

Navigating The Future

**Insights from Levvel's
business transformation
survey 2024**



Business in Balance

levvel.ca

At Levvel, we understand that the heartbeat of any successful business is its people. If your people aren't empowered or your teams aren't aligned, you're missing out on real, sustainable success. Too often, organizations pour resources into the technical side of change, leaving their people to navigate the challenges alone. That's where we come in.

Co-founded by Chantal Milloy and Brian Milloy in 2015, Levvel was built on the belief that successful business transformation starts with empowering your workforce. We may be a boutique firm, but with over 85 successful engagements and nearly 60 consultants, our results speak for themselves. From Digital Transformations to M&As, our people-centric approach isn't just a philosophy; it's what sets us apart and delivers real, sustainable results for our clients.

But Levvel isn't just about business. Our mantra, Business in Balance, guides everything we do—inside our company and for the clients we serve. Through Levvel Cares, we're committed to creating balance in the broader community, with a focus on equity, diversity, and inclusion. From mentoring underrepresented groups in technology to creating opportunities for meaningful employment, we're passionate about creating opportunities and giving back. With deep roots in Calgary and a strong presence across Canada, we bring both capability and heart to every engagement.

So, if you're looking for a transformation partner who sees beyond the processes and focuses on the people making it happen, let's connect.

Visit [Levvel.ca](https://levvel.ca) or email us at Connect@levvel.ca today.

We'd sure like to hear about your experience in this easy Levvel google review.



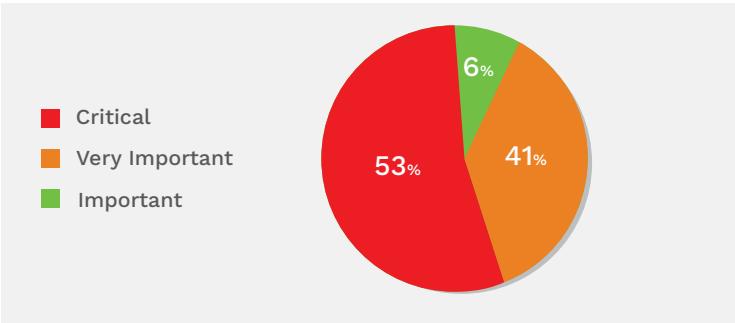
Level Inc. conducted a survey with senior leaders from companies such as WSP, Rogers Communications, De Havilland Canada, Morgan Stanley, BC Transit and STARS. Their insights have been invaluable in shaping our understanding of the current state of business transformation. From digital innovation to overcoming resource challenges, the results support developing tailored solutions to meet these challenges head-on. Transformation is no longer a choice—it's a necessity.

The Critical Importance of Business Transformation

The most significant insight is that **94% of respondents consider business transformation to be “Critical” or “Very Important”** to their organization's strategy. This reflects a widespread recognition that transformation is not just a strategic option but a necessity for organizations to evolve and adapt to maintain their competitive edge in an increasingly dynamic market. According to a report by McKinsey & Company, companies that prioritize transformation initiatives are more likely to

outperform their peers in revenue growth, reinforcing the importance of **proactive change**.

Q: How important is business transformation to your organization's strategy?

