

TIME TO THINK: SME 2030+ *'Tomorrow's Global Citizen and the Inclusive Economy'*

1. INTRO: The philosopher Marshall McLuhan said: ***"We march backwards into the future."***

Meaning that we can only **look to the past and the present** for trends shaping the future.

In this context, governments, companies and individuals **all play an active part in shaping society** through their **actions and choices**.

Q: BY 2020, HOW WILL GREAT LEADERSHIP BE MEASURED?

2. THE EVOLUTION OF CONSUMPTION

When we look back on **human history**, this has **not been a nice even curve of constant progress**, but rather, **a bumpy journey of lessons to be learned**.

Keynes predicted that by 2030 **growth** in the developed world would **slow** and **a 15-hour working-week** would be a reality **because people would 'have enough' to lead the 'good life'**.

A prediction that looks **unlikely today** because: ***'who sets the measure of what is enough?'***

3. NAVIGATING COMPLEXITY: In reality, we confuse the **'Good Life'** with a **'Goods Life'**.

Leaders need to **rethink fundamental questions like: "why we exist and why people will choose our products or services, want to work for us, and invest in our business."** Peter Fisk 3P

4. I suggest THE '4P' MODEL: informed by: * **P**eople * **P**lanet * **P**urpose and then * **P**rofit

The **paradigm shift has already happened** and we are **currently adjusting to a new reality** – where **inclusive models are needed** to move forward.

The **4P model is a great platform** for **bringing businesses and policy makers closer** together

5. MEASURING PERFORMANCE: Increasingly people are **asking themselves: 'HOW CAN I GET MORE OUT OF LIFE?'**

F&F: THE MEANINGFUL BRAND INDEX: **Only 20% of brands** are perceived to **have a positive impact** on our sense of **wellbeing & quality of life**. **People would not care if 70% of brands ceased to exist**. *MBI INDEX Survey: 50,000 consumers globally - Havas 2011*

So **how do businesses deliver 'real' value** and meaning **to match people's expectations?**

One is for sure – we **cannot do today's jobs with yesterday's tools**.

Q: ARE YOU A 'LEFT' OR A 'RIGHT' BRAIN THINKER?

6. MULTIDIMENSIONAL THINKING: For far too long we have banked on Left brain thinking only. I believe it is time to balance left & right brain thinking to shape a positive, people-centric vision. This is our system for navigating the future – we look at the ‘bigger picture’.

Our mission is: to inspire a whole new mindset for all of us become active change agents.

Our future success simply depends on how well we adapt to and take advantage of change.

7. TREND ATLAS 2030+: This is how we IMAGINE THE FUTURE.

Our Trend Management Toolkit, systematically identifies socioeconomics drivers and the cultural contexts of society – enabling us to tap into Macro Trends in both a Global and local context.

The Trend Atlas is a Visual Framework of valuable insights to spark innovative thinking.

8. KEY SME TRENDS: This is my shortlist of macro trends currently impacting society, businesses and people – these are the ones to watch.

Think of them as: ‘FUTURE SOUND BITES’.

Now, while we tend to think about trends individually, they are all inter-connected.

9. RADICAL OPENNESS: Total Transparency & Reputation Economy

In the digital Reputation Economy, organisations have to work harder not only to be noticed, but also to be trusted.

INSIGHT: WOULD YOU RECOMMEND YOUR ORGANISATION? A survey of 97,000 people in 30 countries showed that 48% would not recommend their organisation. *The Good Boss - Kelly Workforce Management Solutions 2012*

RADICAL OPENNESS: Smart organisations embrace transparency & collaboration. This affects everything in society, from how we do business to who we want to govern us. The key is to build bridges not walls.

SMEs: REPUTATION IS YOUR MOST VALUABLE CURRENCY: Globally, 64% of people said transparent and honest business practices are key to corporate reputation. *Edelman's Trust Barometer 2013*

10. WECONOMICS: Cloud Collaboration & Disruptive Innovation

‘Cloud Collaboration’ inspires disruptive innovation and new business models where agility and scalability rule.

CASE: THE APP ECONOMY: A new breed of ‘lightweight businesses’ – built and operated on the cloud – are catering to highly mobile users. Many industries now experience what the music industry did not too long ago.

CASE 1: COLLABORATIVE CONSUMPTION: This changes how we consume, work, travel & learn. While the 20th century focused on owning the 21st century is about access: sharing, mobility and affinity networks are now the norm.

