

BUSINESS RESILIENCE

the most critical capability for firms to manage transformational shifts

„Transformational shifts in our economic, environmental, geopolitical, societal and technological systems offer unparalleled opportunities, but the interconnections among them simply enhances systemic risk“

WEF, Global Risks 2014

SOCIETAL

- Profound political and social instability
- Mismanaged urbanization

ENVIRONMENTAL

- Failure of climate change mitigation and adaption
- Greater incidence of man-made environmental catastrophes

GEOPOLITICAL

- Political collapse of a nation of geopolitical importance
- Large-scale terrorist attacks

TECHNOLOGICAL

- Breakdown of critical information infrastructure and networks
- Escalation in large-scale cyber attacks

ECONOMIC

- Fiscal crises in key economies
- Failure of a major financial mechanism or institution



Disruptive market environments and technological innovations not only threaten many traditional industries but also create new business opportunities.

The times they are a-changin' ...

(Bob Dylan, 1964)



MUSIC CDS

Shipping numbers / Germany
(2005 – 2013, Dt. Musik-informationszentrum 2014)



NEWSPAPER

Newspaper sales / Germany
(2005 – 2013, PwC 2014)



REVENUES ON E-COMMERCE

(2005 – 2013, HDE 2014)

+ 266%



REVENUES ON DIGITAL MUSIC

(2005 – 2013, IFPI 2014)

+ 491%

- 18%

- 19%

Structural changes in their industries challenge many tradition-rich companies

Energy

- BP
- Vattenfall

Retail

- Barnes & Nobel
- Karstadt-Quelle
- Schlecker
- Tesco

Publishing

- Frankfurter Rundschau
- San Francisco Chronicle

Technology

- Dell
- Kodak
- Nokia

Banking

- Bank Austria
- Commerzbank

Business resilience – a working definition

„Business resilience is a firm's ability to cope with change, both expected and unexpected. This concept encompasses firms' abilities to avert and recover from disasters, and the ability to adapt as their markets, customers, partners and regulators change their requirements.“

(Wipro, The Business of Resilience, 2014)

Three ground rules to make your business resilient:



Lead the change

“To create the future a company must change in some fundamental way the rules of engagement in a long-standing industry, redraw the boundaries between industries, and/or create entirely new industries. A capacity to invent new industries and reinvent old ones is a prerequisite for getting to the future first and a precondition for staying out in front” (Gary Hamel / C.K. Prahalad, Competing for the future, 1996)



Achieve customer centricity

“Customer centricity ... is not a philosophy. It is nothing that can be fostered through a company handbook or mission statement. Customer centricity is a strategy to fundamentally align a company's products and services with the wants and the needs of its most valuable customers. That strategy has a specific aim: more profits for the long term” (Peter Fader, Customer Centricity, 2012)



Deploy new technology

“Businesses need to deploy new technologies to stay competitive, but they need to do so in a way that is sustainable in the long-term. The single biggest challenge faced by the greatest proportion of respondents [of a FT Remark/ Wipro study] is integrating new technology with old. Since the new technology will also be old one day, firms should ensure they choose technologies that use forward-looking standards for integration and offer as much flexibility as possible.” (Wipro, The Business of Resilience, 2014)

Business Resilience Case Studies

Lead the change

Client of bank industry has traditionally been a bank focused on branch experience. It had a great legacy online platform, but the usability was poor. With online and mobile becoming critical access points, the bank underwent a major channel transformation to increase the uptake of the online channel. Result: 33% increase in checking accounts, 18% increase in credit cards.

Achieve customer centricity

For his client Wipro integrated a core mobility solution and rolled it out across 8,000+ users in the UK and US. This made employees able to manage leads and opportunities with instantly available customer history, contact and activity details. Result: 30% increase in efficiency for mobile sales teams.

“As often as boldness encounters hesitation, the probability of the result is of necessity in its favour, because the very state of hesitation implies a loss of equilibrium already.” (Carl von Clausewitz, On War, Book 3)