



# THE INSIGHTS REVIEW

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## IN THIS ISSUE

STRATEGY & TRANSFORMATION  
ECOSYSTEMS, M&A AND INTEGRATION  
LEADERSHIP & EXECUTIVE DEVELOPMENT  
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HUMAN CAPITAL

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PAYMENTS & OPEN BANKING  
CYBER SECURITY & PRIVACY  
CAREER TRANSITION  
MACRO FINANCIAL SERVICES

ARTICLE OF THE MONTH: 'Future of Finance: The Human Perspective' – KPMG

## About this Report

*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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If you find an insight review of interest and wish to access the full report, simply follow the link beneath the title. Where possible, this will take you to the full report. Occasionally, the publisher may require the user to complete a registration or payment process prior to accessing the report.

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



**THE  
INSIGHTS  
REVIEW**

## Message From the Editor

At this time of great uncertainty it is hopefully a small comfort that some things we have come to rely upon haven't changed. This month, like every other, our team of experts from around the world have prepared reviews of the world's best curated insights from across the global consulting industry to help you and your teams stay abreast of the latest ideas at this critical time.

And our team has already started on our Covid19 special edition which is collating all of the virus and crisis response insights from across the industry – so don't miss it.

This month we would like to congratulate the team responsible for our article of the month, led by our reviewer Greg Barnier.

*Future of Finance: The Human Perspective –KPMG*

**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.

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# Cross-Industry Functional Topics

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**Leadership & Executive Development | Risk & Compliance | Human Capital**  
**Innovation & Disruption | Payments & Open Banking**  
**Cyber Security & Privacy | Career Transition**



Cross-Industry Functional Topics

## Strategy & Transformation

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

### “When Vision & Value Collide: The State of the Financial Services Industry 2020” - Oliver Wyman

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

Oliver Wyman’s annual report is now much less of an in-depth state of the industry report and more of an OW marketing pitch to its potential global client base. The core of the insight is a straight copy of McKinsey’s broader and deeper platform which we reviewed last year, see [here](#).

To McKinsey’s material, OW add a useful current summary of US and Chinese Big Tech and a slant which builds on BCG recommendations that all strategists spend more time talking and listening to their investors during the strategy process to develop a more convincing and aligned narrative.

Great skim reading for most internal consultants and newer executives. **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](#)

### “The Impact of Open Banking on SMEs” – Kearney

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

A good article, worth reading, and as ever with AT Kearney – unlike many others – they offer key nuggets around practical delivery. The last paragraph is classic understated Kearney wisdom: *“Last but not least, banks will need to have a clear path to monetization from the beginning of the journey. Too often, new offerings are launched with two to three years of lead time and without testing the demand for new services with actual or prospective clients.”*

ICG

# COVID 19 SPECIAL EDITION

The world's leading insights to help you  
navigate the global uncertainty

THE  
INSIGHTS  
REVIEW

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

FINTECH  
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WEALTH & ADVICE, INVEST., AND FUND MGMT  
GENERAL INSURANCE

THE CORONAVIRUS CRISIS: A GLOBAL PERSPECTIVE

# LANDING SOON



Cross-Industry Functional Topics

## Leadership & Executive Development

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

### “Every Leader Needs to Navigate These 7 Tensions” - HBR

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

In his book *Leadership and the Art of Struggle*, Steven Snyder of Harvard Business School highlighted the question around leadership struggles, and he concluded that the first action is to recognize our tensions and adequately address them.

This HBR article uncovered seven core tensions leaders are facing between the traditional and the emerging leadership approaches in the current environment.

The article highlights how leaders struggle between what they conquered in the past and what they need to learn today. The fixed course as a source of stability and the necessity to adapt. The need for tactical clarity while facing abstract visions. The urge to direct others that lead to missing valuable knowledge. The tradition of holding power versus empowering others. The struggle between the “gut feeling” and relying on data-driven decisions. The balance between perfection and agility.

The cognitive and behavioral competence of leaders is indispensable but also achievable, by focusing on three key strategies to deal with tensions; self-awareness, learning and adapting, and contextual awareness from the social environment. **WA**

### “Leadership in a Crisis: Responding to the Coronavirus Outbreak & Future Challenges” - McKinsey

[VIEW ARTICLE](#)

This McKinsey article describes the current crisis accurately as “landscape-scale” crisis. The writer argues that predefined response plans during the crisis may lead to overreaction towards past events and prevent the leader from looking ahead. The article explores five behaviors and their related mindsets to navigate the current turmoil and possible futures, starting with the organisation model.

