



THE INSIGHTS REVIEW



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RETAIL & BUSINESS BANKING
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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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- Strategy&



**THE
INSIGHTS
REVIEW**

Message From the Editor,

My theme this month is *digital duality*: how do incumbents best build digital twins of themselves so they can understand the art of the possible, and then blueprint a path of digitization and digital disruption of their own business that optimise's along the adoption curve driven by them or others? These steps in strategy planning are essential; if your organization does not have them in place, we suggest you contact your nearest ICG HUB for assistance.

On the theme of *digital duality*, Julian Cappe is our reviewer of the month again for his review of BCG's excellent article on the evolution of digital business model in banking. These stacked ecosystem-based models are equally applicable in other industries, so this is essential reading for all of our readers. Our congratulations to Julian, who can be contacted on julian.cappe@internalconsulting.com, and of course to the team at BCG.

[“Global Retail Banking 2019: The Race for Relevance & Scale” – BCG](#)

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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Cross-Industry Functional Topics

Strategy & Transformation

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

“The Numbers Behind Successful Transformations” – McKinsey

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

Coining a new term ‘transfomatics’, McKinsey provides the case for helping your transformation succeed. Using their database of over 200 transformations, the authors argue that those companies that go broad in their approach, capture opportunities early, ensure good organizational health, and continue to upgrade their aspirations are the ones that do best.

ICG’s term for this new era – ‘Transformation As Usual’ – suggests that the transformation program also has to be fit for purpose, and the timing has to be right so that the motivation for change is correct. Moving too early will have people questioning *Why, when we are ok?* and, moving too late creates a perception that management have lost their authority.

Little more than the above in the article. **DM**

“The Bain Micro-battles SystemSM” – Bain

[VIEW PDF \(56 PAGES\)](#)

Bain takes a leaf out of ICG’s book here as they add another productized consulting solution to their modest looking supermarket-shelf. As one might expect, it is full of losers (consulting is a lot like the film industry, where there are thousands of small budget products and a few winners) and a few blockbusters like NPS.

The Micro-battles brand leverages the sex appeal of war-gaming and will have high ‘edutainment’ appeal to lumbering incumbents.

Bain looks like it has enough research and experience to have ironed out the wrinkles. The product itself is a language and set of processes (like the recent product wave in agility) to foster pivot potential growth initiatives without the Hawthorne Experiment-like issues of the past. Not innovation but testing, proving, and scaling new business units. The only thing missing in the paper is a much richer list of case studies demonstrating how this is changing trajectories in clients rather than becoming the next blockbuster at Bain.

Essential reading for all internal consultants as it is easily replicable without Bain’s help. **DM**

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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](#)

“Women in the Workplace” – McKinsey

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

Based on a five-year study by McKinsey, this article reveals some progress being made and more women rise to executive levels in companies. However, there is a clear indication that the “glass ceiling” phenomenon is still preventing companies from progressing with their diversity strategies.


The study suggests that getting women in first-level management is the key to achieving better outcomes. This action will facilitate the creation of a succession pipeline to feed into middle and senior management promotions. Additionally, training for hiring ‘momagers’, and transparent evaluation criteria, will prevent bias and provide objective assessment of employees being considered for management positions. **WA**

“The Mindsets & Practices of Excellent CEOs” – McKinsey

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

This extensive research by McKinsey looks at the 18 most universal responsibilities that CEOs have to fulfill, describing the mindset, strategies, and practices that most effective CEOs will embrace to achieve excellence.

The research covers the practices related to corporate strategy, alignment, teams and processes, board, stakeholders and personal working norms, with clear linkages to the mindset required for each area.


