



# BACK TO THE CORE IN THE NEW CONTEXT

*How to stay relevant as an organisation, in times of the pandemic COVID-19*

*A paper based on findings from calls with over 100 top-executive profiles from companies in Europe.*



## **Facing the New Context**

The world woke up and found herself in the middle of a pandemic. The spread of COVID-19 caused great uncertainty not only regarding the population's health but also regarding its economy and culture all over the globe. On the one hand, it triggered an acceleration of existing trends, and on the other hand, new dilemmas are now emerging in existing trends. It has changed the world, in the broadest sense and created a new context to live in while we don't even know the real impact on the long term.

## **How to Stay Relevant as an Organisation**

We wanted to know how organisations cope with this crisis and uncertainty. Therefore we set up 40+ calls to talk with executives from a wide range of industries and expertise to exchange vision on the new context and how to stay relevant as an organisation. Together we discussed the changes in values, norms and resources leading to the urge to (re)think strategies in the perspective of this new context we live in.

## **The course of this Paper**

The outcome of the calls, as described in this paper. It starts with the global shake-up, which influences the context of organisations. Based on this context we are going to refine the core purpose and align this core purpose to four fundamentals reinforcing the sustainability of business models. Finally, we end-up with ten enablers to make the core purpose and the refined business model work.

# **INTRODUCTION**



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*The following topics and the storyline of this document are based on the outcome of the discussions we had with more than 100 executive profiles.*



## **1. Global shake-up creating a new context**

- The impact of the COVID-19 pandemic on the world
- Evolved trends and dilemma's



## **2. Back to the core in the new context**

- Core purpose
- Key values



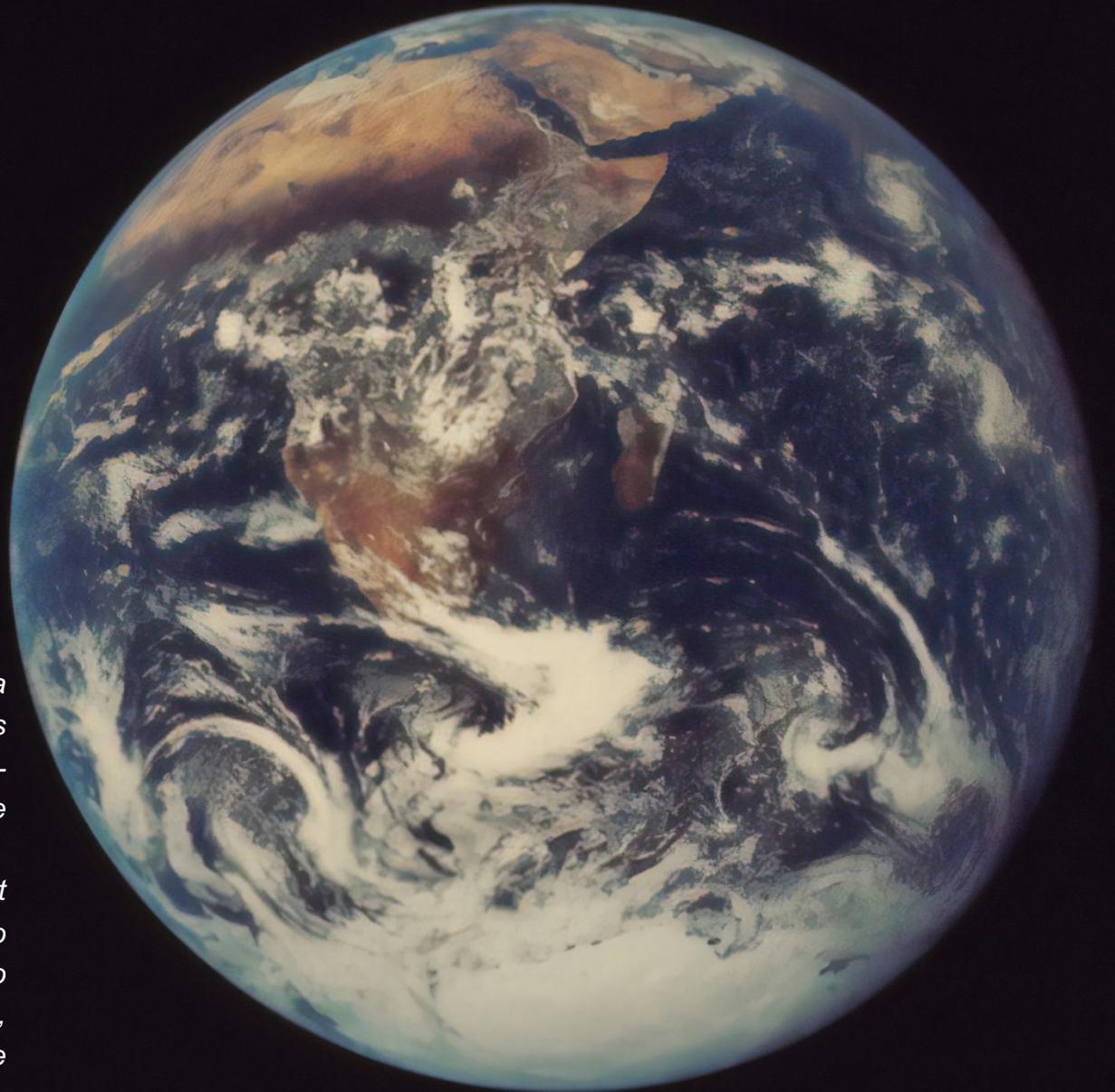
## **3. Prepare to stay relevant in this new context**

