

The opportunity to rebuild business  
and help society through fiscal support

# Fueling recovery



**Governments are fighting the pandemic-induced downturn with unparalleled levels of fiscal support. More than US\$19 trillion of funds have been announced globally, and an additional US\$7 to US\$9 trillion is both anticipated and needed.<sup>1</sup>**

**This moment presents a unique opportunity for business leaders to leverage fiscal support to rebuild their businesses, accelerate digital transformation, and transform society for the better.**

**For leaders to do so effectively, it is critical not only to understand the full range of potential support coming, but also to be equipped with strategies to maximize the long-term impact of funding for all.**

# Authors

**Kathleen O’Reilly**

Global Lead –  
Accenture Strategy

Kathleen leads Accenture Strategy, which creates shareholder value and enables competitive agility by partnering with boards, CEOs and C-suite executives to define and answer their most strategic business questions—including growth, profitability, technology-driven transformation, mergers & acquisitions (M&A), operating models and sustainability. She is also a member of Accenture’s Global Management Committee. Kathleen is based in Philadelphia.

**Stephanie Jamison**

Senior Managing Director –  
Global Industry Lead, Utilities

Stephanie leads Accenture’s global Utilities practice. She has a proven track record of helping clients with energy transition and growth strategies, while driving large scale business transformation programs for some of the largest and most innovative utilities across North America and Europe. She also leads diversity networks at Accenture and is an International Women’s Forum Fellow. Stephanie is based in London.

**Karen O’Regan**

Managing Director –  
Accenture Strategy, Ireland Lead

Karen leads Accenture Strategy in Ireland. She works with CEOs and senior management of Fortune 500 companies, as well as public organizations. Her role focuses on corporate strategy, digital transformation and growth, and innovation strategy. Karen helps organizations respond to disruptive technology shifts, using sustainability as a key lens in driving competitive agility. Karen is based in Dublin.

**Katherine Dunn**

Senior Manager –  
Accenture Strategy

Katherine focuses on growth strategy and corporate innovation. She has experience helping Fortune 500 companies on strategic growth initiatives with a specific focus on corporate innovation and industry convergence in the health space. Katherine is based in New York City.

**Chris Tomsovic**

Senior Manager –  
Accenture Strategy

Chris is the lead for COVID-19 macroeconomic analysis for Accenture Strategy. His client work focuses on strategy development, M&A, and corporate transformation across financial services, private equity, energy, and telecoms. Chris has worked across the US, Europe, the Middle East, and Central Asia and is based in London.

# An unprecedented response to unprecedented disruption

The severity of the pandemic-induced downturn has created immense health-related and socioeconomic challenges for global economies.

To alleviate the shocks, governments have already committed to historic levels of fiscal support, with more than US\$19 trillion announced to date globally.<sup>2</sup>

Fiscal support: The need

According to the Organisation for Economic Co-operation and Development (OECD), the global economy will shrink by 4.2% in 2020.<sup>3</sup> This would represent the deepest recession since the Second World War (See Figure 1).

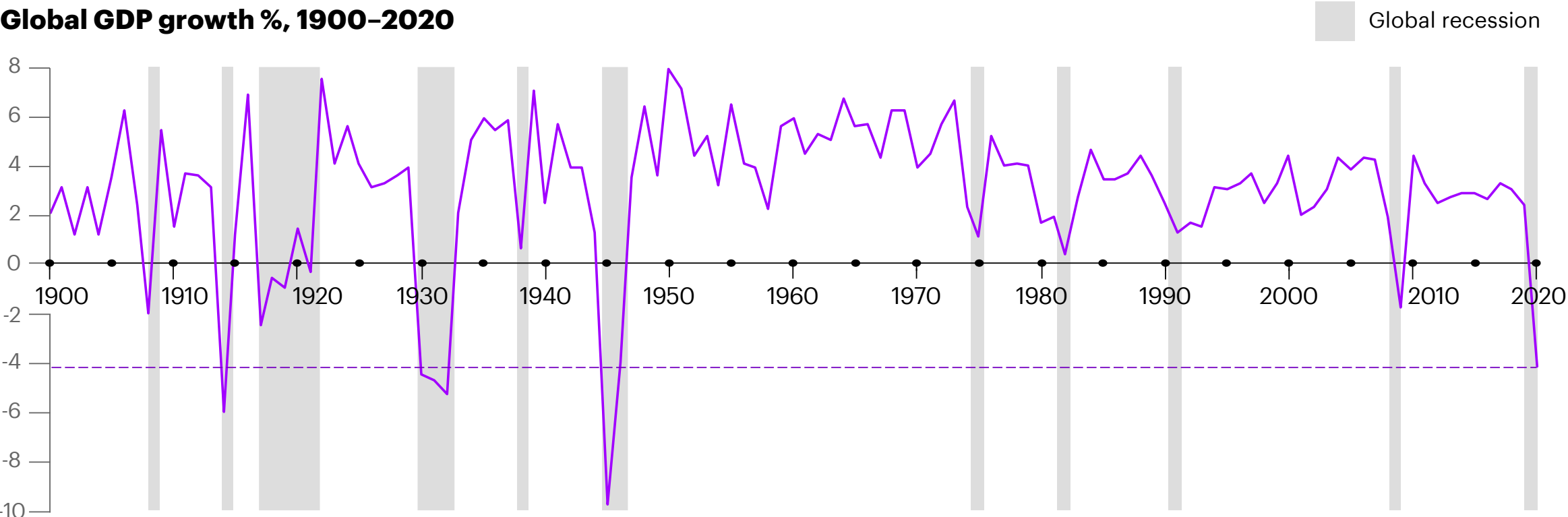
From March to October 2020, the equivalent of over one billion full-time jobs were lost across sectors.<sup>4</sup> Select industries such as Travel, Hospitality, and Retail saw outsized impact, with the Travel industry shedding an estimated 174 million jobs alone in 2020.<sup>5</sup> Just in the United States, over 30,000 businesses have filed for bankruptcy, and it is estimated that 26% of global businesses face future bankruptcy.<sup>6,7</sup>

The magnitude of this economic shock is expected to deepen inequalities. In the United Kingdom, the education gap between children from disadvantaged backgrounds and their peers could increase by 75% due to the shift to remote learning.<sup>8</sup> Globally, 510 million women—40% of total female employment—work in industries most affected by the pandemic, 43 million more than men.<sup>9</sup> Furthermore, the pandemic is expected to cause the number of people living in extreme poverty to increase by 71 million people, reversing two decades of economic development gains.<sup>10</sup>

The socioeconomic hardships are evident. Now is the time for companies across the globe to mobilize and fuel change.