The study concludes that the best CEOs demonstrate significance in a few areas, but are able in all others and challenged in none. The findings prove that different priorities would reset the attention of the CEO over time, and therefore it may require a kind of bold move to realign the organization and refresh the team and business processes. **WA** 

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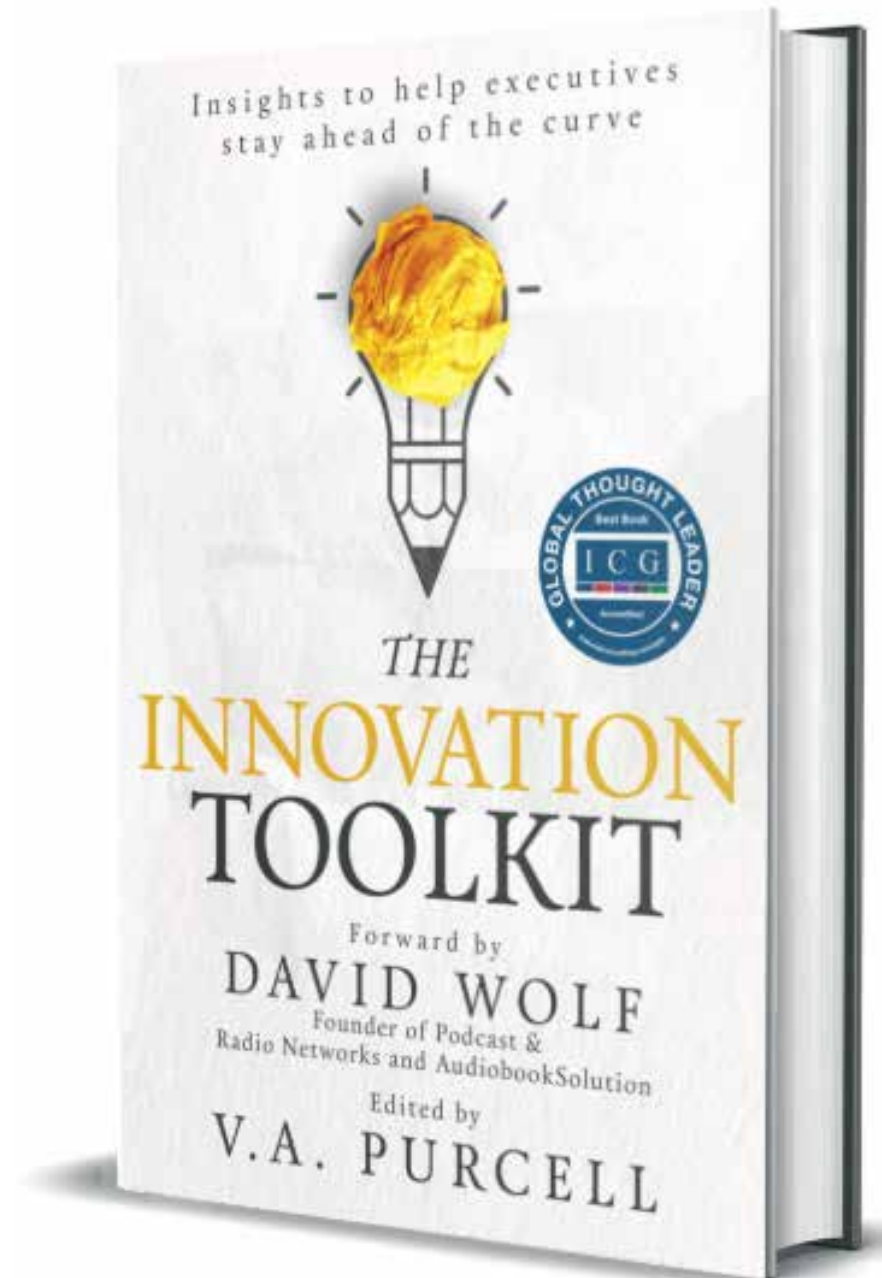
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Cross-Industry Functional Topics

Risk & Compliance

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

“Navigating Cyber Risk Quantification” – Oliver Wyman

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

While technological advances provide organizations with more efficient and effective ways of conducting their business, associated risks are usually less well understood and managed. Oliver Wyman’s article highlights the importance of understanding cyber security exposures and addressing them diligently across the entire organization.

