

Harvey Nash/KPMG CIO Survey 2018

Panama Country Findings

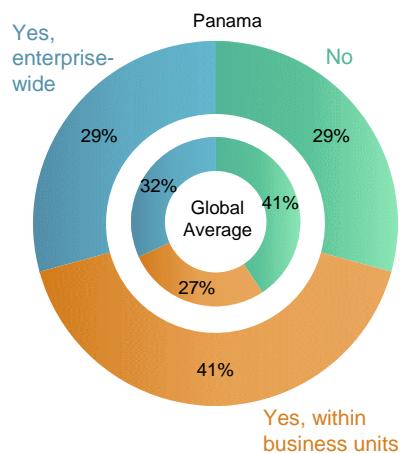


The Harvey Nash/KPMG CIO Survey is the largest IT leadership study in the world, with almost 4,000 respondents across 84 countries, representing over US\$300bn of IT budget spend.

This Panama country snapshot provides survey responses from 49 IT leaders on some of the key topics, and highlights several areas where this country's responses differed significantly from those across all geographies.

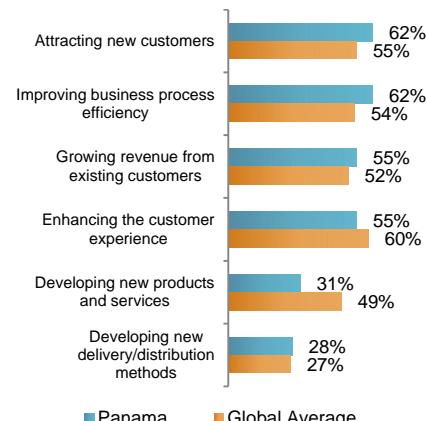
Digital Strategy

Does your organization have a clear digital business vision and strategy?



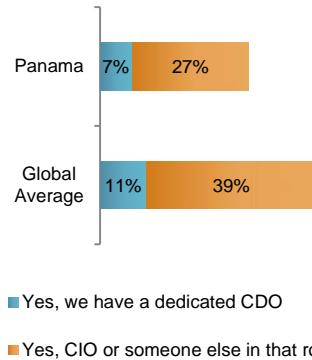
Panamanian companies are **slightly less likely to maintain an enterprise-wide digital business strategy** than those in other countries (29% vs. 32% globally), but more likely to maintain one within business units (41% vs. 27%).

Which are the most important goals when prioritizing digital technology initiatives in your organization?



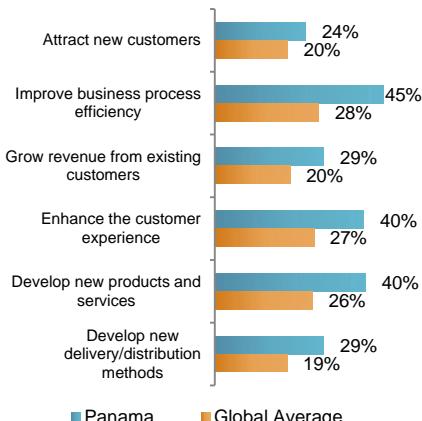
When prioritizing digital investments, Panamanian companies **most focus on attracting new customers** (62% vs. 55% globally) and **improving business process efficiency** (62% vs. 54%).

Does your organization have a Chief Digital Officer or someone serving in that capacity?



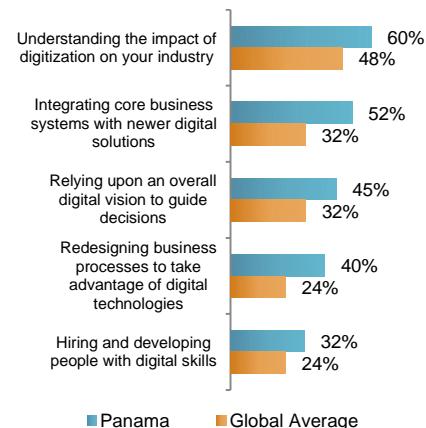
Just 34% of Panamanian companies have a **Chief Digital Officer**, with 7% having a dedicated CDO and an additional 27% having the CIO or someone else act in that role. Both figures are well below global averages.

