

Creating 360° Value

An Interview with KC McClure, Chief Financial Officer, Accenture

EDITORS' NOTE KC McClure was recognized as the number one IT Services CFO in Institutional Investor's 2020 annual survey of the sector's equity analysts and institutional investors. Prior to her appointment as CFO in January 2019, McClure was Senior Managing Director – Business and Commercial Finance and was responsible for all of Finance's work across Accenture's markets and services. In addition, she was responsible for the Commercial



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Management and Finance Strategy and Enablement functions. During this time, she represented Finance on Accenture's Operations Council. Throughout her more than 30-year career with Accenture, McClure has served in a number of Finance leadership roles. She was Finance Director for the Communications, Media and Technology and the Health and Public Service groups where she was a member of the leadership teams and responsible for financial operations worldwide, including sales, contracting and delivery of client engagements. She was Head of Investor Relations from 2010 to 2016, and was responsible for cultivating and maintaining Accenture's strategic relationships and communications with shareholders and the broader investment community. During her tenure, Accenture's Investor Relations team was ranked number one in Institutional Investor's annual survey of the sector's equity analysts and institutional investors. Earlier in her career, she also served in a variety of finance roles with Accenture's new business ventures, alliances and outsourcing teams. She joined the company in 1988 and was promoted to managing director in 2001. A certified public accountant, McClure holds a bachelor's degree in accounting and business administration from Pennsylvania State University. She currently serves on both the Board of Visitors and the Accounting External Advisory Board for the Smeal College of Business at Penn State.

COMPANY BRIEF Accenture ([accenture.com](https://www.accenture.com)) is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, it offers Strategy and Consulting, Technology and Operations services, and

Accenture Song – all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Its 710,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. Accenture embraces the power of change to create value and shared success for its clients, people, shareholders, partners, and communities.

Will you provide an overview of your role and areas of focus?

As Accenture's chief financial officer, I am responsible for the company's corporate controllership, treasury, tax, investor relations, financial reporting and analysis, strategic planning and analysis, and corporate development functions. I am a member of Accenture's Global Management Committee and I have been at Accenture for more than 30 years.

As CFO, I am focused on our strategy to create 360° Value for all our stakeholders – our clients, people, shareholders, partners and communities. How do we define 360° Value? It's

how we deliver the financial business case and unique value a client may be seeking, along with striving to partner with our clients to achieve greater progress on inclusion and diversity, reskilling and upskilling their people, achieving their sustainability goals, and creating meaningful experiences for their customers and employees.

We measure and report our success on both our financial results and the 360° Value we deliver for all our stakeholders.

How do you describe Accenture's culture?

Let me start with our people. We believe the companies that will be the leaders in the next decade must be able to access talent; be a talent creator – not just a talent consumer; and unlock the potential of their people. Accessing talent starts with what we do. People are really motivated by the cutting-edge work that we do with market leading organizations and by how we do it. We create value while leading with values, because what matters most to our people is that what we say matches what we do; it strengthens trust.

We know we also need to be creators of talent, so we continuously pivot our people to

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meet new demands, and by focusing on skill development, we can help our people remain highly relevant with vibrant career opportunities.

Unlocking the potential of talent requires the right operating model and culture; the ability to combine the power of technology and people; and most of all, a commitment to help your people be “net better off” because they work for your company.

We strive to meet our people’s needs beyond just providing a job and a paycheck – they want to have marketable skills, to feel they belong, to work with purpose, and to be physically and emotionally resilient. Our research shows that meeting these needs contributes to unlocking two-thirds of a person’s potential at work. And leaving people “net better off” is the single most important predictor of successful experiences, where everyone can participate fully and have an equitable experience, regardless of where they work. We know these things matter to our people because we ask them, and if there are gaps, we close them.

As a talent- and innovation-led organization with nearly 700,000 people, we have a culture of shared success – for our clients, our people, our shareholders, our partners and our communities. Our culture is built upon four tangible building blocks – our beliefs, our behaviors, the way we develop and reward our people, and the way we do business.

Our “Leadership Essentials” also set the standard for what we expect from not only our leaders, but also from all our people. They include always doing the right thing, in every decision and action; leading with excellence, confidence and humility; caring deeply about people personally and professionally; and a commitment to making client value creation a cornerstone of our business.