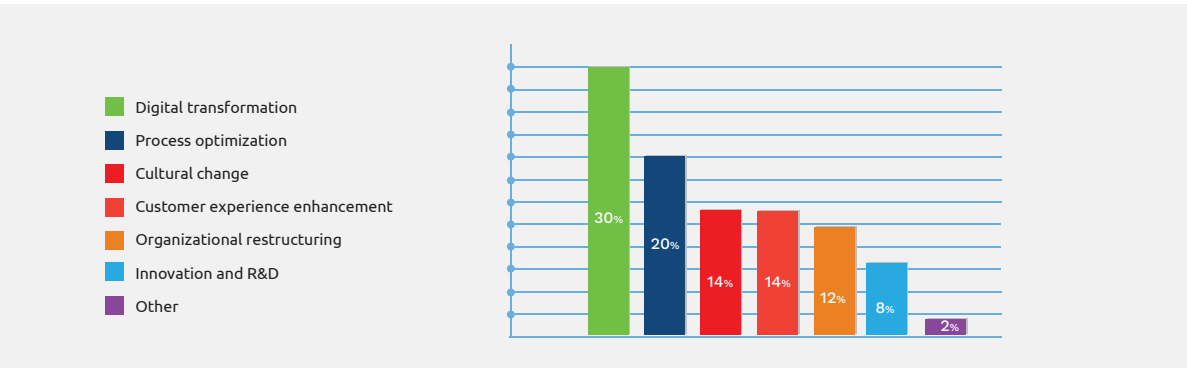


Placing Digital Transformation at the Forefront of Change

Digital transformation was identified as the top priority, with **65% of executives selecting it as the most critical** area for their organizations. This focus on digital aligns with Gartner's prediction that worldwide IT spending is expected to grow by 9% in 2024, driven by digital transformation initiatives. Organizations are increasingly adopting advanced technologies such as cloud computing, AI, and automation to enhance efficiency, streamline operations, and deliver superior customer experiences.

Organizational restructuring and process optimization also ranked high, signaling a need for comprehensive change with a strong focus on leveraging technology to **drive change** and improve overall business outcomes.

Q: Which areas of business transformation are most critical for your organization?



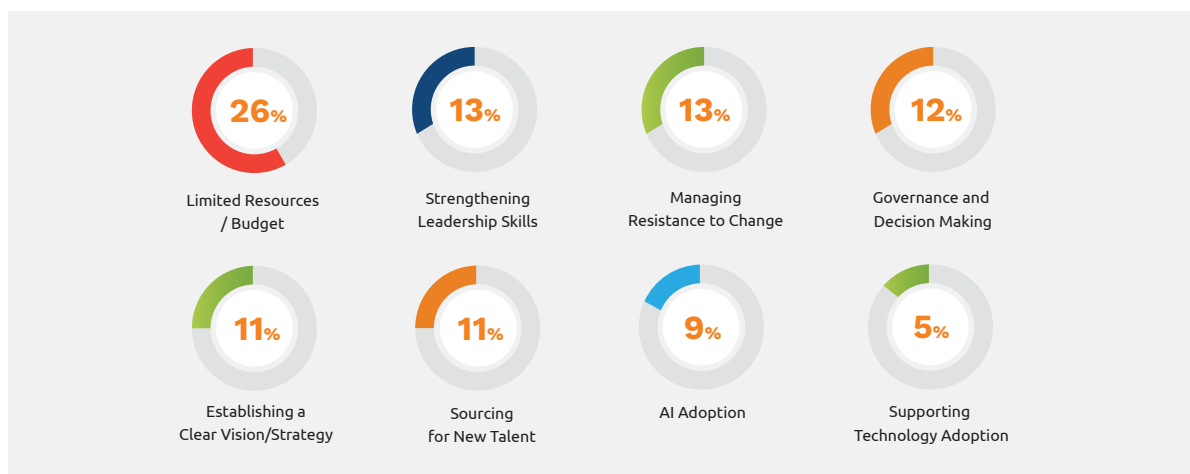
"Focus on culture and change management. The technology is just a tool."

Strategy for Overcoming Common Transformation Challenges

Organizations are eager to dive into digital transformation, but some common approaches are holding them back. Focusing too much on technology and not enough on the people who use it can lead to poor adoption. Relying on steering committees to bring in cross-functional input often slows things down, and hiring new roles without a clear plan can create silos. These strategies, while well-meaning, can limit progress and keep organizations from reaching their full potential.

Successful transformation requires a balance of technology and people-focused strategies. A critical approach is to implement a **Change Management Framework**. This method emphasizes frequent communication, ongoing employee involvement, and quick iterations, ensuring that feedback loops are integrated throughout the process. By prioritizing continuous learning and adaptability, organizations can minimize resistance and accelerate adoption. For instance, Spotify used agile principles to reorganize their teams around “squads,” which are small, cross-functional teams that make decisions independently. This flexibility allowed Spotify to innovate quickly and effectively scale its business.

Q: What are the biggest challenges your organization faces in business transformation?



