



# BUSINESS REVIVAL

How you can plan with confidence for the unknown



Building a better  
working world

# Business Revival: Overview

**The COVID-19 pandemic has disrupted all aspects of daily life. As most of the world emerges from the first year of the pandemic with uncertainty about the future, many organizations experienced irreversible losses, while others are thriving.**

**Organizations that thrived found ways to be agile, and responded in innovative ways to the changed environment.**

**EY's Business Revival solution offers a tailored set of methodologies designed to navigate our emergence from these turbulent times.**

During the Second World War, General Motors planned carefully for the post war world; Alibaba used to SARs crisis to hasten their push into eCommerce. During COVID Zoom has scaled to meet global demand while Acrteryx is one of many examples of a rapid pivot - what lessons and techniques can others take from these examples?



As early as 1942, GM created policy committees **scenario planning** the geopolitical shape of the future; anticipating increased globalization and a freeing of trade, they planned for international expansion and delivered unprecedented growth.

## Post WWII

**+728%**

**First time installations from March 2020**

Massive scaling. "From the moment we found Zoom, our main focus has been to provide a cloud video communications solution that would make customers happy."

Eric Yuan, CEO (August 2017)



Rapidly finished and launched a new e-commerce site, Tosaobao, a **go-to-market shift** to enable millions of Chinese consumers to shop online during a widescale mandatory lockdown, creating the behaviors that drove future success.

## Post SARs Crisis



**10 days**

**to prototype reusable medical gowns**

Rapid reapplication of design and manufacturing **capabilities** to respond to the national demand for PPE, producing 500 units of medical gowns and temporarily reorienting towards new revenue streams.

## COVID-19





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# MARKET CONTEXT



# COVID-19 has brought devastation globally, and significant economic hardship

**COVID-19 is significantly affecting populations in their personal, professional, and social habits alongside disruptions in industrial production, demand and supply chain.**

Governments around the world have imposed drastic measures limiting travel, social behavior, organization of work and more. This has changed nearly every aspect of day to day life, and shone an immediate and bright light on the inter-dependencies among global economies.

In Canada, the COVID-19 pandemic and the consequent distancing measures and closures, have significantly impacted several sectors in Canada's six major cities.

The table on the right provides a summary of the impacts across sectors on Canada's six major cities\*.

\* Vancouver, Edmonton, Calgary, Toronto, Ottawa, and Montréal

## Significant contraction, though pickup in 2021 projected

Sector*	Job losses ('000s) <sup>1</sup> Relative to pre-COVID level	GDP impact (\$) 2020 full year vs. 2019 full year	GDP outlook for 2021
Entertainment, accommodations and food services	118.7↓	\$11,606m↓	7.3%↑
Transportation and warehousing	48.7↓	\$9,892m↓	7.6%↑
Retail and wholesale trade	20.1↓	\$3,237m↓	5.8%↑
Construction	37↓	\$3,084m↓	5.1%↑
Public administration, care services, and education	4.1↓	\$7,975m↓	2.1%↑
Utilities	1.8↓	\$46m↑	4.6%↑
Professional, scientific and technical services	43.2↑	\$2,984m↓	3.7%↑
<b>TOTAL</b>	<b>187.2↓</b>	<b>3,8731m↓</b>	<b>4.7%↑</b>

<sup>1</sup> comparison of employment levels between Dec 2020 and Feb 2020

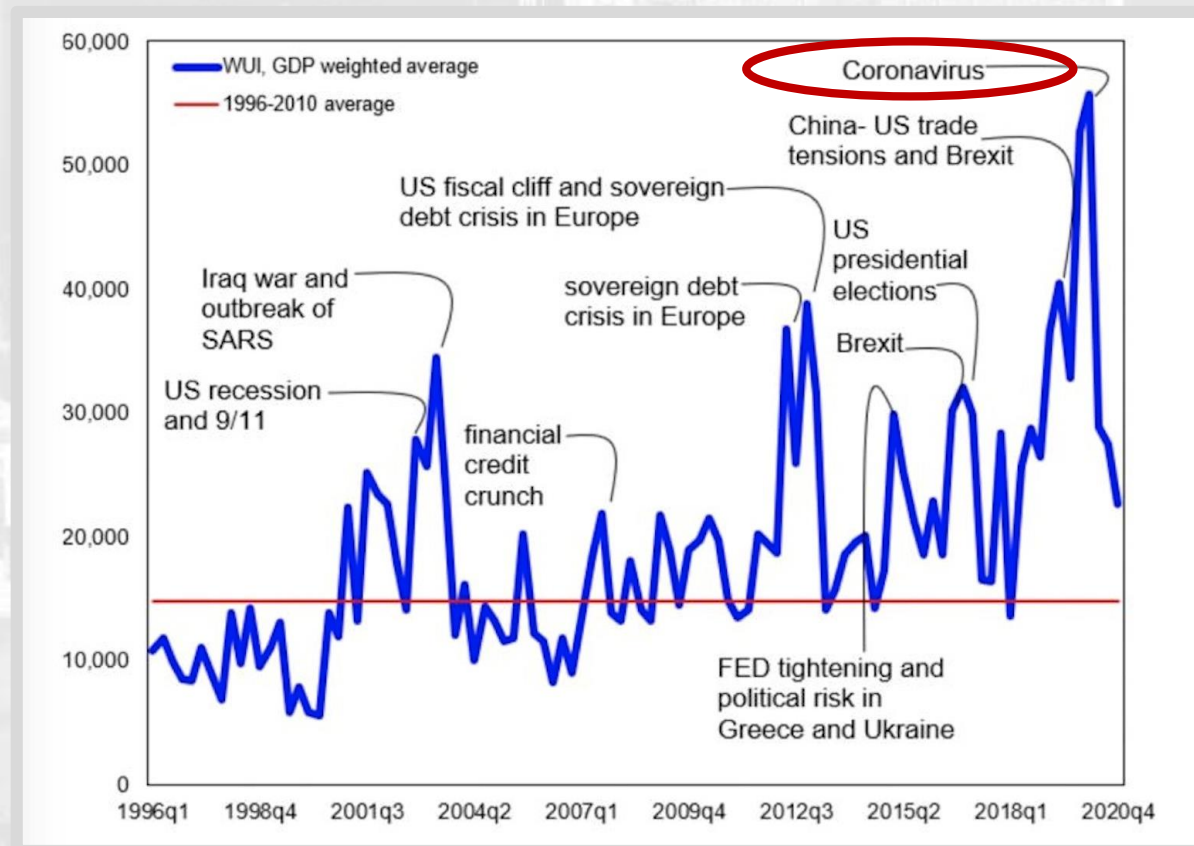
Global uncertainty characterized much of the pandemic reaching unprecedented levels in 2020

**Although uncertainty has come down by about 60% from the peak observed in the first quarter of 2020, it remains close to 50% over its historical average during the 1996-2010 period.**

### Uncertainty in the world\*

Global uncertainty as measured by the World Uncertainty Index remains high.

World Uncertainty Index (GDP weighted average)







**While provinces across Canada rolled out plans to manage reopening efforts, some of these measures have had to scale back due to a resurgence of cases across the country.**

From December 2020, Ontario announced hard lockdown measures after COVID-19 cases surged. Other provinces, including BC, Alberta and Québec, re-introduced restrictions to control the virus's spread while vaccination efforts get underway



As the economy begins to reopen, consumer confidence shows significant signs of recovery, with high expectations of incremental consumer spending and strong business sentiment as economies recover

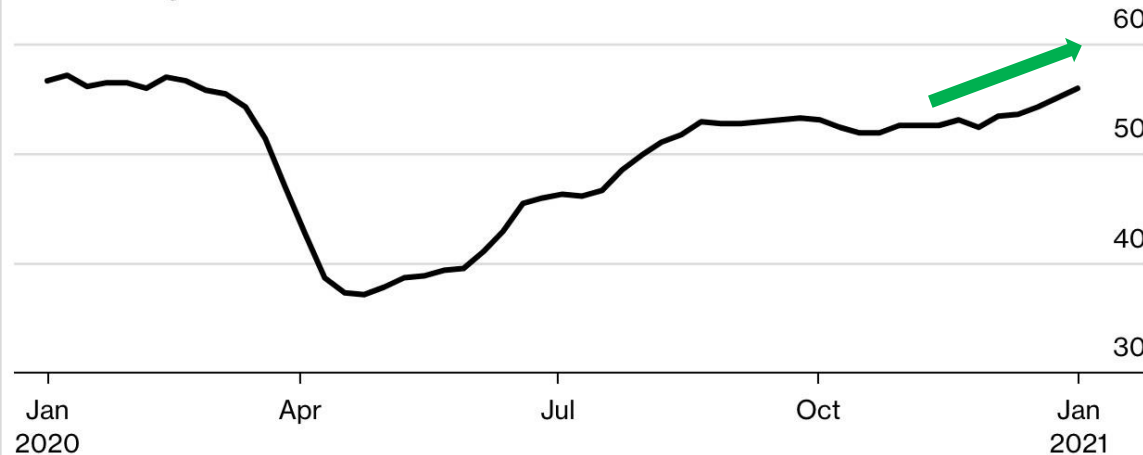
**The Consumer Confidence Index\* is reaching pre-pandemic levels at the start of 2021 with optimism and a positive outlook on recovery after reaching its lowest point ever in April 2020.**

While the rebound stalled throughout fall 2020 amid the signs of a second wave of positive cases, the vaccines' rollout since December has sent sentiment levels back up, improving the outlook on most economic indicators, such as job security and personal finances outlook.

### Confidence Rebuilt

Canada consumer confidence returns to pre-pandemic levels

▲ Bloomberg Nanos Confidence Index

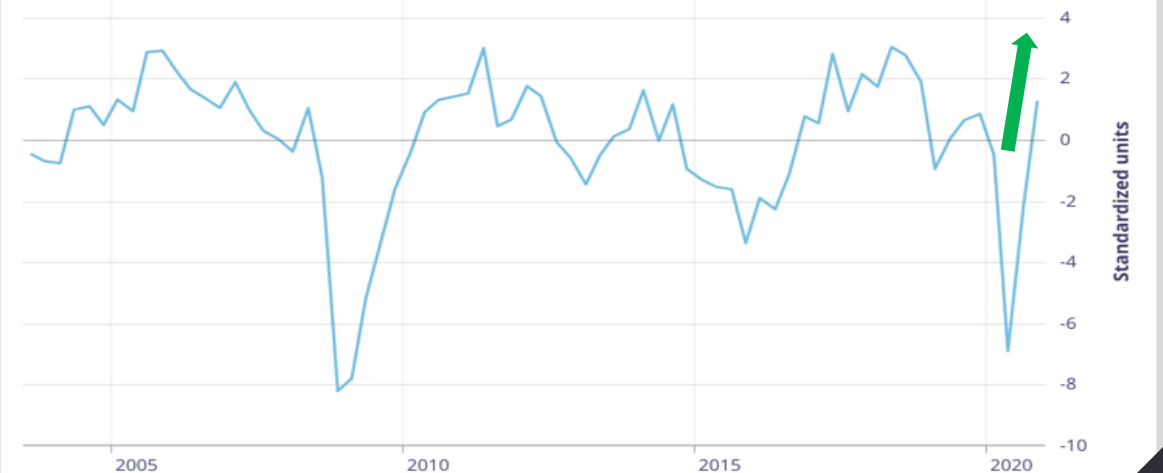


**The Business Outlook Survey indicator\*\* continues to recover, indicating positive business sentiment.**

Key drivers include employment and investment intentions which experienced the most significant increases since the fall 2020 survey. Continuation of government relief programs, strengthening foreign demand, and growing confidence as governments distribute vaccines are additional contributing factors. Business sentiment remains negative across several sectors, especially those in high-contact services.

### Business Outlook Survey indicator

Business sentiment continued to recover from previous weak levels

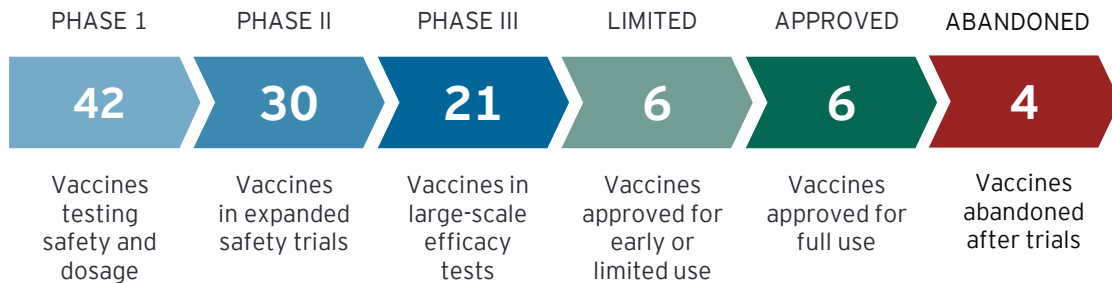




While efforts towards rolling out vaccines are underway, the number of cases around the world is still trending upwards, resulting in new restrictions and lockdowns

There are at least **75 vaccines in clinical trials in humans**, with **21 reaching the final stages of testing**. At least **90 preclinical vaccines are under active investigation**. Leading vaccines already approved in Canada and other countries include those developed by **Pfizer-BioNTech (Comirnaty or BNT162b2)** and **Moderna (mRNA-1273)**.

### Coronavirus Vaccine Tracker\*

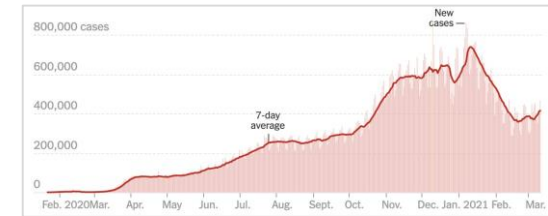


### Coronavirus Drug and Treatment Tracker\*



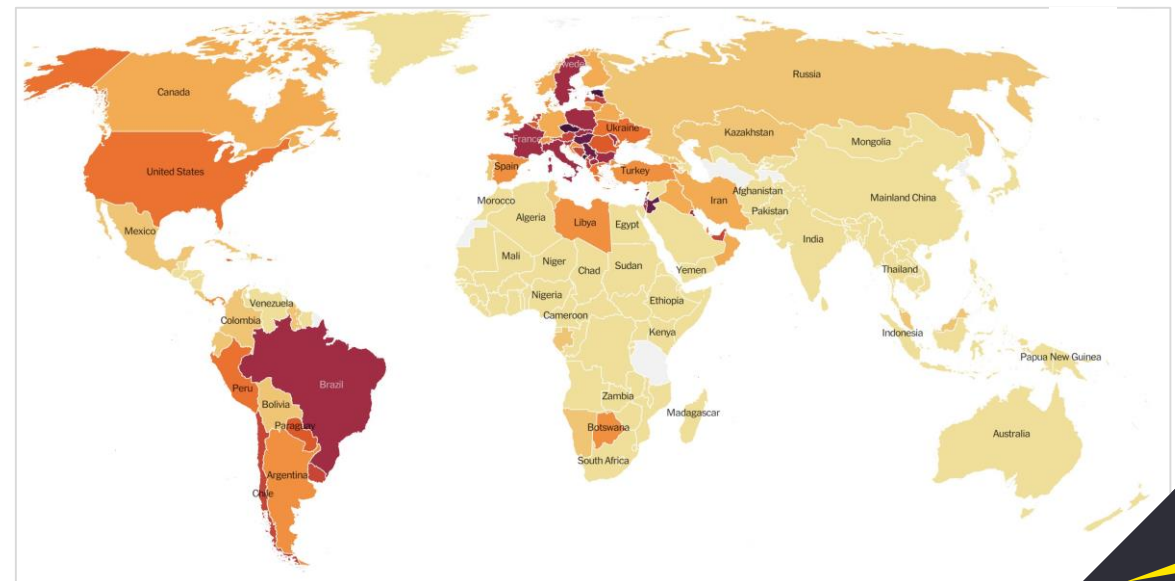
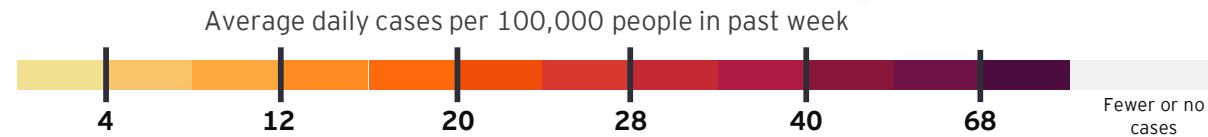
\*Source: The New York Times (last updated: March 11, 2021).

