

Corporate Planning in the Digital Age: Challenges and Opportunities

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Abstract:- The digital age has brought a significant change in the way organizations operated and it includes corporate planning. The aim of this study is to assess the challenges and opportunities in corporate planning in the digital age. The descriptive method of research was used in this study and data were collected using a survey questionnaire that was distributed through an online platform. Due to the limited and specialized population, twenty-nine (29) respondents who were involved in the corporate planning process are chosen from different agencies in Nueva Ecija. The results of this study showed that there are several challenges and the main cause of concern are the fast-changing nature of work and the skills gap. However, there are remedies that can be used to address those challenges and to improve its corporate planning. The study also revealed that there are a lot of opportunities brought by the digital era, and one of those is improved access to data analytics. The impacts of advanced technology in corporate planning are presented as well. The findings of the study can be used as a reference to navigate the challenges and leverage the opportunities in the corporate planning of different agencies.

Keywords: *Digital age, Corporate Planning, Opportunities, Challenges, Remedy.*

I. INTRODUCTION

Corporate planning is an essential process that helps organizations sustain their operations and achieve their goals. However, the digital age has presented new challenges and opportunities for businesses in the Philippines. As a rapidly developing country with a growing digital economy, it is crucial for businesses to adapt their corporate planning strategies to take advantage of these changes. The purpose of this research is to explore the challenges and opportunities

faced by businesses in the Philippine digital age of corporate planning.

According to a report by Deloitte (2019), digital transformation has become a key driver of business success in the Philippines. The report also states that organizations in the Philippines need to be agile and adaptable to remain competitive in the digital age. Furthermore, a study by the Asian Development Bank (2018) reveals that the Philippines has significant potential for digital growth, particularly in the areas of e-commerce, fintech, and mobile technologies.

Despite these opportunities, enterprises in the Philippines face several challenges when it comes to implementing corporate planning in the digital age. These challenges include the need to invest in new technologies, the risk of cyber threats, and the need to develop new skills and competencies (PwC Philippines, 2019). Moreover, the lack of a comprehensive digital strategy and regulatory framework can hinder corporations' ability to leverage the digital economy's full potential (Asian Development Bank, 2018).

In facing these challenges, companies also need resiliency in acknowledging the reality that we are shifting on technology which can transform lives and businesses for the better. Since the digital environment is evolving quickly, the company's most important investment, greatest asset and secret sauce is still its people (MB Technews,2023). Technological competencies can take competitive advantage in terms of analytical skills in business. Additionally, the realization that the world is turning into a global information society wherein information becomes the source of wealth and the most critical economic resource, has prompted development planners to support investments in cyber technology (Flor, 2008). With that, the company's most feared off is being left behind in terms of digitalization. Firms must address the challenges and opportunities to keep up with the trends and competition.

This study aims to assess the challenges and opportunities in corporate planning in the digital age. Specifically, it seeks to determine the following: 1) Describe the corporate planning challenges faced by businesses in the digital era; 2) Describe the opportunities presented by corporate planning in the digital age; 3) Describe the remedies used to address these challenges; 4) Describe the impact of advanced technology in corporate planning and; 5) Provide recommendations for business in the Philippines to navigate challenges and leverage opportunities presented by the digital age.

The research will employ a descriptive research design to explore the challenges and opportunities faced by businesses in the Philippine digital age of corporate planning. The study will use semi-structured questionnaire with key informants from management teams of different industries in Nueva Ecija to gather data. The data will be analyzed using descriptive statistics to identify patterns and themes related to the challenges and opportunities faced.

The study's findings will contribute to the existing literature on corporate planning in the digital age and provide practical recommendations for businesses in the Philippines to navigate the challenges and leverage the opportunities presented by the digital economy.

II. METHODOLOGY

The researchers adopted the descriptive research method to investigate the challenges and opportunities faced by companies in the Philippine digital age of corporate planning. According to Cooper and Schindler (2011), one of the research objectives of descriptive studies was the description of phenomena or characteristics associated with a subject population. Due to the limited and specialized population size, as well as the specific criteria stated, the respondents were selected using a combination of purposive and snowball sampling (Moss et al., 2020). The primary data-gathering tool used is a survey questionnaire distributed through Google Forms. Twenty-nine (29) respondents were chosen from the management teams of various firms in Nueva Ecija who were directly involved in the company's planning process such as supervisors, managers and C-level officers. The researchers analyzed the collected data using frequency count and percentage to uncover patterns and themes linked to the problems and opportunities encountered. The research will also describe the impact of advanced technology in corporate planning and provide remedies used to address these challenges.

