

Organisational resilience

Are organisations ready to face the next unknown?

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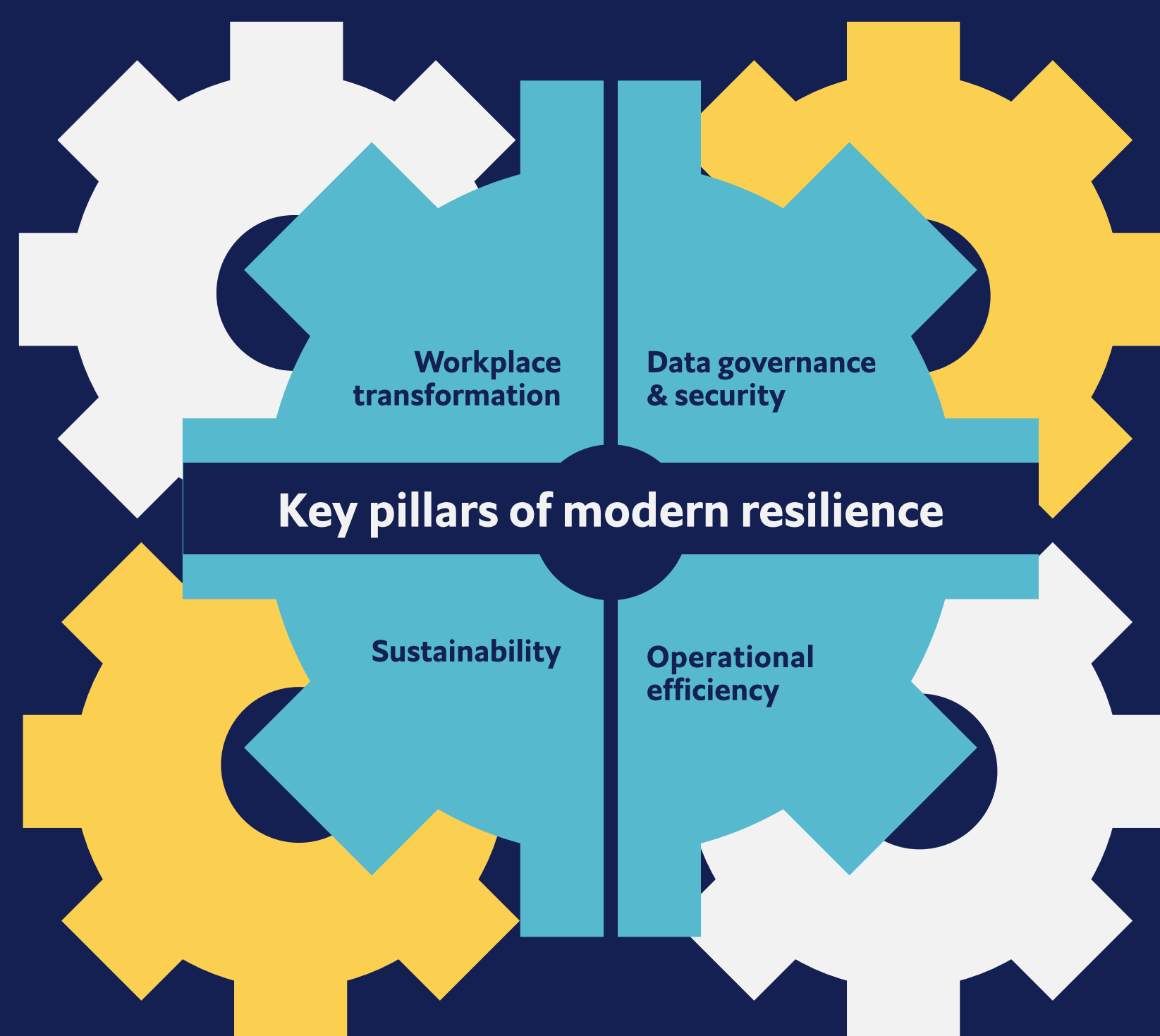
Global shocks—pandemics, financial crises, extreme weather and climate change, supply-chain disruptions, labour shortages, political unrest—are happening more frequently and on a broader scale, putting organisations to the test.

