

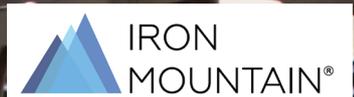
**ECONOMIST
IMPACT**

Resilience reimagined

Are organizations ready to face
the next unknown?



Sponsored by



Contents

- 3** About the research and acknowledgements
- 4** Executive summary
- 6** Introduction
- 8** Key insights
- 12** The four pillars of modern resilience
- 17** Challenges in resilience-building
- 19** Conclusion

About the research and acknowledgments

Resilience reimagined is a survey-based research program, conducted by Economist Impact and sponsored by Iron Mountain, studying organizational resilience. This briefing paper uses insights obtained through survey analysis, desk research and expert interviews to identify changing interpretations of organizational resilience across ten countries and four industries.

We would like to thank the following experts for their time and insights:

- **Scott Baldwin**, head of enterprise resilience, Netflix
- **Margaret Millett**, head of global resilience, Uber
- **Dr. Stephen Flynn**, founding director, Global Resilience Institute at Northeastern University

The briefing paper was produced by a team of Economist Impact researchers, editors and designers, including:

- **Samantha Grenville** - project director
- **Durukhshan Esmati** - project manager
- **Lindsey Boss** - research analyst
- **Alasdair Ross** - writer
- **Amanda Simms** - editor
- **Marina Da Silva** - designer

Economist Impact bears sole responsibility for the content of this report. The findings and views expressed herein do not necessarily reflect the views of our sponsor, partners or interviewed experts.

Executive summary

The world is seeing increasing volatility arising from developments such as climate change, pandemics, geopolitical shifts and accelerating technological innovation. In the face of these disruptors, risk management tools and systems are falling short, and a new paradigm is emerging. Executive leaders must approach risk differently and consider its impact across the organization. Today, they're looking at organizational resilience as the ability to survive and prosper in the face of sudden disruptions and incremental change. Enabling this requires a suite of capabilities that should be in place before disruption strikes. These include having the capacity to diligently scan the horizon, anticipate coming shocks, and put measures in place to minimize the impact. This is essential to reorient the organization for success in an impacted, evolving environment.

Economist Impact conducted an in-depth research program sponsored by Iron Mountain to identify the changing organizational interpretations of resilience and provide guidance on planning, building and maintaining a global entity amid significant disruptions. The research included a bespoke survey of 611 senior executives across four major regions (North America, Latin America, Europe and Asia-Pacific) in highly regulated sectors (financial services, healthcare and life sciences, energy, and the public sector). The report's key findings include:

- Organizations are increasingly persuaded by the importance of a system-wide approach to resilience. Experiencing the covid-19 pandemic, climate change incidents and global conflicts have accelerated this trend.
- Leaders express a high degree of optimism about their organization's resilience, but this may reflect some complacency. Having responded to the covid-19 pandemic, executives may now be overly confident in their ability to survive a more sudden crisis.
- Organizations that focus on resilience outperform peers on several key metrics, particularly customer satisfaction. These advantages are reflected where it matters most: the bottom line.
- The risk of cyberattacks and data breaches remains the critical driver of resilience efforts, both anchored in data and IT asset protection strategies.
- The key to successfully building organizational resilience is creating connections between functions within the enterprise, including finance, legal, HR, IT, records and facilities management, supply chain management, and risk and compliance functions. This, in turn, requires deploying the budget and personnel needed to make it effective.

The report looks in more detail at four high impact areas:

- **Workplace transformation:** the processes of hiring, training and retaining staff are changing as hybrid work becomes more prevalent, a trend accelerated by the pandemic. In turn, organizations are also rethinking the role of offices and workspaces, questioning what kind of real estate is necessary. Another accelerated trend is the focus on employee wellness and its impact on the organization. But what else can be re-examined to benefit customers, shareholders and employees?
- **Data governance and security:** the pandemic has raised the profile of risks arising from the transfer and storage of data, both proprietary to the organization and the confidential details of clients, customers and citizens.
- **Sustainability:** inclusion, social justice and pledges to reduce carbon emissions have risen sharply up the agenda in recent decades, and organizations can no longer survive by simply publishing glossy mission statements. A proactive approach is needed, and organizations can expect to pay a high price when it is missing.
- **Operational efficiency:** developing organizational resilience requires centralizing the function at a senior level while distributing responsibility for monitoring and reporting throughout the organization—but many are lagging in this area.



