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Navigating the readiness paradox

The Kyndryl Readiness Report 2024

Industry focus: Healthcare

Introduction

The Kyndryl Readiness Report — a global survey of business and technology leaders combined with exclusive data from Kyndryl Bridge, the company's AI-driven digital business platform — sheds light on how business leaders turn to their IT and talent to address business challenges and gain a competitive edge.

The study reveals a **tech readiness paradox** among business and IT leaders, who express confidence in their current technology posture while expressing concern about its readiness to address future challenges.

WHILE

92%

of healthcare leaders are confident their IT infrastructure is best-in-class (vs. 90% across all industries)

ONLY

36%

of those leaders say their IT infrastructure is ready to manage future risks (vs. 39% across all industries)

Healthcare and readiness: Industry snapshot

Healthcare organizations are swiftly adapting to technological advancements and reimagining the experiences of patients, providers, and caregivers. The industry is also heavily investing in new technologies to boost efficiency, enhance patient interactions, and improve care for millions. Concurrently, healthcare leaders are tackling significant challenges, including a tight regulatory environment, workforce shortages, an aging patient demographic, and narrow operating margins.

Higher concern about managing external risks vs. other industries

Compared to other industries, Healthcare leaders express the higher levels of concern across external risks like geopolitics, public health disruptions, technology and talent.

They are more prepared than other industries for certain types of external risks—geopolitics, environmental disruptions, and public health crises—but are more focused on addressing cyber security measures and regulatory compliance than other industries as well.

Most are modernizing, with room to grow

While Healthcare leaders say they are modernizing, they are also concerned about end-of-life tech risks. Kyndryl Bridge data shows they are below average in terms of automation and best practices.

"To overcome multiplying challenges in a fast-changing market landscape," says Trent Sanders, VP, Healthcare, Kyndryl, "technology leaders must operate as business leaders first — executives armed with compelling data who are focused on accomplishing the most critical business goals."

Healthcare leaders embracing AI and generative AI

As technologies like generative AI transform research and streamline information collection, the sector can use its valuable data to inform personalized approaches to care, reduce costs and improve health outcomes.

Challenges for AI adoption relate to regulations, privacy and security as well as integration. And data and cost constraints are key barriers to overcome.

Skills and talent gaps top the list of concerns for industry leaders

Healthcare leaders report considerably higher concern for talent gaps, and considerably lower readiness vs. global industry average.

They are also more likely than other industries to say they are currently experiencing technology skills gaps that hinder progress and cite challenges related to talent deficits in their modernization efforts.

As a result, health systems will explore new avenues for partnership and build strategic alliances that aim to overcome limited skillsets.

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Six learnings

01 **Leaders don't feel risk ready,** struggling with diverse disruptions and the pace of change

02 **The tech readiness paradox**: Leaders are confident in their tech, yet concerned abouts its readiness — **and end-of-life tech is a looming challenge**

03 **IT is the best line of defense to mitigate risk,** yet most are in **earlier stages of their tech modernization journey**

04 Keeping tech modernized is **hindered by complexity and prioritization paralysis**

05 Despite **significant AI investments** to drive modernization, leaders **struggle to see positive ROI**

06 Leaders in tech modernization report better business-tech alignment, higher ROI and **greater readiness for the future**

Being tech ready is being people ready: Readiness is a continual process that involves every part of an organization—and relies on people just as much as it does on technology.

01.

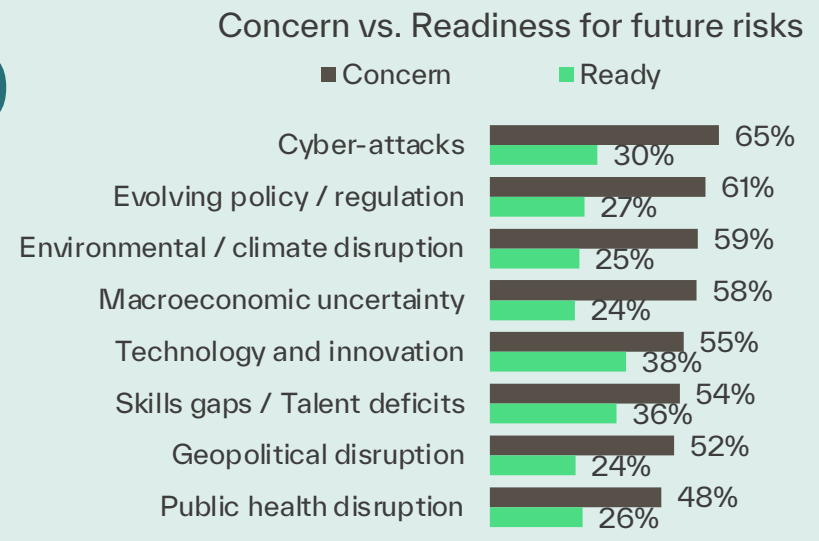## Leaders don't feel risk ready, struggling with diverse disruptions and the pace of change

Multiple risks keep CEOs, CIOs and CTOs up at night, such as cyber attacks, evolving regulations, climate disruptions, economic uncertainty and keeping up with technological advances.

Cyber-attacks are a top concern for both CEOs and CIOs/CTOs. However, CEOs are more concerned about external headwinds (e.g., economy, climate, geopolitics) than CIOs/CTOs.

"Readiness" is a moving goalpost as leaders struggle to keep up with the speed of technological innovation. The pace of new regulations also presents a challenge for most, especially in Luxembourg, France, the Netherlands, India and Australia.

ONLY

29%

of business leaders **feel ready** across external risks

Concern vs. Readiness for future risks

■ Concern ■ Ready

Risk	Concern	Ready
Cyber-attacks	65%	30%
Evolving policy / regulation	61%	27%
Environmental / climate disruption	59%	25%
Macroeconomic uncertainty	58%	24%
Technology and innovation	55%	38%
Skills gaps / Talent deficits	54%	36%
Geopolitical disruption	52%	24%
Public health disruption	48%	26%

3 in 5

business leaders **struggle to keep up** with the speed of technological advancements

1 in 2

say **policy and regulatory changes are moving too fast** in their country
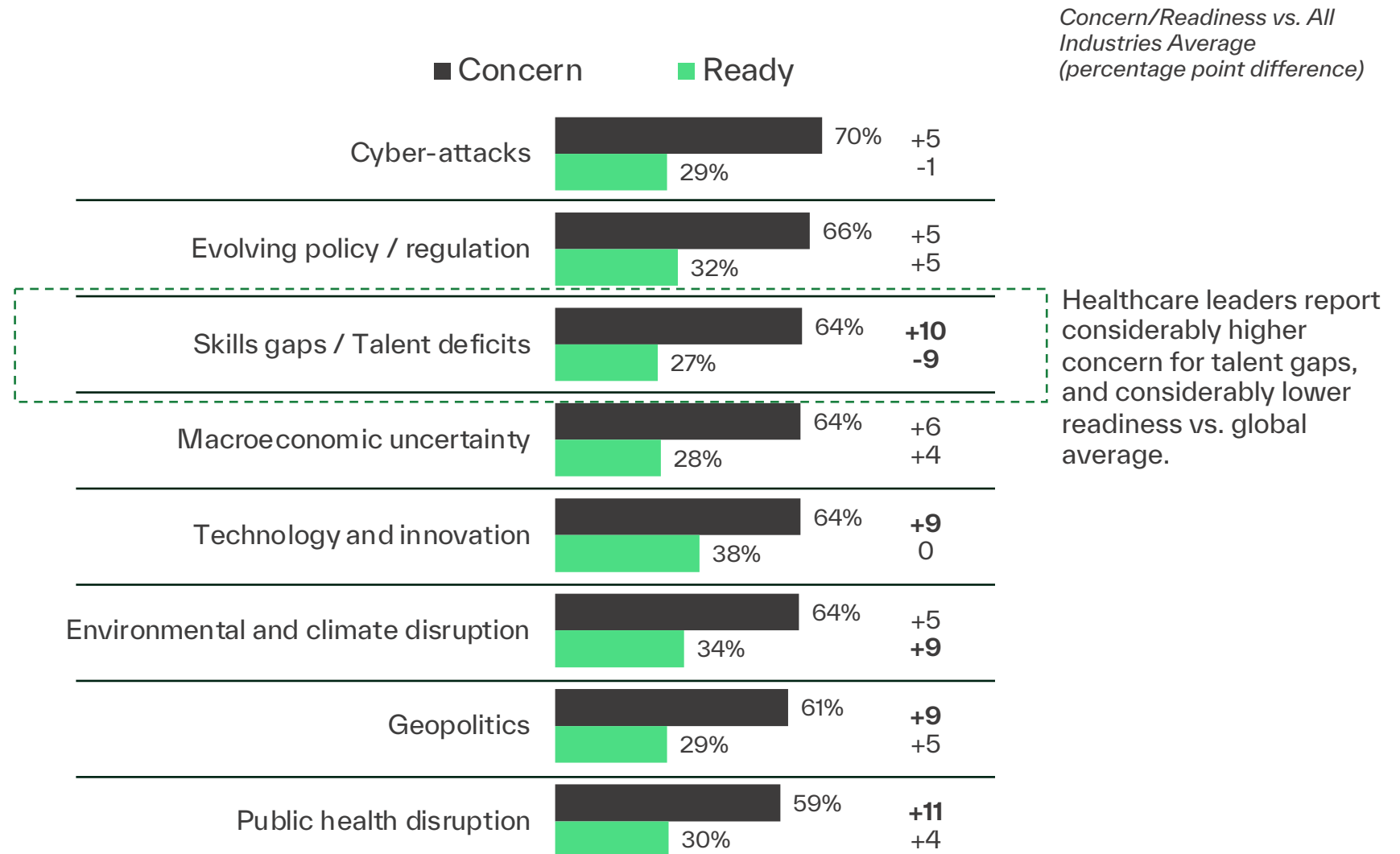
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01.

