



THE INSIGHTS REVIEW

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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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ICG sources candidate insights for review from the best and most relevant material published openly by (at least) the following branded consulting firms:

- 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&



Message from the Editor

Does your enterprise have the slack and breadth of resources you need to staff your next critical project? On the back of our warmly received [podcast on Agile Risk](#), my message this month is to consider deploying an Agile A-Team by augmenting your team with unbundled consultants from the global ICG platform.

Another month and a new edition of *The Insights Review* is here. The global consulting brands were unusually quiet with their publications last month, so this edition is a little lighter than usual. That said, our team of reviewers have done an excellent job of sorting the wheat from the chaff for you. This month, we award 'Article of the Month' to the team at EY, with the review delivered by Michael Trovato, our global Cyber Security & Privacy practice leader. Congratulations to the team at EY, and thanks to Michael for highlighting their excellent work.

[“Why organizations should be concerned about privileged accounts” – EY](#)

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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Cross-Industry Functional Topics

Strategy & Transformation

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

“Micro-battles and Building New Businesses” – Bain

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

A helpful summary addition to Bain’s micro-battles platform. This one talks to the five key things you need for success, but also provides some of the logic (and language) required to help boards and investors understand that the economics of your ‘engine 2’ are fundamentally different to the traditional gross margin assumptions used for engine 1. A useful supplement and summary for all internal consultants and executives looking for growth. – **DM**

“Capturing the Offline Impact of Online Marketing in B2B” – BCG

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

A very helpful look at the vexing question of how to optimize return on marketing spend in a multi-channel environment. In this insight, BCG partners with Google and analyses three major B2B industries to highlight the significant differences by industry (though digital is growing in all of them). The key takeaways are that best practices involve a lot of triangulation, and exhibit 3 maps out a useful summary of the best approach to impact measurement. – **DM**




Cross-Industry Functional Topics

Strategy & Transformation

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

“Short-term pain for long-term gain: The new CEO’s dilemma” – McKinsey

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

Short article that complements some of the recent work from their recent Long Game platform. This insight integrates two key data sources to highlight that only a very small percentage of CEOs make the bold moves necessary to re-orient the long term TSR performance of their companies. These CEOs typically have been CEOs before, have worked in the same industry, and make the changes early in their tenure. However, it would appear that any concerns the CEO has about the impact of short-term underperformance on their tenure is warranted, as company performance often jumped by as much as 1% point after they had been replaced (though McKinsey don’t explore the role and impact of the new CEO’s cleanout initiatives on this lift). – **DM** 



Cross-Industry Functional Topics

Leadership & Executive Development

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

“AGILE STARTS—OR STOPS—AT THE TOP” – BCG

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

“DO YOU HAVE THE COURAGE TO BE AN AGILE LEADER?” – BCG

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

“AGILE TRAPS” – BCG

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

This month, we picked three articles from BCG archives – under the theme of “Agile leadership” and the role of leaders in embracing agile ways of working – and combined them into a single review for your benefit.

The first article highlights the role of leaders in enabling the success of transformation programs within the organisation. The authors argue that despite the lack of established concepts of agile leadership, there is a set of key agile behaviors that leads into success in setting priorities and achieving alignment towards organizational goals. For example, openness, trust, collaboration, transparency, accountability, and no ego. Leaders who are used to the command-and-control style usually struggle to pursue such transformation in their behaviors, and find it difficult to change their approaches toward problem solving and decision making. They also find it difficult to acknowledge, in public, the specific behaviors they need to change and the replacement behaviors which they need to commit in order to empower teams and delegate more effectively.

The second article emphasizes courage to “let go” as an essential behavior to grow as an agile leader. The authors argue that agile is based on autonomous teams in action, which is shaped by the leader’s ability to establish clear purpose, create strong alignment, and get out of the way in a scene that others can see and believe. In addition, leaders must walk away from the perfection approach and enable learning and experimental approaches instead, which translates into accepting mistakes and learning from failures. Finally, leaders need to emphasize and reward behaviors and attitudes that support the agile way for teamwork and collaboration. All of these represent a great need for courage!

