

The Accenture logo, featuring the word "accenture" in a white, lowercase, sans-serif font. A small green chevron symbol is positioned above the letter 'u'.

accenture

The logo for the G20 Young Entrepreneurs' Alliance Summit Turkey 2015. It features the text "G20 YEA" in a bold, white, sans-serif font, with "Young Entrepreneurs' Alliance Summit Turkey 2015" in a smaller font below it. To the right of the text is a graphic of a stylized globe composed of white dots of varying sizes, with a white swoosh underneath.

**G20** YEA  
Young Entrepreneurs' Alliance Summit  
Turkey 2015

A large, thick, green arrow pointing to the right, positioned behind the text "High performance. Delivered.".

High performance. Delivered.

# Harnessing the Power of Entrepreneurs to Open Innovation: The Digital Collaboration Index

Increasing digitally-enabled collaboration between large and small companies is correlated with higher economic performance at enterprise and economy wide level. Few companies are achieving the level of collaboration that is required to drive such growth. At stake, therefore, is an economic opportunity worth as much as \$1.5 trillion, or 2.2 percent of world economic output.

In an increasingly digital and connected world, it's vital that large enterprises and startups/entrepreneurs explore the value that can be created by closer and deeper collaboration with each other.

In an [Accenture research report](#) undertaken for the G20 Young Entrepreneurs' Alliance, we made the case for accelerating the shift from today's bilateral collaboration, which is often realized through corporate venturing and incubators. Here corporations effectively sponsor innovation while remaining detached from it. More value can be gained through open innovation, whereby multiple parties collaborate to create common solutions. Digital technology will underpin this more advanced and market responsive form of collaboration. Given the interdependence of the various players in the development of an open innovation ecosystem, governments and bridgemakers have a particularly important role to play.

Through digital collaboration, enterprises gain access to new skills, ideas, talent and markets, while entrepreneurs tap into large companies' distribution networks and customer bases. Both types of companies increase their opportunities to drive innovation and growth.

But what is the business and economic value of digital collaboration? To answer that question, Accenture has developed the Digital Collaboration Index. It is based on the global survey we conducted of more than 1,000 entrepreneurs and 1,000 large companies across the G20 countries.

### What is the Digital Collaboration Index?

The Digital Collaboration Index measures the effectiveness of an enterprise both in terms of the collaboration mindset present across a company and in terms of how successfully it translates collaboration into innovation and revenue growth. The Index considers survey-based metrics across three dimensions:

- 1. Digital innovation:** Progress in digitization as well as the extent to which digital innovation is considered to be a priority.
- 2. Digital collaboration between large companies and entrepreneurs:** The extent to which large companies and entrepreneurs are inclined to collaborate with each other and profit from more open business models.

**3. Strength of broader ecosystem:** The extent to which digital initiatives are supported by governments, as well as the inclination of companies to engage with the broader ecosystem of stakeholders, including R&D centers, financial service and capital providers, and academic institutions.

