STATE OF DIGITAL TRANSFORMATION 2024

20/24

BRIDGING THE DIGITAL DIVIDE

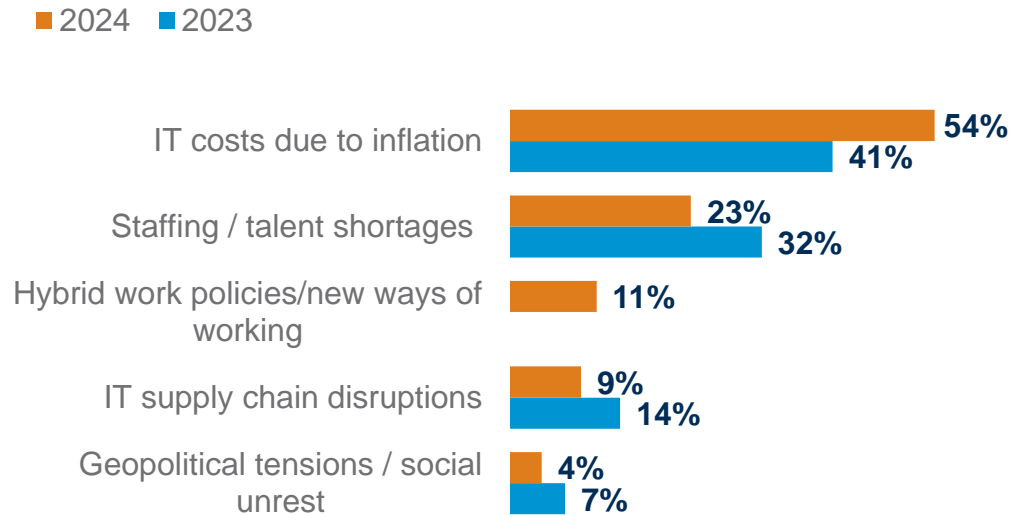### SINGAPORE REPORT

BRIDGING THE DIGITAL DIVIDE

Companies are investing in digital transformation services, aiming to enhance employee performance / productivity and transform existing business processes.

In gearing up for 2024, technology and business leaders are urged to strategically allocate resources for optimal ROI and to position their companies for future growth. With our 2024 State of Digital Transformation report, let's dive into the details.

