



# THE INSIGHTS REVIEW



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ECOSYSTEMS, M&A AND INTEGRATION  
HUMAN CAPITAL  
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MACRO FINANCIAL SERVICES  
RETAIL & BUSINESS BANKING  
FINTECH  
WEALTH & ADVICE AND INVESTMENTS &  
FUND MANAGEMENT  
LIFE INSURANCE

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*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.

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- ACC – The Association of Corporate Council
- Accenture
- AT Kearney
- Bain
- BCG
- Capgemini
- Deloitte
- Ernst & Young
- FMCG
- Huron Consulting Group
- IBM
- King & Wood Mallesons
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- OC&C
- Oliver Wyman
- Parthenon
- Promontory
- PwC
- Roland Berger
- Strategy&



**THE  
INSIGHTS  
REVIEW**

## Message From the Editor,

My theme this month is how augmenting your internal resources with the right expert(s) can transform your internal team from the B-team to the A-team. Time and time again, we see clients forcing their internal resources to do the best they can with no external help, then splurging on a branded consulting solution which does not engage well with their troops and burns the whole annual budget in one phase. Smarter clients are realizing that carefully augmenting existing teams with capacity or expertise or a blend in a judicious way will really boost morale and get a A-team result, whilst ensuring budget is well spent throughout the year. If you want to try this new agile approach to consulting, please contact your nearest ICG hub.

This month we save you and your teams days of reading to bring you snappy reviews of the best of the best from across the global consulting industry. This month's best insight was reviewed by [Michael Roch](#), Co-founder of ICG's European hub. Michael's review of the excellent Bain article [Large-Scale M&A: Capturing Value Demands Flawless Integration](#) is well worth a read, as of course is the article itself. Congratulations to Michael and the authors from Bain.

Happy internal consulting!

**David Moloney**

Global Editor



**David Moloney**

Global Editor

### About

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



**THE  
INSIGHTS  
REVIEW**



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# Cross-Industry Functional Topics

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[Cyber Security](#)



Cross-Industry Functional Topics

## Strategy & Transformation

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

### “A Checklist for Launching Micro-battles” – Bain

[VIEW PDF \(3 PAGES\)](#)

An executive summary and checklist addition to Bain’s excellent micro-battles platform, which itself is based on its concept of the founder’s mentality. Building on the lean startup/fail fast approach to growth, Bain attempt to industrialize the pilot, scale, and re-architect the business cycle. They call it ‘grow, scale and amplify’, and use just enough military and consulting jargon to help the reader think they need Bain to hold their hand. If you are not across micro-battles, this insight is well worth a read. **DM**

### “Fast Execution Needs Fast Strategy” – BCG

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

Our more experienced readers will recall George Stalk coined the idea of ‘Time Based Competition’. This article is a twenty-first century update and rework to incorporate modern ideas around disruption and agility. These ideas were perhaps best distilled in a book we have mentioned before: Fast/Forward: Make Your Company Fit for the Future by Jonas Ridderstråle and Julian Birkinshaw. Our favorite ideas are the need for clarity to ensure alignment, and what Birkenshaw calls ‘emotional engagement through purpose’. A useful read for internal consultants and executives alike, however Birkenshaw’s book houses the most comprehensive treatment of this topic. **DM**



Cross-Industry Functional Topics

## Strategy & Transformation

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

### “Your Capabilities Need a Strategy” – BCG

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

A fascinating insight which highlights the critical importance of matching the innate strategic capabilities of the chief strategist and their team members with the strategic content of the enterprise. BCG identifies five distinct contexts, and all firms should recognize which one they are in. The five might be called: Predictable, Unpredictable, Predicted and Shaped, Shaped and Unpredictable (these four are drawn from AT Kearney’s original work in this space called the strategy chessboard) to which BCG add one other that they call ‘Renewal’. They then test the ability of a large sample of strategists to succeed in simulated environments (games) based on these contexts, arguing that very few strategists can deal with all types – so your strategy team should be profiled, in order to be able to best help respond to your circumstances! Clever stuff which should find its way to the recruitment process for internal consultants. **DM**

**lr**



Cross-Industry Functional Topics

## Ecosystems, M&A and Integration

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

### “Improving the Management of Complex Business Partnerships” – McKinsey

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

Referring to a 2015 survey of C-suite executives about why strategic alliances fail, McKinsey offers four principles of successful partnerships. These have to do with agreement around core objectives, nurturing the partnership, accountability, and respecting that partnerships are dynamic. So far, a good reminder.

Your reviewers also agree that investments in tools, processes, and personnel are essential for successful partnerships. Your reviewers on agree only partially, however, that not all of these are technology dependent – most are. The fact is that alliancetech has gained prominence in the last year or two – in similar ways that made-for-purpose IT has become essential for other business functions (e.g. pipeline software for sales, ERP for finance). **MR**

### ARTICLE OF THE MONTH

#### “Large-Scale M&A: Capturing Value Demands Flawless Integration” – Bain

[VIEW PDF \(21 PAGES\)](#)

As part of its larger private equity study, Bain focuses on what makes large-scale M&A successful when executed by mega-PE houses.

This article is a rare instance where the title under-promises and over-delivers. It is exceptionally well-written, engaging and useful. It is a must-read for anyone involved in structuring, performing due diligence, or integrating M&A transactions, large and small. **MR**

**lr**





Cross-Industry Functional Topics

## Human Capital

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

Greg Barnier | ICG Practice Leader Organization Culture & Workforce Capability | [Contact](#)

### “Planning in an Agile Organization” – McKinsey

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

For leaders of organizations where the word “agile” is used with the usual grain of cynicism, McKinsey’s article provides solid insights. For example, McKinsey is right to advocate clear priorities, and as few of them as possible (five at most, in this reviewer’s experience).

