The Importance of Agility in a Rapidly Changing World

Ivalua
Greg Anderson
Vice President

SIG Global Executive Summit

The Importance of Agility in a Rapidly Changing World

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Three key themes

The global economy is rapidly changing

Technology is disrupting every industry

Agility is essential to win in the market

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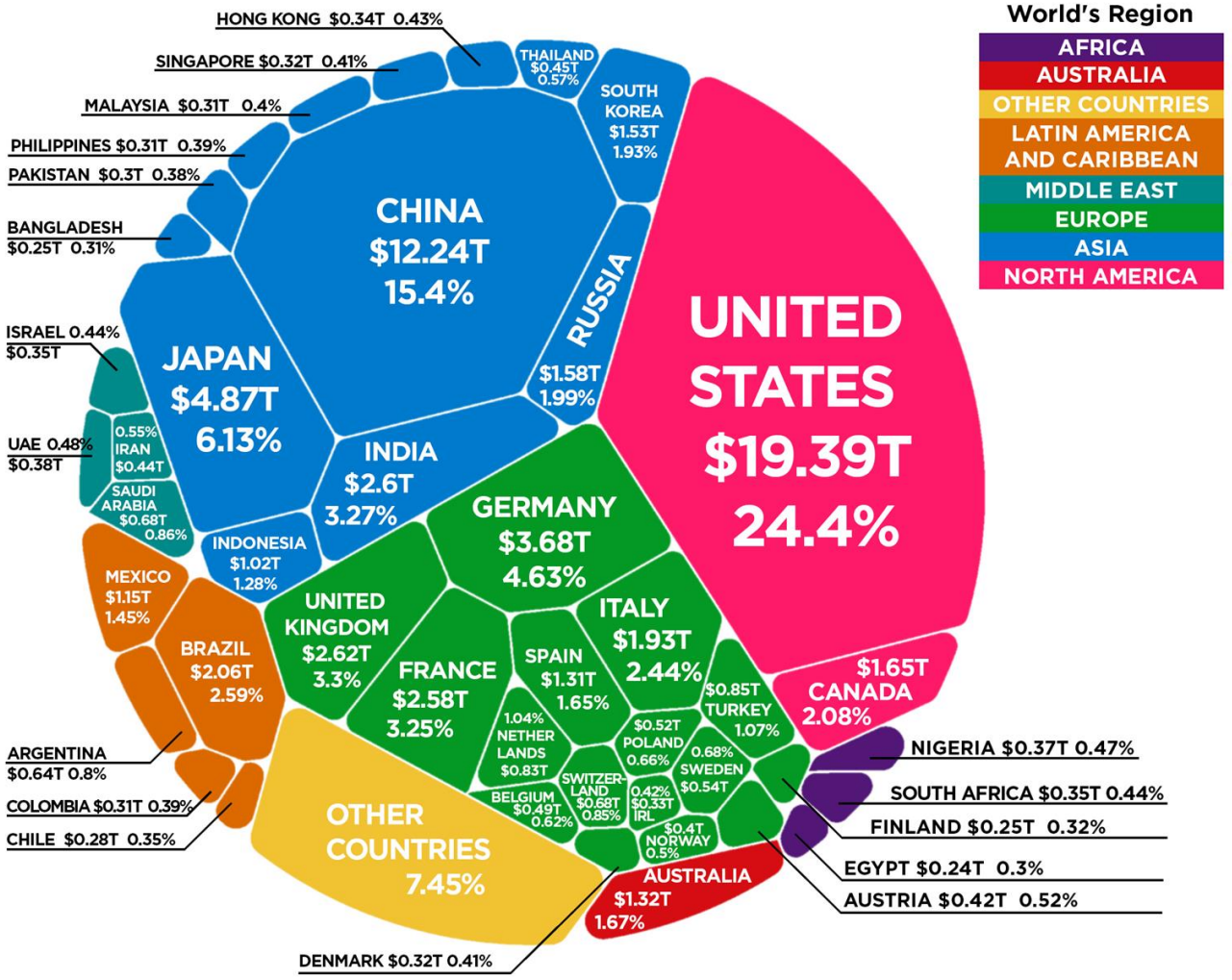
The $80 trillion world economy



Article and Sources:
https://howmuch.net/articles/the-world-economy-2017
http://databank.worldbank.org/data/download/GDP.pdf

howmuch.net

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China dominates GDP growth projections

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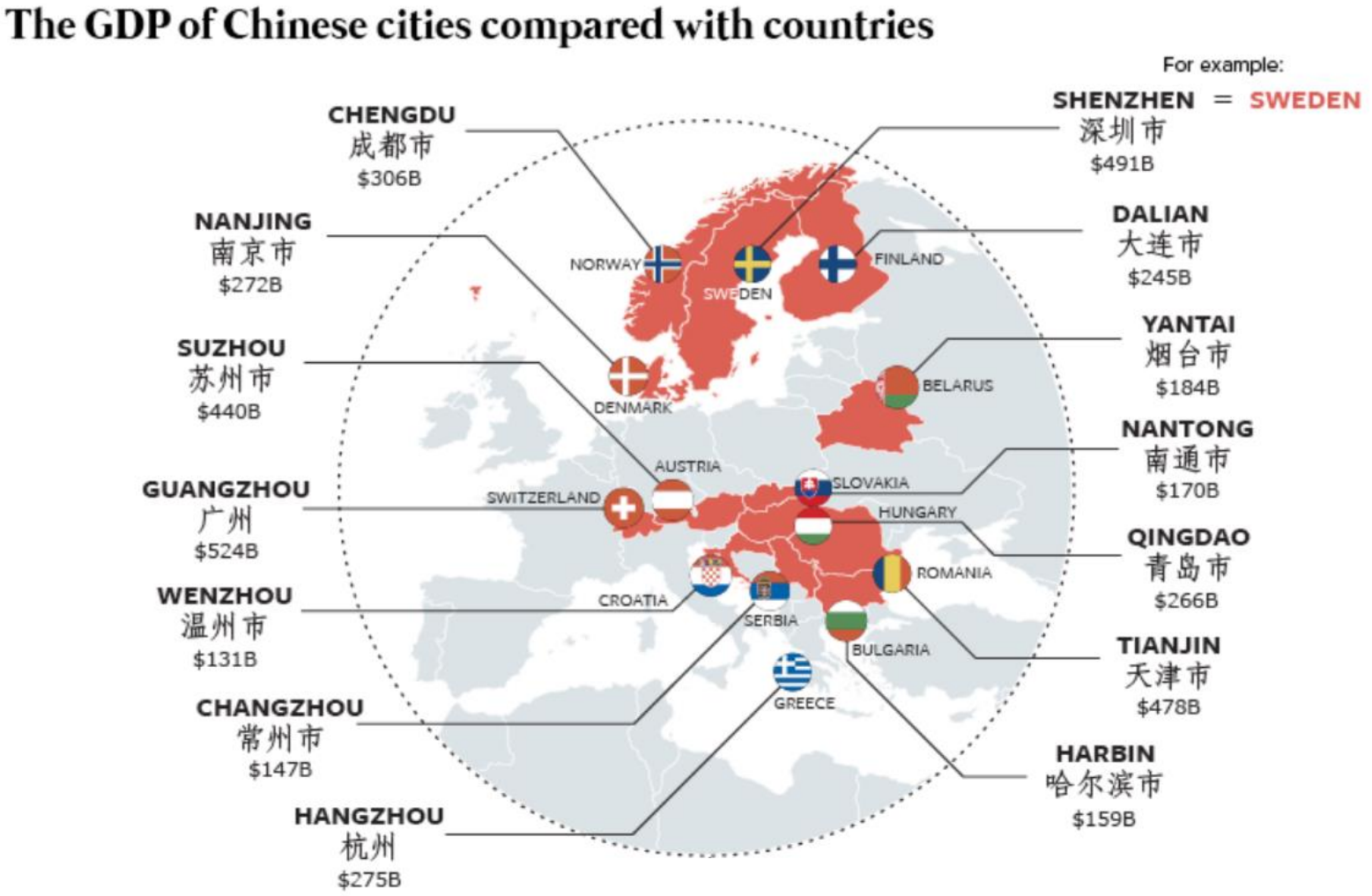
Chinese cities have greater GDP than entire countries



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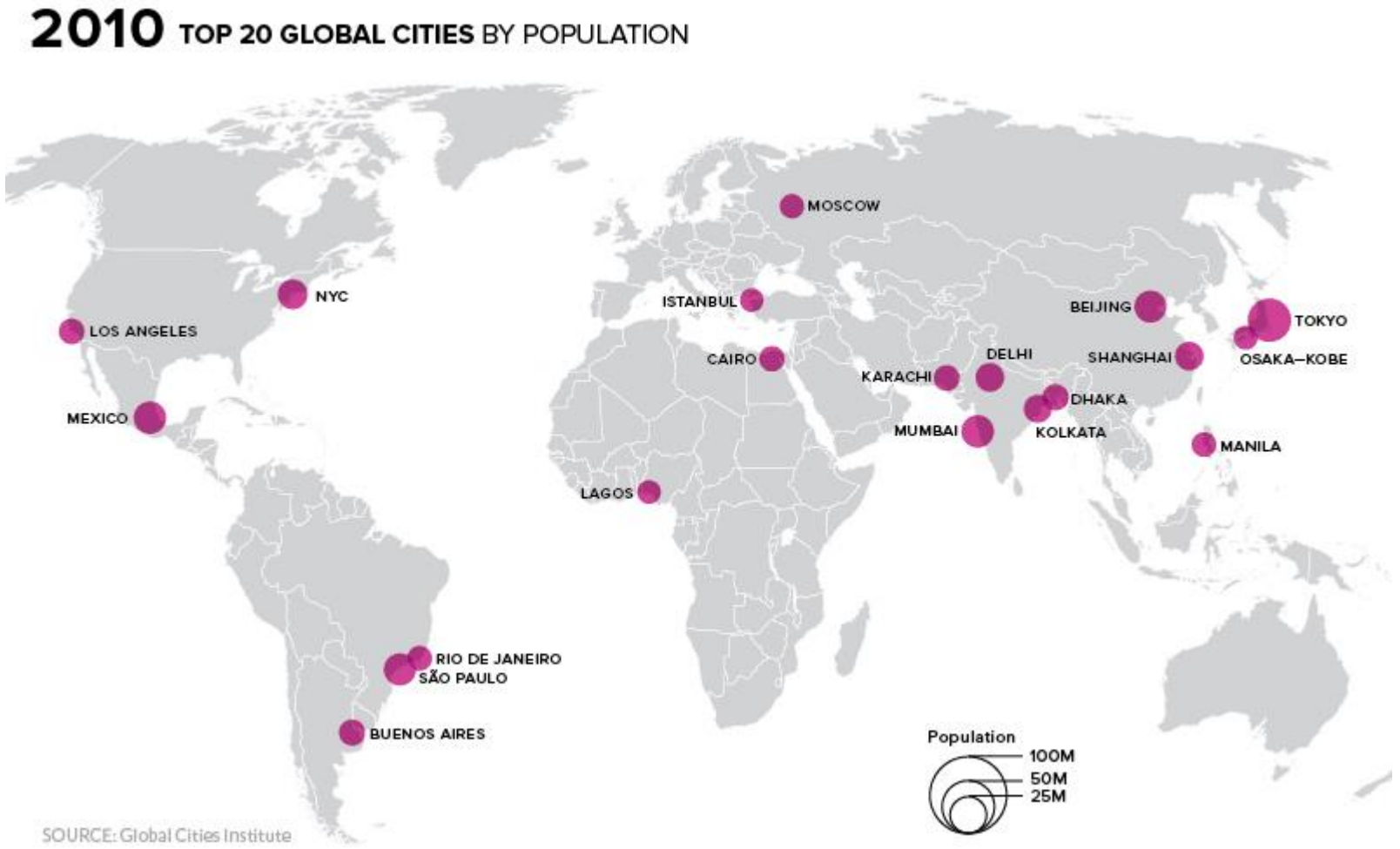
Global populations will shift



