



Enterprise Strategy Group | Getting to the bigger truth.™

# Why Being a Data-first Leader Matters

## Research Reveals Significant Payoffs from Addressing the Complexities of Data Management

Learnings from Global-based Respondents in Midsize and Enterprise Businesses

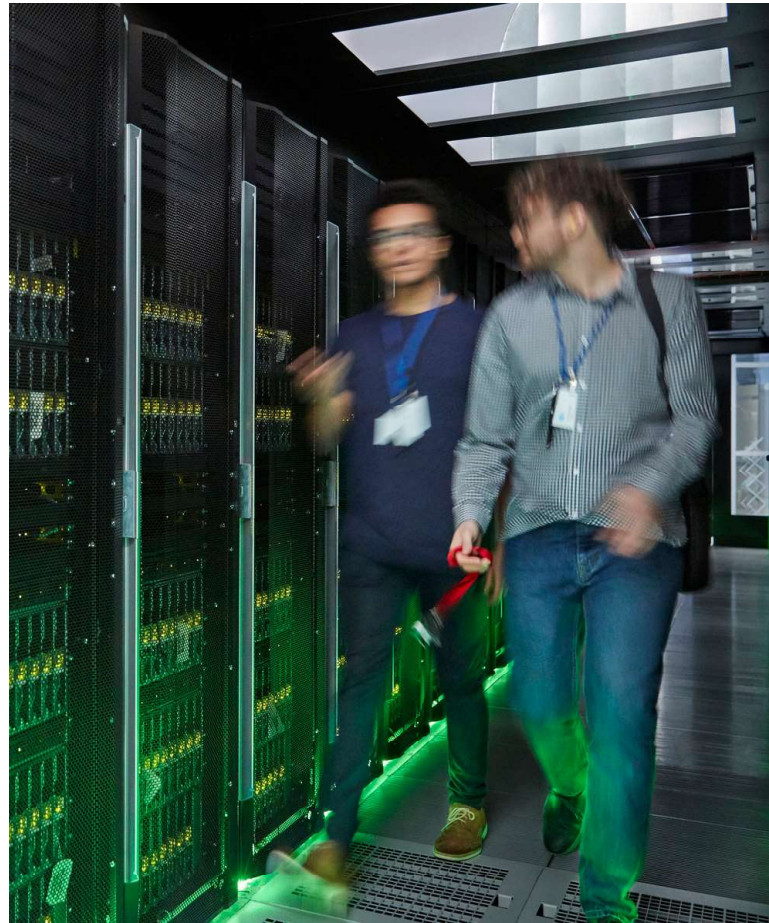
PREPARED BY ESG FOR

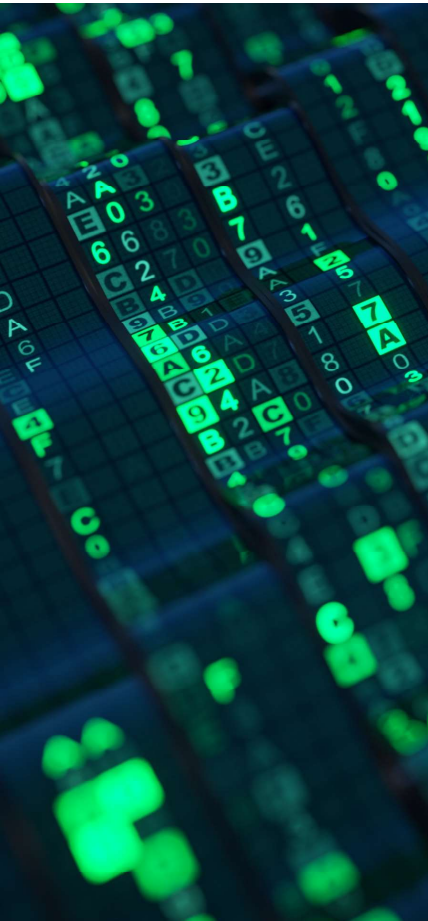
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## Research Introduction and Objectives

### INTRODUCTION

The digital era of business has been upon us for years now. At the heart of this transformation is data. As businesses create and use more data, data volumes grow at an unprecedented rate and businesses face new threats of ransomware and cybercrime. As a result, IT leaders are seeking new ways to meet the demands of their business stakeholders who rely on data to accelerate their transformation initiatives.