Yet, McKinsey still speaks of top management teams establishing strategic priorities, followed by “conveying these” to the rest of the organization via “objectives and key results.” On the next page, the article speaks of “enabling teams instead of directing them.” Your reviewer posits that, by definition, a team that “receives” objectives and key results isn’t an enabled team. This approach may still work in a business led by baby-boomers, yet it will struggle as younger leaders emerge.

How about co-creating strategy in a decentralized way, irrespective of hierarchy? **MR**

**lr**

# CUSTOMER NEEDS SOLUTION (CNS)

A new approach & mindset that helps your business grow by ensuring that you are always meeting your customers' needs and wants



## Executive Summary

- Consistently meeting customers' basic needs is the proven way to outperform competition, and take the lead, in any marketplace.
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- CNS provides actionable information to focus your resources to ensure the maximum positive impact on your customers and your business. As a result, you will experience increased sales and profit, through happier & more loyal customers and more engaged staff.
- The CNS approach enables you to measure ongoing execution and to monitor and report results. To do so, we have developed an innovative new metric, NetCNS, created by Stephen Hewett, an ICG Global Thought Leader.

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Cross-Industry Functional Topics

## Leadership & Executive Development

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

### “Becoming a Scale Insurgent” – Bain

[VIEW PDF \(3 PAGES\)](#)

This article introduces the concept of “Scale Insurgent”, or how to be both big and fast, a concept that many large enterprises like GE, HP, and others, struggled to achieve over the years, and ended to either spin off some of their core businesses or splitting the brand into two or more separate entities.

The writer recognizes the ability of the scale insurgents to pursue business building in a structured format, with systems and models that capture market share and generate profit, based on innovation and speed.

The main engine driving the business building pursuit is the professional management chartered with creating a competitive advantage that will scale the business at a high speed.

The writer sees the role of professional management command focusing on strategy formulation and then shifting their time and energy into supporting those who execute the strategy and deliver value to customers.

It is your reviewer’s perspective that strategic leadership in organizations will require strategy-level leaders to engage their workforce in crafting strategy for business building, and facilitate continuous engagement and support to those who execute strategy and implement business building initiatives. An engaged workforce will enhance productivity, speed, and innovation. **WA**

**Ir**



Cross-Industry Functional Topics

## Risk & Compliance

Reviews by: Egbert Schaefer | ICG Practice Leader Risk & Compliance Management | [Contact](#)

### “A New Era. Actions from the Hayne: Royal Commission for Each Sector” – Deloitte, Touche & Tohmatsu

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

Australia's recent Haynes Royal Commission into Misconduct in the Banking, Superannuation and Financial Service Industry contained 76 distinct recommendations. Deloitte not only describes recommended changes but also evaluates their impact on Banking, Consumer/SME credit, Mortgage Broking, Financial Advice, Superannuation, and Insurance.

For example, for Financial Advice, the article evaluates the impact of suspending current commission models and increasing the overall supervision. If current commission models are discontinued, financial advisers would need to find new revenue streams to cover their costs. If the supervision is increased in the suggested manner, financial advisers would face a rather complex administration to ensure compliance because the proposed supervisory model encompasses five different levels. These range from mandatory license requirements to collaboration with a new dispute resolution body.

Since Deloitte evaluates the impact of Hayne's Final Report and proposes appropriate actions for organizations, it is a recommended read for all executives and professionals operating in the banking, superannuation and financial service industry. **ES**

### “Rebuilding Trust” – KPMG

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

Similar to Deloitte's article, KPMG summarizes the recommendations of the Final Report of the Royal Commission (refer to previous review). It provides an overview of suggested changes but stops short of evaluating their impact.

Therefore, the article is recommended for readers looking for an overview of the recommendations of the Royal Commission.

Alternatively, a detailed overview could be gained by reading the recommendations as described in the Final Report itself. **ES**





Cross-Industry Functional Topics

## Risk & Compliance

Reviews by: Egbert Schaefer | ICG Practice Leader Risk & Compliance Management | [Contact](#)

### “Global Risk 2019: Creating a More Digital and Resilient Bank” – BCG

[VIEW PDF \(21 PAGES\)](#)

BCG surveyed the development of the Economic Profitability (EP) of banks over the past few years. Currently, the EP of the majority of banks operating in the US and in Europe shows a downward trend. The key driver is the rising cost due to the increased volume of regulations (new and revised) and resulting operational complexity.

BCG concludes that technological innovation and its utilization will determine the survival of an organization. To initiate “countermeasures”, digitization of the two key functions risk management and treasury is suggested. In addition, both mandates need to be expanded to cover the entire organization. Conclusively, this means:

- Risks have to be managed across the entire organization
- Bank interests have to be addressed holistically
- Available balance sheet resources must be leveraged to their fullest extent.

In order to deliver on their extended mandate, digitization including AI, big data, and automation should be embraced. Respective infrastructure needs to be built and operationalized. Furthermore, required data has to be collected, processed and made accessible in real-time.

