

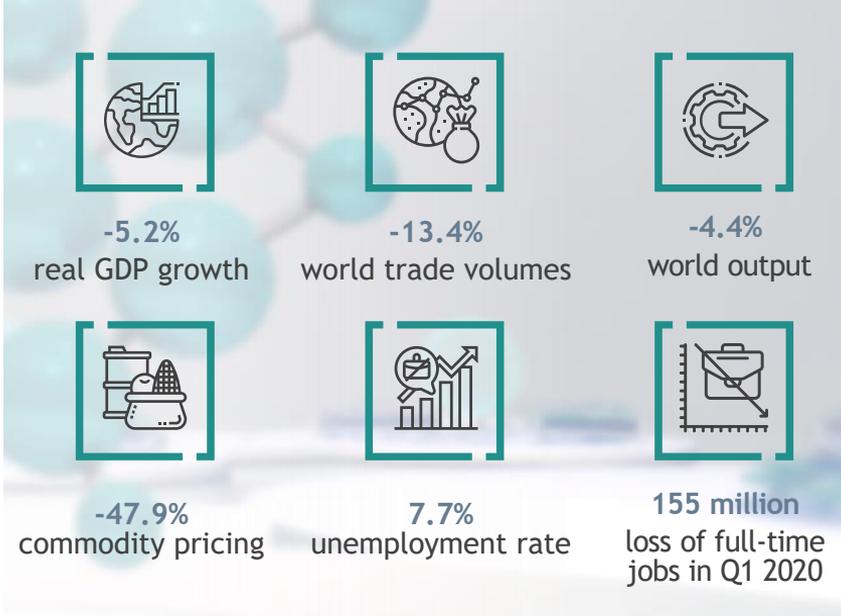


# RETHINK

REACT - RESILIENCE - REALISE - RETHINK YOUR BUSINESS STRATEGY

# COVID-19 has posed unprecedented challenges across the globe creating a 'New Reality' businesses need to adapt to

Global Snapshot in times of COVID-19, 2020 vs 2019



Annual percent change of real GDP growth, 2020 vs 2019



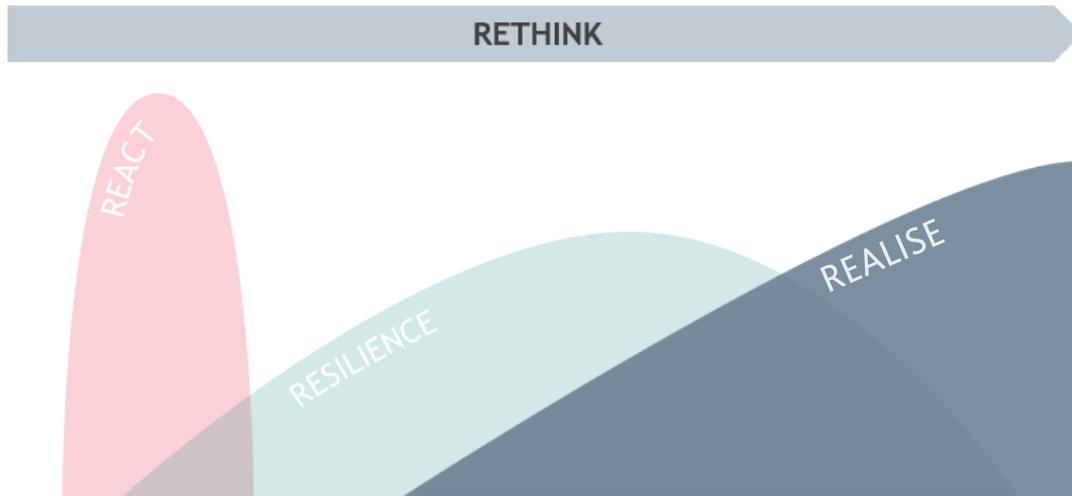
Unemployment rate change in selected economies, 2020 vs 2019



Most affected industries



# BDO Rethink - Businesses are entering the most challenging phase of the crisis



1

Minimising the initial impact of the COVID-19 crisis on business operations.

