



# Stop, Collaborate, And Listen: Staying Agile In A Rapidly Changing World

Leverage Enterprise Collaboration Tools To Operationalize Innovation And Future-Proof The Business

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## Agility, Innovation, And Collaboration Go Hand In Hand

Increasing innovation is of perpetual importance to executives and decision makers, but operationalizing innovation is often challenging. Dedicated innovation centers can become ivory towers while decentralized innovation can be chaotic and create risk. Organizations that innovate at scale do so by building cross-functional teams, employing agile delivery processes, aligning objectives and key results around shared goals, and devolving decision making to teams with high levels of autonomy.

In May 2020, Atlassian commissioned Forrester Consulting to survey 155 global decision makers about the role that high-bandwidth collaboration plays in aligning innovation from top to bottom and across organizations' units, with a special emphasis on digital transformation in a post-pandemic age.

### Key Findings



To keep up with the accelerating pace of digital transformation in a post-pandemic world, firms are operationalizing innovation with the help of collaboration work management tools.



As current events necessitate a more agile and innovative posture to stay afloat, firms must overcome silos, manual processes, and inadequate tools to collaborate more effectively.



Innovative enterprises are handling disruption more effectively, and their investments in support of effective collaboration are rewarded with large increases in revenue and other business benefits.

## A Rapidly Changing World Requires Agility And Innovation

Digital transformation is accelerating, and organizations are under increasing pressure to fast-track the introduction of new products and services to maintain their market positions. Nearly 80% of surveyed decision makers say they will be accelerating their digital transformation efforts over the coming year. Additionally, approximately three-quarters agree that they will need to become more agile and introduce new and improved offerings if they want to stay competitive in a rapidly evolving market.

To meet these critical goals and maintain any sort of competitive advantage, enterprises must find a way to consistently innovate at every level of the organization.

FORRESTER OPPORTUNITY SNAPSHOT: A CUSTOM STUDY COMMISSIONED BY ATLISSIAN | JULY 2020

## Digital Transformation Is Accelerating

**78%**

We will accelerate our efforts to digitally transform our business.

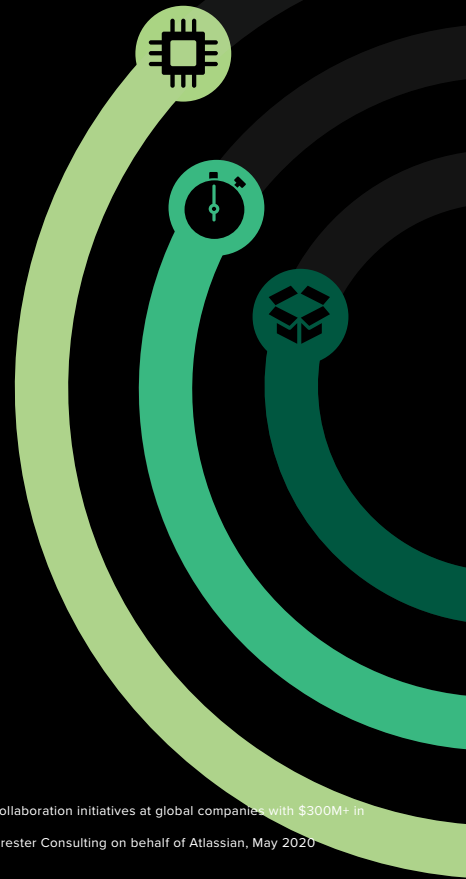
**74%**

Our business processes will need to become more agile to adapt to changing business conditions.

**71%**

We will need to quickly introduce new products and services to maintain our market position.

