



# THE INSIGHTS REVIEW

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ECOSYSTEMS, M&A AND INTEGRATION  
LEADERSHIP & EXECUTIVE DEVELOPMENT  
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RETAIL & BUSINESS BANKING

FINTECH  
CORPORATE & INVESTMENT BANKING  
WEALTH & ADVICE AND INVESTMENTS AND  
FUND MANAGEMENT  
GENERAL INSURANCE

ARTICLE OF THE MONTH: *“The Productivity Imperative In Insurance”* – McKinsey

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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
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- KPMG
- L.E.K. Consulting
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- McKinsey & Company
- OC&C
- Oliver Wyman
- Parthenon
- Promontory
- PwC
- Roland Berger
- Strategy&



**THE  
INSIGHTS  
REVIEW**

## Message From the Editor,

Reading the articles and our expert's reviews this month it again struck me that the level of change in our clients has risen to a level where the notion of *Business As Usual* (BAU) no longer applies. Instead, at ICG we use the term *Transformation As Usual* (TAU) - this calls for a change in tempo and business dynamism that rarely exists. If your business is struggling or your transformation efforts are under-delivering please call one of our partners at your closest hub for a confidential conversation.

I am pleased to announce our reviewer of the month as Peter Dale from our London HUB who reviewed an excellent article from McKinsey on how to achieve improvements in productivity in the Insurance industry.

["The Productivity Imperative in Insurance" – McKinsey](#)

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](#)

### “Finding the Right Remedy for Poor Organizational Performance” – Bain

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

A very brave and shallow insight from a senior team at Bain. It starts in a very familiar fashion, claiming to synthesize the 6 most desirable organization outcomes from years of surveys and the like. However, the six which include: Aligned, Capable, Effective, Adaptable, Efficient and Inspired at once appear so obvious that they underwhelm as an intended insight. The authors then take the brave step of claiming to have grouped companies based on these 6 outcomes (which themselves are notoriously hard to measure) into five groupings whose names will deeply offend any company who isn't in the top group. Drum roll, because the names are: Top Performer, Focused Waddler, Aimless Runner, Happy Statue, and Stuck in a Shambles.

I would love to be a fly on the wall when they present this pitch to a C-Suite and tell them they are a Happy Statue or Focused Waddler. **DM**

### “Are You Getting Value From Your Center?” – Bain

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

Useful but light treatment of the major forms of corporate center model. Using a four shades of grey model from light touch to operations, Bain outline four archetypes with a general description and apply a case study of a European merger which is likely a client case study. Figure 2 is a useful slide for internal consulting teams to keep, otherwise most readers can find much deeper treatments elsewhere, including in ICG's recently developed Corporate Strategy Training module for executives. **DM**

### Virtualization in Financial Services

KAR 015



75 pages

A peerless synthesis of available information (public sources, applied science journals, research databases, public company records).

[VIEW KAR 015 >](#)



Cross-Industry Functional Topics

## Strategy & Transformation

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

### “Get Set, Grow: But Are You Ready?” – Deloitte

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

Hats off to Deloitte for having a stab at the old chestnut of the Good to Great story. Through research and extensive surveys the team define five activity areas such as growth scanning through to execution and five capability areas such as insights and talent that are significant to the pursuit of organic growth. They then outline each of these and bring them to life in some graphical frameworks. The other idea they put forward is that companies either scan and select ideas for growth, else they simple seize current market opportunities. This article would be of interest to new internal consultants, otherwise it should be reviewed in the context of the major approaches reviewed in this journal and synthesized in ICG’s Corporate Strategy training materials. **DM**

### “The Incumbent’s Advantage in the Internet of Things” – BCG

[VIEW PDF \(19 PAGES\)](#)

An authoritative look at The Internet of Things in the B2B space. Taking a strategic approach, the authors walk through the major plays, providing lots of useful examples. Helpful to all executives and internal consulting teams operating in B2B industries. **DM**



## Cross-Industry Functional Topics

# Strategy & Transformation

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

## “Transformation Starts at Zero” – Accenture

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

A tantalizing insight that quickly fizzles as an advertorial. The great idea is to find a wise pivot (i.e. how do I milk the cow and pursue the right new growth opportunity?). However, nothing is said about how to identify or curate these pivots. Instead we hear of the idea of a revamped Zero Based Budgeting approach that is pivoted towards growth as well as freeing up costs to drive the growth, however no detail. One to miss. **DM** 





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](#)

## “Demystifying Deal Making: Lessons from M&A Veterans” – McKinsey

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

The author enjoyed the read, especially the discussion on the merits of activist investors. Whilst in the article a differential perspective emerged, it created a 360° view, which effectively to the authors mind developed a perspective that these investors need to be embraced, because ignoring them will be expensive. Otherwise, some good insights on the practicalities of M&A. Worth reading.

