



**Aligning economic realities and macro-economic trends with the organizational strategies.
Optimal strategic planning and business model re-engineering during and post the pandemic**

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June 2021

Agenda



1. Global megatrends
2. Economic realities & trends
3. Strategic Planning & Business Process Re-engineering
4. Now, Next & Beyond
5. Q & A

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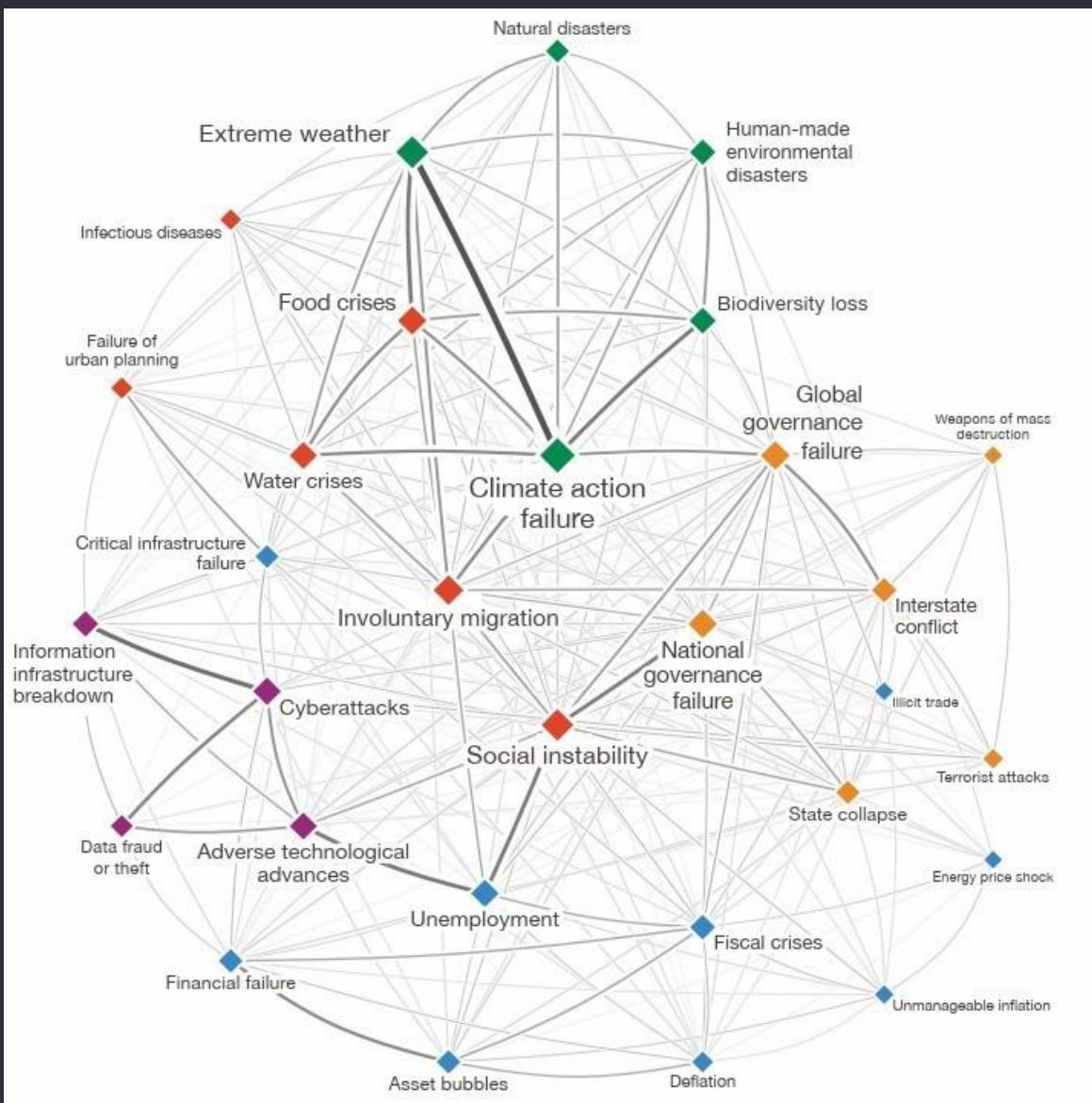
1. Megatrends

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The next 20yrs will be the most disruptive and exciting we have ever seen,
driven by four global forces



