**Accounting And Financial AnalyticsAssignment – 3**

**Title :–Accenture**

**In Real Companies**

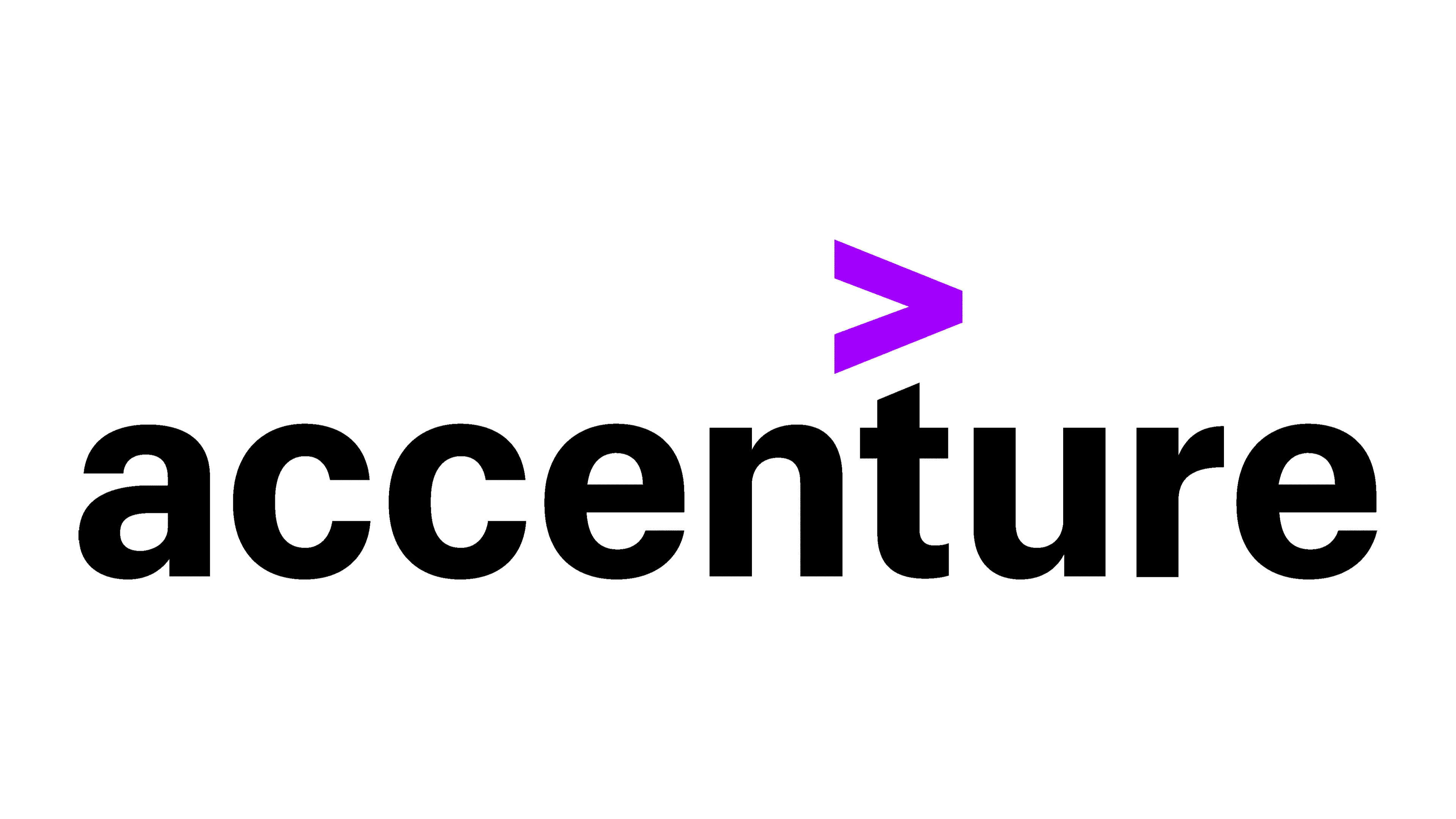
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**Introduction**

**Technology Sector –: *Accenture***

**Accenture plc** is a US multinational [professional services](https://en.wikipedia.org/wiki/Professional_services) company [based in Dublin](https://en.wikipedia.org/wiki/Corporation_tax_in_the_Republic_of_Ireland), specializing in [information technology](https://en.wikipedia.org/wiki/Information_technology) (IT) services and [consulting](https://en.wikipedia.org/wiki/Management_consulting). A [*Fortune* Global 500](https://en.wikipedia.org/wiki/Fortune_Global_500) company,[]](https://en.wikipedia.org/wiki/Accenture#cite_note-5) it reported revenues of $64.1 billion in 2023. Accenture's current clients include 91 of the *Fortune* Global 100 and more than three-quarters of the *Fortune* Global 500. As of 2022, Accenture is considered the largest consulting firm in the world by number of employees.