Introduction

In business, change is unavoidable. Consumers alter their preferences, regulators rewrite the rules, and competitors innovate. These variables are working assumptions for executives when considering strategy and planning, product development and business continuity. But even against this backdrop of recurring volatility, unforeseen events will shake business' foundations in more profound ways. War, natural disasters and pandemics, circumstances beyond the control or influence of an organization, require a different kind of preparation and response. In such conditions, leaders must be able to adapt their operations so that business can continue as close to normal as possible, or at least ensuring minimal disruption. Enabling this requires pre-emptively incorporating a suite of capabilities before a trigger event occurs. These include having the capacity to diligently scan the horizon, anticipate coming shocks, and implement measures to minimize the impact. They also include quickly adapting procedures to meet new circumstances, such as increased attention to employee wellness and reorienting the organization for success in a potentially altered environment.

These capacities are described collectively as organizational resilience. Organizations can do well for years with weakened resilience if no shocks emerge. Indeed, a critical element of

resilience is resisting the complacency that such stability can create. But such periods of stability do not always last, and every organization will be threatened by shifting conditions beyond its control at some point in time.

Episodes of instability have arisen with increasing frequency over recent decades. While world trade initially deepened globalization, a backlash among segments of society that lost out has slowed the trend more recently. The accelerating rate of innovation in digital technology has given rise to new products and services, creating new business behemoths that dominate entertainment, retail and business services and fundamentally affecting virtually every person and organization globally. Climate change, a fringe concern just a few decades ago, has come to the forefront of public concern, propelling the drive to decarbonize our economies while business losses from extreme weather events are growing. Quantifying the impact, Swiss Re, a global insurance company, reports a 20% increase in extreme weather losses between 2020 and 2021, to US\$260bn.

Most recently, the pandemic disturbed organizations from continent to continent in a matter of weeks in early 2020, bringing one economy after another to a virtual standstill. Since the second world war, nothing has disrupted commerce or social services on this scale.

The Economist estimates the losses in 2020 and 2021 alone at US\$10.3trn, equating to about 12% of global GDP. The pandemic pushed organizations to their limits—and in many cases beyond them—by massively disrupting linkages with suppliers and distributors, isolating consumers from physical outlets for goods and services, shutting down offices and other facilities and leaching the economy. It demonstrated that anticipation, preparation and adaptation are crucial to survival.

Managing risk has been a core function in business for centuries. Organizations have designed action plans to offset the damage. But in today's increasingly interconnected and technologically mediated world, this often-piecemeal approach—identify risk, plan mitigation—is no longer enough. Organizational resilience offers a broader and more effective approach. Resilience requires a whole-business perspective: not only analyzing every business function, but the interdependencies between them as well. Like any complex system, a business is not an

isolated set of autonomous functions but a web of relationships contingent on each other. A failure in one part of the business can cascade through the whole system, causing catastrophic damage. Building resilience means involving every aspect of the organization in a coordinated effort, with clear and constant communication.

The study

Economist Impact conducted an in-depth research program sponsored by Iron Mountain in early 2022. It included expert interviews and a bespoke survey of 611 senior executives across four major regions (North America, Latin America, Europe and Asia-Pacific) in four highly regulated sectors: financial services, healthcare and life sciences, energy, and the public sector.

The study aims to present a clear point of view on how and why organizational interpretations of resilience are changing and provide guidance on how to plan, build and maintain a global business in the post-pandemic world.



Key insights

Organizations are increasingly persuaded by the importance of a system-wide approach to resilience, with the pandemic accelerating this trend.

Some 84% of leaders surveyed agreed either somewhat or strongly that organizational resilience must embrace all parts of the organization.

The holistic element of organisational resilience is critical because it allows flexibility in response to threats and gives the best chance of anticipating those threats before they occur. “It’s like a hospital,” says Scott Baldwin, head of enterprise resilience at Netflix. “Having an emergency room, an ambulance, all the critical care is important, but you want to prevent the heart attack from happening in the first place.”

Compared with traditional business continuity management (BCM), which took a narrow and more siloed approach, involving the whole business system in preparing for shocks is better suited to today’s rapidly changing environment. “BCM was all about being able to recover from heart attacks. The likelihood of a heart attack has grown exponentially, so we need preventive medicine—quitting smoking, exercising, and incorporating things into the lifestyle overall.”

The pandemic and global conflicts have emphasised the importance of this pre-emptive approach. Perceptions of the threats posed to organizations have changed substantially in a matter of months. Before the pandemic, organizations listed their main concerns as digital

TABLE 1 Changing organizational priorities since the pandemic

Top five priorities before covid-19

1. Digital transformation	35%
2. Employee well-being and safety	34%
3. Cybersecurity	33%
4. Data protection	31%
5. Operational efficiency	31%

Top five priorities now

1. Employee well-being and safety	39%
2. Digital transformation	33%
3. Cybersecurity	33%
4. Remote/hybrid work strategy	32%
5. Sustainability	29%

transformation, employee wellbeing and safety, cybersecurity, data protection, and operational efficiency. Since covid-19 hit, employee well-being has leapt to the top of the list, and remote/hybrid work has risen to 4th place. Sustainability is now ranked in the top five.