The third article addresses some of the common traps of which leaders need to be aware as they promote transformation and agile ways of working. The first trap is when the words and deeds don’t match, i.e. if the leader pretends to drive transformation and autonomy among the different teams but maintains the same old way of making decisions. The second trap is when the organisation moves to agile ways of working on one level (which is usually the lower level of the hierarchy) but higher levels continue operating in the old fashion, or agile methodology is applied on some selected functions while other functions are left behind. Approaches of this nature create barriers and obstacles for change and prohibit success. Finally, beware of partial implementations, like driving agile ways of working across boundaries and functions, but failing to reshape performance management systems to support the change.

Agile ways of working is still “work in progress” and best practices are the only source of knowledge we have available at this stage. Leaders need to acquire, experiment, and develop their own agile way of working to support organizational and cultural transformation. – **WA**



Cross-Industry Functional Topics

Human Capital

Review by: Michael Roch | ICG Global Practice Leader | [Contact](#)

Greg Barnier | ICG Practice Leader Organisation Culture & Workforce Capability | [Contact](#)

“Scaling Businesses as a Team” – Bain

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

The author states that leading companies obsess over their people when bringing innovative ideas to customers at industrial scale. This four-minute read outlines the three types of people or communities that Bain & Company argue make up every organisation: The agile/ disruptive/ innovator community; The expert / execution community; and, The scaling community.

The article then identifies five ways that CEOs can help the three communities build relationships and work together. It is a nice, quick read for CEOs, senior executives and CHROs who want to encourage their communities to communicate, collaborate, and cultivate their roles and voices. Of particular interest is the matrix outlining the ways each team can help each other. – **GB**

“How to identify great scalers” – Bain

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

Further to the article above regarding the three communities in organizations, this article argues that people who excel at scaling businesses can be defined by a unique set of traits and behaviors. The paper identifies that scalers act as the bridge between disrupters and executors. Scalers outperform across eleven leadership behaviors, especially processing information and improving performance. The paper discusses each of these eleven leadership behaviors and notes that scalers do not gravitate toward any specific job type and can struggle to feel at home. An interesting read for those who found the previous article of interest, or for CEOs and CHROs who are looking to nurture those who can capture benefits of scale and speed. – **GB**