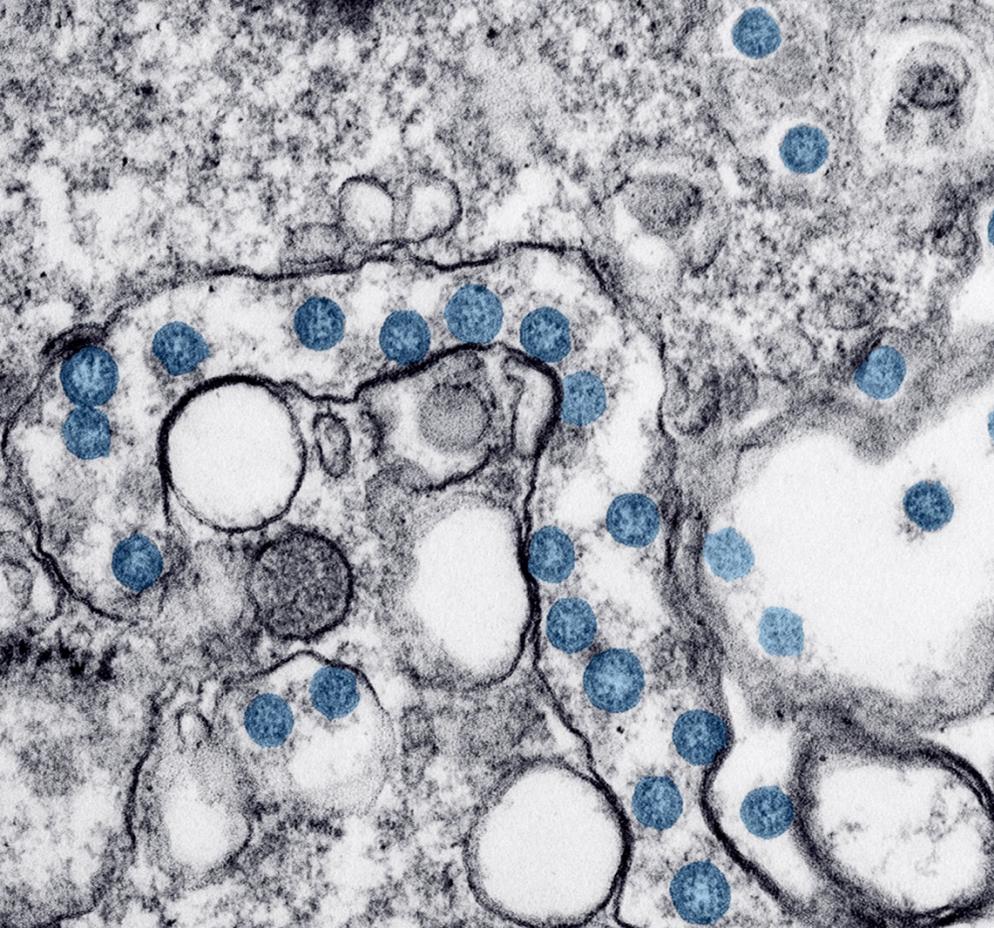
- Ten enablers to (re)implement the core and stay relevant in the new context

