



# THE INSIGHTS REVIEW

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## IN THIS ISSUE

STRATEGY & TRANSFORMATION  
ECOSYSTEMS, M&A AND INTEGRATION  
LEADERSHIP & EXECUTIVE DEVELOPMENT  
RISK & COMPLIANCE  
HUMAN CAPITAL  
CUSTOMER EXPERIENCE & MARKETING

OPERATIONS & CHANGE  
INNOVATION & DISRUPTION  
PAYMENTS & OPEN BANKING  
CYBER SECURITY & PRIVACY  
PRICING  
CAREER TRANSITION

TRANSFORMATION  
RETAIL & BUSINESS BANKING  
FINTECH  
CORPORATE & INVESTMENT BANKING  
WEALTH & ADVICE. INVEST. & FUND MNGT.  
GENERAL INSURANCE

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



## Message from the Editor

January is always an important month for reviewing existing projects and starting new ones, making it a busy month for firms like ICG as we support clients wanting to add critical skills to ensure project outcomes. This idea of on-demand talent is not new, but has been growing in importance and was accelerated through the pandemic as firms recognized that even a large “run the ship” workforce is no match for digital technology and the right specialized team pointed at “change the ship” tasks. So our thanks to a senior team at BCG for reinforcing this message and calling for C-suites to take a more strategic approach to on-demand talent, in what we selected as *Article of the Month* for rather obvious reasons.

[\*\*A Strategic Approach to On-Demand Talent - BCG Henderson Institute | Harvard Business School\*\*](#)

ICG has supported clients with unbundled on-demand consultants for thousands of successful projects now, and we have also assisted clients with strategy and operating model projects to help them define their on-demand model. If you have yet to properly assess and incorporate the best practices outlined in the article, please reach out to your preferred ICG consultant or closest HUB.

Happy 2021!

**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.

## Cross-Industry Functional Topics

|   |           |
|---|-----------|
| <b>Strategy &amp; Transformation</b>          | <b>06</b> |
| <b>Ecosystems, M&amp;A and Integration</b>    | <b>08</b> |
| <b>Leadership &amp; Executive Development</b> | <b>09</b> |
| <b>Risk &amp; Compliance</b>                  | <b>10</b> |
| <b>Human Capital</b>                          | <b>11</b> |
| <b>Customer Experience &amp; Marketing</b>    | <b>12</b> |
| <b>Operations &amp; Change</b>                | <b>13</b> |
| <b>Innovation &amp; Disruption</b>            | <b>14</b> |
| <b>Payments &amp; Open Banking</b>            | <b>15</b> |
| <b>Cyber Security &amp; Privacy</b>           | <b>16</b> |
| <b>Pricing</b>                                | <b>17</b> |
| <b>Career Transition</b>                      | <b>18</b> |
| <b>Transformation</b>                         | <b>19</b> |

## Industry-Specific Topics

|   |           |
|---|-----------|
| <b>Retail &amp; Business Banking</b>                          | <b>21</b> |
| <b>Fintech</b>  | <b>22</b> |
| <b>Corporate &amp; Investment Banking</b>                     | <b>24</b> |
| <b>Wealth &amp; Advice And Investment And Fund Management</b> | <b>25</b> |
| <b>General Insurance</b>                                      | <b>26</b> |

## Special Feature | Contributors | About ICG

|  |           |
|--|-----------|
| <b>The Best Insights from the Past 12 Months</b> | <b>28</b> |
| <b><i>The Insights Review Team</i></b>           | <b>35</b> |



# Cross-Industry Functional Topics

In this Section:

**Strategy & Transformation | Ecosystems, M&A and Integration**  
**Leadership & Executive Development | Risk & Compliance | Human Capital**  
**Customer Experience & Marketing | Operations & Change | Career Transition**  
**Payments & Open Banking | Innovation & Disruption | Cyber Security & Privacy**  
**Pricing | Transformation**



Cross-Industry Functional Topics

## Strategy & Transformation

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

### “Covid-19 Has Upended Business. Which Trends Will Stick?” - Bain

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

An excellent article by a senior team at Bain. While it is largely a “re-badged wrapper” for some very classic tools, the insight nicely outlines how turning points in demand can be better predicted using four critical tools. Incidentally, the first tool – the Experience Curve Effect, which was invented by BCG – has been largely debunked in the literature. The second is a re-engineering of Maslow’s hierarchy of needs, and is a must have for any internal consultants tool kit – so well done, Bain. The third tool is Foster’s S-Curve (adoption) analysis, and the fourth is Kert Lewin’s force field analysis. We find clients respond well to all four tools. However, those seeking a more advanced approach prefer to build a systems dynamics model of the type pioneered by Jay Forrester and Peter Senge, which is now made accessible via software tools like iThink. If you have an interest in any of these tools, please contact your local ICG HUB.

