nextcontinent

FUTURE OF GLOBAL CORPORATIONS

Key Trends and How to Turn Them Into Strategy

Brockmann & Büchner · CURZON CONSULTING · EURO GROUP CONSULTING · EUROGROUP CONSULTING · ingenics CONSULTING · nexe the way of change · Paradigm · pointb. · YCP Solidiance

Table of Content

1 Understanding the forces at stake in the current transformations: the key trends that will shape the future of Multinational Corporations

1.1 The 5 dimensions that frame the very structure of any corporation

1.2 Key trends shaping the future of Multinational Corporations by dimension

1.2.1 Key trends regarding the future of jobs and skills

1.2.2 Key trends regarding the future of work and it organization

1.2.3 Key trends regarding the future of company's role in society

1.2.4 Key trends regarding the future of the link of corporations with territories and stakeholders

1.2.5 Key trends regarding the future of value chains

1.3 Critical trends to follow, for which the level of control is low (weakspots) or for which the level of awareness is low (blindspots)

2 Tackling and integrating strategically those trends: how to work with those as a corporation

2.1 Methodology : how to work on those operationally

2.2 Participation : who is taking part to what in what frame?

Annex: the extended version of each one of the trends

Introduction

We are living through a period of deep and broad transitions when it comes to a very comprehensive spectrum of dimensions that shape corporations, be it their roles in society or their internal functioning. To name just a few factors of these transitions:

- Environmentally, climate change and resources shortages raise challenges for which sufficient responses are still to emerge/be imagined
- Sociologically, we witness extreme modifications in the way youth and new generations of consumers approach both their economical contribution and their consumption/relation to the world (e.g. the many youth movements that followed the initial Fridays for Future mobilization, that were initiated by Greta Thunberg)
- Technologically, IA, robotics or quantum computing may change the very bases on which companies, but also humans, operate their activities, and the very responsibilities

As one of the numerous consequences, global corporations have to think again about the way they act, think, and identify in order to adapt, contribute and shape the changes ahead... Understanding the transformations that are lying ahead means understanding the evolutions that are happening: that is the reason why we thought it would be wise to share a reflection on the key trends shaping the future of Multinational Corporations, and the way to tackle those as an organization.

In order to accompany you very pedagogically in this endeavour, this White paper aims at two goals, that will be developed in the 2 parts of the document:

- Helping you at getting the key trends at stake in those changes: what are the main phenomenon shaping the future of global corporations?
- Giving you a first perspective on how to work with those trends, and tackle those changes –methodogically- as an organization to feed your strategy

1 Understanding the forces at stake in the current transformations:

The key trends that will shape the future of Multinational Corporations

1.1 The 5 dimensions that frame the very structure of any corporation

	2 "Internal" Dimension		2 "External" Dimension		1 "Transversal" Dimension
Dimension Labels	**The future of jobs and skills ('work background')**	**The future of work and its organization ("form of work")**	**The future of company's role in society ("contribution")**	**The future of the link of companies with territories and stakeholders ("connection")**	**The future of value chains**
Encompassed thematic	• Types of jobs and associated 'human' skills • The role of technology in these developments • Business models	• Work organization • Working methods (face-to-face, working hours, culture, etc.)…	• Purpose and contribution • Legal framework and status (legal constraints, liability, etc.)	• Local, global, glocal? • Network, partnertships and connections with society	• Upstream: inputs, supply, shortages • Downstream: change of priorities and socio-cultural dimensions of choice by consumers and beneficaries

We identified those 5 main dimensions as the main axes to focus on, in order to identity all the main trends of the future of global corporations. We will consequently display the key trends of the future of the corporations according to those dimensions

1.2 Key trends shaping the future of Multinational Corporations by dimension

As a first step, we identified some of the main trends that, dimension by dimension, have impact on the future of global corporations, and provided you with the key questions that they are raising for companies.

Disclaimer

- We are here gathering the main trends that we witness at a global scale. Some may be more or less impactful for your organization, depending on your region and/or industry. Still, those should all be considered when you perform a diagnosis of the future transformations that your company might undergo: this is –so to say- a sandbox in which identifying your key stakes/ transformational issues for tomorrow's successes.
- The key trends are introduced very synthetically here, for more details please take a look at the annex, in which each trend is more precisely described and illustrated.

1.2.1 Key trends regarding the future of jobs and skills

Thematics of the dimension	Key trends	Key questions raised for global corporations
Changes in the types of jobs and associated 'human' skills	• Transformation of jobs and skills due to digitalization (platform economy and the changes of skills and jobs) • Transformation of jobs and skills due to 'sustainabilization' of activities • Transformation into learning companies to adapt to the new VUCA environment (agility and adaptability, with the rapid obsolescence of technical skills being replaced by meta-skills and soft-skills)	• How to achieve a successful transition of the company's overall activity, business lines and employee skills? • How do we become a continuously transforming company: a learning company? • How to make successful the global activity transition of the enterprise jobs structure? • To what extent digitalization impacts the future of career transitions?
Changes in the place & roles of technology in company	• Robotization (mechanical and automatizable tasks) • AI (transfer of decision support/ preparation or even the role of decision-maker, making humans the programmers/ supporters/ aggregators/ executors of AI in many cases • Quantum computing (both demultiplier of AI transformative potential, and game-changer in terms of security, calculation, data treatment… enabling deep changes in all business operations and strategies)	• Positioning in relation to players maintaining digital infrastructures: subcontractor, partner, competitor? • How can the loss of human labour be offset by new tasks? • How can we make a success of digital transformations? • How does robotization change the way of working? • How does your organization is positioning in relation to the other actors of robotization (subcontractors, partners, competitors)? • How to achieve the incorporation of AI in an organization process? • How to leverage the use of quantum computing within a company?
Changes in the economic models	• Expectations for new "sustainable"business models (circularity, functionality, blue economy, regeneration. From product to service) • Digital business transformation (centrality of data and access to the consumer).	• What will our business environment be like tomorrow? • How will it be impacted by these new models and the players who are 'native' to them? • What is gonna be the place of datas "management" in this future?

1.2.2 Key trends regarding the future of work and it organization

Thematics of the dimension	Key trends	Key questions raised for global corporations
Changes in work organization	• Employee empowerment and the horizontalization of hierarchies • The character of the leader/manager-coach • Generalization of project modes throughout departments and teams types • Integration of multiple activities workers (slashers) and self-employed people	• How can we rethink the employee journey (from recruitment to departure) in this new context? • How can we continue to attract new generations of workers? • How can we develop/train managers who are in tune with new ways of working? • What place and working methods should 'freelancers' have in their work groups? • What is the impact of transforming an organization from a vertical to a horizontal hierarchy? Does empowering employees have an impact on their performance? • Does the creation of cross-functional work teams have an impact on the sense of belonging to the company? Does the heterogeneous legal status of the workforce raise questions about the protection of the company's intellectual property?
Changes in work modes	• Flexibility (space, time) as a key feature of the workmodes • Centrality of "ethical" elements (values, purpose) and well-being in the companies culture	• What balance should be struck between face-to-face and distance learning? • How far can we go in digitizing workspaces: offices in the metaverse? • How can we maintain a collective, informal atmosphere and solidarity in a team with individualized rhythms? • How can we change and truly live by our values? • What's the right balance between on-site and remote working? Should we moderate the digitization of work? What's at stake? Does this flexibilization of work have an impact on the sense of belonging to the organization? • How do you maintain collective, informal and solidarity in a team with individualized rhythms?