Figure 1  
The COVID-19 global recession

The COVID-19 induced recession is slated to be the fourth deepest recession since 1900 with global GDP forecasted to contract by -4.2% in 2020.



Source: Accenture Strategy analysis of IMF, Bolt et al. (2018), Kose et al. (2019, 2020) and World Bank data. The 2020 growth rate is a December forecast.

## Fiscal support: The scale

Between January and December 2020, governments responded robustly, announcing fiscal support equivalent to 22% of global GDP (See Figure 2). For comparison, only 2% of global GDP was deployed during the global financial crisis.<sup>11,12</sup>

## Fiscal support: The split

Nearly half of fiscal support (49%) has been earmarked to help households and companies maintain liquidity, such as loans and assistance for furlough plans and approaches that protect employee pay checks. Another 40% represents direct support, sometimes in the form of one-off cash transfers, to healthcare infrastructure and testing programs. The final 11% is in the form of deferrals, which allow companies and individuals to defer social security contributions and value-added tax (VAT) payments to a later date.<sup>13</sup>

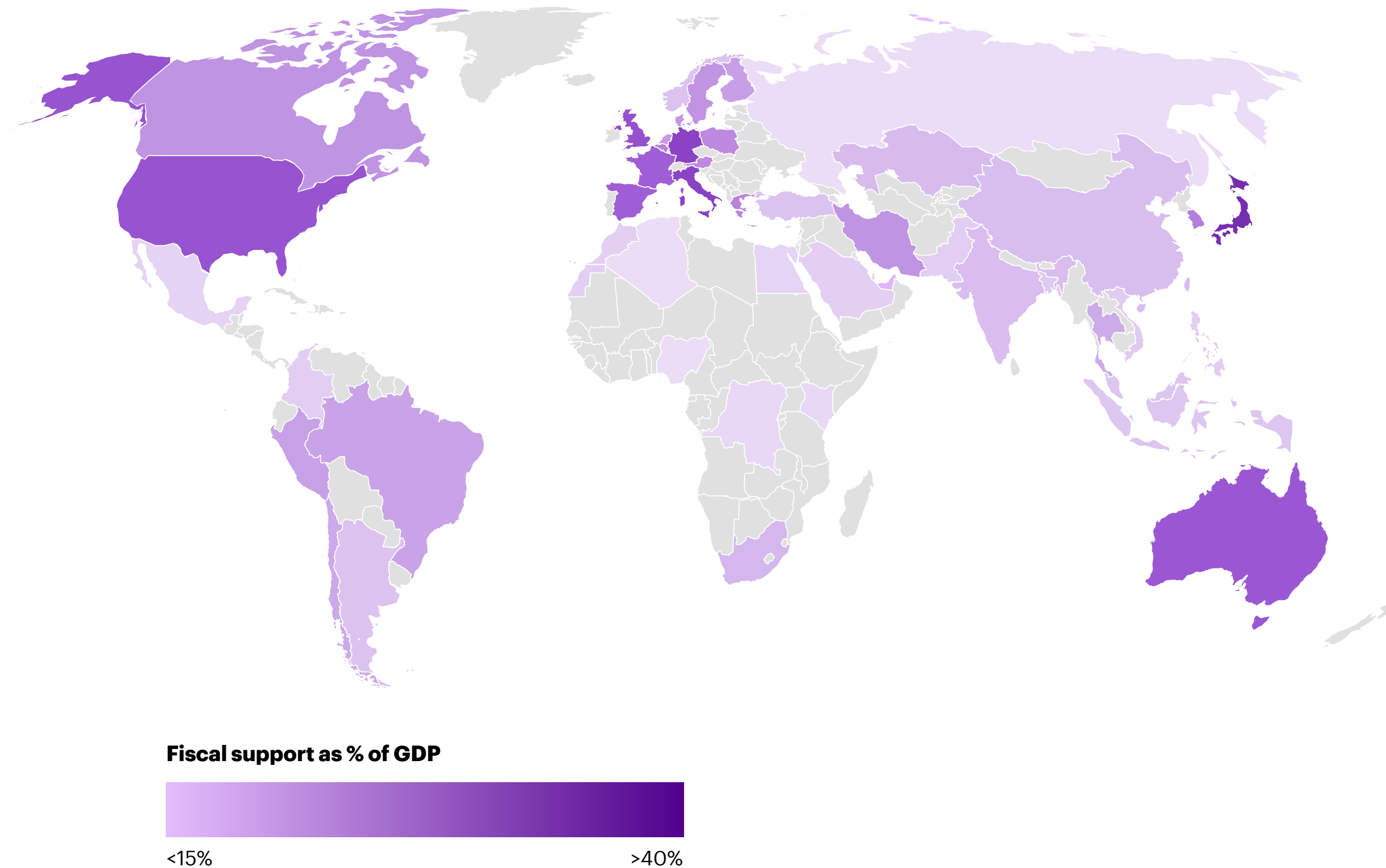
## Fiscal support: The unspent

To date, 31% of the announced support has yet to be spent or drawn upon due to several reasons. Firstly, some countries are still finalizing the details of their recovery plans, such as several in Europe.<sup>14</sup> In addition, some companies have chosen not to leverage all the available loans, hesitating to make major capital investments given the continued economic uncertainty.<sup>15</sup> Lastly, higher savings rates mean that not all support is flowing into businesses, and therefore circulating in the economy.<sup>16</sup> In the United States, the personal saving rate peaked at 34% in April 2020, up from 8% in February.<sup>17</sup> Collectively, these factors signal additional support may be needed to keep businesses afloat.

## Figure 2

### The fiscal support map

Between January and December 2020, governments announced fiscal support worth US\$19.6 trillion, equal to 22% of global GDP in 2019. The size of countries' support, relative to their economies, has varied widely.



Source: Accenture Strategy analysis of IMF and national treasury and reserve bank data.