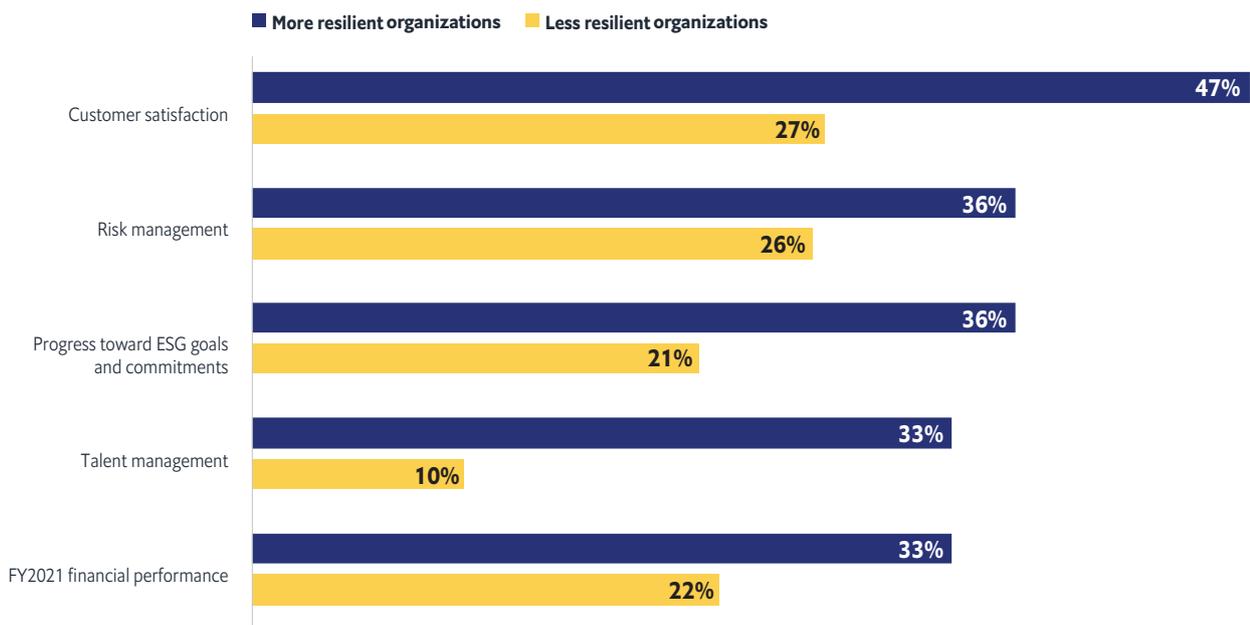
Covid-19 has changed the focus for organizations, according to Margaret Millett, head of global resilience at Uber. As the pandemic ebbs, leaders need to “think about the reskilling and redesigning needed for the workforce and operations, technologies and business models.” An organization that fails to make these adjustments risks “becoming a dinosaur.”

Resilience is growing in importance in leaders’ minds, with senior functions giving it far more prominence than before the pandemic. More broadly, the survey suggests that leaders’ focus has sharpened across all areas of resilience, including the provision of dedicated staff and resources.

Those emphasising resilience are vindicated by the performance of their organizations, which are outperforming peers on several key metrics. The most striking advantage is customer satisfaction, where 47% of more resilient organizations are ahead of their peers compared with only 27% of less resilient organizations. Talent management (attraction/retention) and risk management show similarly significant gaps in performance between more and less resilient organizations. These advantages are also reflected where it matters most: the bottom line. More resilient organizations again perform well, with 33% significantly ahead of their peers in FY2021 financial performance.

The risk of cyberattacks and data breaches remains the critical driver of resilience efforts, although concern over the continued spread of covid-19 variants runs second. It should come as no surprise then that one of the significant impacts of the pandemic on organizations has been the ability to support remote workers.

FIGURE 1 Resilient organizations are significantly ahead of peers on key performance metrics



As the pandemic eases, the requirement for hybrid work is expected to continue due to the lingering threat of infection. Both workers and their employers see benefits and costs extending from this more flexible approach. Another crucial driver of focus on resilience, the new world of work, is ranked third by organizations. Adapting to new technologies to support distributed working models for the effectiveness of a hybrid workforce follows next.

