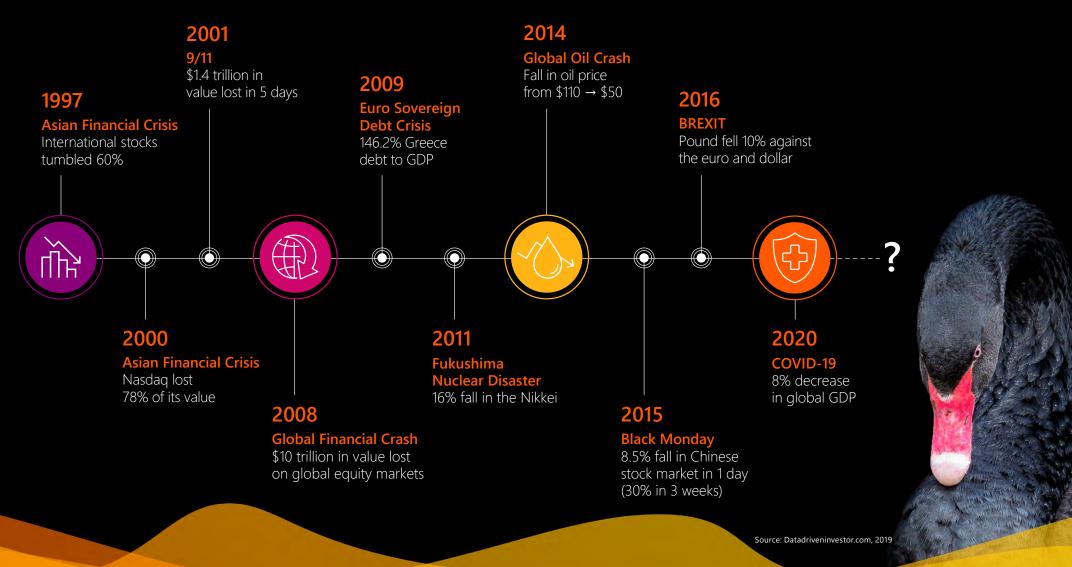


Surviving and thriving in the new normal

Rethink your business resilience and agility with WX

Surviving in a high-risk world

"Black swan" events are becoming higher frequency, higher impact





Yet, a global pandemic wasn't among the most likely or highest impact risks for 2020

The scale and scope of the COVID-19 pandemic has shocked the world. Yet, it didn't make the World Economic Forum's top 10 list of global risks in terms of likelihood that was published last year.

That's all changed. And hybrid virtual has suddenly become the default way to live and work. As a result, issues of safety, privacy and ethics are becoming more prominent, and there has never been a greater need for resilience, confidence and trust.

Top 10 **global risks** in terms of likelihood

- 1. Extreme weather
- 2. Climate action failure
- 3. Natural disaster
- 4. Biodiversity loss
- 5. Human-made environment disasters
- 6. Cyberattacks
- 7. Data theft or fraud
- 8. Water crises
- 9. Global governance failure
- 10. Asset bubbles

• •

27. Infectious diseases

Top 10 **global risks** in terms of likelihood

- 1. Climate action failure
- 2. Weapons of mass destruction
- 3. Biodiversity loss
- 4. Extreme weather
- 5. Water crises
- 6. Information infrastructure breakdown
- 7. Natural disasters
- 8. Cyberattacks
- 9. Infectious diseases
- 10. Human-made environment disasters

Source: World Economic Forum



What we buy, how we live and work has already changed forever

There is cause for optimism – and opportunity. Recent experience has proven that we can learn and adapt fast when we break with convention. Our habits are rapidly reshaping.



who ordered their last grocery shop online, did so for the first time



of employees rated their company's response to COVID-19 as Good or Very Good



of people who never worked from home previously now plan to work from home more often in the future



of people surveyed plan to increase the amount they work from home in the future

Online purchases anticipated to increase from

32% to 37%





Rethink your Workplace Experience – adopt a holistic approach

COVID-19 plus more frequent, high-impact events mean that a step change in organisational resilience and responsiveness is now a must for survival and growth.