“Understand the POV of your change leaders and leverage those individuals who will persuade others.”

The Role of AI in Business Transformation

Yes, everyone is talking about AI, here's what leaders are saying about the **role AI plays in Business Transformation**. With the rapid advancement of AI technologies, businesses have the opportunity to automate routine tasks and gain valuable insights from data. PwC estimates AI could contribute up to \$15.7 trillion to the global economy by 2030, making early adoption a huge advantage. Yet, the complexity of AI integration underscores the need for expert guidance to navigate the nuances of AI adoption successfully. **A third of respondents in the survey highlighted the importance of change management to achieve AI adoption**, particularly focusing on the people side of tech adoption and the complexities of managing change effectively.



Data Privacy and Security in AI Adoption

As AI systems increasingly handle sensitive information, the survey revealed **that the most significant concerns among organizations** regarding AI adoption **fall into data privacy and security**. To tackle this, companies need to look beyond just tightening security protocols. Ensuring AI systems are transparent and responsible with data is crucial. There's a mix of excitement and apprehension around AI's potential, so clear communication about how AI will enhance efficiency, accuracy, and business outcomes is essential.

Regular training and workshops can help teams feel informed and confident about AI's role in the organization, building a culture of trust and knowledge that's key to successful AI adoption. An excellent example of this is Google, which continuously provides transparency reports and open communication about its AI applications, helping to build user trust and improve data privacy measures.



"Establish clear goals and alignment to corporate strategy."

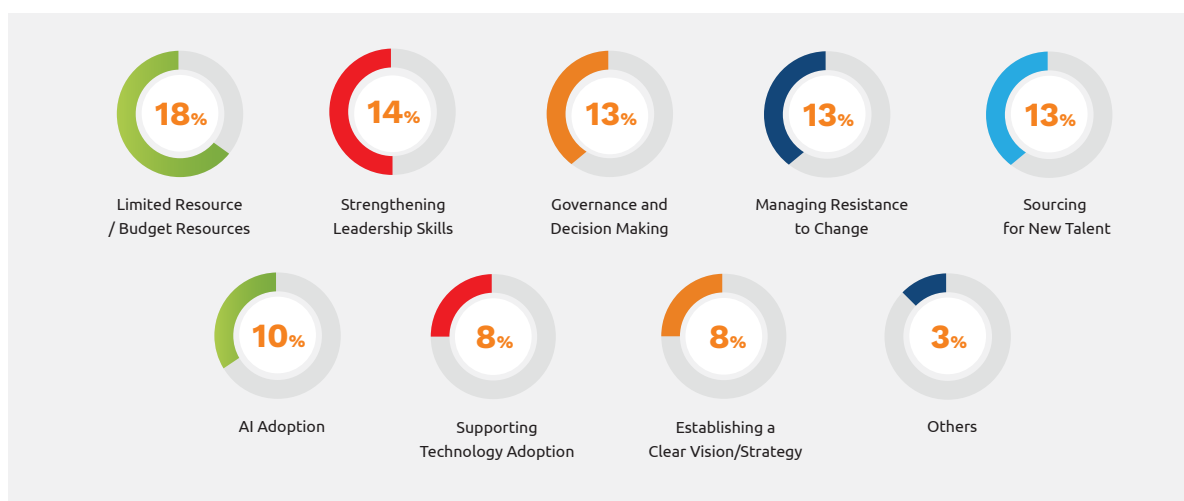
Limited Resources, Leadership Alignment, and Change Resistance

We know that adoption and transformation sound straightforward in theory. After all, we've supported large enterprises through these complex journeys. But the reality can be far more challenging. Transformation isn't easy, and organizations are constantly grappling with external pressures. Market volatility, for example, has organizations scrutinizing every dollar spent, turning resource allocation into a critical pressure point. Levvel's survey revealed that **limited resources and budget** top the list of challenges for many companies.

Beyond budget, leaders are also struggling with **leadership alignment, overcoming resistance to change and, governance and decision making**, pointing out the importance of leadership factors in transformation efforts. If you're nodding your head, then you won't be surprised to know that research remains consistent across various studies stating the **failure rate of business transformation initiatives hovers around 70%**. This stat is linked to budget constraints, leadership misalignment, and underestimating the complexity of change.

