

INTERIM IMPERATIVES E-BOOK

PIONEERING THE
FORESEEABLE FUTURE

Operations: Becoming Pandemic-Proof

NORTH HIGHLAND

COVID-19 HAS LEFT A PERMANENT STAMP ON THE WORLD. UNCERTAINTY IS EVERYWHERE, STRENGTHENING THE CALL FOR ADAPTATION.

We're approaching a monumental stepping stone on our path to the post-pandemic world. Following the immediacy of COVID-19 response, this next phase will force you to forge distinctions between the provisional realities of the next 12 to 18 months and your three or five-year strategy. The unique conditions of the foreseeable future introduce a host of unknowns that you must thoughtfully and intentionally explore while you advance towards a durable and adaptive recovery.

In approaching the path forward, we believe clarity of perspective comes when considering implications and critical considerations across customers, the workforce, and operations. It's impossible to know what the months and years ahead will look like, but we can start to place bets based on what we're seeing in the continuously changing environment around us. In this e-book, we explore the operational trends shaping the foreseeable future.

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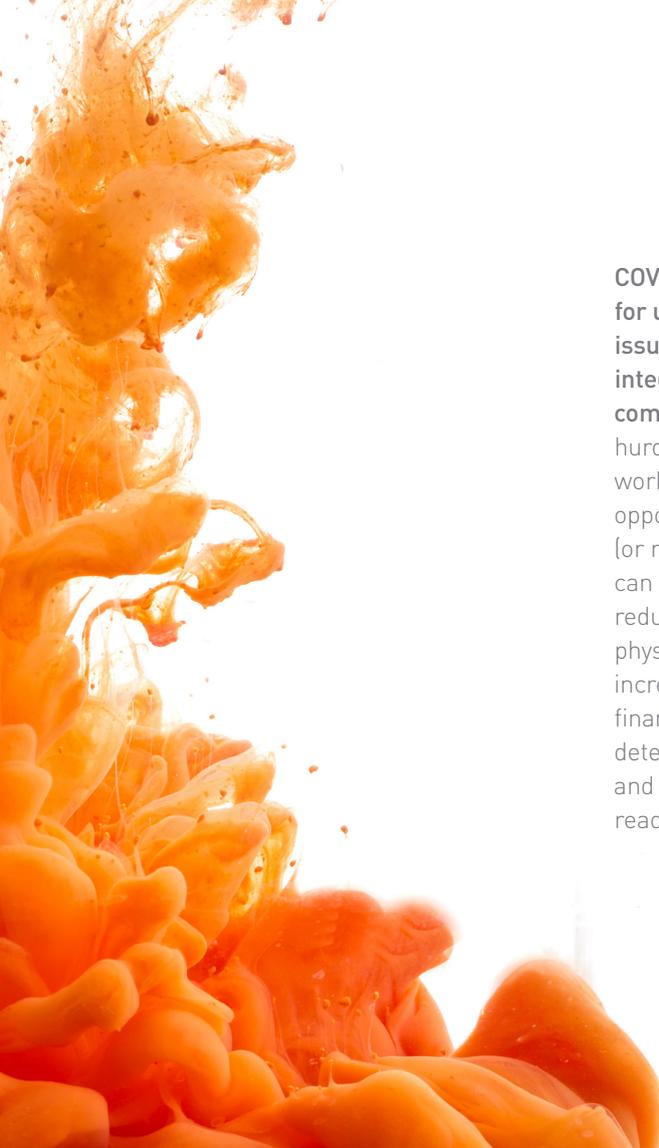


LAYING THE FOUNDATION FOR OPERATIONAL RESILIENCE

The COVID-19 climate will leave a lasting impact on business operations. As the world starts a new chapter, companies are considering how to “pandemic-proof” processes—involving decisions that you should approach with a close eye on your customers and workforce. These operational changes may feel incremental and tactical when evaluated in isolation. Yet, as companies design future pandemic continuity plans and strive to keep pace with evolving regulation, these changes will set the foundation for future resilience—proving to be well worth the investment when evaluated on longer-

term horizons. For example, a company may diversify its operations beyond China to mitigate the risks of a future emergency that disproportionately impacts critical geographies. As you approach these sorts of operational moves, you’ll need to tread carefully, considering the value and associated risk to stakeholder relationships. In one recent example, our client experienced a 40 percent reduction in its workforce and customer care capacity as a result of shelter-in-place policies in Malaysia. Consequently, the company has dramatically expanded its call center operations elsewhere—a decision that will cost more in near-term expense but mitigate future risk and costs through redundancy. It will also drive greater overall value through enhanced customer experience. Ultimately, operations leaders must incorporate learnings from not only the operational stress test of COVID-19, but also accompanying changes in workforce and customer expectations—minimizing tensions and trade-offs across these interests.

