Strategy at the pace of technology

Reinventing business strategy to harness technology acceleration

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During the past few years, most business leaders have been in reactive mode. Now they're again bringing strategy to center stage. But in this volatile, tech-driven, faster-paced environment, conventional approaches to strategy development will no longer serve them well. And what's more, they know it.

What's needed is an approach to strategy that keeps up with today's increasingly complex tradeoffs and continuous shifts. One that successfully navigates a challenging macroeconomic environment, sustainability pressures, plus the opportunity— and threat—that technology presents.

To meet this need, Accenture research finds some companies are bringing strategy and technology closer together than ever before. Their strategies are better and bolder because they are informed by technology, delivered through technology, and able to adjust in real time to changes because of technology. They are outperforming their peers and delivering more value, faster.

Welcome back strategy. You've changed

Remember when business strategy development was a linear process, conducted annually or maybe bi-annually? When a five-year plan could serve a company well, and business leaders could manage volatility by making minor adaptations in execution? When the main questions facing strategists were why to change, where (and where not) to play, and when to make the next move? No longer.

Today, against a backdrop of volatility, the when is now, and that shifts the imperative of business strategy from a why-where-when focus to why-where-*how*. Hard choices have to be made in days not months, so the gap between "where to play" and "how to win" has closed. Leaders now need to adjust their business strategy in real time, which is something that's only possible when strategy development and decisions are both informed by and delivered through technology.

Companies that don't take a why-where-how approach today risk falling behind. While strategy is still about making hard choices—that hasn't changed—technology is exponentially increasing the volume of those choices and simultaneously making it more difficult to separate relevance from noise. And no industry is immune.

Most business leaders understand this at an intuitive level, yet according to Accenture's recent research, only

21%

of companies have advanced their strategy development to integrate technology in a meaningful way.

That means there's an almost four in five chance (79%) that your company's approach to strategy isn't keeping up (see "About the Research" page 26 for detail).

In this report, we use the term "technology" to cover all digital and IT-based technologies used within a business such as core transaction systems, digital applications, AI/ML and data insight platforms, cloud and infrastructure, IoT and emerging technologies.

Over more than two decades, these technologies –and their intersection with other scientific advances–have been at the forefront of industry change, accelerating expansion, giving rise to new business models, blurring industry boundaries, and creating new products and markets.

If your company is in this large group, the stumbling block may be the way you and your leadership team think (or limit your thinking) about technology. Consider: You expect your executive team to demonstrate a comprehensive understanding of your products and customers, your business model, and your balance sheet. There should be a similar expectation that those same executives have an equally fluent understanding of technology and its potential for your business. Yet that's not the case at many companies.

Technology knowledge, in large part, has been exempt from C-suite table stakes. Tech has often been a black box. And for a long time, that was accepted. As recently as five years ago, most Chief Information Officers (CIOs), Chief Technology Officers (CTOs), or Chief Digital Officers (CDOs) were likely to be vastly more knowledgeable than their C-suite peers about emerging technology and—it was commonly believed—that gap didn't affect a strategy's efficacy. But today, a tech-driven disruption in any area of your value chain and ecosystem can have an immediate impact on the strength of your strategy.

Today, the entire C-suite needs to be inherently tech-fluent. And while senior technology leaders still need to assess emerging technologies through the lens of their business application and value, these leaders are no longer the keepers of the black box. Instead, they must help their technology savvy C-suite colleagues distinguish between the plethora of "shiny objects," versus those technologies that are critical ingredients to their company's success.

And that's the crux of it. In a recent strategy planning session for a health services company, the board of directors spent an hour debating the merits of investing in graphics processing unit (GPU) machines. Would such a purchase help them better achieve their goals, rather than continued reliance on external GPU capacity? What would the trade-offs be? Five years ago, that topic would not have risen to a board-level discussion. It would have been delegated to the company's tech lead. Now, the boldness of this company's strategy to grow new, innovative, AI-powered healthcare solutions, is inextricably linked to a decision on GPU capacity. In fact, the more the C-suite learned about this technology, the more ambitious they became. This is just one example of critical, hard choices C-suite leaders are making as they integrate knowledge of technology with strategy considerations upstream, so they can make better decisions for the company overall.

With a more mature understanding of the technology, a better strategy can be developed. And by using these technologies with that understanding, a strategy can be better executed, delivering more value, faster.
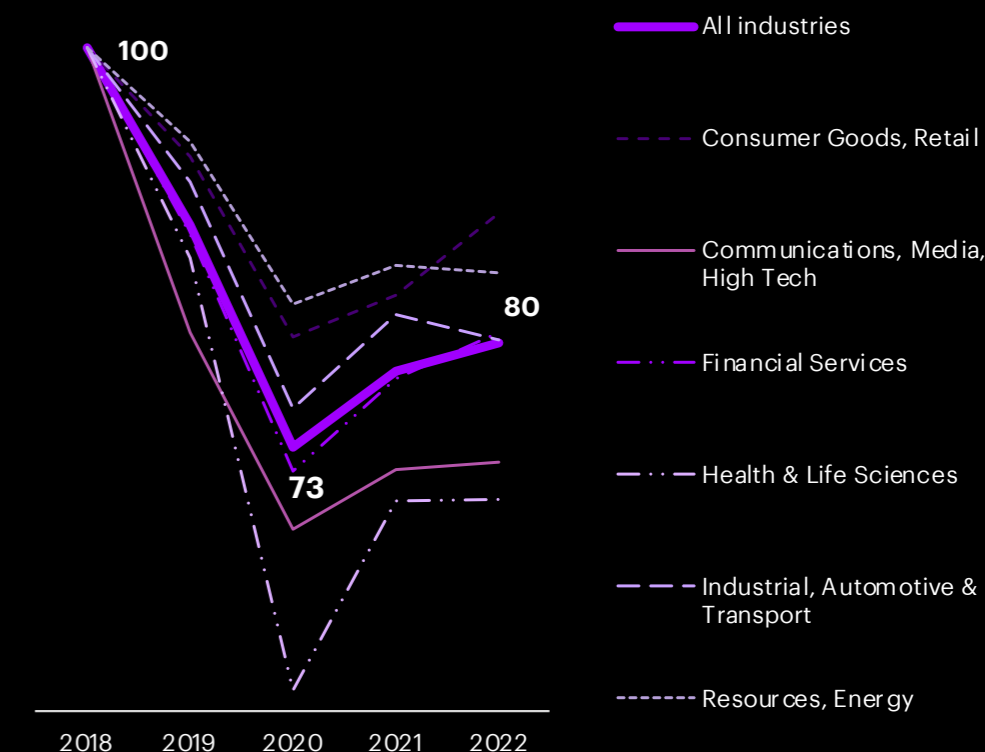
Strategy is back…but it's not the same 'old' strategy

The increasingly complex and dynamic environment of recent years has exposed businesses' competitive vulnerabilities. As a result, strategy is top of mind for many CEOs and senior leadership teams. But as they rethink their strategic choices, they need to acknowledge that the approach to strategy development needs to keep up with fast-changing technology.

Accordingly, strategy is top of mind for many CEOs and senior leadership teams across industries, as shown by the evolution of how often strategy-related topics are discussed during earning calls (figure 1).

