GATE ONE
A Havas Company

TRANSFORMATION INDEX

Adapt to Lead

HOW ADAPTIVE ORGANISATIONS UNLOCK TRANSFORMATION SUCCESS

Contents

Executive summary

MOST TRANSFORMATIONS FAIL OR DELIVER MIXED RESULTS – NOT BECAUSE THE STRATEGY IS WRONG, BUT BECAUSE ORGANISATIONS AREN'T BUILT TO ADAPT.

Organisations are under enormous pressure to keep pace with shifting customer and employee expectations, disruptive new entrants and emerging technologies. To stay relevant and cost-effective, they need to get better at transformation – and fast. Transformation is no longer a one-time event. It's a continuous journey – and most organisations are struggling to keep up.

Across the UK, Ireland and the US, we spoke to 750 C-suite leaders to understand why transformation efforts so often fall short and what contributes to those seeing lasting success. The answer wasn't poor strategy. It was something deeper: a lack of adaptability.

81% of *leading* organisations report smooth transformation outcomes, while just 3% of *lagging* organisations say the same. So, what sets the leaders apart? They've built adaptability into the core of their systems and people.

What's clear is that adaptability is not a soft skill – it's a strategic capability.

Only 22% of organisations are truly *leading* in their transformations.

We developed the Transformation Index (TI) – a framework to benchmark transformation success. It shows that only 22% of organisations are truly *leading*, while 26% are *lagging* and the majority – 52% – are stuck in the middle, trying to move forward without the tools or clarity to do so.

The challenges are everywhere. From AI disruption to workforce fatigue, regulatory pressure and economic uncertainty, today's leaders are being pulled in every direction. And yet, the most successful organisations are doing something different. They're not trying to do everything. They're focusing on what matters most – and building the adaptability to pivot when needed.

They're also shifting their focus. Transformation is no longer about digital tools or structural overhauls. It's about people. Workforce planning, leadership and skills development have become central to the transformation agenda. And while AI dominates the technology conversation, broader digital concerns have faded into the background, now seen as business-as-usual.

What's clear is that adaptability is not a buzzword – it's a strategic capability. *Leading* organisations demonstrate three core behaviours that set them apart:

They champion their data

Using it to guide decisions and track impact.

They protect their spark

Managing capacity and avoiding overload.

They find their value compass

Aligning every initiative to outcomes that matter.

These behaviours are underpinned by two engines: **systems** and **people**. When both are aligned, organisations can move faster, stay focused and build resilience in the face of disruption.

Our research shows there's a disconnect at the top. While 42% of CEOs perceive their organisations to be *leading* in their transformation status, only 17% of other C-suite leaders agree. On the other hand, CTOs (Chief Transformation Officers) and CPOs (Chief People Officers) are most likely to fall into the *lagging* category. This reveals a deeper issue: a lack of alignment between strategy and execution.

The same contrast exists across industries. Public Sector leaders are the most confident, while energy and travel & leisure trail behind. In pharma and life sciences, the picture is mixed – some are *leading*, but many are struggling to scale innovation. This uneven confidence across industries not only highlights the challenge of scaling transformation, but also reflects the strain of today's complex economic, socio-political and geopolitical state.

So, what's the call to action?

It's time to start building the muscle to adapt, relentlessly prioritise and stop what isn't delivering value. That means aligning on transformation intent, investing in systems and people, and embedding the behaviours that drive lasting change.

Adaptability is measurable. It's actionable. And it's the difference that makes transformation stick.

A new benchmark for transformation

The Transformation Index (TI) is a framework for identifying the attributes of successful transformation, developed through proprietary research and a survey of 750 C-suite leaders across the UK, Ireland and the US.

For each respondent, a TI score was calculated based on responses to six survey questions across key transformation themes. Based on their scores, we grouped organisations into categories that reflect overall transformation maturity. Scores are out of a potential maximum of 100.

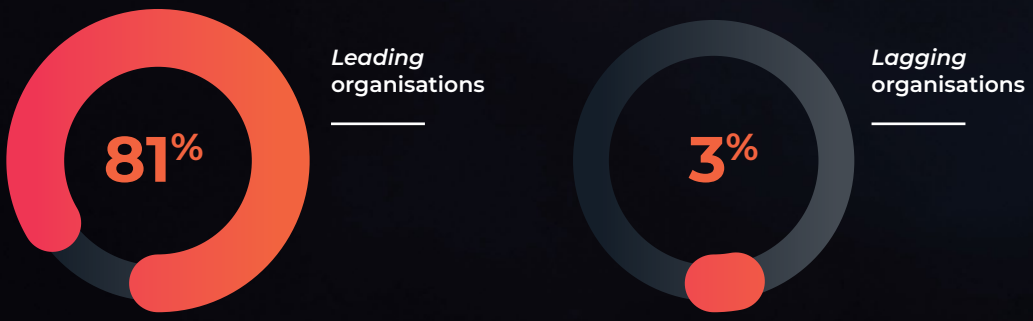
	TI SCORE	% OF RESPONDENTS
***Lagging* organisations**	**0-39**	26%
***Emerging* organisations**	**40-59**	52%
***Leading* organisations**	**60+**	22%

To highlight the stark contrasts in transformation attributes, the report focuses on survey responses from *leading* and *lagging* organisations.

High-scoring organisations with a TI score of 60+, defined as '*leading* organisations', consistently demonstrate smoother transformation outcomes. They show strong maturity in aligning delivery mechanisms with cultural behaviours to achieve lasting transformation success. Not because they avoid disruption, but because they're structurally and culturally built to respond to it.

In fact, 81% of *leading* organisations report that transformations often meet their goals smoothly. Just 3% of *lagging* organisations say the same.

% of respondents who say transformations in their organisation often meet their goals smoothly



The C-suite perception gap

Our data reveals clear differences in how members of the C-suite perceive their organisations' ability to deliver successful change.

At the top, Chief Executive Officers (CEOs) are the most bullish, with 42% perceiving their organisations to be *leading* in their transformation status. These results contrast sharply with those closest to the operational realities: just 10% of Chief Transformation Officers (CTOs) and Chief People Officers (CPOs)[1] perceive their organisations to be *leading* in their transformation.

This gap is reflected on the other side of the spectrum. 43% of CTOs and 36% of CPOs[1] received *lagging* TI scores.

CMOs (Chief Marketing Officers) and Chief Operating Officers (COOs) sit somewhere in the middle. 15% perceive their organisations to be *leading*, while 25% have a *lagging* perception, highlighting the challenges of embedding change in day-to-day delivery.

