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Value Maximisation Framework

A C-suite playbook for digital value creation



Executive summary

Global industries are navigating an unprecedented convergence of economic uncertainty and AI-driven technological acceleration. The stakes are immense – an estimated US\$16.5 trillion in digital economy value awaits capture by 2028. Yet, historical evidence paints a troubling picture: only 33% of digital transformation initiatives achieve their intended goals, while 84% fail to deliver expected value due to fractured execution, inadequate measurement, and poorly integrated human and process change. The financial cost of these failures is staggering—approximately US\$2.3 trillion has been wasted globally on unsuccessful digital transformation programmes, with studies showing that the wrong combination of digital initiatives can erode market value by up to 9%, putting US\$1.5 trillion in Fortune 500 market capitalisation at risk. When transformation efforts fail, companies not only waste money, they fall behind. Businesses slow to adapt digitally can lose about 2-3% of their performance annually compared to those that succeed with digital and process change.

The Value Maximisation Framework redefines how enterprises should approach digital transformation. Unlike traditional Digital Transformation Offices, which often operate as operational hubs, Value Maximization elevates transformation to the C-suite and Board Executives – linking technology spend directly to shareholder returns, market valuation, and competitive advantage.

The logic is simple but non-negotiable:

What gets measured at the C-suite level gets prioritised—and what's prioritised gets funded.

Massive AI-related capital expenditure – US\$364 billion from Big Tech in 2025 alone – represents just the beginning of a transformational investment wave. This Big Tech spending will trigger approximately US\$1.8 trillion in downstream enterprise AI investments, creating a 5x multiplier effect as organisations across industries adopt AI-enabled solutions and infrastructure. Historical precedent supports this multiplier pattern: every US\$1 invested in telecommunications infrastructure typically generates US\$4-8 in subsequent enterprise IT spending, while cloud provider investments have consistently driven 3-5x additional enterprise cloud adoption. IDC research confirms this dynamic, projecting that every new dollar spent on AI solutions will generate US\$4.60 in broader economic impact. But merely acquiring technology will not guarantee success. Winning organisations will connect these investments to concrete metrics like TSR, ROIC, revenue growth, and margin expansion, leveraging a strategic playbook built on core value pillars:



Confronting the hard truths of digital transformation: Why Value Maximisation is non-negotiable

Despite multi-trillion-dollar investments, most businesses ignore three inescapable execution truths:

1. Legacy blueprint risk: The Value Management crisis

Transformations frequently fall short because they rely on outdated metrics and accounting standards that fail to track real digital value creation. Traditional accounting frameworks cannot capture platform effects, data monetisation, or network value—consider how Uber’s US\$15 billion investment in digital platform capabilities shows as operational expenses with no balance sheet assets yet creates immense value through network effects and data insights that traditional ROI calculations completely miss. Deloitte research shows organisations using comprehensive digital value frameworks spanning Financial, Customer, Process, and Workforce metrics report 20% more value from digital initiatives compared to those relying solely on traditional financial KPIs. Self-funding transformation – a critical principle – remains theoretical. Organisations hit budget ceilings or resource bottlenecks when value impact is not transparently quantified and reinvested.

2. Change management and human integration failure

As many as 75% of digital transformation failures are rooted in poor alignment between people, process, and technology. “Human-in-the-loop” and “process-in-the-loop” are often missing: 70% of initiatives face resistance, with entrenched legacy behaviours defeating even the smartest tech deployments. Sustainable transformation only occurs when behavioural and cultural adoption is directly addressed and measured.

3. Relentless tech disruption and transformation fatigue

The breakneck shift from **AI** → **Generative AI** → **Agentic AI** overwhelms organisations. Half of global workers now report transformation fatigue. This is not just a “soft cost”: organisational exhaustion slows innovation, erodes value, and increases risk aversion. Paradoxically, the latest generation of Agentic-AI offers both the cause and the cure—its ability to automate routine transformation tasks, deliver intelligent decision support, and free up human capacity is the key to overcoming scale fatigue, but only if competencies in strategic AI integration and human-AI collaboration are developed in tandem.

The imperative for Value Maximisation

Why now?

The urgency around AI is transforming not just technology strategies but the fundamental principles of capital allocation—making disciplined, well-timed choices mission-critical for leaders and shareholders alike. The Big Tech shift towards technology-led growth, often at the expense of headcount, is likely to become the new normal across industries.

Shareholders at an AI investment crossroads

Shareholder risks include:

Wrong bets
Capital wasted on failed AI initiatives

Delayed action
Missed opportunities, loss of competitive edge

Premature moves
Investing too early leads to tech debt with little return

- **Big Tech is setting the example** - dramatically ramping up AI spending while cutting workforce, indicating a shift towards technology-first growth
- **Every major AI investment decision** now has the potential to significantly impact shareholder value and market valuation.

Capital allocation has never been more complex

Critical trade-offs made by leaders between:

Investing in AI & advanced tech

Building human capital (Talent/skills)

Funding traditional assets (hard infrastructure)

- The “Big Tech playbook” (spending billions on AI, funded by layoffs) is quickly becoming a **standard across industries**
- Poor allocation choices can have **lasting negative consequences** for growth and shareholder returns

These macro forces make Value Maximisation a board-level priority:

- **Shareholders at an AI investment crossroads:** Shareholders, boards, and executive teams now face a pivotal moment – deciding how to make major capital shifts to accommodate AI. The risk is real: wrong investments waste capital and deliver no value, delayed decisions allow competitors to seize advantage, and premature bets pile up tech debt before returns materialise. Nowhere is this urgency clearer than in Big Tech’s current strategy: the sector is prioritising massive AI investments while actively reducing headcount, signalling that technology – not human capital – is becoming the default priority for future growth. Markets are watching closely, where every investment decision can swing valuations by double digits.
- **Capital allocation has never been more complex:** Investment trade-offs are sharper than ever, and leaders must now balance spending on AI and advanced tech infrastructure against investments in talent, skills, and traditional hard assets. The Big Tech playbook – having billions poured into AI, funded by workforce reductions – is quickly becoming the template for the broader economy. This shift means every dollar must be deployed with far greater discipline to maximise long-term value. Leaders must treat these capital allocation calls like strategic portfolio bets, where the right timing, governance, and alignment to value drivers determines shareholder returns—and getting it wrong has lasting consequences.