The article is recommended for senior banking executives as well as experts working in the risk or treasury function. In addition, it is recommended reading for IT professionals involved in the digitization of both functions. **ES**

**Ir**

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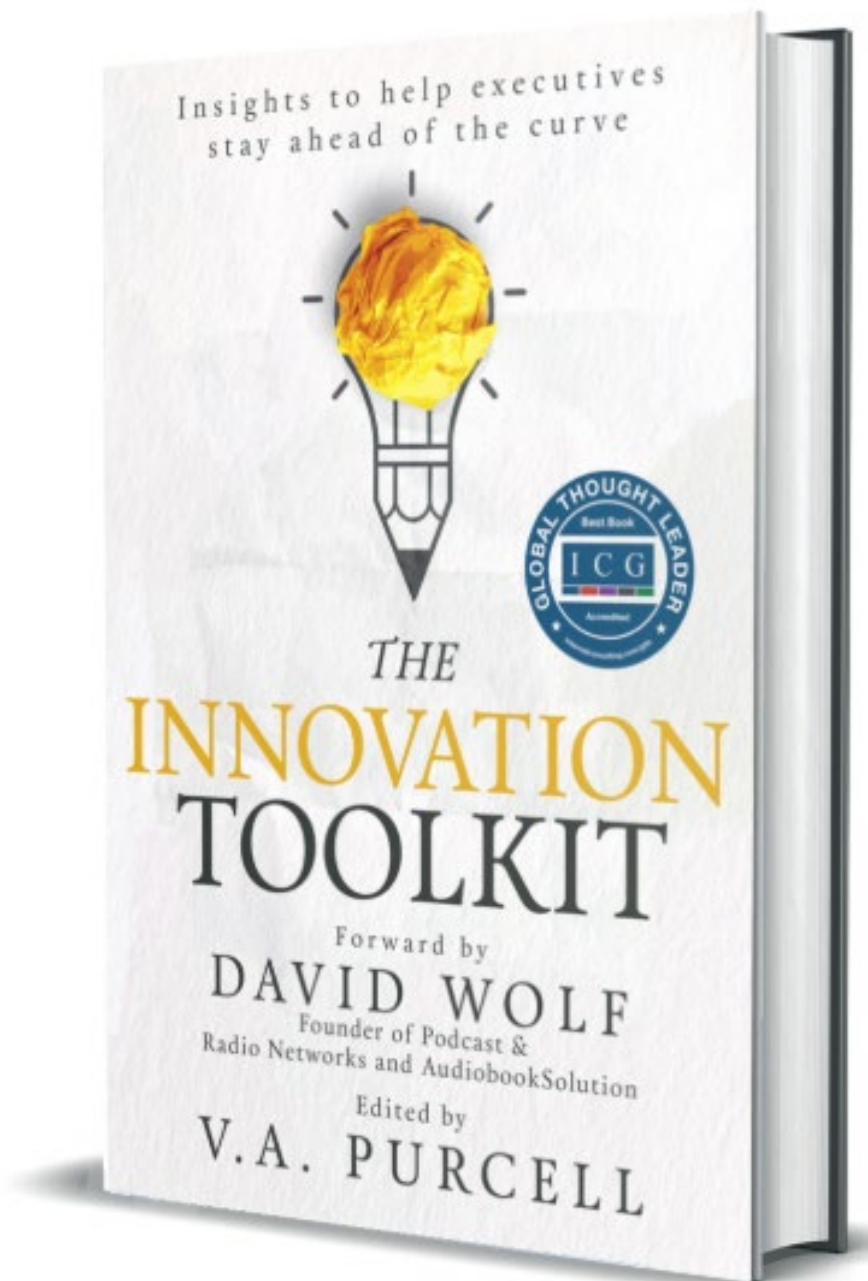
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Cross-Industry Functional Topics

## Technology

Reviews by: Christophe Amoussou | ICG Practice Leader IT & Transformation | [Contact](#)  
Karen Ryan | ICG Practice Leader IT Strategy | [Contact](#)

### “Revisiting the Five Faces of the Cloud” – Bain

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

In this post, the authors are sharing with us the status of the cloud market and its outlook on the next five years.

We are informed that with plenty of headroom for growth, the market is still very positive for the service providers. It (the market) however needs to be addressed differently based on the five customer segments that cloud incumbents are targeting. Whether they are talking to “Transformational” clients (early adopters) who now require the next level of cloud features, to the “safety conscious” or to the “slow and steady”, marketing arguments and functionalities brought forward have to be attuned.

Part of a series of posts on enterprise cloud market, this second post is a short and easy read. But beside some facts and figures worth mentioning in an IT dinner, there is very little information to take away unless you are a cloud service provider in need of a better strategy. **CA**

**Ir**



Cross-Industry Functional Topics

## Operations & Transformation

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

### “Putting People at the Heart of Public-Sector Transformations” – McKinsey

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

The McKinsey March 2019 article offers little new while simultaneously making a critically important point. It begins by reminding us of the poor success rates of major transformation initiatives, stating that 74% of private and 80% of public sector transformations fail to achieve their objectives.

The critical recommendations centre on the need to emphasize people to drive success. Your reviewer’s experience supports that this is the foundation for success, and while it is often acknowledged, it is rarely executed with the precision required to improve the odds of achieving the results.

Public sector leaders tasked with delivering transformational results would benefit from reading the article. The real benefits will flow from putting it into practice to engage and inspire front line staff to deliver the changes their “customers” are calling for from their department. It will require discipline, innovation, intense communication, leadership, and effective change management. **JL**

**lr**



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Cross-Industry Functional Topics

## Innovation & Disruption

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

### “Tempo and the Art of Disruption” – BCG

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

A short paper on how the speed of sensing, deciding, and acting can be a source of strategic advantage. This has been known for a long time in the military, and BCG is right that it applies in business too. But it is easier said than done. Speed around the loop requires good intelligence, highly motivated and well trained people, and leaders with resources they can deploy quickly. The paper’s four pages don’t have room for a discussion of how these enablers can be created, a discussion that could include ideas from “agile” and “lean startup”, and exemplars. So if you’ve not heard of OODA, reading this short paper will be useful, but you’ll need to read something else for the “how to”. **RD**

