

Accenture Australian Business Agenda 2008 Video Series



High performance. Delivered.

Achieving high performance

Michael Pain

Hello and welcome to the Australia Business Agenda 2008 Video Series. A series of interviews with Senior Executives within Accenture's Australian Management Consulting and Integrated Markets practice. The Series tackles some of the key challenges facing organisations operating in Australia today.

2008 has been characterised by financial market turbulence and uncertainty. As executives deal with the immediate challenges thrown up by our economic unpredictability, they must also make

focussed decisions to position themselves for high performance in the long term. Accenture has identified the high performance anatomy which is uniquely adapted to the new realities of today's business environment.

In this video interview Philippe Bernard, a Senior Executive within Accenture's Strategy practice will define the characteristics of a high performing company with a specific focus on achieving an underlying operational infrastructure that delivers leading edge efficiencies and productivity.

Question

What are the main factors driving the business agenda in 2008?

• Consulting • Technology • Outsourcing

Philippe Bernard

Obviously everybody knows about the current turbulences on the financial markets and the uncertainty this creates overall for Australian companies – and other global companies as well – around where to compete, how to compete and where to invest. Certainly there are major concerns right now about the way the US economy is going, whether it's in recession already or heading for recession. Europe is in a similar situation. So, for Australian companies, it creates some level of uncertainty. Thankfully we have Asia and China and the BRIC countries who are maintaining growth and demand, but overall there is a general level of uncertainty that Australian companies have to face.

Question

What are the building blocks for high performance?

Philippe Bernard

Accenture research has identified three major building blocks of high performance, sustained high performance, and they are 'positioning' – essentially strategic positioning – market positioning, clarity of your strategy. The second one is 'distinctive capabilities', which is really about alignment of your internal capabilities to your strategy and providing execution differentiation. And the third one is really 'performance anatomy', which is all about more of the softer aspects of an organisation around people, values and mindsets. It's really what drives the culture of performance and support execution over the long run.

Question

Why is it important to establish a shared corporate mindset?

Philippe Bernard

It's important because it gives everyone the same focus and it increases engagement throughout the workforce towards a common goal. I think it all starts with the clarity of your strategy. You need to be very clear about what you are trying to achieve and the clarity of your strategy – the goals,

values that you are working towards. That alone, however, is not sufficient. You need to make sure that everything in the company is set up to focus peoples minds and actions and behaviours towards that goal. Mindsets are important because they are the glue, if you wish, that helps people bind and focus towards that same goal. So we see that as a very critical element of success and sustained high performance, and it's one that is not necessarily tapped or addressed very effectively by companies.

Question

Where are the opportunities for Australian companies?

Philippe Bernard

One of the things about Australian companies is that they are so close to major markets such as India and China, so from a positioning perspective we are at the heart of where the growth is at the moment. I think there are huge opportunities for Australian companies to tap into those markets and grow and achieve substantial growth, absolutely. And I think we will see more and more of that in the coming years.

Question

How can organisations improve competitiveness?

Philippe Bernard

We have seen Australia slip down the ranking table when it comes to productivity growth against our major competitors. That's a major sign of concern in terms of the ability of Australian companies to be able to actually manage their cost advantage, or to be able to establish that cost advantage, or being able to deliver that well. We've seen a lot of good growth in terms of the top line, but the productivity measures are a sign of concern that we may be sliding behind in terms of our ability to execute. What we are seeing today in the Australian market is that many companies are looking at transformation of their operations, recognition in some ways that their operating model – which was fine for the situation a few years ago

– is now no longer able to cope with the new competitive pressures. So we see companies embarking on significant transformation programs to revisit their operating model and realign their capabilities. This goes through a fundamental review of their technology platform, as a first element, but also a review of the way their organisation is set up. They are looking at obvious options like outsourcing, offshoring and shared services – in a sense simplifying their operating model and tapping into the opportunities offered by technology and reconstructing the operating model by looking at outsourcing options. These are three major areas that I think we have to make more progress on in Australia.

Copyright © 2008 Accenture
All rights reserved.

Accenture, its logo, and
High Performance Delivered
are trademarks of Accenture.