



# THE INSIGHTS REVIEW

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## IN THIS ISSUE

STRATEGY & TRANSFORMATION  
ECOSYSTEMS, M&A AND INTEGRATION  
LEADERSHIP & EXECUTIVE DEVELOPMENT  
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RETAIL & BUSINESS BANKING  
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WEALTH & ADVICE. INVEST. AND FUND MNGT.  
GENERAL INSURANCE

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This publication ensures that executives and their internal consultants are exposed to the widest range of high quality ideas, techniques and methodologies developed across the management consulting industry globally.

Relevant insights are identified and classified once only, either in a general category, or by topic alignment to an industry segment or a functional area using our proprietary taxonomy.

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Links are current at time of publication.

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- BDO
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- KPMG
- L.E.K. Consulting
- Macquarie University
- McKinsey & Company
- Mercer
- OC&C
- Oliver Wyman
- Parthenon
- Promontory
- PwC
- Roland Berger
- Strategy&



## Message From the Editor,

My message this month is the power of what I call “critical conversations”. These are the very few important topics which need to be debated by executive teams but are often avoided or postponed until the annual off-site. In these extraordinary times, several key insights have emerged from our work with clients around the world. Firstly, operational pandemic response or firefighting is critical, but can’t be a permanent excuse to not address the key business reset issues that dynamically prepare the enterprise for the next normal. Secondly, the annual offsite isn’t going to happen, and allocating a full day to such an event virtually is not going to provide the reflection time and virtual corridor chat time, nor get the full attention that it deserves from a single block of time. Instead, we are steering our clients towards a series of dynamic conversations facilitated over a period of several weeks. This idea and many other best practices for virtual facilitation are shared in a new webinar from our ICG@WORK team here <https://icgapac.com/icgatwork/>.

My congratulations this month go to a global team at Bain for an outstanding *Article of the Month*:

[Have We Hit Peak Profits? - Bain.](#)

Stay safe and happy internal consulting.

**David Moloney**

Global Editor



**David Moloney**

Global Editor

### About

David has enjoyed a stimulating career in the global financial services industry. Unusually for a consultant, he spent the first decade of his career working in banking from retail stores to helping the CEO with consulting firm led transformation projects. Transitioning to consulting via an MBA, he has spent more than two decades serving every segment of the industry in many countries. Importantly, as a global partner at two leading firms, he was well known for developing fresh firm and industry insights and in one firm, was directly responsible for leading the authorship of the most significant global reports for release at the World Economic Forum.



**THE  
INSIGHTS  
REVIEW**



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# Cross-Industry Functional Topics

In this Section:

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**Leadership & Executive Development | Human Capital**  
**Operations & Transformation | Payments & Open Banking**  
**Cyber Security & Privacy | Pricing | Career Transition**



Cross-Industry Functional Topics

## Strategy & Transformation

Review by: David Moloney | ICG Global Practice Leader Financial Services | [Contact](#)

### ARTICLE OF THE MONTH

#### “Have We Hit Peak Profits?” – Bain

[VIEW PDF \(11 PAGES\)](#)

Wow – a superb article from Bain that is a level above the usual high quality we have come to expect from them. This up-to-the-minute, macro-level look at strategy and growth draws together many varied and newer thoughts from a study of 13,000 listed firms, creating a very coherent story that will lead to many reconsidering Bain as more than the NPS/Loyalty Effect consulting firm.

This is a deserving winner of our Article of the Month – our hearty congratulations to the authors.

#### “COVID-19: Implications for Business” – McKinsey

[VIEW PDF \(8 PAGES\)](#)

Short but helpful insight from McKinsey, using mobility as an index of economic activity to point out that controlling the virus to near-zero new infections is essential to getting a country back to normal. Any attempt at what it euphemistically calls a “balancing act strategy” i.e. allowing a “manageable” amount of infections through prematurely renewed economic activity, dramatically reduces the resulting quantum, so it is better to bite the bullet as Melbourne in Australia has recently done. [Ir](#)

Cross-Industry Functional Topics

## Ecosystems, M&A and Integration

Review by: Peter Dale | ICG Subject Matter Expert | [Contact](#)  
Michael Roch | ICG Global Practice Leader | [Contact](#)

### “Navigating Uncertainty: Mergers & Acquisitions in Uncharted Waters” – Kearney

[VIEW PDF \(9 PAGES\)](#)

Kearney provides eight trends around Covid-19, regionalization, deal structures, and M&A practice in a remote environment. These will make sense to any M&A practitioner who has been through a couple of cycles, and is a worthwhile read.

