

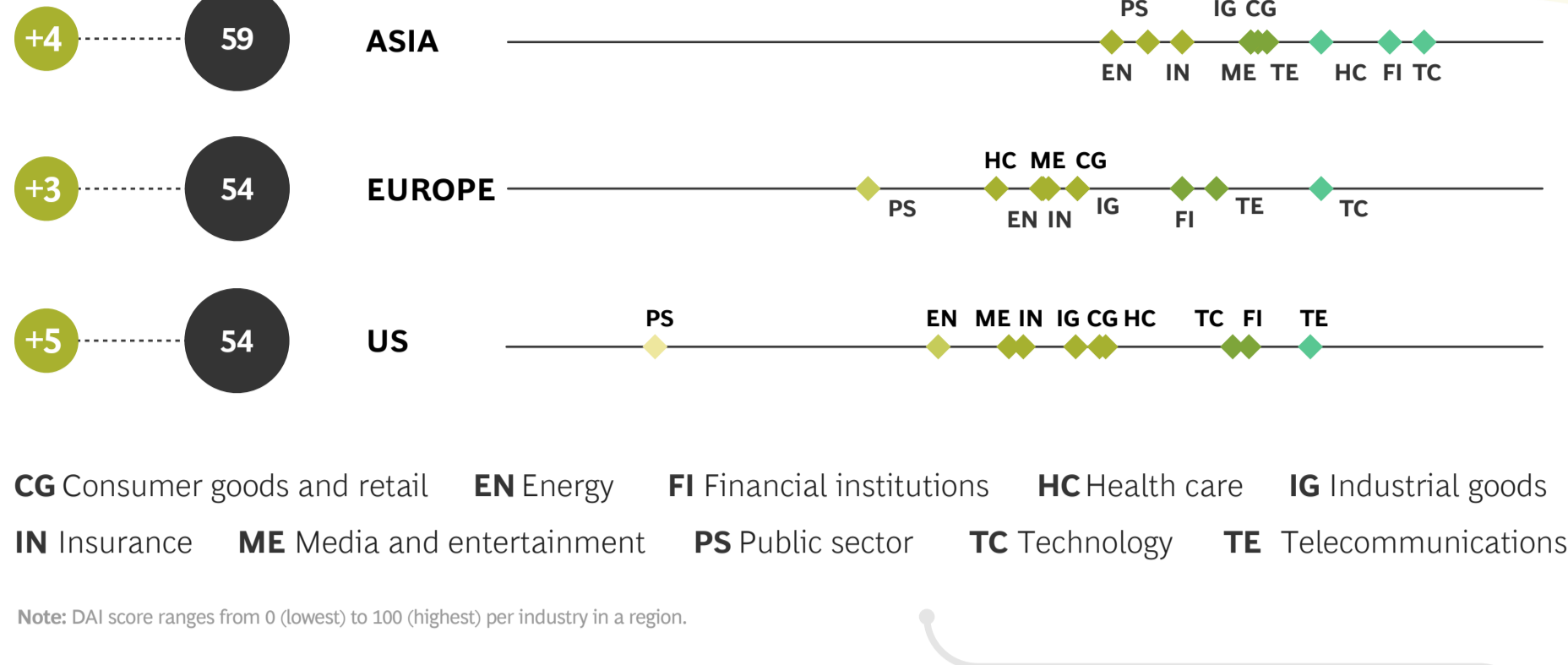
# The Leaders' Path to Digital Value

The world's most digitally mature companies use four digital accelerators to drive gains in areas such as operational efficiency, enterprise value, and top-line growth, according to BCG's 2021 Digital Acceleration Index (DAI) survey of about 2,300 companies.

## WHICH SECTORS AND REGIONS ARE LEADING THE WAY?

Financial institutions, technology, and telecommunications were the most digitally mature industries, while energy and the public sector trailed behind.

