#### 'Homework': Executive Edition

Re-Entry into the 'Business New Normal': Observations/Feedback/Insights

Brief #7

We have observed from our client's feedback on our previous briefs that the case for change to all services organizations has been made. The strategies and paths for adapting to a robust, remote management and delivery model that includes the latest digital tools and IT Infrastructure is essential to survive and thrive going forward.



The INSIGHT Group

### **Overview**

Over the last two months, The Insight Group has published a series of six briefs on both what services organizations need to consider and how to respond to the challenges, policy changes, and opportunities presented as a result of the

pandemic. We have previously covered:

- 1. Rapidly Adapting to the 'New Normal' in Services & Solutions An overview of implications of the pandemic for service organizations
- 2. Selling Services and Solutions Remotely Considerations for adapting your sales model for remote sales activities
- 3. <u>Key Elements in Developing a Remote Worker Policy</u> Important policy considerations in developing remote worker policies
- 4. <u>Cultivating Best Practices for Remote Marketing & Market Management</u> Using remote techniques to understand service markets and develop offerings
- 5. Developing and Delivering Offerings Remotely What changes are required to enable and deliver service capabilities remotely?
- 6. <u>The Continuing Case for Collaborative Leadership</u> Using a collaborative leadership style to understand and implement adaptive strategies and approaches.

Each brief has presented the strategies and approaches necessary for service organizations to adapt their companies to fundamental changes in selling, marketing, HR & Talent Management, and service delivery. The case for changes is strengthened daily by data published from multiple sources<sup>i ii</sup> indicating that the interaction of service organizations with employees and customers will be conducted remotely through technology. This undoubtedly will have an impact on service business models across industries. Critical to the conversation is the discussion on leadership; we expect that services organizations will need to quickly adapt to a more remote environment and it will be collaborative leaders—both executives and employees who will be able to engage and drive these changes.

## Rapid Transformation of the Services Business Model

We have observed from discussion with our clients and feedback on the briefs that the case for change impacting all services organizations is very clear. The strategies and paths for adapting a robust remote management and delivery model that includes the latest digital tools and IT Infrastructure are essential to survive and thrive going forward. Strategies for adapting to these changes continue to be formulated but are underway for many organizations. Currently, most organizations are focused on the immediate concerns of ensuring customer, employee, and financial/business model security. Leadership in high-performance service organizations must be forward-looking to ensure that they are positioned appropriately to take advantage of the long-term trends and opportunities derived from changes brought on by the pandemic.

#### What can you do to be ready?

Identified below are the top 5 feedback comments and discussions from our previous briefs:

- 1. The new normal in services and solutions dictates that you continuously reconnect with your customers. You will need to reassess your customer's wants & needs and business priorities as their business models have likely changed significantly. e.g. demand planning.
- 2. Enabling and regularly communicating with your employees is a must. They are critical components to your offerings and maintaining your "Thought Leadership" and intellectual capital. How effectively and often you do this will be key determinants in the successful introduction and delivery of your service offerings.
- 3. Just changing your offerings to be able to operate remotely may be helpful in the short run but it will not be enough to thrive. The rapid infusion of digital capabilities & computing infrastructure into the Services Business Model coupled with the current drive to provide and deliver more elements remotely presents substantial opportunities for both providers and users of fee-based services. Services firms must transform and adapt to emerging innovative delivery models including subscription-based offerings, XaaS, IoT, AI, Big Data, Cloud, as well as remote execution.
- 4. Longer term plans should consider all options. Expanding into service revenue and fee-based services can enable growth for product-oriented companies. New combinations with partners, competitors or customers should be considered. This includes M&A activity or alliances previously discarded.
- 5. **Understand that uncertainty is a given.** Ensure that the organization always creates a priority to act and deliver "customer value" amid a changing environment with greater variables in play.

Several additional comments were noteworthy covering strategic planning and new ways to remain customer centric. For more information on their scope and implications, please contact us.

## Perspectives

We hope these 'Best Practices' Briefs, focused on enabling a predominantly remote operating environment for service organizations, can help you adapt to the emerging challenges and opportunities to drive future success. Additional comments, review of literature, and evaluation of the changing environment is ongoing. We, the Insight Group Executive Leadership Team, continue to welcome your feedback as we all navigate and innovate within the 'new normal' of business. We hope our extensive experience managing and developing effective best practices for remote and at-home work has been valuable to you as you transform your organization.

