DUBLIN TECH SUMMIT 2021

VIDEO TRANSCRIPT

SUSAN DALY: Hi there and welcome to another exciting event at Dublin Tech Summit and the title of this session is Control+Alt+Reinvent. I'm Susan Daly. I'm Managing Editor of Journal Media here in Dublin and we have a very exciting event ahead and I'd really like to introduce you to our speakers now. We have had a year plus of crisis, uncertainty, disruption, upheaval, you name it, leaders of global enterprises are just emerging out of the Covid tunnel and we're trying to make sense of this crazy new world.

Fortunately, Accenture has been conducting deep dive research, analysis and thinking to produce strategic guides to the future on three fronts: technology, human experience and business change. And with us here today are the leaders of each of these three fronts. We have Annette Rippert, Group Chief Executive of Accenture's Global Strategy & Consulting Business. We have Marc Carrel-Billiard, who is Global Lead of Accenture Technology Innovation and we have Mark Curtis, who is Head of Innovation and Thought Leadership of Accenture Interactive.

Welcome to you all. And welcome, indeed, to our audience. And I'd like to remind you that if you want to get into the conversation, you can use #DTS21 wherever you have your social media.

Now, everybody on the panel here today is the thought leader in their areas and I really love how the trilogy of reports, that you guys have, cover so many bases and sectors and provide us a unified vision of really much needed change. So, I'm going to dive right in with it and, Mark Curtis, if I can go to you, I'd really like to hear how you see a silver lining from this past year— that's actually really heartening. Could you tell us a bit about how crisis has inspired ingenuity, please?

MARK CURTIS: I will, and this is not new because crises have inspired ingenuity in the past. The Second World War is a really clear and relatively recent example and super glue, computing as we know it now, radar, those all came out of the Second World War. And I think what's happened over the last year is we've seen two things which have been driving ingenuity.

The first is people have had time to reconsider their personal purpose and we're seeing really, really strong evidence of that is the case world-wide in a consumer survey which we're actually releasing very soon. The second part of it is, so that's kind of, that's the way in which they look to their purpose, but there's also been a needs-driven reevaluation of what people do, which is in many cases, they simply didn't have work. And so, the time we've had and the pressing requirement we've had to continue to be able to survive, have driven us to really begin reconsider the way in which we do things, and we see that bursting out in all sorts of ways. So, entrepreneurism has gone through the roof.

In the UK last June, entrepreneurial registrations of new businesses were up 50% year on year from June the previous year. We're seeing similar numbers happen in the U.S. and in many other places. At a more micro scale, I remember really well one of the first things I saw on lockdown was one of our designers in the UK posted on Instagram a picture of herself using a variable height ironing board as a desk inside her cramped apartment, where she was living with two other people in central London. And I remember looking at that thinking, well, if IKEA could see that, then there would be a pretty big clue the sort of innovation they could be doing now.

Because what she was doing was what I call, Do-It-Yourself Innovation. And we're seeing that on a scale from her, through to groups of Columbian engineers getting together to create low-cost ventilators to solve pricing problems

where they are, right the way through to the way in which people increasingly are using platforms like Shopify.

Look at the rise of Shopify, far faster growth even than Amazon right now over the last year and there's a real reason for that, which is that a lot of people are setting up small enterprises in order to respond to their purpose and their need during the crisis.

And it's not just platforms like Spotify, you see it coming bursting out of the gaming industry with a place like Roblox and you see it even with specific parameters like Adidas, who have something called the Maker Lab, where you can go and design and then market your own shoes. What all of this really means is that, I think we're entering a new era of innovation moving from prescriptive innovation where we tell people this is the thing, please use it, to suggestive innovation, where we set up platforms and affordances for people to innovate for themselves.

SUSAN DALY: That sounds fantastic, Mark. And actually, if I can come to Marc Carrel-Billiard on this because your Tech Vision report encourages enterprises to take advantage of what Mark Curtis is talking about there in that newfound do-it-yourself sensibility. Can you tell us how that is? How that's working out?

MARC CARREL-BILLIARD: Yes, Susan, absolutely. I think we call that I, Technologist. That's one of our trends in our Tech Vision 2021. The idea is that with democratized technology, in fact, we think that every employee can be an innovator, like technology is becoming cheaper. There's a lot of new attraction layer and new software development kits like Low Code, No Code. I mean to be able basically to absorb and be able to program more easily—non-visual programming and visual programming. And I think democratized technology let's people optimize their work or fix pain points on their own. I was talking about Natural Language Processing, Robotic Process Automation also are a few of examples that make technology more accessible, and we really see employees innovating every day.

