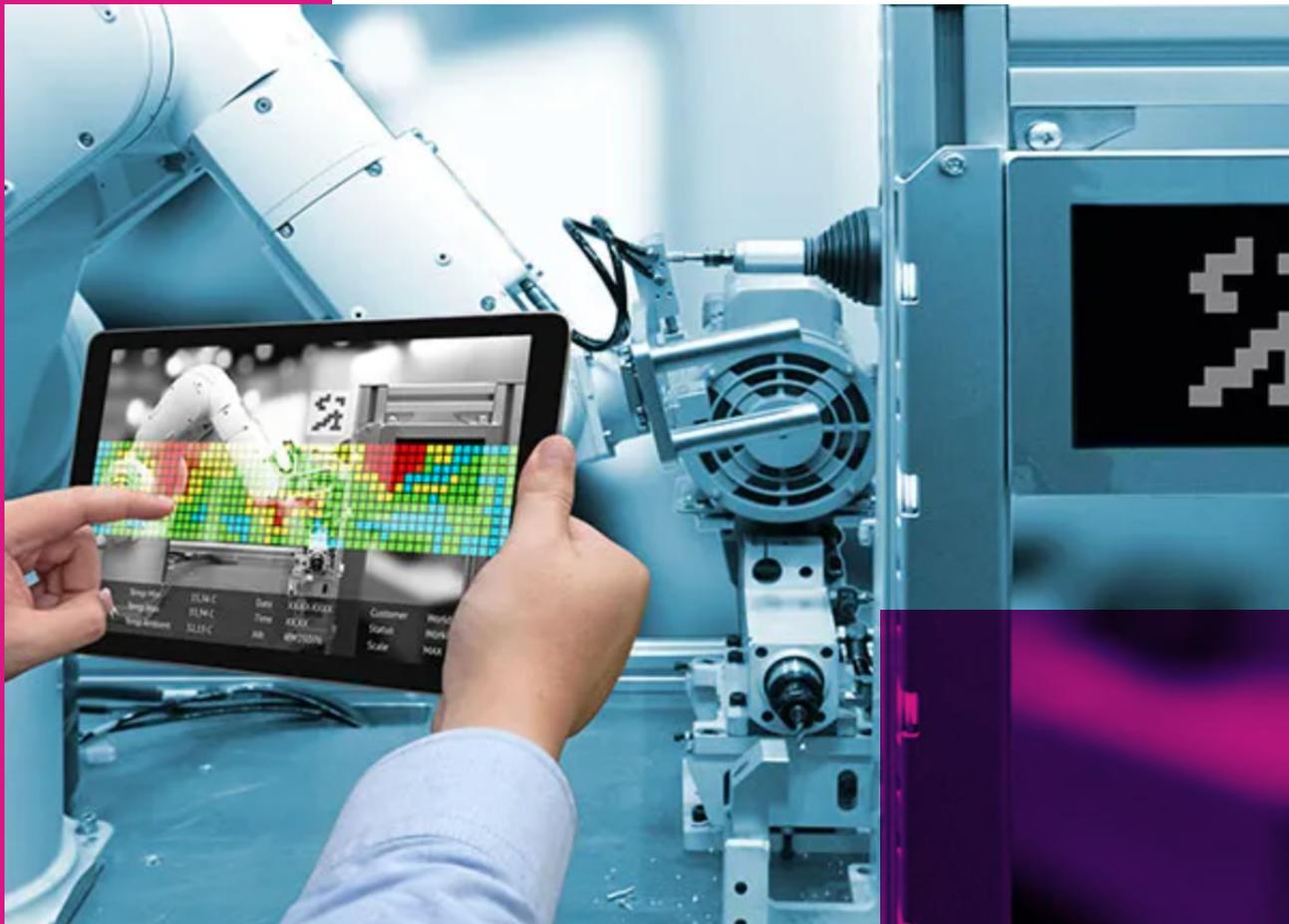


ICBE

IRISH CENTRE
FOR BUSINESS
EXCELLENCE



DIGITAL TRANSFORMATION **REPORT**

ICBE Industry Benchmarking Survey

Introduction

In recent months, the ICBE team has received requests from our members for training and other supports relating to digital transformation and Industry 4.0.