Base: 155 final decision makers responsible for collaboration initiatives at global companies with \$300M+ in annual revenues  
Source: A commissioned study conducted by Forrester Consulting on behalf of Atlassian, May 2020



## Firms Are Working To Operationalize Innovation Today

Though many firms have built strong foundations for innovation, they have yet to fully operationalize their efforts. Executive support and basic, formalized processes are common, but staffing and funding for innovation efforts, as well as customer involvement, lag for most. Firms are formalizing an innovation structure, but most have either centralized (leading to isolated teams unable or unwilling to work with others) or decentralized (leading to dispersed, unorganized teams incapable of consistent progress). Just 38% have opted for a federated approach where a central team coordinates across various innovation squads embedded throughout a firm. Regardless of structure, collaboration can be a weak spot, limiting team agility: Only 37% say collaboration across different business units is high-bandwidth and happens seamlessly.

“How is innovation structured at your organization?”



**CENTRALIZED: 41%**

(i.e., there is one innovation team tasked with driving innovation forward)



**FEDERATED: 38%**

(i.e., there is a central team embedded in different areas of the org)



**DECENTRALIZED: 20%**

(i.e., innovation is dispersed throughout the organization)

## Collaboration Tools Are A Critical Innovation Enabler

Collaboration tech is critical to supporting innovation and agility efforts. But firms tend to stick to what they know, with decision makers citing the simplest solutions — like productivity and communication tools — as most valuable. This is a double-edged sword. On one hand, teams are likely all using tools like email already, so adoption and consistency is high. However, these tools aren't necessarily intended to boost collaboration productivity and enable innovation. There are other solutions — like collaboration work management tools — that would prove far more valuable if firms could encourage widespread enterprise adoption. But only 39% of decision makers say they are early adopters of new technologies like collaborative work management. Enterprises need collaboration management solutions, specifically those that easily integrate into the existing enterprise tool system and are cloud-compatible.<sup>1</sup>

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**“How important are each of the following collaboration technologies in supporting your firm’s innovation efforts/in improving the agility of teams and projects on a day-to-day basis?”**  
(Very or critically important)

	INNOVATION	AGILITY
Office productivity tools	92%	90%
Email	88%	87%
Videoconference room/ video chat/webconference	88%	86%
File synchronization and sharing tools	79%	84%
Enterprise content management	82%	83%
Instant messaging	83%	80%
Audioconferencing	80%	78%
Collaborative work management tools in general or for development and/or marketing	74%	77%
Enterprise social network/ intranet portals	61%	69%

Base: Variable final decision makers responsible for collaboration initiatives at global companies with \$300M+ in annual revenues

Source: A commissioned study conducted by Forrester Consulting on behalf of Atlassian, May 2020

## Collaboration's Importance Will Grow As Digital Transformation Accelerates

The global COVID-19 pandemic has disrupted the traditional ways organizations work and accelerated the move toward an increasingly distributed workforce. Most decision makers know that physical forms of collaboration will necessarily decrease as employees work in new locations. Moving forward, firms will need to support innovation across geographically distributed team members via collaboration that favors digital over physical.

But there is good news for many firms. When tested, many have been able to weather these difficult times with the help of collaboration tools: 37% of respondents have stayed productive through their collaboration tools, 26% are collaborating with agility and operating with minimal disruption, and another 20% are harnessing their collaboration capabilities to adapt new ways of working.

**Working Conditions Are Expected To Change Greatly Over the Next 12 Months**

**77%**

Physical forms of collaboration will become less common while digital forms of collaboration will increase.

**66%**

Our employees will need to work in new locations, and the amount of remote work will increase.

## But Firms Require More Than Just Tools To Overcome Challenges

Unfortunately, collaboration can still prove difficult. Teams are forced to overcome current challenges that touch people, processes, and tools. Siloed data, partitioned teams, and inconsistent tooling impede collaboration and limit innovation. A lack of digital support and automation is also a concern. Manual processes and an overreliance on face-to-face communication are the biggest drags on team agility, which is compounded by tools that don't adequately support a geographically distributed workforce.

To overcome these challenges, teams must work more openly, sharing data widely, encouraging employee feedback and interdepartmental cooperation, and fostering a culture of innovation.

