



## Global Business Services

Building resilience in the age  
of COVID-19 and beyond

Deloitte Switzerland



MAKING AN  
IMPACT THAT  
MATTERS

*since 1845*

## Building Resilience

### *Facing adversity in the age of COVID-19 and beyond*

“Our social fabric and cohesion is under stress,” UN Deputy-Secretary-General Amina J. Mohammed recently said of the ongoing COVID-19 crisis.

Whilst the social and macroeconomic impacts of COVID-19 have become increasingly evident, the concrete steps Global Business Services (GBS) organisations can take to respond to the new normal are only just beginning to crystallise. The COVID-19 pandemic has laid bare the need for new relationships between the workforce, workplace, suppliers and customers. This will affect how work is delivered, refocus GBS organisations to build strong partnerships internally and externally, and lead to a revamping of the technology stack.

Global Business Services need strong leadership in coming months in order to build the necessary resilience and continue to innovate to support their customers.



*Contributions by Natarajan Gopalan, Head of Integrated Business Services and Finance Transformation at Philip Morris International on “Winning in the New Normal”.*

# Introduction

## The three stages of a crisis and the impact on GBS



A typical crisis plays out in three stages: **Respond**, in which a company deals with the immediate crisis and ensures continuity; **Recover**, during which a company learns and emerges stronger; and **Thrive**, where the company prepares for and helps to shape the "next normal."



### Respond

How an organization deals with the present situation and manages continuity



### Recover

How an organization learns and emerges stronger



### Thrive

How an organization prepares for and shapes the "new normal"



**Respond:** A stress test in the face of adversity

Global Business Services organisations were quick to respond, deploying business continuity plans to maintain service during global lockdowns. Industry representatives report that they coped well with the abrupt disruption of normality and were able to overcome most obstacles to business continuity. Strong relationships between service providers and the business, detailed concepts to ensure data confidentiality and advanced digital maturity were key success factors.



**Recover:** Balance the "new normal"

*"Given the nature of the crisis, all hands should be on deck, all available tools should be used," said Christine Lagarde, the president of the European Central Bank.*

*In the current phase of recovery, where centres are reopening and a new way of working needs to be defined for the long run, GBS organisations are re-evaluating their business continuity plans (BCP), the future of work, their workforce and workplace models. Investments in digital maturity are also vital.*

#### Dimensions of GBS in COVID-19 in the recovery:

- Business Continuity in the limelight
- The Future of Work for GBS amidst COVID-19:
  - Work - The What?
  - Workforce – The Who?
  - Workplace – The Where?
- Strong partnership ecosystem
- Building Digital Maturity
  - Support employees in new work from home (WFH) arrangements
  - Maintain data security and protection
  - Continue the digital journey



**Thrive:** Build a "next normal"

COVID-19 has made it clear that business models must be resilient to adversity. In order to come out of this crisis stronger GBS organisations must continue to move towards sustainable delivery of services: touchless, virtual and flexible.

# Recovering stronger

## GBS Business Continuity in the limelight

In the immediate Respond phase, Global Business Services have enabled their own workforce to maintain services and helped the wider business community to keep working. GBS leaders successfully shifted their organisations to working from home (WFH), despite challenges with hardware distribution (e.g. laptops, “office-in-a-box”) and connectivity (e.g. VPN setup, security provisions) for a decentralised workforce. This has had some minor consequences for productivity; **63% of GBS representatives mentioned some impact on throughput or efficiency** in a recent Deloitte survey.<sup>[1]</sup>

Meanwhile, GBS organisations have also played a critical role in enabling the front office. As business has shifted to a WFH reality, GBS leaders, together with IT and Procurement champions, have acted quickly to share the lessons learned and help deliver the necessary equipment.

