

Respond
ebound
reinvent

CGI

Charting the path forward with resilience and adaptability

An executive briefing on insights and solutions to help
leaders master business agility, rethink their technology
supply chains, and enable the future of work



About the paper

President & CEO George D. Schindler shares CGI's perspectives on how clients can navigate through the impacts of the pandemic. Drawing upon insights from CGI's Voice of Our Clients conversations and the actions we are taking to help clients respond, rebound, and reinvent through the crisis, this executive briefing shares three key organizational capabilities leaders can use to navigate the challenges ahead successfully.

The pandemic triggered an examination of organizations' business value chains and the re-evaluation of their ecosystems. While many are making bold predictions on the *what* and *when* of the new normal, this paper outlines CGI's belief that it is more important than ever to focus on *how* to create value in the face of unprecedented change.

Table of contents

- 4 Gaining new perspectives from unprecedented times
- 6 Mastering business agility
- 8 Rethinking the technology supply chain
- 11 Enabling the future of work
- 13 Focusing on the evolution of business value chains and ecosystems

Gaining new perspectives from unprecedented times

Like many business leaders, I have found the past few months to be a profound experience, in both challenging and positive ways. In leading an organization with clients and employees in cities around the world, I have witnessed tremendous pain and disruption, but also impressive dedication, ingenuity, and adaptability.

I have also observed that although the pandemic is global in scope, it is quite local in the way it is experienced, as each city responded to this crisis uniquely, aligned with its local culture and circumstances. As a result, this crisis has brought forward, for many leaders, a unique set of conditions, requiring a tremendous amount of resolve and agility.

Through firsthand experience and in working with clients around the world, we understand that determining how to respond through this pandemic has not been easy.

While some industries experienced a surge in demand, such as the accelerated growth of online retailers, other industries had a dramatic slowdown, including many manufacturing sectors forced to alter, and in some cases shut down, their operations.

During a time of rapid response to an unpredictable crisis, leaders implemented new ways of working. These ranged from small daily changes to expansive ones that reach across enterprises, impacting the daily work and experience of thousands of employees and their family members, who are often sharing workspaces as they work or study from home.



However, it is clear from discussions with many executives that as the weeks and months pass, changes originally deemed “interim” in response to the pandemic will, in fact, become permanent new ways of doing business, either replacing or augmenting existing processes. For example, many of these executives are accelerating components of their digital strategy to both meet customer needs and optimize operations.

Three organizational capabilities emerge as essential to helping organizations across industries position for recovery and growth

We conducted CGI's annual Voice of Our Clients program earlier this year, with our leaders holding over 1,400 face-to-face conversations with client executives globally. Half of the interviews were held with business executives, and the other half with IT executives.

The interviews were split nearly 50-50 between the timeframe before and after the pandemic was declared, providing us with unique insights into how business and IT priorities are evolving.

From the Voice of Our Clients, we produce CGI Client Global Insights by industry. As part of this analysis, our industry experts further examined the findings of worldwide leading enterprises.

We identified three key organizational capabilities we think leaders will need in order to navigate both short- and medium-term challenges successfully.