Global Risks Interconnections Map, 2020

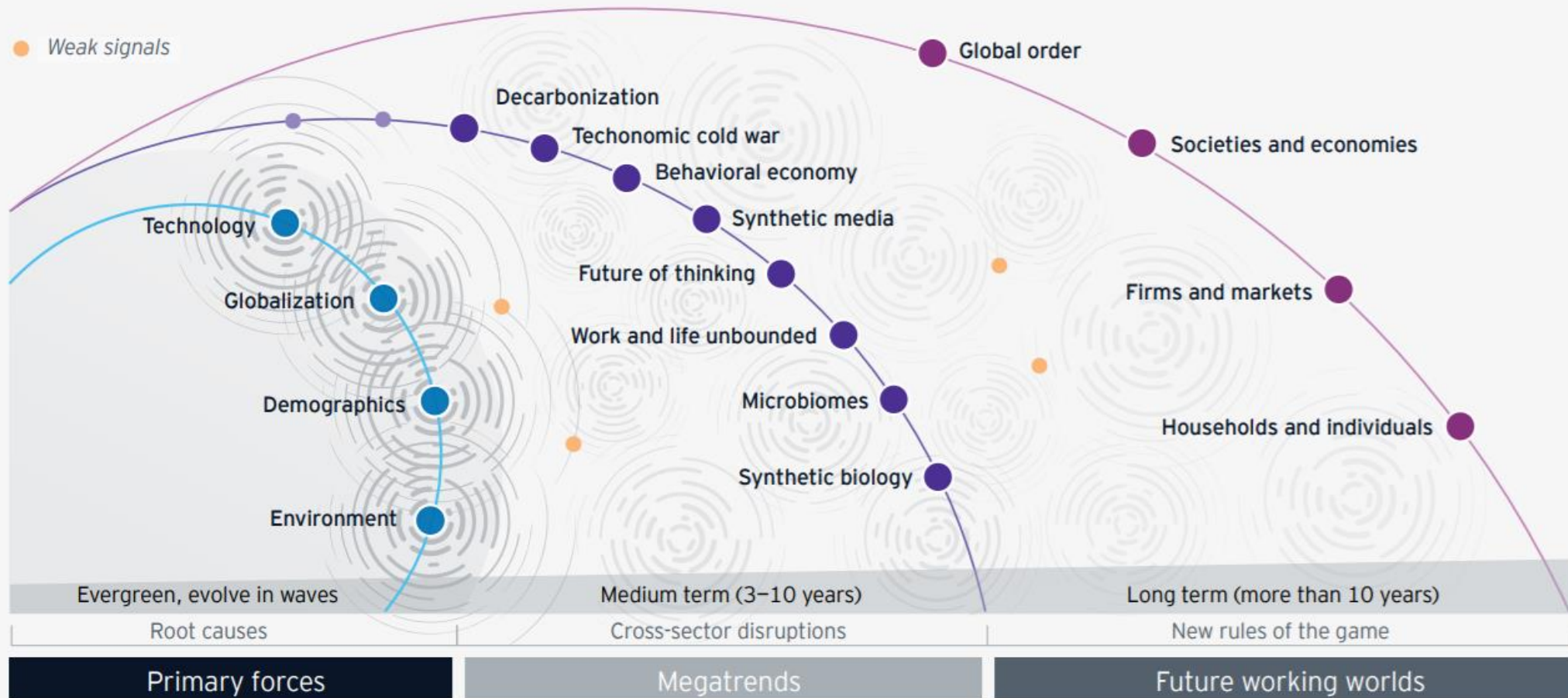


Source: World Economic Forum - Global Risks Report, 2020

Leadership teams have always found it hard to plan using megatrends and scenarios despite the best intentions. Why? Because future disruption raises challenges and questions with no easy answers:

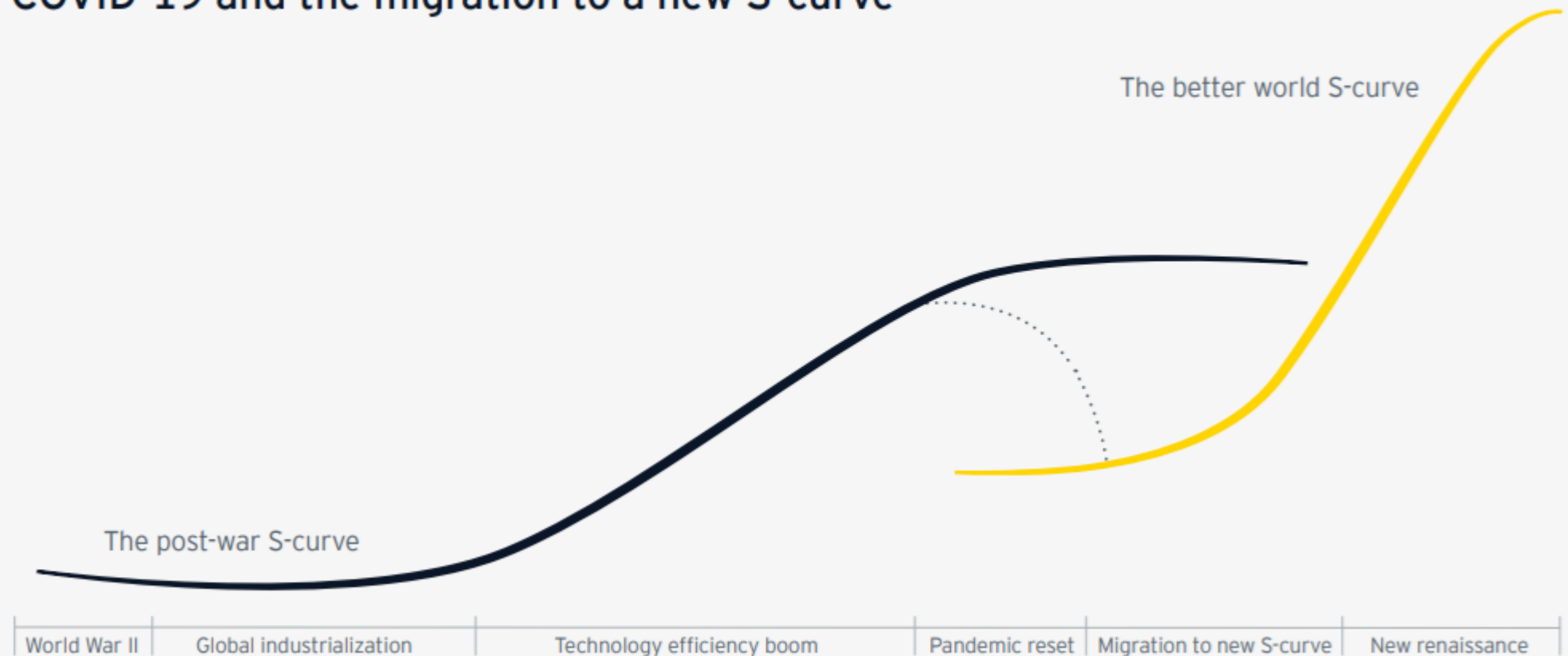
1. How do you make sure you don't miss the next disruptive shift? How do you identify the uncertainties or trends you're afraid to confront?
2. How do you optimally invest scarce resources in a multi-horizon portfolio, given this uncertainty? How do you identify which models and approach will succeed?
3. How do you invest for long term disruption while continuing to win in the short run? How do you solve the now, explore the next and imagine the beyond?

