

Conferència *Managing the Tomorrows Company*

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Good morning and thank you very much for allowing me to be here. I will try to share with you some thoughts about what the future may be like. Of course I'm going to be wrong, anybody who predicts the future will be wrong. But I'm going to look at some of the key trends we see already today and that will have implications tomorrow because they already start to have implications today.

The general idea is of course is that, you know, we have challenges. If you look at what the CEOs of companies are worrying about, they of course are worrying about many things and they are trying to deal with them. One of them of course dealing with the ever-increasing speed of change and trying to ensure that their processes around strategic decisions are able to move faster, more dynamic, that implementation and thinking takes place simultaneously. They're also looking at trying to make the organisations resilient to change, resilient to unpredicted change. And you cannot have that resilience built in to people, you have to have it built in to the organization. So the structures of the organizations have to be able to handle unpredictable change.

And of course in order to succeed you must believe in what you do, you must have a clear view of what you want to achieve and you must be able to, in the face of difficulty, living up to it, and you have to create value for your stakeholders which is more and more difficult and challenging because not all of them are looking for economic wealth, and you have to understand the knowledge that underpins your business. The latter one I will talk a little bit more about. And knowledge here is not only technological knowledge, it's any type of knowledge that underpins your business.

One of the things we have seen, interesting enough if you look at the statistic of the US economy is that the type of companies we see succeeding are different now than they used to be. You go back twenty years, all the big companies on the US stock exchange were factory logic companies. Now they may have been service companies but they were operating according to a factory logic. What we see now is that more and more of them are network companies. They are the EBays of this world, they are the Amazons of this world. Companies are starting to create almost virtual enterprises that increases resilience, that allows to connect them between parties that are independent but want to become interdependent. And this is of course one way of dealing with resilience, one way of ensuring that you leverage new technology, one way of ensuring that you are able to very rapidly respond to changing demands and needs. And interesting things in this organisation is what they provide is primarily options. A virtual phone company that belongs to this scenario provides you with the option to make a call. They don't tell you when to call, they don't tell you who to call, they don't tell you what to say, they don't tell you how long to speak, the only thing

they do is make you the option to call. A factory doesn't do that, a factory provides you with a product.

We also see a growing number of problem-solving organisations, the third category, organisations that solve non-recurring problems. They advise customers on how to decorate their home, they advise services around what to eat, they run services on how to exercise; a whole host of companies are in the business of providing non-recurring problem solution.

And of course, managing these things means managing different resources. In the factory we talk about managing plant and equipment, raw materials and these type of areas, on a network one it's about managing relationships, and managing a relationship is somewhat different from managing a product, as we all know. And when you outsource something, what you do of course is converting something into a relationship, and if you do not change the way you manage things you will never get the value that you were looking for from these type of changes. And managing, problem-solving organization means managing competent people and competent people don't behave like machines, we all know that. Primarily they don't do what you tell them, but that's another issue.

And if we look at what at what is expectations from markets, more and more of the expected value of a company comes from its ability to generate growth. It is less and less important to do things like cost-cutting. It's more and more important to do things like innovation. And there are all kinds of interesting statistics that show that this is a clear trend, it has been there for the last twenty years, it's becoming more and more pronounced. And the ability to generate growth is what generates value in the eyes of investors, so they, more than the ability to cut costs for one, two or three rounds under the present year.

Complexity of course is increasing, and that challenges us because as complexity increases, our ability to develop visible scenarios about the future, becomes more complex, more difficult. If you have an infinite number of futures, how many scenarios should you develop? If you have three potential futures it's easy, but if you have an infinite number of futures how do you deal with these things? And of course you need to need to have tools and techniques, and we will hear a lot about some of them later on but I will mention a few just in a minute.

The other thing that we have to be aware about is that we as experts are wrong, we are always wrong in these things. We do not have the answer, what we may have is some ways for you to find the answer, possibly some directions you can go into. I just put some interesting quotes there, and of course we know some of the old ones, you know, Lord Kelvin saying that heavier than air flying machines will never exist, and he was wrong. But we have some modern ones, I mean one of the more famous ones is the last one on the right, G. Kawasaki who anybody dealing in IT will know was offered a CEO job at Yahoo in 1996, which he turned down because he said you cannot make a business out of a search engine. And

he was, if anything, the biggest expert at the time on IT and technology-related businesses, so we get it wrong, all of us. And that is the danger, if we believe we get it right, we are in trouble. But if we know we get it wrong, we are constantly on the look out for weak signals that we are wrong and then rethink and that is very, very important.

