It's time to rethink your business

5 priorities to drive organizational resilience and responsiveness in a post-COVID-19 world





It's time for your organization to **rethink** the way forward.

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

That's all changed. And 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 bigger need for resilience, confidence, and trust. Yet, there is cause for optimism – and opportunity. Recent months have proved we can learn and adapt fast when we break with convention.

What we buy, how we live and the way we work has changed forever, and faster than we could have imagined. Accenture Research shows that 46% of people who never worked from home previously now plan to work from home more often in the future, and that the current proportion of purchases made online will grow from 32% to 37% post outbreak. Meanwhile, experts predict the use of telehealth and telemedicine will continue to accelerate and become normalized post-crisis. Our habits are rapidly reshaping.

Ready your business for whatever comes next.



"... we see these challenging times as an opportunity to **rethink** how we do business...This will include transforming your company to have an even better **customer experience** and more **efficient operations**."

MIT Sloan Center for Information Systems Research





Rethink how you do business

The current global disruption provides a chance to reflect critically on new ways to drive value. Now is a rare opportunity to take advantage of the **change readiness** of your organization and ecosystem to **build momentum around what matters**, and to stop everything else.

Business continuity will remain a key priority, but you also need to set your sights on the long term. To rethink how you do business, we encourage you to focus on five priorities:

Cost Containment and Optimization



Immediately reduce operational costs, move to a scalable cost model and free up capital to accelerate growth opportunities.

Talent Agility



Empower your employees to respond to external changes efficiently and nimbly, while evolving to an optimal balance of staff, third parties and automation.

The Resilient Core



Protect the core operations of your business and build a resilient and scalable operation that is flexible for the future.

Customer Care and Operations



Continue to be able to support the changing needs of your customers and create the capability to support new channels to market over time.

Products and Services



Rapidly respond to changes that affect your product portfolio to minimize disruptions and anticipate how products and services will evolve in the near and longer term.





Rethink to Respond, Reset and Renew your business

Most organizations will pass through **three phases** as they recover from the impacts of the COVID-19 pandemic.

Typically, organizations could be in **Respond** mode for the first three to six months, with an absolute focus on business continuity and getting back into control – enabling employees to work more flexibly and customers to access goods and services, while maintaining core operations.

For example, many retailers have been forced to close stores and shift to a completely online model or entirely reframe their supply chain to support an entirely new business need.

Already, we're seeing many of our clients move beyond this phase to adopt a **Reset** mindset. They're using the current global disruption as an opportunity to reconfigure their operating models to be more modular and scalable, and to rapidly iterate their product portfolios in response to changing market demands. For example, hospitality and transportation industries are implementing new protocols for deep cleaning and enhancing safety measures for patron safety.

Over the course of the coming 12 to 18 months, we expect organizations will increasingly shift their attention to how they can **Renew** and grow and position themselves for the future. Business model innovation will be mobilized through experiments actively sponsored by the C-suite, while emerging technologies will help organizations drive increased efficiencies and differentiation in the market. Throughout each phase, you'll need to consider different dimensions of your priorities: Cost Containment and Optimization, Talent Agility, A Resilient Core, Customer Care and Operations, and Products and Services.

TIP:

Use the current global disruption as an **opportunity to reconfigure** your operating model to be **more modular and scalable**.



5 priorities to consider as you **Respond, Reset** and **Renew**

As your organization moves through the Respond, Reset and Renew phases, your five priorities will shift. This summary of the different dimensions of each priority will guide your path and help you assess where you're at on your disruption recovery journey:

TIP:

Your organization may focus on progressing some priorities faste than others based on market and business demands

		Respond	Reset	Renew
	Cost Containment and Optimization	Immediately reduce costs by optimizing demand and discretionary spend, using local incentive plans, and prioritizing initiatives that deliver immediate benefits	Migrate to a new scalable and flexible cost base with robust benefit management processes and rebalance the investment portfolio to enable growth	Empower the organization to make informed decisions on the success of investments based on ever-changing market conditions
200	Talent Agility	Provide resources to employees to mitigate impact to the business and productivity – adapting ways of working, while protecting their health and well-being	Move to a more flexible and adaptable workforce, which has an appropriate balance of staff vs. supplier and increasing levels of automation	Create a new employee value proposition that enables a constantly evolving business that can quickly harness new skills and/or digital resources from the global marketplace efficiently
	The Resilient Core	Ensure business continuity, mitigate short-term impacts by eliminating cost and accessing regional aid where available – do this mindful of next quarter, not next week	Build resilience into the business and create flexibility to scale, with diverse supply chains/supplier ecosystems, while initiating any M&A strategies	Establish intelligent capabilities to drive an efficient, scalable and agile business operation to support new products and customer segments
	Customer Care and Operations	Protect your brand and keep a relationship with your customers while business is impacted, shifting engagement to other channels where required and adapting ways of working	Refocus on customers who are the most profitable, develop a deeper relationship with them, changing your brand perception where required and adapting services to their needs	Attract new customers to build a more diverse and resilient customer base and set of service expectations, evolving your brand accordingly and creating a product portfolio that can withstand future external risks
	Products and services portfolio	Identify and mitigate the immediate COVID-19 impacts on the product portfolio, redirecting resources as appropriate and aligning with changing government regulations and incentives	Simplify the product portfolio to those that deliver the most value to the business and quickly focus efforts on product development to serve newly identified market demands	Continually evolve the product portfolio around new value streams, innovating/scaling quickly – collaborating with new partners and responding to constantly evolving customer needs



Break with convention, adapt fast

Around the world and across industries, organizations are unshackling themselves from legacy siloes, systems and processes to rethink how they do business and position themselves for the future. Speed is critical, but employee and customer experiences are also higher priorities than ever before. Take a moment to see how different industries are responding to support a wide variety of business issues.

