

# Amplify

A magazine by Thinc

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*“You can't stop the waves,  
but you can learn to surf.”*

Jon Kabat-Zinn

**thinc\***

# Welcome



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### Introduction from Thinc Director Dominic Ball.

Working with some of the UK's fastest-growing companies, Dominic shares insights on how to overcome key obstacles, reach incredible growth, and succeed in this new world.



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### IT decision makers are leading the new economy

Digital business transformation is now for the masses, with leading businesses in the UK becoming increasingly intelligent. Companies with fast-growth ambition must adapt to capture the upside of the economic rebound.

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### Welcome to the new era of ERP

ERP forms the spine of fast-growth organisations and is a critical business management solution for SMEs. A robust technological core provides structure, solidity and flexibility, allowing the entire organisation to thrive.



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### The art of closing (the books)

Manual tasks have a significant impact on the time to close. Having the right technology in place puts you on the front foot, ready to attack the month with confidence.

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### Cyber Security? It's not a tech problem

A lack of awareness surrounding data security and privacy is an ongoing issue. With more than two-thirds of UK businesses offering remote or hybrid working, how do organisations become cyber aware?

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### Today's fast-growth leaders use managed services to drive their growth.

In a Q&A with Thinc's Business Advisory Lead, Michael Harrison shares his advice on transitioning to managed services and assessing whether change is required.



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### Your cyber resilience plan

Cyber attacks could be catastrophic for many small businesses. To achieve digital resilience, top management must create an integrated strategy.



"You can't stop the waves, but you can learn to surf." — Jon Kabat-Zinn

# Riding the wave with the UK's fastest growing companies

## Introduction —Dominic Ball

Our cover image and American philosopher Jon Kabat-Zinn's quotation have never been so appropriate.

Whilst the challenges facing the UK economy might seem relentless, our insights show that incredible growth is still within reach for many companies.

To succeed in this new world, leaders must skillfully navigate a series of obstacles that are already reshaping our economy.

Through our in-depth work with some of the UK's fastest growing companies, we've identified three key obstacles that all leaders should be aware of.

The first universal challenge is that past experience can no longer be relied on. Previously reliable patterns have been turned upside down. An international wave of change has created significant geographical shifts in supply and demand. These changes have been exacerbated further by rapid changes in the adoption of technology. Getting accurate real-time data on every key aspect of your business is the first step to thriving in this new world.

Secondly even the smoothest of supply chains have been disrupted by recent events. But wrestling back control is no longer enough. The strongest companies are already

preparing for what lies ahead. For example, COP26 (the global climate summit) made it clear that business 'the way it was' cannot continue, and increased scrutiny is being placed on the sustainability of supply chain practices. This is no longer nice to have, investors and consumers are now making subjects like sustainability their top priority.

And thirdly, previously dormant issues such as skills shortages, rising costs and increasingly transient employees are now biting hard. The people problem is perhaps the most immediate challenge most leadership teams face. Developing systems capable of handling routine tasks to maximise the potential of the talent within your company is another hurdle to overcome.

Whilst tackling these challenges may seem daunting, readily available technology has been designed specifically to handle such complexity and adversity. It comes as no surprise that the businesses who have combined this technology with human ingenuity have been the most successful in recent years.

So as history has proven many times over, those primed for rapid evolution are likely to emerge the strongest.

**Dominic Ball**  
Managing Director, Thinc



# IT decision makers are leading the new economy

More than ever before, indications suggest the UK's fastest growing companies are looking beyond short-term pressures to invest in long-term value creation.



*"We're already seeing CTOs and CIOs switch focus. Moving beyond the urgent needs of the COVID economy and reorienting towards long-term growth and innovation agendas."*

**Adam Shilton**  
Senior Business Advisory Consultant, Thinc

## IT decision makers have taken centre-stage.

Data shows that digital business transformation is now for the masses. The majority of companies with fast-growth ambition are reshaping themselves to capture the upside of the economic rebound.

Gartner's latest worldwide spending forecast anticipates 5.1% year-on-year growth in IT spend, with enterprise software and IT services leading the expansion.

According to the annual TechTarget / Computer Weekly IT Priorities survey over two-thirds of UK businesses are harnessing automation, and 50% describe their IT strategy as 'cloud first'.

Back-office investments, especially cloud-based solutions, are top of the agenda. Over 30% of those surveyed stated they are planning to invest in ERP this year, making it the top business applications project.