# A GLOBAL SHAKE-UP

*The crisis of 2020 causes a shake-up with a worldwide impact on different levels. A lot has changed and from now on leaders, decision-makers, innovators and citizens look at the world in a new context.*

*This new and rapidly changing context requires to address, act upon and react to changes in a new way. The developments also create chances to positively impact the future, without draining all the good that we have created in the past.*





# THE IMPACT OF COVID-19

*The world is still uncertain about the actual future impact of the coronavirus and what the consequences will be. Without being able to forecast what is yet to come, some of the consequences are already visible. What we know today is that the impact is felt worldwide and on many different levels.*

## **The Human Impact**

The pandemic creates a humanitarian crisis. People experience stress not only by coping with health, financial and mental issues but also by worrying about them. High demand for basic needs such as safety, social interaction and wealth causes a feeling of uncertainty regarding the future.

## **The Economic Impact**

Economic growth stagnates and unemployment increases. Some industries and many SMEs are struggling and will probably not make it. This will have consequences for the global economy. COVID-19 is also a catalyst on the US and China trade war, which will have a huge economic impact.

## **The Social-Cultural Impact**

Due to lost turnover and inefficiencies, companies raise their prices, in disadvantage of communities who struggle financially. This might enlarge the gap between rich and poor, which can result in social problems impacting different classes of society. Each country faces similar dilemmas, however, the response on it depends on culture. Differences in norms and values embedded in international cultures become more visible now. One sees how some put economy first and some the health of society.

## **The Political Impact**

Each country has different legislations and approaches, which makes collaboration and international business operations challenging. The crisis feeds new political movements. Also, the enormous debts within Europe cause friction within and between prosperous and non-prosperous EU countries.

# TRENDS AND DILEMMAS

*Priorities, values and perspectives have changed. The urgency for some new trends increase tremendously and the need and value of certain existing trends explode (compare trends we identified at the beginning of this year with today in our [Outlook 2020](#)). Suddenly, you see how some trends oppose each other in the current circumstances, leading to a rise of dilemmas\*. Companies have to make decisions upon which direction they want to lead their business in, to ensure a sustainable roadmap for the future.*

## **Individuality - Groupsolidarity**

By the system imposed rules like wearing a face mask and keeping one and a half meter distance to protect the people or letting individuals take responsibility for their actions?

## **Local - Global**

Progressive internationalization of the production of goods and services to keep resource costs low or keeping the supply chain as short as possible and going local to ensure continuity?

## **Digital - Physical**

Now that most work ways are digitally, we become aware of the substantial human benefits of physical contact. To what extent and how should we live digitally and what do we keep physical?

## **Health - Economy**

Putting the physical health of society first, at the expense of the economy, or keeping the economy up and running while risking people's lives? Are we able to find the synergy?



# BACK TO THE CORE OF YOUR BUSINESS

*To stay relevant as an organisation, you should evaluate what the core of your business means in today's context. What is the core? What is the reason for existing, the core purpose? How does your organisation express itself and what is the offer to today's world?*

*The core is the identity, it determines values and inspires. It gives direction, support and helps to stay close to yourself, especially in difficult times. Therefore, your core must be a part of every decision you make or every action you perform.*

## 1. Sustainable Existence

Sustainability of the business model is of everyone's advantage. The business model should, by design, combine mid- and long term economic profitability, with a contribution to people and the environment.