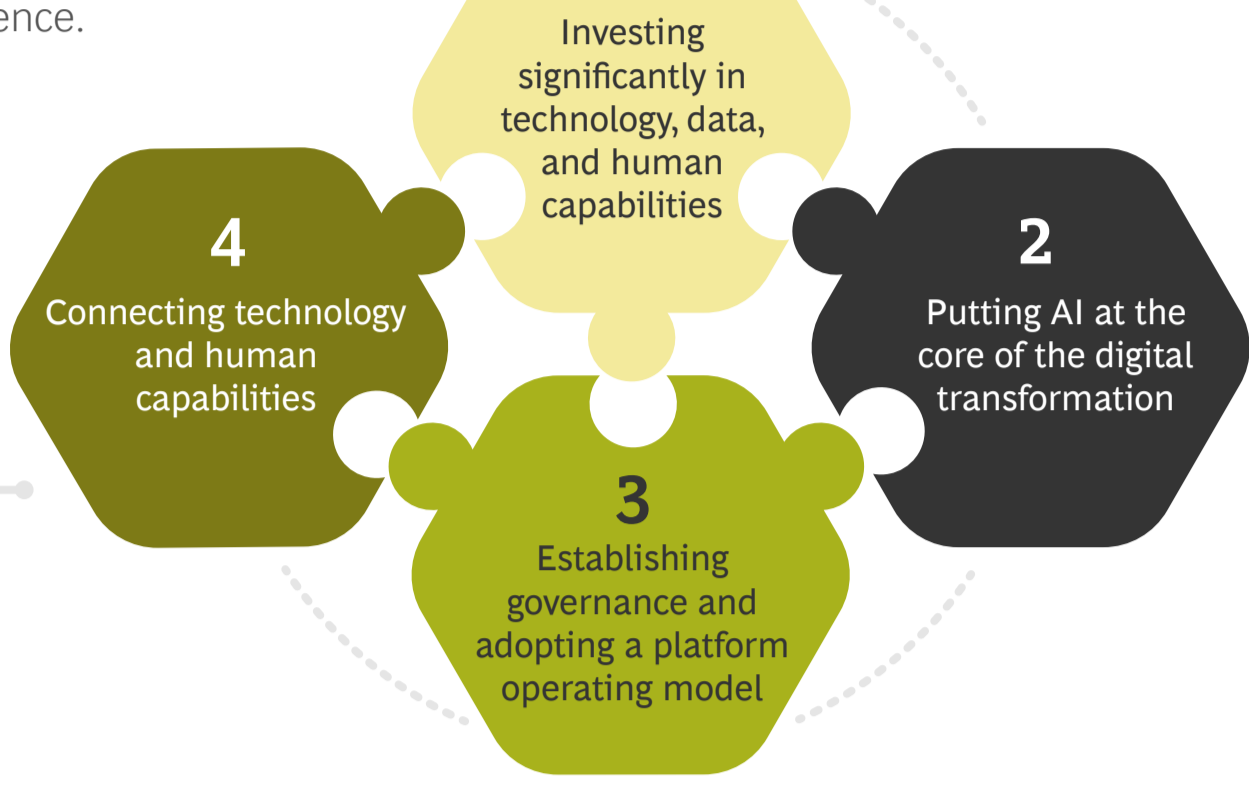
Among regions, Asia continued to set the pace.



Note: DAI score ranges from 0 (lowest) to 100 (highest) per industry in a region.