Figure 1.
Frequency of strategy topic in earning calls

- All industries
- Consumer Goods, Retail
- Communications, Media, High Tech
- Financial Services
- Health & Life Sciences
- Industrial, Automotive & Transport
- Resources, Energy

2018   2019   2020   2021   2022

Source: Accenture Research earning calls topic modelling based on S&P Global transcripts, 2023
Average mentions of strategy topics during earning calls, rebased to 2018

Just how fast can technology change industry dynamics?

In **finance**, digital payments soared during the pandemic. In the US for example, the transaction value of mobile wallets and instant payments alone grew at 48% compound annual growth over the past five years[1]. As a result, a new breed of fintech players grew strong; tech giants gained ground. Some traditional banks responded aggressively. Take JPMorgan Chase. To achieve its growth strategy and expand businesses and presence abroad, CEO Jamie Dimon's message in early 2021 was clear: "We've just got to get quicker, better, faster."[2]

By the end of 2022, the company had invested in a string of fintech deals worth $5 billion over 18 months, such as acquiring Renovite Technologies Inc., a cloud-based payments technology company.[3]

This bold move meant that JPMorgan rapidly scaled fintech capabilities that played to its strengths. The bank bolstered its go-to-market strategy by integrating the convenience of digital payments with trusted legacy banking products and services. Other established banks that didn't employ an agile technology-informed strategy became at risk of being left behind.

In **life sciences**, Moderna became a household name in the US and beyond when it developed its COVID-19 vaccine in just one year (versus the typical 5-10 years needed). Its unique business strategy led to incredible success by combining scientific advances with modern data/AI to develop digitally programable mRNA. By mimicking biology, therapeutics can hack the body into creating proteins that stop or reverse illness. Not only is this innovative, it's also faster and more repeatable than creating individual drugs that combat specific diseases. From the start, CEO Stéphane Bancel wanted Moderna to become the "first truly digital biotech company."[4]

It is now using similar techniques to develop other mRNA-based therapeutics, targeting treatments for rare diseases. Even the more reluctant big pharma players have now started to infuse AI into their drug discovery to catch up with AI-native biotechs such as Moderna.[5]

Just 21% of companies are fully leveraging technology to shape their business strategy.

If your company isn't like most businesses, then it's part of the 21% that are (whether purposefully or not) fully integrating technology into their strategy development. It's what we describe as a tech-forward company. Those in this small group treat technology as a critical input to shaping business strategy, in real time, all the time. They use tech to broaden the number and type of strategic options to consider, enabling their companies to institute new business models, enter new markets, or create entirely new

businesses at speed. Our two-year analysis looked at 1,600 companies across nine countries and 18 industries to examine the role technology plays in their strategy development (see "About the Research" on page 26 for more detail on tech-forward companies and other characteristics we uncovered during our analysis). In doing so, we heard from more than 2,500 CXOs, including 600 CEOs, on how technology informs their strategy.

A moment of reflection:

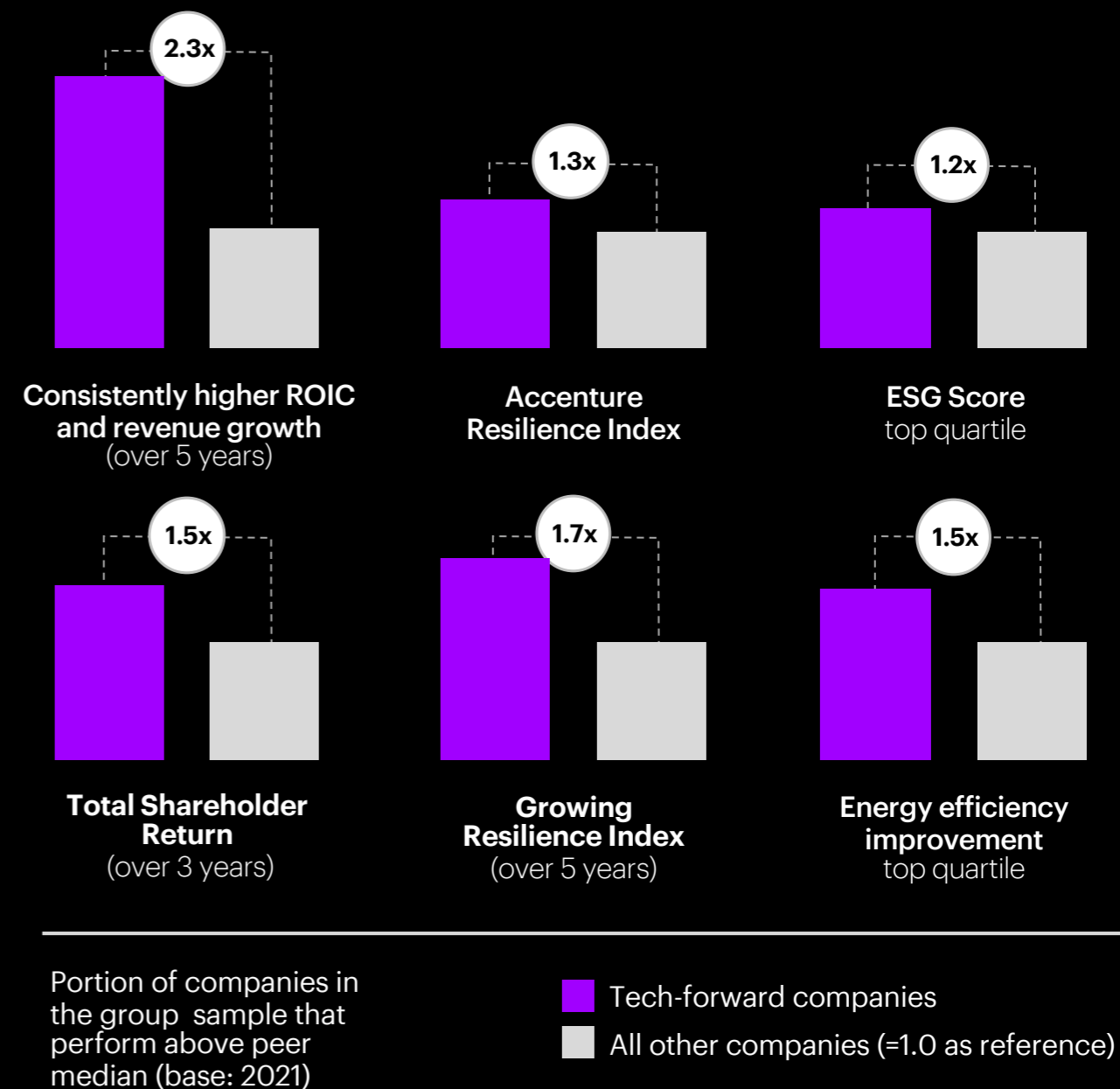If you feel your company is in the top 21% today, you may want to ask yourself if it's because you have deliberately created a tech-forward business, or whether you have fortuitously landed there because you happen to–right now–have the right group of leaders at the top table?

Being tech-forward is a fragile state. Maintaining a tech-forward approach can be a challenge as the group of leaders shifts over time.

