



BDO AND IPAA 'RETHINK' INFORMATION SERIES

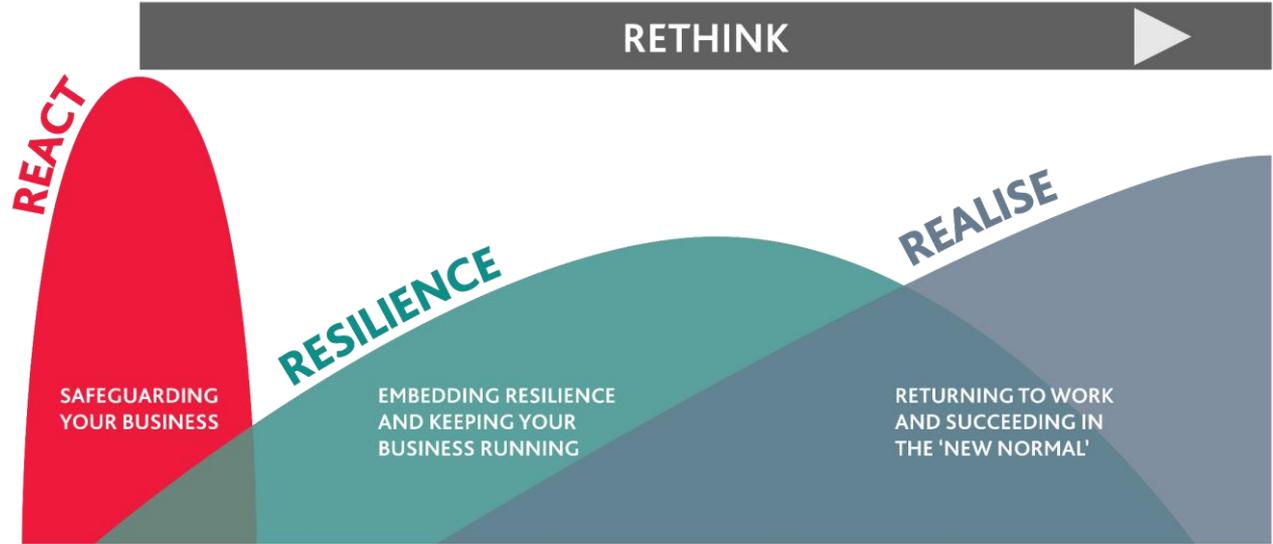
## REIMAGINING BUSINESS MODELS

September 2020

# HELPING ORGANISATIONS BOOST THEIR ORGANISATIONAL RESILIENCE

In the current operating climate, knowing how to plan for ‘what’s next’ is crucial. To help guide this process BDO has drawn on the first-hand experience and insights of its global teams to develop the ‘Rethink’ framework. Much of the world has moved past the react phase, and is heavily entrenched in resilience, where the goal is to identify what will help your organisation be successful in the new normal.

A focused effort to embed improvements and risk mitigation approaches in this Resilience phase — made up of five key focus areas — is what will set an organisation up for success in the ‘new normal’.



The way in which businesses respond to the initial impact of the COVID-19 crisis, minimising the catastrophic effects on its business operations, employee safety, supply chain and ongoing financial viability.

Maintaining business operations during disruption using techniques that allow people, processes and information systems to adapt to changing patterns. The ability to alter operations in the face of changing business conditions preserving the continuity of the provision of 'critical functions' to a firm's customers.

Applying the learnings from key resilience activities and continuing to adapt. Successfully adapting to new business models and ways of working are needed to address essential and obligatory political, economic, socio-cultural, and technological changes.

# BDO AND IPAA's 'RETHINK' INFORMATION SERIES

This Information Series focuses on five of the critical enablers of the Resilience phase, which are particularly relevant for public sector organisations. We will guide you through the role each can play in the decision making process and the important factors your leaders must consider as they look to the future.

If you would like more information about BDO's Rethink framework, please visit [our website](#) for material and podcasts covering a wide range of topics, including people, operations, compliance, risk, and finance.



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# REIMAGINING BUSINESS MODELS

# PERSEVERE OR PIVOT?

There are wide and varied views about the duration of COVID-19 pandemic impacts. Organisations have two choices:

- Do nothing and revert to their old ways
- Leverage the up-side of today's change in approach and transform.

Public sector leaders have some specific considerations to keep in mind when it comes to positioning and executing their organisation's transformation journey.

## THE DRIVERS



### EXTERNAL

The COVID-19 pandemic has been a major accelerator for organisational change. Some organisations have changed more in the past six to eight weeks than they have in the previous four decades.



### INTERNAL

A significant opportunity exists to leverage the current disruption and positive changes that have occurred to further transform public service functions to be more effective and efficient.