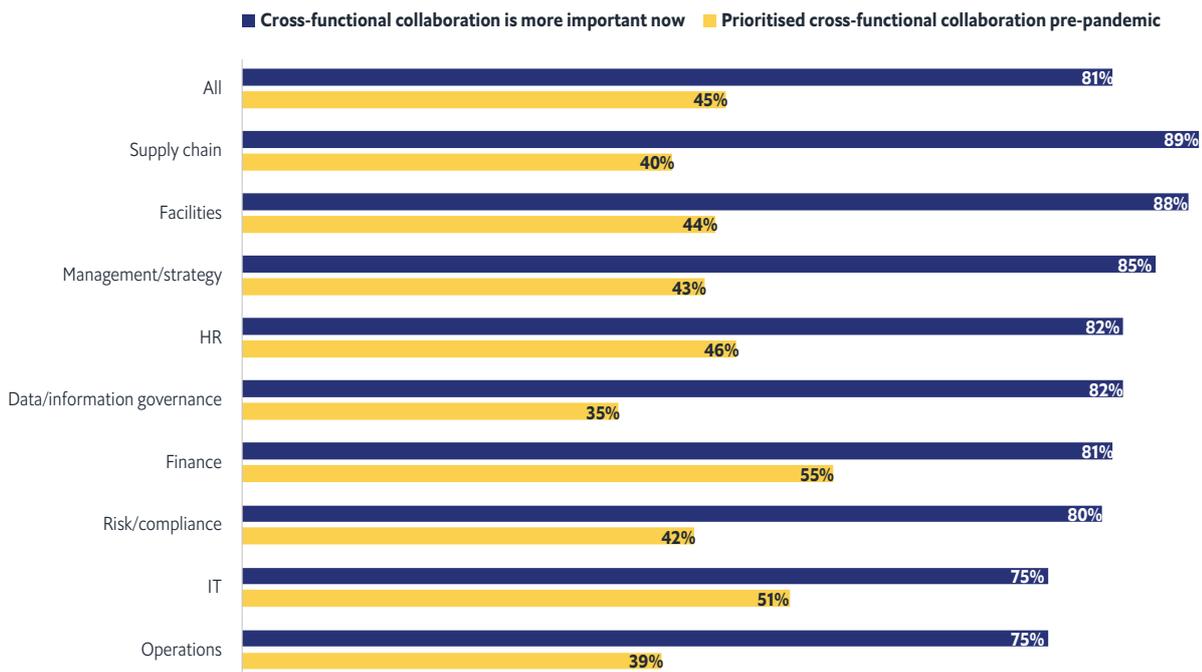
One way of embedding resilience into the organization’s structure is to centralize authority for coordinating resilience efforts in one function. To this end, some entities have created the role of chief resilience officer. This recognizes the importance of taking a holistic view of resilience that embraces all areas of the organization’s operations. But this is not enough, according to Dr. Stephen Flynn, founding director of Northeastern University’s Global Resilience Institute. “Having a leader is important,” he says, “but the key is how

resilience gets integrated into each enterprise function and how you change the culture.”

The key to successfully building organizational resilience is building the connections between business functions within the enterprise, which requires deploying the resources needed to make it effective. These imperatives are reflected in the priorities cited by the organizations surveyed, which have dedicated most of their resilience efforts to ensuring cross-functional collaboration.

Organizations are placing increased importance on collaboration in resilience planning and stress testing as part of their efforts to foster resilience. Eighty-nine percent of respondents in supply chain/procurement, 88% of respondents in facilities and real-estate management, and 85% in management and strategy departments have indicated that collaboration has become more important to them since the pandemic.

FIGURE 2 Business functions have increased collaboration to improve resilience



Commenting on this new way of working, Mr. Baldwin at Netflix suggests: “The nature of decentralization requires that you reach out and be more cross-functionally focused because you are no longer in a bubble with your functional team,” he says. The impact of national lockdowns on work practices has broadened this effect to many more sectors. The focus on cross-functional collaboration will likely increase further in the coming months and years.

Collaboration efforts are backed by a dedicated resilience budget, another area that has taken on greater prominence in organizations’ thinking. Resourcing these efforts is vital, and like many systemic initiatives, they need to be led from the very top. This means “making sure top management is cascading this down to the overall culture,” according to Ms. Millett at Uber. “Management doesn’t always walk the talk when it comes to implementation.” According to the survey, the CEO, COO or board of directors are most commonly responsible for building resilience, with the CEO most directly responsible for about a quarter of respondents (26%). Leadership from the top is most effective where the resilience approach is integrated further down and across the organization, so senior leadership, adequate resourcing and a collaborative approach all go together.

As a case in point, business leaders express a high degree of optimism about their enterprises’ resilience. Over a third of private organizations consider their preparations to need little or no improvement, and almost all express some confidence across all areas of resilience. Confidence is evenly spread across functions, but data governance and security, operational efficiency, and digital transformation stand out, with more than 40% describing themselves as entirely confident.