The environment in which we operate gets tougher and tougher. Increased regulation, you know that the Sarbanes-Oxley and the like, that's coming along. Increased accountability, you know now in the US the US's CEOs have to sign off the accounts and the CFO too and if you get it wrong you end up in jail. You know so, very tough rules. More and more active stakeholders, you know, they want transparency, they want to see what happens in the company, they are unhappy with some of the events, we can see the growing pressures on reduction of management bonuses and pays, we can see that we provide, you know, good outcomes for stakeholders outside our owners. The speed of knowledge development is ever-increasing. If you ever go and visit some of these leading research laboratories, it's amazing the things you can see, what you can already now do with things like nanotechnology, bio-technology and issues around that, they're totally going to change our world. Are we as companies aware of what these things can do so that we already today can do this? I mean, today I can, you know, as you know for quite some time I've been able to produce a twenty year old malt whisky in six months using enzyme technology. It's indistinguishable from the original. It takes six months. That saves a bit of capital so those of you who already know what it costs to have stocks of whisky in this scenario. You know, it's issues around that, it's issues around having textile industries being completely, catastrophically changed as we speak because of nanotechnology. I can now use materials to change colour at will, I can use materials that have the availability I do at the same cost as cotton. I can now grow electronics, biologically grow electronics. It costs nothing compared to all those big machines that I have to invest in if I'm otherwise going to go in these areas. So there is a whole host of technological changes that will impact us dramatically.

Innovation in the broadest sense, and that means *anything* new, be that a way of doing business, be that a way of branding, be that a new technology product, a new offering, anything new that people are willing to pay for and they pay more for than it costs me to develop, is going to be required from organisations. Increasingly fragmented consumer behaviours and needs, and I'll say a little bit more about that, but basically the consumer today is not a homogenous group, they are as fragmented as you can imagine and they are not happy to be served with products that is for everybody. And we get a constantly interesting power shift in ecosystems and I'd thought I'd just illustrate that with the relationship with, for example, producers of fast-moving consumer goods and the retailers, you know, the Walmart and Carrefours and Tescos of this world versus the Proctor and Gambles, and Unilevers and the smaller producers in this world. Now if you go back in time and look at the left you can see of course that in the beginning

the power, sounds like the bible, in the beginning the power was with the producer. They owned the brand and the brand was an important thing. So the brand linked them to the consumer and the retailers were nothing more than a pipeline to the market. The power sat with the brand owner, the brand owner accumulated the profit pool. Then things changed and of course there was an issue around the retailer going larger, and with size came power and they started to squeeze profits out of the producer. But there still wasn't a lot of relationship between the retailer and the consumer. The only thing that happened was that the relationship between the consumer and the producer started to wear out because the distance in terms of contact and trust was too long. And then of course the retailer started to become very good at collecting information from their consumers. You know, today in the UK the people who know the most about the UK population is Tesco, even the British government uses Tesco's knowledge whenever it needs to make critical decisions that impact infrastructure, road building or other things. It is the best possible information base about the British public that actually exists. And that's remarkable, and that means that they know more than anybody else about their consumers. They have used that knowledge, of course to clever decisions by management, to develop an incredible trust among the consumer. The consumer trust Tesco more than they trust any of the brands that Tesco represent, because they need Tesco every day, their problems are sorted by Tesco every day. And this means that power has now firmly moved into the hands of these retailers. The retailer has all the power and the producer has none. And you can see that in the shrinking profits of the producers, the pressure they are put under, and the behaviours of the consumers who want this to happen. They want to buy things that says Tesco on it, because it has more credibility and trust for them than any other brand name that exists in the shop. That means what do you do if you own a brand name that no longer has a value? You have a problem. So this is where we are today. One of the things we see tomorrow is that this will change again, with new technologies that are for example already in operation in places like Finland it is now possible for the brand owners to start to take some power back. They can have direct communication between their product and the buyer, mobile technology and stuff like that, to link them into communities of interest that allows relevant information to be communicated straight to these people and therefore rebuild the relationship with the consumer and therefore allows them to have another negotiation point with the retailer on these areas. So these things are in constantly dynamic change. And where you have to ask yourself, of course, is, where am I and what am I doing about this? Because this is the constant challenge. I mean, Unilever killed off thousands of brands in order to survive in the present scenario. How are you doing this?

