



MWC BARCELONA KEYNOTE: JULIE SWEET, CEO ACCENTURE, IN CONVERSATION WITH MATS GRANRYD, DIRECTOR GENERAL GSMA

VIDEO TRANSCRIPT

Mats Granryd: So good afternoon everyone, I am just so thrilled to have the chance to talk to Julie Sweet, the CEO of Accenture. Hi Julie, how are you doing?

Julie Sweet: Hey Mats, thanks for having me today, I'm honored to be here.

Mats: We are so happy to have you here at MWC, and we have so much to discuss as well - the new faster speed of digital transformation, the role of the mobile industry and of course the importance of sustainability in the mix of everything. So, if you're ok, I will go straight to it.

Julie: Great!

Mats: The first question is that obviously that the world has experienced dramatic business conditions since the start of 2020 and, as you might know, the theme of this year's MWC is Connected Impact. Now, as the CEO of Accenture, what are you hearing from other CEOs and business leaders, now when we are emerging from the last 18 months and hopefully are starting to see the end of this pandemic?

Julie: Well Mats, first of all, I love the theme because I've been actually using a term which I call omni-connection. And we're seeing three big

trends, it's in more places but three big things around connection which I think are relevant for this audience.

The first is if you think about the consumer. So whether it's direct-to-consumer – as you know many consumer goods companies are trying to go that way, like retail. But it's really about leading companies moving from a mindset of omni-channel to omni-connection – which is all about meeting consumers where they are, being able to connect with them through experiences and engagement. So easy things like in the US when you go to an online store to buy groceries, they're providing things like recipes. It's all about the experience and the engagement and relationship too as people start to be more mobile and travel you know. Are all of these connections able to be seamless whether you're at home on the computer or on the phone?

So that's in one area but omni-connection is also happening when you think about the new frontier of digitization which is supply chain and digital manufacturing because here it's about actual connection between devices, technology,



going all the way from the supply chain and the digital thread to the consumer So it's really about thinking about what has to be connected, how to connect it and how are you layering the experience and the ease of actually being able to take the information and action it.

And then the final area is one where we are seeing high-growth companies – who are not talking about hybrid work and remote work, they are already in a productivity-anywhere environment. It's really about this omni-connection: what's the kind of experience they are providing their employees, what's the value proposition that they are offering far beyond whether or not they're working.

All of these things of course require an incredible network, thoughtfulness about you add intelligence and how you are connecting with these companies who are driving these different experiences and connections. And it's one of the reasons, I don't know if you saw, we just announced a major acquisition of umlaut, which is one of the leading companies in network engineering doing benchmarking, optimization for consumer experience and really deep advisory work around software engineering and networks. So we see this as a big part of our future because this is what our clients need.

Mats: Thank you very much Julie, that was really interesting and when you think about that, what kind of business value does it drive, where is the business opportunity in all of this?

Julie: It's a great question and I'd say it's really on most of the minds of the C-suites across industries that we're working in, how in a post-COVID world you are taking your investments in technology to drive different levels of performance. And what's the effect on the pandemic in terms of both opportunities and challenges.

Pre-pandemic - we did some really interesting work in 2019 to measure the value for companies based on depth, breadth, leadership and culture around technology, how were they financially performing. And the top 10 % were financially performing twice as well as the bottom 25%. And we committed to re-do that research 12 months after the pandemic because we predicted at the time that the pandemic immediately widened the gap between the leaders and the laggards Well we just went live with the results of that research and it's moved from 2X to 5X. Think about that – 2X to 5X!

But there's something super interesting. There is a new category which wasn't identifiable back in 2019. It's what we call the leap-froggers – companies in the laggard or middle category who are taking very distinct steps. They are very focused on systems, they are touching twice the number of processes when they are doing their transformations and they are using technology and transformation across more parts of the enterprise, something we call compressed transformation. Those leap-froggers are seeing a tangible difference and their goal of course is actually to leapfrog the leaders, not just catch up, a tall order because those leaders are continuing to invest.

So it's very clear that in this post-pandemic world there is huge value to be created through digitization and transformation, not just the technology implementation and there is the opportunity to leapfrog, which is very exciting.

Mats: A crisis has the effect that it crystallizes differences, you're saying that differences have increased but then you have companies have leapfrogged over this chasm which has been formed which I find is fascinating. Also I read that the development time for digital products has gone down from 400-500 days to 10-20 days so a massive reduction in time – have you seen that as well?



Julie: It really depends on the kind of digital products and what I think is even more interesting is as you use more technology there's been a lot of innovation over the last 12 months in order to be able to move faster, but we're also seeing a move to smart devices and intelligent products faster, which is helping to drive the digitization of manufacturing. Because all demographics moved online so the market for smart devices has expanded. And we see that as particularly exciting not just for the end products and also for what that means for going after that final frontier of supply chain and manufacturing. Which of course is very relevant when you think about 5G and the potential there to really make a difference.

Mats: So how do you think communications service providers in particular can grab this business opportunity?

Julie: They are absolutely critical and I want to recognize the communications service providers for the role they played in the pandemic, right, where they really were our lifeline around the world and their people were on the front line and didn't have a choice about not being able to be there for all of us.

And as we think about the future, I think the textbook answer of what communications service providers need to do is to focus on trust and technology, of course you see tons of investment in networks, you see a big focus across the globe in improving consumer service and NPS scores. But what I would say, because we are working with the world's leading communications service providers, is that trust and technology are table stakes. We see that the real difference over the coming years is going to be about those who are willing to disrupt themselves, who take a leapfrog mentality in terms of how they are doing their transformation and they have a commitment to really drive change.

Because the biggest impairment we see in this industry is often legacy cultures, legacy ways of working, and the need to get out of silos, to have the folks who are serving the customers connected and using the data in a different way for those who are building the networks and the

willingness to operate differently. And I think those are the kinds of things that companies need to be focused on in addition to the table stakes of trust and technology.

Mats: That's interesting. Let's change gear a little bit here and talk about sustainability. How important do you see sustainability in this when it comes to communications service providers or companies in general? Is this something you are talking about and thinking will be a key differentiator going forward?

Julie: Absolutely. We predicted back in 2014 that every business would be a digital business, a prediction that was ahead of its time and has definitely come true. We also believe that every business will be a sustainable or must be a sustainable business. You see that as both individuals and as responsible companies. The pandemic has highlighted that need. When you look at talent, in our research 1 in 2 employees say they want to work for companies who really believe in sustainability in a broad sense, not just climate. And of course consumers care very much and then you add to that investors and regulators. Sustainability is absolutely critical and of course the industries who are participating in this conference are all playing an important role. And the key, in our view, is to embed sustainability into your strategy, into what you're doing.

And that's why, even here at Accenture, the lens is sustainability by design, so whether that's when we move people to the cloud and we're measuring the carbon reduction, we're working right now on green IT development, how you make the use of AI more sustainable because AI can use a ton of energy if it's not properly configured. And so we believe not only how we operate but how we think about what we bring to our clients is absolutely critical.

Mats: Yes, I know Julie, I have had the privilege to listen to you at several different conferences and I know how passionate you are and Accenture is in driving sustainability and sustainability thinking in your business. Thank you so much for that leadership, we need more of that out there. So Julie, with those words I would like to thank



you so much: it has been a great chat and so insightful. I hope we will be able to see you physically, maybe next time.
Julie: I hope so. Thanks so much for having me today. Thanks!

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