The network of teams, as an organization model is a multidisciplinary membership, advocating collaboration and transparency across the board while promoting psychological safety, characterized by unified purpose, highly adaptable mindsets, and mobilized towards clear priorities, where we discover crisis-response leaders.

The character of the crisis-response leader displays a delicate balance between staying calm and demonstrating confidence combined with realism to facilitate effective decision making.

The article highlights two cognitive behaviors for decision in a crisis, updating and doubting to enable the assessment of best available information and anticipating, in search for solutions to address the challenges on the business and personal fronts.

In experiencing the human tragedy side of the crisis, the writer nominates empathy as a critical behavior to support the leader in making a positive difference in people’s lives.

Finally, the article calls out crisis communication as a critical behavior when it is guided by transparency, optimism, realistic outlook can lead to better outcomes. **WA**



## Cross-Industry Functional Topics

# Risk & Compliance

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

## “Right-sizing the Three Lines of Defense” – Oliver Wyman

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

An interesting article, for all the wrong reasons. Advocating 2.5 lines of defense is not a new concept, but in practice leaves much to be desired. The authors recommendation is to give an increased role to the 1st line, where the risks are deemed not to be material. This is wrong. 2nd line risk functions already adopt risk based approaches, putting in place differential approaches for less risk generative areas and can easily ramp up coverage if appropriate. Often as not, you require 2nd line involvement to create the right standards to allow areas to have less intensive oversight. Without this involvement, the areas risk managed 1st line operate without effective oversight – a different concept to risk management, and firms senior management operate naked. Suggesting that IT falls into a low risk bucket is dangerous. As an experienced risk practitioner in multiple global FIs, this author can assure readers that IT risk is one of the largest risks any financial institution can face, and 2nd lines need to be present. For example, evidence shows that in financial institutions, 90% of IT and software projects fail, and leading edge FI risk functions are already present, helping boards ensure that their IT projects are in the 10% population who cross the road. The article further justifies this approach on the basis of right sizing. Good risk functions with correct advice or experience in operating leading edge risk and are easily able to take out 20-40% FTE, at the same time as being able to increase risk oversight functionality. **PD**



Cross-Industry Functional Topics

## Human Capital

Review by: Greg Barnier | ICG Practice Leader Human Capital | [Contact](#)

### “Beyond Hiring: How Companies are Reskilling to Address Talent Gaps” – Mckinsey

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

In this article, McKinsey & Company explore organizational approaches to responding to skill gaps. In a recent McKinsey Global Survey on future workforce needs, nearly nine in ten executives and managers reported that their organizations either already face skill gaps already – or expect gaps to develop within the next five years. The article has links which allow the reader to analyze some of the data, which I found quite useful. For those short of time, you may want to look at each of the graphical exhibits in the article and review the final section Looking Ahead which outlines three actions organizations could take to respond to skill gaps.

CEOs, CHROs and Learning & Development teams will find this article interesting. Exhibit 2 which reviews particular skill gaps by business area, and Exhibit 3 which reviews regional differences were of particular interest to this reviewer. It seems that most reskilling programs are focusing on building skills in critical thinking, leadership and management, and advanced data analysis. Worth a quick read. **GB**

### ARTICLE OF THE MONTH

### “Future of Finance: The Human Perspective” – KPMG

[VIEW PDF \(13 PAGES\)](#)

This paper is a valuable resource for CEOs, CFOs and CHROs looking to ensure that proposed finance transformation programs have the appropriate investment in people to ensure the programs success. The article is easy to read and covers the catalysts for a finance transformation and examines the key findings of a global survey and good practice case studies. This is more of a useful tool or resource rather than just another research paper. It includes questions for the reader with the ability to see instant results from all respondents to those questions. Figure 2 details a model for the shape of the finance function in the digital world.