	Amount (US\$ tn)	% of GDP (2019)
Advanced economies		
Japan	2.6	51%
Italy	0.77	39%
Germany	1.46	38%
United Kingdom	0.84	30%
United States	6.01	28%
Australia	0.36	26%
Spain	0.35	26%
France	0.69	24%
Other	2.31	
Emerging economies		
China	2.31	15%
Brazil	0.2	11%
India	0.2	7%
Other	1.5	
<b>Total</b>	<b>19.6</b>	<b>22%</b>



Fiscal support: The future

Despite the promise of vaccine rollouts, the continued economic uncertainty driven by further lockdowns means the global economy is still estimated to be 5% smaller at the end of 2021 than if the economy continued to grow at pre-pandemic forecasts. This represents a gap larger than the size of the German economy.<sup>18,19</sup>

Given this outlook, Accenture Strategy has calculated that US\$7 to \$9 trillion in additional fiscal support would still be needed in 2021 to close projected shortfalls in aggregate demand and return global GDP growth to its pre-pandemic level (See Figure 3).

The level of required support could rise even further if repeated waves of the virus lead to additional economic headwinds, or if traditional recession fallout such as unemployment or bankruptcies sustain.<sup>20</sup>

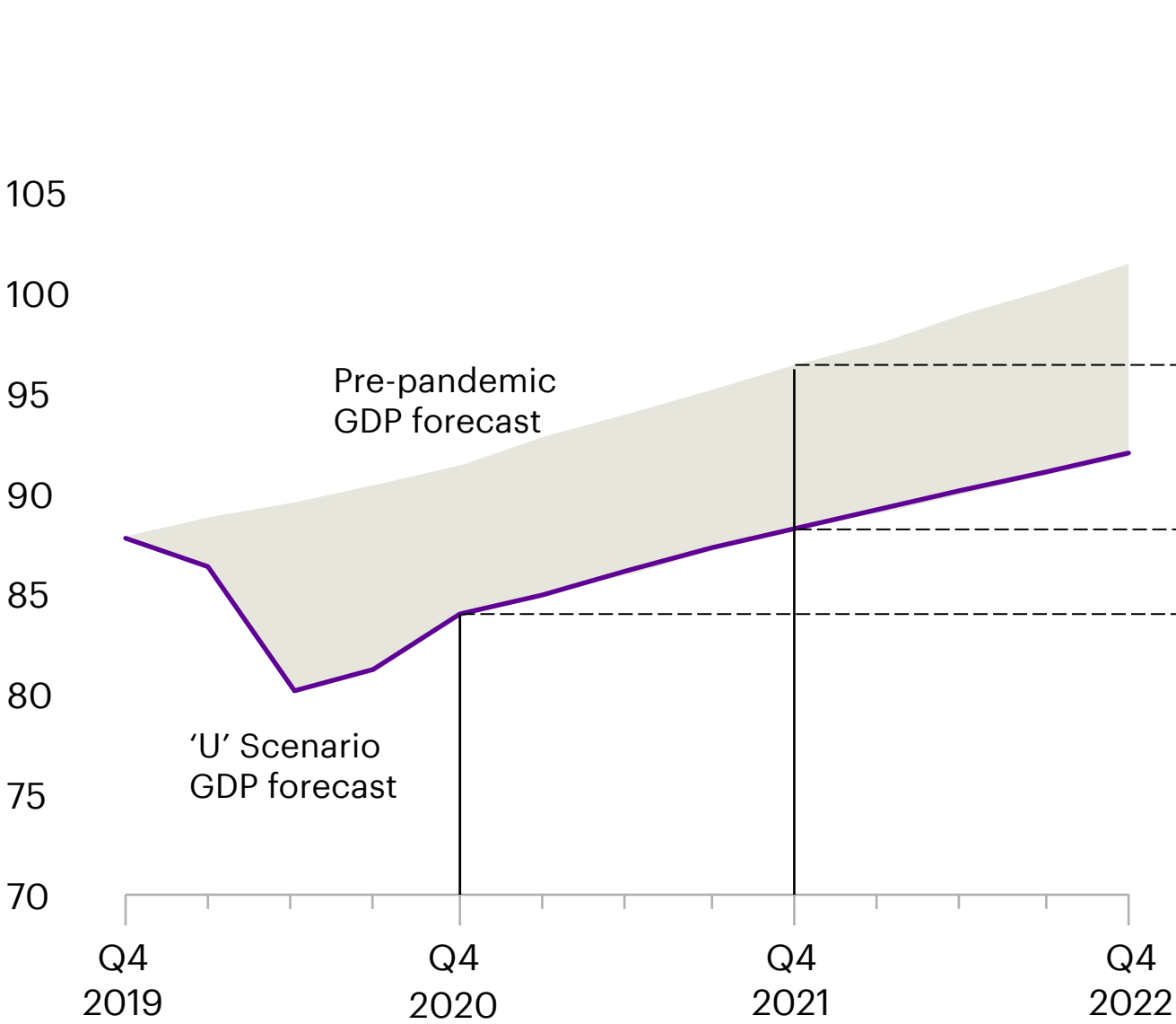
**Businesses may instinctively, and understandably, react to additional waves of the virus by focusing on immediate relief efforts. However, businesses should also keep the long game in sight, realizing the transformative power of Recovery Investment to drive longer-term, sustainable growth.**

Figure 3  
Restoring global economic growth

US\$7 to US\$9 trillion of additional government funding may be needed to return to pre-pandemic global GDP growth forecasts.