In analysing member requirements, it became apparent that there is a diversity of interpretation and implementation of digital transformation across manufacturing sectors. We also noted that the scale of digital transformation varies widely from local solutions to implementing global design.

This prompted us to carry out a survey in May 2021 with our member companies to;

- identify the level and rate and nature of digital transformation in the Irish manufacturing sector
- give our membership an opportunity to describe the support and/or advice they need from ICBE to facilitate their digital journeys
- share any knowledge or experience in this area

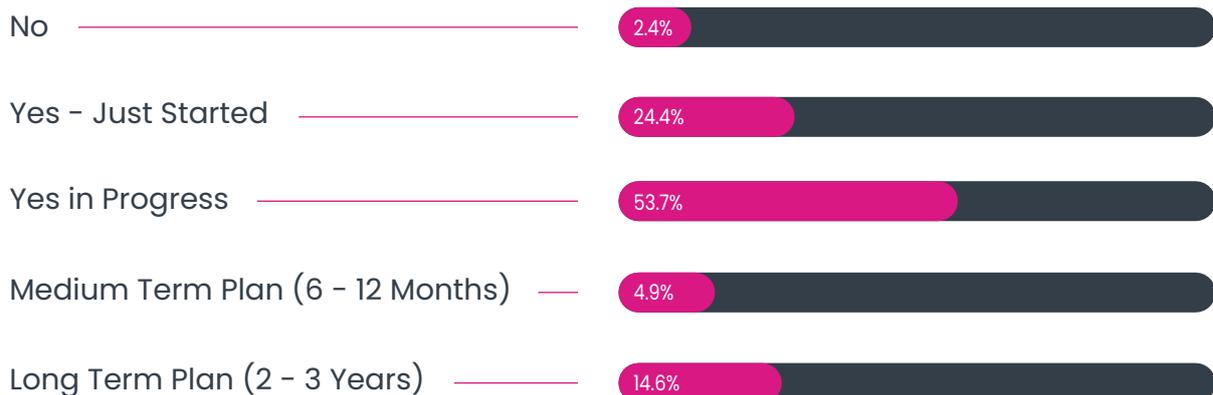
Our objective in conducting the survey is to give our membership an opportunity to describe the support and/or advice they need from ICBE to facilitate their digital journeys, and to share any knowledge or experience in this area.

By gathering this data, ICBE can better serve the training, advisory or knowledge-sharing requirements of our members. We sincerely thank our member organizations that took part in the survey. A summary of responses and additional data is presented in this report.



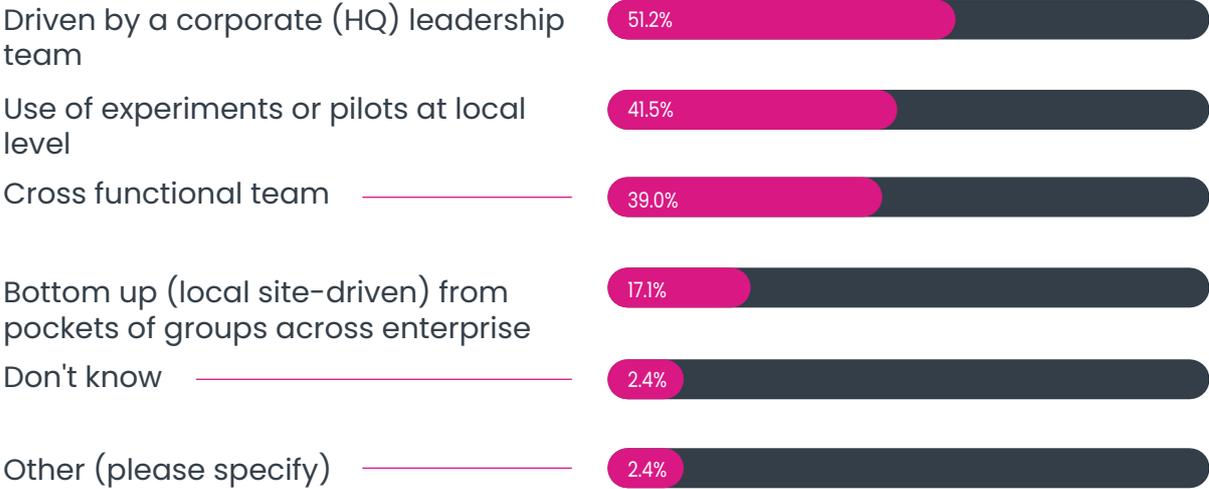
Survey Response

1 Is your organization adopting Industry 4.0 or planning Digital Transformation implementation?



2

How is your organization implementing Industry 4.0 or digital initiatives? (Select all that apply)



