BUSINESS REVIVAL

How you can plan with confidence for the unknown
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

Zoom

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 widespread mandatory lockdown, creating the behaviors that drove future success.

Post SARs Crisis

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

<table>
<thead>
<tr>
<th>Sector*</th>
<th>Job losses ('000s)¹</th>
<th>GDP impact ($)</th>
<th>GDP outlook for 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entertainment, accommodations and food services</td>
<td>118.7↓</td>
<td>$11,606m↓</td>
<td>7.3%↑</td>
</tr>
<tr>
<td>Transportation and warehousing</td>
<td>48.7↓</td>
<td>$9,892m↓</td>
<td>7.6%↑</td>
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<tr>
<td>Retail and wholesale trade</td>
<td>20.1↓</td>
<td>$3,237m↓</td>
<td>5.8%↑</td>
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<tr>
<td>Construction</td>
<td>37↓</td>
<td>$3,084m↓</td>
<td>5.1%↑</td>
</tr>
<tr>
<td>Public administration, care services, and education</td>
<td>4.1↓</td>
<td>$7,975m↓</td>
<td>2.1%↑</td>
</tr>
<tr>
<td>Utilities</td>
<td>1.8↓</td>
<td>$46m↑</td>
<td>4.6%↑</td>
</tr>
<tr>
<td>Professional, scientific and technical services</td>
<td>43.2↑</td>
<td>$2,984m↓</td>
<td>3.7%↑</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>187.2↓</strong></td>
<td><strong>3,8731m↓</strong></td>
<td><strong>4.7%↑</strong></td>
</tr>
</tbody>
</table>

¹ comparison of employment levels between Dec 2020 and Feb 2020

Significant contraction, though pickup in 2021 projected
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.

* Source: International Monetary Fund, January 2021.
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.

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.

* Source: Bloomberg (January 2021)
** Source: Bank of Canada (January 2021)
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).

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.

**Coronavirus Vaccine Tracker***

<table>
<thead>
<tr>
<th>PHASE 1</th>
<th>PHASE II</th>
<th>PHASE III</th>
<th>LIMITED</th>
<th>APPROVED</th>
<th>ABANDONED</th>
</tr>
</thead>
<tbody>
<tr>
<td>42</td>
<td>30</td>
<td>21</td>
<td>6</td>
<td>6</td>
<td>4</td>
</tr>
</tbody>
</table>

Vaccines testing safety and dosage
Vaccines in expanded safety trials
Vaccines in large-scale efficacy tests
Vaccines approved for early or limited use
Vaccines approved for full use
Vaccines abandoned after trials

**Coronavirus Drug and Treatment Tracker***

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<td>1</td>
<td>2</td>
<td>3</td>
<td>12</td>
<td>4</td>
<td>3</td>
</tr>
</tbody>
</table>

FDA approved
Widely used
Promising evidence
Tentative of mixed evidence
Not promising
Pseudoscience or fraud

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.

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![Potential recovery trajectory chart](chart.png)

**Potential recovery trajectory**

- **All Sectors**
  - GDP pre-COVID (Q4 2019 = 100)

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*Figure showing different recovery trajectories: Restart, Rebuild, Recovery, and Lockdown Extension.*
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.

<table>
<thead>
<tr>
<th>PHASE</th>
<th>MILESTONES</th>
<th>OUTCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NOW</strong></td>
<td><strong>PLAN</strong> Develop future scenarios - Anticipating different futures based on relevant business indicators to plan effectively</td>
<td>1. Internal and external fact base</td>
</tr>
<tr>
<td></td>
<td>• Scenario planning</td>
<td>2. Relevant indicators dashboard</td>
</tr>
<tr>
<td><strong>NEXT</strong></td>
<td><strong>ADAPT</strong> Restart the business - Dealing with immediate and future risks that emerged during the crisis and planning for recovery by embracing the recovery levers</td>
<td>3. Plausible scenarios</td>
</tr>
<tr>
<td></td>
<td>• Revival mobilization</td>
<td>4. Analysis of potential paths</td>
</tr>
<tr>
<td><strong>BEYOND</strong></td>
<td><strong>TRANSFORM</strong> Accelerate business growth - Future backing the aspirational state of the business and transforming it to build resilient and purposeful organizations</td>
<td>1. Prioritized recovery levers</td>
</tr>
<tr>
<td></td>
<td>• Business reinvention and transformation</td>
<td>2. Business revival strategy and implementation plan</td>
</tr>
<tr>
<td></td>
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<td>3. Resiliency assessment</td>
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</tbody>
</table>

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.

