



Modern Cloud Champions:

Unlocking human potential
and cloud value

Change is everywhere

The past year accelerated a profound change in how businesses **access their customers, deliver their services and connect with their people**. Regardless of the size and scope of the organization, almost overnight, leaders had to find a way to continue to deliver goods and services in a contactless way. The answer for many is accelerating their **migration to the cloud**. Transformation is necessary to survive the challenges introduced by the global pandemic.

To capture the value of cloud, unlock your people's potential

Although many invested in cloud, 63% of companies are failing to reach expected value from their cloud investments. The people and change dimensions of the cloud journey are major roadblocks.¹

A skills shortage is the top barrier to achieving cloud value—ranked #1 by 54% of CEOs. Other top barriers include IT and business misalignment (40%) and the complexity of business and organizational change (39% overall).²

Accenture Research reveals that capturing value from cloud investments to accelerate digital transformation is not just a technology challenge, but a people opportunity. As the next wave of cloud migration becomes more complex due to a [continuum of cloud](#) services and capabilities critical for transformation, **executives need to build a workforce better positioned to drive cloud-enabled value.**

Putting people at the center of cloud transformation

In our Modern Cloud Champions 2021 Study, we sought to understand what happens when companies prioritize their people as much as their technology. We aimed to uncover whether enterprises yield better results when they continuously invest in people and use their cloud strategy to power business growth.³ And if so, **what do they do differently to support and enable their people?** So, we engaged 1,100 CXOs to find out.

In our Modern Cloud Champions 2021 study, CXOs who transformed both people and technology in support of their cloud strategy achieved on average **60% greater value** from their investments compared to their peers.

Modern Cloud Champions unlock more value

A mere 18% of CXOs are Modern Cloud Champions. This elite group experiences up to 60%⁴ greater value across workforce and cloud transformation outcomes on average. They are also 4.6x more likely to have the skills necessary to transform into a cloud-enabled organization.

Modern Cloud Champions defined

Modern Cloud Champions continuously invest in people and align their cloud strategy to business growth, unlocking more human potential and cloud value than their peers.

We identified the ability to cultivate skills and develop future talent at scale as a leading lever to achieving both financial and non-financial value along the cloud journey. **Unlocking and prioritizing people's potential throughout an enterprise-driven cloud transformation will yield higher cloud value.** And when leaders unlock supporting levers to further empower their talent, their cloud value only accelerates.



Why being a Modern Cloud Champion matters

When we looked closer at the Champions, we saw noticeable differences between them and their counterparts, indicating that Champions are achieving greater value from their cloud transformation efforts.⁵ Modern Cloud Champions recognize that **investments in people transformation positively affect business metrics such as better cost savings, faster migration, improved agility, faster speed to value and increased innovation.**

Across workforce benefits, Champions experienced 2.3x more gains across worker productivity and cross-functional collaboration and communication and 2.2x more digital fluency⁶ from their change investments. **Champions are also more likely to experience more significant cloud transformation outcomes, including improved organizational agility and innovation (2.2x) and improved customer experience (1.7x).**⁷ (See Figure 1) Stronger IT and business collaboration are a leading benefit, which is often a key barrier for realizing cloud value. (See Figure 1)

While Champions are more likely to have IT-led cloud transformation efforts, they are 3x more likely to operate as one unit with business counterparts. Champions are more likely to also experience 2x faster cloud migration as well as increased cloud adoption.

