

INTERNATIONAL **DIRECTORS** SUMMIT 2019

The Trust Compass: Resetting the Course

14 & 15 OCT 2019 | Shangri-La Kuala Lumpur

THE PART OF DIGITAL DISRUPTION EVERY BOARD NEEDS TO
KNOW

By: Erik PM Vermeulen

**THE PART OF DIGITAL
DISRUPTION EVERY BOARD**



NEEDS TO KNOW

YOU NEED

ERIK P.M. VERMEULEN

 signify

TILBURG  UNIVERSITY

PELS RIJCKEN





**WELCOME TO 2030. I OWN
NOTHING, HAVE NO PRIVACY, AND
LIFE HAS NEVER BEEN BETTER**

Ida Auken

Minister for the Environment of Denmark (2011-2014)

“SOON YOU’LL SEE HUGE COMPANIES WITH JUST TWO EMPLOYEES—THE CEO AND THE CIO.”

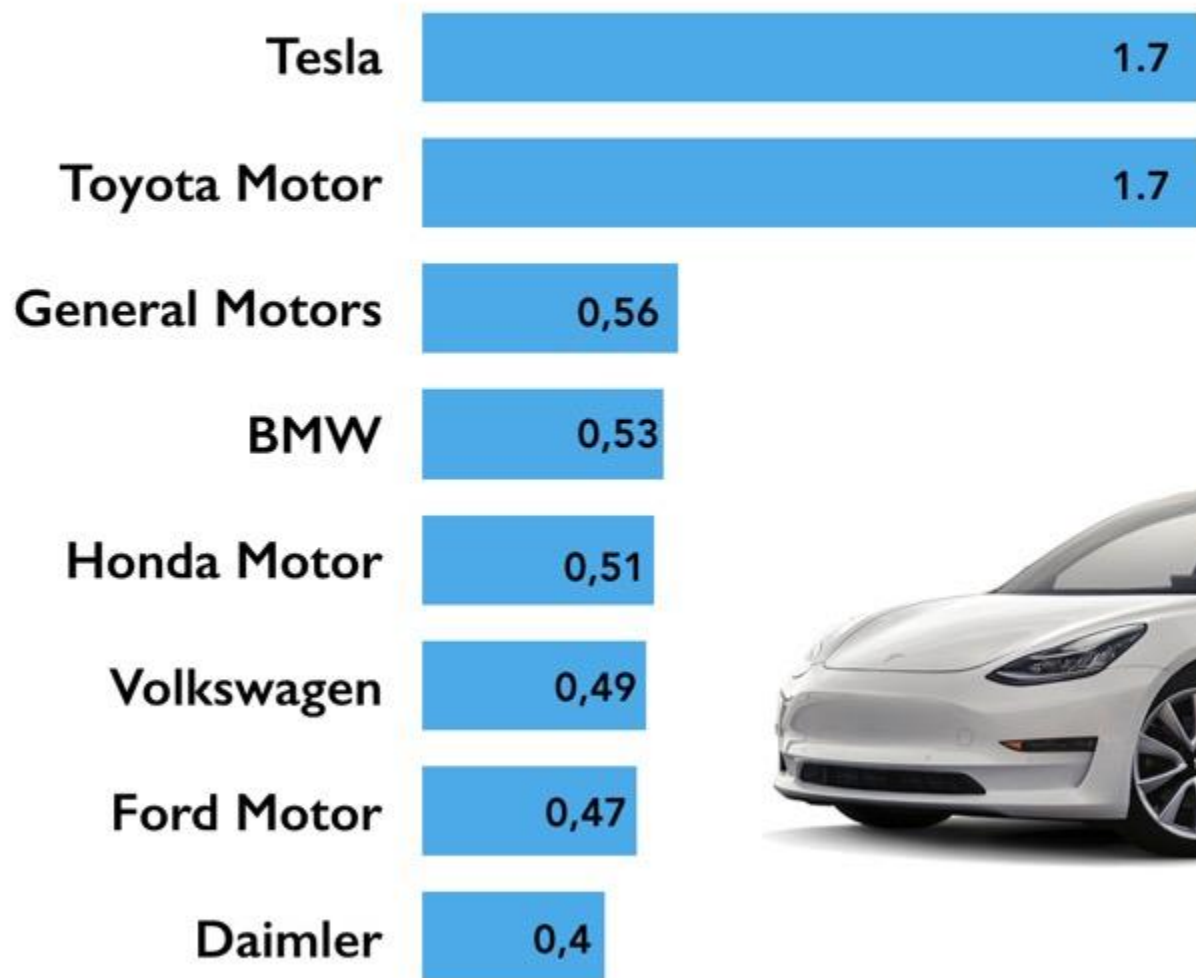
John Chambers
Former CEO Cisco

**“IT DOESN’T APPEAL TO
BUSINESS CUSTOMERS
BECAUSE IT DOESN’T
HAVE A KEYBOARD”**

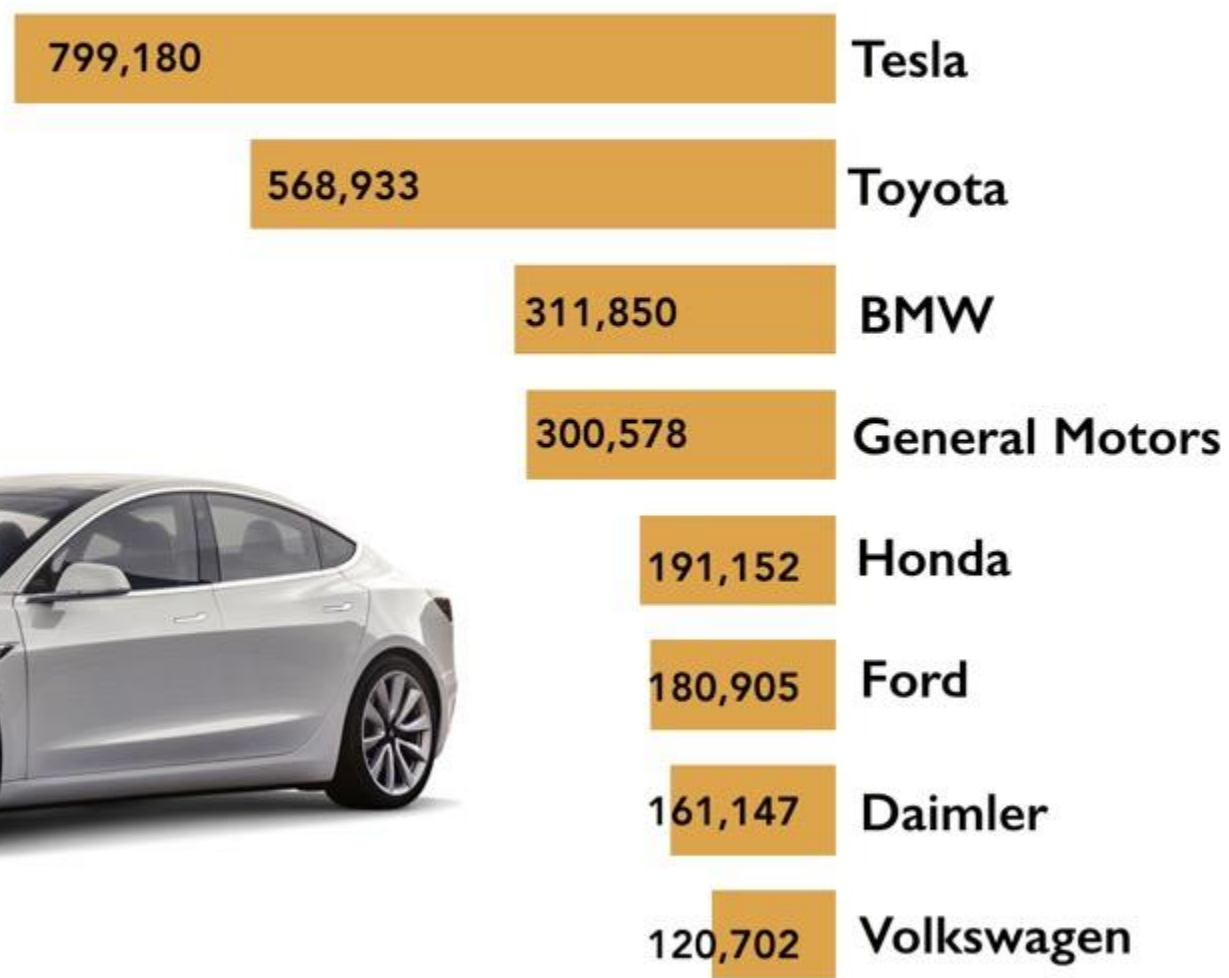
Steve Balmer
Former CEO Microsoft



Market Value (\$M) per Dollar of Physical Assets (2019)



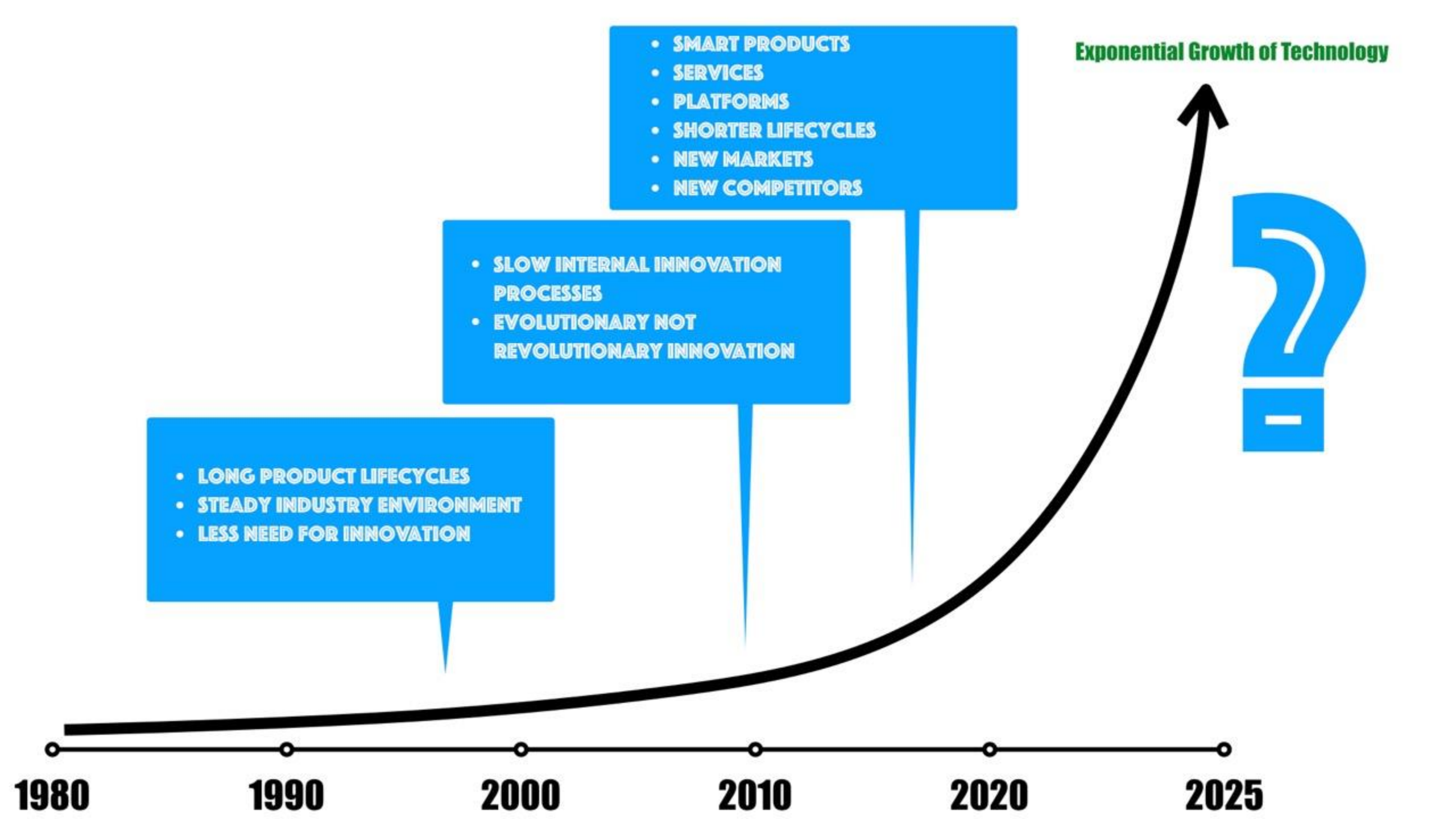
Market Value (\$) per Employee (2019)