### “Tested by Fire: Three Keys to Making Better Decisions Through Disruption” - Bain

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

Good decisions are always easy to see in hindsight. Bain makes the obvious point that better decisions make for better outcomes. They then list pandemic-inspired sources of better decision making: better data, better expert input, and more agile decision makers.



Cross-Industry Functional Topics


## Strategy & Transformation

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

### ARTICLE OF THE MONTH

## “A Strategic Approach to On-Demand Talent” - BCG | HBS

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

We couldn't resist including this great insight from our dear friends at BCG who now also recommend the use of online talent platforms such as ICG. Their argument is you cannot maximize organization outcomes without fully embracing on-demand talent platforms as part of your culture, policy and processes, and approach to projects. A must-read for anyone wanting to optimize their role in the agile enterprise - and an obvious choice for our *Article of the Month* as it talks so precisely to the ICG business model! 



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](#)

### “How to Find & Maximize Digital Value in any M&A Deal” - McKinsey

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

In this well-written article, McKinsey argues that today's M&A integration models must include a separate workstream focused specifically on digital, on par with organizational design, culture, and the like. Using good examples for addressing value and risk potential, McKinsey is also right to explain that a target's digital platform could short-cut the often painful journey taken by legacy enterprises towards digital business models.

However, the article's strength is also its greatest weakness: yes, integrating acquired digital platforms and capabilities is a huge ask. Yet on the ground, the biggest challenge often still goes far beyond IT: how to rapidly change a culture of holding onto legacy cash cows at the expense of future capital value created by digital business models? After all, cutting costs remains much easier (especially in legacy financial services) than finding and acquiring new sources of true value. IT can only be the enabler, yet innovation, product, and sales must be in the boat. Perhaps McKinsey can write a follow-on article that focuses on this much harder to tackle issue, using the good thinking outlined in this piece as a basis.

That criticism aside, this article is a great read for CSOs and Business Development Heads. **lr**





Cross-Industry Functional Topics

## Leadership & Executive Development

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

### “This Way Out: How Leading Companies Chart a Full-Potential COVID-Exit” - McKinsey

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

This article from McKinsey touches on the one question every CEO is preparing for: what is my COVID-Exit strategy? What will make the difference between survival, normality, or capture the rare opportunity that offers itself right now, to optimize the business, by successfully managing portfolio and performance, simultaneously?

We understand the temptation to adopt incrementalism as a basis for COVID-exit strategy, one step at a time while we manage risks, as it sounds safer! That may not be the case; the article asserts that the “all in” approach to transformation was found to be the best way forward out of a crisis.

Instead of maintaining a single perspective on performance and portfolio optimization the article calls for the principle of dynamic iteration. That is, one where iteration is ongoing, and dynamism keeps up with the pace of change. The article represents a high-level approach to COVID-exit strategy, but deep inside is a whole transformation approach.


### “Squaring the Circle - Leading Companies in a Contradictory World” - BCG

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

This BCG article addresses a personal challenge that every leader faces as they need to make strategic choices in dealing with today’s dilemmas. It brings back the topic of strategic leadership and how a decision reflects the idiosyncrasies of decision-makers.

Firstly, executives act based on their personalized interpretations of the situation they face; second, such interpretations are a function of the executives’ experience, cognition, mental models, values and personalities.

The decision-making styles are either analytical or generative, in nature, aiming at aligning environmental information gathered with our mental models. If not, we confront what is known as “cognitive dissonance”, and we either rush or are paralyzed.

The answer resides in helping leaders to develop cognitive capacity to learn and accept reality, to develop an adaptive ability to adjust continuously and to have the leadership wisdom to navigate the turbulence. A good article at the right time! 