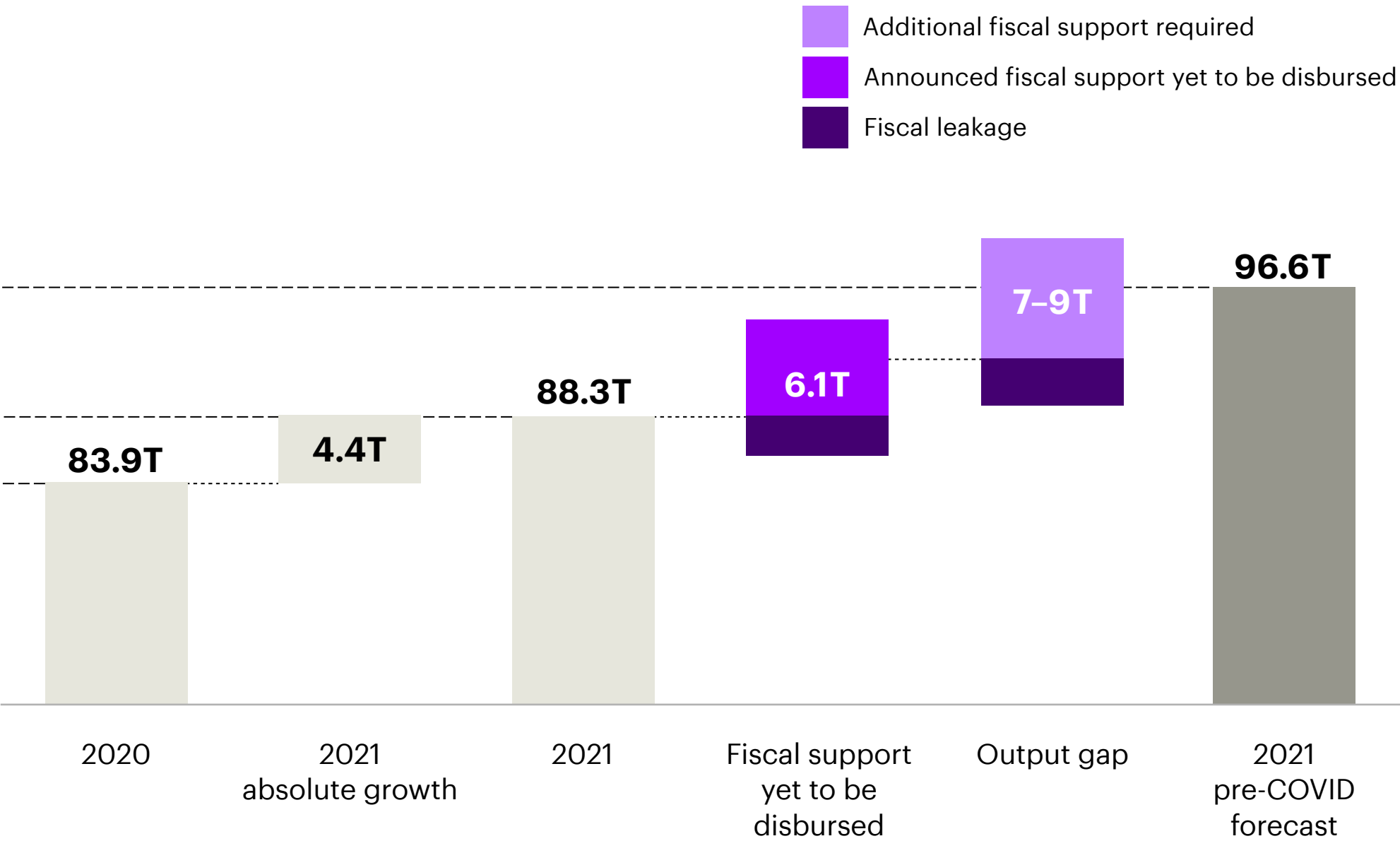
Global GDP gap to pre-COVID-19 forecasts

Global economy in trillion US\$ (2019 current-dollar)



Fiscal support required to close the gap in 2021

Global economy in trillion US\$ (2019 current-dollar)



Source: Accenture Strategy analysis of IMF, OECD and World Bank data. The amount of fiscal support required was calculated by: 1) taking the global pre-COVID economic growth forecasts for 2020-2022; 2) assessing how much fiscal support has been announced and deployed in 2020; and 3) applying a conservative 0.60x fiscal multiplier that accounts for consumers saving money, firms holding back on capital expenditure, loans not fully being accessed, or other common fiscal leakages.

# Recovery Investment is next

This crisis has seen fiscal support come in three forms: Relief, Stimulus, and Recovery Investment.

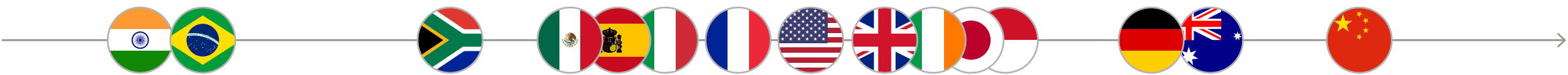
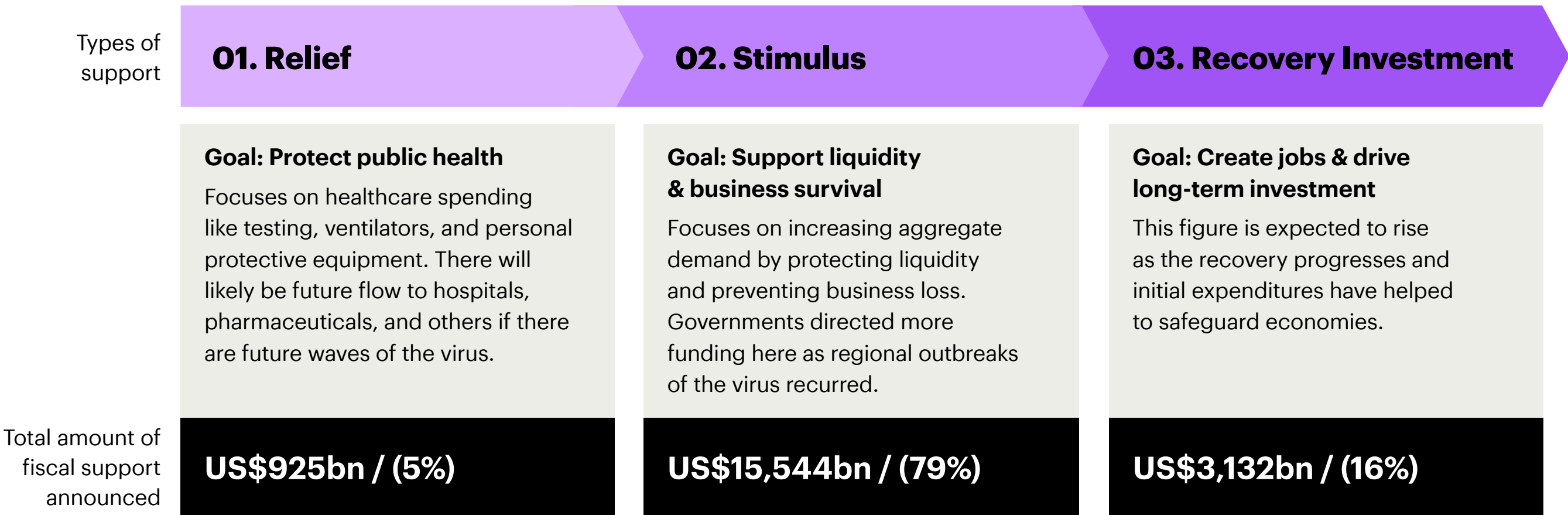
To date, just 16% of announced support has been earmarked for Recovery Investment (See Figure 4). Most of the fiscal support has been directed to the Stimulus phase as many governments have introduced restrictions to suppress the virus.