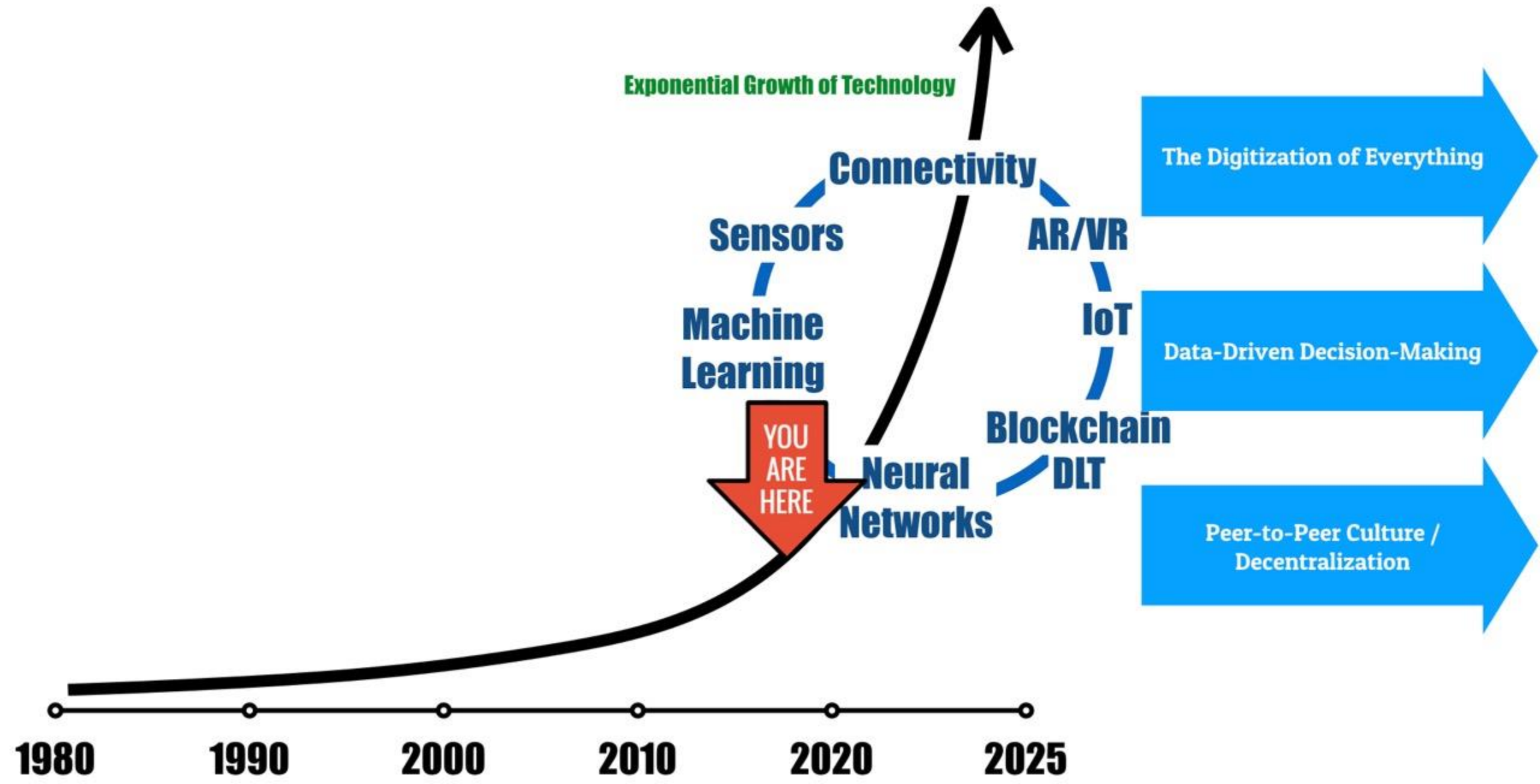


90 years	<i>Age</i>	9 years
1.1 million in 110 countries	<i>Rooms/Listings</i>	2 million in more than 191 countries
127,500	<i>Employees</i>	4,227
\$17.8bn	<i>Valuation</i>	\$30bn
\$0.1m	<i>Value per Employee</i>	\$7m

SEPTEMBER 2016



WHAT WILL DEFINE OUR FUTURE?



Signify



Resource challenges



More energy-efficient lighting

Digitization



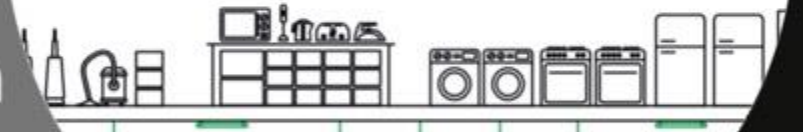
More connected lighting

NEW Products/Services/Platforms - NEW Competitors - NEW Markets - NEW Demands - NEW Opportunities - NEW Challenges - NEW Risks - NEW Regulations



Make

Future proof products



Return

Products
for repurpose



Use

Light without
owning it



IS SILICON VALLEY BAD FOR YOUR HEALTH? P. 154

By Jeffrey M. O'Brien

FORTUNE

Issue: November 1, 2019

fortune.com

Every aspect of your business is about to change.

By Geoff Colvin
p. 102

THE
21ST
CENTURY
CORPORATION
AND WHAT
YOU NEED TO
KNOW NOW

Uber's Tax Scheme p. 114
Best Buy's Recovery p. 142



SEPTEMBER 2019 • FORTUNE.COM

2019 CHANGE THE WORLD ISSUE

FORTUNE



GINNI ROMETTY
CEO, IBM

JAMIE DIMON
CEO, JPMORGAN
CHASE

ALEX GORSKY
CEO, JOHNSON
& JOHNSON

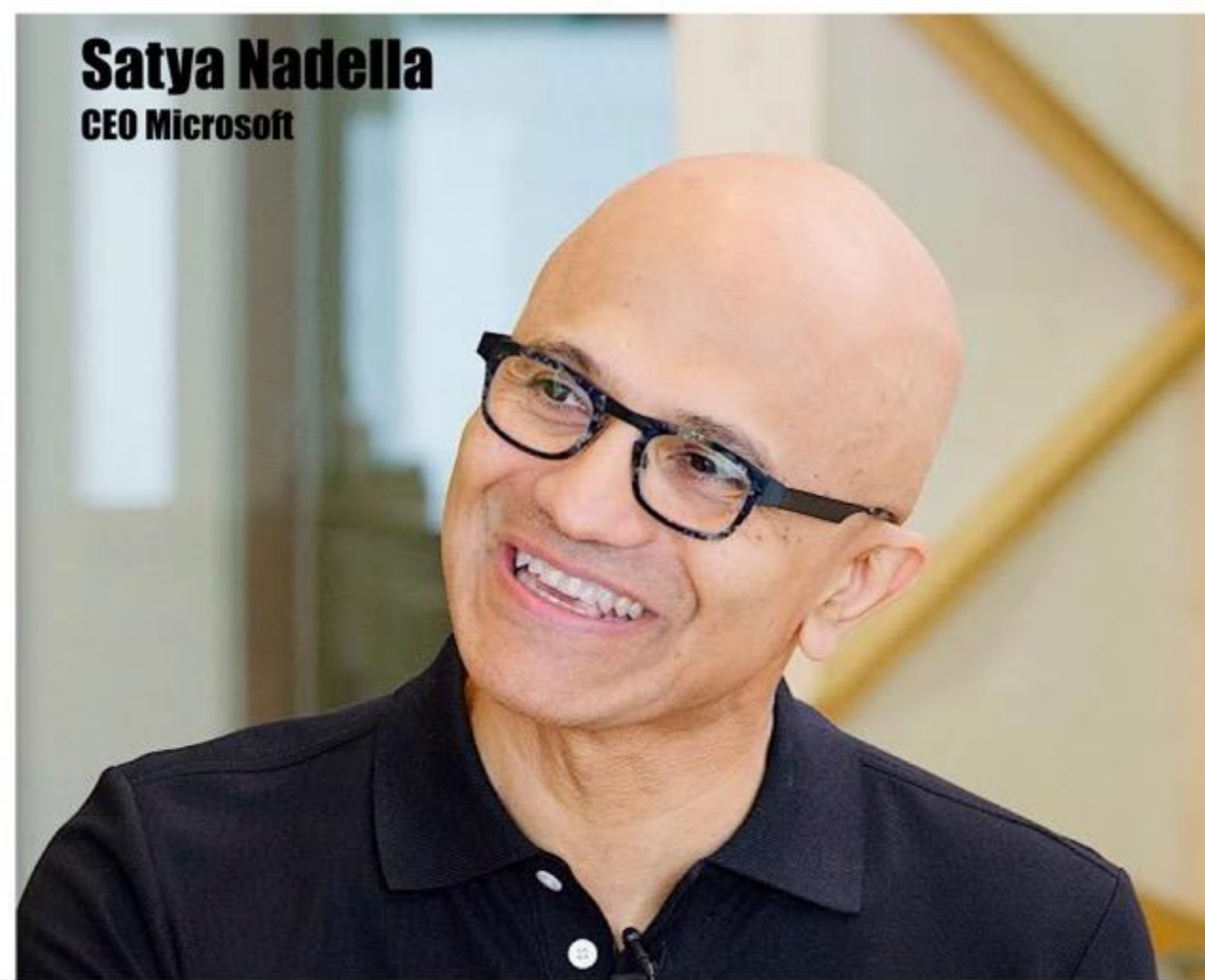
Profits and Purpose: Can Big Business Have It Both Ways?