## Cross-Industry Functional Topics

# Risk & Compliance

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

### “ERM: Building a Risk-Resilient Organization” – KPMG

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

Interesting article and worth a read. However, for experienced risk professionals, there is nothing new here – and most industry best-in-class functions will be working to this model and have been doing so for a number of years. Most focus should now be on the harder, more cultural aspects of risk where people in the firm have common (but diverse) expectations of behavior and desired outcomes and do not permit or actively question activity and exercise of skill that falls out of expectations.

### “Meeting the Future: Dynamic Risk Management for Uncertain Times” – McKinsey

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

While your reviewer read the article with interest – noting with approval the reference to culture – practitioners in best-in-class would recognize many of their existing playbooks in the text here. This only goes to show that, as ever, McKinsey is comprised of good learners. If you are new to risk, or having to reboot/re-purpose your risk functions, this article shows the art of the possible. **lr**



Cross-Industry Functional Topics

## Human Capital

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


### “How the Lockdown Unlocked Real Work” – BCG

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

BCG spends a little time setting the scene for the very valid observations they have made in the article as to complexity and organizational approaches to building process/controls which increase complexity and complicatedness. The authors do, however, pull it all together for readers with key insights provided regarding relatedness, purpose, and the role of leaders/managers. The final part of the article outlining seven steps that leaders can take to start nurturing the value-adding relationships of leadership, engagement, and cooperation, is valuable to CEOs and C-suite leaders.

### “5 Myths of Workforce Transformation” – Booz

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

A pithy article that is well worth the investment of a couple of minutes to read and absorb. The terms ‘workforce transformation’ and ‘digital transformation’ are being used as frequently in organizations as management consultants use the word ‘pivot’. The authors have identified five myths and provide thoughtful insights as to what leaders really need to consider to bring people along and deliver the outcomes expected in these transformations. CEOs, CFOs, COOs and CHROs will take away some important considerations for project planning and messaging to teams. 



Cross-Industry Functional Topics

## Customer Experience & Marketing

Reviews by: Lisa Hickson | ICG Subject Matter Expert | [Contact](#)

Stephen Hewett | ICG Global Thought Leader - Customer Experience | [Contact](#)

Jonathan Mindell | ICG CEO, UK & Europe Practice Leader - Customer Experience | [Contact](#)

### “The New Consumer Conversation in an Era of Uncertainty” - BCG

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

This punchy BCG article points out that traditional methods of conducting static backward-facing research, and then analyzing the results by segment to develop future improvements to customer solutions, no longer cut it in today’s uncertain and fast-changing world. Consumer preferences change rapidly and shifts in behavior often outpace or overtake this approach. The authors give several good examples of this involving rapid shifts in consumer behavior during the COVID lock-downs such as the (initially unexpected) rapid uplift in luxury goods purchases and the purchase of more clothing tops than bottoms as ‘Zoom meetings’ became the norm. To more rapidly identify emerging trends and shifts in consumer preferences and behaviors the authors advocate switching to continual two-way adaptive interactions around customer feedback, enabled by increased data and AI/machine learning. This agile real-time approach also provides benefits in terms of greater personalization and granularity to the research and allows a deeper more meaningful engagement with each customer, thus building loyalty and brand equity. **lr**



## Cross-Industry Functional Topics

# Operations & Change

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

### “Hyper Automation: The Social Distancing of Business Operations” – Accenture

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

This short article written by Manish Sharma, Accenture’s Group Executive – Operations, encourages organizations to accelerate their digital transformations and shares experience from within their own business. There is nothing particularly new here, but it does draw on a recent report surveying business C-suite executives. This provides insights into how organizations have responded to the COVID pandemic.

The report notes that 92% of C-suite executives say they are accelerating their digital transformation in response to the disruptions. Seventy-two percent of executives claim to be completely rethinking their business processes and operating models.

The article offers support to those pursuing transformational change and provides a link to Accenture’s recent C-suite study.

### “Are You Giving Every Department Equal Access to Technology?” – HBR

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

This HBR article draws attention to disparities within organizations and inequalities in gaining access to data and AI capabilities. It suggests that these internal disparities may have a greater effect on overall business performance than external differences.

The uneven access to cross-silo data can create pockets of data illiteracy, duplication, and multiple versions of the truth. This ultimately slows down decision-making and progress, leading companies to create shared ecosystems of data, services, and systems linked to critical business capabilities. The authors call on organizations to democratize access to data with self-serve analytics.