The complexity of data management too has increased, but should businesses prioritize addressing those complexities? Does the ability to eliminate application disruptions, protect data against any threats, mobilize data across clouds and unlock value from your data have meaningful impacts on outcomes as you shift toward becoming more data-first in your approach? Will the benefits be material to the business, or is data management complexity simply an inescapable cost of doing business in this digital age?

In 2021, HPE partnered with ESG to conduct third-party research among 750 of your IT peers to explore the following: How are organizations tackling data management complexities, and what benefits do the best performing organizations achieve. The results were eye-opening. The leaders in addressing the complexities of data management, referred to as data-first leaders, are transforming their businesses to much greater a degree than expected, accelerating operations and new product delivery, beating their competition to market, and generating more revenue.

### OBJECTIVES

This eBook will discuss how, and to what degree, data-first leader organizations are improving IT and business results and outperforming their peers in terms of both technology and business outcomes. This eBook will also present the burden that data management complexities create for contemporary organizations and then highlight the characteristics that are more prominent in data-first leader organizations. We will also explore why a cloud operational experience IS the single most important step to eliminate complexity. Lastly, we share a data-first maturity model that shows where different businesses fall as they address the challenges of data management complexity.

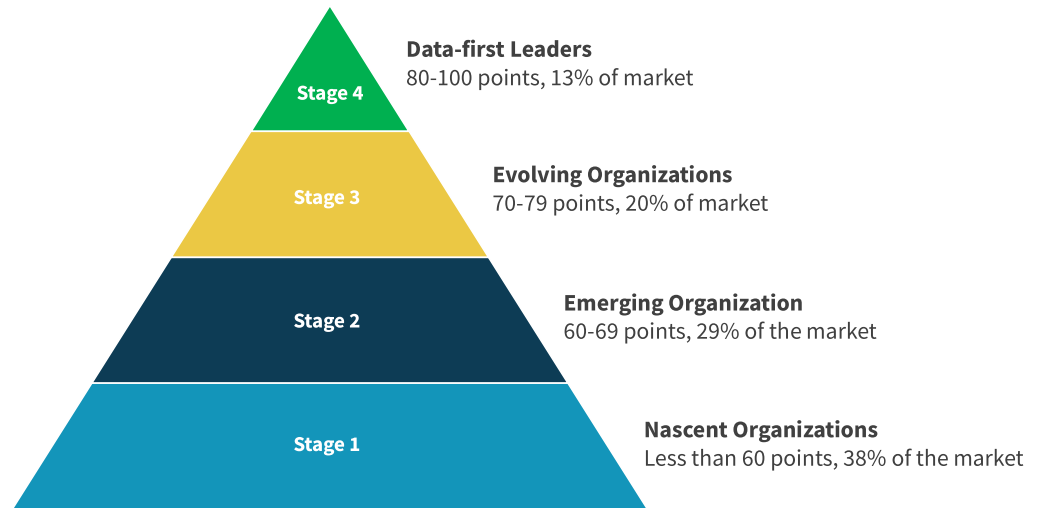
## ESG Research and Maturity Segmentation Methodology

In the third quarter of 2021, ESG conducted a double-blind survey of 750 IT decision makers knowledgeable about data management processes and storage technology for their organization. Organizations represented spanned multiple market segments, from large mid-market businesses (500 to 999 employees) to large enterprises (1,000 or more employees), and multiple industry verticals like manufacturing, retail/wholesale, technology, financial, among others.

Respondents were placed into one of 4 groups based on the level of progress toward achieving cloud operations for data management on-premises, and ESG employed a point-based scoring system. Organizations could earn (or not earn) up to 100 maturity points based on their usage of advanced capabilities for on-premises data management and infrastructure operations, including:

- Cloud operational experience (both for IT and end-users).
- Modern data protection and recovery capabilities.
- An effective and efficient data management strategy and approach.

