



HARD TREND

INDUSTRY REPORT

by Daniel Burrus



THE IMPORTANCE OF IDENTIFYING & APPLYING HARD TRENDS

Business process transformation will happen—it is happening now. And it is transforming how we do everything. It will bring massive disruption for those who don't see it coming—and massive opportunity for those who do. You need new strategies to capitalize on the enormous opportunities that lie ahead.

One of my fundamental strategies is learning to identify Hard Trends, which provides you the certainty to unlock opportunities and shape a better future.

A Hard Trend is a trend that will happen and is based on measurable, tangible and fully predictable facts, events or objects. Hard Trends cannot be changed.

This is a methodology I teach to all my clients. To begin, I encourage you to spend one hour per week to unplug from the present and plug into your future, because that is where you will spend the rest of your life. To ensure that you make the time each week, you should make this an official appointment in your calendar. This is your first step toward becoming an Anticipatory Leader. In that hour, I suggest you begin by listing the Hard Trend certainties that you know will happen and identifying a corresponding list of opportunities that each represents. Then, from your list, look for the few key opportunities that you know you must take advantage of now, given the transformational changes ahead.

This report represents my recent industry insights along with a number of important Hard Trends I've identified from each of these industries. When I'm delivering keynote speeches to executive audiences worldwide, I ask each audience member to identify one Hard Trend and Opportunity in just 90 seconds. They generate incredible lists in that short period of time. Imagine the depth of the responses you might create if you invested an hour or two doing this with your team on a regular basis!

Once you start seeing future certainties and applying my various core principles and strategies, you will begin to develop an anticipatory mind-set, and as you do, you will find previously invisible opportunities emerge.

If you'd like to learn more about mastering Hard Trends or my other proven strategies, check out my new book, *The Anticipatory Organization*, or our award-winning video-based learning system, The Anticipatory Organization, at www.anticipatoryleader.com.



Daniel Burrus

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If you are a CEO of a bricks-and-mortar retail store and you think that the good old days of retail are behind us, you will be in a protect and defend mode and considering closing stores and not buying anything new. Sears and a host of others that have announced major store closings might come to mind.

If, on the other hand, you think that the good old days of bricks-and-mortar retail are ahead but they don't look like the good old days of your past, you will be in an embrace and extend, opportunity mode, looking at new ways you can use both people and technology to redefine the customer experience. Amazon is a good example, as they are opening over a hundred bricks-and-mortar bookstores, and a large number of new grocery stores, not to mention purchasing Whole Foods.

Anticipatory leaders know that there are many technology-driven Hard Trends that will allow them to take omnichannel marketing to an entirely new level. The leaders that are closing stores are not seeing the Hard Trends that will happen and the many game-changing advantages they provide. Here are a few examples.

For many retailers, the line between bricks-and-mortar retail stores and e-commerce appears to be both increasingly large and blurry. But this is because there shouldn't even be a line. These two worlds should not be treated as separate; they should naturally complement each other, and identifying and leveraging Hard Trends can enable that.

For example, one of the problems faced by shoppers when ordering clothes online is that when they need to return an item, it is often at their expense. This consumer issue represents a golden opportunity to increase sales if more retailers would accept the return in-store for free.

Upon returning the item, customers would have a discount offer waiting for them based on the data about their shopping habits. Once in the store, there is even a chance that they will increase their spending organically when presented with more options. Incentivizing customers to visit a store to return an item for free is relatively easy to achieve, but many appear unable to grasp the value of the concept.



RETAIL

There is a wealth of technology available that could dramatically revamp the in-store experience. Most people have walked into a store knowing exactly what they want, only to find themselves frustrated and to leave empty handed. An in-store app could offer real benefit and value by guiding shoppers to the exact location of the item they are searching for.

Store managers could even utilize their security cameras by using them to analyze which displays are being ignored by embracing a form of real-time intelligence. Even the humble mannequin could hold a sensor that would determine your age, sex, size and who is with you. This knowledge could be used to provide personalized offers.