Technology, we mentioned some of this. What we find of course is that companies are frustrated because going out and hiring an MBA doesn't give you enough skills, hiring a Master of Science doesn't give you enough skills. You need somebody that has this broad understanding of technology because if our business is built on technology, be that marketing as a technology, be that design

as a technology, but if you are built on this technology on the top management you must understand the technologies that your firm is built on, otherwise you can't be expected to make reasonable decisions in this complex world. And also you must understand how these things are working in the world, so the scientist must understand the customers in the real world, the people who do the selling must understand the technology. So we have a real challenge in these things. And management of technology in the broadest sense, innovation and entrepreneurship are very clearly the basis for success or failure in the world we have in front of us.

Some more words about consumer trends. What we see very clearly is just fragmentation. If you look on the left of this picture, we used to have this wonderful curve of normal distribution, known as the bell curve. Where, you know, if you position yourself somewhere to the right of the middle, you were alright. You would have a nice, nice market to serve and everybody was reasonably happy. What we now have firstly is that the curve is starting to flatten out. In many areas we see that more and more people at the end points and the middle is getting smaller. And it also starts to flip. So we get what IBM calls the "well curve". The bell curve and the well curve. And what you find is that there is nobody left in the middle. And what you have is on the left people who want good enough quality, whatever that means, at the lowest possible price. These are the producers of the low-end product that goes to the low-price retail channel in order to be sold for people who are willing to pay nothing for these things. And all of us will have some categories where we don't think they're important enough to spend money on, but we need them and we're looking for the cheapest possible buy. If you serve that market there is one characteristic and one characteristic only, price. That's it. You know, and we all buy certain things, be that washing powder, be that whatever there is. Then we have the other end where we say this is very important to me. This is something I really, really care about; be that wine, be that cars, be that trips, be that washing powder, right. And in there I want the best possible, no matter the price. Now how can I afford that? Well I afford that because I save money by the things I buy on the left, and I have an ever-increasing disposable income and then I spend this buying the things on the right. What I don't want is anything in the middle. I do not want the thing that everybody else has. I do not want the average half-good thing for a half-good price, I want the extremes. This is very, very challenging for the companies who became successful by serving the middle. The classical example of challenged companies are, in my opinion, companies like Nokia, with their handsets they became successful serving the middle. They are now challenged because the middle is no longer a market. The market is right and left. So either you go down the route of making a twenty-five dollar handset or you go down the route of making a thousand dollar handset with all the bells and whistles. And you can't have the same factories, the same design team, the same channels to market and the same brand issues around those two extremes, you have to pick one of the two.

This is challenging for wine companies, of which there are a lot of nice ones in Spain, you know, are you going to go on the left or are you going to go on the right. And then you have to know what the markets look like. And I'm sure you know this but I'm going to give you some interesting statistics. Seventy percent of all wines procured in Europe are consumed within twenty-four hours of the time of procuring it. A further twenty percent are consumed within thirty-six hours of consuming it. So ninety percent of all wines are drunk within the weekend, right, if you bought it on the Friday. Alright, so what happens to the rest then? Well, one percent of wine is stored for one year or longer. Now, let's think for that for a moment. So if I am a standard size winery and I develop what I as the wine-maker consider to be fantastic wines, they're going to go down into the cellars and they're going to be stored and they are going to be beautiful in five years time, I am fighting for one percent of the market. Whereas if I produce volume wines, which I put some brand on mine or somebody else's, and it's the cheapest possible stuff, and I just bung it out in volume I compete for ninety percent of the market. So, what are you going to do? That's the challenge. Because on the ninety percent business your money is taken by the retailer so you have nothing left. And the one percent of the business you find that you have more and more challenges finding channels to market. Because the channels are gate-kept by a set of very clear operators who know the value of these things and who know how to appropriate it. And solely if you have a fantastically strong brand with an incredibly loyal following will you be able to make large amounts of money. In Spain that would be something like Vega Sicilia. Then you make money and don't need to worry. And this goes for any category. It's the same challenge in all of them. And the ones on the left will then migrate they will migrate to India, they will migrate to China. These places, and I spend a lot of time in them, you have incredibly well-educated people, you have a very, which are not very expensive, you have an infrastructure which is in place for doing what you want to do. So they can answer cheaper than any of us can, any task given to them. They can produce cheaper. Any problem that we can formulate well, they will do cheaper than us. So anything that can move, over time, will move. Not all things can move. And that means; what is our way forward here? Well either we have to ensure that we are on the right hand side where price is irrelevant or we have to ensure that we are the owners of the problem that is being formulated. Of course the guy that owns the problem appropriates most of the profit, the guy that solves the problem does not, which is why engineers are normally not well-paid compared to the managers that run the companies in which they work. The issue is formulation of problem. Now, unfortunately our education system is not very good at educating people to formulate problems they are very good at educating people to solve problems, and even in extreme cases to replicate what was in the book. So, gatekeepers are going to be more guarded around this. You know that in your mail box, electronic or physical, you have lots of rubbish turning up. And what does that mean for you? It means it has no relevance to you, you're not interested in it. And people are signing up to these kind of blocking systems, be that spam blockers on the email, be that not having telephone calls made to your telephone number for advertising or sales