Linked to ERP, analytics and business intelligence (BI) are also in the top five priority projects for the upcoming year. With customer relationship management (CRM) and business process automation (BPA) featuring in the top 10.

"The headlines of this survey are interesting, but the sub-text is fascinating" said Adam Shilton, Head of Business Advisory, Thinc.

"With IT budgets amongst the first to be increased post-pandemic there's clearly a strong vote of confidence in IT decision makers and their ability to design a clear path into the new economy.



#1

ERP is this year's top business application project.

40%

40% of respondents say they have immediate plans to spend on CRM and sales management software.

48%

Of those surveyed, 48% say they have plans to spend on analytics and BI platforms.

*“With many companies now embracing the changes enforced and accelerated by the pandemic and Brexit, transformation has moved from buzzword to bona-fide.”*

**Adam Shilton**  
Senior Business Advisory Consultant, Thinc

"CTOs, often forming powerful alliances with technologically minded CFOs, are increasingly leading discussions about business transformation. Despite the challenges of recent years this is an incredibly exciting time for our industry".

Manufacturing, warehousing and distribution are amongst the industries most heavily impacted by Brexit, the pandemic and the resulting radical shifts in consumer behaviour. Indications show supply chain management is a high priority for UK businesses, with 23% of IT decision makers planning to invest in the next twelve months.

On the front-office side of enterprise operations, investments in CRM are front of mind. In the survey, 40% of respondents say they have immediate plans to spend on CRM and sales management software. This marks a trend for organisations looking to use digital solutions to enhance customer experience.

Almost half of those surveyed (48%) suggest they have plans to spend on analytics and BI platforms. Data quality, data governance and master data management remain key. An increasing number of respondents are planning cloud data warehousing and data lake servicing investment.

And emerging data technologies such as data cataloguing, data preparation and investment in platforms that operationalise machine learning are also gaining traction.

"The prioritisation of significant back-office investment indicates that the leading business in the UK will become increasingly intelligent. The winners in the new economy will be fueled by exceptional BI platforms and built on cloud-based integrated systems that free human resources to concentrate on higher value activity".\*

### What does this mean for you and your business?

For further insight into the trends shaping the future of your industry and how they can be harnessed by your business, contact the Business Advisory Team at Thinc.

**Adam Shilton**  
Head of Business Advisory, Thinc

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# Welcome to the new era of ERP

Gary McKnight  
Head of Sage Practice, Thinc



*“Adaptive Resilience is the capacity to remain productive and true to core purpose whilst absorbing disturbance and adapting with integrity in response to changing circumstances.”*

Mark Robinson  
The Arts Council

## The UK's fastest-growing companies all share similar DNA.

This became more apparent than ever when researching for Thinc's Scale-Up series, a collection of insights examining the practices of high-performing leaders and companies.

Fast-growth companies are commonly built around a robust technological core, almost acting as the spine of the organisation. This core provides structure and solidity for the entire organisation. But crucially it is also flexible, just like the human spine, allowing these fast-growth companies to flex and adapt rapidly when required.

Mark Robinson's seminal report Thinking Adaptive Resilience predicted organisations with these traits would thrive in the modern world. This has been evidenced repeatedly in the companies we work alongside.

## ERP, the core of fast-growth companies

Enterprise Resource Planning (ERP) software formed the spine of almost all of the fast growth organisations we consulted. Time and time again, it has been proven to be a critical business management solution for SMEs.

Traditionally businesses have adopted ERP at key inflection points; planning for rapid growth, preparing for investment or during a merger or acquisition.

However this mindset is changing. Leaders are recognising the landscape can change in the blink of an eye, so a business needs to be on a continual state of high alert and optimal performance.

The best ERP systems have been evolving too. A modern cloud-based ERP system can act as a platform that enables all aspects of your organisation to thrive.

"ERP replaces assumption with knowledge. It provides leaders with a single source of truth across the entire organisation" says Gary McKnight, Head of Sage Practice, Thinc.

"Cloud ERP systems can also integrate and analyse data from third party software and hardware."

"By centralising business information, making it real-time, and empowering people with greater insight, leaders can unlock better, faster, more accurate decision making across the entire organisation."

Cloud ERP solutions elevate people's performance across an entire organisation.

They help talented people break free from the daily grind of routine tasks, encouraging them to invest their time instead in more strategic and rewarding activities.

This combination of human creativity and cutting-edge cloud technology is helping modern organisations thrive. ERP is not only part of this approach, but it is arguably central to it. And in such, ERP is set to have its greatest moment. ✱

A feature by  
Adam Shilton

# The Art of Closing: *(the Books)*

If the mere mention of closing month-end brings you out in a cold sweat, you're not alone.