Question 02 - Additional Data

Regional digital lighthouse approach

There is no explicit 4.0 drive, its an organic growth process

Part of site strategic plan (21/22) facilitated by Operational Excellence team

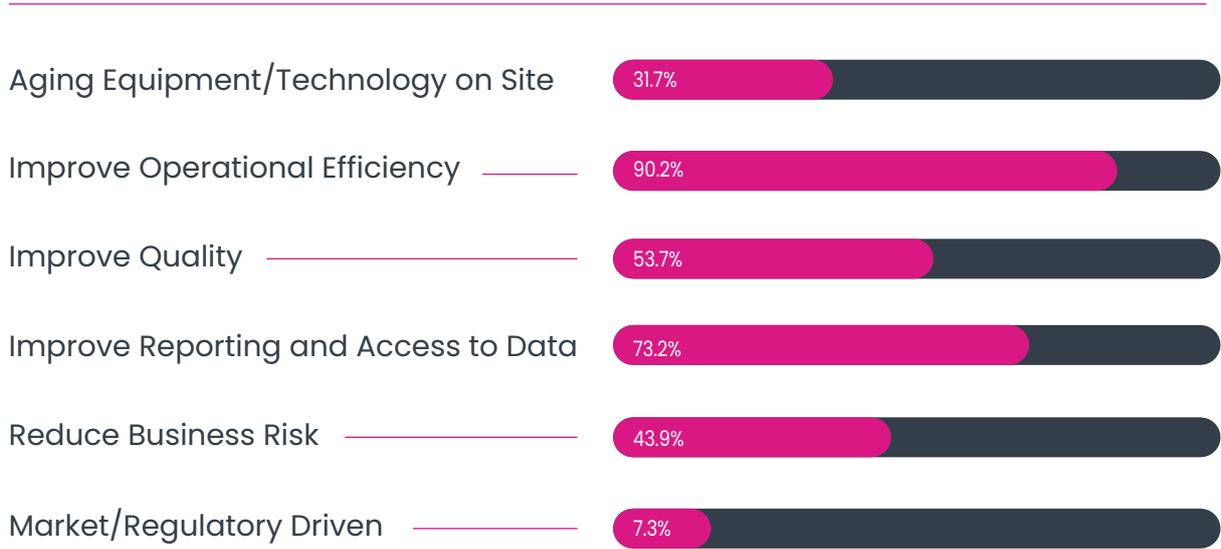
All new IT projects will use agile approaches and teams.

We operate from a core centre of excellence for digital and automation and distribute change across the network.