### Data Management Maturity Model



A woman with blonde hair tied back, wearing a light purple long-sleeved shirt, is pointing her right hand towards a large digital display. The display shows several line graphs with different colored lines (red, green, blue) on a dark background. In the background, a man in a light blue polo shirt is also looking at the display with his hands raised in a gesture of discussion. The setting appears to be a modern office or meeting room with large windows in the background.

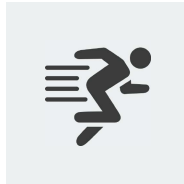
# Three Ways Today's Data-first Leaders Transform Their Businesses

## 1. Data-first Leaders Move Faster and Create Healthier Businesses

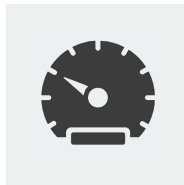
By recognizing, prioritizing, and addressing the complexities of data management, data-first leaders move much faster than their competition, which creates stronger, healthier businesses.

### WE ASKED:

Considering your last few major product launches/releases, how has your organization compared to competitors (e.g., have you been ahead or behind the competition)? (Percent of respondents)

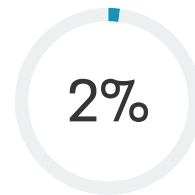


Data-first leaders are **20x MORE LIKELY** to beat competitors to market by multiple quarters



The majority of nascent organizations **STRUGGLE** to keep pace with competitors

### PERCENTAGE THAT REPORT BEING "QUARTERS AHEAD" OF THEIR COMPETITION



NASCENT ORGANIZATIONS

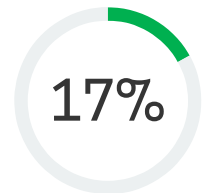


DATA-FIRST LEADERS

### PERCENTAGE THAT REPORT BEING "INLINE OR BEHIND" THEIR COMPETITION



NASCENT ORGANIZATIONS



DATA-FIRST LEADERS

## Data-first Leaders Deliver More Innovation and Exceed Business Goals

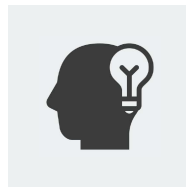
When a business is built on data, addressing the complexities of data management and accelerating operations can, and often does, create new revenue opportunities. When you can move faster than your competition, you can deliver more products to market, and exceeding revenue goals become much easier.

### FIRST WE ASKED:

How many new products/services has your organization developed in the last year?

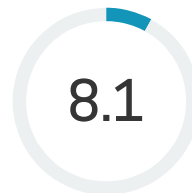
### THEN WE ASKED:

Thinking about your company's current fiscal year (FY), which of the following represents your company's performance (or expected performance) relative to its revenue goal? (Percent of respondents)



Data-first leaders have driven **49% MORE INNOVATION** in the last year than nascent organizations

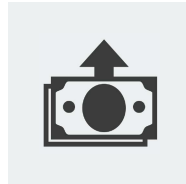
### NUMBER OF NEW PRODUCTS/SERVICES DEVELOPED IN THE LAST YEAR



NASCENT ORGANIZATIONS

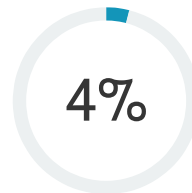


DATA-FIRST LEADERS



Data-first leaders were **11.5x MORE LIKELY** than nascent organizations to beat revenue goals by more than 10%

### EXCEED REVENUE GOALS BY MORE THAN 10%



NASCENT ORGANIZATIONS



DATA-FIRST LEADERS

## 2. Data-first Leaders Can Better Mitigate Risk

Data management complexity doesn't just hinder opportunity, it creates risk for the organization. Data-first leaders are better protected against ransomware attacks.

Data-first leaders place less data at risk and can recover the business faster than nascent organizations.