Indoor mapping and beacon technology also allow the traditional shopping mall to monitor both footfall and dwell time. There are already examples of malls offering a free cupcake and coffee to people who have been there for more than 90 minutes. This is just one way that mobile apps and free Wi-Fi can open up a real-time communications channel with every shopper.

For too long, retailers have been capturing data without acting on it. Now that real-time analytics have enabled simple ways to increase the average spend, the time to monetize the change in consumer habits has arrived.

Retailers now have a choice whether to continue being in a protect and defend mode and doing things the old way, or to adopt an anticipatory mind-set to unlock opportunities and dramatically increase profits and customer experiences.

Consumers want a better experience, and retailers that surprise and delight consumers both online and offline will flourish. Consumers expect a seamless experience. We need to stop talking about e-commerce and brick-and-mortar stores as separate entities in competition with each other. The real challenge we face is understanding how they can complement each other to dramatically enhance the customer experience and drive sales.

Will the leaders who think the good old days of bricks-and-mortar stores are in the past have a very different future than the leaders who see a very bright future filled with unlimited opportunity?
Yes!

HARD TREND

Increasingly, customer will expect infinite choices at bricks-and-mortar retail outlets

1

OPPORTUNITY

Use virtual tech to create experiences in our stores for infinite choices without stocking the inventory

HARD TREND

Increased use of visual communications for business

2

OPPORTUNITY

Use tools like FaceTime for call centers/in-store questions at virtual kiosk or via phone

HARD TREND

Increased shift from classical bricks-and-mortar grocery and retail to an all-online environment

3

OPPORTUNITY

Get rid of legacy infrastructure with incumbent costs to a lean operational model, while providing better customer experience thanks to augmented reality, analytics and big data to create as many virtual customized stores

HARD TREND

Mobility will expand to more aspects and/or all aspects of retail activities. Mobile's computing ability will increase by 50X

4

OPPORTUNITIES

Define new ways customers/associates can use their mobile to fulfill customer needs.

Include using mobile to get real-time feedback on product that can be implemented into future products.

Use mobile to simplify information/products so they see more and spend less time

HARD TREND

Increasingly, customers will use more mobile phones in store, and they will increasingly have more computing power

5

OPPORTUNITY

Use mobile tech to empower customers with fast access to merchandise and fast checkout, including self-checkout

HARD TREND

Increasingly cashless society using mobile payments

6

OPPORTUNITY

Evolve payment methods to mobile and meet customers' future needs

HARD TREND

Increase in evolution of customer as US demographic changes in over the next 3-5 years will expect evolved way we go to market

7

OPPORTUNITY

Predictable problem is how will this customer need to be interacted with differently? Develop process to track shifting interests and needs

HARD TREND

Hourly rates, starting wage (min wage) will continue to increase

8

OPPORTUNITIES

Use new tech to automate. Provide support. Have better training

HARD TREND

Hispanic population is growing faster than non-Hispanic groups in the US

9

OPPORTUNITY

Develop plans to better understand population needs and provide support in Spanish at the store level via apps or other mobile tools

HARD TREND

Increased use of Enhance localization awareness

10

OPPORTUNITY

Develop geo-location around stores and in-store



HEALTHCARE

Technology start-ups sometimes get bad press for creating solutions to problems that don't even exist. So it's somewhat refreshing to see a large increase in doctors advising new businesses on how to start concentrating on solving the right problems.

Despite the ubiquity of wearable technology and mobile apps, there continues to be a wealth of opportunities in the healthcare tech space. It's easy to forget how many people are only just discovering how to quantify information about their health and wellness by monitoring their lifestyle.

Traditional healthcare involves patients waiting for health issues to surface before seeking medical attention to solve issues as they happen. The biggest change in attitudes is the realization of the benefits in creating healthy habits. New wearables that can be used for tracking and understanding our own personal data can keep us healthier and even prevent illness.

Armed with a 21st-century ethos of prediction and prevention, it's clear that the healthcare industry is beginning to play a major part in this digital transformation. For patients, there is now a wealth of opportunities to take ownership of their lifestyle choices and make decisions that used to be made only by healthcare professionals.