There's a clear divide between optimism at the top and reality on the ground. Those setting strategy and vision often view their organisations through a more positive lens – sometimes overstating progress and underestimating friction. Meanwhile, those driving transformation or managing people are closer to the day-to-day challenges. They may overemphasise obstacles and lose sight of the meaningful change already underway. This tension reflects a broader misalignment between aspiration and execution.

[1]Sample size falls below 50 (42).

The industry perception gap

Public sector organisations are surprisingly out in front, with 30% falling in the *leading* category. It's no accident. These organisations are built to respond to shifting governments, policy changes and real-world events. That demands agility, while still investing in long-term priorities like workforce strategy, financial stewardship and commercial capability.

Hot on their heels are consumer goods (27%) and insurance (25%) – both industries forced to reinvent in the face of disruption. From digital distribution to customer experience, these sectors are turning volatility into opportunity. Pharma, life sciences and consumer health (21–22%) are also making headway as they rewire research and development and patient engagement models.

Just 9% of energy organisations are *leading* in their transformations.

But at the other end of the spectrum, energy stands out. With just 9% of organisations achieving a *leading* TI score, the sector is struggling under the weight of legacy systems, the complexity of the energy transition and regulatory pressure. It's a surprising result, especially given how many energy businesses are currently going through transformation. The low score reflects the sheer scale and spread of change in the industry – from immediate priorities like operational efficiency and grid reliability, to longer-term shifts around infrastructure, workforce transformation and the energy transition.

Flipping the lens to the laggards, pharma and life sciences (38%) top the list – even innovation-rich sectors can find transformation at scale a challenge. Energy (35%) and travel and leisure (29%) also feature heavily among those struggling, underlining the structural and external pressures these industries face.

In contrast, the public sector has the lowest share of laggards (15%) – a sign that, while not every organisation is *leading*, most are at least moving in the right direction. And there's a reason for that. When governments or secretaries of state change, priorities shift – and teams adapt. That agility is in their DNA. This agility makes them strong at pivoting – but it also means long-term, sustainable transformation can be harder to lock in.

Leading organisations aren't trying to do everything at once. Instead, they focus, prioritise and develop internal structures that can respond to change.

Leading the way

INDUSTRY

[2]Central government and agencies, local government, healthcare (UK)

JOB ROLE

[3]Combined responses from CPOs and CHROs.
Sample size falls below 50 (42).

Strategic overload: the C-suite's crisis of focus

Our research shows that leaders are facing challenges from every direction – strategic, operational, technological, financial and regulatory. But among these challenges lies an opportunity to prioritise and focus on what matters most.

While five challenges are slightly higher, our data paints a broader picture – a tightly packed cluster of concerns, all rated at similar levels. Leaders aren't just dealing with a few headline issues, they're being pulled in multiple directions by a wide mix of priorities, each vying for attention.

Top organisational concerns from the C-suite

"We are faced with this overwhelming opportunity for change, but it is a struggle trying to navigate that and do it over the right period of time that the organisation can actually effectively move forward without falling over itself, tripping up and making lots of mistakes on the way."

A landscape of parallel pressures and inward focus

In the 2010s, the dominating headline for transformation was digital. Organisations rallied around big, singular shifts (remember digitisation, mobile and automation?). There was alignment, momentum and a sense of direction.

Now it's a different story. Rolling disruptions have shaped the 2020s. First, geopolitics, trade and manufacturing disruptions, then COVID and now the cost-of-living crisis. Each one has splintered focus and layered on new pressures. Instead of one dominant challenge, leaders are now juggling many. The result is a landscape of competing concerns, with no clear priority. It's harder to align, harder to prioritise, and much easier to turn inward.

Our data reveals this telling pattern. We see a broad spread of moderate-level pressures, with most issues clustering around the 20–30% mark. This suggests that organisations are still juggling multiple priorities at the same time, and that C-suite alignment around a single, overriding transformation challenge remains tough.

The people agenda is now central

The data shows a clear shift. Transformation is happening in the people domain itself. Where past responses centred on digital, customer experience and data, today we see workforce planning, skills and talent matters dominate. Across a diverse respondent base, people issues consistently rise to the top, appearing as leading concerns and priorities and spanning both short – and long-term horizons. People are no longer just enablers of transformation, but a primary focus.

The focus is shifting inward

While external shocks like economic uncertainty and competitive pressure still register, they're being outpaced by internal readiness concerns. Skills, leadership and AI adoption are now seen as the real battlegrounds for transformation success. This suggests a shift in approach, with organisations looking less at what competitors are doing, and more at how they can build the internal muscle to lead change from within.

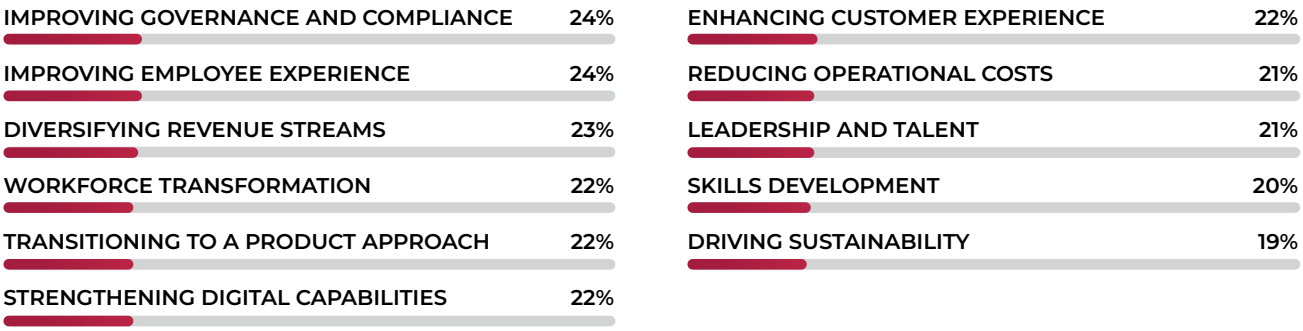
AI stands alone in the technology conversation

We're seeing broader digital concerns largely become business-as-usual. AI stands out as the disruptive force enabled by data and technology, with its rapid evolution creating both urgency and uncertainty for leaders.

When everything's a priority, nothing is

Addressing these concerns through transformation is firmly on the agenda for business leaders. But with challenges seemingly everywhere they turn, leaders are struggling to determine where to focus their attention.

What are the top priorities for your organisation's transformation agenda?



