

As the world braces for unprecedented economic implications due to the COVID-19 pandemic, we see some trends emerging in enterprise strategy. Here, we outline the top five priorities among our Fortune 1000 clients.

## 1 CASH UNLOCKING AND COST OPTIMIZATION MEASURES



TRENDS

- / **Jointly funded client-partner programs and associated agreements**
  - > Access unused funds
  - > Defer or stop future investments if necessary
- / **Operating costs and third-party contract reviews**
  - > Conduct contract benchmarking and quick price renegotiations
  - > Renegotiate extended credit terms and maximize automation-led efficiencies in tangible terms
- / **Technical debt reduction assessments**
  - > Prioritize near-term opportunities: reduce capex, variabilize opex, and maximize resource utilization
  - > Equal priority to infrastructure, software, and services optimization

## 2 FOCUS ON OPERATIONS ASSURANCE PROGRAMS



TRENDS

- / **Cloud readiness assessments and execution**
  - > Private cloud to public cloud migration
  - > Migration of both backend IT and business workloads
  - > Expedite rollout plan and associated business case
- / **Business continuity and disaster recovery reviews**
  - > Remote connectivity, cybersecurity, and cloud-based solutions for backup, recovery, and archival
  - > Third-party BCP, cybersecurity, and delivery health checks
  - > Remote workforce management and governance for both enterprise and third-party models

## 3 RE-EVALUATION OF ENTERPRISE-WIDE STRATEGY AND INVESTMENTS



TRENDS

- / **Pause enterprise-wide programs that are still on the drawing board**
  - > Drive ongoing programs to the nearest minimum viable product, instead of an abrupt 'hold'
- / **Prepare for a prolonged slowdown and plan for pent-up demand post-recession**
  - > Prioritize projects and investments for immediate operational sustainability and future growth

## 4 REASSESSMENT OF NEW AND IN-PROGRESS SOURCING PROGRAMS



TRENDS

- / **Hold off on new sourcing programs and competitive RFP processes**
  - > Prepare internal baselines, process documentation, critical paperwork, templates, communication transcripts, etc., to hit the ground running when the program is rebooted
- / **Run in-flight sourcing programs to the nearest milestones or absolute completion**
  - > Get to the nearest program checkpoint before making a 'cease vs. continue' decision
  - > Contrary to popular belief, top companies are still running in-flight sourcing programs 100% remotely and uninterrupted at different stages of the sourcing lifecycle (MSA negotiations, contract execution, due diligence, transition), aided by tools and technology enablers for connectivity, collaboration, knowledge scraping, digital signatures, onboarding, and governance
- / **Update new and existing sourcing model and contractual arrangements**
  - > Location dispersion or consolidation, provider diversity or re-insourcing, are *not* far-sighted solutions in a global pandemic — a solid technology footprint is the only viable solution
  - > Inclusion of 'pause' scenarios instead of typical 'run and stop' scenarios in traditional contracts (pandemic-specific clauses in addition to force majeure clauses)
- / **Financial engineering constructs**
  - > Achieve positive savings or, at minimum, net cost neutrality in FY2020

## 5 FLEXIBLE ADVISORY MODELS



TRENDS

- / **Turnkey engagements**
  - > Two to four-week turnaround on point solutions, data, and analysis
  - > Remote strategy workshops and ideation sessions
- / **Flexible pricing and payment options**