INVESTMENT IN DIGITAL TRANSFORMATION
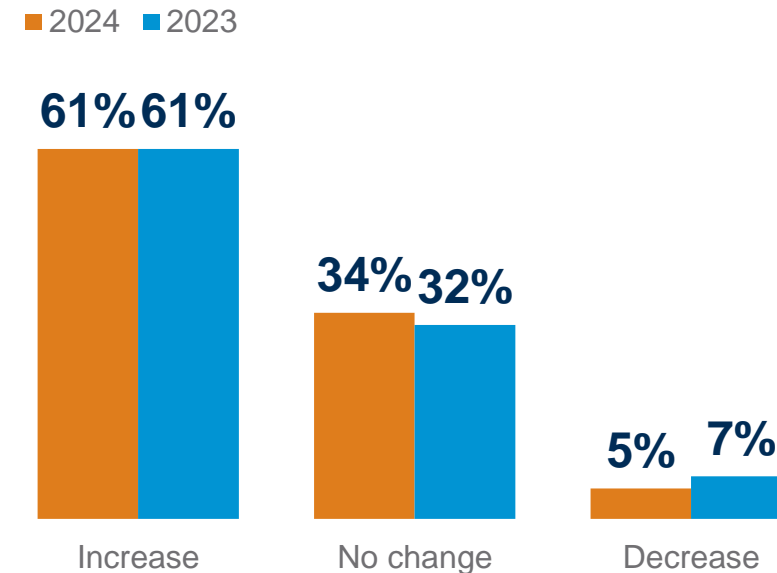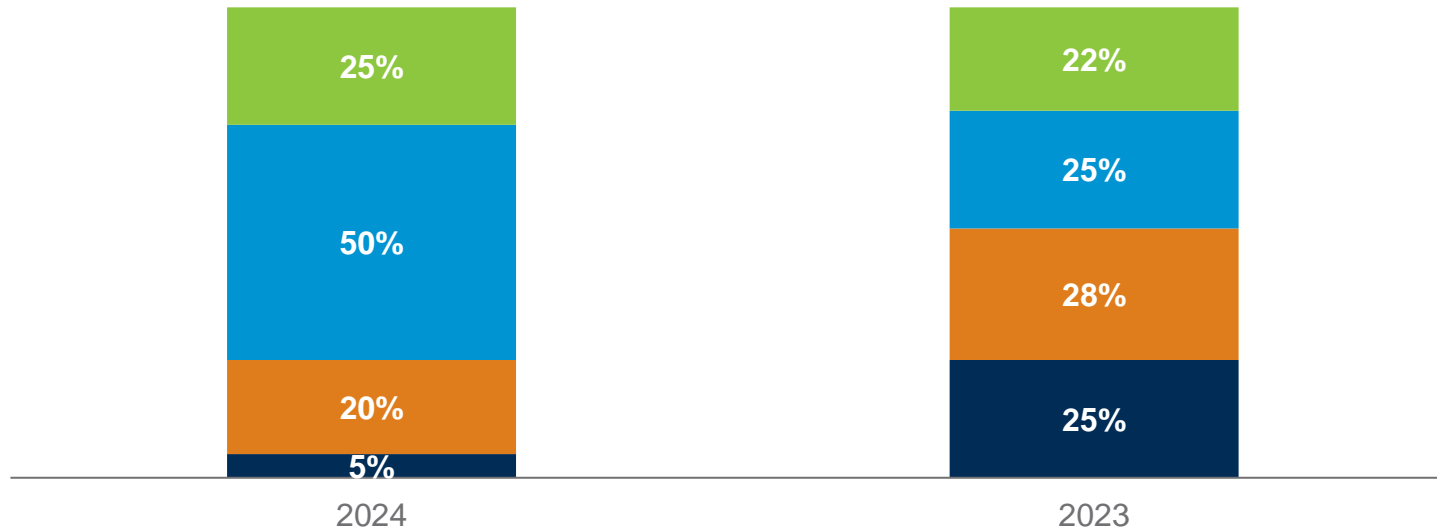
Organisations in Singapore are increasing the average size of their investment per digital transformation initiative.

DIGITAL TRANSFORMATION INVESTMENTS (PER INITIATIVE SGD)

Legend:
- ■ Up to S$749,999
- ■ S$750,000 - S$1,999,999
- ■ S$2,000,000 - S$5,999,999
- ■ S$6,000,000 or more

2024
- 25% (S$6,000,000 or more)
- 50% (S$2,000,000 - S$5,999,999)
- 20% (S$750,000 - S$1,999,999)
- 5% (Up to S$749,999)

2023
- 22% (S$6,000,000 or more)
- 25% (S$2,000,000 - S$5,999,999)
- 28% (S$750,000 - S$1,999,999)
- 25% (Up to S$749,999)

TRANSFORMING IN THE DIGITAL ERA
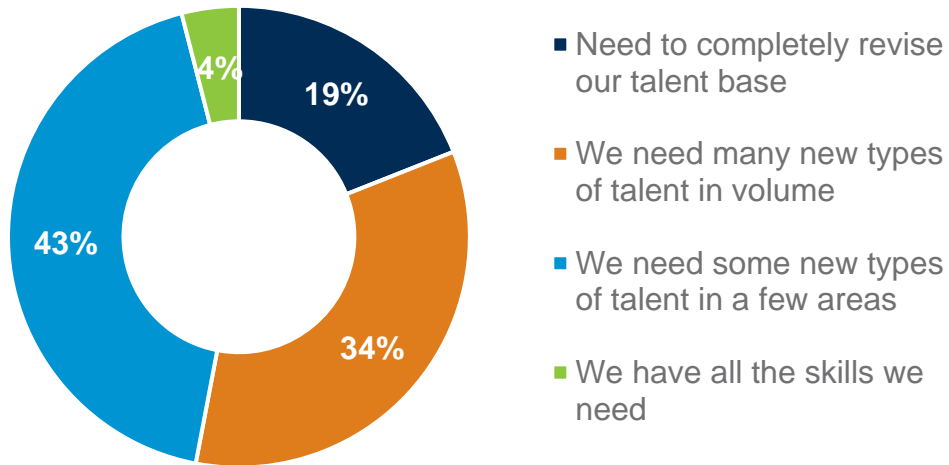
TOP DX GOALS	RANK
Enhance employee performance / productivity	1
Transform existing business processes	2
Reduce operational inefficiency	3
Replace or upgrade legacy IT systems	4
Gain competitive advantage	5