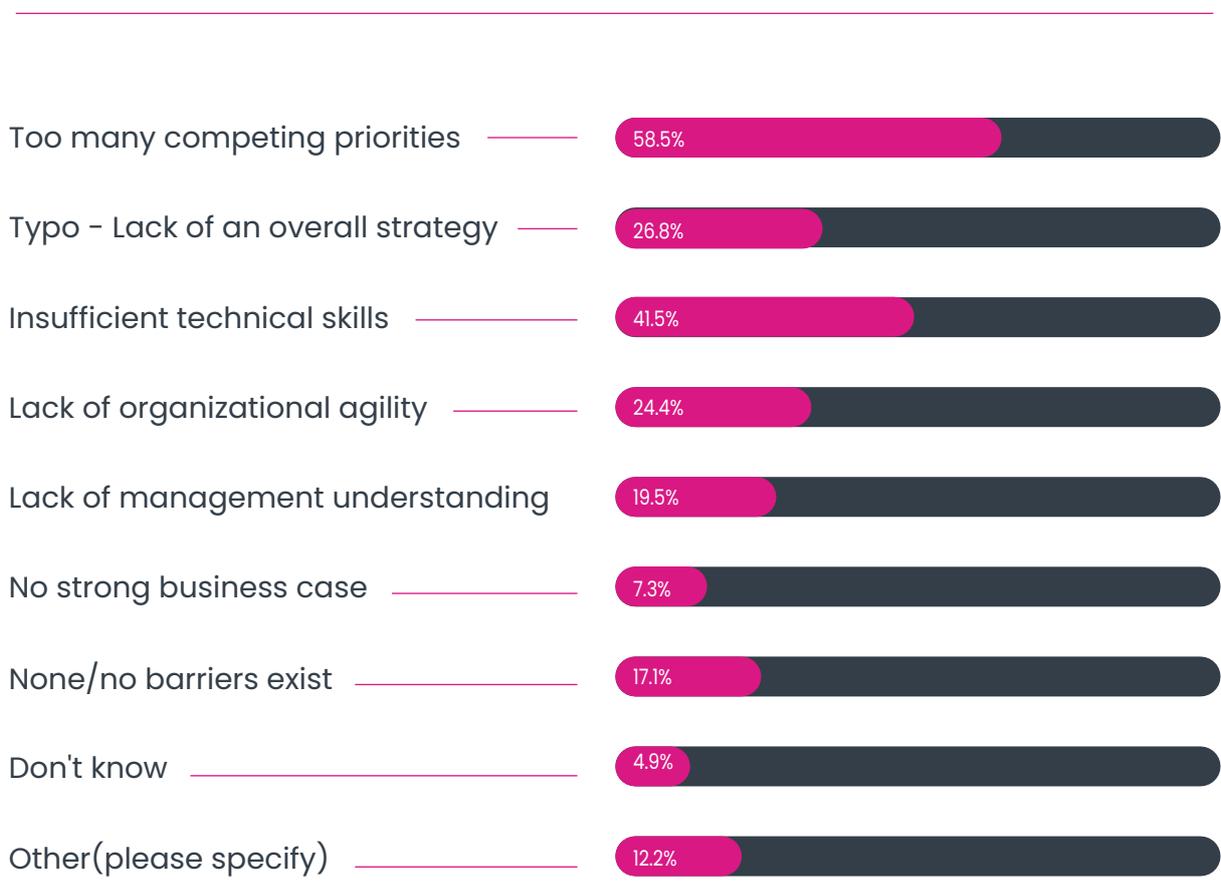
Started 3 years ago with lighthouse projects - experimentation. Developed initial strategy which included training 25 employees. Cross functional approach being currently taken.

A mix of the above. It is being led at a corporate level but we are also using experiments, pilots, MVP's, adopting Agile methodology for DE projects.

3 What is the business driver for Industry 4.0/ Digital Transformation adoption in your organization (Select all that apply)?



4 What barriers are impeding your organization from taking advantage of digital trends? (select up to three)



Question 04 - Additional Data

Multiple global projects are underway to build a foundation to enable greater digitalisation

Finance

Data driven metrics and changing the ways of working (can lead to a level of resistance but working on showing the benefits)

Resources required to implement hardware and software. Requirements to manage new technology going forward on top of already busy schedules.

Requires investment and in current climate that is somewhat restricted

Currently pockets of excellence without an aligned site wide approach

Lots of similar and competing tools out there hard to identify the right solutions - not sure if its possible to create a flow chart on data solutions to common problems

"a lot of" with Many companies are talking about digital transformation. This is a label on a process that has already been taking place, but in separate streams. Its a little bit of a buzz word right now, but does highlight the importance of the unification and agility of IT and the business.

There is space in this area to assist in designing a Strategy Development program which assesses the readiness for adaption.

Summary

The results indicate a variation in the level and pace of digital transformation among our member companies.

A significant majority of respondents (78.1%) indicate that they have either just started or are in progress with planning and adopting digital transformation.

In terms of the origination for digital transformation, 51.2% are implementing HQ-led initiatives, with significant digital lighthouse initiatives at local/site level (41/5%). These can be designed by cross-functional teams, using Agile methodology, MVP and pilots.

Responses also indicate that operational efficiency is the most significant business driver for digital transformation (90.2%), with improved access to data and reporting, also a common justification (73.2%). Quality, Risk Management and Ageing Equipment/Technology follow in descending order, with regulatory influences being the lowest-scoring business driver.

Barriers to implementing digital implementation, as identified by respondents, are competing priorities and insufficient technical skills. Other barriers include a lack of clear strategy, organization agility or management understanding, all of which score within a similar range.

Detailed comments to this question indicate the many competing technology solutions, lack of digital strategy and/or capital investment, impact on current operations are challenges to successful implementation.