## FOUR DIGITAL ACCELERATORS

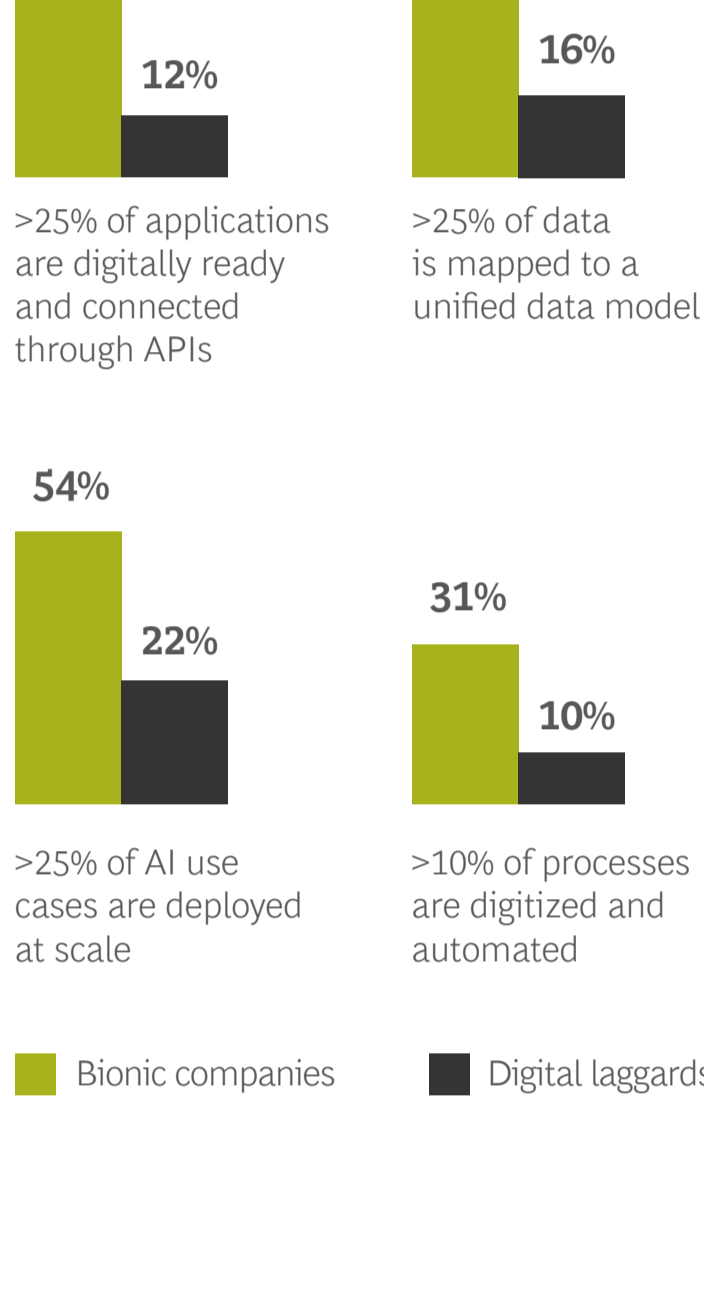
By using these digital accelerators to translate digital strategy into business outcomes, digital champions become bionic organizations, capable of blending human and technological capabilities to power innovation, growth, and resilience.



