

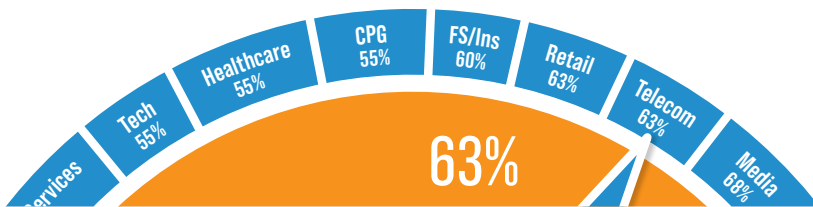
DIGITAL PULSE— TELECOMMUNICATIONS

“Telecommunications organizations are poised to embrace digital disruption, with one major exception.”

Telecommunications companies tied second along with retail on the disruption barometer, second only to Media organizations. Sixty-three percent of executives think their organization will be moderately or massively disrupted over the next 12 months by digital. The good news is that 88% of these organizations have a digital strategy in place, again Technology being one of the highest. The good news continues when we look at talent of all sectors when asked the question “Do you have the right people to define your digital strategy?” Thirty-five percent of respondents agreed, with only 19% disagreeing. These are the highest and lowest responses, respectively, across all sectors. Part of the reason for this could be because digital is not fragmented across the organization like in other sectors. In 70% of Telecommunications organizations, digital was owned by one of two roles: the CEO or CMO. This concentration is matched only in Technology organizations. Even in its closest neighbor, Media, this figure is 62%. The stumbling block for these organizations is the impact of Functional Silos. Ninety-one percent of respondents cited this as a barrier to effective digital business. This figure stands out because across the entire survey, no other barrier in any other sector was cited in more than 88% of responses.

Digital Disruption Barometer

Telecommunications sits near the top of the disruption barometer, aligned with Retail and second only to Media organizations.



63% of Telecommunications executives surveyed responded that their business would be moderately or massively disrupted by digital in the next 12 months.

Five Functions Most Impacted by Digital

Telecommunications executives expect digital to have a sweeping impact across tech-minded and customer-facing functions.

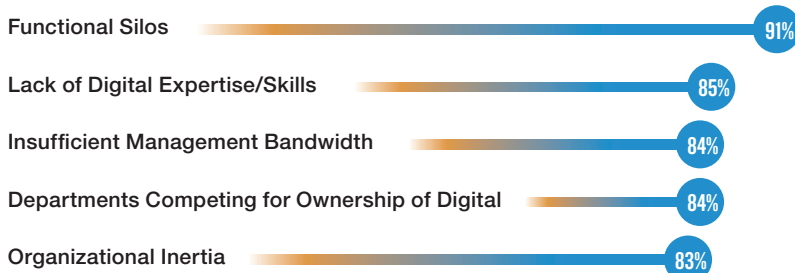
Percentage of Telecommunications Executives: Functions Most Impacted by Digital in the Next 12 Months



Five Top Barriers to Effective Digital Business

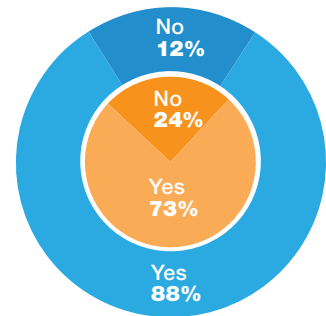
When asked what the biggest barriers to effective digital business are, Telecommunications executives emphasized challenges related to skills, leadership and organizational structure.

Percentage of Telecommunications Executives Rating Barriers as of High or Moderate Significance

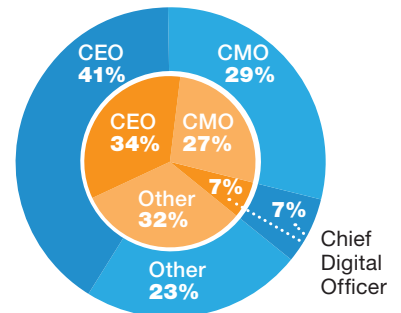


Structure and Strategy

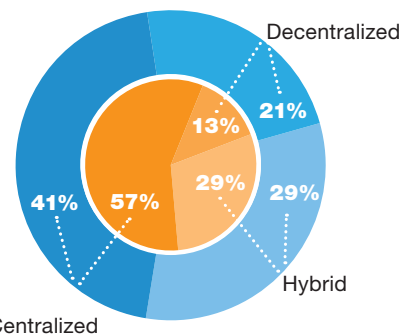
Does your company have a digital strategy? ● Telecommunications ● Total



Who owns digital in your organization? ● Telecommunications ● Total



How is digital organized in your organization? ● Telecommunications ● Total

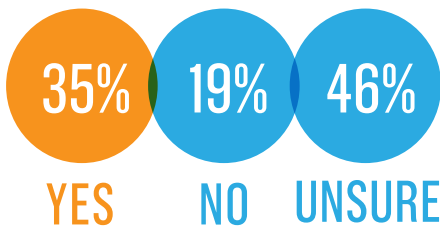


DIGITAL PULSE— TELECOMMUNICATIONS

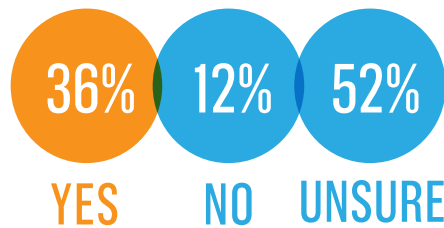
The People Challenge of Digital

People are the driver of digital in an organization. The below shows how many Telecommunications executives agreed and disagreed with two key questions.