Are there degrees of complacency and misplaced optimism at play here? Mr. Baldwin suggests there are. Given the succession of severe challenges organizations have faced in the past few years—the credit crunch, the

accelerating digital revolution, and workplace transformation driven by the pandemic, Mr. Baldwin suggests they may hide a degree of complacency that should give executives pause. “The pandemic is a two-edged sword,” he says. The impact of covid-19 has underlined the importance of resilience, boosting it up in the chief executives’ list of priorities, but it may also have engendered false confidence. “It was a slow-motion disaster and falls short of the sudden impact organizations can face in the worst circumstances. Having survived it, executives may now be overly confident in their ability to survive a more sudden crisis.”

Box: Resilience affords an even slimmer margin of error in the public sector

The covid-19 pandemic has highlighted a key lesson in resilience: public entities have less room for error than private companies to provide continuity of service. The corporate world works best when failure is an option. That’s how companies are motivated to innovate and compete for market share.

In the public sector, however, things work differently. Essential services vital to civilized life, such as healthcare, education, defence and sanitation, are frequently provided by state agencies that operate an effective monopoly. If the UK’s National Health Service (NHS) collapses, no competitor is waiting to pick up the slack at such scale. If New York’s Department of Sanitation is overwhelmed, no other agency is standing by to clear the city’s rubbish and keep its sewage system flowing. This means that resilience is even more critical for state organizations than for the private sector.

Building public sector resilience requires specific and focused efforts by governments. Governments are likely to lean more heavily on public ‘resilience czars’, commanding appropriate budgets and with authority to institute change across the public sector.

The four pillars of modern resilience

So, how can a more disciplined approach to organizational resilience be engendered? Our research suggests that the following core areas are central to a successful strategy.

Workplace transformation

Organizations have sophisticated processes for recruitment and retention. Many of these revolve around the workplace set-up: where people sit, hold meetings, and interact socially within and outside of work hours. In recent decades more organizations have embraced the possibilities of remote working, and with this shift more paper needs to move to digital. Data storage should broaden from solely on-premises to more cloud-based hosting strategies. When the pandemic hit and businesses were forced to close their premises altogether, these basic operations and procedures were put to a sterner test than expected. In many cases, where work does not require the physical proximity of staff and customers, organizations experienced little service disruption. Businesses where physical interaction is unavoidable either shut (restaurants, cinemas, sports venues) or continued limited work while adapting their facilities to social distancing.

As the pandemic demonstrates, many of the changes introduced in the initial outbreak response have become permanent as

organizations rethink their office needs. Some will consolidate properties or tenancies to reduce their overall footprint, while others divest real estate that is no longer required as hybrid work practices are embraced. On the one hand, moving information through virtual channels will become even more important, with the long-promised 'paperless office' coming closer to reality. On the other hand, securing those information flows will take on an even higher priority as the organization's data spills beyond its walls. More than half of the organizations surveyed have invested in flexible workspaces that can be adapted to hybrid workforce needs. By contrast, nearly as many have changed their physical offices to meet employee wellness guidelines. So far, only 17% of those surveyed have closed locations, but 30% prioritise having more and smaller physical workspaces.

Remote work is creating another profound challenge for executive leadership: the impact of prolonged isolation bearing on employees' mental health or the struggles of balancing work and parenting responsibilities. All this will take years to unravel, while changes in staff preferences between home and office working—and their employers' response—are yet to be fully worked out. Hybrid work is here to stay, but organizations have some way to go to understand and adapt fully to the constraints it imposes.

There is work to be done, and leaders recognize this. Before the pandemic, training in new skills was the core activity in building workforce resilience, with 57% of respondents implementing programs. But since the outbreak, attention has swung heavily from education to developing hybrid work patterns: about half say the pandemic accelerated progress in building hybrid work technology platforms (49%) and arranging flexible working schedules (49%).

Mr. Baldwin reflects this positivity in his views on post-pandemic workforce resilience. “Reorganizations at companies will continue to take place; employee well-being is top of mind, as employees are a company’s number one asset. It is the staff that allows organizations to be successful.”