In order to quantify the cyber exposures, scenarios with material or extreme impact on clients, vendors, and transactions need to be identified. Based on these scenarios, the Value at Risk (VaR) has to be calculated and respective management strategies prepared.

The article elaborates not only the quantification process but also discusses challenges and examples. Therefore, it is a recommended read for all cybersecurity and enterprise risk professionals. **ES** The Ir logo is a small black square containing the white letters 'Ir'.



Cross-Industry Functional Topics

Technology

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

“How to Win with Artificial Intelligence” – BCG

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

In this article, BCG deep dives into the success factors of winning with AI.

This is the result of interviewing more than 2500 top executives, led by BCG Handerson (the research institute of this renowned strategy consulting firm), and from BCG Gamma (the new global team dedicated to Advance Analytics and AI).

The key findings from this survey analysis are to go for top of the line as opposed to cost saving, to use AI as a means and not as an objective, to aim high not low, to invest in process and business transformation in parallel to AI, and to invest in talent in-house or in partnerships.

All in all, it is a well constructed paper with added examples where it matters. However, it does not teach us anything new: like all other technologies on the market, AI is just a tool, not the goal. **CA**

“Digital Transformation: Improving the Odds of Success” – McKinsey

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

This McKinsey article highlights the five best practices to adopt in order to increase the chance of a digital transformation program exceeding expectations by a factor of five.

Beside the core interest of this paper regarding the five best practices to set up (which your reviewer will let you read for yourself), the most interesting parts of it are the beginning and the end.

Indeed, in the first section, the McKinsey research authors innovate by providing a (very, and may be *too*) detailed explanation of their method, just to demonstrate that they’ve used AI and Machine Learning in their analysis. The last part of this paper is now truly interesting: it reveals that regardless of the outcomes the digital transformation is aiming for (like stronger customer engagement, lower operating cost, etc) the odds to beat the expectations are the same. There is no one functional area of the organization that is easier to target than the other one, whether it is cost saving, sales or marketing.

Overall, McKinsey put an easy-to-read paper together that will suit anyone curious about metrics and odds. **CA** The Ir logo is a small black square with the letters 'Ir' in white.



Cross-Industry Functional Topics

Operations & Transformation

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

“The Helix Organization” – McKinsey

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

McKinsey promote a new model of managing organizations to better optimize the balance between centralized and decentralized functions. The approach attempts to address the challenges of matrix structures by separating people leadership from the day-to-day management of business priorities. The piece will primarily be of interest to HR leaders and consultants.

The case for exploring new ways to manage organizations is strong, given the dramatic changes in technology, market access, and customer and employee expectations. Traditional top-down hierarchical structures are proving ineffective. Organizations must be more agile and more focused to succeed. McKinsey presents a case for what they refer to as a ‘helix structure’ based on the two-sided ladder formation of double helix DNA. The authors claim it offers advantages over the complex solid- and dotted-line matrix structures that have evolved in many organizations. Anyone with experience in a matrix structure will recognize an improvement opportunity.

The article makes a strong case for change, and the helix concept has merit. However, it isn’t crystal clear – to this reviewer at least – how it will address many of the dynamics that undermine performance in matrix structures. Well worth a read in any case. **JL**

“How to Plan & Budget for Agile at Scale” – Bain

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

Bain explores new methods and best practices for planning and budgeting to support large-scale agile teams. The authors seek to identify ways to better allocate resources to work that will generate the best returns, and sheds light on the importance of adapting business processes and capital allocation to the pervasive growth of agile ways of working. The article will be of interest to leadership teams looking to extract the greatest value from agile, and to consultants looking to assist companies on this journey.

The core set of ideas suggest that funding should be allocated to products rather than projects; budgeting should be less detailed and more frequent; and the feedback loop needs to be more tightly monitored to ensure appropriate adjustments are made.