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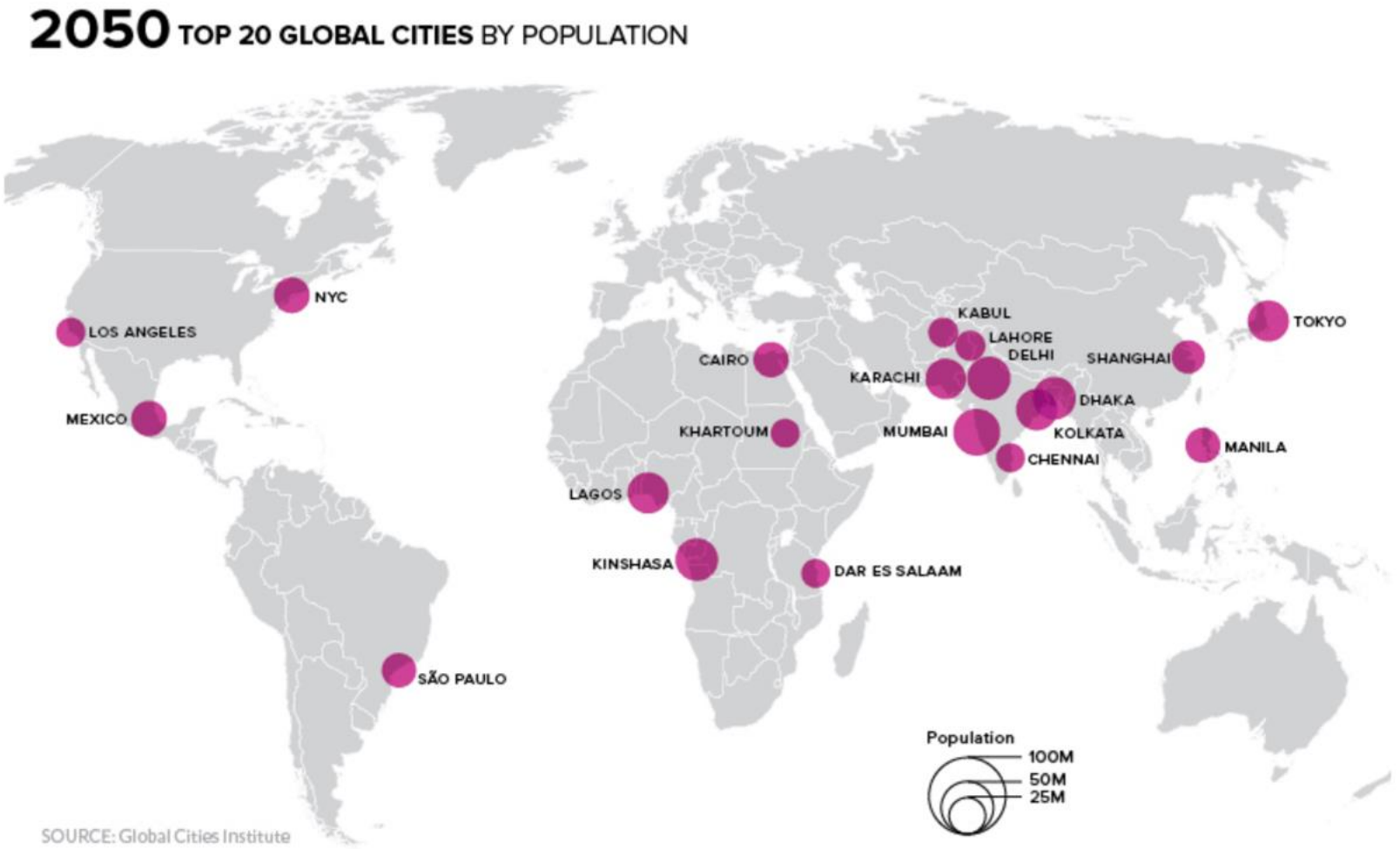
Global populations will shift



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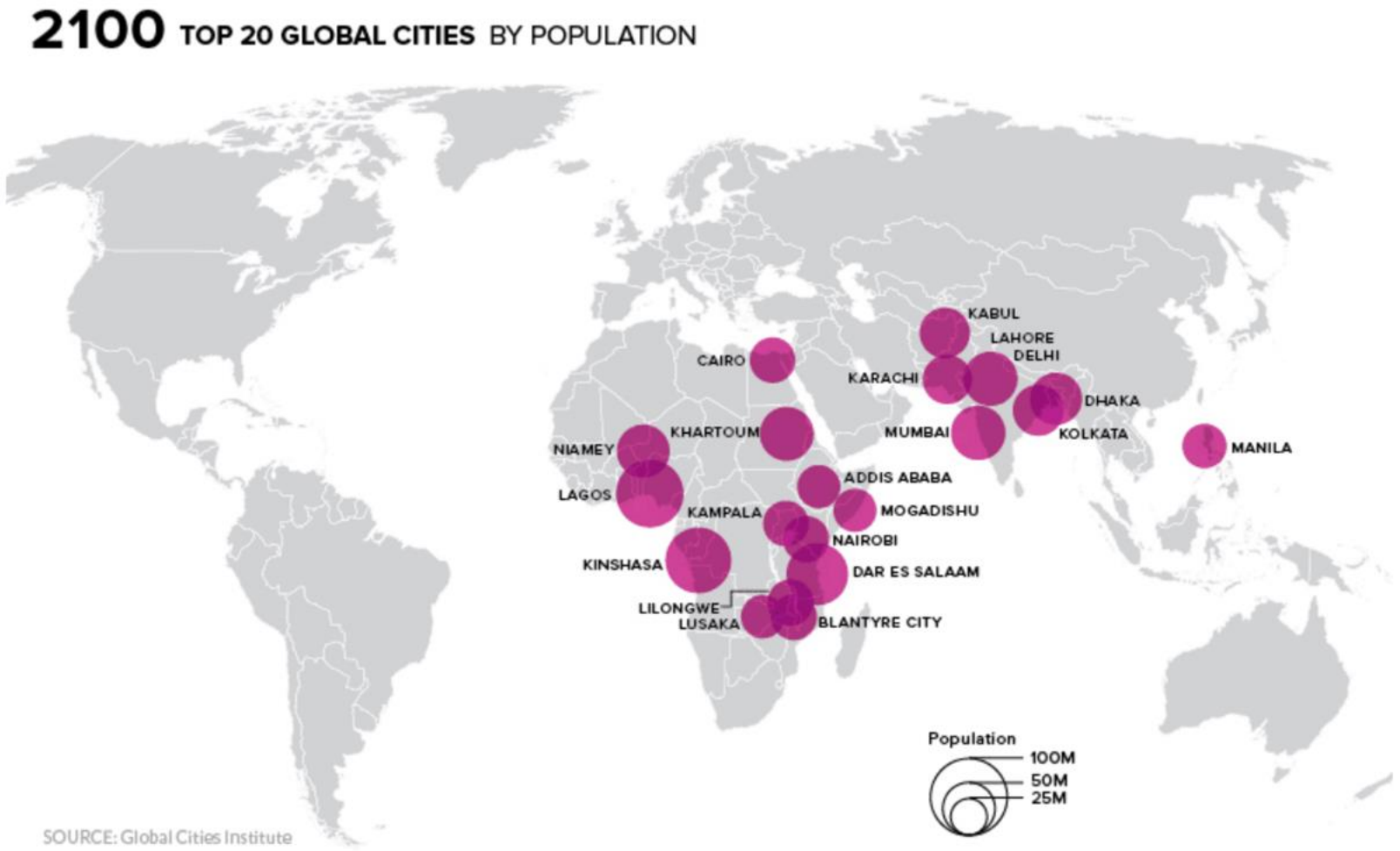
Global populations will shift



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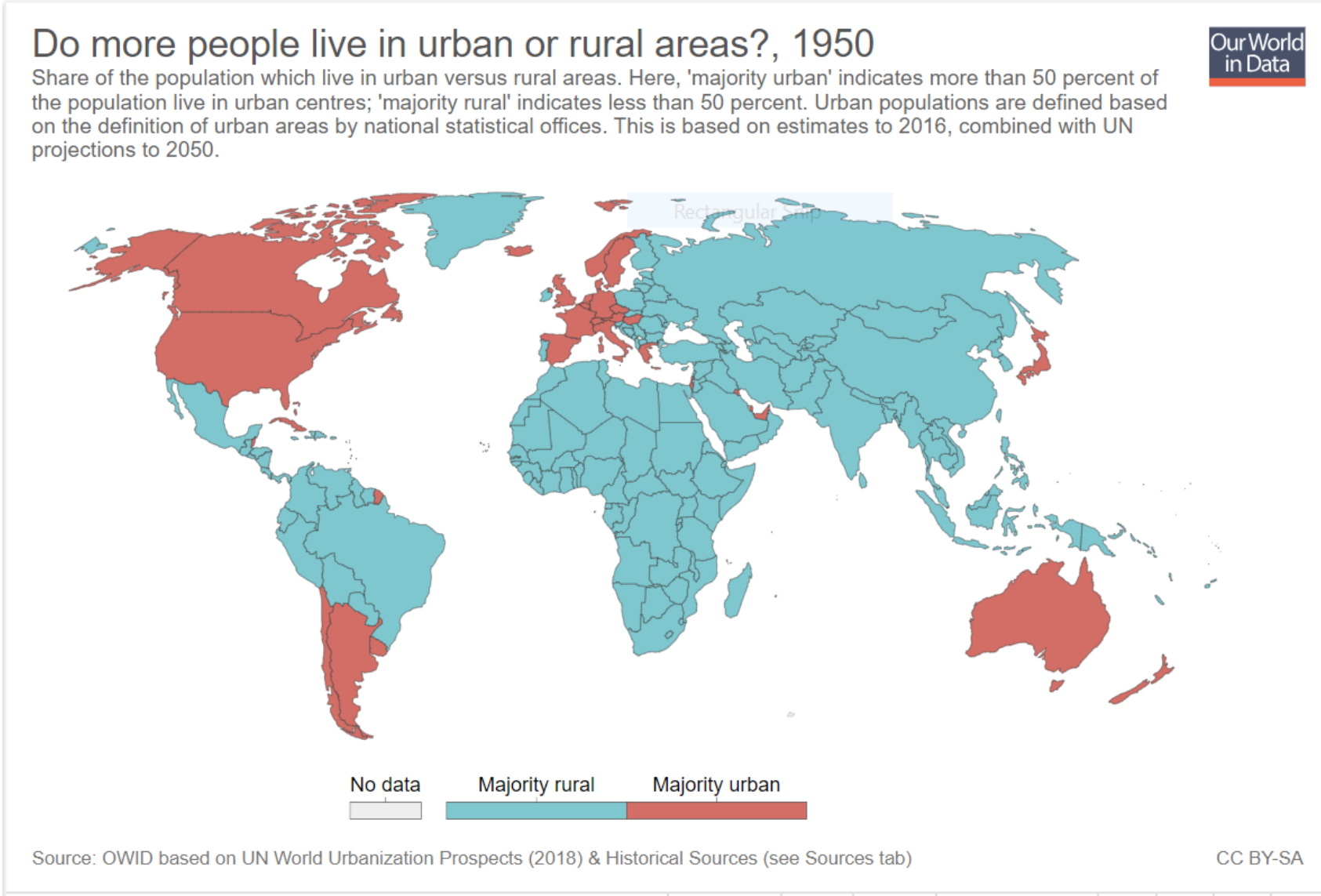
Urbanization will increase dramatically



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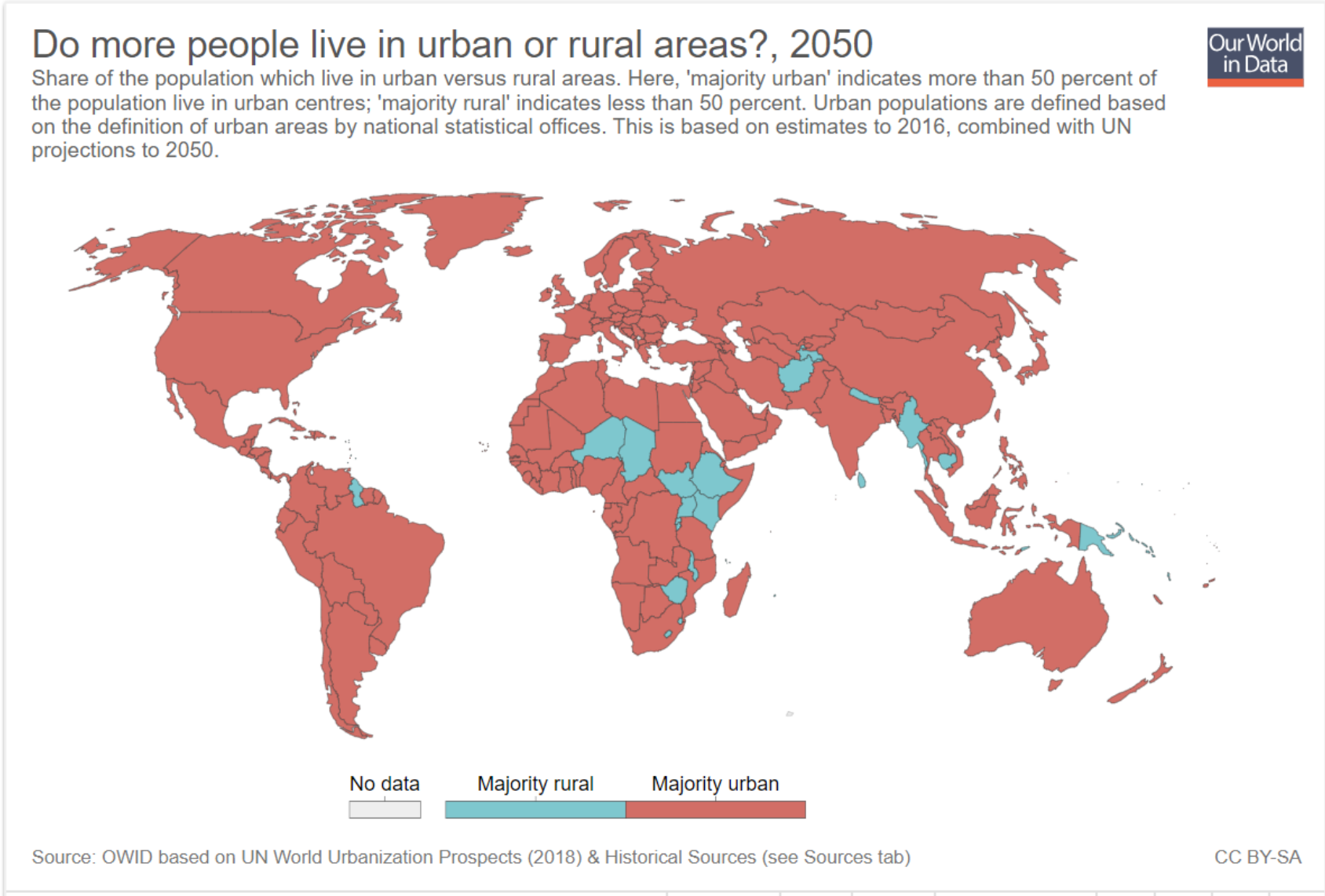