Just as we saw with organisational concerns, transformation priorities show no clear frontrunner. Every priority sits tightly between 19–24%, indicating that organisations aren't rallying around one dominant theme. Instead, they're intentionally spreading their bets, investing across a balanced portfolio of priorities. This suggests leaders are attempting to build transformation momentum across multiple fronts, rather than concentrating efforts in priority areas.

Such a narrow spread of responses reflects the complexity leaders are facing. Many are trying to tackle too much at once and struggling to make a meaningful difference.

Transformation priorities vary by industry

This pattern shows up across every industry, yet with some clear differences when it comes to top priorities. These priorities reflect the unique pressures each industry faces.

Retail organisations are racing to deepen their digital capabilities – not just to better meet fast-changing consumer expectations, but to drive operational efficiency and make smarter decisions. Much of that investment is focused on headless commerce architectures, and using AI and data insights to make better, real-time decisions. Consumer goods and energy leaders are prioritising employee experience to attract and retain talent in highly competitive and skills-scarce markets. Pharma and life sciences are sharpening their focus on governance and compliance to navigate complex and uncertain regulatory environments. And public sector leaders are rethinking delivery models by shifting toward product-based approaches to improve citizen outcomes.

The imperative for leaders is to cut through the noise and align around these transformation priorities, making conscious choices about where to invest, and building the adaptability to pivot as new pressures and opportunities emerge.

In no industry is this approach more relevant than insurance, where leaders are equally split across five top priorities – governance, employee experience, revenue diversification, customer experience and sustainability. This scatter shows just how stretched leadership agendas in this industry have become. When everything competes for attention, progress stalls and transformations fail.

Top transformation priorities by industry

CONSUMER GOODS

IMPROVING EMPLOYEE EXPERIENCE 29%

CONSUMER HEALTH

IMPROVING GOVERNANCE AND COMPLIANCE 27%

ENERGY

IMPROVING EMPLOYEE EXPERIENCE 28%

INSURANCE

IMPROVING GOVERNANCE AND COMPLIANCE 25%

IMPROVING EMPLOYEE EXPERIENCE 25%

DIVERSIFYING REVENUE STREAMS 25%

ENHANCING CUSTOMER EXPERIENCE 25%

DRIVING SUSTAINABILITY 25%

PHARMA/LIFE SCIENCES

IMPROVING GOVERNANCE AND COMPLIANCE 26%

PUBLIC SECTOR

TRANSITIONING TO A PRODUCT APPROACH 28%

RETAIL

STRENGTHENING DIGITAL CAPABILITIES 28%

TRAVEL & LEISURE

DIVERSIFYING REVENUE STREAMS 29%

Transformation priorities for *leading* vs *lagging* organisations

It's easy to feel like we're just stating the obvious, but the differences between *leading* and *lagging* organisations matter.

***Leading* organisations put people first.** The most significant gap is employee experience. 30% of *leading* organisations focus on it, compared to just 18% of *lagging* organisations. That's not just a nice-to-have, it's a signal of where momentum starts.

They're clearer on how decisions get made. Decision-making is a bigger priority for *leading* organisations, helping them move faster and stay aligned. 26% of *leading* organisations say improving governance and compliance is a top priority, while just 18% of *lagging* organisations say the same.

And they think ahead. *Leading* organisations are more likely to prioritise new revenue streams (25% vs 17%) and better customer experiences (24% vs 18%), while those *lagging* are more likely to stay stuck in the day-to-day.

The transformation mindset is evolving

Traditionally seen as a one-off overhaul of systems, structures or strategy, transformation is now increasingly being viewed as continuous evolution, particularly among *leading* organisations. 34% of these *leaders* define transformation as continuous improvement at scale (compared to just 21% of *lagging* organisations).

This shift matters. Viewing transformation as ongoing reflects a deeper understanding of what it takes to make change stick. It's about treating transformation as a continuous cycle of learning and adjusting, refining processes, aligning cultures and building resilience.

% of business leaders who view transformation as continuous improvement at scale

Leading organisations vs **Lagging organisations**

Business leaders' view on short vs long-term priorities

PRIORITY	% of respondents who say this is a long-term focus	% of respondents who say this is a short-term focus
REDUCING OPERATIONAL COSTS	66%	34%
IMPROVING GOVERNANCE AND COMPLIANCE	65%	35%
DRIVING SUSTAINABILITY	61%	39%
WORKFORCE TRANSFORMATION	61%	39%
STRENGTHENING DIGITAL CAPABILITIES	60%	40%
LEADERSHIP AND TALENT	60%	40%
SKILLS DEVELOPMENT	59%	41%
IMPROVING EMPLOYEE EXPERIENCE	59%	41%
ENHANCING CUSTOMER EXPERIENCE	58%	42%
DIVERSIFYING REVENUE STREAMS	58%	42%
TRANSITIONING TO A PRODUCT APPROACH	56%	44%

“It’s about the long term, not projects with shorter lifespans… really the tipping point is when you see a cultural change and you start seeing that manifest in the ways of working at the organisation.”

The data signals a shift from short-term fixes to a longer-term mindset among the C-suite, with transformation priorities framed as ongoing commitments rather than short-lived initiatives. We find that:

Everything is long-term…but never exclusively. Even cost (66%) and compliance (65%) still have a short-term focus, showing a mix of immediate action and structural change.

People priorities are now central and span both short – and long-term. Once secondary to digital, people issues now rival AI as top concerns. They show up strongly in priorities, and split ~60% long-term / ~40% short-term, making them both immediate fixes and sustained transformation priorities.

Market-facing priorities lean more towards the short-term. Customer, revenue and product (42–44% short-term) are considered faster-moving levers.

Sustainability is important long-term. Though it ranked lower in earlier lists, 61% now see it as a long-term commitment.

% of business leaders who view their investments for 2025/2026 as strategic

While tactical investments have their place, our findings suggest that in the context of transformation, a strategic approach is a stronger marker of success.