## 2. Organisational Diversity

It has become clear, that we are all in this situation together and that every hand and mind counts in society. Embodying diversity in discipline, gender, culture and (physical & mental) capabilities incorporates a growth model. At the end of the day, a diverse team creates balance and untraditional perspectives leading to bigger insight into the needs of society, and this is a precondition for a positive business case.

## 3. Social & Ethical Responsibility

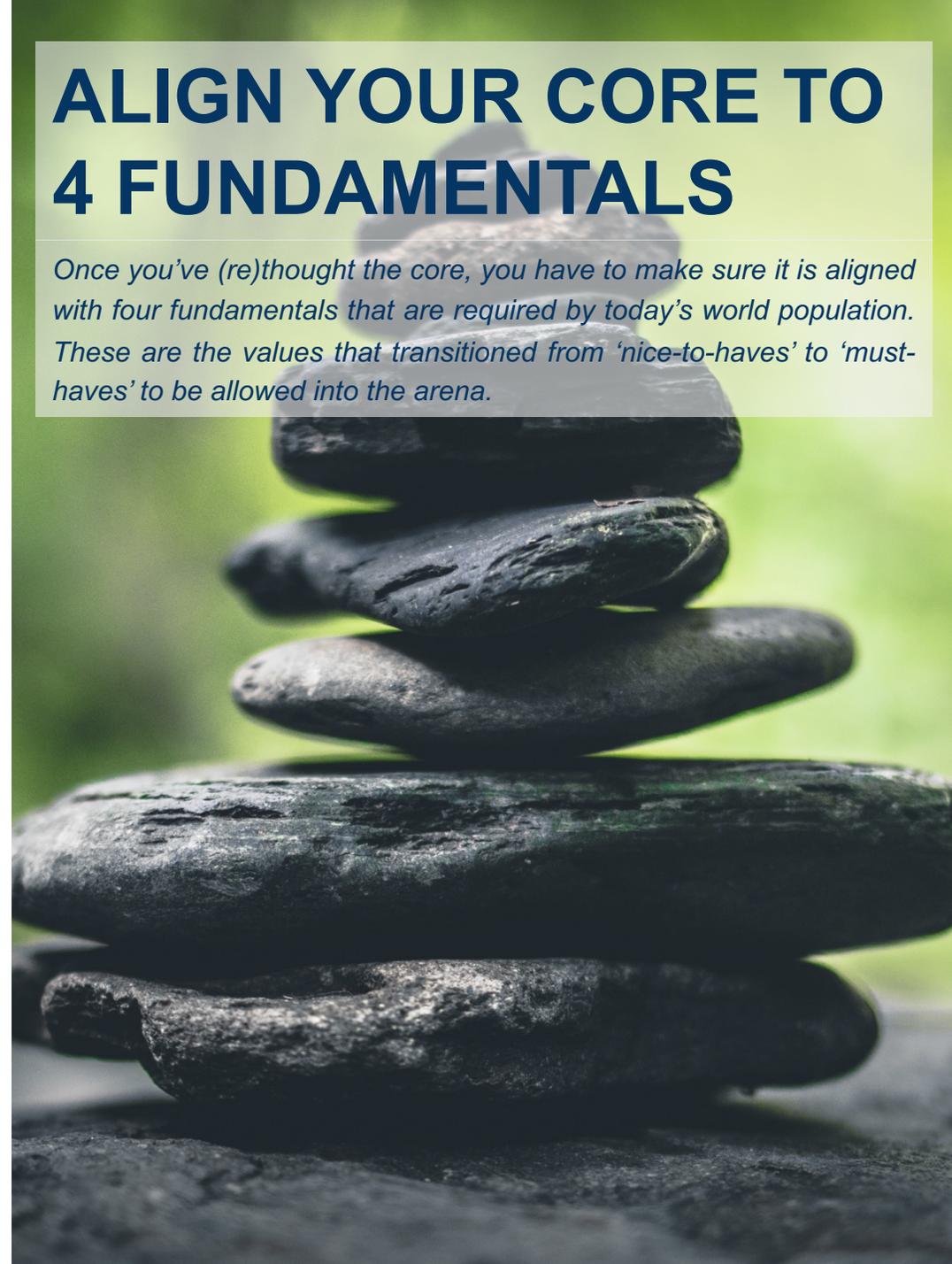
Companies have an influence on people, so voluntarily or not, they contribute to the social and cultural DNA and values of society. The awareness of this is increasing, so companies have to take their responsibility. Make sure to have values clear and that your core is aligned with these values.