Three members of the Business Roundtable, above, photographed together for Fortune in New York on July 16.

Marques Brownlee
Blogger



Satya Nadella
CEO Microsoft



WE LIVE IN A MULTICONSTITUENT WORLD. THE ROLE OF THE CEO AND THE COMPANY IS TO KEEP ALL OF THE STAKEHOLDERS "IN BALANCE." IT'S ABOUT THE CUSTOMERS, EMPLOYEES, PARTNERS, SHAREHOLDERS. IT'S ALL ABOUT ALL OF THEM ALL THE TIME SIMULTANEOUSLY!

The New Firm: Staying Relevant, Unique and Competitive

Mark Fenwick¹ · Erik P. M. Vermeulen^{2,3}

Published online: 11 May 2016
© T.M.C. Asser Press 2016

Abstract This paper argues that the key to success for any business enterprise is to build and maintain relevancy in the marketplace, whilst also remaining relevant to all the various stakeholders within the firm (e.g., employees and investors). Relevancy in the market means delivering products or services that matter for consumers. Relevancy to stakeholders means offering a meaningful experience that allows individuals to develop a unique identity and related capacities; communicate an image; and participate in a fulfilling collaborative project. These two objectives are interconnected in the sense that a firm that remains relevant to stakeholders gives itself the best opportunity to remain relevant in the market place. One recent trend amongst large public companies—often encouraged by activist investors—is to go down the ‘break up’ route in an attempt to remain relevant or recapture relevancy. There is something to this strategy of splitting up or selling off certain parts of the business. The idea is that these newly formed—and smaller—companies will be able to better focus on their respective core competencies. We, however, suggest that firm size does not matter. What is important is to realise that the most innovative firms currently seek to achieve relevancy via the implementation of

Mark Fenwick: Associate Professor.

Erik P. M. Vermeulen: Professor of Business and Financial Law, Senior Counsel Corporate/Vice President.

✉ Erik P. M. Vermeulen
e.p.m.vermeulen@tilburguniversity.edu

Mark Fenwick
mark@law.kyushu-u.ac.jp

¹ Kyushu University, Fukuoka, Japan

² Tilburg Law and Economics Center, Tilburg University, Tilburg, The Netherlands

³ Philips, Amsterdam, The Netherlands

Collaborating for Competitive Advantage:

How CEOs Create and Manage Successful Ecosystems

THE MOST INNOVATIVE COMPANIES 2019

THE RISE OF AI, PLATFORMS, AND ECOSYSTEMS



INSEAD
The Business School
for the World

BCG

2019 Most Innovative Companies

1	Alphabet/Google	11	Boeing	21	McDonald's	31	AXA	41	Dell
2	Amazon	12	BASF	22	Marriott	32	Unilever	42	Walmart
3	Apple	13	T-Mobile ²	23	Alibaba	33	Salesforce	43	eBay
4	Microsoft	14	Johnson & Johnson	24	Bayer	34	Pfizer	44	HP Inc.
5	Samsung ¹	15	DowDuPont	25	AT&T	35	Stryker	45	ING
6	Netflix	16	Siemens	26	Allianz	36	NTT Docomo	46	BP
7	IBM	17	Cisco Systems	27	BMW	37	Toyota	47	Daimler ⁴
8	Facebook	18	LG Electronics	28	SAP	38	Volkswagen ³	48	Huawei
9	Tesla	19	Vale	29	Philips	39	3M	49	Rio Tinto
10	Adidas	20	JPMorgan Chase	30	Royal Dutch Shell	40	General Motors	50	Hilton