The article will be useful to organizations and individuals looking to modernize their access to data in order to improve competitiveness. **lr**



Cross-Industry Functional Topics

## Innovation & Disruption

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

### “2020 BCG Tech Challengers” - BCG

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

A report on 100 large and fast-growing “tech” firms identified by BCG in what it defines as “emerging markets” (i.e. anywhere except North America, Western Europe, Japan, Australia, and New Zealand). We can quibble over whether China, South Korea, and several other advanced countries should be included as emerging markets, but the list and analysis still makes interesting reading. You will recognize some of the names on the list (perhaps 10), but most you will never have heard of. Their statistics should jolt incumbents everywhere: average revenues over \$2 billion, growing at 70% p.a., over half have expanded outside their home market into other emerging markets, but also into mature markets. Your next competitor could come from somewhere unexpected and compete very differently to what you’re used to. The report also discusses the support ecosystems and government policies that have helped companies like these to get started in their home markets. If you’re into high growth tech companies, or worry about competition from them, this report is worth reading. 



Cross-Industry Functional Topics

## Payments & Open Banking

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

### “The Future of European Payments: Strategic Choices for Banks” – McKinsey

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

A good article and analysis on the European payments market revealing the outpaced growth from payments specialists as opposed to traditional banks. The numbers show payments specialists gaining from the COVID-driven accelerated shift to digital commerce and transactions. There are very timely opinions regarding bank’s strategic choices in relation to the payments value chain: lead, accelerate, follow, or reduce their payments footprint. (Note: The article requires sign-in).

### “The Future of Payments is Frictionless: Now More Than Ever” – McKinsey

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

Based on a short interview with Square’s CFO, the article details how Square has supported small business during the pandemic. Square offered up some interesting insights of their before and after view of the US cashless market: in February 2020, 5% of Square’s sellers were cashless and by August 2020, that number had risen to 13%. Some good examples of how some of Square’s clients have adapted their models to move to digital engagement. [lr](#)



Cross-Industry Functional Topics

## Cyber Security & Privacy

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

### “2020 Cyber Threatscape Report” – Accenture

[VIEW PDF \(89 PAGES\)](#)

It has been a while since we have come across the Accenture Cyber Threatscape Report, and we are glad we picked this one up. This 89 page report will provide CISOs and some CIOs with an in-depth look at five key trends by sharing detailed learnings from last year and making some predictions for 2021. They offer four elements of adaptive security that can help tame these trends, after getting the basics right, namely a secure: mindset; network access; work environments; and collaboration. A recent CISO’s remarks at a defense conference hosted by your reviewer recently suggested that to get the basics right, you need to know your assets, manage identity management and least privileged, cherish your endpoints, and to prepare for incidents. CISOs that do that and keep an eye on the horizon for the key trends outlined here will manage most of the major risks in their organization. **lr**





## Cross-Industry Functional Topics

# Pricing

Reviews by: Alain Miloche | ICG Practice Leader Pricing | [Contact](#)

## “Debunking the Myths of B2B Dynamic Pricing” - BCG

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

The article is relevant to two levels in the organization: those responsible for new strategic initiatives and those responsible for implementing major change. The first section is most relevant to the former. For this, the authors identify five myths that they believe are responsible for hesitation with respect to the application of dynamic pricing in a number of B2B industries. The authors counter each of those in turn by providing examples of companies that have successfully applied dynamic pricing despite those myths.

The second part provides a discussion of the must-have capabilities to successfully implement dynamic pricing: technology and data, algorithms and a pricing engine, process and governance, and team enablement. A discussion of the issues involved for each is provided together with some illustrative examples of how companies have built those capabilities.

Overall, a good framework for initiating discussions with respect to adopting dynamic pricing. **lr**



## Cross-Industry Functional Topics

# Career Transition

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

## “What’s Next for Remote Work: An Analysis of 2,000 Tasks, 800 Jobs, & Nine Countries” – McKinsey

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

As evidenced by the descriptive title, McKinsey authors have based their work on examining 2,000 tasks from 800 jobs across nine countries. While remote working is here to stay, the crux of the arguments are that you cannot examine remote working on a job role alone. It must include the tasks to be completed which, in many cases, paints a very different picture. The study also highlights that some roles/tasks have been “proven” by the COVID pandemic to be much more effective in a live environment, e.g. teaching and the law. The article also argues that the trend for remote work has the risk of accentuating inequalities at a social level, with higher paid roles requiring higher educated individuals set to dominate those working remotely over lower paid, lower skilled roles in manufacturing, distribution, and retail for example. While 20% of people could work from home, this is three to four times more people than pre-COVID – i.e. a massive change.

