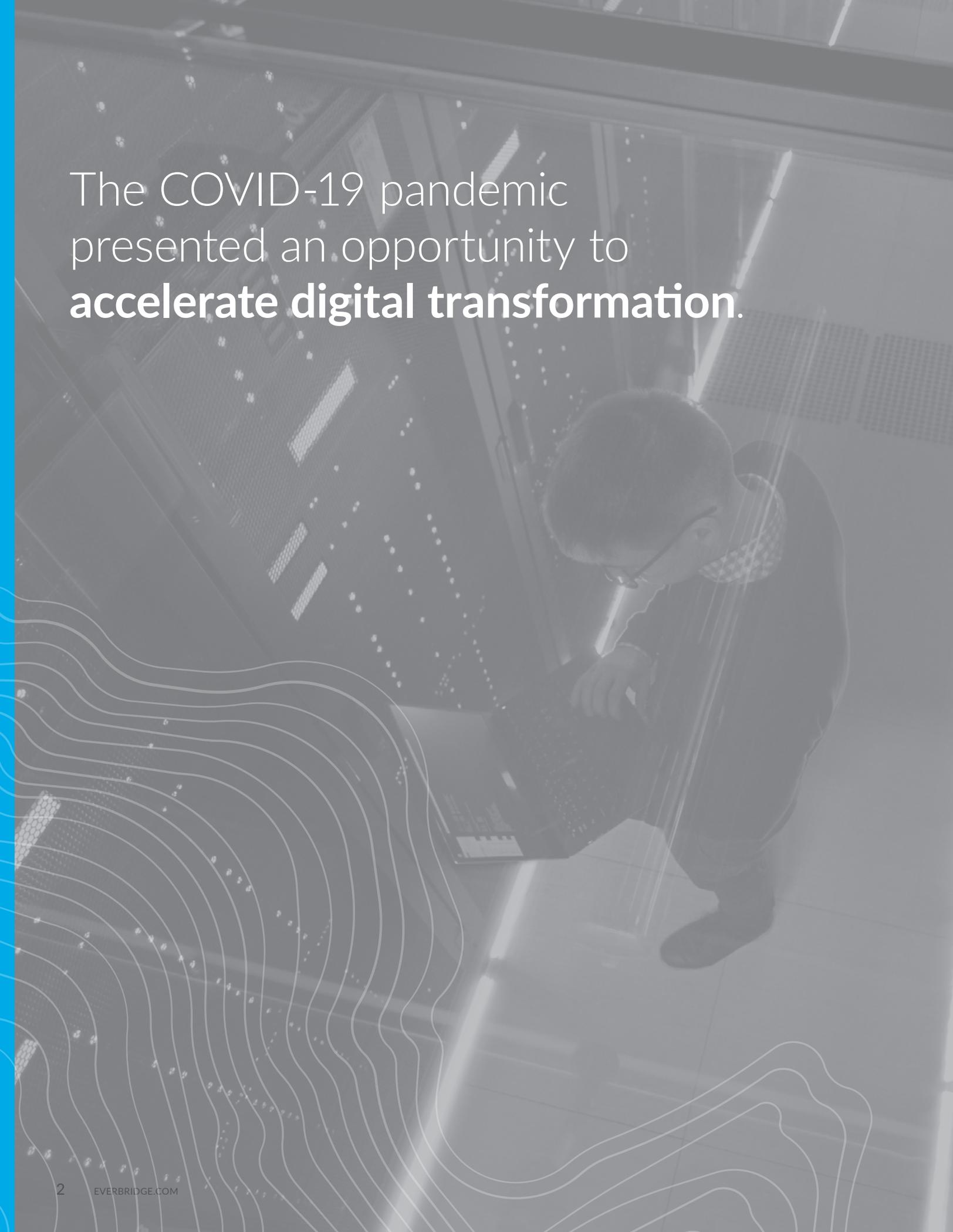


# Digital Transformation in the New Normal:

The Importance of  
Building Resilient  
Businesses



A grayscale photograph of a person wearing glasses and a dark jacket, working on a laptop in a server room. The person is looking down at the laptop. The background shows rows of server racks with glowing lights. Overlaid on the bottom left of the image are several white, wavy, concentric lines that resemble a topographic map or a stylized data visualization. The overall tone is professional and technological.