The tech-forward group also stands out on performance. Before and during the pandemic, these companies were 2.3X more likely to outperform peers in terms of revenue growth and return on invested capital (ROIC). They also represent a higher proportion (1.3X) of resilient companies—by continually "adapting their ability to adapt"[6] and perform better on ESG metrics (see Figure 2).
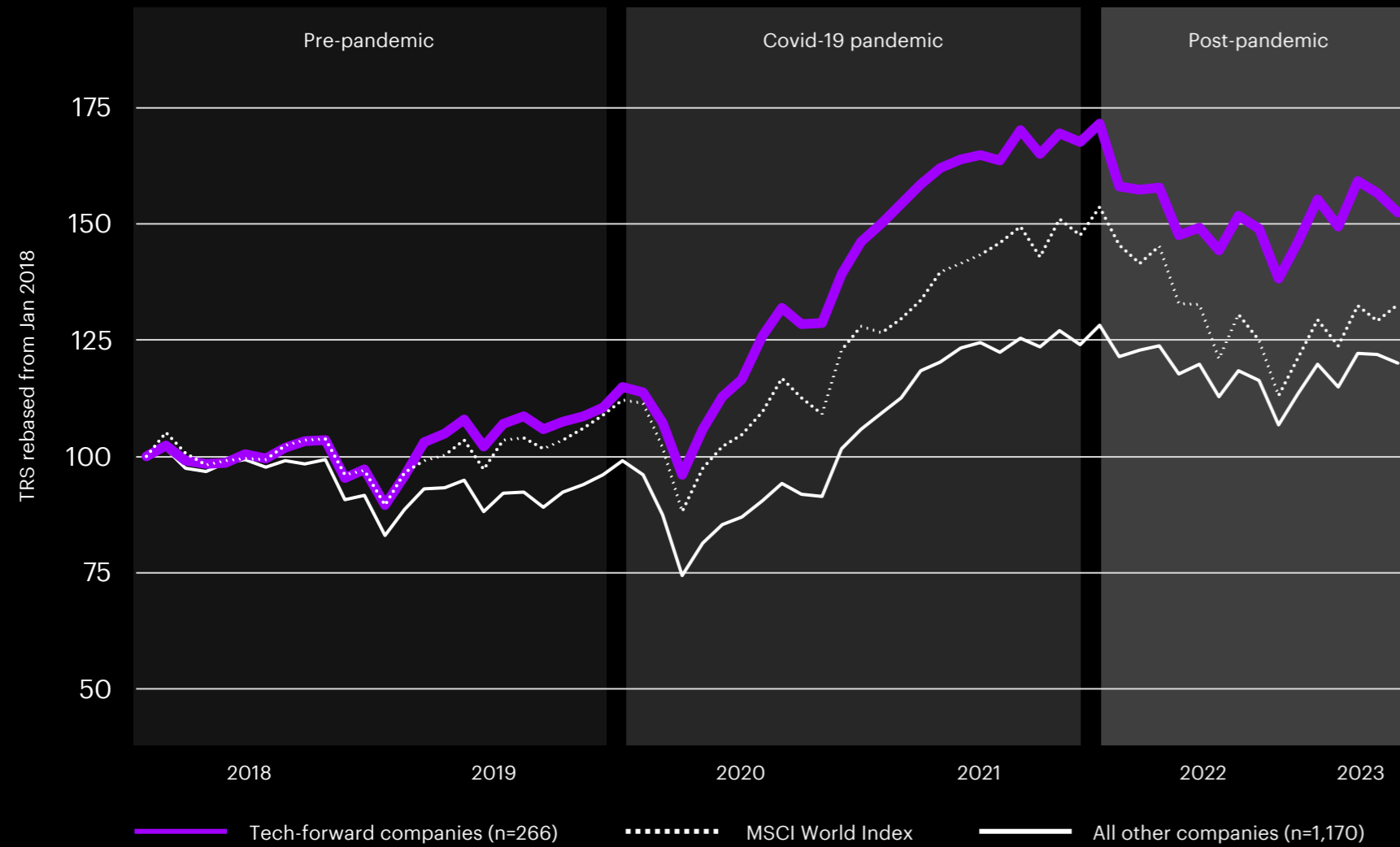
Figure 2.
Tech-forward companies' performance on financial, resilience and ESG/sustainability dimensions

The tech-forward group consistently shows a higher portion of companies that perform above peers on a given metric when compared to others.

2.3x
Consistently higher ROIC and revenue growth
(over 5 years)

1.3x
Accenture Resilience Index

1.2x
ESG Score
top quartile

1.5x
Total Shareholder Return
(over 3 years)

1.7x
Growing Resilience Index
(over 5 years)

1.5x
Energy efficiency improvement
top quartile

Portion of companies in the group sample that perform above peer median (base: 2021)

■ Tech-forward companies
■ All other companies (=1.0 as reference)

Source: Accenture Research analysis, 2023

Figure 3.
Total return to shareholders of tech-forward
companies vs. other companies

| Pre-pandemic | Covid-19 pandemic | Post-pandemic |

TRS rebased from Jan 2018

175
150
125
100
75
50

2018   2019   2020   2021   2022   2023

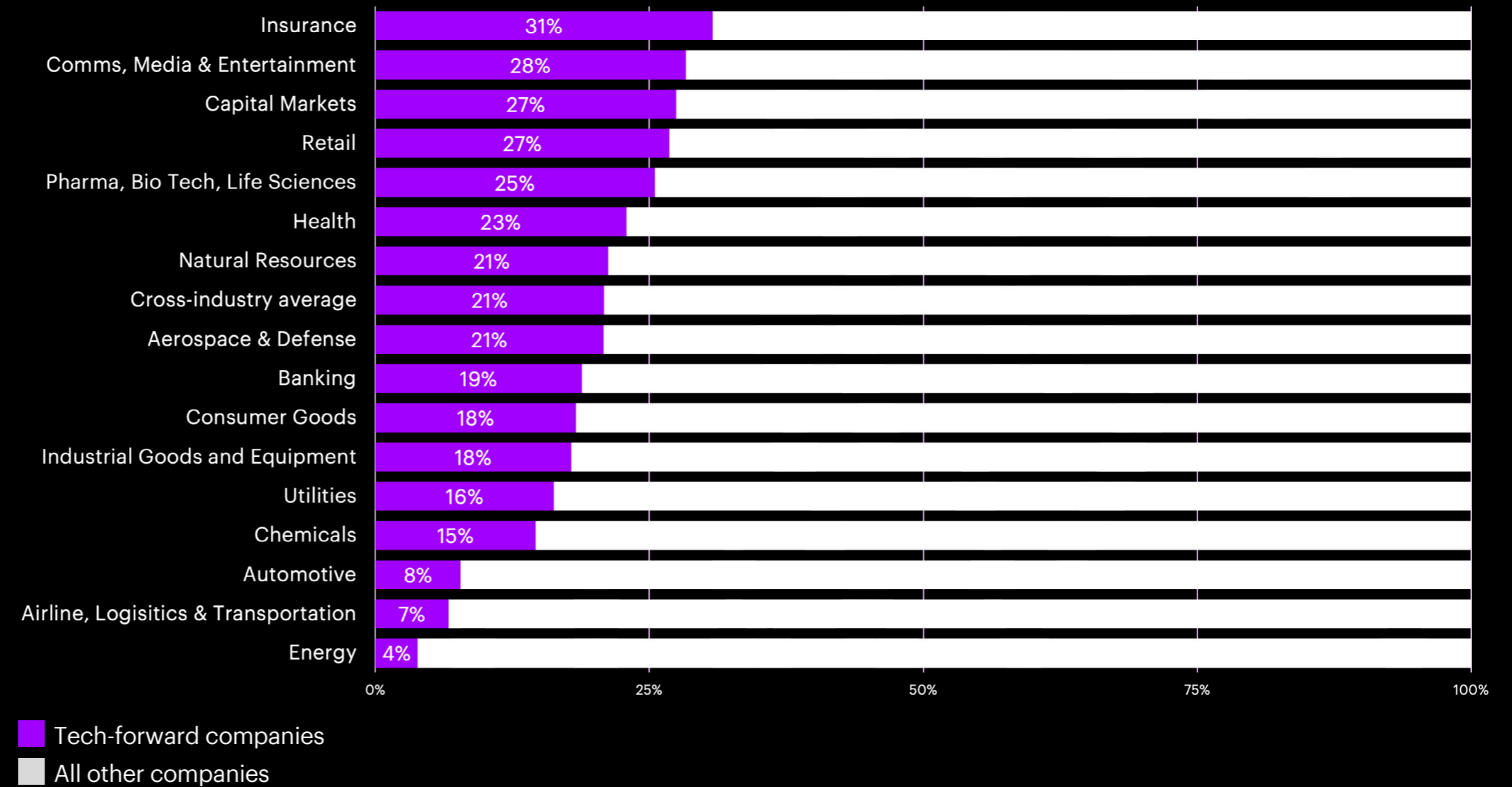——— Tech-forward companies (n=266)   ·········· MSCI World Index   ——— All other companies (n=1,170)