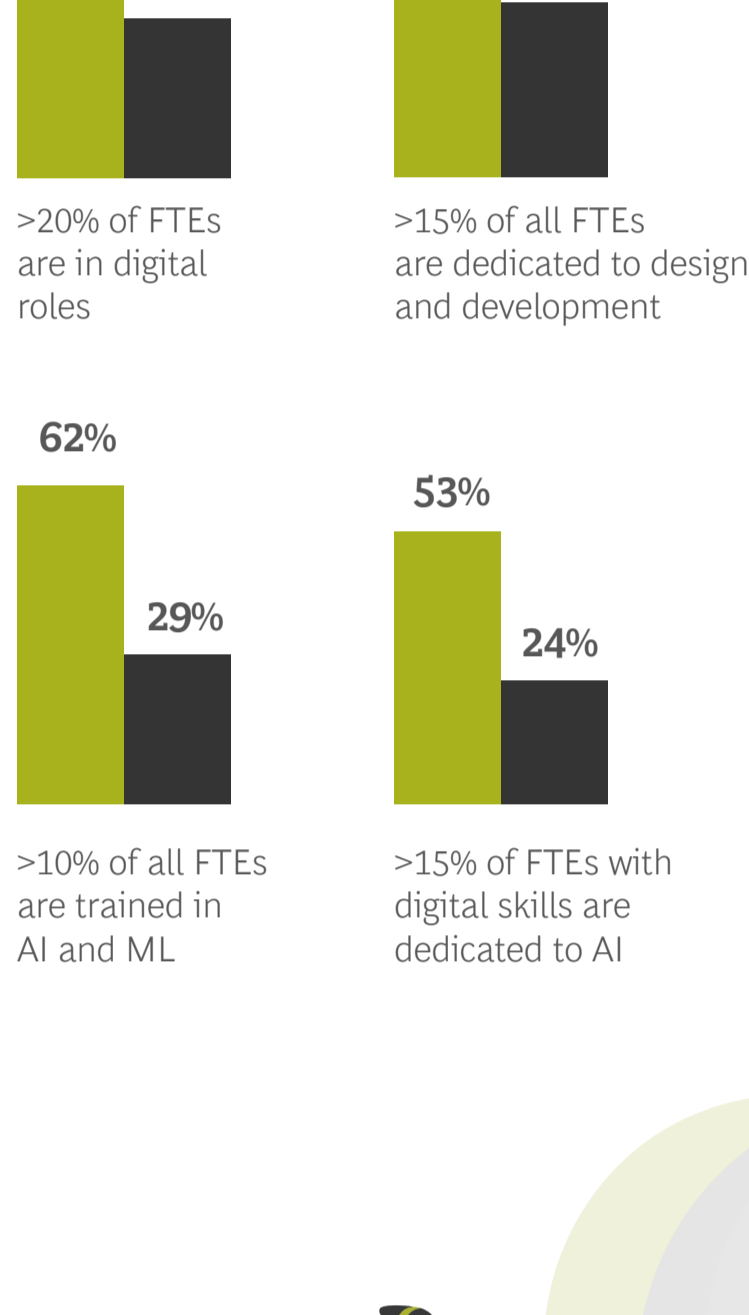
## INVESTING SIGNIFICANTLY IN TECHNOLOGY, DATA, AND HUMAN CAPABILITIES

For three-quarters of bionic companies, digital accounts for more than 15% of operating expenses—about one-third of which is focused on data quality and accessibility. More than half plan to increase the number of employees in digital roles by more than 20% over the next three years.

### TECHNOLOGY



### HUMAN



## PUTTING AI AT THE CORE OF THE DIGITAL TRANSFORMATION

As bionic companies add each of four critical factors, they increase their likelihood of achieving three key outcomes

### FOUR CRITICAL FACTORS

- >25% of apps are digitally ready and connected through APIs
- >25% of processes are automated
- >15% of FTEs with digital skills are dedicated to AI
- >10% of FTEs are trained in AI

