Staying dynamic for margin improvement and growth

Transformation a focus for most firms.

A company in motion typically remains competitive. Perhaps that’s why leading companies continuously tap new opportunities for business growth and margin improvement. Growth requires change, and today might be a significant moment for it.

According to a recent Deloitte MarginPlus Survey of 300 executives, more than 90% of firms are investing in permanent transformation capabilities to support their expanded transformation agendas and improve their chances of success.

The driver? Stronger margins. Nearly three-quarters of respondents revealed that their companies are falling short of their margin improvement targets. Sales growth is the top priority by far, with cost reduction and talent acquisition following.

To achieve their goals, leaders are developing strategies around a few keys to success.

Measure the change

Companies measure what they prioritize. In our survey, designing a solid tracking and reporting process emerged as the top key to margin improvement. By establishing key performance indicators (KPIs) around transformation, leaders can encourage incremental change across their companies, set milestones for progress, and hold themselves and others accountable for progress.

Set a clear ambition

Leaders recognize the need to organize around a common course. Developing, validating, and sponsoring a clear business case for margin improvement is crucial to effective transformation. A business case encourages confidence in the strategy and can help leaders align resources efficiently. Companies can move faster and waste less.

Lead with change management

Lasting transformation occurs when all levels engage in the effort. Executives should consider prioritizing change management activities that raise awareness, acceptance, and benefits of new initiatives. When teams across an enterprise understand a transformation vision and how it affects their areas of responsibility, they can more easily embrace the change and bring it to life.

Global disruption and market uncertainty have upended business. The unexpected is now expected. Leaders who focus on margin improvement through transformation, however, might just uncover new opportunities.

For more information about enabling strategies for change and growth, check out 2023 MarginPlus Survey: Transforming through disruption.
About Deloitte
Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.

Copyright © 2023 Deloitte Development LLC. All rights reserved.