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



Executive Summary

- Consistently meeting customers' basic needs is the proven way to outperform competition, and take the lead, in any marketplace.
- To do so, you need to respond to a highly competitive and complex omni-channel landscape, and avoid data overload and conflicting and confusing insights. Digital and competitor disruption provides additional challenges putting all revenue streams & budgets and resources are under constant pressure.
- CNS is a simple approach to understand your customers, and to determine the best course of action to delight them. Built on decades of deep CX expertise, and fused with the power of the latest AI technology, CNS is a solution that provides absolute and singular clarity about your customers' needs and wants, how well front line teams are delivering, and how they need to continue.
- 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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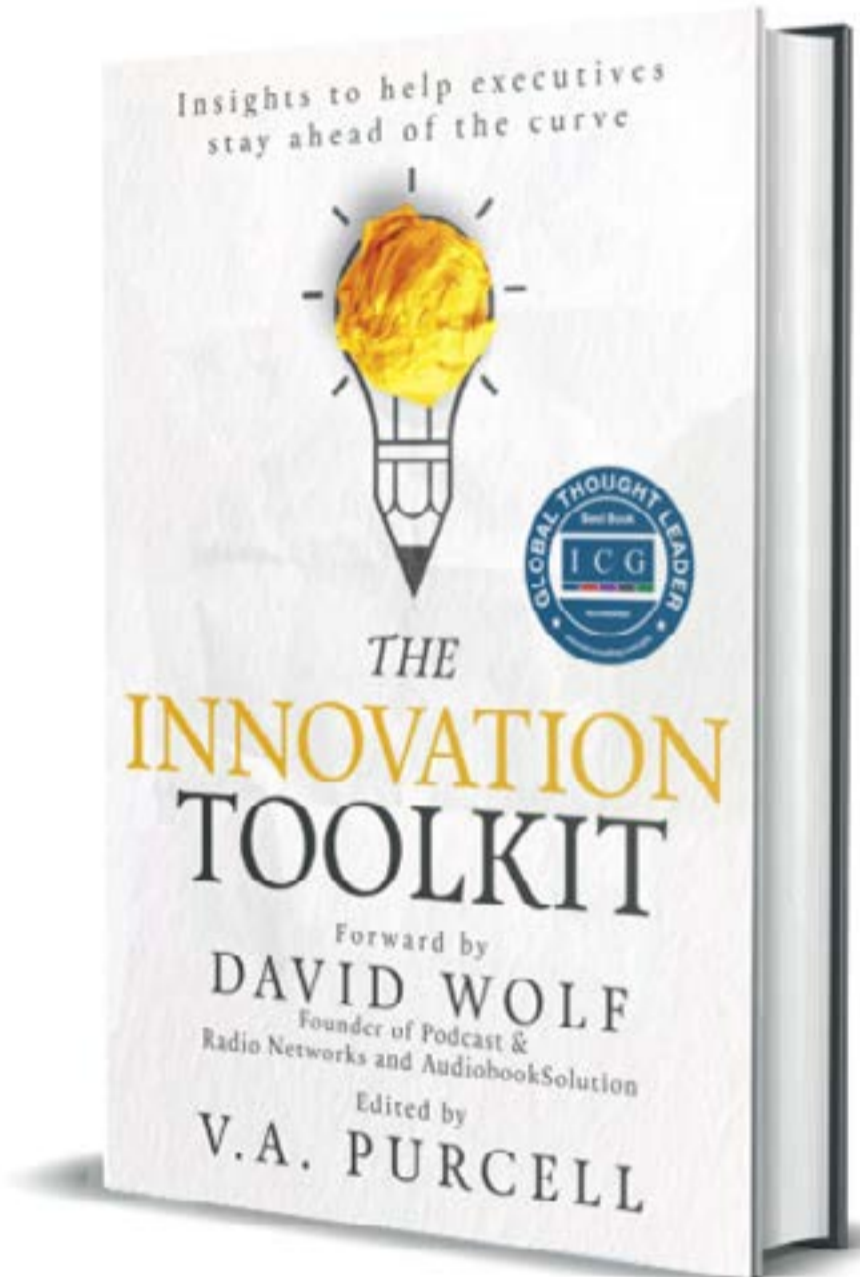
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Cross-Industry Functional Topics

Technology

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

“The Cloud Is Growing Faster than Expected” – Bain

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

Named “Snapchart”, Bain is issuing a new report format for millennial IT practitioners. The summary and most of its core is in the title; besides the one additional chart, there is not much else to read. Your reviewer had better stop writing, else this review will be longer than the paper. Snap. – **CA**

“Managing data as an asset” – McKinsey

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

This article is an interview of Anil Chakravarthy, CEO of Informatica, one of the main cloud-based data service providers. In this interview, Anil shares his experience of what a successful business looks like when it comes to data. He says they develop the ability to manage data as an asset across the whole enterprise, overcoming the organizational barriers. They build a strong technical foundation and a culture of data across the company. Most of them do so by appointing a Chief Data Officer in charge of creating a scalable data platform with the right governance policies from the get-go. It is the data transformation that will then fuel the company’s digital transformation.

Overall, this interview – although nice to read – does not provide us with the insights we would expect from the CEOs of the CDO. It proves once more (if it were needed) that turning a large incumbent company into a data-savvy organisation is challenging. There is no silver bullet, merely starting small and scaling with agility. – **CA**



Cross-Industry Functional Topics

Technology

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

“THE INTEGRATED STRATEGY MACHINE: USING AI TO CREATE ADVANTAGE” – BCG

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

This paper from the Henderson Institute highlights the need for an organisation to have the machine and the human working together with an integrated strategy in order to achieve the best outcome.