PHILIPS





Our unique approach to customer engagement

Co-creating solutions together



Understanding the entire experience



Giving stakeholders a voice



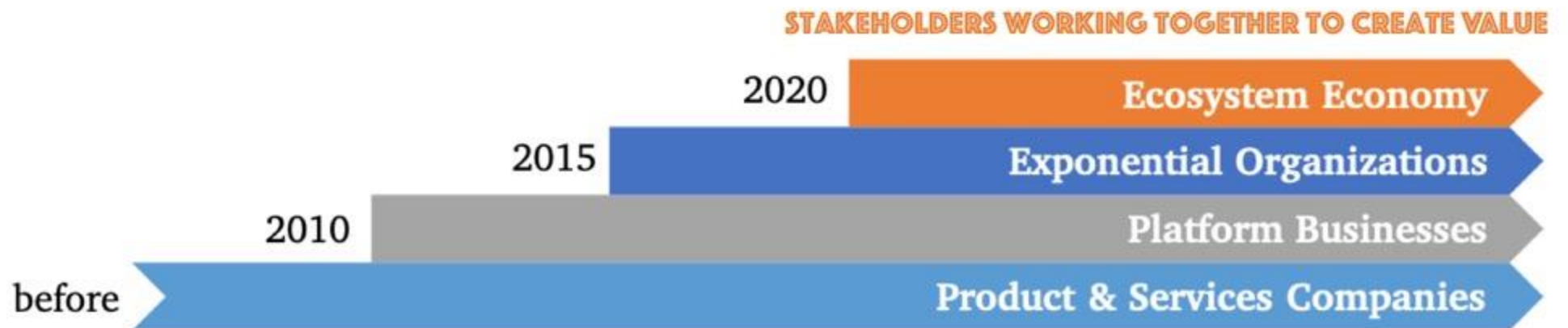
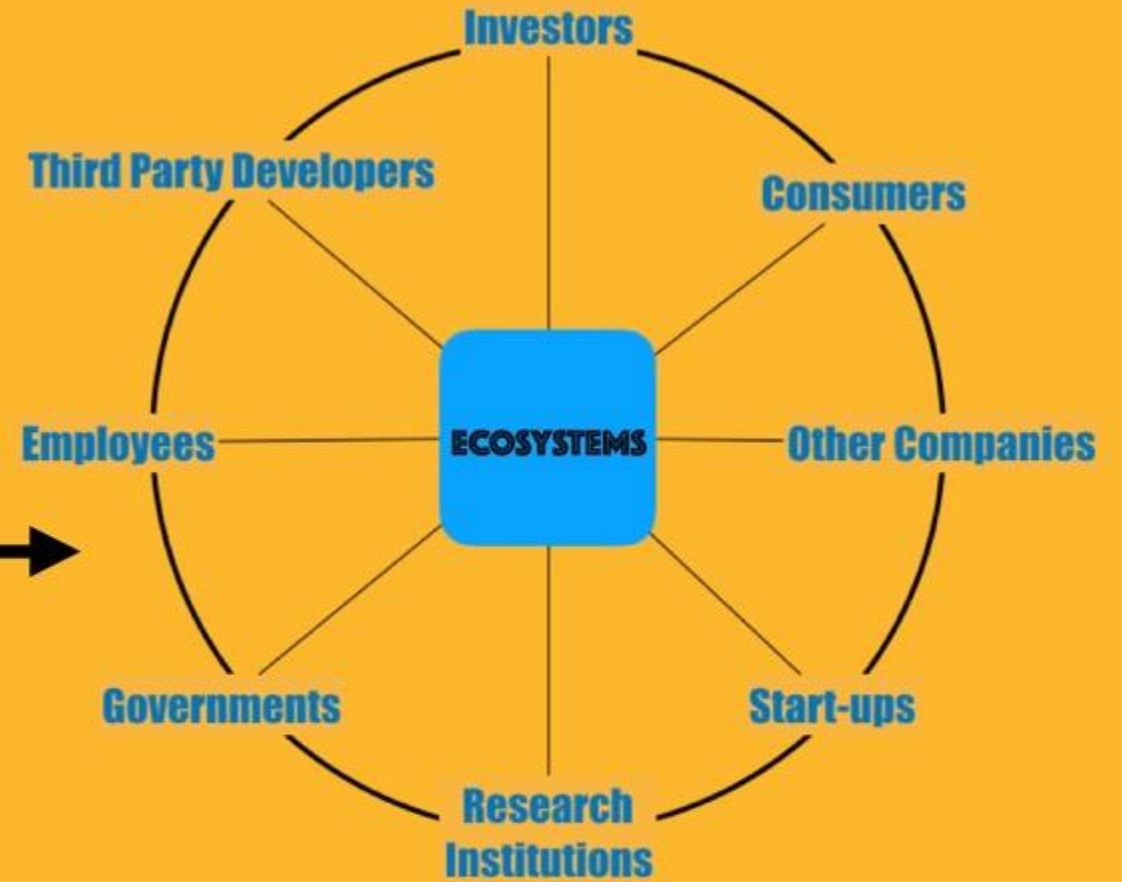
Leveraging the power of data



Co-creating the solutions



Implementing and transforming

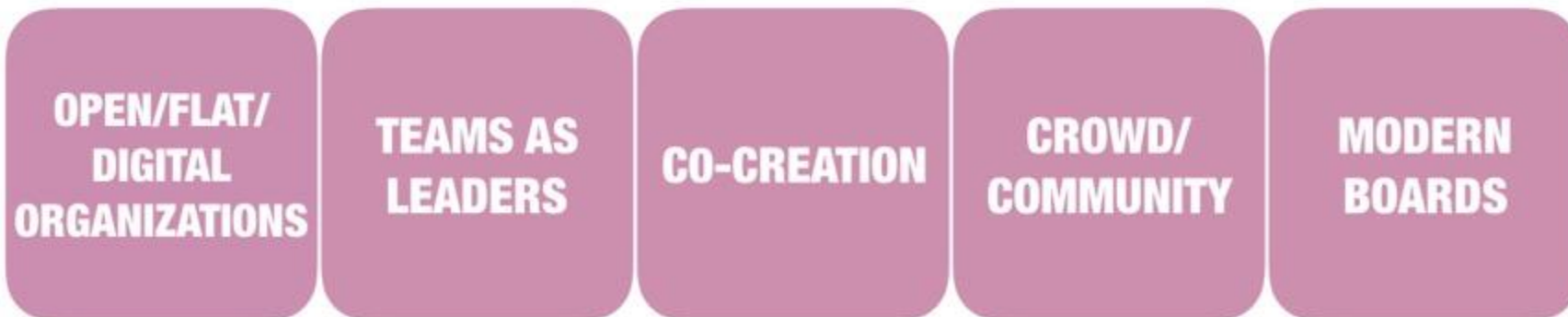
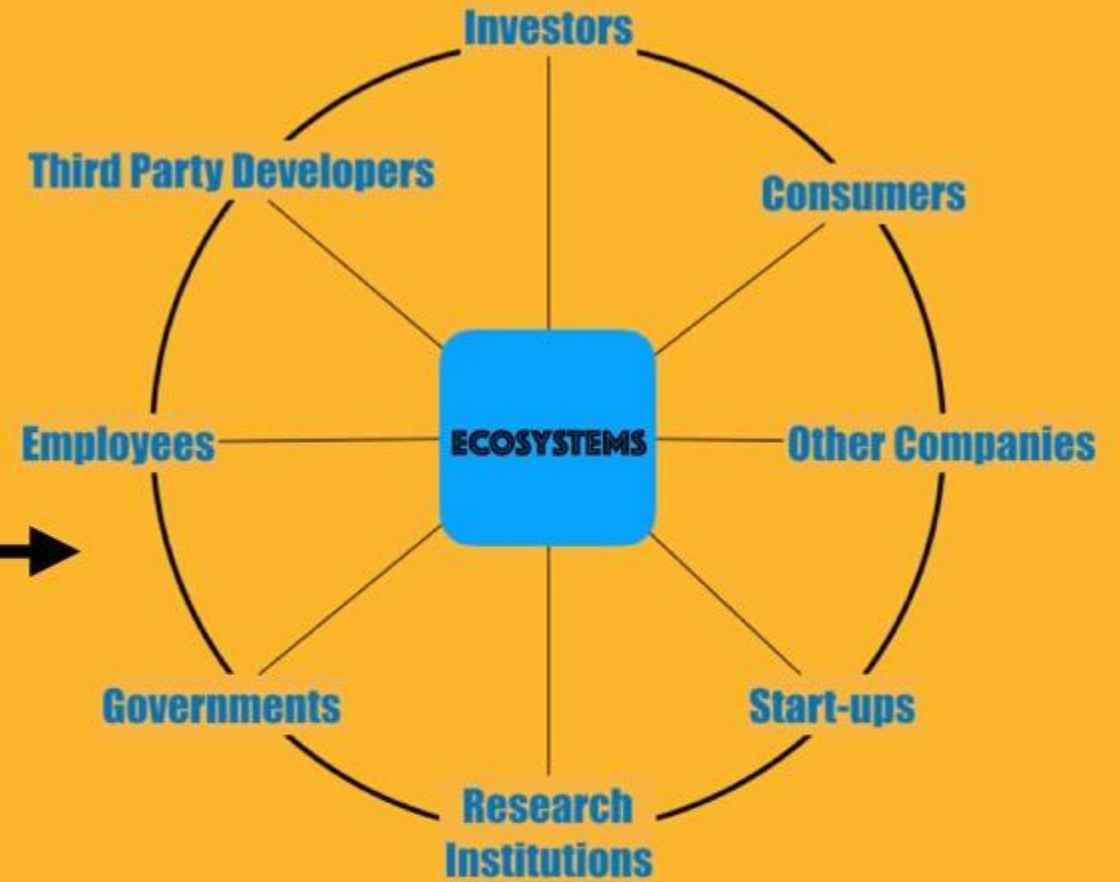