**Background Information**

***Accenture :***

* “[Accenture](https://www.accenture.com/ph-en/new-applied-now)is the world leader in technology, consulting, and outsourcing. They have 400,000 employees worldwide, of which 45,000 are based in the Philippines.
* It has 22 delivery centers across the country, including Cebu and Ilocos. They have come a long way from being just 85-strong at Manila in 2007. Fortune magazine has called it the World’s Most Admired Information Technology Services company.
* Accenture had its origins in the business and technology consulting unit of accounting firm Arthur Anderson. It was spun off as a separate company in 1989. It remained Andersen Consulting until 2001, when it adopted its current name.
* Accenture is derived from ‘accent on the future’.
* Today, Accenture serves a number of clients across the world. Call centers, the traditional face of outsourcing, have given way to contact centers delivering high-value services. As a result, Accenture longer uses the word outsourcing. It now focuses on strategy, digital, technology, and operations.
* Their business processes span Marketing, Procurement, Supply Chain, Learning, Human Resources, Finance, Accounting, Insurance, and Healthcare. They are constantly innovating, pushing the boundaries further. Cloud Services, Security, and Enterprise Architecture are among their more specialized offerings. Accenture is located in 50 countries across the globe.



**Competitive Advantages**

In 1989*,*[*Arthur Andersen*](https://en.wikipedia.org/wiki/Arthur_Andersen) and Andersen Consulting became separate units of [Andersen Worldwide Société Coopérative](https://en.wikipedia.org/wiki/Andersen_Worldwide_Soci%C3%A9t%C3%A9_Coop%C3%A9rative) (AWSC). Throughout the 1990s, there was increasing tension between Andersen Consulting and Arthur Andersen. Andersen Consulting was paying Arthur Andersen up to 15% of its profits each year (a provision of the 1989 split was that the more profitable unit – whether AA or AC – pay the other the 15 percent), while at the same time Arthur Andersen was competing with Andersen Consulting through its own newly established business consulting service line called Arthur Andersen Business Consulting. This dispute came to a head in 1998 when Andersen Consulting put the 15% transfer payment for that year and future years into [escrow](https://en.wikipedia.org/wiki/Escrow) and issued a claim for breach of contract against AWSC and Arthur Andersen. In August 2000, as a result of the conclusion of arbitration with the [International Chamber of Commerce](https://en.wikipedia.org/wiki/International_Chamber_of_Commerce), Andersen Consulting broke all contractual ties with AWSC and Arthur Andersen. As part of the arbitration settlement, Andersen Consulting paid the sum held in escrow (then $1.2 billion) to Arthur Andersen, and was required to change its name, resulting in the entity being renamed Accenture.



**Financial Performance Evaluation**

## What Is Financial Performance?

Financial performance is a subjective measure of how well a firm can use assets from its primary mode of business and generate.The term is also used as a general measure of a firm's overall financial health over a given period.

Analysts and investors use financial performance to compare similar firms across the same industry or to compare industries or sectors in aggregate.

### **KEY TAKEAWAYS**

* The financial performance tells investors about the general well-being of a firm. It's a snapshot of its economic health and the job its management is doing.
* A key document in reporting corporate financial performance is Form 10-K, which all public companies are required to publish annually.
* Financial statements used in evaluating overall financial performance include the balance sheet, the income statement, and the statement of cash flows.
* Financial performance indicators are quantifiable metrics used to measure how well a company is doing.
* No single measure should be used to define the financial performance of a firm.

| **Comparing Coca-Cola's Performance** | | |
| --- | --- | --- |
| **($ in millions except per-share data)** | **2019** | **2020** |
| Net operating revenues | $37,266 | $33,014 |
| Gross profit | $22,647 | $19,581 |
| Consolidated net income | $ 8,985 | $ 7,768 |
| Basic net income per share | $ 2.09 | $ 1.80 |
| Cash dividends | $ 1.60 | $ 1.64 |
| Total assets | $86,381 | $87,296 |
| Long-term debt | $27,516 | $40,125 |
| Other liabilities | $ 8,510 | $ 9,453 |

## Financial

 is a snapshot of the finances of an organization as of a particular date. It provides an overview of how well the company manages its assets and liabilities. Analysts can find information about long-term vs. short-term debt on the balance sheet. They can also find information about what kind of assets the company owns and what percentage of assets are financed with liabilities vs. stockholders' equity.