This reviewer ventures some practical nuances. For example, Kearney sees valuations holding steady, yet is expecting earn-outs to start filling valuation gaps. This we can already confirm. From what we have seen so far, a valuation gap of ca. 20%-25% has opened – and of course it is being bridged through earnouts in most cases.

Our advice to sellers is very clear: if you must sell now, use the earnout. Yet if your business model already has embraced those trends that were relevant before Covid-19 struck (such as digitization, collaboration, ecosystem business models, etc.) stick to your guns on valuation or wait 18 months. For equity, look for funds from your existing investors first, because they know your business best. New investors will charge more.

For buyers, it's all about how future-proof the target's business model is – irrespective of your acquisition scenario. For example, dents in digitization within individual corporate functions could open a valuation gap. **lr**





Cross-Industry Functional Topics

## Leadership & Executive Development

Reviews by: Wade Azmy | ICG Global Practice Leader | [Contact](#)

### “Rethinking CEO Exceptionalism” – Deloitte

[VIEW PDF \(2 PAGES\)](#)

A recent Fortune/Deloitte CEO Survey highlighting the six critical leadership traits that have been emerging for years; five of the characteristics centre around the ability to navigate tension and were captured in a first article “[Undisruptable CEOs](#)”.

Most interesting were the six attributes about “demonstrating purpose and conviction” as a leadership trait – a nuanced quality calling for addressing all affected stakeholders as we experience the effects of COVID-19. The article demonstrates a few examples of how leaders demonstrate such an attribute in their leadership practice.

Our experience during the last few months can confirm the significance of purpose and conviction in most of our engagements; clearly, employees and other stakeholders seek clear direction, transparency, and connectedness amid the uncertain times and endless ambiguity in the environment. CEOs must focus on reiterating the purpose and connecting with their stakeholders to instill a sense of purpose that aligns employees with the company direction.

### “The CEO Moment: Leadership For a New Era” – McKinsey

[VIEW PDF \(12 PAGES\)](#)

An article from McKinsey debating if the leaders will capitalize on the emerging opportunities in the business. The pandemic presents an opportunity for companies and society to either build ‘the new future’ or return to the past.

The article explores four shifts in how leaders behave, and highlights the potential to rebirth the organisation and the way it operates.

Similar to the Deloitte article “Rethinking “CEO Exceptionalism”, McKinsey promotes the concept of stakeholder capitalism and the focus on purpose, including what the leaders believe as they confront the interconnectedness of stakeholders in everything they do.

Again, we promote leaders who bring authentic leadership to the forefront and decide on what they believe as they dance on the borderline between shareholder needs and stakeholders obligations. **Ir**



## **“Psychological Safety, Emotional Intelligence, & Leadership in a Time of Flux” – McKinsey**

[VIEW PDF \(9 PAGES\)](#)

This McKinsey article takes the form of an interview with two global thought leaders in the field of positive organizational psychology, together with two of McKinsey’s experts in this field. It is an easy read containing a couple of gems which remind the reader of some of the concepts from recent research which enables leaders to be more effective in this current time of uncertainty.

Your reviewer liked Amy Edmondson’s very simple definition of psychological safety: “an absence of interpersonal fear” and the discussions unearthing the importance of highly visible leadership or “management by wandering around”. The interview provides some thought as to how to replace this concept in a world of digital communication with team members. There are also some great points about leaders and how they link purpose and meaning for team members to drive organizational performance.

A quick and easy read for CEOs, CHROs, and all leaders interested in improving ‘connection’ with their teams. **lr**

## **“The “New Normal” Is a Myth. The Future Won’t Be Normal at All” – Bain**

[VIEW PDF \(13 PAGES\)](#)

This Bain article stresses the importance of building a post-Covid company that can adapt and thrive in an environment of continuous disruption. It encourages organizations to leverage the profound lessons learned during the crisis to build greater resilience.

It goes into more depth than many Bain pieces, and attempts to integrate research, client cases, and anecdotes to suggest a way forward for companies responding to the pandemic. The authors underscore the importance of effective actions in shaping the future fortunes of an organisation facing a substantial disruptive downturn. It asserts that agility, innovation, and resourcefulness will need to become the new norm, and leaders cannot afford to go back to previous methods of execution.


