



THE INSIGHTS REVIEW

© Internal Consulting Group Pty Ltd 2022

IN THIS ISSUE

STRATEGY

ECOSYSTEMS, M&A AND INTEGRATION
LEADERSHIP & EXECUTIVE DEVELOPMENT
GOVERNANCE RISK & COMPLIANCE
HUMAN CAPITAL
CUSTOMER EXPERIENCE & MARKETING

TECHNOLOGY

OPERATIONS & TRANSFORMATION
INNOVATION & DISRUPTION
CYBER SECURITY & PRIVACY
PROGRAMME DELIVERY

MACRO FINANCIAL SERVICES

CORPORATE & INVESTMENT BANKING
WEALTH & ADVICE AND INVESTMENT AND
FUND MANAGEMENT
LOCAL GOVERNMENT & HEALTH

ARTICLE OF THE MONTH: *“Reimagining HR: Insights From People Leaders”* - McKinsey

About this Report

The Insights Review by ICG presents timely abstract reviews of the most relevant 'open published' perspectives and research reports from the world's leading branded management consulting firms.

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.

Access to Full Reports

If you find an insight review of interest and wish to access the full report, simply follow the link beneath the title. Where possible, this will take you to the full report. Occasionally, the publisher may require the user to complete a registration or payment process prior to accessing the report.

Links are current at time of publication.

Access to *The Insights Review* Archive

ICG has developed a significant library of curated reviews and has made these available to executives and internal consultants as a complimentary platform resource.

To access this library please click [here](#).

Advertising & Co-Branding

ICG prepares *The Insights Review* for its professionals and their clients as an aid to their career effectiveness and development. Each month, it is sent to over 100,000 executives around the globe. It is also co-branded and sent to thousands of executives belonging to leading professional associations.

If your organization would benefit from redistributing, co-branding, or appropriate exposure in *The Insights Review* then please contact ICG's at production@internalconsulting.com

Insight Sources

ICG sources candidate insights for review from the best and most relevant material published openly by (at least) the following branded consulting firms:

- ACC - The Association of Corporate Council
- Accenture
- AT Kearney
- Bain
- BDO
- BCG
- Capgemini
- Deloitte
- Ernst & Young
- FMCG
- Huron Consulting Group
- IBM
- King & Wood Mallesons
- KPMG
- L.E.K. Consulting
- Macquarie University
- McKinsey & Company
- Mercer
- OC&C
- Oliver Wyman
- Parthenon
- Promontory
- PwC
- Roland Berger
- Strategy+Business





Message From the Editor,

People, people, people – labor markets continue to tighten. Platforms like ICG become the best way to source hard to employee talent, transforming the HR function to the next level of capability has become the major priority to enable agility and fluidity throughout the enterprise.

Our Practice Lead for Human Capital's excellent review of a McKinsey article on this topic is the worthy winner of our *Article of the Month*. We congratulate Greg (greg.barnier@internalconsulting.com) and the original authors.

Following is our current list of some of the most interesting projects this month. If you or your teams might benefit from a confidential and sanitized conversation on any of the below, please contact your preferred ICG professional or nearest HUB to be put in touch with the project team lead.

- Transforming supply chain operations for a major trans-national for security and efficiency
- Conducting a cyber-security audit for a major listed entity
- Upgrading the procurement process for a quasi-Government entity
- Segmentation and customer strategy for a leading global P and C Insurance company
- IT Infrastructure review for a major infrastructure provider
- Customer strategy for a leading Government transportation agency
- Transformation program support for a leading wealth company
- Unbundled risk and compliance support for a leading superannuation company
- Customer value proposition development for a major financial services firm
- Technology strategy for a leading mortgage bank
- Operating model design and customer experience pathway blueprinting for a leading medical roll-up
- Consumer data right strategy and partner selection for top 10 financial services company
- Transformation strategy for a well know national mutual organization.

For access to all of our projects please go to www.internalconsulting.com.

Happy reading 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**

Cross-Industry Functional Topics

Strategy	07
Fjord Trends 2022 - Accenture	
Sharpen Your Strategy Document - Strategy+Business	
The Keys to Scaling Digital Value - BCG	
Ecosystems, M&A and Integration	09
Fix Them First: Executing Regulation-Driven Separations - McKinsey	
Global M&A Report 2022 - Bain	
What Is Your Business Ecosystem Strategy? - BCG Henderson Institute	
Leadership & Executive Development	11
Why the World Needs Generative Leaders - BCG	
Governance Risk & Compliance	12
From Risk Management to Strategic Resilience - McKinsey	
Financial institutions & Non Financial Risk: How Corporates Build Resilience - McKinsey	
Model Risk Management 2.0 Evolves to Address Continued Uncertainty of Risk-Related Events - McKinsey	
Global Pension & Sovereign Funds Risk Management Survey - KPMG	
Human Capital	14
Gone For Now, or Gone For Good? How to Play the New Talent Game & Win Back Workers - McKinsey	
How AI-Driven Nudges Can Transform an Operation's Performance - McKinsey	
Reimagining HR: Insights From People Leaders - McKinsey	
How Healthy Boundaries Build Trust in the Workplace - Strategy+Business	
The CEO Agenda for an Era of Innovation Without Borders - BCG Henderson Institute	
The \$12 Billion Opportunity in HR Technology - BCG Henderson Institute	
Customer Experience & Marketing	17
Speaking the Five Languages of (Customer) Love - Bain	
Technology	18
AI-driven Operations Forecasting in Data-Light Environments - McKinsey	
Reaching Excellence in Software Procurement - McKinsey	
Operations & Transformation	19
Unleashing the Next Wave of Productivity in Corporate Business Functions - McKinsey	
Innovation & Disruption	20
The Best Way to Lead in Uncertain Times May be to Throw Out the Playbook - Strategy+Business	
When IT Providers Become Your Innovation Partners - BCG	
Cyber Security & Privacy	21
Seven Steps to Help Protect Your ERP System Against Cyberattacks - McKinsey	
Cybersecurity Trends: Looking Over the Horizon - McKinsey	
Ransomware Prevention: How Organizations Can Fight Back - McKinsey	
Cyber Threat Intelligence Report - Accenture	
Programme Delivery	23
Why Your Agile Coaching Isn't Working: & How to Fix It - BCG	