## Top Collaboration Challenges To Innovation

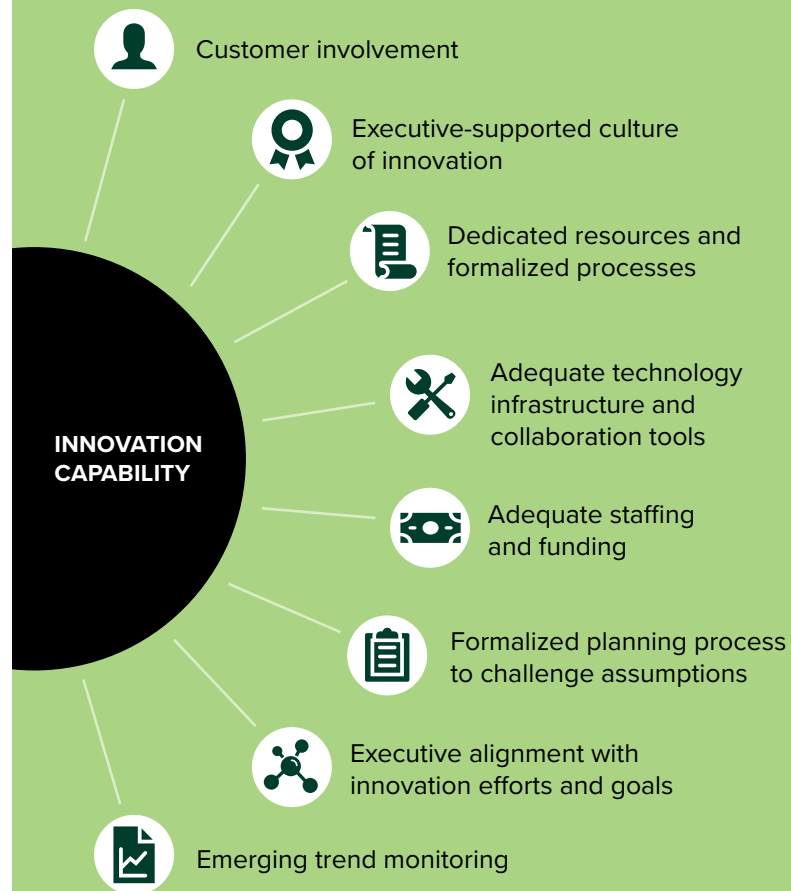
- 1 Data related to collaboration efforts is restricted or not easily accessible for effective collaboration.
- 2 R&D or designated "innovation teams" don't feel the need to collaborate with other departments or business units.
- 3 Different teams use different collaboration technologies or modes of collaboration.

## Top Collaboration Challenges To Agility

- 1 Employees are accustomed to using manual processes or face-to-face communication.
- 2 There are integration challenges between collaboration solutions and planning tools.
- 3 Geographic distribution of our workforce makes it difficult to collaborate.

## Mature Firms Successfully Organize, Structure, And Operationalize Innovation

Innovation is about more than just technology; it also involves various critical operational and structural components. In this study, innovative firms are defined as those with executive support for collaboration culture and alignment with innovation goals; dedicated resources and formalized processes; adequate staffing, technology, and funding for innovation efforts; and customer involvement in innovation efforts. A director of a US construction company noted, “We have formalized the process of employee feedback on innovation because they have the greatest contact with customers and have valuable insights into success and failure.” The director of a UK financial services firm added that instituting “greater employee involvement encouraging cross-departmental and cross-border sharing of innovation and best practices” has proved successful.





## Innovative Firms Are Better Equipped To Handle Rapid Change And Disruption

Firms that successfully organize, structure, and operationalize innovation across the enterprise are also handling disruption more effectively. Regarding how they have fared during the COVID-19 crisis that has wreaked havoc on businesses across the globe, 35% of leaders at more innovative firms report being able to collaborate with agility, allowing them to operate with minimal disruptions. Only 21% of respondents at less innovative firms can say the same.