### **Income Statement**

## The [income statement](https://www.investopedia.com/terms/i/incomestatement.asp) provides a summary of operations for the entire year. The income statement starts with sales or revenues and ends with net income. Also referred to as the profit and loss statement, the income statement provides the gross profit margin, the cost of goods sold, operating profit margin, and net profit margin. It also provides an overview of the number of shares outstandin Statements

Included in the 10K are three financial statements: the balance sheet, the income statement, and the cash flow statement.

### **Balance Sheet**

The [balance sheet](https://www.investopedia.com/terms/b/balancesheet.asp)g, as well as a comparison against the performance of the prior year.

### **Cash Flow Statement**

The [cash flow statement](https://www.investopedia.com/terms/c/cashflowstatement.asp) is a combination of both the income statement and the balance sheet. For some analysts, the cash flow statement is the most important financial statement because it provides a reconciliation between net income and cash flow. This is where analysts see how much the company spent on stock repurchases, dividends, and [capital expenditures](https://www.investopedia.com/terms/c/capitalexpenditure.asp). It also provides the source and uses of cash flow from operations, investing, and financing.

**Comparative Analysis**

Accenture is a leading global professional services company specializing in consultancy, [business strategy frameworks](https://businesschronicler.com/best-business-strategy-frameworks/), technology, digital, and operations. To put it simply: all the things a business needs to be successful.

I worked as a consultant for a few years back in the early two-thousands, and the industry has grown exponentially since then. The global professional services industry is valued at [$6040.19 billion as of 2021](https://finance.yahoo.com/news/professional-services-global-market-report-084800152.html); more specifically, the consulting sector has a total value of around [$250 billion](https://www.consultancy.uk/consulting-industry/global).

Needless to say, there is a lot of money to be made in consulting, and competition within the sector is fierce due to the existence of the “Big Four”: PwC, [Deloitte](https://businesschronicler.com/competitors/deloitte-competitors-analysis/), EY, and KPMG. These firms account for nearly [40% of the industry’s global market](https://www.consultancy.uk/news/14018/the-10-largest-consulting-firms-in-the-world).

**Assess Sustainability**

As citizens, employees and regulatory bodies increasingly demand businesses to become more sustainable, measuring and reporting ESG performance has become an imperative. Accenture provides the tools, technology, and methodologies to help organisations embed sustainability data, decision-making and performance into everything to effectively measure business value and sustainable impact for all.

## Features

* ESG diagnostics and impact assessment
* ESG data, analytics, and reporting
* ESG performance and decisioning
* SDG value impact assessments
* Carbon tracking and accounting
* Sustainable performance management
* ESG compliance, traceability, and data solutions
* Scenario modelling (e.g., climate risk, physical and transition risks)
* ESG value realisation office
* Biodiversity exposure diagnostic

## Benefits

* Baseline reporting and enhanced reporting against ESG metrics
* KPIs and success metrics to measure/report on performance
* Transform ESG data, power reporting and analytics
* Cost efficiencies from energy and waste efficiencies
* Accelerated decarbonisation and net zero transition
* Enhance understanding of supply chain logistics – enabling greater optimisation
* Greater transparency and traceability
* Enhance relationships with stakeholders, citizens and partners
* Enhance decision making ability from improved data sets
* Greater alignment to sustainability strategy, targets and roadmaps

**Conclusion**

From the above evaluations we conclude that Accenture is a global organization, which serves its clients all over the world with high performance and delivers the quality of work.

The training and development process can be still improved by enhancing new methods, which are more practical in nature, which helps the employees of Accenture to grow in a broader way and can achieve their organizational goals in short period of time.

As Accenture is collaborating with Merit Track for its selection and recruitment process which provides the young generation a platform to explore their innovative ideas which also in turn helps Accenture to grow in a broader way.

Accenture motivates its employees by recognizing their potential abilities and appraising them at the right place and at the right position.

***Thank you***