Sage surveyed 1,600 finance and accounting professionals in 2021, and over 60% stated the close process still takes over a week.

This figure sounds laborious. But it's more than that, it's business critical.

By taking over a week to close month-end businesses are accepting that they're working blind almost a quarter\* of the time.

In a world where change hits faster than ever before, that's a seriously concerning statistic.

\*Taking over seven days to close month-end means businesses are operating without up-to-date information for 22.5% of a 31 day month.



## AT A GLANCE

# 60%

Of the accounting professionals surveyed, 60% said the close process takes over a week.

# 36%

Businesses highly impacted by spreadsheet manipulation have a 36% longer close process.

# 25%

Manual data imports and exports creates a 25% longer close process.

# 58%

Over 58% of respondents currently use a cloud or hybrid accounting system.

# 60%

Businesses using cloud financial systems reported an extremely smooth transition to a remote close.



To see the full results, download a complimentary copy of the [2021 Close the Books Survey report](#)

*“Today’s finance leaders go way beyond reporting numbers, they provide the strategic insight and guidance needed for their companies.”*

*“Long close processes damage morale and impact decision making. It’s the equivalent of a sports team playing solely in defence. Having the right technology in place puts you on the front foot, ready to attack the month with real confidence.”*

**Adam Shilton**  
Senior Business Advisory Consultant, Thinc

## So what are the barriers?

Sage's survey found the top obstacles impacting the close process were data manipulation in spreadsheets and data imports/exports. These manual tasks have a significant impact on the time to close, slowing the process and leading to businesses making decisions based on stale information. In fact, those businesses highly impacted by spreadsheet manipulation have a close process that is 36% longer than those only slightly impacted.

Similarly, the time spent on each manual data import or export adds up and contributes to a slower close. Respondents who were most impacted by manual data imports and exports on average had a close process that is 25% longer than those who were only slightly impacted.

Cloud-based financial management systems provide users with opportunities to eliminate or reduce these manual tasks. They are designed to enable companies to complete key tasks like consolidations, accruals, and allocations directly in the system as opposed to maintaining a separate spreadsheet for these tasks. Cloud based systems also offer application programming interfaces (APIs) that make it easier to connect with other business systems to automate more of their data imports/exports.

Remote working has added another layer of complexity. According to Sage nearly 60% of businesses using cloud financial systems during the pandemic reported an extremely smooth transition to a remote close. This fell to 32% for companies using on-premises software. \*



# Cyber Security?

## *It's not a tech problem*

Richard Stathers  
Operations Director,  
Thinc

Cybercriminals will target the weakest part of your organisation. And worryingly, they already know what it is.

Because for you – like almost all organisations – your weakest link is your employees.



### THE COSTS OF CYBER BREACHES TO UK BUSINESSES

## 39%

39% of British businesses reported cyber breaches in 2021

## £4.24m

The average cost of a data breach in 2021 was £4.24m

## £70m

The largest ransomware fee demanded was for £70m

## 20%

Compromised credentials caused 20% of all data breaches in 2021

When we relay this message at talks and keynotes the room typically looks indignant. "Not in our business," we hear, and "our team would never be so malicious". But malicious behaviour counts for only a tiny fraction of all employee-related breaches. The vast majority come down to a lack of awareness and poor communication from the top.

### Designing out negligence

According to the 2020 State of Privacy and Security Awareness Report, only 27% of employees could identify at least two warning signs that malware has infected their computing platform. A general lack of awareness surrounding data security and privacy is an ongoing issue. An employee's bad habits can lead to these data breaches.

#### These include:

- Lost IT equipment;
- Computers left unlocked or unattended;
- Passwords shared via text message or WhatsApp;
- Paper notes left on desks;
- Working from home or in public on an unsecured Wi-Fi connection.

This last habit is especially troubling, considering that more than two-thirds of UK businesses plan to continue offering remote working or hybrid arrangements.

"Often employees are unsure about who is responsible for cyber security. The best way to overcome this is to put the responsibility onto the individual. Ultimately cyber is a shared commitment, it's everyone's responsibility to be knowledgeable, proactive and vigilant" said Richard Stathers, Operations Director, Thinc.



Getting this message to cut through in an already busy environment can be a challenge. In our experience getting an organisation primed for a successful transition to becoming cyber aware takes a few key steps:

1

**Get buy-in from leadership.**

Talking 'technology' rarely gets an entire leadership team engaged. So instead, build the business case. Detail how data breaches and cyber attacks could affect the bottom line.