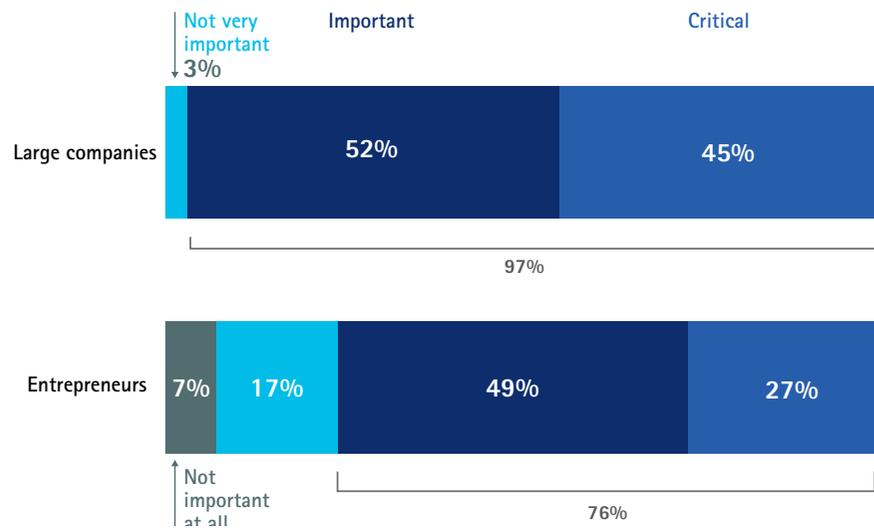


Source: Accenture Research, 2015

## 1. Digital innovation drives higher performance

For large companies and smaller entrepreneurs alike, digital innovation is at the heart of improving performance. According to **our research** with the G20 Young Entrepreneurs' Alliance, 97 percent of large companies and 82 percent of entrepreneurs believe that digital innovation is critical or important to their future performance.

*How important will digital innovation be in improving your company's overall business performance over the next three years?*



Source: Accenture Research, 2015

## 2. Large companies and entrepreneurs are committed to collaborating with each other

Indeed, according to our research, 78 percent of large companies affirm the importance of collaboration, as do 67 percent of entrepreneurs. But some are better collaborators than others—a difference important in calculating the Digital Collaboration Index. In fact, imbalance sometimes exists between the perceived commitment each side has to the endeavor. Entrepreneurs are up to four times more likely than large companies to see a lack of commitment from their partners in the collaboration.



### 3. Companies are committed to collaborating with a broader range of stakeholders

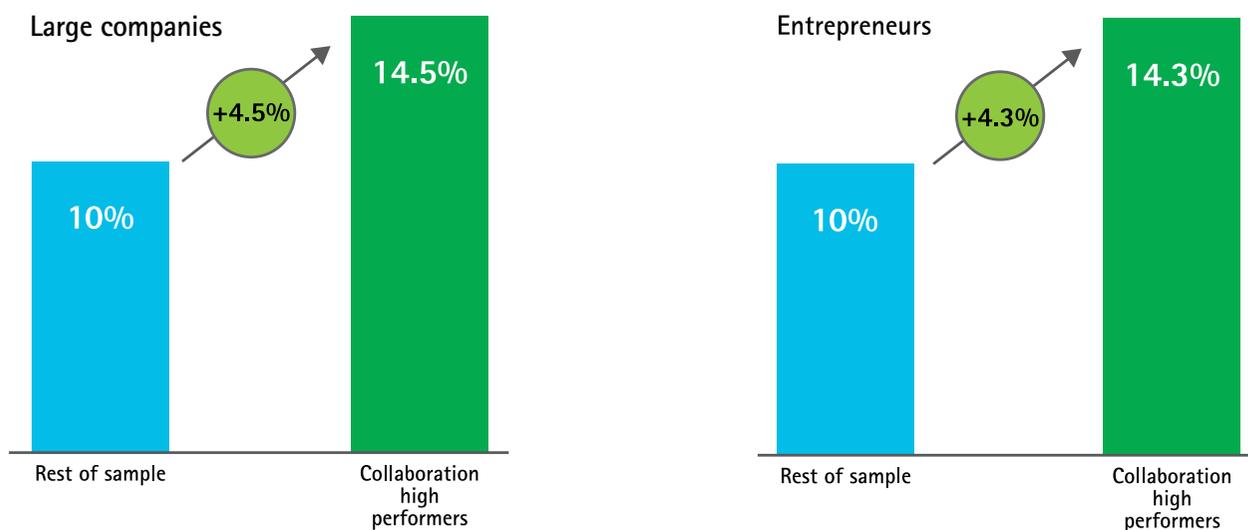
Large companies and, to a lesser extent, entrepreneurs, think it important to work with an ecosystem of stakeholders, including R&D institutes, non-governmental organizations and customers. For example, 85 percent and 64 percent of large companies and entrepreneurs respectively collaborate with or plan to collaborate with academic institutions or universities. Our research suggests that governments could be more effective in this mix. Nearly half of large companies think that governments are making it easier for them to collaborate with entrepreneurs. The remainder think that policy makers are either making it harder to do so or making no difference at all.

