

Future Positioning of a Big 4 Tax Advisory Practice in an AI-Accelerated Environment

HSG Innovation Trophy

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Traditional Tax Advisory

For decades, traditional tax advisory has been anchored in deep expertise, strong client relationships, and a bespoke advisory model. This approach delivered consistent value: complex issues were decoded by experienced specialists, risks were mitigated through careful human judgment, and clients relied on trusted advisors to navigate uncertainty. Yet, while this model established lasting credibility, its structural foundations are increasingly under pressure. Manual processes struggle with rising data volumes, fragmented workflows limit transparency, and cycle-based reviews cannot keep pace with today's business dynamics. In other words, the strengths that once defined high-quality tax work remain essential, but they no longer suffice in an environment that demands speed, scalability, and real-time insight.

Accelerating Forces Reshaping the Tax Landscape

Against this backdrop, a powerful technological evolution is reshaping the tax profession. Recent empirical evidence indicates that artificial intelligence and advanced tax technologies are increasingly automating traditional compliance activities and shifting the tax function toward a more data-driven, strategically integrated role within the business.¹ Modern ERP platforms, automation, and AI-enabled analytics accelerate this transition by enabling intelligent workflows that enhance efficiency, improve data consistency, and support more forward-looking decision-making. Activities that once required extensive manual effort can now be orchestrated through integrated digital systems, fundamentally altering how value is created in tax advisory.²

Implications for Clients and Competitors

These technological shifts materially change the expectations placed on professional services firms. Clients now expect seamless, technology-enabled tax processes that integrate with finance and operations and provide real-time clarity rather than retrospective commentary. At the same time, the competitive landscape is evolving as traditional firms increasingly compete with tech-first players, raising expectations for digital delivery, automation, and data-driven insight.

A System at a Turning Point - and a Strategic Challenge

The result is a profession at an inflection point. Traditional business models are increasingly outpaced by digital complexity, shifting client expectations, and new competitive dynamics. At the same time, the rapid acceleration of AI and technology creates a pivotal moment for strategic reinvention of how tax advisory creates value. In this context, the overarching objective is to determine which market positioning and service portfolio will maximise client value and competitive advantage for a Big 4 tax advisor in an AI-accelerated environment — given evolving client expectations, changing behaviours, and shifting decision criteria.

This forms the core question for the HSG Innovation Trophy:

“How are client behaviours, expectations, and decision criteria for tax advisory services changing in an AI-accelerated environment, and what market positioning and service portfolio will enable a Big 4 tax consultancy to maximize client value and establish sustainable competitive advantage?”

¹ Grant Thornton & Lünendonk & Hossenfelder (2026). Tax Technology 3.0 Studie: KI übernimmt Compliance-Themen, Steuerfunktion wird zum Business-Enabler.

² While we acknowledge that other macro trends - such as regulatory acceleration - also contribute to the transformation of tax advisory, they are intentionally out of scope for the HSG innovation trophy to maintain a technology-focused perspective.