Industry-Specific Topics

Macro Financial Services	25
Economic Conditions Outlook, March 2022 - McKinsey	
Corporate & Investment Banking	26
Delivering on the Promise of Value Creation - KPMG	
Wealth & Advice and Investment and Fund Management	28
The Future of Wealth Management: KPMG Connected Enterprise - KPMG	
Local Government & Health	29
Shared Services Can Ignite Transformation in Government - BCG	
An Aging-in-Place Strategy for the Next Generation - BCG	
Monitoring Patient Health from Hospital to Home - BCG	

Special Feature | Contributors | About ICG

The Best Insights from the Past 12 Months	31
<i>The Insights Review Team</i>	38



The ICG logo consists of the letters 'ICG' in a bold, white, sans-serif font, centered within a dark blue rectangular box. The background of the entire page is a grayscale photograph of a city street with tall buildings on either side, viewed from a low angle looking down the street.

ICG

Cross-Industry Functional Topics

In this Section:

Strategy | Ecosystems, M&A and Integration
Leadership & Executive Development | Governance Risk & Compliance
Human Capital | Customer Experience & Marketing | Technology
Operations & Transformation | Innovation & Disruption
Cyber Security & Privacy | Programme Delivery



Cross-Industry Functional Topics

Strategy

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

“Fjord Trends 2022” - Accenture

[VIEW PDF \(73 PAGES\)](#)

This article is an annual meta trends report from Accenture’s two top thinkers. It takes a more philosophical approach than the more mechanical laundry lists offered by competitors. This makes for inspired reading. It is well packaged in short and long form with clear ‘what to think’, ‘what to communicate’ and ‘what to do next’ messages for each trend – and even a comprehensive bibliography. What more could you ask for in your weekend reading? **DM**



“Sharpen Your Strategy Document” - Strategy+Business

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

This article is a short insight from a boutique owner that contains the two simple messages for how to improve your strategy documents:

1. Focus only on what is changing and delete any references to continued activity.
2. Focus strategy reports on the outcomes you wish to achieve, and the levers you will pull, and the measures you will observe to report progress.

The second is similar to Richard Rumelt’s classic *Good Strategy/Bad Strategy*. There is nothing in the insight that isn’t in this review. **DM**





Cross-Industry Functional Topics

Strategy

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

“The Keys to Scaling Digital Value” - BCG

[VIEW PDF \(28 PAGES\)](#)

This is the usual call to action: digitization agenda backed with survey-only data on relative performance outcomes from various digitization approaches. However, this insight lifts itself above the pack with useful and specific how-to and benchmarking data on the likely performance range of specific revenue and cost levers.

See especially Exhibits 2, 3 and 10 from this useful and revealing digitization overview insight. It is an essential triangulation point for those executives and internal consultants progressing digitization agendas. **DM** 



Cross-Industry Functional Topics

Ecosystems, M&A and Integration

Review by: Michael Roch | ICG Global Practice Leader | [Contact](#)

“Fix Them First: Executing Regulation-Driven Separations” – McKinsey

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

McKinsey provides succinct advice on issues to look out for when selling businesses for antitrust reasons. A quick read for those involved in one of these. **MR**

“Global M&A Report 2022” – Bain

[VIEW PDF \(144 PAGES\)](#)

This reviewer usually is no fan of M&A reports because they tend to be myopic (M&A is a long-term game, and the focus of most reports is just a quarter or a year). Yet this report is different. Bain does a nice job of summarizing five hot topics that matter in M&A today (with which we happen to agree). Our only niggle is that the authors reinforce a persistent – yet misguided – mindset that JVs and alliances are ‘just alternative deal types’ and thus quite similar to M&A. Those of us involved not only in negotiating partnerships that last ten years or longer (e.g. life sciences alliances) but also in making them work and reforming them along the way, have the scars to prove the point that an alliance negotiated in the same way as an acquisition has a much higher failure rate than an alliance negotiated as an alliance. But all in all, if you’re going to read any M&A review, we suggest you read this one. **MR**

“What Is Your Business Ecosystem Strategy?” - BCG Henderson Institute

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

BCG provides a sound eight-part framework for designing an ecosystem strategy including practical examples along the way. Yet as any ecosystem participant knows, the devil is in the execution and less so in the planning. For example, the section on ecosystem monetization explains the various ways in which a platform orchestrator can extract fees yet fails to mention that ecosystem access fees by dominant tech ecosystems have decreased to the low single digits - compared to the healthy 10%-15% they have charged initially - an indication that even ecosystem business models are maturing rapidly. Yet all in all, a worthwhile read that breaks down the main issues in a highly readable way. **MR** 



Cross-Industry Functional Topics

Leadership & Executive Development

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

“Why the World Needs Generative Leaders” – BCG

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

This article is a consensus view of the context and the accountabilities generative leadership implies is gleaned from an analysis of sustainability principles. A massive study of 9,000 employees by BCG revealed that leaders did rise to the occasion during the pandemic and continued to deliver on their commitment to environmental, social, and governance (ESG) concerns while keeping their focus on financial performance. The head, heart, and hand as the primary elements for leadership are working together in balance to create better futures and attract talent. A good reading for building a needed leadership capability. **WA**



ICG Leadership provides programs to support leaders in cultivating global leadership practices and ideas.