The COVID-19 pandemic presented an opportunity to **accelerate digital transformation.**



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Few ideas have captured the imagination of business leaders as much as digital transformation, or the reinvention of processes, customer interactions and transactions around digital tools.

The concept gained momentum in recent years atop the success and soaring valuations of “born on the web” companies like Amazon, Google, Netflix and Uber. By the spring of 2019, 91% of organizations had adopted, or were planning to adopt, a “digital-first” business strategy, according to International Data Group Research, with the principal drivers being to improve customer experience, streamline processes through automation and drive new revenue.

By all accounts interest accelerated during the COVID-19 pandemic as cloud computing, e-commerce and virtual teams have become the only options for conducting business. As Microsoft CEO Satya Nadella recently put it, “We’ve seen two years’ worth of digital transformation in two months.”

In a presentation at “Coronavirus: The Road to Recovery,” a virtual symposium presented by Everbridge, Digital Customer Experience and Transformation expert Jonathan Loretto noted that decisions that used to involve long meetings, reports and presentations “we’re now making in a period of time that would have seemed almost impossible a year ago.”

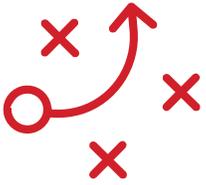
The COVID-19 pandemic presented an opportunity to accelerate digital transformation. The lesson of crises ranging from the dot-com implosion to 9/11 to the Great Recession has been that those companies that use disruption to quickly adapt to a changed landscape are almost invariably stronger for it.

McKinsey has observed that companies that transformed their business models during the Great Recession outperformed their peers in total shareholder returns by 20% in the immediate aftermath of the crisis and by 150% eight years later. “Companies that move early and decisively in a crisis do best,” McKinsey researchers wrote.

A 2020 Boston Consulting Group survey found that 75% of executives regard digital transformation as a more urgent priority in light of the COVID-19 crisis and 65% said that they anticipate increasing their investments to that end.

The pandemic has drawn the virtues of business agility, organizational resilience and robust communications in sharp relief. Companies that pivoted quickly to resume operations with a remote workforce, migrated customer support to virtual call centers, reconfigured supply lines around quarantines and adopted multiple channels for sales and customer communications suffered the least.

BCG dubbed these technology-savvy firms “bionic companies,” or organizations that “combine the capabilities of humans and machines [to] develop superior customer experiences and relationships, more productive operations and dramatically increase rates of innovation.”



The organizations that are best prepared to endure disruption are those that have a strong sense of situational awareness.

### Situational Awareness

The organizations that are best prepared to endure disruption are those that have a strong sense of situational awareness. They know where their people are, how to reach them and how to ensure that they are protected. They're up to date on the status of their facilities, customers, inventory and goods in transit. Each person in the company is aware of how he or she directly impacts outcomes. These companies cross-train extensively and promote job rotation so that employees can be shifted to fill in skills gaps on short notice.

Such organizations use the global power of cloud computing, streaming data analytics, mobile technology and intelligent automation to optimize the capabilities of both humans and machines.

At financial technology firm Finastra, "Cloud-everything, digital-everything tooling and collaboration really has helped us not only to enable people to work from home, but also to do it in a way that is sustainable," said Russ Soper, Finastra's CIO, in a panel session at [Coronavirus: The Road to Recovery](#).

Finastra's situational awareness extends to the well-being of individual employees. Soon after lockdowns began the company discovered that a bigger problem than keeping people productive was preventing them from burning out. "Our concern was how to stop them from working 16- or 18-hour days," Soper said.