## 4. Experience Customer Centricity

Technologies develop at a rapid pace and consumers adapt to this very fast. Companies try to respond accordingly. In this response it is a must to put the customer and its experience in the centre of products, services and the servicing of customers.

# ALIGN YOUR CORE TO 4 FUNDAMENTALS

*Once you've (re)thought the core, you have to make sure it is aligned with four fundamentals that are required by today's world population. These are the values that transitioned from 'nice-to-haves' to 'must-haves' to be allowed into the arena.*





# PREPARE TO (RE)IMPLEMENT THE CORE AND STAY RELEVANT IN THE NEW CONTEXT

*After reevaluating the core and aligning it with the required values of today, prepare to implement your strategy. You want to define the way to express your relevancy to your target groups by using certain tools. Together with the participants of the calls, we have identified 10 of such elements that help you activate your core and enable opportunities that might hide in this new world.*



## 1. Substantive Scenario Planning

No one can predict the future, but preparing for what's in the store is half the work. In an uncertain situation, it is useful to devise multiple scenarios and to continuously adapt them to the changing situation. Furthermore, today's world is changing rapidly, which means that the strategy and thus the scenarios will have to be evaluated more frequently or even continuously.

As an organisation you don't have to stick to one specific scenario. Rather use multiple scenario's as a guideline and, if necessary, adapt, replace or add scenarios. The trick is to keep the number of scenarios clear.

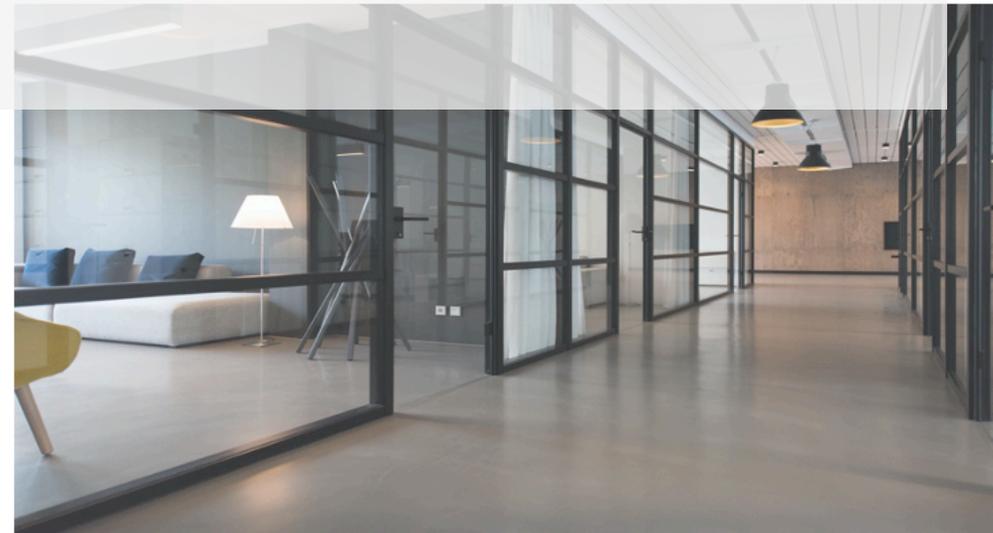
Scenario modelling can be done across different axes. Not only on low, medium-high but also on business directions. Identify the substantive axes that are relevant to your sector and organisation. This can contribute to the inspiration for solutions, new possibilities and opportunities in this difficult period.

## 2. Co-creating Role of the Office

Many companies introduced the policies for their employees to work from home. In the long run, this could potentially permanently change the occupation of the office building.

Make use of this and set up the office where the needs of the organisation and the employees lie. It could become a network place only for interactive creativity and brainstorm sessions, with some quiet workplaces.