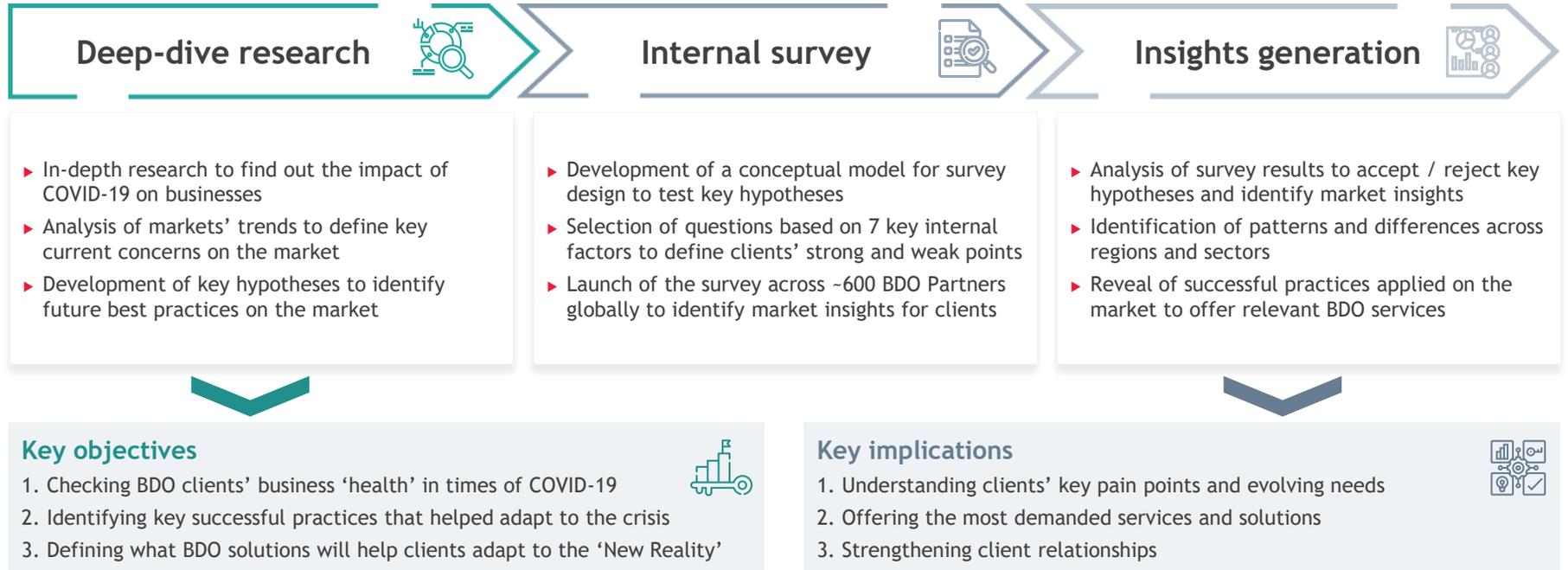
2

Maintaining business operations during 'lockdown' disruption by adapting to changing patterns.