The insights are valuable and can help companies get more value from agile; too many companies have moved to agile without aligning business practices to optimize results. **JL**

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Cross-Industry Functional Topics

Innovation & Disruption

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

“Navigating the Route to Innovation” – Bain

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

An article about why innovation matters, and the importance of using a portfolio of approaches, according to a survey of 1200 executives. Bain found that what differentiates companies whose executives are regarded as innovative is their greater use and variety of external innovation (partnerships, accelerators, corporate venture capital, JVs), in addition to internal innovation (corporate R&D labs, internal incubators) and buying it (M&A). The article ends with a discussion of the familiar organizational enablers for innovation like incentives, freedom, leadership, and culture. However, there is nothing particularly new about anything of this. **RD**

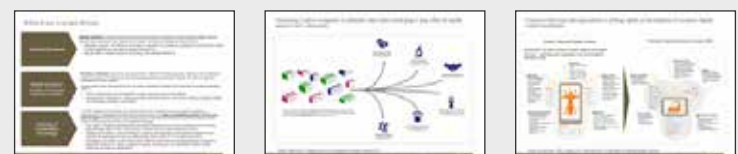
“The Innovation Commitment” – McKinsey

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

An update on McKinsey’s “8 essentials of innovation” framework, but good enough to not require reading the original research first. The framework is eight clusters of mindsets, practices, and processes associated with successful innovation across the enterprise. This article focuses on the first two of these: “aspire” to set a goal for innovation’s contribution to achieving a company’s growth target, and “choose” to have a sufficient innovation portfolio (number bets of different types, sizes, and horizons) to achieve it. But it also says enough about the other six that you get the overall idea. Because it is written on a foundation of previous research and publications over several years, this article has depth and integration that makes it worth reading. **RD**

Innovation in the Business Banking Value Proposition

KAR 011



170 pages

Addresses (and provides approaches to help answer) the questions on the mind of every financial services executive.

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Cross-Industry Functional Topics

Innovation & Disruption

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

“How Corporate Banks can Ride the Disruptive Wave of Global Trade” – EY

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

An article about how the huge trade finance business of banks is being impacted by trade wars, new business models, and technology. Essentially it is about bank letters of credit, the traditional paper-based method of trade finance, being substituted by other means for creating trust and facilitating payments between businesses in different countries. These other means are being created by new types of competitors for the banks, and also by customers reorganizing their supply chains and distribution channels. Like most publications in the “incumbent disrupted” genre, this article lists a number of prescriptions by which banks can stem the loss, and emerge bigger and stronger if they reorganize to capitalize on their strengths. Given the rapid growth of new supply chain finance companies (e.g. Greensill) and international payment services, and the potential for blockchain in trade finance, this article is worth reading to appreciate the size of the opportunity and threat. **RD** 



Cross-Industry Functional Topics

Payments & Open Banking

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

“Building a Commercially Viable European Payments Model: A Transformation Agenda for Generating Revenues & Reducing Complexity” – Strategy&

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

Despite many looking to Europe as having some of the most forward thinking and leadership in payment standards and data privacy, this article points out that European banks and payment providers been held back by a focus on data privacy, lack of innovation, and disjointed payments infrastructure.

A comparison of the European landscape is made to the more profitable US payments landscape (differing interchange regulation) and the China payment landscape (less privacy and more data driven), honing in on the lack of end customer experience focus.

The article summarizes the multiple, country-specific payment systems including the continued high use of cash, data protection legislation, and PSD2 customer data access requirement. The authors call for cross-border action to address these challenges to stay relevant where big tech companies and, soon, retailers with payments licenses, build and maintain a competitive edge.

There a number of valuable recommendations put forward, making this a worthwhile read and surmising which of these might be applicable to your local market. There are no quick wins though. **RM**

“Executing the Open Banking Strategy in the United States” – Deloitte

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

The US has the advantage of coming to the Open Banking scene a bit later than some other economies and this is a good, quick read to get up to speed on how is is expected to be different than UK/Europe and Australia — industry-driven, not regulatory-driven. The article goes further, providing insight on what segment of consumers would both be comfortable in sharing their data and deriving value out of their data with a trusted service provider.