Understanding megatrends will help you see opportunities where others don't

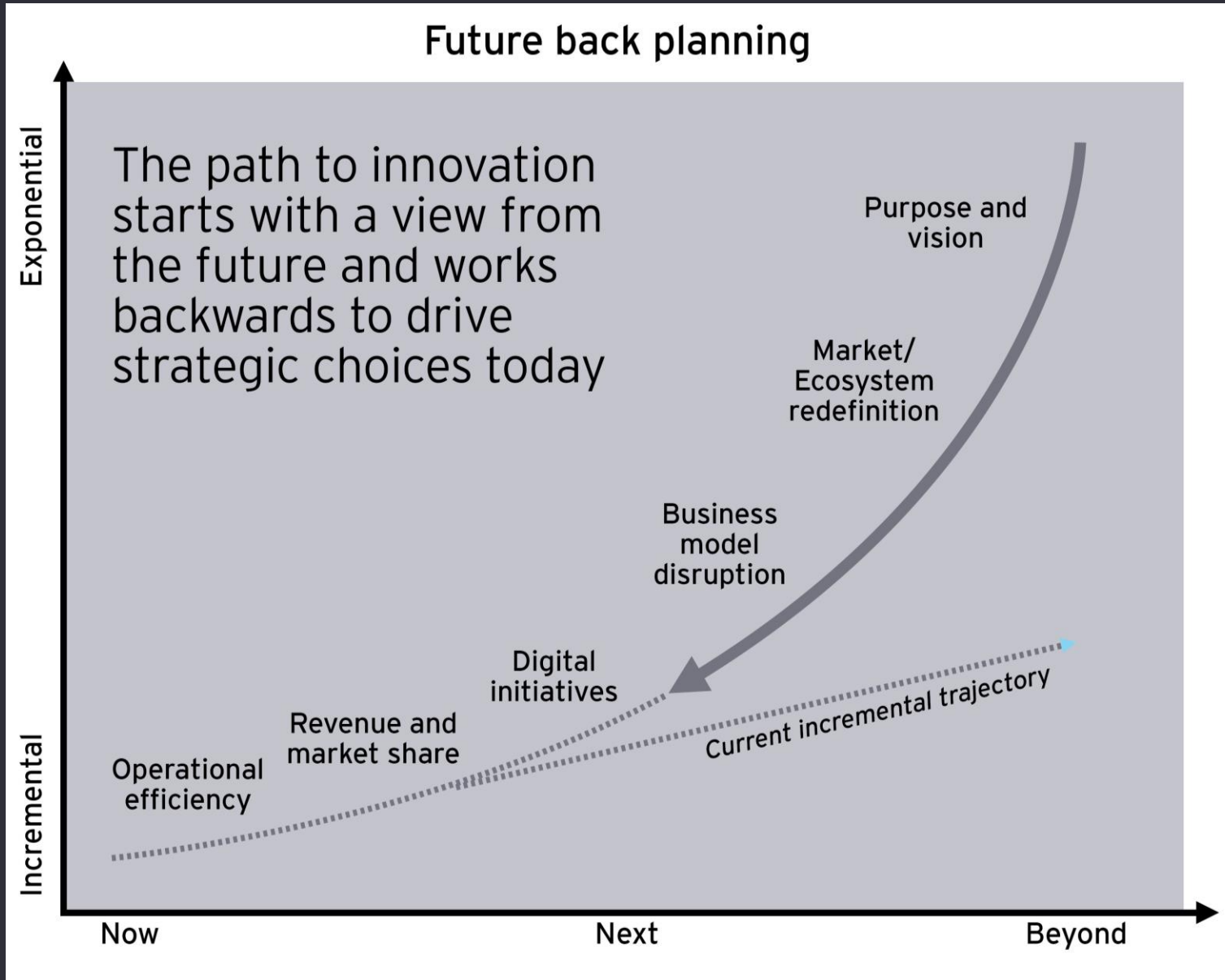


Disruption does not come from technologies and business models alone. It can equally be unleashed by national elections, climate disruption or pandemics.

