



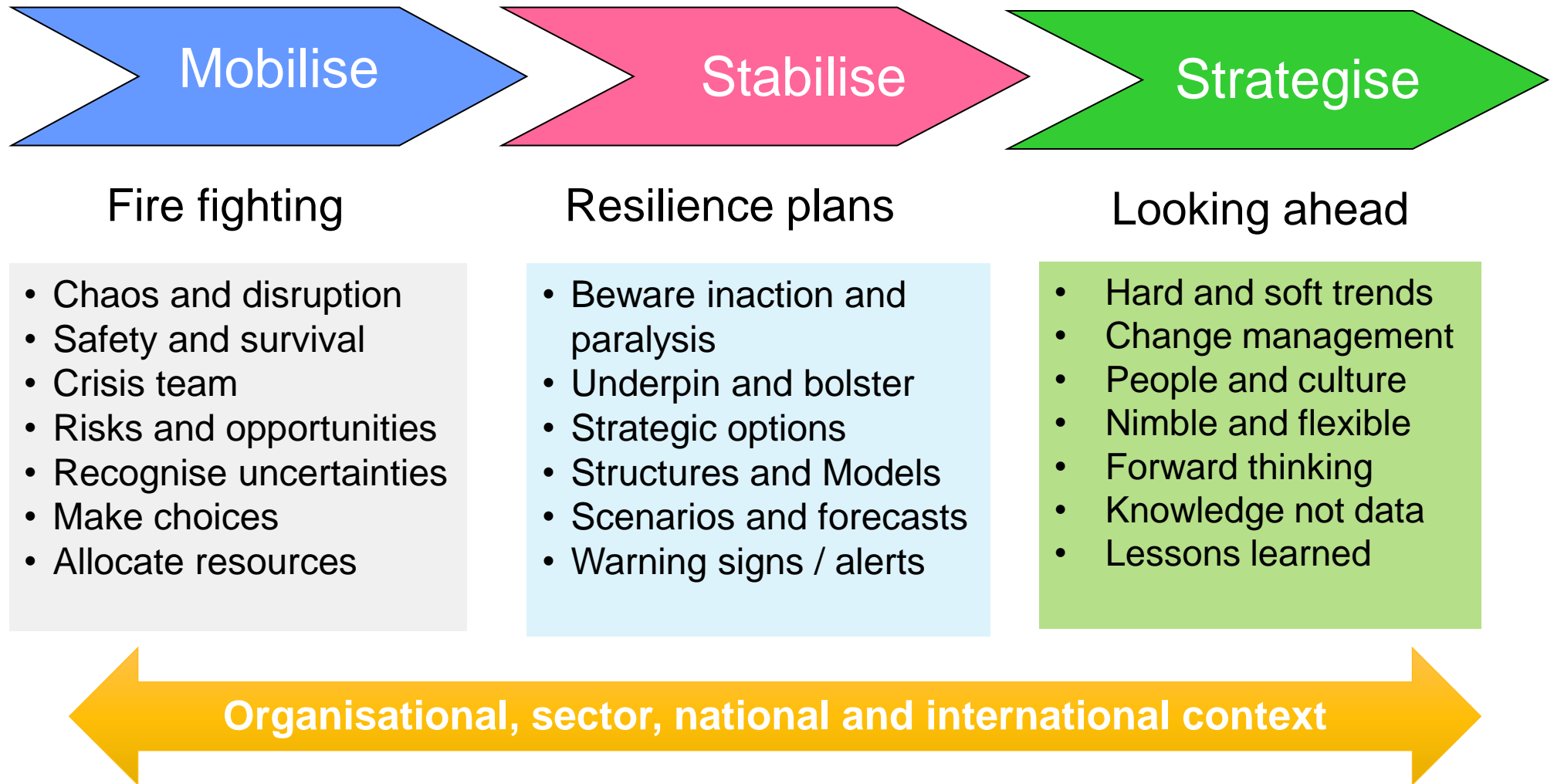
# Re-thinking what we do and how we do it in the new normal