### FIRST WE ASKED:

Consider your organization's mission-critical applications. What is its current level of protection against ransomware? (Percent of respondents)

### THEN WE ASKED:

Consider your organization's mission-critical applications. How quickly could you restore availability in the event of a ransomware attack? (Percent of respondents)

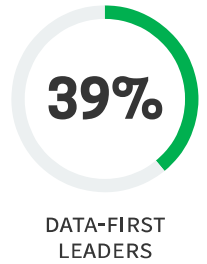
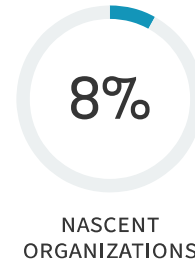


Data-first leaders are **4.9x MORE LIKELY** than nascent organizations to be highly resilient to ransomware in terms of data loss

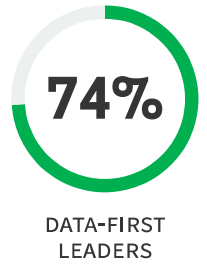
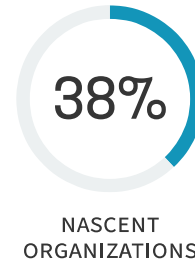


Data-first leaders are **2x MORE LIKELY** to be able to recover faster from ransomware (within minutes)

**WE CAN RECOVER TO A STATE WITHIN SECONDS PRIOR TO THE RANSOMWARE ATTACK**



**WE CAN RECOVER TO A STATE WITHIN MINUTES PRIOR TO THE RANSOMWARE ATTACK**





### 3. Data-first Leaders Have Happier Stakeholders

The effective use of data requires close cooperation between IT teams and the professionals whose jobs depend on that data (e.g., users, data science teams, developers, BC/DR stakeholders, and other line-of-business professionals).

Data-first leaders better serve their consumers and have happier stakeholders, which creates a more productive, stronger, and more successful business atmosphere. As a result, data-first leaders empower their businesses with a faster time to value.



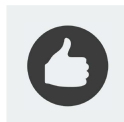
Data-first leaders earn a **4.1X HIGHER SATISFACTION RATING** from their **developers** related to data access.

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Data-first leaders earn a **3.5X HIGHER SATISFACTION RATING** from their **data analysts/scientists** related to data access.

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Data-first leaders earn a **3.5X HIGHER SATISFACTION RATING** from their **Business Continuity/Disaster Recovery stakeholders** related to data access.



**Why Waiting to Address  
the Complexities of Data  
Management Isn't an Option**

## Data Management Complexities Cripple Digital Business Operations

Too often, the complexities associated with data management get classified as the cost of business and are not given the right priority. These complexities hinder an organization's ability to innovate, inhibit agility, and increase risk.



**74%**  
of respondents acknowledge their data management capabilities **can't keep pace with business requirements.**

### The Symptoms of Data Management Complexity Issues



On average, organizations **leverage 23 different tools** to manage their data environment.



**68%** say the complexity of their IT environment **slows down their operations and digital initiatives.**

### The first step to addressing data management complexity is acknowledging there is a problem:



Data-first leaders are **2x** more likely than nascent organizations **to strongly agree that their data management capabilities are falling short.**

Data-first leaders focus on the needs of the applications and have the flexibility and agility to deploy applications on the right infrastructure, rather than being limited to leveraging infrastructure that is convenient.



Nascent organizations are **5.3x** more likely than data-first leaders **to simply use infrastructure that is most convenient.**



Data-first leaders are **3.3x** more likely than nascent organizations **to prioritize application requirements and their future needs and then match the infrastructure to that profile when deploying applications.**

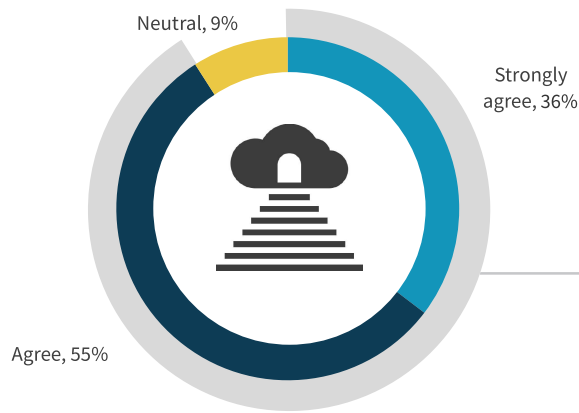


**The One Key Essential to  
Becoming a Data-first Leader**

## On-premises Cloud Operations Are a Game Changer when Addressing Data Management Complexity

Data-first leaders are **2.4x more likely** than nascent organizations to **strongly agree that cloud ops are critical to minimizing complexity.**