1.2.3 Key trends regarding the future of company's role in society

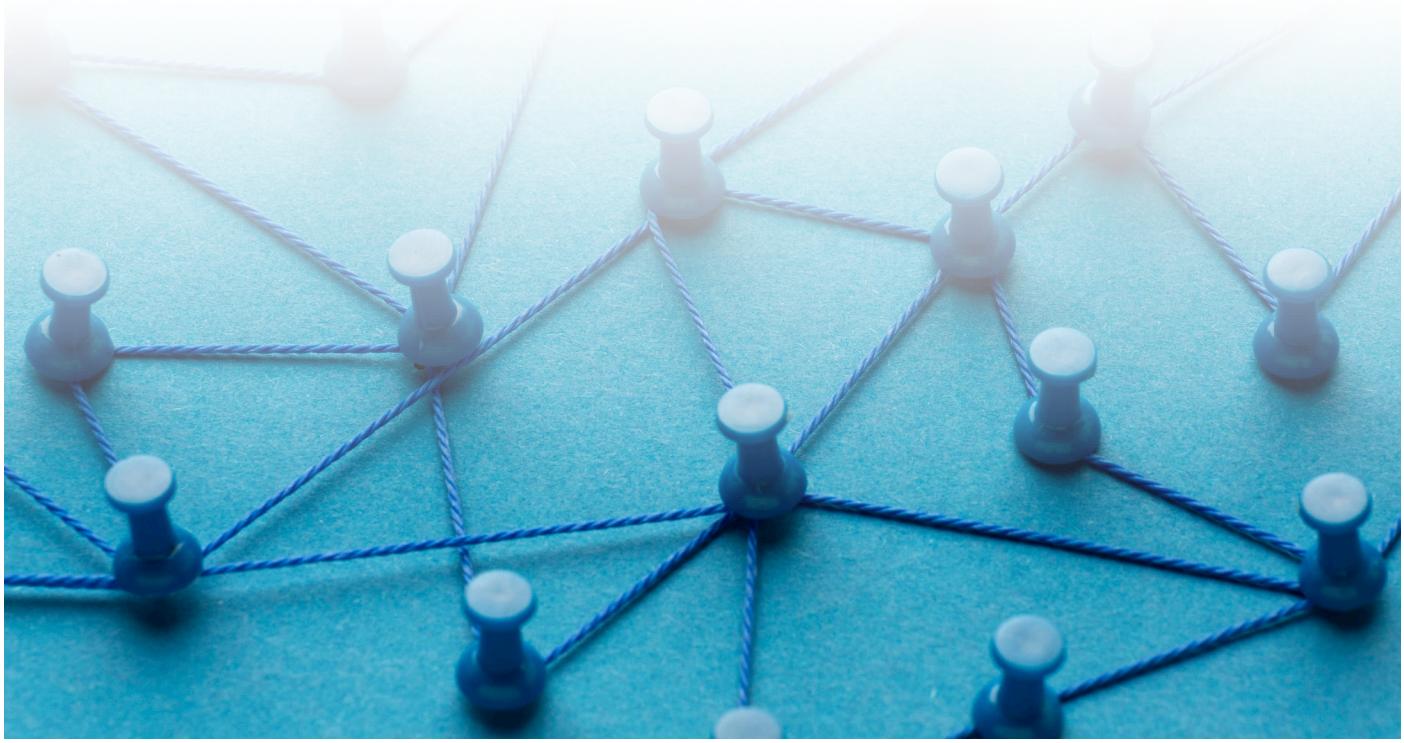
Thematics of the dimension	Key trends	Key questions raised for global corporations
Changes in purpose and contribution of corporations	• Societal pressure on companies to respect their purpose and mission : the purpose or the mission is gradually becoming the primary identity of the company, and one of its main lines of communication. • Diversity, Equity, and Inclusion (DEI) as a key expectation of society for companies	• How far can/should we go in terms of purpose and how to tradeoff with pure economic dynamics when they are both in conflict?

1.2.4 Key trends regarding the future of the link of corporations with territories and stakeholders

Thematics of the dimension	Key trends	Key questions raised for global corporations
Local, global, "glocal"?	• Deglobalization and the return to protectionism • Glocalism (local adaptation of global trends, products or services that are spreading worldwide)	• How can we link the local to the global in a repolarizing world (products, marketing, organization, etc.)? • What is the impact of deglobalization on supply chains?
Partnership and territorial aspects	• Networked companies (beyond enterprise networks, the need for most companies to think themselves "by nature" as being linked with some other economic actors –amazon for retail, google for ads, etc., and therefore to think strategically as a link of a network) • Anchoring in a local reality with CSR, carbon compensation, and work on community issues	• What kind of local autonomy is needed to develop a significant, differentiating integration? • Does the complexity of controlling the entire chain and all the company's stakeholders raise transparency issues for the company?

1.2.5 Key trends regarding the future of value chains

Thematics of the dimension	Key trends	Key questions raised for global corporations
Upstream: inputs, supply, shortages	• Insecurization of key energetic supplies • Shortages of key input materials • Water shortages	• How do we anticipate, react to those shortages? • Is there a change of business, of business model, of product to be thought of?
Downstream: change of priorities and socio-cultural dimensions of choice by consumers and beneficiaries	• Change of consumers priorities and behaviours that affect products, business models and companies	• How to react/deal with the new stakeholders, the new ideas and the new pressures that emerge from this sociological change? • Could we, as we connect to these new expectations, imagine new business models or way to operate? Can it lead us to some unseen innovation?



1.3 Critical trends to follow, for which the level of control is low (weakspots) or for which the level of awareness is low (blindspots)

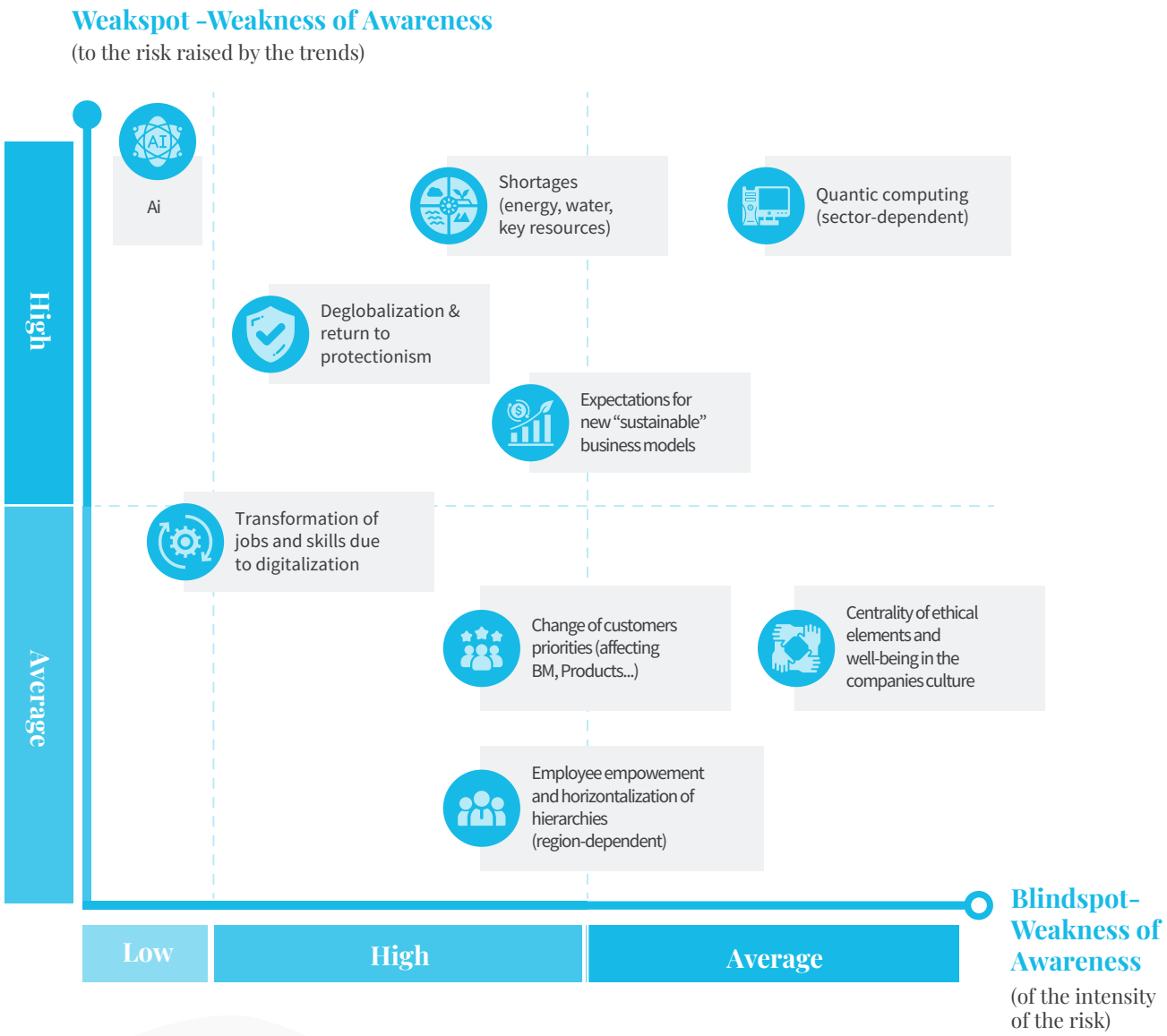
All trends are to be monitored, however two types of trends are to be specifically looked at:

- The so called “weakspots”, which are the trends for which the level of control by the corporations is low (e.g. the climate changes and their impacts)
- The so called “blindspots”, which are the trends for which the level of awareness of the corporations is not up to the level of risk that the trend is raising (corporations are generally speaking not “conscious” enough of the risks caused by this trend)

Disclaimer

- Of course, not all the trends we highlighted here might be critical for you (depending on your activity, your region or some specificities of your company). However we advise you to take a close and critical look at this table, to assess for each stressed trend the potential risks it could entail for you.

Synthetic table of the main weak- and blindspots[1]:



[1] The disposition of the trends in this table is based on a study performed within the network of Next Continent consultancies, aiming at assessing our worldwide clients average positioning in terms of awareness and ability to tackle the different trends identified in the global study.

Synthetic table of the key features explaining our choices:

Key Weakspots	Key Blindspot
WS 1: AI: selfunderstandable, this fast-evolving technology entails the potential for deep changes in workmodes, content production, but even innovation and strategic thinking. And companies lack tools, continuous process and knowledge to follow the dynamics of the unfolding to this emergence	**BS 1:** Quantic computing: quantum computing is already often introduced as the Fifth Industrial revolution, and the World Economic Forum already held some works on the Quantum economy as the next paradigm to anticipate. It is expected to bring a literally quantic leap, which is difficult to imagine when it comes to the actual implications that will emerge.
WS 2: Shortages (energy, water, key resources): high risk for many companies key inputs. A potential crisis in the prices and/or the mere access to key resources is depending on world accessible resources, geopolitics and market evolutions. And the structural solutions are scarce.	**BS 2:** Change of customers priorities: Companies know that they have trouble connecting with the new generations, be it as employer or as service/products provider. This is only a weak signal of the systemic change that is coming ahead.
WS 3: Deglobalization & return to protectionism: the geopolitical realm to which this trend belongs is quite inaccessible to companies which lack therefore leverage on those questions	**BS 3:** Employee empowerment and horizontalization of hierarchies: Internet native generation have a different relationship to authority, power and knowledge, that induces much less tolerance to hierarchies. As a general trend we can expect a deepening of the gap that is already being witnessed in this domain
WS 4: Expectations for new "sustainable" business models: The very role and nature of private corporations begins as a weak signal to be questioned. This questioning belongs to larger a sociological big change that escapes the pure responsibility or control of companies	**BS 4:** Centrality of ethical elements and well-being in the companies' culture: we can't stress enough to what extent the GenZ, which is arriving on the labour market, is sensitive to the work experience they encounter in companies. Work is part of their life experience and should as such contain values and purpose they could feel connected with. Their well-being and commitment is deeply linked to this, and if companies acknowledge this fact, we feel like they have not realized yet how profound it is.
WS 5: Transformation of jobs and skills due to digitalization: the critical knowhow are shifting quickly, as well as the ways to engage and "contractualize" with the workforce, and companies aren't culturally totally ready for this, plus they have an existing workforce to deal with.	

2 Tackling and integrating strategically those trends:

How to work with those as a corporation

Two dimensions have to be taken into account when wanting to work strategically with trends and future changes:

1. The methodological aspect, which is the “how” to work with them:
   How to transform the list of trends from the first analysis into strategic insights, or -even better- into a renewed strategy?
2. The stakeholders’ aspect, which is the “who” is gonna work with them:
   Who is to be mobilized throughout this work? From what entity (global, local)? Should it be transversal to activity sectors (for the many groups that have severely activity sectors), or should there be a different piece of work done for each activity sectors/companies part of the group?

You’ll find hereunder a first vademecum of how to look at those questions in order to initiate a relevant strategic work. This is an outline that has of course to be personalized and enriched if needed, depending on your ambition and willingness to deepen the work.

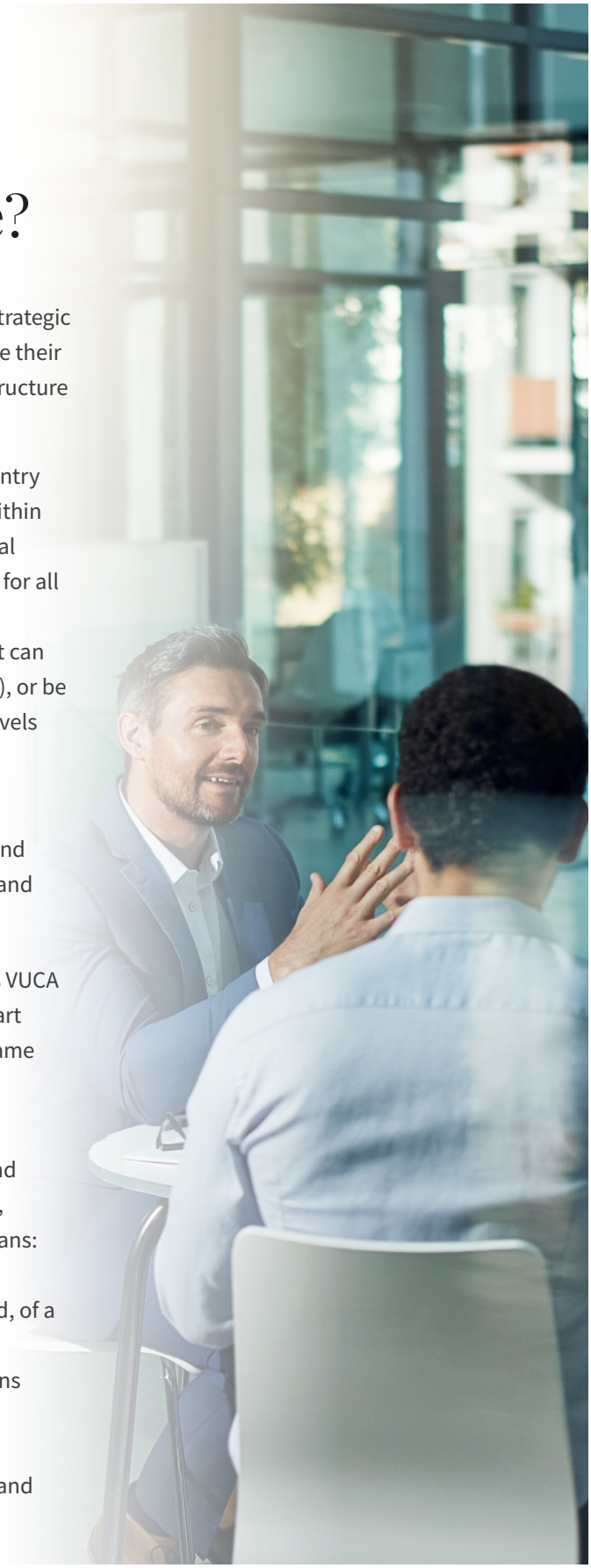
2.1 Methodology: how to work on those operationally