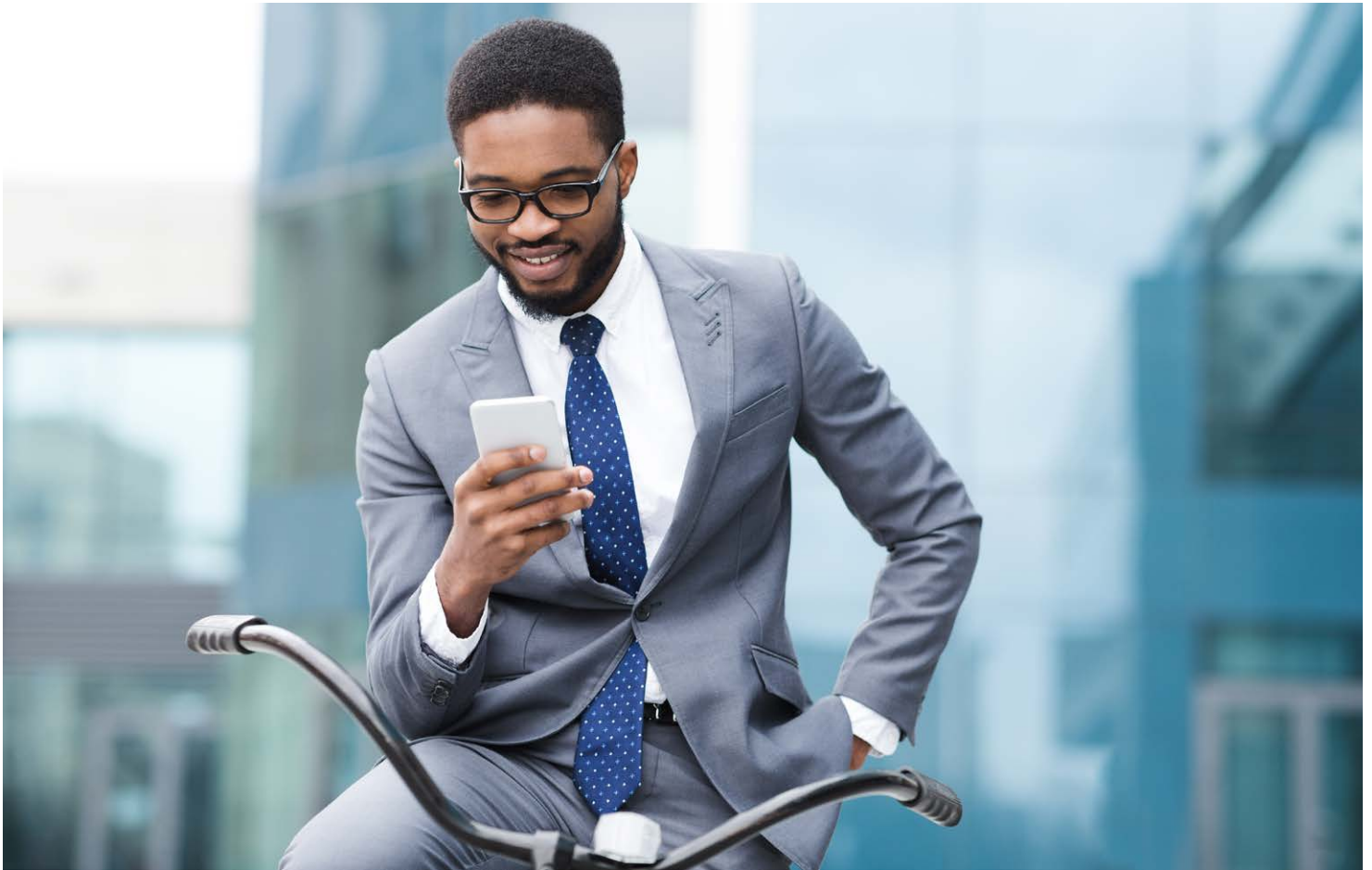
1. Mastering business agility



2. Rethinking the technology supply chain



3. Enabling the future of work



Mastering business agility

Business agility is highly correlated to achieving business results

Organizations are embracing new ways of thinking. A key finding of the 2020 CGI Client Global Insights is that executives increasingly prioritize the need for business agility. Globally, among commercial executives, this is the third most important business priority among those we interviewed. Yet, only 18% report their business is highly agile.

When comparing that finding to the 12% of executives whose organizations are producing results from enterprise digital strategies, 29% indicate they have highly agile business models. CGI research further indicates that those organizations with high business agility outperform their peers by a factor of 2-3 times in terms of revenue and profitable growth. The relationship is clear: an agile organization helps enable results across the enterprise.

Organizations embraced new ways of thinking and working in response to the impacts of the pandemic. Changes that previously took months and years to implement are now taking place in impressively short timeframes.

The need for business agility has never been greater. Those organizations that were highly agile prior to the pandemic responded to its impacts swiftly. Lessons from these industry leaders demonstrate that agile organizations are in a better position to navigate significant economic, market, and business changes.