CHALLENGE: NEW SOCIETAL PARADIGMS NEEDED: Some say that Collaborative Consumption generates enormous social value, but our current systems do not measure value created – only value captured.

SMEs: THE INTERNET ECONOMY AS HOPE FOR THE ECONOMY: By 2016, there will be 3 billion Internet users globally. The Internet economy will reach \$4.2 trillion in the G-20 economies. The Internet is contributing up to 8% of GDP in some economies, powering growth, and creating jobs. *The \$4.2 Trillion Opportunity - Boston Consulting Group 2012*

11. 'BIG-DATA' NETWORKS: Multi-Channel & Meaningful Analytics

'Big Data' intelligence – gathered by people, organisations, governments and things – **brings huge opportunities** in all areas of society.

INSIGHTS: THE INTERNET OF THINGS: 50 billion devices could be **connected by 2020**, each generating data to **facilitate a new understanding** of our **living environments**. *Ericsson 2011*

CASE 1: MEANINGFUL ANALYTICS: Connectivity, data consumption & production grow at an exponential rate. Understanding how to manage, secure and understand data, as well as create meaningful experiences, is a major challenge.

SMEs: USER-CENTRIC: Organisations **must move from** a device and **channel-centred** to a user-centred approach, **adapting their messages to multiple devices.** *Client Strategy Office, Chris Pyne - MediaCom 2012*

12. GLOBAL CITIZEN: Talent Mobility & Network Clusters

The **needs and wants of the Global Citizen** will set **new standards in virtually all areas of society** and business.

CASE 1: A WORLD WITHOUT BOUNDARIES: By **2020, Millennials** will form **50% of the workforce** and make up **most international assignments**. *Talent Mobility 2020 - PwC 2010*

INSIGHT: BY 2025, 50% of the world's population will have joined the **so-called 'consuming classes'**. *McKinsey & Co*

INSIGHT: MODERNISING EDUCATION: By 2020, 35% of jobs in Europe will **require a higher education**. Today, **only 26% of the workforce holds a degree**, compared with **41% in the US**, **44% in Japan** & **50% in Canada**. *Modernising Higher Education - Europe.eu 2012*

IMPACT: GLOBAL IMMERSION WEEK: Is organised for **business schools to share research, teaching materials & students** – the network is **built around the idea** of **local expertise in a global world**.

SMEs: MULTI-CULTURAL IS KEY TO GLOBAL ECONOMIC CLUSTERS: In **Silicon Valley nearly 2/3** of working population **were born outside of the US**. *Silicon Valley Index 2013* **Largest Start-Up Ecosystem in Europe is London**.

13. BETAPRENEURSHIP: Creative Communities & Autonomy Economy

Entrepreneurship is key to **personal autonomy**, as well as the **welfare state, jobs, innovation and competitiveness**.

To fuel innovation and new start-ups, **'learning' should foster** a creative **process of trial & error** – this is how **Betapreneurs operate**.

INSIGHTS: MANY GRADUATES ARE LOOKING TO START A BUSINESS. They have specialist knowledge, but **need insight into balance sheets and business plans**. *Master's Course Gives Graduates a Degree of Entrepreneurship - Guardian 2013*

INSIGHTS: 2 IN 3 GRADUATES WILL BE WOMEN in advanced economies by 2020. However, **in Europe only 30% of all entrepreneurs are women**. *Encouraging Women Entrepreneurs. Europe.eu*

SMEs: 'FREE RADICALS' MAKE INNOVATION HAPPEN: These 21st-century **resilient, self-reliant**, and **extremely potent** professionals **are crafting the future – working solo, in small teams, or within large companies**. Microsoft, Apple and Google (20%) employ Intrapreneurs to stay innovative and be in the loop. *99u.com 2011*

CASE: START-UP SAUNA is a **business accelerator run by young enthusiasts** at Aalto University - **outside Helsinki**. Now **funded by government, business and academia**, it **offers a wide range of services**. The Saunamasters recognise that there is more to innovation than high tech - **promoting entrepreneurship is a matter of changing culture** not just providing funding. They look to Russia and the Baltic as well as the US for inspiration.

14. NO AGE SOCIETY: Inclusive Solutions & Lifelong Learning

According to the UN, **2 billion people will be aged 60+ by 2050** – 22% of the world population.