The article includes a number of questions for executives (starting on p3) that provide a useful framework for exploring company-specific improvement opportunities. It also calls out the renewed importance of supply chain visibility, traceability, and the need to focus on reducing complexity across any business. It is a practical primer for consultants and executives seeking to establish initiatives to deliver greater resilience and business sustainability post-pandemic

## **“The Securities Industry: Why Still Paper, When Digital Promises so Much?” – Kearney**

[VIEW PDF \(8 PAGES\)](#)

Kearney, in collaboration with Ashurst and Securitize, makes a case for the digitization of the securities industry. It acknowledges there has been progress, but argues for movement beyond incremental toward true digital innovation. Light is cast on the potential benefits available in the form of increased liquidity, greater efficiency, improved compliance, increased accessibility, and lower transaction costs.

The authors set out to dispel some common blockchain myths, in particular distancing the innovation from Bitcoin and focusing on the underlying distributed ledger technology (DLT) at its core. The article offers two brief case studies as examples of success pointing the way to a possible future. It also highlights the many and complex regulatory challenges including differing views of effective oversight and regulation across jurisdictions.

The article concludes with a call to action across the ecosystem from issuers to investors. It encourages established players to lead the way, and offers five questions to frame the re-imagining process. The primary value here is in stimulating thought, but the authors offer little direction regarding solution detail. The article closes by suggesting additional resources in the form of three CEOs of companies operating in the space. It will be of some value to those exploring innovation in the securities industry. 

## “How Will the COVID-19 Crisis Impact the Payments Industry?” – Roland Berger

[VIEW PDF \(6 PAGES\)](#)

A short, European-based article which reflects the payments industry impacts both on the demand side (consumers through corporates) and the supply side (merchants and businesses). It includes a great summary of the short- and long-term expected impacts, inclusive of a permanent shift in spending patterns and stronger pan-European support for an independent European payment scheme. Quite interesting for those who have government-supported local schemes and their effects in-market on the cost of payments to both merchants and consumers.

With Germany and Italy historically having cash-intensive spending, the pandemic has caused these payments to shift to contactless card transactions. Payments companies which provided SMEs with an online presence, including shopping carts and e-commerce facilities, have taken a share of a previously untapped market. Interesting space to play if you have your AML/CTF capabilities ready to do so. **lr**



Cross-Industry Functional Topics

## Cyber Security & Privacy

Review by: Mike Trovato | ICG Global Cyber Security & Privacy Practice Leader | [Contact](#)

### “Contact Tracing Accelerates IoT Opportunities & Risks” – BCG

[VIEW PDF \(9 PAGES\)](#)

This article (and its links) is a rather myopic and simplistic American view of opportunities and risks for COVID-19 contact tracing technologies. A recent post by the UK Information Commissioner, summarizing the discussions of more than 250 participants from the privacy domain on the use of technology to combat the pandemic, highlighted the importance of governance and accountability processes, mostly overlooked here. Further, should the technologies used by organizations not be especially problematic from a privacy perspective, the problem is often not with the creation, but with the creator – i.e. that they may not be trustworthy. Regrettably, that describes many governments and businesses today, another topic left out.

### “Cybersecurity for a Remote Workforce” – MIT Sloan

[VIEW PDF \(6 PAGES\)](#)

Authored by Oliver Wyman Forum’s cyber security practice, this article hits some of the basics about the changed environment due to COVID-19 and what to do, including the need to be more resilient. A good quick read by directors and executives, as it should encourage them to refresh their cyber security risk profile and take action, instead of waiting for the next lawsuit or legislative motivator.



**“Cyber Insurance: 6 Questions Every CEO, CFO & Board Will Inevitably Ask — Soon” – PwC**[VIEW PDF \(10 PAGES\)](#)

This article offers basic questions for the purchaser of cyber security insurance and a forest of links and articles otherwise about cyber security. PwC’s digital publishing method seems to be to provide high level findings gleaned from their industry surveys, but then to qualify their perspectives in a wide mix of industry articles and broken links that really don’t add much to the dialogue or to clarify what action executives should undertake. Stick to the top-level article here and only pursue the rest if you are a bit bored and with time on your hands. By the way, this article is aimed at USA readers; less litigious countries may find their insurance a relative bargain compared to what our mates in the USA pay.