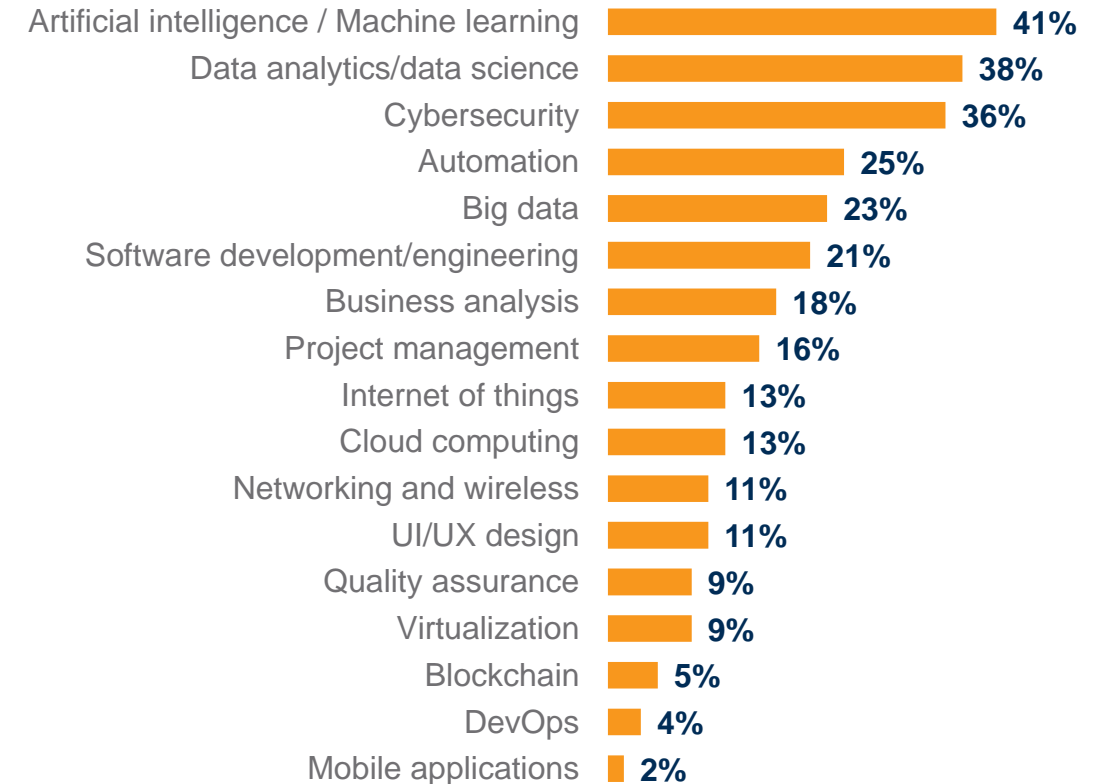| TOP CHALLENGES	RANK
Complexity of current environment / siloed mindset and behaviours	1
Change management and implementation complications / aversion to risk	2
Too many competing tech priorities	3
Operating-model transformation complications (current business process are too rigid)	4
High or unforeseen costs associated with digital transformation	5

DESIGNING A DIGITAL WORKFORCE

New technologies in digital transformation require innovative collaboration processes and talent acquisition to avoid exposing vulnerabilities

TALENT REIMAGINED

- 19% — Need to completely revise our talent base
- 34% — We need many new types of talent in volume
- 43% — We need some new types of talent in a few areas
- 4% — We have all the skills we need

New talent brings fresh skills to the table

MOST CRITICAL SKILLS IN THE NEXT 12 TO 24 MONTHS

Skill	Percentage
Artificial intelligence / Machine learning	41%
Data analytics/data science	38%
Cybersecurity	36%
Automation	25%
Big data	23%
Software development/engineering	21%
Business analysis	18%
Project management	16%
Internet of things	13%
Cloud computing	13%
Networking and wireless	11%
UI/UX design	11%
Quality assurance	9%
Virtualization	9%
Blockchain	5%
DevOps	4%
Mobile applications	2%

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RESHAPING THE WORLD OF WORK

One in four organisations say it takes 10+ months to fill IT roles

TIME TO FIND CRITICAL TALENT

- 1-3 months
- 4-6 months
- 7-9 months
- 10-12 months
- More than 12 months

14%	38%	25%	14%	9%

Organisations have split approaches to hybrid / remote work models in 2024.