### The best collaborators drive higher levels of revenue growth and innovation

Using the data from our global survey of entrepreneurs and large companies, we found a statistically significant relationship between collaboration, innovation and revenue growth. Collaboration high performers—those performing in the top 20 percent of the Digital Collaboration Index—achieved higher levels of self-reported revenue growth in 2014. This was true for both large enterprises and startups/entrepreneurs.

If all companies were to perform at the level of the 20 percent highest performers, their revenues in 2014 could have been between 3 and 18 percentage points greater for entrepreneurs and between 2 and 16 percentage points greater for large companies.

#### Average revenue growth in 2014 of collaboration high performers vs rest of sample



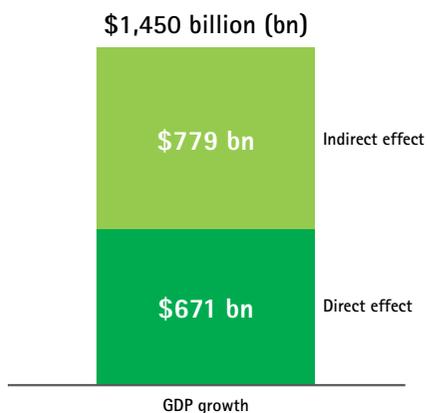
Source: Accenture Research, 2015



## Boosting digital collaboration can result in significant GDP growth

The increment in business revenues would have a beneficial impact on GDP performance. A generalized increase in digital collaboration between G20 companies to reach high performance levels could raise global output by almost US\$1.5 trillion, representing an uplift to current world GDP of 2.2 percent. If all companies were to reach the levels of high performance in the next six years, annual global economic output could increase by an additional 0.3 percentage points between 2015 and 2020.

### Impact of digital collaboration in G20 countries on global GDP



Source: Accenture Research, 2015

## Potential additional GDP growth enabled by improved digital collaboration

Country	GDP growth impact of enhanced digital collaboration	
	Total GDP growth (US\$)	Percentage uplift to GDP (% change relative to 2014 GDP)
Argentina	\$13 bn	2.9%
Australia	\$28 bn	2.1%
Brazil	\$52 bn	2.6%
Canada	\$43 bn	2.6%
China	\$216 bn	2.7%
France	\$56 bn	2.2%
Germany	\$107 bn	3.4%
India	\$52 bn	2.7%
Indonesia	\$34 bn	3.7%
Italy	\$35 bn	1.9%
Japan	\$94 bn	1.8%
Mexico	\$24 bn	2.1%
Russia	\$46 bn	4.1%
South Korea	\$31 bn	2.1%
South Africa	\$12 bn	3.1%
Turkey	\$29 bn	3.8%
UK	\$59 bn	2.5%
US	\$433 bn	2.7%

## A journey to more open innovation

As large companies continue on their journey to more open innovation, they will need to change the way they collaborate, modifying from corporate venturing and incubators to genuine joint innovation with entrepreneurs. That requires shifting from today's approaches that are often based on predetermined goals and business ideas, to an approach that is more open and entrepreneurial. Bilateral arrangements will increasingly evolve into more multilateral collaborations in broader groups. We call this ecosystem innovation. This, in turn, will require cultural transformation—creating an environment of more trust and more equal commitment to risks and rewards for all parties. Co-creation of this kind will need to happen within governance structures that include a clear long term vision and common goals, joint performance objectives, and integrated processes. Digital technologies and the creation of platforms will be critical to the success of this more advanced form of collaboration, helping all participants reach a greater range of talent, ideas and business models.

Source: Accenture Research, 2015

For more analysis, read [Harnessing the Power of Entrepreneurs to Open Innovation.](#)

### About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 358,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$31.0 billion for the fiscal year ended Aug. 31, 2015. Its home page is [www.accenture.com](http://www.accenture.com).

### About Accenture Research

Accenture Research is a global team of industry and digital analysts who create data-driven insights to identify disruptors, risks and opportunities for Accenture and its clients. The team includes 200 business researchers, economists, data scientists and survey experts based in 20 countries.





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