### “The Rise of AI, Platforms, and Ecosystems” – BCG

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

It’s hard not to be drawn to a paper (actually three in one) with a title reminiscent of a Terminator movie! But does it live up to its promise and have something new and thrilling to say? Well, the title is certainly more eye-catching than “Insights from our 2018 Global Innovation Survey”, which is what the first paper is about. It finds that strengths in AI and platforms (for gathering data and enabling application developers) now determine which of the world’s largest firms are regarded as the most innovative. The second paper dives into more detail on how AI and platforms are being used to accelerate innovation. The third discusses the advantages to be had from orchestrating an ecosystem of partners, ideally through a platform you control, to enable solutions for customers that are better than what a firm could do on its own. So overall, these papers do not say anything new. Rather they describe examples and trends of AI, platforms, and ecosystems becoming increasingly important as the basis for competition and advantage in many industries. The papers are well written, and worth skimming to check your knowledge. **RD**

**Ir**



Cross-Industry Functional Topics

# Payments

Review by: Ryan McQueen | Global Payments Practice Leader | [Contact](#)

## “In Payment Services, Banks Fare Better When They Join Together” – Bain

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

This chart, showing online and point of sale purchase frequency by country, is interesting – but the commentary isn’t that insightful. Some good data points though. **RM**

**lr**



Cross-Industry Functional Topics

## Cyber Security

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

### “Perspectives on Transforming Cybersecurity” – McKinsey

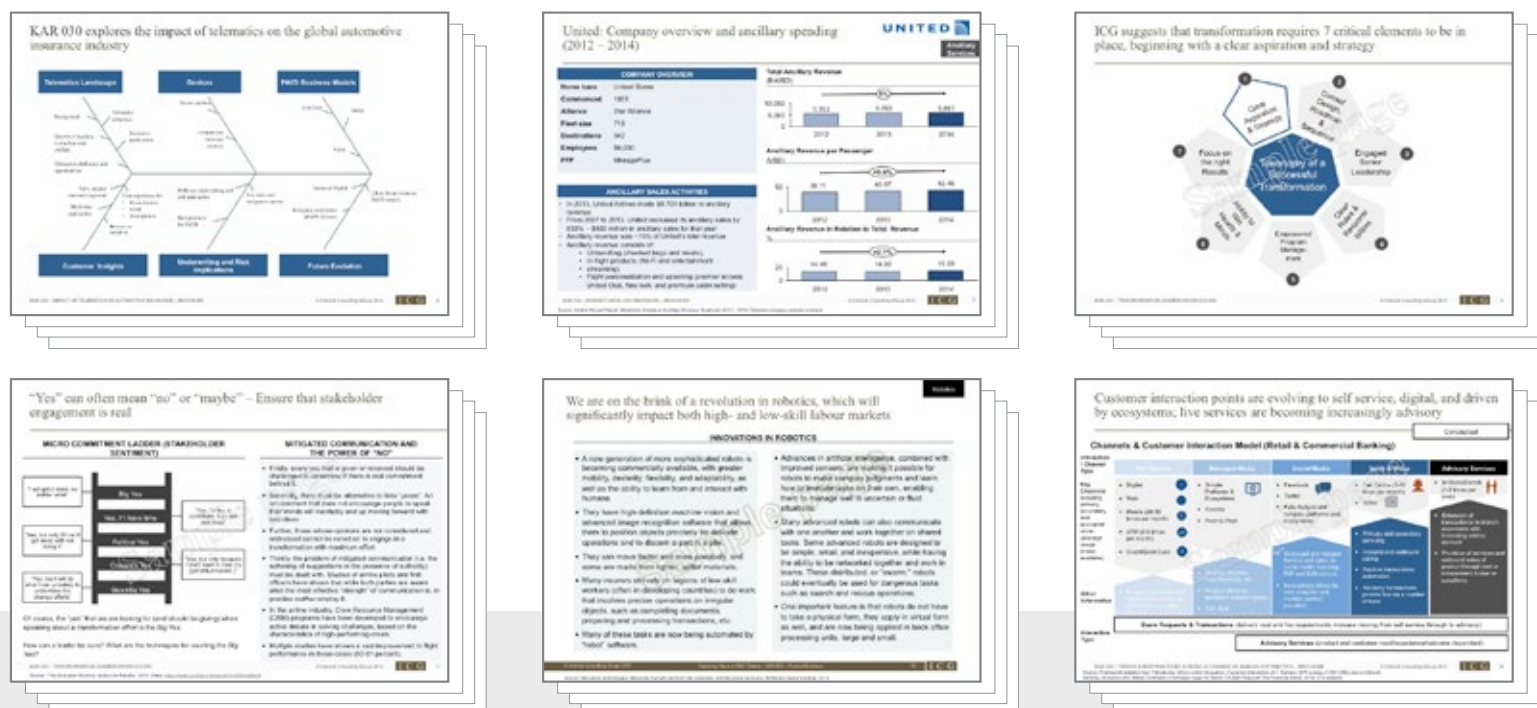
VIEW PDF (124  
PAGES)

Click on this link and expect a wait, even if you are downloading at 90 Mbps! This 128p compendium includes papers from 2017-18 under three themes of integrating cyber security into the business. Although some of these papers have been reviewed in previous editions of *TIR*, it is handy to have them all together. There is something for everyone, but this would have been a better paper if they had expand on the three themes and explained the three broad mandates. Business, risk, and cyber leaders will enjoy most of the articles – even some of the more academic ones – and board members will want to read “The board’s role in managing cybersecurity risks” which appeared in the MIT Sloan Management Review. The compendium does demonstrate there is much an organization can do to better manage risk, and that it is not all about the technical controls when it comes to protecting data and critical infrastructure. **MT**

Ir



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- References all exhibits to their original sources and lists further reading.