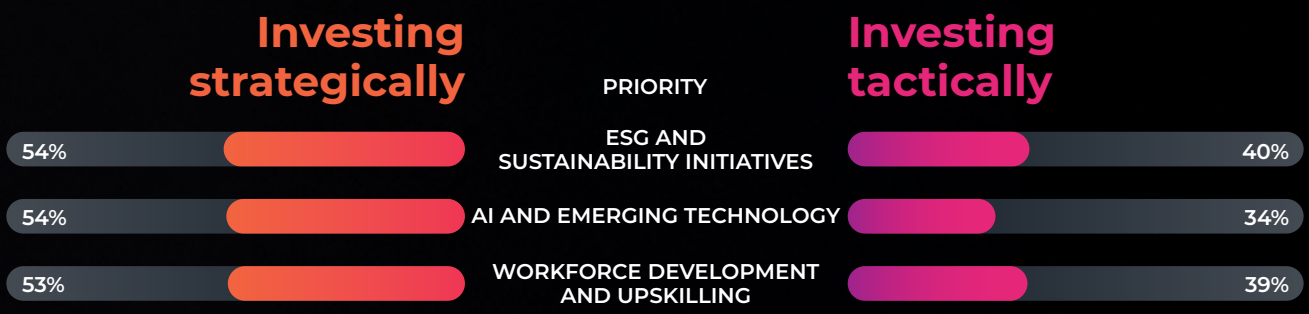
Leading organisations consistently prioritise strategic investment over tactical investment. Strategic investment isn't just smarter; it's a marker of transformation maturity.

Our research suggests that tactical investment still has a role to play, as long as it aligns with an organisation's overall transformation strategy. This is particularly relevant to AI and emerging technology, where the pace of change demands foresight and agility. Long-term strategic investment is needed to build the underlying capabilities for deploying AI at scale, while aligning with your organisation's broader goals.

Tactical moves help capture immediate opportunities, test innovations and respond to market changes, while long-term investments build the foundations for lasting growth.

Leading organisations balance this strategic foresight with agility and can adjust quickly when needed.

Strategic vs tactical investments among *leading* organisations



Adaptability in action

As we've uncovered, organisations are facing so many competing priorities. With finite resources, attempting to deliver everything dilutes impact, creates overload and slows progress. Are organisations *lagging* in their transformation efforts because they're trying to accommodate too much?

Success demands focus. By zeroing in on a small set of core priorities – those that balance customer needs, employee wellbeing and organisational goals – leaders can channel energy where it matters most and create momentum for change.

Leading organisations aren't trying to do everything at once. Instead, they focus, prioritise and develop internal structures that can respond to change.

This is where adaptability comes in. We believe *leading* organisations are taking a more adaptable approach. It's not just a buzzword, and it's not just about reacting to change. It's a strategic capability that shows up in how organisations think, invest and lead. And it's about building the culture and operating model for lasting change – across your systems and your people.

Leading organisations are already adopting this approach

They treat transformation as a cycle, not a one-off. By treating transformation as an ongoing cycle of learning and adjustment, *leading* organisations embed adaptability into both systems and people. It's how they refine processes, align cultures and build resilience for lasting transformation.

They put people at the centre. For *leading* organisations, people are no longer just enablers of change but the focus of transformation itself. *Leading* organisations invest in human capability at scale. Investments in workforce strategy, skills and leadership are treated as true strategic enablers.

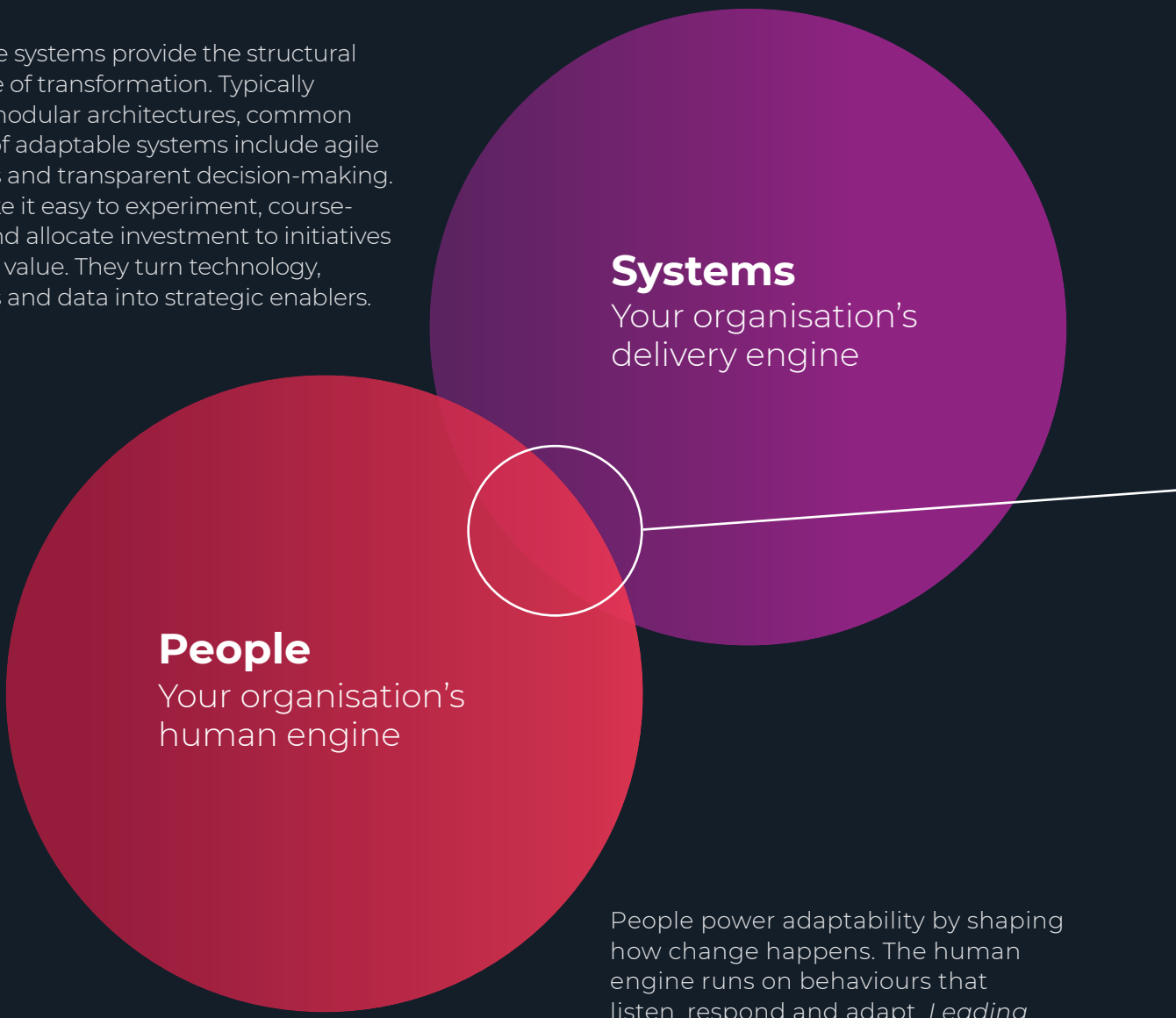
They take the long-term view. *Leading* organisations overwhelmingly favour long-term commitments that can pivot when needed. Embedding transformation goals into long-term plans creates space to adjust tactics without losing sight of strategic outcomes. This balance between ambition and agility is a hallmark of adaptability.