Australia is singled out as going beyond financial services through its Consumer Data Right legislation, and moving into other industries such as energy and telco.

Whether you are focused on being compliant with regulatory frameworks or looking to build a business on API technology and transparent customer value, ICG’s Open Banking practice can help. **RM**



Cross-Industry Functional Topics

Cyber Security & Privacy

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

“Financial Crime & Fraud in the Age of Cybersecurity” – McKinsey

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

A good attempt to survey, synthesize, and communicate the complex and complicated areas of financial crime, fraud, and cyber security – mostly taking a risk-and controls-based view that should be familiar to most financial services executives, without the jargon. Due to the size and scope of most financial institutions today – and their vast estates of unaligned business processes and systems – the imagined unified models suggested may be unattainable. Yet fuller integration of financial crimes, fraud, and cybersecurity are likely to yield a more resilient organization. If nothing else, this article might be good for boards and executives as a thought piece regarding how to progress and mature these important risk functions and operations, as digital trust becomes increasingly relevant. **MT**

“How Cybersecurity Became the Number One Threat in the Global Economy for CEOs” – EY

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

This puff piece is designed to promote the EY CEO Imperative Study by highlighting the outcome that cybersecurity is the top threat above all other concerns. Whereas most financial organizations and other good risk surveys have been saying this for a few years now (for example, the DTCC Systemic Risk Survey – since 2015), EY’s “4 minute read” is really just a come-on to their cybersecurity services page. Skip it and read the McKinsey article [in the preceding review](#), or seek out the EYQ (EY’s think tank) “18 minute read” about the 2019 EY CEO Imperative Study; it reveals that investors and boards expect CEOs to respond to humanity’s greatest challenges and that is the new growth imperative. Oddly, cybersecurity was only mentioned twice. **MT** **lr**

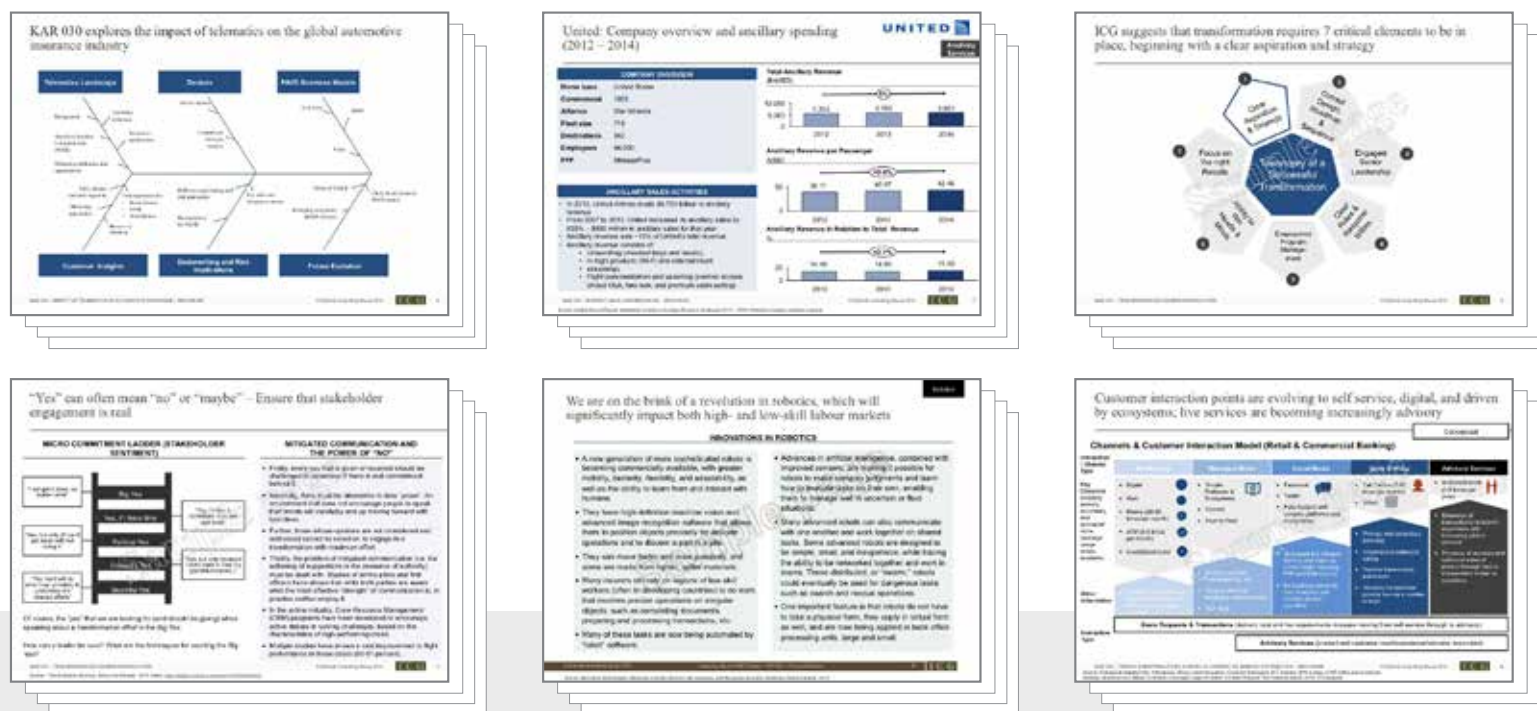
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- Transformation Leadership
- Virtualization in Financial Services
- Pricing in Retail Banking
- Impact of Telematics on Automotive Insurance
- Bank Cost Reduction Program