**“Cost of a Data Breach Report 2020” – Ponemon Institute & IBM Security**[VIEW REPORT](#)

Now in its 15th year, the respected Ponemon Institute has conducted research globally to produce the annual Cost of a Data Breach Report, sponsored and published by IBM Security. The report is a genuine must-read, and has become one of the leading benchmark tools in the cybersecurity industry as it offers IT, risk management, and security leaders a point-in-time view of the factors that either mitigate or exacerbate the cost of data breaches. This report also offers a view of data breach trends, demonstrating both consistencies and fluctuations in the costs we have analyzed over time, including supplementary research to gauge the impact of COVID-19. Directors and executives will want to pour over this data to understand the costs, but they would be wise to also focus on some of the lessons learned – that a divide is being defined between the cyber security “haves and have nots”. You don’t want to be in the later category unless you have a lot of cyber security insurance. **lr**



## Cross-Industry Functional Topics

# Pricing

Review by: Alain Miloche | ICG Practice Leader Pricing | [Contact](#)

### “The Post-COVID-19 Pricing Imperative for P&C Insurers” – McKinsey

[VIEW PDF \(8 PAGES\)](#)

While the article is industry specific to property and casualty (P&C) insurers, it provides a number of frameworks helpful for mapping the steps involved in a pricing capabilities transformation.

First, the authors provide four progressive and very concrete steps to create sustained competitive advantage from pricing.

Based on McKinsey’s review and comparison of multiple pricing transformations at global insurers, five archetypes of pricing innovation and transformation strategies are then presented. Readers should find the descriptions of those archetypes useful for determining their own companies’ maturity levels and identifying the next steps that should be undertaken.

Next, McKinsey’s Pricing Framework – as adapted to P&C – is discussed. Readers who are not in this industry may find this useful as a starting point to explore the more general McKinsey Framework.

Finally, a quick three-step self-assessment is provided to help executives identify the type of pricing innovation and transformation that could be the best fit for their company’s current position.

This is highly recommended for senior-level executives responsible for pricing innovation and transformation.

### “How to Price — & Sell — in a Pandemic” – BCG

[VIEW PDF \(6 PAGES\)](#)

There are two parts to the article, neither of which presents anything particularly new.

The first is a summary of the results from a survey conducted with 100 sales and account executives across a few industries. The basic findings provide the background for the second part. Key among these are: most industries will see revenue declines for FY 2020 while others will grow; the downturn’s duration is widely expected to last more than 7 months; and there is a wide range in the extent to which initiatives have been undertaken to cope with COVID.

The second part provides sales and pricing best practices. Each of these are basic and should be applied generally, but become more critical in a period of demand shock. Briefly, these are:

1. A digital war room
2. Strategy by segment and key account
3. Pre-approved pricing flexibility options
4. Deal escalation and pricing controls
5. A rebound strategy

The first part can be skipped, and the second skimmed. **lr**



Cross-Industry Functional Topics

## Career Transition

Review by: Mark Waterman | CEO of ICG Careers | [Contact](#)

### “So You Want to Be an Entrepreneur?” – HBR

[VIEW PDF \(5 PAGES\)](#)

A personal examination of the increasing flow of talent being drawn to startup entrepreneurship. Provides some insightful tips to succeed, including identifying a problem to solve, the need to collaborate, the ability to add value to people’s lives, and taking the plunge.

Importantly, the article also addresses the way you conduct yourself as the Founder and the stresses and strains (not just financial) that face the startup entrepreneur.

Finally, it highlights the current startup paradox: never more opportunities for disruption, but in a never more competitive environment. **lr**



# Industry-Specific Topics

In this Section:

**Macro Financial Services | Retail & Business Banking**

**Fintech | Corporate & Investment Banking**

**Wealth & Advice and Investment and Fund Management | General Insurance**



## Industry-Specific Topics

## Macro Financial Services

Reviews by: David Moloney | ICG Global Practice Leader Financial Services | [Contact](#)**“Financial Life During the COVID-19 Pandemic — An Update” – McKinsey****VIEW PDF (20 PAGES)**

**M**ulti-country survey of consumer attitudes to the crisis and finances, distilled into 10 key insights... none of which will surprise readers with any background in the financial services industry. The surprise is McKinsey didn't cover important topics such as retirement savings and the global adoption of buy now/pay later services. Useful only to internal consultants new to the industry, or those wanting a chart to back up obvious conclusions.