Healthcare leaders are more concerned across external risks, and feel less ready for skills gaps

31%

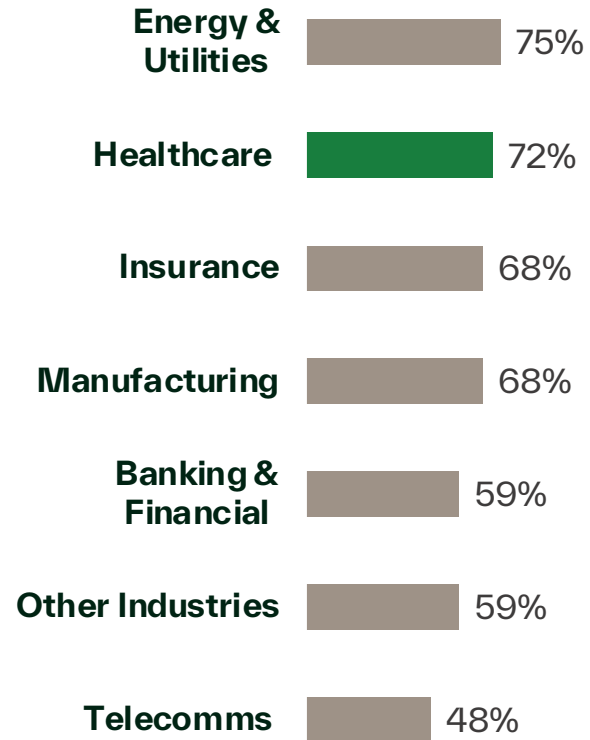of Healthcare leaders **feel ready** across external risks *(vs. 29% all industries)*

Concern vs. Readiness for Future Risks

Concern/Readiness vs. All Industries Average (percentage point difference)

■ Concern ■ Ready

Risk	Concern	Ready	vs. All Industries
Cyber-attacks	70%	29%	+5 / -1
Evolving policy / regulation	66%	32%	+5 / +5
Skills gaps / Talent deficits	64%	27%	**+10** / **-9**
Macroeconomic uncertainty	64%	28%	+6 / +4
Technology and innovation	64%	38%	**+9** / 0
Environmental and climate disruption	64%	34%	+5 / **+9**
Geopolitics	61%	29%	**+9** / +5
Public health disruption	59%	30%	**+11** / +4

Healthcare leaders report considerably higher concern for talent gaps, and considerably lower readiness vs. global average.

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6

01. Healthcare leaders are more likely to struggle with the pace of innovation and regulatory changes

Struggle to keep up with the **pace of technological advancements**
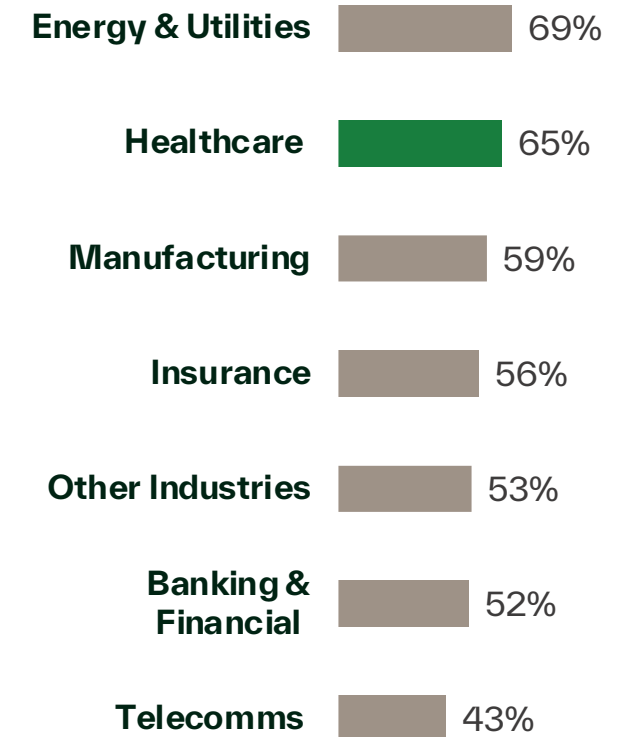Agree %

Industry	%
Energy & Utilities	75%
Healthcare	72%
Insurance	68%
Manufacturing	68%
Banking & Financial	59%
Other Industries	59%
Telecomms	48%

Struggle to balance **innovation with maintaining operational stability**
Agree %

Industry	%
Energy & Utilities	72%
Healthcare	69%
Manufacturing	61%
Other Industries	54%
Insurance	53%
Banking & Financial	51%
Telecomms	46%
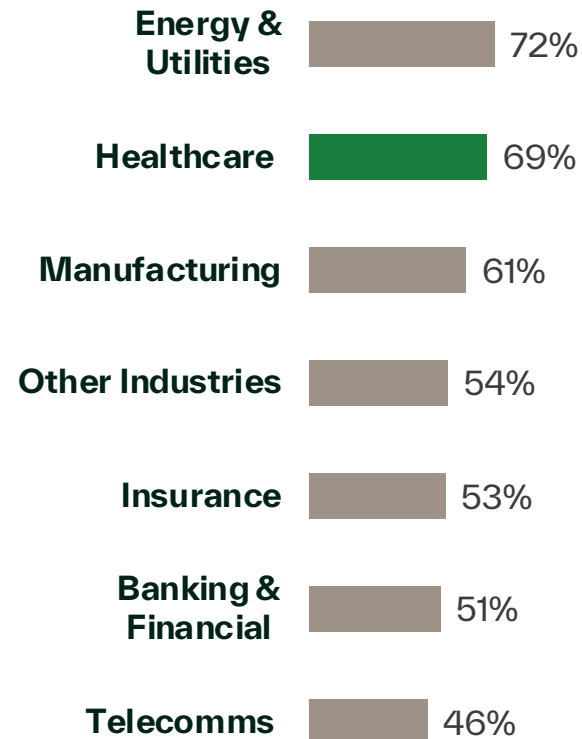
Navigating the **frequency and speed of policy / regulatory changes** is a challenge for their modernization efforts
Selected %

Industry	%
Energy & Utilities	69%
Healthcare	65%
Manufacturing	59%
Insurance	56%
Other Industries	53%
Banking & Financial	52%
Telecomms	43%

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02.

The tech readiness paradox: Leaders are confident in their tech, yet concerned about its readiness — and end-of-life tech is a looming challenge

Executives have high confidence in the current state of their IT: 9 in 10 leaders say their company's IT is best in class. Dig deeper, and uncertainties emerge: Six in 10 do not feel it is ready to manage future risks. That gap deepens when it comes to newer technologies, such as AI: Seven in 10 don't feel their IT is completely ready to navigate future disruptions with the technology.

An end-of-life and end-of-service challenge is looming. Nearly two-thirds of CEOs are concerned that their IT is outdated or close to end-of-life, bringing vulnerabilities, skills gaps and challenges for modernization.

Almost all modern businesses are dealing with an end-of-life tech challenge. According to Kyndryl Bridge data, 44% of mission-critical components such as servers, storage networks and operating systems are approaching or at end-of-life. Being aware of these end-of-life challenges can help organizations better plan for future investments, realizing higher readiness, efficiency and growth.

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90%
of business leaders are confident their IT infrastructure is **best-in-class**
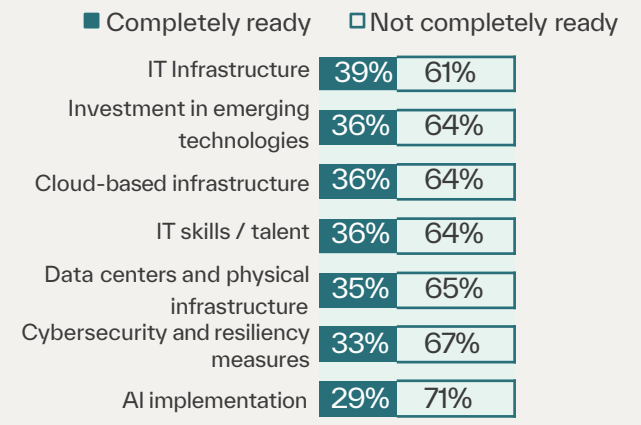
HOWEVER, ONLY

39%
of businesses report their **IT infrastructure is ready** to manage future risks

	■ Completely ready	□ Not completely ready
IT Infrastructure	39%	61%
Investment in emerging technologies	36%	64%
Cloud-based infrastructure	36%	64%
IT skills / talent	36%	64%
Data centers and physical infrastructure	35%	65%
Cybersecurity and resiliency measures	33%	67%
AI implementation	29%	71%

AND

64%
of **CEOs are concerned** their IT is outdated or close to end-of-life

44%
of **servers, storage, networks, and operating systems** are **approaching or at end of life,** according to Kyndryl Bridge