Data governance and security

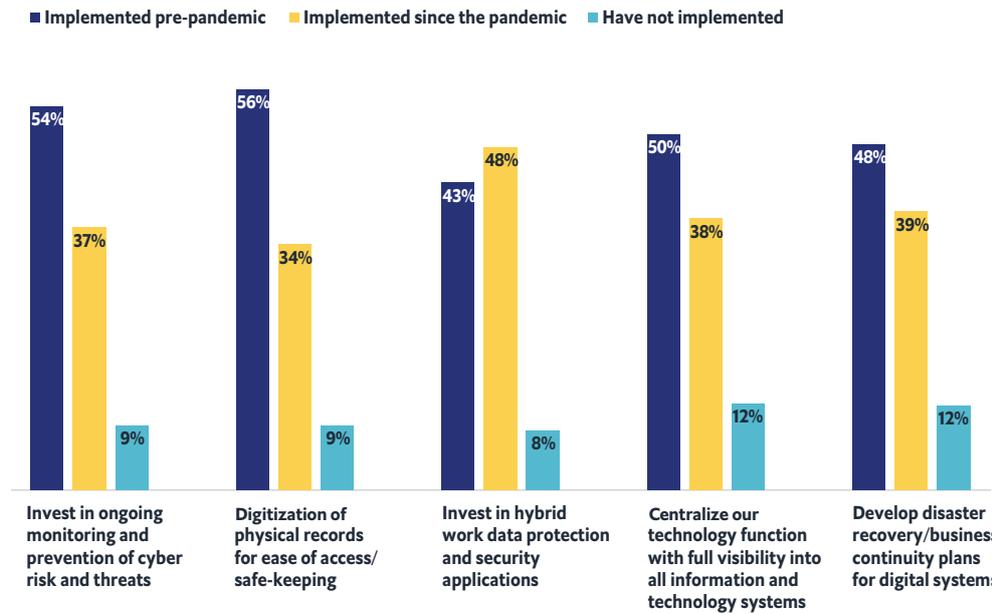
The digital transformation of business, public sector and social life have brought tremendous opportunity for gains in the quantity and quality of goods and services, improvements in productivity and inclusion in financial and commercial markets of segments previously excluded by geography or social conditions. But digitalization has also brought negatives. One is a proliferation in the harvest and storage of personal data, raising trust issues and risks of misuse by unethical corporations. The theft of personal data for fraud has been a rising feature of the digital world for at least three decades. As organizations make their data more secure, regulators are also clamping down on criminals and fraudsters as

attacks become more sophisticated. A company or government entity suffers a devastating loss of trust and reputation when its customer data is breached. Another significant risk is posed by industrial spies or antagonistic governments, who can steal intellectual property, sabotage operations or eavesdrop on private communications. Again, the cost to the organizations is substantial.

An organization’s approach to asset lifecycle management as a secure practice is central to embedding resilience. Digital fingerprints remain on old phones, laptops, monitors, servers, and office or healthcare equipment. How organizations plan, acquire, use, maintain and dispose of these assets is under regulatory scrutiny related to security and environmental impact.

The adoption of work practices triggered by the pandemic increased data security threats, as data are shared more often across wider networks and managed outside the controlled environment of corporate offices. In an age of hybrid work, securing the computers, laptops and mobile devices of staff takes a higher priority. Most organizations were already deploying data governance and security measures before the pandemic hit, with 54% reporting investment in monitoring cyber risks and 56% having digitized physical records for easy access and safe keeping. Investment has picked up pace in some areas since. In particular, 48% of organizations report having increased investment in hybrid work data protection and security applications.

FIGURE 3 Organizations are strengthening data governance, and security practises



The unsurprising implication of these investment commitments is that hybrid work habits are expected to stick after the pandemic has eased, with digital solutions attracting increasing focus. Survey responses show that work is under way to build digital resilience, but there is some way to go:

14% are yet to centralize their technology function with full visibility into all information and technology systems.

12% are yet to develop disaster recovery or business continuity plans for their digital systems.

10% are yet to offer training to improve the data literacy of their employees.

“Cyber-threats will only get more sophisticated,” says Ms. Millett. Addressing this changing landscape, she adds: “Organizations need to look at their capabilities and the capabilities of the companies they outsource to.”

Sustainability

Consciousness of how business’ operations affect people and the world we live in has gained prominence over the past few years and is now a public priority. A generation ago, glossy statements of intent in the annual report with pictures of forests and wind turbines were sufficient to keep companies on the right side of public opinion. As natural disasters, climate-related shifts in business conditions and activism around the world have gathered pace, the business world—as one of the largest consumers of energy—has been forced to take a more serious and transparent approach to environmental, social and governance (ESG) matters.