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# Mobilise, stabilise, strategise



Do you have the right people doing the right things in the right place at the right time  
The crisis team is different to the recovery team that needs to look ahead

# What should the priorities be in the next normal?

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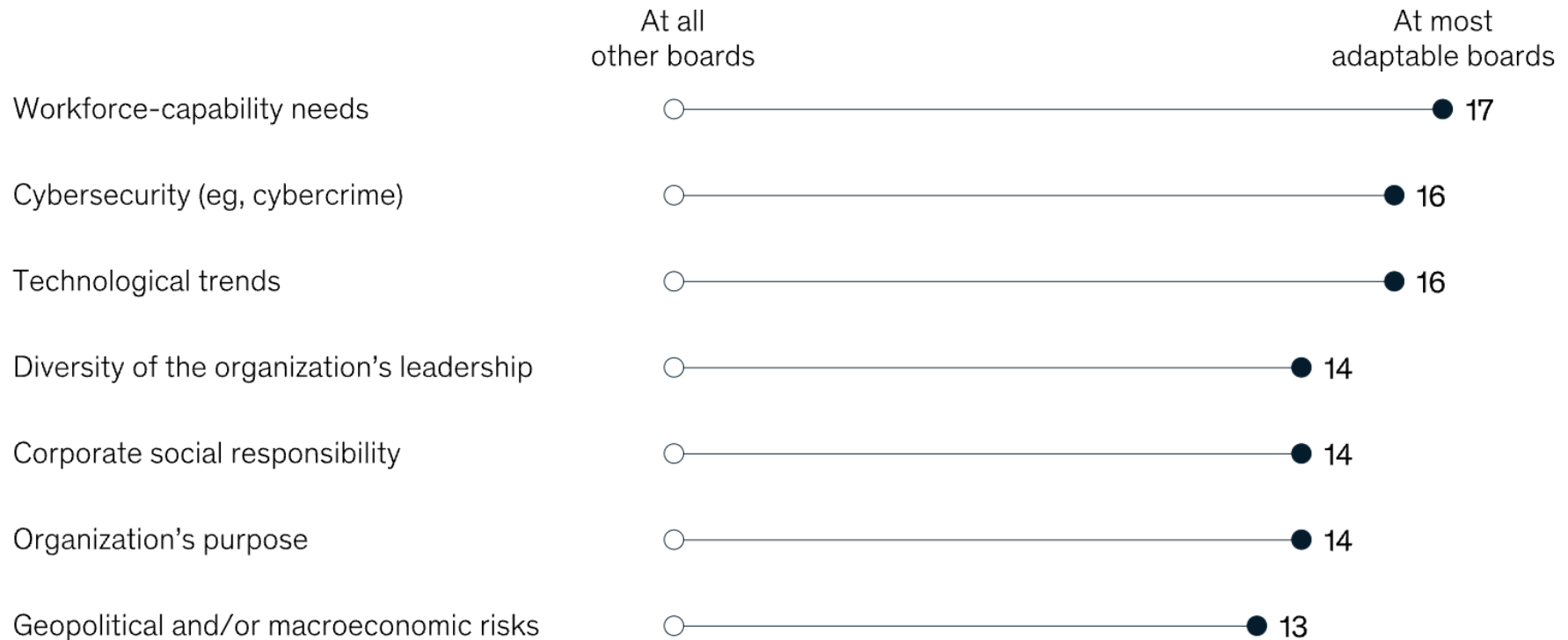
- A focus on a sustainable strategy (ESG and EDI)
- Get the most value from digital, IT and data
- Invest in talent
- Agility (sustainable speed) & resilience
- Operate to enhance productivity and deliver the desired outcome & impact

In the new normal Boards must focus on talent, culture and long term value to drive organisational change

# The postpandemic board agenda: Redefining corporate resilience

**Nearly every topic the survey tested is more likely to be on the agendas of the most adaptable boards, compared with their peers.**

**Reported topics on the board agenda,<sup>1</sup> percentage-point difference, directors on most adaptable boards<sup>2</sup> vs others**



<sup>1</sup>Out of 15 topics that were offered as answer choices.

