Keynote: Become a Leader and Not a Casualty in the Digital Age

Mike J. Walker
Opening Video

(Script on Next Slide)
Next Decade Introduces New Business Landscape
Corporate Vitality Is Plummeting

Average Lifetime of S&P 500 Companies

Average decreased from ~60 years to ~15 years

From Creative Destruction by Foster and Kaplan

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Digital Age Success Is Skyrocketing

20-Year Net Returns

U.S. Venture Capital (Early Stage Index)

51.9

SAP 500 Index

7.9

Source: Cambridge Associates 2Q16 VC Benchmark
## Techtronic Shifts

<table>
<thead>
<tr>
<th>Stores</th>
<th>Specialized &amp; Integrated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Music</td>
<td>Streamed Everywhere</td>
</tr>
<tr>
<td>TV</td>
<td>Smart &amp; Interactive</td>
</tr>
<tr>
<td>Hotels</td>
<td>Robotic Helpers &amp; Cooks</td>
</tr>
<tr>
<td>Transportation</td>
<td>Self-Driving</td>
</tr>
<tr>
<td>Movies</td>
<td>Virtual Reality</td>
</tr>
</tbody>
</table>
## Top 10 Companies With Having the Greatest Market Capitalization

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Capitalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple Inc.</td>
<td>▲868,880</td>
</tr>
<tr>
<td>Alphabet Inc.</td>
<td>▲727,040</td>
</tr>
<tr>
<td>Microsoft</td>
<td>▲659,910</td>
</tr>
<tr>
<td>Amazon.com</td>
<td>▲563,540</td>
</tr>
<tr>
<td>Facebook</td>
<td>▲512,760</td>
</tr>
<tr>
<td>Tencent</td>
<td>▲493,340</td>
</tr>
<tr>
<td>Berkshire Hathaway</td>
<td>▲489,490</td>
</tr>
<tr>
<td>Alibaba Group</td>
<td>▲440,712</td>
</tr>
<tr>
<td>Johnson &amp; Johnson</td>
<td>▲375,360</td>
</tr>
<tr>
<td>JPMorgan Chase</td>
<td>▲371,050</td>
</tr>
</tbody>
</table>
### Top 10 Companies With Having the Greatest Market Capitalization: 2007

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Headquarters</th>
<th>Primary industry</th>
<th>Market value (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>▲1</td>
<td>Petrochina</td>
<td>China</td>
<td>Oil and gas</td>
<td>▲723,952</td>
</tr>
<tr>
<td>▼2</td>
<td>Exxon Mobil</td>
<td>United States</td>
<td>Oil and gas</td>
<td>▼511,887</td>
</tr>
<tr>
<td>▼3</td>
<td>General Electric</td>
<td>United States</td>
<td>Conglomerate</td>
<td>▼374,637</td>
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<tr>
<td>▼4</td>
<td>China Mobile</td>
<td>Hong Kong</td>
<td>Telecommunications</td>
<td>▼354,120</td>
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<tr>
<td>▼5</td>
<td>Industrial and Commercial Bank of China</td>
<td>China</td>
<td>Banking</td>
<td>▼338,989</td>
</tr>
<tr>
<td>▼6</td>
<td>Microsoft</td>
<td>United States</td>
<td>Software industry</td>
<td>▼333,054</td>
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<tr>
<td>▼7</td>
<td>Gazprom</td>
<td>Russia</td>
<td>Oil and gas</td>
<td>▼329,591</td>
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<tr>
<td>▼8</td>
<td>Royal Dutch Shell</td>
<td>The Netherlands</td>
<td>Oil and gas</td>
<td>▼269,544</td>
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<tr>
<td>▼9</td>
<td>AT&amp;T</td>
<td>United States</td>
<td>Telecommunications</td>
<td>▼252,051</td>
</tr>
<tr>
<td>▲10</td>
<td>Sinopec</td>
<td>China</td>
<td>Oil and gas</td>
<td>▲249,645</td>
</tr>
</tbody>
</table>
Will You?