ECOSYSTEM DESIGN

“The third wave of the internet will enable ecosystems of enterprises, manufacturers, suppliers, customers, regulatory and administrations, to work together with sufficient levels of openness and trust, ensuring privacy and security. At Orange we call this the Internet of Enterprises.”

**Helmut Reisinger,
CEO at Orange Business Services**







Shawn, IoT-ad hero

Join the Bosch Co

Dr.-Ing. Michael Bolle

Dr. rer. nat. Volkmar Denner

B

C

V



Shawn, IoT-ad hero

Join the Bosch Co

Dr.-Ing. Michael Bolle

Dr. rer. nat. Volkmar Denner

A photograph of three men standing behind a blue podium. The man on the left is wearing a grey suit jacket over a white shirt. The man in the middle is wearing a maroon polo shirt and has a wide, enthusiastic smile. The man on the right is wearing a dark suit jacket over a white shirt. All three are giving a thumbs-up gesture.

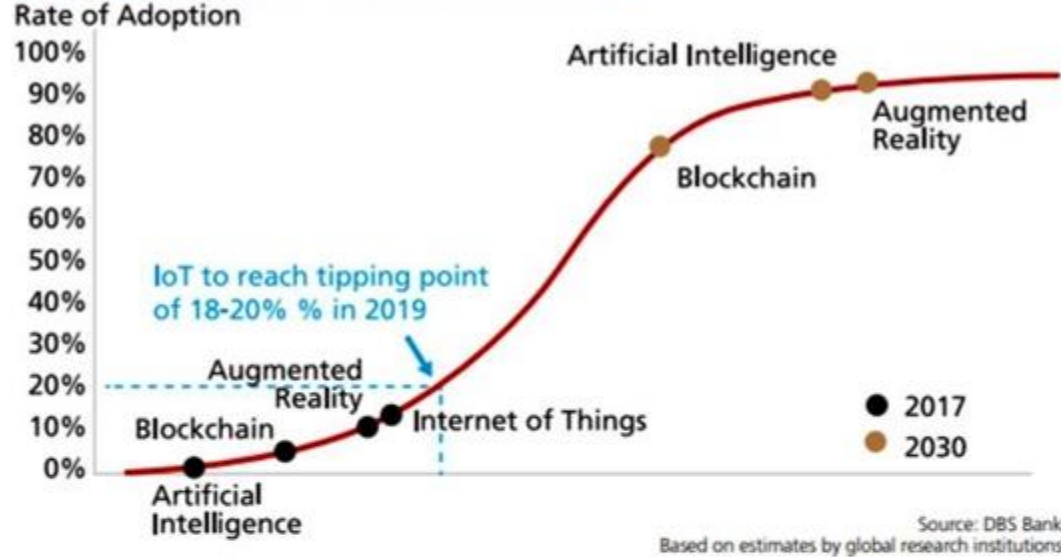
Why Bosch is jumping on the Ethereum blockchain

German engineering giant Bosch wants to connect millions of cars, machines, buildings and things—and get them to pay each other. Smart contracts may be the answer.

By [Adriana Hamacher](#) · [Technology](#)

5 min read · May 22, 2019

IoT adoption to approach 100% over the next 10 years



IoT adoption gaining momentum

	2016	2017	2018	2030
IoT units installed base - total (m)	6,382	8,381	11,197	125,000
Consumer devices (m)	3,963	5,244	7,036	75,000
Consumer devices as a % of total devices	62%	63%	63%	60%
Connected devices per person	5	5	5	5
World population (m)	7,400	7,600	7,700	8,500
IoT adoption rate	11%	14%	18%	91%

Source: DBS Bank based on estimates by Gartner, United Nations, World Bank



THE ARCHITECTURE OF THE "NEW WORLD:

**SMALL PIECES/NODES,
LOOSELY JOINED/CONNECTED**

THE DIGITIZATION OF EVERYTHING

OLD HIERARCHICAL MODEL



NEW FLATTER MODEL

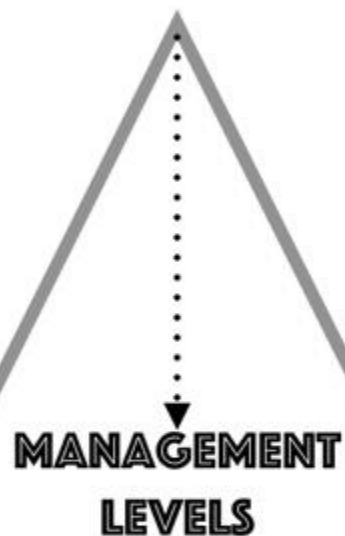


THE ARCHITECTURE OF THE "NEW WORLD"

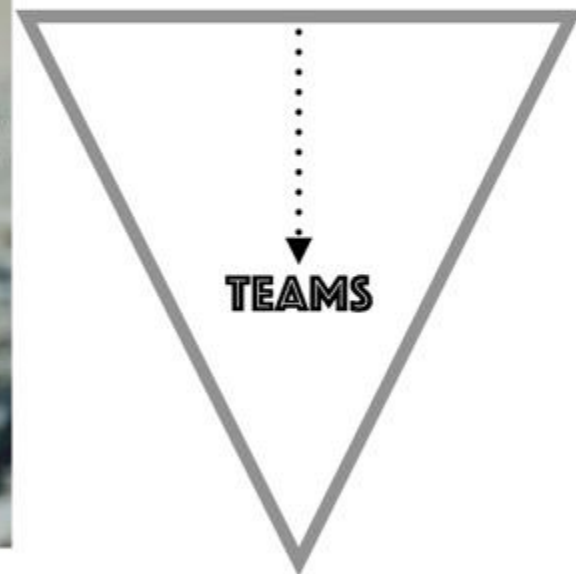
TRADITIONAL BORDERS INSIDE AND OUTSIDE COMPANIES ARE DISAPPEARING. STRICT DIVISIONS - OR "SILOS" - BETWEEN PRODUCTION, MARKETING, FINANCE, LEGAL, ETC. ARE BEING DISPLACED BY DYNAMIC TEAMS.