02.
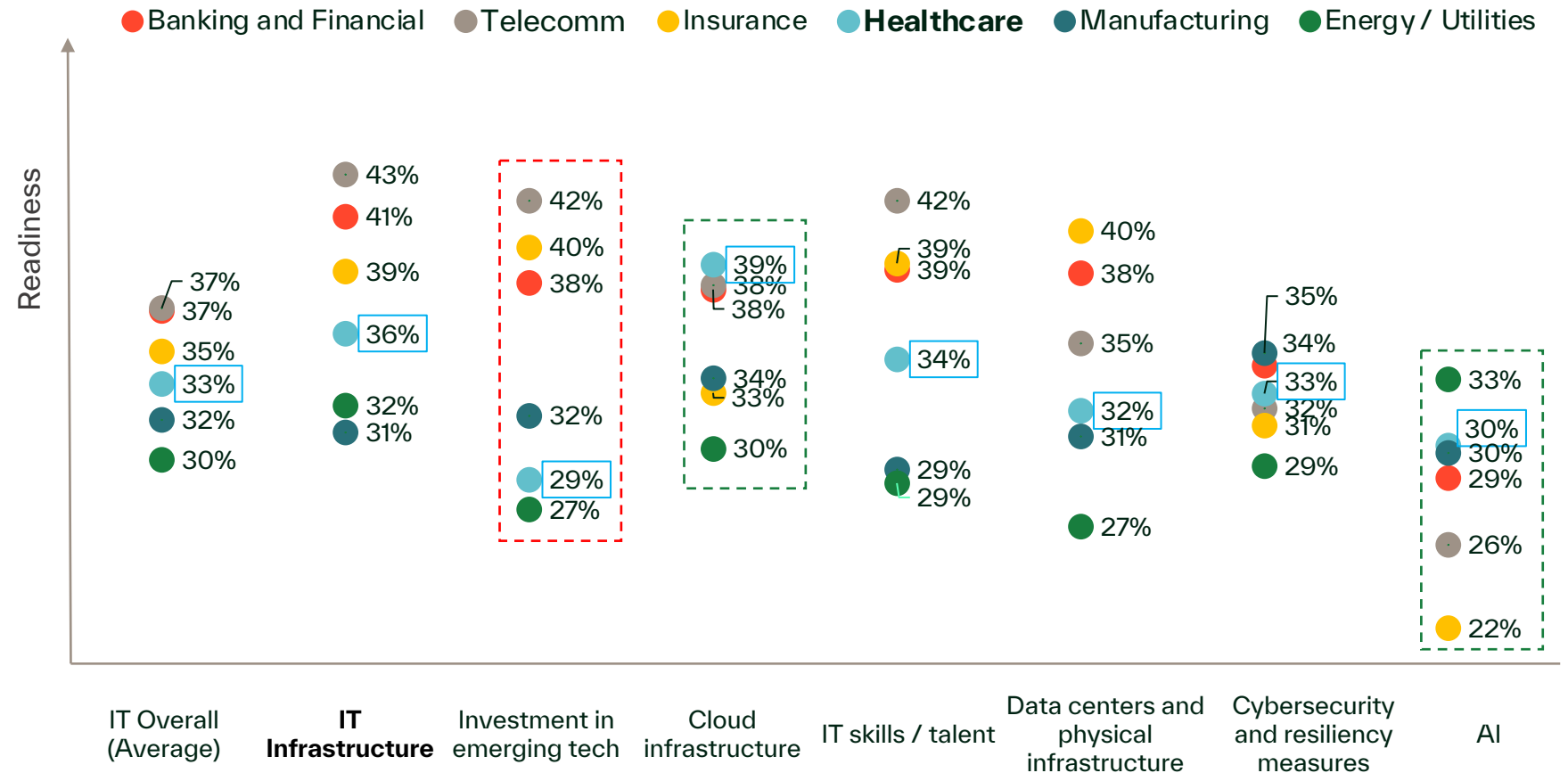# Healthcare leaders feel more ready on cloud and AI, but are less optimistic about emerging tech

36%

of Healthcare leaders report their **IT infrastructure is ready** to manage future risks (*vs. 39% all industries*)

Readiness across IT elements
% Completely Ready

● Banking and Financial   ● Telecomm   ● Insurance   ● **Healthcare**   ● Manufacturing   ● Energy / Utilities

Readiness (y-axis)

IT Overall (Average)
- 37% (Telecomm)
- 37% (Banking and Financial)
- 35% (Insurance)
- 33% (Healthcare)
- 32% (Manufacturing)
- 30% (Energy / Utilities)

IT Infrastructure
- 43% (Telecomm)
- 41% (Banking and Financial)
- 39% (Insurance)
- 36% (Healthcare)
- 32% (Energy / Utilities)
- 31% (Manufacturing)

Investment in emerging tech
- 42% (Telecomm)
- 40% (Insurance)
- 38% (Banking and Financial)
- 32% (Manufacturing)
- 29% (Healthcare)
- 27% (Energy / Utilities)

Cloud infrastructure
- 39% (Healthcare)
- 38% (Telecomm)
- 38% (Banking and Financial)
- 34% (Manufacturing)
- 33% (Insurance)
- 30% (Energy / Utilities)

IT skills / talent
- 42% (Telecomm)
- 39% (Insurance)
- 39% (Banking and Financial)
- 34% (Healthcare)
- 29% (Manufacturing)
- 29% (Energy / Utilities)

Data centers and physical infrastructure
- 40% (Insurance)
- 38% (Banking and Financial)
- 35% (Telecomm)
- 32% (Healthcare)
- 31% (Manufacturing)
- 27% (Energy / Utilities)

Cybersecurity and resiliency measures
- 35% (Manufacturing)
- 34% (Banking and Financial)
- 33% (Healthcare)
- 32% (Telecomm)
- 31% (Insurance)
- 29% (Energy / Utilities)

AI
- 33% (Energy / Utilities)
- 30% (Healthcare)
- 30% (Manufacturing)
- 29% (Banking and Financial)
- 26% (Telecomm)
- 22% (Insurance)

Q17: How ready would you say these elements of your organization's IT currently are to manage future risks and disruptive forces? Base: Total (n=3200); All Industries base sizes from (n=200) to (n=500)

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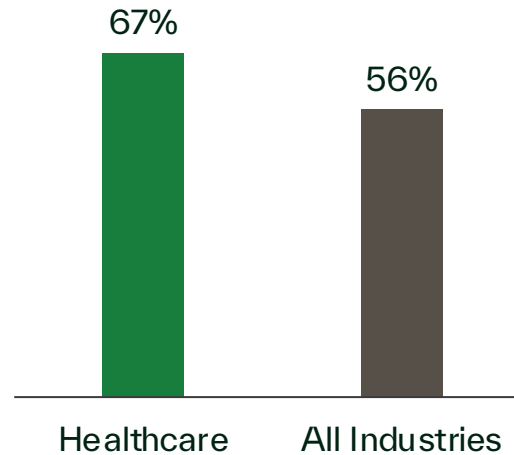# 02. Healthcare leaders are more concerned about end-of-life tech

3 in 5
Healthcare leaders **are concerned** their IT is **outdated or close to end-of-life**

62%
52%

Healthcare   All Industries
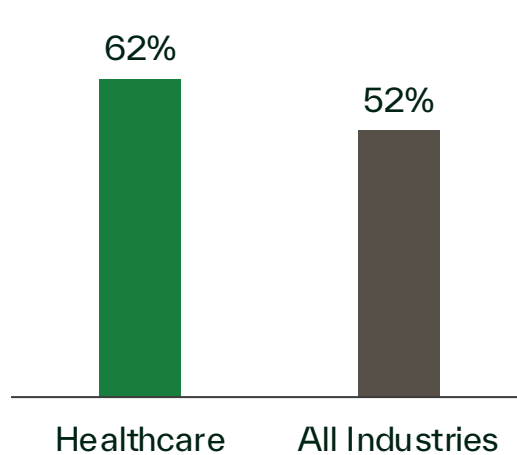
2 in 3
of Healthcare leaders **are anxious about the potential risks** posed **by end-of-life IT systems** within their organization

67%
56%

Healthcare   All Industries

40%
of **servers, storage, networks, and operating systems** among Healthcare businesses are **approaching or at end-of-life,** according to Kyndryl Bridge

40%
44%

Healthcare   All Industries

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03.
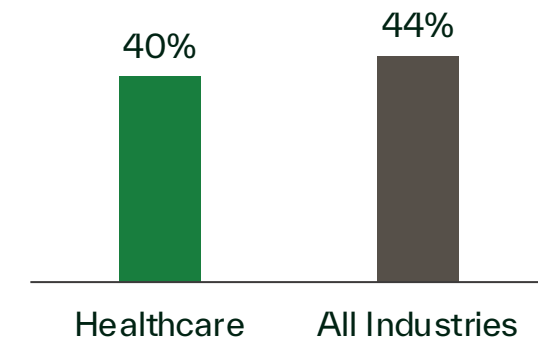
IT is the best line of defense to mitigate risks, yet most are in earlier stages of their tech modernization journey

Almost all leaders — 94% — say modernizing their business is a high priority, and updating their IT is the top action to mitigate risk. Yet, only 3 in 10 feel their organization is leading when it comes to their tech modernization journey and utilizing innovative technologies to drive business outcomes.

Most leaders (71%) are somewhere in the earlier stages of modernization: 56% of leaders say they are in the process of adopting new digital technologies, and 15% say they're just starting out.