The Henderson Institute is the advanced research and study department of BCG. As a think tank, it often comes up with evidence-based studies or forefront PhD-like papers of next gen technology. For example, in early 2018, we reviewed their quantum-powered computers article, the first to be democratized and published in a consulting review. Their papers, generally full of new concepts and insights, suit those of us who have kept a strong interest for university studies and lose the others in the intricacies of detailed data and explanations. – **CA** The logo for CA (Christophe Amoussou) is a small, stylized 'r' inside a square.



Cross-Industry Functional Topics

Operations & Transformation


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

“Digital Tools Can Double Lean Six Sigma Savings” – Bain

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

The headline says it all in this short four-minute read from Bain & Co. The article, however, is more about the benefits of digital and less about lean. Bain has built a lean consulting practice and uses examples of digital transformation to make a case for lean principles. It offers insights into the benefits companies are realizing by leveraging digital capabilities and emerging technologies, whilst framing it in a lean context.

The article would be worth a read for individuals embarking on either a digital or lean transformation. It provides a benchmark for cost savings and may help to ensure digital transformations deliver measurable benefits.

However, if you are short for time (even four minutes' worth) you will not have missed much by giving this one a pass. – JL 

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Cross-Industry Functional Topics

Innovation & Disruption

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

“The dawn of the deep tech ecosystem” – BCG


[VIEW PDF \(37 PAGES\)](#)

Co-authored with the pan-European NFP accelerator [hello-tomorrow.org](#), and building on two earlier BCG deep-tech papers (reviewed in earlier editions of *TIR*), this paper looks at whether the way R&D gets done is changing, with startups playing an increasingly important role in collaboration with the traditional sources of deep-tech innovation (i.e. universities and large corporations). The authors define “deep tech” as technologies that can have a big impact when commercialized, but take a long time to develop, requiring lots of capital. Pharmaceuticals and biotechnologies are classic examples, but deep-tech also includes nanomaterials, AI and robotics, quantum computing, etc. Startups developing solutions in these fields, and their sources of funding, are quite different to the myriad startups that quickly build and launch internet enabled business models using cheap cloud software and clever marketing. The report presents a good summary of activity levels and investment across deep-tech fields, describes the structure of a deep-tech ecosystem, and roles of the different players (if you’re short of time, skip straight to the diagram on page 27 of the PDF). If your business needs more than software and fast execution for innovation, then this paper might give you some ideas. –

RD

“The Next Frontier in Digital and AI Transformations” – BCG

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

In contrast to the original deep-tech ecosystem paper reviewed above, this one adds to the abundant supply of consultant reports exhorting large companies to get on with the job of digital transformation, including the use of AI technologies at scale, to do everything better, faster, and cheaper than their rivals, or get left behind and disrupted. A safe one to skip if you haven’t read one of these before. But if you want to read more on this topic, save time and browse the many reviews in previous editions of *TIR* to find the ones of greatest interest to you. – **RD** 



Cross-Industry Functional Topics

Payments

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

“Payments in Retail” – Oliver Wyman

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

Interesting article as it positions the common investment of the payments experience for Amazon, Uber, and WeChat as a major differentiator in driving success while other retailers have fallen behind. No challenge there, but it fails to recognize the investment these companies have had at their disposal to do so, and the fact that they were unencumbered by years (or, in some cases, decades) of legacy payment infrastructure and technology.

The article, like many, sites e-commerce cart abandonment stats, but how do you compare that to physical window shopping? Kudos for mentioning Uber’s Driver Instant Pay (B2B) and the listing of three ideas in developing a payments strategy that both focuses on enhancing the customer experience and growing margins.