The study granularly defines the activities and occupations most impacted, not just the roles. This is a key differentiator over similar studies and therefore is a must read for CPOs in determining remote working strategies.

## “Future of Work” – BCG

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

This significant piece of work from BCG puts the analysis of the future of work in context against the “societal crisis” brought about by the COVID pandemic, which is creating the biggest single driver to initiate change in the way we work since the Industrial Revolution. BCG advocates that the way we work has changed forever and we have the opportunity to fundamentally re-imagine work models and drive competitive advantage at pace.

The article examines this argument against four key criteria: How we work; How we lead; How we organize and What environment we need. The authors then offer five key outcomes that leaders need to face: Embrace the new world; Be holistic to create a competitive advantage; Start with the customer; Elevate the employee; and Act now. Supported by substantive data, this is a must-read for CEOs and CPOs. **lr**



## Cross-Industry Functional Topics

# Transformation


Reviews by: Lauren Robins | ICG Global Subject Matter Expert Transformation | [Contact](#)

## “Flipping the Odds of Digital Transformation Success” - BCG

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

BCG outlines six key critical success factors that are essential to “flip the odds” of ensuring a successful transformation from 30% to 80%. The six essential factors are:

- An integrated strategy with clear transformation goals
- Leadership commitment from CEO through middle management
- Deploying high-caliber talent
- An agile governance mindset that drives broader adoption
- Effective monitoring of progress toward defined outcomes, and
- Business-led modular technology and data platforms.

While the article headlines “digital transformation”, what is refreshing is that the six essential factors highlighted are not digital-specific, but rather are inextricably linked to managing the organization through strategic, operational, and cultural changes necessary to take an organization from where they are today to where they want to be, and to bring their employees along the change journey - something which is fundamental to a successful transformation. This is a very practical read for executives looking to “cut through the noise” and embark on an organizational transformation. 



# Industry-Specific Topics

In this Section:

**Retail & Business Banking | Fintech**  
**Wealth & Advice And Investment And Fund Management**  
**Corporate & Investment Banking | General Insurance**



Industry-Specific Topics

## Retail & Business Banking

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

### “Bank of the Profitable SME Base” - Accenture

[VIEW PDF \(20 PAGES\)](#)

This article is focused on the small business segment, reviewing the difficult trade-offs faced by lenders between supporting a segment that has been disproportionately affected by the crisis, while also maintaining financial performance and shareholder returns. Accenture presents a framework designed around four key traits of a winning digital commercial lender – banks should be empathic, responsive, focused, and efficient – along with some interesting case studies for each category.

### “2021 Banking & Capital Markets Outlook: Strengthening Resilience, Accelerating Transformation” - Deloitte

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

This is an excellent and worthwhile holiday read, presenting a macro view of how COVID-19 has impacted on the banking sector and how banks can institutionalize the lessons learned during the crisis.

The article commences with the observation that while some global trends have accelerated through the crisis (digitization workforce agility, and corporate responsibility among others), some other mega-trends have notably decelerated – including cross-border mobility, urbanization and the sharing economy. The article then reviews these trends in depth, setting out key lessons for the banking industry and actions taken to date by market leaders.

The strongest section identifies how the crisis has given banks an opportunity to embrace their social purpose, and redefine their contribution to a sustainable society. Many banks and regulators are already taking steps in this direction, and have more visibly strengthened their environmental, social, and governance (ESG) commitments, for example through investments in climate-related initiatives, financial inclusion, and financial education. **lr**




Industry-Specific Topics

## Fintech

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

### **“The Role of Fintech Partnerships in Bank Growth: Banks Need to Invest, Innovate, & Transform to Remain Competitive in the New Reality” – KPMG**

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

This short article discusses one of the implications from KPMG’s analysis of Australia’s big banks in 2020. The banks are under pressure, especially from increased regulatory burdens and the organizational complexity to be compliant and manage risks. Focus on these has reduced the time and money available for digital transformation programs to become more agile. KPMG says the banks are seeking to do more partnering with fintechs to find the agility and performance they lack. Three objectives or benefits from partnering with fintechs are discussed: improve existing everything, launch new products and services, and develop new business models. Because the Australian banking sector is so concentrated, the number of data points and examples discussed is necessarily small. You can safely skip reading this article and its familiar ideas for why partnering with fintechs could help an incumbent bank. However, if you don’t know much about the Australian banking scene, this article and associated banking sector analysis is a very up-to-date introduction. 