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1. Define the strategic issue or focal question
2. Identify the key driving forces
3. Define the critical uncertainties
4. Model the scenarios and describe the attributes of plausible futures
5. Analyze potential paths and develop response plans for the priority scenarios
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.

2. Identify driving forces

- Containment of C-19
- Government regulations
- Access to capital
- Economic growth

The second step is to identify the forces driving future change. The scenarios will ultimately be stories describing how different sets of interrelated forces lead to different future outcomes.

3. Define critical uncertainties

- Containment of C-19
- Economic growth

The third step is to identify critical uncertainties. Our purpose in building scenarios is to explore the boundaries of uncertainty and to identify those forces that are important and uncertain, and thus have a wide range of future outcomes.

4. Model scenarios

- Containment of C-19
- Economic growth

The fourth step is about defining the scenario framework. Critical uncertainties can be presented in a continuum of two axes, forming plausible futures with four different outcomes combining different extreme ends of each variable.

5. Analyze potential paths

The fifth step involves defining the major characteristics and building the story for each scenario, analyzing potential paths and measuring the implications, potential issues and developing the strategic options to pursue.
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.

<table>
<thead>
<tr>
<th>Illustrative COVID-19 recovery indicators</th>
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<tbody>
<tr>
<td><strong>Health measures</strong></td>
</tr>
<tr>
<td>- Daily increase in new cases</td>
</tr>
<tr>
<td>- Population tested</td>
</tr>
<tr>
<td>- Capacity of ICUs and health care system</td>
</tr>
<tr>
<td>- Medical supply and demand ratios</td>
</tr>
<tr>
<td><strong>Government regulations</strong></td>
</tr>
<tr>
<td>- Public health directives</td>
</tr>
<tr>
<td>- Lockdown status and estimated end date</td>
</tr>
<tr>
<td>- Relief packages</td>
</tr>
<tr>
<td>- Reopening phases and protocols</td>
</tr>
<tr>
<td><strong>Macroeconomic data</strong></td>
</tr>
<tr>
<td>- GDP growth rate</td>
</tr>
<tr>
<td>- Unemployment rate</td>
</tr>
<tr>
<td>- Productivity (avg. weekly earnings and hours worked)</td>
</tr>
<tr>
<td><strong>Sector data</strong></td>
</tr>
<tr>
<td>- Consumer spending</td>
</tr>
<tr>
<td>- Total manufacturing and retail revenues</td>
</tr>
<tr>
<td>- CPI, IPPI</td>
</tr>
<tr>
<td>- Insurance claims</td>
</tr>
<tr>
<td><strong>Business trends</strong></td>
</tr>
<tr>
<td>- Consumer sentiment and preferences</td>
</tr>
<tr>
<td>- Online consumer behavior</td>
</tr>
<tr>
<td>- Commercial traffic</td>
</tr>
<tr>
<td>- Commuter traffic</td>
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</tbody>
</table>

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.

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.

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

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

**Focus on the critical business challenges**

- **Getting customers back**
- **Reimagining business model**
  - What will be your business strategy to not only restart but navigate and grow through potential future disruptions?
- **Redefining the competition**
  - Who will be your new competitors/peers?
- **Value chain reinvention**
  - How will you reinvent your value chain? How will the role of your partners and collaborators evolve in the post-pandemic world?
- **Returning to work**
  - How should you evolve to have continued access to motivated workforce with the evolving skill requirements?
- **Building enterprise resilience**
  - How will you build the organizational resilience to disruption brought in by new policies, regulations and guidelines for operations?

**Prioritize relevant recovery levers**

- Decoding changing consumer needs
- Transforming business operations
- Managing risk due to policy changes
The Business Revival framework

**Role of the BRSC**
Controls the source of truth based on the fact base developed, including key indicators and scenario prediction models to inform critical business decisions.

**Role of the BRTF**
Composed of a “dream team” of leaders from across business functions, the BRTF identifies priority opportunities across functions that should be added to the critical path for recovery. These opportunities are listed as actions that are included in a rapid execution plan. The requirements to mobilize the workforce, including protocols for health and safety, are defined based on the activities. As recovery activities begin, the BRTF maintains a log of risks and performance indicators that they communicate regularly to the BRSC to inform decisions and further actions.