## Popular titles include:

- Indirect Ancillary Revenues
- Transformation Leadership
- Virtualization in Financial Services
- Pricing in Retail Banking
- Impact of Telematics on Automotive Insurance
- Bank Cost Reduction Program





# Industry-Specific Topics

In this Section:

[Macro Financial Services](#) | [Retail & Business Banking](#) | [Fintech](#)  
[Wealth & Advice and Investments and Fund Management](#) | [Life Insurance](#)



Industry-Specific Topics

## Macro Financial Services

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

### “Which Applications of the Industrial IoT Are Gaining the Most Traction?” – Bain

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

Bain set a new record for short insights! This framework and single paragraph reveal which of dozens of IOT technology applications are most favored by customers, and which are in most demand by consumers. By mapping these in a 2 by 2, Bain reveals latent demand and oversupply. A useful addition to every internal consultant’s tool kit, and likely very useful to anyone in related industries such as general insurance. **DM**

**Ir**



Industry-Specific Topics

## Retail & Business Banking

Reviews by: Julian Cappe | ICG Practice Leader Retail & Business Banking | [Contact](#)

### “Bancassurance: It’s Time to Go Digital” – McKinsey

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

Our Australian readers may find this article somewhat quaint at a time when bancassurance models are being dismantled across the industry, with major banks jettisoning their life insurance businesses due to now being seen as strategically non-core and problematic.

Across many other markets, in particular Asia and Latin America, the bancassurance model is alive and well, and has been a driver for strong growth in recent years across both life and general insurance products. Encumbered by complex sales processes, many banks have been slower to deploy digital channels to sell their insurance products. The article calls on laggard banks to digitize their insurance offerings – through the familiar route of enhanced analytics, improved customer experience, and omnichannel engagement. **JC**

**lr**



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Industry-Specific Topics

## Fintech

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

### “A Great Digital Identity Solution Is One You Can’t See” – BCG

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

“Identity” was not designed into the internet, so every supplier on the web needs to find or develop a suitable identity (authentication) solution for e-commerce and sharing information. This short paper discusses conventional identity solutions (e.g. passwords, MFA, etc.) and their various drawbacks. It ends by listing the attributes of a good identity solution for consumers, ideally one that just works without the consumer being aware of it or inconvenienced. This conclusion is a bit obvious. No doubt BCG would like you to call them for the missing insight. **RD**

**lr**



Industry-Specific Topics

## Wealth & Advice and Investments and Fund Management

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

### “Advanced Analytics in Asset Management: Beyond the Buzz” – McKinsey

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

A brief yet well-rounded article that’s worth a read. Skip to p3 for a graphic showing the areas where analytics is being applied in the sector. COOs and internal consultants will find this useful reading to inform the breadth of their annual business planning process. One note, however – the authors point out correctly the importance of embedding analytics expertise in the businesses (as opposed to centralizing), but ICG experience setting up analytics teams also points to the value of cross-BU analytics teams. Employees regularly cite the benefits of both skills building and improved camaraderie from this structure. **BJ**

**lr**



Industry-Specific Topics

## Life Insurance

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

### “Reinventing Life Insurance Agency Distribution Globally” – BCG

VIEW PDF (4 PAGES)

An executive summary of a larger BCG and Morgan Stanley review of the agency insurance model. The summary offers little that is new, so this comes across as a BCG survey with added analyst credibility, which is then taken around the market to both respondents and non-respondents. One to miss unless you are super keen. **DM**

lr

REVIEWS OF THE WORLD'S LEADING INSIGHTS



# THE INSIGHTS REVIEW

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## ARTICLES OF THE MONTH

THE BEST INSIGHTS OF THE PAST 12 MONTHS





## Articles of the Month

The Best Insights of the past 12 months

MARCH 2019

### “AI Risk: The Newest Non-Financial Risk Every CRO Should Be Preparing For” – Oliver Wyman

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

In order to create a competitive advantage while increasing efficiency and customer experience, financial institutions seek to augment their operations with Artificial Intelligence (AI) technology. Examples of AI usage include customer onboarding processes, real-time fraud detection, and support in underwriting as well as pricing decisions.

However, according to Oliver Wyman’s article, organizations are less prepared to manage risks incurred through the use of AI technology. Contrary to traditional risks which are well understood, risks associated with AI technology are composite and complex in nature, spanning multiple horizontal as well as vertical dimensions. Oliver Wyman suggests creating a separate risk category for AI technology which requires:

- clear definition of risk appetite, operating model, and surrounding governance
- an inventory with all current and future AI endeavors
- clear definition of 2nd line ownership including in descriptions of roles and responsibilities across all specialties, and
- collaboration along the entire governance structure resulting in a risk-based, tiered management approach.

While some may consider AI risks as a future problem, due to the increased use of AI technology in today’s environment associated risks need to be identified, assessed, and managed simultaneously. The article is therefore a recommended read for all risk executives across all three lines of defense and technology professionals. **ES**

FEBRUARY 2019

### “The Five Trademarks of Agile Organizations” – McKinsey & Company

[VIEW PDF \(22 PAGES\)](#)

This comprehensive McKinsey article will benefit anyone embarking on, or already on the road to, implementing agile ways of working. Its strength is in consolidating a number of insights into a framework for agile organizational success. The 22-page piece leverages the experience of fifty of the firm’s agile practitioners to identify five trademark elements for agile success.

The trademarks are supported by 23 specific practices that provide a useful level of detail for the reader. Exhibit 2 provides an excellent summary of the concept, trademarks, and practices covered in the article. Exhibit 3 adds a number of building blocks for agile organizations. There is also an attempt to provide a historical context for the move to agile, as well as four trends driving the need for change.