Organisational resilience is the ability to survive and prosper in the face of sudden disruptions and incremental change. It requires organisations to constantly:

- ▶ Anticipate
- ▶ Prepare
- ▶ Respond
- ▶ Adapt

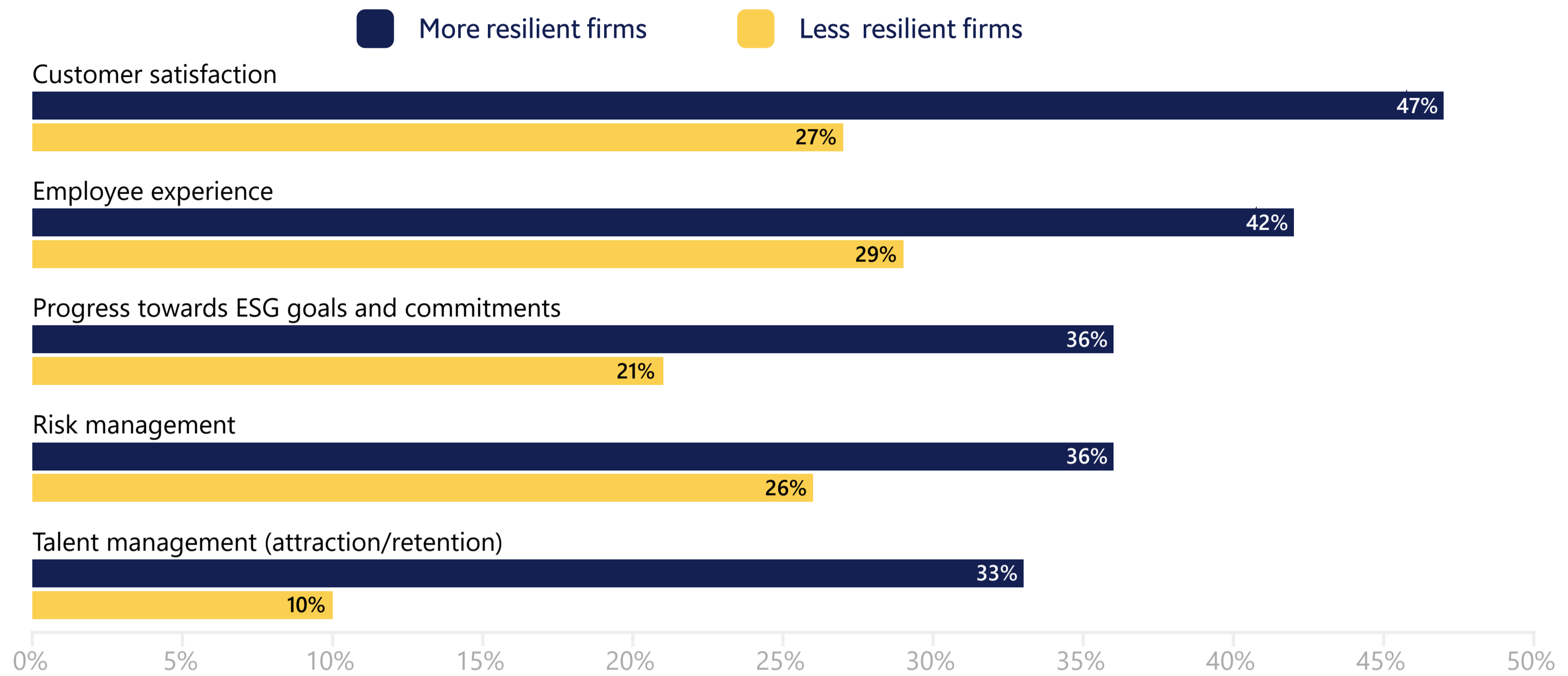
Resilience requires understanding how each part of an organisation interacts—as well as the individual resilience of each division and stakeholder.

84% of organisations agree that resilience must consider all parts of the enterprise.



Our data suggest a strong positive relationship between resilience and performance, signalling an imperative for business leaders to act.

Resilient organisations are significantly ahead of peers on key performance metrics.

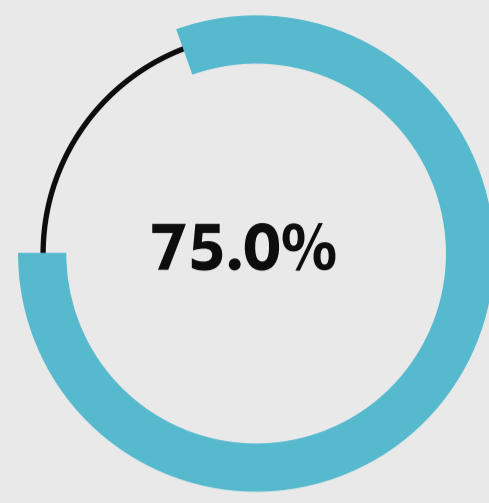


Since the beginning of the pandemic, a focus on resilience has more than doubled in key organisational functions, particularly among human resources, facilities and supply-chain managers.