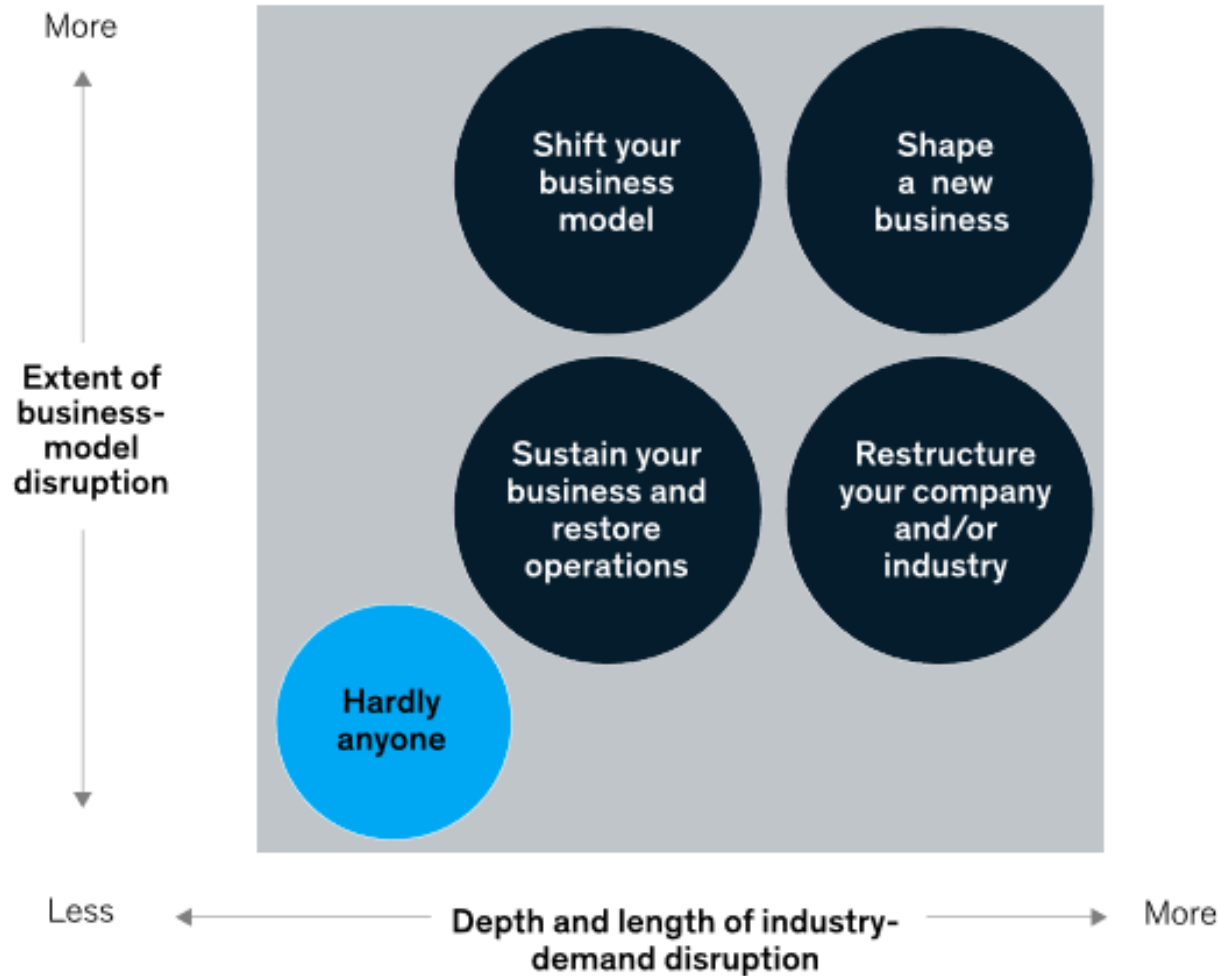
<sup>2</sup>Respondents who reported at least one structural change, one process change, and one change to collaboration on their boards since the COVID-19 crisis began *and* that their boards have been effective at helping the organization respond to COVID-19; n = 143. For all other respondents, n = 268.