2.3x

higher worker productivity and cross-functional collaboration

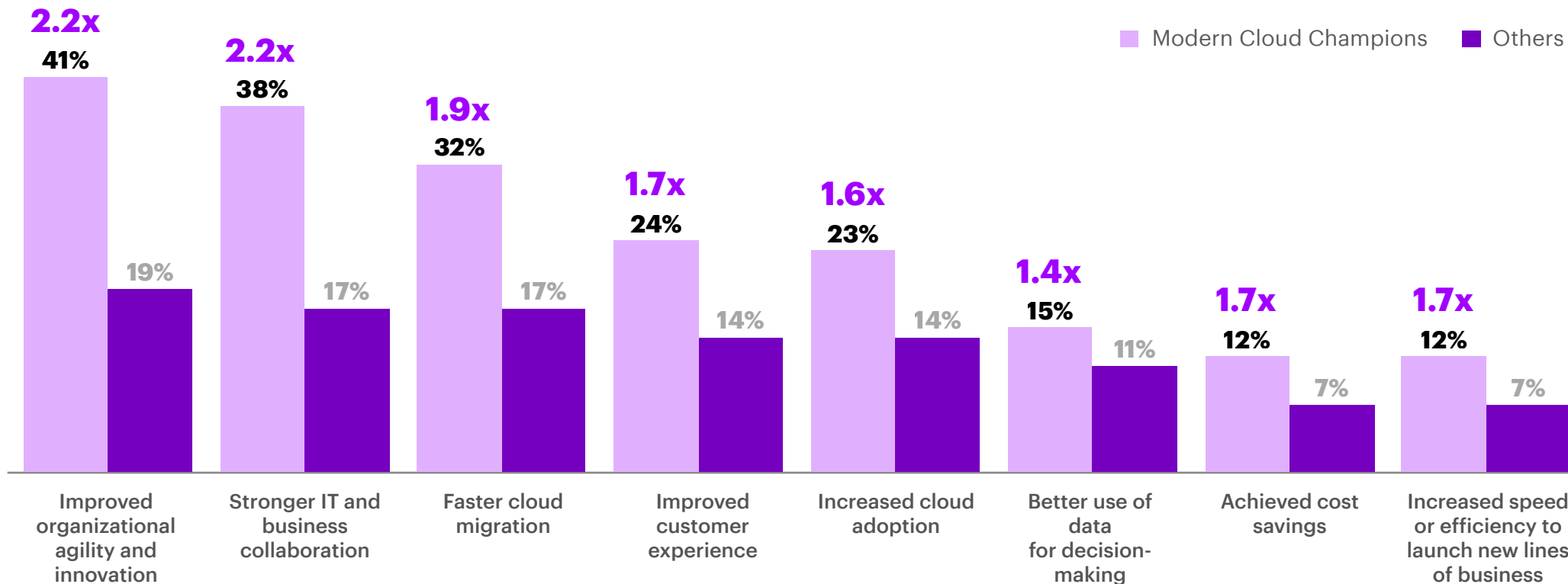
1.9x

faster cloud migration

Greater cloud transformation benefits

“Very significant benefit” responses (10% or more)

Figure 1



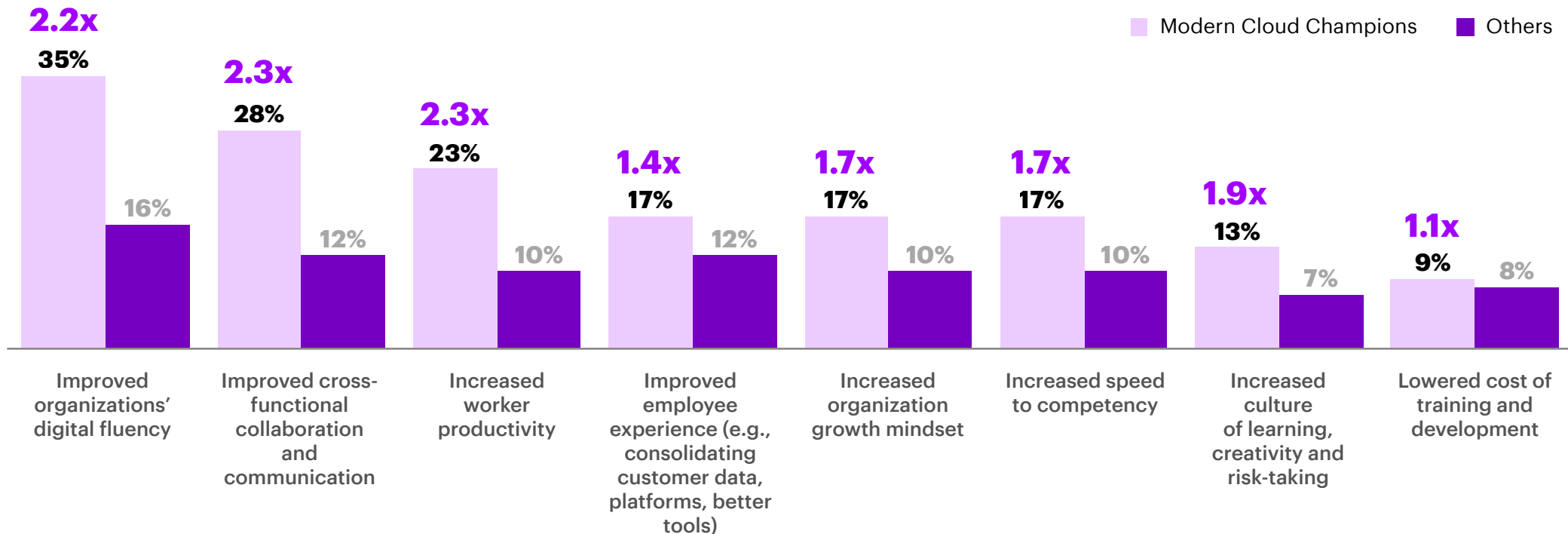
n=1101, Modern Cloud Champions 2021 Study

Modern Cloud Champions are experiencing greater cloud transformation benefits.

Better workforce benefits

“Very significant benefit” responses (10% or more)

Figure 2



n=1101, Modern Cloud Champions 2021 Study

Modern Cloud Champions are experiencing greater workforce benefits from change investments throughout the cloud transformation journey.

Takeda's Rx for cloud success

Takeda's cloud strategy puts people at the center. They launched a five-year digital transformation effort that includes moving 80% of applications to the cloud, modernizing platforms, accelerating data services, establishing an internal engine for innovation and equipping Takeda's employees with new skills and ways of working. Patients benefit from Takeda's ability to respond with greater speed, agility and insights across the value chain.

"My vision is that, in less than 10 years, every Takeda employee will be empowered by an artificial intelligence assistant to help make better decisions, enabling us to deliver transformative therapies and better experiences to patients, physicians and payers faster than previously possible." — **Christophe Weber, President and CEO at Takeda**



Five levers to becoming a Modern Cloud Champion

The Accenture Modern Cloud Champions 2021 Study reveals that Champions are excelling across five levers that help them support human potential and unlock cloud value across the enterprise:

Talent

Fostering skills that fuel cloud value and ensure people are ready for what's next at scale.

Leadership

Empowering people and teams through clear priorities, collaboration and team support.

Culture

Fostering a spirit of learning, experimentation, innovation and human ingenuity.

Operating Model

Eliminating silos and paving the way for people to collaborate across the business.

Governance

Democratizing access to data, leading-edge technologies and tools to enable their talent.