Start the conversation about this with your employees and find out their opinion about the ideal way of working and usages of physical spaces. In the end, the work environment is a substantial influencer of the organisations' culture and productivity. It should contribute to the experiences of happiness and involvement of colleagues, partners and customers.





### 3. Transparent Communication

In uncertain times, people want to know where they stand and what to expect. They want answers to all the questions they have. Organisations cannot offer this, but what you can offer is the trust that they will be included in the process and that it is honest and transparent communication about what the organisation is doing.

People don't want to feel powerless, they want to help. Doing everything they can, to make the situation as bearable as possible for everyone. By including them in the process with an open and transparent dialogue, you ensure loyalty and create helpfulness among colleagues.

In short, transparency and an honest dialogue stimulates security and loyalty. This applies not only to consumers concerning the origin of products, but also to the internal process and the state of affairs.

### 4. Agility

A crisis shows how quickly the world can change, and this does not stop after the crisis. So be prepared for rapid changes that you as an organisation have to respond to at short notice. It becomes essential to be agile and manoeuvrable in order to be able to adapt to current and future changes.

Make sure that this agility is reflected in every part of your business model and of your organisation. Consider, for example, the flexibility in your office building, the way of working or the design of physical and digital processes. However, also consider the flexible possibility for new ideas, innovate and entrepreneurial initiatives and with that, also flexibility in handling mistakes.





## 5. Business Model Innovation

Today, innovation is essential for creating a future-proof business model and generating potential growth. Be agile with your business model, and make it a continuous loop of optimization and innovation to remain future-proof. In doing so, keep the focus on ...

### Target groups

Look at your target group, is this still the same target group as you had before? Have the needs of the target group changed in times of crisis? How can you best respond to this?

### Added value

Focus on the customer's needs. What do they want and how can you provide this. What is the real added value that allows your organisation to maintain the loyalty of your customers and gain an advantage over your competitors.

### Value proposition

Review your proposition, make sure that what you have to offer meets the need. Also, people are looking for trust, they are looking for a hold on during an uncertain period. Offer consumers that reliability and fulfill their needs, so that they experience true added value with you.

### Innovation

Structurally innovate to continuously provide added value to your employees, relations and customers. Where innovation can be both an adaption as a fundamental change in the function of a product or service.



## 6. Meaningful Leadership

The situation in times of crisis calls for a different form of leadership. By working from home, as a leader it is no longer possible to continuously monitor your employees. For employees, the situation creates a degree of uncertainty about the future of the company and the individual. This makes trust an important component on both sides.

A different leadership is required in these times. On the one hand, good leadership is all about being a rock, in terms of humanity. Showing that a leader cares about the well-being of employees and connect (with) them should be a walk in the park. On the other hand, it is about daring to make decisions and being able to respond flexibly and quickly to changing demands.

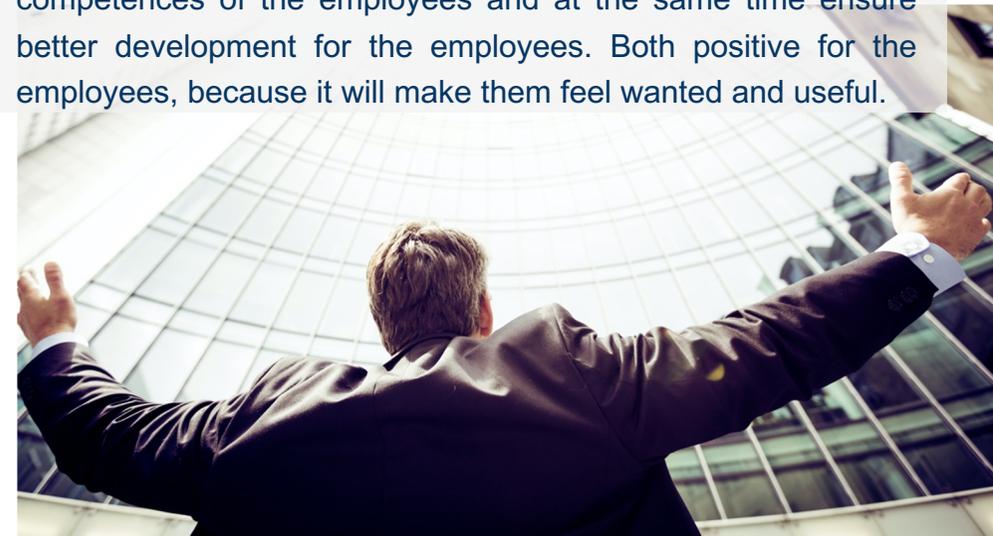
Provide moral leadership. Provide an example for people, they do not follow what you are saying, but what you are doing.