Using cloud-based activity monitoring tools in the cloud the company was able to monitor the activity levels of people who were at risk of burnout and offer them advice, such as taking time off or unplugging from meetings. The initiative helped to "strike a balance so that they weren't getting pinged constantly and are unable to get any real strategic thought time," Soper said.

### Workforce Reimagined

Digitally transformed companies are keenly aware of the changing needs of a dynamic workforce. [International Workplace Group's 2019 global study](#) found that prior to the pandemic half of employees worked at least 50% of their time outside the office. Four in five said that if presented with two similar employment offers, they would be more likely to turn down the one that didn't offer flexible working.





Global Workplace Analytics forecasts that more than one-quarter of the global workforce will telecommute multiple days per week by the end of 2021.

By all accounts, the COVID-19 pandemic has accelerated this workforce transformation. Global Workplace Analytics forecasts that more than one-quarter of the global workforce will telecommute multiple days per week by the end of 2021. The firm also reports that nearly 41% of employees say they are more productive working from home than in an office and 28% say they are as at least as productive.

The time is right for this shift in how business is done. Today's communication and monitoring tools make it easier to track the whereabouts and safety of a distributed workforce than ever before. Digital organizations consider their flexible work arrangements to be an asset rather than a problem.

At Box, the secure file storage and sharing company, "our ethos has been that our services don't discriminate between any single location," said Paul Chapman, Box's CIO, in a presentation at Coronavirus: The Road to Recovery. "Work is more of a state of mind, not a place."

As a result, the pandemic had relatively little impact on daily operations. "Culturally we were tuned to working in any place, anywhere, any time," Chapman said. "We shifted to remote work fairly seamlessly."

### The Resilient Business

Situational awareness contributes to organizational resilience, which is an essential quality of digital-first companies. Businesses that are constantly connected to their customers and conducting conversations and transactions online can ill afford downtime. By one estimate, the 63-minute outage that Amazon experienced during its Prime Day event in 2018 cost the retail giant \$72 million. Even for firms without sizable e-commerce operations, the cost of outages can be staggering: 40% of them estimate that a single hour of downtime costs more than \$1 million, according to Information Technology Intelligence Consulting, and that doesn't include legal fees, fines or penalties.



Resilience demands that businesses protect not just people and assets but data.

Resilience demands that businesses protect not just people and assets but data. A purpose-built critical event management (CEM) platform forms the foundation for that protection by providing a centralized information resource that gives all stakeholders a single view of risk awareness, crisis communications and response.

CEM capabilities can include one-button dissemination of relevant information to all stakeholders, monitoring of individuals and groups of employees, reports of actions taken and records of outcomes realized. It can also serve as an important source of documentation, as note-taking is often overlooked in the heat of a crisis.

Employee communication is critical, particularly when people are spread out geographically. A survey of more than 9,000 employees across 13 markets conducted by Everbridge found that less than 24% felt their employers did an adequate job of alerting them to critical events or disruptions. More than 70% said it would be acceptable for employers to send regular updates about critical events and nearly 32% said they would be happy to let employers track their location via GPS. More than two-thirds said their employer could do more to keep them informed about critical events.



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There is plenty of room for improvement in event management. While 32% of the organizations that were surveyed said they can activate their critical event management plan within five minutes, a much larger 58% said they are challenged to gather, validate and share accurate information. Given the high cost of downtime, this inability to access trusted, timely information, filter it and disseminate it to people who need it has a direct bottom-line impact. For those organizations that seek to become digital-first, the loss of just a few minutes of business amount to millions of dollars.

### Protect Data

Data is the lifeblood of digital businesses, so a transformation strategy needs to incorporate strong backup and protection components. The COVID-19 pandemic was really two simultaneous crises. Shutdowns and workforce redeployments were accompanied by a fusillade of cyberattacks.

“Some security groups were reporting up to 800 times the number of attacks that they saw pre-COVID,” said Larry Zelvin, Head of the Financial Crimes Unit at BMO Financial Group, in a Coronavirus: The Road to Recovery presentation.