### Recovery outlook for Business Continuity Planning (BCP) capabilities:

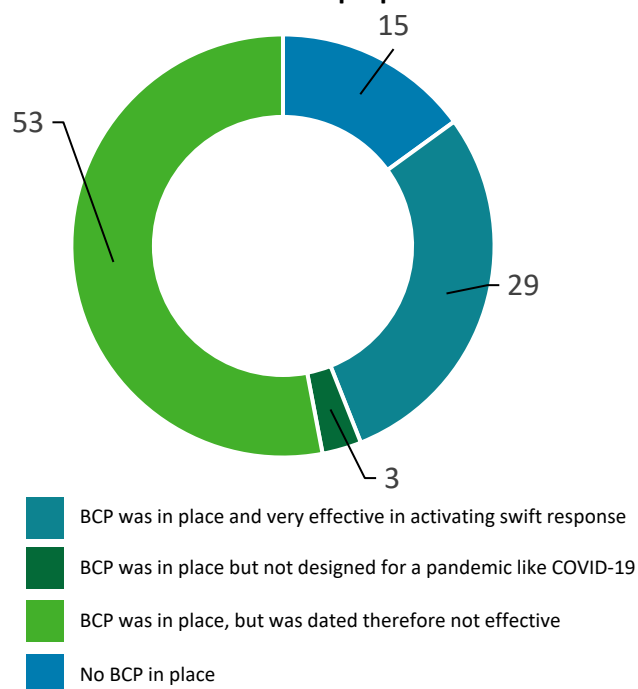
COVID-19 has revealed that many organisations lack adequately prepared and robust BCP capabilities. In order to improve, the following steps should be taken:

- **Analyse: Operationalise the lessons learned.**  
Update and test existing Business Continuity Planning in light of the impact of COVID-19. This should include technology elements as well as people enablement.
- **Develop and Update: Build defences for the future.**  
During the recovery, organisations need to redesign BCP concepts to account for future globally catastrophic events. Workforce virtualisation, revamping personal infrastructure to enable WFH and enhancing staff resilience are only some of the components that must actively augment traditional geographic risk mitigation between centres.
- **Implement and Test: Evaluate operational responsiveness.** Future strategies should be clear on the collaboration required between key resources: people, IT infrastructure, suppliers and facilities. Appropriately documenting, training for and periodically testing BCP and Disaster Recover (DR) concepts will prove vital.

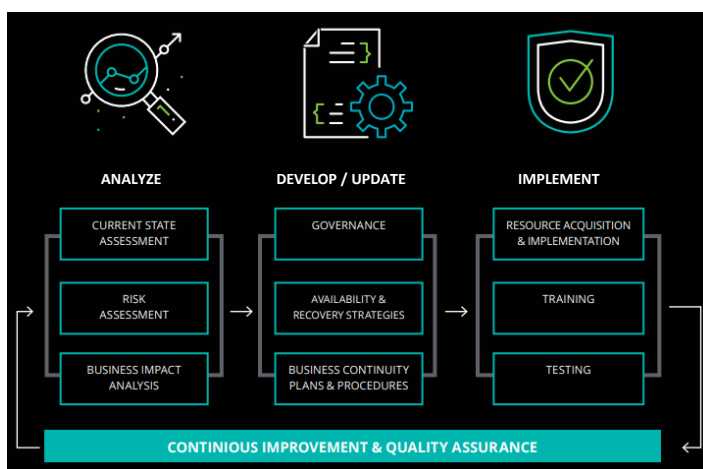


**Thrive!** Clearly defined BCP and DR plans across the GBS organisation with corresponding metrics, and regular scenario testing enable future **operational responsiveness**.

### Approximately half of GBS leaders said that their BCP was outdated and not fit for purpose<sup>[1]</sup>:



Note: 34 total respondents



Deloitte's Business Continuity Management framework<sup>[2]</sup>

[1] “Deloitte webcast survey: Adapting to new realities resulting from COVID-19”, Deloitte, April 8 and 9, 2020

[2] “Business Continuity Management with a zoom in on the health crisis respond plan”, Deloitte, 2020

# The Future of Work for GBS during COVID-19 and beyond

## Rethinking the *modus operandi*

COVID-19 has propelled many GBS organisations into the future of work within a fortnight. It has amplified the need to rethink how work is delivered, the composition and management of the workforce, and the workplace itself. Increasing flexibility, either by means of virtual workspaces, collaboration platforms or the employee journey, has become a top priority. A clear approach to these questions can mitigate future disruptions and facilitate seamless adaptation to new cultural, social or environmental circumstances.