While much of this is existing knowledge, it provides a practical level of detail for the reader. The authors take a position that all five trademarks are required to achieve agile success, and that they must work together. This is a worthy read and part of McKinsey’s focus on agile transformation. It is also a good complement to their recent paper “How to Create an Agile Organization.” **JL**





## Articles of the Month

The Best Insights of the past 12 months

JANUARY 2019

### “The Five Trademarks of Agile Organizations” – McKinsey & Company

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This comprehensive McKinsey article will benefit anyone embarking on, or already on the road to, implementing agile ways of working. Its strength is in consolidating a number of insights into a framework for agile organizational success. The 22-page piece leverages the experience of fifty of the firm’s agile practitioners to identify five trademark elements for agile success.

The trademarks are supported by 23 specific practices that provide a useful level of detail for the reader. Exhibit 2 provides an excellent summary of the concept, trademarks, and practices covered in the article. Exhibit 3 adds a number of building blocks for agile organizations. There is also an attempt to provide a historical context for the move to agile, as well as four trends driving the need for change.

While much of this is existing knowledge, it provides a practical level of detail for the reader. The authors take a position that all five trademarks are required to achieve agile success, and that they must work together. This is a worthy read and part of McKinsey’s focus on agile transformation. It is also a good complement to their recent paper “How to Create an Agile Organization.” **JL**

NOVEMBER 2018 / DECEMBER 2018

### “Working Capital Report 2018/19: Navigating Uncertainty” – PwC

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

It is not common for this reviewer to be so effusive, but this is what would be called a CEO article. It captures and communicates the importance and advantages of good cash management and culture, and gives executives an ability to benchmark themselves. Cash management is normally a focus for restructurers, but this article shows the benefits of this approach for non-distressed operations. It is recommended as a must-read insight. **PD**



## Articles of the Month

The Best Insights of the past 12 months

OCTOBER 2018

### “Introverts, Not Loud Extroverts, Make the Best Leaders in Business” – Oliver Wyman

[VIEW PDF \(02 PAGES\)](#)

Introverts stand on many shoulders in the corporate world, especially the C-Suite and functional managers – they are succeeding to lead people and manage the workplace, contrary to the common beliefs that leaders must be extroverts and highly sociable with the ability to demonstrate charismatic attributes in their leadership style.

This paper argues why shouldn't “Introverts” be strong? And what else can introverts do that we don't give them credit for?

Being an introvert influences the choice of relationships, communicating with people, the way to address issues, resolve conflicts, make decisions, and formulate strategies and execute them.

Introverts are drawn to the inner world of thought and feeling, focusing on the meaning they make of the events swirling around them. Introverts feel “just right” with less stimulation. In the workplace, introverts often work more slowly and deliberately. They like to focus on one task at a time and can have mighty powers of concentration. They are relatively immune to the lures of fame, recognition, and self promotion. Once we realize the power of being an introvert, we can contemplate their strengths in building deep relationships, developing meaningful strategies, and executing with excellence.

Figures like Eleanor Roosevelt, Al Gore, Warren Buffett, Gandhi, and Steve Jobs achieved what they did not in spite of, but because of, their introversion.

SEPTEMBER 2018

### “Hidden Costs of Data Breaches Increase Expenses for Businesses” – IBM

[VIEW PDF \(04 PAGES\)](#)

For the past 13 years, the Ponemon Institute has produced this outstanding annual review of costs associated with data breaches of less than 100,000 records. The costs have steadily risen to an average of \$3.86 million per breach in 2018. This report will help organizations looking for benchmarks for the costs of data breaches, including hidden costs, likelihood, how long it takes to identify and contain a breach, and the impacts of security automation and the use of Internet of Things. It also explores the factors of cost and offers a range of key findings. For the first time, it includes the cost of the “mega breach”. This report has become a respected industry standard and it will be useful for CISOs, CIOs, business executives, and boards interested in understanding this complex issue.



## Articles of the Month

The Best Insights of the past 12 months

AUGUST 2018

### “Innovative Start-ups are Shaping the Future of Procurement” – Oliver Wyman

[VIEW PDF \(05 PAGES\)](#)

Here is a quotation from the article that sums it all up:

*‘In the course of our study, one CPO of a worldwide technology company summarized the change that needs to take place. “Buyers must understand that they cannot work in the same way as they have in the past,” he told us. “Leading corporations now focus their attention on digital leadership and prototyping as a way of instilling a start-up culture within their organization. Procurement leaders must therefore constantly try out new ideas over a very short space of time, then accept any failures and learn from them.”’*

This is an excellent scan of what is happening in the digitization of procurement. Anybody who has even a passing interest in procurement, strategic sourcing, or purchasing should at least scan this article to become aware of the changes underway in this often staid space.

While there are no earth-shattering strategic frameworks, just the scan of all the startups will open the eyes of the practitioners to new ideas, new ways of doing old things, and new possibilities.

While reading the article, do not worry too much about the investments and funding. Try and understand the underlying value proposition of each startup – and how you could apply, or replicate it, in your space. Something innovative is bound to emerge if you do this diligently. Highly recommended.

JULY 2018

### “AI, Automation, & the Future of Work: Ten Things to Solve For” – McKinsey

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

This 16-page article summarizes research conducted by the McKinsey Global Institute. It offers an optimistic outlook on the ability of artificial intelligence and automation to transform businesses and make a positive contribution to economic growth.

The executive briefing will be of interest to anyone following the development of AI, and in particular those looking for ways to leverage the technology for productivity gains in their organizations. The potential to increase productivity is considerable, as are the collateral benefits of improved quality and consistency. The research explores the potential challenges to employment, examining the likely implications of displacing workers under a continuum of adoption possibilities. While this is less rosy reading, it is an important consideration given the scale of impact from AI.