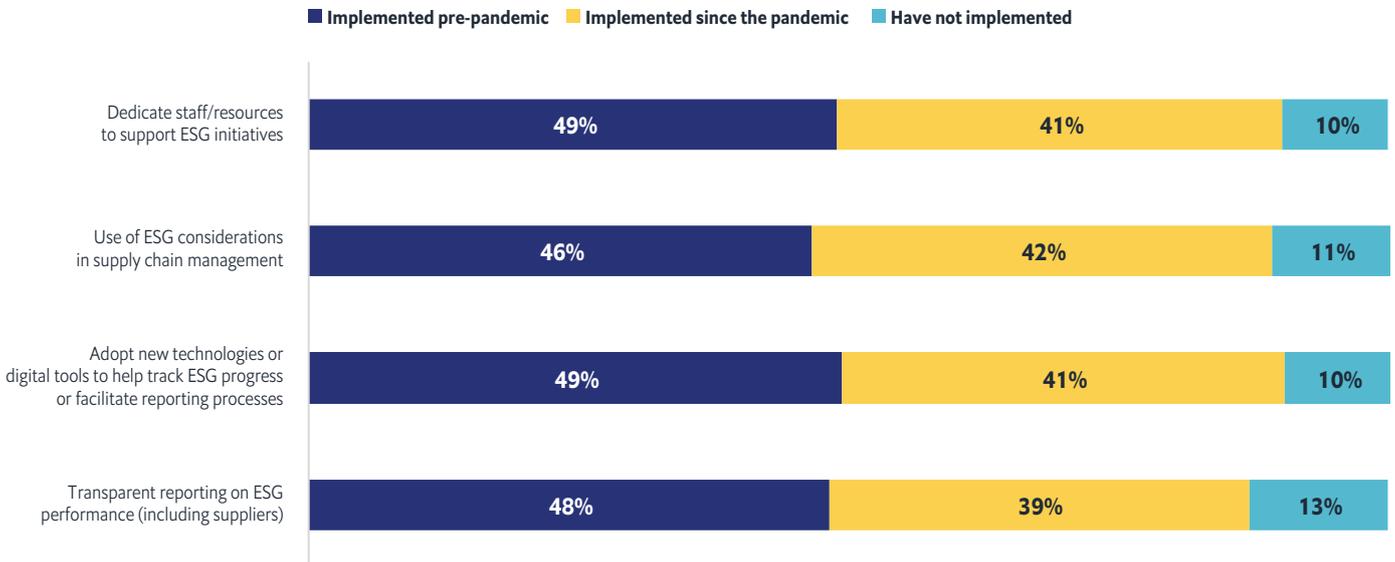
The costs of not doing so are substantial. The first line of vulnerability for organizations is their reputation. Public disapproval propagated at light speed across social networks is a corrosive agent

that can undermine an organization’s standing with its customers, investors, politicians and regulators. Being seen to have acted negligently or unfairly in protecting the environment and local communities in places affected by its operations can cause instant and lasting damage to business prospects. As a result, “feel good” mission statements and green rhetoric are no longer enough.

A lost reputation is an existential danger for an organization, but other, more direct threats arising from sustainability issues may become more pressing in the coming years. After two centuries of burning fossil fuels to power industry, few question the resultant impacts of greenhouse

gases on the climate. Efforts to reduce and mitigate these effects are well under way while households, companies and the public sector are gearing up to transition away from fossil fuels and towards less polluting and more sustainable renewable energy sources such as wind, tides, solar and geothermal energy, as well as nuclear fission. This transition implies profound changes for organizations, from sourcing energy for their operations to fuelling the fleets that transport their raw materials and finished products to extracting resources they rely on from new places. Building organizational resilience is complex at the best of times, and more so during such a profound and wide-reaching transition.

FIGURE 4 The pandemic has increased organizations’ focus on sustainability





As in other areas, the pandemic has accelerated the adoption of measures to build resilience in ESG. One area of focus is dedicating staff and resources to support ESG initiatives. Since the onset of the pandemic, 41% of organizations have implemented such measures, adding on to the 49% that had already done so prior to the crisis. Forty-two percent adopted ESG considerations in their supply chain management function, whereas 46% had previously done so. A significant group (41%) also adopted new technologies or digital tools to help with tracking and reporting on ESG progress. That said, work remains to be done. Thirteen percent of organizations are yet to implement transparent reporting on ESG performance, including among suppliers. Clear reporting effectively mitigates reputational risk.

Operational efficiency

One of the key battles in risk management has been reconciling the potential costs posed by threats and the actual costs of anticipating

them. Since different functions in the business traditionally have responsibility for each area, they are often perceived as conflicting with each other. While building organizational resilience comes with an implementation cost, its benefits extend beyond simply avoiding or mitigating risk. Organizations that are proactive and transparent about resilience measures win the confidence of stakeholders, which can therefore reap financial benefits. Customers, clients, suppliers, and citizens will favour an organization they perceive to be aligned with their values. Staff will be more motivated, and talented individuals will be more likely to choose an employer they can see is stable and prudently run.

All these add up to a competitive advantage, signalling brand health in times of normality and adversity. And when disruption hits, the most resilient entities are best placed to ride it out and emerge ahead of the pack. This is particularly the case under the modern resilience concept, which is more holistic than prior disciplines such as BCM and enterprise risk management.