**Re-thinking strategies**

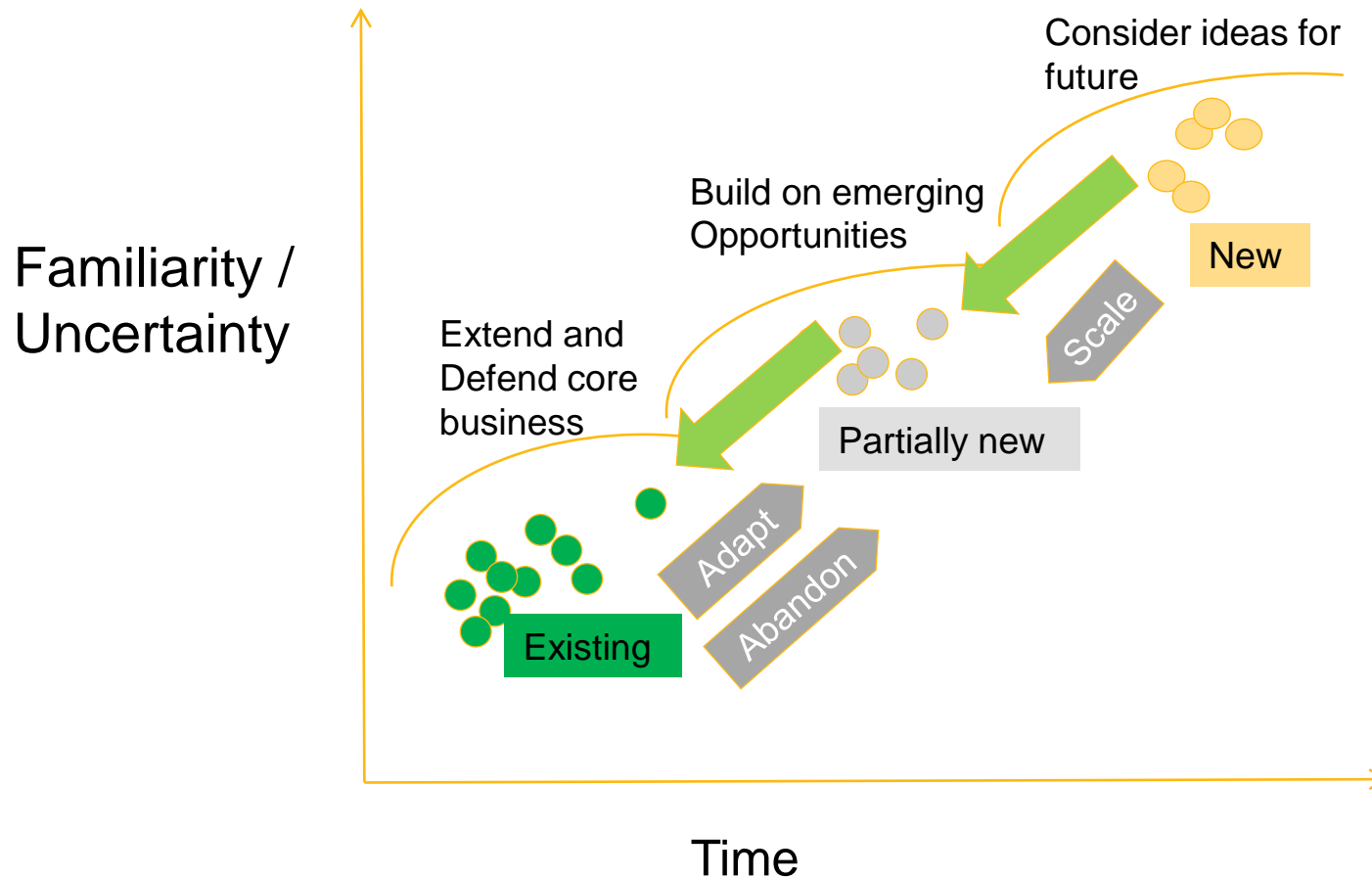


# Choose a strategic direction based on shifting disruptions & options

Broad direction of travel toward next normal



# Innovation and the three horizons



- We cannot just do what we have always done
- We need to relentlessly work on transforming good ideas into reality.
- Identify – shape – go to scale
- Need to explore exploit and give up
- The focus is often on Horizons 1 and 3 but Horizon 2 is really important for viability

Re-thinking structures,  
operations, business  
models & ways of  
working