### BIONIC COMPANIES (%)



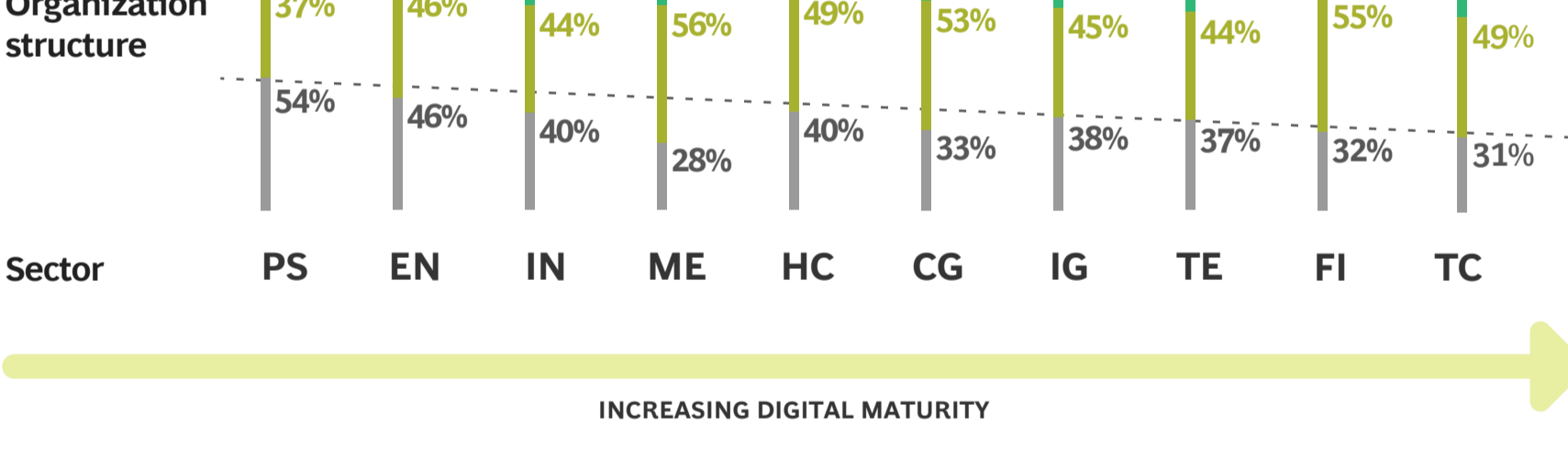
### THREE KEY OUTCOMES

- >25% of AI use cases are deployed at scale
- >15% of revenue is from mass data
- >10% of EBIT is from AI use cases

## ESTABLISHING GOVERNANCE AND ADOPTING A PLATFORM OPERATING MODEL

Using a platform approach, teams collaborate across silos more efficiently and cost-effectively as they design processes and build products and services end to end. About 80% of bionic companies use a platform or hybrid approach, while about 65% of laggards still use a siloed, business unit-centric, divisional or functional model.

### BIONIC COMPANIES MOVE AWAY FROM A DIVISIONAL OR FUNCTIONAL MODEL



### Platform or product-led

Cross-functional teams, enabled by technology, collaborate across silos with full autonomy and accountability to achieve specific business outcomes.

### Hybrid

Business units and functions execute initiatives but under central governance that fosters cross-functional collaboration and cross-organizational best-practice sharing.

### Divisional or functional

Siloed operating model and governance, where initiatives are individually driven on the business unit level but are not cross-functional or cross-organizational.



## CONNECTING TECHNOLOGY AND HUMAN CAPABILITIES

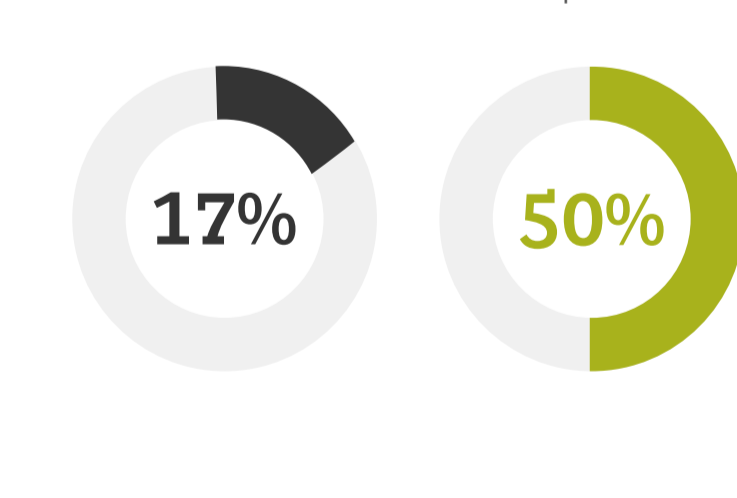
Nearly three-quarters of bionic companies have attained some level of what we call human-tech augmentation (HTA), while less than 10% of laggards have done the same. This strongly influences the time available to spend on innovation activities and revenue generation.



HTA has three stages: manual work, automation, and optimization. In the final stage, employees continually seek ways to integrate technology and data into routine, day-to-day business.

