

# Human-Centricity Accelerates Successful Business Transformation

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# Executive Summary

In May 2023, Prophet commissioned Forrester Consulting to explore how firms use human-centricity when designing their transformation initiatives and assess how they are performing. We created a maturity model to assess how firms are incorporating human-centricity into their business strategies and change management practices. Those respondents whose organizations have established transformation initiatives, met projected stakeholder expectations, used human-aligned change management principles (i.e., having a defined vision, clear ownership, and distributed decision rights with growth and innovation driving more relevant customer experiences), and aligned their business strategy around the human are defined as “human-centric.” Those respondents whose organizations scored lower were labeled as “less human-centric.” We found the following:

1. Transformation efforts are driven by an average of three value drivers spanning across multiple business areas. These efforts are vital to future business success and have only become more important in light of recent economic uncertainty.
2. Firms focused on human-centric transformations are more likely to see successful transformation efforts. They are:
  - 10x more likely to see revenue growth of 20% or higher.
  - Able to engage employees better and create experiences that delight across all the stakeholders that they impact.
  - Experience improved levels of innovation, time to market, creative differentiation, and ability to capture new markets with enhanced product offerings.
3. Human-centered transformation strategies are:
  - Anchored on growth and focused on innovation and creativity to create experiences that delight.
  - Focused on improving the ability to capture and predict customer needs and employees’ ability to deliver on them.
  - More likely to consider purposefulness and adaptability as key pillars of culture to engage employees and attract talent.
  - Led by a C-level transformation owner who leads by example.
4. Less human-centric transformations are more likely to look inward at cost optimization through business efficiency improvements in areas like their day-to-day operations and product innovation departments.
5. Human-centricity acts as the “how” behind successful transformation efforts; without it, less human-centric initiatives struggle to get off the ground.
6. Decision-makers focused on human-centric transformations are investing in their people, improvements to their brands, and partners to keep their stakeholders at the heart of every transformation.

# Defining The Attributes Of A Human-Centric Business Transformation Strategy

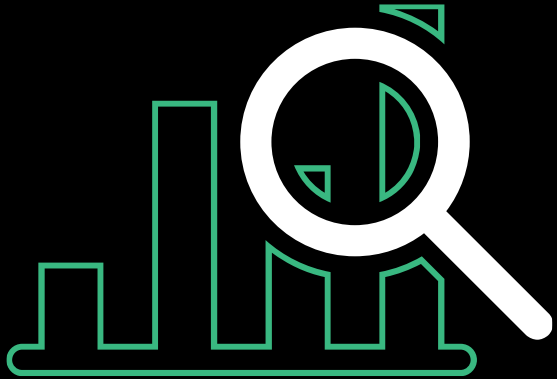
## HUMAN-ALIGNED CHANGE MANAGEMENT ATTRIBUTES

<b>MIND</b> (e.g., talent, capabilities, skills)	My organization has defined the skills and roles needed to achieve its vision and developed a mechanism to reskill talent.
	My organization has set a powerful, actionable vision and developed a clear roadmap and correlative KPIs, which are assessed on a regular basis.
<b>BODY</b> (e.g., organization, governance, process, roles, systems, tools)	My organization has aligned incentives to drive cross-functional work and set a talent system in service of the transformation.
	My organization has pushed decision rights downward, enabling the organization to own and drive success.
	My organization has empowered an independent team outside of the existing organization structure to lead and run the transformation.
<b>SOUL</b> (e.g., mindsets, behaviors, motivations, stories, symbols, rituals)	My organization has set up mechanisms to rapidly share successes and lessons learned, while recognizing and rewarding progress, not just outcomes.
<b>DNA</b> (e.g., purpose, values, brand, EVP, strategy)	My organization has established effective transformation governance, with agile decision-making and dedicated transformation teams.
	My organization has transformation owners who lead by example.



## HUMAN-CENTRIC BUSINESS ATTRIBUTES

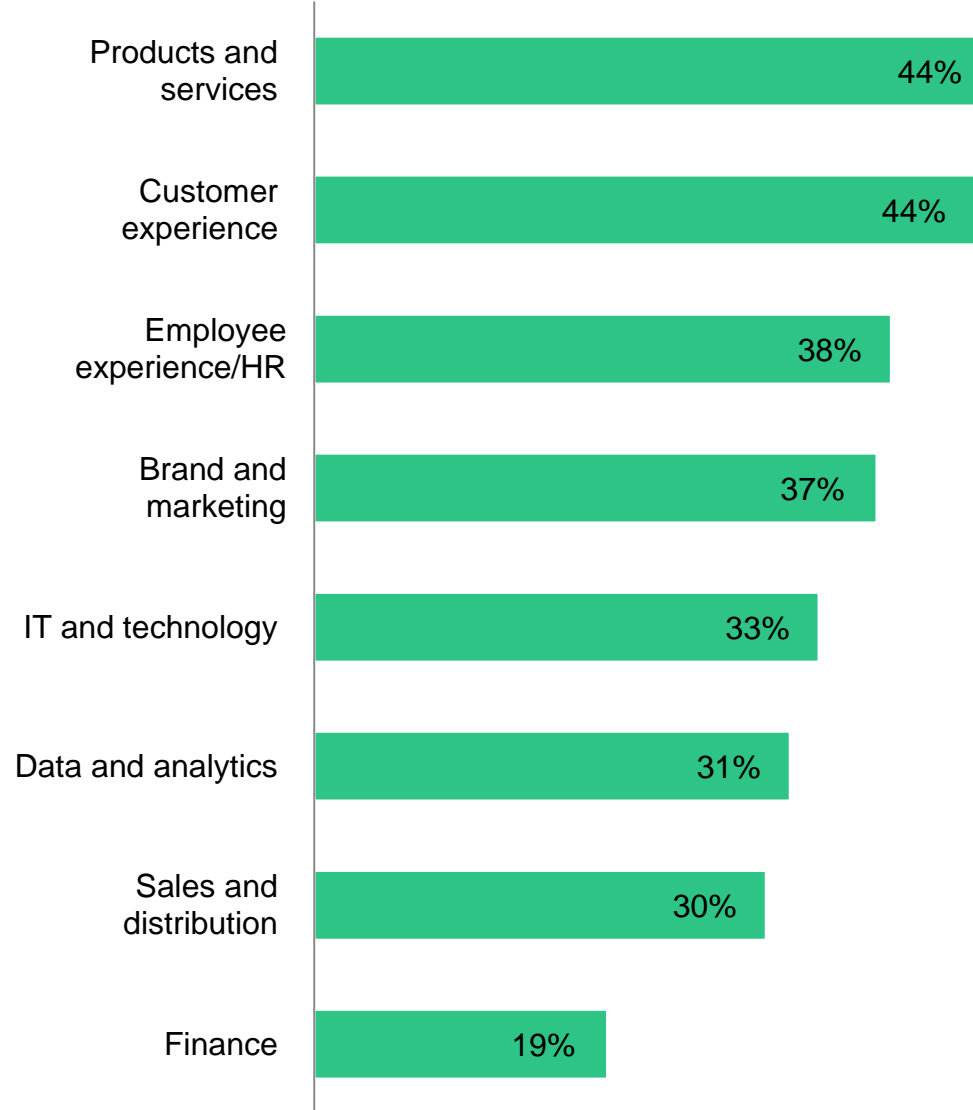
<b>CREATIVITY-BASED PERFORMANCE MEASUREMENT</b>	My company has adopted creativity-based performance measurement — we intentionally measure creative activities and how they create stakeholder value (e.g., Net Promoter Score [NPS], EX scores, etc.).
<b>CUSTOMER-FOCUSED OPERATING MODEL STRUCTURE</b>	My company's operating model enables distributed decision-making at the customer level proximity within the organization.
<b>HUMAN-CENTERED BUSINESS OUTCOMES</b>	My company is focused on human-centric business outcomes (e.g., new product development is focused on people-centric aspects of our brand and products).
<b>HUMAN ANALYTICS</b>	My company collects human-centered data and insights at scale to continually optimize and measure all stakeholder sentiments, expectations, changing needs, etc.