PD

## Virtualization in Financial Services

KAR 015



75 pages

A peerless synthesis of available information (public sources, applied science journals, research databases, public company records).

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# 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



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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](#)

## “How to Manage the Waves of Change” – Bain

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

As leaders improvise, innovate and adjust their work routines and strategies over time, in response to significant changes, unanticipated breakdowns and contingencies, that commonly initiate opportunistic shifts which organizational leadership can enact upon, as they make sense of and act in the world, the need arises to enhance our understanding of change, and avoid the strong assumptions of relationality characterizing existing change perspectives.

This article introduces “waves of change”, employing surfing analogy, namely the three routines of watching the incoming waves and get into position to ride the wave, ensuring the right setup and preparation for success, and build commitment and momentum to move forward. A simple but meaningful resemblance of the role that strategic leaders occupy in the firm.

The author highlights the two most critical elements in handling change: timing and readiness. Moving too fast may compromise readiness, while waiting too long can endanger momentum and potentially risk the opportunity to make the change.

Preparing for readiness demand leaders to assess the existing capabilities and resources in place, and to invest in skills and means necessary for success. Leaders are required to build commitment and trust among their followers to enable adequate levels of performance during change.

The surfing analogy seems to draw parallels to the strategic leadership methods; the leader foresight for monitoring the horizon, strategic thinking and position choices, strategic planning to build capability and execution based on commitment and momentum. **WA**

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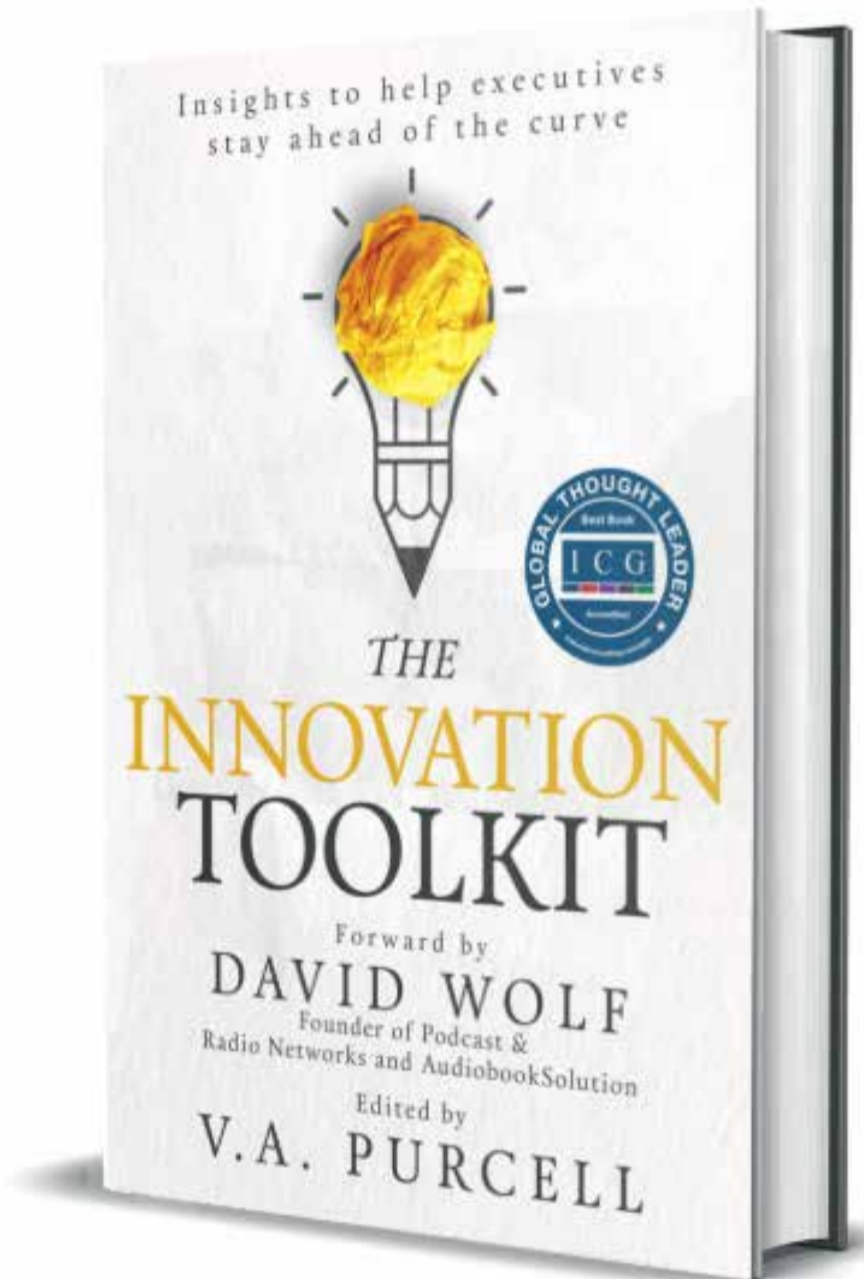
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Cross-Industry Functional Topics

