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THE CULTURE CURE FOR DIGITAL
HOW TO FIX WHAT'S AILING BUSINESS

Thriving in an era of promise and uncertainty demands a velocity of innovation, experimentation and collaboration inside and outside the organization. Work cultures that have grown up over decades, however, can be complex, slow moving and complacent. Leaders need to intentionally reshape the organizational culture to energize people for work in the digital age.

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fow | Center For
The Future of Work

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Executive Summary

Culture matters, and the most effective business leaders know when it's right. The millions of dollars invested in a company's digital journey is money wasted if the workforce isn't onboard. Culture (still) eats strategy for breakfast.[1]

That's why it isn't enough to cross your fingers and hope people adapt to the radical shifts in how work gets done. The fast-changing and quick-moving pace of business today demands an activist approach to shaping the culture. In fact, according to recent research we conducted with HfS Research, companies that intentionally focus on culture realize greater success, both revenue-wise and in terms of building out their digital initiatives.[2]

For business leaders who've never paid much attention to their work culture (let alone try to steer it in a new direction), this can be a daunting task, fraught with dead-ends, *cul de sacs*, roundabouts and detours. In partnership with Cognizant Digital Strategy's Organization Change Management (OCM) group, we've charted the elements of culture that matter most in the digital age. This report describes the actions organizations can take to shift their culture for the realities of work today:

- **Realign the workforce around a digital platform.** Codify new leadership behaviors to envision the platform as the organizing principle for work in the 21st century and fuse these behaviors into the workforce.

- **Use the workspace to catalyze culture.** Invest in clever spatial design to speed the flow of ideas from people inside and outside the organization, attract the best talent and demonstrate new workforce codes of behavior.

- **Empower teams to make decisions where they matter.** Move power to where it counts by ripping down the silos and devolving decision-making to the edges of the organization, getting from insight to action faster with real-time data.

- **Ensure people embrace working alongside intelligent machines.** Emerging human-to-machine workflows demand robust people management processes to be developed in tandem so people feel invigorated by these new tools, as well as secure in their use.

- **Use data to hyper-personalize the employee experience.** Key into the reams of data surrounding employees so career goals are connected into an employee engagement strategy, boosting employees' perceptions of their relationship with the company.

- **Prepare to build a "workforce of the future."** The current workforce needs new hard (job-specific) and soft (communication) skills, and new jobs will also emerge that require a fundamental relook at how organizations develop and source talent.

For some large incumbent organizations that have already made some culture changes, sustained codes of behavior might well work today. Many others, however, will find their culture at odds with the rapid emergence of technology and the sheer variety of work styles that now proliferate across the workforce. It's critical for leaders to tune the work culture to nurture, anticipate and propel people, and the business, forward. (For more on this topic, read "People – Not Just Machines – Will Power Digital Innovation.")

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THE CULTURE SETS THE STAGE

Neglect culture at your peril. It matters from both a revenue standpoint and as a marker for how people perceive their employer and their place of work. It matters because business is a living entity, and if it looks stale or sluggish, people won't want to work for it or do business with it.

Neglect culture at your peril. It matters from both a revenue standpoint and as a marker for how people perceive their employer and their place of work. It matters because business is a living entity, and if it looks stale or sluggish, people won't want to work for it or do business with it. So, how does your culture compare (see Quick Take, next page)?

Our recent study found that high performers wrestle with their culture and understand the payoff.[3] Companies that are constantly in fear that their culture is holding back their transformation and investments in digital business models achieve a 36% higher-than-average revenue growth, compared with those that are more complacent and content with their culture (see Figure 1).

Is your culture leaving money on the table?

High-performing companies were more likely to be concerned that their corporate culture was holding them back from making digital progress. The higher level of concern correlates with greater revenue growth.
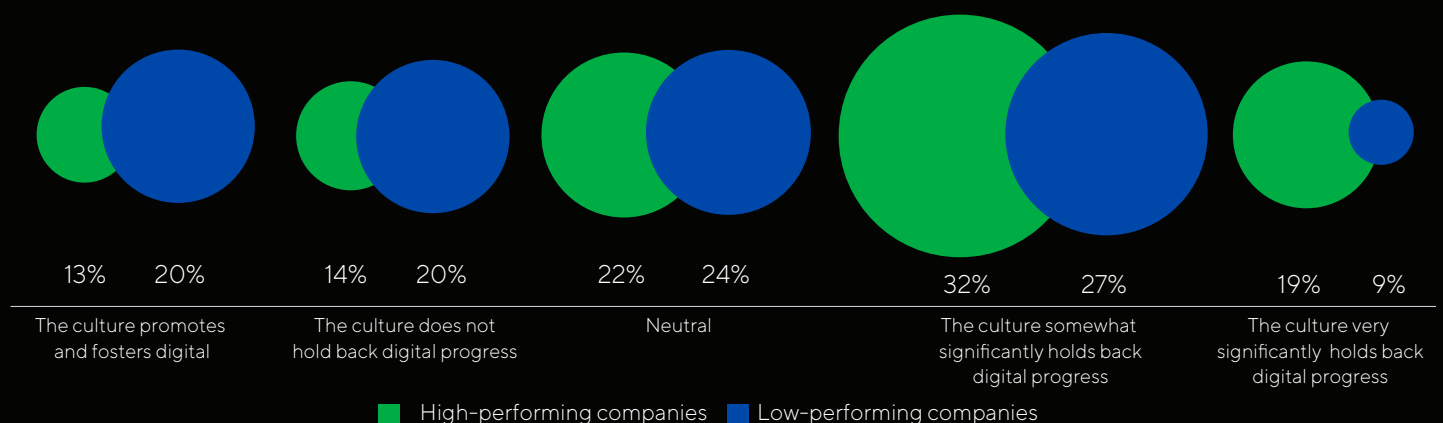