Talent



Preparing people for what's next

Skills are a critical currency to drive transformation at scale. Ensuring the right talent to blueprint and implement change for the future is integral. Skilling investments, when done right, can alleviate the fear of being left behind and enable employee development to **accelerate transformation**.

Champions are not only more likely to have the skills required to transform into a cloud-enabled organization, but they are **4.3x more likely to develop future talent at scale**. They're also more likely to value cloud technical skills than their counterparts in areas such as DevOps and DevSecOps (2.5x more likely) and data and intelligence (1.8x). And with scarce market availability of technical skills, including cloud computing, **Champions are 1.6x more likely to internally skill existing employees to address gaps compared with their peers**. Non-Champions are 2.5x more likely to partner with a vendor or contract out the expertise required and 7x more likely to look externally to address the gap.

Top Cloud + Digital Fluency Skill Areas:

- Cloud and Cloud Native Computing
 - DevOps / DevSecOps
 - Data and Intelligence
 - AI and Automation
 - Cybersecurity
 - Internet of Things
-

Learning opportunities to meet people's needs

These leaders help nurture and feed the curiosity of their workforce. By frequently offering a variety of training opportunities, they can propel cloud-enabled business transformation. These offerings range from instructor-led courses (e.g., quarterly agile technique training)—of which 55% of employees surveyed view as an effective way to learn and retain new skills—to personalized and customized learning powered by data and technologies.⁸

“We can innovate faster. As we look at the new technologies, whether it's AI, blockchain or virtual reality for learning, we couldn't even think about that without the cloud. If you don't adopt the cloud, it's the death of your institution.”

— **Deputy CIO and Business Intelligence Strategist, Higher Education**



Leadership

Setting company-wide goals to ensure alignment on cloud adoption

Champions are outperforming their peers by promoting a growth mindset. **They are championing cross-functional collaboration and empowering, recognizing and rewarding new ways of working** to unlock human potential throughout the cloud journey. (See Figure 3)

Supportive leadership and management is a top-three motivator for tech-enabled change for employees.

Cancer Research UK (CRUK), the world's largest cancer charity, recognizes that cloud adoption goes far beyond using technology. It's also about embracing new ways of working to take advantage of the cloud. CRUK used cloud to reinvent their workplace and ways of working, and, as a result, it's attracting and retaining innovative talent. As they operate in both a physical and virtual environment, CRUK's leadership encourages employees to work together to solve problems, share information and actively seek out opportunities for collaboration.



Digital leadership differentiates Modern Cloud Champions

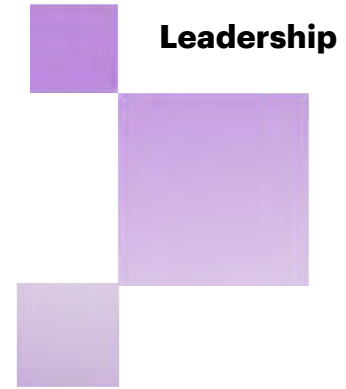
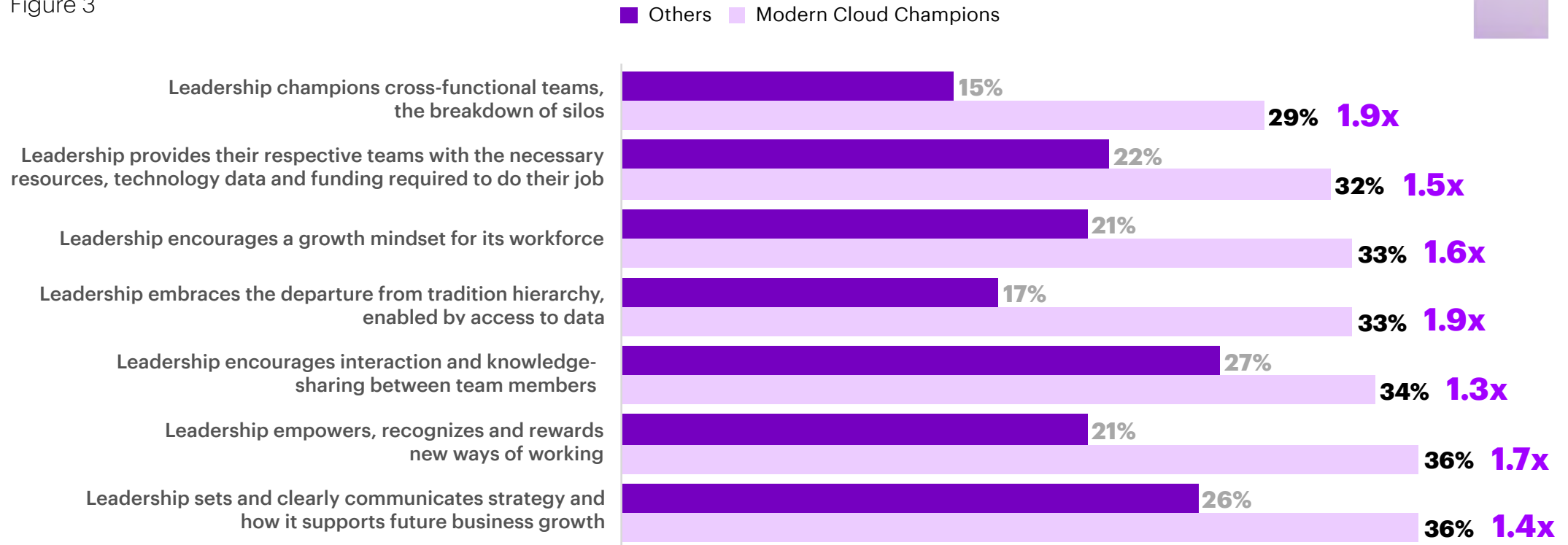


Figure 3



n=1101, Modern Cloud Champions 2021 Study

“Strongly agree” responses



Culture

Fostering a culture of continuous innovation

Champions create a culture that enables a learner mindset, which is key as cloud paves the way for the next wave of digital technology. They are more likely to embrace a culture of perpetual innovation across the workforce and also within leadership. Leaders and employees must continuously build their learning muscles and become comfortable with being novices throughout their careers to power innovation.