### Global cases trend



The pandemic has slowed down in some areas of the world, although continues to expand in others. Some regions showing a decline in cases are starting to experience a rapid increase, showing signs of a second wave.

### Where cases are rising most quickly\*



Sources: Local governments; The Center for Systems Science and Engineering at Johns Hopkins University; National Health Commission of the People's Republic of China; World Health Organization.

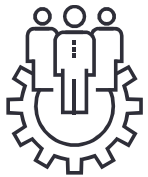
# Recovery can be enhanced through strategic investments

## RECOVERY LEVERS TO GROW



### Decoding changing customer needs

As the pandemic curve settles and the economy adapts to the new normal, businesses will need to reinvest in gaining insights on how consumers' buying patterns will change, including factors such as influencing their preferences, anticipating their needs, and changes in purchasing power. Businesses will need to establish trust with customers to rebuild consumer confidence and earn access to their wallets.



### Transforming operations

Businesses will increasingly need to focus on optimizing operations and develop business agility to run lean. This change will be largely driven by investment in technology to make processes more efficient. Other transformations to consider include adaptable workforce, resilient supply chains, and the development of advanced forecasting systems to match demand and supply to improve adaptability to future shocks.

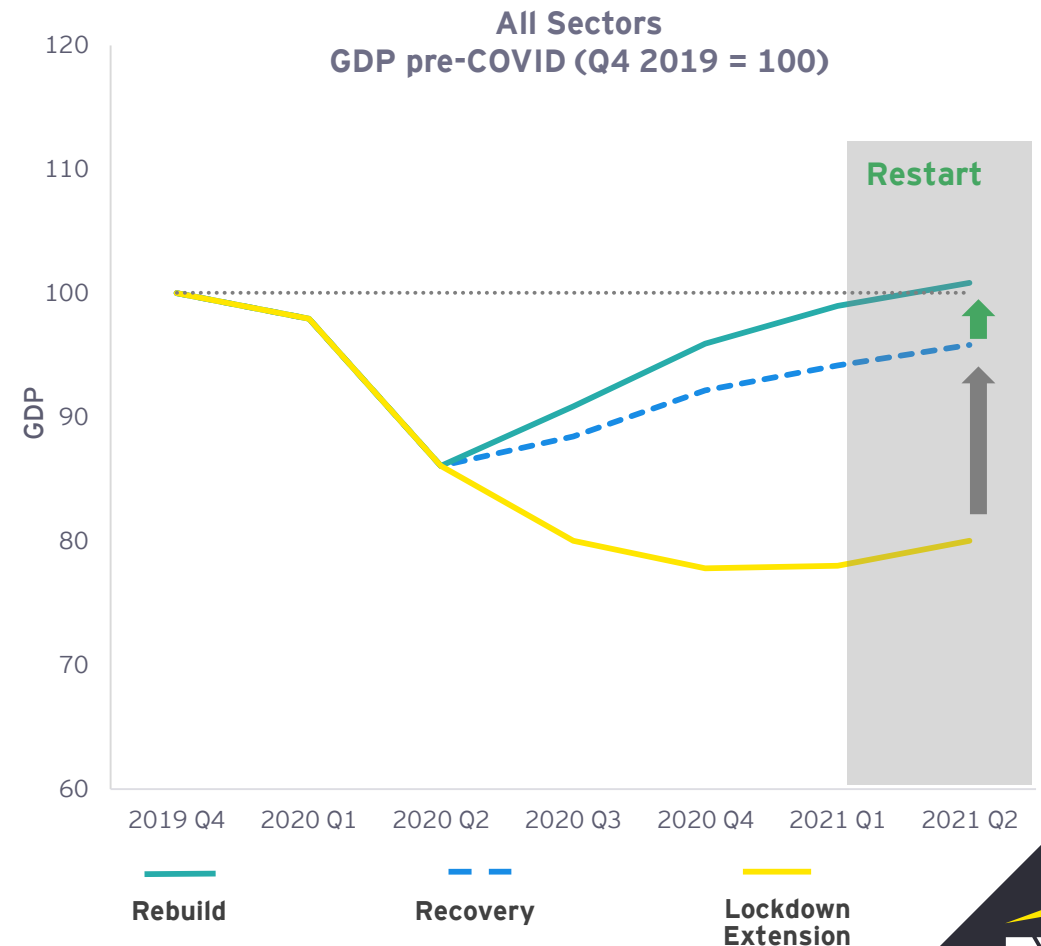


### Managing policy developments

With several adjustments to existing regulations around public health, businesses will need to continue being flexible in adopting new protocols without impacting productivity. These variations include health and safety policies at the workplace, operating hours and capacity to enforce physical distancing, and a refactored risk and compliance management system.

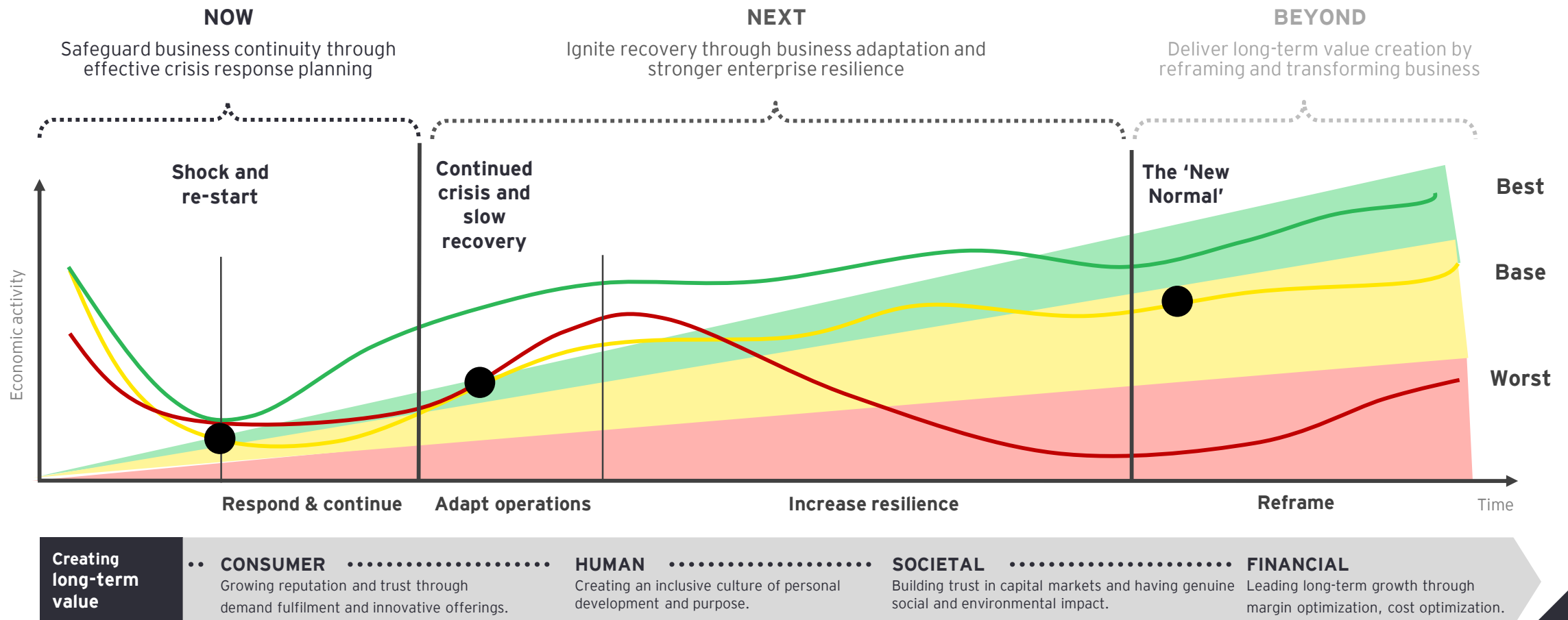


## Potential recovery trajectory\*



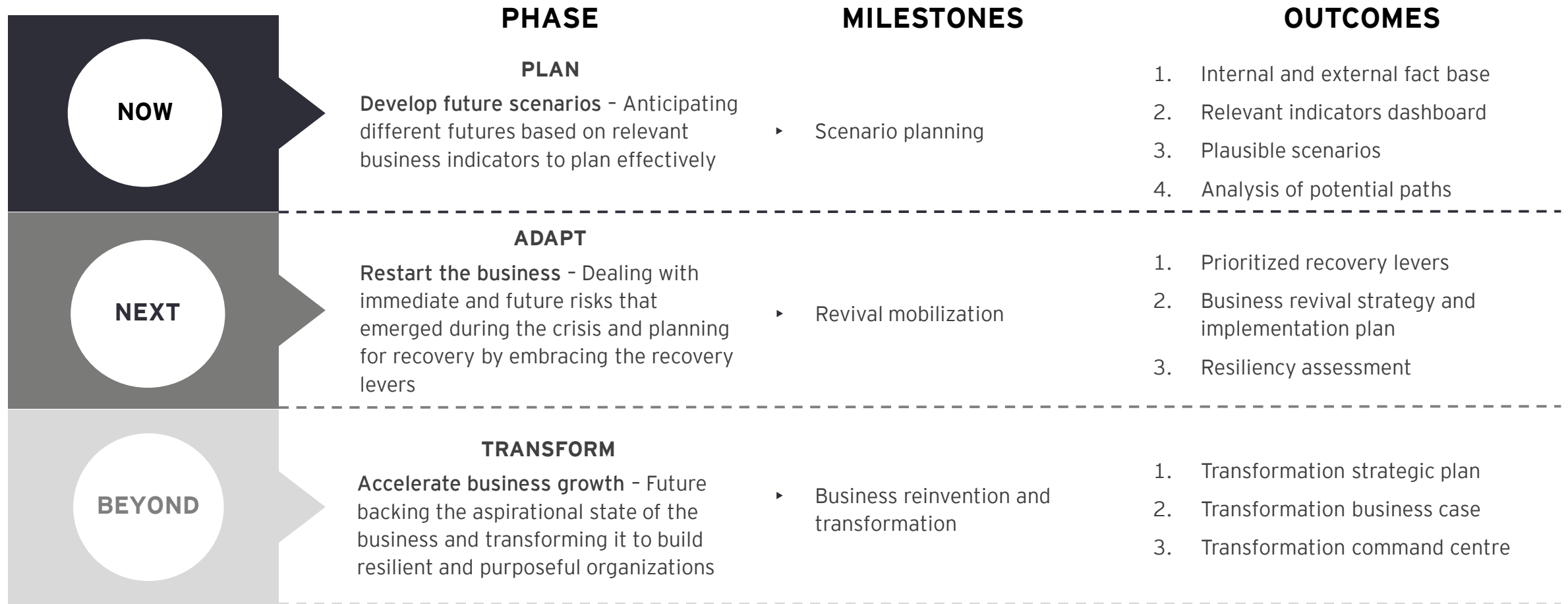
# Embracing the uncertainty of the post-pandemic future will require planning for multiple scenarios and recovery paths

Planning for different plausible futures will depend on multiple internal and external factors. **Identifying the relevant factors and corresponding indicators to anticipate distinct plausible futures can enable organizations to embrace uncertainty and prepare for the business revival phase.** Decision-makers will need to build resilient business models so that their businesses are adaptable to different market scenarios (e.g., a second lockdown).



# The path to Business Revival

Organizations that want to plan with confidence for the future will need to follow three key phases. This approach will enable decision-makers to manage risk, prepare for what's next by building resilient businesses and propel for beyond through effective business revival planning.



Workforce Transformation and Lifelong Learning





# PHASE 1: NOW PLAN

- ▶ Scenario planning

# Scenario planning: a tool for embracing uncertainty and navigating strategic risk

## What is scenario planning?

Scenarios are alternative descriptions of the future focused on a specific strategic issue. They empower decision-makers by broadening and deepening thinking about future business settings that affect an organization's strategic choices.

**The scenario planning solution is a management tool augmented with EY assets, accelerators and insights designed to deliver confidence and velocity in times of uncertainty while improving the quality of strategic decisions.**

It includes a proven methodology to examine and evaluate possible events that define these futures and considers various indicators that could influence likely results or outcomes.

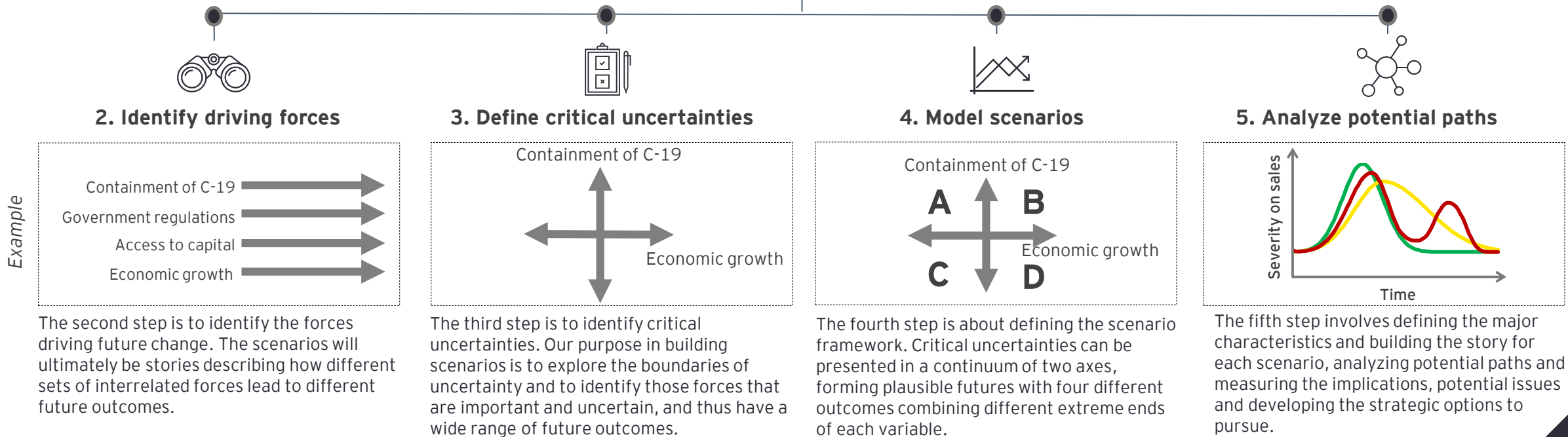


### BENEFITS

- ✓ **Enhanced market and organizational learning** by identifying key driving forces and business levers.
- ✓ **Greater insights** about different plausible futures, including key indicators to signal which future to prepare for.
- ✓ **Effective organizational preparedness**, flexibility and agility by adapting the business design and value chain to the new environment.
- ✓ **Clearer strategic option generation**, assessment and risk analysis to inform potential responses.
- ✓ **Improved organizational alignment**, commitment and performance during times of uncertainty.