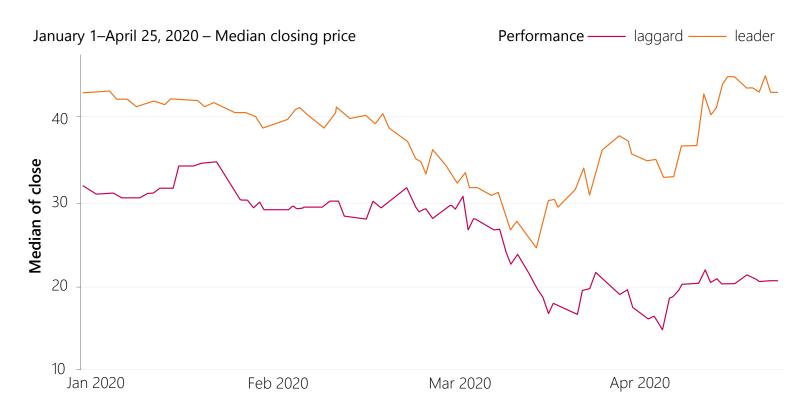
Workplace Experience embraces the entire workplace to drive sustainable value. It combines technology, operations, culture and employee experience in a comprehensive approach focused on cost efficiency, productivity and growth.

And this holistic framework is more important than ever right now. Because, while it may be impossible to predict or prevent "unknown unknowns", it is possible to prepare for them and also ensure you are meeting citizen, stakeholder and regulatory demands.





There are important learnings from the corporate world. Companies in the top 20% of WX scores outperformed their peers during the recent COVID-19 crisis



112.29%

Median Stock Price Difference

Avanade research, 2020



Elastic Digital Workplace

Technology has enabled business continuity – but it will need to deliver more value in the future

Evergreen IT Operating Model



- Do we need to simplify and increase the responsiveness of the IT organisation?
- How are you and the IT organisation contributing to business recovery/growth?
- How do we accelerate value creation?
- How do we focus our service management and contingency plans based on the COVID-19 experience?
- How do we make our technology solutions more agile and responsive to change?
- The pace of change won't slow: How do we manage in a more distributed environment?

Workplace Security



- Is our end-to-end workplace environment secure?
- How do we embed a security culture to reduce risks around hybrid remote working at scale?
- Can our security policies and approaches support the reconfiguration of the business?
- How do we implement **security controls** without limiting productivity?
- Is our **security culture** resilient enough for high-impact events?
- Do our employees have the **necessary** security skills?
- How can we protect privacy while also addressing urgent safety and public health needs?



Workplace Technology Ecosystem

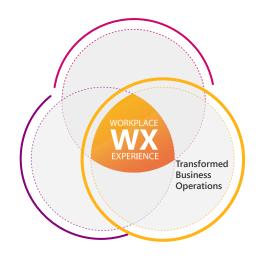


- How do we stabilise, secure and scale our initial emergency technology investments?
- Are our data assets and our core applications available anywhere, anytime, on any device?
- Does our current device strategy support the new normal?
- How do we build affordable resilience into our technology and operations?
- How do we self-fund modernisation of workplace technologies to enable new ways of working and lower the cost of operations?
- Could we harness our citizen developer network to innovate in times of crisis?



Transformed Business Operations

The current crisis has created profound questions around how businesses and government should be reconfigured



Future-Ready Organisation





Reimagined Government



- What "big idea" will reshape our sector and our agency?
- What genuinely meaningful industry and citizen trends have accelerated? How is your organisation adapting?
- Will citizen and program recipient behavior shift?
- Do previous segments still exist?
- Has the value of my agency or program changed?
- How should our way of operating change to improve service delivery, operational effectiveness and resilience?

Work Environment



- How do we reduce costs by rationalising our physical footprint?
- Has the purpose of our physical **locations** changed?
- Do we need more locations more lexibly **dispersed?** Do we own, lease or use flex space?
- How do we help our colleagues build **productive** home working environments?
- How do we seamlessly integrate physical and digital working environments to enable safe hybrid working at scale and improved CX/EX?