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COVID-19 precipitated an urgent need for universal remote work, exposing core issues around cybersecurity, infrastructure integrity, and online collaboration in many companies. Those that overcame these hurdles and successfully activated remote work during the pandemic are likely to identify opportunities where virtual options may be as (or more) effective in the future. Businesses can consider ways to free up capital and reduce risk through decreased reliance on physical space. This dynamic will require increased collaboration across strategy, finance, operations, and facilities teams to determine the right balance between cost and risk benefits relative to the organization's readiness to digitize and virtualize.

From a customer perspective, COVID-19 forced organizations to pivot operations rapidly in response to customer needs that changed overnight, testing their capabilities for agility and innovation. Now, offerings like virtual health and restaurant delivery services are baseline expectations. Looking forward, organizations need to sustain the momentum around continuous evolution and improvement. From empowerment to process mining to frontline-led innovation, every aspect of your organization needs to be ready to adapt to the market climate at a moment's notice. With a focused need to respond to these market shifts, the organizations that win in the foreseeable future will continue to lean into agility as a cornerstone of how they operate.

To increase agility and responsiveness, we've observed that some businesses are decentralizing decision-making and embedding greater autonomy in operations—moves that create the potential for lasting, positive cultural impact on the workforce. For example, some retail brands have empowered individual stores with the autonomy to design social distancing and cleanliness practices for their respective locations. The companies that glean value from this approach (e.g., greater relevancy to local customer needs, faster implementation of new policies, innovative grassroots ideas) may consider ways to increase autonomy moving forward. Greater autonomy will surface new ideas and innovations that will inevitably fail. But through that failure, leaders can strengthen

organizational resiliency and cultivate the new skills and practices that nurture innovation while eliminating the operational barriers that silence those who challenge the norm.

And while autonomy can promote agility and innovation, you should simultaneously apply discretion when delegating business activities at the site-specific level. The global nature of the pandemic—combined with the rolling nature of cities and countries moving between states of open and locked down in the coming months—will create an increased need for interconnectedness across geographies and functions in planning for the resumption of business activity.

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TOP TRENDS

To pandemic-proof operations for the foreseeable future, organizations must consider several core trends.



**Click around the wheel
to learn more about each**

In the final e-book of our series, *Crafting a Design-Led Strategy*, we'll explore how Rapid Innovation arms you with a design-led construct to make sense of the near-term future. It enables a targeted exploration that surfaces value creation opportunities in a new context and establishes early alignment, buy-in, and collaboration.





SERVICES SPOTLIGHT

ABOUT RAPID INNOVATION

In approaching an unknowable future, a design thinking mindset allows you to plan for critical uncertainties. It can help you place informed bets on where to focus as the near-term future comes into view—enabling you to adapt as you learn more each day. An intentional approach to Rapid Innovation helps you understand the drivers of change and identify and prioritize new opportunities. It enables you to shape a transformation strategy and lay the structural foundation for execution.

ABOUT CHANGE ECONOMICS

Maximizing the value of transformation calls for agility in response to uncertain conditions. It requires a common framework for prioritizing new initiatives as your focus evolves from immediate viability towards long-term durability and adaptability. In the absence of a shared vision for transformation that encompasses a holistic understanding of value, organizations miss opportunities to prioritize incremental improvement for increased and accelerated returns. Change EconomicsSM delivers a 360-degree view of the value drivers of change and transformation, enabling the smarter evaluation and prioritization of new initiatives.

¹ "FBI Coronavirus Warning: 'Significant Spike' In COVID-19 Scams Targeting These Three States," Forbes, Mar. 21, 2020.

ABOUT NORTH HIGHLAND

North Highland makes change happen, helping businesses transform by placing people at the heart of every decision. It's how lasting progress is made. With our blend of workforce, customer and operational expertise, we're the world's leading transformation consultancy. We break new ground today, so tomorrow is easier to navigate.

Founded in 1992, North Highland is an employee-owned firm - regularly named one of the best places to work. We have more than 5,000 consultants worldwide and 65+ offices around the globe. Meanwhile, we're a proud member of Cordence Worldwide (www.cordence.com), an international consulting alliance.

For more information, visit www.northhighland.com or connect with us on [LinkedIn](#), [Twitter](#) and [Facebook](#).

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