| 13% | 20% | 14% | 20% | 22% | 24% | 32% | 27% | 19% | 9% |

| The culture promotes and fosters digital | The culture does not hold back digital progress | Neutral | The culture somewhat significantly holds back digital progress | The culture very significantly holds back digital progress |

■ High-performing companies ■ Low-performing companies

Figure 1
Base: 395
Source: HfS Research and Cognizant, 2018

10 Signs of a Healthy Culture

1. **Everyone knows the journey**. Executives, team leaders, middle managers and even entry-level workers can describe the future possibilities for the organization. A unified vision of the future persists, as does a clear sense of how people will work together to create value.

2. **Lateral leadership is outstanding**. Leading people a level below you is one thing; the ability to influence and guide people next to you (who you don't control) demonstrates a healthy culture. In a strong culture, people come together alongside their peers, roll up their sleeves and encourage them.

3. **People feel they matter**. There's a sense that it's vital for employees to work together. The systems and processes that affect all employees are designed to communicate this relentlessly, from the onboarding processes to the upskilling regime. When times are tough, the impression is that "people matter."

4. **People readily communicate**. People are pulled rather than pushed to a mix of formal and informal communication channels. The FOMO effect (fear of missing out) ensures that workers opt in and receive vital information before a town hall event is held or a "copy all" email is sent out. Information is communicated well in advance, with leaders asking staff to help shape the solution.

5. **Work features as a big part of life**. Work is a part of life, and people view where they work as a special place to be. While work friends aren't employees' only source of sociability, work engenders a kindred sense of mission and values and of having co-workers' backs without hesitation.

6. **The workspace packs a punch**. When you walk into the workplace, there's a sense of collaborative electricity. The workspace shows, tells and brings energy and dynamism and feels like a place where people actually want to be.

7. **People aren't afraid; in fact, they like being at work**. People don't worry if the wrong thing is said in front of the wrong person – they aren't huddled in corners having hushed conversations. Irrespective of tenure, employees can approach their boss with a concern and leave knowing they were heard.

8. **There is no war for talent**. People understand that the interesting work they do can help them achieve their career goals and aspirations. It's not so much about the remuneration but what the individual can get out of the role.

9. **Attrition rates are low**. Employee retention rates, especially at the entry and mid-level, tell a story about a culture. If most people stay for an unexpectedly long time across roles, then in all probability the culture is strong. If attrition rates are consistently above average, the business needs to assess whether the issue is about personal growth or empowerment.

10. **Change is seen as a force for good**. Not everyone likes change, but healthy cultures recognize change as a fact of corporate life. People aren't afraid of the changes ahead because they know these shifts will be managed with transparency, care and dignity – they've seen it done this way before.

We're all familiar with the traditional work culture: hierarchical, departmentalized, bureaucratic, slow to change. Such cultures have been outmoded for some time, particularly as social norms encouraged less formality, global competition required higher quality, and technology advancements demanded more innovation.

The vestiges of these cultures remain, however; culture change, after all, doesn't come easily. This is why, in our conversations with clients, we often hear concerns expressed about a sluggish workforce unprepared or unwilling to adapt. It's a problem that can stretch beyond the workforce up into the top reaches of the boardroom. Just over a year ago, our "Work Ahead" research uncovered an executive class that was struggling in multiple ways to get their footing in the new world of work (see Figure 2).