For many countries, unlocking Recovery Investment depends on the success of vaccine rollouts as economies open and consumer confidence rebounds.

Recovery Investment presents an opportunity for businesses to propel society into a more resilient and sustainable future. Leaders that understand the potential multiplier effects will be well positioned to capture the gains.

Figure 4  
Three types of fiscal support

79% of government spending commitments to date have come as Stimulus support. In the coming months, we expect support to be directed to Recovery Investment.<sup>21</sup>



Illustrative – The existence of cyclical outbreaks will cause countries to circle between the three stages as the crisis resurfaces

Source: Accenture Strategy analysis. The relief and stimulus figures were calculated using the IMF's tracking of fiscal recovery packages across various countries as of October 2020. Recovery funding was calculated by looking at government-announced spending plans to assess how much COVID-related funding is targeting longer-term transformational investments in the economy.

Three reasons explain why a large portion of the US\$7 to US\$9 trillion of additional fiscal support in 2021 will likely come as Recovery Investment:

1

Unused support is focused mainly on liquidity

Of the US\$6.1 trillion of undisbursed support, approximately US\$4.3 trillion is earmarked for liquidity support for businesses and households dealing with the costs of lockdowns. Given the funds are earmarked already, it is difficult to divert the funding for longer-term investments.

2

Recovery Investment tends to come last

In crises, it is common for governments to first prioritize stabilizing the economy through Stimulus support and then shift focus to rebuilding. For example, in the 2008 financial crisis, the Troubled Asset Relief Program (TARP) was passed to rescue the banking industry and stabilize the economy. Then in 2009, the American Recovery and Reinvestment Act (ARRA) was announced, which focused on longer term growth and job creation.<sup>22</sup>

3

Governments are already mobilizing around recovery

Multiple governments are starting to announce support packages that direct large parts of funding to longer-term investments. More than half of Japan’s US\$294 billion third support package focuses on digital and green technologies.<sup>23</sup> The European Union’s €750 (US\$900) billion package also has a strong focus on the green energy transition.<sup>24</sup> In addition, other governments have also signaled ambitions for longer-term investments.



Recovery Investment as a catalyst  
to transform economies

How history judges global crises is often determined by the ability of government and business to transform economies for the long term.

The 1930s Great Depression led to the New Deal in the United States, introducing social security, collective bargaining of unions, public housing, and banking deposit insurance schemes which are critical to economies to this day. Additionally, it gave rise to women in the workforce, and female employment rose 24% by the end of the 1930s.<sup>25</sup>

Often, the most innovative advances in technology have arisen as a result of severe crises. The Second World War spurred the invention of the modern computer with “the Colossus” to aid military intelligence.<sup>26</sup> It was also the impetus for the National Health Service (NHS) in the United Kingdom and resulted in the creation of United Nations.<sup>27</sup>

Given the severity of the pandemic’s impact across economies, we expect there will be significant technological advancements catalyzed by this crisis. These advances will have pronounced reverberating societal benefits.

Recovery Investment presents an opportunity to not only drive new economic growth, but also create a broad-based sustainable recovery for all.

This is a once-in-a-lifetime, multi-trillion-dollar opportunity for businesses to leverage recovery funding to fundamentally leapfrog the economy, society, and the environment for the betterment of all.

Fueling recovery

Recovery Investment is next

Evidence suggests that a successful support package will return two to three times the initial cost, as household and business spend drives reinvestment.<sup>28</sup> Widespread impact will require a substantial multiplier effect on the funding.

To understand how Recovery Investment can drive widespread societal impact, Accenture Strategy studied 17 different types of support deployed across twenty countries during past recessions from 2001-2020 (See Figure 5).

Our analysis showed that Recovery Investment, when deployed with intention, can result in widespread impact across three key parameters: Economic, environmental and human.<sup>29,30,31</sup>




Impact parameter	Key questions	What we measured
 <b>Economic</b>	<ul style="list-style-type: none"><li>• Can we create jobs?</li><li>• Can we spark economic uplift?</li><li>• Can we increase opportunities for vulnerable populations?</li></ul>	<b>Jobs created</b> (per US\$1m investment)  <b>GDP multiplier</b> (per US\$1m investment)
 <b>Environmental</b>	<ul style="list-style-type: none"><li>• Can we reduce environmental footprints?</li><li>• Can we accelerate the energy transition?</li></ul>	<b>CO<sup>2</sup> reduced</b> (Gigatons sequestered)
 <b>Human</b>	<ul style="list-style-type: none"><li>• How easy is it to implement?</li><li>• How likely are humans to adopt it?</li></ul>	<b>Adoption index<sup>32</sup></b> (10 = easy adoption)



Figure 5  
Impact parameter values for key fiscal support measures

Critical areas for long-term growth are mapped against three dimensions: Economic improvement, environmental benefit, and the impact on people.<sup>33</sup>

Initiatives		Economic		Environmental	Human	2008 Crisis
		Jobs created (per US\$1m investment)	GDP multiplier (per US\$1m investment)	CO <sup>2</sup> reduced (Gigatons sequestered)	Adoption index (10 = Easy adoption)	Funding disbursed in 2008 (% of total)
Environmental	Green spaces and natural infrastructure	26	-4.4	59.1	9	2–5%
	Recycling (reuse & high value)	12	0.4	9.7	6	
	Renewable energy investments	15	6.4	93.2	3	
Infrastructure	Regenerative agriculture and livestock	22	2.2	58.7	2	8–12%
	Traditional transport infrastructure	19	3.2	58.0	10	
	Tax incentives for energy-efficient buildings	17	3.6	73.3	5	
Connectivity	Connectivity infrastructure investment	14	8.1	5.1	4	0–1%
	Electric mobility spending	13	2.4	21.2	6	
	Modernize electricity grids	13	8.1	53.0	8	
Research & Development	Clean R&D spending	15	1.6	47.0	3	1–3%
	General spending	12	6.5	4.5	2	
Public Services	Healthcare capital investment	14	7.7		2	23–28%
	Education capital investment	17	5.4	85.4	2	
	Worker retraining	11	2.1		1	
	Disaster preparedness	14	-0.9		1	
Liquidity	Liquidity support for startups, small and mid-sized businesses, and households	7	10.9		7	43–50%
	Impacts on income	14	-1.5			

Source: Accenture Strategy analysis of Oxford University, ILO, Ellen MacArthur Foundation, and Brown University data. Four parameters were investigated, using various research reports to extrapolate and match the parameter values to the list of initiatives. The impact parameter values are typical indicative results for each respective initiative. 1) Job creation: Long term job creation using University of Massachusetts and the Watson Institute at Brown University, United States data 2007-2015. 2) GDP multiplier: Smith School of Enterprise and the Environment at the University of Oxford survey of over 200 government and central bank officials, economists and think tanks. 3) CO<sup>2</sup> emission reductions: Project Drawdown global research. 4) Human adoption index: An index developed with Accenture Insights Lab, which measures the ease at which fiscal support initiatives can be adopted by people. Connectivity infrastructure investment includes 5G networks and electricity, transmission, and distribution. The combinatorial effects of the initiatives has not been considered as part of this analysis.