Base = January 2018; average values. Company groups exclude the main 'tech-producing' sectors' (high-tech and software & platforms)
Source: Accenture Research analysis based on S&P CapIQ data, 2018-2023

And post-pandemic, the tech-forward companies
were able to maintain their edge over time, even as
the pandemic receded but other external challenges
intensified–as shown by their financial performance
evolution (see Figure 3).

Interestingly, these companies weren't necessarily concentrated in tech or tech-producing sectors. They were well represented across a range of industries including insurance, media, entertainment, communication, capital markets, retail and life sciences.

In fact, 13 of 16 industries we studied had at least 15% tech-forward companies across their sample. That's remarkable considering the sources of competition, regulations, and technology potential differ dramatically from industry to industry (see Figure 4).

Figure 4.
Distribution of tech-forward companies by industry

Industry	Tech-forward companies
Insurance	31%
Comms, Media & Entertainment	28%
Capital Markets	27%
Retail	27%
Pharma, Bio Tech, Life Sciences	25%
Health	23%
Natural Resources	21%
Cross-industry average	21%
Aerospace & Defense	21%
Banking	19%
Consumer Goods	18%
Industrial Goods and Equipment	18%
Utilities	16%
Chemicals	15%
Automotive	8%
Airline, Logisitics & Transportation	7%
Energy	4%

■ Tech-forward companies
■ All other companies

Source: Accenture Research, 2023; excludes tech-producing sectors

To achieve strategy at the pace of technology, business leaders need to consider the aggregate potential of their tech investments. This means building a strong foundational digital core–integrating cloud, data, AI, and other advanced technologies–to support interoperability among various systems, and to break down information siloes. With this core in place, a company's leaders are better able to move with agility, adapting their strategy and their business to new challenges and opportunities. Without it, companies can't take advantage of the speed with which technologies, including generative and other forms of AI, are impacting their business.

The good news is that there is plenty of running room for other companies to adapt the tenets of what today's tech-forward companies are doing, and to realize the advantages.

Tech-forward companies differ from others in two fundamental ways.

Reduced to the essentials, tech-forward companies stand out from others on the level of tech knowledge in their C-suite and on their approach to strategic development.

Closing the tech-fluency gap across the C-suite

Senior technology leaders often speak a language their peers find difficult to understand. In fact, 67% of senior technology leaders in our survey stated that the lack of tech-fluency among their peers is a major barrier to integrating technology into strategy.

As a result, the relationships between tech and other areas of the business have historically had a transactional nature by default. 'Business' leaders identify and hand over requirements, with the 'Tech' leaders providing solutions that may seem opaque.

The fallout? Missed opportunities for exploration and collaboration, along with a growing risk of frustration and distrust as investments and solutions fall short. C-suite leaders at tech-forward businesses have made great advances in closing this "tech-fluency" gap

among senior business executives. As a result, their CEOs are highly tech-savvy, and are surrounded by other like-minded C-suite executives. This makes a big difference.

> "It was so important that our CEO made information and data mastery a major goal for us. It required the recognition that our skills are 20 years old, and that they are not fit to deal with novel data technology."
>
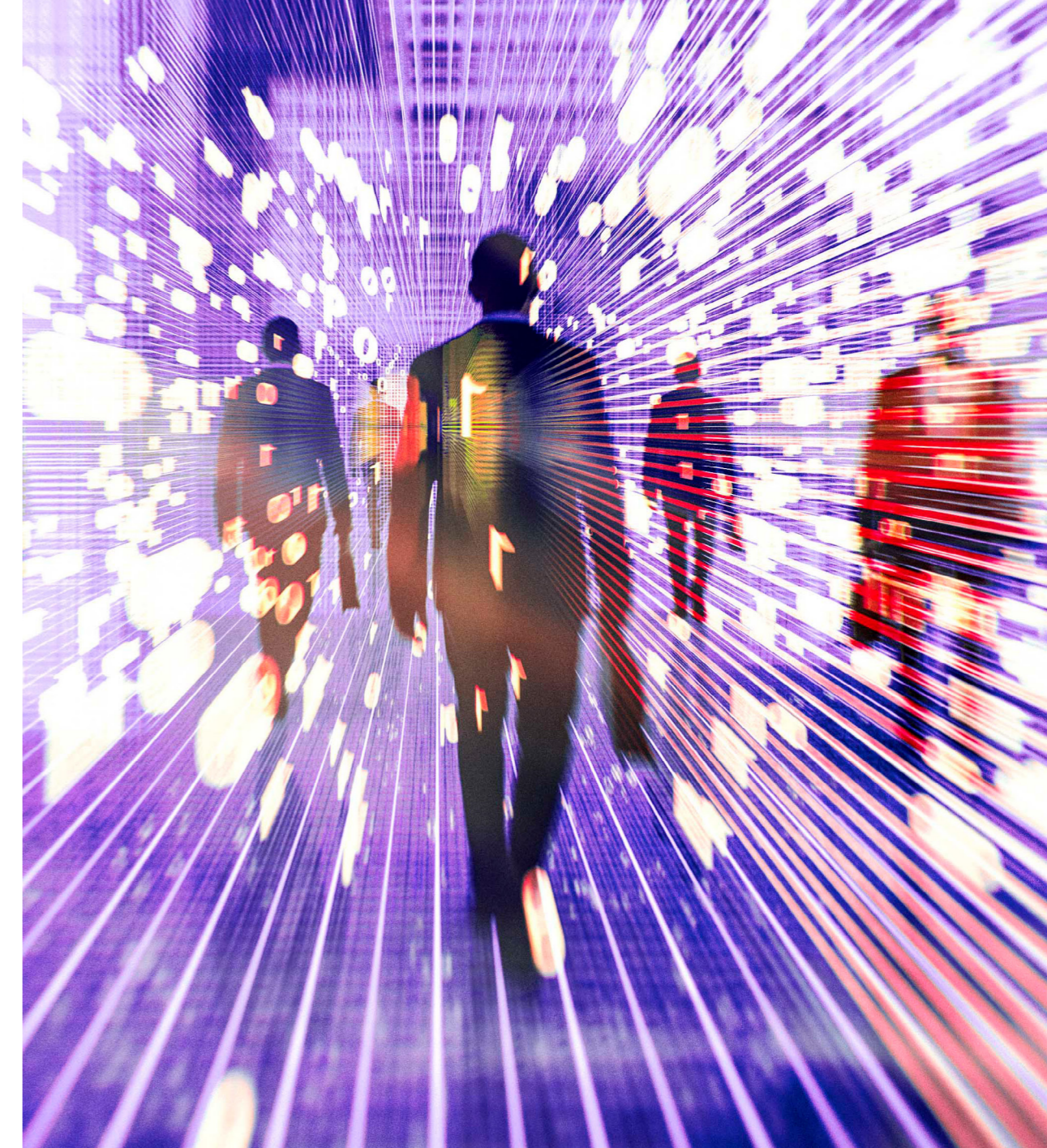> – Sr. Executive, Life sciences company