Industry-Specific Topics

In this Section:

[Macro Financial Services](#) | [Retail & Business Banking](#) |
[General Insurance](#) | [Life Insurance](#)




Industry-Specific Topics

Macro Financial Services

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

“Global Banking Annual Report 2019: The Last Pitstop? Time for Bold Late-cycle Moves” – McKinsey

[VIEW PDF \(50 PAGES\)](#)

This is McKinsey’s annual look at the state of the banking industry. The report is well structured and very well written, if a little dry. It also doesn’t quite follow the usual path of these annual reviews with published tables by bank and country – so you get the sense they are wanting to send or sell customized reports to each bank. They do, however, include some novel (if at times complicated) analyses which will be of interest to those looking for new analysis and presentation approaches. The report also nicely integrates McKinsey’s previous insights on strategies which drive out-performance into an agenda for banks wishing to outperform at the end of the cycle. A great skim for all bank executives, and solid homework for internal consultants. **DM** 



Industry-Specific Topics

Retail & Business Banking

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

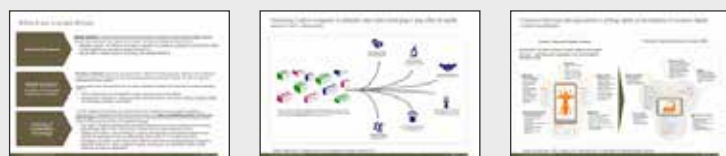
“How Banks can use Data & Technology to Help SME Businesses Grow” – EY

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

This brief article looks at how banks should redesign their SME offerings for the digital age, from on-boarding through to providing technology-enabled services. Solutions should be tailored to the needs of small businesses, such as cashflow management, digitized invoices, and faster payments. This is a good intro, and more depth would be useful. **JC**

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Addresses (and provides approaches to help answer) the questions on the mind of every financial services executive.