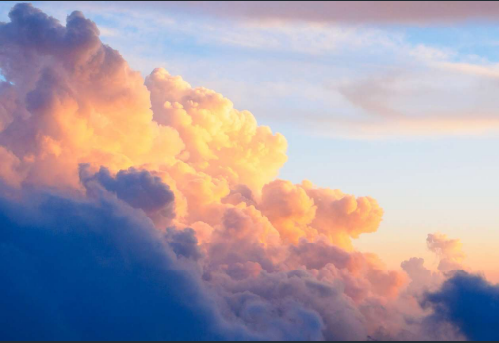
| Importance of Mature Cloud Operations On-Premises



“91% of ALL respondents agree that mature cloud operations on-premises is the single most important step to eliminate complexity.”

**WE ASKED:**

Agree or disagree: Achieving a mature cloud operations model for on-premises IT infrastructure, data management services, and applications is the single most important step my organization can take to minimize complexity now and in the future. (Percent of respondents, N=750)



## Data-first Leaders Create a Cloud Operational Experience

To get the value and agility from your data, the cloud operational experience on-premises is the real game changer.

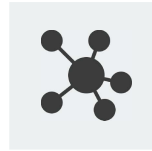
### Elements of a Cloud Operational Experience

#### ELEMENT 1.



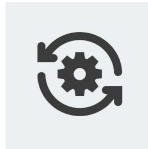
Enable as-a-Service.

#### ELEMENT 2.



Integrated Intelligence (AI/ML) in workload placement.

#### ELEMENT 3.



Integrated automation with comprehensive visibility.

#### ELEMENT 4.



Simple to purchase and deploy.

## ELEMENT 1.

Data-first leaders move toward delivering data infrastructure as-a-Service.



**MORE THAN 4 OUT OF 5**

respondents say they are under pressure to deliver more cloud experiences to end-users.



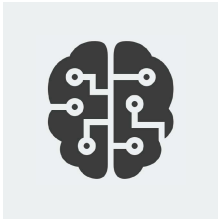
Data-first leaders are

**3X MORE LIKELY**

than nascent organizations to rate on-prem aaS enablement for data management as significant.

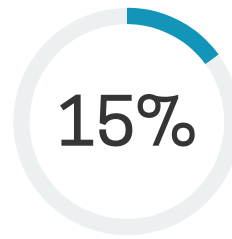
## ELEMENT 2.

Data-first leaders create a cloud operational experience that is powered by data-driven, artificial intelligence-based tools.



Data-first leaders are  
**5.5x MORE LIKELY**  
than nascent organizations  
to use AI/ML tools today

CURRENTLY USING  
AI/ML-BASED TOOLS



NASCENT  
ORGANIZATIONS



DATA-FIRST  
LEADERS



## ELEMENT 3.

Data-first leaders have made strides in automation and prioritize the ability to manage the entire data environment from anywhere through comprehensive visibility, management, and protection.



Data-first leaders are **2.7X MORE LIKELY** to automate ongoing management than nascent organizations.

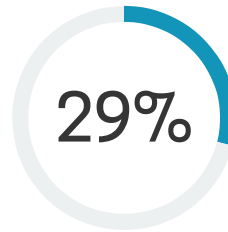


Data-first leaders are **2.3X MORE LIKELY** to automate data protection than nascent organizations.

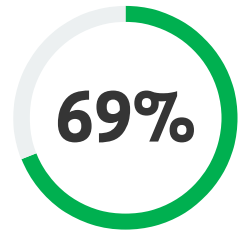


Data-first leaders are **2.4X MORE LIKELY** than nascent organizations to rate comprehensive data management as essential.

