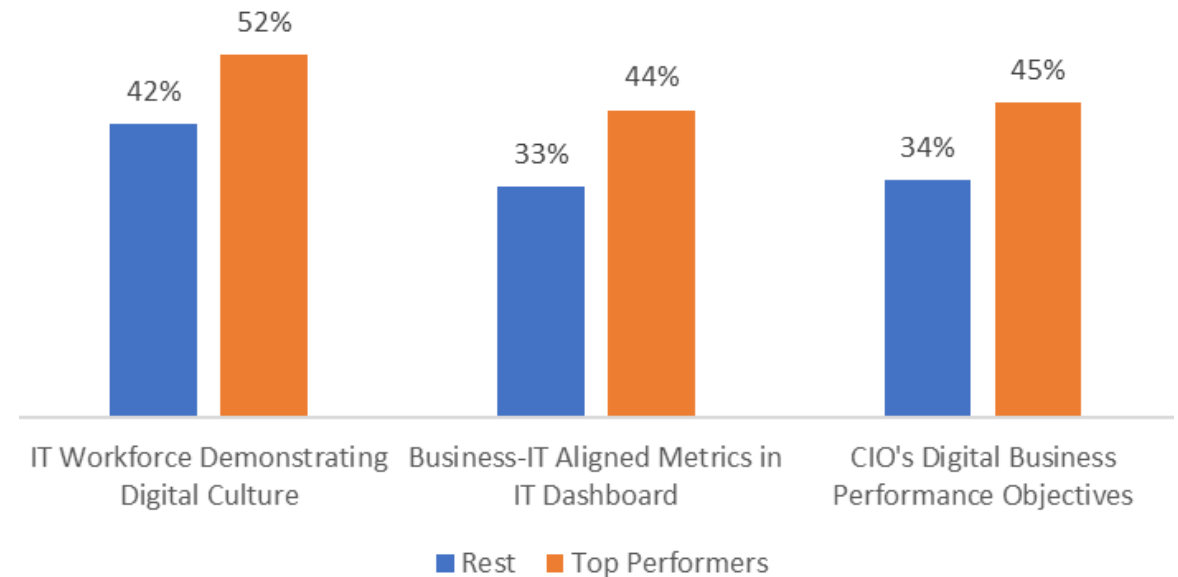
Accelerated Business Decision Making With Analytics

Demonstrating Digital Culture

Business-/ IT-  
Aligned Metrics

CIO's Digital/  
Business Performance

Business Performance Focused Personnel KPIs



n = 744 organizations

Source: Gartner Digital Execution Scorecard

Business-/IT-Aligned Metrics in IT Dashboard (%); CIO's Digital/Business Performance Objectives (%); IT Workforce Demonstrating Digital Culture (%)

 Accelerated Time to Value

 Improved Customer and Market Responsiveness

 Focused IT Staff on Business Performance

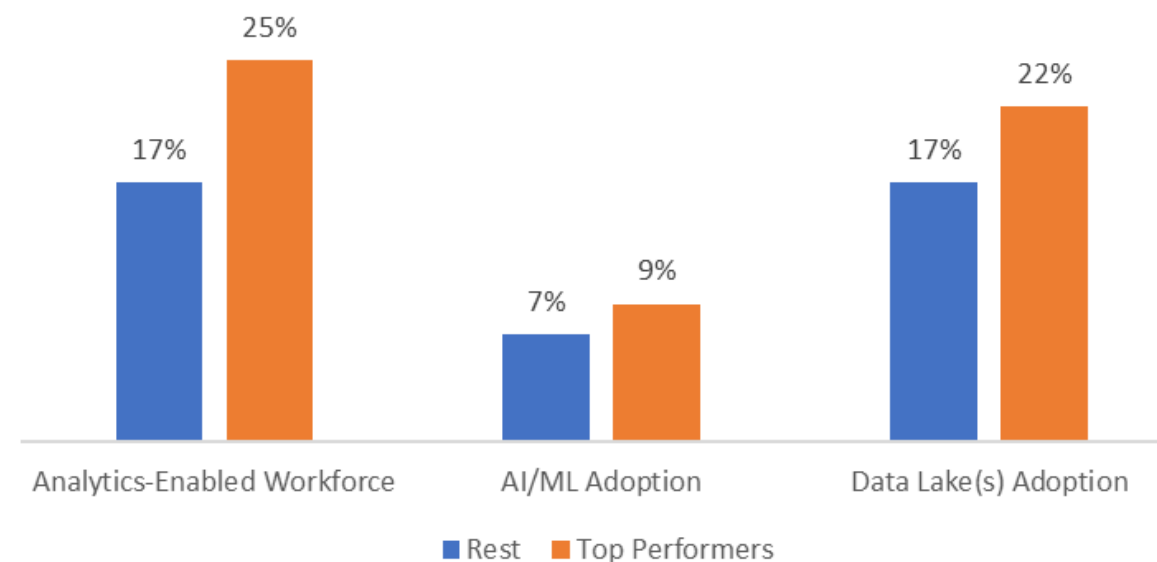
 Accelerated Business Decision Making With Analytics

Analytics-Enabled Workforce

AI/ML Adoption

Data Lake(s) Adoption

Accelerated Decision Making KPIs



n = 744 organizations

Source: Gartner Digital Execution Scorecard

Analytics-Enabled Workforce (%); AI/ML Adoption (%); Data Lake(s) Adoption (%)

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- 3) If you were offered more money to fund and accelerate a digital transformation, where would that money create the greatest return?