COVID-19 and the migration to a new S-curve



Future-back strategy = megatrends, outside-in and inside-out



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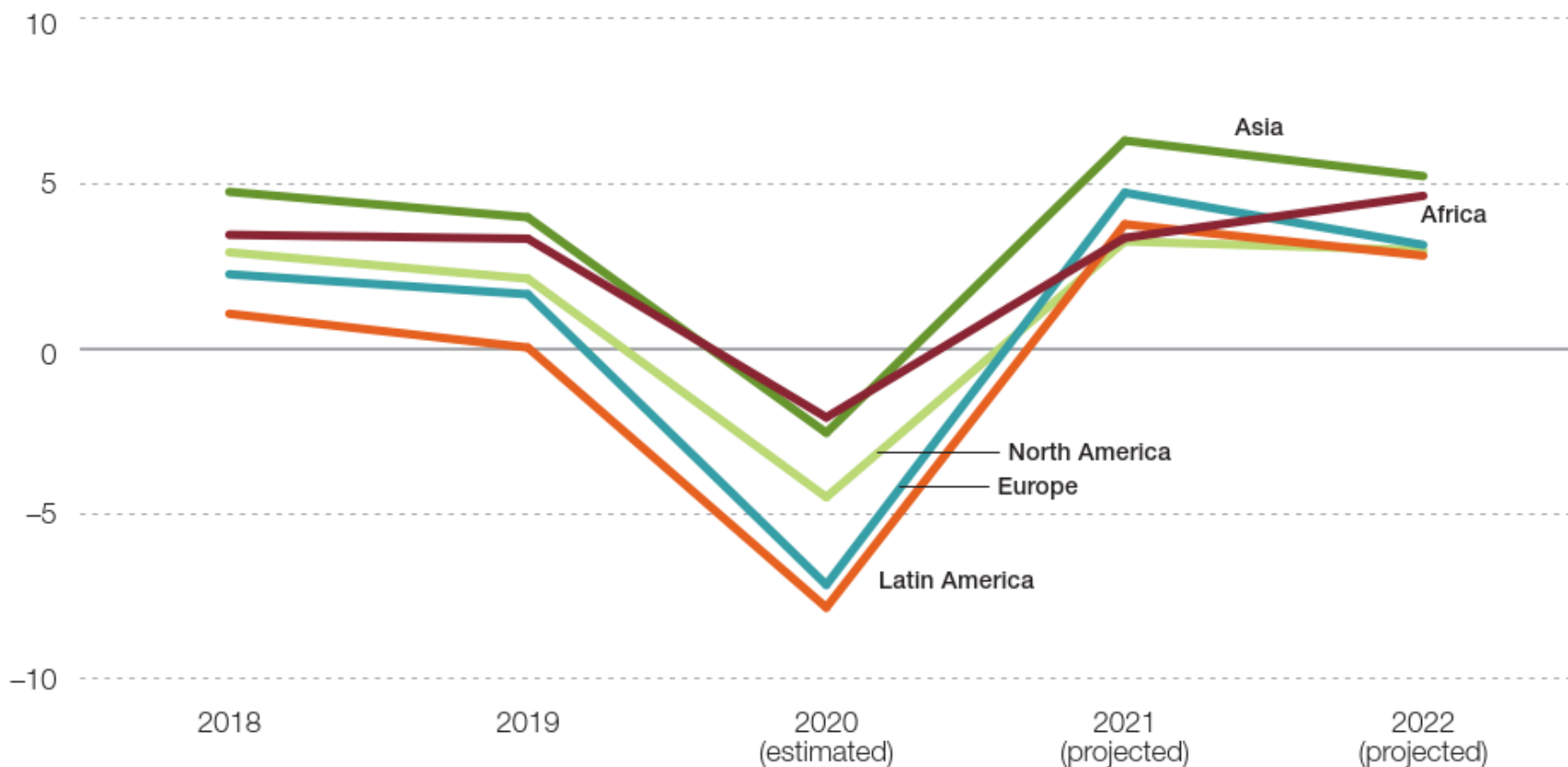