How effective has your organization been in using digital technologies to advance the following goals? (Very/Extremely Effective)



While slightly more effective than global peers, **only 24% of Panamanian companies rate themselves as very effective or better on their top digital goal of attracting new customers**. They rate far better on improving business process efficiency (45%).

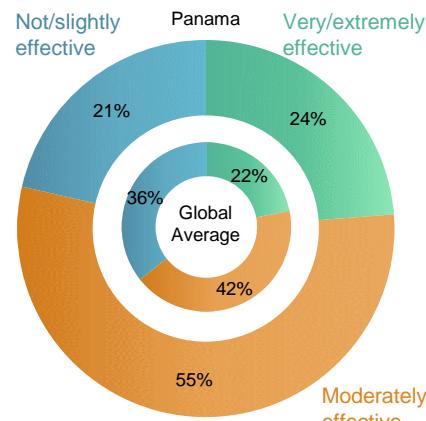
How effective is your organization at each of the following capabilities? (Very/Extremely Effective)



■ Panama ■ Global Average

Panamanian companies' effectiveness in key digital capabilities exceeds that of global peers. They are **particularly effective at understanding the impact of digitization** (60%), but **struggle with hiring and developing people with digital skills** (32%).

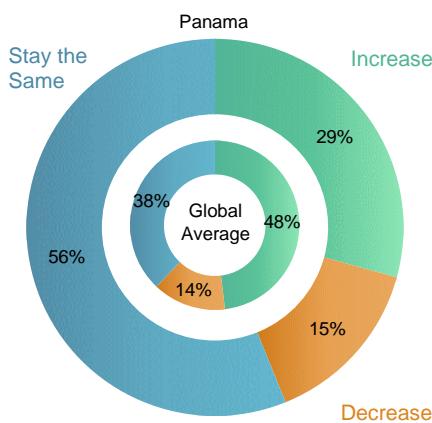
Overall, how effective has your organization been in using digital technologies to advance its business strategy?



Like their peers globally, Panamanian companies **report low overall effectiveness levels in their digital strategies**, with just 24% describing their digital strategies as very effective or better.

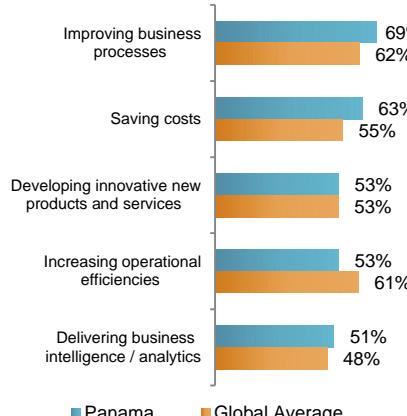
Budget/Priorities

Looking forward, over the next 12 months, what do you expect your IT budget to do?



Panamanian companies are **much less optimistic about their IT budgets for next year** than those in other countries. Just 29% of respondents expect an increase in their IT budgets, compared to a global average of 48%.

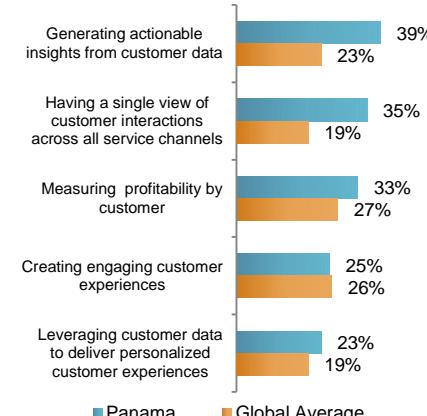
What are the key business issues that your management Board are looking for IT to address? (top 5)



Panamanian management Boards **most heavily prioritize IT improving business process efficiency** (69% vs. 62% globally) and **saving costs** (63% vs. 55%), in both cases at levels above those seen globally.