## Measure & Optimize

# Recommendation: Benchmark and Improve

Digital customer interaction share **30%**

Govt. services available digitally **60%**

Digital commerce **5%**

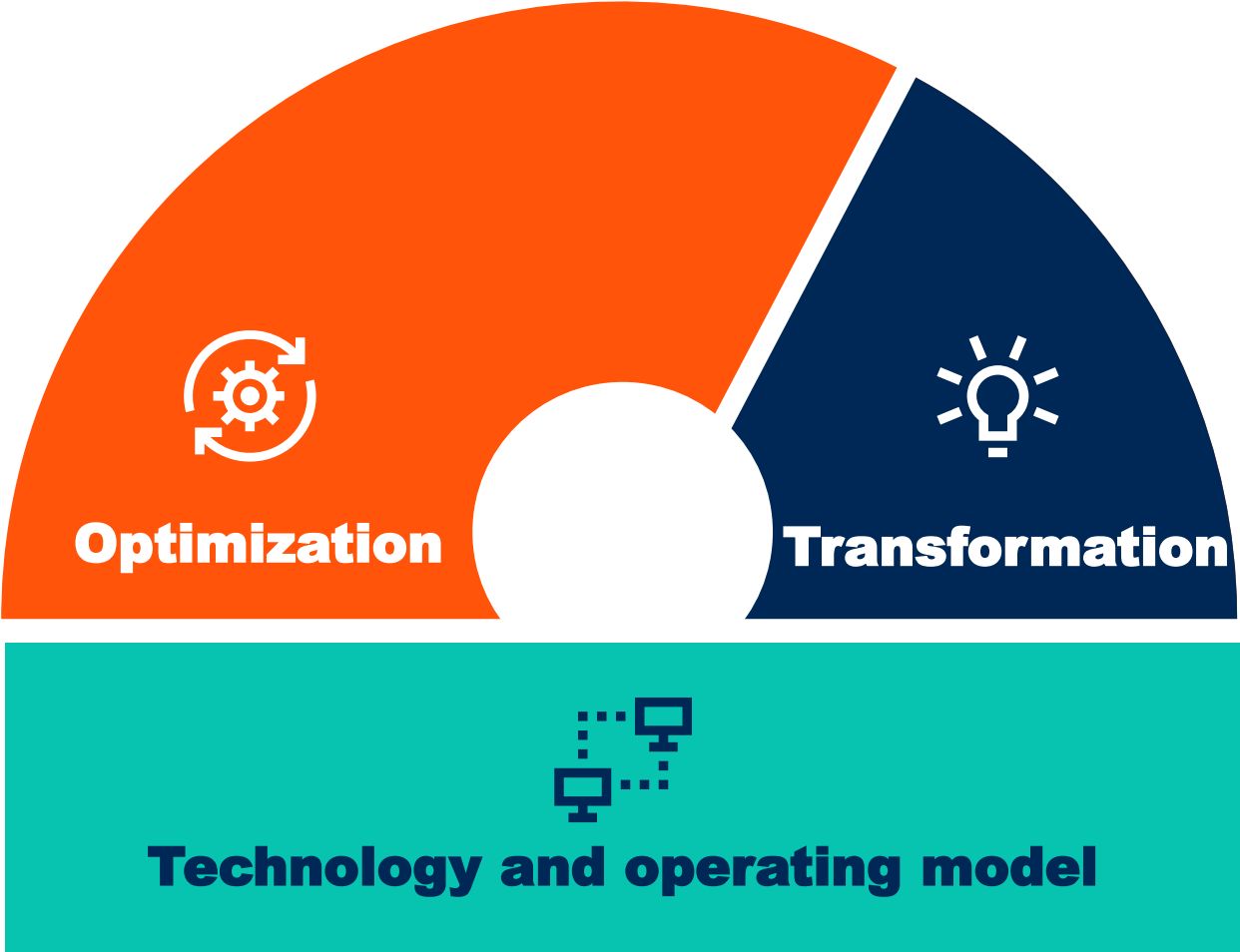
Fully digitized transactions **50%**

Connected assets **10%**

Cloud-based applications **30%**

Cross-channel customer data **20%**

AI/ML adoption **5%**



Revenue from digital products, services (incl. as-a-service, and platform models) **2%**

Agile methods adoption **15%**

Cross-functional business/IT team **31%**

Product-centric organization **20%**

n = 1,000+  
Source: [Digital Execution Scorecard](#) (G00766846)

# Recommended Gartner Research

- 🔍 [\*\*Executive Essentials: Assess and Improve Digital Performance\*\*](#)  
Cesar Lozada and Chet Geschickter
- 🔍 [\*\*Infographic: 10 Digital KPIs Top Performers Excel At\*\*](#)  
Cesar Lozada and Chet Geschickter
- 🔍 [\*\*Digital Business Benchmarks: Enterprises Must Improve\*\*](#)  
Hung LeHong, Apoorva Chhabra and Chet Geschickter
- 🔍 [\*\*Digital Execution Scorecard\*\*](#)  
CIO Research Team
- 🔍 [\*\*Digital Business Ambition: Transform or Optimize?\*\*](#)  
Hung LeHong and Graham Waller

# Rapid Digital Execution Scorecard — 5 KPIs