### Collective intelligence

**Scenario planning**

**Business revival plan**

- **Decoding changing consumer needs**
  - What are the new factors driving customer needs and preferences?
  - How will changing customer preferences impact the demand for products and services?
  - How should organizations reimagine products and services as well as the optimal way to deliver them?

- **Transforming business operations**
  - How will business operations need to change to optimize cost in the post-pandemic environment?
  - How will the workforce evolve?
  - How can the organization develop a more resilient value chain?
  - How can technology enable organizations to become efficient?

- **Managing risk due to policy changes**
  - What are the relevant policies and regulations affecting the business?
  - How can organizations be made adaptive to policy and regulation changes?
  - What new risks threaten business growth, and how can organizations manage such risks?

### Recovery levers

- Prioritized opportunities
- Rapid execution plan
- Workforce mobilization

A comprehensive fact base including industry analysis, market trends and forecasts, consumer insights, competitive and peer knowledge sharing. It includes the indicators selected to anticipate plausible scenarios.

A detailed analysis of impacts from internal and external factors on key business drivers to model different futures. These plausible scenarios inform potential business decisions included in the business revival plan.

Collective intelligence

Transforming business operations

Managing risk due to policy changes

Decoding changing consumer needs

A detailed analysis of impacts from internal and external factors on key business drivers to model different futures. These plausible scenarios inform potential business decisions included in the business revival plan.
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.

OECD estimating Canada’s GDP to grow 4-5% over the next 3 years*

* OECD - Economic Survey of Canada, March 2021
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.

**MARKETING, SALES AND SERVICE**
- Generating deep customer insights
- Delivering personalization at scale through new channels
- Shifting to brand engagement
- Becoming increasingly data-driven

**TALENT**
- Building workforce capabilities with new skillsets/mindsets
- Creating human-centered work environments and cultures
- Developing adaptive capabilities to change, learn and team

**IT**
- Transitioning from back-office to front-office function
- Accelerating use of new technologies
- Maintaining cybersecurity standards in an open environment
- Delivering real-time analytics and intelligent automation

**OPERATIONS**
- Increasing speed of service delivery
- Balancing efficiency with flexibility to deliver new business models
- Leveraging new service and asset-light models

**RISK**
- Reshaping regulatory and legal frameworks
- Introducing new risks through innovation
- Enabling speed while protecting the core

**FINANCE**
- Allocating limited capital, reducing costs and growing the business
- Aligning with shareholders on a near-term/long-term investment balance
- Developing flexibility to quickly launch new business models
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.
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.”

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
- 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

### Source: EY Physical return and work reimagined study, 2020.
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.

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

1. **Real estate footprint**
   - Determine need of real estate footprint for each market and use of space for meetings, interaction, collaboration, ideation and work with customers. Validate location needs, design and expected usage of on-site space.
   - 74% of employers are planning moderate to extensive changes in real estate.

2. **Business travel and mobility**
   - Reevaluate mobility strategies and assess business travel requirements for client meetings, internal trainings, external events and global assignments.
   - 74% of employers expect to make either moderate or extensive changes to business travel and mobility.

3. **Learning and culture**
   - Develop a learning platform to enhance use of remote technology and effectiveness of remote leaders and managers, and ability to support customers.
   - 75% of employers are looking at moderate to extensive changes in learning and skills.

4. **Workforce planning and analytics**
   - Establish ways to measure remote productivity, including identifying processes/tools to ensure engagement and wellbeing.
   - 49% of employers are looking to change how they measure productivity at work.

5. **Remote work enablement and tech**
   - Establish needed home technology, including internet standards, laptops, headsets and associated software for planning, collaboration, file sharing and video/audio conference and training.
   - 79% of employers are looking for better digital tools to enable a mix of onsite and remote work.

6. **Flexibility and wellbeing policies**
   - Establish needed home technology, including internet standards, laptops, headsets and associated software for planning, collaboration, file sharing and video/audio conference and training.
   - 78% of employers are planning moderate to extensive changes to remote work strategies with associated policy changes.