Agile organizations adapt quickly to change while staying true to their culture

Agile leaders invest in cultures, operating models, and technology that enable them to adapt quickly. During times of disruption, leaders understand it is critical to stay true to their organizations' core values. They recognize that their actions will inspire customers, employees, suppliers, and partners to remain loyal and help their organizations emerge from the crisis even more successful.

To be resilient in the face of the pandemic, these leaders focus on their human capital practices to foster a sense of community and belonging, and promote cultural change management efforts to drive engagement, productivity, and mobilization. They also evaluate and adjust their business models, such as moving from a physical presence to an online model, to adapt proactively to new demands.



Through enabling technology, they leverage insights, foster innovation, automate operations, collaborate with customers and citizens, develop new digital products and services, and pivot to alternative distribution chains.

As organizations look to increase their agility, a robust technology supply chain plays a key part in advancing innovation and collaboration.

Client stories

Business agility enables organizations to evolve and pivot rapidly to changing market conditions. Here are examples of how we help clients with high agility navigate through changes caused by the pandemic and harness new opportunities.

- [Helping Carrefour to complete 1.5 million online orders for pickup in March through their “Drive” service](#)
- [Assisting a French regional health agency in operationalizing pandemic measures to save lives](#)
- [Helping a large U.S. retailer reconfigure a \\$1.2 billion digital transformation program, contributing to an 80% improvement in delivering business outcomes](#)



Rethinking the technology supply chain

Bringing more value and removing dependencies to position for growth

Prior to the pandemic, clients were examining and beginning to evolve their business value chains and ecosystems of partners and suppliers. As the pandemic began to disrupt their operations, they accelerated these efforts because it not only disrupted physical supply chains, but also their technology counterparts.

Technology is a key element of the value chains of every public and private organization today. Some industries like financial services are already technology-intensive, whereby technology is a large part of their end-to-end value chain. Other industries such as oil and gas and some manufacturers are less technology-intensive. In all cases, most sectors are becoming more technology-intensive.

These disruptions exposed several areas we believe are systemic weaknesses that now require a new approach:

- Offshore technology services capability disruptions that occurred during physical lockdowns;
- Lack of elasticity with technology solutions that were unable to scale down as demand dropped, or scale up to fulfill increased volumes; and
- Gaps in agreements between organizations and their providers, leading to such issues as service disruptions caused by the pandemic's unforeseen circumstances.

The pandemic highlighted the importance of the technology supply chain, whether to fulfill online grocery orders, provide telemedicine capabilities, or manage surges in online and call center volumes.

Technology supply chains provide agility, elasticity, security, and resilience by managing core products and services in more cost-effective ways and adjusting to real-time changes in demand.

The technology supply chain includes a vast array and harmonization of technologies and services, such as cloud technologies, robust automation solutions, and smart managed services. These are delivered through a deliberate architecture of onsite, onshore, nearshore, and offshore delivery configurations.

Rethinking technology supply chains will be key for leaders as they seek to build more resilience into their organizations.



Organizations prioritize IT modernization with increasing interest in a modern managed services approach

In looking at the 2020 CGI Client Global Insights, there are numerous data points that factor in the prioritization executives place on optimizing their technology supply chains.

Globally, IT modernization maintains its position as the industry trend with the second highest impact. Influenced by the slow progress in results from their enterprise digital strategies, executives seek to address the cost and agility of existing IT portfolios. When asked about the use of managed services, executives cite increased interest in leveraging substantial and fully managed applications and infrastructure.

In particular, use of substantial managed applications increased 3 percentage points year-over-year to 37% for executives responding prior to the pandemic declaration, and up 6 percentage points to 40% for those responding after the declaration.

During the pandemic, clients increasingly turned to digital solutions to expedite request processing, information sharing, and decision-making to achieve greater efficiency and business agility.

The importance of becoming secure digital enterprises is reinforced through the CGI Client Global Insights findings, as executives cite modernization, automation and robotics, and cloud technologies as their top innovation investments—the key elements that make up the architecture of modern technology supply chains.

Client stories

As organizations seek to build resiliency, the technology supply chain serves as a key business enabler to mitigate risk, gain efficiencies, and achieve greater elasticity in their IT solutions. Here are examples of clients reengineering ways of working to become more resilient.

