

News & Events

Out-of-the-box thinking for SMEs: Lessons on how to thrive in an inclusive economy

SMEs are well placed to succeed in tomorrow's business landscape, says Anne Lise Kjaer, CEO and founder of [Kjaer Global](#) and a leading global futurologist. With agility on their side in a period of ongoing global uncertainty, she believes SMEs need to leverage their supplier and stakeholder networks, champion their locality and adopt a transparent and responsive approach that respects consumers' new needs.

'One of the biggest challenges facing SMEs today is the lack of time; time to think and plan where to go next,' says Ms Kjaer. 'The solution to this challenge is clear: focus. But to do that we need a whole new mindset and a simple system that talks back to us in an informed way – and that's where trend management comes into play.' Ms Kjaer, a key-note speaker at the [EUROSME 2013 conference](#) in Dublin on 11-12 June, will deliver a speech with the working title 'Tomorrow's Global Citizen and the Inclusive Economy'.

Kjaer argues that, as physical and virtual borders dissolve, seamless transitions and self-defined boundaries in all areas of life will become the norm: 'The physical retail store is no longer the core customer universe, so businesses must evolve to be where people are. A new generation, raised on the freedoms of technology, expects convenience, exchange and interaction plus lower-cost products and services. Without a doubt, we will witness the continued growth of social commerce and other technology-enabled industries.'

Paving the way for holistic economic models, more inclusive economy

Ms Kjaer has developed what she calls the 4P (People, Planet, Purpose and then Profit) concept, a checklist of sequential priorities that managers should pursue in order to achieve future success: 'Following the 4Ps is a strongly social and ethical approach, but it also works for the bottom line because once we have a positive impact on people and planet with an ethos to match, we guarantee a place for our organisation in the future. Instead of feeding off its surroundings, our organisation enriches them, and this leads on to profit.' Ms Kjaer also refutes the notion that her approach is not practical during difficult economic times: '4P thinking is more essential than ever right now because it offers a sustainable and human-centred

focus that will rebalance the relationship between society and business.’

Her company, Kjaer Global, is in the business of preparing companies for the future by identifying key societal trends on the basis of quantitative and qualitative data, as well as value-based research. It works with leading brands, as well as SMEs. A core tool is the Kjaer Global Trend Atlas, a trends filter used to determine the emergent scientific, social, emotional and spiritual drivers that impact everyday life and redefine our culture and the way we choose to live.

Using this core tool, Ms Kjaer outlines key trends she believes will determine SMEs’ foreseeable future. She says the first of these is the evolution of the ‘Global Brain’ – cumulative intelligence gathered by individuals, organisations, governments and things – all connected to the Internet of things: by 2020, over 50 billion devices could be connected, bringing immense opportunities in education, media, health, commerce and leisure. The second is ‘Access over Ownership’: ‘lightweight’ is the buzz-word that describes how people will want to live and do business in the future, and this offers scope to radically redesign products and services across all sectors. The third major trend is ‘Deep Storytelling’: in a mass market, there is a premium on local goods and services, so being an SME is an advantage, provided there is a clear focus on authenticity and companies tell a compelling story about what makes them stand out from the crowd.

Ms Kjaer says that SMEs need to adjust their strategies for products and services offerings to meet future consumer demands, but there’s something more required for success: ‘Caring is now integral to any business plan, and that means inviting shared ownership with customers and ensuring all initiatives deliver – and are seen to deliver – mutual benefits.’ Ms Kjaer adds that this move towards a more inclusive economy – what she terms ‘Weconomics’ – has potential advantages for SMEs when it comes to sourcing funding: ‘Growing distrust of big business and current global economic instability are set to foster the development of radically different and disruptive business models, notably crowdfunding platforms. It now is quite common that people want to own a share in the start-ups they buy from, transforming them from mere consumers into respected partners with a stake in the success and strategy of the business they are part of.’

Think global, act local

In this broad context, policy-makers and business organisations have a vital role to play. Ms Kjaer emphasises that all the key trends are closely interlinked and shared

ownership concepts are part of a 'bigger picture' response to globalisation in business: 'One way for all organisations to play a part in this movement is to embrace "glocalisation" – literally, thinking global acting local. They strengthen their own operation by leveraging their networks, supporting local trade and production, and celebrating regional heritage and values.'

A new business landscape also requires a fresh communications approach, says Ms Kjaer: 'Recognise that we already live in a flatter and more democratised world, in which communications must deliver immediacy and transparency. Put simply, organisations must move from top-down messages to a dynamic two-way narrative about their brand values and core purpose.'

Ms Kjaer concludes that SMEs have real opportunities to prosper, even though consumers will continue to question business practices across all sectors, adding: 'People are looking for fresh approaches, so SMEs that cut the noise and focus on developing an honest and meaningful interaction with their customers and stakeholders can overcome the challenges and thrive.'

[Register](#) now for the SME conference under the Irish EU presidency in Dublin on 11-12 June.