2015 AMCF Top Global Game-Changers™ Report

- Digitization: Process and Capability Transformation
- The Role of Emerging Markets in the Global Economy
- Political Upheaval
- The Information Security Challenge
- Demographic Shifts: The Changing Consumer Population
- Global Energy and Natural Resource Challenges
2015 AMCF TOP GLOBAL GAME-CHANGERS™ REPORT

Each year, many consulting firms create lists of top trends based on insights from their work with clients, proprietary research, and the thinking of leading industry experts within their firms. These lists highlight the ideas of thought leaders and leading firms, as well as the concerns facing companies in a wide variety of industries.

As the premier international association for management consulting firms, the Association of Management Consulting Firms (AMCF) has a unique vantage point. AMCF has visibility into the multitude of business drivers and key factors that consulting firms are encountering, along with the perspectives of client organizations that are engaging consulting firms.

In 2014, AMCF began surveying its consulting-firm members about the top global trends for the year ahead. In 2015, AMCF once again surveyed members, receiving a significant increase in the number of responses. In addition, AMCF surveyed clients of consultants to gauge major factors driving demand for consulting services.

Based on its 2015 survey, AMCF has released the AMCF Top Global Game-Changers™. These trends are top of mind for organizations and seen as significant drivers for consulting services.

A RECAP OF THE 2014 AMCF TOP GLOBAL GAME-CHANGERS

In 2014, consulting firms and clients identified eight forces anticipated to drive demand for consulting services:

▪ **Beyond Big Data: Volume, Variety, Velocity, and Veracity.** While the “four Vs” of big data are all-important to the implementation of a big data strategy, a “fifth V” – value – can be derived by rapidly making sense of data in ways that influence business decisions. Velocity plays a key role in achieving this goal.

▪ **Big Brother Gets Bigger: Regulation, Risks, and Ramifications.** Protecting identity, information, and societies was expected to be a challenging priority in 2014. In addition, increased regulatory scrutiny was viewed with ambivalence, as businesses considered how to manage and integrate ever increasing regulatory oversight.

▪ **Redistributing Global Power.** Geopolitical turmoil in regions like Ukraine and Russia were altering global power dynamics in 2014. The impact of these changes weighed heavily on business leaders, as they affected economies and business practices.

Based on where AMCF sits, we see and are able to aggregate thought leadership, predictions, and information about game-changing trends from consulting firms and their customers.

– Sally Caputo, President and COO, AMCF
• SoMo: the Intersection of Social Media and Mobile Technology. Mobile technology has led to greater flexibility in working, while the growth of cloud computing has positively impacted the use of mobile devices. Consulting firms were poised to offer deployment strategies for mobile programs in client firms, as well as a variety of mobile and cloud-based technology solutions.

• Another BRIC in the Wall: The Future of Emerging Markets. Last year, in addition to the standard BRIC countries, the “MINT” markets (Mexico, Indonesia, Nigeria, and Turkey) were also top of mind when discussing emerging markets.

• Mobile Millennial Mindset: The Workforce of the Future. As growing numbers of Millennials have entered the workforce, the values of workers have started to change. Millennials value meaningful work and want a flexible workplace that provides more than just a stable paycheck. Last year, companies were beginning to realize they had to embrace the Mobile Millennial Mindset of the future.

• Complexity Reduction: Back to Basics. In 2014, many organizations were focused on simplifying business processes, IT systems, service and product portfolios, and more. This was expected to lead to organizational restructuring, transformation, or divestiture.

• From Social to Socially Savvy: Quality Over Quantity. Many businesses shifted from having a social media presence to having a social media purpose. Interest increased in developing social media strategies that result in authentic, focused, and consistent social media activity that sustains user interaction.

2015: TOP OF MIND GAME-CHANGERS FOR CONSULTING FIRMS AND CLIENTS

The response to the 2015 AMCF Top Global Game-Changers survey was significant. More than 300 consultants from more than 75 firms responded. In addition, more than 30 different companies with buyers of consulting services weighed in. What emerged were six game-changing forces that are expected to drive near-term client demand for consulting services.

As in 2014, geopolitical challenges continue to be top of mind, as are the emerging markets. New areas of attention include global energy and natural resource challenges, information security, the changing consumer population, and digitization to transform capabilities and processes.

• Digitization: Process and Capability Transformation. Digital technologies, such as mobile and the cloud, allow new businesses to leapfrog established, long-term market leaders. Organizations will leverage technologies to create new sources of value and greater profitability through new and better customer experiences, operational processes, and business models. Digitization is becoming a competitive imperative in every industry. Those who don’t transform will be left behind.
• The Role of Emerging Markets in the Global Economy. Consulting firms see that clients are continuing to seek rapid growth from beyond U.S. borders, especially from Asia. Product sourcing and manufacturing continue to be located overseas. Declining oil prices are expected to help emerging economies further accelerate their GDP growth. An open question is which emerging markets will grow in 2015 and which will stagnate.

• Political Upheaval. Political instability in many geographies, including emerging markets, is creating volatility and the U.S. government’s ability to drive desirable international outcomes is limited. This has made the business environment for multi-national corporations uncertain at best, and downright tumultuous in some instances. Survey respondents identified several areas where political upheaval is a significant near-term concern, including China, Russia, Eastern Europe, India, Ukraine, Iraq, Syria, and sub-Saharan Africa.

• The Information Security Challenge. Cybersecurity teams are in crisis mode as adversaries have evolved from hackers to nation-states. Current information security techniques aren’t working as IP continues to be stolen. Businesses must fundamentally re-architect the way they approach information security, which will mean projects of enormous magnitude for consulting firms. Resilience must be built into systems and technological solutions must be tied to corporate strategy, policy, and governance.

• Demographic Shifts: the Changing Consumer Population. The consumer market in the United States is expected to see growth in two segments: those over age 65 and those under age 35. In certain markets, demographics are changing rapidly, and women and ethnic minorities are becoming the majority. Worldwide, the age of the population in most areas is expected to rise, while Africa will be the exception as the age of populations there is expected to decrease. Changing demographics are affecting everything, including the types of products that will be demanded. Technology, especially mobile, is another key factor affecting consumer behavior. People gather information and make purchases in ways unseen in years past.

• Global Energy and Natural Resource Challenges. In the energy sector, new discoveries and technologies are driving significant capital investment and are transforming market dynamics. In many regions, these new discoveries have meant that existing development and export regulations are inadequate. Approaches to resource management, transparency, and environmental protection vary widely from country to country. Meeting resource supply and productivity challenges will not be easy. The amount of capital needed is expected to increase dramatically each year. These factors and more are creating growing demand for consulting services in this area.
AMCF LOOKS AHEAD
AMCF is dedicated to inspiring leaders from academia, consulting, and client organizations with content and events that highlight new ideas and raise issues that influence how business is done. Today AMCF will deliver on this promise by bringing together top thinkers and solution-makers to explore the 2015 Top Global Game-Changers in greater depth. Following the Global Leadership Forum, AMCF will provide critical information on these important issues through a series of campaigns including:

• Perspectives from industry experts on each game-changer.
• Information on the challenges that client organizations are facing, which are driving demand for consulting services now and in the future.
• For each game-changer, examples of the thought leadership that AMCF members are producing and types of engagements on which members’ organizations are working.
• Additional plans to explore these game-changers in great depth throughout the year, which may include workshops, webinars, and an AMCF repository of focused thought leadership pieces.