# Structures, operations, business models & ways of working

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- Are the ways of doing things fit for purpose?
- What are the complexities and unnecessary activities that we have allowed to flourish?
- Improving efficiency and productivity will be critical and will require real focus
- Take a good hard look at the fundamental business model
- Are our ways of working fit for purpose? How do we recruit and retain talent?

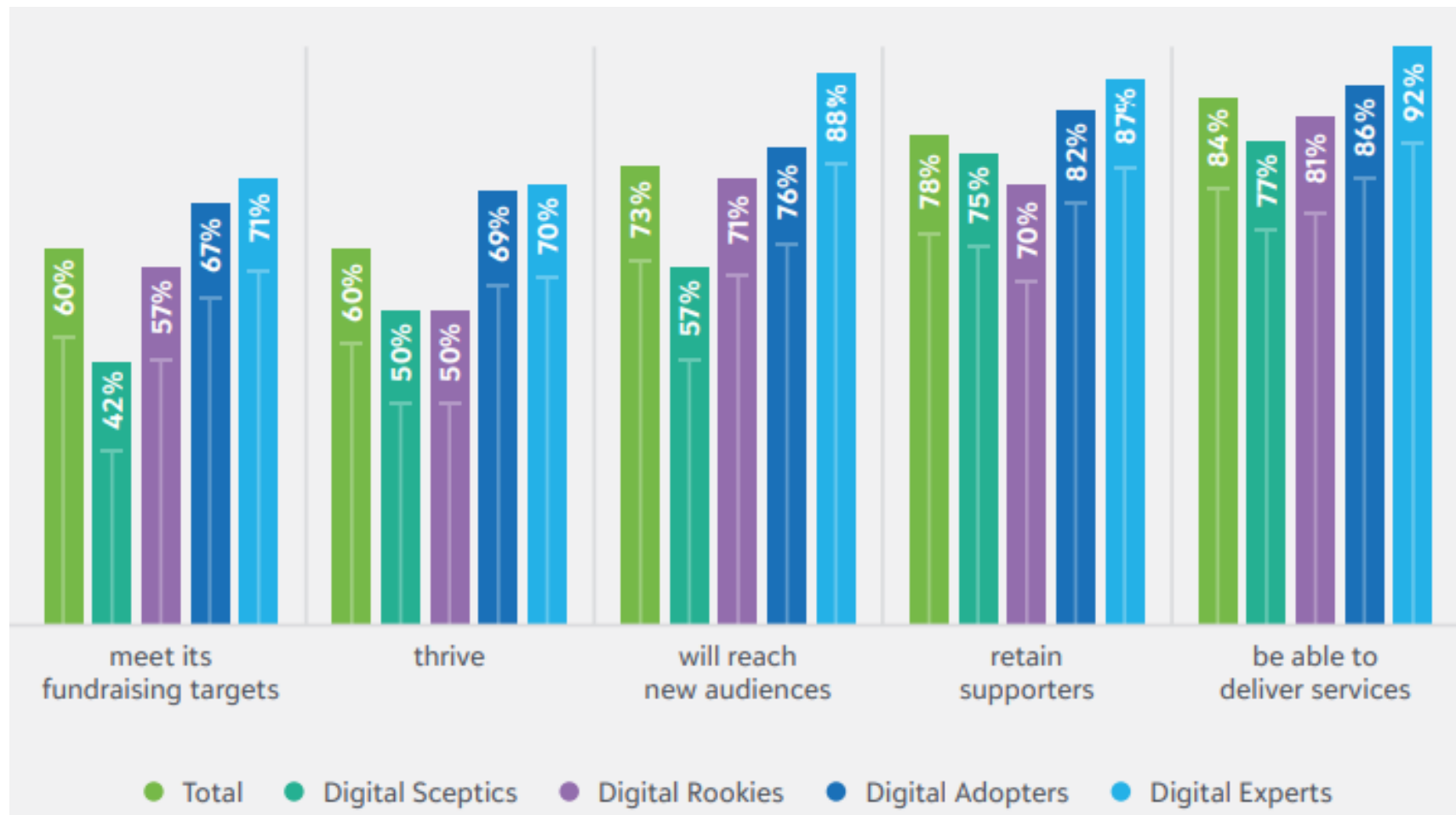
Ways of working & how we do things have necessarily changed and will continue to evolve. The question is are leaders acting as catalysts for change when it is needed? Are they ready to take difficult decisions?