## Emerging from COVID-19 with a stronger workforce

We believe that workforce strategies in the recovery phase will be best orchestrated through five critical actions: reflect, recommit, re-engage, rethink, and reboot. These actions can help organisations to bridge the crisis response to the new normal by laying the foundations needed to thrive in the aftermath of the crisis.



### Reflect

Create the time to reflect on what's next and think about what has worked, what you learned, and what has been missed in the response.



### Recommits

Reinforce commitment to well-being and purpose through a focus on physical, physiological, and financial concern.



### Re-engage

Redeploys workforce and maximize the workforce's contribution and potential, while preparing the workforce with the skills and capability for the return.



### Rethink

Utilise new business priorities to rethink and reconfigure the work, workforce, and workplace and balance ongoing and evolving business needs.

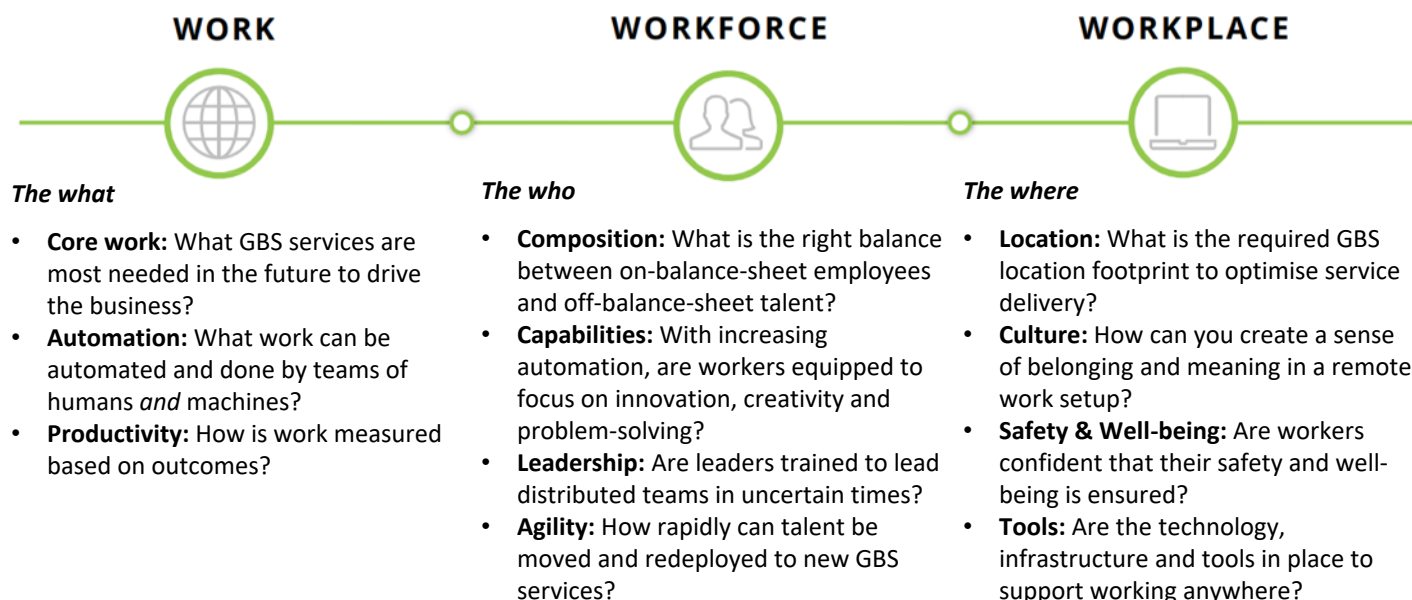


### Reboot

Realign HR and people operations priorities with the most pressing business and workforce priorities.

## Top questions for leaders rethinking the Future of Work for GBS

Keep these five critical actions front and centre; we believe that the “next normal” requires thoughtful consideration of the work, workforce and workplace.



### Deloitte Insights on managing the workforce in time of COVID19



We believe that workforce strategies in the recovery phase will be best orchestrated through five critical actions: reflect, recommit, re-engage, rethink, and reboot.