#1

Executives say **upgrading their IT** is the number one way to mitigate all of their business risks

Top 5 risk mitigation actions:
1. Upgrading IT
2. Cybersecurity measures
3. Risk assessments
4. Employee training
5. Regulatory compliance

94%

Say tech modernization is a high priority

Only 3 in 10 feel they are leading when it comes to their **technology modernization journey**

Leading in technology modernization — 29%

Actively adopting digital technologies — 56%

Early stage of modernization — 15%

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03.
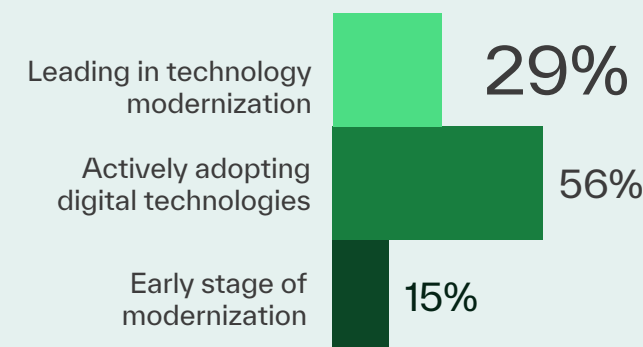
Healthcare leaders are focused on security and compliance

- While Healthcare leaders are highly concerned about end-of-life tech, they are least likely to cite upgrading IT infrastructure as a top action they are taking to mitigate business risk. Instead, they are more focused on cybersecurity and regulatory compliance.

- Healthcare leaders are also less likely to say tech modernization is a high priority (89% vs. 94% all-industry average)

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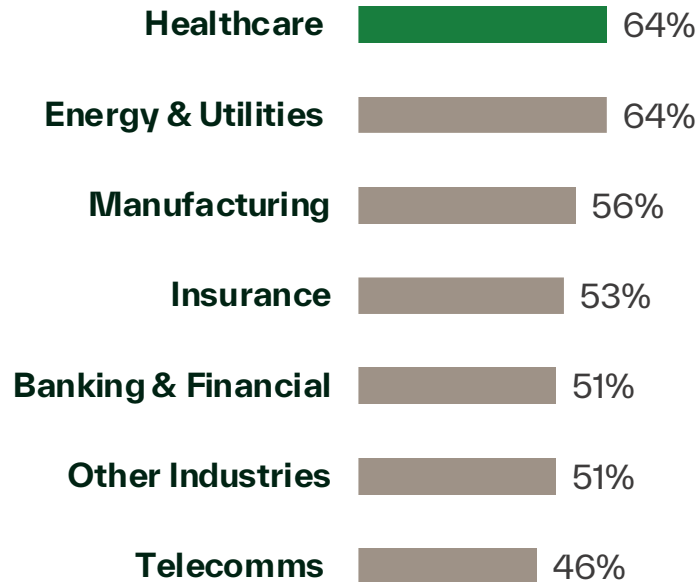## Top 5 Risk Mitigation Actions
% Selected

Healthcare

1. **Implementing robust cybersecurity measures**

2. Enhancing regulatory compliance efforts

3. Conducting regular risk assessments, mapping and audits

4. Upgrading IT infrastructure (-10ppts from all-industry average)

5. Investing in employee training and development programs
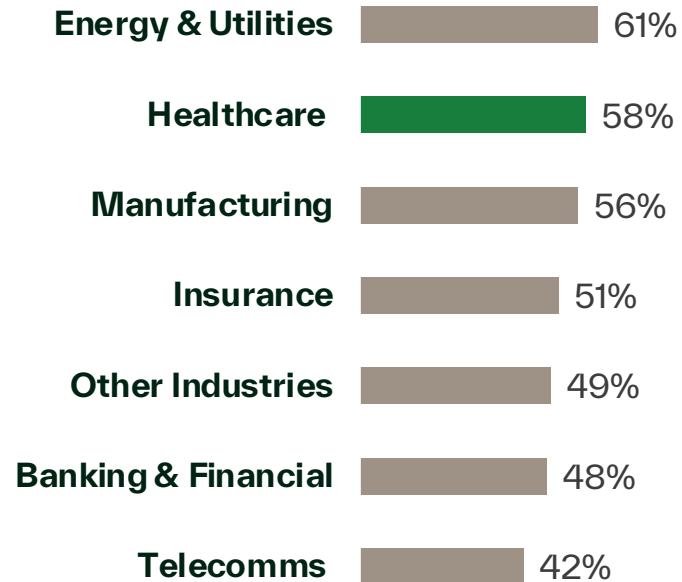
All Other Industries

1. **Upgrading IT Infrastructure**

2. Implementing robust cybersecurity measures

3. Conducting regular risk assessments, mappings, and audits

4. Investing in employee training and development programs

5. Enhancing regulatory compliance efforts

03. Healthcare leaders are more concerned about skills gaps and report lower talent readiness
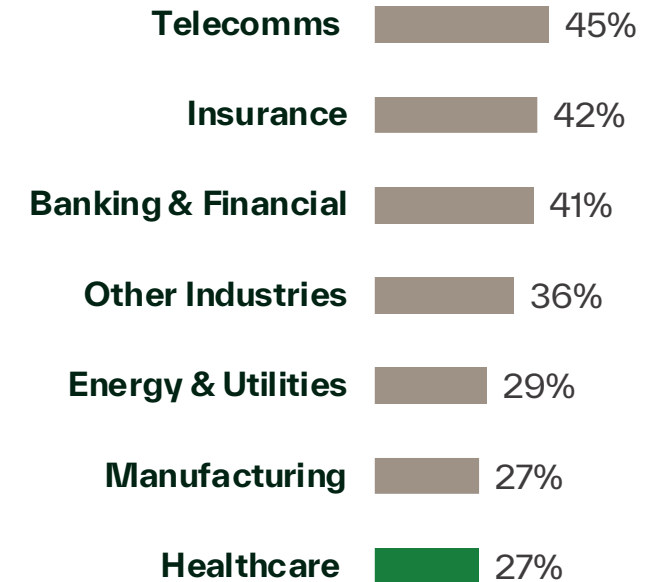
Concerned about skills gaps / talent deficits
Selected %

Healthcare	64%
Energy & Utilities	64%
Manufacturing	56%
Insurance	53%
Banking & Financial	51%
Other Industries	51%
Telecomms	46%

Cite skills gaps / talent deficits as a challenge
Selected %

Energy & Utilities	61%
Healthcare	58%
Manufacturing	56%
Insurance	51%
Other Industries	49%
Banking & Financial	48%
Telecomms	42%

Say they are ready to manage skills gaps / talent deficits
Selected %

Telecomms	45%
Insurance	42%
Banking & Financial	41%
Other Industries	36%
Energy & Utilities	29%
Manufacturing	27%
Healthcare	27%

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03.

Even businesses that have already adopted automation have room to run
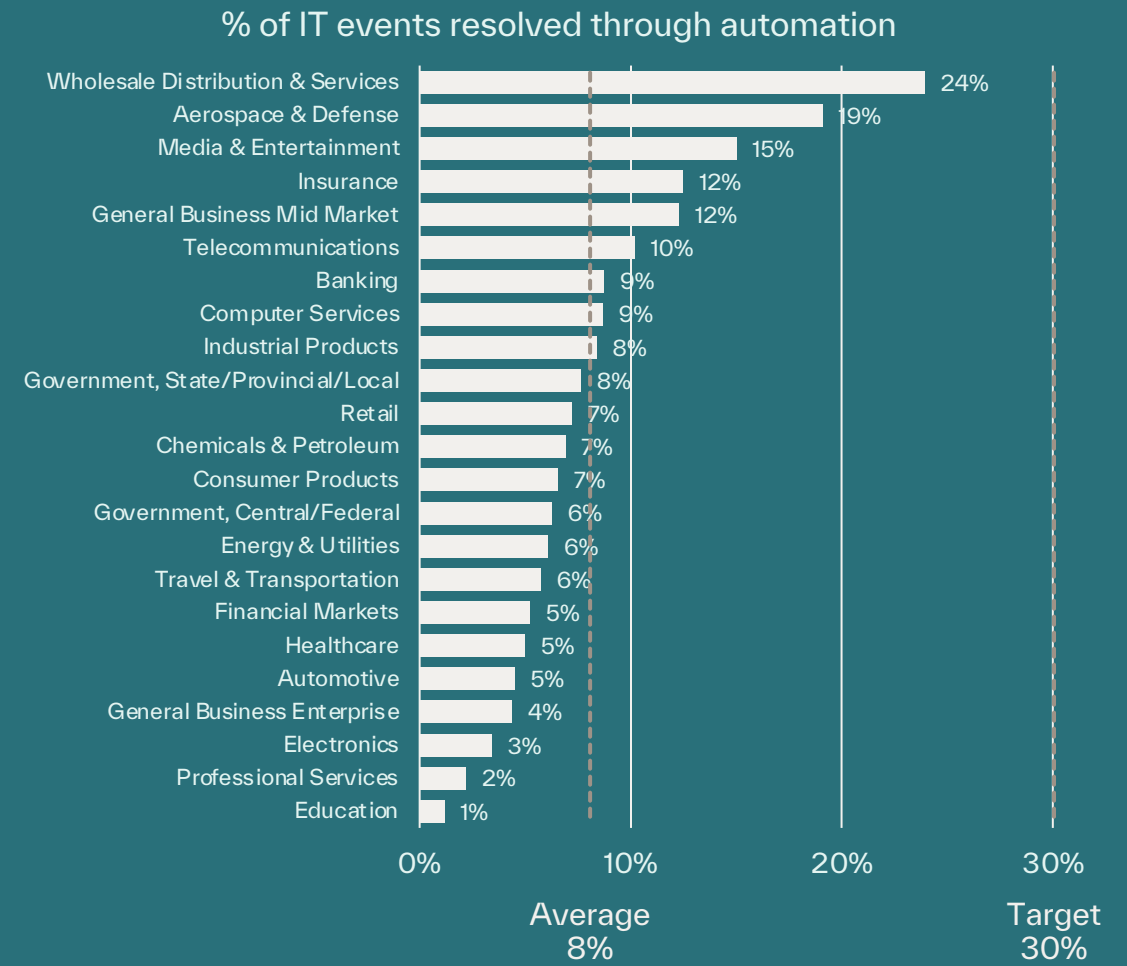
8% vs. 30%+ target

of IT incidents are being resolved through automation, according to Kyndryl Bridge data

About this statistic: Automation can help companies automatically resolve issues in their environments without human intervention, avoiding major incidents and planned maintenance costs. The result is that organizations can improve their speed of execution and overall quality of services they provide to their own customers.