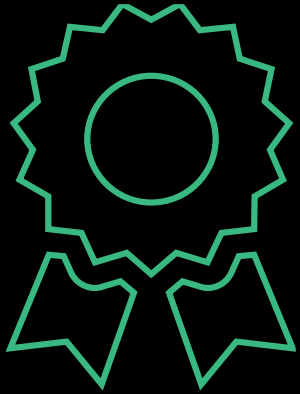


## Decision-Makers See Transformation Value Drivers Spanning Multiple Business Areas

They indicate an average of three types of transformation value drivers behind their initiatives.

### Types Of Transformation Value Drivers



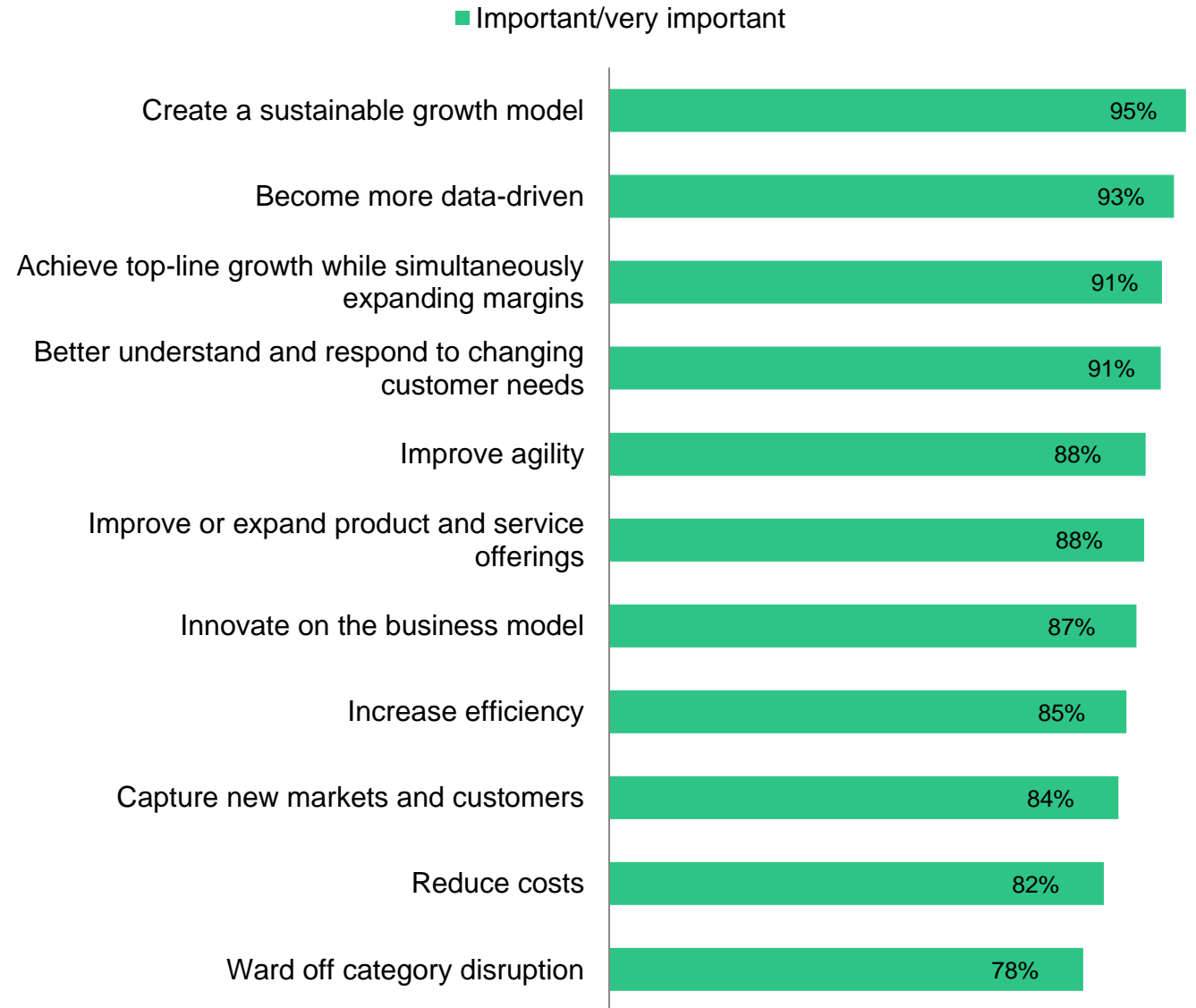


## Those Transformation Initiatives Are Vital To Future Business Success Even During Economic Uncertainty

**98%**

noted transformation efforts have become more important due to economic uncertainty.