The worldwide wearable market could grow to 155 million in two short years. More interestingly, an estimated 13 million wearable, trackable devices will be integrated into employee wellness programs by next year. Subsidized devices or services could also be offered in exchange for providing critical data points and feedback.

Digital solutions are using a combination of innovation and technology to deliver a personalized patient experience. With increasing the quality of outcomes and the convenience of care being at the top of the agenda, telehealth is one of the many solutions that can offer face-to-face interaction via smartphones and tablets. This will help pharmacists provide more efficient care to patients suffering from complex conditions, from asthma and diabetes to rheumatoid arthritis, multiple sclerosis and cancer.



HEALTHCARE

When combined with a visit from a board-certified doctor, e-prescribing will enable physicians and pharmacies to reduce the administrative burden in medical offices while also delivering better decision making. Increasing both convenience and time savings is even more important to those with health issues. The ability to offer prescriptions from a smartphone or tablet and ship them directly to a member's front door is quickly becoming the preferred option for maintenance medications.

The global telemedicine technologies market, including hardware, software and services, was valued at \$17.8 billion a few years ago and is predicted to grow at a compound annual rate of 18.4 percent for the next five years. The adoption of health-related smartphone apps has doubled in the last two years alone. The fact is, there will be over six billion smartphone users globally by 2020, so it's easy to see where many of the next Hard Trends in healthcare will be.

The exponential amount of data available paired with advances in technology will allow intelligent machines used by doctors to offer an unprecedented level of personalized healthcare. The wealth of data being captured is already allowing computers to assist with the diagnosing and treatment of conditions and even to perform complicated surgeries with greater precision and fewer errors.

Technology will not replace doctors and nurses who continue to learn new skills, but will provide them with more data-driven insights and actions. A combination of data and technology will enable doctors to achieve their desired results faster and more effectively while also offering unique and personalized care to the patient.

Patient data, when used to be anticipatory rather than just reactionary, will also help uncover opportunities for action. Precise and real-time insights from complex or disparate data sources will allow smarter healthcare decisions. Advances in cognitive computing capabilities will bring pharmacy data, healthcare data and even nontraditional data together to predict individual patient health outcomes.



HEALTHCARE

Predicting individual health patterns and facing age-old challenges such as drug adherence head on will revolutionize the healthcare industry. The evidence already clearly shows what will happen, and it will further determine the positive, accelerated transformation in healthcare.

As we enter the next wave of technological change in this digital transformation, we can already see how far we have come in a short span of time. In the last 12 months alone, millions of people have tweaked good and bad lifestyle habits to obtain a greater understanding of themselves, their bodies and their overall health.

It is relatively easy to track our consumed calories, resting heart rate, blood pressure, sleep patterns and daily exercise without setting foot in a doctor's waiting room and having to flip through out-of-date magazines. But we seldom stop to think about how much has changed or how much actionable information about ourselves we can now gather on our own.

Following these and other Hard Trends will lead you to the future of modern healthcare in a digital age. The most positive aspect to these technological advances is that we are finally starting to ask better questions and concentrate on building solutions to both present and future problems.

"Using Hard and Soft Trends, as well as other elements of the AO Model, we can better gauge and manage the risk level of innovation—and from there, make better and more informed choices. That's a complete redefinition of risk management."

- DANIEL BURRUS

HARD TREND

There will be a shortage of healthcare workers

1

OPPORTUNITIES

Create a more attractive work environment to improve culture and transparency

Better match rewards to individual needs

Grant some form of support for veterans and people who treat veterans

Work more on optimizing our utilization of staff

Encourage and build in time for participation and personal growth / development

HARD TREND

Technology interorganizationally: smartphones and wearable health apps will increasingly allow for getting greater insights on patients outside the hospital clinic setting

2

OPPORTUNITIES

Plan for the integration of wearables information into the hospital system and clinical practice

- Post discharge
- Safety
- Adherence to care plan

Incorporate clinical perspectives and interpretations into consumer self-reporting and wearable information

HARD TREND

Increasing use of wearables for remote monitoring of chronic disease

3

OPPORTUNITY

Develop smartphone and wearable applications to provide free BP monitoring and blood glucose, etc.