2. Economic realities & trends

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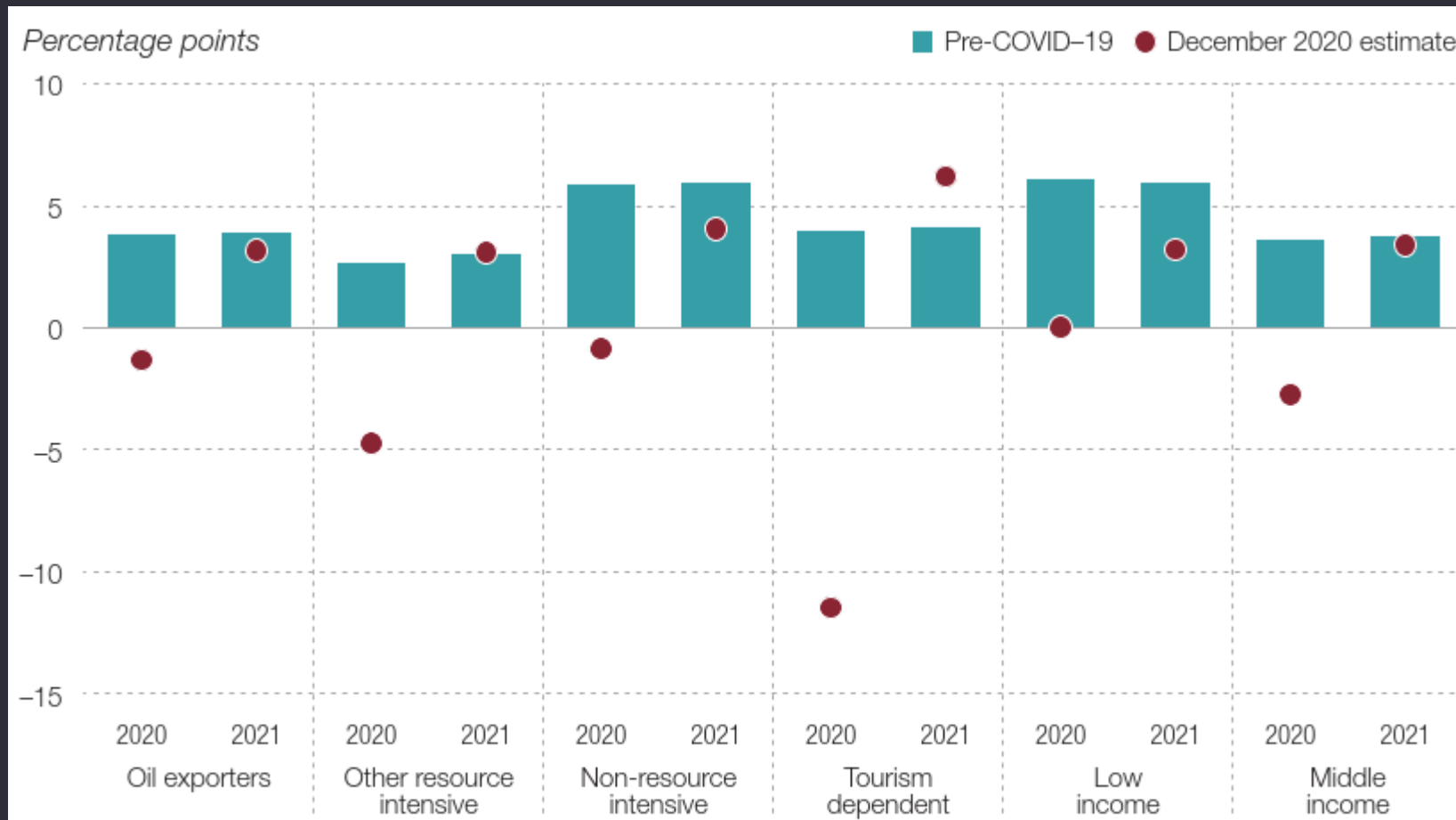
Depth of recession, Africa and other regions, 2018-22

Real GDP growth rate



Source: African Development Bank statistics and IMF World Economic Outlook database.

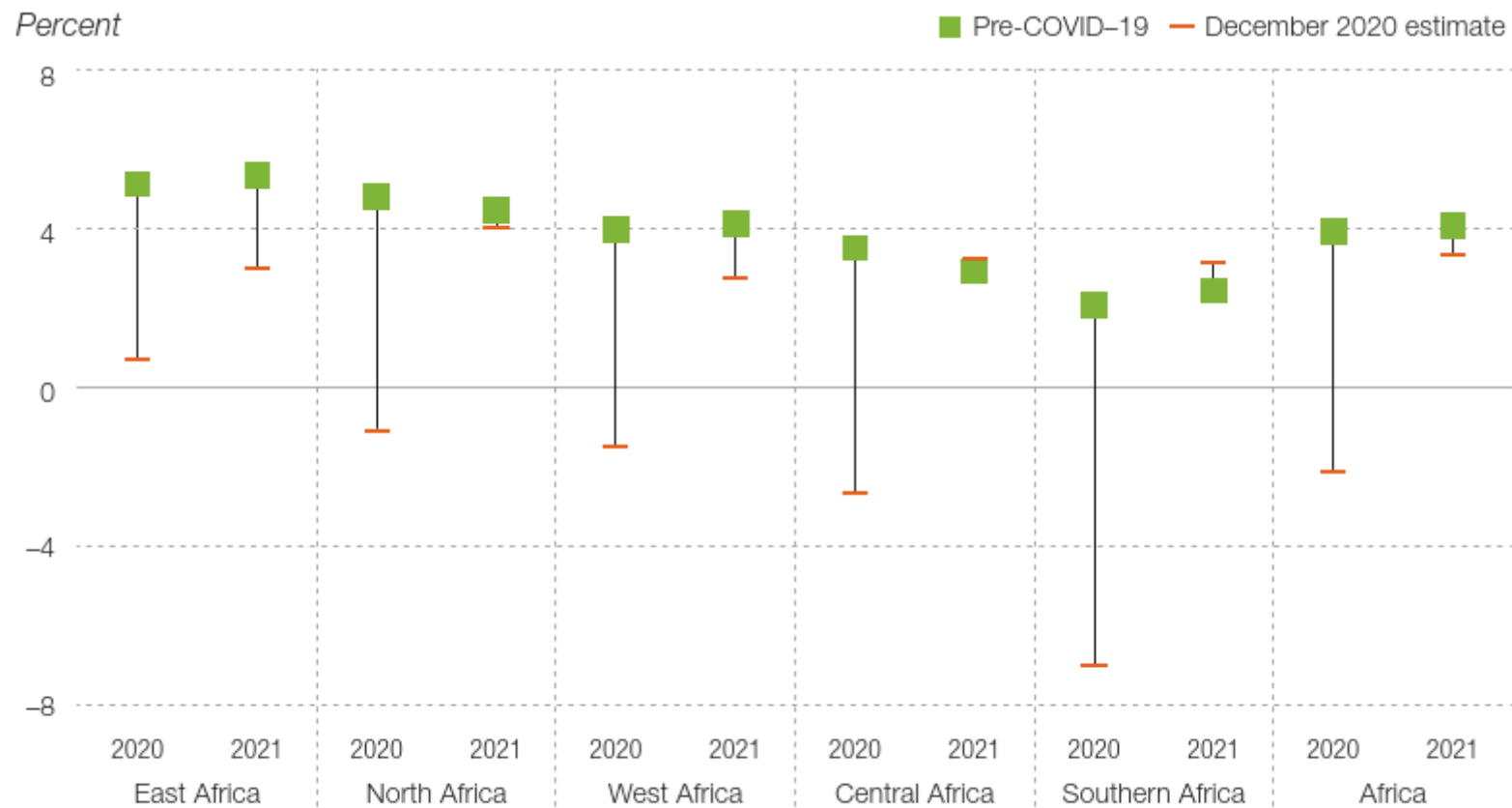
Growth contracted most for tourism-dependent countries, least for low-income countries