### “How important is the success of your transformation initiatives in meeting these goals?”



Base: Variable organizational growth and transformation decision-makers at global enterprise companies

Note: Showing top 8 responses

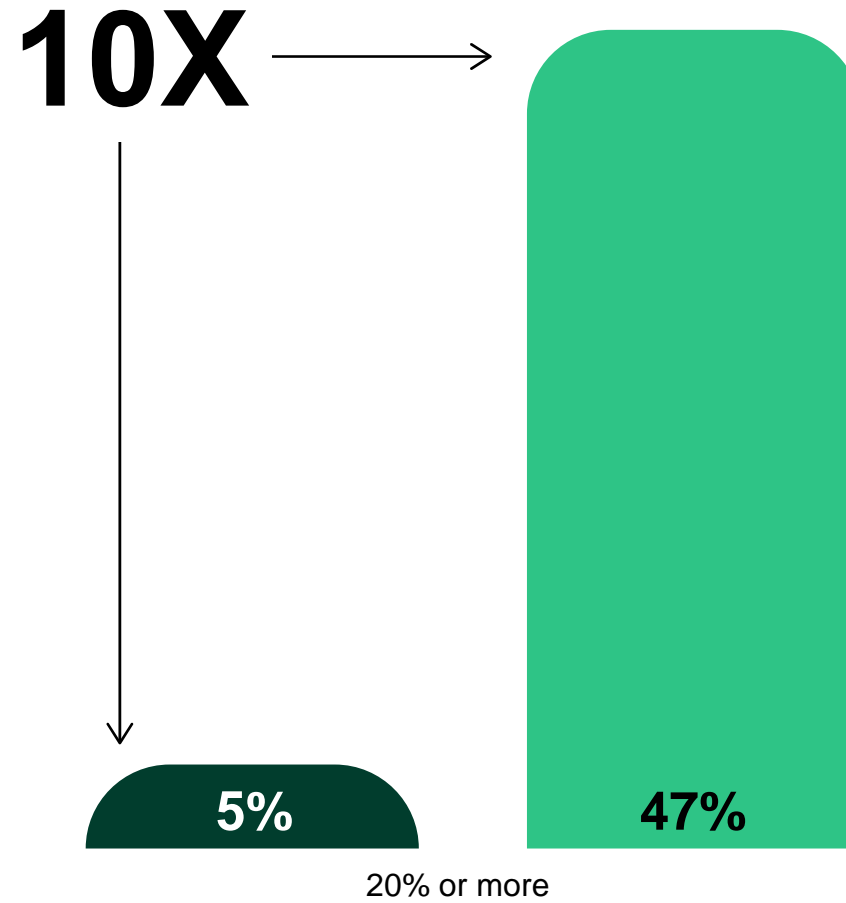
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023



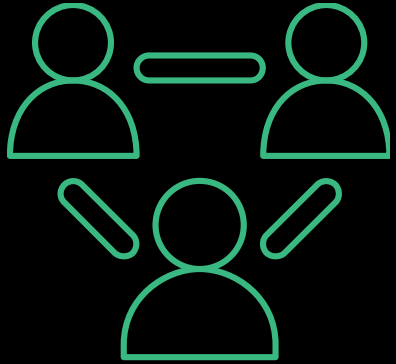
Firms With A  
Human-Centric  
Approach To  
Transformation  
Are 10x More  
Likely To See  
Revenue Growth  
Of 20% Or More

“Please estimate your company’s year-over-year revenue growth rate for its most recently completed fiscal year.”

■ Less human-centric ■ Human-centric



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations  
Note: Not showing all options  
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

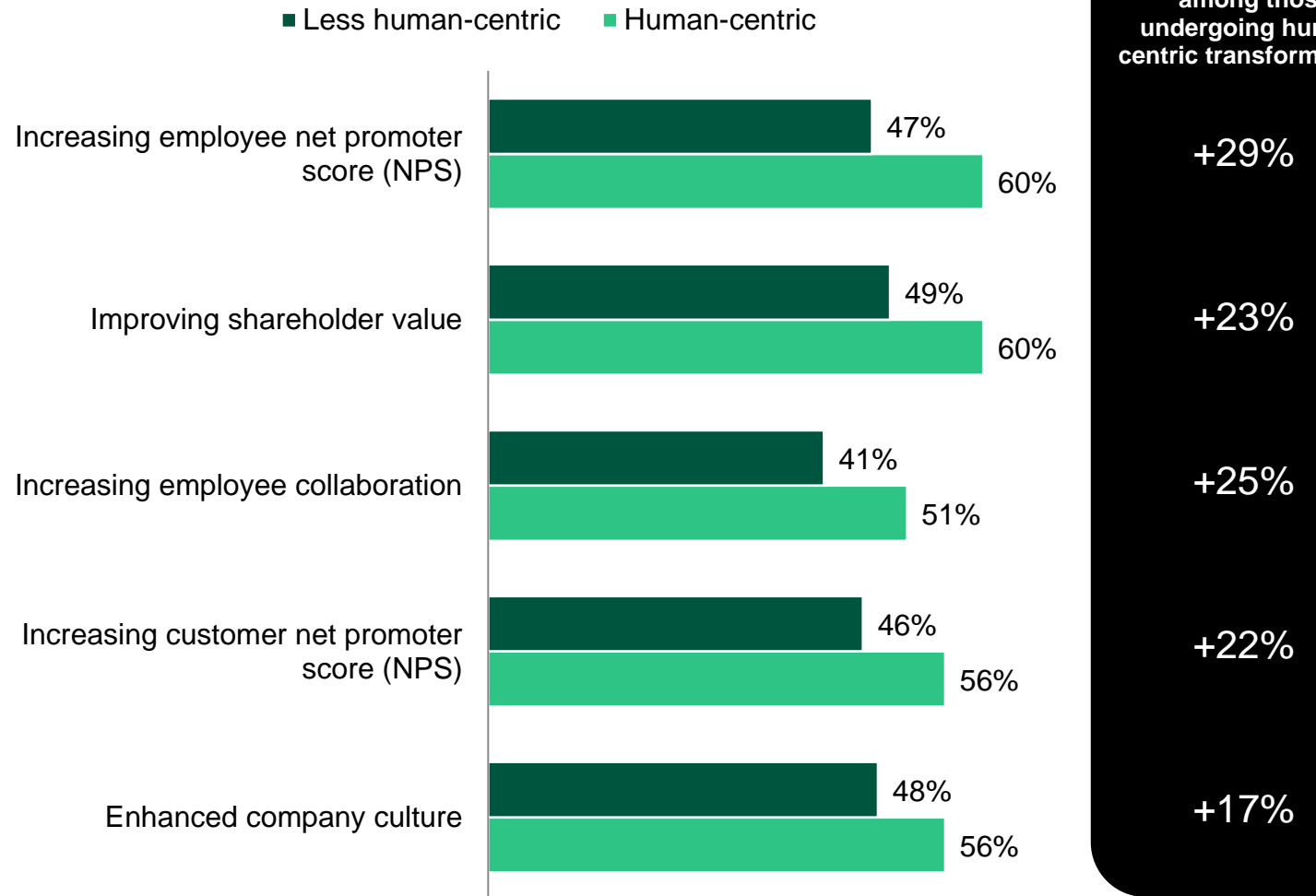


## Successful Firms See Greater Engagement And Experiences Across All Stakeholders

They are most likely to experience increasing employee NPS scores — indicative of the importance involving employees has on transformation success.

“Which of the following stakeholder benefits have you realized/do you expect to realize resulting from your transformation initiatives?”