Work reimagined: 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-down 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**

- **EY Future Consumer Index:** Identify consumers behaviors in the Now and the Next
- **TrueChoice™ Real-time Preference Analytics:** Act on patented 1:1 preference insights from employees & customers - in real-time

**Transforming Business Operations**

- **Rapid Profit Transformation**
  Unlock value, simplify the business, and create a more flexible and cost-effective organization
- **EY Benchmarking Tool**
  Identify optimization opportunities across business processes
- **Virtual wavespace**
  Accelerate the exploration of new ideas, decision-making and alignment through engagement with colleagues and EY subject matter resources

**Managing risk due to policy changes**

- **COVID-19 Stimulus Response Tool**
  Access all the COVID-19 relief provisions globally
- **Enterprise Resilience Tool**
  Assess your business readiness to plan with confidence for recovery
- **Risk Radar**
  Rapidly identify and manage risk leveraging our sector-specific risk management frameworks

**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

**Featured Tools**

- **Business Model Simulator**
- **Virtual wavespace**
- **Risk Radar**
- **EY Benchmarking Tool**
Assets, accelerators, and insights: EY offers a range of leading tools to enable organizations to plan effectively for business revival

**Work Reimagined**

**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.
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.

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

**Key segments NOW**
- **Hibernate and spend (24%)**
  Most concerned about the pandemic
- **Stay calm, carry on (18%)**
  Not changing their spending habits
- **Save and stockpile (35%)**
  Not so concerned about the pandemic
- **Cut deep (23%)**
  Hardest hit by the pandemic

**Key segments NEXT**
- **Back with a bang (16%)**
  Spending much more in all categories
- **Cautiously extravagant (22%)**
  Willing to pay a premium for certain products
- **Get to normal (20%)**
  Spending largely unchanged
- **Stay frugal (27%)**
  Spending slightly less
- **Keep cutting (14%)**
  Making deep spending cuts.

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 measures in real-time ‘how’ individuals make decisions, their buyer values, willingness-to-pay and purchase likelihood.

The technology is powered by 100s of patented algorithms (in 5 granted patents) and delivered as Software-as-a-Service.

TrueChoice is fully customized based on client requirements.

The technology is recognized as ‘best practice’ in all major industries and is used globally.

Better user experience

- Easy-to-use, engaging fully personalized user interface
- Fast, only takes 4-8 minutes; works on all devices
- Track-record of high response & completion rates
- Personalized, relevant content yields higher quality data, requires smaller sample sizes
- Best practice in B2C, SMB and B2B

Rich 1:1 insights drive ROI

- Actionable insights for product, service and experience optimization
- Identify client opportunities and expectation gaps
- Robust preference profiles can be used in CRM
- Scalable lead generation, higher conversion rates and revenue
- Enables continuous measurement and dynamic assessment

Better technology, better process

- 100s of actionable metrics including preferences, perceived value, expectations, satisfaction, etc.
- Not just PPT, real-time analytics dashboard for true capability transfer
- Cost effective - SaaS fee only for ongoing use
- Customer insights plus lead generation --- integrated in sales and communications processes

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

Willingness-to-pay > cost
Positive return
Willingness-to-pay < cost
Negative return

Offer components
TrueChoice enables a personalized decision support experience - powered by real-time preference analytics that generate actional 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.

**Sales optimization**
- Digital sales funnel and lead generation
- Preference-based personalization, offers and advice
- Scalable decision support, easy to update and maintain
- Solution selling (up-, cross-), self-service enablement

**Customer insights**
- Preference-analytics as a service
- Buyer value analysis and account optimization
- Cost savings, continuous insights, capability transfer
- Enhances 360° view of the customer with preference dimension

**Value chain alignment**
- Service-level alignment and differentiated service levels
- Predictive zero-based budgeting
- Downstream optimization, voice of channel, B2B2C
- Actionable CIM - dynamic, integrated feedback

**Talent optimization**
- Predictive talent management,
- Cost and performance optimization
- Sales performance optimization /incentives, personalized rewards
- Targeted talent acquisition and retention
- Diversity Improvement

**Measurable ROI**
- Up 3x increase in lead generation
- 25-60% higher conversion rates
- Up to 2.5x higher cross-selling ratio

- 2-3x cost savings over conventional research / data purchase
- 89-94% completion rates without incentive
- Increase revenue per customer

- Up to 27% savings in cost to serve with higher sales/retention
- 5-30% increase in customer profitability
- Up to 30% higher sales productivity

- Improved recruiting and placement success
- $1k-$5k Cost take out p.p. while maintaining performance
- Improved employee experience, satisfaction
- 15-37% Higher retention

*Source: TrueChoice, 2020*
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

Revenue and margin
- Augment revenue streams
  - New business models
  - Product and service portfolio performance
  - Agile innovation

