

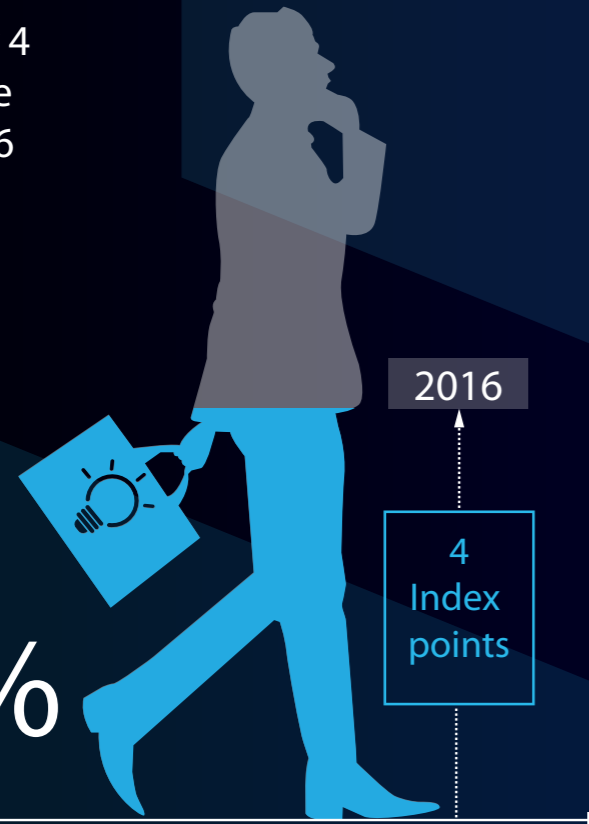
Accenture
Innovation Index Insights

Innovation increased by 4 points on the Index in 2016

Up 4 Index points to **50%** in 2016

Leading in the New

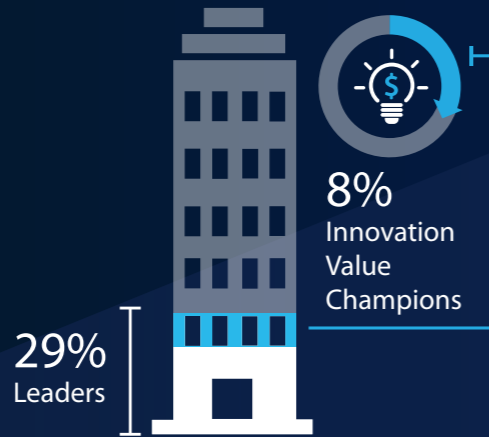
Accenture's Innovation Index 2016 shows only marginal growth in innovation among South African companies. If South Africa hopes to continue to compete in the 21st century, the pace at which the nation is innovating needs to accelerate.



Constituents of the Index in 2016*



While the remaining 29% of companies are Leaders, only 8% have managed to convert their returns on innovation in excess of 40% - these are Innovation Value Champions



Increase in South African companies that are able to generate revenue from innovations less than a year old - up to 31% in 2016



This year, three key themes, **Engagement**, **Resources** and **Digital**, have gained momentum, and emerged as receiving stronger focus by Innovation Leaders and Value Champions in South Africa. These trends have separated them from Laggards.

01 Engagement

"defined as the workforce of a company, who are invested in their daily work, contribute actively towards organisational success and participate in communications to create a forward and reverse flow of information, which works in favour of innovation."



Engagement is up **7%** in 2016



70% of employees see innovation as an important part of their jobs



78% of companies encourage innovative thinking from employees

02 Resources

"defined as financial capital, human capital and making use of sources, relationships and the workforce to generate ideas and facilitate innovation."



The Resources dimension significantly increased by 20 points to **55%** in 2016



71% of Leaders allow for innovative ideas to come from outside their organisation

03 Digital

"defined by the evolution of the business to use new combinations of technology, information and connectivity to create new sources of customer value, company revenue and operational performance."

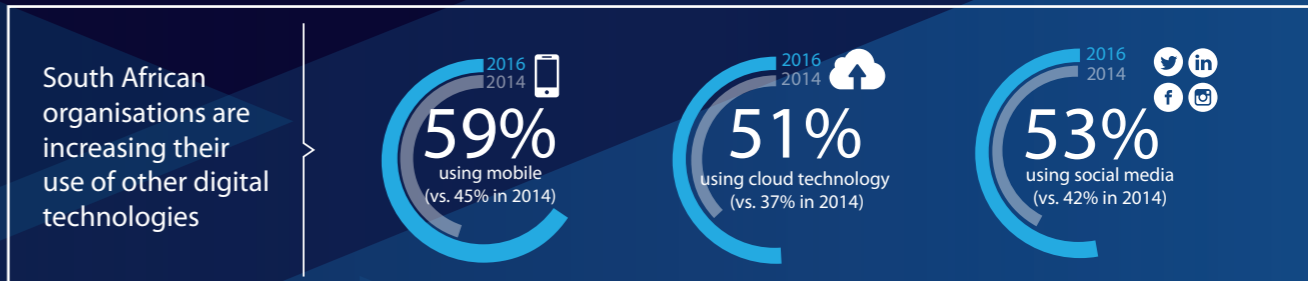
Innovation Leaders are using analytics to drive innovation



70% of organisations are now using analytics to deliver real time information



74% of Leaders are using digital to drive growth and efficiency (vs. 45% of Laggards)



*Percentages are indicative of specific sub-sets of samples within the overall sample and therefore do not add up to 100%