



Helping WilliamsF1 Apply Enterprise  
Performance Management Principles for  
High Performance, On the Track and Off

>  
accenture

*High performance. Delivered.*

**Established in 1977 with 17 employees, WilliamsF1 has grown into one of the world's leading manufacturers of Formula One racing cars and one of the most enduring and successful organizations in the global sporting world—with nine constructors' titles and seven drivers' titles to prove it. Today, nearly 500 WilliamsF1 designers, engineers and mechanics work to design, manufacture and test the next generation of Formula One racing cars.**

**Business challenge**

In the highly competitive world of Formula One racing, winning is all that matters. Buoyed by large corporate sponsorships, Formula One teams have been able to spend huge sums designing cars that will cross the finish line first. Today, two seemingly unrelated factors are converging to tighten those purse strings.

The competition for endorsement dollars is as fierce as competition during the race, with teams vying for the same sponsorship dollars. In addition, the

Formula One governing body—the Fédération Internationale de l'Automobile, or FIA—issues new regulations on an annual basis to make the sport safer and more competitive. These rule changes force all teams to continuously redesign their cars. The cost for newer advanced technologies associated with such redesign is high.

While other teams facing similar challenges bowed to the financial pressure and withdrew from the Formula One industry entirely,

- Consulting • Technology • Outsourcing

**“Now that we have adopted Accenture’s Enterprise Performance Management Framework, we have a robust process in place to identify the cost drivers in our business, allocate our limited budget to give the biggest bang for each buck and then manage the achievement of specific performance targets. We are now in better shape to face the challenges of competing and winning in the most technically-advanced sport in the world.”**

Alex Burns, chief operating officer, WilliamsF1

WilliamsF1 decided to shift gears and meet this situation head on. Specifically, it set out to hone its financial decision-making capabilities to drive higher levels of performance, on the track and off.

For help in bringing this new strategic imperative to life, WilliamsF1 turned to Accenture. For 10 years, Accenture had served as a sponsor of WilliamsF1. During that time, WilliamsF1 had come to rely on Accenture’s strategy and technology consulting services to help drive greater efficiencies and business performance improvements. Now, WilliamsF1 was counting on Accenture to help the team understand how to allocate finite resources to promote high performance in design, development and production. With deep skills in finance and enterprise performance management, as well as a proven commitment to helping WilliamsF1 succeed, Accenture was uniquely qualified for the task.

### How Accenture helped

Accenture’s experience and ongoing research into the characteristics of high-performance businesses has demonstrated that a value-centered culture is critical to motivating and enabling employees to make and act upon decisions that create value. WilliamsF1 has such a culture. In fact, it is this culture—in which everyone understands the drivers of value, marches in step, and adheres to the same agenda—that contributes largely to the team’s success.

Accenture’s job now was to build on this business culture and extend the team’s collaborative focus on value to include those activities that align technical/track performance and design targets with financial planning and resource allocation. The solution involved developing a comprehensive performance management program that would enable the team to make better and timelier decisions based on solid business and financial information, and provide the structures and processes needed to translate that information into insights that drive long-term success.

To help WilliamsF1 realize this vision of performance management, the Accenture Enterprise Performance Management Framework was applied. With this holistic framework, Accenture guided the WilliamsF1 team to:

#### Articulate a new strategy from an operational and business perspective.

Specifically, Accenture worked with WilliamsF1 to create a business strategy that focused on achieving its operational goals—that is, winning more races—within definitive financial resources. Accenture also helped the team understand the value drivers of success in this new paradigm, establish performance metrics and focus on the value of business insights.

#### Create an environment that enables performance management improvements.

Together, Williams F1 and Accenture constructed the Accenture Strategic Cost Model—utilizing Cognos Planning software—which provided a greater

understanding of the true cost of carrying out their principal business activities. This flexible financial-analysis tool enabled new capabilities in management reporting and scenario planning and became the primary source of business insight. Accenture also introduced a new governance structure that aligned the organization around the team’s 17 key product groups and gave senior designers the authority to turn business insights into actionable priorities.

#### Operate with a new sense of fiscal responsibility.

Accenture applied the Strategic Cost Model to build forecasting accuracy in non-discretionary spend areas, such as testing and racing logistics. Once these areas of spend had been agreed upon, WilliamsF1 could focus on allocating remaining resources to priority areas. For example, the model highlighted the value to WilliamsF1 of using two test cars, rather than three. With the resulting savings, WilliamsF1 would be able to allocate resources more effectively to cover the costs of participating in more races. Such allocations launched a new budgeting cycle, which called for managers—for the first time—to align their spending patterns to meet performance goals.

#### Set new targets.

An Accenture Design Progress Report was developed for each of the racing team’s 17 product groups. These reports allowed the team to measure performance not just in terms of track times, but also in terms of financial allocations and forecasting accuracy.

#### Monitor financial and operational performance for the long term.

Accenture helped the WilliamsF1 team establish planning, budgeting and design processes to regularly monitor their performance against targets. The goal was to create a capability for continuous and sustained improvement.

#### High performance delivered

With Accenture’s help, WilliamsF1 is well positioned to continue its tradition of success in the ever more competitive world of Formula One racing. The Accenture Enterprise Performance Management Framework was a critical

tool in building their new finance and performance management capabilities. It enabled the team to articulate a common finance allocation and performance strategy. It dramatically improved the quality, quantity and visibility of information across the enterprise, which resulted in the ability to plan actions based on relevant business insights, and then measure the success of those actions against strategic targets. It promoted ownership responsibility of certain activities and established an organizational structure that empowers team members to take action to meet common goals. And it has infused business processes with rigor and structure to enable the team to act jointly to achieve high performance over the long term, on and off the track.

Formula One is, at its core, all about precision. From the driver's handling of the car to the aerodynamics of the chassis to the calibration of the engine, every aspect of WilliamsF1's operations are continually adjusted, fine-tuned and improved to achieve ever-higher levels of on-track performance. Accenture has helped WilliamsF1 bring this level of precision to its financial and performance management capabilities, as well.

According to Alex Burns, chief operating officer of WilliamsF1, "Now that we have adopted Accenture's Enterprise Performance Management Framework, we have a robust process in place to identify the cost drivers in our business, allocate our limited budget to give the biggest bang for each buck and then manage the achievement of specific performance targets. We are now in better shape to face the challenges of competing and winning in the most technically-advanced sport in the world."

With a more coordinated and structured development program that establishes clear targets and monitors progress against these targets throughout the year, WilliamsF1 is ready to reach the height of its potential from the first race of every season to the last.

## About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance. With more than 129,000 people in 48 countries, the company generated net revenues of US\$15.55 billion for the fiscal year ended Aug. 31, 2005. Its home page is [www.accenture.com](http://www.accenture.com).

For further information, please contact:  
Stephen Proud, Senior Executive  
+44 20 7844 3826—London  
[stephen.proud@accenture.com](mailto:stephen.proud@accenture.com)  
Visit us at [www.accenture.com](http://www.accenture.com)

Copyright © 2006 Accenture  
All rights reserved.

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