The digital shift isn't difficult only for the workforce

Business leaders were asked to name the biggest mistakes companies were making in regards to digital transformation. (Percent of respondents; multiple responses allowed.)
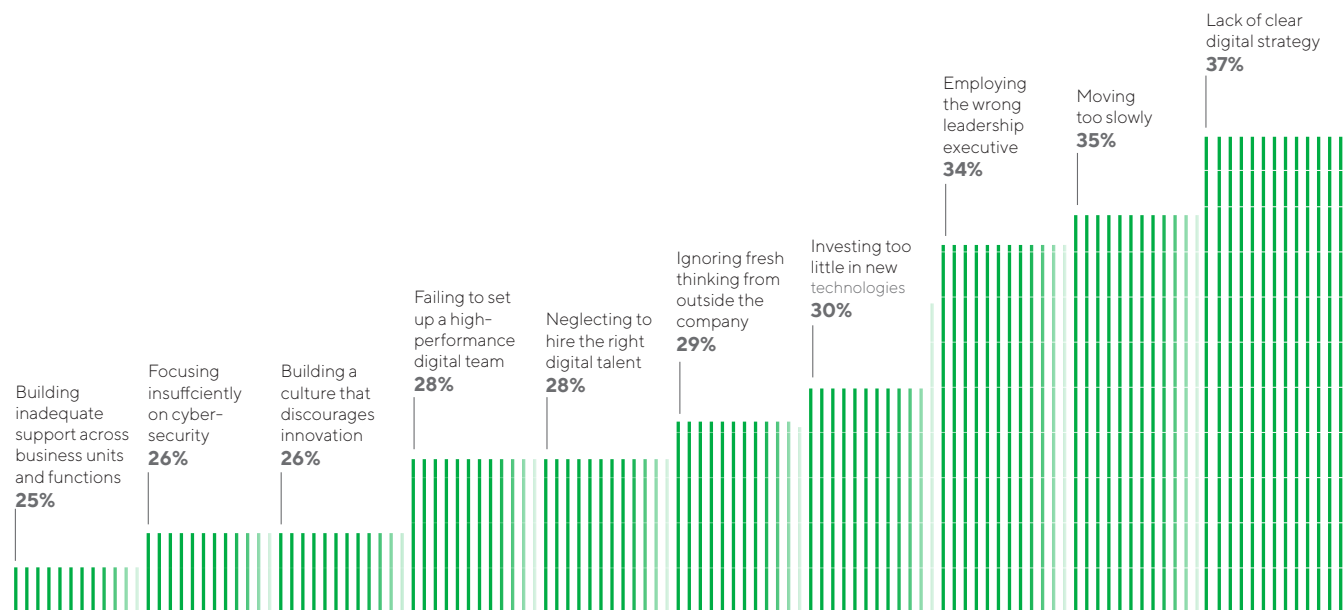

Building inadequate support across business units and functions
25%

Focusing insuffciently on cyber-security
26%

Building a culture that discourages innovation
26%

Failing to set up a high-performance digital team
28%

Neglecting to hire the right digital talent
28%

Ignoring fresh thinking from outside the company
29%

Investing too little in new technologies
30%

Employing the wrong leadership executive
34%

Moving too slowly
35%

Lack of clear digital strategy
37%

Figure 2
Source: "The Work Ahead: Europe's Digital Imperative," Cognizant, 2016, https://www.cognizant.com/FoW/the-work-ahead-europes-digital-imperative.pdf.

Around these slow-to-change entities, however, the world of work is shifting. Digital and intelligent products and services are no longer standalone entities but interactive components within an extended ecosystem. This is fundamentally changing intra- and inter-organizational work structures. One example can be seen in the predicted rise of autonomous, intelligent automobiles: Car manufacturers are forming commercial consortia to capture the opportunities of this development; financial services players are establishing new relationships as the business model switches from owning to sharing automobiles; city planners are rethinking metropolitan road infrastructures to ensure fast and efficient traffic flows.

The changes are coming hard and fast, as other emerging developments require a complex, multifunctional approach from inside and outside the business, new competencies built at breakneck speed, and partnering across and beyond the traditional boundaries of an industry. Cross-company collaboration, or even blended teams spanning multiple organizations, are now found in many of the world's largest and digitally-invented companies.

As a signifier, consider the healthcare venture recently announced between Amazon, Berkshire Hatha-way and JP Morgan, which aims to reduce healthcare costs for U.S. citizens and improve the flow of innovations across the industry. These new business models and partnerships have the potential to upend the status quo in an industry very quickly.[4] (To learn more, read our Digitally Cognizant blog "Amazon Partners Up to Disrupt Healthcare.")

At a micro-level, new interplays between people and machines are shifting collective work behaviors, almost by stealth. Algorithms, for example, can now build sophisticated profiles of each and every worker and figure out, in true *Black Mirror* style, the "best they can be."[5] For example, a retailer could build a profile of not just its customers but also its shopfloor staff. The algorithm could predict sales yield based on when an employee performs well, and determine which team members should be paired together to maximize shopper spend. When fed with data from weather, traffic and predicted customer footfall, the system could generate a schedule with the optimal mix of workers to maximize sales for every 15-minute slot of the day.

As intelligent machines increasingly work alongside us, they're redefining the concepts of trust, rela-tionships and collaboration at work. Some workers will embrace these machines as part of the changing nature of work, even considering them as colleagues in the workplace. Others will resist them at every turn. As these changes occur, so must the underpinning work culture that supports and guides employee behavior toward their acceptance. This can't happen organically – cultures that are too loosely managed may never develop at all.