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ARTICLE OF THE MONTH

“Global Retail Banking 2019: The Race for Relevance & Scale” – BCG

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

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

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

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



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Industry-Specific Topics

General Insurance

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

“When Will Insurers Go Agile?” – BCG

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

Good article encapsulating the view that insurers don’t see the competitive pressure to justify going agile at scale, and the fact that management is dominated by actuaries who are risk averse by nature. However, it’s not an unreasonable perspective, and one sufficient to ignore the siren call of consultants for transformative initiatives to feed their expensive infrastructure. **PD**

“Modernizing Insurance Product Development” – Deloitte

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

This is a bit of a rehash of a long-held Deloitte view that the insurance industry is bad at product innovation. The response is the same: as a former insurance industry practitioner and a strategy consultant, your reviewer does not recognize the reality proposed by this author. Perhaps they should get on a plane to London and see the global-orientated London insurance markets, centered around Lloyds’ of London. There, they will see a highly-responsive, client-centered market based around product innovation. It has been doing this for centuries, starting with sailing boats, moving to satellites, and now pioneering cyber-crime, and developing new global markets, and new coverage models. **PD** **lr**

Transformation Leadership

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Industry-Specific Topics

Life Insurance

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

“A Growing Urgency for Change in the Life Insurance Industry” – BCG

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

Summary answers to generic survey questions from 508 respondents in 62 countries on top issues in the industry. The surprising winners are change management, and the tools and techniques to support transformation. At ICG, we call this phenomenon of needing to constantly change ‘Transformation As Usual’ (TAU) as the replacement for BAU (Business As Usual). Apart from isolating change as the biggest issue, there really is nothing new here for our readers. **DM**

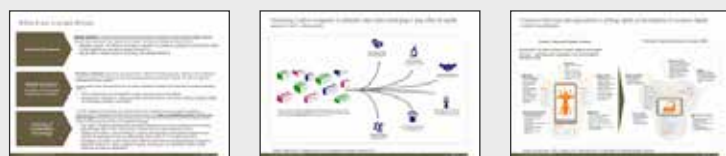
“Life - and Life Insurance - in a Time of Negative Rates” – BCG

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

An interesting article on the many detrimental effects of negative interest rates on life insurance companies. The article includes a helpful list of strategies that are applicable to life insurance companies seeking general substantial performance improvements. **DM**

Innovation in the Business Banking Value Proposition

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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

OCTOBER 2019

“Retail Banking Distribution” – BCG

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

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

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

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

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

SEPTEMBER 2019

“The Productivity Imperative in Insurance” – McKinsey

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

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

The author’s main take out is the need to strategically invest, and secondly, reduce business complexity. Worth reading more than once as it will provide executives with a blueprint to adjudge initiatives.



Articles of the Month

The Best Insights of the past 12 months

AUGUST 2019

“Breaking the Commodity Trap in Trade Finance” – BCG

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

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

It leads readers through a three-step approach:

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

This will be of interest to senior-level sales, pricing, and finance executives responsible for overall profit maximization on a corporate level, where products have been viewed as commodities. The article is relevant to a number of industries where rapid changes are occurring and latent profit potential opportunities need to be identified and exploited.

JULY 2019

“Optimize Social Business Value” – BCG

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

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

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

“Does Digital Leadership Matter?” – Accenture

[VIEW PDF \(23 PAGES\)](#)

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



Articles of the Month

The Best Insights of the past 12 months

JUNE 2019

“Pursuing Cybersecurity Maturity at Financial Institutions” – Deloitte

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

This must-read, high quality paper is based on a survey fielded by the Financial Services Information Sharing and Analysis Center (FS-ISAC), in conjunction with Deloitte’s Cyber Risk Services practice in the fall of 2018. It is clearly written and with excellent insights on resilience, cyber maturity, spending, and the “hidden game” that leaders with adaptive cybersecurity play. This one will interest business unit leaders, CISOs, CIOs, and CROs, as well as board members interested in a business perspective vs. a lot of jargon and discussion around cyber hygiene and cyber threats. Well done, Deloitte.

MAY 2019

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

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

Although it is often passed over as a key security topic, privileged account management (PAM) is getting increased attention from regulators worldwide due to several high profile attacks. This quick read is ideal for board or executives interested in understanding key controls in this important area, and could be used by CISOs as an outline for a PAM improvement project in their organizations – provided that they also apply a risk lens on the business unit or process to be secured. Although this paper was developed within the Asia Pacific market, it would apply to any other; just replace the relevant country or state regulation for compliance purposes. Ultimately, compliance should be a by-product of good privacy and security controls, as described here for PAM.



