Becoming An Invincible Company

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Overview
The Virus, The Fight, and The Impact.
Resilience risks and pandemic phases.

Business Survival Plan
Cost Management and Funding the Business for the next six to twelve months

Innovation On Framework
Explore + Exploit Portfolio Continuum. Applying “Strategy Is Execution” Framework

Tomorrowing Model
Transforming and Becoming An Invincible company by putting CX and EX in unison.
Agenda

1. Defining “Invincible Company”
2. Virus and the fight
3. The Covid-19 Impact
4. Resilience risks and Pandemic phases
5. Overview on the next three webinars
   a) Cost Management
   b) Exploit + Explore Framework
   c) “Tomorrowing” Strategy for Scaling

This Presentation will be available for download at www.virtuos.com/invincible
DEFINING “INVINCIBLE COMPANY”

Company constantly reinvents itself

Company competes on superior business model

Company creates more value

Company places CX and EX in unison

Company transcends Industry boundaries
POST- COVID DIMENSIONS OF ORGANIZATIONS

Who we are
How we operate
How we grow
The Pandemic
How Virus is playing the havoc

THE VIRUS
THE FIGHT
THE IMPACT

COVID-19
- Corona Virus Disease 2019

How does the virus work? What it is, where it comes from, how it hurts us, and how we fight it
PLAYING WITH THE ENEMY WITHOUT FOLLOWING THE “SOCIAL DISTANCE” RULES.
Why some countries, for that matter few states in India have done better than others—and what we can learn from them.

Kerala, India
COVID DRIVEN ECONOMIC LANDSCAPE

- Significant and increasing unemployment
- All industries impacted: e.g. Retail, Travel, Accommodation, Personal Services and Sport/Leisure
- Dislocated and remote working
- World wide Government debt increased to cover industries in need
- Supply chain disruption
- Significant reduction in revenues
- Cashflow issues will halt most transformation spend
- Recession fears mean focus is on cutting costs
## TSP Industry Impacts on Technology Investment Due to COVID-19

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<th>Industry</th>
<th>Short-Term Impact on Tech Investment</th>
<th>Long-Term Impact on Tech Investment</th>
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<td>Banking and Securities</td>
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THE VIRUS
THE FIGHT
THE IMPACT

IMPACT ON US ECONOMY

Coronavirus job losses surge

- Jobs created since Great Recession: 22.4 million
- UI claims (last four weeks): 22.0 million
- Jobs lost in Great Recession (peak to trough): 8.7 million

SOURCE: Dept. of Labor, St. Louis Federal Reserve

$447,612,200,000
DECREASE IN MARKET VALUE OF THE STOCKS IN THE S&P-500 ENERGY SECTOR, MARCH 2 TO MARCH 18, 2020

ESTIMATED CORONAVIRUS EFFECT ON U.S. REAL GDP

- Negative effect from decline in spending
- Positive effect from fiscal response

61%
SHARE OF U.S. RETAIL LOCATIONS—258,366 STORES AS OF MID-APRIL—that have closed because of COVID-19 precautions

SOURCE: GLOBAL DATA RETAIL

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IMPACT ON INDIAN ECONOMY

COVID-19 COULD COST 135 MILLION JOBS, PUSH 120 MILLION PEOPLE INTO POVERTY IN INDIA

IT INDUSTRY IS IN A MAJOR CRISIS LIKE NEVER BEFORE

50% OF MSME SECTOR WILL BE WIPED OFF

THE FATE OF TOURISM INDUSTRY

COVID-19 could cost 135 million jobs, push 120 million people into poverty in India. The IT industry is in a major crisis like never before. 50% of MSME sector will be wiped off.
SOCIAL DISTANCING IS THE NEW NORMAL

- 33% office rentals will be slashed over the period.
- One to two meter distance between each employee.
- About 50% Employees will prefer to work from home.
- 33% will either be unfit for the future jobs or they will leave the company for the right jobs.
- Employees prefer Job Security and stability over compensation or growth.
- Employers prefer young employees with X Gen and Baby boomers finding discrimination.

BECOMING AN INVINCIBLE COMPANY
WE’LL EMERGE INTO A WORLD IN WHICH PEOPLE GIVE EACH OTHER WIDE BERTHS AND SUSPICIOUS LOOKS.
ORGANIZATIONAL RESILIENCE RISKS

Environmental
Natural Disasters
Facility
Country
Biohazard

**Biological Disease/Pandemic**
Geopolitical
Social Unrest/Networking
Information Technology
Cybersecurity
Legal and Regulatory
Third Party
Business Process
Separation of Duties
Workforce
Corporate Culture

Reputation Risk
Strategic Risk
Operational

Credit
Customers
Suppliers
Compliance

Market
Materials/Supplies
Interest Rates
Competition
Economy
Currency
Liquidity

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Daily Management Meetings, Focusing upon staff welfare and delivery of the most critical activities, applying communications strategies.
Consideration of Recovery. Implementing Recovery priority tiering, prioritising and clearing backlogs, cataloguing lessons learned, creating action plan for future resilience plans.
START WITH FUNDAMENTALS

Need/Outcome

What’s the business need? How much do we have to save?

Set the target

Determine the Approach

Follow the money
Plan and measure for success

Timing

How long do you have? What planning can we do?

Set the timeframe
COST MANAGEMENT APPROACHES

Cost Cutting
- Reactionary, Short-Term
- Immediate Reductions

Cut Expenditure
- Eliminate
- Rationalize
- Renegotiate

Cost Optimization
- Programmatic
- Structured Improvements

Structured Spend Optimization
- Improve Efficiency
- Increase Productivity
- Shift Spend

Value Optimization
- Business-Value-Driven
- Stakeholder Partnership

Invest in Business Outcomes
- Align to Value
- Plan & Prioritize
- Iterate & Innovate
- Execute & Measure

Value Realization and Risk Optimization
INNOVATION ON FRAMEWORK

Explore + Exploit

GROW
Scaling new business and improving or reinventing established ones

SEARCH
Turning business ideas into value propositions that matter to customers, embedded in scalable and profitable business models

Explore
High uncertainty

Exploit
Low uncertainty

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Let Them Impel Each Other

CX  Customer Experience

EX  Employee Experience

DON’T ADD – MULTIPLY
Impact of employee engagement on customer experience (versus other factors)

Percentage of respondents

- 36% Equally important
- 50% High importance
- 14% Low importance

Base: All respondents, n = 209
Q. How would you rate the impact of employee engagement on customer experience (versus other factors)? Scale of 1 to 5
source: Gartner
Thank you