

Faster, smarter, technology-driven decisions drive business growth in 2020 and beyond

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On 28th April 2021, IRC Global Executive Search Partners convened a virtual roundtable featuring executive leaders from across APAC, the Americas, and Europe to discuss pandemic-driven accelerated growth in the tech sector, and what it means for tech companies and their investment in growth and human capital in the short and mid-term.

Executive Summary

- 2020 was a challenging year for many organizations but resulted in huge opportunities for companies embracing technology
- Organizations and leaders willing to pivot their business models and change their way of thinking are coming out of the pandemic stronger than before
- With so many people working online and not meeting their teams face to face, leaders with a human-centric approach are more essential than ever

2020 was a year of new challenges, with implications for work and life, brought on by a global pandemic, but with those challenges came tremendous opportunities for growth for those companies ready to rise to the occasion. For many organizations, this meant not only moving to a completely remote mode of work but also a change in their core beliefs and way of doing business. Limitations on commonplace activities like shopping and dining out led to companies rethinking their business models and coming up with creative solutions.

2020 was a year of unprecedented growth for the tech industry

While many traditional businesses struggled in 2020, there were tremendous opportunities for growth in certain industries. “Tech companies were already more

familiar with the idea of teleworking, so they were in a better position to move online compared to the retail sector, not only because of the adaptability of developers, but also because they had the knowledge and the means to make it happen, and at the same time they saw their sales rise because of the need for more technology and automation,” stated Maria Pedoulaki, Group Chief Financial Officer of SoftOne Technologies.

What’s more, certain departments within companies were better equipped to handle the challenges of remote work. Developers, for example, are used to working on a laptop from anywhere, so it was easier for them to adapt to this new reality. However, departments like HR and accounting had a hard time coping with all the extra demands coming from governments that required more reporting or compliance on their part, according to Pedoulaki.

Cyber and fin-tech were two industries that saw huge growth in 2020. Agri-tech and food tech powered along as well. On the investment side, the high-tech industry had an amazing year in Israel, according to Erez Ezra, Partner and Managing Director at Clear Future, raising more than \$15.4 billion compared to \$9.9 billion in 2019. “We saw less money invested in seed rounds and A rounds, but much more money invested in later stages. Another thing to mention is that there was even more focus on B2C investment, one out of every seven investments went to B2C, which was something that we hadn’t seen in previous years.”



The bigger question is whether this boom will continue or whether organizations will settle into old routines now that there is an end in sight to the pandemic, thanks to the growing availability of the vaccine in most of the world. “Technology companies that were able to help their customers meet the demands of the pandemic and provide the services that they needed most, such as going virtual, being in the cloud, being able to work from home, as well as automation, were able to grow exponentially. We grew in double digits, despite the pandemic, in the last three quarters of 2020. I think this is the kind of trend that we will be seeing going forward. I anticipate that there will be exponential growth in these sectors and technology,” said Hiren Kotak, VP & Global Practice Head of Intelligent Automation at R Systems. “Overall, as more and more clients or industries realize that going forward there could be more disruptions, they will start preparing in terms of being more virtual, more global, and having robust business continuity programs as well as strong cybersecurity. That's going to be at the top of everybody's mind as we see an end in sight to this pandemic,” he added.

A change in the way leaders and companies think

The challenges of 2020 have driven companies to think and operate differently than they have ever done before. Innovation and willingness to think outside the box and try new things was a key factor when it came to which companies failed and which came out of the pandemic stronger and more profitable than before. Bill Rusitzky, Partner at Newport LLC, recently conducted a survey of mid-market CEOs of companies with revenue of \$5 million to a \$100 million dollars to find out which companies were coming out of the pandemic unscathed and stronger than ever. “What we found was that the companies that were the most successful in the last year really focused on trying new things and innovating. It was the CEOs and organizations that tried three or four different things that did much better, when compared to those who only tried one or two.” Rusitzky believes a focus on innovation and the willingness to try, fail, and fail quickly, and then improve on the things that worked is going to be a key factor in the success of companies in the future. “The last year has seen 20 years’ worth of innovation jammed into 6-12 months”, he added.

It has become paramount in an increasingly online world to automate and digitize everything that can be automated and digitized. “Everything that benefits from digitalization must be digitized. If you do not digitize, you will cease to exist,” is the strong statement from Sanjay Kaul, President - Asia Pacific and Japan at Cisco Systems. It's not only about changing as a company; it's about adapting as a leader, trying new things and constantly learning. “If I'm not learning every day, I'll be obsolete in 6 months because ICT is moving so fast,” said Kaul. “Having 20 or 30 years of experience in a particular field doesn't mean anything.”

To the question of what it takes to be a successful leader these days, Hiren Kotak emphasized strategic and digital skills. “The answer to me is that anybody who can anticipate the market needs and is prepared to leverage the digital eco-system globally can be a successful leader these days. The key is to use the knowledge and capabilities of the digital economy to create a new business model that delivers customer value, even when you do not necessarily have your own resources and the talent required to deliver that value. A successful leader is the one anticipating the implicit needs in the next 5 to 10 years and leveraging modern technologies to fulfil those needs.”

Many traditional companies saw the need to embrace the mindset of startups in order to stay competitive in quickly changing markets. “Cisco is a 50-billion-dollar company, but I think we have started to behave like a startup because we know that an unknown company might come from the side and take business from us. That is truly the dilemma and challenge, and I believe companies like ours have to embrace this change to survive. Those that move in this direction will make it, and those who do not, will not,” stated Sanjay Kaul.

Moving to a human-centric approach

One of the major struggles for leaders these days is connecting with their team and ensuring nothing is falling through the cracks when it comes to communication. Usoro Anthony Usoro, General Manager of Mobile Financial Services at MTN Nigeria approached this problem by establishing a daily meeting to kick off work each day. “I started doing a 15-minute daily huddle with my team to quickly discuss our priorities for that day so that everyone knows what is happening. It’s what we normally would have done in the office as face-to-face interaction. It’s a chance to ask questions and this kind of communication goes a long way in improving collaboration and keeping everyone connected.”



The leadership attributes taught pre-Covid in most business schools are not cutting it anymore, according to Sanjay Kaul. “I’m a virtual manager, and it’s a very different way of motivating people. It’s a very different way of disseminating strategy. Vulnerability, as a leadership tool, is the most powerful weapon I have. Business is great, but we are worried about the mental health of our people. We have been growing, but we know people are working more than they should, just because they are available. In this kind of environment, as a leader, you need to have a moral compass, you need to have a value system, so that you can put yourself in the shoes of the people you are managing and understand their situation. What I really think is that to be a leader is to be more human and communication has to be front and center of what you do.”

Maria Pedoulaki agrees that a leader with a human approach is what is needed to drive the continued success of virtual teams. “A leader needs to have many qualities but foremost they need to be human. They need to know what philanthropy means, what empathy means, what it means to listen to the needs of others and to be there for them. This is what is missing at this specific period in time. I don’t think any management style or leadership style can bring the desired results if it is not driven by humanity,” concludes Pedoulaki.



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