- How can we reshape and restructure the organisation and the way work gets done to improve responsiveness and resilience? Should we use agile, issues-based teams, pods and squads?
- How can analytics, automation, augmentation and AI reduce costs and enhance our capabilities?
- How do we build resilience into our strategy and operations? Does our continuity plan need to change?
- How do we adapt our channels, customer service and supply chain to improve responsiveness and resilience?



Reimagined Culture and Employee Experience

Workforces have experienced significant change. They'll need to adapt further to support recovery and growth



Talent and Capabilities



- How do we reconfigure our workforce to align with the future business/workplace experience blueprint and immediate priorities?
- Will these be different from our core employees prior to the pandemic?
- How do we increase the speed of learning as we navigate the uncertainty ahead?
- How can we create greater agility in our workforce – the ability to switch roles as conditions and technology change?

Employee Experience



- **Does EX matter** anymore? If it does, what are the new "moments that matter"?
- What **employee behaviors** need to change?
- How do we preserve and build upon some of our new ways of working?
- What will our workforce of the future value?
 Should our EVP evolve?
- What does **well-being** mean in the future?
- How do you address work/life balance for a hybrid remote workforce?

Culture Leadership and Behaviors



- What elements of our **organisational culture** need to adjust for the new world of work?
- How do I lead, manage and orchestrate work in the future?
- What **leadership characteristics** will we need in the future?
- How do I make change happen on a sustainable basis with a distributed and remote workforce?



Five steps to thrive in the new

COVID-19 has created a universal imperative for governments to take immediateaction to protect the citizens and employees. They must rapidly adjust to new norms, spanning policy, program and service design, channel management, workforce reconfiguration, supply chain adaptation, technology and financial management.

We're entering a time of economic uncertainty. Leaders will need to continuetomaximise programand servicedelivery during the downturn and recovery periods.

Having a clear Workplace Experience (WX)strategy on which to base future decisions is an imperative in the new.





1. Confirm your future service delivery, workplace and employee experience blueprint and roadmap

Problem

COVID-19 has exposed gaps and weaknesses in existing service delivery and workplace strategies – starting with maintaining a level of business continuity.

Even organizations that have thrived during the crisis have faced challenges.

We know that changes to the way citizens and program recipients want to receive services, workforce configuration, supply chains, products and services are likely to persist. We also know that ethics, trust and safety will continue to impact brand reputation.

Now is the time for leaders to rethink the business model and workplace strategy to accelerate recovery and growth beyond the curve.





1. Confirm your future service delivery, workplace and employee experience blueprint and roadmap

What you can do

- Review business strategy and performance during the crisis period.
 Examine critical issues, underlying causes and interim resolutions.
- Confirm your gains and how to protect or further harness these as part of your future business strategy and blueprint.
- Define your return to work plan, balancing safety, demand, pace, feasibility and cost.
- Reconfigure the business strategy
 with emphasis on programs and
 service portfolios, customer care
 and operations, talent agility, a resilient
 core and affordability.

- Use data and insights to refresh your Workplace Experience strategy and roadmap, encompassing future business operating models, workforce journeys and configuration, technology ecosystems and your physical workplace(s).
- Mobilise and reconfigure cross-functional pods to design, test, implement and scale WX solutions, with continual measurement to track value.
- Establish or enhance your WX Center of Excellence to guide your strategy reset, innovation networks, demand prioritisation, portfolio management, experiences, services, governance and value management.





1. Confirm your future service delivery, workplace and employee experience blueprint and roadmap

Learnings from other industries

- A global cleaning products vendor needed to evolve its business model to better serve clients and improve business performance.
- But a lack of data integration restricted insights into performance, practices and behavior, while sales team approaches were outdated, not client-centric and largely paper based.
- We helped to reimagine its business model and, in the eyes of clients, evolve from a product vendor to a trusted food hygiene adviser.
- An integrated data platform provided insights into its clients' compliance with food hygiene regulations and resulted in the ability to predict health inspection results with 90% accuracy.