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PULLING THE LEVERS OF CULTURE CHANGE

The blueprint for culture in the digital age

We've developed a framework that highlights six areas that businesses can focus on to spur culture change.

Figure 3
Source: Cognizant Digital Strategy, Master Work Architecture (MWA) framework

We've identified six levers businesses can pull to nurture the flexible and malleable culture needed to accommodate the changing nature of work: leadership, attention to skill-building, workspace, distributed power structures, accommodation for new types of workflows and an exceptional employee experience. Together, these levers provide a blueprint for a corporate culture that encourages people to exploit the new tools for work, and enables organizations to adapt to the changes in how people work (see Figure 3).

1 Set the stage with leadership.

Most executives are well aware of the need to respond to the forces of disruption around them. The real challenge is motivating workers to embrace visions of change, managing its execution and then fusing the learning into the organization. We believe the starting point for business model innovation begins with the platform – layers of software that connect and synthesize digital assets, mine reams of data and orchestrate intra-organizational activities, all while fine-tuning and hyper-personalizing product and service offerings.[6] These instrumented platforms are growing everywhere, across banking and finance, pharma and manufacturing, breaking down old-world industrial value chains in their wake. Incumbent companies are working their big-company advantages and realigning around platforms: GE, Bosch, Siemens and others are investing millions of dollars in creating platforms as the organizing principle for work. To support this shift, leaders need to encourage new employee behaviors.

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- **Embrace and evangelize platform thinking**. With platforms come new codes of behavior that surround work. Companies such as Alibaba, Amazon, Google and Spotify, whose platforms have spawned cultures and leadership styles that differ markedly from legacy organizations, provide some cultural markers. Leaders need to model an appetite for risk and an intolerance for siloed mindsets and behaviors.

- **Codify company behaviors to drive new ways of working**. Traditionally perceived leadership qualities ("control," "power," "authority") need replacing with a new mindset that encourages co-creation, collaboration, adaptability and innovation among the workforce. Amazon has codified a set of leadership principles (invent and simplify, learn and be curious, hire and develop the best, etc.) that motivate its employees. Spotify's leaders organize teams into squads, chapters and guilds that can rapidly swarm around a task, activity or engagement. Employees are encouraged to share, not own, their work. It's a positive culture where everyone rolls up their sleeves.

- **Increase the frequency and quality of communication**. Vision matters, but so too do leaders' day-to-day communication behaviors that embed new ideas and concepts into the workforce. People need to hear from their leaders regularly on matters of vision, strategy, direction and progress. Employees need to know that leadership is investing in their learning and reskilling to make them relevant and effective for the work ahead. For example, Salesforce founder and CEO Marc Benioff sends out daily messages to all his employees using Chatter and his own social media channel. His actions encourage all employees to communicate and collaborate every single day. Business leaders should develop a communication style that pulls people (rather than pushes them) to a mix of formal and informal communication channels. The FOMO factor will ensure staff opts in and gets the information they need.

2 Use the workspace to shape work behaviors.

Walk into IDEO's San Francisco premises, and immediately you'll notice the jars lined up filled with colorful paperclips, pens and other tools for creative expression. From the moment you enter, you realize this is a workspace that encourages creativity, which is reflective of what IDEO wants to nurture in its employees. In our previous report "Space Matters," we demonstrated how redesigning the workplace can pay out dividends in terms of increased productivity, agility and higher rates of innovation (see Figure 4).[7]

- **Create a cultural epicenter for everyone to see**. Devise new places that showcase a good work culture. GE's digital headquarters in California for example, with its maker space, helps staff envision how innovation gets done; Swiss engineering company Bühler has created an innovation center that features a product development lab, a 300-person auditorium and working space for 100-plus individuals, with dedicated co-creation spaces to attract the smartest and brightest ideas into their enterprise orbit. These innovation labs are run as show-and-tell spaces, for staff to appreciate how Bühler and manufacturing will evolve and prosper.