Each initiative has a unique multiplier effect on the economy and a subsequent return on investment.

To illustrate the effects in action, consider the following:

- Environmental: Tax incentives for energy-efficient buildings and investments in renewable energy can result in the sequestering of 160+ gigatons of CO<sub>2</sub>.
- Technology and connectivity: Investments in connectivity infrastructure such as 5G, cloud, and data can raise productivity of unconnected households, while boosting GDP by US\$8.1 million per US\$1 million invested.
- Small business & household support: For every US\$1 million in liquidity support provided to small businesses, GDP can increase by US\$10.9 million.

Business leaders should also take into account the speed of return on investment. For example, energy efficiency retrofits in buildings are often smaller, more modular projects which provide immediate environmental and economic benefits. Other investments, such as large-scale public transportation, tend to be multi-year projects where the economic benefit is not realized for some time.

Second, is the risk associated with certain projects. Recovery Investment can be designed to de-risk investments in more nascent areas, such as R&D in emerging technologies, or to mobilize private sector capital to create new growth areas of the economy. Businesses that understand how certain Recovery Investment levers change risk profiles of their projects can gain ‘first-mover’ advantages in many industries.



# Seize the opportunity and fuel change

It has become clear that returning to business as usual is neither likely nor desirable. There is no going back.

If leveraged effectively, Recovery Investment could be the fuel not only to rebuild society, but also to accelerate transformations responsibly—resulting in fundamentally reshaped value chains and new industry dynamics.

Now is the time for business leaders to explore the art of the possible and to realize the full potential of activating Recovery Investment.

Fiscal support is not a zero-sum game between governments and businesses. On the contrary, if business leaders lean into the process with a cooperative mindset, transformational value can be created for businesses and society alike.

## Lead with responsible business...

Activating Recovery Investment responsibly can demonstrate the commitment of a business to sustainable and responsible practices, which is becoming increasingly important. Two-thirds of consumers now expect companies to invest in longer-term, sustainable and fair solutions post crisis. Additionally, 40% of employees think their employers' actions during the pandemic are not demonstrating commitment to the planet or society.<sup>34</sup> If leading businesses leverage Recovery Investment responsibly, the impact will not only serve as a positive change for society, but also strengthen brand positioning and increase stakeholder trust.

## ...underpinned by exponential technology change.

Accelerating digital transformation in all areas of business is the top priority for executives, with 49% of surveyed C-suite executives already scaling up their cloud-based and AI technologies.<sup>35</sup> The next most important priority is becoming a truly sustainable and responsible business. In fact, companies pursuing a “twin transformation”—digital and sustainable transformation in tandem—are 2.5x more likely to be among tomorrow's leaders.<sup>36</sup> Executives say that the three most important technologies they plan to deploy in adopting responsible business practices will be Internet of Things, predictive data analytics, and 5G.<sup>37</sup> These three technologies will likely be part of Recovery Investment, given packages announced to date.

**We highlight three considerations for business leaders as they evaluate how to maximize Recovery Investment by driving technological change to advance responsible business.**

### 01 Think big and target win-win opportunities

---

### 02 Take a collaborative action mindset

---


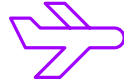




### 03 Execute with intention and value at the forefront



01 Think big and target win-win opportunities

To advance the responsible business agenda, businesses can consider how Recovery Investment could fundamentally transform their industry for the better. The key is for businesses to seek win-win opportunities that advance their strategic agenda while aligning to governmental goals and priorities. By identifying aspirational projects that support industry transformation objectives along with respective government priorities, business leaders can drive large-scale progress and change for society and business alike. On the right we highlight industry-specific win-win opportunities for consideration (See Figure 6).

Figure 6  
The industry lens on funding opportunities

Sector	Shocks caused by COVID-19	Win-win opportunities to rebuild stronger (Potential projects)
 <b>Energy</b>	<ul style="list-style-type: none"><li>• Weakened oil demand due to restricted travel</li><li>• Downturn means consumers cannot pay energy bills</li></ul>	<ul style="list-style-type: none"><li>• Accelerate clean energy transition (e.g., hydrogen; electric transport and heat; renewables and networks; smart efficiency)</li><li>• Job creation through green infrastructure investment</li><li>• Create a path to maximize system value for energy</li></ul>
 <b>Transportation</b>	<ul style="list-style-type: none"><li>• Drop in travel, particularly airline and public transit</li><li>• Rise of the home</li><li>• Shift in consumer mobility away from urban areas</li></ul>	<ul style="list-style-type: none"><li>• Strengthen resilience in shared supply chains and infrastructure</li><li>• Advance clean energy improvements (e.g., fuel efficiency; electric vehicles)</li><li>• New public transportation investments (e.g., high speed rail)</li><li>• Incorporate safety and hygiene measures in transportation</li></ul>
 <b>Financial Services</b>	<ul style="list-style-type: none"><li>• Many small &amp; medium businesses have seen revenues decline</li><li>• More difficult for small firms to access credit</li><li>• Looming bankruptcies as the economy restructures</li></ul>	<ul style="list-style-type: none"><li>• Direct lending to disadvantaged communities and small &amp; medium businesses</li><li>• Mobilize private sector capital given the role of banks as financial intermediaries</li><li>• Creative options to restructure impaired businesses at scale</li><li>• Investments in community re-development funds</li></ul>
 <b>Communications</b>	<ul style="list-style-type: none"><li>• Remote life increases dependence on internet access</li><li>• Widening digital divide</li><li>• Accelerated demand for and availability of 5G</li><li>• Heightened focus on digital security</li></ul>	<ul style="list-style-type: none"><li>• Increase availability and reliability of internet and connectivity (e.g., 5G, fiber and landline network infrastructure)</li><li>• Drive equitable digital access for disadvantaged communities</li><li>• Improve domestic autonomy for emerging technologies (e.g., R&amp;D for networks, security and artificial intelligence)</li></ul>
 <b>Public Service</b>	<ul style="list-style-type: none"><li>• Minorities, less skilled workers, women, and young people disproportionately impacted by the virus and downturn</li><li>• Long-term scarring effects on labor markets</li></ul>	<ul style="list-style-type: none"><li>• Bolster social safety nets and programs</li><li>• Upskill workforces at risk of disruption</li><li>• Ensure safe access to public services (e.g., education, healthcare)</li></ul>
 <b>Consumer Goods &amp; Retail</b>	<ul style="list-style-type: none"><li>• Massive furloughs lead to high sector unemployment</li><li>• Supply chain vulnerabilities exposed by COVID-19</li><li>• Rapid shift to e-commerce and digital business models</li></ul>	<ul style="list-style-type: none"><li>• Improve supply chain resilience by investing in supply chain partners, particularly small- and medium-sized businesses</li><li>• Drive sustainable job creation</li></ul>