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Industry-Specific Topics

## Corporate & Investment Banking

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

### “Tackling the Performance Challenge in Regional Capital Markets Businesses” - McKinsey

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

An insightful paper by McKinsey that identifies eight challenges specific to the capital market businesses of regional and national scale banks. These are addressed by tactical, rather than strategic, levers organized into four themes. If you are an executive in or consultant to such a bank, this paper is for you.

### “The COVID-19 Investor Pulse Check Series What is the Impact of the Crisis on Investors’ Expectations for the US Economy, the US Stock Market, & Business Leaders?” - BCG

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

This paper is #13 in the BCG series on US investor perspectives on their corporate investments and the US economy. They are now more bullish and would like to see managers build for long-term advantage. [lr](#)






Industry-Specific Topics

## Wealth & Advice And Investment And Fund Management

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

### “2021 Investment Management Outlook: Transforming to Thrive” – Deloitte

[VIEW PDF \(28 PAGES\)](#)

There’s nothing quite like a pandemic to force a reset of one’s priorities. The extent of this reset in the investment management industry is revealed in this article from Deloitte, based on survey responses from 200 executives across the US, EU, and Asia-Pacific. The key messages are on page 2, but this summary misses some of the more interesting and quite profound survey responses. Indeed, some responses will be worth exploring with your internal teams, as they’re not discussed in the article. For example, what are the opportunities and risks for the 74% of firms in AP shifting staff from full-time to contract? How will firms meet their 20% cost-reduction target without the robotic process-automation projects that were planned? How will extensive work-from-home-practices impact the benefits of impromptu office collaboration that are so important in investment management? Industry executives and internal consultants alike will find this article worth the investment of their time. 



Industry-Specific Topics

## General Insurance

Reviews by: Peter Dale | ICG Subject Matter Expert | [Contact](#)  
David Harrington | ICG Global Practice Leader Insurance | [Contact](#)

### “Climate Change & P&C Insurance: The Threat & Opportunity” – McKinsey

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

Good article and worth a read. However, those experienced practitioners of Natural Hazard and Catastrophe Risk, the London and Bermuda markets, have long managed to live profitably and well in an era of global warming – as, of course, have Insurance Linked Securities (ILS) practitioners and investors. Perhaps a little more insight from these players may have added to the excellence of the article.

### “Insurers Must Rethink the SME Segment: Lessons from the United Kingdom” – McKinsey

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

If there is an article that the author would recommend senior insurance executives to read, this is it. This will help and inspire you to go and grab market share.



Industry-Specific Topics

## General Insurance

Reviews by: Peter Dale | ICG Subject Matter Expert | [Contact](#)  
David Harrington | ICG Global Practice Leader Insurance | [Contact](#)

### “2021 Insurance Outlook: Accelerating Recovery From the Pandemic While Pivoting to Thrive” – Deloitte

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

Helpful contribution by Deloitte on how global insurers across Property & Casualty, Life, and Health are stepping up in 2021 after a year challenged by COVID. The pandemic disrupted normal operations, requiring a rapid shift to remote work and exposed gaps in digitization. Many of the Property and Casualty insurers faced unexpected and unfunded liabilities in business continuity insurance due to policy terms that were redundant, and appeal courts have so far been uncompromising in holding insurers liable. Executives are now facing a rapid transition to stronger expense management by scaling back pre-pandemic investments and accelerating completion of digital transformation exposed by the pandemic. Simplification programs and new operating models will be important to drive out expenses. Most insurers have acknowledged that they need to accelerate their digitization by three to five years relative to their pre-pandemic transformation plans. Executives and boards are supporting this recalibration of strategic priorities, but also recognizing the new risks of digital operations and remote working in terms of cyber risk and security. 

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



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NOVEMBER 2020

### “The Working Capital Treasure Hunt” – Kearney

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

This is a great read and very insightful. Your reviewer loved the working capital tree diagram, and urges all executives to read this article. It is very much on-point, and a real example of the benefits that strategy houses deliver when they put their minds to operational issues.