THE POWER SHIFT IN THE DIGITAL AGE

BOSS



CUSTOMER



The "Ren" in **Rendanheyi** Model refers to each employee; "Dan" refers to needs of each user; and "HeYi" refers to the connection between each employee and needs of each user. Through this model, each department of the enterprise will be transformed into micro-enterprises that are in the start-up stage forever. Mar 18, 2017




The Creation of a Beauty Empire
Through the Use of Social Media: Kylie
Cosmetics

How 20-Year-Old Kylie Jenner Built
A \$900 Million Fortune In Less Than
3 Years



Kylie Jenner

Anand Mahindra, the CEO of Mahindra & Mahindra, is shown in a professional setting. He is wearing a dark blue pinstriped suit jacket over a light blue dress shirt and a dark blue tie. He has a mustache and is looking slightly to the left of the camera. His right hand is resting on the hood of a blue car. The background is a blurred city street with palm trees and buildings.

I am not on Twitter because I am lonely. I have a very nice life and I am very happy. This is not Tinder for me. I am on Twitter because this is a business tool. Any CEO who is not on it is probably ignorant.

Anand Mahindra

Microsoft has a Chief Storyteller to help stakeholders understand who they are, what they do and why they exist. This helped Microsoft rediscover its “soul”.

Steve Clayton





Noor Neelofa Mohd Noor

BOARD OF DIRECTORS

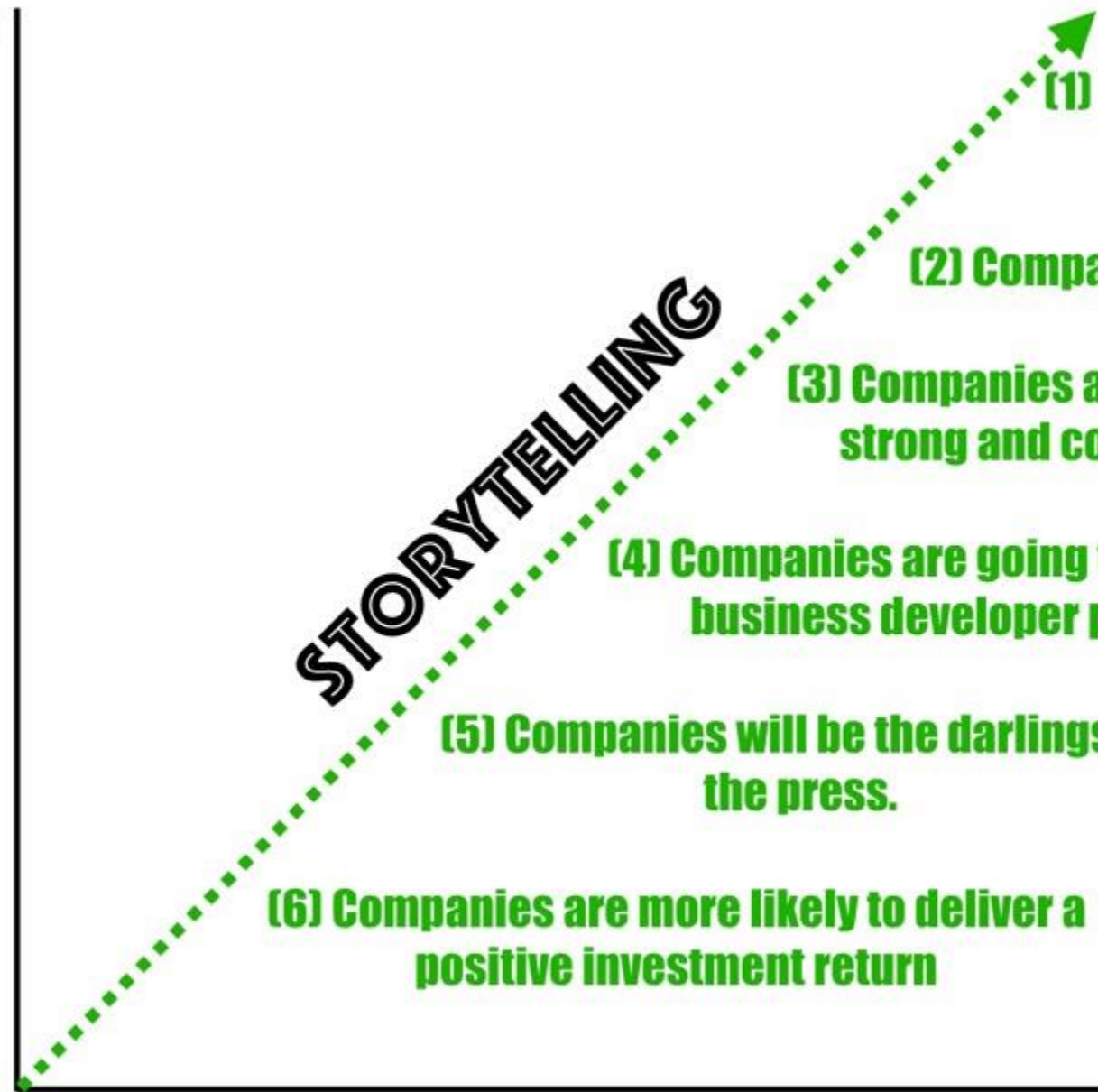
The Secret to Making Boards More Successful Is to Make Them More Approachable

Boards sometimes overlook a prime member of their audience: the person on the receiving end.

IMPACT

- Engagement
- Dialogue
- Materiality
- Trust
- Co-creation
- Community
- Ecosystem

STORYTELLING



(1) Companies are going to raise money more easily.

(2) Companies are going to recruit better.

(3) Companies are going to have a strong and cohesive culture.

(4) Companies are going to close amazing business developer partnerships

(5) Companies will be the darlings in the press.

(6) Companies are more likely to deliver a positive investment return

INSPIRATIONAL

- Creative
- Authentic
- Personal
- Testimonials
- Stakeholder-centric
- Different platforms
- Connecting dots in data-driven world
- Continuous reporting



GRADUALLY, THEN SUDDENLY IN ACTION



DISRUPTED IN A DIGITAL AGE



mapquest



NOKIA

JCPenney

BlackBerry

xerox



Tie Rack

macy's

COMPAQ

YAHOO!

Sears



HITACHI
TOWER
RECORDS · VIDEO · BOOKS



BORDERS



Polaroid



RadioShack



TOYS 'R' US



HUMMER



ATARI

Clinton
CARDS

Aol.

MOTOROLA
Abercrombie
& Fitch



CURRENT STATES



Fintechs are taking banks' business.

Banks innovate in a patchwork rather than a big sweep.



Banks have data but don't use it efficiently.

FINTECH & BANKING FUTURE

OPPORTUNITIES



Banks should move toward open banking models.