(Showing “This is a benefit we have already achieved”)



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations

Note: Showing “This is a benefit we have already realized”; showing significant deltas between human-centric firms and less human-centric firms

Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

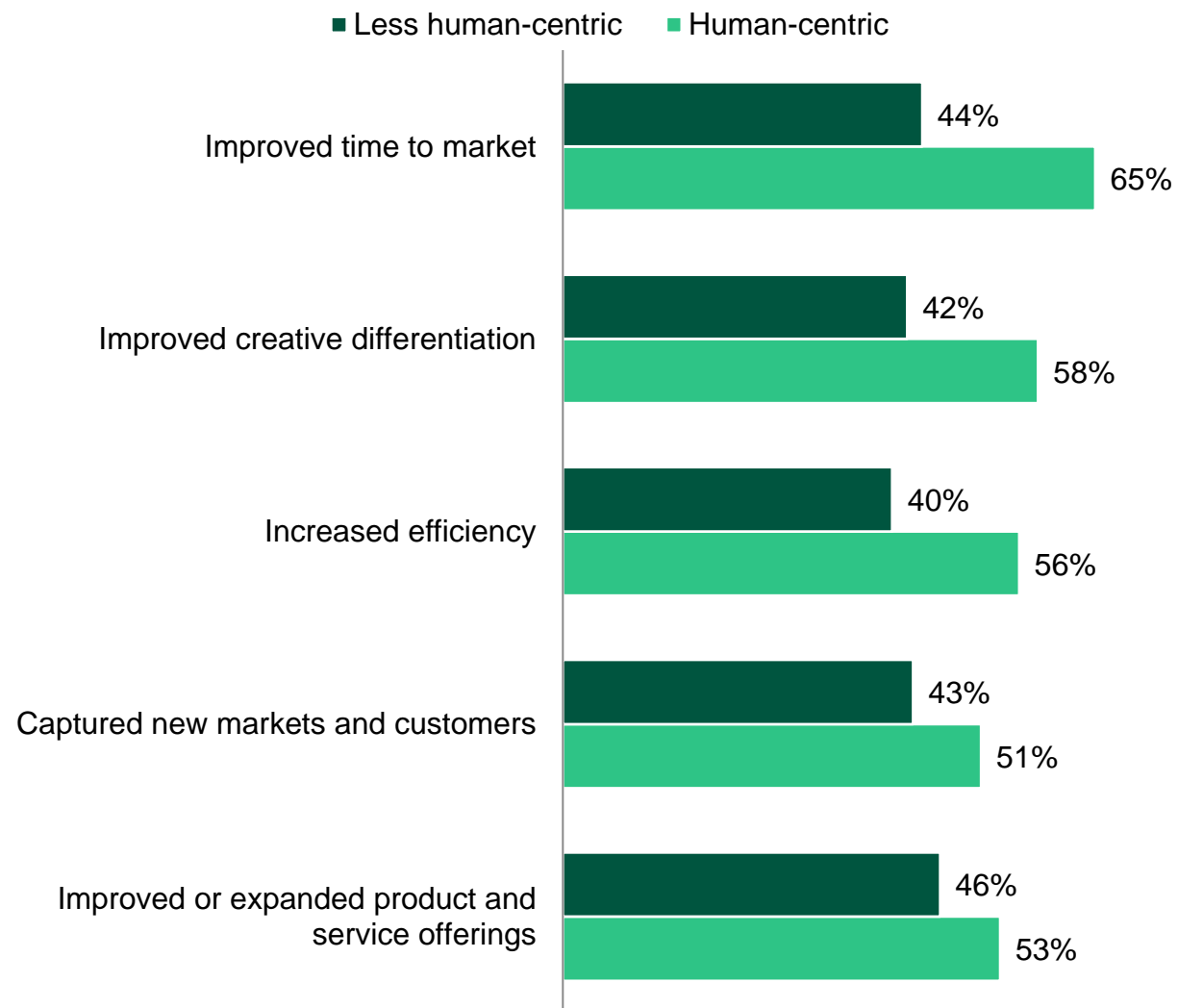


## Successful Firms Benefit From Higher Levels Of Improvement In Growth-Driving Capabilities

These growth-driving capabilities include innovation, time to market, creative differentiation, and expanded product offerings to capture new markets.

**“Which of the following operations-related benefits have you realized/do you expect to realize resulting from your transformation efforts?”**

(Showing “This is a benefit we have already achieved”)



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations  
Note: Showing top 5 responses by delta between Human-centric and Less human-centric  
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023



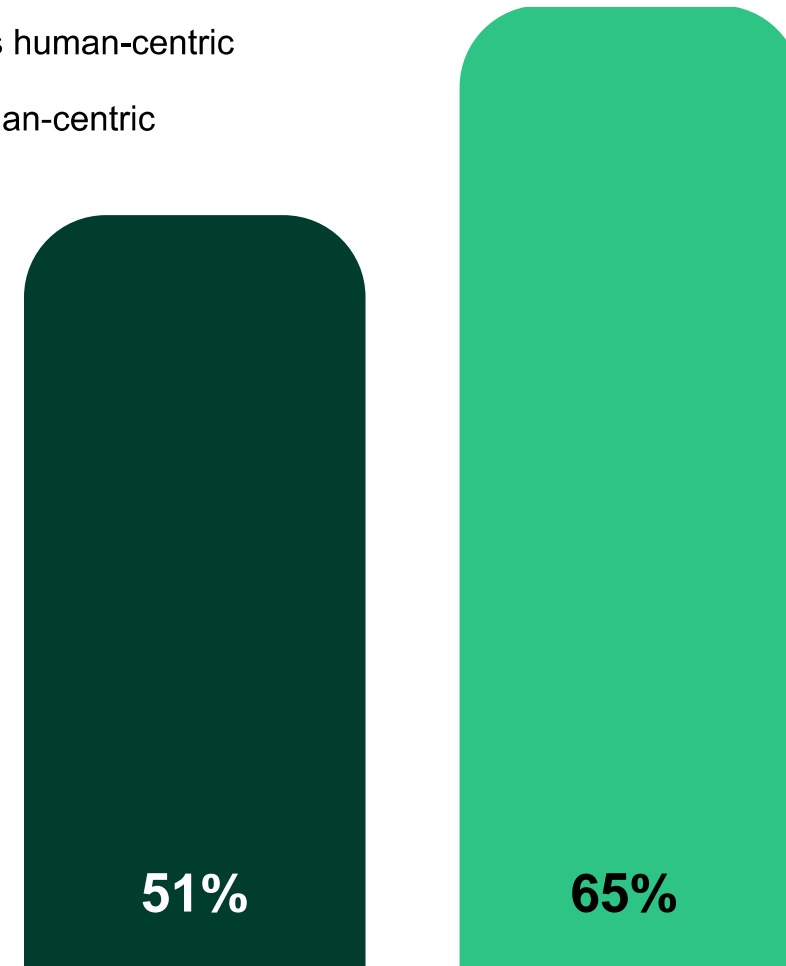
Firms Prioritizing Human-Centricity In Transformation Initiatives Are **28%** More Likely To Innovate On Transformative Ideas And Products

“Which of the following has your company already achieved or hopes to achieve via your transformation efforts?”