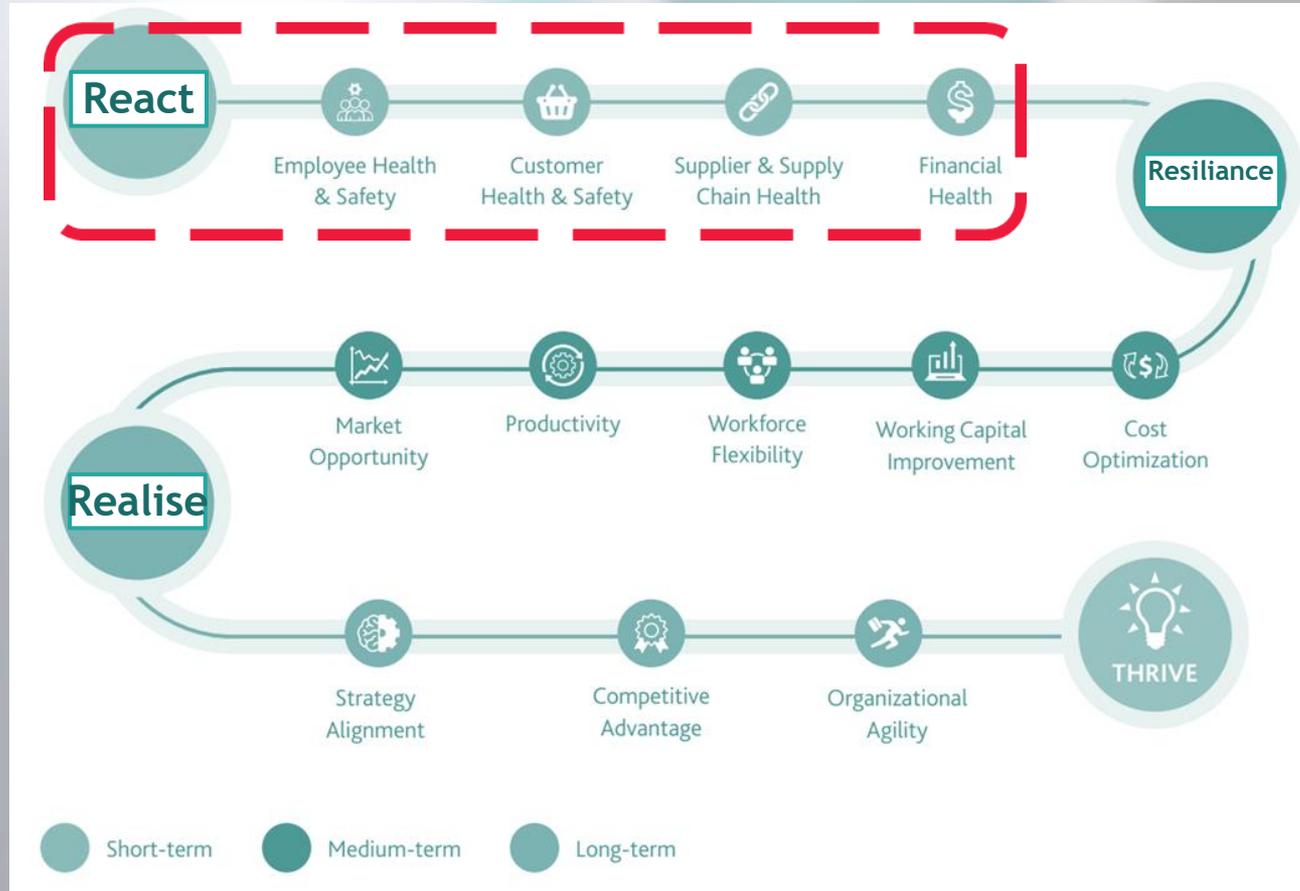
3

Successfully adapting to new business models and ways of working needed to address essential and obligatory political, economic, socio-cultural, and technological changes.