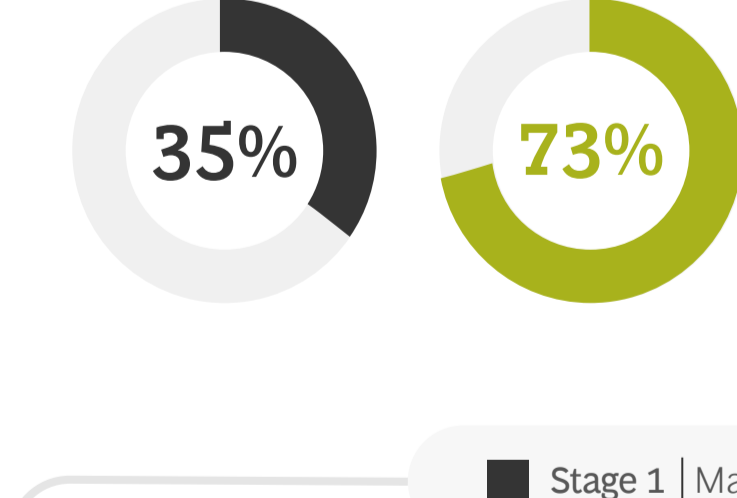
### CUSTOMER PROCESS AUTOMATION

Companies in the third stage of HTA are three times more likely to have automated more than 25% of their customer processes.



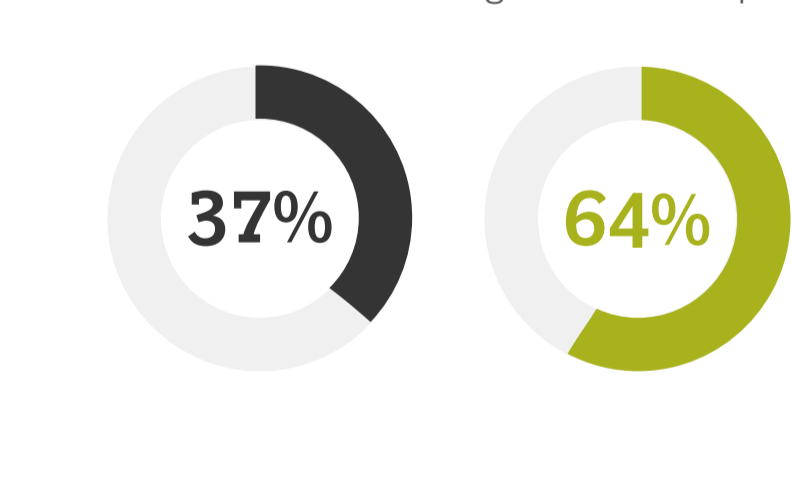
### REVENUE FROM DATA

Companies in the third stage of HTA are twice as likely to generate more than 15% of revenue from data than those in the first stage.



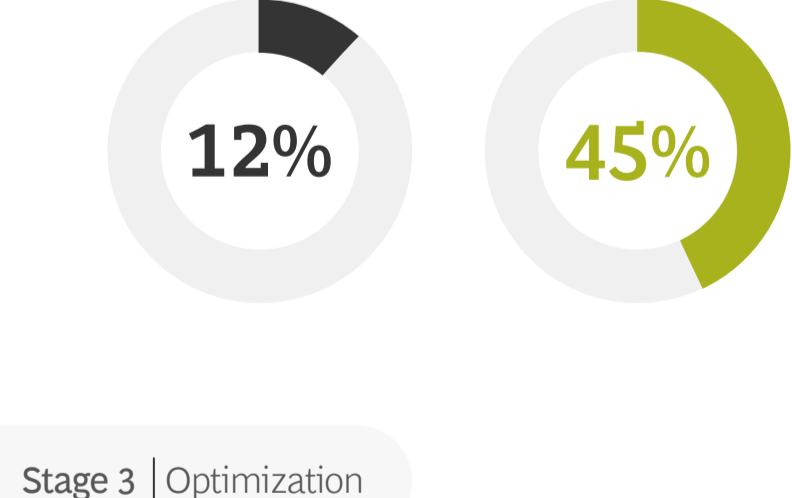
### TIME SPENT ON INNOVATION

Employees at companies in the third stage of HTA are more likely to spend more than 15% of their time on design and development.