Cyber criminals took advantage of confusion and anxiety surrounding the pandemic to pose as creditors seeking loan payments and government agencies asking for personally identifiable information, among other tactics. The incidence of phishing attacks, which fool recipients into clicking on malicious links in email messages, also mushroomed.

But protecting the organization against cyber criminals need not be expensive or involved, Zelvin said. By some estimates as much as 90% of data breaches are caused by human error. Strong passwords are a baseline of defense. Multifactor

authentication, which requires users to verify their identity via a secondary mechanism such as a unique code, is even better.

The best defense against email-born threats such as phishing attacks is education. BMO has a program called “is it safe?” that enables employees to easily send any suspicious-looking email to an IT team member for a safety check. “The technology aspect seems like it’s one of the most complicated, but it’s actually one of the simplest,” Zelvin said.

### The Power of Automation

COVID-19 has underscored the importance of organizational flexibility powered by technology. Organizations that were already heavily invested in cloud infrastructure and applications found the pivot to flexible work environments to be far easier than those that relied primarily on legacy applications and human-powered processes.

By all accounts, the pandemic has moved digital transformation to the front burner, dramatizing the need for multi-channel lines of communication, e-commerce capabilities and data-driven decision-making. One of the central tenets of digital transformation is automation. Computing resources should be able to scale dynamically and automatically to accommodate changing demand. Paper-bound processes should be replaced by digital workflows with programmatic decision-making. Data analytics should enable organizations to envision future outcomes based upon changes in the environment and to respond proactively. Knowledge workers should be able to do their jobs from anywhere they happen to be.

COVID-19 isn’t the last critical event organizations will need to manage. If there is any silver lining, it is that the experience has brought home the importance of anticipating crises and having response strategies in place before they strike. Having a Critical Event Management platform in place can be the cornerstone of a digital transformation strategy. Organizations that use the lessons they have learned to make themselves more resilient will emerge stronger and better prepared for whatever unknown challenges lie ahead.

Everbridge has it all. To learn more, visit [everbridge.com](https://everbridge.com).

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Everbridge, Inc. (NASDAQ: EVBG) is a global software company that provides enterprise software applications that automate and accelerate organizations' operational response to critical events in order Keep People Safe and Businesses Running™. During public safety threats such as active shooter situations, terrorist attacks or severe weather conditions, as well as critical business events including IT outages, cyber-attacks or other incidents such as product recalls or supply-chain interruptions, over 5,300 global customers rely on the Company's Critical Event Management Platform to quickly and reliably aggregate and assess threat data, locate people at risk and responders able to assist, automate the execution of pre-defined communications processes through the secure delivery to over 100 different communication devices, and track progress on executing response plans. The Company's platform sent over 3.5 billion messages in 2019 and offers the ability to reach over 550 million people in more than 200 countries and territories including the entire mobile populations on a country-wide scale in Australia, Greece, Iceland, the Netherlands, New Zealand, Peru, Singapore, Sweden, and a number of the largest states in India. The Company's critical communications and enterprise safety applications include Mass Notification, Incident Management, Safety Connection™, IT Alerting, Visual Command Center®, Public Warning, Crisis Management, Community Engagement™, and Secure Messaging. Everbridge serves 8 of the 10 largest U.S. cities, 9 of the 10 largest U.S.-based investment banks, 47 of the 50 busiest North American airports, 9 of the 10 largest global consulting firms, 8 of the 10 largest global automakers, all 4 of the largest global accounting firms, 9 of the 10 largest U.S.-based health care providers, and 7 of the 10 largest technology companies in the world. Everbridge is based in Boston and Los Angeles with additional offices in Lansing, New York, San Francisco, Abu Dhabi, Beijing, Bangalore, Kolkata, London, Munich, Oslo, Singapore, Stockholm, and Tilburg. For more information, visit [www.everbridge.com](http://www.everbridge.com), read the company [blog](#), and follow on [LinkedIn](#), [Twitter](#), and [Facebook](#).



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