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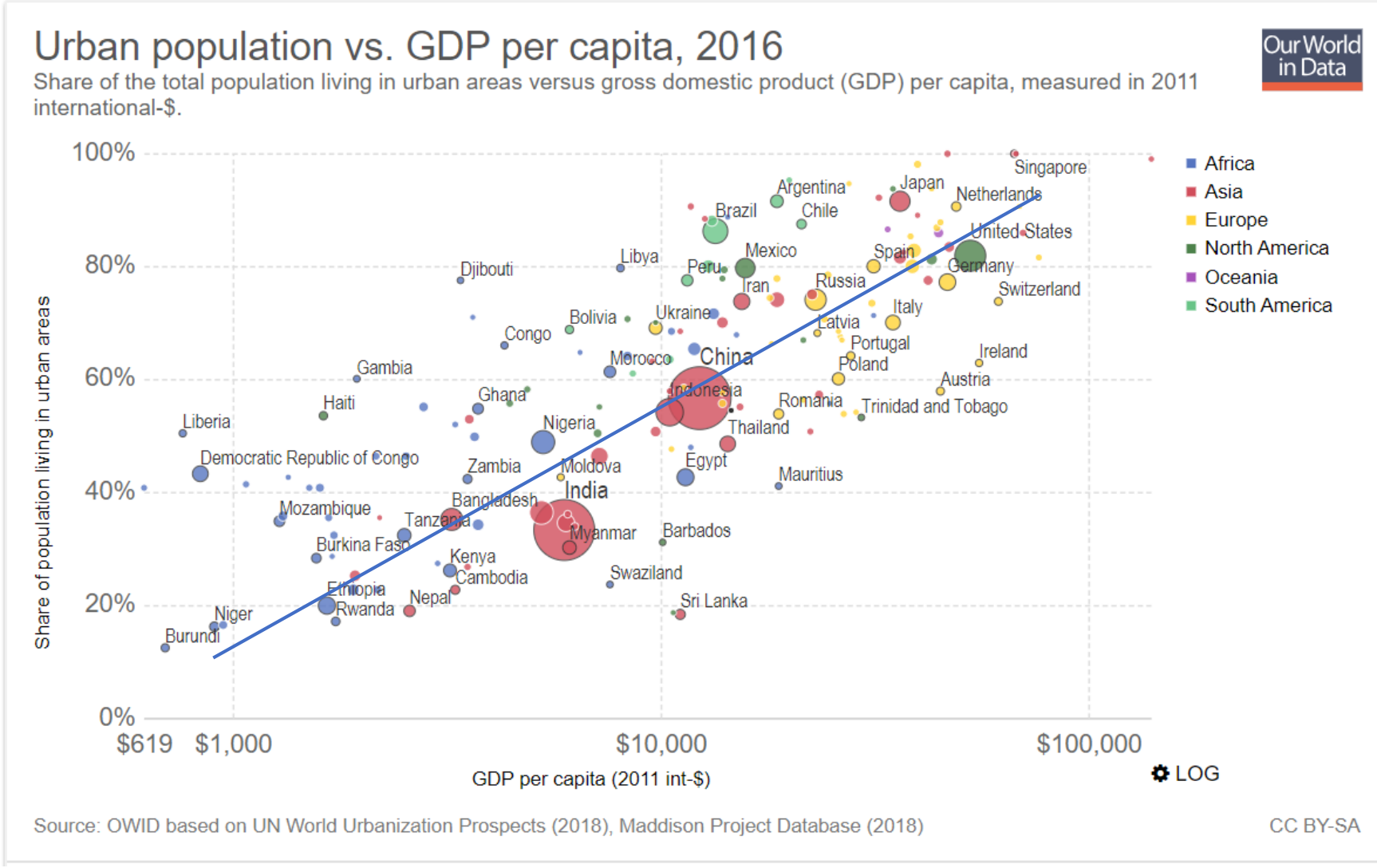
Why the shift to urban living? $$$



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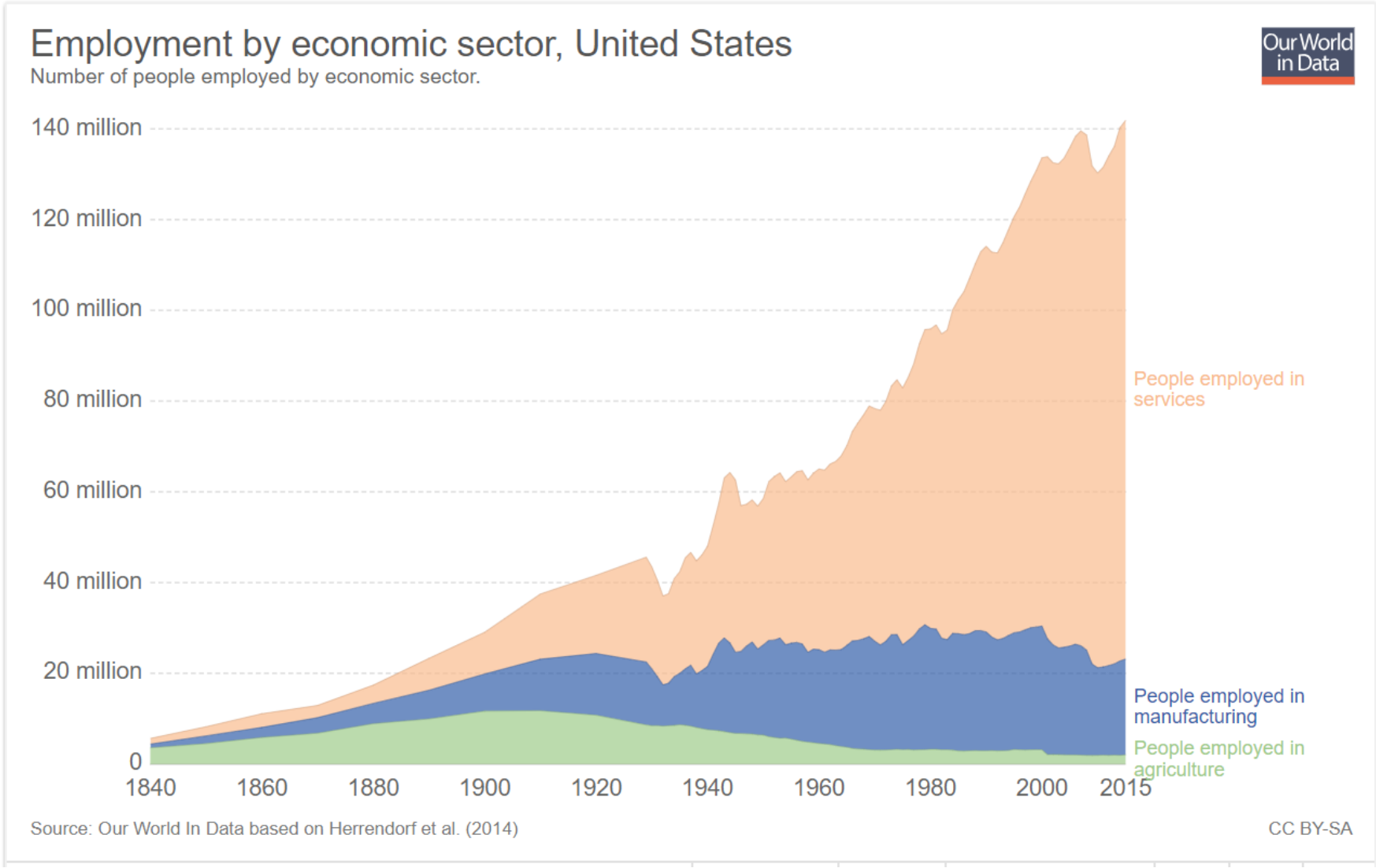
Where are the jobs created?



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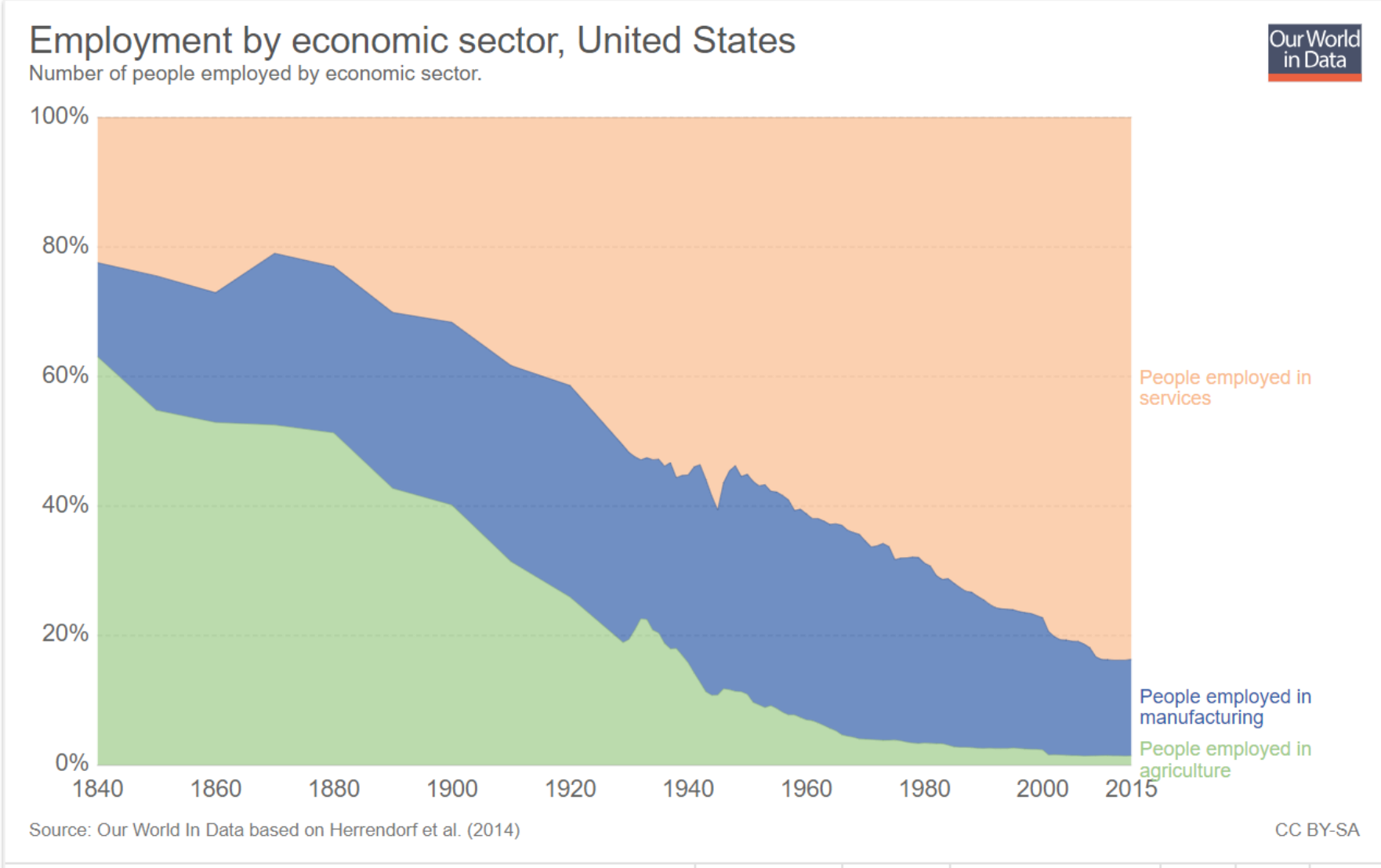
Moving off the farm and out of the factory