III. RESULTS AND DISCUSSION

A. Corporate planning challenges faced by businesses in the digital era

| Challenges | Frequency | Percentage |
|---|-----------|------------|
| Digital disruption | 11 | 37.90% |
| Fast changing nature of work and skills gap | 23 | 79.30% |
| Multi generation workforce | 22 | 75.90% |
| Rapid technological advancements | 17 | 58.60% |
| Digital transformation | 17 | 58.60% |

**multiple responses, n = 29*

Table 1. Corporate Planning Challenges Faced in the Digital Era

Table 1 shows the challenges faced by businesses in Nueva Ecija in terms of corporate planning in the digital age. 79.30% (23 out of 29) or almost all of the respondents are challenged by the fast-changing nature of work and skills gap, followed by multi-generation workforce (75.90%), rapid technological advancements and digital transformation (58.60%), and digital disruption (37.90%). As cited by Bughin et al. (2018), businesses are facing a skills gap as the nature of work rapidly changes due to digital transformation. The digital era has brought new technologies and ways of working which makes it difficult for organizations to plan and develop their workforce, as the skills needed for the future may not be the same as those required today.

Furthermore, diverse workforce generations have different expectations, preferences and working styles that can create tensions and hinder collaboration within the workplace and with the increasing adoption of digital technologies, these differences can be exacerbated as younger generations tend to be more comfortable and familiar with technology than the older ones. (Kumar and Singh, 2020).

On the other hand, many businesses in emerging economies, such as the Philippines, are struggling to adapt to the rapid pace of technological change and digital transformation. According to Filieri, Raguseo, and Iaconesi (2020), digital transformation is a complex process that involves integrating digital technologies into all aspects of an organization's operations. Although digital transformation can offer significant benefits, it also presents numerous challenges, such as technical, organizational, and strategic. These challenges are likely to be particularly acute for businesses in emerging economies, where access to capital and skilled labor can be limited, and where regulatory and institutional frameworks may not be as supportive of digital innovation.

B. Opportunities presented by corporate planning in the digital age

Table 2. Opportunities presented by corporate planning in the digital age

| Opportunities | Frequency | Percentage |
|---|-----------|-------------|
| Improved access to data and analytics | 9 | 31% |
| Increased collaboration among teams | 6 | 21% |
| Greater flexibility in planning processes | 5 | 17% |
| More efficient use of resources | 8 | 28% |
| All of the above | 1 | 3% |
| Total | 29 | 100% |

Table 2 presents various opportunities in the digital age in terms of corporate planning. Based on the survey findings, the majority of companies have experienced improved access to data and analytics (31%) due to the integration of technology in their corporate planning (Ballesteros, 2021). With technology, firms can gather and analyze data from different sources in real-time, allowing them to make informed decisions that align with their business objectives. This, in turn, can cause higher performance, improved productivity, and higher patron satisfaction.

Moreover, the incorporation of technology in corporate planning enables businesses to improve their operational efficiency and automate routine tasks (Hajikhani et al., 2020). By automating repetitive processes, organizations can streamline their workflow, reduce costs, and increase accuracy, freeing up resources for more value-added activities. Similarly, digital technologies can provide businesses with new avenues for growth, such as expanding into new markets, creating innovative products, and improving customer experience (Chen et al., 2020). As such, incorporating technology in corporate planning can significantly enhance the competitiveness and sustainability of businesses in the digital age.

C. Remedies used to address these challenges

Table 3. Remedies used to address these challenges

| Remedies | Frequency | Percentage |
|---|-----------|-------------|
| Investing in new technologies | 9 | 31% |
| Hiring additional staff with relevant expertise | 7 | 24% |
| Improving data and analytics capabilities | 9 | 31% |
| Redesigning planning processes | 3 | 10% |
| Others | 1 | 3% |
| Total | 29 | 100% |

In terms of technology, many companies are interested to integrate and improve to gain a competitive advantage. It shows in Table 3 that 31% of the respondents have an opinion to invest in new technology as well as improving data and analytics capabilities followed by hiring an additional staff with relevant expertise which have 24% as remedies to address the challenges faced by businesses in digital age. Investing in new technology is useless if the company will not utilize it properly, it is better to ensure that it is aligned with the organizational goal in order to increase efficiency and productivity. In addition, hiring additional staff with relevant expertise can help the firm increase the benefits of new technology and data analytics. However, it's important to ensure that the cost additional staff is justified by the potential benefits that can bring to the business. Moreover, having capabilities in data and analytic improvement is also good for decision making process. The redesigning planning process has the lowest rate of opinion at 10%.