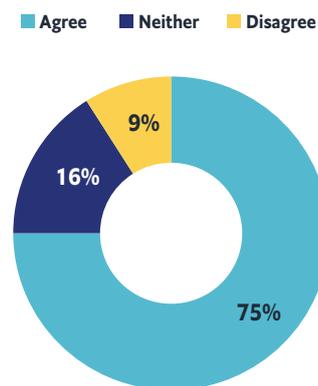
Challenges in resilience-building

Measuring resilience is a particular challenge for organizations. There are no widely accepted standard metrics, and 75% of organizations say this makes it hard to demonstrate progress. On the one hand, boards would be unable to justify the shift of focus and resources towards resilience if they could not show some return. Shareholders and other stakeholders will want to know that resilience is rising and doing so in a way that effectively shields the company from possible threats. But measuring such concepts is difficult; a set of key performance indicators must be established that reflect the degree of resilience an organization has embedded.

Most organizations (75%) agree that the difficulty of measuring resilience makes it hard to get leadership buy-in for investment. Even if an anticipated risk becomes real, a well-prepared organization may see little change to its operations or performance, making it hard to justify investment in resilience even in hindsight. Ms. Millett suggests bringing in the finance function to help put a price on failure. It helps “when you can tell an executive that an outage costs a given amount of money.”

Netflix has taken a structured and quantitative approach. “We had come up with a set of scoring methods, a framework to quantify functions and resilience capability,” says Mr. Baldwin. “That could be applied to any organization.” Measuring resilience is one of the biggest challenges for most organizations going forward. Knowing what to measure and how to define success are challenges for organizations where the level of resilience can only really be understood in the aftermath of a shock.

FIGURE 5 The difficulty of measuring resilience makes it challenging to get leadership buy-in



Another resilience-building challenge is anticipating and responding to disruptors. This requires a system-wide and coordinated response, yet few organizations have a centralized function dedicated to resilience. Only 12% say that a resilience/governance committee is involved in their resilience efforts, and only in 3% of instances is that committee responsible for driving resilience initiatives.

Again, pandemic complacency may add to the problem. Organizational resilience champions have “had the ear of executive management during covid, but it’s starting to subside,” says Ms. Millett. She advises them to “figure out what executives want, get dashboards to them, and hold their ear to the future, so they understand this is something they need to do.”

Conclusion

The pandemic and other global disruptions we've faced in 2022 have once again reminded organizations, both public and private, that developing resilience can be the difference between thriving and sinking. Many have moved towards a more holistic, system-wide approach to resilience over recent years, and the process continues. These trying times have provided the perfect spur for those yet to make a move and have rewarded those already advanced along the track.

Organizations are already beginning to adapt to a more hybrid work environment, with employees performing their roles without discrimination between their home workspace and the office premises. This brings greater flexibility to operations but adds a new layer of vulnerabilities. Organizations are prioritizing securing employees' digital devices, whether desktop computers, laptops or phones while ensuring the continuing security of data flows.

But organizations have a lot more to do. Adopting best practices in organizational resilience is still rare. Few have centralized coordination of their resilience efforts. Few have embedded them at a sufficiently senior level in the organizational structure. Few still have resourced them adequately in terms of budget and personnel.

As Dr. Flynn summarises: "The old way of doing risk management largely assumed that most days are blue-sky days. Today, we're in a world where turbulence is the new normal."

It is up to leaders to demonstrate a strong vision and support for resilience-building and resource it appropriately. Their efforts should include creating organizational structures that facilitate communication and coordination on building resilience. In particular, they should focus on transforming the workplace to enhance resilience, improving data governance and security, bringing more attention to sustainability and working towards operational efficiency.

Organizations, resilience professionals and the academic community should also focus on developing indicators and metrics that allow senior leaders to measure the impact of their resilience functions and create accountability for the results.

And such resilience-building can reverberate throughout the organization, not just serving it during times of disruption. **"You can prepare for bad things, and that preparation can bring good things," says Mr. Baldwin at Netflix, summarizing the benefits of this approach.**

LONDON

20 Cabot Square
London, E14 4QW
United Kingdom
Tel: (44.20) 7576 8000
Fax: (44.20) 7576 8500
Email: london@eiu.com

GENEVA

Rue de l'Athénée 32
1206 Geneva
Switzerland
Tel: (41) 22 566 2470
Fax: (41) 22 346 93 47
Email: geneva@eiu.com

NEW YORK

750 Third Avenue
5th Floor
New York, NY 10017
United States
Tel: (1.212) 554 0600
Fax: (1.212) 586 1181/2
Email: americas@eiu.com

DUBAI

Office 1301a
Aurora Tower
Dubai Media City
Dubai
Tel: (971) 4 433 4202
Fax: (971) 4 438 0224
Email: dubai@eiu.com

HONG KONG

1301
12 Taikoo Wan Road
Taikoo Shing
Hong Kong
Tel: (852) 2585 3888
Fax: (852) 2802 7638
Email: asia@eiu.com

SINGAPORE

8 Cross Street
#23-01 Manulife Tower
Singapore
048424
Tel: (65) 6534 5177
Fax: (65) 6534 5077
Email: asia@eiu.com