

Are you prepared for change or reacting to it?

(PART 3)



ISAAC SARPONG: Isaac is the Partner in charge of Tax Services. He has over 26 years' experience in the provision of multi-faceted advice to both local and international clients in taxation, accountancy, audit & assurance, and corporate law, among others. Isaac is a Chartered Accountant, a Chartered Tax Practitioner and a Lawyer.



Future-proofing the business requires a coordinated, collaborative effort. Our hypothetical case study highlights the very real issues involved.

(CONTINUED FROM PREVIOUS EDITION)

"That's where your attention needs to be, Joel," Sabrina said. "I'm going to be busy putting out fires until I get some budget to move our supply chain model into the twenty-first century."

And with that, Sabrina left the video call.

"So, see you next week?" Joel asked Maha.

"See you next week," Maha replied.

Question: How can FooderFodder reverse the crisis management lifecycle so that it can prepare for change instead of reacting to it?

5. Reversing FooderFodder's crisis-management lifestyle

Three EY leaders focused on people, supply chain and risk provide perspectives on challenges FooderFodder executives face.

Stephen Koss, EY Asia-Pacific Workforce Advisory Leader

I fundamentally believe that to achieve enterprise resilience organizations first need to talk about individual resilience. Both Joel and Sabrina appear exhausted and, in that state, they can never perform at their best. Meanwhile, Maha is frustrated that FooderFodder's people seem to be an afterthought for much of the C-suite. Physical and mental health are foundational elements for resilience.

Maha needs to focus on designing around what people need to perform at their best and work outward to design the organizational changes to support it. These organizational elements can be around balancing work capacity across teams, whether they are equipped with the right skills and capabilities to perform in their role, the right attitudes and motivations, performance frameworks, and work culture and environment, which is set through the leadership behaviors.

Keeping their focus on what humans need to perform at their best will provide FooderFodder with the organizational changes to achieve resilience across the enterprise.

My recommendations for FooderFodder are:

+ Close the empathy gap

Some members of the FooderFodder C-suite, starting with the CEO, will want to consider how they can close the empathy gap. The leadership characteristic of empathy has always been known for its importance, but never more so than now. Employees respond best when leaders demonstrate their own humanity by being empathetic and demonstrating care for their people. They also appreciate honesty and authenticity. The focus on empathy can help improve organizational culture and resilience.

+ Work with the CRO and CSCO to close the skills gap

FooderFodder was not prepared for disruption or digital innovation in the supply chain. However, as Sabrina evolves the company's supply chain, skills gaps will grow which will hurt her business if not proactively addressed. At the same time, Joel's risk organization will need to be upskilled as the process to identify and quantify risks and scenario plan is automated and data driven. Many of the team members will need to shift their mindsets toward analyzing complex data sets, and forming more strategic and informed decisions. Maha will want to help both Joel and Sabrina create capability maps to assess current workforce skills, develop innovative learning programs to reskill and upskill FooderFodder's people, curate learning experiences, and cultivate culture of growth, curiosity and learning. Having teams of the right skills and capabilities improves resilience.

+ Establish an agile team approach

During the pandemic organizational structures were an even greater impediment to change. The highest performing organizations took this challenge on to shift to more collaborative work practices to help speed them through the rapid change needed to respond. As the crisis subsides, there is a risk that some organizations will retreat back to a more traditional approach to work. To help mitigate this risk at FooderFodder, Joel and Maha may want to consider setting up an agile team that cuts across the silos and enables greater productivity. Agile teams can help by balancing workload dynamically, which can improve resilience in individuals and their teams. It is important to note, however that someone, likely the CRO, will need to be clearly accountable and empowered to drive the business transformation effort.

Regenia Sanders, EY US-Central Consulting Supply Chain and Operations Leader

Supply chain reinvention is a process, not a project. In a time of continuous disruption, like the one Sabrina de Haan is experiencing, the only path to meeting FooderFodder's goals is to continue to evolve toward a responsive supply chain.

My recommendations for Sabrina would be:

+ Put humans at the center of your supply chain

FooderFodder's leaders will want to create a structure and a culture that is less top-down and more collaborative. They'll want to empower their workforce to participate in developing solutions that make their jobs easier with the adoption of enabling technology. It's a familiar refrain: technology will make things possible; talent will make them happen. Sabrina focuses on the need for technology

to reinvent her supply chain. But to fully unleash the power of digital investments, FooderFodder will need to re-evaluate its organization structures to organize themselves in ways that support speed to innovation. Sabrina will want to work closely with Maha to evaluate the workforce with plans to develop in-house mastery, drive adoption of new enabling technologies, and solve the supply chain talent gap through cross-training, upskilling and re-tooling. ■

(CONTINUED IN NEXT EDITION)

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Find out more:

Address: 60 Rangoon Lane, Cantonments City, Accra. P. O. Box KA16009, Airport, Accra, Ghana.
Telephone: +233 302 772001/772091
Email: info@gh.ey.com,
Website: ey.com