- **Model what good behavior looks like**. The social nature of innovation needs to be signaled to the wider workforce. Businesses should develop carefully curated programs, held in a highly visible space, to showcase a start-up, a co-created solution to address a specific problem or anything they consider to be the "next big thing." By encouraging a free flow of ideas and a "get it done" attitude, businesses can empower teams to habitually roll up their sleeves and lean into a problem or a challenge rather than pass it down through the organizational hierarchy.
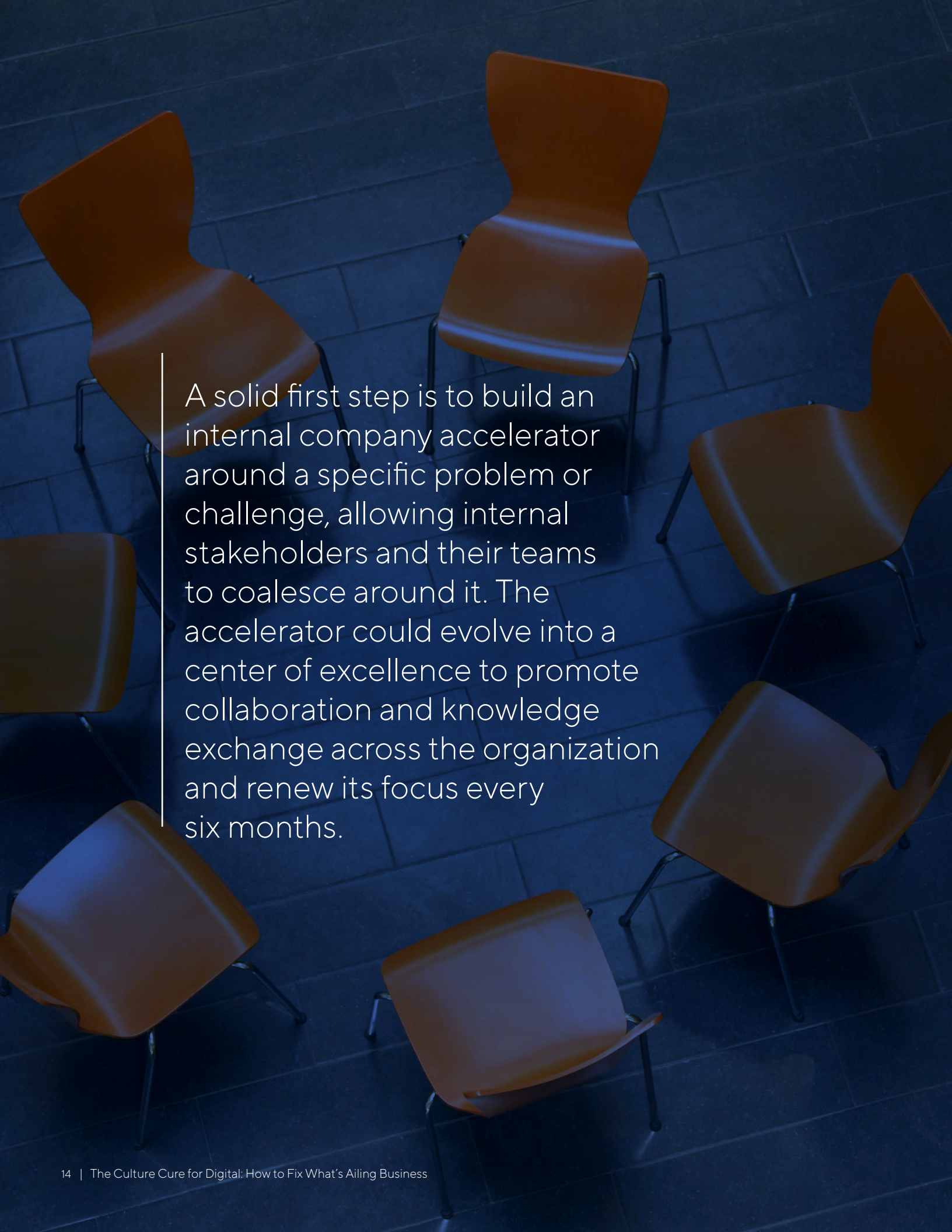
Capturing a cultural dividend from workspace

Respondents were asked to name the expected business benefits of making changes to their workspace.

(Numerals indicate ranking of response based on percentage of respondents)

1 Increase staff productivity

2 Improve organizational agility

3 Spur creativity and innovation

4 Accelerate speed to market

5 Boost staff morale

Figure 4
Source: "Space Matters: Shaping the Workplace to Get the Right Work Done," Cognizant, December 2017, https://www.cognizant.com/whitepapers/space-matters-shaping-the-workplace-to-get-the-right-work-done-codex3264.pdf.

A solid first step is to build an internal company accelerator around a specific problem or challenge, allowing internal stakeholders and their teams to coalesce around it. The accelerator could evolve into a center of excellence to promote collaboration and knowledge exchange across the organization and renew its focus every six months.

3 **Rewire power and decision making.**

In order to harness the new ideas bubbling up at the organization's edge, businesses need to reset the dynamics of power and decision making by opening up their organizational structures. The challenge is figuring out how to splice these distributed centers of innovation into the organization, empower decision-making at the edge and fuse the learning into the culture.