There are many existing methods coming from strategy or future studies that can be relevant for using such materials at the different levels. The common trait of all those approaches is that you will firstly explore the possibilities (positive as negative) that the trends might create in the future, before “backcasting” those in the present, meaning analyzing what all this teaches us about the stakes and the options for action we have in the present.

In order to make it simple to appropriate, here is the most efficient methodological approach we can think of, bringing the most value with the less complexity in 5 simple steps:

Steps	Content – What to do	Expected result of the step
1. Trends selection	Out of the comprehensive image of the trends shaping the future of global companies, select the 5 to 10 trends that are the most relevant to work on	List of most impacting or worrying trends you can see
2. Projection of future scenarios	Tell the story of what would be the business environment, the customers mindset and behaviours, the internal reality (employees, culture, workstreams and operations…) of your company in a future defined by those trends	Comprehensive scenarios (create a whole picture of the company) describing the future state as defined by the trends
3. Analysis of strategic significance	Realize a SWOT of the future: what are the opportunities and threats that such a future creates for your company? What are you strengths and weaknesses to face them?	Clear description of the main threats and opportunities raised by the main trends, and our assets and drawbacks to face them
4. Strategic landing in the present	2 levels of strategic landing, the first one being mandatory and the second one optional : • Mandatory - Strategic insights: how do those future risks of opportunities indicate interesting strategic actions to be taken the present? Does it feed the ideas for strategically possible moves (we can for instance concentrate on the most risky or potentially impacting trends)? • Optional - Creative strategic leap : does this scenario provide us a clear vision of what we want for the future, which would create a clear strategic path?	List of strategic insights (trends to follow, markets or targets to follow…) or strategies (transformation projects, new business models, new products or services, new branding or identity…) to be activated immediately or hypothetically in the future depending on the unfolding of the environment's evolution
5. Iterate as soon as you feel that the trends and environment have changed significantly enough to justify an update of this work… Strategy is a process that is ongoing throughout time.		

2.2 Participation: who is taking part to what in what frame?



As a global company, there are several ways one can tackle such strategic issues as trends shaping the future of enterprises, all of which have their advantages and drawbacks. Here are the main alternatives that structure those possibilities:

- When it comes to the subsidiarity issue: it can be done at a country level, at a company level (when there are several companies within a same group), at an activity sector level (when there are several companies sharing the same sector of activity), or just globally for all the entities of the group to apply the general decisions
- When it comes to the composition of the working committee: it can be done by a very small amount of strategic people (CEOs only), or be more transfunctional or even integrate different hierarchical levels within the frame of the work

Each combination of choices is a possible way to organize such a strategic work. In order to differentiate them, we have to understand what strategic environment global corporations are experiencing and what it calls for as ways of functioning.

The business environment we are operating is characterized by its VUCA nature (Volatile Uncertain Complex Ambiguous). This state of the art implies the need for a few principles of action and reflection, to name but a few :

- Favour a wide diversity of perspectives to get the best picture possible of an issue, its problems and solutions : knowledge and experience of the trends are essential for grasping the subtility, impacts and reality of the what is actually happening. That means:
  - that we should at least aim at cross functional a work
  - that we could take advantage, if the conditions are gathered, of a cross-hierarchical work
- Prefer locally anchored diagnosis and solution experimentations (which does not invalidate global mutualization of means or reflections)
- Pursue iterativity and agility of strategies that are experiential and thought of as a process, and not a punctual decision

In a perfect world, where a global and complete work could be set up, we would advocate a simple but robust way to tackle those trends, in a very systematic way:

1. Analyze the list of trends that shape the future of global corporations at a global level, in order to dissociate 4 types of trends:

- the global trends affecting identically or quite similarly each country and each group activity sectores
- trends that are culturally-dependent, and that should be tackled in "cultural homogeneous" zones
- trends that are sector-dependent and that could be work at a sector level (should there be several companies within the group belonging to the same sector)
- trends that are purely at a company strategy level, that should be worked company by company

2. Feed all these different types of trends into a different stream of work for each that will respect the principles of work we defined priorily (cf. Methodological part 2.1)

- Depending on the needs revealed by the step 1, create working groups at a global corporation level, and/or at a activity sector level, and/or at a cultural zone level, and/or there will be a work at the global level to tackle the global trends and/or at a company level.
- All those working groups should turn the trends that are in their scope into strategic thinking and decisions

3. In the end, the results of all those workstreams should be shared in order to feed as broadly as possible each company operational level: indeed, any given company could integrate global corporation strategic insights, as well as cultural zone insights, as well as sector insights, etc.

However, quite often, it is not so easy to put in motion all those dimensions at the same time. All the pieces of the puzzle don't have to exist at the same time for a work on trends to be done. An isolated country or company can definitely begin to work on all those questions, bringing a lot of value, without this work being part of a whole corporate scheme.

We however wanted to stress the fact, that if the different efforts can be done simultaneously and be coordinated, they would bring value to each other, and create a much more relevant strategic vision of the possible.

Annex: the extended version of each one of the trends

We are living through a period of deep and broad transitions when it comes to a very comprehensive spectrum of dimensions that shape corporations, be it their roles in society or their internal functioning. To name just a few factors of these transitions:

I. Key trends regarding the future of jobs and skills

A. Changes in the types of jobs and associated 'human' skills

An analysis of the future transformation of jobs and skills can prove relevant, exploring the 3 hereunder dimensions. Here some questions that might be useful :

- How are organizations meant to identify and integrate the emergent skills and jobs, called for by the evolution of the business context and of the society?
- How to make a successful transition of existing employee skills? How to integrate culturally different workers holding different skills and mindsets?
- How to turn your organization into a learning space to keep evolving and updating your skillsets?