But I think we need to consider that innovative culture has to start at the top. Now every leader needs to be a technology leader, tomorrow's leaders can embrace the power of exponential

technology to rebuild the future. This is something we've been thinking also within Accenture and we have, for example, deployed whole programs called TQ. So maybe you heard about EQ programs for Emotional Quotient, IQ, well, we have TQ now at Accenture, which is a Technology Quotient. And it's a whole program, so that we want all our people to be technology savvy. And, in fact, if you think about it, in the past year, we saw like holes in long-standing norms. Like companies looked at their operation, they saw fragile supply chains and trustworthy information. And also, they saw completely radically new customer needs, like people going more online, I mean because of the pandemic. And so, what we think is that as companies shift from the crisis to build what comes next, their new feature in term of product and services, I think the most visionary leaders are the ones that are using technology to master change. Every CEO is a technology CEO today.

SUSAN DALY: And actually, on that, Marc, then is there any concern around that? This sort of adaptation of technology, I guess, the sort of automatization of the world that, obviously, we have heard concerns about that. But you believe that there's a way forward through that's advantageous to everybody eventually?

MARC CARREL-BILLIARD: Yeah, there's always this fear that with the process of technology eventually a robot will take over the planet. I'm kind of a positive mindset thinker about this. What we saw is that in many revolutions of progress in term of science and industry, we saw more jobs created, more opportunities for mankind than anything else. So, I think what we see here is that people need to seize the opportunity of this cheaper technology, this more affordable technology. So, for that, they can drive more innovation every day. They do that for their personal life, and we saw that. I mean my mother-in-law; she's reprogramming her setup box. You can even do like programming. I believe that more and more people will be using these kinds of technology to drive more innovation in their own organization.

SUSAN DALY: Fantastic. I mean if your mother-in-law is with it, Marc, I mean we all really have to catch up with that.

I think, Annette, your inaugural Business Futures

Report is just so urgent and needed at the moment, I think, because it reports on six radar signals that are going to guide decision makers out of this Covid-related fog, I guess, we could call it. Will you just boil down for me what leaders really need to know? I mean we should go and read the report, of course, as well.

ANNETTE RIPPERT: Yeah, thanks, Susan. You know, it's true that we're at this historic moment when this fog of uncertainty, if you will, makes planning for the future hard, if not nearly impossible. It's why we organized this Business Futures research to be like a radar, to have these signals, to help leaders chart a course. And one of those crucial signals calls for maybe an important change that we see coming in organizations and that is pushing more decision-making power to the edge.

And in this dynamically changing world, there is this need to be able to be acting quickly, decisively. And really acting in a way that quickly captures business and that's why we see smart executives who are building up networked organizations. They're decentralizing authority and enabling growth and innovation at the edge of the organization. And this is fueling growth in this rapidly changing environment.

So, I would use an example of Nike. And their operating model is designed to create local businesses on a global scale. And this local focus enabled Nike, as an example, to come out of the outbreak of the pandemic in a really unique way. The company really quickly moved merchandise that was destined for physical stores and they moved it to their ecommerce channels and then, they used their Nike Training Club at workouts to help prime demand and it helped consumers to really stay active at home and create more demand for product. And as a result, digital sales jumped in their organization by more than 30% in China in the first quarter. And if you think about that, this local success, they turned this then into an operational playbook. And they employed it throughout their global network to equip their managers around the world to work in new ways that really enabled a new sense of speed and agility. And so, when we look at that, managing on the edge, it also introduces new challenges for leaders because it means needing a greater sense of confidence and trust in the leaders that you've put in place to be making those decisions on behalf of the organization.

I think another signal that is in our report that should be noted is called Learning from the Future. And Marc just talked about the rise of technology. You know, as humans, we learn from our experiences, from our past. But today, with the sheer extent of change, that's not really a reliable way to predict the future.

So, think about it, all these longstanding trends we now see, Mark Curtis talked a bit about the importance of experience, is how that's changing. We've got the rapid adoption of cloud and new technologies and then we see this huge shift in spending patterns. These are all just examples of things that were suddenly interrupted or completely changed. And I think forevermore, now we see the ability to be able to adapt.

But we need to now be able to anticipate and see change before it happens, not as it's happening.

And so, some of the smartest leaders are heavily using AI, data and analytics so that they can see around the corners, to literally learn from the future. And I think about an example of a Canadian digital platform called BlueDot, who's algorithms actually predicted the Covid outbreak well before most experts because of the way that they were looking at data.