Promoting digital literacy goes beyond simply teaching people to code. It is crucial to promote social and platform digital literacy to ensure that individuals know how to navigate their digital lives safely, from education and expression to livelihoods and citizenship (ICT Work, 2019). According to the Philippine Statistics Authority (2019), businesses in Region III, which includes Nueva Ecija, can benefit from digital transformation initiatives. Espiritu and Ferrer's (2019) study of a micro, small, and medium enterprise in the Philippines demonstrated the digital transformation potential for improving business performance. In line with this, PwC Philippines (2018), emphasized the importance of digital transformation for Philippine businesses to remain competitive.

D. Impact of advanced technology in corporate planning

Table 4. Impact of advanced technology in corporate planning

| Impact | Frequency | Percentage |
|--|-----------|-------------|
| Increased accuracy and efficiency | 9 | 31% |
| Improved collaboration and communication | 4 | 14% |
| Expanded data and analytics capabilities | 5 | 17% |
| Enabled new planning strategies | 10 | 34% |
| All the above | 1 | 3% |
| Total | 29 | 100% |

Advanced technology can give a significant improvement in corporate planning. As the results shown in the table above, the enabled new planning process at 34% is the effect of advanced technology in corporate planning followed by increased accuracy and efficiency at 31%. Using software tools can help the firm access more accurate and detailed data of the organization that can enable new planning

strategies and of course, can lead to getting more accurate and efficient. Furthermore, the expanded data and analytics capabilities have 17% and the lowest is the improved collaboration and communication at 14%, however, it is more effective over the departments or other units or teams. Digital communication platforms enable planners to share information easily and collaborate in real-time, regardless of their location. It can reduce miscommunication and boost efficiency. According to Medina, et al. (2019), the use of digital communication daily is increasingly intense, which leads companies to work the digital business strategy around the objectives, as well as incorporate digital methods into the objectives.

IV. CONCLUSIONS AND RECOMMENDATIONS

Generally, businesses in Nueva Ecija are facing various challenges in terms of corporate planning in the digital age, including the fast-changing nature of work and skills gap, multi-generational workforce, rapid technological advancements and digital transformation, and digital disruption. These challenges are not unique to Nueva Ecija, but rather reflect broader trends in the digital economy, where businesses must continuously adapt to new technologies and changing market conditions. However, the study also reveals that there are various opportunities in the digital age, including improved access to data and analytics, operational efficiency, and new avenues for growth.

To address these challenges and seize the opportunities, businesses should consider investing in new technologies that align with their organizational goals and strategies. They should also focus on developing their workforce by hiring additional staff with relevant expertise and providing training and upskilling programs to improve the skills of their existing employees. Moreover, businesses should redesign their planning processes to incorporate new technologies and data analytics capabilities, which can enable more accurate and efficient decision-making. It is also imperative that firms remember that without customers, there can be no business at all. Therefore, it is essential to make an effort to improve customer engagement and satisfaction through the use of digital technology. This may include a focus on creating a seamless and user-friendly online experience, as well as utilizing social media platforms to connect with customers and gather feedback. By prioritizing customer satisfaction, businesses can establish a loyal customer base and ultimately drive their success.

It is recommended that businesses prioritize the integration of digital communication platforms to facilitate collaboration and communication among teams and departments. This can help reduce miscommunication and boost efficiency, especially in the context of a multi-generational workforce with diverse working styles and preferences. Finally, policymakers and other stakeholders should support businesses in their efforts to adapt to the digital

economy by providing access to capital and skilled labor, as well as regulatory and institutional frameworks that are supportive of digital innovation.

Since this study only covered a general and preliminary approach to the challenges and opportunities faced by companies in terms of corporate planning in the digital age, a more comprehensive assessment of each is suggested, which firms can use as a basis in their strategy development process.

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