

Skills gaps, lack of budget, and competing initiatives holding back innovation in Australian and New Zealand enterprises: Boomi and Vanson Bourne

Research reveals hurdles remain despite Australian and New Zealand enterprises transforming far quicker than Asia-Pacific peers

Sydney, Australia – June 24, 2020 – Boomi™, a Dell Technologies™ business, today announced Australian and New Zealand findings from its global research report, *The State of Modernisation, Transformation, and Innovation in the Digital Age*, which found enterprises on either side of the Tasman were far more confident in their ability to innovate than their Asia-Pacific (APAC) neighbours.

The report, commissioned with Vanson Bourne, found 27 per cent of Australian enterprises and 20 per cent of those in New Zealand ‘completely disagreed’ with the notion their organisations were struggling to innovate quickly enough, compared to the APAC average of only 12 per cent.

The survey of 1,200 business and IT decision-makers around the world, including Australia and New Zealand (A/NZ), also found that despite A/NZ businesses showing the most confidence in their ability to innovate at a competitive rate, skills gaps continued to hold projects back.

For Australian respondents, insufficient in-house skills (35 per cent), multiple competing initiatives (35 per cent), and a lack of budget (34 per cent) were the most cited organisational hurdles. The skills gap in New Zealand was far more pronounced with 56 per cent of enterprises reporting that a lack of internal skills hampered innovation efforts, followed by insufficient budget (39 per cent), and too many competing initiatives (33 per cent).

Although Australian enterprises reported that a lack of internal skills was the most common handbrake on innovation, the nation was far better placed than its APAC neighbours, with 50 per cent of enterprises across the region lamenting their levels of technical debt.

Nicholas Lambrou, Managing Director A/NZ at Boomi, said the research showed enterprises across A/NZ saw the burning need to transform and many were turning to ‘low-code’ or code-free technology, particularly integration platform-as-a-service (iPaaS), to bridge internal skills gaps.

In both nations, iPaaS was the most popular solution when it came to integrating on-premise and cloud applications with 48 per cent of Australian businesses and 35 per cent of New Zealanders planning to leverage the technology in the next 12 months.

“The time for change isn’t coming – it’s already here,” he said. “More than 90 per cent of Australian enterprises and 100 per cent of our Kiwi counterparts agreed technology will redefine how their businesses operate within the next decade. The skills gaps that continue to hold businesses back from achieving their aims show that the code-heavy architectures of legacy environments become more of a liability every day.”

“Tellingly, almost 9 in 10 Australian businesses and 95 per cent of those in New Zealand have already begun their transformation journeys. As these projects progress, the need to easily integrate a mix of on-premise and cloud applications – while juggling multiple initiatives – will highlight just how complicated and costly manual integrations and legacy middleware are as they hold enterprises back from their desired future states.”

Interestingly, while Australian and New Zealand businesses showed the most confidence in their ability to rapidly transform, the two nations had different views on the nature of those journeys.

Whereas 34 per cent of Australian enterprises reported they had almost completed transformation projects, this was true for only 10 per cent of those in New Zealand. However, when asked if they were continuing to look for ways to improve transformation projects, only one quarter of Australian respondents said they were doing so, compared to 45 per cent in New Zealand.

“Despite sharing many of the same values, it seems the outlook on what transformation entails is quite different,” Lambrou said. “This data may suggest that whereas Australians tend to see transformation projects as a journey with a defined final destination, New Zealanders think of transformation as more of an ongoing, continuing process of technological adaptation and evolution.”

The report also revealed:

Across the Tasman, enterprises had different drivers behind innovation initiatives: Australian companies cited improving the customer experience (53 per cent) and gaining a competitive advantage (52 per cent) as the primary aims of innovation initiatives, while New Zealand businesses were more concerned with moving into new markets (50 per cent) and gaining a reputation as an innovative brand (50 per cent).

Hybrid Cloud approach favoured by majority of business across A/NZ in the short term. In both Australia and New Zealand – as well as across the wider APAC region – a mix of on-premise and cloud applications was the preferred architecture. Looking to the next 12 months, only four per cent of Australian businesses and five per cent of New Zealand businesses said all their applications would be cloud based. While 82 per cent in Australia and 85 per cent in New Zealand favoured a Hybrid Cloud approach.

Despite Hybrid Cloud supremacy, A/NZ businesses most concerned in APAC on shifting applications to the cloud: Although a hybrid approach was the favoured application mix for both New Zealand and Australian businesses over the next 12 months, the two nations reported the highest number of organisations keeping all their applications on-premise in APAC. In New Zealand, 10 per cent were keeping all apps in-house, while eight per cent were doing so in Australia. The next closest was Singapore with five per cent, which was also the average across APAC.

While technology priorities were similar in both countries, New Zealanders were more enamored with IoT than Australians. When asked which technologies were receiving the largest investment as part of innovation initiatives, the top five priorities for Australian enterprises were Data Streaming (37 per cent), Big Data Analytics (33 per cent), Artificial Intelligence (31 per cent), iPaaS (30 per cent), and Security (29 per cent). In New Zealand, the key technologies were Security (44 per cent), iPaaS (39 per cent), Big Data Analytics (39 per cent), IoT (33 per cent), and Artificial Intelligence, Machine Learning, and Robotics (all three were cited by 28 per cent of respondents).

“Whether those concerns are issues around data sovereignty, security, or even the lack of internal skills to manage such a transition, businesses in A/NZ showed the most trepidation about shifting workloads to the cloud across APAC,” Lambrou said.

“New and unexpected complexities introduced by the ‘new normal’ of work have made continued modernisation, transformation and innovation more important than ever. It is imperative business and IT decision makers turn their attention to connecting their digital assets – whether all on-premise, cloud, or a mix of the two – to further reduce cost, accelerate time to value, and ensure business can stay productive in these uncertain times.”

Methodology

Boomi partnered with Vanson Bourne to survey more than 1,200 IT decision makers and business decision makers from 19 countries across North America, EMEA, and Asia-Pacific (including Australia and New Zealand). Respondents represented eight key sectors and companies ranging from 500 to more than 3,000 employees.

About Boomi

Boomi, a Dell Technologies business, instantly connects everyone to everything with our cloud-native, unified, open, and intelligent platform. Boomi’s integration platform as a service (iPaaS) is trusted by more than 11,000 customers globally for its speed, ease-of-use, and lower cost of ownership. As the pioneer at fueling intelligent use of data, Boomi’s vision is to make it quick and easy for customers and partners to discover, manage, and orchestrate data, while you connect applications, processes, and people for better, faster outcomes.

For more information, visit <http://www.boomi.com>.

© 2020 Boomi Inc. Dell, Dell Technologies, Boomi, the ‘B’ logo, Atom, Atomsphere, Molecule, and Dell Boomi are trademarks of Dell Inc., or its subsidiaries. All rights reserved. Other names or marks may be the trademarks of their respective owners.

Special note:

Statements in this material that relate to future results, future hiring, and future events or investment are forward-looking statements and are based on Boomi’s current expectations. In some cases, you can identify these statements by forward-looking words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “confidence,” “may,” “plan,” “potential,” “should,” “will” and “would,” or similar expressions. Actual results, hiring, customer trends, and events in future periods may differ materially from those expressed or implied by these forward-looking statements because of a number of risks, uncertainties and other factors, including the challenge of finding and onboarding new personnel, marketplace trends, ongoing management attention to the market, the uncertainties associated with technology changes and the development and release of new technology. Boomi and Dell Technologies assumes no obligation to update any such forward-looking statements.

##

Contacts

Chloe Curby

mailto: chloe.curby@watterson.com.au