1. **Transformation of jobs and skills due to digitalization**
    - Description: The advent of digitalization in the economy has profoundly influenced the landscape of large corporations. Automation and AI have streamlined operations, necessitating a shift in job roles towards those that complement digital processes. Traditional skill sets are being augmented by digital literacy, data analytics, cybersecurity proficiency, and adaptability to virtual collaboration. These changes are fostering an environment where employees are required to engage with evolving technologies, fostering a more efficient, data-driven, and technologically agile workforce. In this movement, four emerging technologies are of the utmost importance to understand how humans and machines can work together to better engage people in meaningful, creative and sustainable work, and improve collaboration within and between organizations. These technologies include collaborative AI, multimodal interfaces, extended reality (XR), and secure distributed ledgers, according to the Institute for the Future.
    - Evidence of the significance of this trend:
      According to 2022 Dell Technologies & Institute for the future study “Realizing 2030”:
        - 85% of the jobs of 2030 do not yet exist
        - “According to 4,600 global business leaders, 54% forecast the next generation of workers will disrupt their workforce with their ingrained digital skills and mindset, and 58% agree that they’ll struggle to provide equal opportunities to multiple generations of workers“

2. **Transformation of jobs and skills due to ‘sustainabilization’**
    - Description: Sustainabilization is revolutionizing jobs and skills in major corporations. Companies are prioritizing sustainability, requiring skills in sustainable strategy development, renewable energy integration, and circular economy practices. This shift demands an adept workforce in environmental responsibility and social impact, fostering innovation and responsible corporate conduct. Sustainable practices are becoming integral to business strategies, promoting a more responsible and forward-thinking approach within big companies.
    - Evidence of the significance of this trend:
      PwC is on record as saying it is aiming to have 100,000 sustainability/CSR consultants by 2025 to compensate the lack of skills in its customers’ workforce[2] , explaining that “For businesses the direction of travel is clear: By 2025, 75 percent of the working population will be Millennials, meaning [businesses] will need to have credible plans to address ESG if they want to continue to attract and retain this growing pool of talent.”

[2] https://www.reuters.com/business/sustainable-business/pwc-planning-hire-100000-over-five-years-major-esg-push-2021-06-15/

3. **Transformation into learning companies to adapt to the new VUCA environment**
   - Description: The learning economy is fundamentally reshaping jobs and skills in large corporations. As the pace of change accelerates, due mainly to what is usually described as the VUCA characteristics of business context (Volatility, Uncertainty, Complexity, Ambiguity), continuous learning and upskilling are imperative, necessitating proficiency in digital literacy, critical thinking, and collaboration. Emerging technology expertise, lifelong learning, and adaptability are crucial, encouraging an agile and innovative workforce. The learning economy promotes a culture of growth and development, fostering a skilled workforce for sustained corporate success.
   - Evidence of the significance of this trend:
     The 4 benefits of being a learning organization, according to a Rick Gibbs' article in Forbes[3]:
     - Continuous improvement
     - Retention of talented workers
     - Increased collaboration
     - Business longevity

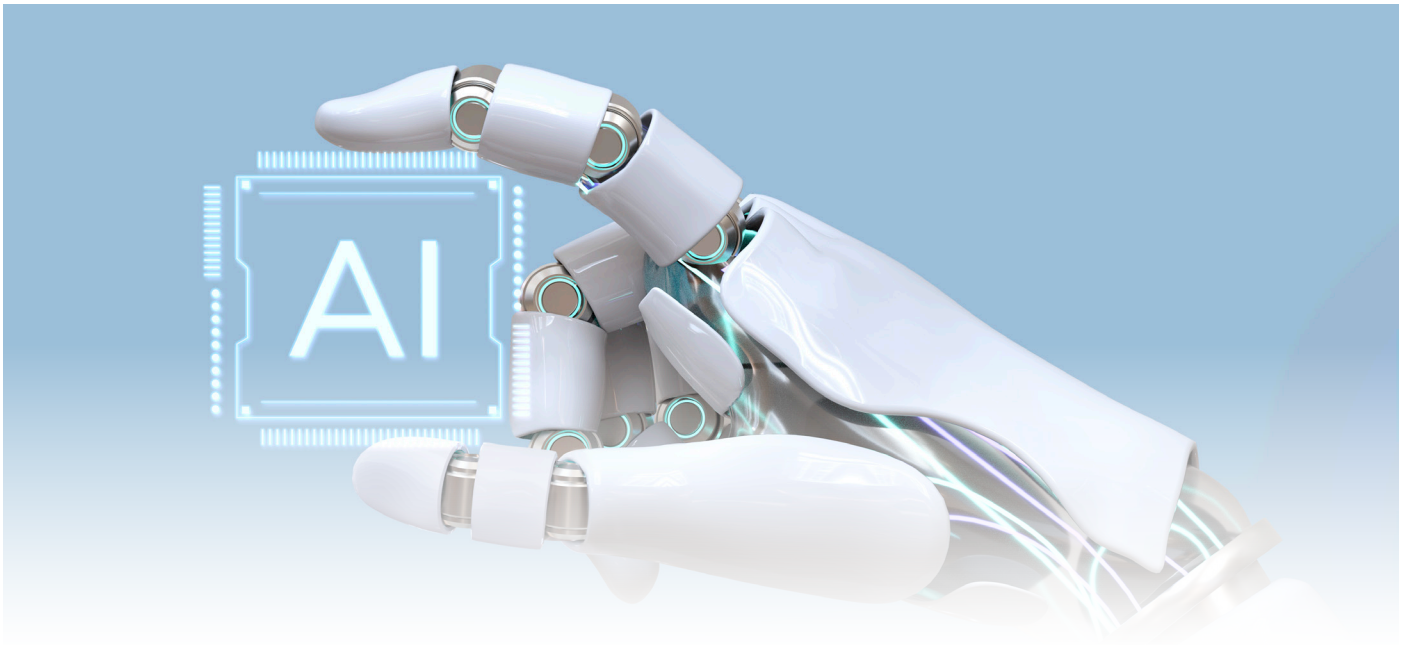
B. Changes in the place & roles of technology in company

An analysis of the future impact of technology on the workforce of any company can be performed, looking mainly at the 3 trends hereunder. Here some questions that might be useful :

- How to evaluate the possibilities/risks/opportunities raised by technological actual and potential breakthroughs (mainly but not only AI, quantum computing and robotization)?
- How to operationalize an evolving path to integrating those in our current skill- and jobsets?

4. **Robotization**
   - Description: Robotization is significantly transforming job roles and skills within large corporations. Routine and manual tasks are automated, necessitating proficiency in robot operation,
     programming, and maintenance. This shift calls for enhanced skills in problem-solving, collaboration with robotic systems, and adaptability to technological advancements. The integration of robots optimizes operational efficiency and productivity within big companies, being primarily focused on information and data processing, administrative tasks and routine manual jobs for white- and blue-collar positions.
   - Evidence of the significance of this trend:
     "By 2025, automation and a new division of labour between humans and machines will disrupt 85 million jobs globally in medium and large businesses across 15 industries and 26 economies" (World Economic Forum).

[3] https://www.forbes.com/sites/forbescoachescouncil/2020/06/05/four-positive-effects-of-fostering-a-learning-organization/?sh=448146c42b09



5. **Artificial Intelligence**
   - Description: The integration of AI in big companies is reshaping jobs and skills. AI automation replaces routine tasks, demanding proficiency in AI implementation, data analysis, and AI system oversight. Employees require skills in machine learning, data interpretation, and collaboration with AI. This necessitates a shift towards higher-order cognitive skills, creativity, and adaptability, enhancing operational efficiency and productivity.
   - Evidence of the significance of this trend:
     "Approximately 80% of large companies have adopted some form of artificial intelligence (AI) into their core business, an increase of 70% in five years" (Ghosh, Daugherty, Wilson, & Burden, 2019)
     "A study of senior managers working on 152 AI projects, Deloitte (2017) reports that 47% of respondents find it difficult to integrate AI with existing people, processes, and systems."

