



Technological Transformation

June 29, 2021

Strong demand for technology-led innovation can help more businesses digitalize their operations in order to make their products and services better, faster, cheaper, and more convenient.

Watch the video or read the recap below.

Over the past year, we have seen structural changes in the business models of companies operating across various sectors of the economy. But the impact that technology companies have had has been amongst the most pronounced.

We believe that these shifts are not just transformative, but also persistent—that is here to stay. Going forward, we see strong demand for technology-led innovation that can help more businesses digitalize their operations in order to make their products and services better, faster, cheaper, and more convenient.

As long-term quality growth investors, we're particularly interested in three areas in the technology sector.

The first is the digitalization of the enterprise and the consumer. This is a secular growth opportunity as more businesses rely on agile, cloud-based solutions in a hybrid work environment that increases complexity but also drives the need for increased productivity.

The second is supply-chain resilience. This is the localized production of, say, semi-conductor chips in more areas around the world as the result of global geopolitical trade tensions and also imbalances in supply and demand as

a result of the pandemic.

The third area that we are keeping an eye out on is the evolving nature of regulations and the impact that this can have on a company's operating model, especially the dynamic between large incumbents and newer disrupters.

We continue to evaluate investment opportunities using a quality growth framework. Ultimately, investing in underestimated earnings power over a five- to 10-year time horizon is what can help us at William Blair be good stewards of capital and generate positive outcomes for our clients.

Jayesh Kannan, CFA is a research analyst with the global equity research team.

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