# An internal survey along with in-depth secondary research was used to identify key insights on successful practices

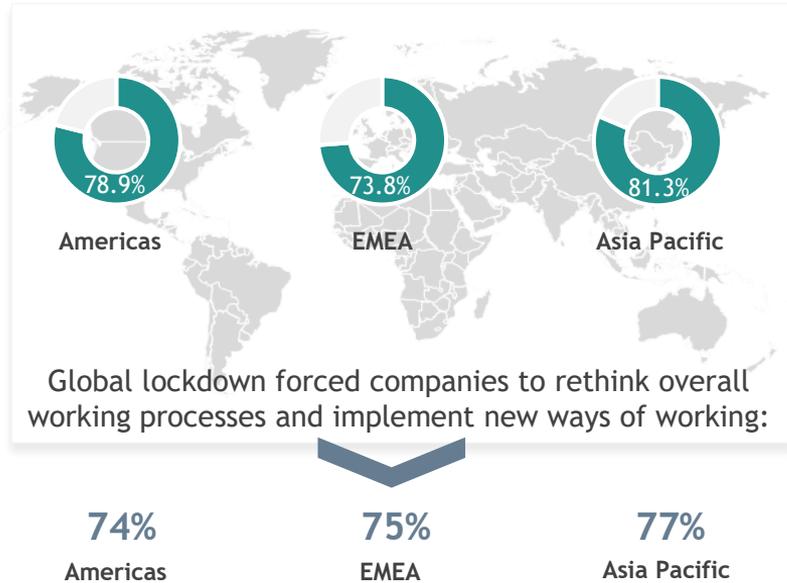


# React - What were the key priorities?

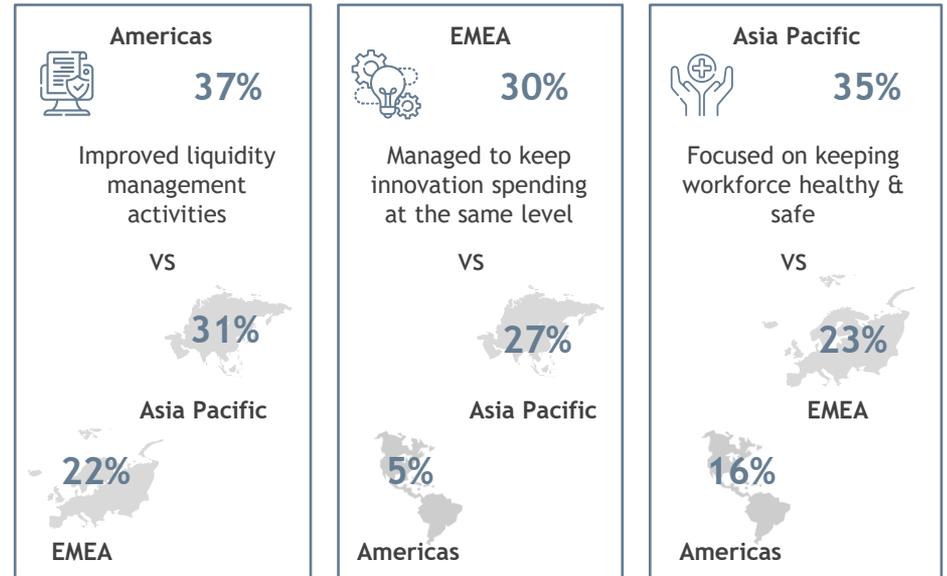


# Cross-regional analysis revealed both key common and different patterns across EMEA, Asia Pacific, and Americas

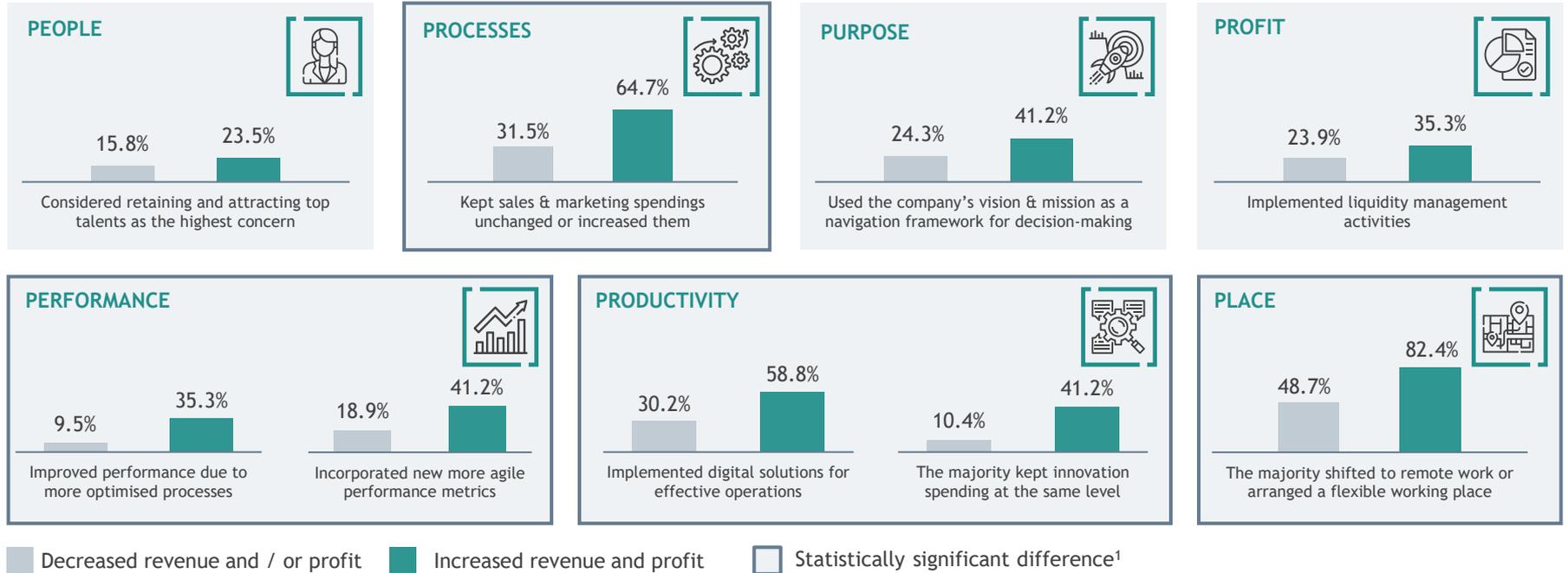
Due to COVID-19, most companies around the world had a decrease in revenue and profit despite the location