**“Lessons in Financial Regulation” – Oliver Wyman****VIEW PDF (10 PAGES)**

**A** surprisingly blunt and egotistical insight from a newish senior OW partner. This insight makes some excellent points, and will be a wakeup call to regulators and their advisors around the world – but your reviewer suspects most will want to avoid this particular partner. Even after several re-reads, it is shocking the degree to which this paper comes across like a chest-beating boutique's LinkedIn rant, rather than an industrialized scale, global firm viewpoint that we see from the top tier firms. Worth looking at just for the shock value.

## “How Australian Banks Can Make a Difference to Their Customers Amid a Global Pandemic” – Kearney

[VIEW PDF \(7 PAGES\)](#)

The most interesting part of this article is the unusual story of how The Bank of America was built by the then-tiny local San Francisco-based “Bank of Italy” in 1904 when it lent to earthquake victims on the strength of a handshake from a pop-up branch.

The rest of the article describes a 4000-pax survey and the surprising-to-ATK finding that nearly half of its population of bank customers aren’t turning to banks for financial advice. This seems quite logical to us given that less than 40% of the sample reveal a need for any kind of financial relief, so we suspect these customers are in the population who are still gainfully employed, or indeed benefiting from the pandemic in some way.

The remainder of the article illustrates a straightforward step-wise refinement of a bank’s response to finer segments with more segment specific solutions. **Ir**

## Industry-Specific Topics

**Retail & Business Banking**Reviews by: Julian Cappe | ICG Practice Leader Retail & Business Banking | [Contact](#)**“Ready & Resilient: Retail Banking Strategy For a COVID-19 World” – PwC****VIEW PDF (10 PAGES)**

This is a strong article which sets out key considerations for retail banks as they prepare to transition to the post-COVID environment. While most banks are stabilizing their business models through supporting customers and rationalizing expenses (and the industry as a whole did so very effectively), some banks are already strategizing for the future. The article sets out a strategic review program across operating model, revenue growth focus, and risk management – with useful examples across each category – while making the point that stakeholders are presently open to unprecedented change.

The section of operating model reconfiguration is probably the standout. This section includes a pertinent analysis of the trade-offs between operational resiliency and sourcing efficiency, and also a recommendation that organizations adopt a zero-based budgeting approach to reassess future spending, rather than rely on comparisons to prior years. **lr**



Industry-Specific Topics

## Fintech

Reviews by: Richard Dale | ICG Subject Matter Expert | [Contact](#)

### “Digital Identity” – Oliver Wyman

[VIEW PDF \(9 PAGES\)](#)

A discussion about whether there is an opportunity for US banks to form consortia to provide a trusted federated digital identity solution for US citizens and businesses, to fill the gap before tech firms do. The article briefly mentions examples of digital ID schemes in other countries, pointing out a few examples of small countries where banks have been part of the solution. It isn't clear why solutions that worked for small countries would work for a large country like the US. Perhaps the idea is that a state looks like a small country, and the structure of the US banking industry is still largely state based. But for readers in most other countries, the available and pending digital ID solutions look quite different. Food for thought for a US banker, but probably not that relevant for the rest of us. **lr**





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**ICG**

## Corporate & Investment Banking

Reviews by: Andrew Boyes-Varley | ICG Financial Services Practice Leader | [Contact](#)

### “Private Equity Takes a Midyear Bounce off the Bottom” – Bain

[VIEW PDF \(9 PAGES\)](#)

A succinct status of PE is presented in this short paper by Bain. The key insights are predicated on the fact that the PE world has changed in the following respects: financial engineering is not enough - sector expertise is even more critical, the value creation model of your portfolio business may have been disrupted, and the analogue world has just turned digital - yes, even in PE.

### “COVID-19 Evolves the Commercial Banking Relationship Manager” – Accenture

[VIEW PDF \(16 PAGES\)](#)

Do not be put off that Accenture have placed this brief paper behind a request for your details. When your reviewer encountered this barrier, he was inclined to refer readers of *TIR* to satisfy themselves with the summary that is presented and not bother registering to download the full document.

However, having done his job and actually reviewed the full document, your reviewer not only recommends this article for its focused purpose of empowering commercial banking relationship managers, but for its broader application to many front-end customer/client facing roles in business.

The COVID-19 pandemic response( e.g. working from home) has forced a set of changes on us all, particularly in terms of the use of digital tools to conduct commercial activities. The impact of these changes is picked up in this article and a prescription, across the well-known triumvirate of processes - tools (systems) - people, is drafted to ‘empower’ front-facing roles for relationship managers in commercial banks.