Champions are **1.5x more likely** to foster an environment in which people are encouraged to take risks and learn from them. Experiments and ideas that drive innovation help build the learning muscle and the Champions are **2x more likely** to do this. (See Figure 4)

Improved cross-collaboration and communication is a top-three motivator for tech-enabled change for employees.

They are also nearly **5x times more likely** to embrace a spirit of cross-functional and cross-cultural collaboration. Among the 2500+ employees surveyed, this is a top-three motivator for tech-enabled change.

“An organization’s ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage.”

— **CEO, Industrial Engineering Industry**

Modern Cloud Champions build a culture of experimentation, risk-taking and continual learning

“Strongly agree” responses on culture

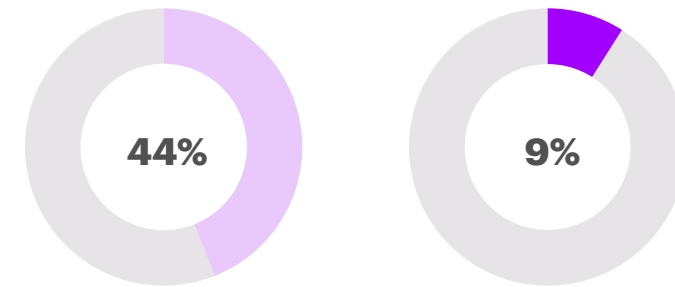
Figure 4



Strong organizational maturity with embracing a spirit of cross-functional and cross-cultural collaboration

Modern Cloud Champions

Others



n=1101, Modern Cloud Champions 2021 Study



Operating Model

Breaking down silos

Champions are more likely to have operating models that drive collaboration and agility across the company and its ecosystem throughout the cloud journey. They are 1.8x more likely to enable seamless access to people, processes, systems and assets externally and across their ecosystem. And we know ecosystem plays are top of mind for the C-suite, as they are an important source for growth and innovation. According to Accenture CXO research, building an ecosystem business model for the future of the company is considered important to nine in 10 businesses.⁹ This future business model can only be realized by effectively adopting and using the cloud. (See Figure 5)

Champions promote collaboration and business transformation, and they are equipped to do so.

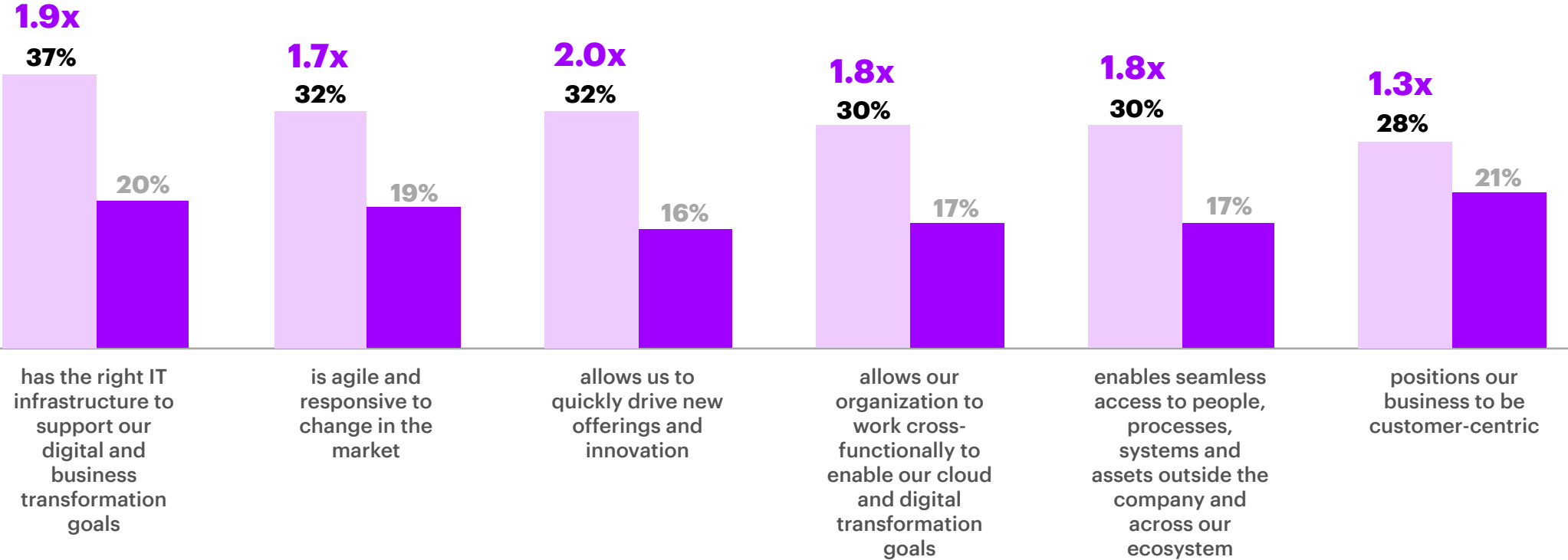
- **1.8x more likely** to operate cross-functionally to enable their cloud and digital transformation goals
 - **1.7x more agile** and responsive to change in the market
 - **1.3x more likely** to be consumer-centric
 - **1.9x more likely** to have the right IT infrastructure to support digital and business transformation goals
-

Operating models promote collaboration across boundaries among Modern Cloud Champions

“Strongly agree” responses. Our operating model...