Nevertheless, companies across regions demonstrated some differences in dealing with COVID-19 challenges



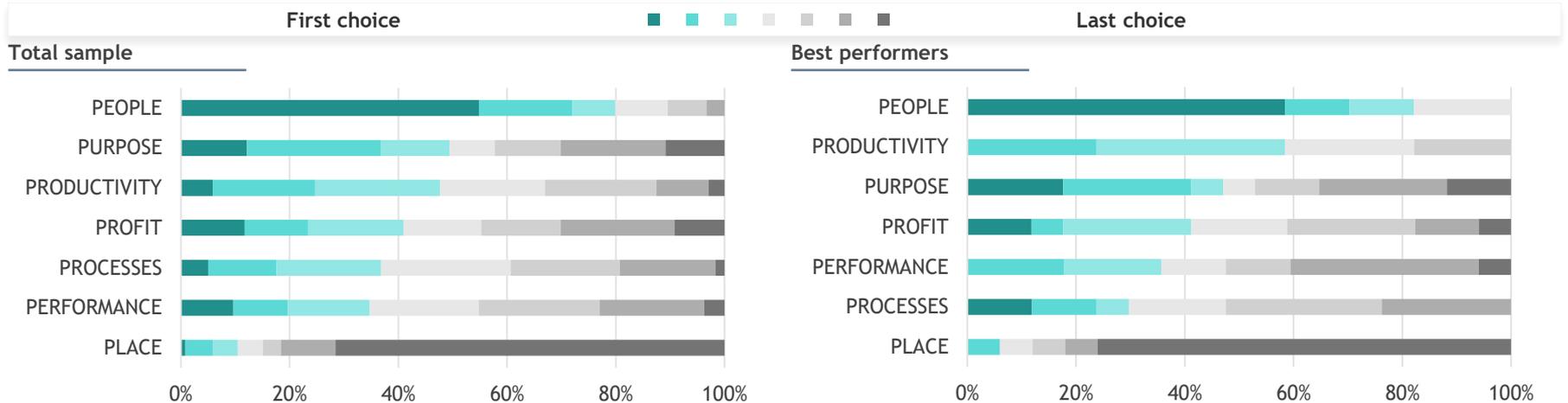
# Those who have performed better so far show they were more agile, decisive, and strategic in decision-making



Notes: (1) The relationship between categorical variables was tested using the Chi-Square test; the hypothesis on a statistically significant relationship was accepted in case if Fisher's exact test result was statistically significant (P < 0.05).

# Business priorities appears to be slightly different for best performers

## Top priorities today



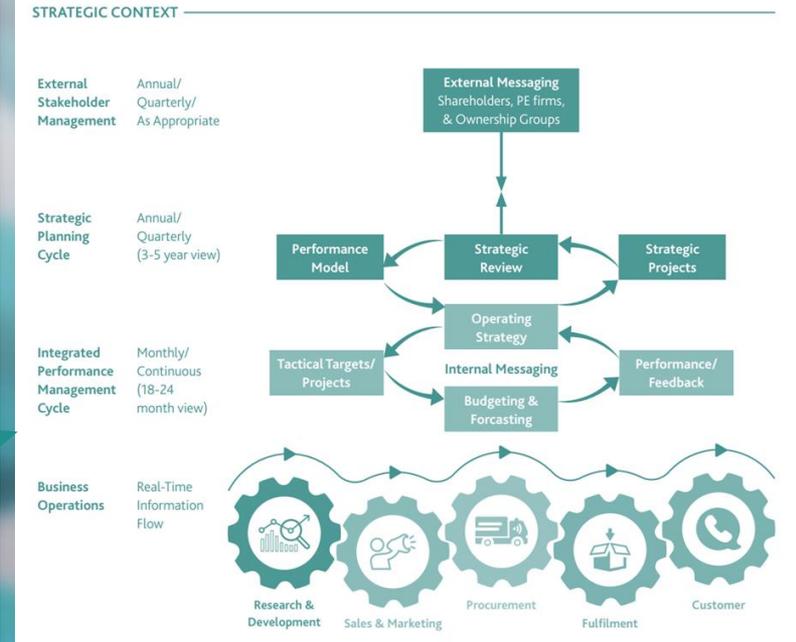
The COVID-19 pandemic caused major challenges within the living and working landscapes. Companies worldwide mobilised their resources to ensure the health and safety of their employees and societies. Until COVID-19 is quelled, people-related issues will remain a top priority.