# Marketing & Customer Experience

Review by: Lisa Hickson | ICG Global Practice Leader Customer Experience Strategy | [Contact](#)  
Stephen Hewett | ICG Global Thought Leader - Customer Experience | [Contact](#)

## “Have it Both Ways: Happy Customers & Lower Costs” – Bain

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

I strongly recommend this article if you are interested in Journey Mapping as a tool for improving both customer experience, organizational focus and ROI (as we do at ICG). Bain introduces the concept of ‘episodes’ (effectively sub-journeys) as a way of embarking on a prioritized, manageable and agile transformation of your business (they actually describe episodes as “units of transformation”). These episodes are effectively sub-journeys or customer tasks – starting with a need and ending with its completion, e.g. opening a bank account. Bain argue that a prioritized focus on improving the experience around episodes (often with a focus on simplicity, digitalization, personalization and ‘right first time’) will actually improve customer experience while simultaneously reducing organizational cost (through reduced complexity, better conversion, less rework, stronger loyalty, etc.). **LH**

## “Applied Customer Engagement: Reinventing Customer Contact” – Accenture

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

This article introduces Accenture’s capabilities around transforming traditional call centers to more sophisticated digital and AI enabled service centers which are able to handle ever greater volumes of personalized and effective customer interactions. It introduces a range of Accenture frameworks including ACE – The Applied Customer Engagement Approach – which involves a set of operating principles and a phased approach, aimed at removing unnecessary contact and migrating customers towards digital and AI enabled channels. It’s all extremely logical (if not surprising) and worth a read if call center transformation is a challenge you face. **LH**

## 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.

[VIEW KAR 011 >](#)



Cross-Industry Functional Topics

## Technology

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

### “Unlocking Value from Unstructured Data” – Accenture

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

In this white paper Accenture provides concretes and delivered Use Cases about their capabilities in Natural Language Programming (NLP). After a short informational brief around Artificial Intelligence (AI) and NLP in particular, where the authors introduce NLP as one of three AI-driven capabilities that enterprises can readily harness to create business value and competitive advantage, the article presents Accenture NLP applications that are supported by their NLP technology ecosystem.

From Chatbots to threat detection, from sentiment analysis to data storage optimization, CIOs and CTOs will learn how they could leverage NLP applications in to improve both user experience and insight discovery.

Quite a short and interesting paper, and surely good press for Accenture. **CA**

### “How to Stop AI From Reinforcing Biases” – Accenture

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

Another article from Accenture this month where authors present what to look out for and the key questions that could help implementing AI with confidence and trust.

Indeed, everyone has in mind at least one example of an AI-based algorithm which, after ingesting ten years of old data, reproduces and exaggerates the same pattern without taking the changed context into account, with Amazon’s recruitment platform leading to women or ethnic minorities being unfairly discriminated against, being just one of them.