It's important to respond to customer needs.

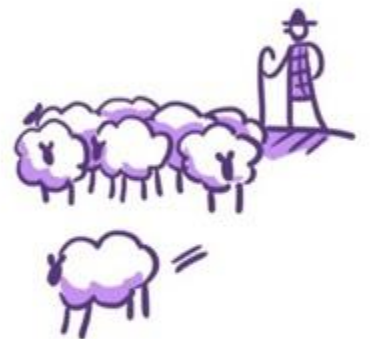


Banks must continuously adapt to new technology.



Banks need to not only attract new customers but retain existing customers.

Regulatory oversight can be both helpful and limiting.



How can banks protect consumers' data privacy?

Created by Tremendousness | www.tremendo.us
Joint production by Unconventional Ventures and Rhetoriq

“3万元 信用额度
3-12月 分期还款”

无抵押借款，用钱不求人



扫码查看额度



产品特点

Product Features



额度高

3万元信用额度



下款快

1分钟审批，3分钟到账



分期还

3/6/9/12期灵活选择



利息低

日息低至0.065%



A black Eames-style chair is positioned in the lower-left corner of the frame. On the backrest of the chair, a white rectangular sign is placed, featuring the text "THINK OUTSIDE THE BOX" in a blue, sans-serif, all-caps font. The sign is divided into three horizontal sections: "THINK" on the top, "OUTSIDE" in the middle, and "THE BOX" on the bottom. The background is a soft, out-of-focus grey with some dark, abstract shapes that suggest a modern interior setting.

THINK
OUTSIDE
THE BOX

“The good news is that accelerating change, creative destruction, and new business models are all opportunities for the venturesome. A unifying theme as the economy transforms is that in almost every business, barriers to entry are coming down. Opportunity is more widely available than ever. Every person and every organization can possess the 21st century’s most valuable assets: openness to new ideas, ingenuity, and imagination.”



COLLABORATING WITH NON-OBVIOUS PARTNERS



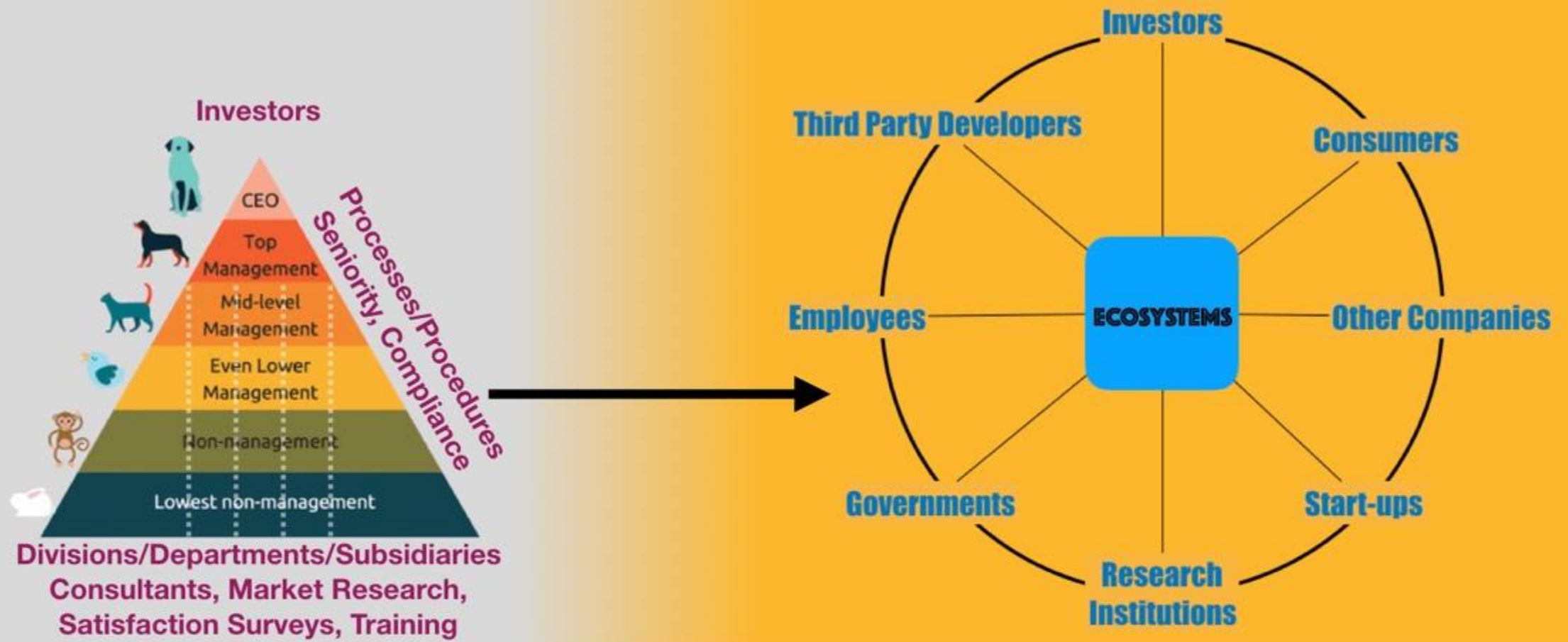
**DON'T THINK WITH THE "OLD"
TO UNDERSTAND THE "NEW"**

DIGITAL UPSKILLING

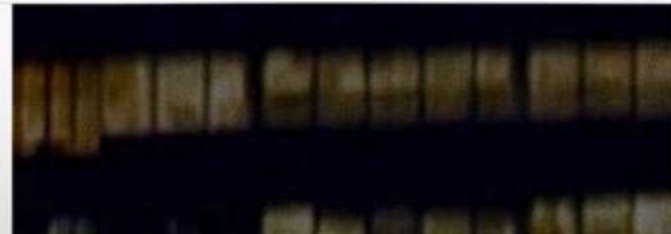
DIGITALLY SAVVY - UNDERSTANDING HOW DIGITAL TECHNOLOGIES, SUCH AS SOCIAL, MOBILE, ANALYTICS, CLOUD, THE INTERNET OF THINGS, WILL IMPACT HOW COMPANIES WILL SUCCEED IN THE NEXT DECADE

"NEW" CORPORATE GOVERNANCE





“DISRUPTION HAPPENS WHEN YOU LEAST EXPECT IT BECAUSE THE THING THAT DISRUPTS YOU LOOKS LIKE A TOY WHEN IT ARRIVES, AND YOU DON’T TAKE IT SERIOUSLY AND THEN IT’S TOO LATE FOR YOU TO RESPOND.”





Handmade in the USA

pied piper

NEVER FORGET

RH HANNE

RH NEMAN PROMOTIONS

HAN

JOIN THE CONVERSATION!



E.P.M.VERMEULEN@TILBURGUNIVERSITY.EDU

Medium **MEDIUM.COM/@ERIKPMVERMEULEN**



@ERIKPMVERMEULEN



ERIKPMVERMEULEN

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THANK YOU