Under multifaceted disruptions, businesses faced a high level of uncertainty and pressure to make the right decisions for all stakeholders involved. Companies that recorded higher levels of performance were able to balance their priorities by focusing on crucial aspects: people, productivity, and purpose.

# Rethink the strategic planning process

Insights, preparedness and agility over bureaucracy:

- Short term, medium term and long-term goals need to be addressed individually
- Strategy is continuous and should evolve
- Visit at regular intervals
- Engage multiple stakeholders in the business
- Invest in monitoring performance against strategy
- Redesign processes that no longer fit in the strategic planning process



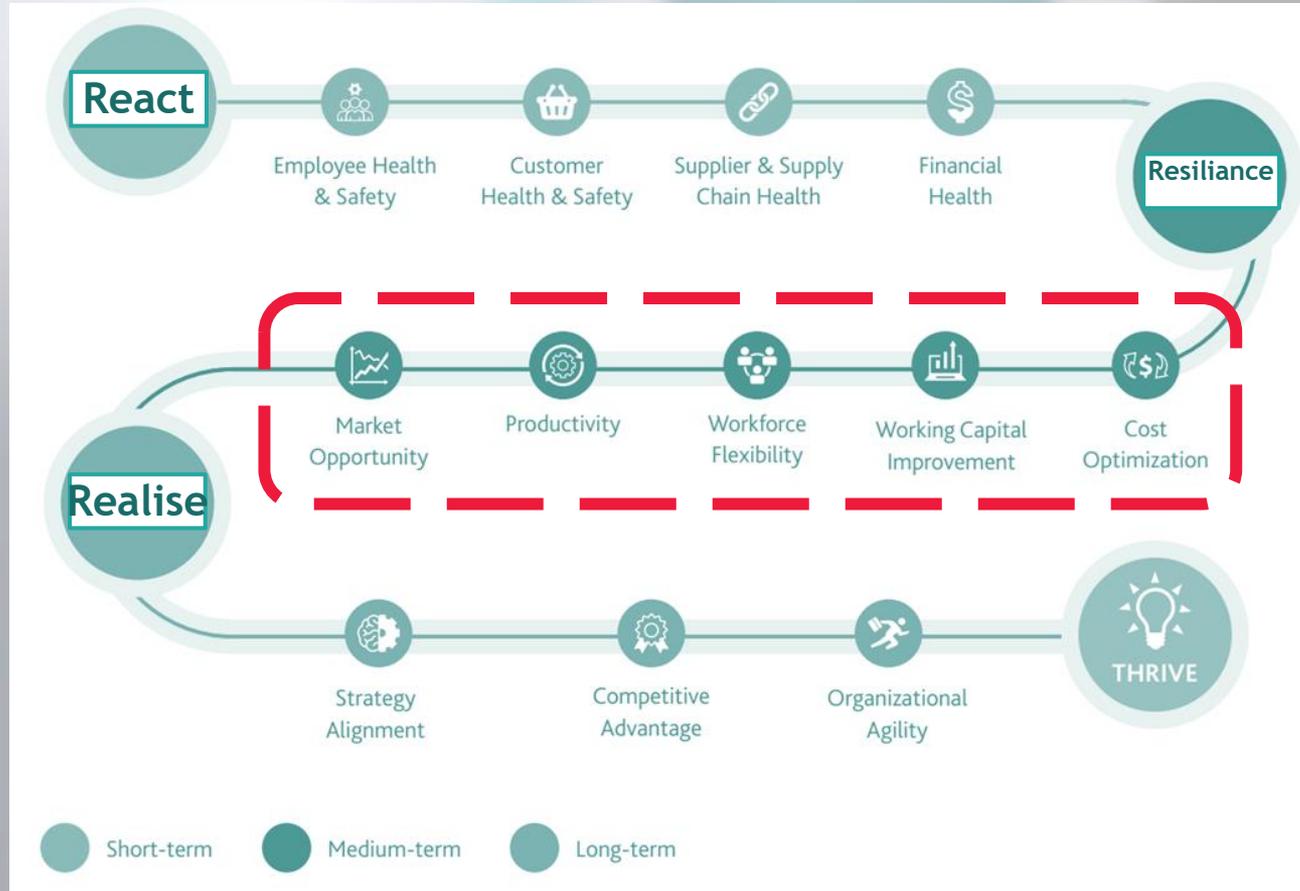
# Top 7 priority actions for the 'New Reality' to embed in to strategic planning