Customer Capabilities

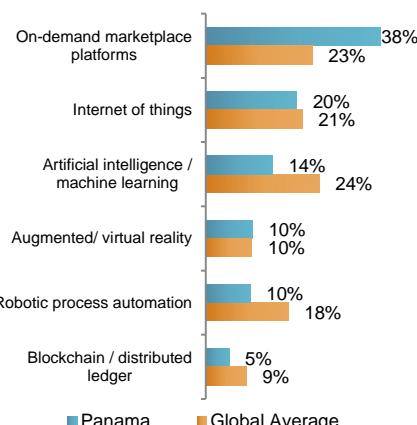
How effective is your organization at each of the following capabilities? (Very/Extremely Effective)



Panamanian companies **generally lead global peers in their effectiveness in five critical customer-focused capabilities**. They are especially effective at generating actionable insights from customer data (39% vs. 23% globally), but struggle with leveraging data to deliver personalized experiences (23% vs. 19%).

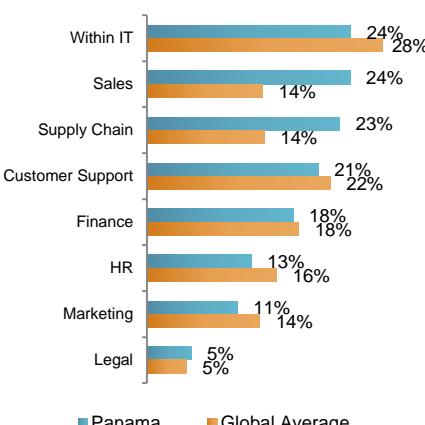
Technology & Innovation

How would you characterize your investment in the following technologies? (Moderate/Significant Investment)



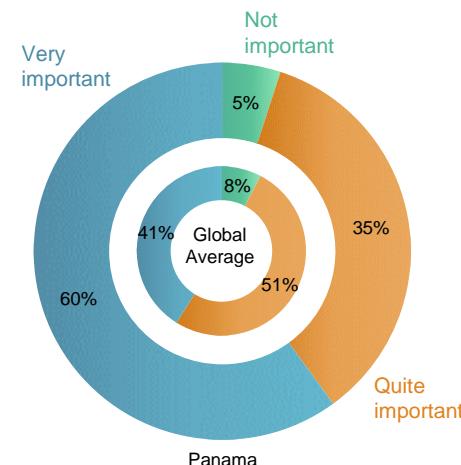
Panamanian companies are **far more likely to have invested in on-demand marketplace platforms** than those globally (38% vs. 23%), but are less likely to have invested in AI/machine learning (14% vs. 24%) or RPA (10% vs. 18%).

In which functions have you implemented digital labor / automation?



Like global peers, **Panamanian companies have most often implemented digital labor/automation within IT** (24%). They have also implemented it in Sales and Supply Chain at rates far exceeding those globally.

How important is it to have an innovative, experimental culture in your organization to ensure its digital strategy is a success?



As with companies elsewhere, Panamanian companies **view having an innovative culture as a critical component in the success of their digital strategies**, with 95% viewing it as very or quite important.

Conclusion

There is no doubt that digital transformation is one of the central issues that monopolizes the agendas of organizations worldwide, and according to the results of the CIO Survey 2018, Panama is no exception. From the results obtained, it is worth noting that in Panama the development of digital communication strategies is mostly oriented, in a development within the specific business units, instead of being implemented globally within the companies. It also highlights that the main reasons why companies select their digital initiatives are to attract new customers, improve business processes and increase company profits. However, like the companies at an international level, in Panama a negative result was obtained in the implementation of their digital strategies. Finally, Panamanian CIOs, like their global counterparts, believe that having an innovative culture in organizations is fundamental to achieving success in digital strategies. That was the opinion of 95% of the respondents.

Further information

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