Figure 5

Modern Cloud Champions Others



n=1101, Modern Cloud Champions 2021 Study

A man with grey hair and a beard, wearing a purple hoodie, is sitting at a desk in an office. He is looking down at a smartphone he is holding in both hands. The desk is cluttered with multiple computer monitors, a laptop, and various office supplies. In the background, there is a framed certificate on the wall and a lamp. The word "Governance" is overlaid in large white text across the center of the image.

Governance

Collaboration and decision-making powered by technology

Champions provide the most up-to-date technologies, digital architecture and tools that help **enable better and faster access to data**. (See *Figure 6*) When powered by data, which is a key factor for cloud adoption, Champions can depart from centralized and top-down decision-making and a traditional hierarchy for decision-making at scale. Those closest to the data and customers can now make customer-centric decisions.

However, most surveyed executives struggle to provide workers with the most up-to-date technologies for remote work. Enterprises must accelerate their availability of tools and technologies for their talent as the **future of work is hybrid and [productive anywhere](#)**.¹⁰



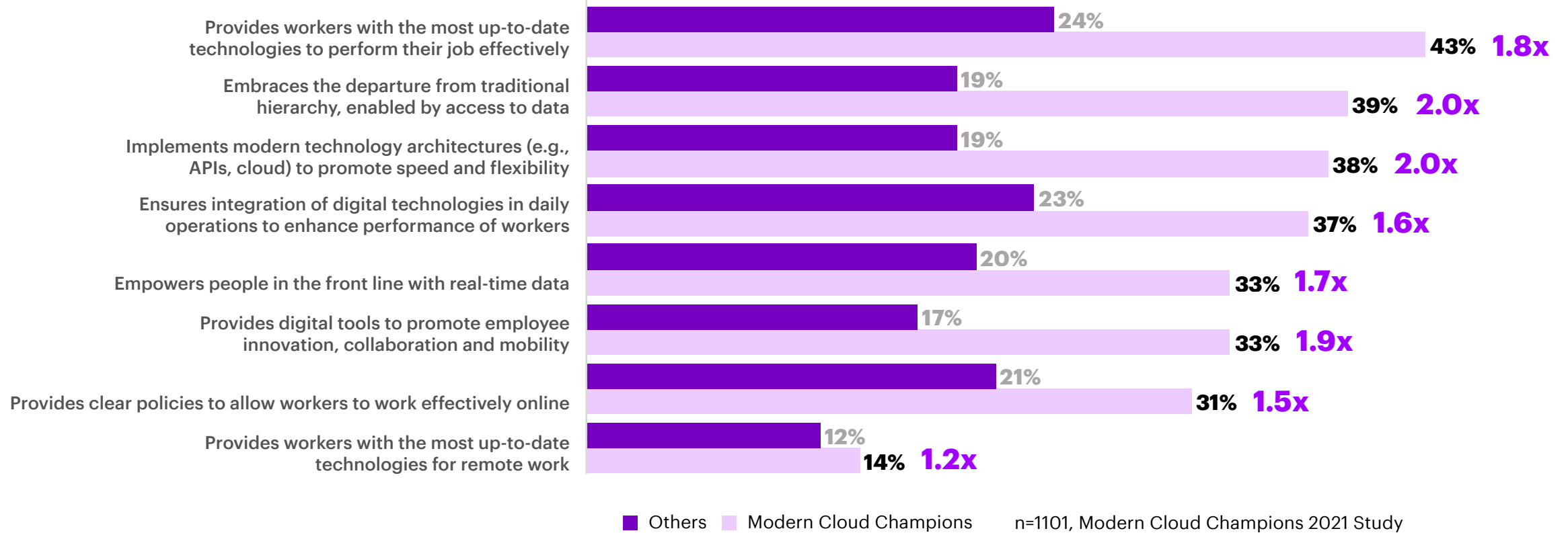
“Using data-driven insights was very successful. We went from a handful of people using them to do clever whizbang things to every officer on the force being able to access that level of data at their fingertips.”

— **Director of IT and Digital, Local and State Government**

Modern Cloud Champions democratize access

“Strongly agree” responses. My organization...

Figure 6



Petronas ascends to the cloud

Accenture worked with Petronas to infuse digital ways of working into the DNA of its business operations in a cloud-enabled world. This included aligning cloud ambitions and ensuring that the journey is innovation-driven. Petronas zoomed in on the skills, learning pathways and change readiness required to pivot and accelerate to north star recommendations.

By aligning on a clear future vision, adopting boundaryless ways of working and focusing on their people's ability to fully capitalize on cloud transformation, Petronas is better positioned to transform into a data-driven organization and unlock new value through top- and bottom-line optimization.