This prescription is more widely applicable than the commercial banking sector, and internal consultants across many sectors can find ready value here for their clients’ businesses in it.

## **“From Damage Assessment To Crisis Preparation: An Outlook On the PE Industry” – Roland Berger**

[VIEW PDF \(8 PAGES\)](#)

This is an article presented as an “interview” with two Roland Berger professionals. Your reviewer did not find this style of presentation particularly engaging or effective at communicating insight. Two graphs of deal activity in the German speaking region was all that caught his eye. **lr**

**Industry-Specific Topics****Wealth & Advice and Investment and Fund Management**Reviews by: Barry Johnston | ICG Practice Leader Wealth Management & Superannuation | [Contact](#)**“The Power of Data-Driven Asset Management”  
– Accenture****VIEW PDF (31 PAGES)**

Another article on the value of data and the challenges of its realization. The document is structured around the six key areas of data management that have become reasonably well accepted among industry experts. It is well written without being too brief, but unless you're seeking a rehash, there's little new here to justify your time. Perhaps the most interesting section is the analytics ideas they offer on page 21. But as with many of these articles, the authors gloss over what we at ICG have found to be one of the greatest challenges of data value realization: organizational structure and culture. The deepest insights are invariably found when combining deep domain expertise with deep data analytics expertise, but the former reside in business units, while the latter are at their best when they too have their own teams. Joining these sources of expertise for one-off projects is easy enough, but data management is not a one-off project. So organizational flexibility is important, but this only works when everyone sees the value in data. Which brings us back to culture – and in data management, culture is King. **lr**



## **“How Insurance Consumers Are Responding to Covid-19” – Bain**

[VIEW PDF \(6 PAGES\)](#)

Good article, and worth a read. What it does not say is how poor insurers’ responses have been. For example, health insurers – especially in the UK – still charge full premiums despite no private health provision being available. There are also “interesting” claims responses on travel and other related insurance products. The consultant also advocates greater understanding of end user clients, promoting NPI and other techniques. The problem with those techniques is that ultimately they give no granular insight on what is really relevant and what needs to be done operationally to address the issue. Far better to use Customer Needs Solution (CNS) methodology which helps firms pivot to customers far more operationally and thus effectively.

## **“Insurance: Post COVID-19 Digital Partnership Models” – Oliver Wyman**

[VIEW PDF \(13 PAGES\)](#)

Interesting perspective and one executives should read, if only to broaden the mind. The problem this reviewer has is that nowhere does he see any discussion on how to stop these platforms ultimately “*eating your lunch.*”

## “Ready & Resilient: Insurance Strategy for a COVID-19 World” – PwC

[VIEW PDF \(8 PAGES\)](#)

This is a worthy article, but it has all been said before. None of it is wrong, but what is not covered is effective execution. If a core component of the strategy is to accelerate the digital transformation, executives need to remember that in financial institutions, around 70 - 90% of all IT change projects fail. In addition, on average they are value destructive – returning by way of benefits only 18% of the original cost. The easy bit is say go digital, the most difficult bit is to ensure your firm's projects are the 1 in 10 projects that succeed. **lr**

REVIEWS OF THE WORLD'S LEADING INSIGHTS



# THE INSIGHTS REVIEW

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## ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

## ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

JULY 2020

### “The End of Management as We Know It” – BCG

[VIEW PDF \(20 PAGES\)](#)

A fascinating insight into the impact of an agile philosophy on management as we know it. Based on a survey of 5,000 employees across five countries, the findings paint a stark picture of managers' current beliefs – including 63% saying they don't want to stay in traditional management roles, and only 1 in 10 non-managers saying they aspire to become managers. It is argued that the breaking point has been reached: current managers' roles are now fixated on reporting and politics and “complicatedness” rather than getting things done. Agile approaches are becoming the game-breaker with their focus on work, mastery, and coaching. However, moving to a true Agile environment comes with a condition: people need to learn the skills that make Agile successful. To do so requires individuals to take responsibility for the establishment of their own career paths and professional development. A must-read for both organizational executives responsible for leading the path to agile, and those individuals wanting to flourish in this environment. Reviewer's note: ICG Careers' method is a direct fit to this approach.

JUNE 2020

### “Reopening Safely: Sample Practices From Essential Businesses” – McKinsey

[VIEW PDF \(11 PAGES\)](#)

The McKinsey article captures learnings from ‘essential businesses’ that continued operating throughout the pandemic while others temporarily shut down. The advice is evidence-based, with a focus on implementing tailored safety across a broad spectrum of activities both within and external to the business.