Cross-Industry Functional Topics

Governance Risk & Compliance

Review by: Alan Hui | ICG Practice Leader: Governance, Risk & Compliance | [Contact](#)

“From Risk Management to Strategic Resilience” - McKinsey

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

This article is based on the Federation of European Risk Management Association’s (FERMA) survey about the pandemic’s impact on corporate resilience. Learning from the past is critical to developing a sustainable and agile business and organization. From this reviewer’s perspective, the observations or conclusions derived by McKinsey from the survey are sound and framed in strategic architecture emblematic of the McKinsey way: business model/strategic, financial, operational, technological, organizational, and reputational. This reviewer was looking for a deeper understanding, or insights, that did not emerge from this article - likely due to the scope of the survey. The actual survey is something for risk managers to study, and may be useful in contributing to their agenda, planning and investment activities. **AH**



“Financial institutions & Non Financial Risk: How Corporates Build Resilience” - McKinsey

[VIEW PDF \(10 PAGES\)](#)

The key idea is that banks could learn from non-banks (‘corporates’) how to better manage non-financial risks and build a notion of resilience. They observe banks’ emphasis on the second line of defense (i.e. the bank’s risk function) would be better placed in building first line risk and resilience capability. This reviewer fully endorses this, noting this has been the trend in the last 5-10 years. There is still a long way to go for the banking industry to build the kind of non-financial risk resilience and culture that you might see in industrial companies whose business models cannot rely on strong financial risk management - and also have been at it for generations. **AH**





Cross-Industry Functional Topics

Governance Risk & Compliance

Review by: Alan Hui | ICG Practice Leader: Governance, Risk & Compliance | [Contact](#)

“Model Risk Management 2.0 Evolves to Address Continued Uncertainty of Risk-Related Events” - McKinsey

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

From McKinsey’s latest MRM survey and Model Risk Management roundtable discussions, this article highlights three transformations:

1. Focus on efficiency, digitization, and automation of the model life cycle;
2. Expansion of the scope of MRM into new areas, including climate, cyber, sales and marketing, human resources and;
3. Focus on de-risking and maximizing the potential of artificial intelligence and big data.

This article is one for the MRM teams to compare with their own plans going forward for model risk management. **AH**



“Global Pension & Sovereign Funds Risk Management Survey” - KPMG

[VIEW PDF \(26 PAGES\)](#)

KPMG presents the results of their 2021 survey of the state of risk management in global pension funds. Measured and assessed against a traditional enterprise risk management framework, this survey paints a picture of an industry that has in place the formalities of enterprise risk management. However, it illustrates a low level of maturity in non-financial risk management areas such as operational, ESG, strategic and talent/people management. For those who did not participate in the survey, this may be useful as a benchmarking assessment tool for your organization: to confirm or challenge your priorities relative to the survey participants. **AH**





Cross-Industry Functional Topics
Human Capital

Review by: Greg Barnier | ICG Practice Leader Human Capital | [Contact](#)

“Gone For Now, or Gone For Good? How to Play the New Talent Game & Win Back Workers” – McKinsey

VIEW PDF (9 PAGES)

An interesting article from the McKinsey team relating to what many term ‘The Great Resignation’ where, as the authors have identified, people are leaving ‘because they can, because they are upset and because they are exhausted’. This recent wave of attrition is different, and the authors provide some very useful insights on the reasons for leaving, why some are returning, and how to keep them. CHROs and CEOs should examine this one. **GB**



“How AI-Driven Nudges Can Transform an Operation’s Performance” – McKinsey

VIEW PDF (6 PAGES)

In this article the application of behavioral insights or ‘nudge theory’ (as used in many customer interactions) is explored with the introduction of the ‘AI Coach’ to identify specific strengths and weaknesses in an employee’s performance. The article explores some initial work attempting to deliver personalized individual coaching at scale to organizations using AI. Examples are discussed, with the results achieved. There is some new thinking here which encourages further exploration as to future approaches in performance development. **GB**





Cross-Industry Functional Topics

Human Capital

Review by: Greg Barnier | ICG Practice Leader Human Capital | [Contact](#)

ARTICLE OF THE MONTH

“Reimagining HR: Insights From People Leaders” – McKinsey

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

A great article for CEOs and CHROs who, given the challenging business environment, are exploring the development of the HR operating model. The authors offer data on CHROs shifting priorities and how to pivot to a new operating model, which is about moving from support to leadership. Good graphics allow the reader to grasp the key points quickly. **GB**



“How Healthy Boundaries Build Trust in the Workplace” – Strategy+Business

[VIEW PDF \(4 PAGES\)](#)

In keeping with the theme of recent workplace issues experienced during the pandemic, this article explores the need for individuals to set clear personal boundaries to prevent burn out and underperformance. The authors explore the three key steps to better boundary management and explore the Boundaries Signal scale as a simple tool to raise self awareness around the issue. CHROs and CEOs who are focused on employee wellbeing and sustainable business performance would benefit from the insights of this article, while exploring how they may role model better boundary setting for their people. **GB**





Cross-Industry Functional Topics

Human Capital

Review by: Greg Barnier | ICG Practice Leader Human Capital | [Contact](#)

“The CEO Agenda for an Era of Innovation Without Borders” - BCG Henderson Institute

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

This article is the second part of a series exploring the innovative potential arising from the global movement of skilled workers. This reviewer did not find this an easy read, although the graphics were very useful. The authors describe four plays that shape the CEO agenda: talent, ecosystem, innovation and purpose. It is worth noting that these four plays work equally in the development of an organizational people plan, and not just the global movement of skilled workers. **GB**