Seventy-five percent of tech-forward companies report having both a tech-fluent CEO and tech-fluent C-suite executives. That's nearly 20% more than other organizations. They also report a C-suite committed to using technology as an inspiration to address business challenges two times more frequently than other companies. Unsurprisingly, their boards are also strongly tech-minded - up to 1.7X more than other companies (see Figure 5).

Executives in tech-forward companies leverage technology differently. They're laser focused on using tech to grow and innovate, and are better at capitalizing ongoing technology efforts to inform strategy development. These leaders attribute their company's success in part to envisioning ways in which technology broadens the opportunities before them. Effectively, today's hard choices create strategies they previously wouldn't have been bold enough to pursue.
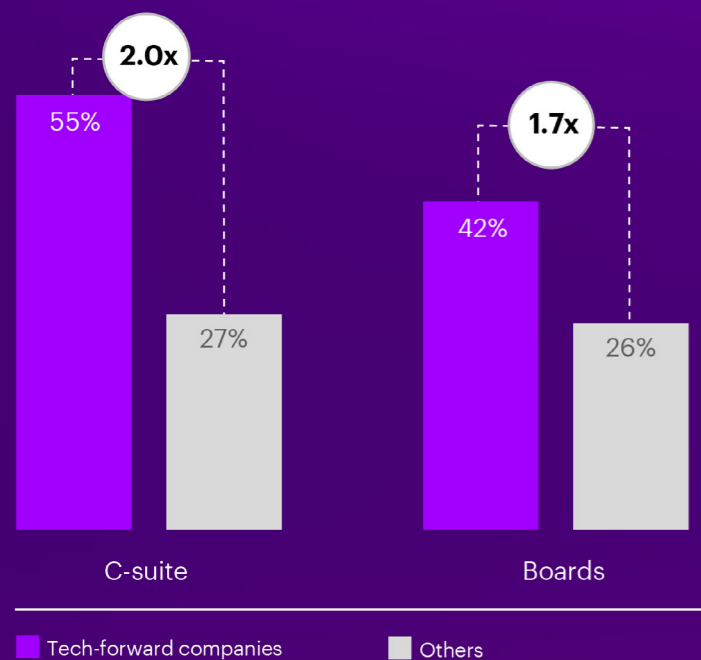
Industrial equipment and vehicle manufacturing offers an example where the executive teams of leading companies have been able to make critical shifts in their strategy based on a deeper understanding of the new possibilities of technology. They have been shifting from products to services by developing new intelligent, connected industrial solutions which leverage the advances in big data, AI, and the Internet of Things (IoT).

Take one such example from a global leader in commercial and specialty vehicles. This group is establishing a digital services factory that advances and differentiates its offerings and go-to-market strategy. This initiative has significantly contributed to the growth of innovation skills, technology, and processes, thereby enabling the design, development, and delivery of cutting-edge digital services to customers. By combining the new digital services with the company's historical product-based business model, organizations like this are well-positioned for success as they move into the new era.

Figure 5.
C-suite and Board with very strong tech mindset

2.0x — 55% / 27% (C-suite)
1.7x — 42% / 26% (Boards)

■ Tech-forward companies   ■ Others

Source: Accenture Research analysis, 2023

Raising the bar for senior tech leaders, calling on them to distinguish relevance from noise

In the vast majority of tech-forward companies in our study, technology leaders are bold—and heard. In addition to educating other members of the C-suite, they have explicitly taken it on themselves to develop outlooks on the business potential of technology. By doing so, they can speak with confidence about how nascent technologies, such as generative AI, relate to the company's current strategy and strategic alternatives. As part of strategy development, they challenge executives' orthodoxies during recurring "reinvention sessions," to imagine a different future for the company. They're able bring a pragmatic approach that prioritizes new tech investments in service of the company's strategy, and are prepared to be challenged and debate potential risks and mitigation—much like a start-up pitch to a venture capital committee.

The experience of one Accenture Technology Strategy & Advisory leader reinforces this: "Our work with clients shows that CIOs are spending much more time with CEOs than they did 18 months ago. CIOs are stepping up and becoming business advisors. This leads to new requirements in the role, of course. CIOs today need to be adept at speaking not just about technology, but the business value it delivers."[7]

Senior technology leaders themselves appear increasingly keen to playing such strategic leadership role with an impact that transcends IT. Based on the recent CIO's 22nd annual State of the CIO survey, 52% of CIOs want their focus in the next 3 to 5 years to be on this strategic role, up from 32% today. Over a quarter (27%) plan to spend more time on developing and refining business strategy and about a third (32%) on driving business innovation in the next 3 years.[8]

Tech-forward companies are fully embracing this evolved role of their senior technology executives. They recognize their critical contribution to driving a company's competitive positioning.

> "At the most senior level, technology leaders have the ability to open people's eyes to things that they would not think about [...] they have a chance to shape the strategy."
>
> – Sr. Vice President, Health provider company

On strategy dynamics, tech-forward companies have accelerated strategy cycle times and learned to allocate resources more flexibly than others

