

report

“BUSINESS RESILIENCE” ...THE INEVITABLE BUSINESS STRATEGY

by Marina Meštrović, TIS grupa

WHAT DOES IT MEAN TO BE BUSINESS RESILIENT?

Business resilience has become a hot topic nowadays, but the question is how understandable this term really is. The term 'business resilience' is best defined through the standard ISO 22316:2017 'Security and resilience' as the ability of an organization to absorb and adapt in a changing environment to enable it to deliver its objectives and to survive and prosper. Organizations can only be more or less resilient, as there is no absolute measure or definitive goal. What we are witnessing since March 2020 is the ongoing COVID-19 situation that has impacted every organization, that is why companies' resilience is being tested as never before.

THE NUMBERS SPEAK FOR THEMSELVES

In order to adapt to the new situation, almost 50% of organizations have adopted work from home or introduced flexible working hours, while 20% of them work entirely using digital platforms. Consequently, businesses should focus on accelerating their digital transformation in order to increase their ability to adapt to disruptions due to the COVID-19 situation and enhance the organization's resilience.

WHY YOUR COMPANY NEEDS A DIGITAL TRANSFORMATION... RIGHT NOW!

Even before the COVID-19 pandemic erupted, many organizations were struggling with implementing new IT solutions. The challenge has only accelerated now, bringing a growing realization into sharp focus: the future of work and life will be more digital than people previously could have imagined. A massive shift to remote work came to light as a major risk to organizations' IT infrastructure.

HOW CAN YOU IMPLEMENT BUSINESS RESILIENCE STRATEGY?

An organization's resilience is influenced by a unique combination and interaction of strategic and operational factors. To integrate operational resilience, the best method, according to business resilience experts, is a tabletop exercise. The tabletop exercise is an activity in which key personnel should be assigned emergency management roles and responsibilities where they have to gather to discuss various simulated emergency situations in a non-threatening environment. The exercises help build an organizational culture that is ready for any change or risk that may occur inside or outside of the organization. As almost every organization's dependence on digital technology grows, adapting and managing digital technologies will be a critical strategic focus to business resilience. Almost 70% of organizations point out that their priorities in future development are

following technological paradigms: process automation, integration, cloud technologies, data and document management, and robotics.

FIVE STEPS TO DEVELOP DIGITAL RESILIENCE

Considering the needs of most departments within organizations, the best way to increase digital resilience is with:

- Introduction of digitized distributed work through balanced work from the office and at home.
- Introduction of new sales and communication channels with customers using video communication and robotization of personalized presentation.
- Introduction of document lifecycle management, from document creation over remote electronic signing to archiving.
- Integration of internal and external systems for automation of business processes.
- Introduction of cloud technologies, while increasing data security.

ENSURING SUSTAINABLE ADVANTAGE BY BUILDING LONG-TERM RESILIENCE

Digital transformation will not only build long-term resilience (increasing speed to market, stability, and workforce productivity), but will also deliver short-term financial gains. Organizations that use IT solutions can expect their profit margins to increase by 12% to 20%. They will generate up to 50% of the additional profits in the first year, thereby generating the resources needed to fund the rest of the transformation process. More than 80% of IT solutions will be self-funded, according to recent research.

Enhancing resilience can be a strategic organizational goal and will result in good business practices and effective risk management. Investing in digital resilience will help companies to provide a secure working environment, strengthen business relationships with business partners, increase customer satisfaction, and create a sustainable competitive advantage in the new reality.