- **Empower teams at the edge rather than the center of the organization.** To participate in emerging opportunities, businesses need to assemble extended work teams that blend skills, capabilities and innovative thinking, inside, across and outside the corporate structure. A solid first step is to build an internal company accelerator around a specific problem or challenge, allowing internal stakeholders and their teams to coalesce around it. The accelerator could evolve into a center of excellence to promote collaboration and knowledge exchange across the organization and renew its focus every six months. Give it a mandate and funds to experiment (perhaps with virtual reality, gamification or AI). Organizations can also consider investing in a lab as a "playspace" to facilitate breakthrough thinking and what-if scenarios. Doing so will help inspire innovation, collaboration and ongoing experimentation for new approaches and services that can be brought to new markets.

- **Rethink the seating plan**. Colocate business functions such as sales, marketing, service, product development, production and technology staff together on a single floor (or in a node), and focus the team's efforts on a specific segment or platform niche. For example, U.S.-based Pivotal Labs has created a work environment where product management, engineering and design sit and work together, focusing on single customer segments.[8] Another idea is to move those seats further from the *de rigueur* business operations to give a new culture or team some breathing room. In the UK, financial services firm Barclays, retailer John Lewis and even the government have set up internal start-up teams purposely removed geographically from the mothership.

- **Learn where talent is and how to access it**. The start-up movement has gone global – it's moved from the well-known hub of Silicon Valley into regional "talent clusters," including Berlin's Silicon Allee, Cambridge's Silicon Fen, Dundee's Silicon Glen, Lille, Lisbon, Austin, New York, Singapore and Beijing. Each has a sizable start-up scene – a talent ecosystem – that can be leveraged. Many organizations are now opening up new spaces in these locations, with a smattering of people to exploit the ideas and talent on offer. To gamify algorithms for example, businesses can encourage small groups to work in Dundee, Scotland, or in Sao Paulo, Brazil, to rub shoulders with start-ups and others who are exploring the latest tools. (For more on this topic, see our report "The Future-Proof City.") Another idea is to locate an innovation team in a coworking space like WeWork for a couple of quarters so team members can connect with others who share the same space.

4 **Build new people-to-machine workflows.**

We are well past the automation "theory" phase, and intelligent bots are now recalibrating workflows. Cognizant TriZetto (our healthcare software subsidiary) is using software bots to decrease healthcare payer costs in the U.S. by as much as 90% for some middle-office business processes. UK-based Virgin Trains is applying machine learning approaches to its customer service function to free staff from performing administrative tasks, such as routine customer correspondence. Intelligent automation is shifting previous job roles into new tasks and activities.[9]

- **Build bots into people management**. Managing a mixture of humans, AI systems, algorithms and process automation tools will increasingly be the norm for middle managers and corporate leaders. But how do you break the news to an employee that his or her job is better done by software? How do you delegate roles between robots and humans in a shared business process? What happens when a particular process isn't completed properly, and a robot is involved? Businesses need to develop new methods to troubleshoot, judge and redress employee grievances so these types of situations are dealt with fairly.

- **Retrain managers around people-to-machine workflows.** New managerial skills will be required, such as process automation specialists who assess the optimal mix of tasks between software and people, and the judgment calls better left to humans. New roles will emerge focused on automation support, automation metrics and managing process outcomes. A good example is a healthcare payer that used robotic process automation to validate and adjudicate claims, which required the company to train managers in working with automation metrics. Leaders will increasingly direct work using cognitive systems, algorithms and robots rather than gut instinct.

- **Identify workflow catalysts to turn hearts and minds.** Some workforce members will be nervous about the increased use of intelligent automation; others will be excited by the prospects of the new opportunities. Businesses need to identify high-impact employees who can catalyze enthusiasm around AI throughout the workforce. Good candidates for cultivation are people who are active on LinkedIn, Yammer or other social channels, or those who participate regularly in innovation work or internal hackathons. Be sure to create a work environment in which they can thrive and involve them in decision-making where possible.

Businesses need to identify high-impact employees who can catalyze enthusiasm around AI among the workforce. Good candidates for cultivation are people who are active on LinkedIn, Yammer or other social channels, or those who participate regularly in innovation work or internal hackathons.

Intelligent workplaces that rapidly adapt to the needs of their employees are now giving way to sophisticated engagement programs that personalize employee growth and well-being with the opportunity to shape decision making.

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5 **Go for gold on the employee experience.**

Just as superior customer experience (CX) helps foster loyalty and revenue from customers, it also spurs employee loyalty and productivity – elements that support a strong workplace culture. And just like CX, the quality of the employee experience (and how it's perceived) can be instrumented by using the streams of data surrounding workers. Intelligent workplaces that rapidly adapt to the needs of their employees are now giving way to sophisticated engagement programs that personalize employee growth and well-being with the opportunity to shape decision making.

- **Use data and analytics to power employee experiences.** Workers are accustomed to personalized digital experiences in their personal lives (Netflix recommendations, payments with a fingerprint, mobile flight tickets that appear on the lock screen when it's time to board); meanwhile the employee experience is stuck in clunky, manual processes that frustrate everyone. Harnessing the power of data surrounding employees will be the key to unlocking authentic experiences and managing an increasingly complex workforce. Build an infrastructure of data and analytics for talent management, and don't use data privacy fears as a scapegoat for inaction (the trick is to ensure the ethical and appropriate use of employee data to avoid any backlash).