# The scenario planning framework provides a methodical approach to scientifically prioritize and focus on the most impactful business scenarios

The first step in the process is to agree on the strategic issue the organization wants to address. The problem or opportunity is presented in the form of a "focal" question. The focal question enables decision-makers to plan for scenarios relevant to the strategic issue at hand or the strategic decision under consideration.



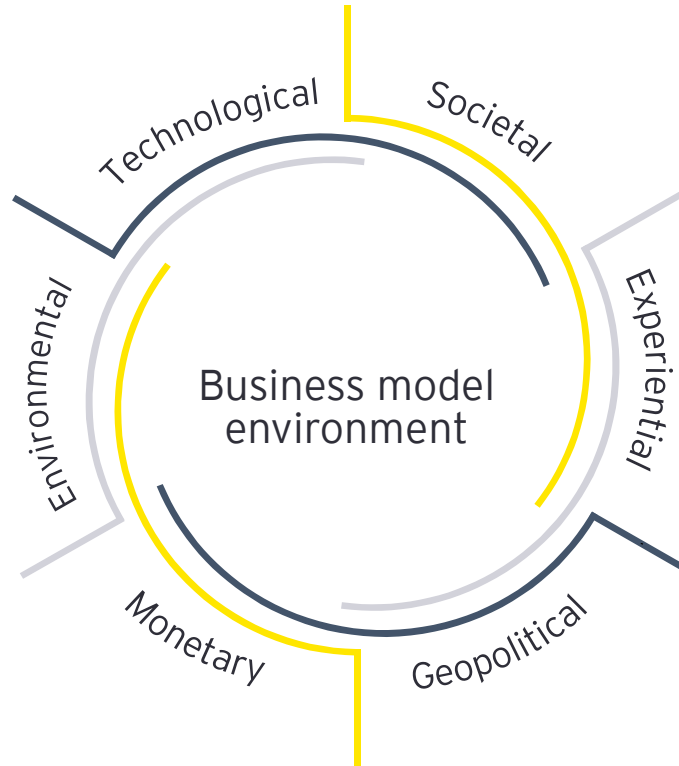
# Collective intelligence: taking an insights-driven approach to plan for future scenarios

## What is collective intelligence?

Understanding the context of the organization's internal and external environment helps decision-makers develop a more competitive and resilient business model.

Competitive intelligence is the aggregation of relevant data and insights to define the drivers and constraints that inform the design of future scenarios and key indicators to anticipate these futures.

Using the "strengths of the collective" through accelerated virtual forums with industry peers, suppliers and customers, and powered with industry insights from proprietary and third-party market data, EY can help organizations develop a business model environment.



### BENEFITS

- ✓ **Alignment** regarding the interpretation of reopening protocols and response plans to deliver a consistent customer experience and regain consumer confidence.
- ✓ **Communication platform** to engage peers and industry partners and coordinate recovery efforts.
- ✓ **Definition of relevant indicators** to monitor in anticipation of different plausible futures.
- ✓ **Visibility and access to insights** to inform decision-making by anticipating potential opportunities and threats.



# Defining the key recovery indicators to anticipate plausible futures can enable organizations to proactively adapt their response plans instead of reacting

As sectors plan for recovery and organizations begin to adopt the health and safety guidelines introduced by the provincial governments as part of their operations, the **lack of consistency in evidencing how they follow these protocols may deter consumers from engaging with brands**. Also, with the COVID-19 pandemic accelerating our information lifecycle, **organizations are overwhelmed with data, which is increasing the risk that outdated or incorrect data results in poor decision-making**.

Collective intelligence enables the **collection and analysis of relevant data sets from primary and secondary sources to determine relevant recovery indicators adopted by government agencies and large organizations to anticipate plausible scenarios and future trends**. These insights include lessons learned from other regions that are further along in the recovery process, such as Asia and Europe, to add context to the current economic and health climate. These market and sector insights can accelerate the revival phase by gaining alignment and applying the lessons learned from peers.

## Illustrative COVID-19 recovery indicators



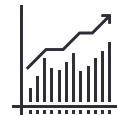
### Health measures

- ▶ Daily increase in new cases
- ▶ Population tested
- ▶ Capacity of ICUs and health care system
- ▶ Medical supply and demand ratios



### Government regulations

- ▶ Public health directives
- ▶ Lockdown status and estimated end date
- ▶ Relief packages
- ▶ Reopening phases and protocols



### Macroeconomic data

- ▶ GDP growth rate
- ▶ Unemployment rate
- ▶ Productivity (avg. weekly earnings and hours worked)



### Sector data

- ▶ Consumer spending
- ▶ Total manufacturing and retail revenues
- ▶ CPI, IPPI
- ▶ Insurance claims



### Business trends

- ▶ Consumer sentiment and preferences
- ▶ Online consumer behavior
- ▶ Commercial traffic
- ▶ Commuter traffic

Source: EY Research



# PHASE 2: NEXT ADAPT

- ▶ Revival mobilization

Revival mobilization: an actionable set of solutions to activate relevant business levers and build resilience while restarting operations under the new normal

## What is revival mobilization?

Revival mobilization is an approach designed to help decision-makers understand the market environment, determine the growth levers needed to accelerate recovery and activate a tactical action plan to mobilize the workforce as the business restarts its operations and prepares for the recovery phase.

The methodology includes facilitated sessions to diagnose and prioritize business challenges, identify and measure associated risks, define the response tactics in an action plan and standing up the governance and delivery model to sustain and monitor performance.



### Activities undertaken

- ▶ Current state diagnosis
- ▶ Policy impact assessment
- ▶ Prioritization of business challenges and opportunities
- ▶ Identification of quick wins and "back to business" preparatory tasks
- ▶ Executable action plan
- ▶ Stand-up of an agile operating and governance model

### BENEFITS

- ✓ **Data-driven** by leveraging collective intelligence and scenario analysis.
- ✓ **Results-oriented** by focusing on the priority business levers required to restart operations.
- ✓ **Action-driven and agile** with tactical initiatives and testing for readiness before restarting to prepare for business recovery.
- ✓ **Structured approach to creating long-term value** by building resilience and flexible business models that are effective.
- ✓ **Improved organizational alignment**, commitment and performance during times of uncertainty.

# Identifying the key business challenges as organizations plan for revival will help focus on the right recovery levers

## Focus on the critical business challenges



## Prioritize relevant recovery levers



**Decoding changing consumer needs**



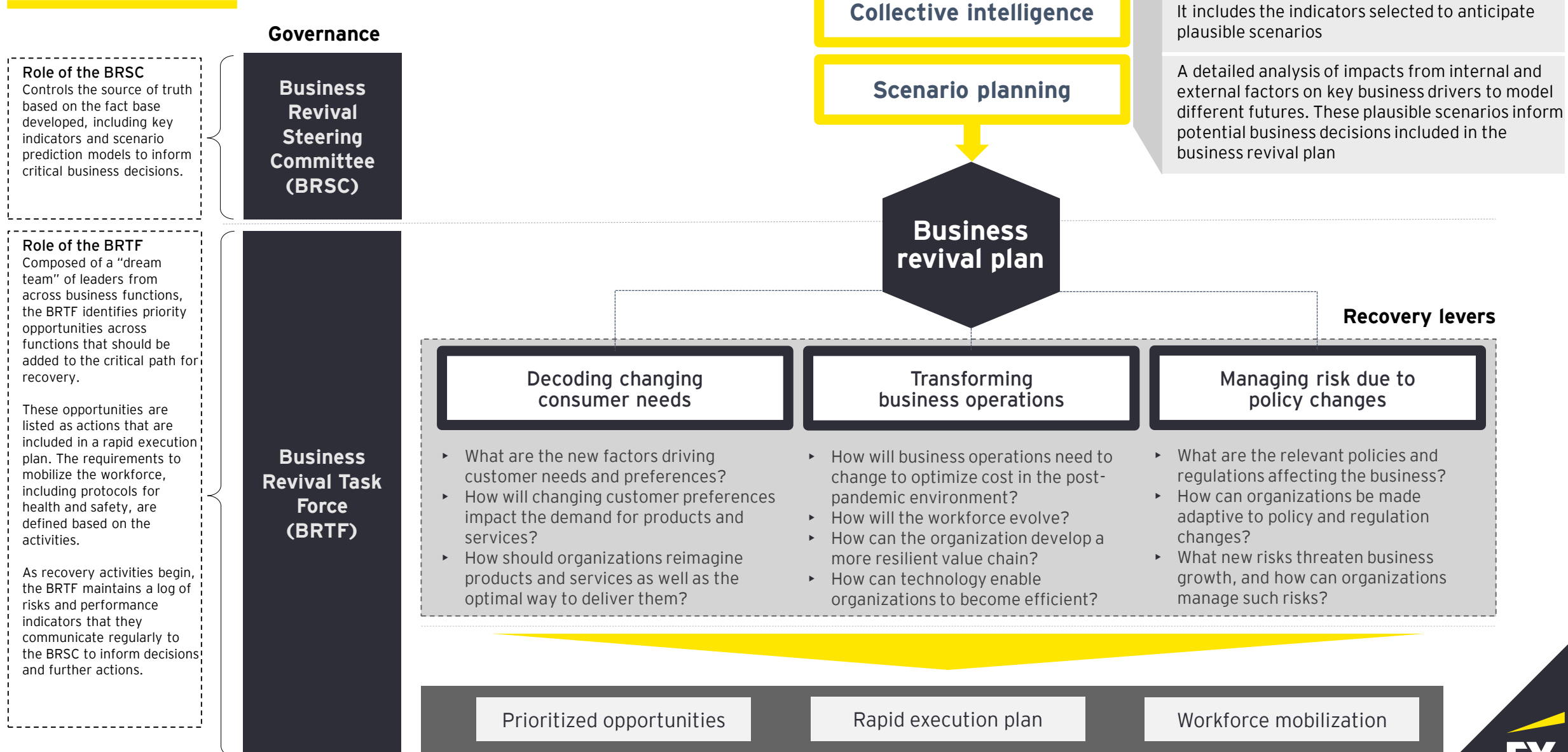
**Transforming business operations**



**Managing risk due to policy changes**



# The Business Revival framework



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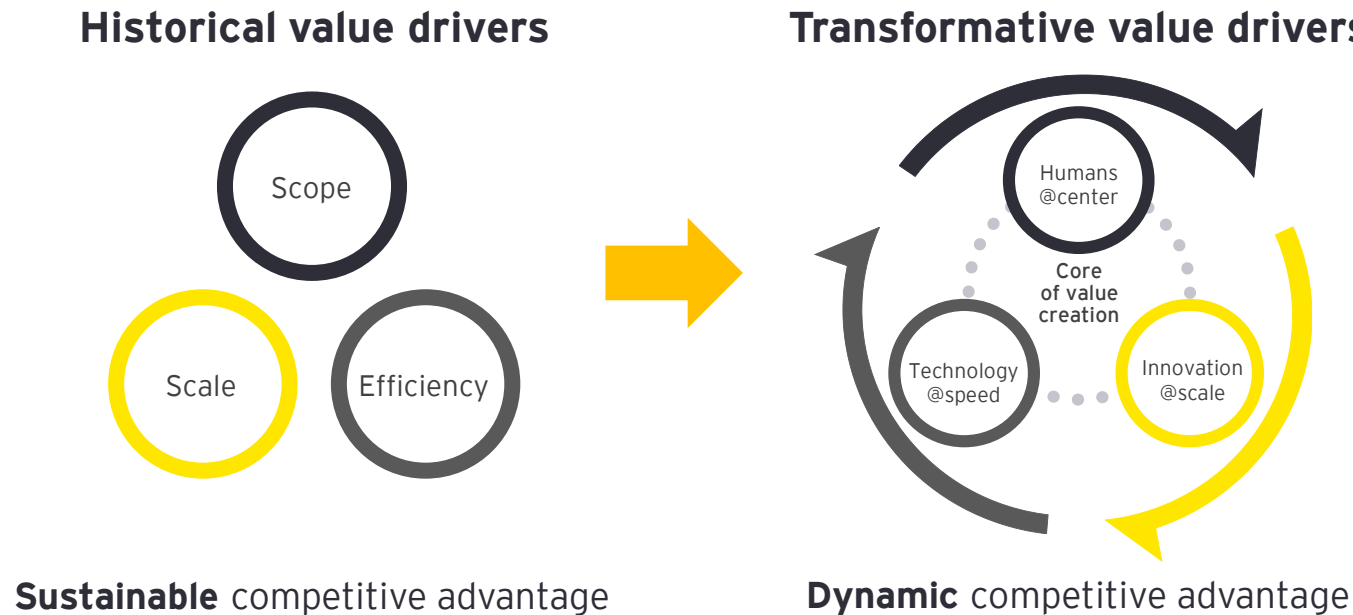
## PHASE 3: BEYOND (TRANSFORM)

- ▶ Business reinvention activation

Business reinvention activation: an end-to-end business transformation program that prepares organizations for the next wave of growth

## What is business reinvention activation?

Business reinvention activation is the initiation of a transformative journey to build long-term resilience and innovative business models to embrace market changes. Through business reinvention activation, organizations can manage risk while preparing for an uncertain future. Embarking on this journey starts with the recognition that the old drivers of success no longer apply. Instead, reinventing the core is how organizations will create and sustain value.