They invest with intention. *Leading* organisations don't chase shiny new tools, they invest in the systems, skills and structures that drive long-term value. It's not about jumping on trends; it's about building transformation that sticks.

Bringing adaptability to life

We believe adaptability rests on two interdependent lenses: systems and people. When leaders strengthen both, they create organisations that balance long-term growth with day-to-day delivery.

Adaptable systems provide the structural backbone of transformation. Typically built on modular architectures, common features of adaptable systems include agile processes and transparent decision-making. They make it easy to experiment, course-correct and allocate investment to initiatives that drive value. They turn technology, processes and data into strategic enablers.



People power adaptability by shaping how change happens. The human engine runs on behaviours that listen, respond and adapt. *Leading* organisations track how people experience change - and act on what they learn. They protect against fatigue, focus on what matters and build the skills to keep moving. And when things shift, they guide people with a clear direction.

Together, these lenses support three core behaviours:

1 **CHAMPIONING YOUR DATA**
Treat data as a living asset that drives everyday decisions.

2 **PROTECTING YOUR SPARK**
Create space to stop, reflect and redirect energy towards what matters.

3 **FINDING YOUR VALUE COMPASS**
Define and navigate towards what truly delivers impact.

The combination of these lenses, and the behaviours they support, is what gives *leading* organisations their edge, helping them not just survive disruption, but harness it as a source of competitive advantage.

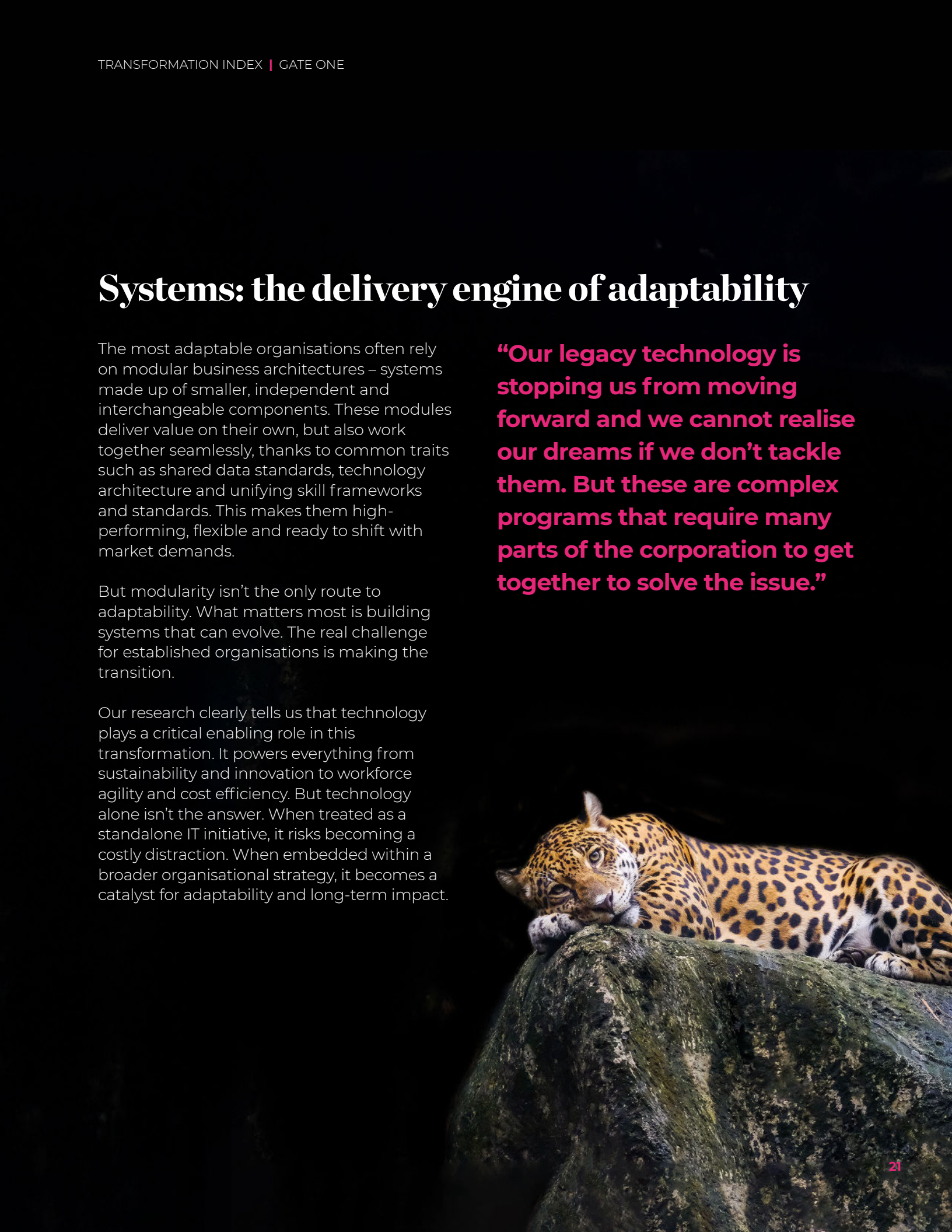
Systems: the delivery engine of adaptability

The most adaptable organisations often rely on modular business architectures – systems made up of smaller, independent and interchangeable components. These modules deliver value on their own, but also work together seamlessly, thanks to common traits such as shared data standards, technology architecture and unifying skill frameworks and standards. This makes them high-performing, flexible and ready to shift with market demands.

But modularity isn't the only route to adaptability. What matters most is building systems that can evolve. The real challenge for established organisations is making the transition.

Our research clearly tells us that technology plays a critical enabling role in this transformation. It powers everything from sustainability and innovation to workforce agility and cost efficiency. But technology alone isn't the answer. When treated as a standalone IT initiative, it risks becoming a costly distraction. When embedded within a broader organisational strategy, it becomes a catalyst for adaptability and long-term impact.

"Our legacy technology is stopping us from moving forward and we cannot realise our dreams if we don't tackle them. But these are complex programs that require many parts of the corporation to get together to solve the issue."