# Rethink the finance function

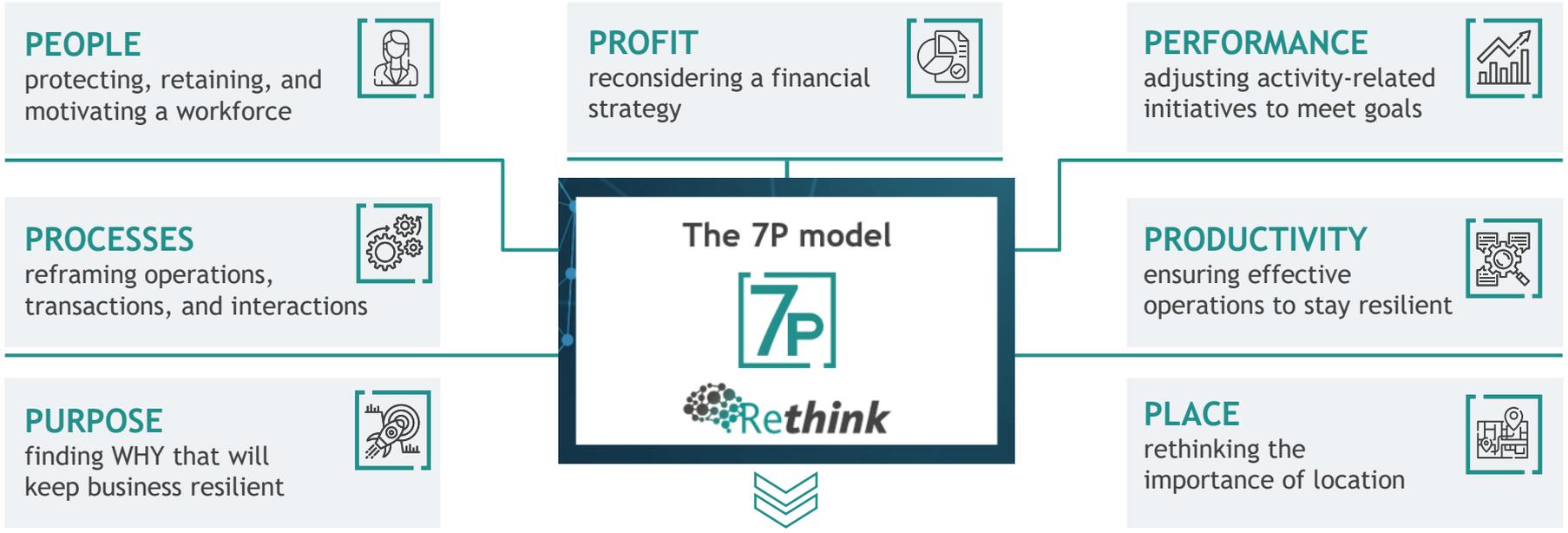


# Rethink the finance function - Resilience



# BDO 7P Diagnostic Model

The 7P model defines **seven internal factors** of a company that need to be realised and optimised in order to successfully adapt to the 'New Reality':



# Rethink the finance function - Risk and opportunity



**Focus** on what is important to your business



**Savings** through cost reduction



**Improvement** in quality, continuity and / or timeliness



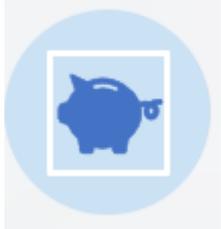
**Regulatory** compliance

# Focus - 7P Diagnostic -> Purpose



- The finance function involves major non-core activities (e.g. accounting, treasury, compliance and payroll)
  - Risk: Can take away valuable time of the business
  - Risk: Can interrupt the focus and concentration necessary to execute strategy and tasks for business success

# Savings - 7P Diagnostic -> Profit, Performance, Productivity



- The finance function:
  - Involves large investment in ICT hardware and software
  - Requires significant investment in recruitment and employment costs of specialist staff