### BENEFITS

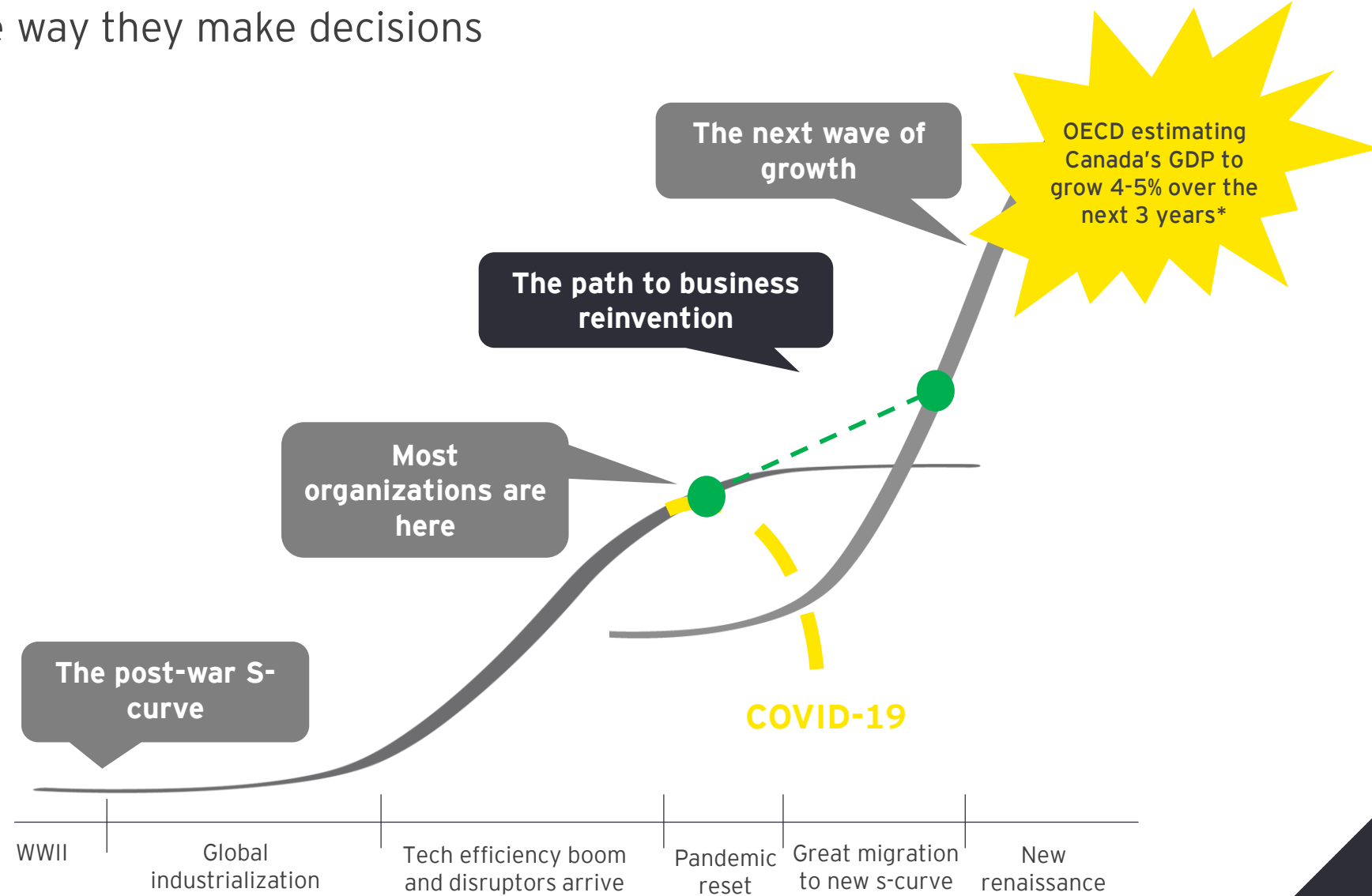
- ✓ **Sustainable creation of long-term value** by reimagining the value drivers that create a dynamic competitive advantage.
- ✓ **Enterprise-wide focused** rather than siloed.
- ✓ **Adoption of a transformative mindset and leadership** to activate employees and ecosystems of partners that become proponents of the change agenda.
- ✓ **Embed innovation** and business agility as part of the business foundations.
- ✓ **Future-oriented while grounded in business fundamentals** to prepare the business for the next wave of growth.

# To prepare for the next wave of growth, decision-makers will need to adopt a transformative mindset and be prepared to change the way they make decisions

Beyond COVID-19, every company will need to reposition itself for growth and reinvention on the new S-curve.

While numerous companies are assuming a transformation posture, the vast majority were not ready for the magnitude of what hit them with COVID-19.

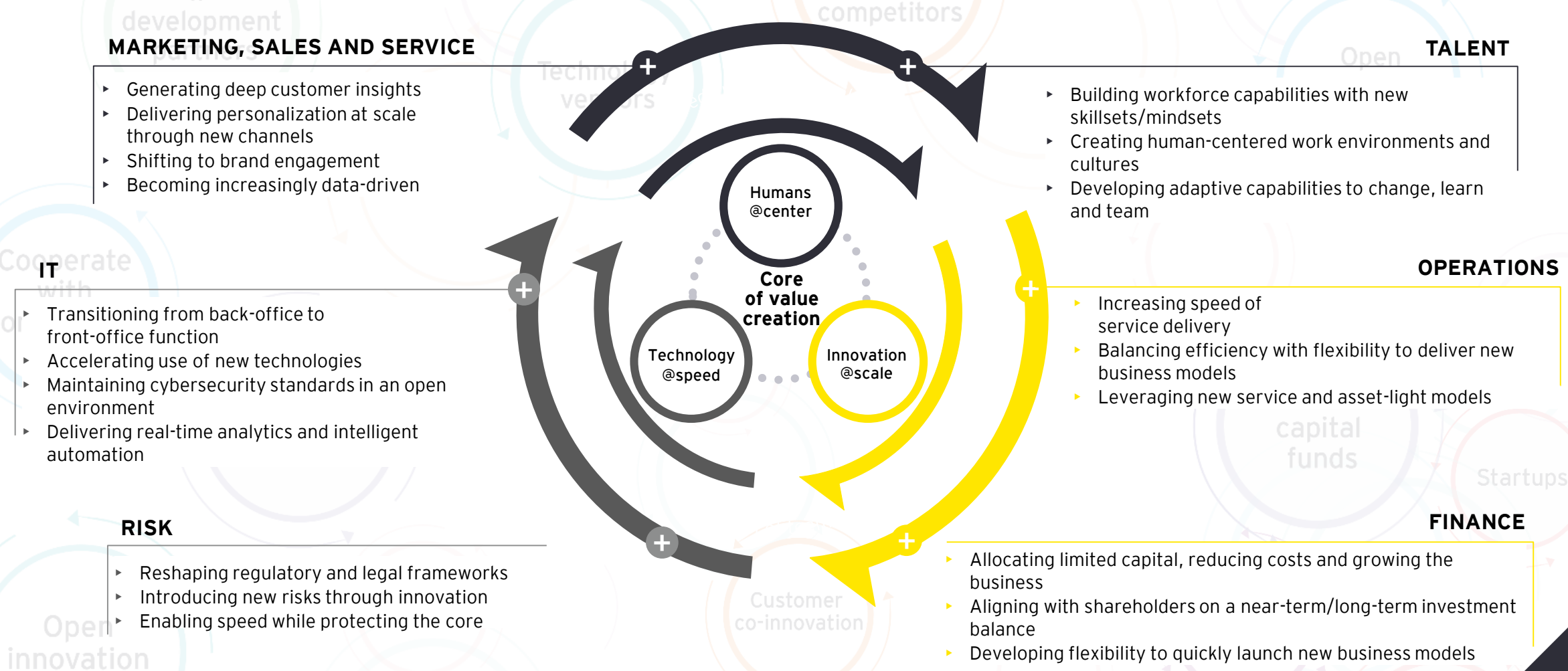
The transformation was an agenda item equal to driving predictability in earnings growth; that has all changed. COVID-19 accelerated the shift of ~8b people onto the new curve and a multigenerational shift to new ways of living and working.





# Business reinvention activation involves cross-functional collaboration enhanced by engagement with ecosystems of partners and investments in an innovation portfolio with 3 phases

All functions must optimize as the core of value creation engine changes while leveraging new ways of collaborating with different ecosystems



# Balancing transformation investments across innovation horizons

Embracing change will require balancing transformation investments across three innovation horizons

## Transformation investments portfolio

### Now 70%:

Protecting the value of core markets and operations (e.g., ERP alignment, enterprise cost reduction).

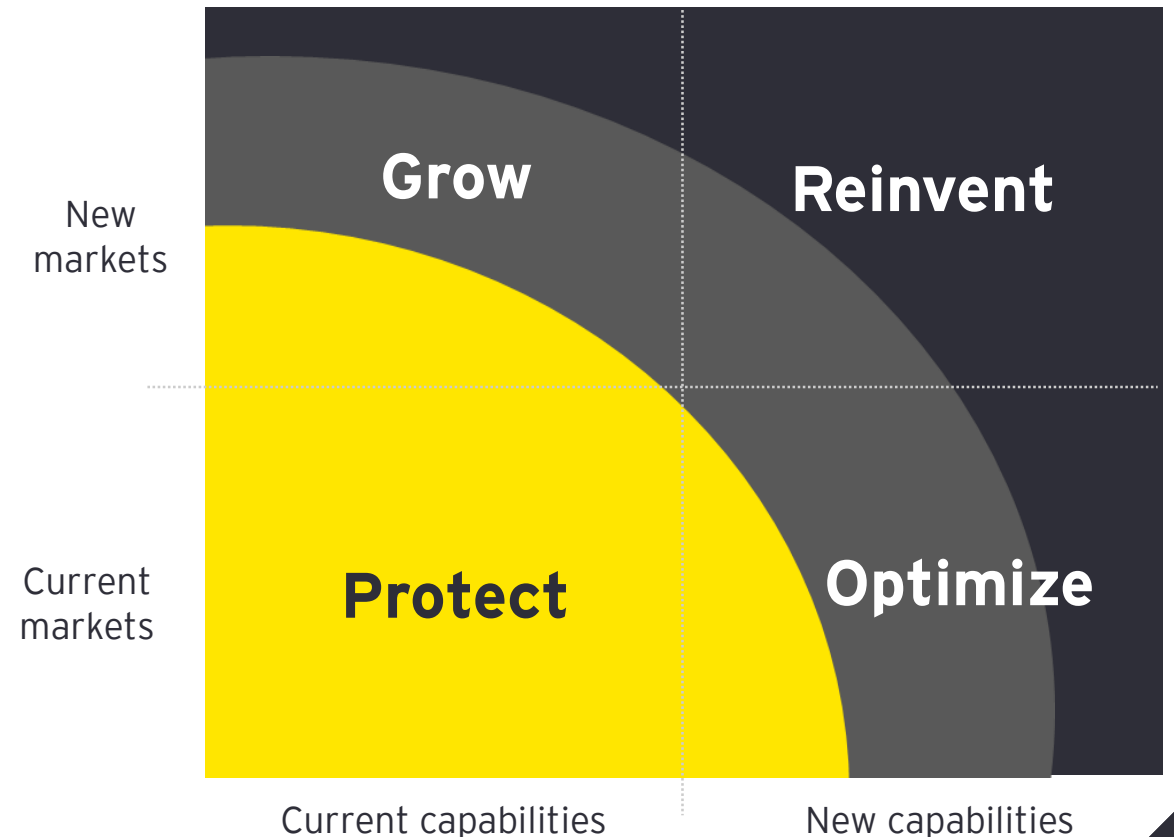
### Next 20%:

Taking existing capabilities into new markets (e.g., global expansion); optimizing performance in existing markets with new technology (e.g., RPA).

### Beyond 10%:

Reinventing the industry by creating new markets and new capabilities.

## Innovation horizons



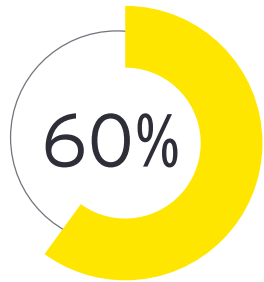


# ORGANIZATIONAL TRANSFORMATION

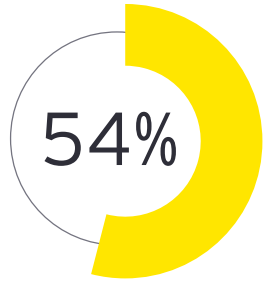
# As signs of the pandemic begin to ease and organizations plan to return their people to workplaces, the question arises – what will the future workforce look like?

While the pandemic has impacted humans consistently in key markets, there have been notable differences between employers and employees, and generations in the workforce. As organizations look to reimagine future work experience, they will need to prioritize the changes they envisage by putting employees at the center.

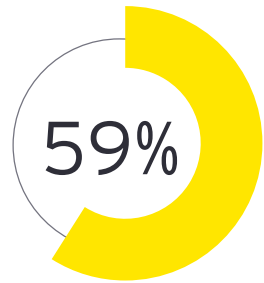
Employees and employers are aligned in some areas of the future work experience and have disconnects in other areas. Both are seeking a more digital, safe and flexible model with a mix of “touch” and “tech.”



Employers surveyed believe their business is in “extensive distress” because of COVID-19



Employees agree that the impact of COVID-19 has been “extensive”



Employees think their organization is not yet completely ready to adapt to changing customer behavior and demand post-COVID-19

Areas of alignment

84% of employees are looking for better digital tools  
 Top 5 concern of all countries and generations is **physical health**  
 #1 ranked L&D focus is employees want employers to enhance online/virtual learning approaches

Areas of disconnect

38% of employees want updated pay/bonus plans for enhanced work efforts  
 76% employees would like to continue some form of business travel



79% of employers are looking to extensively/moderately change digital workforce tools  
 86% of employers plan to make extensive/moderate changes to workplace safety  
 64% of employers are looking to enhance online/virtual learning approaches

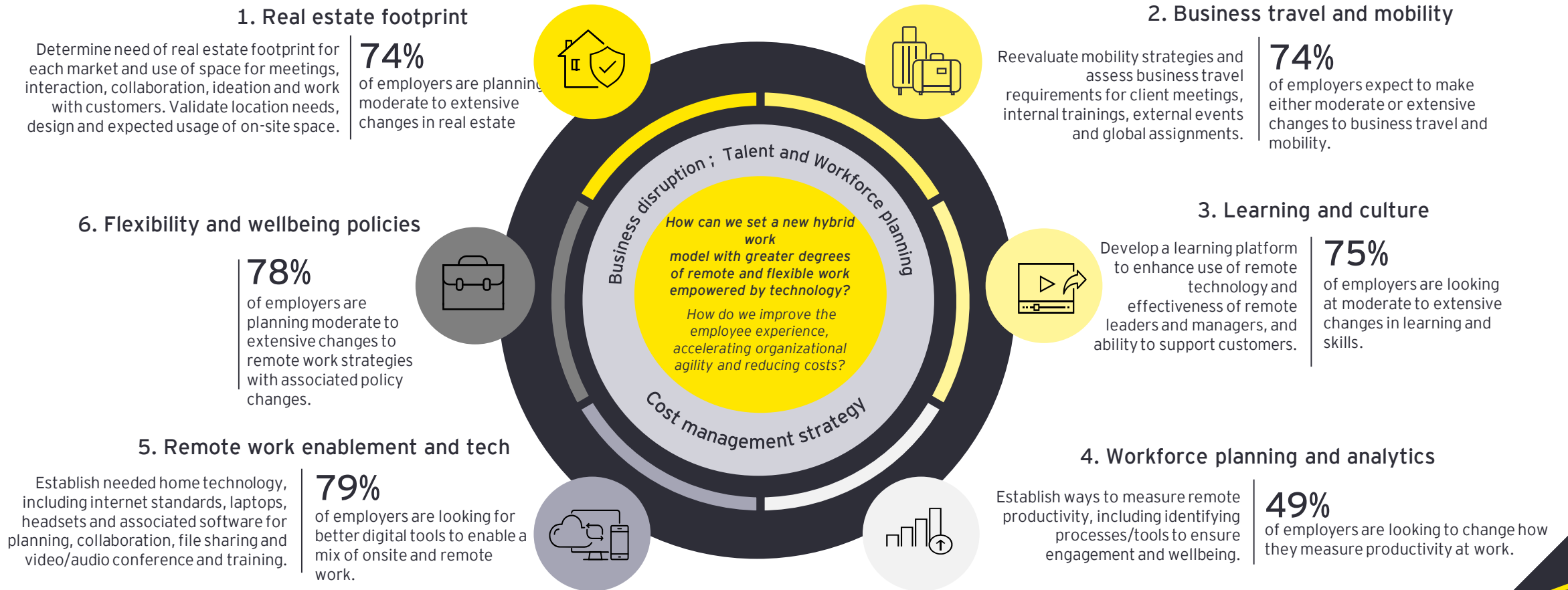
77% of employers believe there will be extensive/moderate change to workforce cost  
 74% of employers would make extensive or moderate change to business travel, with reductions across most types of travel

90%

of employers feel they prioritize employees for long-term value creation while making decisions, compared to only 69% employees

# Our research highlights six major “resets” in key areas of the work experience

The global pandemic has reset the workforce and the workplace experience, shifting from “return to office” to “reimagining work.” Companies are reimagining work and establishing a new hybrid approach to working that supports their people today and into the future.