Accelerating strategy cycle times

Driven by the exponential speed of technology change and disruption, (see Figure 6 on the increasing disruption) tech-forward companies reevaluate and adjust strategic choices continuously based on changing external forces. They dynamically test opportunities on new pathways for growth in the nascent stages of several potential S-curves, sometimes simultaneously. These could be within their industry, in a new, blurred-boundary market, or in a different industry all together, driven by the technology they can readily leverage (see Figure 7, "The Changing Dynamics of Strategy Development").
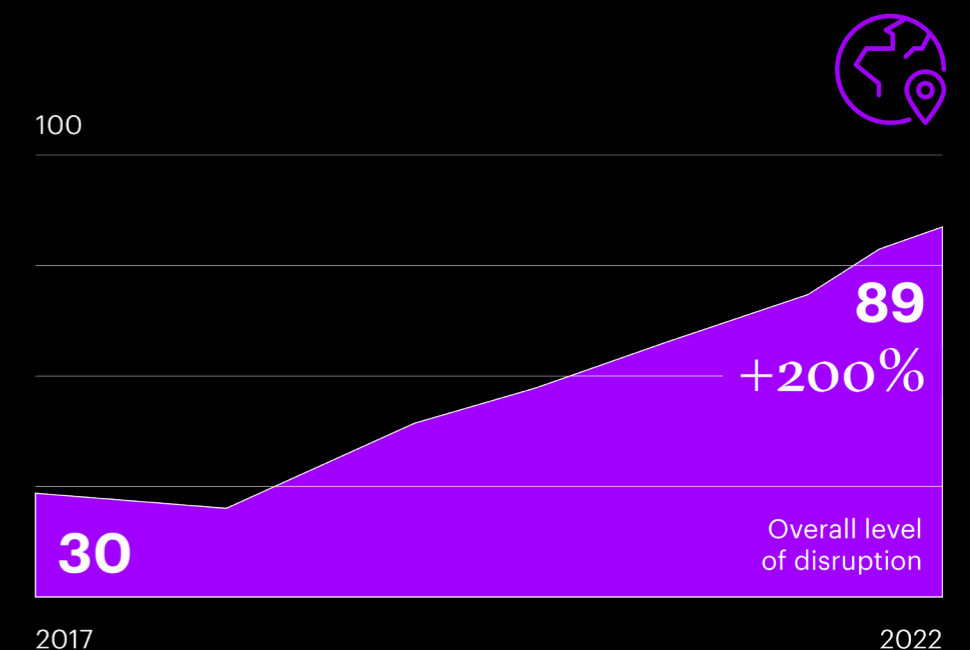
To enable this continuous reevaluation, 88% of tech-forward businesses are effectively leveraging the fast-growing amount of real time data. They're using it to create the foresight required to rapidly adapt to market change and the latest technology trends, approaching a world of "real time" strategy.

A convergence of forces is increasing disruption.

Our Accenture Global Disruption Index—a composite measure that covers economic, social, geopolitical, climate, consumer and technology disruption—shows that levels of disruption increased by 200% from 2017 to 2022. In comparison, the Index rose by only 4% from 2011 to 2016. Technology, consumer preferences and climate change in particular are driving massive structural shifts in how the world operates.

Figure 6.
The overall measure of disruption

100

89
+200%

30
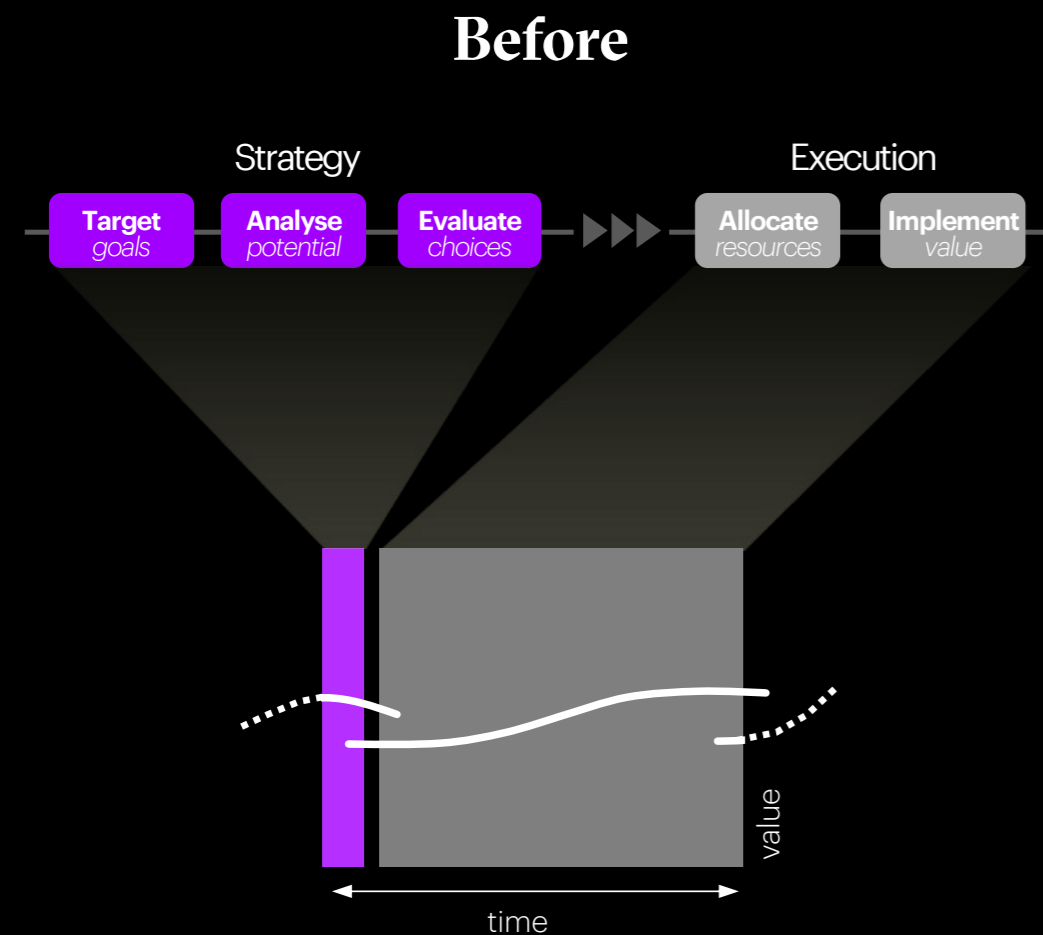
Overall level of disruption

2017   2022

Today's executives are navigating a complex and dynamic business environment few have ever seen. Read more about this research in our report on Total Enterprise Reinvention.
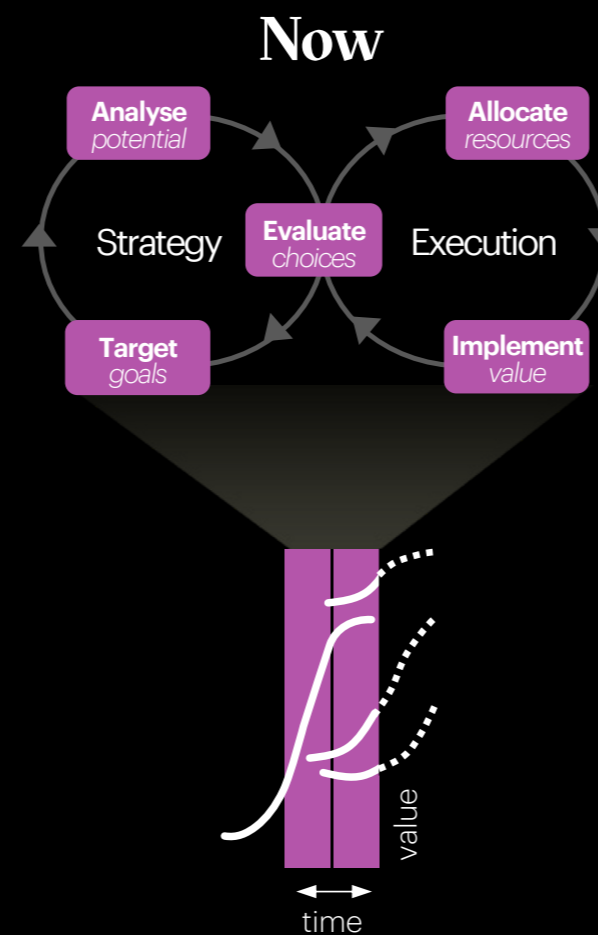
The changing dynamics of strategy development

Figure 7.
S-curves are changing over time

The path to value, from strategy to execution, used to be more **linear** and **sequential**...