(Showing “We have already achieved this”)

■ Less human-centric

■ Human-centric



Moonshot innovation (i.e., ideas and products that revolutionize and reinvent the business)

Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations  
Note: Showing significant deltas between human-centric firms and less human-centric firms; not showing all options  
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

# Human-Centered Transformation Initiatives Anchor On Growth Rather Than Just Cost Optimization

“Which of the following best describe the rationale behind your company’s transformation initiative(s)?”

## Human-centric firms

58%

35%

■ Creating a new business line   ■ Optimizing our existing business model

## Less human-centric firms

43%

57%

■ Creating a new business line   ■ Optimizing our existing business model

Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations

Note: Not showing all options

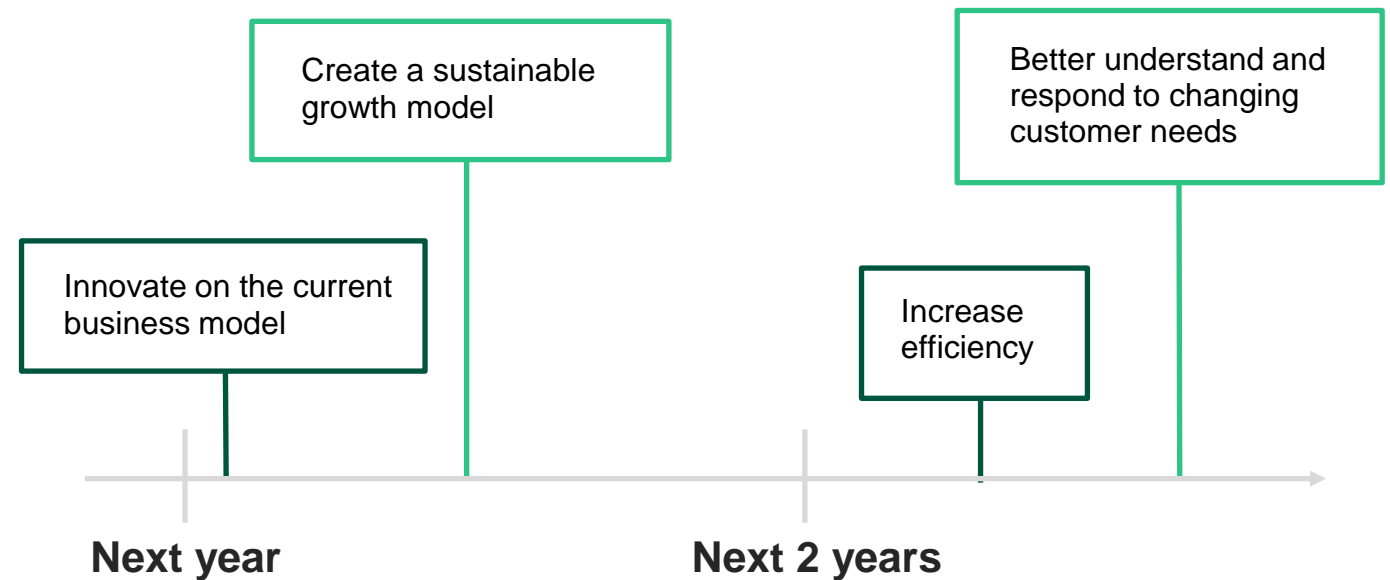
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

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Focusing On Growth Requires Innovation And Creativity In Meeting Customer Needs Compared To Simply Driving Costs Out Of The Business

## Top Business Goal Timeline

■ Less human-centric ■ Human-centric



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations  
Note: Showing significant deltas between human-centric firms and less human-centric firms; not showing all options  
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

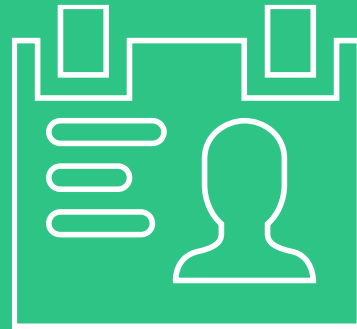
# Human-Centered Transformation Is Inherently Customer-centric

Human-centric transformation efforts focus on improving capabilities around understanding and responding to customer needs, rather than prioritizing internal efficiency improvements.

“What is your company doing to achieve its top transformation goals?”

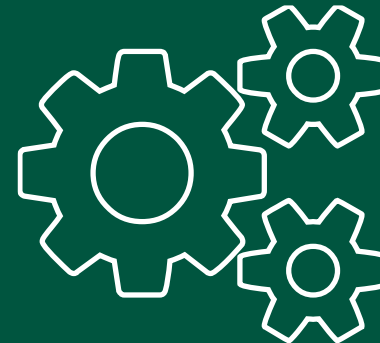
## TOP SELECTION AMONG HUMAN-CENTRIC FIRMS:

Improving the ability to better understand customers' changing needs



## TOP SELECTION AMONG LESS HUMAN-CENTRIC FIRMS:

Improving operational efficiency



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations

Note: Showing top option selected for human-centric and less human-centric firms

Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

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# Successful Companies Focus On Building Capabilities And Engagement With Employees To Deliver On Customer Needs

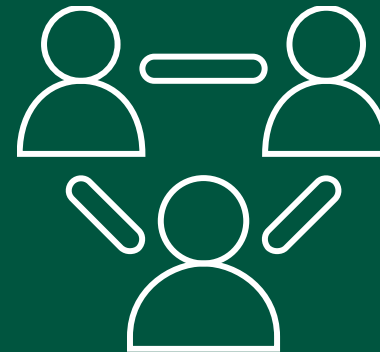
“Which of the following actions is your company taking to enable its transformation strategy?”