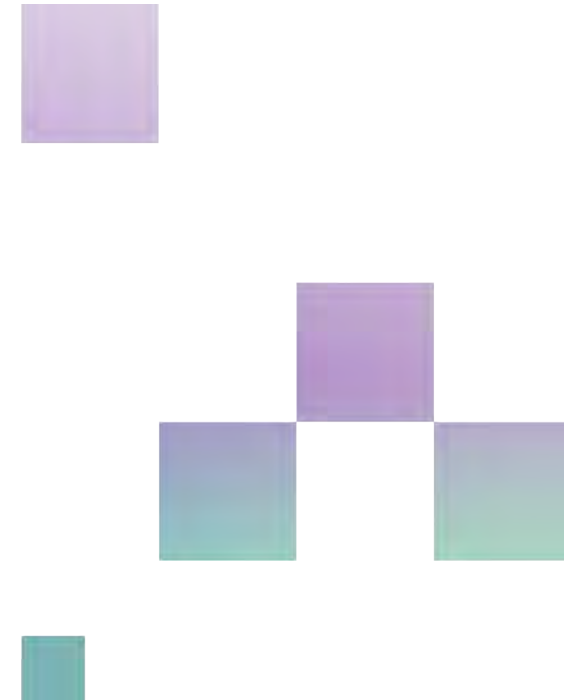
Unlock cloud value through five levers

These five levers that Champions are activating can deliver both non-financial and financial benefits. But focusing on a single lever, such as talent, is not enough to unlock full value.

We developed a Champions index that takes into account the various dimensions of the five levers. Companies with a higher index score exhibit better workforce and transformation benefits.¹¹ The big learning here is that any one lever on its own only adds incremental value. (See *Figure 7*) The ability to capture full value from cloud adoption requires all five levers to work in tandem throughout the organization.

In addition, these levers accelerate value differently across outcomes. For example, a company focused on driving agility and innovation through the cloud will find the talent lever, working alongside the other levers as their accelerator.

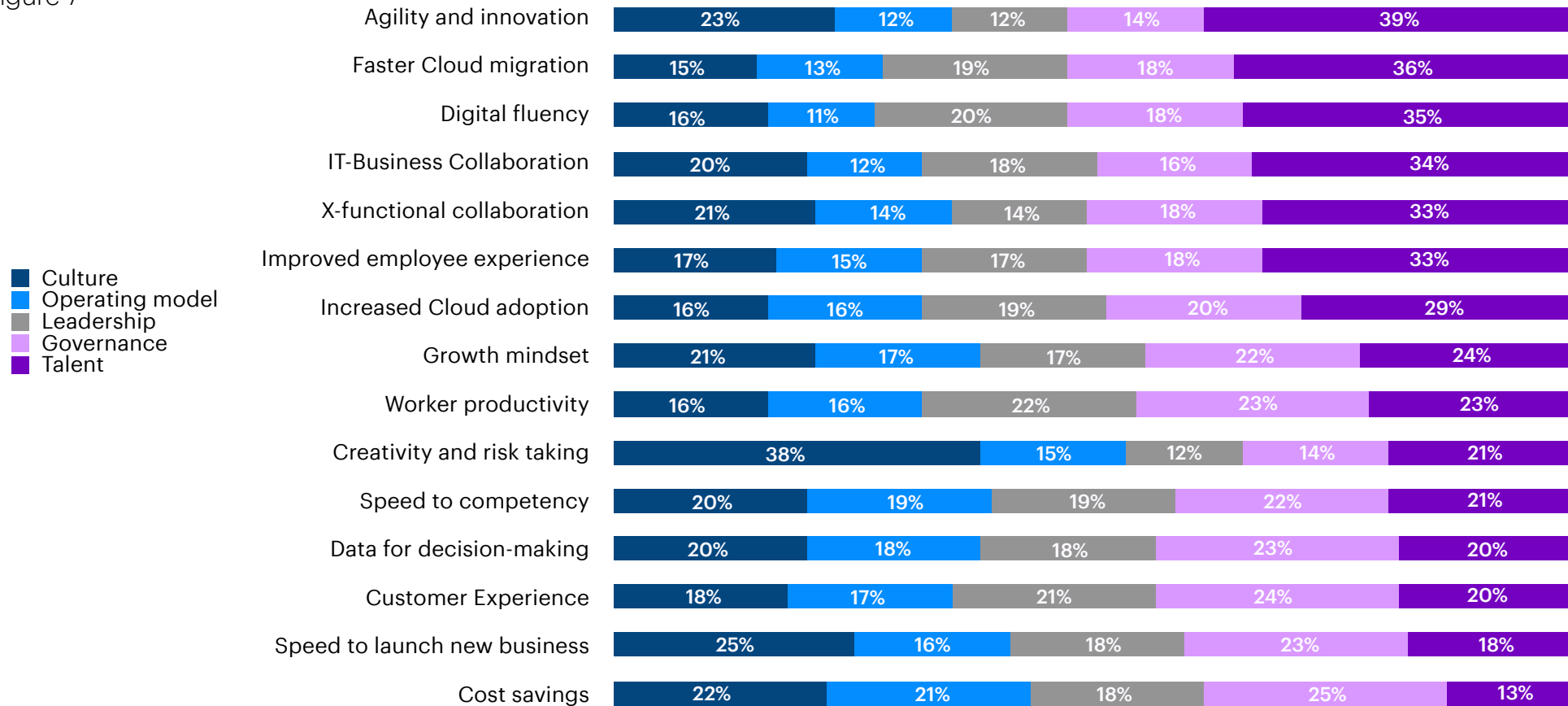
However, a company looking to promote creativity and risk-taking will want to start with the culture lever to accelerate their benefits. Bottom line: **Companies need to have all five levers in place. This research provides a roadmap that starts with the intended outcome to help leaders make better investment decisions on where to start in their cloud journey—and what levers to pull to maximize value.**