- Paper-based processes were replaced. With digital devices, sellers were able to improve processes and efficiency, increase data accuracy and provide real-time insights and access to predictive analytics.
- Clients were able to make better buying decisions – improving safety standards and achieving better regulatory compliance outcomes.
- As a result, client trust increased, the sales employee experience improved and the company identified a 27% incremental product revenue opportunity.





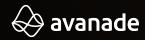
2. Modernise, extend and fully exploit the workplace technology ecosystem to reduce costs, improve business agility, resilience and ROI

Problem

The crisis has put technology strategies, capabilities and performance under pressure as businesses have been rapidly reconfigured to maintain continuity.

IT leaders now need to rethink their strategy for workplace technology to balance future business plans against cost rationalisation.

As the requirement for hybrid remote working accelerates, organizations need to consider how they will deliver a unique Workplace Experience for each employee – whether that's at home, in the field, in the delivery van or back at the office.



2. Modernise, extend and fully exploit the workplace technology ecosystem to reduce costs, improve business agility, resilience and ROI

What you can do

- Optimise your workplace IT strategy and cost base. Complement tactical activities (e.g., strengthening endpoint security) with a plan to accelerate the modernization of cloud-enabled platforms, applications, devices and analytics. Innovative financing can improve affordability.
- Pivot to a living service operating model with an automated approach to device, application and service management. Benefit from security updates, maintenance and new features for core systems. Optimise end-user support and reduce costs while improving the employee experience. Rethink continuity plans to increase resilience.
- Address security with a focus on four pillars: digital identity, information protection, application security and cyber defense. Evaluate your security strategy against core end-user platforms and ensure the ecosystem you implement supports your compliance requirements.
- Standardise wherever possible with a workplace solution that uses proven services, has a track record of R&D and clear connectivity to other workplace technologies. Evaluate the trade-off of new features and functions versus scale and continuity of service.
- Automate your business processes by adopting collaboration platforms (e.g. Teams, Power Platform) and automation/Al tooling to support common workflow processes for your business users, regardless of their location, to maximise efficiency and enhance EX.
- **Explore and adopt** sensors, augmented reality, Al and analytics to enhance physical workplace planning, safety, workforce reconfiguration and business operations.
- Embrace your workforce, build with the end user in mind. Create a WX plan that supports your employees, use analytics to measure the value



2. Modernise, extend and fully exploit the workplace technology ecosystem to reduce costs, improve business agility, resilience and ROI

Learnings from other industries

- Towergate Insurance wanted to transform its Workplace Experience after recognising the opportunity to gain a competitive advantage.
- To unlock the full value from its workplaces, the UK-based firm sought to build a holistic strategy, combining technology, operations, culture and employee experience.
- Working closely with Towergate, we helped it create a cost-efficient, responsive and secure evergreen workplace platform.

- The company is now experiencing improved mobility, productivity, collaboration and security, with its workplace delivering sustainable value.
- Gordon Walters, Group CIO, Towergate Insurance, said: "We've moved to a world where all of our employees are connected. We're better able to serve our customers, and we're able to start looking ahead to what else we need to do to make Towergate the force it should be."





3. Reconfigure how work gets done in a hybrid remote environment to protect programs and service, lower the cost to serve while increasing citizen centricity and agility

Problem

As leaders assess the impact of COVID-19 and what to do next, it's clear that most will need to reduce costs, protect cashflow and reset parts of the business to survive (and then grow).

Programs and services, citizen strategy, channel management, supply chain and financial management are likely to be focus areas.

Overall, leaders will consider whether to make tactical changes (where this is possible) or a transformational change, which delivers significant competitive advantage and better protection against future disruption.