purposes, be that not having direct mail in your mail box, they're signing up for this in the million, around the OECD world. People do not want these things, they do not want to be bothered by things that are not relevant to them. That means; how are you going to reach them? You will only reach them if you are relevant. And the other hand, if they choose to give you their information, they will in return expect you to use it intelligently. An example; when all these loyalty cards came around, go back five, ten years. The helpdesks of these of these organizations, the most common question asked was; how are you going to secure my information doesn't get used for the wrong thing, you know, how can you keep it safe? What are you going to use it for? That was a worry about what's going to happen to this thing. Today the most common question asked at helpdesks is; You have all this information, why are you not putting it to use? You know what I like, you know what I do. Why don't you offer me the things that I would like? And the corollary to that is that if you don't, I'll take the information away from you. I'm not going to give you this information if you do not put it to good use on my behalf. I'm going to refuse to answer your questionnaires, I'm going to ask you not to collect this information. And if you don't have the information how do you know what people want, what they do and what they behave? So it's going to be more and more expensive in terms of effort to gather the information you need, because people will look upon it as theirs. And if you do not put it to relevant use, they're not going to allow you to have it.

Now we talked a little bit about that. And in the retail market it means that everyone is a super-shopper today. With all the technologies available, you hit in the product you want you get the best price comparison for that product and you buy it from there and that's going to become even more and more common for the things where there is no service element required. And this, of course you well know, the Finnish national research institute VTT, an excellent organization, has done a major project over the past couple of years identifying what it takes to develop services around physical products in order to ensure that you can offset this tendency to buy the given product at the lowest price, by providing to it a relevant level of service offerings surrounding it, removing the price comparison opportunity. And the findings are actually quite extraordinary, it shows up that if you do this right, you're fine. And you can see this, more and more of the hardware companies around the world start almost to give away the boxes for free and charge us for the services. I mean, in the telecoms industry Ericsson's outstanding success over the last years is based on the fact that they basically live on services now. The boxes are an adjunct to the services whereas the telecom companies that sell the boxes make no money.

You also need to understand your customer very, very well, and I'm going to illustrate that by this little picture in order to show you what I mean. This is Friday night in London for somebody in their late teens/early twenties, right. Blue is boys, red is girls. No...nothing specific with the colours there's nothing intent with that, no warning sign or anything. What happens is that, you know, Friday, work stops, the guys, you know, on there way home stop off at a pub to start, you

know, you've got the, you know little first start, a few beers down the west, talk a little bit about pre-relaxation, and then they go to another type of pubs which are serving them like a petrol station, right. This is where they really tank up, you know, liquid courage. And, you know, get themselves really, really pissed, in good English, right. Parallel to that, the girls leave work and go home, right, where they get ready using mirrors and other important tools. At which point they do not consume anything liquid, normally, then they go to a third type of pub with their female friends, and they may have a glass of wine or something like that, they have a different type of drink and they warm up a bit. Then the two meet, you know, which is a specific type of city locations where this happen. There is really very little consumption at those places; it's more a meeting point. And then they go to a club and they go for it, you know, all night long. They consume. This is where the kind of Red Bull and vodka consumption takes place. You want to keep your alcohol topped up but you want to keep you energy levels going, so that's where these things are drunk. And at the end of the evening, which now is reasonably early morning, four things may happen. There may be failure, at which point the boys have two choices, they either drown their sorrows on Friday evening/Saturday morning and they wake up reasonably hungover somewhere on Sunday. This is to go on a binge drink meaning by in terminology or that they may decide that they have another day tomorrow, so they go winding down, they go to an Indian restaurant, or something, put something with high calorie and carbohydrate content down their stomach and go for a normal hangover day and, you know, back up again on the Saturday evening. There may be success, in which case they pair off and do other things. And there maybe a failure in which case the girl go home and do a post mortem, you know. Why did it go wrong? You know. What was my mistake? These behavioural patterns, if you are in the business of selling liquid products to these people, you must understand this in detail. You must know: What type of pub shall I go to? What type of restaurants? What is my message to the audience? Where do I want to be associated? Where do I not want to be associated? You need this detailed understanding, of the consumption behaviours of the people who consume your products, to understand what occasions and what locations are you going to be at in order to be successful. And this becomes more and more important, because we are not open to consuming certain things at a location where it's not relevant. We are not opening to searching for other things because we have a constant flow of scenarios that will offer us a substitutable offering. So if you don't have this understanding of your consumers, whoever they may be, in the occasions that are relevant for you, don't expect them to buy your products.