Simple and quick to read, this paper details the four main types of unintended consequences those algorithms can cause and poses the bare minimum FAQ to ask beforehand to avoid accidents while maintaining fairness.

A must read for any CIO/CTO designing their AI ecosystem. I would also recommend it for business unit leaders interpreting the first results of their studies. I particularly liked the conclusion where the authors advocate for a responsible governance of AI, to be treated at the Board level just like data privacy and cyber security. **CA**



Cross-Industry Functional Topics

## Operations & Transformation

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

### “Simpler, Faster & More Efficient “The Agile Contact Center” Operations in Financial Services” – BCG – BCG

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

A useful article from BCG for those looking to close the gap between ambition and reality in operational excellence. The authors explore the challenges faced by companies saddled with legacy processes and technology advocating for a Zero Based mentality to redesign. Like Zero Based Budgeting, the approach ignores the current cost base to design new ways of delivering process efficiencies.


BCG argues that this is a more effective way of eliminating duplication, overlaps and redundancies and can deliver up to 80% in cost savings. Big savings are often available in areas where quality and risk reviews have been added to the processes. Focusing on root cause errors and bottlenecks produce significant and sustainable benefits.

There is also a useful matrix in the article to guide and focus improvement efforts around standardization and scale. **JL**

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

The BCG article focuses on opportunities to improve customer service and reduce cost in financial services contact centers. It encourages companies to view contact centers as strategic assets with the power to provide differentiated solutions to customer needs.

It feels more like advertorial than a thought piece, but nonetheless provides valid observations on the improvement potential in contact centers to deliver better customer service, at lower cost. Insightfully, it highlights the need for contact centers to adapt to the growth of self-serve offerings and ensure uplifted capabilities to deal with the increased complexity of customer queries routed through to staff.

It is worth a skim read for those looking to improve contact center performance. The examples provide useful food for thought, if not a recipe for specific corrective action. **JL** 

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## Cross-Industry Functional Topics

# Innovation & Disruption

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

## “Artificial Intelligence Leaders in Financial Services” – Deloitte

[VIEW PDF \(19 PAGES\)](#)

This paper (with an ambitious title) is actually quite good. It’s a report on a survey Deloitte did a year ago, asking 1100 executives in US financial services firms about how they were using AI. Unlike much of the breathless hype about AI, Deloitte presents a cool and methodical assessment of how and where AI technologies are being used by financial services firms in the US, characterizing their capabilities by how many AI implementations they had done, and the financial returns. The paper is both a good snapshot of what firms are doing, and a road map for adopting and extending AI technologies in a financial services firm. It is well written and worth reading. **RD** 

## Engage Your Peers (EYP)



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Cross-Industry Functional Topics

# Payments

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

## “Payments Plus” – Oliver Wyman “Merchant Payments Digest” – Oliver Wyman

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

A quarterly publication, mainly US-focused, which touches on the major themes in payments with the occasional insight. Some interesting statements including that;

1. Banks and fintechs in the US stop development of transaction-based wallets because of Apple, Google, and Softbank;
2. Cost pressure in loyalty, driving smaller, unique recognition in lieu of big ticket rewards;
3. 10% growth in e- and m-commerce volume, driving strong M&A; and
4. Direct billing models winning payments share from banks. **RM**

[VIEW PAGE](#)

Latest edition of the Merchant Payments digest spanning around the world payments developments. Some good examples of different industries including payment convenience into their products: Fiat Chrysler to allow in-car purchases through the [Uconnect Market](#), Citi expanding its Mastercard partnership to allow Pay with Points, eBay allowing developers to tap into new APIs for better transaction detail and check-out, and Uber-BBVA issuing a debit Mastercard for its drivers in Mexico. **RM**




Cross-Industry Functional Topics

# Payments

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

## “Payments: Capturing M&A Synergy in an Ever-changing Landscape” – EY

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

If you're in the M&A side of payments and looking to capitalize on deal value post-merger, this is a quick read to remind you of what to think through and plan for before you take the plunge. **RM** 