- **Invite the employee voice into decision making.** The employee's voice is getting louder as people at work use social media to chart their professional lives, review sites like Glassdoor and participate in forums ranking companies on everything from their diversity metrics to coffee quality. The upshot: A strong culture is one that expects employees to be vocal. The modern workforce demands to be an integral part of organizational decision making, so businesses need to ensure the mechanisms are in place not only to harness workers' voices in a controlled environment but to also act on the information received in order to build trust, brand reputation and employee loyalty.

6 Support the workforce of the future.

In addition to new skills and capabilities needed to support rapid business change, shifting labor dynamics and the influx of intelligent machines, new approaches are also required to manage the employee dynamics among new entrants and longtime workers. Younger generations of workers exhibit attitudes and mindsets that can be difficult for older workers to countenance, challenging the notions of how to work (greater transparency as well as their deep-rooted social media experiences that encourage collaboration and teamwork at every turn). For some older workers, it's bemusing, while for others, it may well create resentment.

- **Create and share "one source of truth."** A company's values must become acutely visible to everyone, from the 20-something freelancer at the edge of the organization experimenting with a data set, to the 65-year-old who has worked there her whole career. The trouble starts when teams of employees turn online to learn about something, and the information varies. Different versions of the truth can distort the culture story. Build a knowledge base that adapts to the ways prospective and connected employees share, with the emphasis on interpersonal relationships and internal stakeholder engagement.

- **Develop tools that support modern work.** The explosive growth of work café culture is only matched by the growth of shared workspaces (WeWork plans to open more than 750,000 square feet of office space this year in New York City alone[10]). Flexible work options allow people to work from one location but also the freedom to work from another. Communication tools like Slack bring all communication together with real-time messaging, archiving and search (other staples include Dropbox, Google Drive and Microsoft OneDrive to help employees save files on the cloud). Think about setting an "office hours" schedule for teams so every employee is available and together for a guaranteed part of the day/week.

- **Redefine behavior at work with an upskilling program.** No new hire, no matter how smart, will understand your business, your industry, your corporate culture and your customers as well as your existing employees. Infuse your current workers with the digital skills and mindset that the era of the algorithm demands. Evangelize a "depth chart" to manage and identify talent and rotate workers between digital and legacy projects across the organization.[11] Morale will grow as employees can see where they fit in the organization's development plans, and are provided with on-the-job training to improve their skills.

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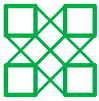# SHAPING A CULTURE FIT FOR THE DIGITAL AGE

Work culture is like a personality – it consists of values, beliefs, underlying assumptions, experiences and habits that guide the collective behavior of the workforce. The challenge for many work cultures is they tend to "just happen." They've matured over many years, and when something disruptive like digital emerges, they're found wanting (slow to change, overly bureaucratic, insistent on inflexible processes).

Thriving in the digital era demands rapid innovation, experimentation and collaboration – and the main engine of success is not some magical technology; it's talented and inspired people. Energizing people to work effectively means creating and sustaining the right culture to support them.

The trick is to carefully calibrate the speed of change with an eye on what the current work culture can take. Tackle the transition too fast, and leaders risk breaking the company and culture that has taken years to form; take the shift too slow, and be left behind as customer expectations shift or a competitive threat blindsides.

Fast or slow, leaders need to take an activist approach to shaping culture (see Figure 5). This means leading employees through the opportunities presented by the digital age and preparing them to use the new tools that will generate value. Businesses can start by selecting a lever to pull from our six-point plan and begin shaping new cultural norms in a part of the business where digitization has taken hold.

Beginning the culture shift

		FROM	TO
	Leadership	Incremental change vision by keeping what's real under control.	Continuous change vision by imagining what's possible and testing through rapid experimentation.
	Workspace	Rigid work schedules driven by a colocated work environment.	Flexible work schedules driven by a mix of virtual and in-person work environments.
	Power & Decisions	Command-and-control structures with functional silos and lengthy decision cycles.	Cross-functional structures with empowered teams and rapid decision cycles.
	New People-Machine Workflows	Disconnected systems and clunky processes.	Digital, user-friendly systems with clear human-to-machine workflows.
	Employee Experience	Base talent decisions on limited facts, gut and instinct.	Synthesize what employees like, and use data to build better talent.
	Workforce of the Future	Source and skill talent through traditional, disconnected means.	Tap into talent clusters, build an "employment brand" and promote an "employee learning experience."

Source: Cognizant Digital Strategy, Master Work Architecture (MWA) framework

Figure 5

Methodology

This report is based on several previous studies authored by Cognizant's Center for the Future of Work. Each of these reports was based on survey work undertaken by third-party research providers in the U.S. and Europe. The insights in this report were generated through a partnership between Cognizant's Center for the Future of Work and Cognizant's Digital Strategy Organization Change Management group.

