



CLOSING THE DIGITAL SKILLS GAP TO GROW IN CPG - ANNE K. KOTZOREK, MANAGING DIRECTOR

VIDEO TRANSCRIPT

Host:

We're here today for an Accenture discussion about how consumer goods companies can truly become data-led by building their people's digital skills. We're talking with Anne Kotzorek, Managing Director at Accenture. Anne, thank you for talking about this with us.

Anne Kotzorek:

Thanks for having me. I'm very glad to be here today to discuss this with you.

Host:

Anne, many large global consumer goods companies are trying to digitally transform. Why is this so important now?

Anne Kotzorek:

Well, the ability to be data-led is critical for basically every consumer packaged goods company today. And we see that large global CPGs recognize this, but many seem to be unsure how to do it. Most of them are focusing on just one side of the equation, which is investing in digital technologies. That inherently limits their success. For large global CPGs to unlock the full value of data and create competitive advantage, they must address the other side of the equation, which is their people.

Host:

So what are digital leaders doing differently?

Anne Kotzorek:

Leaders concentrate not only on the technology adoption, but also on the adoption of digital transformation capabilities across the entire enterprise. We looked at ways to close the digital achievement gap, collecting data on technology, adoption, penetration, and organization culture, to identify the leaders and the laggards. And our research showed that CPG leaders that focus on educating the entire organization and that make their culture and ways of working truly data-centric will likely be the ones to fully benefit from the technology investments.

For example, we saw that leaders see two times the growth of laggards, and those companies that are more digital fluent are five times more likely to still be projecting high revenue growth of over 20% in the next three years.

Host:

Those are large revenue differences. So, what role do people play in unlocking digital value?

Anne Kotzorek:

Well, employees' digital skills can actually make or break the success of becoming data-driven.

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We find that the leaders are investing in fundamental digital upskilling and an in-depth function, specific digital training that enables their employees to strategize, to lead and to operationally apply data and analytics in their functional areas. Our research revealed that 65% of CPG employees say that their organization's senior leaders prioritize investment in targeted digital education and training for all employees.

Host (03:03):

In what ways does culture impact success?

Anne Kotzorek (03:07):

Well, learning and applying a methodology is, of course, part of what's needed. Changing the culture is the other: becoming insight-led has to start at the top. Leaders must be digitally fluent themselves. They must be continually learning and experimenting with the technologies just as workers do.

Leaders are beginning to create the environment in which it's safe for their people to experiment, to take risks, to fail fast and to learn from digital mistakes. Data cultures, we found, are strongest when they involve workers in envisioning workshops and simulations and more, to ensure that data and analytics are deeply embedded in employee experiences. Opportunities to build skills should also be designed around people and how they learn. CPGs should seek ways to help people learn and build new skills in a way that works for the individual. Upskilling opportunities shouldn't be annoying, mandatory courses. They should be seamless and embedded into daily work life.

Host (04:14):

Do CPGs have the people they need to build digital fluency within the organization?

Anne Kotzorek (04:20):

CPGs already face a shortage of digital talent that's needed to meet consumer demands at scale. Oftentimes digital high-performers seek jobs at digitally-native companies that offer a variety of opportunities to learn and innovate.

CPGs can't always compete with such opportunities. So to build digitally fluency and grow, CPGs must not only upskill current talent, but also become more creative in how they recruit, attract, train, and retain digital workers. We found that larger companies in the west have been increasing their investment in staff training over the last few years with the average number of training hours provided annually per employee increasing from 42.2 in 2017 to 102.6 in 2020. And while digital skills are critical, so are complementary skills such as creativity, analytical skills and strategic thinking.

Host (05:24):

Anne, how can consumer goods companies gain skills needed to drive growth?

Anne Kotzorek (05:30):

First, I would say to prioritize digital skill enhancements at the top. The CPG CEO must drive the digital upskilling agenda and hold all C-suite members accountable for an enterprise-wide digital learning initiative in order for the business to maximize its return on digital investments.

Secondly, CPGs must create a data culture. Digital adoption will occur when all types of workers see the benefits of data insights, and they understand how digital applies to their day-to-day work. Companies must design the experience of data around the moments that matter in employees' daily work.

And lastly, they must skill for the future. Digital upskilling initiatives should be multilayered, relevant, and future-oriented. Start by assessing your people's knowledge in digital technologies, digital behaviors, and decision-making.

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Provide training in digital technologies such as cloud and AI that is personalized and function specific and that engages workers. All this require a cohesive, consistent effort to prioritize the digital agenda, but we believe it's worth it. Closing the digital skills gap and being fully insight-led is needed for future growth.

Host (07:19):

Thank you again, Anne.

Anne Kotzorek (07:21):

Many thanks for having me. It was my pleasure to talk to you today.

Host (07:30):

Accenture's latest digital fluency research included more than 5,400 workers across 12 geographies and nine industries, including 600 in the consumer goods industry. For more information on our recent report, innovations and trends in consumer goods and services, please visit [accenture.com/consumer goods](https://www.accenture.com/consumer-goods).

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