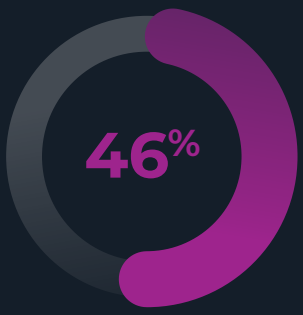
BEHAVIOUR 1

Champion your data (like you champion your people)

Adaptive organisations steer by data, not instinct – guiding decisions, setting clear priorities and keeping transformation efforts focused. In these organisations, data isn't a by-product. It's a value driver that gives systems their purpose. By embedding data deeply into operations, they unlock reliable, repeatable insights that power smarter decisions and faster innovation.

Instead of rebuilding systems from scratch, they reuse data to accelerate product development and analysis – saving time and money. Strong data foundations ensure quality and consistency – critical for strategic investments, especially in AI. And with scalable, flexible systems, these organisations can adapt quickly to change without losing control.

of *leading* organisations that say AI adoption has significantly accelerated their transformation



of *lagging* organisations that say AI adoption has reshaped their technology strategy

46% of *lagging* organisations state AI adoption has reshaped their technology strategy, suggesting that AI is calling the shots, not the business. *Leading* organisations take a different path. 73% say that AI adoption has significantly accelerated their transformation. This signals that they're using data and strategy to harness technology, rather than letting it dictate the transformation agenda.

This tells us that AI adoption isn't just about technology maturity, it's about organisational adaptability and transformation capability.

If an organisation struggles with AI adoption, it's often a sign of deeper challenges in adaptability, across systems, governance and leadership alignment. Adaptive organisations are doing things differently. They are:

- Embedding AI through innovation frameworks, testing environments and strong data governance.
- Building human capability so AI augments decisions – without eroding trust.
- Prioritising ethical, responsible AI to protect reputation and long-term value.

Your action plan

1 **Invest in data when you can.** Treat data as a foundation, not a finishing touch. Start with what you have and improve it as you go.

2 **Build for action, not perfection.** Don't wait for flawless data. Focus on what's good enough to guide decisions and move forward.

3 **Make data accessible and empowering.** Give your teams the tools to self-serve, explore insights and make informed decisions as part of their everyday work.

BEHAVIOUR 2

Protect your spark (with clear priorities for stopping)

When everything feels urgent, energy gets scattered and progress stalls. This lack of focus risks draining capacity and overwhelming teams.

Protecting your spark means strategically stopping. Adaptive organisations know that doing fewer things better creates space for experimentation and impact. They build systems to allow them to pause, redirect and retire low-value work. This is a sign of focus, not failure. And organisations must protect capacity not just to reduce fatigue, but to enable bold, test-and-learn approaches.

63% of respondents say they find employees becoming fatigued by continual waves of transformation challenging.[4]

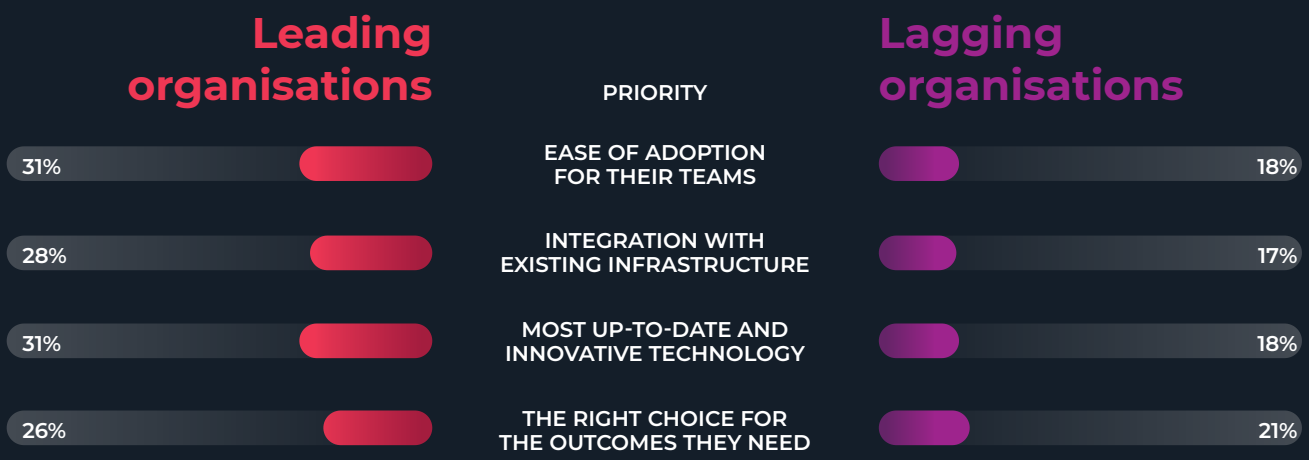
Leading organisations set themselves apart by being more likely to manage this through prioritisation. By prioritising and protecting capacity, they create room to test, learn and evolve, turning transformation into a sustainable, strategic capability.

Looking at this from a technology perspective, the percentage of respondents who are prioritising things such as ease of adoption (26%), ethical or ESG considerations (25%) and scalability for future growth (25%) are tightly clustered, with no single priority dominating.

The findings suggest that prioritisation frameworks for technology investments are complex and misaligned.

[4]'Very challenging' and 'Somewhat challenging' responses combined.

Priorities when making technology investments



Your action plan

1 **Use ‘pause’ as a strategic lever.** Deliberately stop or slow down work that’s no longer delivering value. This frees up capacity and creates space to test new ideas.

2 **Make early exits a strength.** Recognise and stop underperforming initiatives quickly. Knowing when to redirect effort is a sign of strategic clarity, not failure.

3 **Reframe failure as fuel.** Treat what didn’t work as a learning opportunity. Every misstep unlocks insight, experimentation and the chance to do better next time.

BEHAVIOUR 3

Find your value compass (and make sure everyone sees clearly)

Adaptability starts with leaders who can clearly see value and ensure everyone else does too.

This is a sore spot for many business leaders. In fact, almost 64% of survey respondents say they find demonstrating a clear impact on business outcomes challenging. Meanwhile, 42% rate their organisation as average, poor or extremely poor when it comes to realising business value from initiatives and investment.

Technology only delivers real impact when organisations define what value means for them, track it consistently and use it to guide decision-making.

"In any transformation effort, the execution piece is generally given the highest weightage, whereas there's a lot of effort and time and resources that should ideally go into the discovery phase where you're looking at the actual business case, you're looking at solidifying what success looks like, you're looking at benchmarking with the best... This is key for success."