WAYS OF WORKING

- 32% Fully onsite
- 34% Hybrid (2 to 3 days in office per week)
- 34% Fully remote
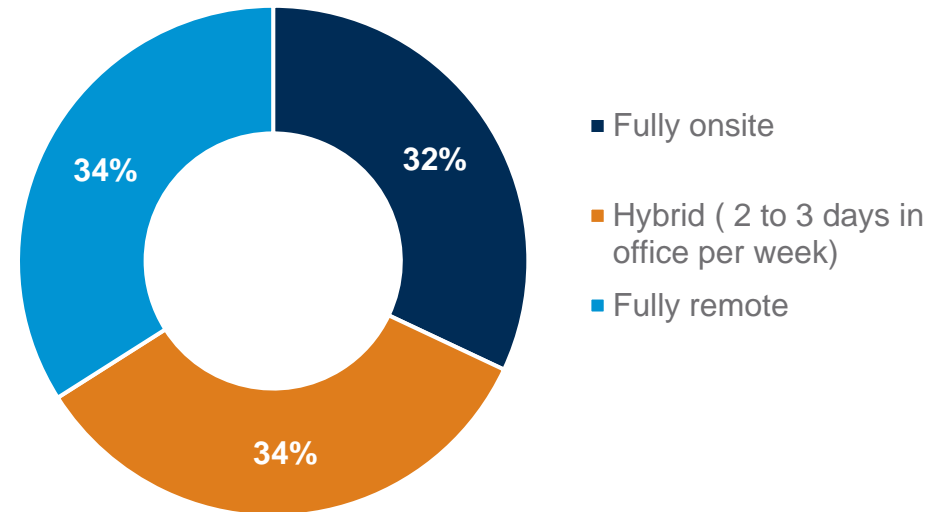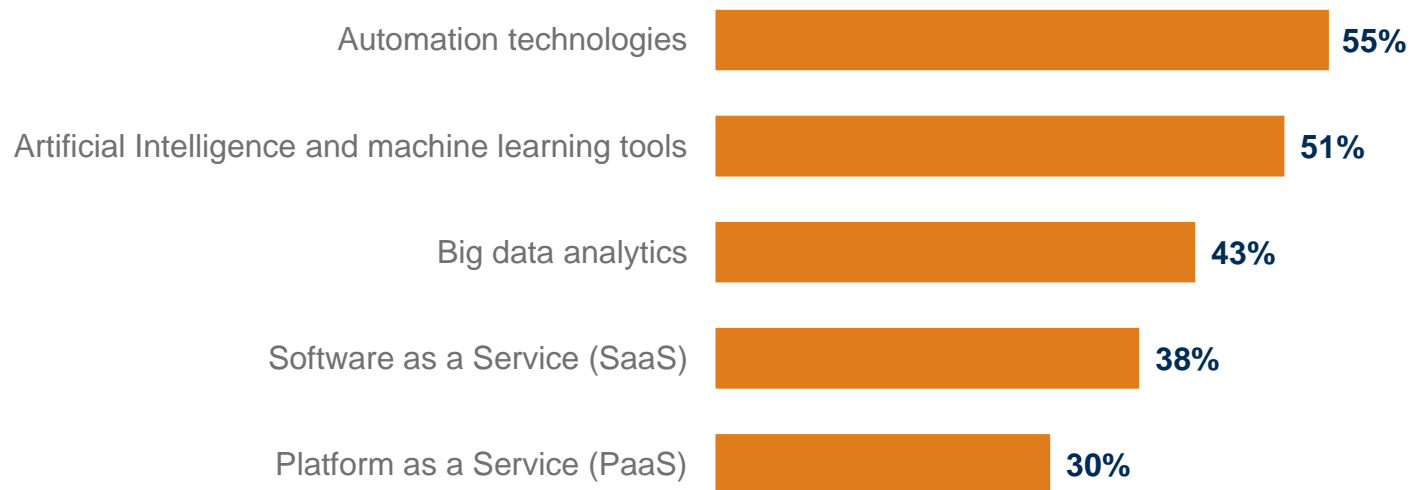
BUSINESS STRATEGY POWERED BY TECHNOLOGY