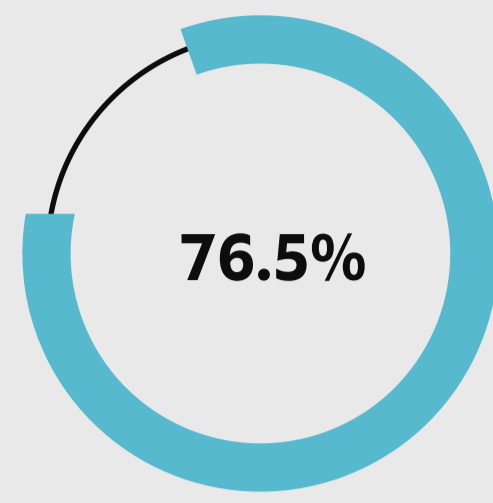
Cross-functional collaboration and a dedicated resilience budget have received the greatest attention among the resilience-building efforts since the onset of the pandemic.



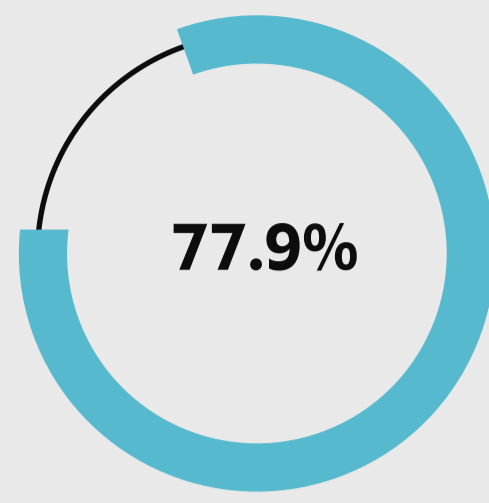
An overwhelming majority of executives across different functional areas are highly optimistic about their resilience efforts.



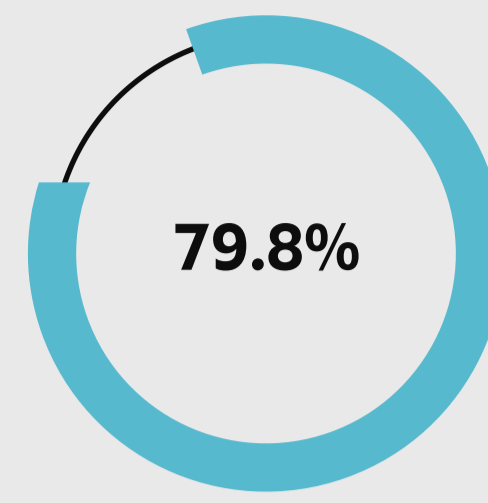
Sustainability



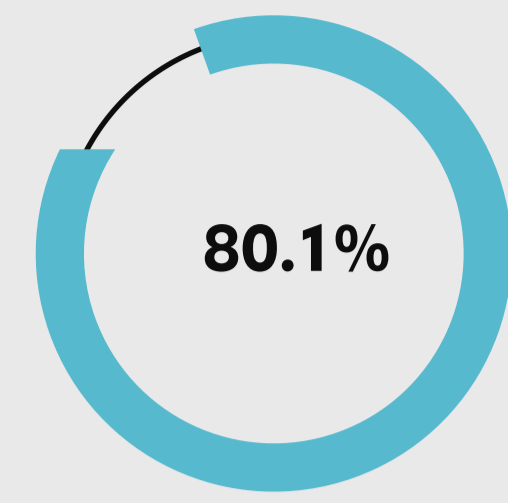
Operational efficiency



Workforce



Data & cyber



Digital transformation

But the approach towards resilience is fragmented, signalling a considerable gap between perceptions and realities.

Only

26%

of respondents reported that the CEO is most directly responsible for driving resilience initiatives; and executives overseeing key pillars of resilience do not always work together or are not included in resilience building efforts.

Despite the increased focus in today's world.



75% of organisations agree that the lack of standardised metrics to measure resilience makes it challenging to show progress, which in turn makes getting leadership buy-in difficult.



Only 12% of respondents say that a resilience/governance committee is involved in resilience initiatives within their organisation; and just 3% report that the committee is most directly responsible for driving resilience initiatives.



Workplace transformation

Since the beginning of the pandemic, **49%** of respondents accelerated investments in offering flexible work and scheduling options and hybrid work technology platforms.

43% reported increased investments in diversifying approaches to the physical office/workspace.