## 7. Multifunctional employability

Look at the value and competences of the employees and where they can best be used instead of the positions that can be filled.

In times of crisis, not all functions will survive or remain the same. Filling in the functions in the new context will demand a degree of flexibility and agility from managers as well as employees. It is important to fill the position of employees in a creatively and innovatively to make the best possible use of the opportunities offered by the crisis. And when employees are no longer needed, also look at the possibilities for collaboration with partners. Perhaps they need the competences and want to take over or share employees.

Use the current situation to potentially deploy your employees in a multifunctional way, making the best use of the competences of the employees and at the same time ensure better development for the employees. Both positive for the employees, because it will make them feel wanted and useful.



## 8. Power of the Network

Use the powerful wisdom of the crowd and trust each other. Use the network to create a valuable and redundant value chain. For a quick response on change, it is essential to use the power of ...

### **The Network within the Teams**

Trust and use the strength of the team to take responsibility for ensuring that the work that needs to be done is done. For example, if the leader does not have the time to oversee, use the responsibility of the team.

### **The Network within the Organisation**

Use the interconnection of the company to join forces and thus optimize business processes with creativity and innovation. For example, a team within the organisation located somewhere different (international) might provide another perspective.

### **The Network between Organisations**

Do not compete with each other, but partner up to obtain a more advantaged position in the market. For example, organisations within Europe can work together to stand stronger against competition from the US or China.

### **The Network with the Customer**

Take the customer along in your company journey and work together to get the best out of this crisis. Listen to the changing demand and use opportunities that the customers may offer.



## 9. Process optimization and digitization

There is no escape from living and working in a digital world. It is time to take a look at your internal and external (digital) processes and see how you can optimize this. Especially in a pandemic you see how important it is for the communication between people and the purchase and sale processes within your organisation. Digitization seems like a major investment, but if you look at the long term and the future sustainability of your company, it is essential to implement digitization.

Re-evaluate the running processes within your organisation and discover which processes can be optimized and digitized. Digital transformation offers opportunities to make business processes less dependent on the physical presence of managers and employees. Digitization is the basis for the new way of collaboration and productivity. The opportunity that makes your organisation future-proof, now and after the crisis.



## 10. Data-driven

In times of crisis, we have learned how important it is to have the right data at your disposal. It is very difficult to anticipate an uncertain situation without data.

Reason for your organisation what data-driven working means, what your goal is, what delivers value for your business and what data you need for this. In this way, you keep the data small, relevant and clear. Secure your data and ensure that the required data is complete, accurate and therefore of good quality.

Although your organisation is data-driven, people remain essential. They have to believe in it and work with it. Provide transparent communication and include them in the data-driven work process. People are often the main reason for data leakage, so invest in the data safety awareness of your employees.



# TOGETHER WE CREATE

*This paper is the result of a collaboration between Consultive executive search, and The Next Organization. We would like to thank everyone who participated in the corona calls, 'future talks', and especially thank our partner Consultive for the good organisation and care during these conversations.*

## **The Next Organization**

The Next Organization is a strategic consultancy firm, specializing in improving the commercial performance of organisations.

We innovate and optimize business models together with organisations. Changing customer behavior, social and technological developments are the starting point.

The sustainable result is the goal; that's why we support from strategy to implementation... and beyond. In this way we help to achieve desired growth and to create your next organisation.

If you want to share your thoughts, are interested to know more or have any questions, please feel free to [contact us](#).



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