75% vs. 90%+ target

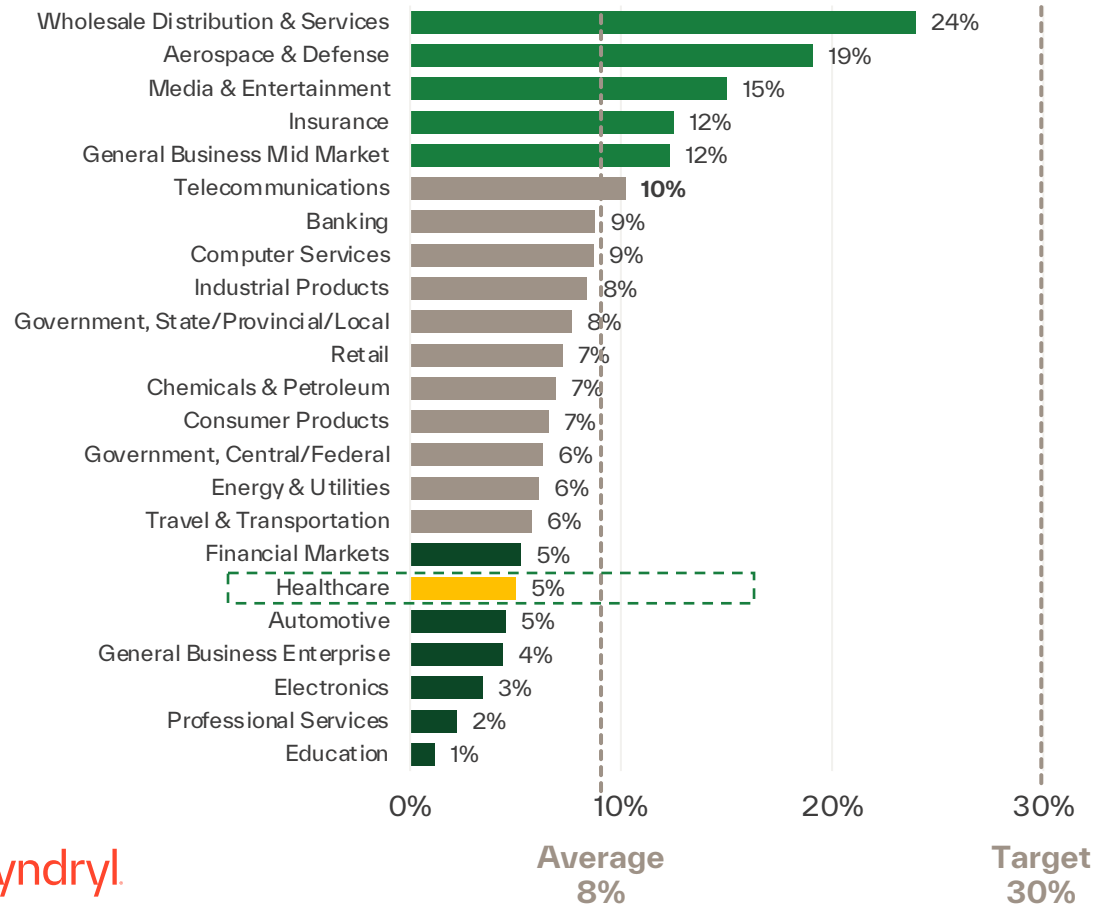Average IT best practices adoption, according to Kyndryl Bridge data

About this statistic: Best practice adoption is a holistic measure of effective IT, comprised of industry IT standards and measures for security compliance and regulatory compliance that can be monitored automatically.
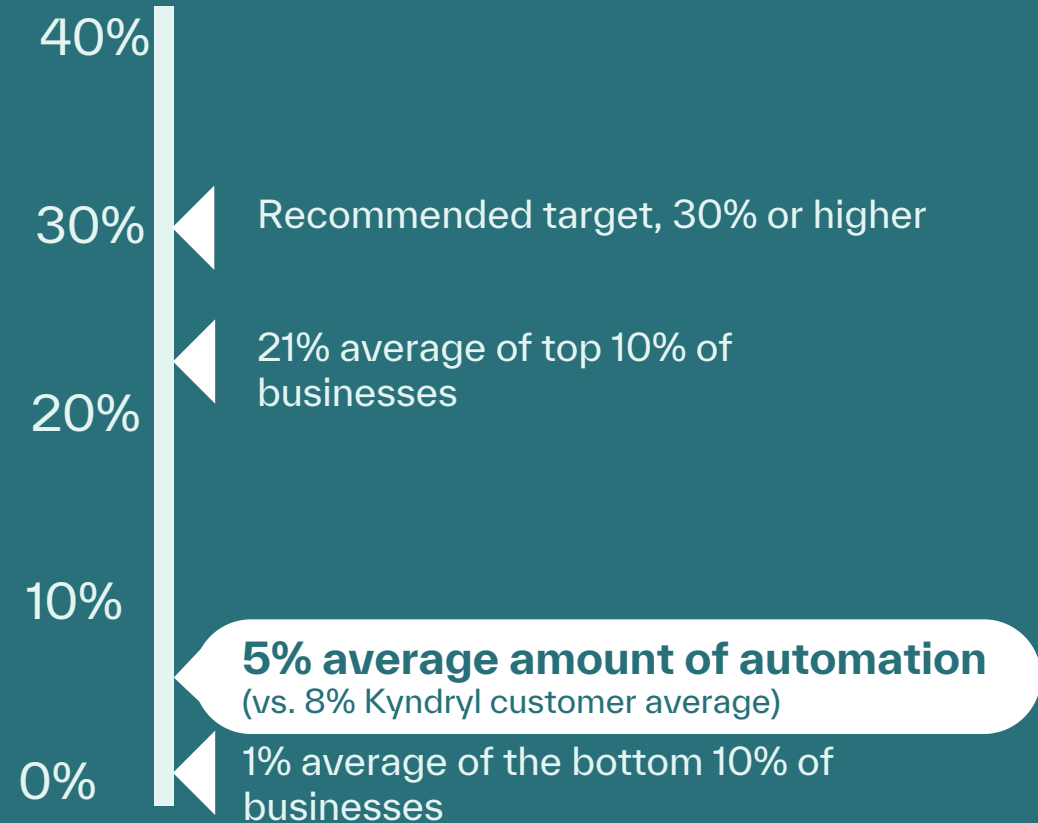
% of IT events resolved through automation

Industry	%
Wholesale Distribution & Services	24%
Aerospace & Defense	19%
Media & Entertainment	15%
Insurance	12%
General Business Mid Market	12%
Telecommunications	10%
Banking	9%
Computer Services	9%
Industrial Products	8%
Government, State/Provincial/Local	8%
Retail	7%
Chemicals & Petroleum	7%
Consumer Products	7%
Government, Central/Federal	6%
Energy & Utilities	6%
Travel & Transportation	6%
Financial Markets	5%
Healthcare	5%
Automotive	5%
General Business Enterprise	4%
Electronics	3%
Professional Services	2%
Education	1%