3. Reconfigure how work gets done in a hybrid remote environment to protect programs and service, lower the cost to serve while increasing citizen centricity and agility

What you can do

- Review your operating model in light of program and service changes, new citizen consumption patterns, delivery performance and supply chain responsiveness. There may be opportunities to reduce costs and improve CX/EX.
- Reset your operating model blueprint to:
 - Incorporate and scale the gains from the crisis period
 - Enhance citizen and employee trust and real-time experiences
 - Increase operational responsiveness and resilience

- Evaluate your real estate (re)configuration options
- Make it easier to pivot your permanent and contingent workforces to hybrid remote working
- Fully embrace automation and artificial intelligence, from augmentation and capacity through to contingency and cost reduction perspectives
- Use data-driven insights and cross-functional teams to test, pilot and refine proposed operating model changes.

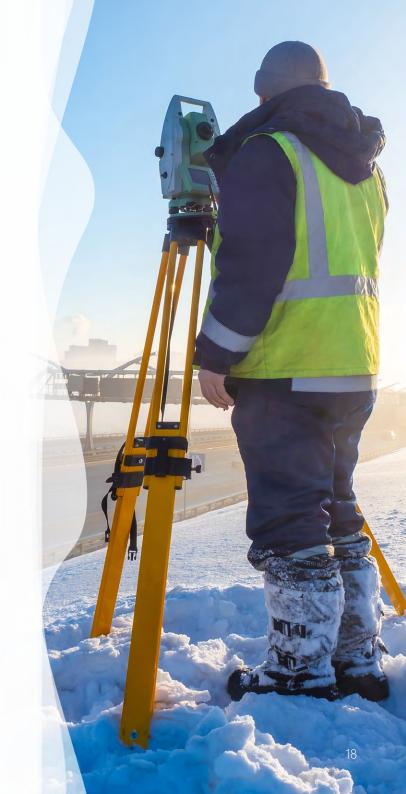




3. Reconfigure how work gets done in a hybrid remote environment to protect programs and service, lower the cost to serve while increasing citizen centricity and agility

Learnings from other industries

- A global insurance company needed to improve its infrastructure risk management as well as its client experience and profitability.
- Together, we reviewed and reimagined the risk assessment operating model – using augmented reality, analytics, automation and artificial intelligence technologies.
- As a result, the company was able to:
 - Reduce the risk assessment and pricing timeframe from three weeks to three days
 - Enable its risk engineers to work remotely
 - Reduce administration costs
 - Simulate risks more accurately, enabling risk premiums to be reduced





4. Adapt the workforce and sourcing configuration to align with new ways of working, talent requirements and cost base

Problem

As organisations determine which lessons they want to carry forward to support growth in the new normal they should consider the longer-term implications – from the way work is done to even the nature of the work itself.

Organisations may need to rethink:

- Where work gets done
- How work gets done
- Who does the work
- How the business should be organised
- Required talent competencies
- The definition of critical workforce segments
- How they retain and maximise the impact of their top talent
- How they get the maximum performance out of the workforce
- What's affordable and how to bridge budget gaps



4. Adapt the workforce and sourcing configuration to align with new ways of working, talent requirements and cost base

What you can do

- Evolve your culture to support changes to your business strategy. Consider which ways of working, rewards and totems facilitate the behaviors required to maximise workforce performance for the future.
- Reconfigure the organisation to deliver against reset strategic objectives. Redesign from the bottom up using a <u>zero-based</u> <u>organisation approach</u>. Identify top talent and deploy them in a flexible way so they're aligned to the work activities that will fuel business.
- Rewire the organization through the implementation of a more agile design, using tribes and chapters. Focus teams on the citizens' and organisation's most-pressing issues and opportunities.

- Rethink the definition of a workforce.
 Your future talent pool may not be
 employees. Consider new talent
 categories comprising contingent workers,
 crowdsourcing and bots for critical
 business processes to reduce your "on
 balance sheet" headcount cost while
 increasing flexibility.
- **Dig deep on productivity** by adjusting business processes and redirecting behaviors to drive the most benefit from workplace technologies for knowledge, factory and front-line workers. Provide learning opportunities to improve individual performance and use data analysis to shape norms.
- Re-evaluate your Employee Value
 Proposition and align it with your values
 and the expectations of your top talent.
 Understand and acknowledge that
 employee priorities have changed.