### COMPREHENSIVE DATA MANAGEMENT AS ESSENTIAL



NASCENT ORGANIZATIONS



DATA-FIRST LEADERS

## ELEMENT 4.

Data-first leaders endeavor to simplify the configuration, ordering, and deployment of the data infrastructure while leveraging a pay-as-you-go model for data infrastructure.



Data-first leaders are **47% MORE LIKELY** than nascent organizations to have very strong infrastructure-provisioning capabilities.

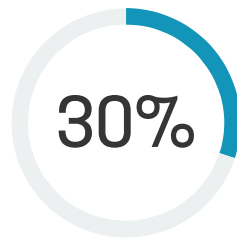


Organizations over buy for what they ultimately need **54% OF THE TIME.**

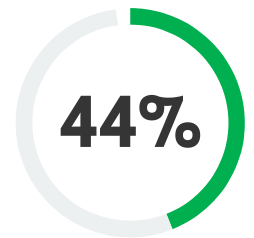


Data-first leaders are **2.7x MORE LIKELY** to automate infrastructure selection and provisioning than nascent organizations.

### VERY STRONG INFRASTRUCTURE PROVISIONING CAPABILITIES



NASCENT ORGANIZATIONS



DATA-FIRST LEADERS

# **Transformational Benefits of Becoming a Data-first Leader**



## IT Benefits of Being a Data-first Leader

By simplifying data management with a cloud operational experience, data-first leaders were nearly twice as likely as nascent organizations to report advancements in their data management environment. This included dramatically alleviating the challenges selecting infrastructure, getting precious time back that can be focused more on areas that advance the business, and more effectively supporting the apps that drive them forward. Businesses need to be able to run any application and meet any SLA—all matched with the right performance, resiliency, and efficiency.

“ By simplifying data management with a cloud operational experience, **data-first leaders were nearly twice as likely as nascent organizations to report advancements in their data management environment.** ”



Data-first leaders are 1.6x more likely to **reduce the impact that data management complexity has on innovation.**



Data-first leaders are 1.7x more likely to **alleviate the challenges of determining the optimal infrastructure to run workloads.**



Data-first leaders are 1.8x more likely to **reduce the time required to support and manage their infrastructure environment.**



Data-first leaders are 1.5x more likely to **alleviate the difficulty supporting all the applications in their environment.**

## Data-first Leaders Deliver Stronger Business Results Today...and Are More Confident When Looking to the Future

### Stronger today:



Data-first leaders have driven **49% more product/service innovation in the last year than nascent organizations.**



Data-first leaders are 20x more likely to **beat competitors to market by multiple quarters.**



Data-first leaders were 11.5x more likely to **beat revenue goals by 10% or more.**

### More confident for the future:



Data-first leaders are 1.7x more likely to be **very confident in their organization's ability to increase innovation.**



Data-first leaders are 1.4x more likely to be **very confident in their organization's ability to accelerate time to market.**



Data-first leaders are 1.6x more likely to be **very confident in their organization's ability to improve resiliency and reduce risk.**



Data-first leaders are 1.5x more likely to be **very confident in their organization's ability to accelerate digital transformation.**

Why Being a Data-first Leader Matters

## Conclusion

The results of this research were eye opening. Data-first leaders move much faster than their competition, are better able to mitigate risk, and have happier and more capable users. In other words, data-first leaders create stronger, healthier businesses. And with data at the heart of transformation, taking the steps to become data-first has a meaningful impact.

Through this research study of 750 mid-sized and enterprise organizations around the globe, it has become apparent that companies that are further ahead in their data-first achievements are reaping benefits and transforming their businesses for the better. Do not wait to solve the complexities of data management. Creating a cloud operational experience is an, if not the, essential piece, to addressing these challenges and capturing these rewards.

Take the time to evaluate the state of your data management environment and see what actions you need to take to become a data-first leader. Start by looking for a partner who can help you achieve a cloud operational experience on premises and propel your business forward.

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HPE is helping customers accelerate data-first modernization by simplifying data management with a cloud operational experience everywhere. Through a portfolio of cloud data services, cloud infrastructure services, and cloud-native data infrastructure, powered with data-driven intelligence and delivered as-a-Service, HPE is there to help customers every step of the way.