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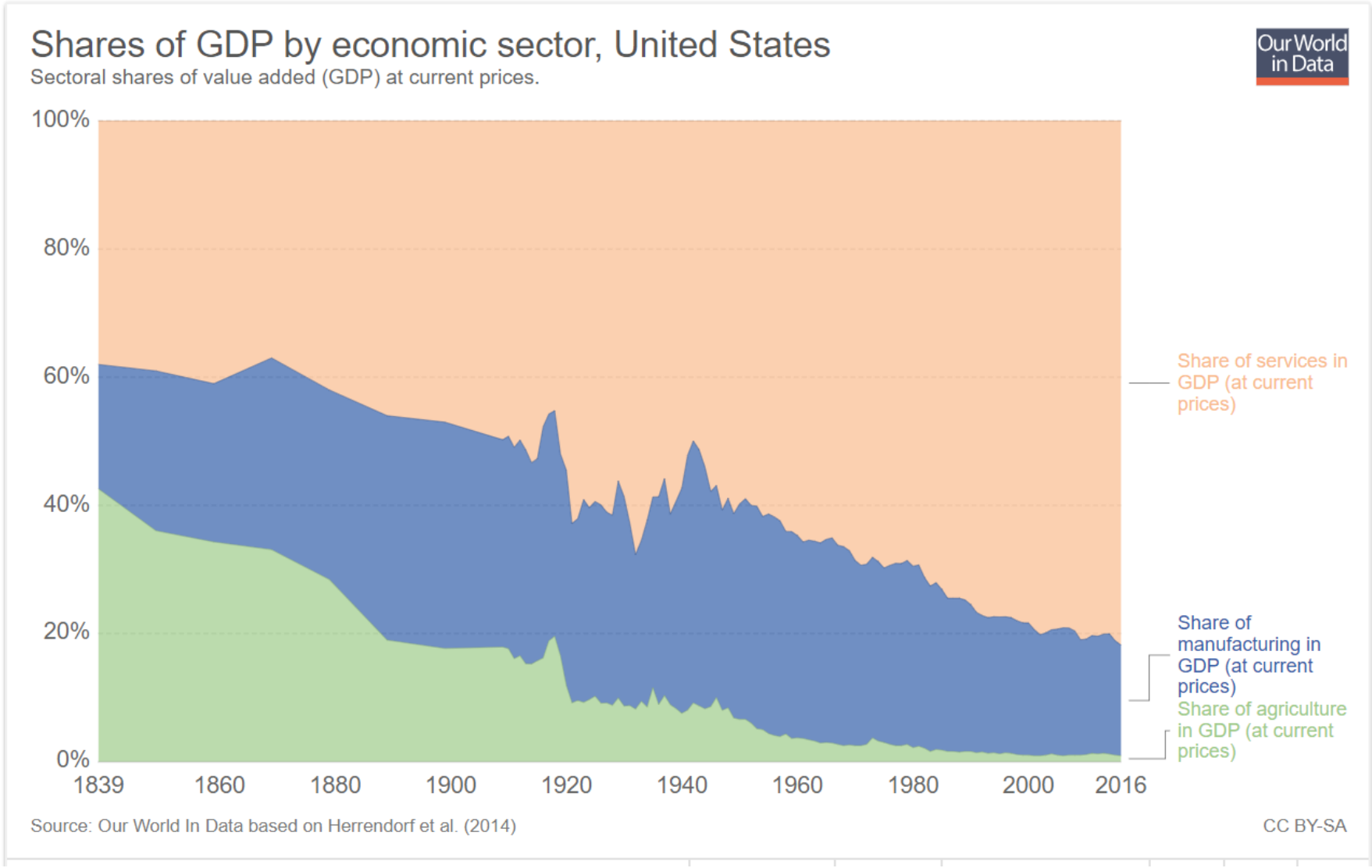
GDP followed a similar pattern



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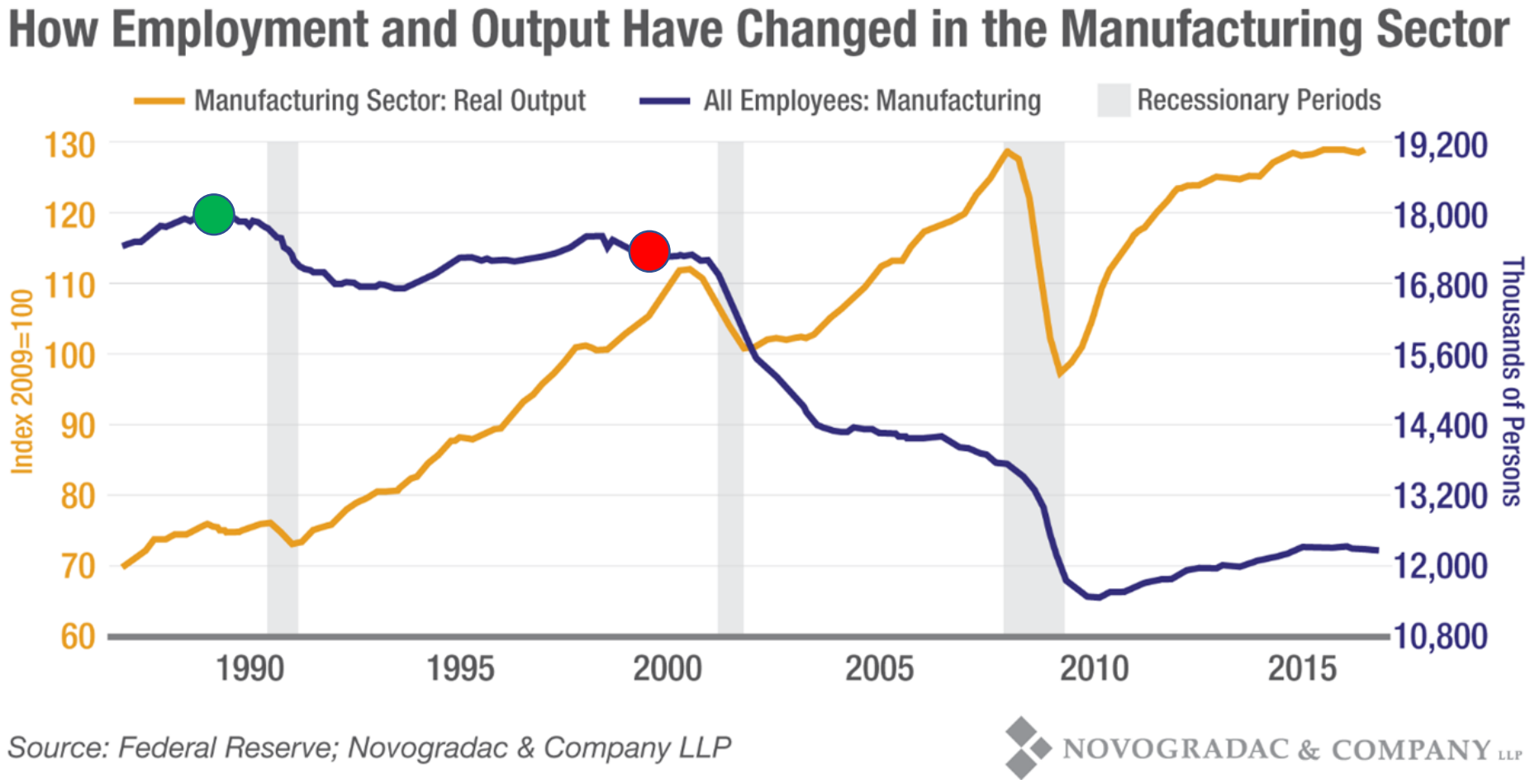
Productivity enabled the structural transformation



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Pittsburgh is emblematic of the transformation

The Steel City's rebirth as a center of technology and tech-driven manufacturing might still shock those who picture the city as another casualty of deindustrialization. But the fact is, the region's success in the tech economy has been decades in the making, and strategies continue to expand opportunities now and in the future.

Google

amazon

Uber

ARGO AI

AURORA

bossanova

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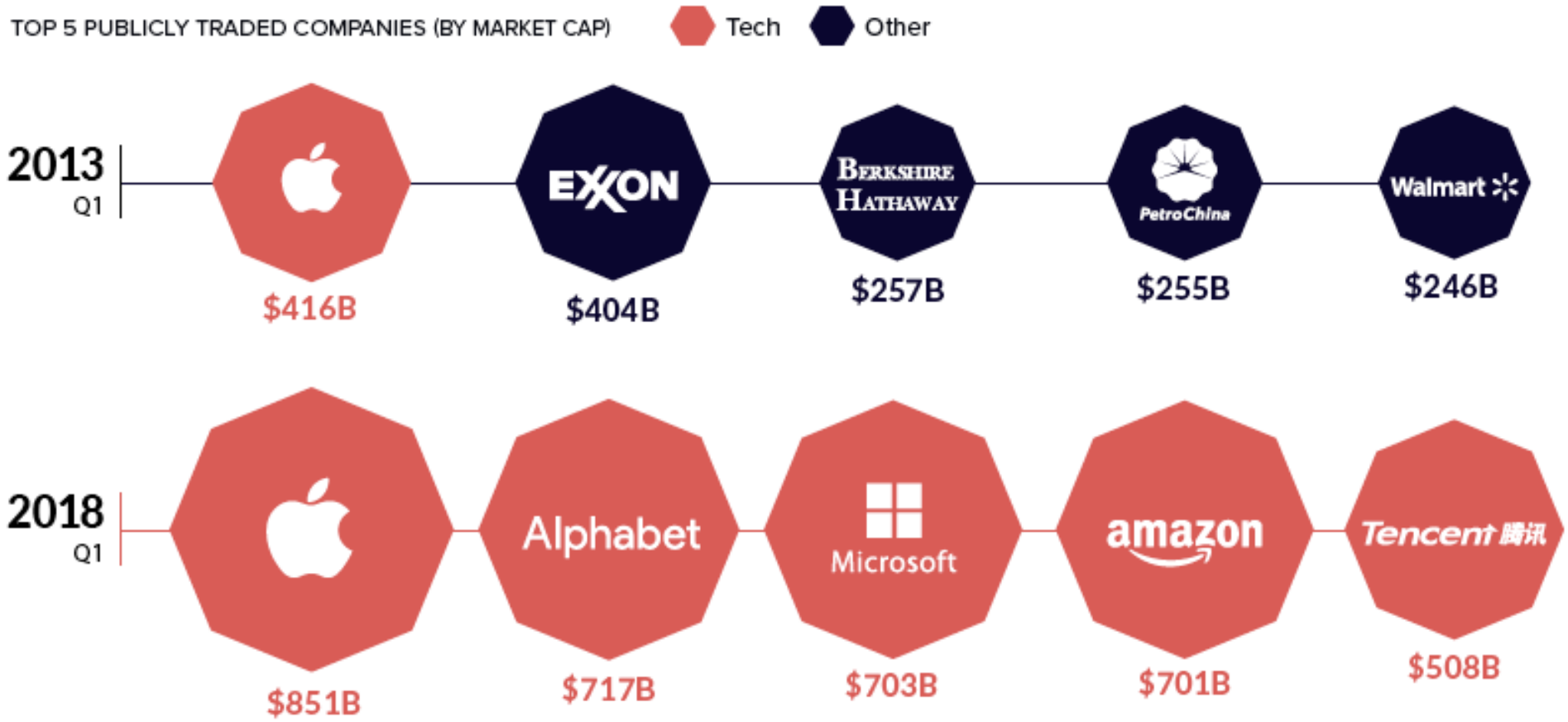
The rise of tech is accelerating the structural transformation



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The once mighty are faltering

