



COVID-19: What now?

Time to transform for the future

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At the point of writing, Malaysia's Prime Minister, Tan Sri Muhyiddin Yassin, had just announced the implementation of the Conditional Movement Control Order (CMCO) beginning May 4, 2020. This is at the back of the movement control order (MCO) which commenced on March 18, 2020.

Within those tumultuous seven weeks, companies have had to adapt their business operating models to support remote working practically overnight. The workings of day-to-day businesses are disrupted; many business owners are focusing on resilience measures, ensuring risks are anticipated and managed for both employees and clients in terms of production in the future. This impact resonates across the organizations' supply chains as affected vendors scramble to rethink their own future operating strategies.

So much has changed within several weeks. The COVID-19 pandemic has resulted in both business leaders and owners having to mobilize quickly and make decisions for the short term, with implications for the long term they might not fully understand yet. Even as companies are now attempting to resume operations under the CMCO, it is unsurprising many are left blinking in shock and asking the question, "What now?".

For most companies, the "what now?" is pointing towards technology. Had this pandemic happened 20 years ago, the world would not have been as "prepared". Yes, we are seeing job losses. Yes, some businesses are shutting down as additional "victims" of COVID-19. And yes, our way of life has changed almost beyond recognition. But it is irrefutable that technology has played a significant role in our new normal today.

Most companies in Malaysia have activated their work-from-home policies as their employees are able to connect virtually for meetings and conduct business-almost-as-usual. Most have resorted to leveraging online platforms such as Teams, Skype and Zoom. In fact, academic institutions at almost every level have also switched to distance learning using the same platforms. Companies that are more mature in their technology set-up pre-COVID-19 have arguably fared better compared to those companies that relied on manual operations.



Technology as an enabler



The World Health Organization (WHO) has partnered with major blockchain and tech companies to launch a distributed ledger technology (DLT)-based platform for sharing data concerning the coronavirus pandemic¹. Other advanced uses of technology to manage COVID-19 also include:

- In **New York**, USA artificial intelligence (AI) is used to produce granular COVID-19 maps that enables individuals to decide what places to avoid, companies to manage risk, and governments to deploy resources².
- In **China**, blockchain technology has also been deployed as part of its response to mitigate the virus impact. Using blockchain, medical and insurance claims payouts process was able to be shortened, helping many impacted individuals who need the resources³.
- Also in **China**, robots were deployed at hospitals delivering food, medicines and goods to isolation wards. This prevents direct contact with medical personnel as the robots were controlled by remote operators. A mobile CT imaging vehicle was also deployed in Wuhan which allowed diagnosis of COVID-19 to be conducted outside the hospital⁴.
- In **Malaysia**, the Royal Malaysia Police through the Drone Unit of the Air Operation Team (PGU), together with the Malaysian Armed Forces, deployed drones during the MCO. Based on reports, 10 units of drones, equipped with heat-sensing technology and speakers capable of giving a warning siren and advice in three languages (Malay, Mandarin and Tamil) to the public to comply with the MCO regulations⁵.

Where to begin?

The examples above demonstrate how technology can be a solution to manage a crisis, and the same principle applies to companies of all sizes. Start by breaking down the challenges your company is facing or is expected to face due to this pandemic.

It is fundamental to assess if your current IT set-up can cope with the increasing demands as more employees work remotely. In recent weeks, we have seen many companies prioritize the mobilization of hardware to ensure remote workers have the tools and support they need for remote working and can manage peak volumes. If your IT infrastructure permits, ensure the IT department and personnel are equipped from a capability and capacity standpoint. This includes ensuring frontline IT support personnel are equipped to provide remote troubleshooting expertise, maintain core services and increase technology resiliency.

Spending priorities on IT will now very likely change, at least until things get back to “normal”. Experts estimate normal is when the world has a proven vaccine mass-produced – and that might take 12 to 18 months. Due to this, all planned investments related to IT would have to be re-prioritized. The essentials will likely remain, but those non mission-critical would have to be pushed back, cancelled even. Refocus discretionary activities to channel resources and investment to support the wider business critical areas.

So, what now?

While no one knows the full impact of COVID-19, by using technology and innovation, we can objectively evaluate all possible alternatives and chart a path to preserve business value. The following are some short-, medium- and long-term considerations companies may want to act on in the areas of Technology, Cybersecurity and Customer engagement.