# The INSIGHT Group's Transformational Support Capabilities

While the points outlined in the brief may be sufficient for many businesses to move forward, we also see the importance of navigating these uncharted waters with an experienced partner to gain a competitive advantage in the emerging services environment. The INSIGHT Group has developed and implemented offerings and approaches to assist our clients in creating and advancing strategies that provide for a competitive advantage in their respective markets. Our clients have adjusted their operating plans and business models to implement these strategies to succeed in a remote service environment. Below we list offerings which Insight has delivered to both Fortune 500 and SMB enterprises remotely over the last 5 years.

- **Customer Wants and Needs Market Assessments –** A process for reconnecting with your customer's priorities.
- Services Business Model Readiness Assessments Identifies 10 elements of the Services Business Model, including the impact of remote selling and delivery.
- Launching new Innovative Services Offerings & Capabilities Describes the 11 features of "Best-in-Class" services offerings and solutions.
- Business Strategy Development, Financial Models & Financial Management Introduces and covers the 9 key questions for implementing a "Best-in-Class" services strategy for maximizing revenue and profit.
- Human Resources and Talent Management Identifies HR and Talent Management strategies and solutions fully integrated with the Services Business Model to ensure the timely acquisition, development, engagement, growth, and retention of client valued competencies needed to solve evolving customer problems and improve their business results.
- Services Business Management and Organization Structure / New Roles & Responsibilities / Collaborative Leadership Proposes leadership roles and responsibilities for all 10 elements of The INSIGHT Group's Services Business Model.

If you or your organization would like to share your thoughts, issues, and/or discuss additional insights on these topics. We would be happy to set up a short web session. You can contact us through our <u>website</u> or by <u>email</u>.

#### About the Authors:

**Tom Esposito** has had a unique opportunity to observe and participate in the growth of the fee-based services business. He Co-Founded The INSIGHT Group in 1996 following 30 years at IBM where he was acknowledged as one of the key architects of IBM's Global Services Business. While at IBM, Tom was responsible for developing and implementing strategies to broaden IBM's services business from traditional maintenance and software support into a rapid growth high value customer services business. Tom served as chairman of IBM's North American Services Executive Council and as spokesperson for the North American services business. His last assignment at IBM was Vice President - IBM Global Consulting & Services where he was responsible for re-engineering IBM's rapidly growing geographic services businesses to a global services business with common goals, processes, and metrics worldwide.

At INSIGHT, Tom specializes in helping clients design and implement profitable high-growth services strategies and business plans. He has deep knowledge and experience in all the essential elements of the services & solutions business model. Contact Tom at <u>esposr@insight-group.com</u>.

## The INSIGHT Group

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Jay Connor has 37 years of executive, operational, and sales experience in the IT industry. Prior to joining The INSIGHT Group, Jay worked in executive VP positions for, HP, Compaq, and Digital Equipment. He has extensive background in leading successful transformations including the services integration for the HP/Compaq merger, the transformation of HP Corporate Account and Pre-sales organizations, as well as developing the sales and go to market strategy for the HP/EDS merger. In addition, Jay held the position of Worldwide VP, COO for Professional Services for Compaq and the Global Practice VP Consulting and Integration for HP. Both positions involved successfully managing large service organizations. More recently Jay held the position of VP, Sector General Manager and Account Executive for a number of HP's major accounts.

At INSIGHT, Jay's broad experience focuses on providing solutions that best satisfy clients' needs in the areas account and sales management, service and sales management, financial strategy, and mergers and acquisitions. Contact Jay at *jayconnor@insight-group.com* 

Meet the rest of our thought leaders: <u>http://www.insight-group.com/team.asp</u>

**The INSIGHT Group** is a 'Best Practices' services consulting firm focused on helping product and service companies implement high-growth services strategies. Our partners represent a group of experienced executives that have held senior executive services business positions across multiple industries. INSIGHT has operated for more than 20 years utilizing a predominantly "virtual office" business model. For further information check our web site at www.insight-group.com.

<sup>&</sup>lt;sup>i</sup> <u>Microsoft Teams grew 70% to 75 million users</u> | <u>Google Meet topped 100 million daily meeting participants</u>, growing at 3 million participants a day | <u>Zoom announced 300 million daily participants at the end of April</u>.

<sup>&</sup>lt;sup>II</sup> Gartner CFO Survey Reveals 74% Intend to Shift Some Employees to Remote Work Permanently