Articles of the Month

The Best Insights of the past 12 months

APRIL 2019

“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.

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.



Articles of the Month

The Best Insights of the past 12 months

JANUARY 2019

“The Five Trademarks of Agile Organizations” – McKinsey

[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 Organisation.”

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.



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.



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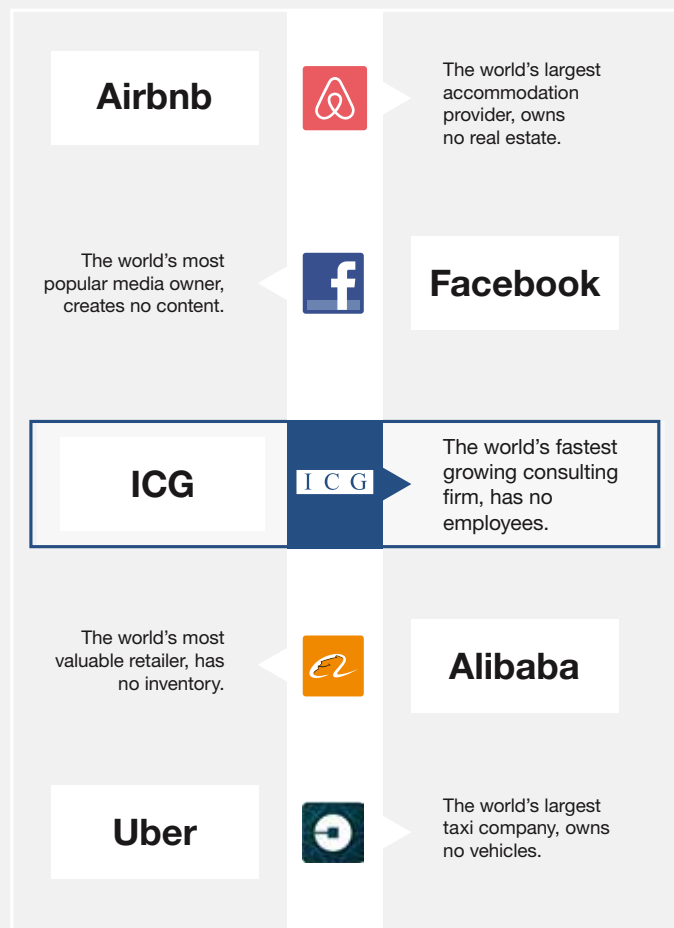


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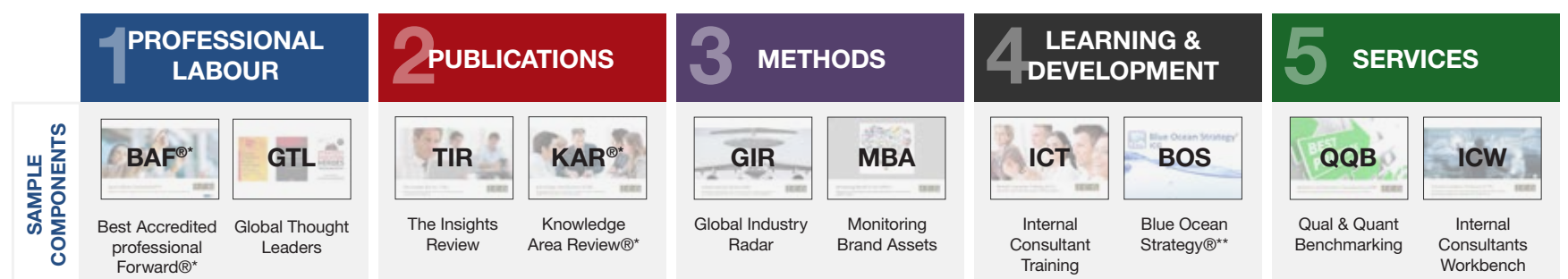
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