A collective embrace of cloud-based technologies suggests a broader digital transformation strategy, emphasising the need for streamlined processes, implementation of FinOps principles, enhanced collaboration, and the leverage of advanced analytics and automation to stay competitive in the evolving business landscape.
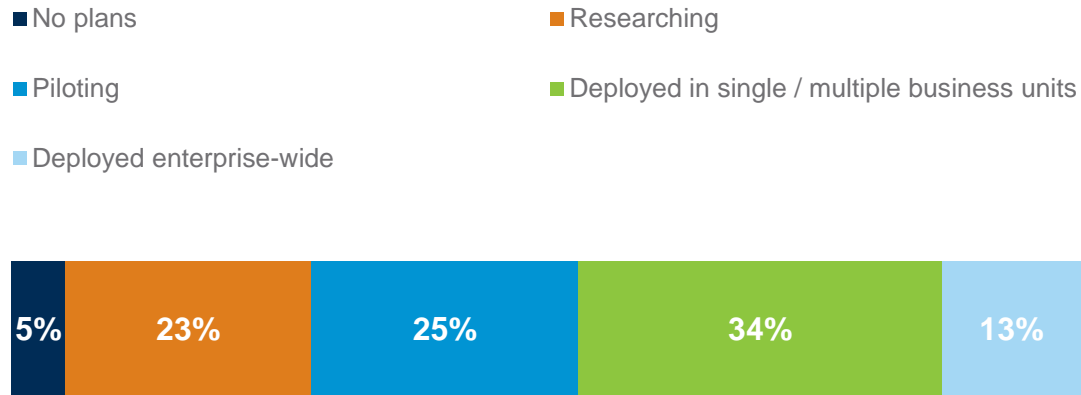
TOP FIVE IMPACTFUL TECHNOLOGIES OVER THE NEXT 12 TO 24 MONTHS

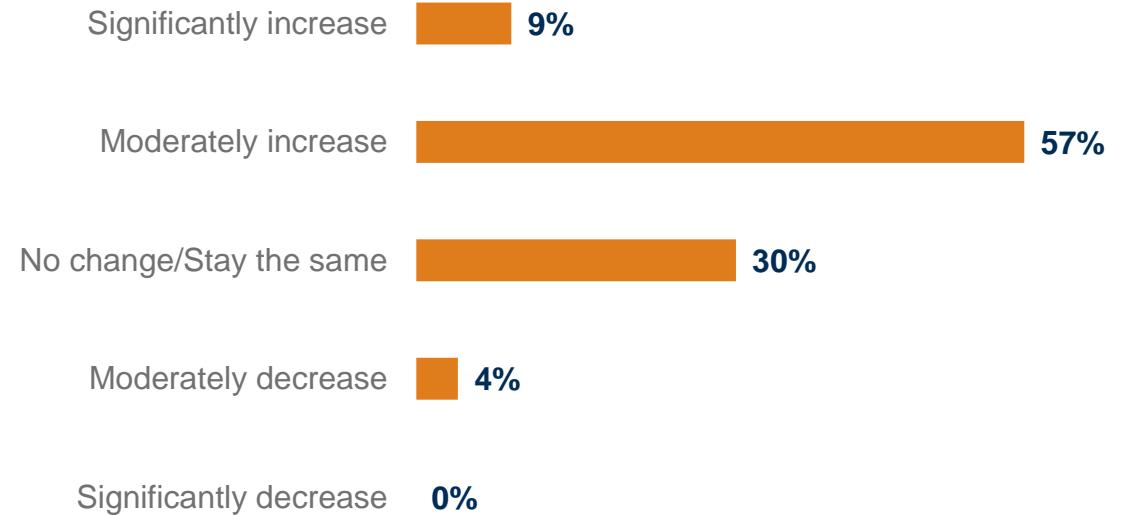| Technology	Percentage
Automation technologies	55%
Artificial Intelligence and machine learning tools	51%
Big data analytics	43%
Software as a Service (SaaS)	38%
Platform as a Service (PaaS)	30%

AI EVERYWHERE, ALL AT ONCE

Sweeping majority of organisations are not merely acknowledging the significance of AI, but actively prioritising its integration into their operations

