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For the first time, established companies are becoming more digitally mature, according to a new study released today by [MIT Sloan Management Review](#) (MIT SMR) and [Deloitte Digital](#). The seventh annual study, in its fourth year focusing on

digital business, found a significant uptick in how survey respondents evaluated

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leadership and employee levels and creating conditions that will enable the organization to experiment, learn and collaborate in the marketplace.”

Based on a global survey of more than 4,300 business executives, managers and analysts from organizations around the world, the study found that digitally maturing companies are beginning to make the necessary changes to adapt their organizations from a traditional environment to a digital environment. However, there is still progress to be made, particularly in leadership development:

- **Companies across the digital maturity spectrum need new leaders.** More than half (**55 percent**) of digitally maturing companies report a need for new leaders to succeed in a digital environment, versus nearly 80 percent of early stage companies.
- **Digitally maturing organizations are far more likely to be developing the types of leaders they need for the future.** More than two thirds (**64 percent**) of respondents from maturing companies say their companies are effectively developing leaders, compared to only **14 percent** of respondents from early stage companies.

Additional analysis of this year's study found a need for companies to revisit and modernize learning models and equip employees with the skills they need to compete in a digital environment:

- **Continuous learning is required in a digital environment.** Nearly all (**90 percent**) respondents indicate that they need to update their skills at least yearly to work effectively in a digital world, and **44 percent** indicating that they need to update their skills “continually” to do their job effectively.
- **Yet, employees get little support from organizations to do so.** Nearly **30 percent** of respondents from early stage companies explicitly indicate that their company provides little-to-no support for developing digital skills. In addition, less than a

third (**34 percent**) of all respondents are satisfied with how their organization is

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learning only happens in a formal classroom or training setting,” said Palmer. “Companies across the board—even those that are showing significant digital progress—should better orchestrate new ways of learning on and off the job that encourage continuous education and allows individuals’ skills to keep pace with the rapid rate of technological change.”

“Traditional companies often struggle with experimentation because fear of failure is part of their organization’s culture, but experimentation and iteration are necessary when responding to digital disruption,” said Gerald (Jerry) Kane, guest editor for Digital Leadership at *MIT SMR* and professor of information systems at the Carroll School of Management, Boston College and co-author of the report. “Established companies must find ways to experiment to compete in the future while also maintaining the core business to remain competitive in the present.”

Additionally, the survey found digitally maturing companies acknowledge that decision-making cannot only happen at the executive level. Employees will increasingly be expected to take on greater leadership roles as decision-making is pushed further into the organization. However, there is a disconnect on this topic between executive and middle managers. While **59 percent** of CEOs believe they are pushing decision-making down, only around **33 percent** of vice-president and director level respondents report that it is happening.

“Organizations are recognizing they need empowered, collaborative leaders to improve their digital capabilities,” said David Kiron, executive editor of *MIT SMR*. “That typically requires a new mindset around leadership and learning for all employees.”

The *MIT Sloan Management Review* and Deloitte Digital business study is based on findings from the seventh annual global survey of more than 4,300 business executives, managers and analysts from organizations around the world. This is the

fourth year that the study has been focused on digital business. The survey,

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