Still, for less innovative firms, collaboration is a lifeline in times of trouble. Forty-seven percent of decision makers at these less innovative enterprises have found it difficult to keep their innovation efforts on track during the disruptive pandemic but have been able to keep employees productive thanks to their collaboration tools.

**“Our innovation efforts have operated with minimal disruption, and we’ve been able to collaborate with agility.”**

**MORE INNOVATIVE**

**35%**

**LESS  
INNOVATIVE**

**21%**

**“The biggest factor has been to change the mindset and culture of a formerly stagnant organization. By participating in innovation and reengineering efforts, our staff now see operations through the lens of continuous improvement.”**

**-Director, US government agency**

## Effective Collaboration Leads To Large Revenue Increases

Regardless of innovation maturity, collaboration efforts to date are paying off for all. General investments in support of effective collaboration have a significantly positive impact on firms' innovation efforts and the metrics they use to measure innovation like customer acquisition, revenue changes, and cost savings. Collaboration can have a particularly significant impact on the bottom line. Over half of decision makers whose firms track revenue as an innovation KPI have seen a large positive impact on revenue from collaboration efforts, delivering 7%+ increases in revenues on average.



**Firms have seen an average of \$330 million in additional revenue from their collaboration efforts.**

### “Of the innovation metrics that you are tracking, what impact have you seen from your collaboration efforts?”

- Large positive impact

The rate or number of new customers we acquire due to new products and services

64%

Broad changes in revenue

55%

Market perception and external visibility of corporate investments in innovation

52%

Revenue generated through new products and services that were generated through innovation

50%

Savings made as a result of the products and services that were generated through innovation

47%

Employee participation in innovation

47%

How quickly customers adopt new products and services when we introduce them

47%

Shifts in our business model

44%

## Invest In Collaboration To See Substantial Dividends

As organizations look for ways to digitally transform, they will increasingly meet a slew of potential barriers. Workforces that have historically relied on manual processes and face-to-face interactions will increasingly be forced to work remotely, decreasing agility and stalling out even the most well-intentioned innovation efforts. High-bandwidth collaboration can help, playing a critical role in aligning innovation from top to bottom and across organizational units. Organizations that invest in processes and solutions to enable collaboration and visibility across lines of business will not only enjoy myriad business benefits today; they will also be better equipped to handle the challenges of a rapidly changing future.

### Project Director:

Rachel Linthwaite, Senior  
Market Impact Consultant

### Contributing Research:

Forrester's CIO research  
group

## Methodology

This Opportunity Snapshot was commissioned by Atlassian. To create this profile, Forrester Consulting conducted an online survey with 155 collaboration IT and line-of-business decision makers at enterprises in the US, Australia, France, Japan, Germany, and the UK. The custom survey began and was completed in May 2020.

### ENDNOTES

<sup>1</sup>These are the two features noted as most valuable in a collaboration management solution, selected by over 40% of respondents. Both capabilities speak to the desire respondents have to embed collaboration management tools within their existing ecosystem and scale across the enterprise.

### ABOUT FORRESTER CONSULTING

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## Demographics

### GEOGRAPHY

33% US

34% EMEA

33% APAC

### COMPANY SIZE

37% \$300M to &lt; \$1B

36% \$1B to &lt; \$5B

17% \$5B to &lt; \$10B

10% \$10B+

### RESPONDENT LEVEL

32% C-level

23% VP

45% Director

### DEPARTMENT (TOP 4)

39% IT/developer

19% Finance

15% Operations

13% HR

A close-up, slightly angled view of a vintage globe. The globe is mounted on a dark wooden stand, which is visible on the left side. The map on the globe shows North America, Central America, and the Caribbean Sea. The colors are muted, with landmasses in shades of yellow and green, and oceans in a dark teal. The text 'FORRESTER' is superimposed in the center of the image in a white, serif font. The globe's surface shows signs of age, with some wear and discoloration. The lighting is soft, highlighting the texture of the globe and the wood of the stand.

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