Deloitte.

2023 MarginPlus Survey: Transforming through disruption

While companies have increased margin improvement commitments, success remains elusive amid global disruption.

Firms are pursuing transformation efforts to adapt and respond to global disruption.

90% of margin improvement programs are being triggered by one or more of these top factors:



Top capabilities aimed to develop through transformation:



To address global disruption, firms are using nearly all transformation levers available:

91% Sourcing and procurement strategies



91% Data and Al

88% Process reengineering



85% Cloud architecture





82%

89% of firms are further developing their ability to maintain operational stability and results orientation during periods of disruption





0

Agility

80% of firms are enhancing their ability to sense, interpret and respond quickly to change

3 steps to driving success within margin improvement programs:

- **1.** Design a robust tracking and reporting process.
- Develop, validate, and sponsor a clear north star for the program.
- Implement change management activities to raise awareness, acceptance, and benefits of initiatives.



Failure rates are high.

73% of companies missed their targets due to an increase in margin improvement efforts.



Talent shortages related to skillset gaps are the biggest barrier to success.

~90% of firms indicated material impacts.



Companies are increasing transformation efforts.

80% of firms were accelerating the pace or expanding the scope of transformation efforts due to disruption—and they're doing it now.

How are transformation strategies changing?



We surveyed 300 global leaders across industries and geographies in our 2023 MarginPlus Survey.

Download the full report to elevate your margin improvements.

Raed Masoud Principal Deloitte Consulting LLP +1 312 486 5893 rmasoud@deloitte.com

Mauricio Garza Managing Director Faisal Shaikh Principal Abhijit Chakraverty Managing Director Deloitte Consulting LLP +1 617 585 4812 achakraverty@deloitte.com

Deloitte Consulting LLP +1 347 327 3749 maugarza@deloitte.com Deloitte Consulting LLP +1 484 885 4699 fshaikh@deloitte.com

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms and their related entities. DTTL (also referred to as "Deloitte Global") and each of its member firms are legally separate and independent entities. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our network of member firms in more than 150 countries and territories serves four out of five Fortune Global 500®companies. Learn how Deloitte's approximately 264,000 people make an impact that matters at www.deloitte.com.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms or their related entities (collectively, the "Deloitte network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2023. For information, contact Deloitte Touche Tohmatsu Limited.