HARD TREND

Documentation is increasingly moving toward automation with minimal human (clinical) integration

4

OPPORTUNITY

Embrace / invest in nonhuman applications; accelerate automation partnerships, collaboration, SMART and standardized equipment purchases

HARD TREND

Increasing need for management of chronic conditions

5

OPPORTUNITIES

Create a new focus on prevention

Implement mobile monitoring of chronic conditions

Identify nontraditional providers that add new value

HARD TREND

Increasing expectation of customized care

6

OPPORTUNITY

Use mobility and virtualization to augment customer care on a 24/7 basis

HARD TREND

Virtual Reality and Augmented Reality Technology will become widely used

7

OPPORTUNITIES

Provide VR training; use to increase our competency in all areas

Use VR to educate patients after an office visit

Develop new procedures / processes

Use for patient education, lifestyle / behavior modification, disease management and navigation

HARD TREND

Digital technology will continue to disrupt the healthcare industry in amazing new ways

8

OPPORTUNITY

We should transform our understanding of patient payer HCP needs and hence ability to meet them. We can be with them in their lives, walk in their shoes and get real-time feedback on what's working and what the challenges are. Help patients understand in a simple way what is happening to them and how the medicine is helping them. Visualization and VR tools can help

HARD TREND

Medical devices will increasingly become cheaper and smarter

9

OPPORTUNITY

Work with innovative device companies collaboratively to identify unique advantages for patient

HARD TREND

Big-data-driven insights will transform how we commercialize our products

10

OPPORTUNITY

Partner to make wearables better for us and work to discover new sensitive dynamic measures of drug efficacy



ACCOUNTING & FINANCE

The exponential pace of technology and the risk of disruption from Machine Learning, Blockchain, Big Data, the Internet of Things and real-time accounting and auditing systems are only a few of the forces that are impacting accounting and finance professionals and their clients, too.

Deloitte, a client of ours, is already investing millions to streamline the audit process, and another client, KPMG, has partnered with IBM Watson to perform analytics to identify anomalies and opportunities to reshape how audits are done. Even H&R Block is applying Watson to understand context and draw connections to help clients. And let's not forget about the cloud, virtualization, mobility and other tech areas that can be used in an anticipatory way to become the disruptor instead of being the disrupted.

Research shows that accounting is ripe for disruption. According to research by CPA.com, 92 percent of CPAs are not “future ready”—in other words, they don't believe themselves to be well positioned to anticipate emerging trends in business, demographics and broad social developments.

Other studies further underscore the need for future-focused strategies. In another survey, 76 percent of small-business owners said their CPAs are not proactive. It should be no surprise that 75 percent have changed firms because their CPAs are providing reactive services rather than proactive advice.

On one level, a greater capacity for anticipation involves using Hard Trends—those future events we know for certain will occur—and Soft Trends—those that may occur but are also open to influence. By learning how to separate these two types of trends, accountants and financial executives have the opportunity to better serve their clients by helping them anticipate disruptions and predictable problems, including the future impact of regulatory change, to help guide companies and organizations in better planning and a greater overall emphasis on proactivity rather than simple reaction.

Further, new technology and tools will allow for greater productivity, collaboration and, ultimately, the game-changing opportunity to be a disruptor instead of settling for being disrupted and reacting to change time and time again.



ACCOUNTING & FINANCE

All of our customers, large and small, are experiencing digital disruption and exponential change. As the pace of change increases, a forward view is even more important, and the accounting, auditing and financial industry has an opportunity to incorporate that same forward-facing, anticipatory mind-set into everyday practices and procedures—in more ways than one.

The field of accounting has traditionally labored under a challenging paradox when it comes to reporting organizations' financial activity—using past performance as one gauge of future prospects. An incident involving Netflix illustrates that—and a broader issue—perfectly.

On the one hand, several months ago, the entertainment giant turned in a relatively poor quarterly earnings report. Nonetheless, Netflix stock jumped a remarkable 18 percent.

Those steeped in traditional thinking were baffled. How could investors be so optimistic in the face of bad news?