The report chronicles challenges inherent in the migration to an AI enabled world, and concludes by calling out a number of problems to be solved. The recommendations require significant policy change well beyond business practices. This is well worth the read for those interested in the topic from either a business or social perspective.



## Articles of the Month

The Best Insights of the past 12 months

JUNE 2018

### “Fair Dues: Harnessing Fairness to Win Back Trust” – PwC

[VIEW PDF \(24 PAGES\)](#)

**E**xcellent work from PwC here.

With help from two academics at the London School of Economics and 1,123 executive surveys, this ground breaking insight contributes heavily to new thinking on how to deal with incentive structures.

The insight includes a summary of relevant global regulation, an introduction to the principles of distributive justice, which includes concepts such as Sufficiency (a minimum standard of living for all) and Maximin (Income distribution should make the worst-off in society as well-off as possible).

PwC provide the usual line of survey findings but also include some segments known as fairness tribes and a five-step process that any internal consulting team would find very helpful.

Very well worth a read.

MAY 2018

### “Notes From the AI Frontier: Applications & Value of Deep Learning” – McKinsey

[VIEW PDF \(36 PAGES\)](#)

**A** very high quality research report from McKinsey Global Institute. Even if you are only remotely interested in the applications of AI for business, it is highly recommended that you read at least the “In Brief” summary on page 3. However, reading the full 36 pages is rewarding.

The report is based on analyzing the utility of AI (the deep learning kind, using artificial neural networks and huge volumes of training data) in 400 use-cases McKinsey identified across functions and industries. This granular bottom-up approach leads to valuable insights, such as: AI significantly enhances traditional analytics, rather than creating lots of new applications; its greatest impact will be in business functions where there are lots of data captured for the AI to train on (e.g. marketing and sales, supply chain); utility increases with the quantity of data available and doesn't plateau like traditional analytics; but getting, labeling, and updating sufficiently large volumes of data is the biggest barrier to adopting and using AI, and an area of concern for privacy regulators and society at large.





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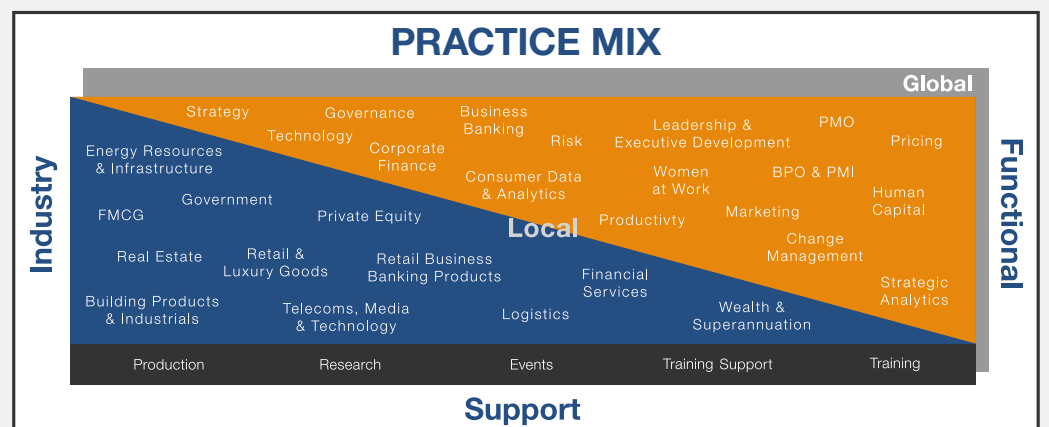
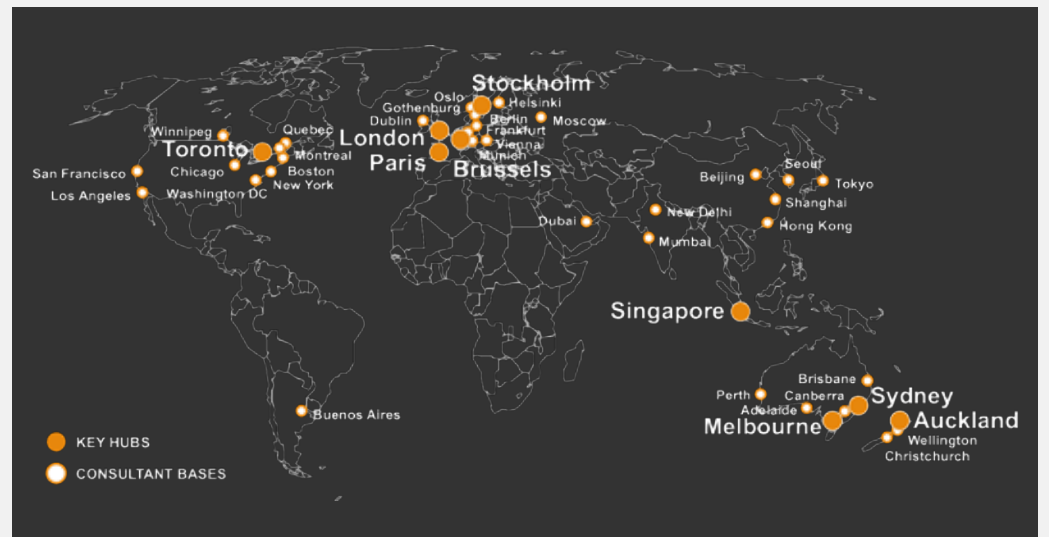
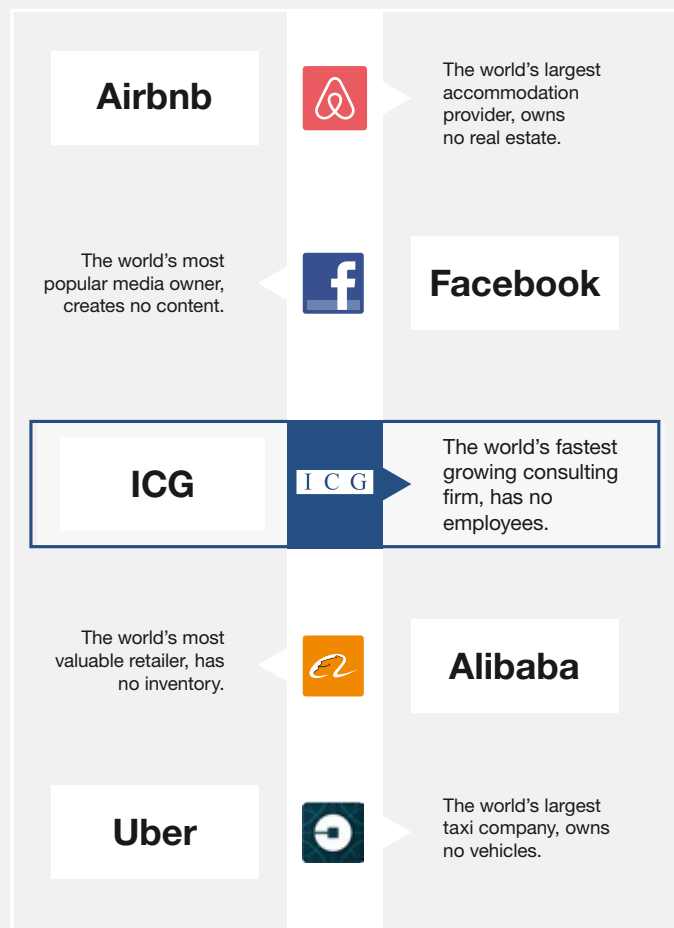