A well prepared resource which would be a great investment of time to review!. **GB** 



Cross-Industry Functional Topics

## Innovation & Disruption

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

### “How Asia is Reinventing Banking for the Digital Age” - McKinsey

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

This short article describes the consolidation coming to the banking industry in Asia, after decades of high growth and good margins, and strategies banks could apply to deal with it. McKinsey’s prescription is to do more of the digital innovation that has differentiated Asian banks from their Western counterparts – except this time it is needed to reduce the cost of acquiring and serving customers, to restore bank profitability, in addition to continually coming up with better value propositions to attract and retain them. Making more use of digital platforms and ecosystems, and of data and AI across large retail and SME customer bases, are two of the opportunities discussed. It is worth reading. **RD**



Cross-Industry Functional Topics

## Innovation & Disruption

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

### “Challenger Banks: How Convenience, Innovation, & Trust Will Shape Tomorrow’s Banking” – Kearney

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

This article discusses how challenger retail banks are eating into the retail market share of traditional banks. It presents some data on how consumers are increasingly using challenger banks for more of their needs, but for the time being still trust the traditional banks more when it comes to big transactions and the core of their wealth. The authors speculate about a tipping point when this trust advantage no longer exists, and traditional banks will keep or lose retail business based on the convenience and quality of the products and experience they provide. In a sense a trust preference is irrational, because in most countries retail bank deposits are guaranteed. Omitted from the article is any discussion of challenger banks who are aiming at business customers, and how they pick and choose their customer segments and product offerings to most easily penetrate the traditional banks’ markets, like focusing on SME loans funded by higher interest retail deposits. Skim for interest. **RD**

### “Technology Vision 2020: We, the Post-digital People” – Accenture

[VIEW PDF \(142 PAGES\)](#)

This 140-page report describes several big themes on where digital technology can take us, what people will want in the future, and the implications for businesses. The authors have distilled the output of many experts and global surveys of executives and consumers to produce a highly readable and thought provoking set of ideas, opportunities, and directions. One of the themes explored is people (consumers, workers) now expect technology to produce experiences that suit them, rather than them having to adapt to the latest product release or software upgrade. Combining this need for personalization and familiarity, with smart products and services that continually update their software and behavior, leads to interesting questions about the digital infrastructure and skills businesses will need in the future. Anyone pondering the directions or focus for their company’s digital transformation would benefit from reading this report first, to get some ideas and set some priorities. **RD** 



Cross-Industry Functional Topics

## Payments & Open Banking

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

### “Payments trends 2020” - Deloitte

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

Written prior to the current world health and economic events, this article expected 2020 to be the year of ‘big bets’ in the payments space with five trends driving the change. Quite a theoretical approach, whereas now we need to focus on the practical. **RM**

### “McKinsey on Payments” - McKinsey

[VIEW PDF \(30 PAGES\)](#)

The article covers global transaction banking, lending at the point of sale (US), a changing German payments landscape, and results of a digital payments survey with a highlight on convenience and rewards.

Very interesting information regarding investment priorities for global transaction banking organizations with data, open banking, and mobile channel enablement at the top (see Exhibit 4, page 7).

Unsecured lending in the US was listed as the next growth avenue for payments in line with our previous views however to do that in the current environment will need to make use of much more data to ensure the accurate extension of credit.

Germany, typically known for the highest use of cash in Europe is expected to slowly decline, but will that prediction remain the same by next quarter (Exhibit 5, page 19)?

Digital wallet usage survey results for the US show clear preference amongst the big players which is still unique to that economy.

Some great data through surveys, worth reading and thinking through how these areas will change now. **RM**



Cross-Industry Functional Topics

# Payments & Open Banking

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

## “Payments Under Pressure” - Oliver Wyman

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

This article touches on a number of topics and trends in payments but is light on content, more of a marketing tool. **RM** 



Cross-Industry Functional Topics

## Cyber Security & Privacy

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

### “Most Companies Overestimate their Cybersecurity, but Resilience is Possible” – Bain

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

The gestalt of this piece is right, except they miss the opportunity to emphasize the importance of the board's role in establishing a privacy and security stance and how that engages the executive to drive resilience. However, it is written in easy, not 'techie' language and explains 'True resilience comes only with sustained dedication to building up a broad range of strategic capabilities and developing cybersecurity maturity'. It then goes on to highlight typical weaknesses and how to build capabilities in security in a nutshell. A good quick read for executives. **MT** 



## Cross-Industry Functional Topics

# Career Transition

Review by: Mark Waterman | CEO of ICG Careers | [Contact](#)

### “Don’t Quit Your Job Before Asking Yourself These Questions” – HBR

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

**E**mphasizes taking control of your career choices rather than waiting until you are at the point of wanting to quit. Encourages you to proactively assess your career on a regular basis against three key questions to determine if your current role is the best fit for your career now and in the future.