Exhibit 1 provides an excellent framework for assessing risk by work group. Other sections of the report examine risks across the working environment and extending into workers commuting risks. This is a well thought out article with substantial detail and actionable recommendations.

The article is well worth a read for executives and consultants implementing their own restart initiatives.





## ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

MAY 2020

### “Recovering From a Crisis & Boosting Resilience” – BDO

[VIEW \(18 PAGES\)](#)

A comprehensively structured checklist packaged in an easy to digest PPT format makes this new insight from BDO a deserving winner of our article of the month. While the authors are clearly UK-based, the messages and wisdom are globally applicable. The insight starts with what has become the industry standard R-filled acronym: React, Resilience, Realize, and Rethink, and as appropriate for a firm with a financial heritage it then details the most relevant financial scenarios, but then dives deeper than the other firms with an interactive web tool that provides up to the minute guidance on seven key areas for management attention: premises, financial, legal and compliance, suppliers, employees, customers and management and leadership. Each section contains a well-developed suite of initial items for action or review. For any internal consulting function or management team, this insight provides the perfect starting point for planning an optimal covid response.

MARCH 2020

### “Future of Finance: The Human Perspective” – KPMG

[VIEW PDF \(13 PAGES\)](#)

This paper is a valuable resource for CEOs, CFOs and CHROs looking to ensure that proposed finance transformation programs have the appropriate investment in people to ensure the programs success. The article is easy to read and covers the catalysts for a finance transformation and examines the key findings of a global survey and good practice case studies. This is more of a useful tool or resource rather than just another research paper. It includes questions for the reader with the ability to see instant results from all respondents to those questions. Figure 2 details a model for the shape of the finance function in the digital world.

A well prepared resource which would be a great investment of time to review!

## ARTICLES OF THE MONTH

### THE BEST INSIGHTS OF THE PAST 12 MONTHS

DECEMBER/JANUARY/FEBRUARY 2019-2020

#### **“How Can Your Growth Strategy Evolve Faster than the Market?” – EY**

[VIEW PDF \(9 PAGES\)](#)

A helpful and novel insight from EY which appears to expose the IP they have acquired through a boutique acquisition.

The insight starts with a general introduction regarding how to define a strategic context and rightly emphasizes that innovation and technology can make traditional approaches obsolete. (Side note: ICG solves this issue by helping clients to build a strategic disruption radar capability that continually monitors and updates the most likely strategic consequences of new entrants, and innovations. This reviewer also personally recommends a summary analysis he calls “Who is winning and why? And, who is losing, and why?” as the best way to illuminate strategic choices that are working or not).

The rest of the insight focuses on a new industry portfolio tool which uses Relative Market Share (rather than absolute) and absolute return on sales. This approach nicely demonstrates the margin benefits that accrue from scale which will work well for commoditized industries; those industries with players targeting high margin segments will need other tools.

A helpful contribution and well worth a read by all our readers.

NOVEMBER 2019

#### **“Global Retail Banking 2019: The Race for Relevance and Scale” – BCG**

[VIEW PDF \(32 PAGES\)](#)

An excellent article from BCG explores how digital disruption is reshaping retail banking value chains, resulting in a shift from vertical integration towards a platform-based or “stacked” industry structure. This is a transformative change, leading to the emergence of new business models.

For example, companies that develop leading customer interfaces can offer consumers a broad variety of financial and other services through ecosystems, without having to develop their own banking products and infrastructure. At each layer of the stack, technology enables the modularization of services and challenges the integrated universal-banking model.

Incumbent banks will need to develop new capabilities, and to carefully determine the business model they want to pursue in the emerging industry landscape – whether full-service, ecosystem-based, or product-only. The article includes a very useful taxonomy of the business model design choices available to incumbents and insurgents.

Well-presented, and highly readable.



## ARTICLES OF THE MONTH

### THE BEST INSIGHTS OF THE PAST 12 MONTHS

OCTOBER 2019

#### “Retail Banking Distribution” – BCG

[VIEW PDF \(17 PAGES\)](#)

In recent years, we at *TIR* have seen many articles on the disruption of retail banking distribution. This article from BCG stands out in articulating a compelling view of the key trends that are driving change across banking distribution, and the key shifts that banks will need to make.