Source: Accenture Strategy analysis. Figures are from the United States 2008 Troubled Asset Relief Program (TARP) and 2009 American Recovery and Reinvestment Act (ARRA). The remaining fiscal support incorporated in TARP and ARRA was dispersed to industries not included in the above analysis, such as support for households (17-20%), infrastructure (5-7%), and life sciences (0-2%).



How will Recovery Investment vary by geography?

Often, governments are transparent in their ambitions. Businesses that understand strategic priorities of governments in the geographies they serve will best anticipate where Recovery Investment will focus.

Those who anticipate and rapidly align to the government’s agenda will be well positioned to avail of funding. We saw this in 2008 when utilities that sensed and responded to the United States’ signalled focus on advancing electric grid infrastructure each received up to US\$200 million in government funding.<sup>38</sup> Below, we highlight the potential focus of Recovery Investment for three key geographies based on signals to date.



China

Communications and future technologies

- China’s government announced a six-year technology program to invest US\$14 trillion in 5G wireless networks and AI software.<sup>39</sup>
- Technology infrastructure plan will leverage public-private partnerships with local technology companies.
- Connectivity improvements help increase consumer spending.
- Future technology investments cover both artificial intelligence as well as green technologies, which help Chinese companies’ competitiveness globally.



Europe

Climate and smoothing out regional imbalances

- The EU’s Recovery Fund sets a minimum target of 37% to be spent on the green transition and also targets more funding going to southern countries to smooth out regional imbalances.
- Commitment to net zero emissions by 2050.<sup>40</sup>
- United Kingdom government announcing a second wave of the Green Investment Bank.<sup>41</sup>
- Communications and digital infrastructure investments are expanded across southern Europe where internet penetration levels are lower, as the EU Recovery Fund sets a target of 25% to be spend on digital transformation.



United States

Infrastructure and green energy

- An infrastructure program is expected to be announced, which will have a large focus on green energy and transportation initiatives, following the announcement of the American Rescue Plan of US\$1.9 trillion in January 2021.<sup>42</sup>
- The focus on modernizing transportation infrastructure favors initiatives such as electric vehicles and clean fuels. Green energy also becomes a bigger focus area.<sup>43</sup>
- The infrastructure program will also likely follow the administration’s campaign pledges where they proposed a conditionality that 40% of all transport spend go to disadvantaged communities.<sup>44</sup>
- Internet connectivity in rural and lower-income urban areas also a focus area.

Potential focus & proof points



## 02 Take a collaborative action mindset

Bold outcomes will require collective effort. The strongest projects will take a strategic partnership approach and leverage a consortium of players to drive broad, shared success. Embrace an ecosystem mindset and consider how a proposal and action plan could be strengthened through the advantages and capabilities of other players. The most powerful impact will result from individuals realizing they can accomplish more for their businesses and for the greater society together.

Depending on the Recovery Investment, relevant ecosystem players could include other companies across the value chain: governments—including federal, state and city level—and non-profit organizations, local community groups or members of civic society, including customer advocacy groups and local talent pools. In addition, larger companies that leverage Recovery Investment can focus on working with minority or women-owned small and medium-sized businesses which expand economic opportunities to groups which have been most adversely impacted by this crisis.

## 03 Execute with intention and value at the forefront

Successful large-scale transformations depend on well thought out planning, mobilization and execution. First, it is important for business leaders to establish and articulate the strategic vision, goals and objectives of the program, considering its alignment with government priorities.

From there, it is essential to demonstrate the expected value, bringing to life how the project can create widespread impact and transformational change. Leverage data and analytics to develop a powerful business case with costs, benefits and associated metrics. In addition to economic development and potential job creation, consider impacts to social or environmental equity, especially at the localized level.

Finally, ensure the project plan is ‘action ready’ by developing a fully-defined, cohesive program with clear methodologies, an outlined technical approach, and identified resources. Consider how analytics can track impact over time to demonstrate project success and community impact.



**People and businesses weathered unprecedented hardships in 2020. We are now starting to see a path out of the crisis with the aid of government spending and mobilization of vaccinations.**

**A coming wave of Recovery Investment creates an unprecedented opportunity for leaders to accelerate transformations that will contribute to a more sustainable, prosperous future with technology at the core.**

**In doing so, it is essential that business leaders have the appropriate strategies in place to maximize the use of Recovery Investment. Done right, this multi-trillion-dollar opportunity can rapidly advance goals for society and businesses alike.**



# Contributors

**Tomas Castagnino**

Principal Director and Lead Economist, Accenture Research

**Nicole Kozlak**

Consultant, Accenture Strategy

**William Snowden**

Consultant, Accenture Strategy

**James Gray**

Consultant, Accenture Strategy

**About Accenture**

Accenture is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, we offer Strategy and Consulting, Interactive, Technology and Operations services—all powered by the world’s largest network of Advanced Technology and Intelligent Operations centers. Our 514,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities.

Visit us at  
[www.accenture.com](http://www.accenture.com)

**About Accenture Strategy**

Accenture Strategy works with boards, CEOs, and C-suite executives to create 360° value for all stakeholders by defining and answering their most strategic business questions—including growth, profitability, technology-driven transformation, mergers and acquisitions (M&A), operating models and sustainability—with insights from AI and data science, combined with deep industry and function expertise.