Sears reportedly preparing for bankruptcy filing

GE shares drop to 9-year low as weak power business stumbles

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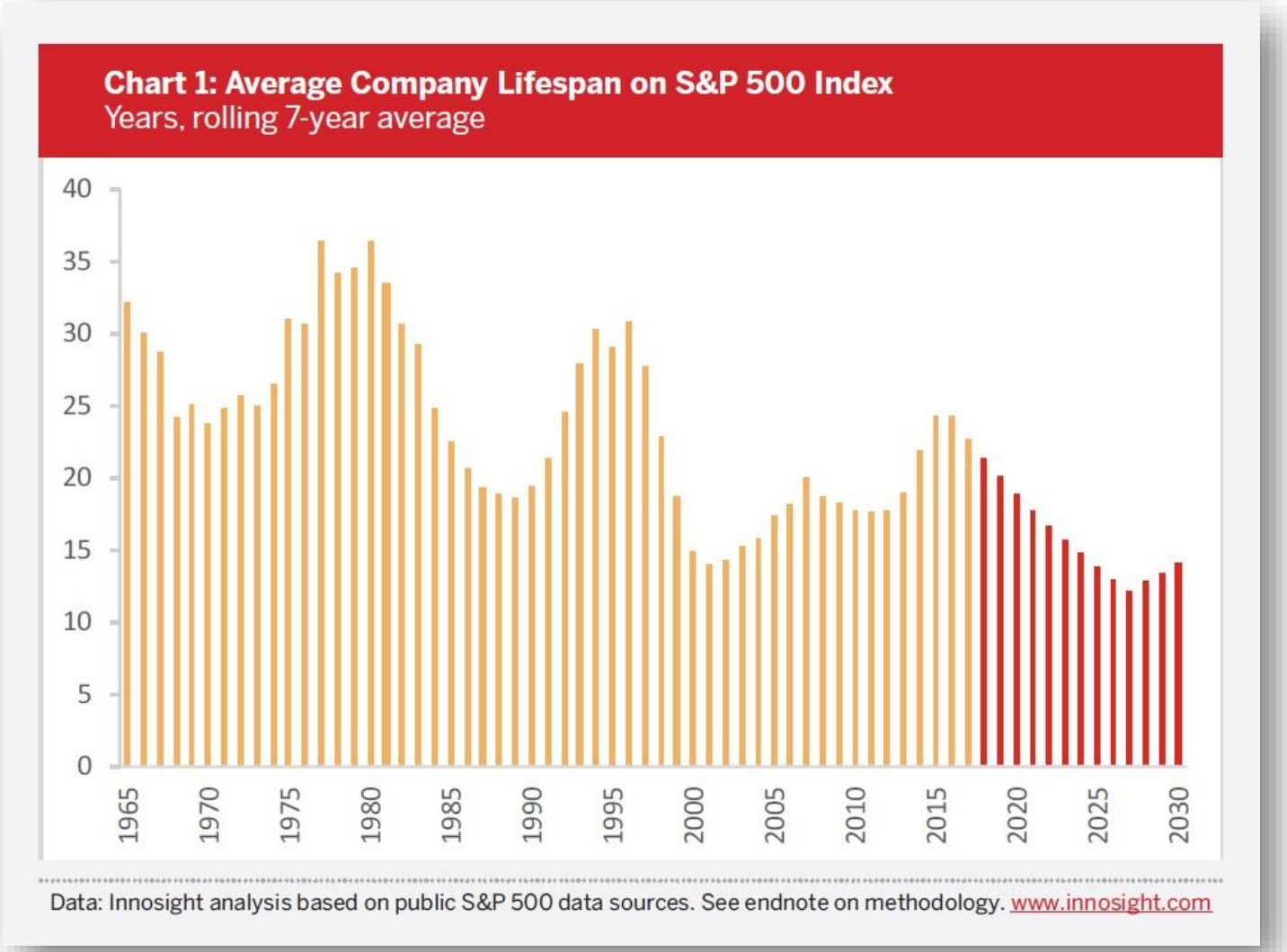
The pace of creative destruction is accelerating



"Since 2000, **52%** of companies in the Fortune 500 have either **gone bankrupt, been acquired or ceased to exist.**"

Constellation Research, 2016

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Lessons in overconfidence

We've learned and struggled for a few years here figuring out how to make a decent phone ... PC guys are not going to just figure this out. They're not going to just walk in.

ED COLLIGAN
CEO of Palm

In 2006, After getting the news that Apple was developing a phone.

Neither RedBox nor Netflix are even on the radar screen in terms of competition.

JIM KEYES
CEO of Blockbuster

Speaking to Motley Fool in 2008.

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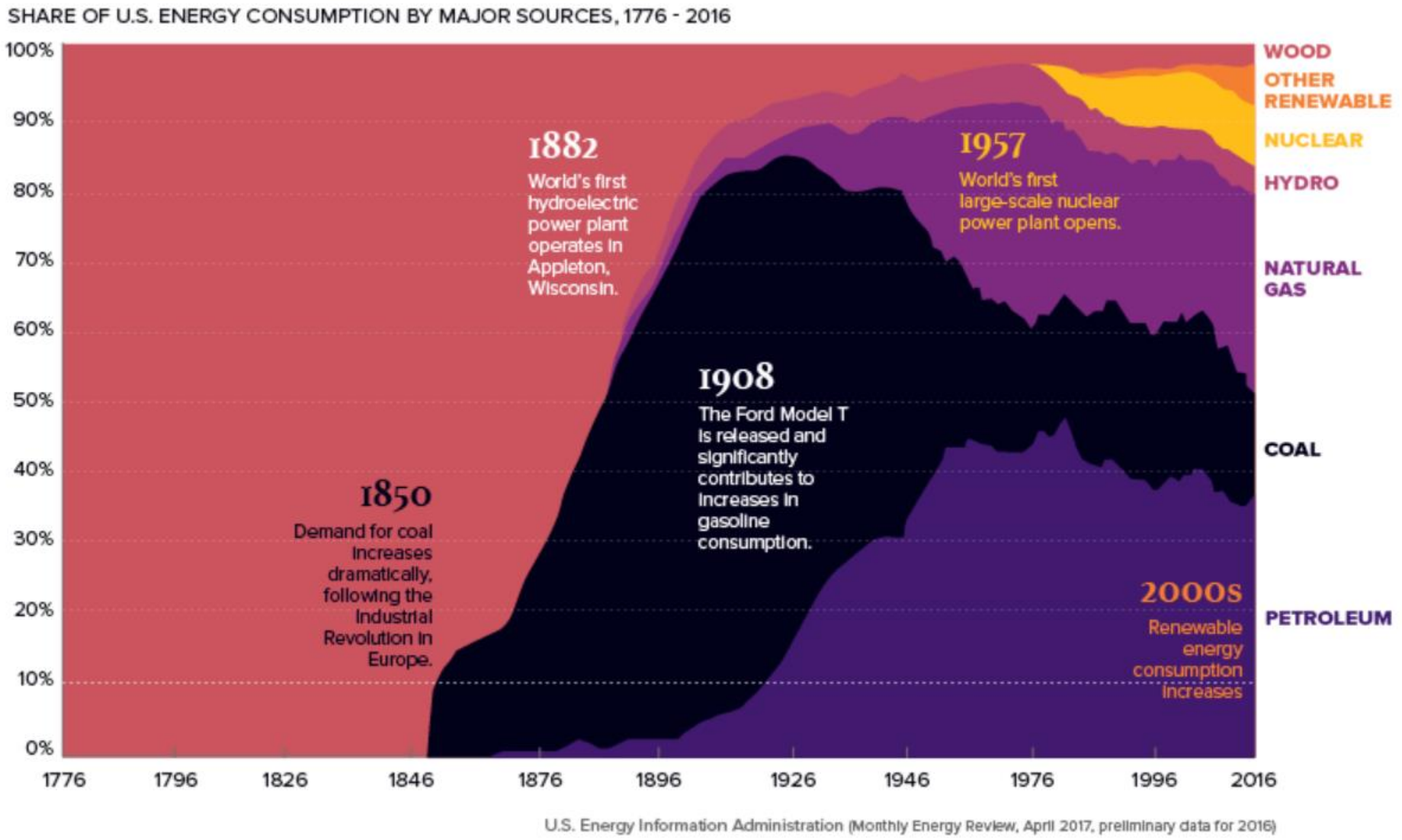
Slow disruption: energy



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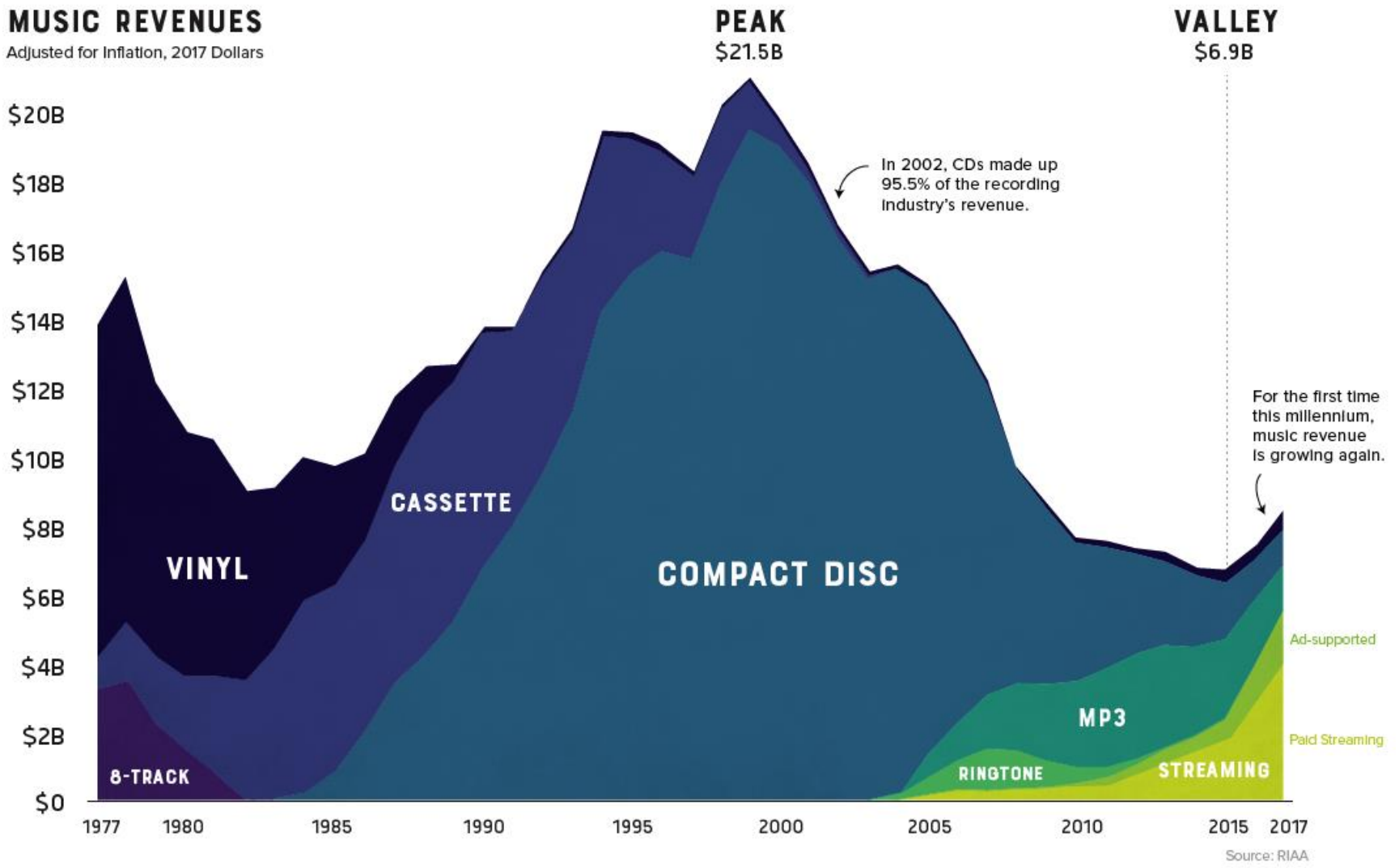
Faster disruption: music



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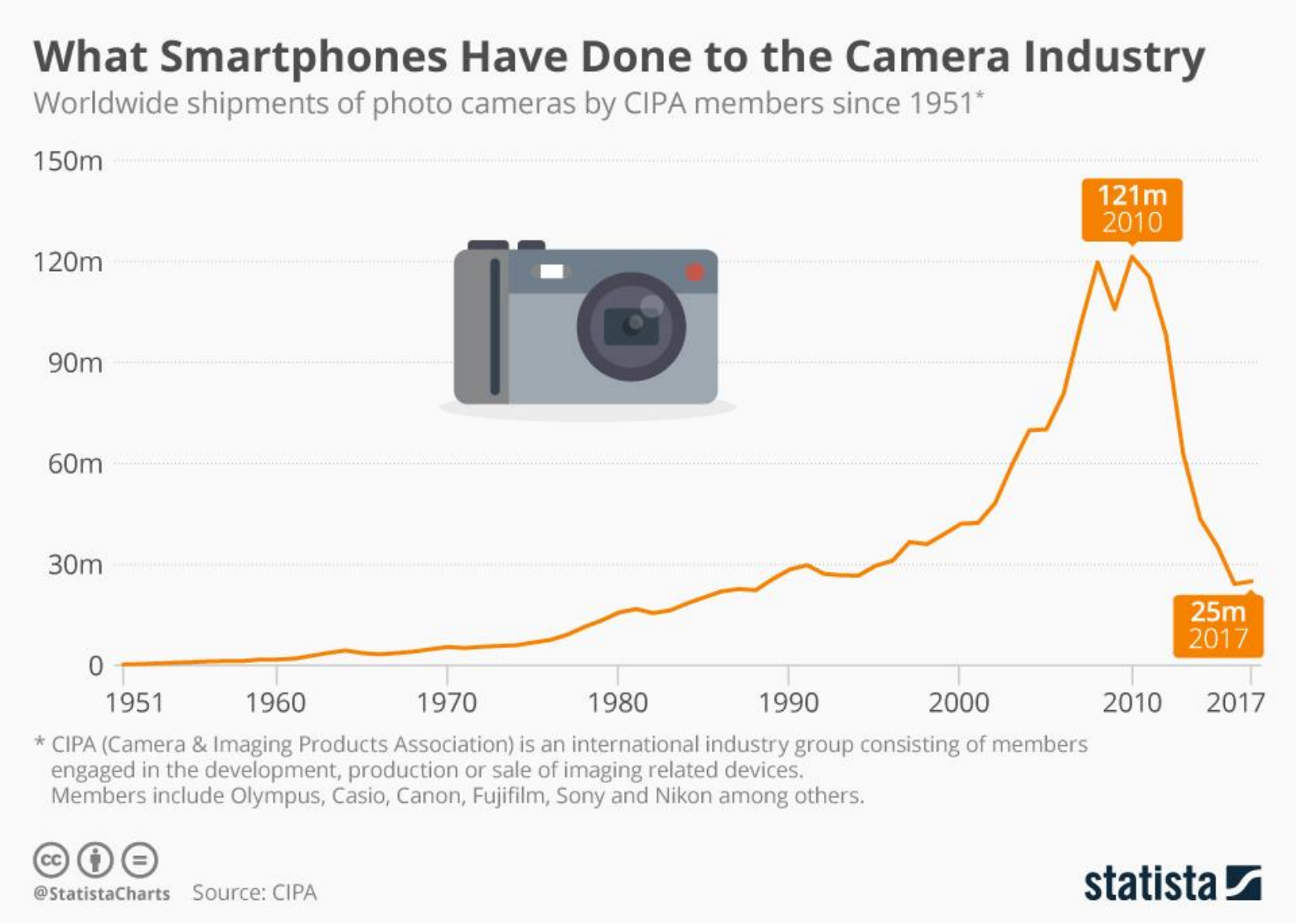
What-the-hell-just-happened disruption: cameras