To overcome these challenges, organizations need a structured approach to transformation that includes setting clear priorities, aligning leadership, and effectively communicating the vision across all levels of the organization.

Q: What are the biggest challenges your organization faces in business transformation?



"Plan first, execute only after you have a clear plan."

Turning to Trusted Consulting Partners

In these moments, companies often realize the value of external expertise. When asked about their approach, **60% of our respondents said they turn to trusted consulting firms** for guidance, while others rely on insights from industry peers.

Often, consulting firms act as a comprehensive support system that provides the expertise, guidance, and resources needed to ensure business transformation efforts are not only successful but sustainable in the long run. They help organizations address the strategic, operational, and cultural challenges that come with major change.



"Be realistic in your (and your team's) experience, expertise, and capacity. Engage experts to assist where needed to support success."

A Trusted Transformation Partner

At Levvel, we've taken these insights to heart. We're more committed than ever to helping organizations navigate the complexities of business transformation. **A recurring theme from the executives surveyed is the importance of moving from planning to action, illustrating the need for both strategic vision and practical action** in driving successful transformations, rather than getting bogged down in endless planning.

Targeted solutions, such as the **Leadership Alignment Workshop** ensures that all leadership stakeholders are on the same page and committed to the transformation journey. Conducting a **Transformation Health Check** - uncovers misalignments, resource gaps, and potential risks early in the process, allowing companies to address issues proactively and stay on track with their transformation goals. These help establish a solid foundation and make data-driven decisions quicker and more effective.

Cultural change management and managing the people side of adoption are critical to successful transformation. To reduce the risks associated with AI implementation and increase adoption for example, implement **Organizational Change Management support for**

Advantages

Expert Strategy Guidance: Consulting firms help craft tailored strategies that align with your goals, offering fresh perspectives and actionable plans to drive transformation.

Leadership Alignment: They ensure leadership is on the same page, facilitating alignment on vision and strategy, so everyone moves forward together.

Navigating Complex Changes: Transformation can be tricky. Consultants guide you through each step, from integrating new tech to managing people, ensuring nothing derails progress

Smart Resource Allocation: Consultants help prioritize initiatives, making sure your budget, staff, and technology are used efficiently to maximize results.

Stronger Governance: They establish frameworks and decision-making processes that keep your projects on track and running smoothly.

Building a Culture of Adaptability: Finally, they help foster an adaptable culture, where your team is open to change and continuously improving for long-term success.

Programs and Projects, along with Training and Certification, with the ultimate goal of building internal Change capability. This creates a solid, well-prepared team ready to handle the human side of AI-driven changes, equipping them to lead through the transition with confidence and practical solutions.

Understanding that successful transformation isn't just about strategy, technology, and navigating complex changes - the talent behind those efforts becomes crucial. A people-centric approach means examining your team's capabilities, identifying gaps, and ensuring you have the right talent in place to drive transformation forward. With over 400 engagements across North America we'll focus on building a future-ready workforce aligned with your transformation and business goals. **From Org Design to Executive Search and Talent Roadmap Co-creation,** we help you design, select, and build the team that will drive your organization forward, ensuring you're not just planning but actively progressing towards your objectives.

Survey Demographics

Senior leaders from companies such as WSP, Rogers Communications, De Havilland Canada, Morgan Stanley, BC Transit and STARS. The survey received a 28%- Rate of Response.

Sources:

Levvel Inc. conducted a survey with senior leaders from various industries. The survey revealed critical insights into business transformation, highlighting the growing need for organizations to evolve to stay competitive. The report focuses on digital transformation, leadership alignment, resource challenges, and the importance of a people-centric approach to organizational change management.

Mckinsey & Company: Insights on the importance of prioritizing business transformation for revenue growth.
Mckinsey & Company

Gartner: IT spending forecast and the growth driven by digital transformation.
Gartner IT Spending Forecast

PwC: AI's potential contribution to the global economy and the strategic advantage of early AI adoption.
PwC Report on AI

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