

# Business Transformation During and After the Pandemic - Prioritizing actions

What adds the most value in this new environment?



Thank  
you



with  
love!

## The importance of delivering value



In the previous chapter, we completed our baseline analysis and determined the future state of the organization. Before moving on to the next step, we need to clarify what it means to deliver value to customers. The first step is to go from “I have an offer, and now I need to look for customers to sell it to” to “I have a customer, and I ask myself, ‘what else do they need and how do they want to receive it?’” Specifically, to deliver value, it is necessary to understand the customer so that it allows us to anticipate their needs while giving them the best experience possible in the context that is relevant to them at that precise moment. Value delivery is successful if we interact with the customer and deliver the product or service; our customer always got some value. The customer is left with thoughts like: “They know me and value our relationship”; “They know what I need and when I need it.”; “They reach out to share other topics of interest with me and not just to sell me something.”; “They always lead me to the right place.”; “They never fail to follow up.”; “They satisfy all my needs related to the product or service.” If we can have these conversations with our customers on an ongoing basis, it means that we are delivering the value they need. We may also have deficiencies, but our ability to learn and improve from each one brings us closer to the opportunity of delivering value in our interactions with our customers. It is evident that customers’ experience is the distinguishing factor that sets winners apart from losers in the current environment; nonetheless, a great experience is always accompanied by value delivery in every interaction. So one of the questions we need to ask ourselves at this point is: are we delivering value to our customers all the time? Are we positioning and building our organization with every interaction and thus achieving deeper market penetration, ongoing feedback for adaptation of our products and services, a clear understanding of behavioral and preference changes, relevance and sustainability in the market, quality information for decision-making, among other important aspects for the development of customer relationships? If not, and if instead of delivering the value, we try to extract value from every customer, the market will most likely pick up on this, and the viability of the business will be compromised in the near future. We need to identify the type of conversations we are having with our customers. A fundamental strategy is to determine whether the competitiveness we maintain essentially lies in our prices or whether we have actually constructed a viable series of attributes that represent a competitive advantage that would be hard to imitate or develop by the rest of our competitors in the short-term.

## Defining our challenges

Now that we have established a future state of reference, we have a clear starting point and have determined whether we are delivering value to our customers. We then have two important issues to address: the first being the gaps between our current state and the desired future state. The second is how to prioritize these gaps based on criteria oriented at reaching the established objective. One of the discussion topics here is the definition of the criteria that will allow us to execute this prioritization, for which we need to take into consideration the intended future state, since if we have established that our organization will strive for agility and this is an attribute that our customers value, a significant criterion that should be evaluated in each action will be how the action contributes to us becoming a more agile organization. Because this issue is entirely contextual and significantly depends on the established ambition, we will return to this point after we have determined the best way to define our challenges clearly.

To define our challenges, we need to use a straightforward but essential formula to explore our possibilities. Suppose we have envisioned a future in which we can use customer information to make decisions about the offer's configuration in "real-time" through digital channels. In our exploration, we have detected that we need a strategy to modernize our digital channels, improve our internal capacities for the development of new applications, and develop data analytics, among other many scenarios.

We could take those sentences and highlight the following points:

1. Need to modernize digital channels
2. Internal capacities to develop applications
3. Incipient analytical practice

However, for a challenge to be correctly defined, it is a necessity to shift to an affirmative formula with the following starters:

- a. How...?
- b. In what ways might ...?
- c. How might...?
- d. What might ...?

With the help of these questions, the challenges would be expressed as follows:

1. How might we modernize our digital channels?
2. How might we incorporate new internal capacities to develop applications?
3. What might be an analytical practice with the capacities necessary for our business model?

This exercise could seem a bit meaningless, but the purpose is to find ways to steer the organization towards a different future and to do this, is it necessary for us to structure our challenges in such a way that the statement itself allows us to begin to define the different options potentially available. This structure helps us identify the different attributes related to the challenge we have defined and establish significant components. Take point two from the list above:

*How might we incorporate new internal capacities to develop applications?*

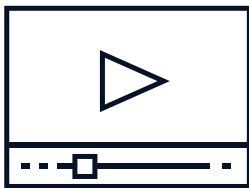
By asking this question, we can start to get a glimpse of the related components:

1. Required abilities
2. Methodologies
3. Programming languages

4. Interface and usability design
5. Experience design aligned with the strategy
6. Talent recruitment framework
7. Technological research to identify trends
8. Hiring model
9. Individuals involved

Once defined in this way, we will have a notion of the scope and dimension of the challenge.

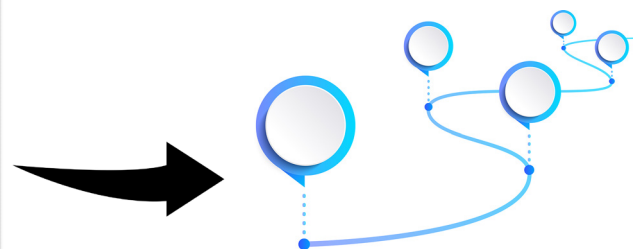
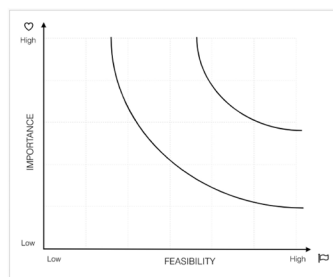
### Where to start?



Now that we have more clarity about the challenges, we are facing let's perform a selection exercise based on various criteria, such as feasibility (availability of resources), viability (possibility of realization), risk, commitment, value contribution, exploration capacity, boldness required, etc. These selection criteria stem from the future state that we want to reach. The concept of the future has changed because the time for action has been radically shortened. Nowadays, we need to maintain our innovation level and make sure not to discard it as a priority at the smallest provocation. Facing unprecedented situations requires a lot of courage, but our vision of the future brings us closer to the established objectives and keeps them constantly in mind.

The entire process that we have just gone through allows us to identify the challenges that could generate value for us in the short term, as well as those that are unnecessary but that depends on many circumstances or require capacities to be created and, therefore, should be addressed at a later date. In other words, the most relevant challenges for adapting our organization and maintaining our relevance and competitiveness in the market will arise naturally.

We can now place this set of identified challenges (I recommend not having more than eight in the first set) on a timeline according to the organization's possibilities and/or the value that they contribute to the business transformation process. Once they have been congruently prioritized, it is time to take the next step and adjust the timeline based on the selected criteria. With these steps, we are creating an immediate action plan with coherence, cadence, and a great deal of information for decision-making when we need to redirect to keep moving forward.



We have reached the end of the chapter. Thus far, **we have prepared a completely viable action plan with a single objective: designing a new direction** for our business, organization, or ourselves in a way that will allow us to stay relevant amid difficult or highly uncertain times and prepare for a profound transformation.

In **Chapter 4**, we will address the **importance of innovation** when facing the future, not only as an isolated process in the organization but also as an integral part of its people.



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