...now, driven by constant change and uncertainty, it must be **accelerated** and **synchronous**.

Before

Strategy				Execution	
Target *goals*	**Analyse** *potential*	**Evaluate** *choices*		**Allocate** *resources*	**Implement** *value*

value

time

Now

Analyse *potential*

Allocate *resources*

Strategy   **Evaluate** *choices*   Execution

Target *goals*

Implement *value*

value

time

Over the past two decades, the business growth S-curves have changed in four critical ways.

- **Steeper** as the path to maturity accelerate for a number of technologies. Recent case in point: OpenAI's ChatGPT reached 100 million active users just two months after launch, making it the fastest-growing consumer application in history.[9]

- **Multiplied** as different technologies frequently coexist. Take the television S-curve. Cathode ray tube TV was dominant from the '30 to '70s. But, since the '80s, Digital TV, Plasma TV, HDTV and LCD TV have been launched almost side by side.

- **Expanded** as new technologies from adjacent or disruptive areas 'enter' another industry. Take again the television case, today, mobile phone, PC screens and home cinema solutions have already become substitutes. Tomorrow, new AR/VR solutions such as the recently launched Apple Vision Pro[10] may if not replace at least disrupt the market.

- **Unpredictable** as technology innovation accelerates, multiplies, and expands. The path of adoption then becomes more uncertain: will maturity be reached quickly? Is it a revolution (disruptive technology) or evolution (high potential over longer time)? Companies can adopt an early adopter/fast follower approach, or just take an option on the future potential.

Driven by these changes, the continuous (re)evaluation of strategic choices is now at the center. Strategy and execution are synchronized. This allows for rapid cycles of change in a disruptive context, in turn enabling a continuous, dynamic, enterprise-wide reinvention.

Accelerating strategy cycle times
(continued)

Tech-forward companies have brought modern agile IT practices to strategy development by testing strategies through experimentation and rapid sprints. They increased their technology spend by 9.7%—1.7X more than their industry peers—and spend up to 50% more than other companies on piloting emerging technologies. They support minimum viable products (MVPs) and embrace strategic optionality with an eye towards pivoting quickly and scaling when the indicators show high potential.

Our research has revealed that one of the consequences of these modern agile IT practices is that tech-forward companies flatten their hierarchies. They empower all levels of the organization to generate new ideas and experiments aiming to elevate the strategy. In fact, 6 out of 10 of their executives confirm that the company's strategy development process includes some form of bottom-up participation. As the CEO of a global energy company explained: "We have managers who are speaking to front liners and coming up with an MVP—something that we can roll out very quickly, fail cheap, and fail fast. Rather than being very centrally driven with high cost and high visibility."

Generative AI has the potential to take strategy development and execution to a new level.

Using this technology to accelerate business strategy can help organizations accelerate transformations and reach productivity sooner. Generative AI offers the opportunity to compress analysis and planning cycles further, absorbing much more data, and leveraging capabilities such as synthetic data generation, all working towards enhanced strategic insights and actions.

Reallocating resources dynamically to synchronize strategy and execution

To support accelerated cycles, tech-forward companies have stepped away from tying their business strategy to a rigid, multi-year capital allocation. In fact, 73% said they reallocate resources dynamically, as needed. They have effectively moved from a 'set-and-forget' strategy with long execution programs, to one that focuses on continually re-evaluating their strategic choices and adjusting execution efforts.

This doesn't mean changing strategic direction every two minutes. But it does mean that companies are simultaneously finding themselves at different stages of S-curves. And their inherent understanding of where innovation is taking them allows them to sharpen their strategy, pushing against the boundaries of what they once thought was possible.

This remains true even in industries that don't lend themselves to such agility. Oil and gas exploration, industrial and automotive manufacturing, or drug discovery, for example, require large investments and long-term commitments. But in a growing number of cases, technology is turning what would have been "irreversible" investments into chunks of smaller, more easily reversible decisions. Some companies are using digital twin simulations, for example, to reveal opportunities to tweak strategic investment decisions to great effect.

Take BMW's recently announced investment of more than 2 billion euros in its Hungarian Plant, where the all-electric Neue Klasse will be produced starting in 2025. Yet more than two years before the official launch, vehicle manufacturing is already underway—virtually, at least. The plant is indeed BMW's first facility to be planned and validated 100% virtually, using NVIDIA Omniverse Enterprise. With this pioneering project, BMW Group is taking a digital-first approach to sharpen its strategy and optimize complex manufacturing decisions ahead of investments.[11]

Key takeaways for CEOs

Here are a few practical actions that CEOs and their C-suite can take on their journey to becoming tech-forward.

C-suite dynamics

- Make technology fluency a foundational skill and a minimum requirement for all C-suite members.

- Assess the C-suite members, recruit and/or train consciously for a modern skillset, consider target M&As to bring in senior leaders with the right expertise.

- Dedicate time for creativity—time to explore new, tech-inspired ideas untethered from existing strategies that inspire a greater range of bolder, broader, strategic options for growth and competitive positioning.

- Assess senior technology leaders' ability to identify advancing tech that will matter most to the company and collaborate with their peers on emerging technologies that create edge. Hold them to account for separating relevance from noise.

Strategy development dynamics

- Consider technology an input to strategy as major as capital and talent. Assess a range of strategic options through scenario planning, differentiating shiny objects from relevant opportunities, setting a plan, and course-correcting in real time based on context changes.

- Activate far shorter, continuous strategic cycles–not to replace long-term business strategy development, but to keep it fit-for-purpose and amplified by new innovation. Build real time data analysis into the approach, and ensure that the insights can be easily accessed, understood, and communicated to relevant stakeholders.

- Experiment with rapid sprints, and reallocate resources based on their outcomes.