“The \$12 Billion Opportunity in HR Technology” - BCG Henderson Institute

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

This article explores the rapid – and somewhat confusing – expansion of HR or Human Capital Management systems (HCM). It provides a concise summary of the types of technology available and the customer desire for enterprise integrated solutions for talent management. BCG has broken down the talent management value chain into six steps and this is an insightful analysis. A useful read for CEOs, CHROs and talent managers who are exploring HCMs in their approach to talent management. **GB lr**



“Speaking the Five Languages of (Customer) Love” - Bain

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

Although published to coincide with Valentine’s Day, this short article from Bain on ‘Customer Love’ is worth the read at any time of the year, as a reminder of the ways in which organizations can deliver success through a focus on their customers and the experience they provide to those customers.

The pretext of the article is marriage counselor Gary Chapman’s celebrated book *The Five Love Languages*, which was published in 1992. However, the inspiration for basing an article on customer experience around this concept is more due to this year’s publication of Fred Reicheld’s new book *Winning on Purpose: The Unbeatable Strategy of Loving Customers*. Fred, the architect of the celebrated Net Promoter System and the NPS score (adopted by many organizations as the leading customer experience metric) argues very simply that companies who treat their customers with love outperform their competitors and also boast ‘happier’ employees.

The article takes each ‘Love Language’ (Words of Affirmation, Quality Time, Acts of Service, Gifts, Touch) and provides clarity around how they apply to customer experience, using everyday customer examples/case studies to illustrate their effectiveness. **JM** 





Cross-Industry Functional Topics Technology

Review by: Rob Jenkins | ICG Subject Matter Expert | [Contact](#)

“AI-driven Operations Forecasting in Data-Light Environments” – McKinsey

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

There is no ‘Intelligence’ in AI. This McKinsey article encourages you to give AI a go in an operational context, even when data is thin on the ground. The authors correctly suggest it’s a matter of building specific and actionable strategies to apply these models even in data-light environments. A predominant characteristic of ‘operations’ is forecasting capacity management. Companies should use the following techniques, individually or in combination, to create reliable outputs in data-light environments:

1. **Identify the most appropriate** AI algorithm by using machine-learning (ML) models to test and validate multiple models to find the optimal choice.
2. **Leverage data-smoothing and augmentation techniques** to iron-out anomalies.
3. **Prepare for prediction uncertainties.** Scenario-planning tools can help when forecasting models do not achieve satisfactory accuracy or when only minimal historical data are available.
4. **Incorporate data APIs** when external data sources are necessary to inform the forecast values.

The need for accurate forecasting in operations is here to stay. By leveraging AI techniques that are suitable for data-light environments, companies can improve their operations significantly. **RJ**



“Reaching Excellence in Software Procurement” – McKinsey

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

All non-passive hardware technology needs software. Some of the largest hardware suppliers globally are in fact some of the largest software providers as a consequence. Whether it is a user interface or configuration management, there is software being used. As software becomes more ingrained, more pervasive and widespread the need to improve software procurement skills increases exponentially. This McKinsey article identifies the most significant factors contributing to software-procurement excellence.

The authors run a survey to identify the best practices leading to software-procurement excellence. The survey assessed 150 significant companies across three main areas of software-procurement excellence:

1. **Process:** how buying bespoke software is managed.
2. **Organization:** which departments do what in the software-procurement process.
3. **Capabilities:** what skills and tools are used in the software-procurement process.

Top performers demonstrated a multidisciplinary, holistic approach that applies best-in-class behaviors across most dimensions. These organizations demonstrate distinctive skills in the following areas: internal collaboration, use of data and cost-modeling tools, empowerment of procurement teams, and understanding of software architectures and market conditions. **RJ**





Cross-Industry Functional Topics

Operations & Transformation

Reviews by: John LaVacca | ICG Global Practice Leader Operations & Transformation | [Contact](#)

“Unleashing the Next Wave of Productivity in Corporate Business Functions” – McKinsey

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

This McKinsey article makes a case for organizations to better leverage their digital platform transformations to substantially improve business performance. It highlights the current threat of cost escalation as a key driver to improve ROIs on major technology programs.

The article presents McKinsey’s Value Model approach for end-to-end transformations with a focus on SG&A functions. They challenge businesses to move SG&A from a ‘cost of doing business’ to a key enabler to improving EBIT by two to five percentage points. The approach is supported by case studies.

It is timely advice given the cost pressures, supply chain disruptions and shifts in customer expectations businesses encounter today. Cost management is growing more important and business can no longer leave money on the table that could have been eliminated through technology upgrades. The overall message is important, but it falls short of its claim to a ‘how to guide’ to maximizing the ROI of enterprise platforms and there is little new in approach presented.