# Re-thinking financial management



# Status of UK Fundraising: 2021 Benchmarking Report

Digital Experts showed themselves to be the organisations that scored best in every area of the survey.



<https://www.blackbaud.co.uk/industry-insights/resources/ebook-the-status-of-uk-fundraising-2021-benchmark-report>

# Re-thinking financial management

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- Look and plan across multiple time horizons: plan for the short, medium and longer term
- Look at what has changed and identify drivers of financial forecasts
- Support financial planning by using fast accurate scenario planning using good quality data and considering external factors
- Be agile in the planning process by working across functions to identify any changes in the drivers for the organisation to update the scenarios and financial forecasts

# Re-thinking controls



# Controls in remote working and the new normal

## Transition to remote environment

Elevated risk of control weakness in the initial period

Increased instances of workarounds

## Operating in a remote environment

New routines and controls. In some cases risks remained elevated

Compensating controls

## Business as usual in the new normal – finding the balance

Mix of remote and onsite working. Finding the balance for sustainable processes.

Sustainable processes

## Some areas to consider

Segregation of duties

Authorisation & approval

Controls over standing data

Data access & sharing

Physical controls

Board monitoring

Financial monitoring

Disaster recovery & insurance

Risk management

Local offices & partners

# Re-thinking risk management



# Seven lessons for risk management from the pandemic

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Known and unknowns



Systemic weaknesses in operations & systems



Linear/siloed approach



Risk tolerance & risk appetite



Opportunity in adversity



Monitoring & reviewing risks



Risk velocity



# Re-thinking performance management



# A culture of performance measurement

## What to measure

- Define and develop objectives, outcomes, and metrics for each performance measurement category
- Develop metric details with the involvement of the 'business'
- Focus on current and the future
- Have leading and lag indicators
- Consider benchmarks

## How to measure

- Link strategic and operational metrics
- KPIs should monitor both cost and value Integrate the metrics with planning and budgeting Consider technology & tools
- Consider how easy it is to collect the data

## Use of measure

- Focus on critical issues that drive performance
- How and to whom should the performance be reported
- Establish accountabilities for performance
- Consider the cultural and behavioural aspects
- Consider frequency of reporting
- Consider format of reporting
- Consider external stakeholders

Consider near, medium and long term – a phased approach evolving through time



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