## TOP SELECTION AMONG HUMAN-CENTRIC FIRMS:

Anticipate customer needs and our employees' ability to holistically deliver on them



## TOP SELECTION AMONG LESS HUMAN-CENTRIC FIRMS:



Enhance collaboration between day-to-day operations and product innovation to reduce complexity and increase adaptivity

Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations

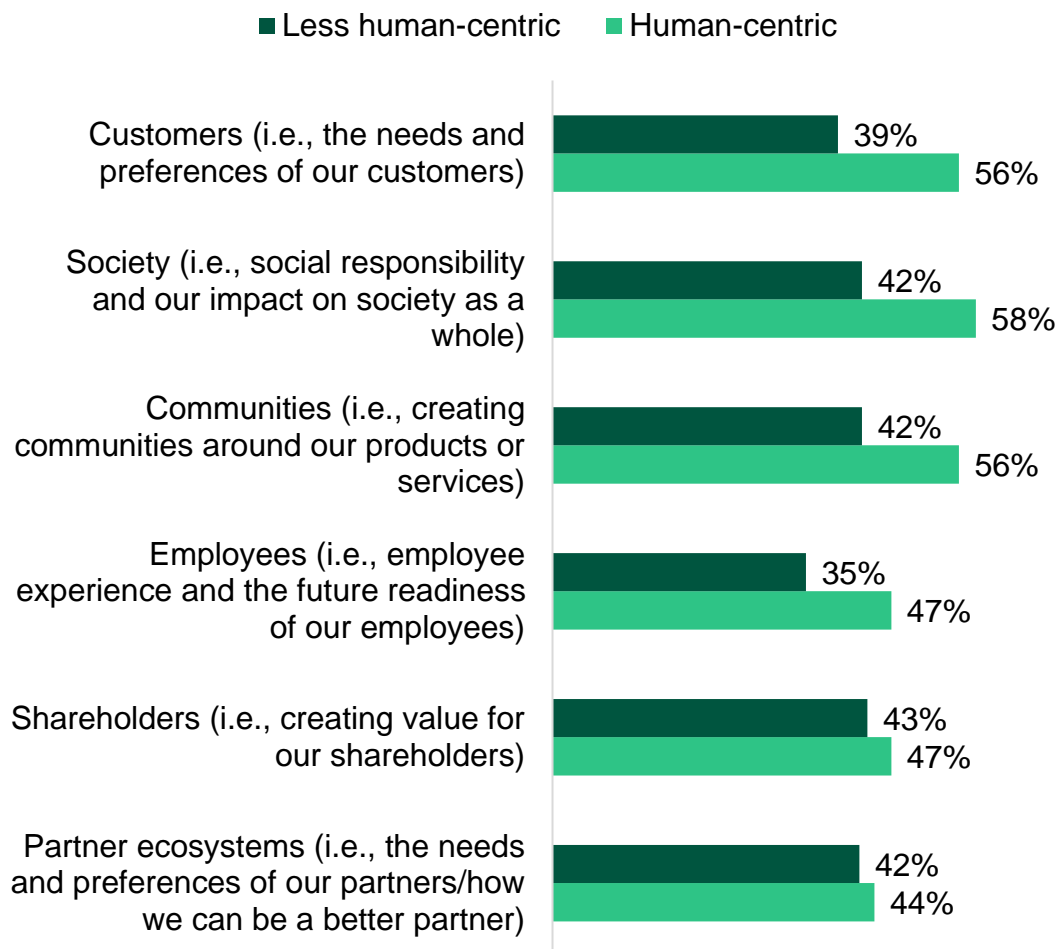
Note: Showing top option selected for human-centric and less human-centric firms

Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

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## “How important are each of the following stakeholders to your company when designing a transformation initiative?”

(Showing “We have already achieved this”)



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations

Note: Sorted by greatest delta among human-centric firms and less human-centric firms

Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

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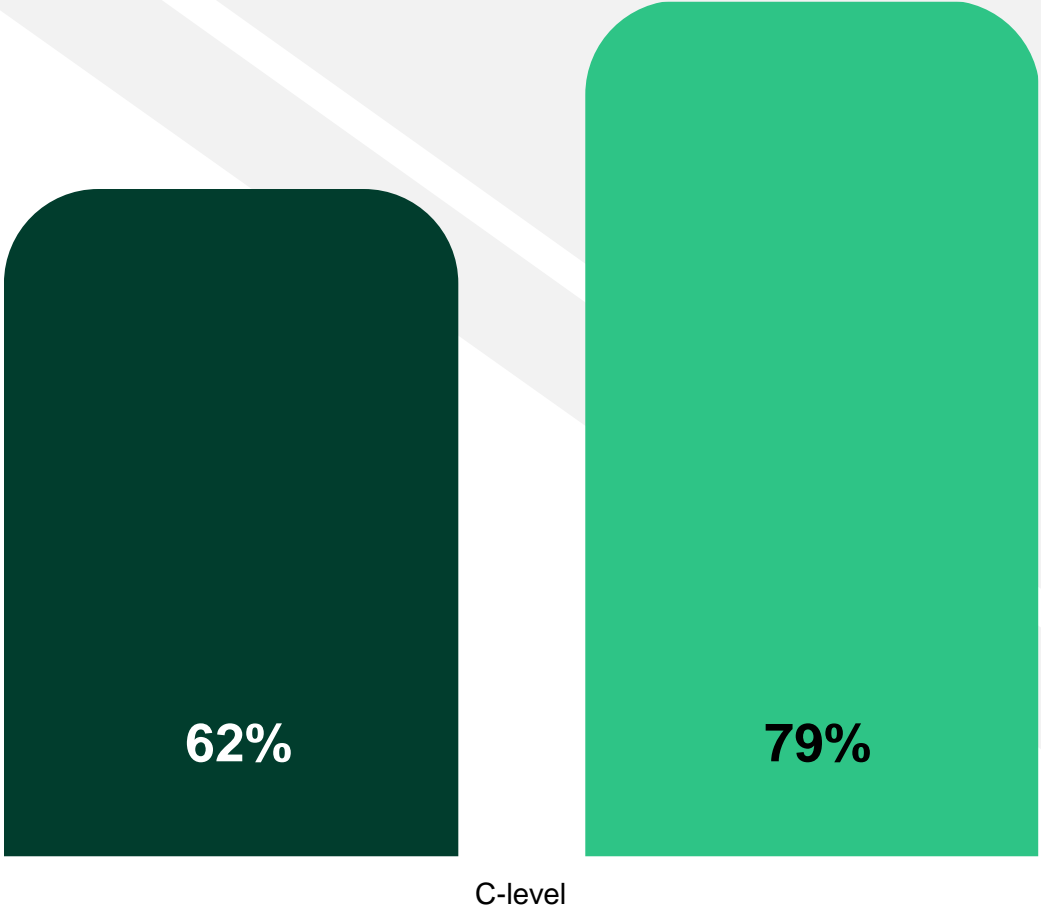
# Successful Companies Are More Broadly Focused On The Needs Of All Stakeholders



“What is the level of seniority of the owner of your company’s transformation agenda?”