A 4G (4-generation) **workforce** requires **a positive corporate mindset towards ageing**. It is time to view the ageing population as **an opportunity rather than a threat**.

INSIGHTS: FLEXIBLE WORK: A **flexible labour market** will **enable the 'fit old' to work** as much or little as they feel necessary to top up their own pensions." *David Willetts: Older people should return to higher education - Guardian 2013*

CASE 1: SOCIAL STRUCTURED LEARNING: Is key to **attract people** to the **rapidly growing flow of learning resources** and create **more opportunities for everyone**. *The Future of Education Eliminates The Classroom. Fastcompany 2013*

SMEs: BEST NEW START-UP 2012: COURSERA has 3.5 million users. They **collaborate with 69 top universities**, with **free access to best professors** who volunteer **to build** their **reputation**.

F&F: THE NORDICS LEAD: With **almost 1/4** of the populations **participating in lifelong learning**.

15. SOCIAL CAPITAL: Glocalisation & Authentic Storytelling

Social capital is not just the sum of the institutions that **underpin a society** – it is **the glue that holds them together**.

PEOPLE CRAVE A SENSE OF COMMUNITY: **"We're All in This Together"** gives people **an authentic experience** that **foster innovation** and **enables communities to flourish**.

CASE 1: CONSCIOUS CAPITALISM: Create **multiple value and well-being** for all stakeholders **simultaneously: financial, intellectual, physical, ecological, social, cultural, emotional, ethical and even spiritual**. *Conscious Capitalism John Mackey, co-CEO of Whole Foods Market*

CASE 2: PATAGONIA: The **Coolest Company on the planet** according to Fortune Magazine. Their **'Footprint Chronicles'** is their **transparency tool** – their focus is **'Closed Loop' production** (Cradle to Cradle).

In short: they are **sustainable innovators** – turning their **businesses into a Social Enterprise**.

SMEs: Connectivity and integration **drive globalisation**. **Businesses therefore must adapt** in their cultural contexts by **leveraging their networks** to support **local trade and production** – as this is key to **authentic storytelling**.

Q: WILL ORGANISATIONS ADOPT A 'GOOD LIFE' INDEX BY 2020?

16. THE GOOD LIFE: Positive Psychology & New Models

As we start to **question the conventional way of measuring success**, the **re-definition of the Good Life** goes public.

F&F: HAPPY PEOPLE ARE MORE PRODUCTIVE, engaged, creative & focused. Productivity is said to **increase by 40-50%** in **service** and creative fields – **that's a lot in terms of business revenue**. *Can Happiness be a Good Business Strategy? - Guardian 2012*

CASE 1: THE SCHOOL OF LIFE: Teaches people how **to find their purpose and passion** in life by **being more mindful** about things – an initiative by **philosopher and artist Alain de Botton**.

BUSINESS: POSITIVE PSYCHOLOGY AS THE CATALYST FOR CHANGE: Harvard Business School's course on 'Happinomics' is oversubscribed, and already **informing the next generation of business leaders**. *HBR 2012*

IMPACT: NEW SOCIAL PROGRESS INDEX: Harvard Professor Michael Porter (**'shared value' concept**) has created the **Social Progress Imperative**, to **support development of SPI in corporate** and **governmental thinking**.

17. TOMORROW'S INCLUSIVE SOCIETY: The Good Life Ecosystem is key to delivering **PURPOSE driven leadership** for SMEs and the social glue that interlinks all the trends.

'**Real value**' is measured by how well organisations perform on the New '4P' Bottom Line: **P**eople, **P**lanet, **P**urpose and then **P**rofit.

SMEs must start by balancing the rational drivers of **COLLABORATION** & **MULTI-CHANNEL** with the more inclusive values driven by **GLOCALISATION** & **NEW MODELS**.

Once we have a positive impact on people and the planet, with a purposeful ethos to match, we are guarantee a place for our organisation in the future and profit will follow.

18. CONCLUSION: There is growing evidence that society can thrive on different models – and we must start by exploring options beyond the current unsustainable trajectory.

Winners of the future will be the organisations that are agile enough to adopt the '4Ps' and deliver sustainable, social, emotional and economic value.

19. CLOSING SLIDE: JOIN OUR COMMUNITY: kjaer-global.com

My '**TRENDS MANAGEMENT TOOLKITS**' book is published by **Palgrave Macmillan Business** in 2014

Anne Lise Kjaer Futurist, June 10-12, Dublin EUROSME 2013