Will you highlight Accenture’s ESG strategy and how ESG is embedded into Accenture’s operations and culture?

Our strategy is to create 360° Value for all our stakeholders and this starts at the top with our Chair and CEO and Board. Our view of sustainability spans environmental, social and governance (ESG) issues including transitioning to a zero-carbon economy, protecting human rights, and advancing inclusion and diversity. What was once viewed as a compliance issue is now about competitiveness – it’s a “must-have” for all stakeholders. This is why we have made sustainability one of our greatest responsibilities – we believe that it will create one of the most powerful forces for change in our generation. We believe that every business must be a sustainable business, and at Accenture, we are focused on both how we operate our own business, and helping our clients meet their sustainability goals.

We are helping our clients move swiftly from commitment to action. Our goal is to embed sustainability into everything we do and for everyone we work with, connecting our clients’ digital transformation agendas to making progress on their sustainability commitments. Our Sustainability Services, which span net-zero transitions to sustainable value chain,

technology, measurement, leadership and organization; and customer experience, helping our clients create business value and sustainable impact.

For our people, our commitment to inclusion, diversity and equality creates an environment that unleashes innovation, allows our people to perform at their very best, and underpins a culture in which everyone feels they have an equal opportunity to belong, advance and thrive. Our progress includes improvements in gender, race, and ethnicity diversity; accessibility for persons with disabilities; same-sex benefits; and diversity of our suppliers. We also set bold goals to accelerate gender equality. Today, more than 300,000 women work at Accenture and 50 percent of our Board of Directors are women. In addition, we have implemented best-in-class wellness programs – with outstanding participation – and invest approximately \$1 billion annually in skilling our people.

We are committed to reaching net-zero carbon emissions by 2025 and we will do this by first reducing our Scope 1, 2 and 3 emissions and then investing in nature-based carbon removal solutions to remove any remaining emissions from the atmosphere. We are also making progress toward our goal to use 100 percent renewable electricity in our offices by 2023.

To help in our communities, we have equipped more than 5.8 million people with the skills to make substantive improvements to their lives through our Skills to Succeed initiative. In addition, we have made meaningful contributions to COVID-19 relief around the world, and we are working to assist Ukrainian and Afghan refugees.

Last year, we launched our 360° Value Reporting Experience, a new way to share our progress on how we are creating value for all our stakeholders. We did this because

transparency builds trust and helps us all make more progress. The experience enables our stakeholders to easily access the metrics that are most important to them and explore the frameworks and standards that Accenture currently reports against. We are measuring and reporting our success on both financial results and how well we deliver 360° Value for all our stakeholders.

What do you see as the keys to being effective in a company’s ESG efforts and how critical is it to have engagement and commitment from the C-suite for this work?

It’s critical that the C-suite drive successful ESG strategy and priorities because of the magnitude of change. That is why our strategy to create 360° Value for all our stakeholders starts at the top with our Chair and CEO and Board. Given the growth and importance of ESG matters, as well as our people and culture, the Board recently approved two enhancements:

The Board’s Nominating & Governance Committee was renamed the Nominating, Governance & Sustainability Committee, reflecting its expanded oversight of the company’s ESG performance, disclosure, strategies, goals and objectives and its monitoring of evolving ESG risks and opportunities.

The Board also expanded the Compensation Committee’s role to oversee strategies and policies related to our people, including overall well-being, pay equity, inclusion and diversity, leadership succession and culture. This enhanced role also inspired a new name: the Compensation, Culture & People Committee.

As a UN Global Compact (UNGC) signatory since 2008, we champion the United Nations Sustainable Development Goals (SDGs) focused on those that are most relevant for our company. We support our clients, many of them FORTUNE Global 500 and Forbes Global 2000 companies, as well as our suppliers and other stakeholders, on their SDG journeys.

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Building on this partnership with the UNGC, last year we expanded the ESG reporting we have been doing for more than a decade based on the Global Reporting Initiative (GRI) and Carbon Disclosure Project (CDP). We now also include disclosure against the Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosure (TCFD), and the World Economic Forum International Business Council (WEF IBC) metrics.

Our new governance structure, including an ESG steering committee, helps to define, support and execute our reporting strategy. Good governance also builds transparency and confidence that the data is accurate. It includes policies, internal controls and assurance so that ESG data is institutionalized and treated like financial data.