[Publication: Workforce strategies for a post-COVID-19 recovery](#)



Increased Digitisation, managing future data flows and human contact after the lockdown

[Opinion: Living – and working – with the lockdown](#)



# Making the Future of Work a reality in your GBS organisation

## Work



	<b>Core work</b>	<ul style="list-style-type: none"> <li>Establish order of priority for services in the business as well as in the GBS organisation</li> </ul>	<ul style="list-style-type: none"> <li>Identify which additional services could be taken up by the GBS organisation to support the business</li> </ul>
	<b>Automation</b>	<ul style="list-style-type: none"> <li>Scale any automation or digitisation solutions that have been piloted during the COVID-19 pandemic</li> </ul>	<ul style="list-style-type: none"> <li>Consider what work can be automated to reduce human dependence</li> <li>Identify how to reallocate capacity that has been freed up due to automation or digitisation</li> </ul>
	<b>Productivity</b>	<ul style="list-style-type: none"> <li>Implement check-ins to track team and individual capacity</li> </ul>	<ul style="list-style-type: none"> <li>Redefine work productivity based on outcomes and trust-based relationships</li> </ul>

**66%** of employees who work in a fully-enabled digital workplace reported a positive impact on their productivity<sup>[3]</sup>

## Workforce



	<b>Composition</b>	<ul style="list-style-type: none"> <li>Assess current workforce to identify essential workers and ensure succession or knowledge transfer</li> </ul>	<ul style="list-style-type: none"> <li>Review the ideal mix of on and off balance sheet employees</li> <li>Establish policies and practices to bring on board remote workers</li> </ul>
	<b>Capabilities</b>	<ul style="list-style-type: none"> <li>Run virtual learning to ensure employees can master virtual technologies</li> </ul>	<ul style="list-style-type: none"> <li>Undertake workforce planning based on the new opportunities arising from a virtual setup</li> <li>Identify any requirements for workforce reskilling</li> </ul>
	<b>Leadership</b>	<ul style="list-style-type: none"> <li>Set up virtual masterclasses to rapidly upskill leaders in remote leadership</li> </ul>	<ul style="list-style-type: none"> <li>Embed new and remote ways of working in leadership development</li> </ul>
	<b>Agility</b>	<ul style="list-style-type: none"> <li>Redeploy employees to work with greatest urgency and impact</li> </ul>	<ul style="list-style-type: none"> <li>Consider the creation of agile and flexible teams including using new staff augmentation potentials</li> </ul>

**3.5x** more high-performing organisations leverage talent ecosystems – from crowdsourcing to gig work to AI – to drive innovation<sup>[4]</sup>

## Workplace



	<b>Location</b>	<ul style="list-style-type: none"> <li>Determine which functions and roles need to be carried out in the office</li> <li>Prepare a return to the office playbook and plan</li> </ul>	<ul style="list-style-type: none"> <li>Review real estate requirements in light of new work patterns (e.g. SSC)</li> <li>Reconsider GBS location footprint to enhance continuity</li> <li>Define travel for work policies and standards</li> </ul>
	<b>Tools</b>	<ul style="list-style-type: none"> <li>Enable IT support to optimise home office working</li> <li>Implement new ways of guaranteeing client confidentiality (e.g. BPO staff in remote scenarios)</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the security of tools and technology to build cyber-resilience</li> <li>Consider policies and subsidies to support remote work</li> </ul>
	<b>Safety &amp; Well-being</b>	<ul style="list-style-type: none"> <li>Establish monitoring and check-ins with employees</li> <li>Monitor the latest guidance on testing, safety, and sanitation plans</li> </ul>	<ul style="list-style-type: none"> <li>Review allocation of seats and manage office capacity</li> <li>Review mental health programs and policies</li> </ul>
	<b>Culture</b>	<ul style="list-style-type: none"> <li>Run regular engagement pulse surveys with employees to understand concerns and conditions</li> <li>Institute alternative team building initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Ensure connection between the GBS organisation and customer values and purpose</li> <li>Establish regular feedback channels to assess worker sentiment</li> </ul>