For more information, follow @AccentureStrat or visit [www.accenture.com/strategy](http://www.accenture.com/strategy)

**Join the conversation**

[@AccentureStrat](#)  
[www.linkedin.com/company/accenture-strategy](http://www.linkedin.com/company/accenture-strategy)

**About Accenture Research**

Accenture Research shapes trends and creates data driven insights about the most pressing issues global organizations face. Combining the power of innovative research techniques with a deep understanding of our clients’ industries, our team of 300 researchers and analysts spans 20 countries and publishes hundreds of reports, articles and points of view every year. Our thought-provoking research—supported by proprietary data and partnerships with leading organizations, such as MIT and Harvard—guides our innovations and allows us to transform theories and fresh ideas into real-world solutions for our clients.

For more information, visit [www.accenture.com/research](http://www.accenture.com/research)

Disclaimer

This document refers to marks owned by third parties. All such third-party marks are the property of their respective owners. No sponsorship, endorsement or approval of this content by the owners of such marks is intended, expressed or implied. This content is provided for general information purposes and is not intended to be used in place of consultation with our professional advisors.

Copyright© 2021 Accenture. All rights reserved.  
Accenture and its logo are trademarks of Accenture

<sup>1</sup> Accenture Strategy analysis of announced fiscal support packages, as of December 2020.

<sup>2</sup> Ibid.

<sup>3</sup> OECD, [Economic Outlook, Volume 2020 issue 2: Preliminary version](#), 2020.

<sup>4</sup> ILO, [ILO Monitor: COVID-19 and the world of work](#), Sixth edition, 2020.

<sup>5</sup> WTTC, [174m Travel & Tourism jobs could be lost due to COVID-19 and travel restrictions, says WTTC](#), 2020.

<sup>6</sup> American Bankruptcy Institute, [Statistics from Epiq](#), 2020.

<sup>7</sup> Atradius, [2020 Insolvencies forecast to jump due to COVID-19](#), 2020.

<sup>8</sup> UK Parliament, [COVID-19 and the disadvantage gap](#), as of September 2020.

<sup>9</sup> ILO, [Lessons from the pandemic: Building better gender data for the future](#), as of November 2020.

<sup>10</sup> United Nations, [The Sustainable Development Goals report](#), 2020. Extreme poverty defined as people living below \$1.90 a day.

<sup>11</sup> IMF, [Policy responses to COVID-19](#), 2020.

<sup>12</sup> Accenture Strategy analysis of announced fiscal support packages, as of December 2020.

<sup>13</sup> Ibid.

<sup>14</sup> Nikos Chrysoloras, [Germany says EU’s massive stimulus package at risk of stalling](#), Bloomberg, September 29, 2020.

<sup>15</sup> Lawrence Delevingne and Howard Schneider, [U.S. stimulus package is biggest ever, but may not be big enough](#), Reuters, March 30, 2020.

<sup>16</sup> Valentina Romei, [Household deposits soar by record amount as lockdown hits spending](#), Financial Times, June 29, 2020.

<sup>17</sup> Bureau of Economic Analysis, [Personal saving rate](#), retrieved December 4, 2020.

<sup>18</sup> OECD, [Economic Outlook, Volume 2020 Issue 2: Preliminary version](#), 2020.

<sup>19</sup> The World Bank, [GDP](#), as of January 2021.

<sup>20</sup> Fraser Institute, [Is fiscal stimulus an effective policy response to a recession?](#), 2020.

<sup>21</sup> Several organizations have used frameworks to classify the stages of fiscal support in the current crisis. For example, the IMF has a three-phased approach: Savings lives and livelihoods, preparing for re-openings, and inclusive transformation. Our framework aligns closely with the Peterson Institute for International Economics framework.

<sup>22</sup> Daniel J. Wilson, [Fiscal spending jobs multipliers: Evidence from the 2009 American Recovery and Reinvestment Act](#), American Economic Journal, 2012.

<sup>23</sup> Robin Harding, [Suga launches US\\$294b stimulus to boost Japan’s coronavirus recovery](#), Financial Times, 2020.

<sup>24</sup> European Council, [Special meeting of the European Council](#), July 21, 2020.

<sup>25</sup> History, [Underpaid, But Employed: How the Great Depression Affected Working Women](#), retrieved December 15, 2020.

<sup>26</sup> Britannica, [Colossus computer](#), retrieved December 4, 2020.

<sup>27</sup> United Nations, [History of the United Nations](#), retrieved December 29, 2020.

<sup>28</sup> OECD, [Policy responses to the economic crisis: Investing in innovation for long-term growth](#), 2009.

<sup>29</sup> Alan Auerbach and Yuriy Gorodnichenko, [How powerful are fiscal multipliers in recessions?](#), NBER, 2015.

<sup>30</sup> Cameron Hepburn et. al., [Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change?](#), Smith School of Enterprise and the Environment at the University of Oxford, 2020.

<sup>31</sup> Ellen MacArthur Foundation, [Delivering the circular economy: A toolkit for policymakers](#), retrieved December 4, 2020.

<sup>32</sup> Heidi Garrett-Peltier, [Job opportunity cost of war](#), Brown University, 2017.

<sup>33</sup> Collaborating with the Accenture Human Insights Lab, Accenture Strategy developed a framework to quantify which fiscal support initiatives could be easily embedded into social life. Initiatives that require significant regulation, enforcement, and behavioral change scored low on the index.

<sup>34</sup> Accenture, COVID-19 consumer research, June 2020.

<sup>35</sup> Accenture, CXO pulse survey of 4,051 C-suite executives, December 2020.

<sup>36</sup> Accenture Strategy, [The European double up](#), 2021.

<sup>37</sup> Accenture, CXO pulse survey of 4,051 C-suite executives, December 2020.

<sup>38</sup> Accenture analysis of utilities clients that applied for stimulus funding from the American Recovery & Reinvestment Act in 2009.

<sup>39</sup> Bloomberg, [China’s Got a New Plan to Overtake the U.S. in Tech](#), retrieved December 10, 2020.

<sup>40</sup> European Commission, [A European green deal](#), December 15, 2020.

<sup>41</sup> David Milliken, [UK to sell its first ‘green’ bond in 2021, Sunak says](#), Reuters, November 9, 2020.

<sup>42</sup> White House, [President Biden announces American Rescue Plan](#), January 20, 2021

<sup>43</sup> Jim Henry, [Biden infrastructure plan pushes better roads, EV chargers, mass transit](#), Forbes, January 20, 2021.

<sup>44</sup> Reuters, [Biden climate plan would spend \\$2 trillion in bid to boost economy](#), retrieved December 18, 2020.