This approach strongly supports ICG Careers’ view that ‘Career Transition as Usual’ is the norm and that individuals should be responsible for establishing their own career future. [www.icgcareers.com](http://www.icgcareers.com). **MW**

### “Most Wanted: 2020’s Skill Shortfalls Revealed” – Hays

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

**H**ay’s latest Jobs Report covering the period January to June 2020 highlights the increasing importance of talented individuals to organizations. The report reveals that while technology will continue to lead the path of transformation, soft skills are growing in their importance to organizations. These skills will include interpersonal, creative, data-based decision making, change management and continuous learning capabilities. Provides a detailed assessment of where the new opportunities will arise by industry and position. **MW** 



# Industry-Specific Topics

In this Section:

**Macro Financial Services | Retail & Business Banking | Fintech**  
**General Insurance | Life Insurance**



Industry-Specific Topics

## Macro Financial Services

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

### “Libra: Shaping the Evolution of Financial Infrastructure” - Deloitte

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

A surprisingly dated overview of the largely defunct global payment ecosystem sponsored by Facebook. After Paypal, Mastercard and Visa left in October last year, interest dropped dramatically. A great case study for others planning large scale ecosystems to learn from. **DM**



Industry-Specific Topics

## Retail & Business Banking

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

### “For Banks, a Long Way to Excellence in Digital Sales” - BCG

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

This article, based on a customer survey of apps and websites across European retail banks, finds that banks continue to drag their heels in migrating sales and service to digital channels.

The survey assessed a range of capabilities, finding for example that very few banks are delivering personalized content to their customers’ devices (for example offers, nudges and insights based on a customer’s activities).

Potentially the highest capability gap related to digital sale, very few banks have achieved a seamless application and fulfillment process for product sales, with the result that despite the time customers spend on their banking apps, new product sales via digital channels has not significantly increased – although it is noted that there are significant variances in capabilities between individual banks.

The article provides a useful framework for understanding the key components and layers of the digital ‘stack’ i.e. the technology, platforms and processes required to meet a client’s need through digital channels. **JC** 



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Industry-Specific Topics

## Fintech

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

### “The Runway for Investment in Insurtech” – LEK

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

A crisp 4-page paper about the types of insurtech ventures being developed, and the slow but steady growth in the number receiving investment from angels, VC, PE, and insurers. The taxonomy it describes is useful: insurance for gig workers, cyber and crypto risk insurance, personalized insurance, new distribution models replacing agents and brokers, and digitization of insurance processes. A quick but useful read. The author also makes the point that the insurance industry is huge, so there should be lots of growth, even if it has so far been slow. **RD** 



Industry-Specific Topics

## General Insurance

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

### “The Fourth Industrial Revolution (4IR) Brings New Data, Insights & Risks to Insurance” – PwC

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

Nothing new in this article, but if someone is not familiar with the concept of a 4th industrial revolution, worth a read. **PD**





## Industry-Specific Topics

# Life Insurance

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

## “Life Insurers Spread Their Wings, But Can They Maintain Altitude?” - Bain

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

Very solid article from two of Bain’s leading Life Insurance partners. While it starts with an emphasis on how some life players have diversified into asset management (Life has lagged general equity market returns and asset management looks like a complementary industry with better returns), the article instead presents a well thought through suite of five archetypes for how the business models of life insurers might evolve. The article then provides a very slim depiction of each with an indication of required capabilities. Internal consultants would have appreciated more details, however, the five archetypes are a very sensible addition to any readers tool kit. **DM** 

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

DECEMBER/JANUARY/FEBRUARY 2019

### “How Can Your Growth Strategy Evolve Faster than the Market?” – EY

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

A helpful and novel insight from EY which appears to expose the IP they have acquired through a boutique acquisition.

The insight starts with a general introduction regarding how to define a strategic context and rightly emphasizes that innovation and technology can make traditional approaches obsolete. (Side note: ICG solves this issue by helping clients to build a strategic disruption radar capability that continually monitors and updates the most likely strategic consequences of new entrants, and innovations. This reviewer also personally recommends a summary analysis he calls “Who is winning and why? And, who is losing, and why?” as the best way to illuminate strategic choices that are working or not).

The rest of the insight focuses on a new industry portfolio tool which uses Relative Market Share (rather than absolute) and absolute return on sales. This approach nicely demonstrates the margin benefits that accrue from scale which will work well for commoditized industries; those industries with players targeting high margin segments will need other tools.

A helpful contribution and well worth a read.

NOVEMBER 2019

### “Global Retail Banking 2019: The Race for Relevance and 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.



## 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

NO LONGER AVAILABLE

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.



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**REVIEWS OF THE WORLD'S LEADING INSIGHTS**

**MARCH 2020**