Note: All data are predicted values.

Source: African Development Bank statistics.

Growth's decline was steepest in Southern Africa, 2020-21



Source: African Development Bank statistics.

Economic realities & macro-economic trends

1. Africa is projected to recover in 2021 from its worst economic recession in half a century
2. The economic impact of the pandemic varies across economic characteristics and regions, but the projected recovery is broad-based
3. Uncertainty surrounding the growth outlook for Africa is high, but risks are tilted to the upside
4. Countercyclical easy monetary policy and fiscal stimulus packages are expected to support the continent's economic recovery
5. The adverse effects of COVID–19 will reverse hard-won gains in poverty reduction in Africa
6. The COVID–19 pandemic has caused a surge in government financing needs in Africa

What you can expect for the foreseeable future

1. Increase in taxes across the board
2. Structural adjustment programs
3. Reduction in public social spending
4. Push for alternative public financing mechanism e.g. PPPs
5. Increased privatisations

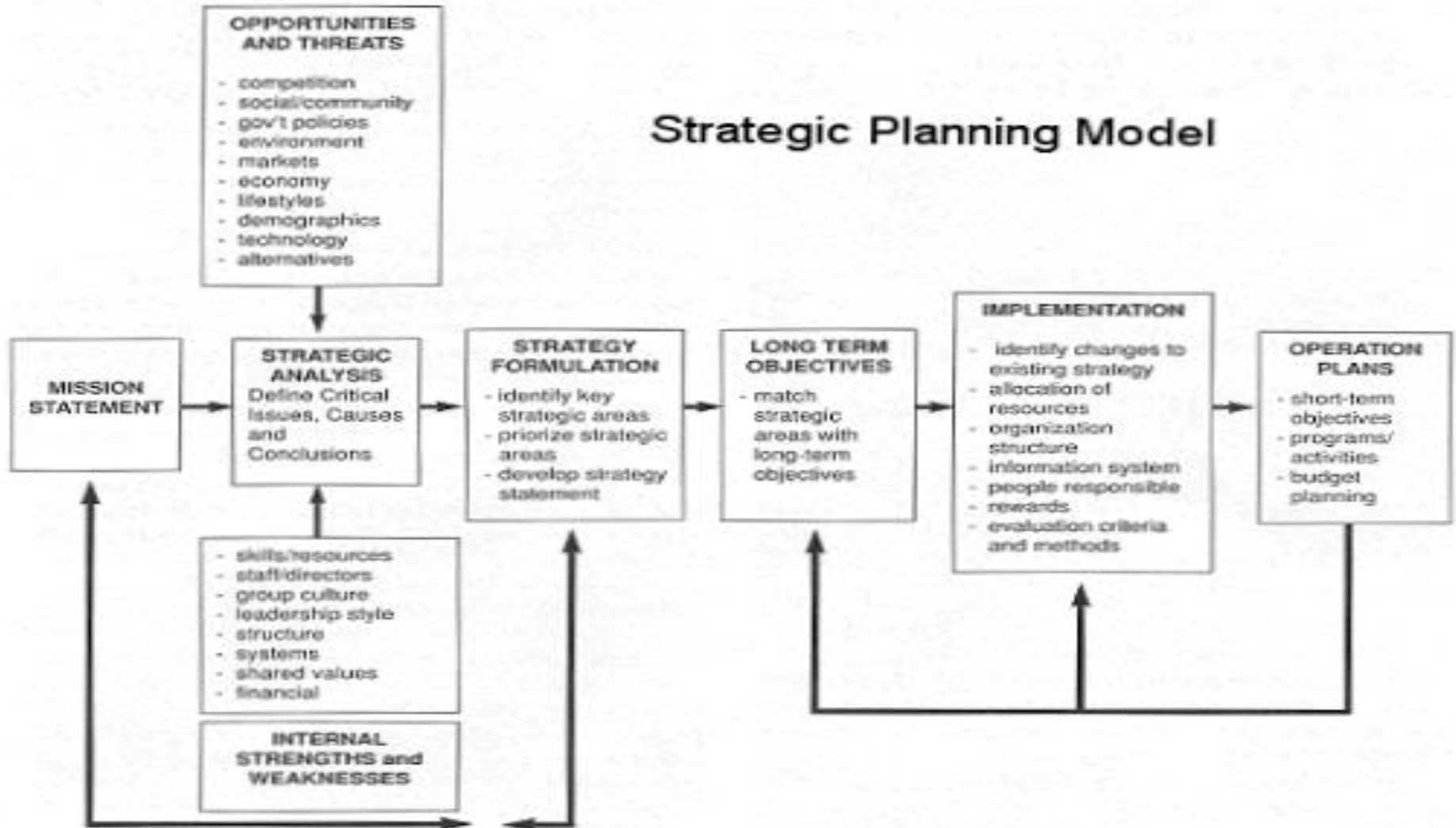
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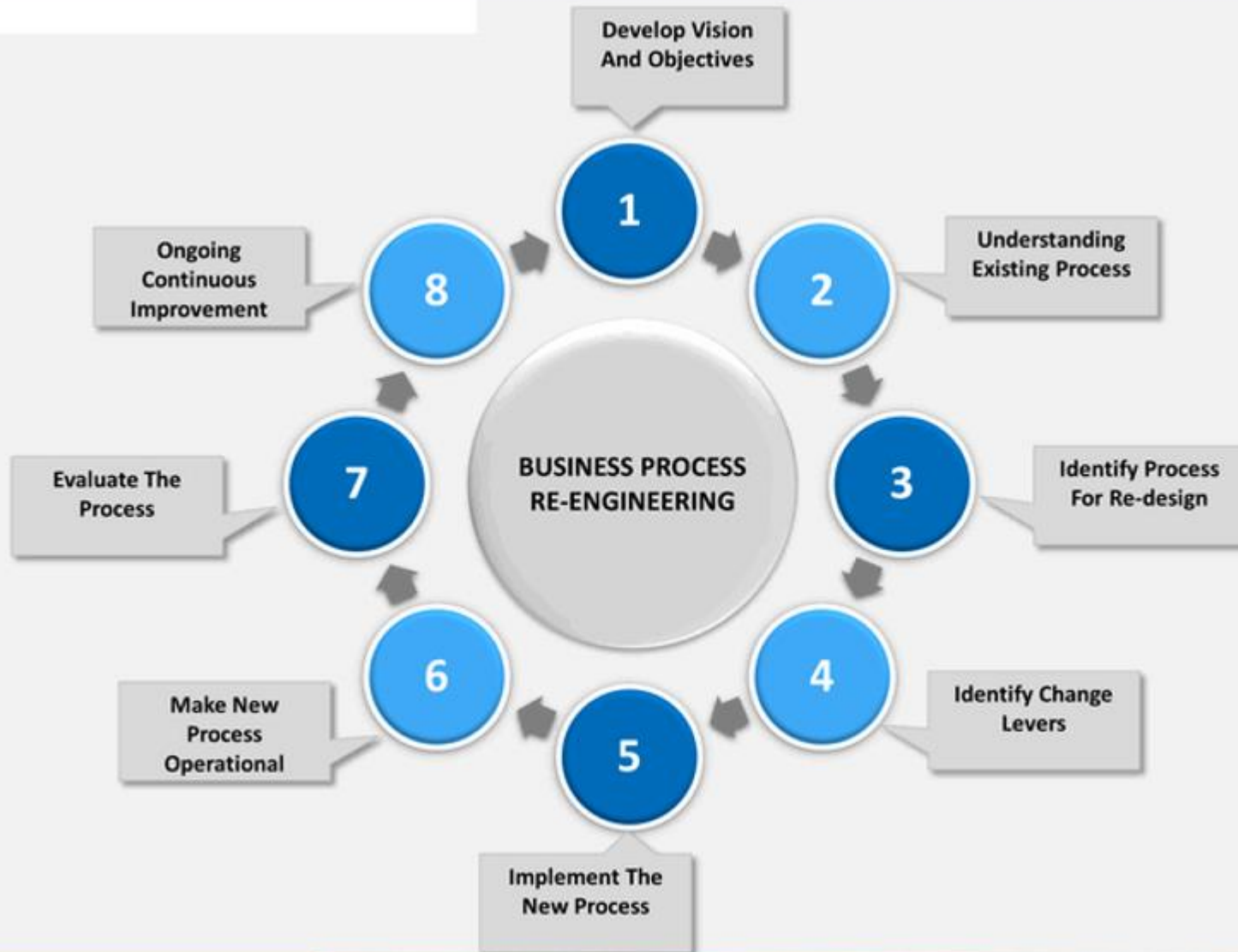
3. Strategic Planning & Business Process Re-engineering

