Engineering and product operations play a critical role in a high-tech company’s product lifecycle, helping to increase value from product ideation to end of life. It also is the primary tool to be leveraged in the reduction of total R&D spend.

Over the past 10 years, R&D spend in high-tech companies has increased by 70% and has outpaced revenue growth during the same time period by 35%. Industry analysis of R&D spend across high-tech companies shows that more than 25% of this R&D spend is for critical, but non-product differentiating functions. These functions are often redundant in each of the engineering team silos that make up the product organizations of these high-tech companies.

The Path to Saving 25% of Your R&D Spend

Did you know, for every $500 million in R&D spend, you can save up to $30 million by focusing on critical, but non-product differentiating functions, including but not limited to:

- Engineering infrastructure/labs
- Development and test tools
- Engineering analytics and reporting
- Technical content development and user experience
- Globalization and localization of products
- Product security functions
- Performance and scalability testing
- Compatibility and interoperability testing and certifications
- Product lifecycle management, NPI and governance
- Hardware engineering
In today’s hyper fast-paced market, the need for high-tech companies to evolve their engineering and product operating models is real:
• Acceleration of technology waves
• Integrated product offerings
• New licensing and as-a-service models
• A liquid and global workforce

Many established high-tech companies simply must evolve or become disrupted by their leaner competitors!

So how can established high-tech companies adapt? Engineering transformation and cost savings starts by focusing on the following five core engineering operating changes:
• End-to-end digitization of engineering processes
• Leveraging data and advanced analytics
• Establishing engineering Centers of Excellence (COEs)
• Developing a liquid engineering workforce
• Deploying modern DevOps processes, tools

Accenture’s expertise and industry best practices help you engineer your engineering organization by transforming your engineering and product operations model enabling you to reduce your time-to-market (TTM) and reduce your total R&D spend on non-product differentiating functions by up to 25%.


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