0%   10%   20%   30%

Average 8%

Target 30%

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Source: Kyndryl Bridge data

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03.
Healthcare is below average on automation
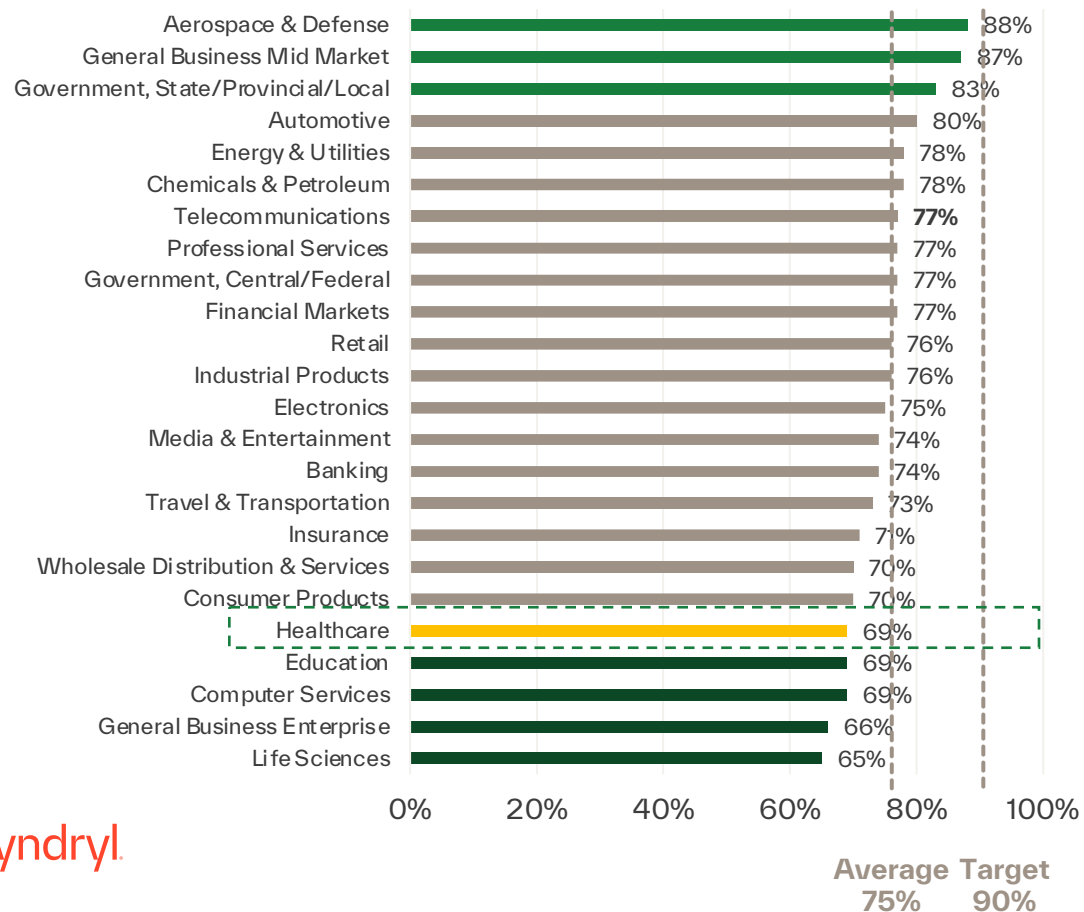
% of IT events resolved through automation

Industry	%
Wholesale Distribution & Services	24%
Aerospace & Defense	19%
Media & Entertainment	15%
Insurance	12%
General Business Mid Market	12%
Telecommunications	**10%**
Banking	9%
Computer Services	9%
Industrial Products	8%
Government, State/Provincial/Local	8%
Retail	7%
Chemicals & Petroleum	7%
Consumer Products	7%
Government, Central/Federal	6%
Energy & Utilities	6%
Travel & Transportation	6%
Financial Markets	5%
Healthcare	5%
Automotive	5%
General Business Enterprise	4%
Electronics	3%
Professional Services	2%
Education	1%

0%   10%   20%   30%

Average 8%

Target 30%

% of IT events resolved through automation

40%

30% ◄ Recommended target, 30% or higher

◄ 21% average of top 10% of businesses

20%

10%

5% average amount of automation
(vs. 8% Kyndryl customer average)

0% ◄ 1% average of the bottom 10% of businesses

Source: Kyndryl Bridge data

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03.
Healthcare is also below average on best practice adoption

% of IT best practice adoption

Industry	%
Aerospace & Defense	88%
General Business Mid Market	87%
Government, State/Provincial/Local	83%
Automotive	80%
Energy & Utilities	78%
Chemicals & Petroleum	78%
Telecommunications	**77%**
Professional Services	77%
Government, Central/Federal	77%
Financial Markets	77%
Retail	76%
Industrial Products	76%
Electronics	75%
Media & Entertainment	74%
Banking	74%
Travel & Transportation	73%
Insurance	71%
Wholesale Distribution & Services	70%
Consumer Products	70%
Healthcare	69%
Education	69%
Computer Services	69%
General Business Enterprise	66%
Life Sciences	65%

Average Target
75% 90%

About this statistic: Best practice adoption is a holistic measure of effective IT, comprised of industry IT standards and measures for security compliance and regulatory compliance that can be monitored automatically.

% of IT best practice adoption

100% ◁ 94% average of top 10% of businesses

◁ Recommended target, 90% or higher

69% IT best practice adoption
(vs. 75% Kyndryl customer average)

◁ 61% average of the bottom 10% of businesses
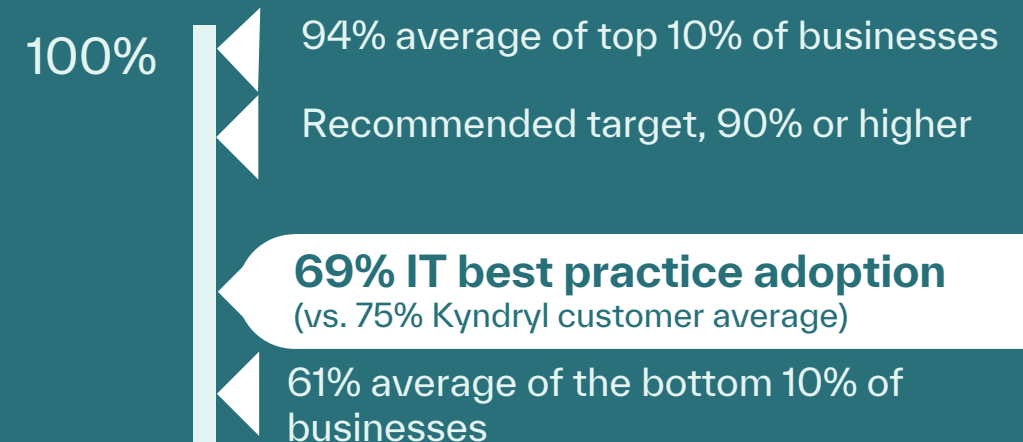
50%

Source: Kyndryl Bridge data

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04.

Keeping tech modernized is hindered by complexity and prioritization paralysis

Complexity, resistance to change and misalignment between business and tech leaders are common challenges hindering modernization.

Conflicting priorities and diverse organizational needs like short-term gains vs. long-term benefits, innovation vs. risk and cost vs. function can paralyze leaders as they try to run the business and modernize simultaneously.

Sustainability goals also complicate modernization efforts. Most leaders cite sustainability as a priority, yet difficult tradeoffs often impede their ESG initiatives and only 27% of leaders are currently seeing sustainability-based outcomes from their tech modernization.

#1

Complexity is the #1 challenge to tech modernization

Top sources of tension between business and tech leaders:

1. Resistance to change
2. Challenges in balancing short-term needs with long-term investments
3. Difficulty quantifying ROI

Priorities When Evaluating the Success of Tech Investments
% Prioritizing (Selected, forced choice)

Long-term benefits	75% / 25%	Short-term gains
Innovation potential	60% / 40%	Risk mitigation
Business model optimization	56% / 44%	Process optimization
Infrastructure	54% / 46%	Applications
Cost	50% / 50%	Function
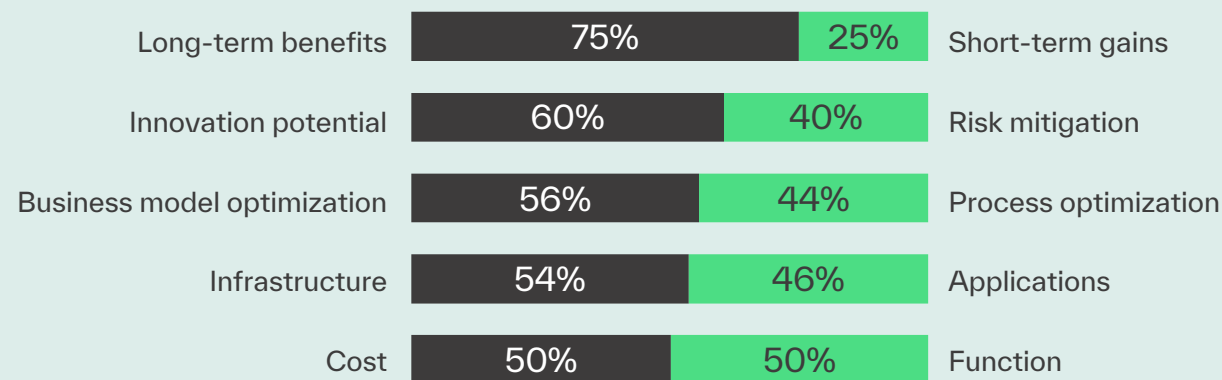
90%
Prioritize **sustainability** when implementing tech modernization initiatives

27%
Report seeing **sustainability-based outcomes** (e.g. lower emissions) from tech modernization, in the past year

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04. Healthcare businesses struggle more with internal misalignment