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Strategic Planning Model



Business Process Re-engineering



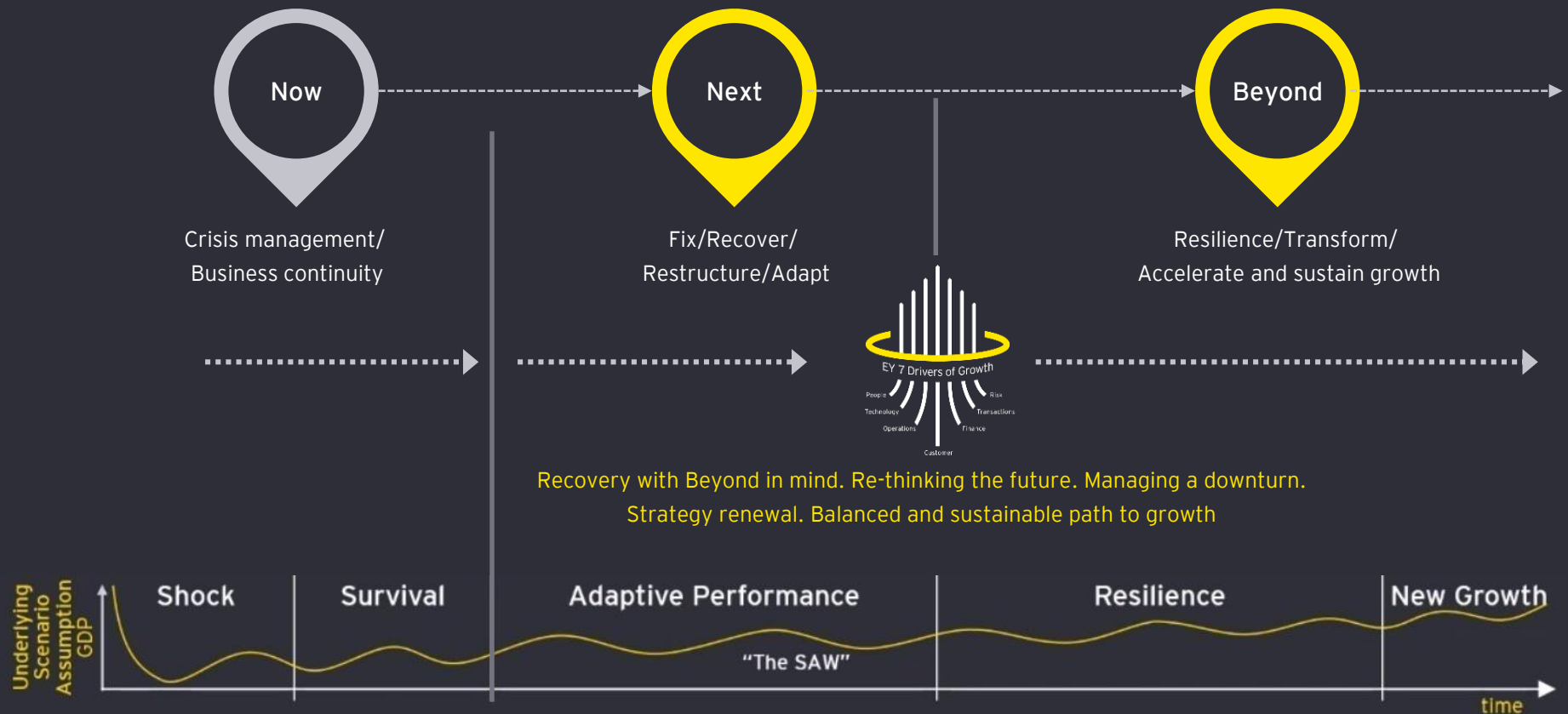
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4. Now, Next & Beyond

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Boards need to reposition their role to align **NOW, NEXT & BEYOND**



To achieve optimal strategic planning and business model re-engineering during and post the pandemic

1. Redefine customer experience,
2. Create efficient and agile supply chain processes
3. Re-engineer enterprise's back office operations
4. Elevate human capital through ongoing learning and development activities
5. Conduct organizational (re) design.

How to navigate through the **NOW, NEXT & BEYOND**

Creating long-term value

CONSUMER

Growing reputation and trust through demand fulfilment and innovative offerings.

HUMAN

Creating an inclusive culture of personal development and purpose.

SOCIETAL

Building trust in capital markets and having genuine social and environmental impact.

FINANCIAL

Leading long-term growth through margin optimisation, cost optimization.

NOW

Safeguard business continuity through effective crisis response planning

Shock and re-start

Respond and continue

- ▶ Protect Workforce and People
- ▶ Secure Financial Stability
- ▶ Continue Operations

NEXT

Ignite recovery through business adaptation and stronger enterprise resilience

Continued crisis and slow recovery

Adapt operations

- ▶ Fix Supply Chain
- ▶ Re-start production
- ▶ Ensure Customer Access
- ▶ Reduce Cost
- ▶ Streamline Structures, Portfolio, Footprint

Increase resilience

- ▶ Achieve lower and more agile cost base
- ▶ Increase workforce flexibility
- ▶ Optimize Supply Chain - mitigate geo-risk, create buffers, enhance agility
- ▶ Maximize digital customer access
- ▶ Enhance digitization, automation,
- ▶ Back-up with cyber security

BEYOND

Deliver long-term value creation by reframing and transforming business

The "Reframed Future"

Reframe

- ▶ Redefine purpose, competitive advantages and business model
- ▶ Seize new growth opportunities, pursue acquisitions and divestitures
- ▶ Continue to lean into digital, enable full digital enterprise (virtual and digitized work, re-balanced channel mix, accelerated digital marketing)
- ▶ Create a platform for customer-inspired innovation
- ▶ Enhance adaptive performance and manage long term value

Strategic re-assessment

Enterprise Resilience Framework

EY



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