By using numbers and relatable real-life examples you can bring 'technology' issues like cyber to life and make it meaningful for all aspects of the organisation. This will lead to the support you'll need to make cyber security a priority.

2

**Communicate cyber continuously.**

Despite cyber being everyone's responsibility, it is still part of the organisation's role to train and empower employees to be cyber vigilant. That requires great training, unearthing champions (it works well if they're not in an IT role) who 'get it' and keep the conversation current, and establishing clear lines of communication should a breach or attack occur.

This is an ongoing task, but organisations who excel in this area integrate cyber security into the rest of their operation. Including cyber security in new employee onboarding programmes, discussing cyber security in PDPs and at team events can keep cyber on the conscience of your team.

3

**Create a sharing environment.**

Create an environment where discussing cyber security is encouraged and rewarded. It's essential to avoid 'blame' as that will lead to individuals trying to cover their mistakes, potentially putting the wider organisation at further risk.

Cyber security is likely to be seen as another 'new' part of people's already busy workloads, so taking a carrot rather than stick approach can yield benefits. The early detection, prevention and small 'wins' should be rewarded.

Cybersecurity is a team effort. By following these steps and accessing great training you can put your employees in a position to succeed. \*





# Today's fast-growth leaders use managed services to drive their growth.

Managed IT services gives business a competitive edge in what could be an unpredictable new economy.

Michael Harrison  
Business Advisory  
Consultant, Thinc

"Business leaders who fully embrace managed IT are able to focus on innovation that drives growth" says Michael Harrison, Business Advisory Lead at Thinc.

"But the value of managed services goes beyond freeing executive time. It also provides leadership teams with deep industry expertise which helps guide decision making. For many of our clients we're also able to unlock sophisticated data analytics, which add clarity, context and certainty to decision making."

Work conducted by our business advisory team has highlighted a common trait that distinguishes many of the UK's fastest growing companies. As traditional business models come under increased pressure, leaders who are open to new ways of working tend to outperform those that rely on traditional methods.

And whilst the term 'managed services' is far from new, adopting a 'managed services mindset' is. Leaders who see managed services as a faster, more effective route to delivering board-level priorities often outperform their peers.

Harrison continues "Today, managed services is about innovation, de-risking business transformation, and ultimately delivering operating environments that provide the platform for an organisations growth strategy." \*

## How to transition to Managed Services

Transitioning to managed services, or transitioning to a new managed services provider can seem a daunting prospect. Michael Harrison, Business Advisory Lead at Thinc shares his advice on how to assess whether change is required:

Ask yourself the following questions.

### Q. Is transformation on your agenda?

Real transformation is reimagining significant aspects of the business model to increase resilience and agility, traits essential to all businesses in the new world.

If transformation is being discussed in your business, managed services is the best way to quickly build resilience and agility into your operations.

### Q. Is your current IT infrastructure and/or managed services provider propelling your growth?

The value provided by your managed services provider should be felt right across your business. They should be able to deliver ongoing innovation; provide data that fuels decision making; manage a hybrid landscape of legacy and cloud-based systems; use automation to drive efficiencies, including a reduction in human error and an increase in customer satisfaction; and provide end-to-end security.

Put simply, if you're not getting this it's holding your business back.

### Q. What's your organisational appetite for change?

Leaders of fast-growth companies will all tell you there's no greater joy than seeing their business smoothly scale at speed. This goal is within the reach of almost all businesses, but an organisational resistance to new ways of operating is often the barrier.

The radical benefits of managed services provision can be realised quickly. Our work into this subject with some of the UK's fastest-growing organisations is conclusive, adopting an openness to new ways of working is the number one enabler for business transformation and growth.





# Create your cyber resilience plan

According to the Cyber Security Breaches Survey 2021, two in five businesses (39%) report having experienced cyber security breaches or attacks in the last 12 months.

Among the businesses that identify breaches or attacks, over a quarter (27%) are experiencing these issues at least once a week. However, only half of the organisations have taken any action to help identify cyber security risks in the last 12 months.

These attacks could be catastrophic for many small businesses.

So why aren't decision-makers taking action?

To achieve digital resilience, top management must lead an enterprise-wide effort to find and protect critically important data, software, and systems as part of an integrated strategy.

"For almost all companies, protecting everything is not an option. The resources required to do so simply aren't available for most organisations. So prioritisation is key".