So, this new post-pandemic era that we're in, it requires a different kind of decision making architecture, one that's fast and decisive. It has this foresight to be able to anticipate what's changing.

So, when we think about the Business Futures report for leaders, we need these signals to help chart our course and to—what we would say is—see and seize the future.

SUSAN DALY: Okay. I mean I think it's so fascinating and there's so many elements to it, but I really want to pin down an element from each of you and just as we have a little bit more time, if that's okay. Mark Curtis, when it comes to people, so customers, employees, communities, you talk about collective displacement. What's that mean?

MARK CURTIS: Well, before I say that, I've got to say that I think there's a very strong echo in this of what Annette was just saying about decision making at the edge because I think that's, if you like, a displacement of decision making, which also reflects the way in which

people are in different places at different times because that's what collective displacement is all about.

If it doesn't sound too much physical, it probably does, it's a shift in time and space of human beings at a more everyday level. What that means is we're doing different things at different times and different places. And that's palpable and you can see it on a dramatic scale the actual physical displacement to people.

You know, about 20% of the population of UAE have gone back to the countries they first came from, because there wasn't the work because of the pandemic. We're seeing it in places like Western Europe and North America, a distinct urban to rural drift—52% of young people in the U.S. are living with their parents. That's the highest number since the Great Depression and I don't mean 2008. I mean the early 1900s. And we're seeing that displacement also in places like Johannesburg and in the Far East as well.

So, people have reevaluated actually where they live. That's one kind of displacement.

Then you've got a displacement of activity. I literally do yoga in a different place from where I did it before. You've got a displacement which is linked to that is one of community, which is that religion takes place in different places because churches or mosques have been shut. Football or baseball take place at the same place, but without the community there.

And so, the community has been displaced and we've had to find new ways of building those up. Displacement of obvious things, but really important rituals in our daily lives like birthdays, weddings, all of those sorts of things.

And then, you get, I think, a more subtle, but terribly important psychological displacement, which is around our sense of agency, which is right now, I'm sitting here in the UK and as of yesterday, our government said, you can't go to Portugal on holiday. And that's it. Right now, we're stuck with a summer where we have to stay in Britain, which is kind of okay. But the really important point is, it breeds a lack of confidence in people when their sense of agency, their free choice over what they can do has been taken away from them. And I think we hear stories from people all over the world of exactly the same thing.

What that all adds up to is what a colleague of mine rather brilliantly calls A Reversal of the Flow of Life. And by that, what he means is

we're used to, as hunter gatherers, go out to get everything. And we kind of continued that into a more commercial modern age. We go out to shops, restaurants, the doctor, work, school, everything. Now, and suddenly last March, we expected and pretty rapidly we got everything coming to us. Some of that is not going to go back to how it was.

So, the collective displacement has really important long-term consequences. And I'll wrap this by saying that a lot of our clients are now looking at what are the new moments that matter, given collective displacement, because those are less visible than they were before. And, of course, those very brands are less visible to their customers than they were before because the customers are not in the same place as they were before and not following the same routines. And what sort of magic do we need to bring people in order to adjust to this collective space and those I think are two key questions we're looking at around this whole issue.

SUSAN DALY: Absolutely. And the idea of, well, what sounds magical to me, Marc Carrel-Billiard, you can tell me a little bit about your research that talks about the birth of the merged world and digital twins is another phrase I was thinking of. And this does sound like a brave new world that Annette and Mark is describing. Can you tell me a little bit about what you mean, please?

MARC CARREL-BILLIARD: Yes, Susan. In fact, when we talk about collective displacement, I think this Mirrored World, what we call the Mirrored World, which is kind of the next environment where everything is going to be digitalized, where people will be completely immersed into some digital reality has something to play there.

So, for many years, I mean we've talk about digital twins and we've been building some digital twins of products and so forth and we've been using them for simulations and everything. So that's basically a proxy, a digital proxy of the real product or a real service.

But what we saw and especially with some acceleration during the pandemic is that those digital twins have been proliferating across many, many enterprises, many industries all over the world and they've been driving what I call the irreversible inflection point.

In fact, initially, when digital twins were adopted,

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they were more a champion for their ability to monitor or to simulate and streamline the data of different devices, but with the surge in term of the scale of the model, the new progress in artificial intelligence, I think also transformative communication at the edge really helped to increase the adoption and transform radically the question.