– RM 



Cross-Industry Functional Topics


Cyber Security & Privacy

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

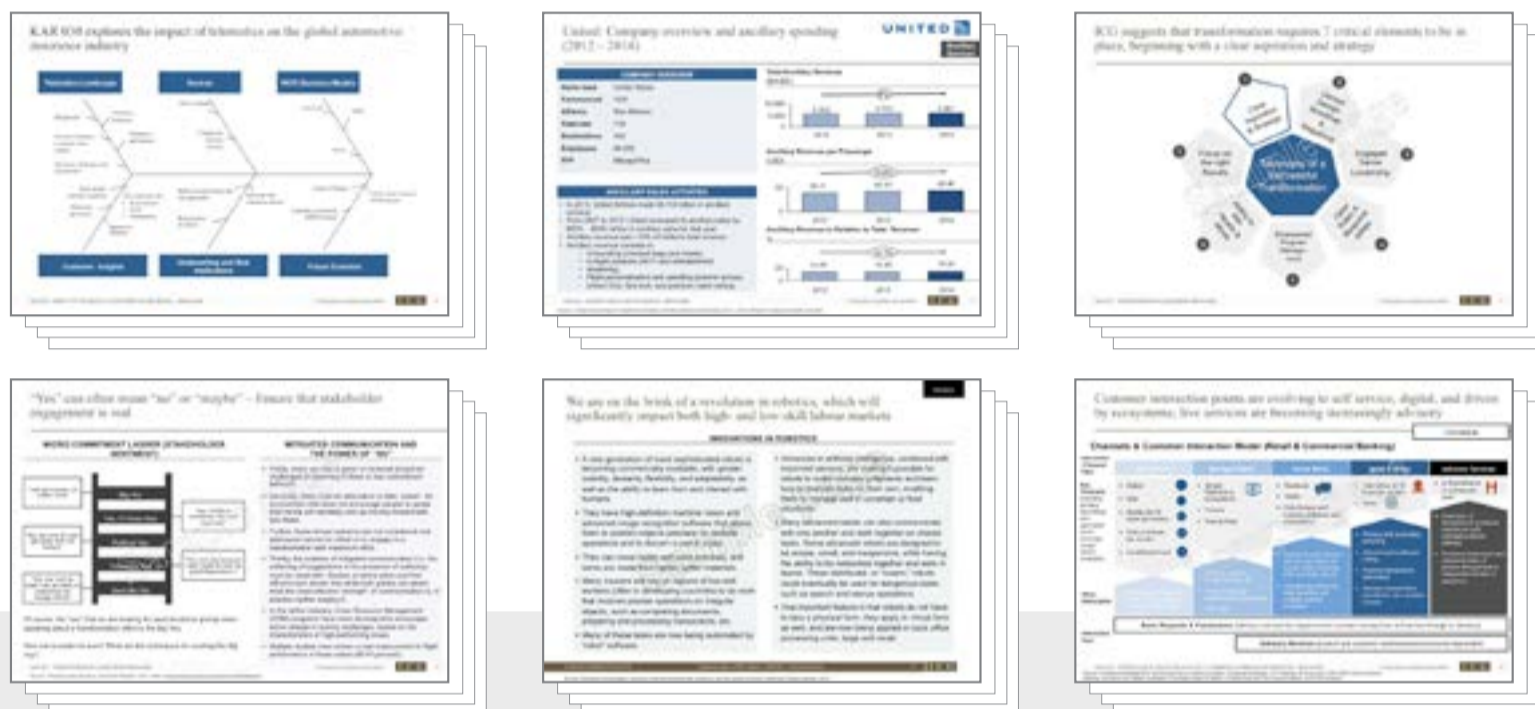
ARTICLE OF THE MONTH

“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. – **MT** 

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- References all exhibits to their original sources and lists further reading.

Popular titles include:

- 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:

[Macro Financial Services](#) | [Retail & Business Banking](#)
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[Wealth & Advice and Investments and Fund Management](#)




Industry-Specific Topics

Macro Financial Services

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

“Productivity transformation for US regional banks” – McKinsey

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

Mckinsey advertorial targeting cost transformation of mid-tiered US banks. Provides a helpful laundry list of actions to launch a transformation for CEOs and internal consulting teams, even if some of them are obviously designed to make McKinsey’s job easier. – **DM** 



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Industry-Specific Topics

Retail & Business Banking

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


“Surviving the terrible two” – Bain

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

A short interview with banking executive Ignacio Deschamps, who talks of his experience in introducing Bain’s Net Promoter Score (NPS) program across three organizations. In each case, the second year of implementation has been a critical turning point, when the results have lagged the initial investment and organizational enthusiasm has been tested. Year three results have shown the benefits of sustained investment. – **JC**