The answer lay not in the past but in the future. For one thing, the company announced that it had added 50 percent more subscribers than initially expected. Analysts projected that Netflix was on course for more than 60 million subscribers in the United States and about 100 million internationally by 2020. Further, the company also announced its intent to spend \$6 billion on content next year, up \$1 billion from 2016.

Therein lies the paradox of accounting practices—a focus on the financials of the past in a world that's already moved on.

But that also encapsulates an even greater opportunity—in effect, to reinvent accounting by learning how to add strategic foresight to the numbers, become more anticipatory and accurately leverage the dynamic of change.



ACCOUNTING & FINANCE

New Thinking, Greater Anticipation

In one respect, the opportunity to reinvent accounting could focus on procedures. As puzzling as it may appear—particularly with an anticipatory mind-set—accounting methodology traditionally identifies value-creating investments as expenses. Granted, investment does mean expenditure of capital, but one issue with this methodology is that it often completely bypasses the future benefits of these investments.

That raises one obvious question: How can value be accurately measured when it's not apparent in financial statements? Years of bad quarterly financials have not stopped investors from buying Amazon stock, and they have been well rewarded for ignoring those reports and looking instead at how Amazon was anticipating technological change and taking advantage of it.

But the opportunity to revamp processes and procedures isn't limited to numbers on a spreadsheet. Like most every other profession, accounting is faced with being forced to do more with less and challenged by information overload and the necessity to do things faster. And in a world characterized by exponential change, those and other realities are only going to come faster and faster—a powerful form of outside disruption. And because technology is giving all of us the capability of doing more in less time every year, the majority of accountants who bill for time will find themselves making less every year unless they find new ways to add new value.

What's the most effective strategy? Like the Netflix "paradox," the best path ahead lies with using Hard Trends and the Anticipatory Organization Model to become anticipatory rather than focusing only on the past and reacting to change.

"By employing anticipatory thinking and examining ideas through the lens of Hard and Soft Trends, you can separate unduly risky forms of innovation from those that are no less promising but a good deal less uncertain."

- DANIEL BURRUS

HARD TREND

Increased business disruption from cybersecurity issues

1

OPPORTUNITY

Build a model/services around cybersecurity crisis management that assists clients in their response

HARD TREND

Continued automation of accounting services for both large and small entities

2

OPPORTUNITIES

Take bookkeeping to the next level—tap into the right automation and start delivering to your clients, or someone else will

HARD TREND

Increased transformation using mobile technology

3

OPPORTUNITY

Use mobile for close and quick communication with clients and easy data sharing, and focus on proactive communication.

HARD TREND

Increasingly, experienced talent will retire

4

OPPORTUNITY

Embrace / invest in nonhuman applications; accelerate automation partnerships, collaboration, SMART and standardized equipment purchases

HARD TREND

Increase use of virtual workforce

5

OPPORTUNITY

Create mobility and compensation model for an increasingly virtual organization. Use this flexibility to increase our qualified talent pool and organizational success

HARD TREND

Ongoing convergence/mergers of clients and prospects; some industries will have higher volume of transactions than others

6

OPPORTUNITY

Target eager companies with more “upstream” opportunities; if a client was involved and we have good relationship, this should create new opportunities. Probably more so for consulting services than traditional accounting and auditing

HARD TREND

Increasing rate of baby boomer retirees, which will cause significant knowledge loss

7

OPPORTUNITY

Craft a way to work and share more knowledge with less capacity

HARD TREND

Virtual currency will become more commonplace throughout the country and world

8

OPPORTUNITY

Let's have a dedicated team to offer virtual currency consulting, audit and tax to such entities.

HARD TREND

Baby boomers are reengaging in new businesses after they retire from their current jobs

9

OPPORTUNITY

Develop advisory services to support new boomer entrepreneurs.

HARD TREND

Blockchain is growing. Will increasingly be used as immutable transactional record for companies

10

OPPORTUNITY

Tie blockchain records to automate much of financial audits



MANUFACTURING

Like most industries, the manufacturing sector is experiencing digital disruption. Because of technological advances, manufacturing organizations are facing intense international competition, increasing market volatility and complexity, a declining workforce and a host of other challenges. Yet we know that a strong manufacturing base plays a critical role in having a strong economy.