Roll the Dice
With the Status Quo

Take the Leap
With the Status Quo
"We always **overestimate** the change that will occur in the next two years and **underestimate** the change that will occur in the next ten."

— Bill Gates
3 Top Emerging Technology
MEGA TRENDS
Artificial Intelligence Everywhere
By 2020

Emerging Technologies

80% will have AI foundations

Organizations

50% will lack sufficient AI and data literacy skills to achieve business value
Technologies of AI Everywhere

- Deep Learning
- Deep Reinforcement Learning
- Cognitive Computing
- Smart Dust
- Smart Workspace
- Conversational User Interfaces
- Smart Robots
- Commercial UAVs (Drones)
- Artificial General Intelligence
- Virtual Assistants
- Machine Learning
- Enterprise Taxonomy & Ontology Management
- Conversational UI
- Autonomous Vehicles
2

Transparently Immersive Experiences
By 2020

The market for head-mounted display devices will exceed 35M devices and generate $75B in revenue.
The Context Switch

Humans Learn and Adapt to Technology

Technology Learns and Adapts to Humans
Nanodrops Correcting Human Vision
Getting Physical With Exoskeletons

Physical Therapy
Augmented and Mixed Reality Making Its Debut
Technologies of Transparently Immersive Experiences

- 4D Printing
- Augmented Reality
- Connected Home
- Brain-Computer Interface
- Human Augmentation
- Nanotube Electronics
- Virtual Reality
- Volumetric Displays
3 Digital Platforms
It All Starts With the Digital Business Platform

Customers

Ecosystems

Intelligence

Things

IT Systems
By 2022

The Internet of Things (IoT) will save consumers and businesses $1 Trillion/Year in maintenance, services and consumables.
Mixed Reality Making Its Debut
Technologies of Digital Platforms

- 5G
- Digital Twin
- Edge Computing
- Blockchain
- IoT Platform
- Neuromorphic Hardware
- Quantum Computing
- Serverless PaaS
- Software-Defined Security
1 Artificial Intelligence Everywhere
By 2030

80% of today’s intensive PPM work will be eliminated by Human and AI/smart machine partnerships in 2030
PPM Action Item:

Be **bold enough** to test the advantages of re-thinking PPM.

| Data Lakes | Robotic Process Automation | Conversational AI | Machine-Based Learning |
2

Transparently Immersive Experiences
By 2021

30% of large enterprises will evaluate and adopt virtual reality immersive solutions as part of their digital transformation strategy.
PPM Action Item:

Provide immersive experiences at **every opportunity** to drive quality, engagement, and more-predictable and higher levels of customer satisfaction.

| Training & Education | Collaboration | Stakeholder Engagement & Experience |
3 Digital Platforms
PPM & Digital Platform Value:

The **metrics** used to determine the success of digital platform-based programs will focus on the platform’s ability to **enable value exchanges** between the providers and the consumers.
PPM Action Item:

**Build** a metrics framework using leading indicators of future platform value and effectiveness.

- Liquidity
- Matching
- Trust
Gartner Recommended Research

- **Hype Cycle for Emerging Technologies, 2017**
  Mike J. Walker (G00314560)

- **How Leading Enterprise Architects Prepare Business Leaders for Business Transformation Through Ideation Workshops**
  Derek Miers and Mike J. Walker (G00345229)

- **Toolkit: An Enterprise Architect's Guide to Ideation**
  Mike J. Walker (G00326184)

- **Maximize Digital Business Value Creation Through AI Algorithms**
  Mike J. Walker (G00344426)
Gartner Recommended Research

- **Top 10 Strategic Technology Trends for 2018: AI Foundation**
  Mike J. Walker, Whit Andrews and David W. Cearley (G00345512)

- **Top 10 Strategic Technology Trends for 2018: Intelligent Things**
  Mike J. Walker, Whit Andrews and David W. Cearley (G00345514)

- **Top 10 Strategic Technology Trends for 2018: Intelligent Apps and Analytics**
  Mike J. Walker, Whit Andrews and David W. Cearley (G00345513)