- [Helping furniture manufacturer ISKU rebound through an innovative managed services approach](#)
- [Helping banks and healthcare organizations leverage process automation to accelerate new services, optimize costs, and enhance customer and patient care](#)
- [Co-creating a new supply chain organization to help a large pharmaceutical firm improve environmental sustainability while reducing costs and improving quality](#)
- [Providing the secure tracking solution for the Galileo satellite navigation system to deliver accurate positioning data that serves as positioning evidence of people and goods](#)



Enabling the future of work

Being more accessible to customers through highly productive digital working environments

Digital engagement with customers and citizens has taken on new importance. We use the phrase “future of work” to recognize the new work practices, skills, and technologies that will continue to be adopted to enable highly productive operations through digital channels. The resulting cultural changes, processes, and enabling technologies will shape how we work for years to come.

Companies and governments are adapting how they operate and collaborate, with people and technology at the center of these changes. Their efforts are delivering value through the introduction of new efficiencies, enhanced productivity, and cost reductions, while also improving access for customers, whose comfort level with digital interactions has further deepened as a result of the pandemic.

Becoming a digital organization remains a top industry trend

Based on findings of the 2020 CGI Client Global Insights, executives we spoke with cited “digital employee tools” as their second most important digitization initiative behind predictive analytics. In addition, as cited previously, 88% of executives are not seeing results from enterprise digital strategies. There is an opportunity to focus on enabling the future of work to help accelerate these results.

Organizations seek to improve their digital working environments

While leaders’ initial focus in response to the pandemic was on service continuity and the safety of employees and communities, now the focus is on the change management needed to enhance performance. Key to this objective is reskilling employees to adapt to both in-person and/or virtual working conditions.

Digital tools require complementary change management and training initiatives to integrate them within work processes. Embedding the right plans and technologies into operating models will be key to help organizations rebound through the pandemic or other crises, making it a critical aspect of how they reinvent their future.

The future of work also enables organizations to better serve their customers and citizens. An agile, digital workforce that leverages intelligent, collaborative platforms can offer tailored products and services and higher customer service levels. The growing use of process automation solutions is one example of how technology can empower organizations’ talent to focus on the more strategic aspects of their roles and responsibilities.

Leaders will continue to test today’s hybrid world, and not all activities will return to the way they were. As organizations review their strategies and adjust their models, the accelerated use of digital tools will enable them to continue to achieve productivity gains from in-person and virtual teams collaborating across locations and time zones.

This will give rise to new business models that help industry leaders pivot customer and citizen services even better than before.

Client stories

Many organizations will re-evaluate their ways of working for both business continuity and to enable agility. Here are examples of clients that quickly leveraged technology to enable remote work and modern collaboration.

- [Deploying Microsoft Teams to 4,000 remote client staff in just over two weeks](#)
- [Moving a 1,200-person CGI team to remote work quickly to prevent client disruption](#)
- [Helping a large U.S. manufacturer adapt to remote working with agility and speed](#)

Focusing on the evolution of business value chains and ecosystems

The impact of the pandemic has been devastating to public health and has had a ripple effect on the economy in nearly every geography around the world. Amid this hardship, this crisis has compelled us to ask many fundamental questions about the ways we live, interact, and work. For our clients, this has led to a deep examination of their value chains, including their ecosystem of partners and suppliers.

Clearly there are many changes that will occur, but one thing is certain: technology will continue to be at the heart of the future value chains that serve consumers and citizens.

While many are making bold predictions on the what and when of the new normal, we, at CGI, believe it is more important than ever to focus on how to create value. We have demonstrated the ingenuity and capability to help clients with the how, particularly through mastering business agility, rethinking their vital technology supply chains, and enabling the future of work.



On behalf of our 77,500 consultants and professionals, we are honored to work with all of you on continuing to create value.

George D. Schindler
President & CEO

About us

At CGI, we are insights-driven and outcomes-based to help you accelerate returns on your investments.

We provide comprehensive, scalable, and sustainable IT and business consulting services that are informed globally and delivered locally.

10 industries

400+ locations worldwide

77.5K consultants and professionals

Respond
ebound
einvent

Contact us at info@cgi.com or visit cgi.com/3R to learn more.