The six pillars of Value Maximisation



1. Strategy-led digital blueprint development

Old challenge: Fragmented metrics, siloed initiatives, and CFO skepticism due to lack of clear ROI.

New approach: Create an Integrated Value Measurement Office providing real-time ROI dashboards for the C-suite. Think of this as the “nerve centre” that continuously links every digital initiative to shareholder value levers.

Value metrics tracked:

- **ROIC uplift**
- **Margins and earnings impact**
- **Revenue attribution from digital channels**
- **Innovation pipeline yield**

Example: A leading Southeast Asian oil retail conglomerate developed a comprehensive digital blueprint that transformed its entire value chain – spanning from customer-facing front-end operations to back-end supply chain processes. As part of this transformation journey, strategic digital initiatives were identified to support each business unit, each designed to deliver measurable improvements in operational efficiency, customer experience, and overall enterprise agility. In total, the potential profit uplift estimated to be between 10% to 20%, over the next 5 years, netting the incremental OPEX and CAPEX investments.

2. Business model & process innovation

Old challenge: Treating digital as just developing a tool and expecting value to emerge. Too little importance is placed on process innovation and business design innovation to create real value.

New approach: Redesign processes & revenue models to harness AI, automation, and platform effects.

Shareholder link: Business model innovators earn 4x higher premiums than product innovators.

Example: A prominent Southeast Asian commercial mall operator undertook a “world organisation” transformational initiative to redefine its operating model and business processes, transforming itself from mall developer and operator to investors. This repositioning strives to enable itself to become both lean and agile in an increasingly competitive retail landscape to meet evolving consumer expectations, driving sustained enterprise value, hence, improved valuation, market capitalisation and investor returns. The business model and process optimisation initiative is expected to improve its profit margin by 20% to 30% in steady-state.

3. Adaptive technology architecture

Old challenge: Technical debt drains innovation budgets (20–40% of spend).

New approach: Design investment-grade architecture (cloud-native, API-first, modular) to scale without accruing debt.

Shareholder link: Faster time-to-market, lower total cost of ownership, and resilience against vendor lock-in.

Example: A leading regional mining conglomerate implemented an adaptive technology architecture designed to be cloud-ready, modular, and scalable, reducing technical debt while enabling rapid innovation cycles. This flexible platform allowed the enterprise to integrate new technologies seamlessly, optimise operational costs, and maintain resilience against shifting market conditions and industry disruptions. The initiative is expected to reduce its yearly technology related investment by 10% to 25% in steady-state.



4. Value governance & capital allocation

Old challenge: Governance that prioritises risk avoidance over value optimisation.

New approach: Apply investment portfolio discipline with stage-gates, hurdle rates, and performance accountability at the board level.

Impact: Firms with structured value governance achieve 35% better capital allocation efficiency.

Example: Through Deloitte's transformation frameworks, clients linked investment decisions directly to performance dashboards, creating transparent, defensible funding models. This has helped clients achieve sustainable cost reductions of 10% to 30% across functions.

5. Organisational agility & change leadership

Old challenge: Change resistance derailing adoption—only 30% of change programmes succeed in complex environments.

New approach: Institutionalise value-creation mindsets, embed agile practices, and empower the 5% of roles that drive 90% of transformation value.

Impact: Agile enterprises innovate 5–10x faster and realise value sooner.

Example: A leading quick-service restaurant conglomerate implemented an enterprise-wide agile programme, empowering cross-functional teams to respond rapidly to market shifts and operational challenges. This agile transformation accelerated decision-making, boosted innovation velocity, and drove measurable gains in efficiency and customer responsiveness across its global footprint, yielding operational efficiency improvements of 10% to 25%.

6. Risk, resilience & value protection

Old challenge: Risk managed in isolation, decoupled from value creation strategy.

New approach: Integrate resilience thinking into investment strategy, balancing growth bets with defensive positioning.

Impact: Protects against volatility, supply chain shocks, and tech disruption, while enabling rapid recovery.

Example: A world-leading oil and gas conglomerate implemented a digital supply chain solution, migrating from legacy systems to a cloud-based data platform that unified operations across its value chain. This transformation enabled real-time integration of supply chain data, improved risk mitigation, reduced operational costs between 10% to 20%, and enhanced decision-making agility—demonstrating how advanced digital tools can both minimise disruption and drive measurable enterprise value.



Key insights for C-suite and Board executives

Treat technology as strategic capital, with same discipline as M&A. Invest in robust measurement infrastructure to track value blind spots to prevent eroding shareholder trust. Leveraging AI tools (especially Agentic AI) can accelerate transformation, automating routine overhead to free human capacity for high-value work. Focus resources on value-critical roles that drive majority of impact, while design resilient, flexible architectures to adapt to market and tech shifts.

Conclusion

The next decade will drive true value creators amongst the crowd. The Value Maximization Framework provides leaders to convert expenditures on tech into sustainable competitive advantages and measurable shareholder returns.

Leaders should design architectures to be agile and resilient, govern transformation with the same rigour as investments, and safeguard against technological obsolescence and market shocks. Organisations that embrace and execute on these six pillars will not simply transform, but also secure long-term market leadership.

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