Healthcare businesses uniquely struggle with internal misalignment between business and tech leaders – citing priorities and goals as well as a lack of understanding of or appreciation for of the value of technology modernization as primary sources of tension
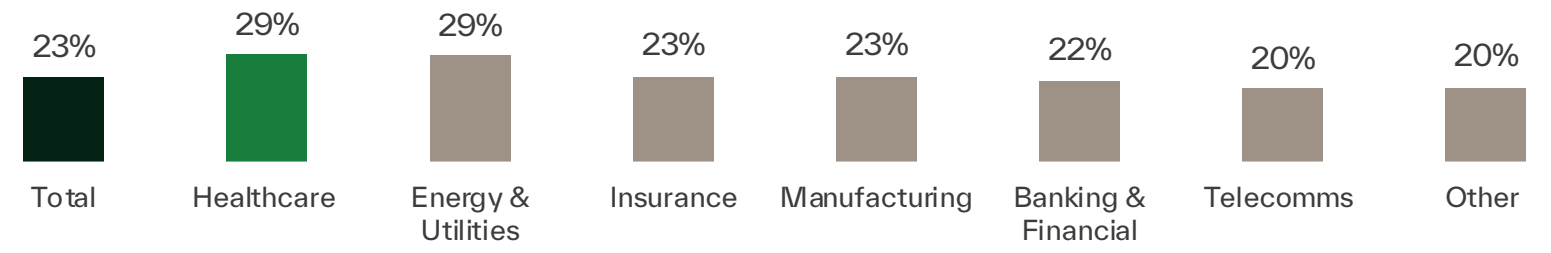
Top Sources Of Tension Between Business And Tech Leaders
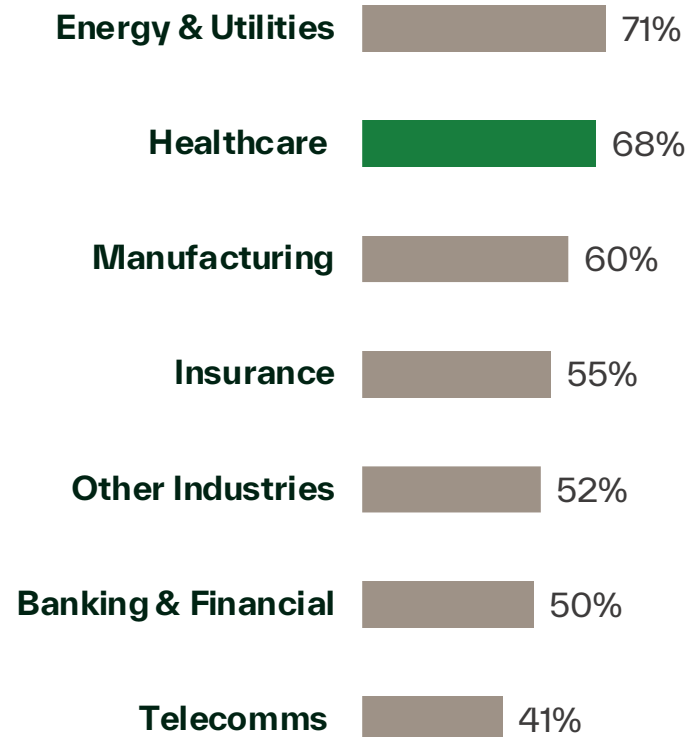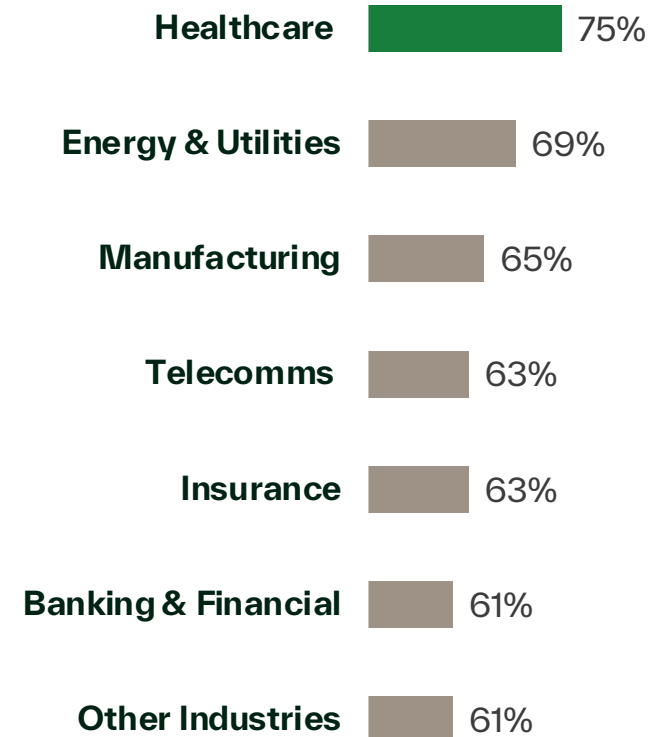% Selected

Priorities and goals
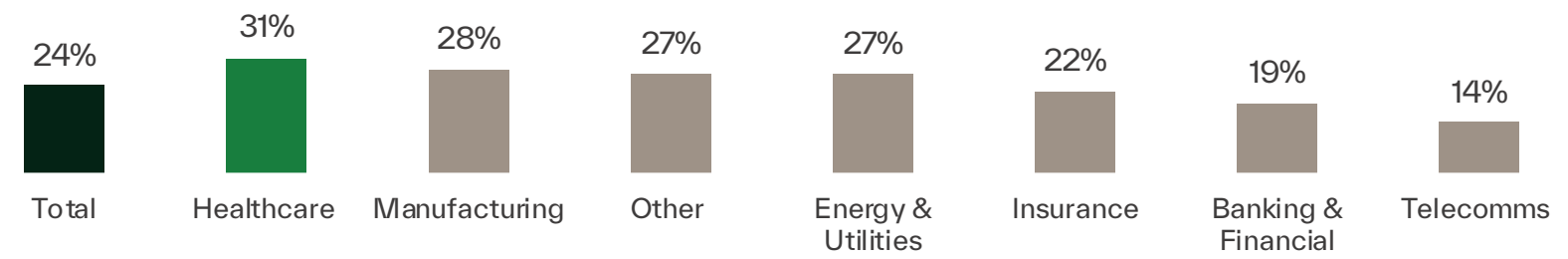
Total	Healthcare	Manufacturing	Other	Energy & Utilities	Insurance	Banking & Financial	Telecomms
24%	31%	28%	27%	27%	22%	19%	14%

Lack of understanding of or appreciation for of the value of technology modernization

Total	Healthcare	Energy & Utilities	Insurance	Manufacturing	Banking & Financial	Telecomms	Other
23%	29%	29%	23%	23%	22%	20%	20%

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04. Sustainable modernization is a challenge for Healthcare, despite high readiness for environmental disruption

Cite meeting sustainability / ESG goals as a challenge for their modernization efforts
Selected %

Industry	%
Energy & Utilities	71%
Healthcare	68%
Manufacturing	60%
Insurance	55%
Other Industries	52%
Banking & Financial	50%
Telecomms	41%

Readiness to manage environmental / climate disruption
Agree %

Industry	%
Healthcare	75%
Energy & Utilities	69%
Manufacturing	65%
Telecomms	63%
Insurance	63%
Banking & Financial	61%
Other Industries	61%

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05.

Despite significant AI investments to drive modernization, leaders struggle to see positive ROI

Most businesses are investing in both traditional AI—which includes Machine Learning—and Generative AI. However, only 42% of business leaders currently see positive ROI on their AI investments.

And 86% say their AI implementation is best in class, yet only 29% feel their AI is ready to navigate future risks.

Business leaders report data privacy, uncertainty of ROI and compliance as the biggest barriers to AI adoption; AI skills are the number one skills shortage they are desperately trying to fill to stay ahead of their competition.

AI Investment vs. ROI
% Selected, Currently Investing; % Net Positive ROI

- 76% — Traditional AI and Machine Learning (AI Investment)
- 42% — Traditional AI and Machine Learning (ROI on Technology Investments)
- 73% — Generative AI (AI Investment)
- 41% — Generative AI (ROI on Technology Investments)

Legend:
- AI Investment
- ROI on Technology Investments
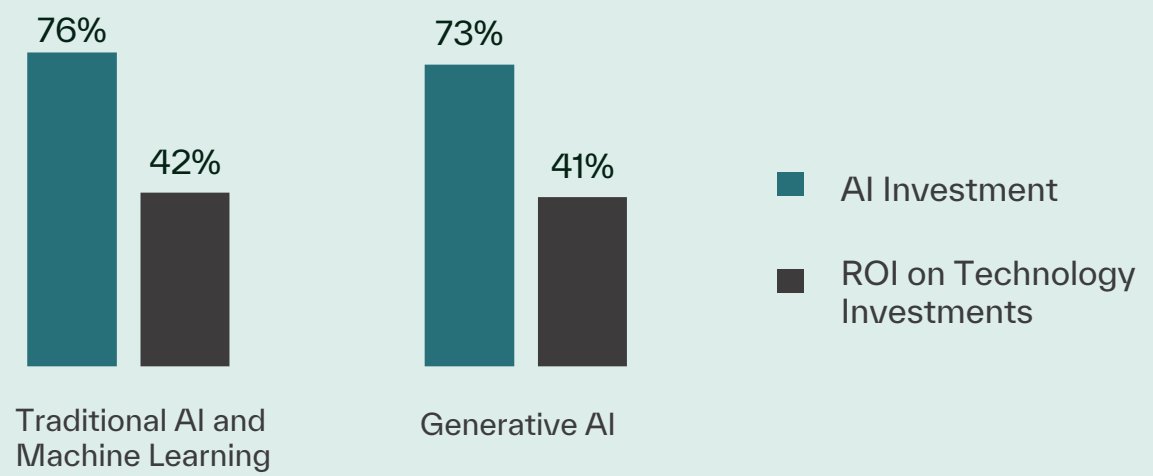
86%
Say their AI implementation is best-in-class

YET ONLY 29%
think their AI implementation is ready to manage future risks

Top 5 barriers to AI adoption:

1. Data Privacy and security
2. Uncertainty of ROI
3. Regulation and compliance
4. Integration
5. AI Skills gaps

Most common skills gaps:

1. AI / ML skills
2. Cyber-security
3. Data science / analytics

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05.