We do know a bit about consumer trends, reasonably well. I'm not going to go through them in detail but there are some issues around that. We know for example this whole breaking down of the traditional gender roles You know, we have males that are home taking care of children, we have females that are the earners in the society. We have what's known as a transgender type society, issues specifically in metropolitan cities. We have a breaking down of the traditional gender roles. With all that means in terms of offerings. We have a

rejection of conventional behaviour. We have the issues around, you know, same-sex couples. We have the issues about people growing old but refusing to behave like old people. Today in some countries the people over sixty-five are the largest consumer of further education. Because they have a lot of money, and they have a lot of time and they feel young and they are healthy and. Healthy and wealthy, basically so they don't behave like we expect them to, they don't go around looking old, they do other things. We have this whole issue about cultural crossover. You know, we eat Chinese food we eat Asian food, we look at American TV, we go travel the world, we expect to see these things, we have a language that absorbs words from different issues. So we have a crossover, and we expect to be able to do that. You know, I go and I eat nice mango in Australia, I want to be able to have the same mango when I go to my local shop in the UK. I expect these things to happen, right, so we see all that. We have this increasing focus on personal wellbeing, including both internal and external. This is where the whole growing scenario of health foods, be that functional foods or nutraceuticals or whatever. There's the issue about focus on beauty and natural beauty treatment, which are growing rapidly, people are spending more and more money on this. We have the increasing value placed on convenience. We have no time. We may not even have energy in the second case but we definitely have no time. And what we do is we trade off time for money. So we're willing to spend all these things. We are looking for products and services that are reality-centred. We want to experience the real thing, be that reality TV, be that being there, doing it, all these types of things, is reality-centred. It's actually buying that Harley Davidson when I am fifty, it's having it, it's the real thing. It's buying that antique that is original. It's all those things and that's growing as well, it's a clear trend in this scenario. Not liking artificial things. Wanting real spices with the real original herbs not something powdery stuff. We see all these trends happening. We want more relaxed and less structured lives. We reject hierarchy. We see for example very clearly that people are getting not one employment but a portfolio of employments where they have seven jobs. Each of them in part of their time. There are fewer and fewer people that are going to have one job with one employer and we do these jobs from home and we do them in environments that we like, because technology enables us to do that. We have a growing awareness of the importance of broader and deeper relationships in our life. We worry about the environment, Greenpeace, we have views on these things. We want deeper relationships with people around us so we tend to get fewer but closer friends, for example. And that has implications for the way we consume as such. We have an increasing desire to be ourselves, and have our personal needs recognised rather than being part of a mass market. When we go somewhere we have been before we want to be met by name, we want them to know what we like, we want them to offer things to us. So when Tesco or Waitrose or whoever it may be, have a new product, I want my wife to get the mailing of the new washing powder and I get the mailing of the new ice-cream flavour, right. Based on what we like and what we care about or vice versa in that sense. We have this changing mindset of middle market consumer, that bulge in the middle which is gone because they are now trading up higher levels of

everyday quality and taste. It's not good enough for the things we care, as we said, to have things are not good enough. We want to trade up, we save on one side we spend on the other, whatever that may be. And all of us have categories we don't care about and all of us have categories we do care about. And we want to experience the real thing, you know. Issues like adventure sport is growing dramatically, more and more people do bungee jumping, you know. These adrenalin kicks are growing dramatically in this type of scenarios. We want to really be there. We want to *do* it, we don't want to see it, we want to *do* it as we go around the world. We want to taste the real things, we want to be part of the real things. And these are clear trends again in how we're going to consume it.