Identifying the company's most important processes and assets must be at the heart of an effective strategy to protect against cyber threats.

This approach is central to our purpose, creating intelligent companies. Intelligent companies don't outspend when it comes to digitalisation, they out-think.

#### An Intelligent Approach to Cyber Security

The identification of an organisation's most prized assets is central to an intelligent approach to cyber security.

People will often think only of 'data' when assessing value, but systems, applications and people – the things that are essential to business operations – are just as valuable a starting point.

*"Many SMEs could be sleep-walking towards a catastrophic business event."*

Richard Stathers  
Operations Director, Thinc

#### Change your mindset

Richard Stathers, Managing Director at Thinc explains it's the leadership mindset that needs to change, "Many SMEs could be sleep-walking towards a catastrophic business event. To avoid cyber attacks, leaders need to overcome three human biases."

##### 1. "I switch off when I hear cyber"

It's dull. It's hard to understand. So it's dealt with by a 'tech person' and left on a shelf.

But cyber security isn't a 'tick-box' activity. Hacking doesn't stand still. It's becoming easier, more effective and more crippling for its victims.

##### 2. "It won't happen to us."

Attacks often target organisations with the weakest defences.

Criminals could lock you out of your systems and hold you to ransom. This could have a catastrophic effect on your business, finances and reputation.

##### 3. "I'll do it later."

Don't delay. Start by addressing human behaviour.

Employees want to save time, so they'll often share data using the easiest solution, with social media apps increasingly being used. This leaves you vulnerable to compromise, giving cybercriminals a greater 'attack surface'.

# Where to begin

We help clients to examine their essential business operations. We start by highlighting all vulnerabilities, prioritising them, and then defining goals.

This helps reveal the risks involved and also helps prioritise spending.

For any company wishing to follow our approach, the principles we adopt are as follows:

## 1. Find common language

Business should always be the common language across any cyber project. Many cyber projects fail because they're seen as 'technical' issues that are misunderstood by C-Suite and the wider organisation. But cyber resilience is everyone's role.

That said, it needs a leader. This is often the CTO or CIO. Whoever is taking the lead needs to foster a language set and culture that is universally understood and accepted.

By actively engaging the business leaders and other stakeholders as full thought partners, the leader can establish cross-function commitment, avoid silos and gain a better approach to resource allocation.

## 2. Find your most valuable assets

An IT-first approach may begin with a risk analysis of your databases, applications and systems. But this is a flawed approach, as it may prioritise purely by vulnerability, rather than highlighting critical business operations. It also makes the subject matter technical from day one, which could act as a barrier for company-wide involvement.

Instead, we begin with a thorough analysis of the business' value chain. Mapping and gaining a common view of the highest value operations and functions will immediately help with prioritisation efforts, and will also drive interest across all stakeholder groups.

The same level of analysis is not needed to quantify all risks. Be prepared to deep dive into priority and complex functions, but taking a pragmatic approach to less critical functions is also key.



## 3. Build a plan that focuses on both prevention and recovery

Cyber is an ongoing commitment for every organisation across the planet. It's not a one-off, nor is it ever 'done'. We've all heard the horror stories of organisations that suffered attacks while they were busy making their cyber resilience plan.

Every vulnerability that you identify is still exposed. Rather than aim for perfection, once you have a robust view of the organisation's value-chain, priorities and priority risks, you need to make a rapid plan and take action.

Automated tools can help executives inventory all assets connected to the corporate network (that is, IT, OT, and the IoT). With some extra work, they can even catalogue all the people that have access to the network, regardless of whether they are on the company payroll or work for a supplier, customer, or service provider.

The asset inventory and people registry can be studied to help companies prioritise their security initiatives as well as their response to attacks and recovery afterwards.

Once the initial assessment is complete, this plan becomes a living document, regularly refreshed to reflect new data, systems, applications, risks, and mapping, as well as progress to remediate known vulnerabilities.

## 4. Identify funding streams

Regardless of where you work in the UK, the likelihood is that funding could be available to you. Our network of offices spanning the North East to London covers the whole of the UK and our business advisory team can quickly advise you of any available funding. \*

### Find out more

For more information, speak to our business advisory team on **0808 168 8922** or email [cyber@wearethinc.co.uk](mailto:cyber@wearethinc.co.uk)

# Contact our team

If you're an existing or new customer and like what you've read, we'd love to hear from you.

Please contact us on **0808 168 8922** or email [info@wearethinc.com](mailto:info@wearethinc.com)

For more insights visit [wearethinc.com](https://wearethinc.com)