■ Less human-centric ■ Human-centric

Companies That Incorporate Human-Centricity Into Their Transformation Strategies Likely Have A C-Level Transformation Leader Who Leads By Example



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations

Note: Not showing all options

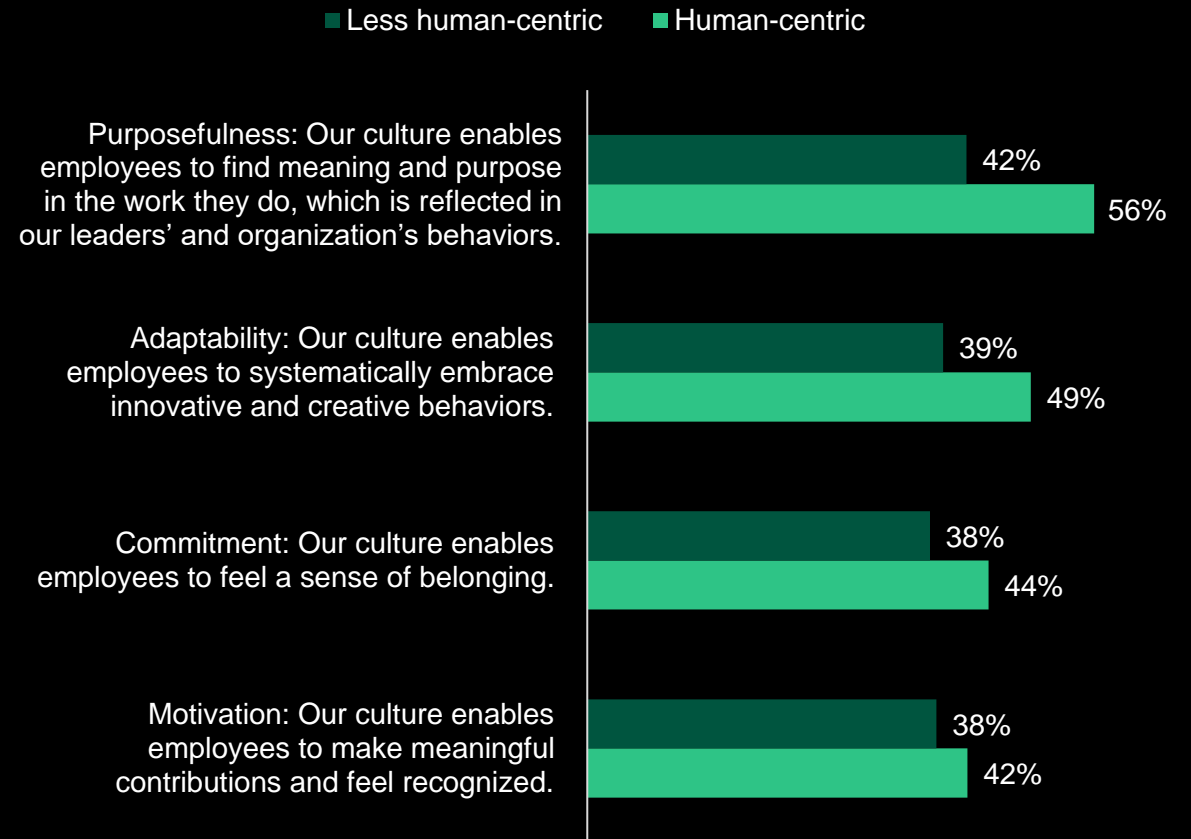
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

# Successful Companies Are More Likely To Consider Purposefulness And Adaptability As Key Pillars In Their Human-Centric Culture



**81%** of respondents at human-centric firms agree their culture encompasses **two or more** of these elements compared to just **55%** of less human-centric respondents.

“Please rate your level of agreement relating to your organization’s culture within the following categories.”  
(Showing “Strongly agree”)



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations  
Note: Showing significant deltas between human-centric firms and less human-centric firms; not showing all options  
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023



# Human-Centricity Is The “How” Behind Business Transformation Efforts

Without it, firms  
struggle with  
execution.

## Top Transformation Agenda Barriers For Initiatives That Are Less Human-Centric

1 Conflict between  
transformation needing  
long-term focus and  
shareholder demand for  
short-term performance

2 Aligning tech and human  
capabilities  
(i.e., realizing optimal value  
from alignment between  
humans and tech)

3 Having a clear  
understanding of  
the market and/or  
customer needs  
driving transformation

Base: 316 organizational growth and transformation decision-makers at global enterprise companies;  
43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers  
at lower-maturity organizations

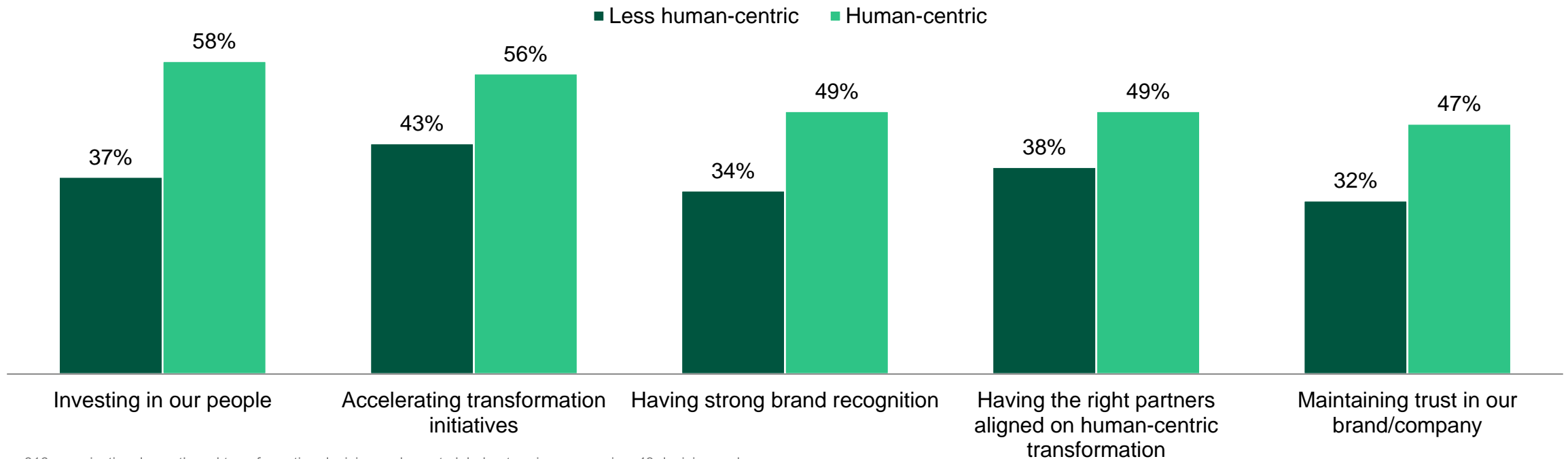
Note: Showing top three challenges selected by less human-centric firms

Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

# Those Prioritizing Human-Centricity Focus On Investing In Their People And Accelerating Transformation Initiatives ...

“How have your company’s investments in the following areas changed as a result of the economic uncertainty in the past 12 months?”