Activating five levers for benefits

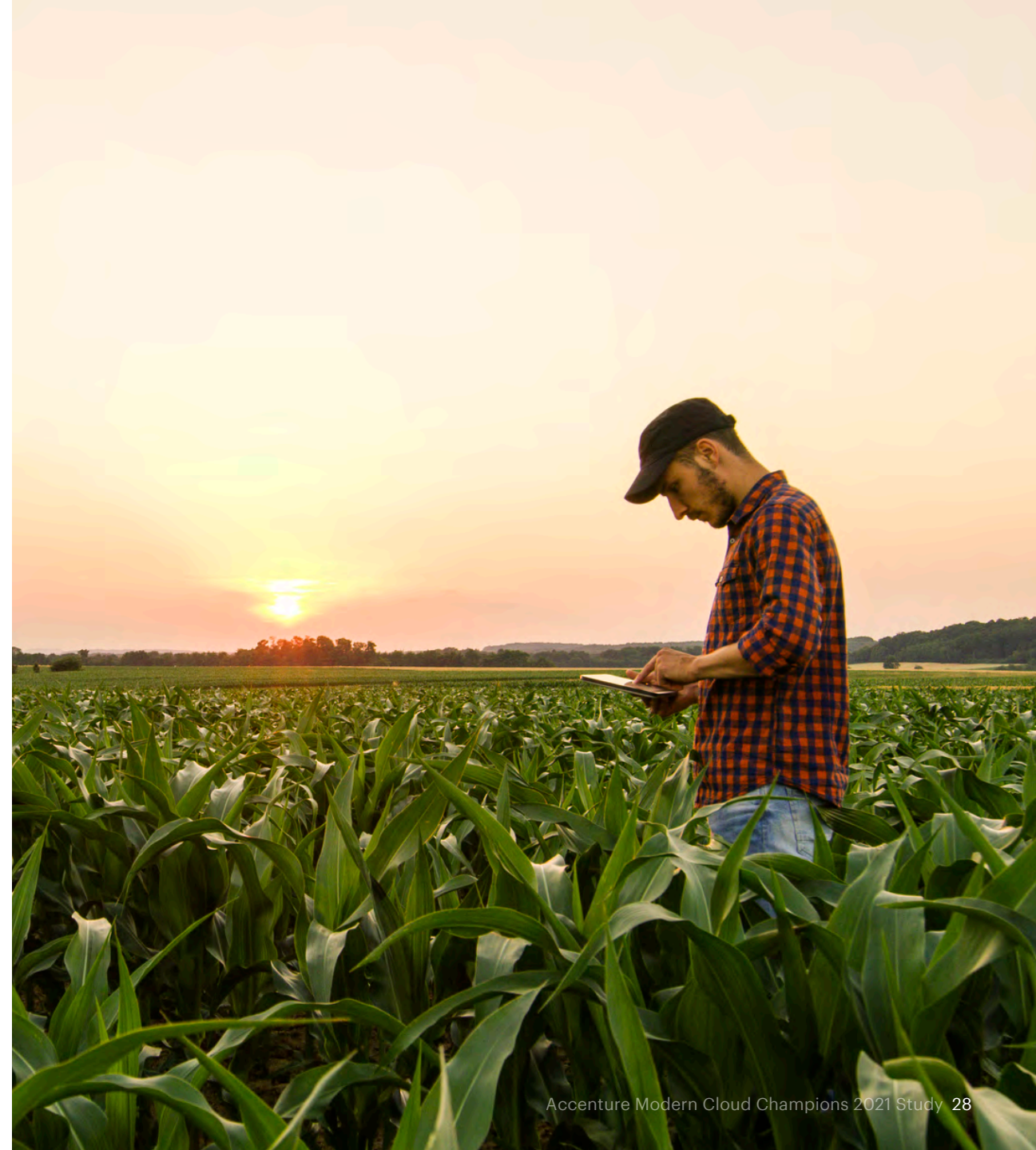
Contributions of the five levers, % of total benefits

Figure 7



When combined, the five levers enable EBITDA growth

When comparing similar companies, an enterprise with 10pp higher cloud adoption alongside a simultaneous increase of the five levers, exhibits 1.04pp higher EBITDA growth.¹² **This increase of 1.04% is split across the levers**, with talent (25%) and governance (23%) emerging as slightly stronger levers. Both analyses suggest that while talent carries slightly more weight, **all five levers must be activated in concert to unlock both financial value and people potential throughout the cloud journey.**





How will you become a Modern Cloud Champion?

Modern Cloud Champions outperform their peers in cloud value

Accelerate your people and business transformation by focusing on cloud Alignment, Ability and Adoption.

Alignment:

- Align the C-suite on your cloud ambition, strategy, priorities and trade-offs.
- Foster collaboration between IT and the business to lead cloud transformation.
- Communicate the cloud strategy and value at stake throughout your cloud journey.
- Break down organizational silos and use cross-functional teams to bring the strategy to fruition.

Ability:

- Design your operating model and organization to enable speed, agility and innovation.
- Invest in and prioritize learning to help your people develop skills and talent for today and tomorrow.
- Foster digital fluency across your entire enterprise (cloud, data, security, AI, automation, IoT, blockchain and agile).
- Build a culture of continuous learning focused on the future and making decisions at speed.