Healthcare leaders report investing more heavily in generative AI than other industries
(38% vs. 30% all-industry average)

Investing Heavily in Generative AI
(% Selected Investing Heavily)

Total	Healthcare	Other	Energy & Utilities	Manufacturing	Banking & Financial	Insurance	Telecomms
30%	38%	34%	32%	30%	29%	25%	19%
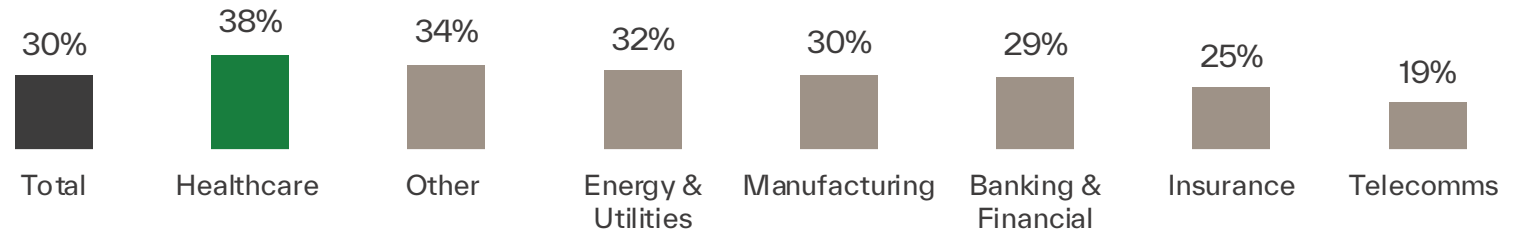
ROI on Generative AI Investments
(% Selected NET Positive ROI)

Total	Energy & Utilities	Healthcare	Other	Manufacturing	Insurance	Banking & Financial	Telecomms
41%	49%	45%	45%	44%	36%	35%	32%

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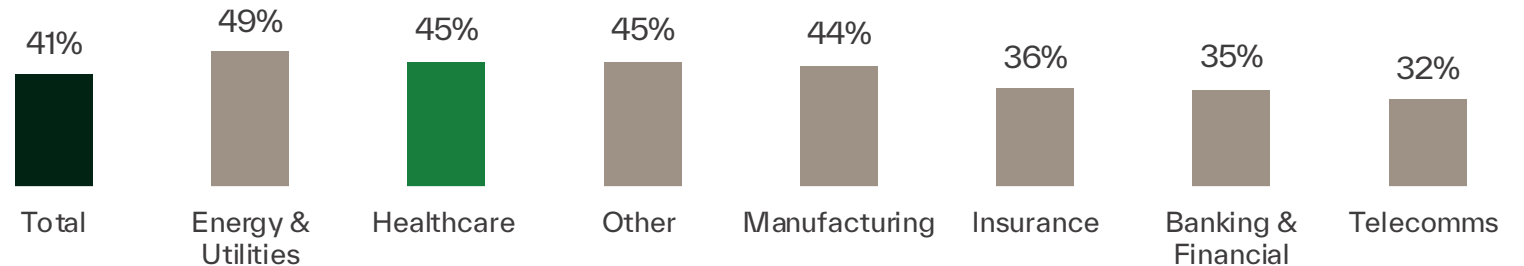
05.
Integration and cost are common barriers to AI adoption in Healthcare

While not a unique barrier compared to other industries, Healthcare leaders are more likely to cite difficulties in integrating AI technologies with existing systems and workflows (31% vs. 25% all-industry average)

Top 5 Barriers to AI Adoption
% Selected

Healthcare

1. Data privacy & security

2. Integration
   (+6 ppts vs. all-industry average)

3. Uncertainty of ROI

4. Cost constraints

5. Insufficient data

All Industries

1. Data privacy & security

2. Uncertainty of ROI

3. Regulation & compliance

4. Integration

5. AI skills gaps

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06.

Leaders that have progressed on the modernization journey overcome this prioritization paralysis and are more ready for the future

The leaders that are further along the tech modernization journey feel a heightened level of readiness to navigate risks (+11% pts vs. early stage modernization) and demonstrate four characteristics that set them apart:

- Prioritizing in a way that lets them both run their mission-critical business operations today while transforming for the future

- Seeing better ROI on emerging technology (e.g., AI, Quantum, Edge)

- Nurturing talent, skills and culture

- Collaborating effectively to achieve business goals

Businesses that report they are leading on their tech modernization journey, compared to those who are early stage:

+11% pts

feel more ready for future risks

+55% pts

say their IT is updated and ready for current and future needs

DECISION-MAKING

+22% pts

agree executive leadership effectively allocates resources to support IT infrastructure and technology modernization projects

MEASURING SUCCESS

+16% pts

see a positive ROI on emerging technologies such as AI, Generative AI, Quantum Computing and Edge Computing

TALENT

+19% pts

have a pool of talent proficient in emerging technologies

COLLABORATION

+43% pts

have seamless collaboration and alignment between business leaders and tech leaders

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Among Healthcare businesses, there is appetite for more support on leadership decision-making and talent management to navigate tech modernization

Specifically, Healthcare leaders are more likely than those in other industries to say they need support ensuring alignment of modernization efforts with business objectives.

Areas of Support Needed for Modernization Efforts
Total %

68%
Leadership decision-making support

vs. 63% all industries

58%
Talent management support

vs. 57% all industries

40%
Integrating new tech in existing infrastructure

vs. 43% all industries

- Enhancing collaboration between IT and other departments
- **Ensuring alignment of modernization efforts with business objectives**

  (28% vs. 22% all industry average)

- Talent acquisition and retention in IT-related roles
- Enhancing user adoption and training for new technologies

- Integration of new technologies into existing infrastructure
- Addressing legacy system limitations and modernization challenges

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The readiness mindset shift

While all modern organizations are building readiness and transforming through technology, as this data shows, there are difficult trade-offs to be made. To overcome these challenges, organizations should consider a shift in mindset: Readiness goes beyond preparedness and resilience—going beyond transformation to arrive at transformative and sustainable performance. IT is core to this expansive vision, and organizations that allow for new investment paradigms, evolve collaboration models within their C-suite and adopt a holistic view of assets driving long-term success.

Being 'people-ready' is just as important as being 'tech-ready'. IT is everyone's business.

- With IT playing a more prominent role in shaping workplace culture than ever, it is just as critical to the CMO and CHRO as it is for the CTO and CIO. Getting on the same page is crucial, and bringing employees along is necessary.

- While automation may help with some IT challenges, rather than replacing people, it allows for an expansion of skills, creating new business imperatives for upskilling and reskilling.

Weigh the fantastic vs. the familiar and embrace their interdependence.

- Emerging technologies offer tantalizing opportunities to grow in new directions, but leaders must weigh new investments alongside upgrades to their existing IT.

- To make the most of new tech, leaders need to understand how those tools will integrate not only with technology but the company culture, processes and goals.

- All new tech capabilities rely on a solid foundation; investing in the familiar first may get better ROI.

Operate, accelerate, iterate. Agility is a hallmark of modern tech leadership.

- No enterprise can stay competitive by standing still, and talent can be the best bulwark against risks—and the best levers for opportunity.

- Businesses struggling to realize a meaningful ROI can start with shorter-term success metrics to drive long-term value. Those smaller starts can help build a better case to move into more complex projects.

Reframe the conversation about tech debt. Observability is an important ally.

- In an evolving market, with everyone continuously confronting this challenge, businesses are not alone.

- Observability across IT allows teams to identify aging equipment and potential issues, offering intelligence for the entire C-suite.

- Knowing where to start can be a challenge, but reducing technical debt eliminates operational inefficiencies and unlocks potential for faster growth.

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Methodology

Sample size: n=247

The Kyndryl Readiness Report combines survey data from 3,200 senior leaders and decision-makers with insights from Kyndryl Bridge, the company's AI-powered, open integration digital business platform.

About Kyndryl Bridge

Kyndryl Bridge uses operational data, IP and embedded AI to provide observability across an enterprise's entire IT estate. To date, more than 1,200 enterprises have been onboarded onto the platform, which delivers 5.6 million AI-driven insights monthly. Kyndryl Bridge data in this report is a rolling three-month average from July to September 2024.

Kyndryl Bridge shows the status of IT estates across these dimensions

- **Best practices:** A score that shows alignment to both security and compliance requirements as well as industry best practices

- **Responsive:** A count of incidents automatically resolved (vs. requiring human intervention)

- **Competitive:** The amount of an IT estate that has aged past its expected life

3,200

Leaders and senior decision-makers

C-Suite business leaders (CEOs, CFOs), C-Suite tech leaders (CIOs, CTOs) and Senior Directors and Business Unit Leaders. Within this sample, 50% of respondents were C-Suite level executives and 50% of respondents represented companies with $1 billion in revenue.

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Markets

US	Brazil	Spain	Germany	Netherlands	Australia
Japan	Mexico	France	Italy	Luxembourg	China
Canada	UK	Belgium	Middle East	India	

25
Industries, with a focus on a core 6

Banking and Financial	Insurance	Other: e.g., Technology, Retail Professional services, Automotive, Government
Manufacturing	Healthcare	
Telecommunications	Energy and Utilities	

The survey was conducted by Edelman DXI, on behalf of Kyndryl. Fieldwork was conducted via online survey and telephone interview between July 1, 2024 and August 12, 2024.

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Learn More

The Kyndryl Readiness Report combines survey data from 3,200 senior leaders and decision-makers with insights from Kyndryl Bridge, the company's AI-powered, open integration digital business platform.

Scan the QR code or visit
kyndryl.com/readiness-report
for more insights

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Thank you

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