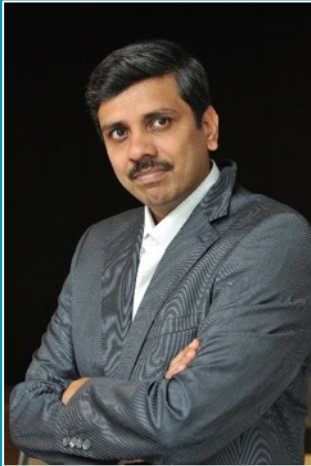
**74%** of CFOs will move a portion of their workforce to permanently remote positions post COVID-19<sup>[5]</sup>

[3] "Leading the social enterprise: reinvent with a human focus, 2019 Deloitte Global Human Capital Trends," *Deloitte Insights*, April 11, 2019

[4] "I4CP'S TALENT ECOSYSTEM INTEGRATION MODEL", *I4CP*, December 2019.

[5] "Gartner CFO Survey Reveals 74% Intend to Shift Some Employees to Remote Work Permanently" *Gartner*, April 3, 2020

# Winning in the New Normal



Natarajan Gopalan

Head of Integrated Business Services and Finance Transformation  
Philip Morris International

On a lovely evening in early March 2020, as I was walking down 5th Avenue in NYC, nothing could have convinced me that there was a pandemic in our midst (and well entrenched, as I would discover within a fortnight). Within a few days, along with hundreds of PMI colleagues, I hurried into an unprecedented lockdown in Switzerland. In 2020, a year many would like to forget, COVID-19 upended normal life and business like never before and, for all of us, it was an event with personal and professional impacts in every way possible.

As we slowly get back to 'normality', the big question that everyone is wrestling with is 'what changes post COVID-19?' - ***A lot has changed but nothing has fundamentally been altered in the longer term.***

Some aspects of business have rapidly accelerated; on some others the COVID-19 period has ruthlessly shone a light through the façade. Reflecting on these last three months, it is useful to draw some learnings and reflect on how we can become even more competitive in future.

***Human resilience is limitless!*** Well, almost. Within days, a large part of our 73,000 global workforce was working from home. In the Integrated Business Services (IBS) vertical that I lead people were seamlessly supporting many of the financial operations of the enterprise, including critical activities for quarterly reporting, and all while managing children studying from home and caring for their loved ones.

***Brilliant leaders can be found at every level in the organisation. One needs to look for them and have the confidence to empower and enable them to unleash their full potential.*** All our existing business continuity plans, built on the premise that a single location might be disrupted, had to be swiftly redesigned. As I looked for someone to lead a new plan, I found a team member a couple of levels below my immediate leadership. This colleague, with just a few months of experience under her belt but with a tremendous ability to think calmly under pressure, led the initiative to quickly build new playbooks and roll them out to every functional vertical within the IBS organisation. The implementation was world class, and, with detailed plans addressing multiple scenarios that our leaders could deploy, we were able to deliver the critical work with confidence and safely.

Innovative business ideas accelerated even under these circumstances. Under pressure and with constrained resources, we did not give up but rather found new ways of working. For example, our Order to Cash team based in Poland took on an entirely new set of activities in just three weeks, to support our affiliate in Japan. Our Purchase to Pay team worked cross-functionally to set up a hub in Hong Kong – achieving in days what would normally have taken weeks - allowing PMI to purchase PPE masks for our employees worldwide and for local communities. The results of these extraordinary efforts and the cross-functional collaboration that made all this possible were celebrated across the organisation.

# Winning in the New Normal (Cont.)

## Reshape for the new normal

Strategy does not change fundamentally. The imperative is a mindset across the organisation that is intensely curious, open to learning, flexible in approach and intensely customer-focused. Moving forward, business leaders should consider:

- An **accelerated focus on digital innovation**. The current environment presents a compelling opportunity for digitalising business more rapidly than in the past. Within just two weeks of lockdown our entire organisation successfully transitioned to MS Teams. Banks, vendors and other external partners are now more ready to move to a digital approach in areas hitherto untried. The ability to match this appetite with the right priority and capabilities will be the catalyst to shaping the next normal. Internally too, we have been leveraging the full suite of digital tools available (MS Teams and many others), revamping the change management methodology and, through close collaboration with our business leaders, we can execute internal migrations even better than in the past.
- Moving to an **even more agile and learning organisation**. The art now will be in building extreme agility into everything we do so that we can respond flexibly to emerging trends (a second wave of the pandemic, for instance). **People are at the heart of any and every enterprise**. The delivery engine for a radical transformation is through a change network of people that cuts through hierarchy. This will help us build a community of super skilled, business-minded people, who will spread the message of change wide and deep into the organisation. And it will also help identify **budding leaders and digital natives that will power the future of the enterprise**.
- And above all **empathetic and firm leadership**. During the crisis, while physical distance increased, we dialed up the emotional engagement through a number of interventions. We hosted live sessions with all our people - driving engagement at every opportunity. We shared ideas to help enhance social and emotional intimacy; some teams hosted remote yoga and other well-being sessions to ensure that people were supported. This should be an ongoing process. For example, when an internal IBS-wide survey conducted in April confirmed that more than 90 percent of our employees were satisfied with the company's and department's response to the crisis, I ran a session in our IBS teams to determine how we could make these excellent results even better and what was required to bring the remaining 10% with us. In the new normal this heightened sensibility needs to continue with the same vigour while remaining steadfast to our goals and strategies.





# Invest in a partnership ecosystem to strengthen your GBS network

## Strong vendor management capabilities save the day

The lockdowns around the world and subsequent unique working conditions highlighted the need for advanced and cooperative vendor management governance. Strong partnerships with third parties and/or business customers allow for the delivery of best-in-class services and foster a resilient environment.

Delivery constructs championing clear governance structures and associated escalation paths, for example, helped to quickly identify and mitigate performance issues amid the COVID-19 crisis. A common strategy with external vendors was to introduce flexibility on contract terms and service levels to abridge the crisis. Trusted relationships based on outcome instead of complex service level agreement (SLA) tracing led to effective collaboration. ***Only around 18%<sup>[7]</sup> of GBS representatives who partook in a recent survey have outlined a significantly greater drop of outsourced productivity when compared to their captive centres.***

## Build cross-functional collaboration networks

In a similar way to vendor management in an outsourced environment, better internal governance with business partners will enable faster decision-making in unforeseen circumstances and enable timely evaluation and mitigation strategies of up and downstream impacts.

COVID-19 highlighted that processes previously thought to require intense face-to-face interaction, could – in a joint effort – be delivered remotely. Apart from elevating GBS organisations to deliver more complex work and processes in future, it is testament to the power of well developed networks and partnerships to ascertain successful service delivery.

Remote delivery fitness across dimensions such as proximity, regulatory, process complexity and service level disruption is significantly dependent on how well GBS organisations and their customers had previously established trusted relationships and clear responsive governance.



[7] Deloitte webcast survey: Adapting to new realities resulting from COVID-19", Deloitte, April 8 and 9, 2020

# Technology adoption, data security and the benefits of digital maturity

## Technology adoption, data security and the benefits of digital maturity

The recovery from this crisis and ability for GBS organisations to thrive going forward will be directly linked to the ability to increase the level of digital maturity. Those already extensively leveraging digital solutions were better prepared to deliver services to their business customers and significantly limit disruptions during the COVID-19 lockdowns.

GBS organisations will need to continue to leverage technology to deliver the **experience**, **insights** and **speed** required by their customers. Therefore, GBS leaders will need to invest in:



- **Collaboration platforms to enable virtualisation.** In a shift to hybrid delivery models, licensed and tested collaboration tools among employees will play a critical role. Hence, the technology stack will need to leverage cloud solutions to host critical applications, allowing for a flexible workplace, as well as enterprise file-sharing solutions to easily share documents internally and with external partners.



- **Digital employee experience.** Review and update IT infrastructure for remote working (VPN bandwidth, firewalls, servers etc.) and invest in the digital employee experience. GBS employees will need to continue to work together effectively, drive productivity targets and align with customer culture. Cohesiveness of teams is therefore a “must-have”.