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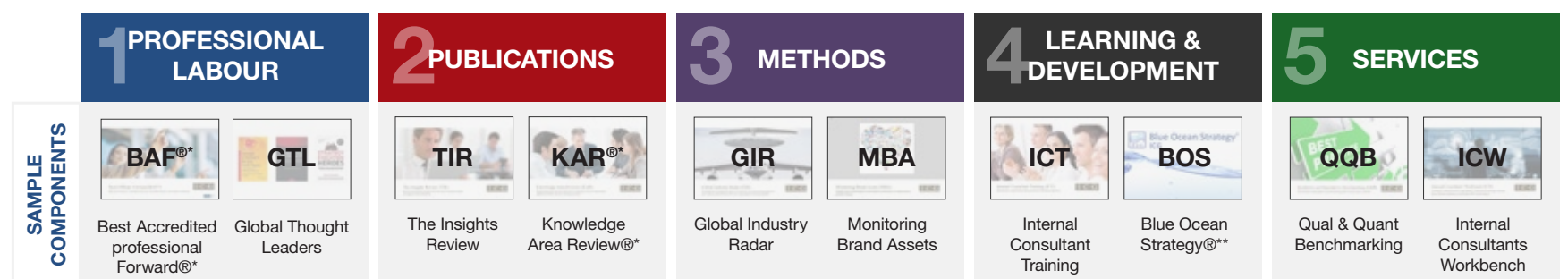
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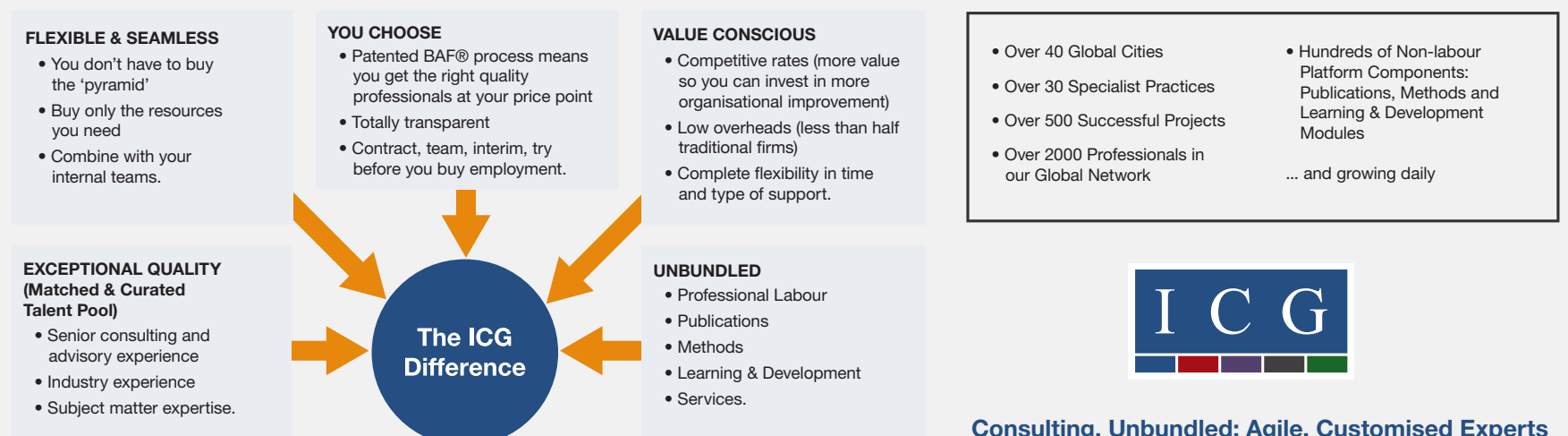
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