This governance extends to our supply chain. As a global company we have an opportunity to use our procurement process to drive responsible change at scale. We focus on four pillars to advance responsible buying: the environment; human rights; supplier inclusion and diversity; and the future of work. In addition, we believe that our clients will require sustainability commitments from their suppliers. And we are our clients' Scope 3 emissions, so it matters to them that we plan to use 100 percent renewable electricity in our offices by 2023.

How important are metrics to track the impact of Accenture's ESG initiatives?

Our roadmap from commitment to action includes leveraging data, technology and skills as well as expanded metrics to measure our performance and help us all make more progress. Using data and metrics, we develop goals against our ESG priorities and commitments. We understand our baseline, measure our performance, and continue to share progress with all our stakeholders through our 360° Value Reporting Experience.

Technology not only enables transformation, but also captures data in a repeatable and reliable way. “One source of the truth” is critical, as is the ability to get data quickly and accurately. Everyone, everywhere across the organization, must have the exact same information. The infrastructure is in place to move fast to capture new waves of growth. We need all of this so we can move with speed, agility, flexibility and scalability.

For example, we have a single global instance of both SAP and Workday that support efficiency in gathering specific ESG data while enabling reliable, real-time reporting. The currency of the future is data, and by keeping all our finance data in the cloud with S/4 HANA on Azure, we know firsthand that moving to the cloud is key to having real-time access to data across the entire enterprise, right down to the transaction level, which enables agility and speed.

Our Finance organization plays a key role in tracking and measuring the impact of our ESG initiatives, collaborating across the company to ensure we are capturing and reporting the right data in a reliable and consistent way, making how we treat sustainability metrics just as important as financial data. Our most senior leaders are measured by not only financial performance, but by meeting additional non-financial objectives, including our diversity and skilling goals.

Will you discuss Accenture's commitment to build a diverse and inclusive workforce?

Our unwavering commitment to inclusion and diversity creates an environment that unleashes innovation for Accenture and our clients. We are a recognized leader, taking a broad view of diversity – including gender, race and ethnicity, LGBTI and persons with disabilities – that also extends to the diversity of our suppliers.

As part of this journey, in 2016 Accenture became the first professional services company to publish our demographics by race, along with statistics on gender, veterans and persons with disabilities – holding ourselves accountable and building trust that we were serious about driving change.

In 2017, we set a goal to achieve a gender-balanced workforce by 2025. Since then, we have doubled the number of women, from 150,000 to more than 300,000, and we're almost at 47 percent women today, on track to achieve our goal. We are also making progress against our race and ethnicity goals.

In 2022, we were the highest-scoring company on the Bloomberg Gender Equality Index, and we were recently recognized as number one on DiversityInc's 2022 Top 50 Companies for Diversity list, marking the 16th consecutive year DiversityInc has recognized Accenture in the U.S. for creating an inclusive and equitable culture. As a result, we believe that we have a broader talent pool to draw from.

We are committed to creating inclusive and equitable opportunities for all our people to advance and grow. We look for people with high learning agility from a wide variety of backgrounds and teach them high-demand skills because we believe potential is greater than pedigree. This focus not only opens new doors to find talent, but also provides people with new career pathways.

For example, we are creating new career opportunities for our people from our apprenticeship programs, and we have hired more than 1,200 apprentices since 2016. The vast majority – 960 people, or 80 percent – joined the company without a four-year college degree, and we plan to have 20 percent of our entry-level hires in the U.S. come from apprenticeships this year. It's a win-win for our people and our business.

What are your priorities for Accenture's ESG work as you look to the future?

It starts with accountability and transparency, and an ongoing commitment that we are going to measure ESG and use the data to inform our actions. This is the foundation on which we build trust with all our stakeholders. We will continue to measure our success by the way we create 360° Value and make progress on meeting our goals relative to diversity, climate and upskilling our people, making how we treat sustainability metrics just as important as financial data.

Our priorities will continue to reflect how we invest in sustainability on behalf of our clients – whether using digital technology to not only make their supply chains more resilient, but also increase their overall energy efficiency. ESG reporting is now table stakes.

Ultimately, our ESG strategy and approach are about competitiveness. Our research shows that companies that embrace sustainability are more profitable and deliver a higher total return to shareholders. Measuring progress like every other business strategy is critical. Sustainability is not only the right thing to do – it also is essential for how companies will win in the future. ●