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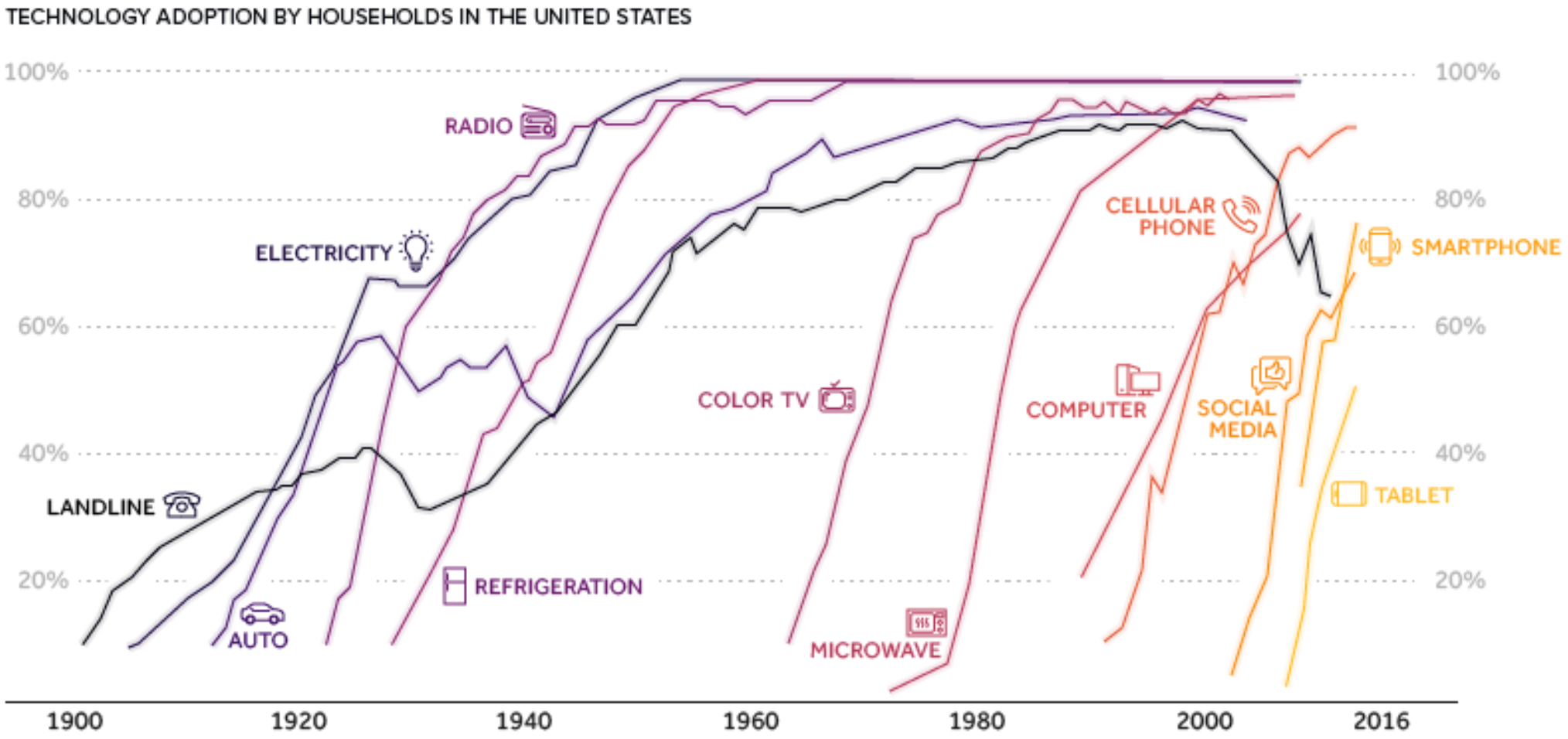
Crazy fast technology progress/adoption these days



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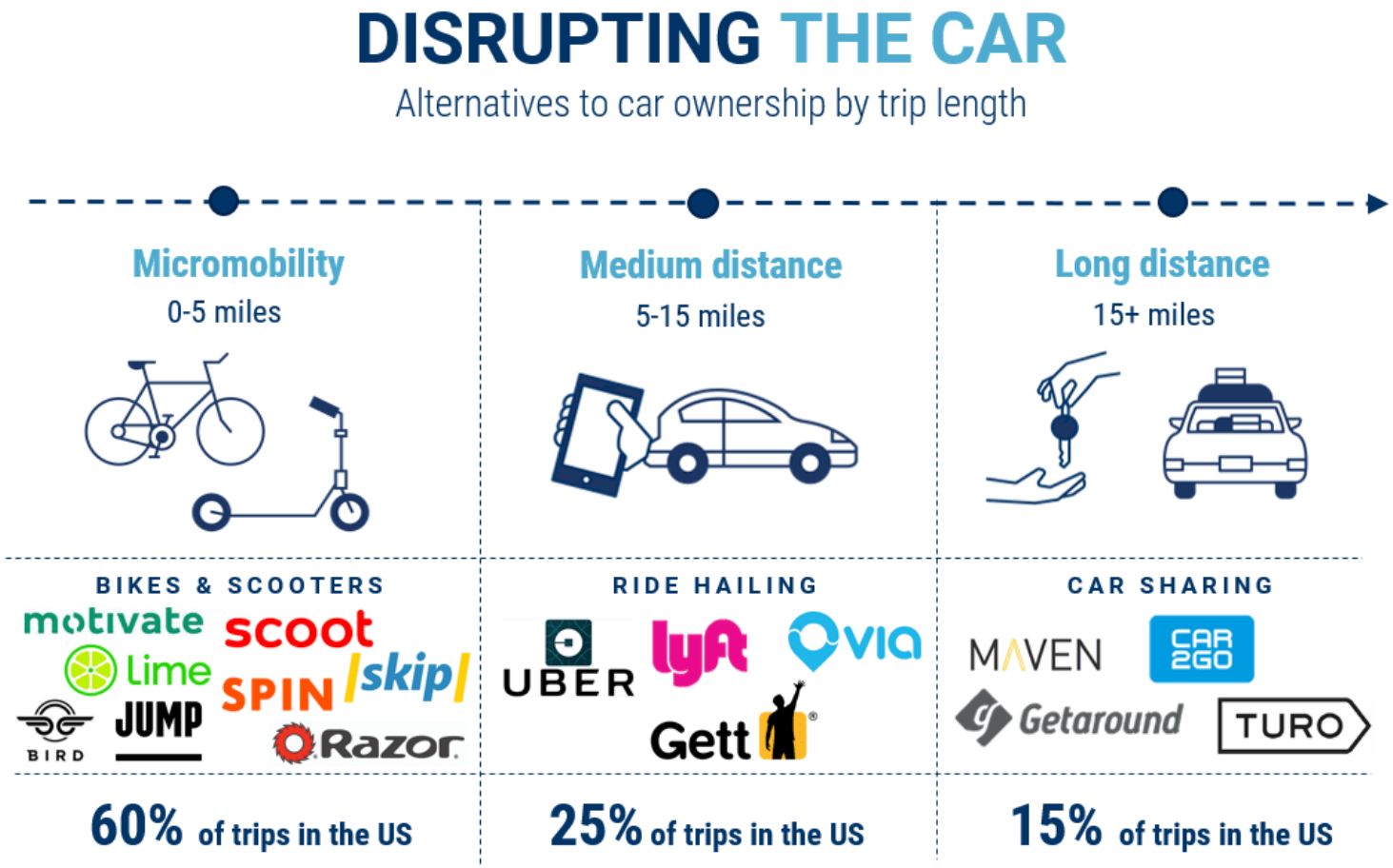
Automotive disruption



Source: NHTS

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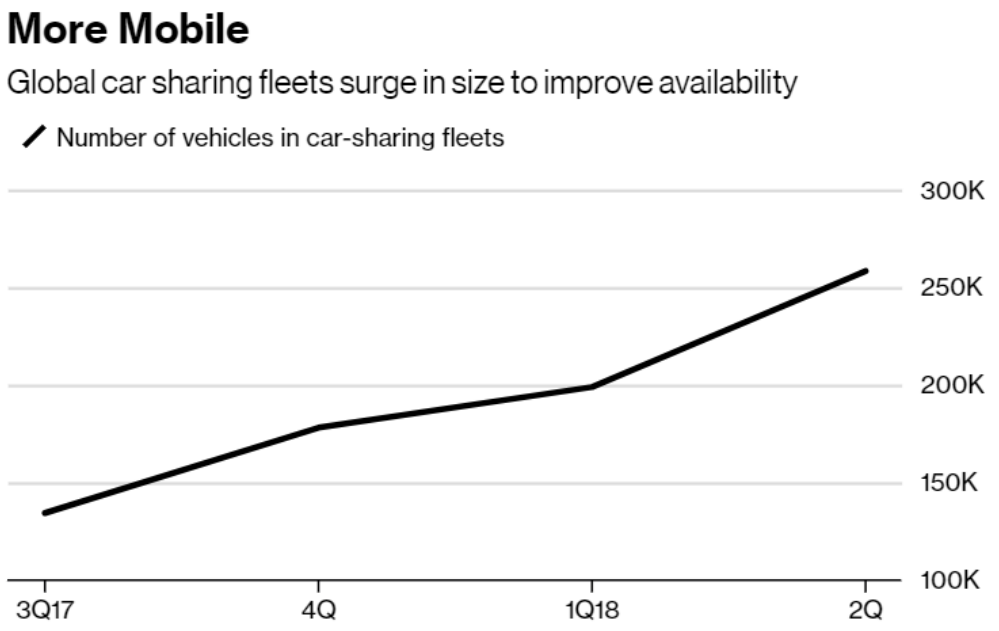
Peak car? Probably.