1. Cointelegraph, 28 March 2020, “World Health Organization Launches Blockchain Platform to Fight COVID-19”

2. KPMG International, 7 April 2020, “Tech hubs foster innovation to fight COVID-19”

3. CDOTrends, 16 March 2020, “Blockchain Cures COVID-19 Related Issues in China”

4. Mobi Health News, 21 February 2020, “SPHCC and Yitu develop AI-powered Intelligent Evaluation System of Chest CT for COVID-19”

5. Bernama, 29 March 2020, “Drones used to monitor public movement”

Short Term

Technology

- Implement enterprise social collaboration platforms to drive employee and customer engagement through remote working solutions and technology. This may include equipping data center, help desk and system managers with the capacity to meet the revised business needs.
- Review IT governance, risk and control considering dynamic circumstances and ensure controls work effectively and weaknesses are identified.
- Reevaluate and prioritize IT portfolio including arrangements with IT partners and vendors particularly in legal contracts, capacity, scalability and financial viability. Important to extend self-service capabilities particularly for level 1-related supports.

Security

- Focus on embedding pragmatic remote working security controls to deal with COVID-19 themed threats, including education of employees and customers. This includes ensuring security operations teams are able to work remotely, including testing backup and recovery procedures.
- Review your dependency on managed service providers and seek assurances on security controls. Undertake rapid due diligence on new suppliers where changes are made to the supply chain.
- Run exception reports to identify irregular behaviors. For companies with real-time transaction requirements consider whether risks can be mitigated through enhanced data analytics to enhance detection of new fraud risks.

Customer engagement

- Identify and segment customers in response to immediate changes in demand and buying behaviors as a result of COVID-19.
- Build cross-functionality to ensure all aspects of the customer's experience are covered. Identify quick wins, those aspects of the business which are suddenly very relevant (e.g. collaboration opportunities).
- Prioritize vulnerable customers and critical workers for additional support.

Medium Term

Technology

- Evaluate which customer experiences are most critical on an ongoing basis and prioritize your IT response.
- Embed IR4.0 technology across the organization, i.e. Front-middle-back offices.
- Optimize data centers and cloud platforms to enhance performance and scalability and maximize investment.

Security

- Keep security threats under review to remediate risks. Stress test your risk management protocols and monitor additional load on your system and adjust storage requirements. This may include testing the robustness of your cyber resilience, including responses to phishing, ransomware, etc.
- Continue to monitor financials and run exception reports to identify irregular behaviors and perform regular reconciliations. Run reports of amendments to standing data, particularly focusing on bank account changes, payroll data changes, supplier/employee contact information.
- Manage the implications of IT supplier failures on business. Maintain crisis management and incident management activities through enhancing and developing your business continuity management protocols.

Customer engagement

- Identify and resolve opportunities to automate and reduce costs. This includes making urgent immediate changes to reflect new channel behaviors and needs.
- Develop new digital marketing and communications platforms to engage customers directly and respond to their needs through personalized interactions at scale.
- Initiate agile innovation teams to respond creatively to medium-term changes in customer needs and find new ways of solving emerging customer problems.

Long Term

Technology

- Institutionalize customer-centric approach on IT. Moving from “keeping the lights on” to “heartbeat” of the business; by applying lessons learned during the pandemic to adjust the IT operating model as business returns to a new normal.
- Review and reprioritize strategic technology investments and accelerate programs that support ongoing resilience and emergent growth priorities. This includes the review of cost optimization plans to focus technology solutions on emerging business priorities as well as sourcing strategy and service performance of 3rd parties and adjust for the emerging business priorities.
- Embed data-driven culture to adapt and provide insights into changing customer needs.

Security

- Bolster Cloud and cyber resilience, e.g. migrate to a security operating model that allows for greater use of automation.
- Consider cyber security as part of your post-pandemic acquisition and restructuring strategy.
- Augment your cyber resiliency program and fraud risk management framework.

Customer engagement

- Determine the new role for your brand as recovery sets in, re-setting all elements of brand and customer strategy to ensure long-term growth in a new environment.
- Review channel strategies and develop plans and solutions to enable the business to adjust to new processes, IT capabilities and supporting resources, and governance and control processes across the business.
- Establish robust MI and monitoring to track further changes in customer demand and behaviors and ensure to ensure visibility and control.

As we continue to maneuver our way through the challenges of this new normal, many more technology innovations will likely be developed. But in answer to the question, “What now?”...

Now is the time to take advantage of the disruptions to the business landscape. Now is the time to protect your business and ensure it is resilient to future crises. Now is the time to leverage on technology to identify opportunities and get back to growth.

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