Adoption:

- Encourage innovation and experimentation at scale.
- Empower workers to make more of their own decisions with clear guidelines and access to data.
- Streamline processes and reduce friction points to enable speed and agility.
- Embrace a growth mindset that values progress over perfection.

Jeweler dazzles in the cloud

Danish jeweler Pandora wanted to improve customer experiences and digital engagement by consolidating digital marketing activities and offering more convenient and responsive e-commerce services. To achieve this, they needed to **adopt a cloud-based, scalable IT infrastructure**.

Over the years, Pandora had expanded its operation to 100 countries, many of which had their own IT systems. This siloed IT environment was increasingly costly to maintain. Pandora juggled managing more than 60 IT vendors, which affected the company's ability to introduce products, campaigns and offers to market quickly.

Not only did Pandora design and develop a detailed cloud solution to address customer needs, but new cloud-enabled capabilities help to create a culture of collaboration and innovation. The workforce is now united around **new digital experiences that benefit employees and customers**. Workers today have the bandwidth to focus on more strategic activities aimed at growing the business and strengthening the brand identity through enhanced customer offerings.



Modern Cloud Champions

understand that people will drive the cloud agenda, but the journey must be backed by a strategic approach tied to business goals.

These leaders break down the silos that hinder collaboration, they **empower people to experiment, test and learn**, and they foster the skills needed to accelerate cloud-enabled transformation.

For more information



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Endnotes

1. Accenture. 2020. Sky high hopes: Navigating the barriers to maximizing cloud value. Retrieved from: https://www.accenture.com/_acnmedia/PDF-139/Accenture-Cloud-Outcomes-Exec-Summary.pdf
2. Accenture. 2020. Sky high hopes: Navigating the barriers to maximizing cloud value. Retrieved from: https://www.accenture.com/_acnmedia/PDF-139/Accenture-Cloud-Outcomes-Exec-Summary.pdf
3. Respondents were asked to describe how they instituted change throughout their cloud journey with the most advanced response stating the following: “embedded change throughout the cloud journey and across our workforce.” They were also asked to rate the maturity of their cloud strategy with the following more advanced response: “Having a comprehensive cloud strategy exists that was developed to support the long-term business strategy of the company.” Champions did both.
4. This was calculated by taking the percentage difference of the various workforce outcomes as well as the cloud transformation outcomes between the Champions and the non-Champions. The difference was 60% and 57% for cloud transformation and workforce outcomes, respectively.
5. We uncovered more pronounced differences when looking at the “very significant response”, the highest rating on a Likert scale.
6. Accenture. 2020. Honing your digital edge. Retrieved from: <https://www.accenture.com/us-en/insights/consulting/honing-digital-edge>
7. We modeled the impacts of leading with continuous change and with a business-driven cloud, enterprise cloud strategy throughout a company’s cloud journey. Using linear regression, we identified that both variables are significant drivers of workforce and cloud transformation outcomes as well as cloud maturity.
8. We also conducted a survey of 2,535 employees across skill levels and generations from a range of company sizes.
9. Accenture. 2020. CXO Pulse Survey: Wave 3.
10. Accenture. 2021. The future of work: A hybrid work model. Retrieved from: <https://www.accenture.com/us-en/insights/consulting/future-work>
11. This analysis controls for differences between companies in different industries, in different countries, with different operating models as well as variations due to size.
12. Using econometric methods, we measure EBITDA growth (past 12 months) associated with a 10pp higher cloud adoption three years back and the activation of the five levers. This analysis controls for differences between companies in different industries, in different countries, with different operating models as well as variations due to size. We also found a similar correlation between higher EBITDA growth over the past 12 months and higher cloud adoption at the time when the survey was conducted.

Research methodology

The Accenture Research program was built on the following:

- A survey of 1,101 executives: 31% are CIOs or CTOs, 62% are CXOs and 7% are Director-level executives.
 - A survey of 2,535 employees with different skill levels from various company sizes. Fifty-six percent of employees surveyed service clients or customers, 30% support people who engage with customers and clients, 15% work in administration and support non-client-facing personnel. Fifty-nine percent are below manager or equivalent, and 41% are senior managers, managers or equivalent.
 - Both surveys spanned 11 countries (Australia, Brazil, China, Germany, India, Japan, Nordics [Norway, Sweden, Denmark, Finland], Spain, Singapore, United Kingdom, United States) and 10 industries (Banking and Capital Markets, Communications, Media & Technology, Consumer Goods & Services, Energy, Insurance, Healthcare, High Tech, Public Sector [Local, State and Federal], Oil & Gas and Retail). Accenture fielded both surveys between February and April 2021, with interviews.
- We modeled the impacts of leading with continuous change and a business-driven enterprise cloud strategy throughout a company's cloud journey. Using linear regression, we discovered that both variables are drivers of workforce and cloud transformation outcomes and cloud maturity.
 - Using econometric methods accounting for differences between companies in different industries, countries, operating models and sizes, we estimated the impact of greater cloud adoption and the five levers on EBITDA growth.
 - Survey respondents rated the strength of their organizations across: (1) talent, (2) governance, (3) leadership, (4) operating model and (5) culture (the five levers). Their responses were consolidated into a single index score. A higher index score—reflecting stronger talent, governance, leadership, operating models and culture—is associated with higher workforce and cloud transformation benefits. Additionally, we estimated how the five levers contribute to greater workforce and transformation benefits.



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