SEPTEMBER 2020

### “Having an AI Strategy is Essential to Survival” – Roland Berger

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

This fascinating article is a book and interview summary for Roland Berger, authored by a senior journalist. The book is titled *Competing in the age of AI* by Harvard Professors Karim Lakhani and Marco Lansiti. In it, the authors argue that AI is not something to be applied in the future when the technology has matured, instead they provide countless examples of companies that are already embracing relevant applications of AI to reposition their businesses for advantage now. This includes small firms, not just what they call the ‘Digital Super Powers’.

The traditional view of AI is it only works in narrow applications like chess. The authors argue this is just fine for huge, globally-scalable businesses like ride-sharing, which will self-improve through their experience curve. The critical point for executive readers is that general AI is not going to replace management any time soon, but managers who use AI in narrow applications will replace managers who don’t. The critical point for internal consultants is that companies need to be thought about from an abstraction “What is it that we’re serving? Why do customers come to us? And what did we learn from those customers?” Strategy then becomes about choosing data streams which apply better algorithms, to deliver better service, to generate more usage, to generate more data, and so on.

The article also includes a classic four-stage transformation model applied to the digital operating model. It evolves from siloed data to a pilot, to a data hub, to an-end state in what they call an “AI Factory”.

A great book summary and advertisement for the book – and a must-read for all *TIR* subscribers.



## ARTICLES OF THE MONTH

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AUGUST 2020

### “Have We Hit Peak Profits?” - Bain

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

Wow - a superb article from Bain that is a level above the usual high quality we have come to expect from them. This up-to-the-minute, macro-level look at strategy and growth draws together many varied and newer thoughts from a study of 13,000 listed firms, creating a very coherent story that will lead to many reconsidering Bain as more than the NPS/Loyalty Effect consulting firm.

This is a deserving winner of our Article of the Month - our hearty congratulations to the authors.

JULY 2020

### “The End of Management as We Know It” - BCG

[VIEW PDF \(20 PAGES\)](#)

A fascinating insight into the impact of an agile philosophy on management as we know it. Based on a survey of 5,000 employees across five countries, the findings paint a stark picture of managers' current beliefs - including 63% saying they don't want to stay in traditional management roles, and only 1 in 10 non-managers saying they aspire to become managers. It is argued that the breaking point has been reached: current managers' roles are now fixated on reporting and politics and “complicatedness” rather than getting things done. Agile approaches are becoming the game-breaker with their focus on work, mastery, and coaching. However, moving to a true Agile environment comes with a condition: people need to learn the skills that make Agile successful. To do so requires individuals to take responsibility for the establishment of their own career paths and professional development. A must-read for both organizational executives responsible for leading the path to agile, and those individuals wanting to flourish in this environment. Reviewer's note: ICG Careers' method is a direct fit to this approach.



## ARTICLES OF THE MONTH

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JUNE 2020

### “Reopening Safely: Sample Practices From Essential Businesses” - McKinsey

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

The McKinsey article captures learnings from ‘essential businesses’ that continued operating throughout the pandemic while others temporarily shut down. The advice is evidence-based, with a focus on implementing tailored safety across a broad spectrum of activities both within and external to the business.

Exhibit 1 provides an excellent framework for assessing risk by work group. Other sections of the report examine risks across the working environment and extending into workers commuting risks. This is a well thought out article with substantial detail and actionable recommendations.

The article is well worth a read for executives and consultants implementing their own restart initiatives.

MAY 2020

### “Recovering From a Crisis & Boosting Resilience” - BDO

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

A comprehensively structured checklist packaged in an easy to digest PPT format makes this new insight from BDO a deserving winner of our article of the month. While the authors are clearly UK-based, the messages and wisdom are globally applicable. The insight starts with what has become the industry standard R-filled acronym: React, Resilience, Realize, and Rethink, and as appropriate for a firm with a financial heritage it then details the most relevant financial scenarios, but then dives deeper than the other firms with an interactive web tool that provides up to the minute guidance on seven key areas for management attention: premises, financial, legal and compliance, suppliers, employees, customers and management and leadership. Each section contains a well-developed suite of initial items for action or review. For any internal consulting function or management team, this insight provides the perfect starting point for planning an optimal covid response.



## ARTICLES OF THE MONTH

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MARCH 2020

### “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!

DECEMBER/JANUARY/FEBRUARY 2019-2020

### “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 by all our readers.





## ARTICLES OF THE MONTH

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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.

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*.



## ARTICLES OF THE MONTH

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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.

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.



## The Insights Review Team

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