- Reduce margin and value leakage
  - Streamlined product portfolio
  - Pricing and revenue management
  - Customer segmentation

- Optimize customer experiences
  - Key customer centric experiences
  - Digital strategies and enablement

SG&A and Operations
- Enhance operating model
  - Organization business structure and footprint
  - Capabilities
  - Spans and layers
  - Job levels (including compensation)

- Increase productivity
  - Manage demand drivers
  - Process efficiency, automation and controls
  - Workforce management

- Optimize external spend
  - Vendor spend and drivers
  - Vendor T’s & C’s and compliance

CapEx and Cash
- Optimize capital portfolio and real estate
  - Decision rules
  - Process and governance

- Realize tax efficiencies
  - Tax credits, grants and incentives
  - Value Added Tax

- Optimize working capital
  - Trade receivables and payables
  - Inventory

- Mobility
- Transfer pricing

- Supplier and customer pre-payments
- Trade payables

Sustainable value realization
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?

**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

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**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 provides access to a proven methodology and data from multiple sources that can be filtered for relevant peer comparisons.

### Diverse data sources

- APQC: Covers 2,000+ process metrics across functions:
  - Supply Chain
  - Customer Service
  - Finance
  - HR
  - IT
  - and Sales & Marketing
- Computer Economics: Focuses on IT spending and staffing benchmarks
- CapIQ: High-quality financial intelligence and publicly available financials
- Tricumen: Core set of financial metrics across most of our global Wealth and Asset Management priority clients
- Sector-specific EY Proprietary - Retail specific operational metrics and others

### Functions and metrics

<table>
<thead>
<tr>
<th>Function</th>
<th>Metrics</th>
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<tbody>
<tr>
<td>Finance</td>
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<tr>
<td>HR</td>
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<tr>
<td>IT</td>
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<td>Supply Chain</td>
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<td>Customer</td>
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<tr>
<td>Sales &amp; Marketing</td>
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</tbody>
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### Process measures

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

### Multiple sectors

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

### Areas/countries

- 750,000+ Data points
- 29,000+ Business entities

### Revenue ranges

- $<100m: 10%
- $100m - $1bn: 20%
- $1bn - $5bn: 17%
- $5bn - $10bn: 31%
- $10bn - $15bn: 4%
- $15bn - $20bn: 2%
- >$20bn: 7%

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

### Operating processes

1. Develop vision and strategy
2. Develop and manage products and services
3. Market and sell products and services
4. Deliver products and services
5. Manage customer service

### Management and support processes

1. Develop and manage human capital
2. Manage information technology
3. Manage financial resources
4. Acquire, construct and manage assets
5. Manage enterprise risk compliance and resiliency
6. Manage external relationships
7. Develop and manage business capabilities

### 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
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.

### Client X's Current Metric Values
- **Finance Function Cost (as a % of revenue):** 142%
- **Finance Function FTEs (per $1B of revenue):** 114
- **Finance Function Overall Cost:** $25.6M
- **Finance Function Overall FTEs:** 205

### Recommended Metric Targets (post COVID)
- **Finance Function Cost (as a % of revenue):** 95%
- **Finance Function FTEs (per $1B of revenue):** 81
- **Finance Function Overall Cost:** $17.1M
- **Finance Function Overall FTEs:** 146

### EY Benchmarking Predictive Engine
- **Past Time Series Macroeconomic data**
- **Past Time Series Benchmarking data**
- **Revised Revenue forecast (post COVID)**
- **Process KPI values**

#### Business Function Coverage
- **FINANCE**
  - Finance function cost % of revenue
  - Finance function FTEs per $1,000 revenue
- **SUPPLY CHAIN**
  - Supply chain function cost % of revenue
  - Supply chain function FTEs per $1,000 revenue
- **HR**
  - HR function cost % of revenue
  - HR function FTEs per $1,000 revenue
- **IT**
  - IT function cost % of revenue
  - IT function FTEs per $1,000 revenue

#### 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

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* 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

**Public health measures to flatten the curve**
- Cancellation of events and gatherings
- Closure of schools and workplaces
- Restriction of internal and international movement
- Public information campaigns
- Emergency investment in the health system and vaccines

**Monetary policy to address immediate solvency threats**
- Interest rate cuts
- Quantitative easing
- Lending restrictions eased
- Mortgage relief

**Fiscal measures to maintain and stimulate the economy**
- Payroll tax/social security waiver or deferral
- Indirect tax waiver or deferral
- Corporate income tax deferral
- More generous loss offset rules
- Waiver or deferral of fixed asset taxes (e.g., business property rates)
- Priority sector-focused reliefs and concessions
- Protective measures - e.g., raising withholding taxes

**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

**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
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

Creating long-term value
- CONSUMER: Growing reputation and trust through demand fulfilment and innovative offerings.
- HUMAN: Creating an inclusive culture of personal development and purpose.
- SOCIETAL: Building trust in capital markets and having genuine social and environmental impact.
- FINANCIAL: Leading long-term growth through margin optimization, cost optimization.