Endnotes

[1]   A phrase often attributed to management guru Peter Drucker.

[2]   "Make Digital Your Core Strength," HfS Research and Cognizant Technology Solutions, 2018, https://www.cognizant.com/Resources/hfs-cognizant-digital-transformation-study.pdf.

[3]   Ibid. In this report, 51% of the highest performing enterprises see their cultures as holding them back in the digital transformation journey. Laggards, on the other hand, are missing the warning signs – only 36% of the lowest performing enterprises identify culture as a problem to progress.

[4]   The health venture established by Amazon, Berkshire Hathaway and JPMorgan will take aim at intermediaries in the healthcare system as a part of a broad effort to reduce wasteful spending. For more, see Zachary Tracer, "Amazon-Berkshire-JPMorgan Health Venture Takes Aim at Middlemen," Bloomberg, June 24, 2018, https://www.bloomberg.com/news/articles/2018-06-24/amazon-berkshire-jpmorgan-health-venture-takes-aim-at-middlemen.

[5]   *Black Mirror* is a British science fiction television series that examines modern society, particularly with regard to the unanticipated consequences of new technologies. See https://www.netflix.com/gb/title/70264888.

[6]   Platforms take many forms – like a car, a home, a policy or an R&D process – but at their core, they use data and algorithms to make meaning. Successful digital businesses are enabled by platforms to support the continuous exchange of data and information to create value. The best platforms attract third parties to engage by offering mechanisms to plug their services (simple code to more complex apps) through open APIs.

[7]   Despite so many business and life activities moving to the virtual environment, the physical place of work matters – perhaps more than ever before. According to half of our respondents, the strategic importance of investing in an efficient and effective workspace is second only to investing in the latest technology and more important than acting on culture, the leadership team or workforce talent. This reflects the changes in work and workflow, and how modern businesses need to look and feel. For more on this topic, see our report "Space Matters," Cognizant Technology Solutions, December 2017, https://www.cognizant.com/whitepapers/space-matters-shaping-the-workplace-to-get-the-right-work-done-codex3264.pdf.

[8]   Joanna Beltowska, "Another Day in the Life of a Product Manager at Pivotal Labs," Built to Adapt, Dec. 1, 2016, https://builttoadapt.io/a-nother-day-in-the-life-of-a-product-manager-at-pivotal-labs-2da29c342ce8.

[9]   It's also creating new jobs. See our recent report "21 Jobs of the Future," Cognizant Technology Solutions, November 2017, https://www.cognizant.com/whitepapers/21-jobs-of-the-future-a-guide-to-getting-and-staying-employed-over-the-next-10-years-codex3049.pdf.

[10]   Rani Molla and Shirin Ghaffary, "WeWork's Massive Growth Has Made it the Second-Biggest Private Office Tenant in Manhattan," Recode, March 22, 2018, https://www.cognizant.com/whitepapers/21-jobs-of-the-future-a-guide-to-getting-and-staying-employed-over-the-next-10-years-codex3049.pdf.

[11]   A Cognizant financial service client uses a depth chart to not only manage its digital projects, but to also identify talent and rotate workers between digital and legacy projects. For more on this topic, see Anbu Muppidathi, "Need Digital Talent? Use a Depth Chart," Digitally Cognizant, April 13, 2017, https://digitally.cognizant.com/need-digital-talent-use-depth-chart-codex2645/.

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Euan Davis leads Cognizant's Center for the Future of Work in EMEA. A respected speaker and thinker, Euan has guided many Fortune 500 companies into the future of work with his thought-provoking research and advisory skills. Within Cognizant's Center for the Future of Work, he helps ensure that the unit's original research and analysis jibes with emerging business-technology trends and dynamics in Europe, and collaborates with a wide range of leading thinkers to understand how the future of work will look. Previously, Euan held senior analyst, advisory and leadership positions at Forrester Research, IDC and CEB.

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Cognizant Digital Business helps our clients imagine and build the Digital Economy. We do this by bringing together human insight, digital strategy, industry knowledge, design, and new technologies to create new experiences and launch new business models. For more information, please visit www.cognizant.com/digital or join the conversation on LinkedIn.

ABOUT THE CENTER FOR THE FUTURE OF WORK

Cognizant's Center for the Future of Work™ is chartered to examine how work is changing, and will change, in response to the emergence of new technologies, new business practices and new workers. The Center provides original research and analysis of work trends and dynamics, and collaborates with a wide range of business, technology and academic thinkers about what the future of work will look like as technology changes so many aspects of our working lives. For more information, visit Cognizant.com/futureofwork, or contact Ben Pring, Cognizant VP and Managing Director of the Center for the Future of Work, at Benjamin.Pring@cognizant.com.

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