Strategy at the pace of technology

Strategy makes sense of the business landscape, of the choices in front of us, of the changing world. It always has. Adapting a business strategy that's informed by, delivered through, and responsive to changing technology does exactly that for today's world.
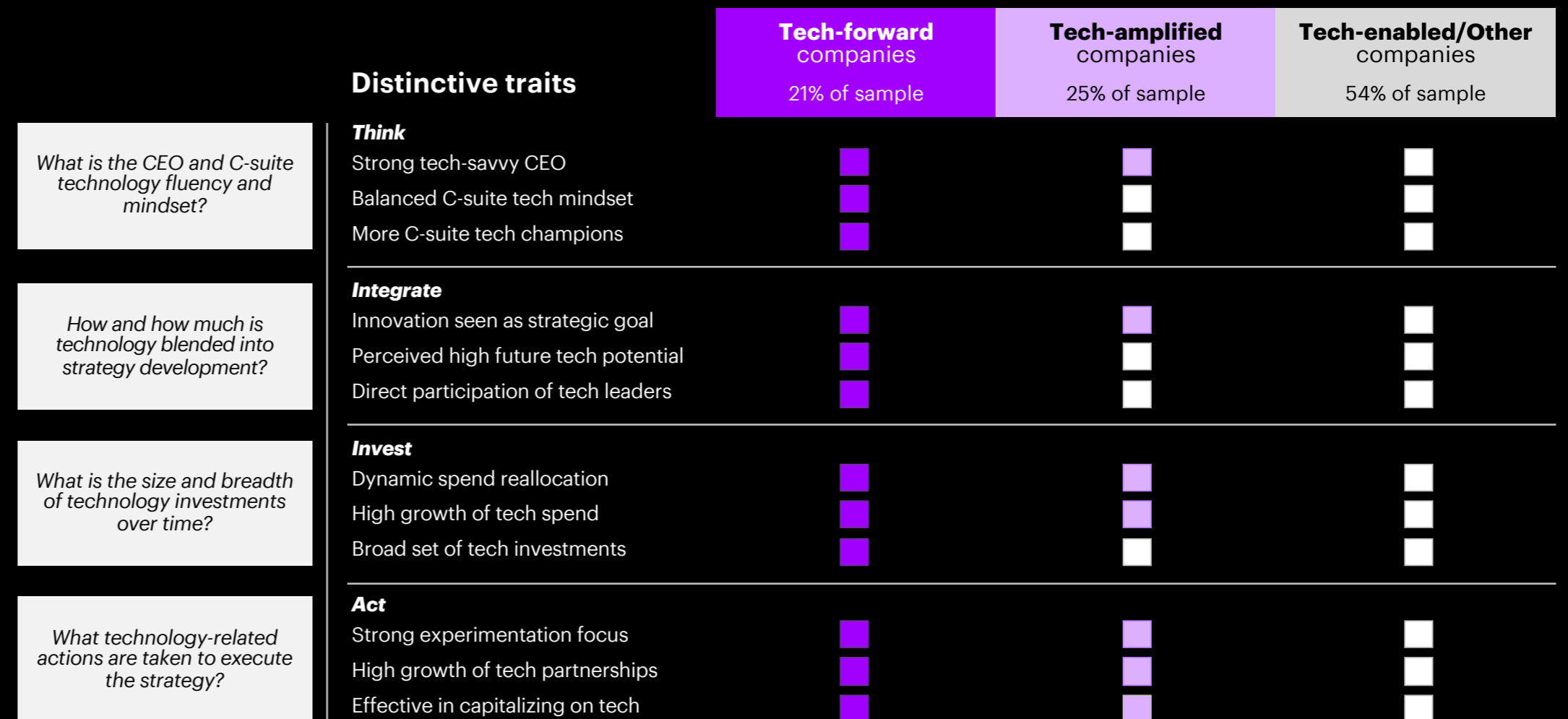
Appendix

The companies in our sample that were not clearly tech-forward (21%), were either tech-amplified (25%) or tech-enabled/other (54%):

- **Tech-amplified companies** develop strategic plans and then use technology to amplify those plans, exploring ways in which technology solutions can boost a competitive advantage or accelerate their execution.

- **Tech-enabled/other companies** have not established any forward-looking connection between their strategy and technology, either because of internal technology complexity or organizational barriers, or because they view technology only as an operational enabler.

Although the tech-forward companies stood out across all the dimensions we assessed (see Figure 8), the 25% of tech-amplified companies also represent an interesting group. They have started to recognize the critical role technology plays in strategy. For many of them the pandemic acted as an accelerator. While not strong on all dimensions, tech-amplified companies are beginning to engage in the right direction with high execution agility and have started reaping the benefits.

Figure 8.

		Tech-forward companies (21% of sample)	Tech-amplified companies (25% of sample)	Tech-enabled/Other companies (54% of sample)
Distinctive traits				
What is the CEO and C-suite technology fluency and mindset?	**Think**			
	Strong tech-savvy CEO	■	■	■
	Balanced C-suite tech mindset	■	■	■
	More C-suite tech champions	■	■	■
How and how much is technology blended into strategy development?	**Integrate**			
	Innovation seen as strategic goal	■	■	■
	Perceived high future tech potential	■	■	■
	Direct participation of tech leaders	■	■	■
What is the size and breadth of technology investments over time?	**Invest**			
	Dynamic spend reallocation	■	■	■
	High growth of tech spend	■	■	■
	Broad set of tech investments	■	■	■
What technology-related actions are taken to execute the strategy?	**Act**			
	Strong experimentation focus	■	■	■
	High growth of tech partnerships	■	■	■
	Effective in capitalizing on tech	■	■	■

Note: Each square represents a given characteristic and is filled in when group has an at least 1.2x higher than average proportion of companies meeting it.

About the Research

To gain deeper understanding on the role of technology in the development of corporate strategy Accenture Research engaged in a comprehensive research program. It encompassed interviews, case studies, an executive survey and quantitative analysis applied to a common set of 1634 companies (with revenues above US$ 1.0 billion) across 9 countries and 18 industries.

Research Innovation Lead
Anna Marszalik

Research Team
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Ezequiel Tacsir
Luciano Rossi

Executive and expert interviews

We conducted 20 in-depth interviews with senior executives across a variety of global companies across industries. Most interviewees were CEOs, Business Unit leads, Chief Strategy Officers and SVP Corporate/Business Development; as well as selected Chief Digital/Technology Officers. Additionally, we collected inputs from Accenture experts with deep expertise at the intersection of strategy and technology.

Survey and case studies

During 2022, Accenture Research conducted a comprehensive executive survey with over 2,500 C-suite executives from large companies across sectors to assess their views on the role of technology in corporate strategy. In addition, based on secondary research, expert interviews and Accenture client work, 15 case studies were developed around the impact of fast-evolving technology on competitive positioning and the way companies integrate tech considerations into their strategy development.

Data science methods

Natural Language Processing (NLP) analytics were applied to two areas:

- Earning calls topic modelling based on S&P Global transcripts over the period of 2018-2021, to analyze when and how companies talked about technology in the context of their business strategy

- C-suite composition analysis based on S&P Capital IQ firmographic and executive profile description to identify current/past roles of key senior executives as well as relevant technology related experience

Data modeling

- Dataset of 80+ explanatory variables: Accenture research developed a consistent data set for all 1634 companies covering 84 explanatory variables. This was done by augmenting existing data with data from external sources namely S&P Capital IQ (for financials from 2016-2021), IDC (for technology spending 2020-2021), Factiva (for company data and news) and Arabesque (for ESG-related metrics).

- Advanced regression analysis and profiling: Based on this broad dataset we applied advanced regression methods for explanatory variables selection and marginal effects analysis. The analysis identified consistent and distinct groups of companies along four dimensions:

  1. Think—Executive mindset regarding technology
  2. Integrate—Infusion of technology into strategy development
  3. Invest—Technology spend growth and breadth
  4. Act—Actions taken towards integrating technology

We profiled each group along distinctive characteristics, performance (financial and non-financial) and resilience (based on Accenture's Resilience Index). Then statistical tests confirming the difference to the overall means and pairwise differences between groups were performed. Additional robustness checks using falsification tests validated significance and direction of groups' characteristics differences. Industry, size, and country controls were always included.

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