Source: Berylls Strategy Advisors, Statista



Source: Bloomberg New Energy Finance

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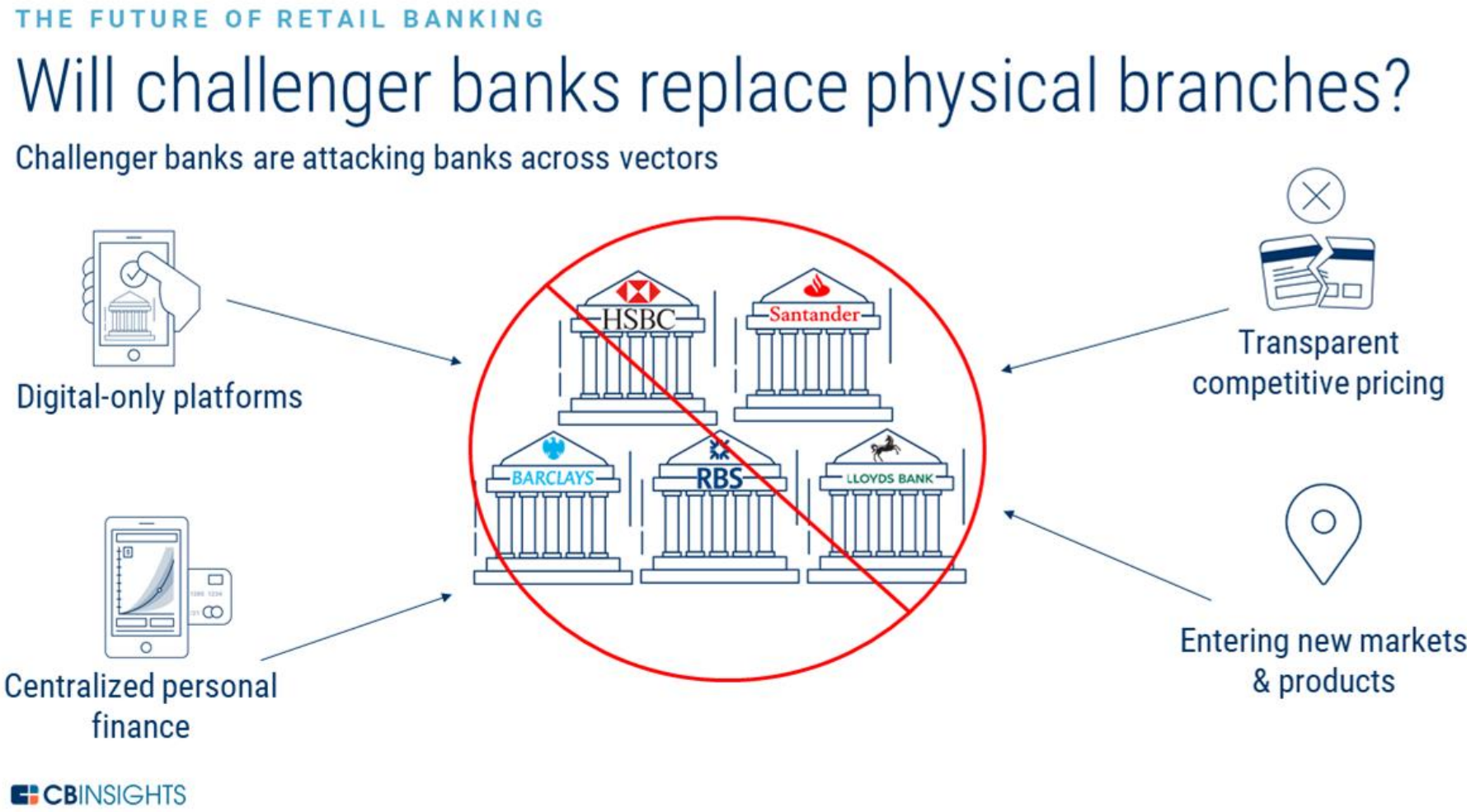
Retail banking disruption



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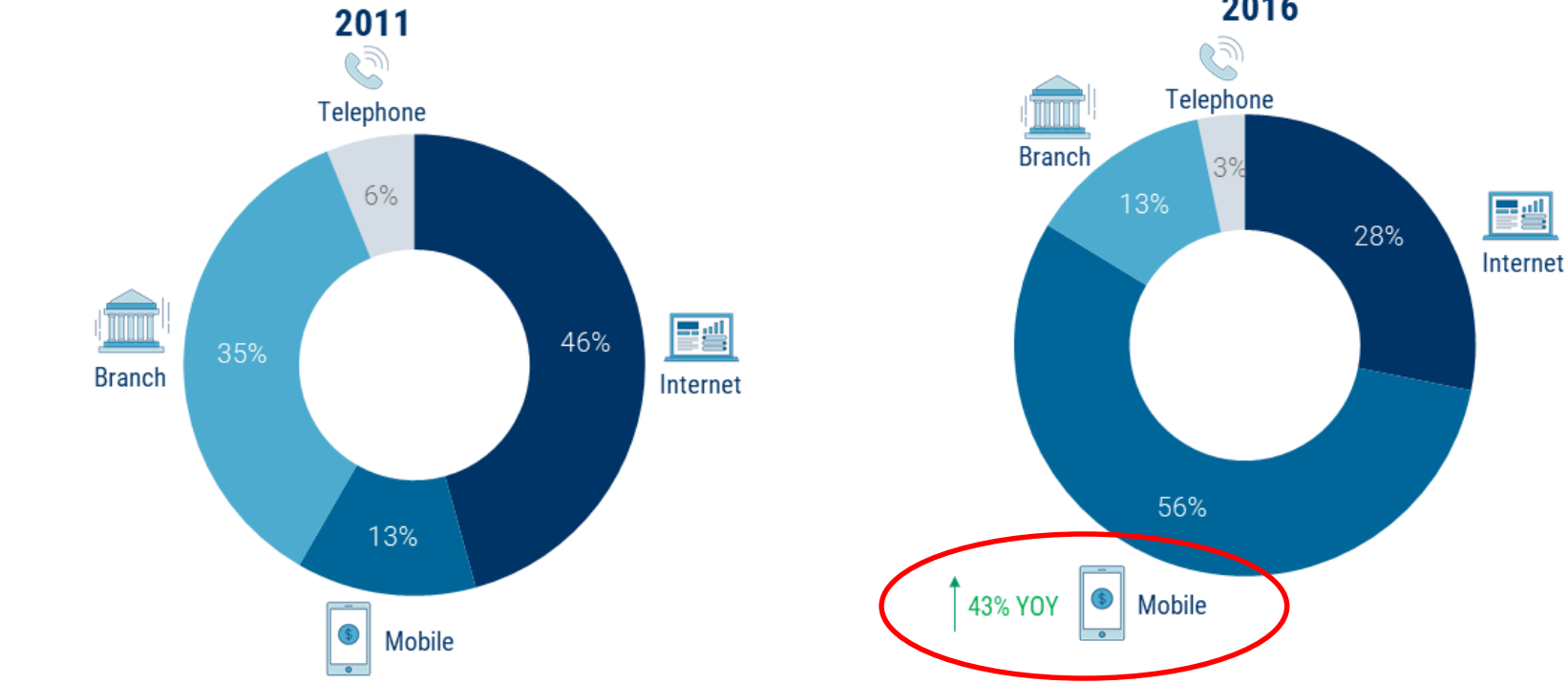
Moving to mobile

Mobile is the leading platform for retail banking with consumers



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Source: CACI analysis on UK Banking Trends

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Disrupting brokerages

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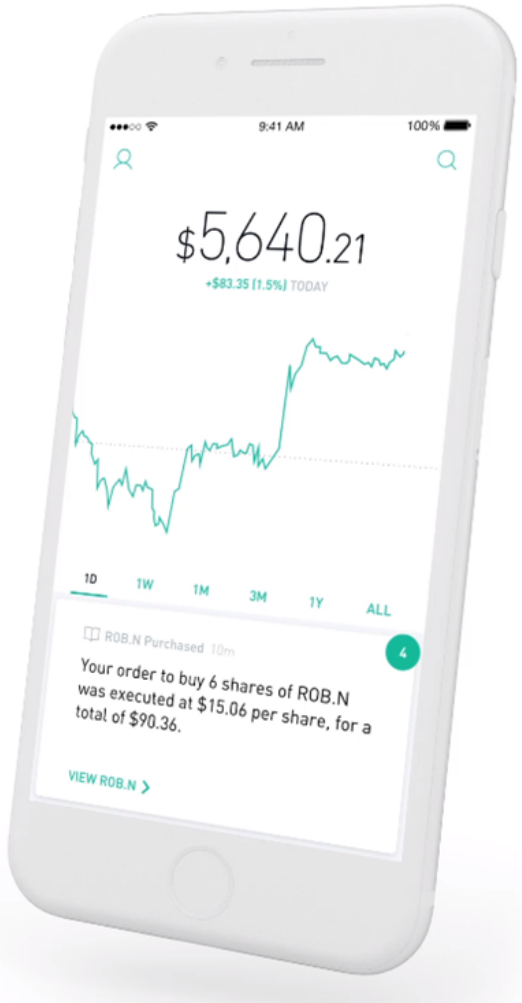

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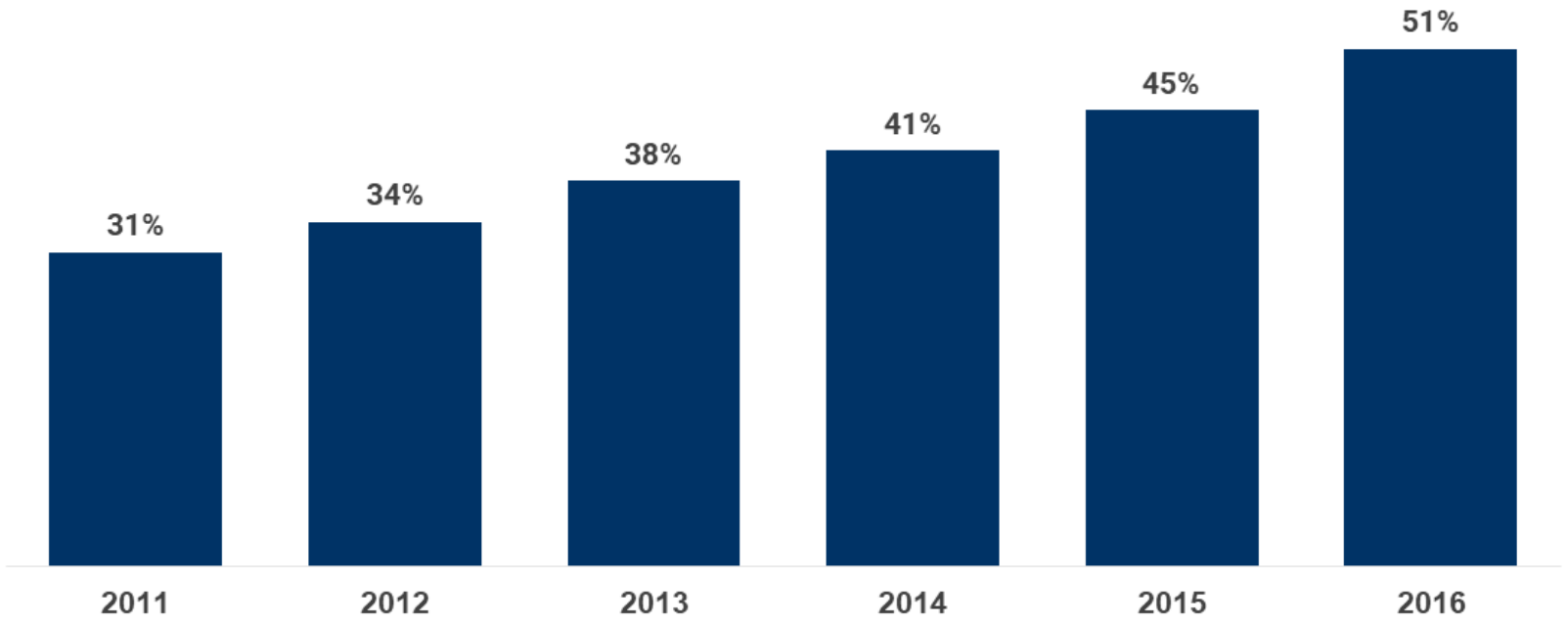
Healthcare disruption

Share of workers with $1000+ annual deductible for single coverage



CBINSIGHTS Kaiser/HRET Employer-Sponsored Health Benefits Survey

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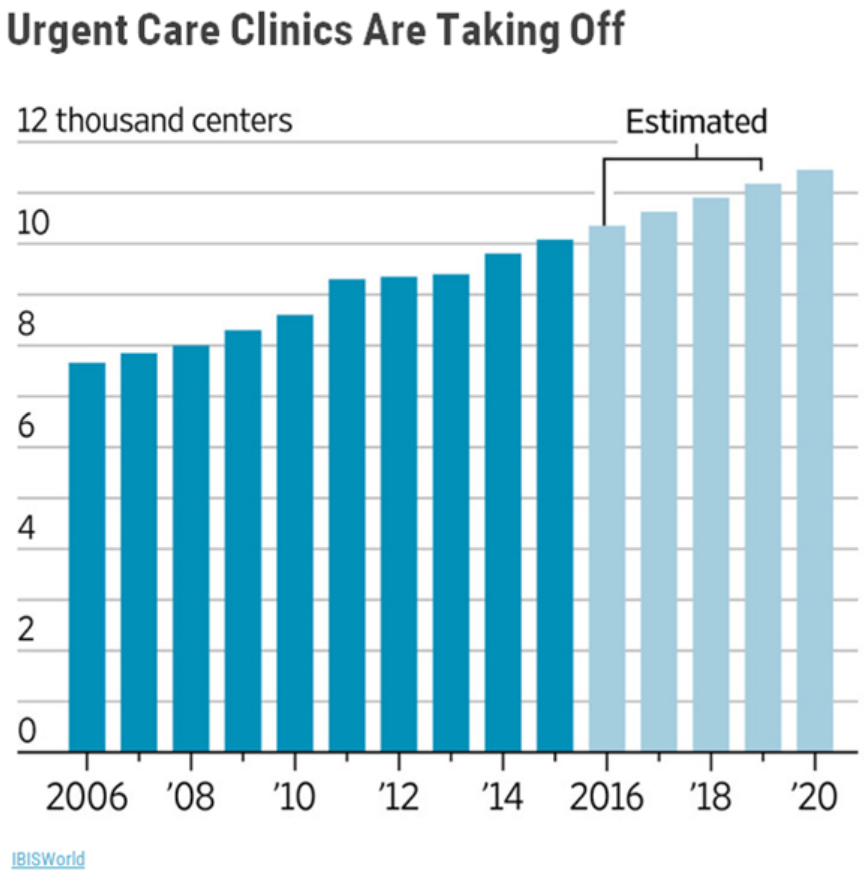
Consumerism in action