# Quality, continuity and timeliness - 7P Diagnostic -> 7P Process, Place and Performance



- The finance function:
  - Involves specialist skills and software
  - Requires a high level of precision and commitment to timeliness
  - Business interruption - location and people

# Regulatory Compliance- 7P Diagnostic -> 7P Process, Performance

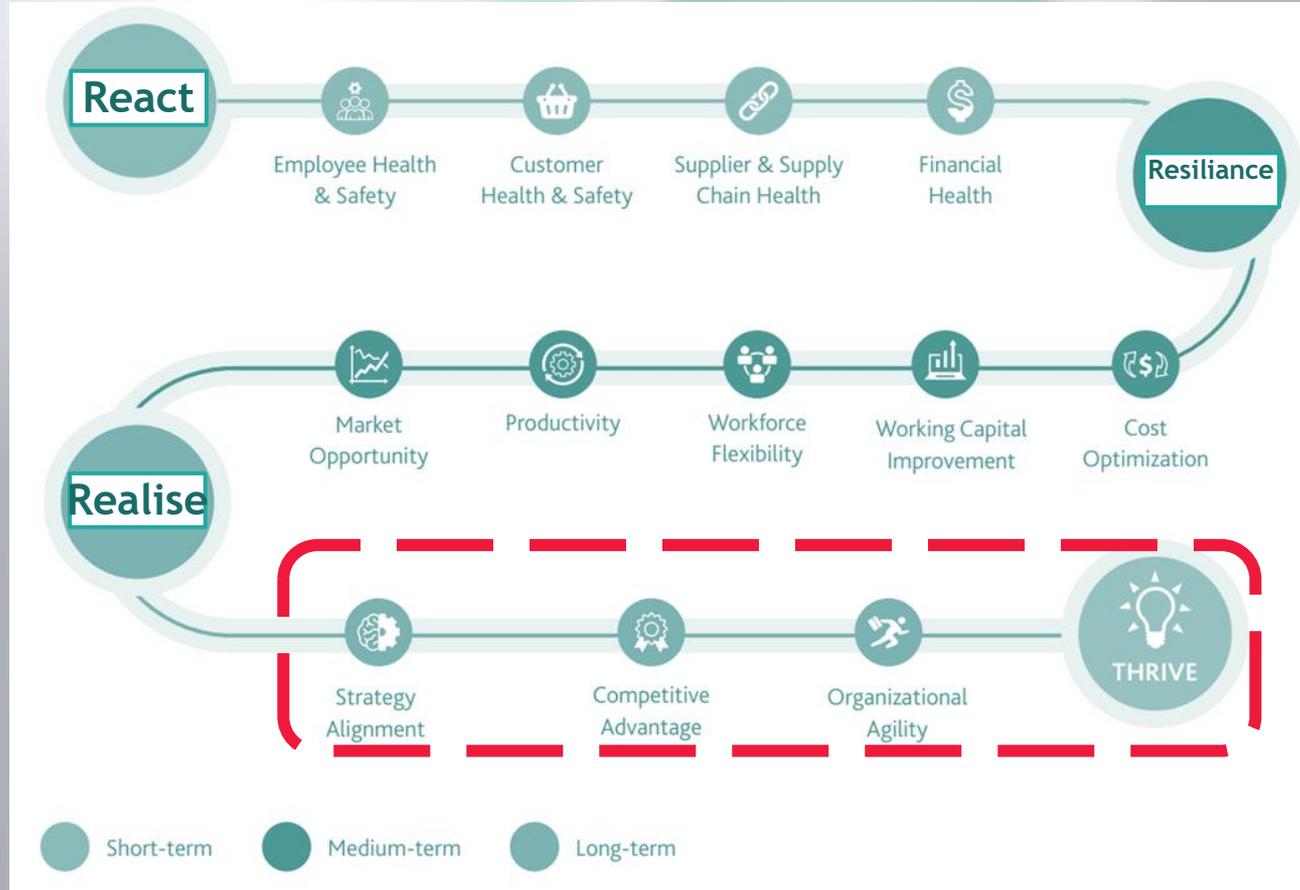


- The finance function:
  - Operates in a high data privacy and information security risk and compliance environment
  - Can lead to reputation and legal risks if not managed well

# Rethinking the finance function - Realise

- Insights into financial and management risks
- Business and data analysis
- Enhanced budgeting, reporting and key indicators
- Informing strategic and business planning

# Questions you should be asking?



Thank you  
Questions?