The trends explored include the expanding suite of channels, devices, and social networks that banks will need to leverage to connect with their customers, the blurring robo-human interface, and the ongoing drive towards mass personalization through use of customer data.

Achieving the shift will require profound transformation, and the article sets out some of the changes required. For example, banks will need to develop automated-routing capabilities to choose the best delivery option for each interaction based on the customer potential and nature of the request. Banks will also look to increasingly establish extended ecosystems based on Open Banking and through enabling third-party APIs, as a way of extending their reach and accessing new capabilities.

Recommended reading for those working on digital disruption or channel strategy – and a worthy winner of our *Article of the Month*.

SEPTEMBER 2019

#### “The Productivity Imperative in Insurance” – McKinsey

[VIEW PDF \(11 PAGES\)](#)

A good read for insurance executives, and in its way groundbreaking.

The author’s main take out is the need to strategically invest, and secondly, reduce business complexity.

Worth reading more than once as it will provide executives with a blueprint to adjudge initiatives.

## ARTICLES OF THE MONTH

### THE BEST INSIGHTS OF THE PAST 12 MONTHS

AUGUST 2019

#### “Breaking the Commodity Trap in Trade Finance” – BCG

VIEW PDF (6 PAGES)

Though the title suggests that the article is limited to international finance, it actually provides an excellent example as to how B2B companies can apply a systematic pricing approach when prices are negotiated by regional sales managers (RSMs) with extensive discretionary pricing leeway.

It leads readers through a three-step approach:

1. A quantitative analysis of existing data to identify the extent to which “field discretion” can account for price dispersion;
2. The implementation of new pricing models and guidance that is more aligned to evolving market conditions; and
3. The provision of robust pricing tools as well as coaching and training for an effective change in pricing discipline.

This will be of interest to senior-level sales, pricing, and finance executives responsible for overall profit maximization on a corporate level, where products have been viewed as commodities.

The article is relevant to a number of industries where rapid changes are occurring and latent profit potential opportunities need to be identified and exploited.

JULY 2019

#### “Optimize Social Business Value” – BCG

VIEW PDF (8 PAGES)

Wow – a tremendous insight from BCG. Not just a reminder that purpose led strategy is on-trend, this is a wonderfully thoughtful and comprehensive framework-based approach to merging business sustainability and sustainable competitive advantage. The highlight is seven sustainable business innovation ideas that would create a wonderful basis for any internal consulting team tasked with exploring this issue.

It is a worthy joint winner of our *Article of the Month*, and is highly recommended for all readers.

#### “Does Digital Leadership Matter?” – Accenture

VIEW PDF (23 PAGES)

A long but very valuable insight from the most senior team at Accenture. The first message is the sobering news about the proportion of revenue that is going to non-traditional players. While the message is obviously self-serving (technology-enabled strategy wins), the analysis and logic are compelling. The writing also has an unusual edginess to it – as if the non consultant trained editor was overruled – which allows for many more thoughts and left-of-centre insights to be packed in. This makes this insight differentiated from the rest of the pack. It is well worth a read, and a deserving co-winner of our *Article of the Month*.





## ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

JUNE 2019

### “Pursuing Cybersecurity Maturity at Financial Institutions” – Deloitte

[VIEW PDF \(15 PAGES\)](#)

This must-read, high quality paper is based on a survey fielded by the Financial Services Information Sharing and Analysis Center (FS-ISAC), in conjunction with Deloitte’s Cyber Risk Services practice in the fall of 2018. It is clearly written and with excellent insights on resilience, cyber maturity, spending, and the “hidden game” that leaders with adaptive cybersecurity play.

This one will interest business unit leaders, CISOs, CIOs, and CROs, as well as board members interested in a business perspective vs. a lot of jargon and discussion around cyber hygiene and cyber threats.

Well done, Deloitte.

MAY 2019

### “Why Organizations Should Be Concerned About Privileged Accounts” – EY

NO LONGER AVAILABLE

Although it is often passed over as a key security topic, privileged account management (PAM) is getting increased attention from regulators worldwide due to several high profile attacks.

This quick read is ideal for board or executives interested in understanding key controls in this important area, and could be used by CISOs as an outline for a PAM improvement project in their organizations – provided that they also apply a risk lens on the business unit or process to be secured. Although this paper was developed within the Asia Pacific market, it would apply to any other; just replace the relevant country or state regulation for compliance purposes.

Ultimately, compliance should be a by-product of good privacy and security controls, as described here for PAM.



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