4. Adapt the workforce and sourcing configuration to align with new ways of working, talent requirements and cost base

Learnings from other industries

- This multinational pharmaceutical corporation wanted to improve its business performance with a particular focus on manufacturing operations and execution.
- We recognised that it had not maximized the value of its technology investments and that there was also an opportunity to improve employee productivity.
- We helped the organisation to rethink manufacturing by redesigning manufacturing processes, leveraging data and fully exploiting the technology it had at its disposal.

- We helped to empower employees by providing connected digital devices, which surfaced operational insights in real time, providing the ability to make decisions at speed.
- The Digital Operations Center powered manufacturing execution, improving workflow, employee effectiveness and satisfaction, the employee experience and business performance.





5. Protect business resilience, productivity and culture; ensure meaningful technology adoption and behavioral change with workplace analytics

What you can do

- Digital ethics. How can you protect people's right to privacy while also addressing urgent public health and safety needs? Create a digital ethics framework to assess the implications of contact-tracing technologies.
- Maximise big data to understand unknown insights, such as physical workplace status, resilience, business continuity, productivity, service delivery and employee well-being. Use these signals to focus on immediate areas for support and as an ongoing measurement of success.
- Strategically prioritise initiatives by using AI to analyze existing activities and business cases. Ruthlessly prioritise opex spend on initiatives that drive the highest return or are core to your employee or citizen experience.
- Measure EX holistically. The Employee Value Proposition (EVP) and EX equation have been fundamentally altered. Seek to measure EX at an employee journey level to understand the new "moments that matter." Discover how you can in luence them in real time to minimise cost and maximise impact. Use sentiment analysis to replace expensive employee engagement surveys.
- Implement behavioral science techniques like the Nudge Theory to start to positively impact the performance of the organisation. Drive action from insights using strategically delivered nudges directly to an employee through their existing workplace technology.
- Use digital adoption insights to drive maximum value from existing investments. Ensure version updates from cloud systems are maximised by building digital adoption tools directly into devices.



5. Protect business resilience, productivity and culture; ensure meaningful technology adoption and behavioral change with workplace analytics

Learnings from other industries

- Microsoft Workplace Analytics is helping us at Avanade to identify behavioral changes across our own workforce.
- Prior to COVID-19, we'd combined behavioral data from Microsoft 365 with operational data such as time reporting. This provided us with a better understanding of attrition and performance at an individual level and helped us reduce overall attrition by 7%.
- During the disruption, we gained insights into how the rapid shift to remote working affected our people and teams, as well as how collaboration and culture changed.
- As a result, we now have the capability to adapt the employee experience and focus of the organisation in real time, mitigating risks and also identifying areas for support.





Rethink your Workplace Experience journey Reset your human and Al augmentation workforce and EX Scale the gains and Complete your make "no regrets" crisis review decisions Use WX insights Improve to sense, respond, technology measure and ••• resilience, security, improve agility and metrics performance Reimagine your Confirm and business and evolve your return Workplace to work plan Experience based on scenarios Redesign workplaces and location strategy



How can Avanade help you?

Let's have a

2-hour conversation

about how a great
Workplace Experience
has helped some
of our clients in
your industry.

EXPLORE

Let's have a 4-hour workshop with your team members and our experts where we discuss the Workplace Experience and your business goals so we can determine what your journey could look like.

ENVISION

Let our advisory services get you started on your

Workplace Experience:

- Vision
- Solution design
- Roadmap
- Business case
- Proof of value

READY





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About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences on the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help make a human impact on our clients, their customers and their employees. We are the power behind the Accenture Microsoft Business Group, helping companies to engage customers, empower employees, optimize operations and transform products, leveraging the Microsoft platform. Avanade has 39,000 professionals in 25 countries, bringing clients our best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com

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