This article may be of interest to those responsible for improving business performance and can serve as a prompt to improve technology program planning and execution. **JL**





Cross-Industry Functional Topics

Innovation & Disruption

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

“The Best Way to Lead in Uncertain Times May be to Throw Out the Playbook” - Strategy+Business

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

This article recaps a biology-inspired management idea from the 90s, ‘sense, respond, adapt’, for how organizations can better cope with unexpected events and changes in their environment - rather than reflexively doing what they would normally do. The framework is used to analyze how organizations coped with the pandemic. While this is valid, it doesn’t really provide any new insights. The idea just seems like common sense. The hard part is how to create this capability in hierarchical corporations. **RD**



“When IT Providers Become Your Innovation Partners” - BCG

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

This article is a thoughtful survey of the ways in which large companies work with their IT suppliers, to get innovation from them in addition to outsourcing for efficiency. The authors invoke the much hyped ‘ecosystem strategy’ label, but justifiably in this case. The interesting finding is the relationship between the mix of IT suppliers (multi-service versus specialists) and how well the ecosystem works for its sponsor. Lots of specialists is good, but too many multi-service suppliers creates problems, probably because multi-service suppliers are more likely to be in competition with each other than are specialists. A finding that is entirely in line with the ecosystem metaphor. **RD lr**





Cross-Industry Functional Topics

Cyber Security & Privacy

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

“Seven Steps to Help Protect Your ERP System Against Cyberattacks” - McKinsey

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

If only it was this easy! Aside from the ongoing issues of underinvestment in aging Enterprise Resource Planning (ERP), most CISOs faced with the daunting challenge of securing their ERP systems often give up and focus on other more worthy endeavors. This article gives some interesting insights about securing ERP systems, but in the end, the basics must be done first: fix missing software updates and weak ERP authentication; understand web application-specific vulnerabilities and deal with open network shares; and incident response planning. Given the rising threat environment, CISOs must first secure their vulnerable Microsoft environment. And above all: get some competent ERP security people on-board!. **MT**



“Cybersecurity Trends: Looking Over the Horizon” - McKinsey

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

This article asks us to put our future vision goggles on and is for those companies that have taken care of the basics and are looking to improve and plan for the future. As you read about the future being shaped by digital disruption, one has to wonder how do we also not create a giant mound of antiquated technology that ends up obsolete and insecure, yet the organization depends on it? The trends highlighted are thoughtful and techniques suggested are good ones, yet they are out of reach for many organizations, stretched by their vast estates of disparate technologies and not enough invested to stay current. **MT**





Cross-Industry Functional Topics

Cyber Security & Privacy

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

“Ransomware Prevention: How Organizations Can Fight Back” - McKinsey

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

This article is a good read for people not familiar with the issues around dealing with ransomware - although after almost 30 years of ransomware attacks, one would hope most organizations are across the issue and have some preparations. Sadly, we have not achieved the needed levels of organizational resilience, with executives and boards penny-pinching and risk-discounting their way to catastrophe. Since the Russian attack on Ukraine, most ‘Five Eyes’ countries have been shouting from the rooftops that ransomware is coming, so be prepared! If the basics were covered in this article, organizations would likely go a long way in reducing their risks. Regrettably, the author further enables executive penny-pinching and risk discounting by suggesting that victims could pay ransom. Should they be in the unenviable position that they have to do that, they should resign. If they do pay and they don’t have to, they should be fired. **MT**



“Cyber Threat Intelligence Report” - Accenture

[VIEW PDF \(27 PAGES\)](#)

This article is very much aimed at the CISO and a more technical audience. Based on their extensive experience in incident response engagements and from intelligence gained from operating security operations centers for clients, they deliver practical insights on client impacts and the underlying market for cyber crime services. Each of the key trends comes with practical and focused advice. The key messages are also suitable for cyber security risk committees and boards who want to do a deeper dive into what is going on across industries. **MT**





Cross-Industry Functional Topics Programme Delivery

Review by: Raana Walker | ICG Subject Matter Expert | [Contact](#)

“Why Your Agile Coaching Isn’t Working: & How to Fix It” – BCG

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

Almost half of all agile transformations fail – not due to problems scaling agile coaching – but due to poor leadership. One of the biggest issues being, a waterfall approach continues to be taken to leadership and decision making, rather than empowerment of the scrum or agile team.

Studies show that where decision latency is less than an hour, the success rate is independent of the process, however when the average decision time is over five hours, the success rate falls by almost 70%. The cost of waiting days or weeks for decisions because decision making has not evolved in agile transformations can be terminal for organizations.

Enterprise Agility for Dummies points out 10 reasons for failure – all of them directly related to poor leadership. MIT Sloan Business Review showed that 67% of agile transformation failures are terminal, companies go broke or are acquired.

This article’s premise that failure can be traced to problems scaling agile coaching seems misguided and misses the elephant in the room. **RW**



The ICG logo consists of the letters 'ICG' in a bold, white, sans-serif font, centered within a dark blue rectangular box. The background of the entire page is a grayscale photograph of a city street with tall buildings on either side, viewed from a low angle looking up.

ICG

Industry-Specific Topics

In this Section:

**Macro Financial Services | Corporate & Investment Banking
Wealth & Advice and Investment and Fund Management
Local Government & Health**



Industry-Specific Topics

Macro Financial Services

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

“Economic Conditions Outlook, March 2022” – McKinsey

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

This is a short (and now dated) insight indicating that global instability has overtaken the pandemic as the biggest concern for executives. It also indicates a sharp decline in confidence – so for those that didn’t pick up on these trends, it is a wake up call for ignoring metadata like this earlier in the decline cycle. **DM** 





Industry-Specific Topics

Corporate & Investment Banking

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

“Delivering on the Promise of Value Creation” - KPMG

[VIEW PDF \(27 PAGES\)](#)

This article is a notable survey-based report from KPMG, which leans less on survey results replay and much more on trend/theme identification and ‘so what’ insights, culminating in nine discrete principles to deliver on the promised value creation embedded in private equity portfolio investments.

A recommended read for PE GPs – the report packs a lot into the 27 (slide style) pages, but KPMG adds more in the form of an accompanying on-demand video webinar that is very professionally done. Kudos! **ABV |r**





SHARE YOUR INSIGHTS

You are invited to forward your copy of *The Insights Review (TIR)* to your colleagues and friends, allowing them to access the same level of quality reviews that save you time each month - whilst also keeping you abreast of the latest thinking from the global management consulting industry.