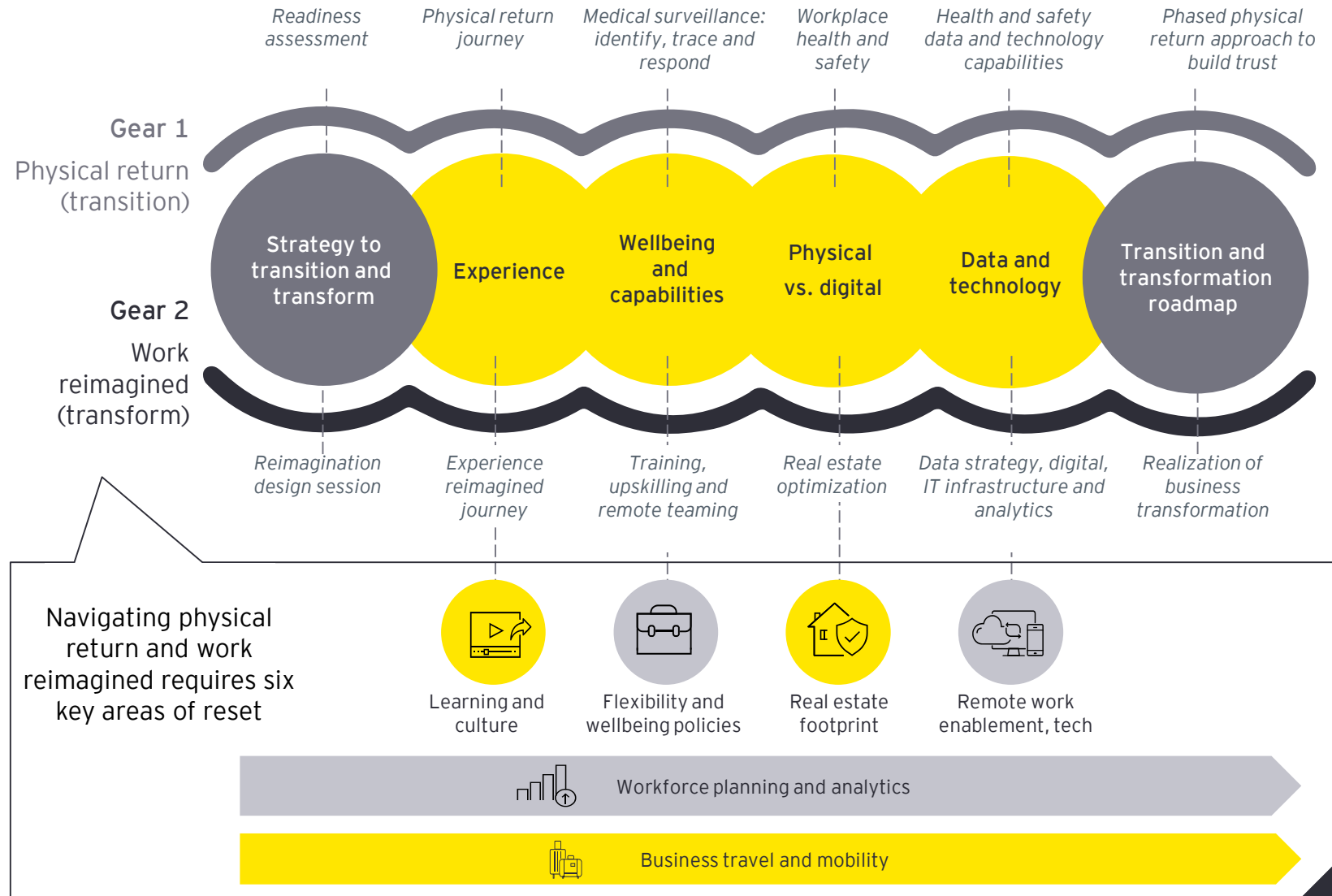


# Work reimaged: a two-gear approach to transform your workforce to prepare your organization for the next wave of growth

The future of work arrived on the back of the COVID-19 pandemic, catapulting work-from-home and technology journeys years into the future.

The disruption dispelled myths about productivity and collaboration centered around being in a physical office and shined a light on how quickly we could change when we needed to.

The opportunity and challenge now is to rethink the workplace and its use by your workforce, and how to enable the new ways of working with technology that achieves both cost savings and productivity gains.





# Organizational transformation is about putting humans at the center, aligning culture and leadership to their purpose, developing skillsets and mindsets and building adaptability through continuous learning

As we move from coping with the pandemic to more thoughtfully reimagining work, we need to consider employees' changing needs and leading practices to enhance the work experience. This may mean challenging assumptions, such as the office space's role, and instead consider working productively and developing an engaged workforce anywhere. We have a unique opportunity to address these challenges by thinking about organizational transformation more holistically and to consider how we unleash our people's potential by placing them at the center.

## Humans@Center imperatives

Futureproofing your workforce

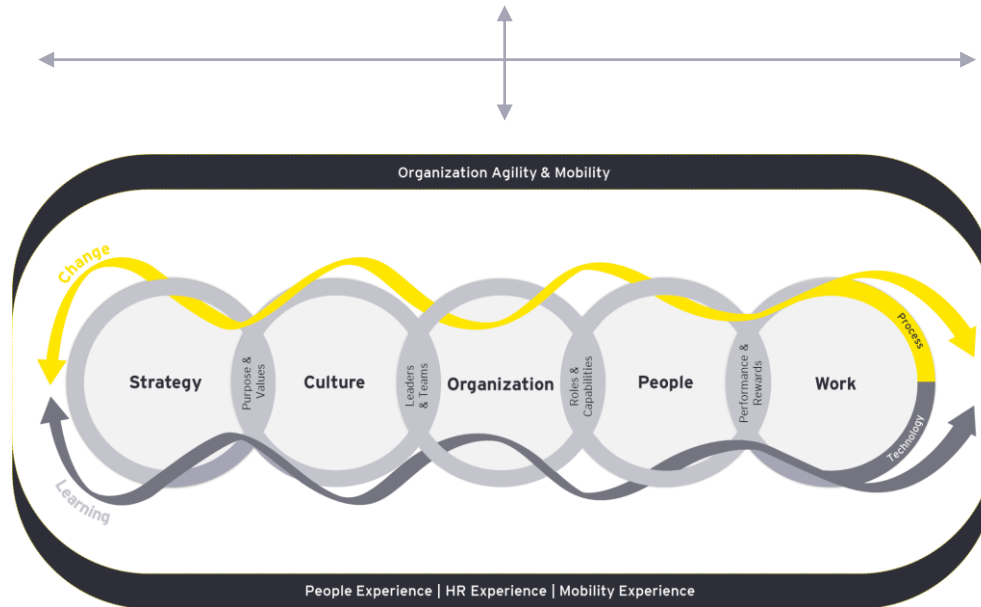
Enabling the mobility and liquidity of talent

Purposefully building your culture and leadership to sustain new ways of working

Enabling digital HR to deliver the employee experience and unleash human potential

Managing continuous change and learning to enable the employee experience

## Unleash human potential to create sustainable value



## Organizational transformation focus areas

**Futureproof your workforce:** What if you could identify the capabilities you have, the talent you'll need and how to get there efficiently?

**Purposefully build your culture and leadership to sustain new ways of working:** What if you could drive behavior change at scale and at pace to better create and protect value through your people?

**Manage continuous change and learning to enable the employee experience:** How do you help your people succeed in ways that are personalized to them?

**Enable digital HR to deliver the employee experience and unleash human potential:** What if you could transition your HR team from an HR function to a human value activator?



**CASE STUDIES**

# Example Case Studies - Coordinating the COVID-19 response and supporting with recovery planning

## Municipal Impacts and Fiscal Recovery

Facilitating the development of an efficient approach to socio-economic recovery

### The immediate need

- ▶ COVID-19 has had a significant impact on Canada's big six cities, and their successful recovery is key to the national economic recovery.
- ▶ Cities lack the fiscal and policy tools that other orders of government have, making it increasingly difficult for them to sustain their financial positions.

### Key risks & considerations

- ▶ Capacity of cities is being strained due to the need to respond to a myriad of citizen and stakeholder needs, from housing homeless to police enforcement of provincial sanctions, addressing increased mental health needs, and keeping citizens safe and services available.
- ▶ Cities are population hubs where the virus can spread the fastest increasing pressure to address public health needs.
- ▶ With the right measures in place, further lockdowns are minimized, saving businesses and protecting citizens' health.

### The solution

- ▶ Economic analysis of the impact of COVID-19 on each City, with a specific focus on those sectors that drive the local economy, and local service delivery.
- ▶ Analysis of the effects of policy decisions on the liquidity and solvency of the City across various scenarios of virus spread.
- ▶ Materials to support advocacy with other orders of government grounded in economic and fiscal analysis.

## Delivering government services with a remote/virtual workforce

Immediate response to help manage the spread of COVID-19

### The immediate need

- ▶ COVID-19 had an immediate impact on EY government clients, with a need to maintain operations and health of staff & citizens.
- ▶ Progressed to virtual and remote ways of working across physical offices and service delivery centres or locations.
- ▶ Many agencies did not have the infrastructure or capacity to address the issue effectively.
- ▶ While not a new concept, the provision of adequate remote access with little time to prepare was required for continuity of critical services.

### Key risks & considerations

- ▶ Failure of service delivery due to breakdowns in processes and access to information & systems.
- ▶ The shift from "virtual" ways of working may lead to a demotivated workforce, impacting productivity and decision making.
- ▶ Network performance changed, affecting the ability to execute processes & deliver customer outcomes.
- ▶ Data privacy and security control not appropriately in place, increasing the risk of security breaches.
- ▶ Insufficient and underutilized remote working devices and tools, limiting the ability to perform critical day to day operations and deliver services.

### The solution

- ▶ A framework that helps clients provide a focused and rapid remote working access solution to help ensure scalability and reliability of ongoing service delivery.

# Example Case Studies - Coordinating the COVID-19 response and supporting with recovery planning

## Optimizing the recovery levers for a large Canadian retailer

Assessing the Finance function to identify high impact opportunities to improve functional cost performance

### The immediate need

- ▶ COVID-19 impacted the operations of a large Canadian retailer, resulting in a decline in revenues. As a result, the organization was seeking ways to reduce costs and realize efficiencies.
- ▶ EY was engaged to conduct an assessment of the Finance function against comparable organizations and leading practices and identify high impact opportunities to improve functional cost performance.

### Key risks & considerations

- ▶ Numerous similarities across Finance activities, creating significant organizational, geographic consolidation and streamlining opportunities.
- ▶ Finance business support significantly underperforms the peer group benchmark median, and it is considerably top-heavy.
- ▶ Service management gaps and fragmented processes create challenges for the Shared Service organization (e.g., lack of vendor or product master data management, complex chart of accounts, etc.)
- ▶ Manual and repetitive tasks opportunities increase the operational costs, creating opportunities to rationalize and automate processes.

### The solution

- ▶ Benchmarking assessment to evaluate the costs and allocation of resources for the Finance function.
- ▶ Identification and prioritization of opportunities to achieve 25% cost savings and significant FTE reduction and quality service quality improvement within 24 months.

## Rapid Profit Transformation for a Global Miner

Identifying savings opportunities using a data-driven, evidenced based approach

### The immediate need

- ▶ The client realized moderate, though lower than anticipated, cost savings from its existing HSE (Health, Safety, Environment) operating model.
- ▶ A review of the FY20 cost-savings pipeline indicated a ~\$27m gap to achieve exit run-rate.

### Key risks & considerations

- ▶ Leadership had limited visibility of associated cost profiles and drivers (e.g., compressible versus not compressible costs and associated risk profiles).
- ▶ The cost savings target needs to be identified in a short timeline and involved a matrix-like stakeholder structure with competing priorities.
- ▶ Cost savings opportunities need to be balanced against asset risk profiles to avoid increasing risk exposures at specific locations.
- ▶ The 'new normal' needed to consider uncertainties posed by COVID-19.

### The solution

- ▶ A top-bottom financial and data analysis was conducted across several product groups spanning multiple geographies.
- ▶ A One-EY approach was employed to ensure financial opportunities were balanced with HSE considerations.
- ▶ Developed a hypothesis-driven and evidence-based approach to obtain stakeholder validation and buy-in.
- ▶ Data visualization tools were leveraged to engage stakeholders delivering relevant and actionable insights.
- ▶ EY conducted Wavespace design sessions, tapping the OneEY network, to obtain rapid consensus and alignment.



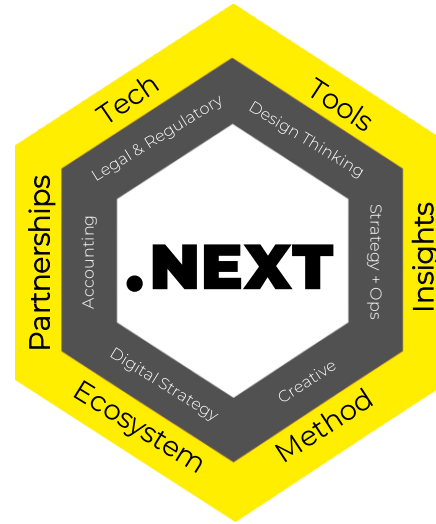
# WHY EY?

- ▶ .NEXT approach
- ▶ Assets, accelerators and insights

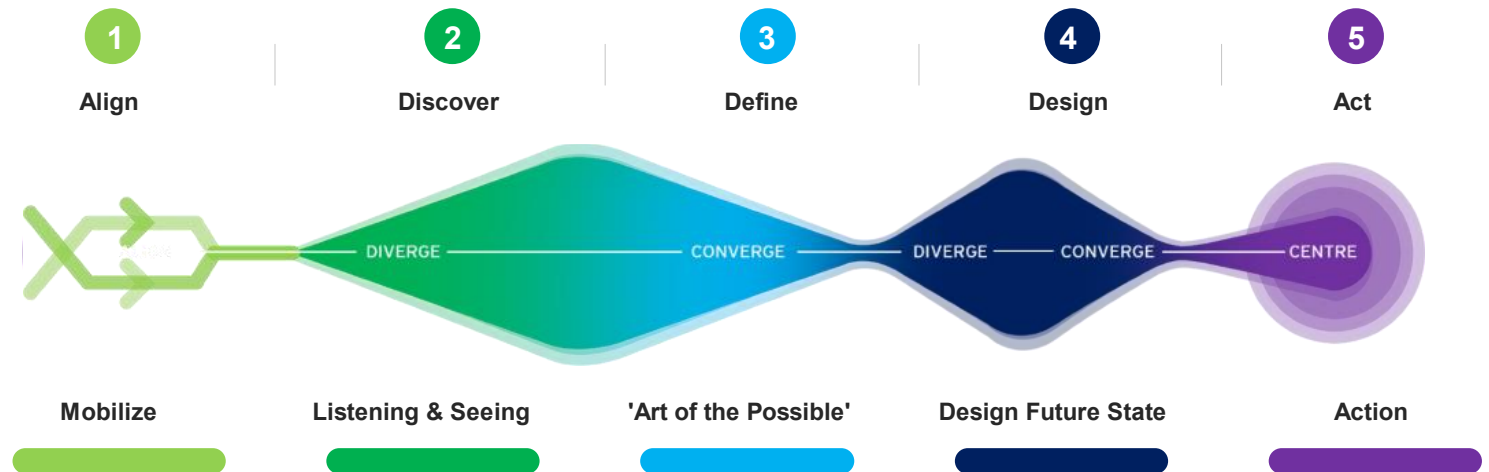
**EY's .NEXT** framework is an accelerator that consists of **tools, methods,** and other **assets** to help EY teams and clients address critical business challenges through quick and collaborative co-creating sessions.