National Health Service (NHS)

NHSmail delivers email and collaboration capability to users across 16,000 separate NHS organizations including primary and secondary care, pharmacies, dentists, social care and many other health care services. The COVID-19 crisis has placed significant demands on operational service delivery. In response to this demand, NHS rapidly implemented Microsoft Teams for all 1.2 million users of NHSmail within a period of seven days.

Subway

A new digital loyalty program, MyWay Rewards, has replaced <u>Subway's</u> previous paper-based loyalty program. The results are in the numbers: Loyalty members have increased by 10 times compared to the legacy platform. With the personalized experience delivered by MyWay Rewards, digital order volume doubled, and website ordering conversion uplift increased significantly compared to the legacy website.

ABB Turbocharging

When an <u>ABB Turbocharger</u> needs attention, it takes a specialized engineer to provide support. With only 700 of these engineers across the globe, it's important that each has the most up-to-date training. Avanade introduced ABB Turbocharging to Microsoft's HoloLens 2 – an immersive mixed reality device that combines cloud and AI services – to help employees learn, communicate, and collaborate more effectively, wherever they're located.

Raiffeisen Bank International (RBI)

RBI decided quickly to use Microsoft 365. As well as facilitating collaboration between employees and branches in different countries, it also functions as an integrated communication system and forms the foundation for a modern workplace. Specific advantages include its secure cloud connection via Microsoft and the fact that all applications are accessible from anywhere. When complete, RBI will have over 50,000 users in 15 countries.

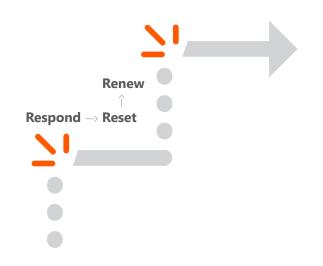


The path ahead won't be linear

The current global disruption requires changes to be made in weeks that previously would have taken years. **Change is urgent.** To rethink your business, quickly identify strategic bets to make your operations more resilient and your products and services more desirable to customers.

For example, think about how you can build on your remote working experience to create a truly elastic digital workplace. Or how you need to rapidly scale your operating model with the cloud. Perhaps you can optimize your customer care and operations to maximize revenue opportunities through this global disruption and beyond. **Regardless, you can be sure the path ahead won't be linear.**

Even as we continue to deal with the ramifications of this global crisis, we must prepare for what comes next. We will regularly face disruptions – societal, industrial, technological. We need to expect this and be prepared. Your organization and people must be in a constant state of readiness to **Respond**, **Reset** and **Renew**.



Now is a rare opportunity to take advantage of the change readiness of your organization and ecosystem

to build momentum around what matters, and to stop everything else.



Get started today

Although it may be impossible to predict or prevent future disruptions, you can mitigate the impacts, while outperforming your competitors.

Activate the full power of your organization and ecosystem to unlock operational efficiencies and create new revenue streams in response to changing market dynamics. As you rethink your business, look for opportunities to reuse existing capabilities to drive new revenue streams and continually test and learn to turn your strategic bets into outcomes.

Avanade combines business strategy, agile innovation and deep Microsoft technology expertise to help you rethink, so you can transform faster and smarter.

Spanning your people, processes and digital technologies, we've curated a number of solutions to accelerate business outcomes.

Elastic Digital Workplace

Protect your people and productivity while managing costs. Elevate the performance of your business operations by expanding your secure remote working plan into a far-reaching and impactful Workplace Experience strategy.

Turbocharge Azure Migration

Accelerate your move to the cloud and optimize as you go to maximize business value, increase business agility and scalability, and drive innovation across the organization.

Secure Enterprise

The risk posture for businesses has changed rapidly over the last several months. Our Secure Enterprise team helps you identify platform and system vulnerabilities with a particular focus on Microsoft 365 security and digital identity.

Intelligent Industry Solutions

Combine analytics, automation and artificial intelligence with platforms like Microsoft Teams and Dynamics to solve challenges such as disseminating important public health information, managing PPE and tracking the movement of people.

Responsive Customer Care

Adapt and modernize your customer care operations. Shift to AI-enabled virtual assistants, remote field assist, click-to-chat, and enable your workforce to service and support

Supply Chain Resilience

Rapidly assess vulnerabilities and strengthen your supply chain with Microsoft Dynamics, analytics and automation, so you can address current disruptions and accelerate your preparation for future supply chain shocks.



Let Avanade partner with you to **Respond**, **Reset** and **Renew** your business.

<u>Contact us today</u> to help your organization identify the strategic bets that will make your operations more resilient and your products and services more desirable to customers.



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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. With 38,000 professionals in 25 countries, 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. 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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