6. **Quantum computing**
   - Description: Quantum computing is a rapidly emerging technology that uses the laws of quantum mechanics to solve problems too complex for classical computers. It will revolutionize jobs and skills in major corporations. The advent of quantum technologies demands expertise in quantum programming, algorithm development, and quantum system management. Employees need to enhance problem-solving abilities and grasp complex quantum concepts. This shift toward quantum technologies is paving the way for breakthroughs in data analysis, encryption, and optimization, influencing strategic decision-making and competitive advantage within big companies.
   - Evidence of the significance of this trend:
     "Venture capital investments in quantum computing grew by 500% from 2015 to 2020." [4]
     As an example, the pharmaceutical industry is adopting quantum computers so that researchers can use quantum computing to simulate molecular interactions, which will enable to develop new medications faster

[4] https://www.fastcompany.com/90925065/heres-what-quantum-computing-is-and-how-its-going-to-impact-the-future-of-work-according-to-a-software-engineer

C. Changes in the economic models

An anticipatory analysis of the future of a company's business models, can be done looking more specifically at the 2 features hereunder, trying to answer those questions:

- How will the future of our workmodes and of our products and services be impacted by these new business models and by their "native" players (sustainable and/or digital)?
- What are the stakes and place of datas in our industry, with what ethical questions?
- How those 2 trends -digitalization and sustainability- might be combined in creative ways?
- What is our strategy (inhouse development of new business models? Acquisitions of innovative "pure-players"? Partnerships?...)

7. Expectations for new "sustainable" business models

- Description: the adoption of new sustainable models is fundamentally reshaping business models in major corporations. Companies are integrating sustainability into their strategies, necessitating a shift towards circular economy approaches, renewable energy adoption, and responsible supply chain management- to name a few. This transformation emphasizes environmental and social responsibility, fostering innovation and driving a more sustainable and ethical business ecosystem.
- Evidence of the significance of this trend:
  67% of companies are using more sustainable materials (e.g., recycled materials, lower emitting products)[5]
  "The transition towards a circular economy is estimated to represent a $4.5 trillion global growth opportunity by 2030, while helping to restore our natural systems", according to the World Economic Forum[6]

8. Digital business transformation (centrality of data and access to the consumer)

- Description: Digitalization is profoundly altering business models in major corporations. It entails leveraging digital technologies to optimize operations, enhance customer engagement, and drive data-driven decision-making. This transformation emphasizes agility, innovation, and a tech-savvy approach, fundamentally reshaping how businesses operate and deliver value to stakeholders.
- Evidence of the significance of this trend:
  Not so much a need for elements of proof here, but Apple and Amazon being the two first market capitalizations is a good illustration of the centrality of digital actors and stakes for business.

[5] 2022-deloitte-global-cxo-sustainability-report.pdf
[6] https://www.weforum.org/agenda/2019/01/its-time-for-the-circular-economy-to-go-global-and-you-can-help/

II. Key trends regarding the future of work and it organization

A. Changes in work organization

An analysis of the potential changes in work organization can be performed by evaluating the impact at a given moment of the 4 following trends. Here some questions that might be helpful :

- How do I imagine my future workforce as the actual trends move forward :
  - What role for external independent workforce, and how do I integrate them in employee teams? How do I create a sense of belonging to favour a form of retention?
  - How do we evolve our management mindset and skills? Is the manager-coach approach relevant for my business and culture? If yes, how do we evolve in that direction?
  - Should we develop new skills and way of working to embrace fully the project mode?...

9. Employee empowerment and the horizontalization of hierarchies

- Description: Employee empowerment is fundamentally reshaping workmodes within major corporations, and responding an increasing expectation of the new generations accessing the workmarket. By granting greater autonomy, fostering collaboration, and encouraging decision-making at various levels, companies enhance innovation, job satisfaction, and overall productivity. This transformation promotes a more engaged and motivated workforce, leading to a positive impact on organizational culture and performance. It is surfing on the expectations of internet-native workforce, used to horizontal relationships and cooperation.
- Evidence of the significance of this trend:
  The emergence of the concept of EX (Employee Experience), and the centrality of Employee Empowerment as a key driver to employee satisfaction. It was identified as one of the 5 key trends, in Career Foundry study on EX, labelled as “The balance of power is shifting towards the workers themselves.” (CareerFoundry, 2022)

10. The character of the leader/manager-coach

- Description: The manager-coach approach is transforming workmodes in major corporations by emphasizing mentorship, individual development, and performance improvement. Managers adopt coaching roles, encouraging continuous learning, feedback, and employee growth, resulting in a more motivated and skillful workforce. This approach fosters a culture of collaboration and productivity, aligning individual goals with organizational objectives.
- Evidence of the significance of this trend:
  In the context of the Western "Great Resignation", A company called Time Etc. replaced all of its managers with coaches, and surveyed the results on employees : they "became 20% more productive–and much happier[7]".

11. Generalization of project modes throughout departments and teams types

- Description: The generalization of the project mode is revolutionizing workmodes in major corporations by promoting flexibility, collaboration, and efficiency. Teams organize around specific projects, fostering cross-functional cooperation, adaptability, and swift decision-making. This approach enhances agility and ensures optimal resource allocation, ultimately driving successful project outcomes and overall organizational effectiveness. These teams can be mixed and made up of workers of different status: salaried, self-employed, service providers, partners, etc.
- Evidence of the significance of this trend:
  Generalization of the agile methodologies, that are now applied much more largely than their initial technical environment.

12. Integration of multiple activities workers (slashers) and self-employed people

- Description: The utilization of independent workers is reshaping workmodes in major corporations by embracing a gig economy model. Companies engage freelancers and contractors to fulfill specific roles and projects, promoting agility, cost-efficiency, and access to specialized skills. This shift allows for a more flexible workforce and supports rapid scaling to meet dynamic organizational needs. It also meets the expectations of the rapidly-growing part of skilled workers who prefer flexibility, independence and slashing between activities over the security and stability of a long-term job.
- Evidence of the significance of this trend :
  In France, 4.5 million slashers represent 16% of the working population[8].

[7] https://fortune.com/2023/06/05/company-replaced-managers-coaches-employee-productivity-much-happier-work-careers/
[8] http://www.salonsme.com/espace-telechargements/CP_Slasheurs_15092015.pdf

B. Changes in work modes

A reflection on the evolution of work modes and where companies stand at any moment, car be performed looking at the hereunder trends. Here some questions that might be useful:

- What's the right balance between on-site and remote working? Should we moderate the digitization of work?
- What's at stake when it comes to the company culture and operations? Does this flexibilization of work have an impact on the sense of belonging to the organization?

13. Flexibility (space, time) as a key feature of the workmodes

- Description: Work is becoming increasingly flexible, whether in terms of working hours (flexitime, part-time) or location (telecommuting, coworking spaces). Flexibility is fundamentally transforming workmodes in major corporations by allowing adaptable schedules, remote work options, and agile team structures. This approach enhances employee satisfaction, work-life balance, and productivity, promoting a culture of trust and collaboration. This flexibility in workmodes aligns with changing employee expectations and contributes to a more resilient and efficient organizational environment.
- Evidence of the significance of this trend: There are an estimated 35 million digital nomads worldwide and they contribute a global economic value of $787 billion per year, influencing deeply the representations around working and the regular employees' expectations
  As of 2023, 12.7% of full-time employees work from home, while 28.2% work a hybrid model, according to the WHF Research.

14. Centrality of "ethical" elements (values, purpose) and well-being in the companies culture

- Description : The centrality of well-being, values, and purpose is reshaping workmodes in major corporations by prioritizing employee welfare, ethical principles, and a sense of meaningful work. This transformation cultivates a harmonious work environment, boosting morale, productivity, and employee retention. It aligns organizational goals with employee aspirations, fostering a culture of empathy and sustainable success.
- Evidence of the significance of this trend : "Employees Seek Personal Value and Purpose at Work. Be Prepared to Deliver." as states a recent article by Gartner [9]. "Work is a subset of life, not separate of it" and as such companies should make it possible for employees to find values and purpose.