What were labeled “next-generation manufacturing” techniques a few years ago could now be called “current generation” thanks to the fact that most manufacturers are already applying them. They include:

1. Being connected to the global economy to reach more consumers and sell in ways that they couldn't have sold before.
2. Having higher productivity by using tools such as low-cost advanced robotics and automation.
3. Being lean and agile—lean by keeping inventory low, and agile by being flexible to respond to market changes fast.
4. Being innovative by using leading-edge technology such as advanced multisensory robotics and additive manufacturing.
5. Being focused on attracting, developing and retaining talent.

Manufacturers that want to go to the next level need to adopt the following six “new” next-generation manufacturing principles that can provide game-changing opportunities and new competitive advantages.



MANUFACTURING

Six Advanced Next-Generation Manufacturing Principles to Adopt

1. Anticipate customer needs – It's vital that manufacturers anticipate customer needs based on the Hard Trends that are shaping the future. Therefore, look at your customers' future and focus on what you DO know rather than what you don't know. Ask, "What are the Hard Trends, the things that will happen, versus the things that might happen?" By doing so, you can start seeing both needs and opportunities before they happen and deliver new products and services at the speed of need. One of the reasons you need to be more anticipatory is that technology is changing your customers' business and needs at an exponential rate. You need to get ahead of this or face being behind your customers' needs. Typically, manufacturers ask the customer what they want and then give it to them. But by the time you have it designed and manufactured and give it to them, their needs have changed or the economy has shifted again. The relevancy of the need is no longer as great. Second, if you ask customers what they want and give it to them, they're going to underask, because they're focused on what they know is possible, not what you know is possible. Customers, just like most companies, don't know how to anticipate. But when you adopt this principle, you'll be able to deliver what your customers need just as they need it.

2. Innovate around the old core and acquire the new core – What are your core competencies? Are you using them or squandering them? In the past, manufacturers could go decades between innovations. That strategy doesn't work anymore. Information and new knowledge now travel around the world at the speed of light, and technological innovation proceeds at close to the speed of thought. Today, you cannot just innovate now and then: to survive and thrive in a time of vertical change, you have to be innovating around your core competencies continuously.

In order to thrive in the years ahead, it's vital to identify the new core competencies you need, such as analytics and A.I., additive manufacturing and advanced materials, to name a few.

3. Focus on elevating collaboration – New tools can transform how you collaborate. Do you know what they are? Realize that collaboration is much different than cooperation. Cooperation is based on scarcity and is about protecting your piece of the economic pie. In contrast, collaboration is focused on abundance and making a bigger pie for all.



MANUFACTURING

4. Presolve predictable problems – The best way to avoid problems is to use Hard Trends to both predict and presolve them. Based on my own studies of manufacturing firms as well as other industries, I've found that 92 percent of the biggest problems companies faced were fully predictable before they happened. This is hindsight, and hindsight always brings lament.

Hard Trends add certainty to foresight. If a problem is fully predictable, that means it's fully avoidable. Therefore, manufacturers should ask, "What are the problems that we can see ahead for both our organization and our customers based on the Hard Trends shaping the future?" Your most successful future products will solve your customers' biggest future problems. You can learn to identify what they are now and win.

5. Inform and communicate – In the past, we developed information-age organizations. As a result, companies do a lot of informing and are very good at it. But most are not good at communicating, either internally or externally. Informing is one-way. It's static and doesn't always cause action. Communicating is two-way. It's dynamic and usually causes action. Social media is a good example of interactive communication tools, which is why it's spreading so rapidly as a business tool.

6. Do continuous decommoditization – Just as we had continuous improvement in the past, manufacturers need to continually decommoditize their products and services. Realize that every product and service can be decommoditized repeatedly. Unfortunately, most companies don't do this.

The minute you come up with something new, a competitor will copy it. Instead of letting the margins get thinner and riding them down, you can wrap a service around a product or wrap a service around a service to add new value. You can think creatively about your product or service so you can repackage it, redefine it, revamp it or somehow make it unique in the marketplace again.