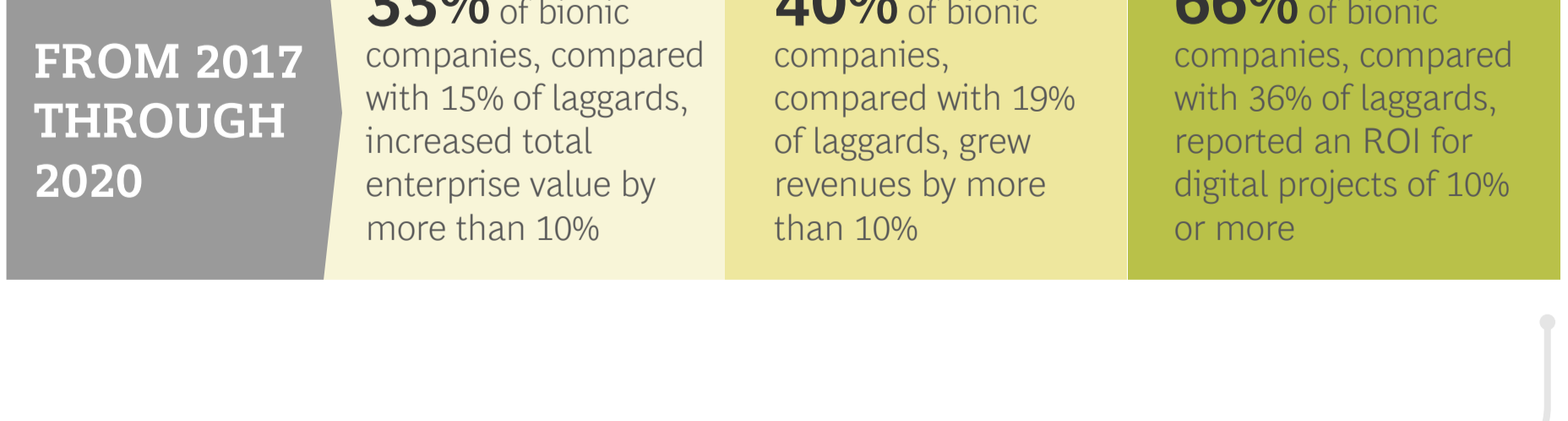


### REVENUE GROWTH

Companies in the third stage of HTA are four times more likely to grow overall revenue by at least 10%.



## BIONIC COMPANIES USE THESE FOUR ACCELERATORS TO CREATE VALUE



## THE LEADERS' PATH TO DIGITAL VALUE

The leaders' path to digital value is unique for every company, but there are a few steps that all companies should take during their transformation.

### DETERMINE WHERE THE ORGANIZATION STANDS IN ITS DIGITAL TRANSFORMATION.

Assess the current maturity of digital initiatives, evaluate the status of existing digital capabilities, and review long-term transformation goals.

### DISCUSS THE OPPORTUNITIES AND VALUE OF APPLYING THE FOUR ACCELERATORS.

Consider how each of the four accelerators can help the company on its unique journey, given its current capabilities, initiatives, and goals.

### START PILOTS AND AGREE ON A ROADMAP TO ACCELERATE THE DIGITAL TRANSFORMATION.

Depending on how the company wants to leverage the four accelerators, design pilots that can advance the digital journey and attain the desired goals.

Source: BCG's Digital Acceleration Index study, 2021.

Note: Data in this infographic comes from a BCG survey of senior executives in 2,296 companies across Asia (including China, Japan, Malaysia, Singapore, and Thailand), Europe (including France, Germany, Italy, Sweden, and the UK), and the United States to estimate their digital maturity across 40 dimensions.

We assigned values to the responses on a scale from 0 to 100 and weighted them to determine each company's overall performance on BCG's Digital Acceleration Index (DAI). We ranked companies with a DAI score of 67 points and above as bionic, those with a DAI score of 44 to 66 as digitally proficient, and those with a DAI score of 43 and below as digital laggards.

AI = artificial intelligence  
API = application programming interface  
EBIT = earnings before interest and taxes  
FTE = full-time equivalent  
ML = machine learning



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