The Rise of Forerunners
Get ready for the society of the future

[Narration]   The world will not be returning to pre-COVID norms. The societal shifts that began before the global pandemic hit are now accelerating.

Our pre-crisis strategies cannot capture future market opportunities. Many businesses see the changes coming. Most have been unable to adequately respond.

A small group of companies, however, are ahead of the curve. They recognize the openings arising from emerging lifestyle shifts and are taking action to embrace the change. They are Forerunners.

[Grace Phan]   Gianfranco, Vedrana, I've arranged for us to meet here today to talk about a key piece of research that Accenture has just completed, spearheaded by you, Vedrana, and co-authored by you, Gianfranco. And I've picked this place because it's a lovely place but also because it has a very interesting back story.

[Vedrana]   I'm intrigued.

[Grace Phan]   This building here along the Singapore River was built in 1895. It used to be a warehouse. Boats sailing along the Straits of Malacca used to unload their goods here. And this neighborhood used to be the turf of secret societies, gambling houses, opium dens, alcohol distilleries.

[Gianfranco]   Wow, quite a colorful neighborhood, I would say.

[Grace Phan]   Yes, indeed but also this used to be a center of trade and commerce. Now reimagined, reinvented and repurposed. So I thought this would be a suitable setting for us to come together and unpack some of the thought leadership that we've just produced, because it is about how society, and our world, is now changing at such an accelerated pace that companies and businesses have to change even faster.

[Vedrana]   Grace, absolutely. Let me start by saying that from small things, big things grow. Prior to the pandemic, we started observing the appetite and demand from people to live in smart neighborhoods, smart cities, but also smart towns. We saw a considerable uptick in micro-mobility, so think about personal mobility devices such as e-bikes and e-scooters. And, of course, we saw a

tremendous rise in responsible consumption. And the pandemic has accelerated them.
There is one very notable trend which is, of course, the rise of digital health passports, which is receiving a lot of attention, given that vaccinations are being rolled out around the world. So, the most recent piece of research tested how business leaders are viewing these lifestyles and what the society of the future might look like.

[Grace Phan] In a nutshell, what are the key findings?

[Vedrana] We interviewed 1,500 business leaders across 12 countries and 11 industries, notably in Asia Pacific, Middle East and South America. And we found that 2/3 of companies expect the lifestyle shifts to become the norm in the next five years.

60% of the companies that we interviewed are still sticking to their pre-crisis strategies. That is a major challenge because a lot of the opportunities cannot be seized by using pre-crisis strategies. The third finding, which is the most notable one, is that 11% of companies, the companies we called Forerunners, are much more aware of the impact that these changes will have on their own business. They have taken much bolder actions in preparation for the needs of the society that they see coming much faster.

[Grace Phan] Gianfranco, what are these Forerunners doing that's different from the rest?

[Gianfranco] Four main things.

The first one is they're focused on talent, and talent doesn't mean only skills. It means the emotional bond that these Forerunners are able to create with their employees, in terms of defining, sharing and bringing everyone along to a common objective.

The second one is around sustainability, which is now becoming front and center of all decisions in any company or institution.

The third element is mastering human care. And this is not limited to health and life science companies. It's much broader than that. Because Forerunners show a specific interest in developing and maintaining the wellbeing of their employees and their families. And also, make a positive impact in the society in which they operate. Responsible technology is going to be a critical core element of the future of, frankly, every industry.

[Vedrana] What Forerunners do exceptionally well is that they actually apply technology in ways that make the products and services they offer in the marketplace smarter, safe but also much more inclusive, such as age tech. And we see, of course, in Japan, given its aging population, a lot of innovation when it comes to everyday consumer goods, such as loungewear or pajamas aimed at elderly people, carries microsensors so, should something happen, the caretakers can

be notified.

You improve people's quality of life. Ultimately, that is what technology should be doing.

[Vedrana] Gianfranco, from your perspective, why are so many companies unprepared to tap into market opportunities in this time of crisis?

[Gianfranco] Well, a few factors. The first one is the speed of change. Change has come in the last 12 months more than light speed, so companies still have to react.

The second reason is that the change required is rather complex because it implies a cultural change which permeates the entire organization.

And the third one is the new way of thinking required in order to cope with the change.

[Grace Phan] Let's delve deeper into the human talent aspect of things. We know that 1/3 of jobs will be AI-augmented in the next five years. So, the discussion now really is about the future jobs.

[Gianfranco] This is going to be a massive shift. The area of the green economy will be a major generator of new jobs.

There is a vast catalogue of professions that will be required in the area of waste management, consumption optimization, water consumption, renewable energies.

[Grace Phan] When it comes to leadership, Vedrana, we're saying that companies need to attract individuals who are capable of flexing between social scientist and tech gurus.

[Vedrana] That is a fascinating question, Grace, indeed. As we enter a new era of change, we need a different type of talent but also a different type of leaders.

Think about some of the largest technology companies, for example Naver, in South Korea. They appointed a CEO in 2017 and she's not only female, but she actually does not have an engineering degree. She has a background in English literature. She used to be a tech journalist and an entrepreneur. We need to see more companies making such appointments.

AI ethics is a very important topic so we see the emergence of roles that are going to be accountable for ensuring how AI is being brought to market.

This whole area of digital anthropology, Chief Empathy Officers, Chief Trust Officers and so on. There is a lot more work to be done to better understand the relationship that we, as humans, have with technology.

[Grace Phan] Alright, why don't we wrap up around here, Vedrana, some concluding remarks.

[Vedrana] Society is changing fast, actually changing faster than businesses are. I think this is a moment of truth as much as a moment of action. Forerunners are getting ready for a very different future.

[Grace Phan] Gianfranco, your thoughts?

[Gianfranco] More companies will follow the Forerunners in three ways of adopting the change.

The first one is to leverage the power of data. Data science, artificial intelligence, to rethink their processes. The second one is redefining the strategic intent to serve not only the shareholders but also the entire stakeholder group, the employees, the clients, the consumers and the communities.

And last but not least, no one company can cope with the change alone. And so, the idea of having partnerships and an ecosystem that enables the change is the other critical factor for success going forward.

[Grace Phan] Interesting conversation. Thanks so much, Gianfranco and Vedrana.

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