Manufacturing for the Future

To be successful in the future, to stay competitive and relevant, and to thrive in a world of exponential change, all manufacturers must not only be agile, they must also be anticipatory and adopt the new next-generation manufacturing principles.

HARD TREND

Increased use of 3-D visualization models on websites for product demos

1

OPPORTUNITY

Monitor this and be the first to use it with clients

HARD TREND

Customers will be automating their sales order processes

2

OPPORTUNITY

Talk to customers that seem to be leading the change to build systems to take and process repeatable or automated orders based on events that happen

HARD TREND

Increasing use of computers tied to preventative maintenance on parts to tell when repairs or maintenance is needed and automatically schedule repairs and buy parts

3

OPPORTUNITY

Direct parts to order from supplier automatically

HARD TREND

Increased use of e-commerce as a standard for transaction activity in industrial standard and CTO (configured to order) products

4

OPPORTUNITY

Review our fulfillment processes using technology

HARD TREND

Increased use of apps used to assist with selling / all business processes

5

OPPORTUNITY

Design mobile apps to improve business processes

HARD TREND

Increasingly, the IoT will be expected by our customers

6

OPPORTUNITY

Partner with winning IoT ecosystem

HARD TREND

Interactive process machines with reliability forecasting

7

OPPORTUNITY

Interconnected pumps, valves, etc., that control/optimize processes and create optimal interrelated maintenance planning

HARD TREND

Carbon taxes and energy regulations increasing

8

OPPORTUNITY

Monitor equipment emissions of greenhouse gases; monitor and report energy usage (particularly increases by aging / failing equipment)

HARD TREND

Our experienced engineers are getting older and will likely want to change their work arrangements (retire, go to part-time, etc.)

9

OPPORTUNITY

Develop a new employment model that creates flexibility in how these employees share their knowledge and experience with less experienced engineers

HARD TREND

Increase in millennial management and younger people entering workforce

10

OPPORTUNITY

Improve our ability to manage millennial generation. Our ability to integrate ideas from young people under 25 will significantly impact our ability to meet customer needs in five years



TECHNOLOGY

Technology change is increasing at an exponential rate. Big Data, Blockchain, A.I. and Machine Learning, Data Analytics, Advanced Cloud Applications, Virtual Reality, 3D Printing, Autonomous Vehicles, Augmented Reality, Everything as a Service (XaaS), Advanced Robotics, 5G and much more are not just changing our world, they are transforming our world, including how we live, work and play—and at a faster rate every month!

Reacting and responding fast to change (agility) is good, but it is no longer good enough if you want to turn change into advantage. It is now imperative to learn an additional competency: how to be Anticipatory.

Every organization, no matter what it does or whom it serves, is constantly watching for ways to increase its relevance to customers and the value of what it offers.

Being anticipatory is a very powerful strategy with which you can boost your overall relevance and value. One of the ways of doing that is to learn to use Hard Trends to better understand your customers' present and future needs more thoroughly so that you can leverage the enormous impact of new technology and market disruption. Here are few areas to consider:

Know Your Customers Better

Ever since the dawn of commerce, individuals and organizations have searched for more effective and timely ways to know what their customers are thinking and wanting—and, from there, to better gauge the sorts of products and services that would best resonate with their shifting interests and tastes.

Fortunately, there are now more powerful tools besides customer feedback surveys and mere word of mouth that can be leveraged to meet this challenge. With technology such as connected devices, embedded software, A.I., predictive analytics and social media, organizations can see in a timely manner how customers are actually using their products, what they like and don't like, and other essential information and insight.



TECHNOLOGY

That boosts customer knowledge and insights in a number of ways. For one thing, product research and development can gain a better focus on what will truly connect with users at the moment of need. Accordingly, new products and services become less of an educated guess. Agility can also improve, as businesses can quickly update features or adjust future models to better match customer desires and behavior.

Likewise, marketing and advertising also benefit. More comprehensive and real-time information allows organizations to hone outreach efforts to target individual segments of their customer base. Instead of flooding their market with the same offer, marketing teams can create personalized offers geared to attract particular customers. That provides even more value.