To see whether your organization is a data-first leader, take a five-minute survey to see where you fall and get a customized report to explore ways to advance even further.

**Explore how with HPE GreenLake for storage and data protection**

HPE GreenLake for storage

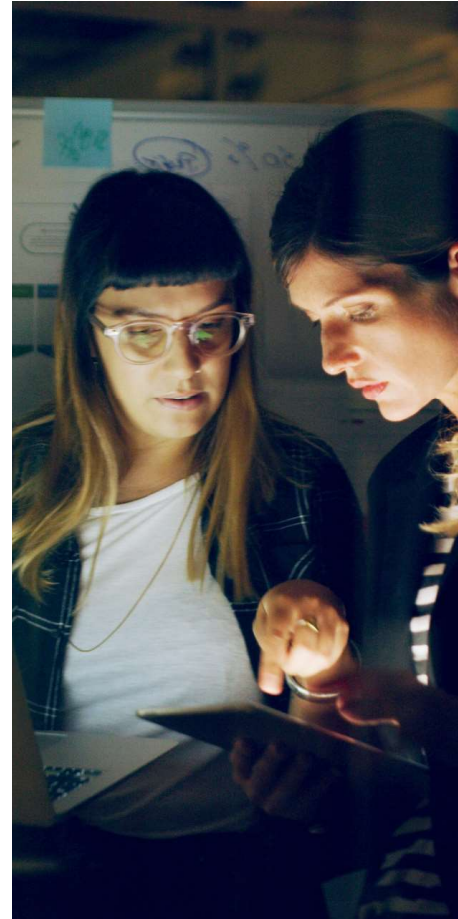
HPE GreenLake for data protection

**Are you a data-first leader? Take 5 minutes and find out now**

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## Demographics

### 750 IT decision makers.

The data in this report was derived from a survey fielded between August 24, 2021 and September 14, 2021.

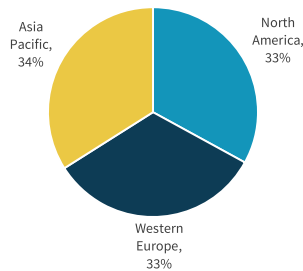
Totals in figures and tables throughout this report may not add up to 100% due to rounding.

The margin of error for a sample size of 750 at the 95% confidence level is + or - 4 percentage points.

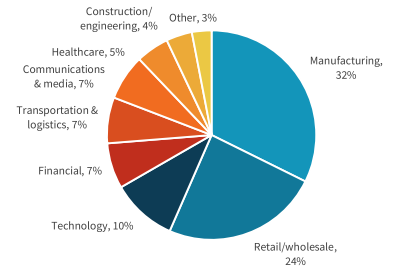
### ABOUT HPE

HPE is the edge-to-cloud company that helps organizations accelerate outcomes by unlocking value from all data, everywhere. No matter where you are on your journey HPE is here to help you accelerate what's next for your enterprise. HPE GreenLake edge-to-cloud platform provides enterprises with a powerful foundation to drive data-first modernization with the cloud that comes to you, bringing the cloud experience and operating model to all apps and data, everywhere.

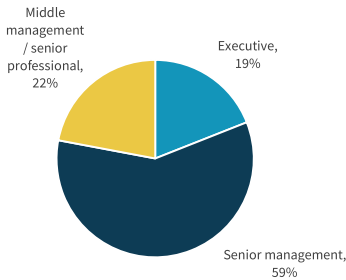
RESPONDENTS BY REGION



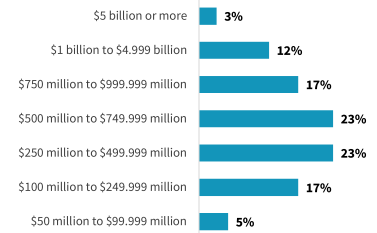
RESPONDENTS BY INDUSTRY



RESPONDENTS BY SENIORITY



RESPONDENTS BY ANNUAL REVENUE



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