“Will Banking In Asia Rise To The Millennial Opportunity?” – Oliver Wyman

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

A brief article that may be of some interest to those working on customer segment initiatives in developing markets. Across Asia, banks have so far not actively targeted the Millennial customer segment, in part due to a perception that this segment has limited income, dislikes paying fees, and is unlikely to be as loyal as other segments. This presents a clear opportunity for leader banks to create a customer experience that is “cool, fun, and social” and may be of appeal to this market. Successful banks will be able to lock in a client relationship that will mature as the client grows wealth and requires more sophisticated banking services. – **JC** 




Industry-Specific Topics

Fintech

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

“InsurTech Caught On The Radar: Hype Or The Next Frontier?” – Oliver Wyman

[VIEW PDF \(48 PAGES\)](#)

We reviewed the first version of this report back in June 2017. At the time, we thought the taxonomy of InsurTech business models it presented was very comprehensive in the categories of value proposition, distribution, and operations, let down only by somewhat glib predictions of each one’s likelihood of success. This updated version uses the same framework, and its assessment of the prospects for each business model are explained better. It is definitely worth reading, both for the updated data and perspectives, and for the framework, which is a useful tool for thinking about, assessing, or generating business models in insurance. – **RD** 



Industry-Specific Topics

Corporate & Investment Banking


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

“Changing The World’s Most Important Number: LIBOR Transition” – Oliver Wyman

[VIEW PDF \(14 PAGES\)](#)

Transitioning out of LIBOR should be moving rapidly up the management agenda. For those readers that have missed the previous two reviews on this topic in *TIR* in the last year or so, you would be well advised to catch up on this reminder from Oliver Wyman.

As most will recall, following the uncovering of the LIBOR manipulation scandal, this reference rate that underpins vast amounts of financial exposure (tens of millions of contracts worth more than USD 240 trillion, ranging from complex derivatives to residential mortgages) is being “phased out”.

So, for executives and their internal consultants in (almost all) financial market participants, it is for you that this reviewer suggests that you at least take the time to consider if your organisation has an exposure to the ‘Transitioning of LIBOR’. This OW article should be a good place to start your assessment. If exposed, confirm that you have commenced a program of work to manage this unavoidable risk. – **ABV** 



Industry-Specific Topics

Wealth & Advice and Investments and Fund Management

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

“A deep dive into deep tech investing” – BCG

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

Short infographic describing the nature of investments flooding into the deep technology sector globally (\$18B in 2018). Shows the tech sectors receiving the most interest (biotech and AI), from which countries (US and China), and the nature of support required by startups receiving the funds. Of passing interest to those in the space. – **BJ**

“Asset Managers & Wholesale Banks – Searching For Growth In An Age Of Disruption” – Oliver Wyman

[VIEW PDF \(40 PAGES\)](#)

Global growth is stalling in both Asset Management and Wholesale Banking industries, and OW predicts just 1% CAGR through the next few years. Strategic clarity is critical in both sectors – the game appears up for companies struggling to evolve. This detailed article describing clear options makes this important reading for C-suite executives and internal consultants. – **BJ**



Industry-Specific Topics

Wealth & Advice and Investments and Fund Management

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

“Super Insights 2019” – KPMG

[VIEW PDF \(33 PAGES\)](#)

The latest KPMG annual report into the Australian superannuation (pension) sector, with this year’s focus on the far-reaching structural change implications stemming from a raft of recent government reviews. This detailed interactive report touches on everything from tax to technology to member experience, and is important reading for all players in this fast growing industry. Non-Australian pension sector executives may also find value in reading how one of the leading pension sectors globally is evolving. Readers should start from the Synopsis section on p4 and click on themes of interest for further detail. –

BJ 

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

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.

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.

Articles of the Month

The Best Insights of the past 12 months

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.

JANUARY 2019

“The Five Trademarks of Agile Organizations” – McKinsey & Company

[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.”

Articles of the Month

The Best Insights of the past 12 months

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.

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.

Articles of the Month

The Best Insights of the past 12 months

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.

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.

Articles of the Month

The Best Insights of the past 12 months

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.