Cross-Industry Functional Topics


## Cyber Security & Privacy

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

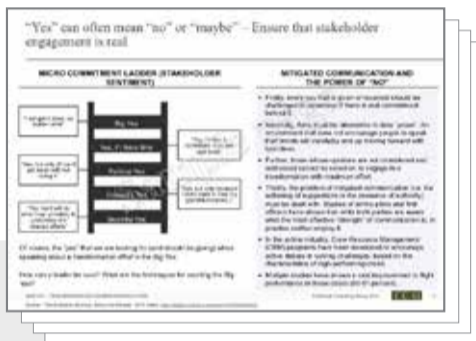
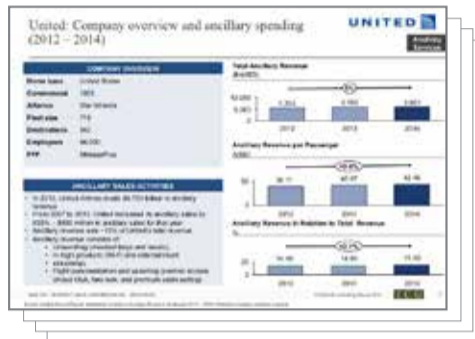
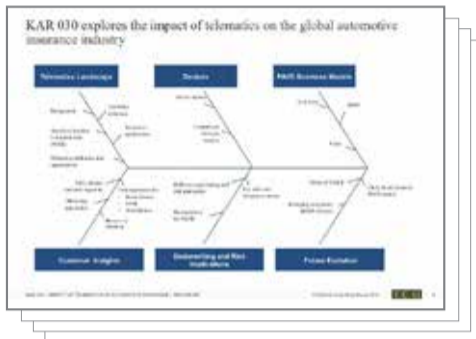
### “Navigating Cyber Risk Quantification” – Oliver Wyman

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

Deloitte Insights in 2017 found the number of technology-focused directors—those with meaningful technology experience—on public company boards is low, and that many are only beginning to add tech expertise. However, public companies have appointed technology-focused board members increasingly over the last six years (from 10 to 17%). This week, the Australian Institute of Company Directors (AICD) found only 3% of surveyed members had science or technology experience. Until those numbers change, and maybe till well after, it may be wise for executives to try to quantify cyber risk.

This paper outlines ways to do it and some of the challenges, which are many, but a skilled CISO or advisor could facilitate this analysis. Quantifying risk in a scenario-based model may be the shorthand needed by directors and executives to help them understand and action risks. While it would be preferred to implement a robust risk framework and to quantify the risk for the enterprise and across each business unit or process *and then take action*, many organizations will lack the horsepower to do that, or to even get on the journey. Till then we should quantify risk and have a board level discussion in the lingua franca that directors have today which is primarily financial. A bonus goes to those that try to value their data as an asset. **MT** 

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

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# Industry-Specific Topics

In this Section:

[Retail & Business Banking](#) | [Fintech](#) | [Corporate & Investment Banking](#)  
[Wealth & Advice and Investments and Fund Management](#) | [General Insurance](#)




Industry-Specific Topics

# Retail & Business Banking

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

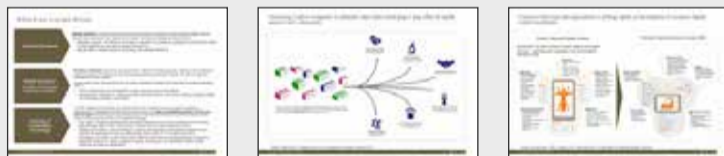
## “Make a Difference When it Matters Most” – AT Kearney

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

There are no ground-breaking insights in this case study of an Eastern European bank that sought to increase its penetration of the youth customer segment and developed an offering based around relevant life events – for example cash flow management for newly employed professionals. The simple point is that life inflection points create windows of opportunity for service providers – a point that is hopefully already well understood by our readers. **JC** 

## 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.

[VIEW KAR 011 >](#)



Industry-Specific Topics

## Fintech

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

### “Get the Most Out of Your Insurtech Partnership” – KPMG

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

A short practical guide for insurers that want to partner with “insurtechs” (startups focused on insurance products, processes, and customers). Actually, the advice generalizes quite well to any large bureaucratic organization that wants successful collaborations with small and agile external partners, particularly startups who are necessarily focused on survival and the shortest path to validation and cashflow. **RD**