So now we're shifting from—you remember Tamagotchi that we have in Japan in 1996, where you have like to breed these little dogs, we're going to see city now, as like a whole living models, the whole digital twins, intelligent digital twin that interact with each other. And the amazing thing that we're going to be able to do here is that we're going to be completely able to manage, operate like the whole city. It could be a port, like we see at the Rotterdam Port. This is what we're going to be syncing.

So, linking many twins together to create living models of whole factory and product lifecycle. This is the future. And what's interesting here is that this is something that we've been experiencing ourselves, for example. We have digitalized our R&D labs, like physical labs plus all the demos that we had in this. And I can tell you that we had more immersive visits with our clients during the pandemic than we had before when people had to travel and take planes to visit our different labs scattered all over the world. Because the big difference is that they're almost like the same interactive experience, but instead of traveling to visit one lab, in a matter of a few minutes, they could visit like five labs. Well, that's pretty amazing.

The distant future is that what we think about it is that eventually, you may not go back to your plant or your manufacturer. Eventually, you'll stay home and then you wear basically this VR goggle and that VR goggle will immerse you in the world where there will be a digital twin of a machine. And the whole thing is interacting with the machine will actually be interacting exactly with a real machine, haptic feedbacks, you can even smell the machines now and see everything.

And that digital twin will be connected through agile to the real machine. That's how you will operate real machines maybe in the future.

SUSAN DALY: That's fascinating and it's that sense of what we once thought was virtual or sort of, as you said, monitoring, it's now moved

into production and has become a very tangible future that we would've found hard to even picture. And you've painted such a strong portrait of it there.

Annette, I think if we're talking about the future is, well, common wisdom, a year-plus into the pandemic would hold that globalization is in retreat. Is that your view?

ANNETTE RIPPERT: You know, our research reveals that this interconnected global coming is actually far from retreating. Instead, it's actually morphing into a distinctive next phase that I think will make globalization look radically different than it did in 2019. The pandemic sort of upended this whole sense of where and we talked about that, collective displacement. The idea of virtualized experiences.

It takes this concept of location out of these globalized experiences. So as leading companies are thinking about these immersive virtual experiences or ways of working, like Mark was talking about. And I think about new ways of connecting with customers or their employees, it opens up a whole new era of digital transformation.

So, think about the way some leading companies are using 3D printing to create parts on location, making distance, geography, shipping times matter less. And so, when we think about that, it's making the world be more connected, yet using location as an entirely different variable.

And so, when we think about the best organizations now are looking for ways to break the physical limits of parts of their processes, whether it's interacting with a customer or how they're working through their supply chain using technologies like this. And so, I think that there will be an opportunity about doing more with less and yet, doing that in a way to meet customers growing expectations for the way we are agile and flexible in the way that we operate our businesses.

SUSAN DALY: Okay. You guys, we're going to have to close and I'm going to have to ask you to make this super quick, but I cannot go without getting at least one small piece of advice to business leaders from each of you as we plan for this uncertain future. Annette, can I please go back to you, please?

ANNETTE RIPPERT: Sure. I think it's clear that a thriving world economy requires intentional decision making to move us forward. There are so many changes that are taking place right now and I think there's a big question about what organizations choose to change, intentionally reinventing their future, or will they be embracing what's familiar to them, returning to the businesses they had. And I think that the outcomes here are not inevitable. That really, as we think about this, success is really a choice. And I would argue for the case to see the future and seize that future that's available now.

SUSAN DALY: Fantastic. Marc Carrel-Billiard.

MARC CARREL-BILLIARD: I say that we saw during the pandemic, technology has been driving more innovation than ever before and that future basically is going to be powered by technology. So, when—I said that before, I mean every CEO is a technology CEO. So, when CEOs and senior level have to think about the strategy and business strategy of their company, their organization in the future, they need to really think about technology strategy as well. And business and technology strategy should be thought as a single strategy all together. They are clearly indistinguishable.

SUSAN DALY: Mark Curtis if I could get the last line from you, please, the last word?

MARK CURTIS: Yes so to add to the business and technology notes you've just heard I would say, study the human and study them at a deeper level and more frequently than you've ever thought you should before. Because everybody experienced the pandemic and the signs we're seeing is that many people have changed as a consequence. We need to understand who our customer base is now because they're surely different.

SUSAN DALY: Fantastic words and so much in those trilogy of reports. I urge you to seek them out. And thank you so much for our panelists today. Thank you all for joining us and forward into a lot of choices to be made and very informed choices I think after that. Thanks so much.