JUNE 2018

“Fair Dues: Harnessing Fairness to Win Back Trust” – PwC

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

Excellent work from PwC here.

With help from two academics at the London School of Economics and 1,123 executive surveys, this groundbreaking insight contributes heavily to new thinking on how to deal with incentive structures.

The insight includes a summary of relevant global regulation, an introduction to the principles of distributive justice, which includes concepts such as Sufficiency (a minimum standard of living for all) and Maximin (Income distribution should make the worst-off in society as well-off as possible).

PwC provide the usual line of survey findings but also include some segments known as fairness tribes and a five-step process that any internal consulting team would find very helpful.

Very well worth a read.

Articles of the Month

The Best Insights of the past 12 months

MAY 2018

“Notes From the AI Frontier: Applications & Value of Deep Learning” – McKinsey

[VIEW PDF \(36 PAGES\)](#)

A very high quality research report from McKinsey Global Institute. Even if you are only remotely interested in the applications of AI for business, it is highly recommended that you read at least the “In Brief” summary on page 3. However, reading the full 36 pages is rewarding.

The report is based on analyzing the utility of AI (the deep learning kind, using artificial neural networks and huge volumes of training data) in 400 use-cases McKinsey identified across functions and industries. This granular bottom-up approach leads to valuable insights, such as: AI significantly enhances traditional analytics, rather than creating lots of new applications; its greatest impact will be in business functions where there are lots of data captured for the AI to train on (e.g. marketing and sales, supply chain); utility increases with the quantity of data available and doesn’t plateau like traditional analytics; but getting, labeling, and updating sufficiently large volumes of data is the biggest barrier to adopting and using AI, and an area of concern for privacy regulators and society at large.

APRIL 2018

“Fintech Predictions 2018” – KPMG

[VIEW PDF \(1 PAGE\)](#)

The link is to just a one page summary of KPMG’s 10 predictions for 2018. For the commentary and statistics these predictions are based on, you need to read the much longer Pulse of Fintech Q4 2017 report. We regularly review these reports in *TIR*, and this latest one – and its predictions – suggests a continuation of the trends and developments mentioned in earlier reports. Congratulations to KPMG for continuing to invest in gathering and disseminating this comprehensive and consistent set of global fintech industry statistics each quarter, describing the activities of incumbents, startups, who’s investing in them, and who’s acquiring them.



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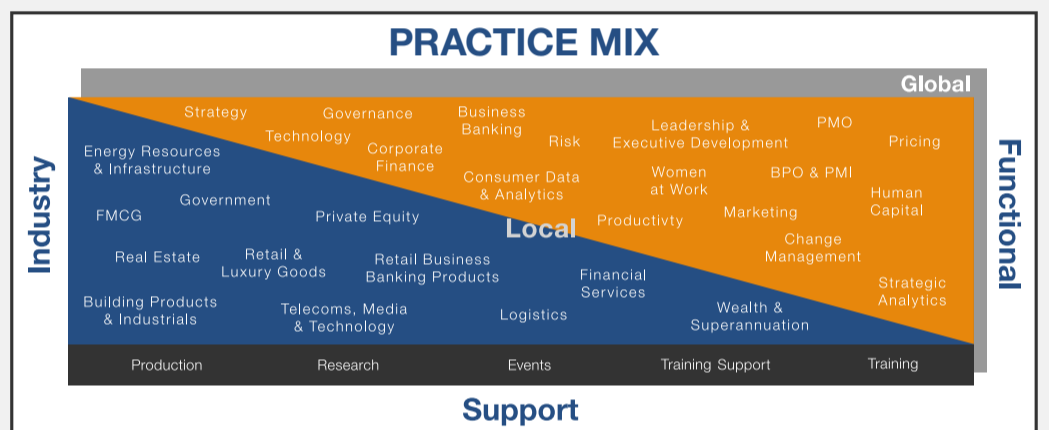
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Source: <http://techcrunch.com/2015/03/03/in-the-age-of-disintermediation-the-battle-is-all-for-the-customer-interface/#.lq0izjZzBr>; Adapted by ICG

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THE ICG PLATFORM BY THE NUMBERS

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