Not already subscribed?

SUBSCRIBE FREE ▶

ICG



Industry-Specific Topics

Wealth & Advice and Investment and Fund Management

Reviews by: Barry Johnston | ICG Practice Leader Wealth Management & Superannuation | [Contact](#)

“The Future of Wealth Management: KPMG Connected Enterprise” - KPMG

[VIEW PDF \(47 PAGES\)](#)

Ready or not, the Covid pandemic has thrust the wealth management industry headlong into the future state of online digital engagement. In this world KPMG cites three primary business models as the future of advice. Each model is discussed from a regional perspective, brought to life through the primary drivers of change in that region and the critical capabilities for success. Skip to page 42 for an insightful table of ‘connected capability’ requirements for each model. Worthwhile reading for C-suite executives, as well as heads of technology, strategy, and operations. **BJ** **lr**





Industry-Specific Topics

Local Government & Health

Reviews by: Paul Norris | ICG Subject Matter Expert | [Contact](#)

“Shared Services Can Ignite Transformation in Government” – BCG

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

This article is an analysis of the benefits and obstacles to achieve effective shared service within the public sector. Although written from a US perspective, many of the points raised have more universal relevance.

The authors recognize that shared service provision requires a long term strategic mindset that might not pay off within the period of a single elected administration, therefore increasing the political risk. However, the benefits to effective shared services, properly managed, are considerable. The article discusses three characteristics of successful service transformation programs, borrowing extensively from those followed within the private sector.

These are:

- They adopted common standards,
- They offered meaningful incentives for both providing and adopting shared services,
- The held shared service providers accountable for service quality in order to help minimize the risk.

The article is concise and to the point, and is a worthwhile read for decision makers in all local authorities. **PN**



“An Aging-in-Place Strategy for the Next Generation” – BCG

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

On the basis that ‘The overwhelming majority of elderly people prefer to remain in their existing home rather than move to a senior residence’ the article explores the ways in which this can be accomplished. Advances in digital technology combined with new business models in healthcare are considered in depth. The issue is becoming increasingly important as the elderly population continues to grow.

As a detailed and considered argument for aging in place, this article is useful for all providers of care for the elderly and other, senior decision makers. **PN**





Industry-Specific Topics

Local Government & Health

Reviews by: Paul Norris | ICG Subject Matter Expert | [Contact](#)

“Monitoring Patient Health from Hospital to Home” - BCG

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

This article explores the technology employed within the healthcare system to monitor and track patients’ health information through their journey through the various clinical settings and post-hospital care. The authors suggest that this technology is long overdue for an upgrade as the range of incompatible apps and devices causes information gaps, inefficiencies and sub-optimal care.

COVID-19 has compounded the challenge. Smarter solutions are called for and this article calls on medtech companies and investors to consider solutions for the future monitoring of patients’ end to end healthcare experience. **PN lr**



REVIEWS OF THE WORLD'S LEADING INSIGHTS

ICG

THE INSIGHTS REVIEW

© Internal Consulting Group Pty Ltd 2022

ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS



ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

2022 EDITION 1

NOVEMBER 2021

“The CEO Agenda in 2022: Harnessing the Potential of Growth Jolts” – McKinsey

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

As the world economy starts recovering and organizations seek growth trails to the future, leaders need to capture the opportunity for growth amidst discontinuities and uncertainties. This article from McKinsey highlights the growth mindset concept as the leader’s best friend in the new norm.

The pandemic forced technology to change work culture and enabled new work models – but we are not out of the woods yet, considering the economic, energy, supply chain and geopolitical challenges we face. Careful attention to improving current business and creating new ones is an excellent example of the growth mindset. Finally, leaders need to apply a growth mindset to their midterm strategies to enable further growth.

The article focuses on growth mindset in short-, medium-, and long-term planning and provides some excitement towards the future.

“Putting Carbon Markets to Work on the Path to Net Zero” – McKinsey

[VIEW PDF \(84 PAGES\)](#)

Of the five or six big ticket items to emerge from COP26 in Glasgow, none was more important than the debate around carbon. A thorough understanding of the role of compliance and voluntary global carbon markets is, therefore, a sine qua non for governments, institutions and corporations when planning a net zero emissions pathway.

This paper by McKinsey helps to demystify the carbon markets topic and is worth scanning for that purpose alone. The authors highlight the hidden potential in the voluntary markets and recommend three ways in which VCMs can be leveraged by investors in the fight against climate change: the allocation of more venture capital to stimulate the supply of innovative climate solutions, support for high standards of market integrity and governance, and use of their influence to force corporate disclosures around CO₂e performance and their net zero carbon plans. **TH**

ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

OCTOBER 2021

“‘Great Attrition’ or ‘Great Attraction’? The Choice is Yours” – McKinsey

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

A very well written article from the team at McKinsey regarding the current trend we are seeing in all of the locations in which we operate: “The Great Resignation”. I strongly urge CEOs, CHROs, CROs and Board Directors to take the time to read this one.

McKinsey have identified that at least 40% of employees said that they are at least ‘somewhat likely’ to quit in the next 3 to 6 months. This finding by McKinsey has been widely reported of late. The authors propose that organizations need to understand why rather than jump to knee jerk reactions and initiatives to respond. The authors report that the trend may not be short term and those currently not considering the great resignation may also be at risk.