Developing your revival plan following a .NEXT approach enables you to turn ambitions into results by:

- ▶ Setting clear direction for your business driven by designing people-centric approaches
- ▶ Enabling business innovation by collaborating with all your functional partners across the enterprise
- ▶ Delivering new products and services enabled by data
- ▶ Streamlining your operations at every level, breaking down silos
- ▶ Adapting to rapidly changing customer and employee needs



**.NEXT** involves a highly immersive and methodical teaming effort where we work as “two in a box,” emphasizing knowledge transfer as we co-create your Business Revival plan





# Assets, accelerators, and insights: EY offers a range of leading tools to enable organizations to plan effectively for business revival

## Delivering on changing consumer needs

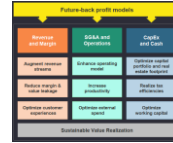
## Transforming Business Operations

## Managing risk due to policy changes

Featured Tools



**EY Future Consumer Index:**  
Identify consumers behaviors in the Now and the Next



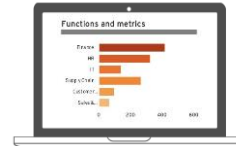
**Rapid Profit Transformation**  
Unlock value, simplify the business, and create a more flexible and cost-effective organization



**COVID-19 Stimulus Response Tool**  
Access all the COVID-19 relief provisions globally



**TrueChoice™ Real-time Preference Analytics:**  
Act on patented 1:1 preference insights from employees & customers - in real-time



**EY Benchmarking Tool**  
Identify optimization opportunities across business processes



**Enterprise Resilience Tool**  
Assess your business readiness to plan with confidence for recovery



**Virtual wavespace**  
Accelerate the exploration of new ideas, decision-making and alignment through engagement with colleagues and EY subject matter resources

Other Tools



**EY Embryonic:**  
Track flow of investments in an area across the globe



**Business Model Simulator**  
Understand how internal and external factors influence business models and decisions



**Risk Radar**  
Rapidly identify and manage risk leveraging our sector-specific risk management frameworks

# Assets, accelerators, and insights: EY offers a range of leading tools to enable organizations to plan effectively for business revival

## Work Reimagined

Other Tools



**FoW Framework** - a technology-enabled, data-driven framework that looks at an organization's operating model and operating environment to align their practices for success.



**People Agenda** - is a framework that helps talent stakeholders to identify talent-related issues.



**Change Insights** - is the cloud-based interactive platform that underpins EY's Change Experience method.



**Mobility Pathway** - a single technology accessible by both client HR and assignees, providing a consistent, seamless, end-to-end experience across jurisdictions.



**Culture Fitness Diagnostic** - is a digital survey that can be deployed on any platform. It helps identify the current culture health and define how to shift it depending on results.



**Leadership & Teaming Assessment** - applies our transformative leadership framework, via 360 feedback, to determine where each leader stands against 13 key capabilities.



**Strategic Workforce Planning** - is part of our Talent toolkit and is designed to enable macro modelling and strategic workforce planning while assessing capacity and capability risks.



**Org and Talent Hub** - is a proprietary technology platform that facilitates and accelerates a client's organization and talent planning from design to execution.

# EY Future Consumer Index: identify consumer behaviors in the Now and the Next

## Decoding changing customer needs

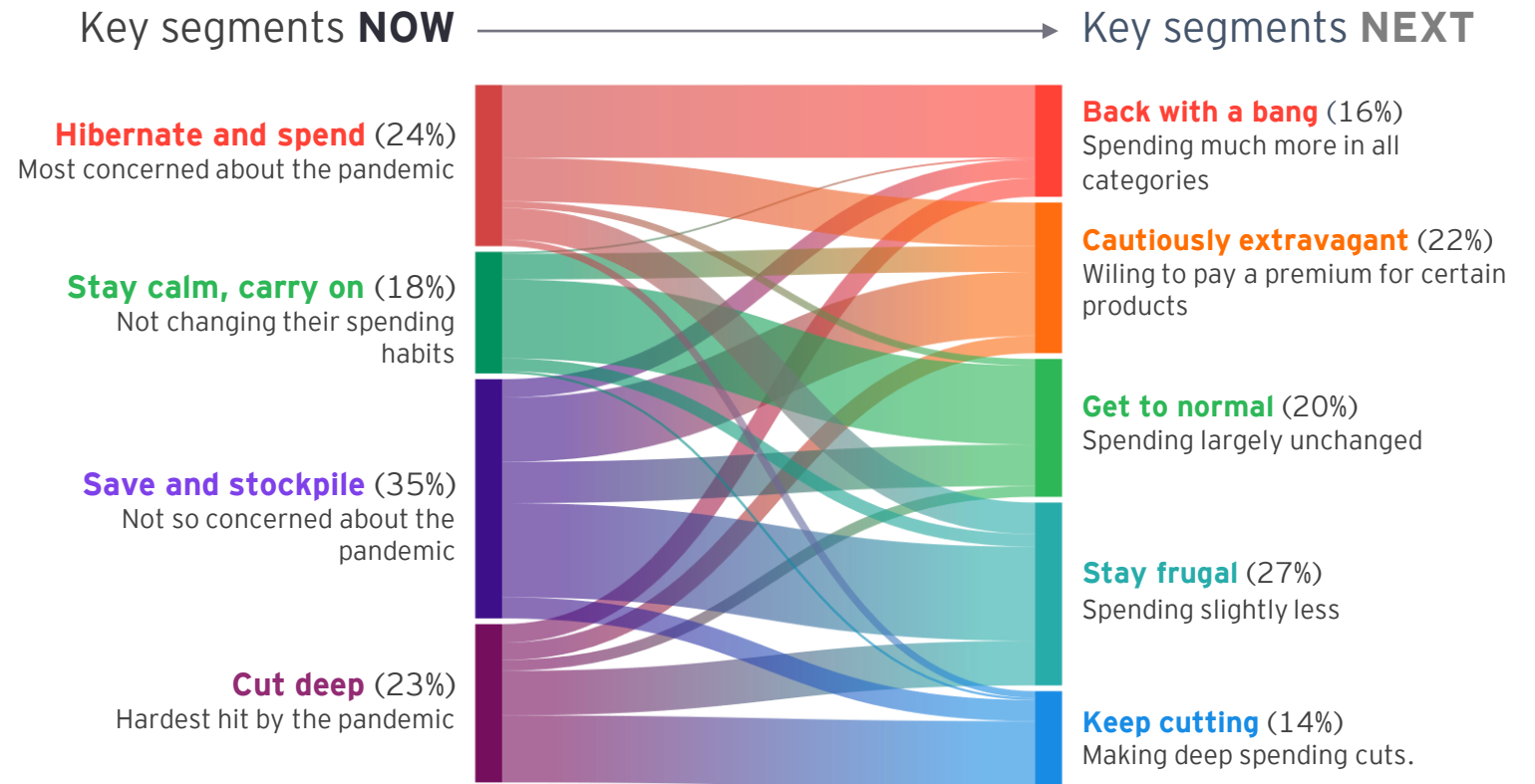
The EY Future Consumer Index tracks changing consumer sentiment and behaviors across key global markets and identifies the new customer segments that are emerging. It offers longitudinal indicators and unique perspective on which changes are temporary reactions to the COVID-19 crisis, which point to more fundamental shifts, and what the consumer post-COVID-19 might be like.

The Index is based on consumer quantitative surveys conducted exclusively for EY every three weeks. Jurisdictions included so far: Australia, Brazil, Canada, China, France, Germany, India, Japan, New Zealand, US and UK.



Source: EY Future Consumer Index, May 2020.

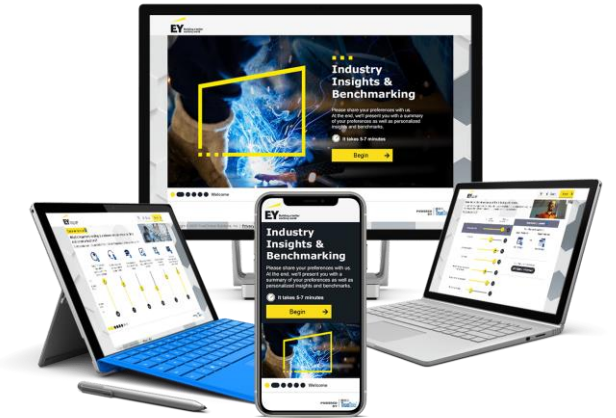
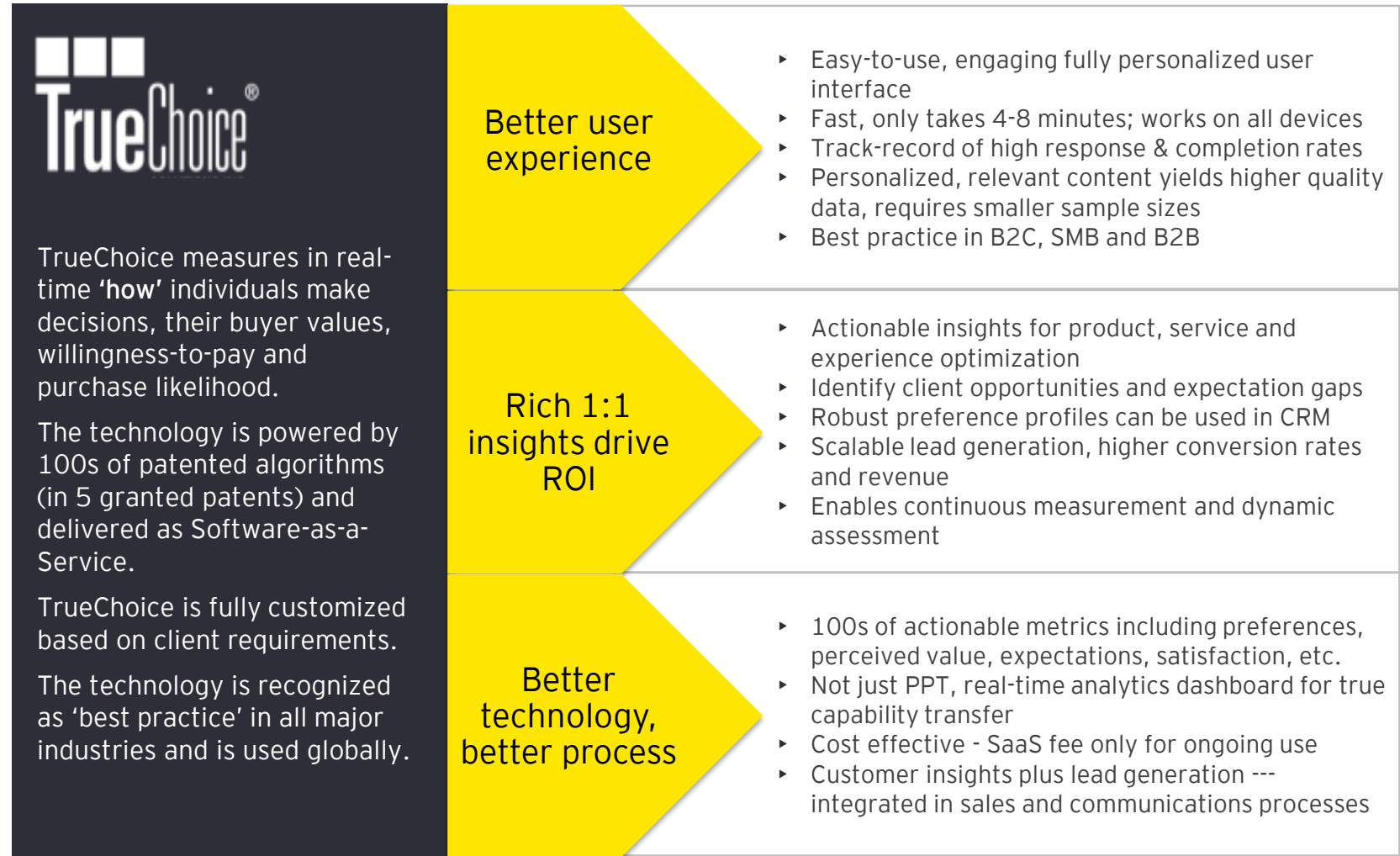
### Four key segments have emerged from the crisis which are expected to evolve into five in the near term



The new thought leadership "How COVID-19 could change consumer behavior" on ey.com explores insight and implications from the first data set available on the EY Future Consumer Index dashboard.

# TrueChoice Solution\*: Act on real-time preference insights from employees & customers

## Decoding changing customer needs



TrueChoice interacts with individual customers and measures the perceived value of every aspect of an offer and compares it to associated costs. Thereby enabling clients to understand how to decrease cost-to-serve while optimizing experience and sales performance.

### Illustrative Example



Offer components

Willingness-to-pay > cost

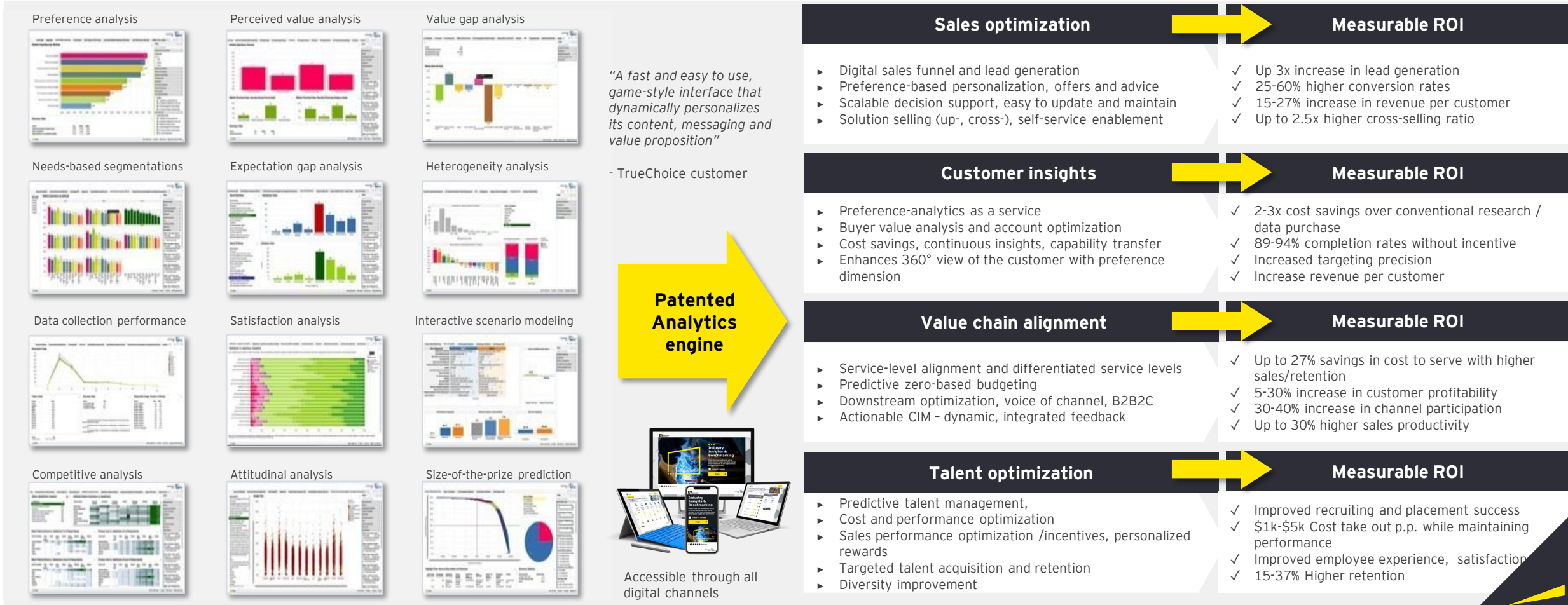
**Positive return**

Willingness-to-pay < cost

**Negative return**

# TrueChoice enables a personalized decision support experience - powered by real-time preference analytics that generate actionable insights with a measurable ROI\*

Generate actionable insights and real-time feedback through a web-based interaction with customers and employees. The patented analytics engine enables clients to conduct a wealth of analyses to inform decisions and predict their impact.