Do you have the right people to define your digital strategy?



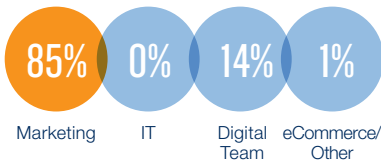
Do you have the right people to execute your digital strategy?



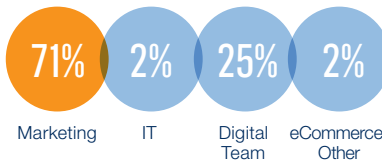
Ownership of Digital within Organizations

Across organizations, various elements of digital are owned by different parts of the organization. The below shows the percentage of functions that own specific elements of digital in respondent organizations. While Marketing often was cited as an owner, the data demonstrate that little consensus has emerged across Telecommunications organizations as digital's logical home(s).

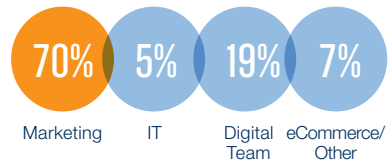
Social Media Marketing



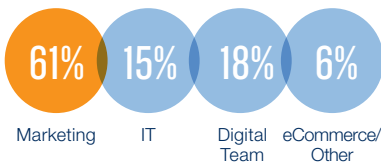
Digital Media Selection



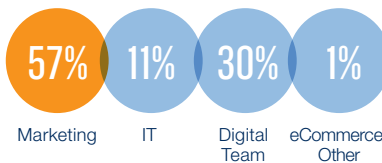
Customer Mobile App Development



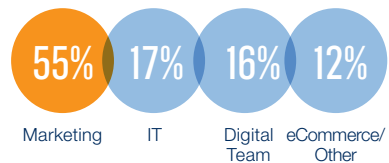
Social Media CRM



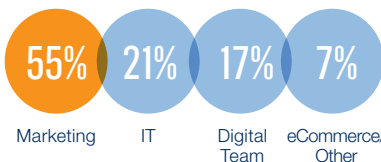
Customer Experience Strategy



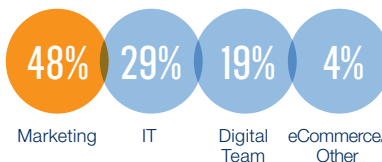
Vendor Selection



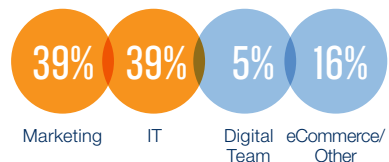
Web Design



Customer Analytics

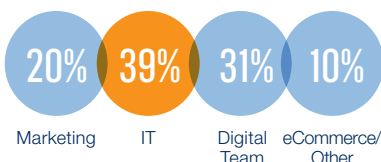


Employee Digital Engagement

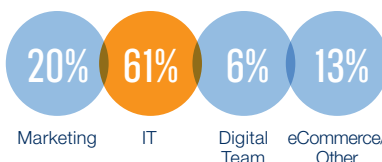


Notable exceptions include **CRM** and **Web Strategy**, which most often are owned by IT.

CRM



Web Strategy



RUSSELL REYNOLDS ASSOCIATES

Russell Reynolds Associates is a global leader in assessment, recruitment and succession planning for chief executive officers, boards of directors and key roles within the C-suite. With 350 consultants in 44 offices around the world, we work closely with both public and private organizations across all industries and regions. We help our clients build boards and executive teams that can meet the challenges and opportunities presented by the digital, economic, environmental and political trends that are reshaping the global business environment. www.russellreynolds.com.



GLOBAL OFFICES

AMERICAS

- Atlanta
- Boston
- Buenos Aires
- Calgary
- Chicago
- Dallas
- Houston
- Los Angeles
- Mexico City
- Minneapolis/St. Paul
- New York
- Palo Alto
- San Francisco
- São Paulo
- Stamford
- Toronto
- Washington, D.C.

APAC

- Beijing
- Hong Kong
- Melbourne
- Mumbai
- New Delhi
- Seoul
- Shanghai
- Singapore
- Sydney
- Tokyo

EUROPE

- Amsterdam
- Barcelona
- Brussels
- Copenhagen
- Frankfurt
- Hamburg
- Helsinki
- Istanbul
- London
- Madrid
- Milan
- Munich
- Oslo
- Paris
- Stockholm
- Warsaw
- Zürich