The exhibits in this article allow the reader to quickly understand the survey responses that support the insights identified by the authors. Exhibit 5 discloses the disconnect that employers have with the issues reported as important to the workforce. Suggestions are provided as to questions organizations should be exploring in order to understand and respond. Thought provoking, evidence based, and strongly recommended for reading! **GB**

SEPTEMBER 2021

“BCG’s Get Ready for the Future of Money” – BCG

[VIEW WEB PAGE](#)

This report provides a strategist’s approach to the opportunity presented by the digital currency technologies. Some good framing paradigms around social impact, design considerations and suggestions to experiment to design an ecosystem that your firm can grow with. BCG presents a view that critical mass in digital currencies will take another five years. They put forward their view that the first mover advantage will be difficult for others to overcome. Given the open architecture, relatively low cost of the technology, and increasing capabilities being developed, this may not be the most probable case. **AH**

ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

AUGUST 2021

“Real-World Supply Chain Resilience” – BCG

[VIEW PDF \(14 PAGES\)](#)

The authors have created a compelling description of the need for resilient supply chains, having seen the pandemic highlight the downside of focusing on lowest cost and lean over the past two decades. Overlay on top of this the inherent complexity of product offerings and a reliance on a limited number of suppliers in a low cost labor country, and there is an argument that this was an accident waiting to happen.

The six pillars of supply chain resilience are a practical guide to rethinking your supply chain strategy, especially the redesigning of global supply chain networks and setting new parameters for supply chain parameters. ICG argues that there are two additional challenges that must be addressed to achieve a truly resilient supply chain.

The first is the over-reliance on technology and algorithms to manage the supply chain at the expense of critical thinking. Supply chain leaders must reset this balance to ensure they and their teams really understand what is happening in their supply chains and what short term actions are needed to address supply and demand imbalances.

Secondly, supply chain planning as a critical business capability needs to be reestablished. This is where supply chains are configured to meet the demand needs of customers both strategically and tactically including where to invest in resiliency in the form of inventory, supply capacity, and supply network based on customer service and financial objectives.

This topic of supply chain resiliency is likely to remain an executive and board of directors topic for the foreseeable future. This article is an excellent read for both audiences.

JULY 2021

“Supercharging IT Delivery” – Kearney

[VIEW PDF \(14 PAGES\)](#)

A well constructed and insightful article is dealing with the problems facing IT departments managing change within legacy environments. The advent of the cloud has further enabled platform plays that allow new businesses to leapfrog the issues of legacy environments. Coupled with new development approaches such as agile, the old world’s metabolic rate for change is far slower than the new. A two speed IT management market that has ripple effects on market agility.

The article leverages the experience of veterans to distill some interesting insights. A few areas, however, remain unexplored. Enterprise architecture in a platform world is still relevant and can be used effectively to navigate overlaps between platforms and integration issues. Enterprise data is now vital and needs to be managed effectively. Secondly, agile methods often take time to get productive, so organizations need to accept a learning curve that may take a while to embed new approaches and philosophies. In the interim, there will be some turbulence. This is where external parties can help play the role of catalyst and respond at pace when needed.

The article is an excellent review of the challenges facing the world of system development and provides some compelling graphics of platform plays.

ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

JUNE 2021

“World FinTech Report 2021” – Capgemini

[VIEW PDF \(44 PAGES\)](#)

This is a very good and differentiated report from Capgemini. Several big consulting firms regularly issue reports on the state of play in the game of fintechs and challenger banks versus the incumbent institutions. We review all of them. These reports are usually based on extensive surveys and present thoughtful commentary on the changes and trends since last time, and their consequences. While this report from Capgemini also stands on large survey data, it's differentiated by its discussion in terms of ideas and strategy frameworks, both for the challengers and the incumbents. It reads like a handbook for thinking about contemporary strategies and business models in financial services, illustrated with case studies and interviews with protagonists. Also refreshing is the way Capgemini takes a back seat and lets a diverse range of the industry players talk. It's not until the last page that you get to the advertisement for Capgemini experts and offices around the world. Worth reading.

MAY 2021

“Everyone is Within Learning Distance: Building Skills Remotely” – McKinsey

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

A must-read for all leaders with an interest in the future of work. Key McKinsey SMEs examine building skills to succeed for the new remote workplace. With learning more focused on virtual and remote delivery it argues for learning in the new world via practice and application, reinforcement and spacing, intensive and immersive experiences, social learning and collaboration, and motivation and mindsets. In doing so, this will challenge traditional approaches. This suggests that the above learning can only happen successfully when conducted in person, as it is hard to recreate this environment on a virtual basis. The article examines how this perceived barrier can be overcome.

ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

APRIL 2021

“What Companies are Disclosing About Cybersecurity Risk & Oversight in 2020” - EY

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

Published by the EY Center for Board Matters in late 2020, this excellent summary of 100 company disclosures is a must for any board member or CEO wanting an overview of what others are doing to drive better risk governance for cyber security. Although there are some very encouraging signs that organizations are realizing the existential threat and the impacts on individuals or privacy breaches and outages caused by cyber attacks, this paper reveals much needs to be done. Major gaps include expertise on boards, expertise at executive level, lack of independent advice, and worse yet, no test plans. This reviewer spent the last year assisting a client with responding and recovering from a major cyber incident, and can assure you boards and executives must fully grasp the risk they are governing, or suffer the serious impacts on individuals and the bottom line.

MARCH 2021

“When Molehills Are Worse Than Mountains” - Strategy&

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

This article seeks to highlight the serious impact of multiple small service failings vs. the large service problems that are usually picked up in customer feedback. The research shows that multiple ‘microfailures’ can be a bigger driver of customer churn than larger service breaches that actually stop the core service being delivered. This is because ‘microfailures’ (e.g. a glitchy entertainment system, uncomfortable temperature, or a seat that won’t fully recline on a plane) often result in the customer feeling reluctant to complain as this could be seen as ‘making a fuss’ and/ or would not result in any positive change/ outcome for them. Conversely, when a significant service failing occurs (e.g. lost luggage or being bumped off a flight) customers typically complain providing an opportunity for the service provider to demonstrate empathy, show remorse, and rectify the situation. These ‘moments of truth’ also allow the brand to both form a lasting positive impact with the customer and systemically improve service. There are more layers to the consumer behavior explained in this article, which is worth a read.

ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS

FEBRUARY 2021

“From Survive to Thrive: The Future of Work in a Post-Pandemic World” - Deloitte

[VIEW PDF \(10 PAGES\)](#)

This article from Deloitte is a highly recommended read for CEOs and CHROs this month. There is a detailed analysis of the faults in job design today as we consider the future of work. The authors posit that organizations are adopting technology solutions without considering human capabilities in relation to the work design. Examples of how some organizations are humanizing work are provided, together with suggested approaches as to how organizations can create an environment to optimize human potential in today's technology-driven world. Leaders are required to set the enterprise mindset, recognize that the biggest motivator for humans is work itself, and re-orientate from past performance to future potential. For each point as to what needs to change, there are useful suggestions as to how to get started. Make an investment of your time to read this one.

DECEMBER 2020 - JANUARY 2021

“A Strategic Approach to On-Demand Talent” - BCG | HBS

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

We couldn't resist including this great insight from our dear friends at BCG who now also recommend the use of online talent platforms such as ICG. Their argument is you cannot maximize organization outcomes without fully embracing on-demand talent platforms as part of your culture, policy and processes, and approach to projects. A must-read for anyone wanting to optimize their role in the agile enterprise - and an obvious choice for our *Article of the Month* as it talks so precisely to the ICG business model!



The Insights Review Team

Candidate insights are compiled by an expert team of researchers. Reviews are written by partner-level subject matter experts from our industry and functional practices.

CHIEF REVIEWER

David Moloney

ICG Global Practice Leader
Financial Services

EDITOR

Matthew Wilson

INSIGHT REVIEWERS

The Insights Review draws its insight reviewers from over 4,500 of the most senior professional consultants around the world.

Key contributors this month include:

Andrew Boyes-Varley

ICG Financial Services
Practice Leader (UK)

Alan Hui

ICG Practice Leader
Governance, Risk & Compliance

Barry Johnston

ICG Practice Leader Wealth
Management & Superannuation

Greg Barnier

ICG Practice Leader Human Capital

John LaVacca

ICG Global Practice Leader
Operations & Transformation

Jonathan Mindell

CEO, UK & Europe Practice
Leader - Customer Experience

Michael Roch

ICG Global Practice Leader

Mike Trovato

ICG Global Cyber Security &
Privacy Practice Leader

Paul Norris

ICG Subject Matter Expert

Raana Walker

ICG Subject Matter Expert

Richard Dale

ICG Subject Matter Expert

Rob Jenkins

ICG Subject Matter Expert

Dr Wade Azmy

ICG Global Practice Leader



ICG Service Promise

We hope you have found ICG's *The Insights Review* valuable. If any aspect of this publication could be improved, please contact:

FEEDBACK@INTERNALCONSULTING.COM ►

For Further Information

This review is one of many value-added services to help executives, internal project teams and internal consultants improve their effectiveness. For a full range of services, visit:

[ICG WEBSITE](#) ►

DISCLAIMER

ICG has made and will make good faith efforts to ensure that *The Insights Review* is a high quality publication, and a reasonable interpretation of the material it purports to review. However ICG does not warrant completeness or accuracy, and does not warrant that the Subscriber's use of the Report through ICG's provisioning service will be uninterrupted or error-free, or that the results obtained will be useful or will satisfy the user's requirements. ICG does not endorse the reputations or opinions of any third party source represented in the review.

COPYRIGHT NOTICE

While third party materials have been referenced and analyzed in this report, the content of this report represents the original work of ICG's personnel. *The Insights Review* is subject to copyright. ICG is the legal copyright holder. No person may reproduce the review without the explicit written permission of ICG. Use of the copyright material in any other form, and in any medium whatsoever, requires the prior agreement in writing of the copyright holder. The Subscriber is allowed "fair use" of the copyright material for non-commercial, educational, instructional, and scientific purposes by authorized users.



Mission & Vision Statement

Mission: To help professionalize the freelance, boutique and internal consulting industries around the world.

Vision: To be the world's leading supplier of unbundled consulting, project services, capability building and professional association in the management consulting industry.

Confidentiality & Intellectual Property

ICG does not wish to disclose the identity of its clients, nor will it, without their express written authorization.

Our clients include local, regional and global organizations across the private, public and not for profit sectors. Our clients span almost every major industry and sub sector. Client references are available from board members, CEOs, C-suites, executives and middle management who enthusiastically support the model of working with client-selected, experienced affiliates who are dedicated and fit for purpose, rather than the less experienced consultants with fly-in support provided by traditional models.

ICG does not re-use client intellectual property. Our work with clients is solely for their use. Our affiliates can only transfer their expertise and publicly-sourced materials such as Knowledge Area Reviews (KARs), not your benchmarks or confidential business model information.

Through a rapidly expanding global footprint of HUBs, we are uniquely placed to introduce you directly to global best practice case studies, global experts, and directly to your global peers at our non-competing clients.

Further Information or Enquiries:

Internal Consulting Group Pty Ltd

Email enquiries@internalconsulting.com or visit our website at www.internalconsulting.com

VIEW ICG WEBSITE ►



ICG

THE INSIGHTS REVIEW

VISIT ICG WEBSITE ►

VIEW PAST REVIEWS ►

© Internal Consulting Group Pty Ltd 2022

REVIEWS OF THE WORLD'S LEADING INSIGHTS

EDITION 2 | 2022