\*Source: TrueChoice, 2020



# Rapid Profit Transformation: determine current and future profit models

## Transforming business operations

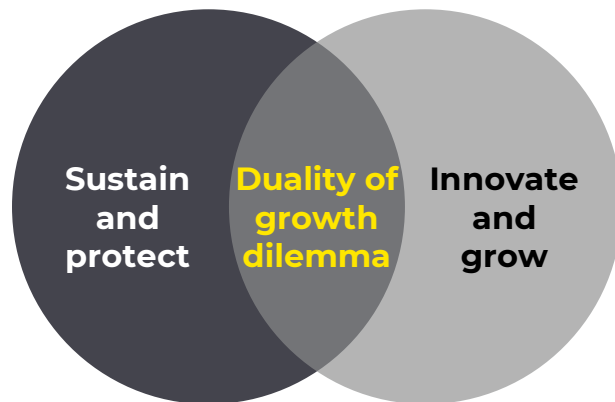
**Rapid Profit Transformation (RPT) helps our clients unlock value, simplify the business, and create a more flexible and cost-effective organization for greater competitive agility.**

The pandemic has accelerated the need for executive teams and boards to address the duality of growth dilemma: **sustaining and protecting today's financial performance and navigate today's turbulent market environment** while simultaneously **innovating and growing the business for tomorrow**.

As powerful forces reshape business, and market volatility leads to greater uncertainty about the future, organizations in every industry are grappling with these seemingly competing demands.

In the face of complex challenges, the most successful businesses choose to not only streamline their cost structure and protect their current business, but also prepare for an uncertain, potentially disruptive future.

Our RPT solution identifies, prioritizes and implements initiatives addressing a wide range of revenue, costs, liquidity and capital opportunities. RPT can enable organizations identify and optimize the priority recovery levers.



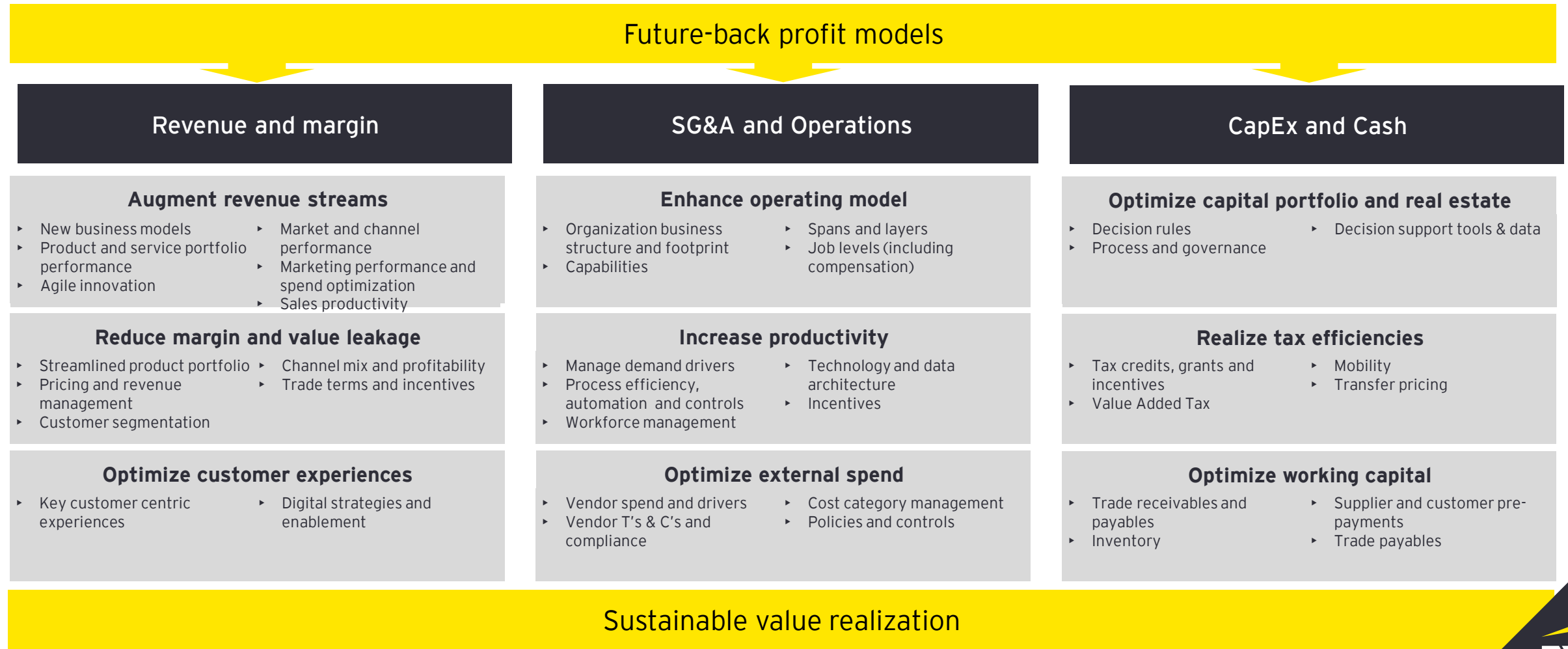
### BENEFITS

- ✓ Evaluates future-back trends to determine current and future profit models
- ✓ Takes an investor approach to quickly and pragmatically identify and prioritize sources of value
- ✓ Identifies and streamlines high-value customer experiences for greater efficiencies and effectiveness
- ✓ Addresses governance and incentives to change the way businesses approach their spend
- ✓ Delivers sustainable cost and revenue improvements



Rapid profit transformation enables organizations to define and optimize the recovery levers while generating sustainable value realization

## Rapid Profit Transformation (RPT) Framework

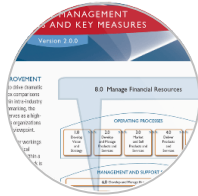


# Benchmarking solution: identify optimization opportunities across business processes

## Transforming business operations

**Benchmarking enables informing decisions to optimize business operations by comparing your business processes and performance metrics against industry peers and standards across measure types, such as cost-effectiveness, staff productivity, process efficiency and cycle time.**

What are the unique advantages of EY's approach?



### Standard framework

Standardized process frameworks provide clarity and alignment, normalizing data for comparison and connection to leading practices.



### Structured methodology

Repeatable methodology to identify improvement opportunities based on extensive client experience from more than 1,800 benchmarking projects.



### Proprietary data and sector advisors

Integration with multiple data sources provide relevant peer comparisons based on sector, geography and revenue, coupled with sector and functional insights.



### Global, collaborative network

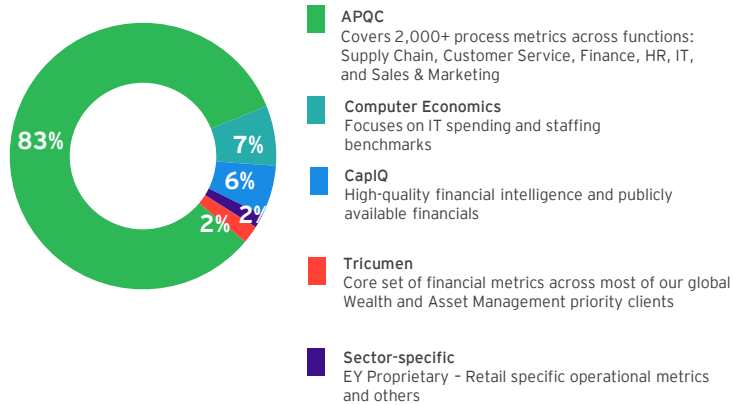
EY's collaborative environment and global cross-service line network supports the development of customized solutions to meet your specific needs, situation and culture.

**EY Benchmarking** helps enable fact-based decision-making, leveraged in key strategic areas, such as:

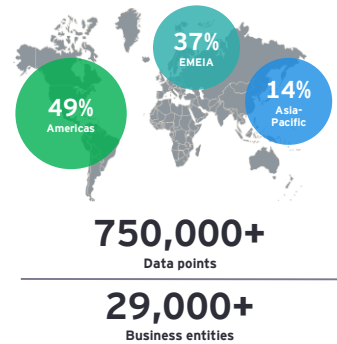
- ✓ Understanding specific performance gaps and improvement opportunities
- ✓ Comparing key process performance measures against relevant peer groups
- ✓ Implementing continuous improvement programs and monitoring the transformation journey

# EY Benchmarking provides access to a proven methodology and data from multiple sources that can be filtered for relevant peer comparisons

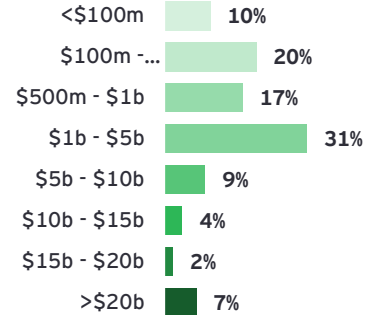
## Diverse data sources



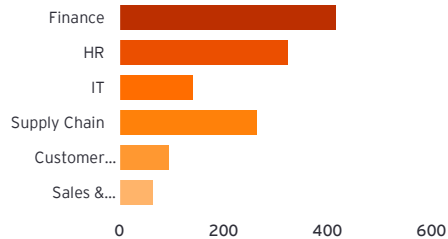
## Areas/countries



## Revenue ranges



## Functions and metrics



## Process measures

- ▶ Cost effectiveness
- ▶ Staff productivity
- ▶ Process efficiency
- ▶ Cycle time

## Multiple sectors

- ▶ Aerospace and defense
- ▶ Diversified industrial products
- ▶ Mining and metals
- ▶ Real estate
- ▶ Automotive
- ▶ Government and public sector
- ▶ Oil and gas
- ▶ Retail and wholesale
- ▶ Banking & capital markets
- ▶ Insurance
- ▶ Power and utilities
- ▶ Technology
- ▶ Chemicals
- ▶ Life sciences
- ▶ Professional firms and services
- ▶ Telecommunications
- ▶ Consumer products
- ▶ Media and entertainment
- ▶ Provider care
- ▶ Transportation
- ▶ And more

## Approach

### 1. Initiate

- ▶ Review initial requested data and benchmarks
- ▶ Project scoping
- ▶ Process mapping to taxonomy for "apples to apples comparison"

### 2. Collect

- ▶ Collect data with customized data collection templates
- ▶ Perform logical validation of collected data

### 3. Analyse

- ▶ Perform statistical validation and gap analysis
- ▶ Assess qualitative and quantitative information to develop key findings

### 4. Deliver

- ▶ Discuss findings and review improvement opportunities to be summarized in a report

### 5. Sustain

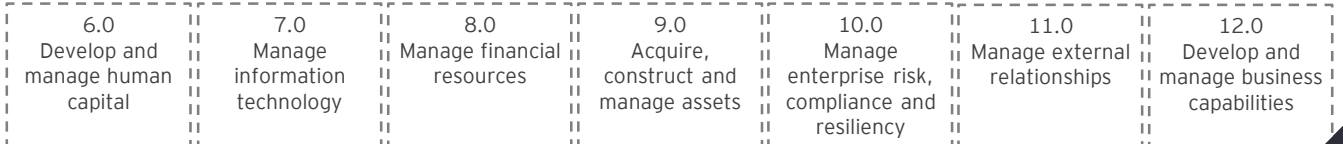
- ▶ Identify opportunities for continuous improvement and realizing benefits

## Standardized process frameworks provide multi-level detail around processes and activities

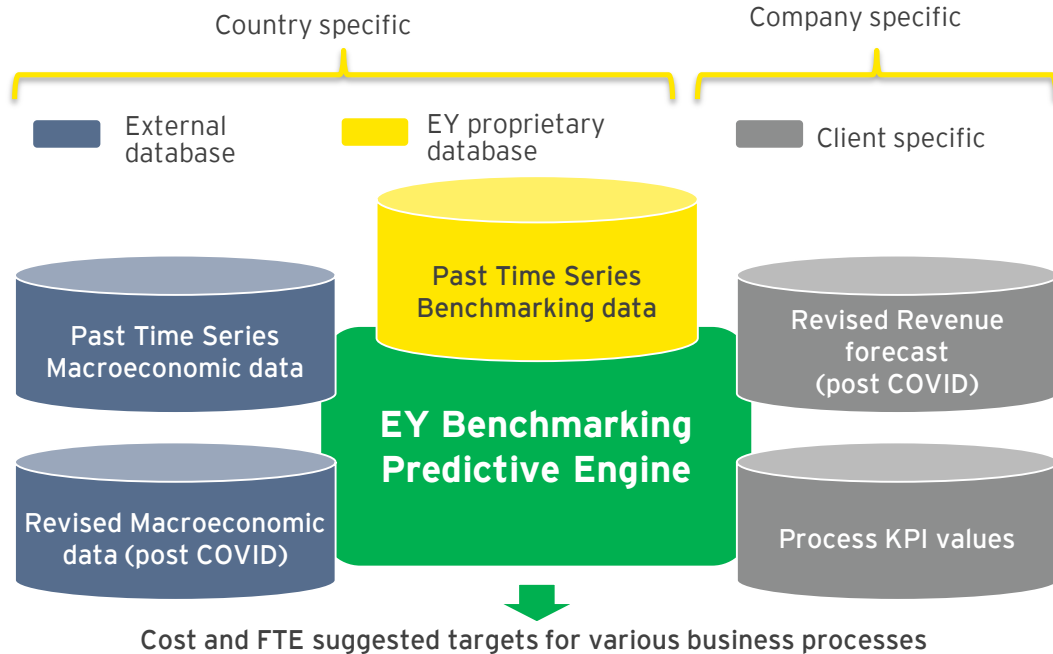
### Operating processes



### Management and support processes



# EY Benchmarking Predictive Engine adopts predictive analytics capabilities to optimize the cost and FTE levels needed to meet adjusted revenue targets due to the pandemic



## Business Function Coverage

FINANCE	HR
<ul style="list-style-type: none"> <li>▶ Finance function cost % of revenue</li> <li>▶ Finance function FTEs per \$1,000 revenue</li> </ul>	<ul style="list-style-type: none"> <li>▶ HR function cost % of revenue</li> <li>▶ HR function FTEs per \$1,000 revenue</li> </ul>
SUPPLY CHAIN	IT
<ul style="list-style-type: none"> <li>▶ Supply chain function cost % of revenue</li> <li>▶ Supply chain function FTEs per \$1,000 revenue</li> </ul>	<ul style="list-style-type: none"> <li>▶ IT function cost % of revenue</li> <li>▶ IT function FTEs per \$1,000 revenue</li> </ul>

## Macroeconomic Data

- ▶ GDP growth (annual %)
- ▶ Gross savings (% of GDP)
- ▶ Current account balance (% of GDP)
- ▶ Trade (% of GDP)
- ▶ Real interest rate (%)
- ▶ Inflation, consumer prices (annual %)

## Process Benchmarking Data

- ▶ Finance function cost % of revenue\*
- ▶ Finance function FTEs per \$1B revenue\*
  - ▶ (Sector specific benchmarks)

## Client Data

- ▶ Revenue forecasts
- ▶ Process performance indicators

## EY Benchmarking Predictive Engine

### Predictive Model (Output)

	Client X's Current Metric Values	Recommended Metric Targets (post COVID)
Finance Function Cost (as a % of revenue)	<b>142%</b>	<b>95%</b>
Finance Function FTEs (per \$1B of revenue)	<b>114</b>	<b>81</b>
Finance Function Overall Cost	<b>\$25.6M</b>	<b>\$17.1M</b>
Finance Function Overall FTEs	<b>205</b>	<b>146</b>

\* For Illustration Only

# COVID-19 Stimulus Response Tool: access all the COVID-19 relief provisions globally

## Managing risk due to policy changes



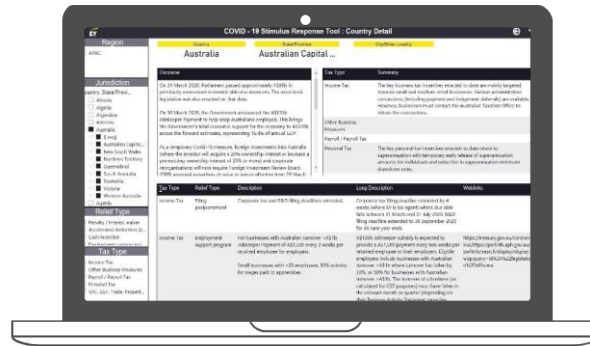
EY's customizable tool helps you review and evaluate measures, assign responsibilities and track execution. The dashboard provides an overview of the measures introduced around the world covering the following information by jurisdiction:

- ▶ Eligibility (businesses, individuals)
- ▶ Type of relief available (tax credits, tax deferment, etc.)
- ▶ Tax type (personal, corporate, indirect, etc.)
- ▶ Status of applying for the relief
- ▶ Contacts/department dealing with relief in your organization and EY teams

The dashboard also contains detailed information on the measures implemented by governments on a per-jurisdiction basis.