Urgent Care vs. Emergency Department

	URGENT CARE	E.D.
Allergies	$97	$345
Acute Bronchitis	$127	$595
Earache	$110	$400
Sore Throat	$94	$525
Pinkeye	$102	$370
Sinusitis	$112	$617
Strep Throat	$111	$531

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Debt.org

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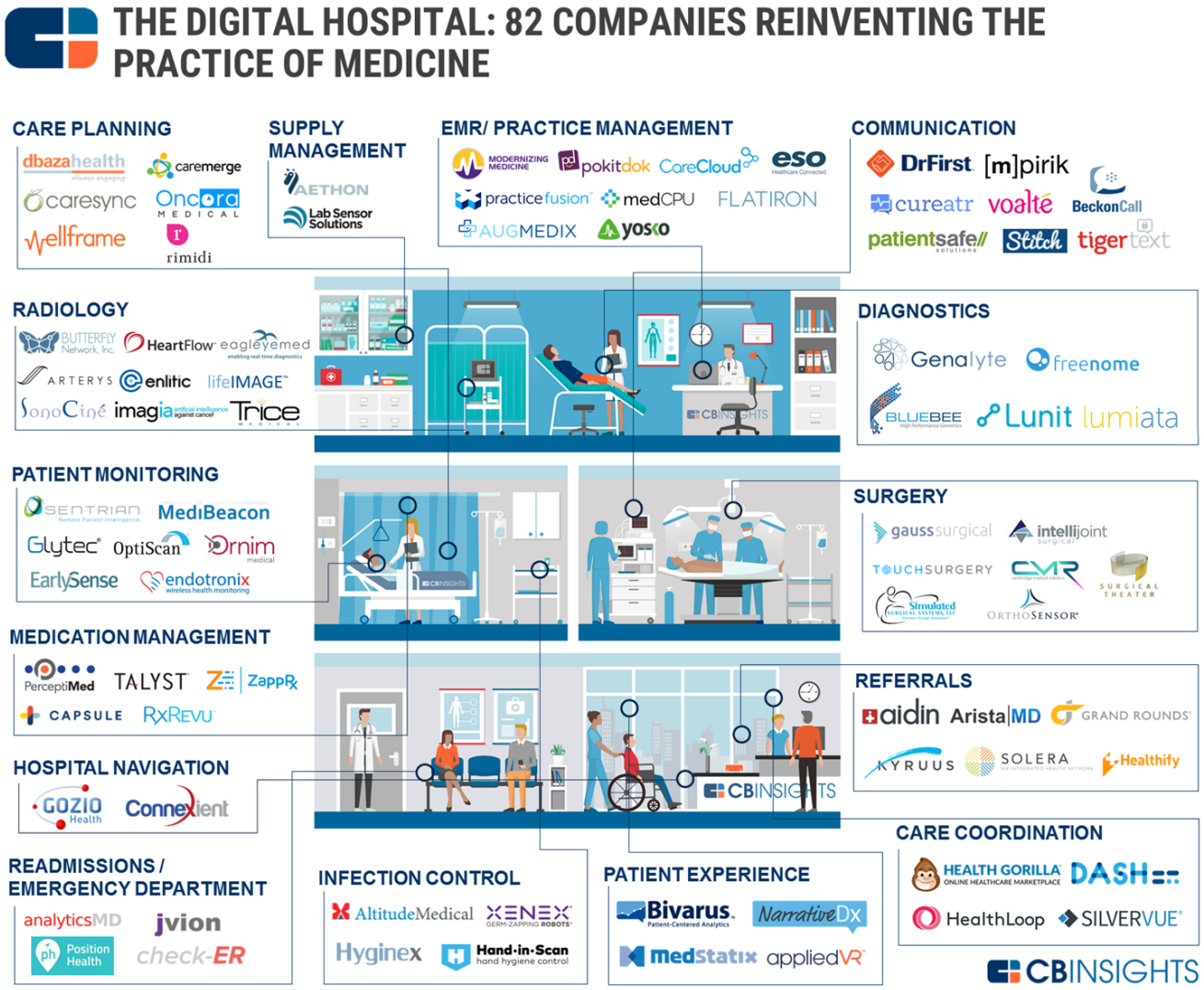
Hospital disruption



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Pharmacy disruption

We tried PillPack, the pharmacy startup Amazon acquired for $1 billion, and we can see why it has big pharmacies terrified

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Dental disruption

Teeth-straightening startup SmileDirectClub is now worth $3.2 billion

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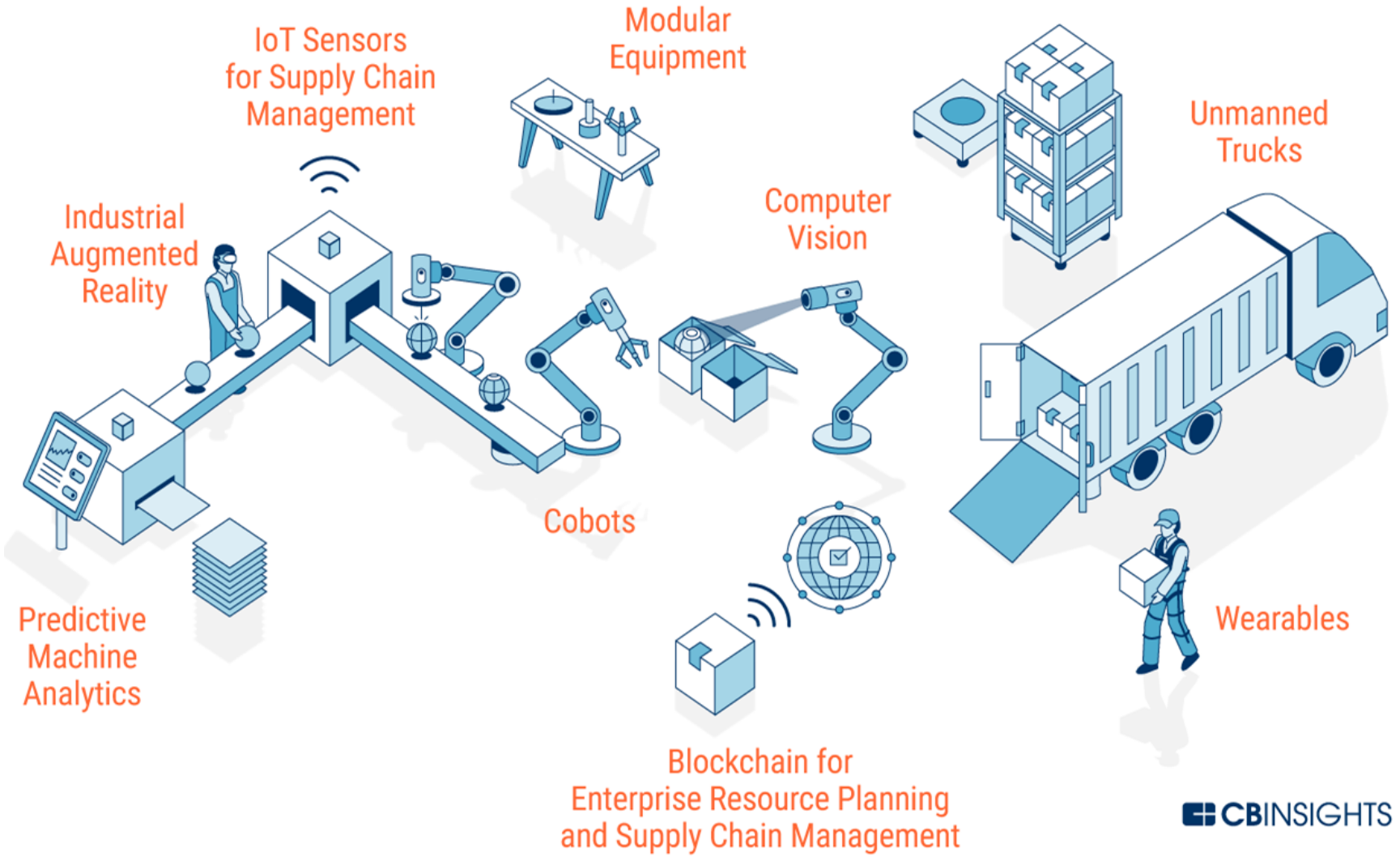
Manufacturing disruption



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Consumer demand = customized mass production

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3D printing at scale? Yes.

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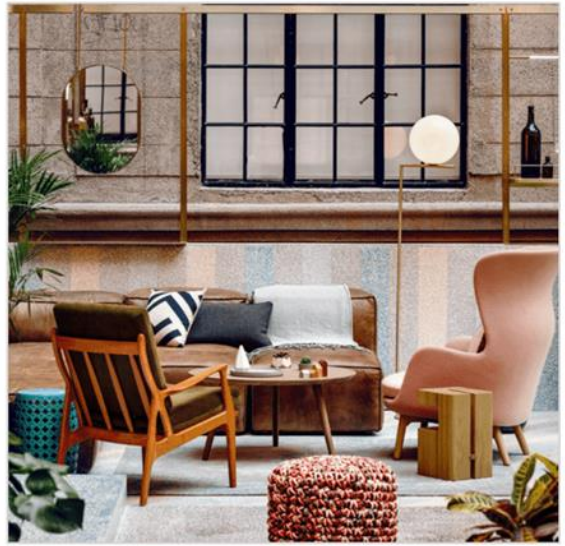
Disrupting commercial real estate

wework



CBINSIGHTS Source: WeWork

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Using machine learning for optimal floor planning

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wework 's floorplans show efficient space usage

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To sum it up so far…

The world population is growing and increasingly moving into urban areas, where innovative workers seek one another to collaborate in building and developing new knowledge-based industries that are increasingly disrupting and dominating a rapidly evolving global economy.

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Improving your agility

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Collaborate to delight your customers

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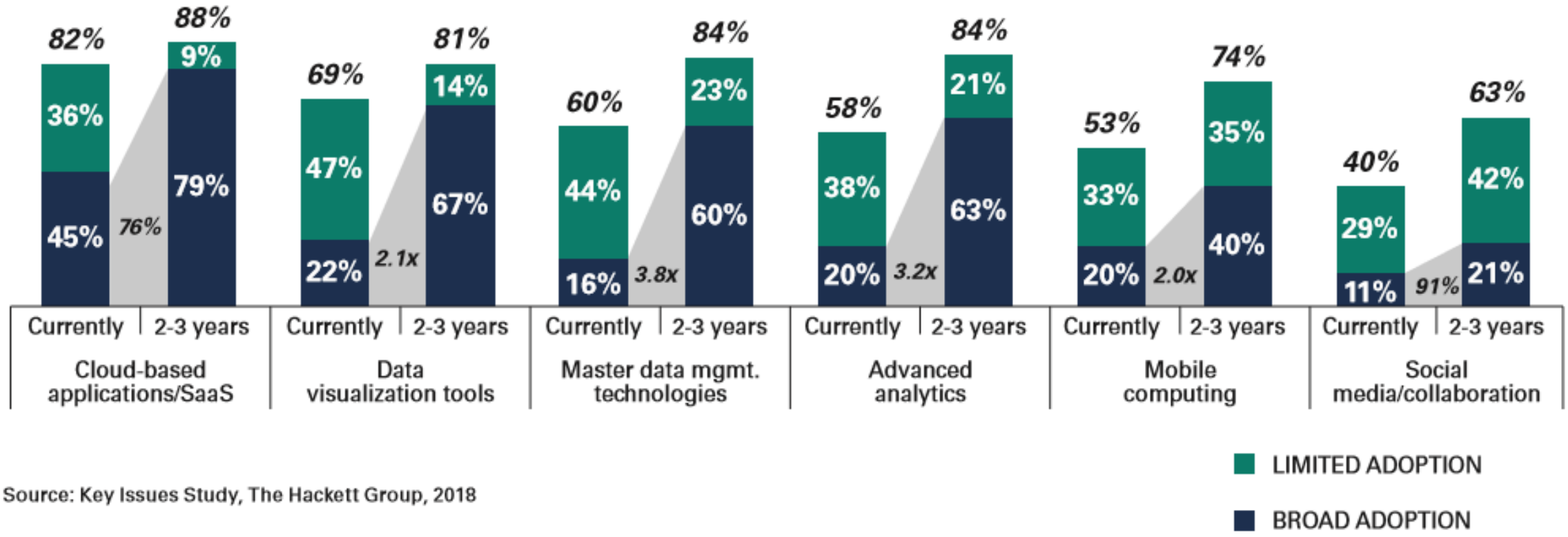
Streamline everything, but maintain flexibility

FIG. 10 Use of mainstream technologies in procurement



Source: Key Issues Study, The Hackett Group, 2018

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Make quicker, data-driven decisions

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Rethink your team

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The Procurement Empowerment Platform

Thank you

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