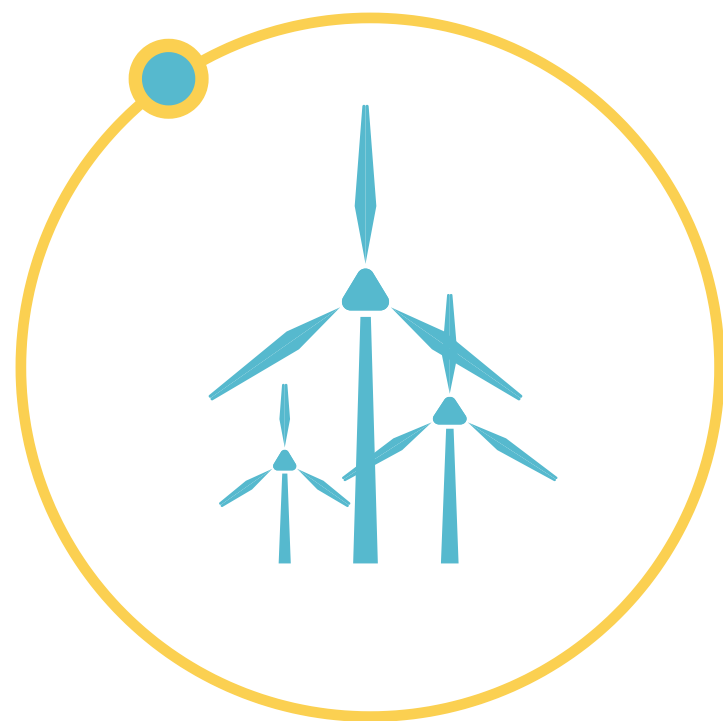


Data governance and security

Leaders expect work and business to stay digitalised post-pandemic. Increased investments in hybrid work data protection and security applications during the pandemic were reported by **48%** of respondents.

93% of organisations have implemented initiatives to clean up legacy physical and digital documents, files and data.

Four pillars of modern resilience



Sustainability

Supply-chain leaders, in particular, have increased their focus on ESG considerations (**46%** pre-pandemic compared with **89%** today).

94% of organisations have integrated ESG goals and commitments into their organisation's overall strategy.

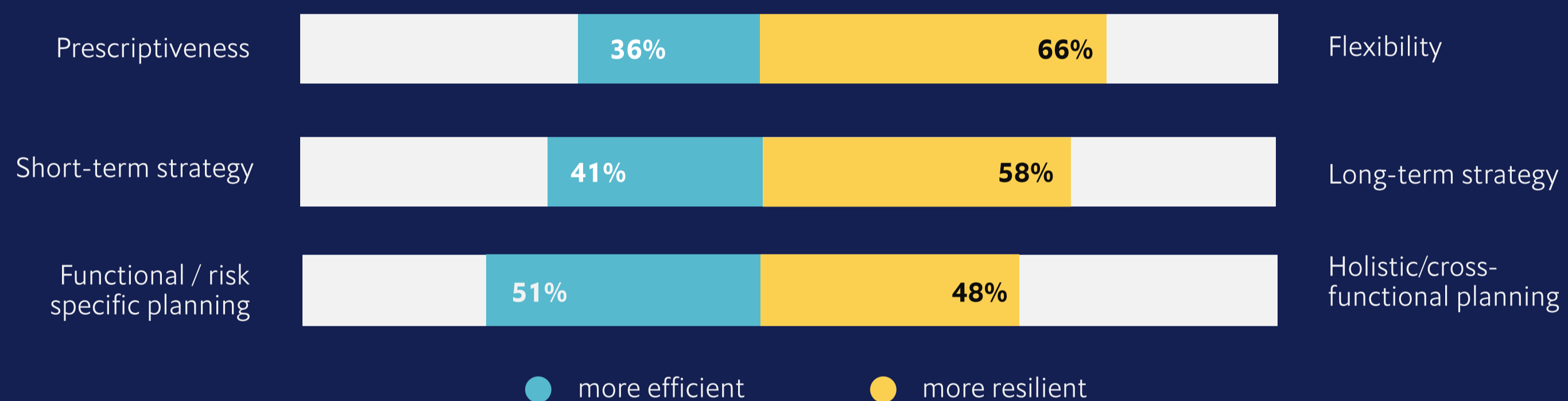


Operational efficiency

Despite an increased focus on resilience building, **66%** of respondents still see a trade-off between operational efficiency and long-term resilience building.

This may explain why leaders seem divided when it comes to balancing resiliency and efficiency considerations. The data show there is no one-size-fits all approach.

% of executives who prioritize:



Our research points to key best practices for the future of modern resilience:



Senior leadership demonstrating a strong vision and supporting resilience



Establishing organisational structures that facilitate system-wide communication and co-ordination on resilience efforts



Developing indicators and evaluation indices/metrics to measure resilience and create accountability