### Executive dashboard

- ▶ View by estimated value of reliefs or number of incentives theoretically available.
- ▶ Tracks progress and responsibility in your organization for applying for relief.



### Top three areas of focus

- ✓ **Canada Emergency Wage Subsidy (CEWS):** Assisting organizations in evaluating if they qualify for the 75% wage subsidy (with a 100% add-on refund of certain payroll contributions to eligible employers), assessing the potential benefit, and assisting organizations in applying for the CEWS.
- ✓ **Canada Emergency Business Account (CEBA):** Assisting businesses via CEWS Calculator Tool in evaluating if they qualify for the interest-free loan for small businesses, assessing the potential benefit, and assisting organizations in applying for the program.
- ✓ **Business Credit Availability Program (BCAP):** Assisting organizations in evaluating if they qualify for BCAP, assessing the potential benefit, and assisting organizations in applying for the program.

# Gather the relevant insights required to assess the government responses to COVID-19 across different jurisdictions and track them in a single platform



## Observations

- ▶ **Complexity:** High degree of variability in jurisdiction-specific actions across the globe
- ▶ **Speed of change:** Real-time policy making with key details (e.g., eligibility criteria) emerging after the fact and/or changing with time
- ▶ **Opinion:** Laws with limited anti-abuse measures and/or potential for interaction with business model and/or transfer pricing policies

## Approach

### 1. Scan

- ▶ Access to the EY Global COVID-19 Stimulus Response Tool
- ▶ Additional inputs from jurisdiction subject matter professionals in your key markets
- ▶ Information flow coordinated by a single in-jurisdiction COVID-19 lead focused on your organization

### 2. Local evaluation

- ▶ Pre-qualified weekly list of possible opportunities for assessment provided by the in-jurisdiction COVID-19 team. Supported by a weekly call to discuss:
  - ▶ Eligibility criteria
  - ▶ Estimated value
  - ▶ Cost to secure
  - ▶ Downside risks
  - ▶ Interaction with transfer pricing
  - ▶ Other consequences

### 3. Global evaluation

- ▶ Weekly updates on opportunities across all your key markets. Supported by a weekly call to discuss:
  - ▶ Technology to support greater speed/cost efficiency
  - ▶ Global approach to criteria being applied locally
  - ▶ Prioritization
  - ▶ Interactions with/changes to transfer pricing policies
  - ▶ Broadening the geographic scope of key opportunities

### 4. Act and support

- ▶ In-jurisdiction execution support from relevant local subject matter professionals



# COVID-19 Enterprise Resiliency Framework: assess your business readiness to plan with confidence for recovery by exploring nine key domains

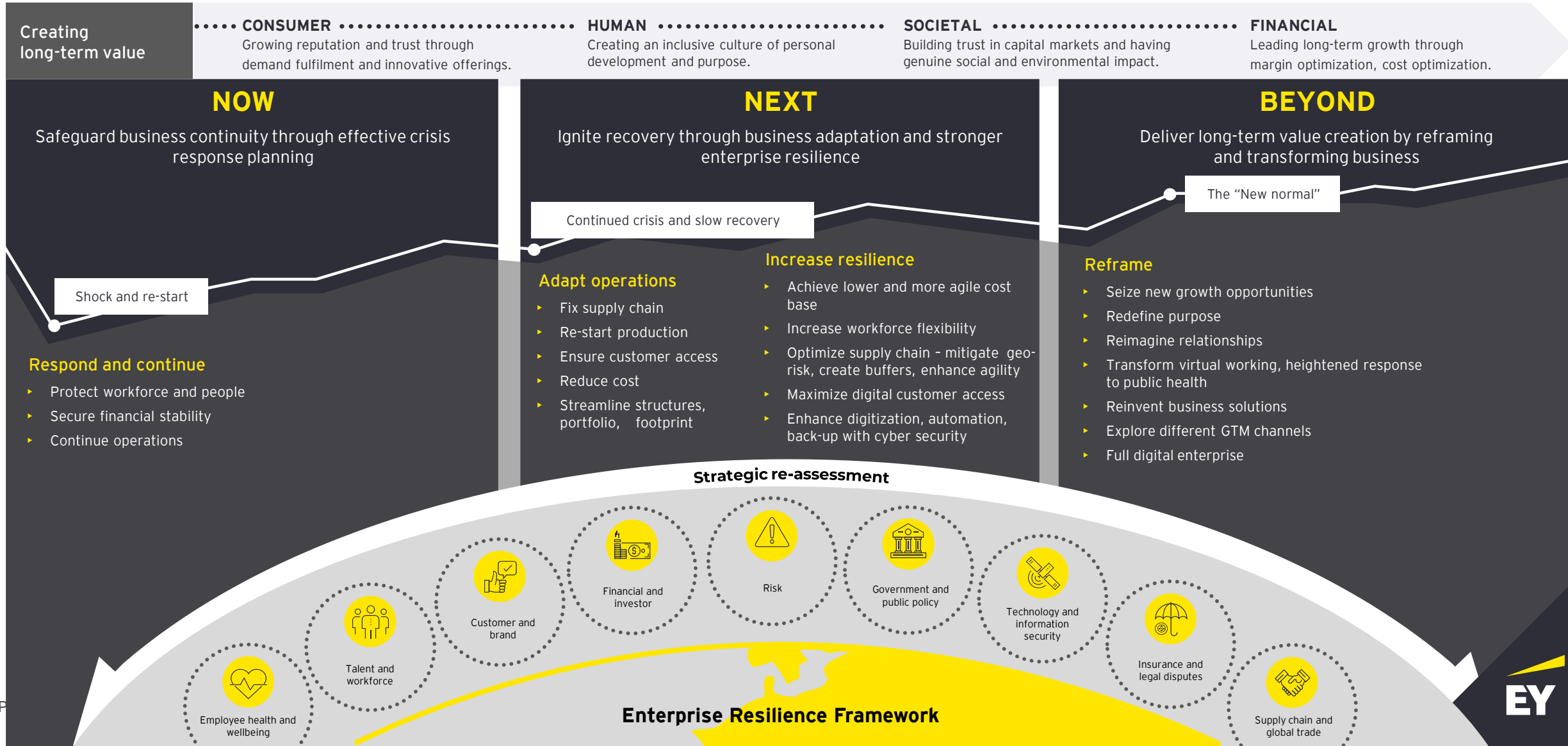
## Enterprise resiliency

As governments cautiously ease lockdown measures and prepare to reopen the economy, there are numerous factors that decision-makers must consider across different business domains. Our framework identifies nine areas businesses can address to build a structured and comprehensive approach to crisis management and business resilience.

The assessment tool offers a simple way to measure business readiness and benchmark against industry peers to enable decision-makers with the prioritization of actions. It also highlights elements that might otherwise be overlooked. Additionally, it can be leveraged as a solid foundation on which organizations can revisit their corporate strategy and design a more resilient enterprise.



# COVID-19 Enterprise Resiliency Framework: the approach is designed to help you navigate through the NOW, NEXT & BEYOND



Enterprise Resilience Tool offers a map for navigating uncertainty and complexity, not only to assist with business continuity now but also to reframe the enterprise's future.

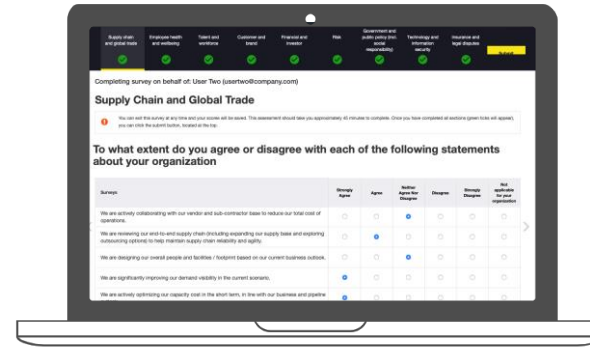
**The EY Enterprise Resilience Tool is a self-assessment questionnaire that enables clients, at a glance, to identify gaps and priorities as they navigate the COVID-19 pandemic.**

The tool offers an automatic scoring mechanism to generate an organization's Enterprise Resilience score relative to other peers in the same region, sector or organizational size.

The results can inform the preparation of an actionable plan with tactical steps needed to develop a custom resilience roadmap.

The tool can be useful as part of the revival mobilization for 'Next' as it directs focus on where to adapt operations, increase resilience and reframe the future.

Conducting the assessment can be done virtually through a stakeholder interview, or it can be completed as a self-assessment, independently, where EY can socialize the results and benchmarks.

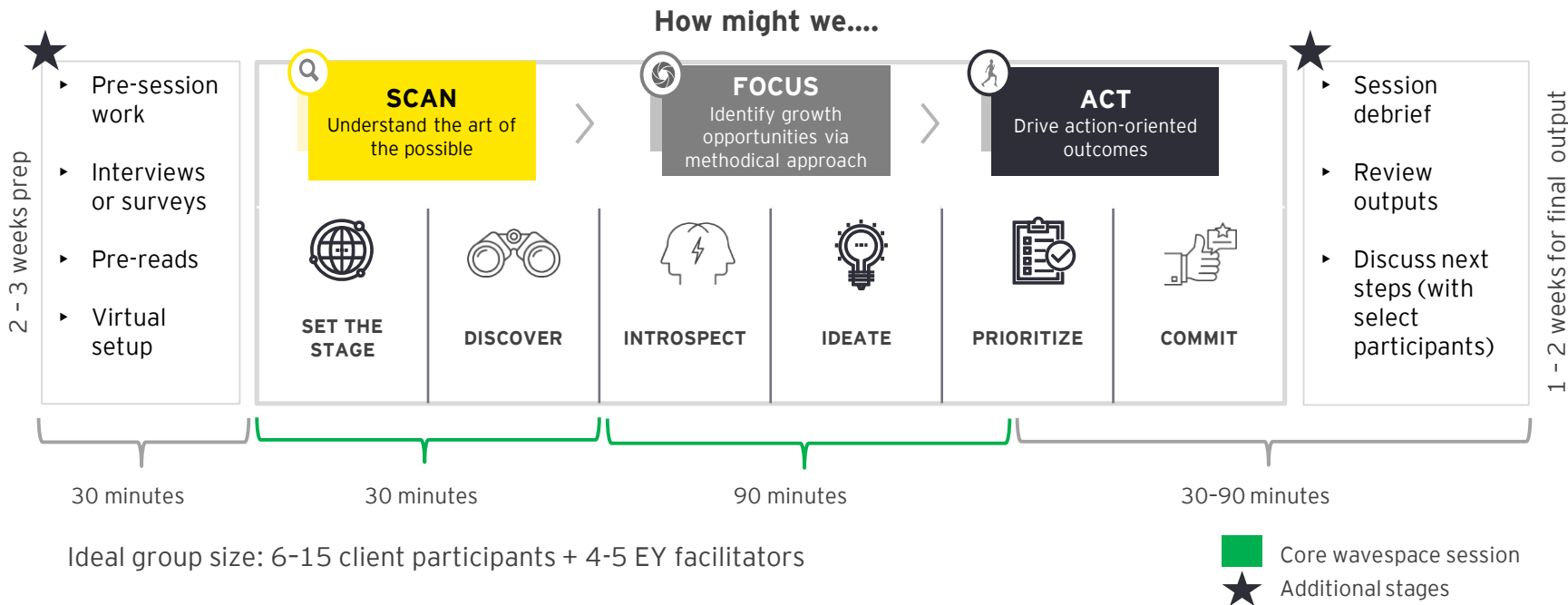


- BENEFITS**
- ✓ An easy, pragmatic way to understand the resilience of the enterprise.
  - ✓ Clearly prioritized actions, providing structure in the midst of chaos.
  - ✓ Identify gaps and areas of focus, prompting clients to consider elements which might otherwise get overlooked.
  - ✓ Designed to be continually referred to as part of ongoing leadership crisis meetings.
  - ✓ It can be used as a solid foundation upon which the corporate strategy can be shifted or rebuilt.



# Virtual Wavespace: accelerate the exploration of new ideas, decision-making and alignment through engagement with colleagues and EY subject matter resources

Following our proven "Scan | Focus | Act" methodology, we have developed a rapid sprint-like 2- to 3-hour session to help our clients think through opportunities to unlock new value.



## BENEFITS

- ✓ Sessions are delivered 100% virtually - accommodating participation from wherever individuals may be working.
- ✓ Virtual wavespace sessions are organized around one or more 2- to 3-hour sprints rather than full-day workshops.
- ✓ In some cases, we may want to "right-size" the number of participants boost output.
- ✓ Pre-session meetings will be leading practice to:
  - ✓ Develop rapport with participants (collecting their points of view, establishing a baseline comfort level).
  - ✓ De-risk technology set up issues.
  - ✓ Formalized post-session debriefs will become key to confirming next actions.

## Tools and enablers

### Plenary/breakouts



Teams is a chat-based collaboration tool that provides global, remote and dispersed teams with the ability to work together and share information via a common space.

### Whiteboarding



Mural enables innovative teams to think and collaborate visually to solve important problems. You can create diagrams and facilitate more impactful meetings and workshops.

### Feedback/polling



Mentimeter is a cloud-based solution that allows you to engage and interact with your target audience in real time. This polling tool lets you set the questions and your target audience can give their input.



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## EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

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