Increase Disruption

One of the bedrock principles of my Anticipatory Organization Model is the predictable impact of disruption—not merely updates or wrinkles to existing products and services, but game-changing ideas, technology and devices that can stand entire industries on their ear. More importantly, when you learn to anticipate game-changers, you can become the game-changer in your own industry. After all, if you don't do it, someone else will.

Consider some of the truly innovative services or products that have completely changed how we live every day. Need to do some fast research on an executive or his or her company you are about to meet with? Your smartphone is the go-to option. If you want to get somewhere fast once you're off the subway and back on the street, Uber can get you there. And the list goes on and on.

Those examples and many others like them are telling in several ways. First off, none of them were simple variants on an existing theme—they were new, utterly revolutionary and predictable in terms of identifying the Hard Trends that are shaping the future as a way to see game-changing opportunities. Moreover, the marketplace value they afford the people and organizations behind their development and introduction is almost impossible to calculate. That means the more disruption you can introduce into your market, the greater the value of what you offer.



TECHNOLOGY

Another anticipatory principle is the idea that, if disruption is inevitable, far better to be the disruptor rather than the disrupted. And, with that choice in mind, what greater value can you bring to the marketplace than something so utterly new and innovative that it inevitably betters the life of anyone who buys or uses it?

“As a leader, when introducing a new strategy or policy, be sure to tie it to a Hard Trend certainty so everyone recognizes that it is not based on a personal agenda. Rather, it is based on future facts—this trend will not pass. Embracing it is the only option. Using this approach empowers people with the confidence that certainty provides.”

- DANIEL BURRUS

HARD TREND

Increase of sophisticated cyber attacks toward critical infrastructure (energy financial... sectors)

1

OPPORTUNITY

Develop automatic detection and protection in networked systems

HARD TREND

Increasingly, IT moves to cloud

2

OPPORTUNITY

Secure cloud services to improve security and efficiency

HARD TREND

Mobility will increase and bring new business processes and/or key elements for digital transformation

3

OPPORTUNITY

Grow revenue by becoming the trusted advisor and expert

HARD TREND

Increasing amounts of data and the use of Cloud coupled with high-speed data analytics

4

OPPORTUNITY

Partner with analytics providers to be the best at extracting actionable intelligence from data

HARD TREND

Combination of sensor technology and mobility will be increasingly used

5

OPPORTUNITY

Fully redesign facilities and to create “smart maintenance” to go with the development of smart buildings

HARD TREND

Increased use of cloud computing means more data centers

6

OPPORTUNITY

Link to improving battery storage technology and trend toward removable energy

HARD TREND

Communication method improvements—more effective ways will impact both customers and business

7

OPPORTUNITY

Use this to save traveling time and cost, increase effectiveness and productivity of business

HARD TREND

Mobile access to manage projects—ability to work with our clients virtually on the project plan, communications inside our project systems

8

OPPORTUNITY

Consistent project management transparency with our clients

HARD TREND

Exponential increase in computing power and use of wearables

9

OPPORTUNITY

Enable on-site conversations with drawings, logistics and plans in visual and audio formats

HARD TREND

Increased abilities with mobile tracking and recording: we have people in the field surveying and capturing insights

10

OPPORTUNITY

We need to ensure that we can understand their thoughts and ideas in real time as they happen. Collect and share for greater leverage

Daniel Burrus is considered one of the World's Leading Futurists on Global Trends and Innovation. *The New York Times* has referred to him as one of the top three business gurus in the highest demand as a speaker.

He is a strategic advisor to executives from Fortune 500 companies, helping them to develop game-changing strategies based on his proven methodologies for capitalizing on technology innovations and their future impact. He is the author of six books, including *The New York Times* and *The Wall Street Journal* best-seller *Flash Foresight* as well as the highly acclaimed *Technotrends*.



Innovation leads to disruption, not being disrupted.

Learn more with my new book, *The Anticipatory Organization*, now available for purchase at [Amazon.com](https://www.amazon.com)