[9] https://www.gartner.com/en/articles/employees-seek-personal-value-and-purpose-at-work-be-prepared-to-deliver

III. Key trends regarding the future of company's role in society

A. Changes in purpose and contribution of corporations

Corporations should take a close look at the pressure that is coming on them from society, in order to assess:

- Is there/What is the pressure that is raising around my company, and what are the risks for my company not to listen to it?
- Towards what direction is society pulling me in terms of purpose? Might there be some opportunity for me there? How could I "partner" with the society expectations to level up to what society is expecting, while creating a growth path for my company?

15. Flexibility (space, time) as a key feature of the workmodes

- Description: For the younger generation of workers, the values and mission of the company they are applying to is essential. Aware of the socio-environmental challenges of their times, this generation in search of meaning aspires to a world of work corresponding to their values.
  The new centrality of purpose for companies signifies a fundamental shift, emphasizing a clear and meaningful mission beyond profit. Purpose-driven organizations align their business objectives with societal and environmental goals, fostering a sense of direction and engagement among stakeholders. This paradigm emphasizes long-term value creation, attracting talent and investors who resonate with the company's vision, ultimately driving sustainable growth and positive societal impact.
- Evidence of the significance of this trend:
  64% of global consumers find brands that actively communicate their purpose more attractive. 62% want companies to take a stand on issues they are passionate about, and 52% say they are more attracted to buy from certain brands over others if these brands stand for something bigger than just the products and services it sells, which aligns with their personal values[10] .

16. Flexibility (space, time) as a key feature of the workmodes

- Description: Organizations are focusing on fostering diverse and inclusive workplaces to ensure a broad range of perspectives and backgrounds are represented. This extends to hiring, leadership, and overall company culture.
- Diversity, Equity, and Inclusion (DEI) concretely shape the future of companies by enriching perspectives, fostering creativity, and enhancing problem-solving. Inclusive practices attract a diverse talent pool, driving innovation and expanding market reach. By promoting fairness and equal opportunities, companies build strong, engaged teams, enabling them to navigate global challenges effectively and thrive in an increasingly diverse business landscape.
- Evidence of the significance of this trend:
- More than 75% of job applicants say that a diverse workforce is an important factor when deciding where to work[11].
  Companies that have diverse and inclusive workforces are 35% more likely to outperform their competitors, according to a McKinsey study[12].

[10] https://www.accenture.com/us-en/insights/strategy/brand-purpose?c=acn_glb_purposeaccenture_10938742&n=otc_0419
[11] https://www.glassdoor.com/employers/blog/diversity-inclusion-workplace-survey/
[12] https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/why-diversity-matters

IV. Key trends regarding the future of the link of corporations with territories and stakeholders

A. Local, global, "glocal"?

Corporations could benefit from thinking about the impact the return of protectionism, if it goes on deepening, might have on their activities:

- What are the main risks that the closing of some markets might represent for my activity?
- Are there some solutions/anticipations to be thought about, through relocalization, glocalism…?

17. Deglobalization and the return to protectionism

- Description: Deglobalization is the opposite of globalization. It leads to less interaction and integration between national economies, and a reassertion of nationalist policies between states, manifested in increased economic and technological protectionism. This trend is significantly impacting big companies by disrupting global supply chains and trade networks. Companies are reevaluating their international operations, considering reshoring or diversifying suppliers to mitigate risks. This shift may increase production costs, alter market strategies, and necessitate regulatory compliance adjustments. Overall, deglobalization may lead to a more localized, resilient business approach with both challenges and opportunities for major corporations.
- Evidence of the significance of this trend:
  Growing strength of protectionist worldviews, such as the "America first" vision that was introduced by Donald Trump. The CHIPS and Science Act and Inflation Reduction Act that were introduced by Joe Biden include generous subsidy schemes to companies who manufacture in the US or build infrastructure using US materials, showing the continuity and significance for the future of this vision.

18. Glocalism

- Description: Glocalism, which is the blend of global reach and local adaptation, is reshaping big companies. It entails tailoring products, services, and strategies to local markets while maintaining a global outlook. This approach enhances market relevance, customer satisfaction, and sustainable growth. Big companies must navigate cultural nuances and regulatory differences, ultimately fostering a balance between global integration and local responsiveness for competitive advantage.
- Evidence of the significance of this trend :
  We are experiencing a sequence of reconnection with local traditions and customs, and adapting international propositions to local specificities is a pathway that was already taken by some of the main international actors, Disney, Coca-Cola, but also MacDonald's with local offers for specific markets with a few examples here :
  - Veggie Pizza McPuff (India)
  - Samurai Pork Burger (Thailand)
  - Shakachiki Red Pepper Chicken (Japan)
  - Mozzarella Dippers (U.K.)

B. Local, global, "glocal"?

The question of the partnership approach, both at a local and global level is one that could be considered very closely, with regards to the relative strategic autonomy of local entities. Here a few useful questions:

- What local autonomy could prove useful to develop a significant differentiation?
- Do we want to develop local partnerships as a strategy? For what end?
- How could we benefit more largely from global significant partnerships? What could prove useful?

19. Networked companies

- Description: We are entering an age of network economy, which is an economic system characterized by the central role of digital networks and technology. It emphasizes the exchange of goods, services, and information facilitated by interconnected platforms and digital infrastructures. In this economy, value creation and growth are propelled by the efficient flow of data, collaboration, and interactions within a vast and dynamic network of participants, such as businesses, consumers, and institutions. Therefore, we are witnessing the development of the networked company vision. More and more we're talking about the "extended enterprise", a new corporate organization that includes everything that contributes to its strategy. It differs from the traditional company in its growing cooperation with stakeholders. It has a holistic vision of the company, represented by an ecosystem. We're also talking about the rise of the "platform economy", a business model that works through digital collaborative platforms where freelancers and independents are providing specific services to clients.
- Evidence of the significance of this trend:
  The generalization of Accelerator and incubator programs for intrapreneurship, corporate venture capital and start-up acquisitions and alliances that illustrate the need for big corporations to act in an innovative ecosystem, in order to stay in touch and in lign with today and tomorrow's diruptions

20. Anchoring in a local reality with CSR, carbon compensation, and work on community issues

- Description: CSR and connection to local ecosystems impact big companies by fostering sustainable practices and community engagement. Companies aligning with local values and needs enhance reputation, brand loyalty, and market relevance. This connection promotes responsible business conduct, drives innovation, and can lead to cost efficiencies by understanding and integrating into the local socio-economic and environmental context. Ultimately, it contributes to a positive impact on both the community and the company itself.
- Evidence of the significance of this trend:
  The Cone Communications Millennial Employee Study found that 64% of Millennials won't take a job if their employee doesn't have a strong CSR policy[13]
  In 2023, shareholders filed around 540 proposals as of mid-February asking companies to address environmental, social and corporate governance issues, according to Proxy Preview[14].

[13] https://www.corporatechallenge.com.au/20-mind-blowing-statistics-about-corporate-social-responsibility/#:~:text=90%25%20of%20companies%20on%20the,to%20just%2020%25%20in%202011
[14] https://www.npr.org/2023/04/09/1168446621/businesses-face-more-and-more-pressure-from-investors-to-act-on-climate-change

V. Key trends regarding the future of value chains

A. Upstream: inputs, supply, shortages

A diagnosis on the risks of supply in general, especially for industrial companies, is a must have in the uncertain period we are experiencing. The questions are quite simple : where are there some risks, and how can we mitigate them?