- **Ensuring data availability and security.** Enable security of devices used by employees through Endpoint Protection and Security (EPS) software and automate firewall application to allow or block incoming/outgoing traffic. Short-term technology solutions including voice and camera recognition were implemented to de-risk WFH setups. Processes involving Personal Identifiable Information (PII) and Protected Health Information (PHI) data warrant the most risk and data security challenges. Organisations responded by implementing counter measures such as:<sup>[6]</sup>



Establish remote work policies incorporating personal data protection procedures.



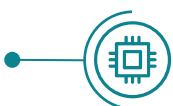
Limit usage of free tools like instant messengers, etc. but provide appropriate and controlled alternatives



Increase minimum security requirements of all devices.



Increase education and awareness of employees.



- **Digital end-to-end integration.** Increase document digitisation and zero paper processing across services, e.g. invoice verification & processing, T&E claim processing, order processing etc. to create an end-to-end digital process. Increase use of online portals and virtual assistants for supplier and customer mobile-enabled access and query resolution. This will lead to further reduction in required human intervention, thus enabling virtualisation.



- **Task-based automation.** Digitalisation will eventually lead to greater automation. In a recent survey, GBS leaders shared the perspective that future partnering decisions will heavily focus on automation and joint transformation of technology an processes.<sup>[1]</sup> Task-based automation will play an increasingly large role and form the backbone of future flexible delivery.



- **Training on overall security practices.** Train employees on safe remote practices such as recognising phishing and fraudulent emails, calls, using VPN etc. and ensure regular communication on any updates to cybersecurity measures.

<sup>[6]</sup> GDPR: How to make your business more resilient against data protection breaches in light of the COVID-19 crisis?, Deloitte, March 2020

# Conclusion

COVID-19 has resulted in unprecedented and unforeseen challenges for businesses globally.

For GBS organisations the pandemic and associated global lockdowns have meant adapting to a new reality. They have responded in the last few weeks and months and are defining a new *modus operandi*. Successful recovery in the current months will be supported by the implementation of **long term, flexible workplace models** (incl. WFH setups) and **leveraging a decentralised and virtualised workforce**. Even more than before, GBS leaders will need to build on **strong customer and/or supplier partnerships** to deliver best-in-class services. This is an opportunity for their organisations not only to recover, but lead in these times of change.

Taking necessary steps towards the future and thriving in the “next normal” will also require **determined digital interventions** by GBS organisations. Despite data and information security remaining a major challenge in the implementation of a flexible, remote workplace, COVID-19 has been a use case for the benefits brought about by investing in an **end-to-end digital environment**. Even core, non-transactional processes can be delivered virtually and paperless. It will be the responsibility of GBS organisations to invest in building this path.

Although recovery will not happen overnight, **Global Business Services organisations are well positioned to overcome the daunting challenges by appropriately enabling their processes and people** to become the one stop shop for all business users in such difficult times.



## Key contacts



**Antonio Russo**

GBS, Cognitive and Analytics Leader  
Deloitte Consulting AG, Switzerland  
[antorusso@deloitte.ch](mailto:antorusso@deloitte.ch)  
+41 58 279 7441



**Chinmay Nair**

Head of Global Business Services Advisory  
Deloitte Consulting AG, Switzerland  
[cnair@deloitte.ch](mailto:cnair@deloitte.ch)  
+41 58 279 6408



**Veronica Melian**

Swiss Human Capital Leader  
Deloitte Consulting AG, Switzerland  
[vcmelian@deloitte.ch](mailto:vcmelian@deloitte.ch)  
+41 58 279 6161

## Key contributors

**Sven Naef**

Senior Consultant  
Global Business Services Advisory

**Konstantin Tönnemann**

Manager  
Global Business Services Advisory

**Emma Berry**

Senior Manager  
Human Capital

**Anja Villos**

Consultant  
Global Business Services Advisory





This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte AG accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte AG is an affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see [www.deloitte.com/ch/about](https://www.deloitte.com/ch/about) to learn more about our global network of member firms.

Deloitte AG is an audit firm recognised and supervised by the Federal Audit Oversight Authority (FAOA) and the Swiss Financial Market Supervisory Authority (FINMA).

© 2020 Deloitte AG. All rights reserved.