So of course this whole issue about foresight becomes fundamental. And foresight is very difficult as compared to hindsight. Hindsight, we all have twenty-twenty hindsight vision. Foresight we are normally not very good. But the good news is, everything has leading indicators, there has been no change in this world that has not come around having leading indicators. The problem is, have we identified them? That is the problem; they are all there but do we see them? And of course that means that we need to have to have a good insight about the past. We need to understand, you know, what worked and what did not work, what's happening, what sort of trends we have seen looking back. We are living in the now and we need to take into account what we believe about the future. What are the weak signals? What are the mega-trends that are happening out there? And based on this, try to evaluate which strategies will work in these scenarios. And of course it means that scenario thinking and stuff like that is important, because it's context-specific and it's about the business environment in which I work. And there are two techniques, which I personally find works reasonably well in that one of course is scenario analysis, you know, and you use simple pictures. I have them on the right here, the crowded water one, tough competition, and, you know, nobody getting ahead. It's the full steam ahead, you know, things go great, no problem at all. It's the no-movement scenario, where you're slowly dying in the water and not getting anywhere. Or we have the plain sailing, this is the normal competitive but we're doing alright. You know, I don't need to say much more than that, the strengths of the metaphor around these allows you to picture what these things means in your issue. So the strength...Scenario is an incredibly sophisticated technique, it's a lot of process and a routine. But the end result must be able to be conveyed in simple ways and metaphors are very good for that. So you work out whatever number of scenarios you want and get a feeling for what is successful and failure for you in those scenarios. And then of course, you needs the road map on the left. What is likely to happen with the different underpinning knowledge bases in my business, be that the knowledge base of technology, be that the knowledge base of marketing, be that the knowledge base of design. And here we do have a horizon line by which we know reasonably well what will happen. And that may be ten years, it may be five years, it may be twenty-five years. And we look at these things together we should be able to at least take away the least probable ones, and then work out something about where we might go. An innovation is

key and innovation in everything. I'm not going to go through this but I will just illustrate. You can innovate in many, many things, and most of successful businesses are about innovation in business models. And business models is made up of basically these things. It is the value proposition. So, offer something new to people, whatever it may be, which of course is supported by the products and services. It's about new relationships, you know, what relationships do I need for my business? It's about how do I distribute them: is it physically or e or whatever it may be. Who are my target customers, right? Who do I work with to make this happen? How do I deploy my resources?...that thing we call a navigator. So which resources and how do I deploy them? What type of logic to operate them? Am I a factory logic or an network intermediary type firm, or am I a problem-solving organisation? What type of revenue model do I have? How do I make money? I mean, it's amazing to look at how frequently people try to compete with one revenue model against another without understanding there actually is another revenue model. My favourite examples are things like Ryanair. Ryanair don't make money by selling tickets, therefore you cannot compete with them if you are in the business of making money by selling tickets. They make money primarily in other ways. So you are dead in the water if you try and compete with a different revenue model using the old one. Costco do not make money by selling products at a price, the big retailer. They make money by having an enormous negative working capital. So, it's about understanding how the revenue models work. Where do you make money from? And then of course your cost structure. All of these things you can innovate in. And the ability to innovate structurally, throughout this, not only in classical technology things, is going to be the fundamental for business. And unfortunately looking at companies, there are two fundamental issues that I see. The first one is people confuse research with innovation. Research is the conversion of money to knowledge. It's a financial black hole. Innovation is the conversion of knowledge to money. That's where you get your money back. And these are different processes, different structures, different strategies. Don't confuse the two. And also when I look at these things, the most common strategy I see in companies around either research or innovation is what I tend to call the strategy of hope. Here is some money, I hope something good comes out. That is not how to guarantee a repeatable structural success in this field. You need to become really good at innovation in all these areas that require a structured innovation strategy and it requires the ability to manage both research, be that design research, be that market research and managing innovation, which are specific skills, specific processes, specific organisational structure.

So, what do we want? Of course we want a new generation of future-oriented, anticipatory managers who can develop effective visions and manage organisations, by riding the high waves of change in the turbulent world. Sounds good, doesn't it? You want Superman, to do the impossible. Unfortunately there are very few of them around. So what we have to do as the rest of us human beings, we just have to soldier on, try to do the best we can under the circumstances. But we have to be aware of the fact that we must always question

our assumptions. Always be on the look out for weak signals to understand what the problems are that we might face, so we can, in a proactive way, minimise their impact, and become successful at what we do. Thank you very much.