Futures Strategy
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Deloitte – 91% of Australian companies are NOT future ready
(Future Fit)
Leading Companies failing at the fastest rate

- 52% FORTUNE 500 Companies - failed in the last 15 years
- 70% FORTUNE 1000 Companies - expected to fail within 10 years
- 60% of the Australian ASX200 have ceased since 2000 *Accenture

Source: https://www.aei.org/publication/fortune-500-firms-in-1955-vs-2014-89-are-gone-and-were-all-better-off-because-of-that-dynamic-creative-destruction
100 year old paradigm is broken

Every Industry is Shifting

Consumer Goods

Communication

Healthcare

Internet Of Things

Technology

Education

Music

Entertainment
Future Fit - Organisations...

New – Significant Shareholder
Wealth at hyperspeed.

13 employees,
30 m. customers

55 employees,
450 m. customers,
Sold for $19 billion

145,000 employees
in 1988

BANKRUPTCY

WhatsApp
Retail (Australia) - Future Fit?

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<tr>
<th></th>
<th>Australia</th>
<th>U.S</th>
<th>U.K</th>
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<tbody>
<tr>
<td>Online %</td>
<td>6.3%</td>
<td>8.3%</td>
<td>12.7% (Non food 32.1%)</td>
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<tr>
<td>Bricks &amp; Mortar</td>
<td>Early Signs</td>
<td>33% Malls +</td>
<td>24% +</td>
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Education - Future Fit?

- Reducing Jobs
  - McKinsey - 45% of today's jobs – robots
  - CEDA - 60% of rural & regional jobs in Australia at risk – 2030

- Double Intake
  - Universities – double intake by 2025 +
  - Teach and Train for 1950s ?
  - Or a World after Jobs?
Behavioural Insights
Have you identified the right problem?
Are you disruption ready?  Future Fit?

Disconnect
Will you be too late?

The internet is so fascinating!

That's the microwave!
Are you misinterpreting the data?

Disconnect

IF WE'RE SINKING, WHY ARE WE 200 FEET IN THE AIR?
Future Fit people?

**Zero Loop Learning**

**Overwhelmed**
- We don't want additional learning, we have too much already
- More information may add to doubling down on their viewpoint

**Single Loop Learning**

**Just do something**
- Incremental, problem solving
- Future is stable

**Double Loop Learning**

**Challengers**
- Opportunity and risk mitigation focused
- What don't I know? What new ideas, new opportunities, new business models, future opportunities
- The future unstable, A resource.

Disconnect
Exceptional companies are not born.

They are *crafted* with clear, articulate Future facing strategy's
Is your company Future Fit?

10000

Probability

Google - Code

Implication

Google – 73% Cars
Retail - Implications

- Linear
- 65% online
- Platform deliverer
- National footprint might be 25
- Retailer/supplier broken
Action 1 – Shift Thinking

Mind share before market share

100 year old thinking Board, Marketing, organisation design,
Action 2 – Evidence based, futures research, 2020-2035 +

- Ford (US)
- STEPI (Sth. Korea)
- Translink (Aust)
- SKF (Sweden), OECD (France)
- US Army
- FAO (Thailand)
- Dept Agriculture (Aust)
- Thrivent Bank (US),
The future - an asset, a resource & a narrative to be employed to harvest a better future for your company.
Strategy – swap 70% compliance to 70% strategy

Agree that the board will look over the longer horizons

Strategy creation needs to be separated from compliance

Strategy creation is highly rewarding for directors and executives.

Action 3 – Strategy Creation – Board Future Fit
Future Fit in 30 hours in 3 months - Board & Executive Roadmap

Day 1           Day 2             Day 20           Day 21           Month 2 Month 3

Agree to Act - We want to be a 9%

Engage – External Assistance

Shift Thinking 1
Day 1 of 2

Futures Research
Day 2 of 2

Test Agree Disagree
Mission, Vision

Repeat Futures Research
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(laser focussed)
Shift Thinking 2
Insights

A mass extinction of companies... (not Future Fit?)

91% companies self diagnose - NOT future fit.

**Action** – Be determined to take back control of your future - Get Future Fit and become Exceptional.
David Harris
Futures Strategy

The End

#craftyourexcetionalfuture
Questions and Answers
‘successful organizations are those which have found ways of looking for early warning signs - *the significant through the noise.*’

*AT. Kearney, survey global executives (612) – number one problem - strategy creation - *is a lack of future trends/ information about the future opportunities and risks*

‘the board must occupy over the horizon strategy creation ‘

‘governance arguably suffers most.......when boards spend too much time looking in the rear-view mirror and not enough scanning the road ahead’

‘the mindset of directors may need to be adjusted to overcome short-termism if boards are to perform to their maximum potential.” John Brogden - AICD

‘globally, few businesses have a strong strategy creation process ‘ ‘Many executives say strategy creation is a confused and isolationist process.’"
Globally there is strong evidence of consumption changes to **Fast, Fresh, and Healthy** from **Fast Convenience**. There are global calls for sugar to be taxed or declared a poison, because of its link to obesity and other health issues. **Health and Ethics** are key takeaways from the research.

The rise of driverless cars (impact 2018 onwards) has many impacts. Some points to consider are - driverless cars are likely to have a no ownership model – you simply swipe your credit card on entry, enter the location and you are taken there. The car then leaves to collect the next patron. Under this model convenience stores fear that there bricks and mortar stores may be located in the wrong locations. Add to this greater online shopping, greater working from home – indicates that shopping areas will have significantly decreased people movement. If this were to occur there would be downward pressure on earnings. **IT Impacts** is also a key takeaway from this report.

Customers may soon seek **home delivery of convenience products**. Consider **Amazon** and drone deliveries, **Uber home deliveries** with driverless cars. If this business model were to occur bricks and mortar stores may not be needed. Rather distribution centres. Consider stranded assets, write-down's. Consider rolling over leases for shorter periods of time to remain flexible. **New competitors and technology** are key takeaways from this report.
We help boards and executive teams to be Future Fit

- **Time required** - 30 hours over three months
- **Output** – clear pathways of opportunities and risk mitigations
- **Shift Thinking** – Global results leaders – UNESCO Chair Futures
- **Faster** – in front of the board in 21 days from engagement
- **Leaner** – up to 90% less than traditional consulting firms
- **Useability** – Board ready- 20 odd page PPT – with 200 odd key points
- **Benefit** – x 10, x 100 plus?