



Is Your Strategy Restart-Ready?

When a crisis hits, business leaders need to determine if their strategy is still fit for purpose. Here, CEOs tell **Emma Carroll** how they have responded to this challenge

New research from Criticleye reveals that most CEOs believe their strategy is still very relevant despite the colossal impact of COVID-19. So, do they think recovery means a return to business as usual? Not at all – they are scrutinising their new ecosystems, accelerating the shift to digital and continuing to ask, ‘what if?’ as they put their plans into action.

The chief execs questioned in [Criticleye's CEO Research 2020](#), which gauged business leaders' confidence in May at the height of the global pandemic, revealed a surprising degree of confidence in existing plans. A bullish 66 percent of CEOs said their business strategy was still relevant ‘to a great extent’

and not one suggested it should be fed into the virtual shredder.

Further findings dispelled any initial fears of complacency. Only 25 percent were fully confident in their senior team's ability to navigate uncertainty and 58 percent said that discussions on strategy were where their Board debates most needed to improve. >



We spoke to leading CEOs and other business leaders to understand how their business models have been affected and what they are doing to ensure their plans are fit for the future.



Russell Atkinson

Russell Atkinson is CEO of NAHL Group, the consumer legal services business that has been implementing a significant, long-term strategic shift in response to regulatory changes.

There has definitely been a permanent shift in our business as a result of the pandemic, but the question is whether that is a strategic shift or an operational business model shift. Our strategy currently remains relevant and our markets haven't structurally changed, although volumes are down.

What is dramatically different is the pace of change: consumer behaviour and consolidation in the market have materially altered. So, what we must do as a business is understand how

that will affect us. It impacts three things: our priorities, tactics and what our proposition needs to be to react to the faster-moving ecosystem.

We have learned you can make good decisions, more quickly with less data – you must just be adaptive and ready to react. No one knows exactly what the future will look like, so we must be adept at monitoring structural and behavioural changes.

We are a marketing-led organisation, so we are good at understanding how consumers interact with our brand, our competitors, how they work on digital and what they are searching for. Like many other companies, what we need to get better at is understanding the macro dynamics of the market, as those are the things that will change: how people want to shop, how they will interact with us, and how important our services will be to them in the future.

It's also about understanding how the current challenges bring opportunities. We need to make it easy for consumers to interact with us and reduce friction in our processes. We need to go digital end-to-end: that means assessing a claim and then paying it without the customer having to talk to anyone, if they don't want to.



Mui Hoon Poh

Mui Hoon Poh is an experienced digital director and now Board Member at organisations including the Singapore Institute of Directors, Singapore Pools and Sistic.com. She is also a Criticaleye Board Mentor, based in Singapore.

For some industries and businesses, it is about pausing and then going back to what they were doing before but with small tweaks, for others it is about a total shift in business model.

One of the Boards I am on is a ticketing and reservations business and we immediately turned to virtual, such as the streaming of live events. We don't believe things will return to what they were before. There will be a new normal - in this case, one where virtual will be a much more integral part of events than before.

It will be about making the whole experience more interesting, for example, thinking about how you bundle the virtual experience with food and interactivity with a group of likeminded people. I think these types of models will last post-COVID – events where you can stay at home and yet participate.

Customer's preferences are changing all the time. What is really challenging at the moment is that people aren't sure what the customer sentiment will be post-COVID. Businesses shouldn't underestimate the importance people now attach to their safety. Will they really want to go out and gather with a big group? Whatever the answer is, it will be important to be able to give customers a choice.

One thing that will be crucial for all businesses after the pandemic is the need for a mix of diverse revenue streams, so that if one offering drops off a cliff they can still survive. Many of the companies suffering now just don't have that diversity when it comes to revenues. >

OTHER FINDINGS FROM CRITICALEYE'S CEO RESEARCH 2020 INCLUDE:

- 58 percent of CEOs feel isolated in their role
- 33 percent say how they engage with customers is the biggest change underway
- 59 percent forecast it will take 18 months or more for their trading to recover
- 97 percent say external reference points enhance the performance of senior executives



Giulio Cerroni

Giulio Cerroni is CEO of IXICO, a fast-growing, advanced medical data analytics business that supports pharmaceutical and biotech companies working on neurological diseases with their clinical trials.

The potential issue for us wasn't our business model but whether patients could travel to designated imaging centres for their MRI scans and how capacity at those sites could be impacted if staff got sick.

The pharmaceutical industry is very conservative and, while there has been talk about using technology for a long time, there is caution about changing things that work when operating in such a highly regulated field. When the pandemic hit, the FDA quickly provided industry guidance. Whilst recognising that COVID was altering a lot of things, they acknowledged that protocol changes would be accepted and expected, but that these must not compromise patient safety and would need to be documented and validated to be safe.

New clinical trials have been changed forever – it won't be totally virtual, but it is likely to be a hybrid model. Previously, patients would travel to often-distant clinical sites, but finding people to go on these trials is expensive, plus they often drop out. The industry is starting to think about what additional markers of disease progression they could measure that would be objective and clinically meaningful without patients travelling to a site.

We think monitoring and gathering data from people in their normal environment, such as their homes or place of work, will become increasingly sought after by

“CEOs must allocate enough time to being curious and avoid getting sucked into the engine room”

the pharmaceutical industry in this new world. We plan to be at the forefront of technology development that reduces the burden on patients. Consequently, we are spending more R&D money in this area, including on biosensors that can be worn to monitor digital biomarkers (such as sleep or gait patterns) as another set of data to support clinical development of new drugs for a wide range of neurological diseases.

What has happened has reinforced our business model, and we are committed to a significant program of investment to scale our operational capabilities so we can be “restart ready” for those clients that paused the start of new trials during the pandemic and for the longer term.



Matthew Blagg

Matthew Blagg is CEO of Criticleye

I think more of the previous ways of working will come back than expected, but what COVID has done is accelerate things. It has opened up potential, such

as being able to deliver services virtually, which wouldn't have been thought possible before.

The customer is at the heart of strategy in all good organisations, and those that can adjust as customer needs shift will outperform the others. You must understand your customers and should be led by deep knowledge and an understanding of the long-term trends. It is very easy to get sucked into short-term customer behaviour. Modelling of 'what-ifs' is crucial at this point, such as how rising unemployment will change behavioural patterns.

Currently, when CEOs are making decisions, they don't have all the information at their fingertips in the way they used to. In the past, you could see where all the data was pointing and go with it, but now that data is lagging. Also, it is hard to be sure about the accuracy of data, for example, are new buying behaviours permanent or will they change again? If you are building a new strategy based on the current data, you are probably basing it on the wrong information.

What really struck me in the research was that 58 percent of CEOs feel isolated in their role. That is very dangerous, and leadership teams that don't have access to benchmarking information about their strategy and performance will suffer.

CEOs must allocate enough time to being curious and avoid getting sucked into the engine room. This environment exposes businesses that concentrate on running hard but fail to maintain an external perspective. ■

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