NOW
- Safeguard business continuity through effective crisis response planning

NEXT
- Ignite recovery through business adaptation and stronger enterprise resilience
- Continued crisis and slow recovery
- Adapt operations
  - Fix supply chain
  - Re-start production
  - Ensure customer access
  - Reduce cost
  - Streamline structures, portfolio, footprint
- Increase resilience
  - Achieve lower and more agile cost base
  - Increase workforce flexibility
  - Optimize supply chain – mitigate geo-risk, create buffers, enhance agility
  - Maximize digital customer access
  - Enhance digitization, automation, back-up with cyber-security

BEYOND
- Deliver long-term value creation by reframing and transforming business
- The “New normal”
- Reframe
  - Seize new growth opportunities
  - Redefine purpose
  - Reimagine relationships
  - Transform virtual working, heightened response to public health
  - Reinvent business solutions
  - Explore different GTM channels
  - Full digital enterprise

Strategic re-assessment
- Employee health and wellbeing
- Talent and workforce
- Customer and brand
- Financial and investor
- Risk
- Government and public policy
- Technology and information security
- Insurance and legal disputes
- Supply chain and global trade

Enterprise Resilience Framework

Safeguard business continuity through effective crisis response planning
- Shock and re-start

Respond and continue
- Protect workforce and people
- Secure financial stability
- Continue operations

Continued crisis and slow recovery

Adapt operations
- Fix supply chain
- Re-start production
- Ensure customer access
- Reduce cost
- Streamline structures, portfolio, footprint

Increase resilience
- Achieve lower and more agile cost base
- Increase workforce flexibility
- Optimize supply chain – mitigate geo-risk, create buffers, enhance agility
- Maximize digital customer access
- Enhance digitization, automation, back-up with cyber-security

Reframe
- Seize new growth opportunities
- Redefine purpose
- Reimagine relationships
- Transform virtual working, heightened response to public health
- Reinvent business solutions
- Explore different GTM channels
- Full digital enterprise

The “New normal”
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 is 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.

**SET THE STAGE**
- Pre-session work
- Interviews or surveys
- Pre-reads
- Virtual setup

**DISCOVER**
SCAN
Understand the art of the possible

**INTROSPECT**
FOCUS
Identify growth opportunities via methodical approach

**IDEATE**
ACT
Drive action-oriented outcomes

**PRIORITIZE**
- Session debrief
- Review outputs
- Discuss next steps (with select participants)

**COMMIT**

How might we....

**SET THE STAGE**

30 minutes

**DISCOVER**

30 minutes

**INTROSPECT**

90 minutes

**IDEATE**

30-90 minutes

**PRIORITIZE**

1 - 2 weeks for final output

**COMMIT**

2 - 3 weeks prep

Ideal group size: 6-15 client participants + 4-5 EY facilitators

**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.

**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 to 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.
KEY CONTACTS
Our team

Mark MacDonald
SOLUTION LEADER
mark.macdonald@ca.ey.com

Glenn Parkinson
BUSINESS TRANSFORMATION
glenn.parkinson@ca.ey.com

Lance Mortlock
TRANSFORMATION STRATEGY
lance.mortlock@ca.ey.com

Anthony Rjeily
DIGITAL INNOVATION & EXPERIENCE ECOSYSTEM
anthony.rjeily@ca.ey.com

Brian Campbell
TRANSFORMATION EXECUTION
brian.campbell@ca.ey.com

Gordon Sandford
ORGANIZATIONAL TRANSFORMATION
gordon.sandford@ca.ey.com

Carlos Leal
SOLUTION ARCHITECT
carlos.leal@ca.ey.com

Mauricio Zelaya
ECONOMICS & MODELLING
mauricio.zelaya@ca.ey.com

Sasi Akkiraju
CLIENT TECHNOLOGIES
sasi.akkiraju@ca.ey.com
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