64% say they find demonstrating a clear impact on business outcomes challenging.

Without this compass, investments risk drifting into disconnected initiatives that fail to deliver.

Adaptive organisations make value visible and navigable. They clearly and explicitly define what value means for both their customers and their organisation – and ensure everything they do is tightly aligned to that definition. They reduce friction in decision-making, simplify prioritisation and make it easy for teams to connect their work to strategic outcomes.

But clarity alone isn't enough. Leaders must communicate value in a way that's understood across the organisation, from strategic priorities to day-to-day decisions. That means:

- Articulating clear prioritisation pillars.
- Mapping every initiative to those pillars.
- Creating decision-making criteria that allows teams to push back on low-value work.

Your action plan

1 **Define your value.** Be clear on what value means for your customers and organisation, and develop decision-making criteria.

2 **Communicate your priorities.** Communicate with your leaders, teams and stakeholders to guide your decision-making and reduce friction when pushing back on low-value projects down the line.

3 **Align every project to strategy.** Map every initiative to your strategic outcomes and assign ownership to ensure delivery stays on track. Create decision-making criteria to enable teams to push back on low-value work and focus on what matters most.

People: the human engine of adaptability

People power adaptability. The most successful organisations know that transformation sticks when teams feel energised, supported and clear on where they're heading. *Leading* organisations build cultures that listen, respond and adapt – and use people data to guide smarter decisions, protect capacity and unlock lasting change.

Adaptable organisations empower individuals at every level to experiment and learn. They create environments where progress matters and align teams around a common understanding of value. When leaders unlock this human engine, they build resilience, protect capacity and ensure that transformation progresses successfully.

"We are trying to create an innovation community within our organisation at the moment to pull anybody together who wants to innovate and help them do that. I think the more we experiment we can show how easily you can bring value."

BEHAVIOUR 1

Champion your data (to drive real change for your people)

During transformation, organisations need more than strategy – they need insight into their people. Two areas make the difference.

First, knowing your workforce. When organisations have clear data on talent, skills and leadership, they can move with confidence. They know where to invest, where to build and where to pivot. This clarity gives them the flexibility to adapt as conditions shift. Without it, transformation risks stalling – not because of poor planning, but because the organisation simply lacks the capability to deliver.

Second, understanding how people experience change is crucial. Transformation isn't just a process; it's a journey people go through. Tracking engagement, fatigue and sentiment helps leaders see whether their teams have the energy and commitment to keep going. The contrast is striking: 99% of *leading* organisations monitor employee engagement during transformation, compared to just 54% of laggards. This visibility allows leaders to act early, address risks and maintain momentum. Without it, transformation drifts, and the gap between strategy and reality grows.

of *leading* organisations monitor employee engagement during transformation, compared to just 54% of laggards

But tracking isn't enough. Adaptability comes from acting on what the data reveals. Among organisations with smooth transformations, 64% regularly adjust their programmes based on employee feedback – more than double the rate of those facing challenges. *Leading* organisations go even further: 75% adjust to signals, while only 17% of laggards do the same.

The impact is clear. Organisations that track experience KPIs, such as engagement, well-being and sentiment, are significantly more likely to maintain momentum. Tailored KPIs help leaders anticipate resistance, manage fatigue and align change with employee needs.

"Our twice yearly NPS survey enables us to understand whether the employees have the right tools to do their job, that they feel empowered to do their job, that they feel listened to, that they are engaged in decision making, they understand the vision and the strategy... We measure that across the whole organisation and carefully break it down to see where we have room for improvement."

Your action plan

1 **Track what matters, not just what's easy.** Define a small set of people-centric metrics that reflect how your people are experiencing change. Use these signals to guide decisions and course-correct in real time.

2 **Make feedback part of the rhythm.** Build regular loops that surface blockers early and guide smart decisions. And always show people that their input leads to real change.

3 **Give ownership to the data.** Assign clear accountability for acting on insights at every level, so signals translate into decisions and adaptability becomes part of the system.

BEHAVIOUR 2

Protect your spark (your people's capacity for change has limits)

Adaptability depends on energy - and right now, many organisations are running low.

Leaders are seeing the signs: employees stretched thin by constant waves of transformation, struggling to juggle competing demands, and lacking the skills to keep pace. These aren't side issues; they're early warnings that transformation may be at risk.

In fact, 63% say their people are fatigued by ongoing change, and over 50% cite too many competing demands on their time. Resistant cultures and entrenched behaviours compound these pressures. 63% face cultural barriers to change, and 64% say shifting behaviours while maintaining psychological safety is a major challenge. Add to that the 66% who are grappling with upskilling their workforce, and the picture becomes clear: capacity is being stretched to its limits.[5]

That's why protecting capacity and engaging people are two sides of the adaptability coin. One preserves energy, the other channels it. Together, they reduce fatigue, sharpen focus and build resilience.

Leading organisations are taking this seriously. They're more likely to manage fatigue by prioritising work and treating employee bandwidth as a strategic resource. By doing fewer things better, they create space for teams to explore new opportunities, learn new skills and adapt how they work – making transformation sustainable, rather than exhausting.

63% say their people are fatigued by ongoing change.

At the same time, they're investing in engagement – not just to boost morale, but to drive momentum. When employees feel involved, they take ownership. That's why 77% of the C-suite – and 91% of *leading* organisations – use engagement to tackle people and culture challenges. And it works: 42% of organisations with strong engagement report smooth transformations, compared to just 24% with poor engagement.

In short, adaptability isn't just about reacting to change. It's about protecting the spark that makes change possible.

[5]'Very challenging' and 'Somewhat challenging' responses combined

Your action plan

1 **Manage capacity deliberately.** Treat organisational bandwidth as a finite resource. Regularly assess how much change people can absorb and prioritise the initiatives that matter most.

2 **Invest in skills for change.** Equip people with the capabilities needed to adapt, from technological skills to leadership behaviours. Skills are not an afterthought but the fuel that sustains transformation.

3 **Engage meaningfully – and make it count.** Create environments where people feel safe to speak up, explore new ideas and shift behaviours over time. Listen actively, respond visibly and give teams space to contribute in ways that shape transformation.