## YOUR LEVERS



Vision



Capabilities



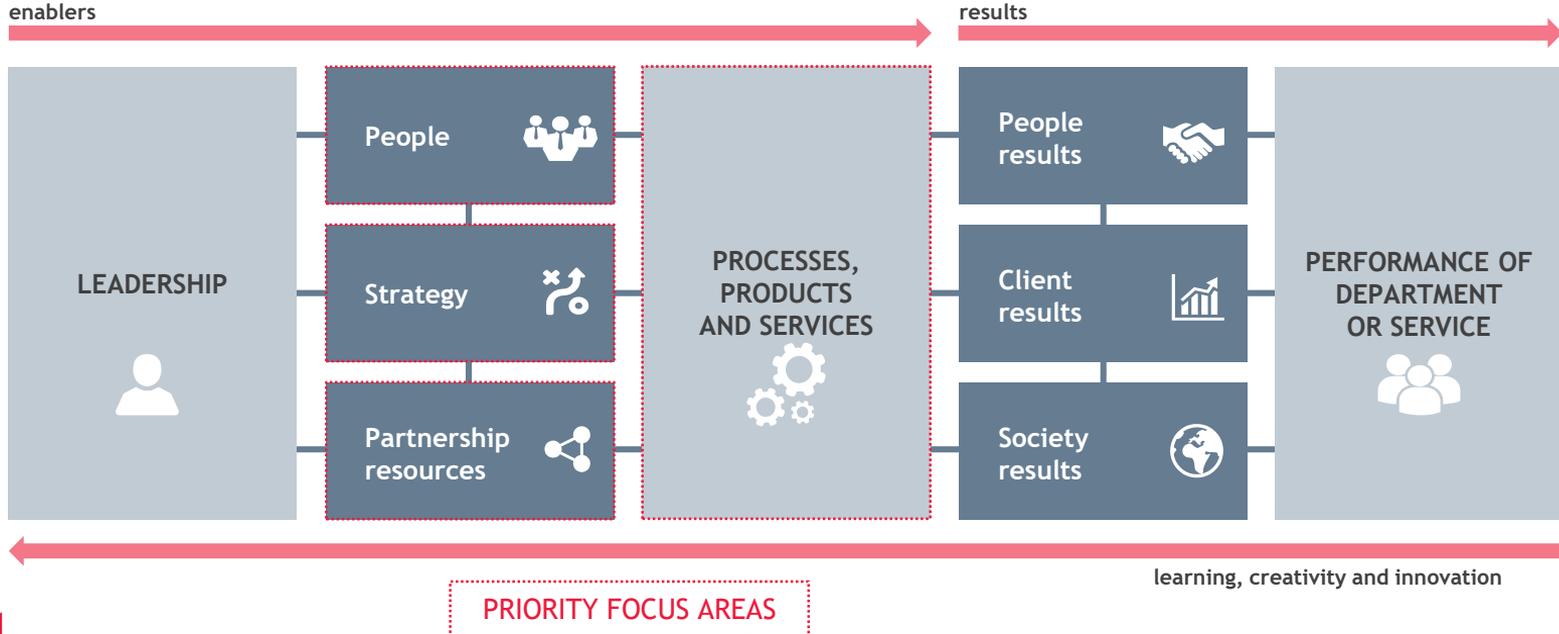
Services

## KEY CONSIDERATIONS

1. Define your department's vision  
*Set the scope you want your department or agency to aspire to deliver*
2. Re-define capabilities  
*What capabilities does your department or function need to deliver its vision?*
3. Pivot services  
*What services will you deliver to leverage your capabilities and support the delivery of your vision?*

# REVIEW AND PIVOT TO LEVERAGE EXISTING DISRUPTION

To understand your organisation's need to pivot or persevere, you must objectively assess that areas that have historically led to organisational challenges. In our experience, the areas that require the most attention are your organisation's **people, strategy, and processes, products and services**. These are the areas that inherently drive results.



# REVIEW AND PIVOT TO LEVERAGE EXISTING DISRUPTION

Real change is hard for any organisation. It is often more difficult for public sector organisations as they face fewer market incentives (or operate in a less competitive environment) than their private sector counterparts, and have objectives that often include societal wellbeing and public value. Focus activities in the short term on reviewing the below enablers to ensure they are still fit-for-purpose. Leverage relationships with inter-department colleagues to understand the opportunities they are capitalising on and where you could learn from their approach.

enablers

## STRATEGY

In both the private and public sector, organisations are realising their existing multi-year strategy is no longer fit-for-purpose

**The change needed is actually more fundamental than strategy alone.**

Organisations must review their purpose (what they are trying to achieve) and then assess the existing strategy from that perspective.



Is the strategy still relevant?

## PEOPLE

If the strategy is no longer fit-for-purpose, there is a chance organisational capability may not be either.

Identify the capability required to deliver your organisation's refreshed strategy and reskill its workforce to set it up for success. Growing from within is integral in times of tight financial investment, but external expertise may help get personnel up to speed faster.



**ACTION:** Review your organisation's workforce capability and align it to deliver your strategy.

## PROCESSES, PRODUCTS AND SERVICES



Processes, products and services fundamentally change as a result of a pivot or augmentation in strategy and people.

Refine your service catalogue and supporting processes to make sure they directly align with organisational strategy. If they are not strategically aligned, there may be other departments better suited to their execution.

**ACTION:** Review processes, products and services to leverage organisational capability and deliver strategy.

## PARTNERSHIP RESOURCES

Operating in the public sector comes with its own set of unique challenges. Looking only to private sector organisations does not always provide a good conduit for opportunities to leverage disruption.

Network with other public sector organisations to understand how they have been disrupted and the actions they are taking to come out of the COVID-19 pandemic stronger.



**ACTION:** Network with other public sector colleagues across agencies and levels of government.



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