AI has been recognised as a transformative force, with organisations signalling their commitment to ramp up AI-related expenditures in the impending year

STATE OF ARTIFICIAL INTELLIGENCE INTEGRATION

- No plans
- Researching
- Piloting
- Deployed in single / multiple business units
- Deployed enterprise-wide

| 5% | 23% | 25% | 34% | 13% |

2024 SPENDING PLANS FOR AI TECHNOLOGIES

Significantly increase	9%
Moderately increase	57%
No change/Stay the same	30%
Moderately decrease	4%
Significantly decrease	0%

PRIMARY USE CASES AND CHALLENGES OF AI

As businesses increasingly embrace AI, its multifaceted applications come to the forefront. However, amidst this rapid AI adoption, the survey unveils a complex landscape of challenges

PRIMARY USE CASES OF AI TECHNOLOGIES	RANK
Improve employee productivity	1
Augment data analytics	2
Expand process automation	3
Enhance cybersecurity	4
Enable predictive maintenance	5

TOP CHALLENGES IMPLEMENTING AI	RANK
Competing priorities from other parts of the business	1
Cost of implementation, maintenance and support	2
Lack of inhouse talent / expertise	3
Overcoming concerns with trust, ethics and legal considerations	4
Justifying the business case / proving ROI	5

TEKSYSTEMS' TIPS TO DIGITAL TRANSFORMATION SUCCESS

Digital business transformation isn't just about technology; it's also about people, processes and a mindset shift toward innovation and adaptation.

CONSTRUCT A CLEAR VISION AND STRATEGY
Define a clear vision for the transformation and align it with your overall business strategy.

ENGAGE SENIOR LEADERSHIP
Ensure top-level support and engagement throughout the process to drive change effectively.

TAKE A DATA-CENTRIC APPROACH
Leverage data intelligently; it's the backbone of digital transformation.

EMBODY AGILITY AND FLEXIBILITY
Embrace an agile mindset to adapt to changing technologies and market conditions swiftly.

FOCUS ON CUSTOMER-CENTRICITY
Keep the customer experience at the forefront of all digital initiatives.

BUILD ROBUST SECURITY MEASURES
Prioritise cybersecurity to safeguard data and infrastructure.

MOBILISING TECH TALENT WITH SPEED, SCALE AND FLEXIBILITY

We're TEKsystems. We accelerate business transformation for our customers. We bring real-world expertise to help solve complex business and talent challenges—at global scale.

Digital transformation requires investments in the right technologies and the right talent. Talent who can activate innovation, change, and culture. That's where we come in.

We deliver top talent for some of the most game-changing companies in the world. Talent specialised in areas spanning cloud, data, digital, DevOps, security and more. Highly skilled and motivated to help you **Maximise Technology Return on Investment, Drive Business Growth and Elevate Customer Experiences.**

From stand-alone technology specialists to expanding a team, we offer a range of customised solutions and delivery models. We listen and anticipate your needs to personalise our recommendations and strategise what makes sense for you and your business. With our flexibility and geographic scale, we quickly respond to hiring demands to meet you where you are and get you where you need to go.

No one should go at it alone. No matter where you are on your digital transformation journey, TEKsystems has the talent you need to succeed.

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GLOBAL RESEARCH OVERVIEW

TEKsystems conducted an online survey from November to December 2023 with 855 technology and business decision-makers. Respondents included members of the C-suite, company executives, vice presidents, directors and managers who have final decision-making authority and/or influence on their organisation's digital transformation efforts. The sample includes a balance of decision-makers in enterprise IT and line-of-business functions in the United States, Australia, Canada, China, India, Singapore, Belgium, France, Germany, Ireland, Netherlands and the United Kingdom across a broad spectrum of industries.

The 'Singapore Report' of DX2024 focuses on data from 56 respondents in Singapore.

Digital transformation refers to the process of using technology to create new business processes, culture and customer experiences to meet changing business and market requirements.

ABOUT TEKSYSTEMS

We're partners in transformation. We help clients activate ideas and solutions to take advantage of a new world of opportunity. We are a committed team working with over 6,000 clients across North America, Europe and Asia-Pacific. As an industry leader in talent solutions and services, we work with progressive leaders to drive change. That's the power of true partnership. TEKsystems is an Allegis Group company.