(Showing “We have significantly increased investment levels”)



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations  
Note: Showing options with significant differences between less human-centric and human-centric  
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

## “How valuable are external partnerships and expertise for transformation success in each of the following areas?”

(Showing “Very valuable”)



Base: 316 organizational growth and transformation decision-makers at global enterprise companies; 43 decision-makers at high-maturity, human-centric transformation organizations, 273 decision-makers at lower-maturity organizations

Note: Sorted by greatest delta between human-centric and less human-centric

Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023

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## ... But They Don't Go It Alone

They rely on help and expertise of external partners for business transformation success.

# Key Recommendations For Successful Human-Centric Transformation



## **Unlock outsized returns by taking a human-centric approach to growth and transformation.**

Our research shows that human-centric firms are 10 times more likely to see revenue growth rates of 20% or more. They achieve this by delivering differentiated products and experiences at speed. Acknowledge that human-centric muscle doesn't come out of the box — it needs to be built.



**Enhance your culture and keep your talent engaged through human-centric growth and transformation.** Most organizations can hire great talent, but only a few organizations can provide an environment that keeps this talent engaged and productive. Invest in employee experience and build a change-confident culture. Ensure that your brand conveys purpose to the organization and attracts the right people.



## **Make human-centricity a reality by adjusting outcomes, analytics, and incentives.**

Advanced organizations define, measure, and reward success based on human-centricity. Drive your change initiatives based on human-centric outcomes. Make them measurable by collecting human-centered data and insights. Incorporate these metrics into employee performance evaluations to reward creative solutions that deliver tangible client value.

# Methodology

In this study, Forrester conducted an online survey of 316 organization growth and transformation decision-makers. The study included respondents at enterprises in North America, EMEA, and APAC who are in the process of undergoing a transformation initiative. Participants were involved in healthcare, financial services, retail, TMT (technology, media, and telecom), or manufacturing and industrials. Questions provided to respondents asked a variety of topics related to their transformation agenda, their transformation strategy, and how they are performing. Respondents were offered a small incentive as a thank-you for time spent on the survey. The study began and was completed in May 2023.

## **ABOUT FORRESTER CONSULTING**

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## **Project Team:**

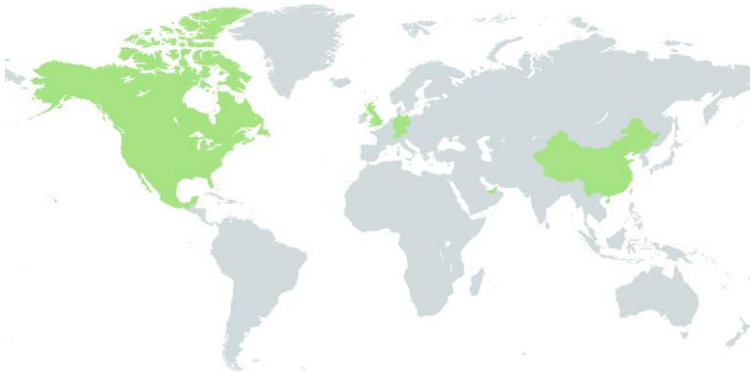
Ben Anderson, Associate Market Impact Consultant  
Mandy Polacek, Senior Market Impact Consultant

## **Contributing Research:**

Forrester's Enterprise Transformation research group

# Demographics

## Country/region



### NA

United States (31%)  
Mexico (10%)  
Canada (10%)

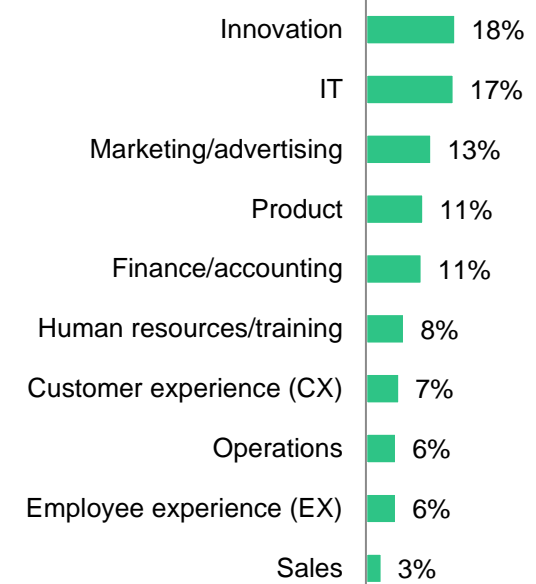
### EMEA

United Kingdom (17%)  
Germany (9%)  
Switzerland (3%)  
UAE (3%)

### APAC

China (9%)  
Singapore (8%)

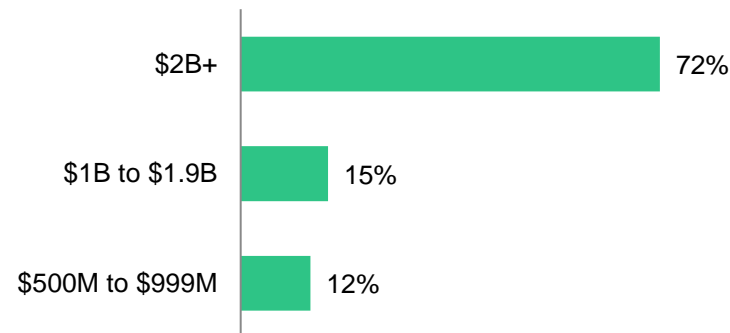
## Position/department



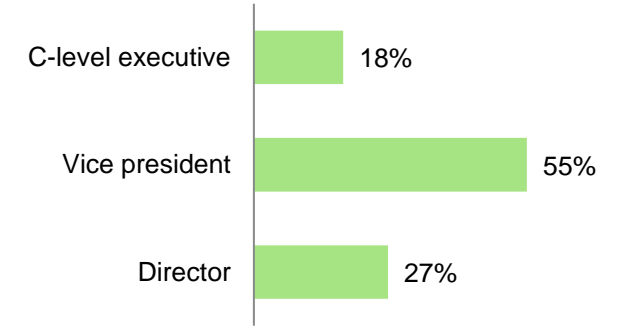
## Industry



## Company revenue



## Respondent level



Base: 316 Organizational growth and transformation decision-makers at global enterprise companies.  
Note: Percentages may not total 100 because of rounding  
Source: A commissioned study conducted by Forrester Consulting on behalf of Prophet, May 2023



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[“Technology’s Future Is Human-Centered,”](#) Forrester Research, Inc., December 15, 2022.

[“Creativity Feeds The Future Of Work,”](#) Forrester Research, Inc., August 2, 2021.

[“Stop Burning Out Your Best People,”](#) Forrester Research, Inc., January 11, 2022.

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