21. Insecurization of key energetic supplies

- Description: The energy supply risk for companies refers to the vulnerability and potential disruptions in the availability, reliability, and cost of energy sources necessary for business operations. This risk could result from factors such as geopolitical instability, supply chain disruptions, price fluctuations, or dependence on non-renewable energy sources. It underscores the need for companies to diversify energy sources, enhance energy efficiency, and invest in sustainable alternatives to mitigate operational and financial risks associated with energy supply.
- Evidence of the significance of this trend:
  While energy security is not easy to define because it is a multifaceted concept, there are four dimensions of particular relevance and risk [15]: (a) physical disruption of supplies resulting from infrastructure breakdown, natural disasters, social unrest, political action or acts of terrorism; (b) long-term physical availability of energy supplies to meet growing demand in the future; (c) deleterious effects on economic activity and peoples due to energy shortages, widely fluctuating prices or price shocks; and (d) collateral damage from acts of terrorism resulting in human casualties, serious health consequences or extensive property damage. All four dimensions are relevant in the current environment, as the high price volatility of energy prices on the international market illustrates it.

[15] https://www.unisdr.org/files/8066_Pagesfromannualreport2008.pdf

22. Shortages of key input materials

- Description: The risk of shortages of key materials for companies denotes potential disruptions or scarcity in critical resources required for manufacturing and operations. This risk stems from factors like geopolitical tensions, supply chain vulnerabilities, or increased demand. Companies face potential production delays, increased costs, or compromised product quality. Mitigation involves diversifying suppliers, efficient inventory management, and exploring sustainable alternatives to ensure continuity and resilience in the supply of essential materials.
- Evidence of the significance of this trend:
  There is both a risk on the long-term reserves (illustrated by the depletion indicator that states that there are some Critical Raw Materials for which there could be a depletion in a short run -10 years for the antimony for instance, 25 for vanadium or 34 for tungsten[16]), but also in the ability of supply to meet demand (copper is at a critical point for instance in 2023), knowing the high level of concentration in countries which openness for world trade is futurely uncertain (China and Russia for instance).

23. Water shortages

- Description: The risk of water shortages for companies signifies potential scarcity or inadequate access to water resources critical for operational processes. This risk can arise due to climate change, urbanization, pollution, or inadequate infrastructure. Companies may face disrupted operations, increased costs, or reputational damage. Mitigation strategies include water-efficient practices, water recycling, and engagement in local water management initiatives to ensure sustainable access to this essential resource.
- Evidence of the significance of this trend : According to McKinsey 2020 Water : a human and business priority report, “Two-thirds of businesses have substantial risk in direct operations or in their value chain. As water stress grows, they will experience that risk in four forms: physical, regulatory, reputational, and stakeholder. [17]“

[16] https://www.sciencedirect.com/science/article/pii/S2352484719306031
[17] https://www.mckinsey.com/capabilities/sustainability/our-insights/water-a-human-and-business-priority

B. Downstream: change of priorities and socio-cultural dimensions of choice by consumers and beneficiaries

Looking at the emerging patterns of consumption of the younger generation (as well as some culturally first-movers markets or segments) in one industry is very relevant when it comes to understanding the future of one's market. It could bring about new ideas on how to position and what to propose for that market.

24. Change of consumers values, priorities and behaviours that affect products, business models and companies

- Description: The evolving consumer priorities and behaviors significantly impact products, business models, and companies. Consumers now prioritize sustainability, digital experiences, and ethical sourcing. This shift necessitates eco-friendly product development, online platforms, and transparent supply chains. Companies must adapt by integrating sustainability, enhancing digital presence, and fostering ethical practices to meet changing consumer expectations, gain market relevance, and ensure long-term business viability.
- Evidence of the significance of this trend : According to a recent EY study[18], 3 (out of 5) of the main drivers of the change in consumption patterns are related to values and environmental impact of the value proposition of companies :
  - impact transparency
  - extending product lifecycles
  - valuing experience over product

[18] https://www.ey.com/en_gl/consumer-products-retail/changing-consumption-will-reshape-business-priorities

Who We Are

We are a major international network of consulting firms that we like to call *Citizens*.

12 **citizens:** diverse, independent consulting firms

30 **countries:** in Europe, Americas, Asia, Oceania and Africa

71 **offices:** in most major cities in the world

3,000 **consultants:** professionals in the global Nextcontinent network

Vision

Who do we want to be in 5-10 years?

We will be competing successfully in the top tier of the management consultancy market as a big, broad, strong international network of independent consulting firms, having aggregated all our strengths.

We will be known for maximizing results for clients through local and global expertise.

- Recognized as an attractive, alternative model to traditional global consultancies — differentiated by being more pragmatic, outcomes-focused, people-centred, tailored in approach, and attuned to local client cultures
- Seamlessly collaborating to innovate and deliver the results that matter most to our clients — unlocking value through synergy of worldwide expertise and local market knowledge
- Stronger together — each Citizen's independence strengthened through our global reach, blending world-class teamwork with agile, flexible, personalized service to local clients

Contact

Nextcontinent
François Pouzeratte
President

Eurogroup Consulting France
Catherine Guillemette
Director

Nextcontinent
Léa Hermant
International Network coordinator

External
Camille Gauthier
Speaker-researcher on the intersection of future studies and uncertainty

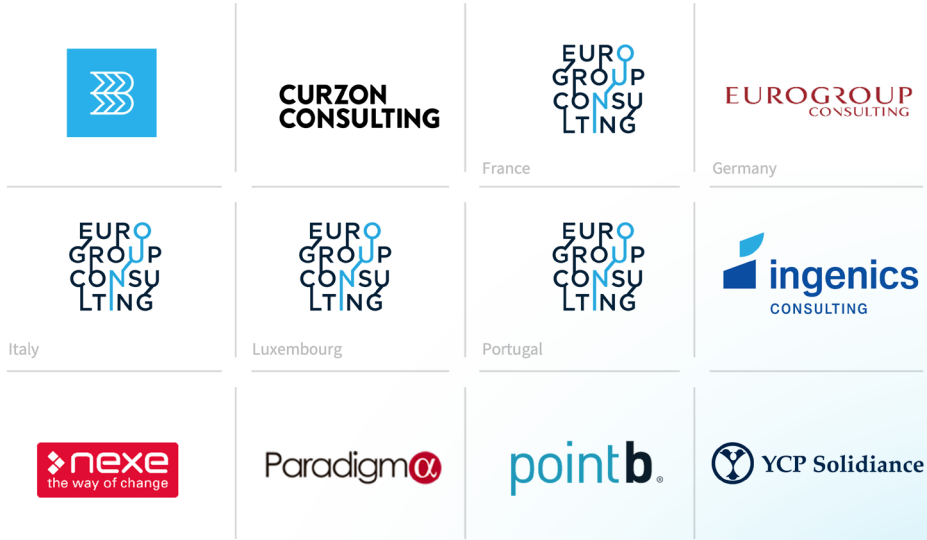
www.nextcontinent.net

Nextcontinent

Thank you

- **PRESIDENT**
  Francois Pouzeratte

- **FTS Team**
  Kristen Lenci
  Douglas Badham
  Pablo Guido
  Joao Moreira
  Grégoire Virat
  Norman Weisser
  Léa Hermant
  Ariane Martin-Lauzer
  Selma Ziadi



www.nextcontinent.net

Nextcontinent

Future of global corporations:
Key Trends and How to Turn Them Into Strategy