### “6 Ways Financial Services can Industrialize Innovation” – EY

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

A report on a survey a year ago of 240 senior executives in US financial services firms, asking about the importance of innovation and how they manage it, and assessing their firm’s digital enterprise transformation maturity. The thrust of the report being that firms further along the digital enterprise transformation journey can innovate more, and regard innovation as the most important reason for digital enterprise transformation. The findings and trends presented in this report are quite high level, so glancing at the charts is all that is required to get the gist. **RD** 





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Industry-Specific Topics

## Corporate & Investment Banking


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

### “The Power of Many: Corporate Banking in an Ecosystem World” – McKinsey

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

The digitization imperative theme of articles reviewed in this section of *TIR* continues with this concise piece from McKinsey. It moves this discussion on from the internal digitization of Corporate Banking activities to leveraging the now possible interface with the external world, of both customers and partners, to benefit from the opportunities unlocked via establishment of ecosystems.

The article leans heavily on the activity in this space that has already taken place in China. The China illustration is bookended by an articulation of the imperative and advice on what to do next.

Much food for thought and even stimuli for action is available in this piece for executives and internal consultants in Corporate Banking. **ABV** 



Industry-Specific Topics

# Wealth & Advice and Investments and Fund Management

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

## “Robo-Advice Has Stalled but Wealth Technology Still Holds Promise” – Bain

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

With growth of AUM by most robo-advisory firms plateauing, leading wealth players in the mass-affluent sector are doubling down on wealthtech solutions that support investment advisers. This article mentions these solutions briefly on page four, but provides little detail. A very high level article that may be interesting for readers new to the wealthtech space but ultimately falls short of being compelling reading. **BJ**

## “Retirees of the Future: Increased Worries About Income Security & Growing Inequality” – Deloitte

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

Deloitte has a strong history of insightful contributions to the pension field and this article is no exception. It compares pension fund inadequacy across six countries from Mercers Pension Index, describing in detail the tensions and challenges inherent in improving each. The authors define possible solutions, along with the flaws in each, ultimately imploring employers to setup and take a more active role. Important reading for government policy makers, industry executives, and internal consultants tasked with ensuring pension fund adequacy for their country’s citizens. **BJ**

## Transformation Leadership

KAR 027



110 pages

In-depth information, drawing on the best public-domain thinking and practice globally from consulting firms, academics and others.

[VIEW KAR 027 >](#)



Industry-Specific Topics

## General Insurance


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

### ARTICLE OF THE MONTH

#### “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. **PD** 

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

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 \(23 PAGES\)](#)

A long 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.



## 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.



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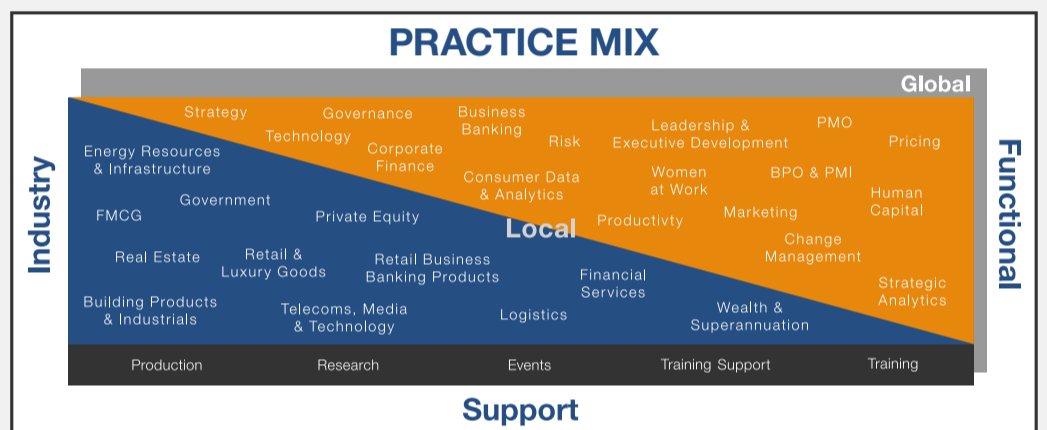
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Source: <http://techcrunch.com/2015/03/03/in-the-age-of-disintermediation-the-battle-is-all-for-the-customer-interface/#.lq0izjZzBr>; Adapted by ICG

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