BEHAVIOUR 3

Find your value compass (because your people need direction)

Adaptability doesn't mean drifting – it means flexing with purpose. The most resilient organisations stay focused, even when plans shift, because a clear value compass guides them to what matters most. This isn't about unhelpful purpose statements. It's about creating real, tangible value for your customers, people, stakeholders and organisation. And then using this value as the compass for transformation. It shouldn't be seen as a rigid roadmap. It's a unifying direction that helps people stay anchored, balancing long-term ambition with short-term action, giving confidence that today's efforts are building towards tomorrow's goals.

Without it, transformation risks fragmenting into disconnected projects, overwhelming people with competing demands and eroding momentum. And many leaders admit this is one of their toughest challenges. Over 61% struggle to make a compelling case for change, while 64% find it difficult to align leaders and secure sponsorship. Even when a vision is in place, 65% say there's a gap between that vision and the lived experience of employees.

The challenge deepens when it comes to involvement. 64% say it's tough to engage employees meaningfully in the process, and 63% find it hard to regain direction once momentum is lost. Navigating differences across geographies and cultures adds another layer of complexity, with 65% citing it as a major barrier to alignment.

That's where adaptability comes in. In times of change, organisations need more than a plan – they need a value compass. Adaptive organisations set a clear vision, then allow connected stories to emerge across teams, functions and geographies. Each story reflects local realities, but all point in the same direction, keeping people aligned and engaged through disruption.

When priorities shift, whether in scope, pace or direction, *leading* organisations revisit the vision, reshape local narratives and re-anchor everything in the value outcome they're aiming towards. This helps maintain confidence, even in uncertainty.

To stay on course, they monitor engagement, fatigue and sentiment to see where the story isn't landing – and adjust before momentum fades. A strong narrative also helps leaders prioritise what matters most, protecting teams from overload and keeping energy focused.

"Seek out the change agents... What you're looking for is somebody who's going to sustain the change going forward. Having that change agent, or preferably a group of them, and empowering them is the most important thing you can do. The other thing is to find the people who are the blockers, the resistors to change, and try to find a way of involving them in some way."

Your action plan

1 **Frame the compass.** Define a clear narrative anchored in tangible value outcomes for your business, customers, employees and wider stakeholders.

2 **Enable connected stories and share ownership.** Involve employees in shaping and retelling their own stories, linking to the compass and reflecting their reality.

3 **Make it actionable and live.** Translate stories into behaviours and refresh them as things evolve. Provide cues and examples that illustrate what people need to do differently daily.

Your leadership action plan

The data is clear: *leading* organisations that embed adaptability into both their system and people engines don't just deliver transformation – they deliver lasting change.

At the heart of this is alignment. When leaders lack a shared definition of transformation and are unclear on value, growth slows and strategic drift sets in. But when leaders unite around a shared transformation vision and roadmap, they focus, prioritise and outpace competitors.

Adaptability is measurable, and it correlates to outcomes. To make it your advantage:

Align on intent: Establish tangible value outcomes you want to achieve through transformation and what success means.

Invest in the two engines: Strengthen systems (decision-making, processes, data and technology integration) and people (skills, leadership, culture and capacity).

Embed the three behaviours: Champion data, protect your spark and steer by a clear value compass.

Organisations that thrive are those whose leaders embed adaptability into every decision, every system and every team.

This is your transformation imperative.

Act today

These are not future ambitions, but urgent actions you can start today to unlock resilience, precision and progress.

Here's a summary of your actionable steps to become an adaptable *leading* organisation in transformation.

CHAMPION YOUR DATA

In your systems

Invest in data when you can. Treat data as a foundation, not a finishing touch. Start with what you have and continually improve it.

Build for action, not perfection. Don't wait for flawless data. Focus on what's good enough to guide decisions and move forward based on what you have.

Make data accessible and empowering. Give your teams the tools to self-serve, explore insights and make informed decisions as part of their everyday work.

In your people

Track what matters, not just what's easy. Define a small set of people-centric metrics that reflect how your people are experiencing change. Use these signals to guide decisions and course-correct in real time.

Make feedback part of the rhythm. Build regular loops that surface blockers early and guide smart decisions. And always show people that their input leads to real change.

Give ownership to the data. Assign clear accountability for acting on insights at every level, so signals translate into decisions and adaptability becomes part of the system.

PROTECT YOUR SPARK

In your systems

Use 'pause' as a strategic lever. Deliberately stop or slow down work that's no longer delivering value. This frees up capacity and creates space to test new ideas.

Make early exits a strength. Recognise and stop underperforming initiatives quickly. Knowing when to redirect effort is a sign of strategic clarity, not failure.

Reframe failure as fuel. Treat what didn't work as a learning opportunity. Every misstep unlocks insight, experimentation and the chance to do better next time.

In your people

Manage capacity deliberately. Treat organisational bandwidth as a finite resource. Regularly assess how much change people can absorb and prioritise the key initiatives.

Invest in skills for change. Equip people with the capabilities they need to adapt. Skills are not an afterthought, but the fuel that sustains transformation.

Engage meaningfully. Create environments where people can voice concerns, experiment and shift behaviours without fear. Culture becomes a driver of adaptability, rather than a blocker.

FIND YOUR VALUE COMPASS

In your systems

Define your value. Be clear on what value means for your customers and organisation and develop decision-making criteria.

Communicate your priorities. Communicate with your leaders, teams and stakeholders to guide your decision-making and reduce friction when pushing back on low-value projects down the line.

Align every project to strategy. Map every initiative to your strategic outcomes and assign ownership to ensure delivery stays on track. Create decision-making criteria that allow teams to push back on low-value work and focus on what matters most.

In your people

Frame the compass. Define a clear narrative anchored in outcomes that matter to your business, customers and employees.

Enable connected stories and share ownership. Involve employees in shaping and retelling their own stories that link to the compass and reflect their reality. This keeps transformation relevant in diverse contexts, while maintaining alignment.

Make it actionable and live. Translate stories into behaviours and refresh them as things evolve. Provide cues and examples that illustrate what people need to do differently daily.

About Gate One

Gate One is the global business and digital transformation consultancy, dedicated to helping clients thrive. With a uniquely collaborative approach, we guide clients through high-impact business and digital transformation projects – across industries, across the globe. We have teams in the UK, Ireland, the US, France and India.

We work closely with our clients to deliver meaningful and lasting change through collaboration, creativity and entrepreneurship. With years of experience in industry and consulting, our team understands how to make transformation projects successful.

To learn more visit www.gateoneconsulting.com/

ABOUT THE RESEARCH

Gate One partnered with Censuswide to carry out a quantitative online survey of 751 C-suite respondents across the US, UK and Ireland, along with four qualitative interviews.

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