



Technology Trends Shaping Business In 2025

Trust, data and agility will power leading organizations, and greater collaboration, plus more investment in cloud computing and AI, will reap rewards

Crowe Global's Art of Smart enables better corporate decision-making to deliver lasting value, and to make smarter choices business leaders must be aware of new and upcoming technology trends.

Given the tumultuous change of 2020, what should leaders consider to better navigate the coming years? Our research indicates that trust, data and agility are essential for

organizations to succeed in the next half-decade. Also, greater collaboration, plus more investment in cloud computing and artificial intelligence, will reap the biggest rewards.

To take a deeper dive into the technology trends that will shape the next few years, Art of Smart collaborated with CCS Insight, a specialist technology market intelligence and advisory firm headquartered in London.

The Art of Smart enjoyed a fascinating 45-minute discussion with **Nick McQuire** and **Angela Ashenden** – respectively, Senior Vice President and Head of Enterprise Research, and Principal Analyst in the Workplace Transformation practice, at CCS Insight. You can watch the video interview <u>here</u>.

Many of the topics the two experts discuss are founded upon the Art of Smart's four pillars of success in decision-making: growth, diversity, boldness and innovation. Here are some themed highlights.

Three key factors shaping business trends

Nick McQuire (NM): The pace of change in the last year makes it a challenge to look too far ahead. What's clear, though, is technology-driven transformation is essential for an organization's future competitiveness. There will be an interesting inflexion point in 2021, when coronavirus vaccines are made widely available and, in theory, life can return to some kind of normality. There is still a lot up in the air in terms of what trends will prove sustainable in the next five years.

That said, there are likely to be some lasting factors. It boils down to three things that we're going to see become important to businesses around technology transformation. The first is **agility**. Organizations had to move at speed, make rapid decisions, and respond quickly, operationally, in 2020. That pace will continue, and the bedrock that enabled that speed, from a technology perspective, has been **cloud computing**.

Cloud adoption has been accelerated in the last year and that has predominantly been because it allows businesses to scale up and down dynamically, economically and also technically in terms of innovation projects. We predict that there will be wholesale adoption of the cloud in the next couple of years, where over 50 percent of businesses will have at least half of their applications running in the public cloud. As technology develops and businesses become more dependent upon it, the level of scrutiny will increase – therefore trust will be one of the biggest battlegrounds for technology.



Nick McQuire Senior Vice President and Head of Enterprise Research CCS Insight

Related to cloud is the importance of **data**. As a result of the COVID-19 crisis businesses needed to make quick, informed decisions, so data is playing a greater role. We expect technologies around artificial intelligence and data analytics to develop.

Possibly most important, though, is **trust** in the technology. As technology develops and businesses become more dependent upon it, the level of scrutiny will increase. Therefore, we predict that trust will be one of the biggest battlegrounds for technology. There are a lot of different challenges associated with trust – whether that's the regulatory climate, compliance, or greater cyber threats.

A critical point for the future of work and the office

Angela Ashenden (AA): The appetite for more flexible approaches to working has expanded dramatically. It's clear we are going to see remote working play a much bigger role in the coming years, and that will impact the role of the office. For many organizations, it is no longer a default to always be in the office – the mindset of presenteeism is largely behind us. It will be interesting to see what the roll-out of vaccines does for this shift. That is a critical point.

Businesses might wish to take forward everything they have done in 2020 – such as using digital collaboration and communication tools and shifting to remote working – so as to reduce the risk level of returning to the office should another crisis happen. More creative industries may be keener to be back in the office because that is where they are more productive and collaborative.

Before COVID-19 struck, offices were buildings predominantly with desks and some meeting areas. Now offices are more about the coming together of people and the ratio of meeting rooms to desks will be the other way around.

Emergence of surveillance technology – a problem on the horizon?

NM: Over the last couple of years we have seen the emergence of surveillance technology, and we see this becoming a really important area in the coming years. In the COVID-19 environment it has been interesting to see how people around the world are willing to embrace track-and-trace systems and give away personal data. Some privacy and cultural barriers in some parts of the world have come down as a result.

But when you fast-forward into other environments – such as the workplace, or future of work – employers will need to better monitor their staff. Will the increasing encroachment of surveillance technology into people's lives – both in work and personal contexts – create a tension with their requirement for privacy? It will be interesting to see what people will tolerate outside of the health-and-safety environment.

Deep fakes and cybersecurity risks – beware AI

NM: Al adoption has accelerated around the world during the pandemic – consider the rise of chatbots on websites and apps and contact centers. Al is maturing rapidly, but that is setting it on a collision course with the risks associated with greater dependence on technology. There is likely to be a tremendous amount of regulatory change around the world, and business leaders have to understand a number of things before they invest in Al. Alongside ethical problems, and biases, there are security issues. We have seen the emergence of Al-driven deep fakes, for example, and we have reached the conclusion **that the security of Al is going to be an interesting – and necessary – source of innovation in the coming years**.

Look for technology partners for the digital transformation journey

NM: A vast majority of organizations that were able to innovate well when the coronavirus pandemic began had made transformational investments prior to the pandemic. We are starting to see growth rates occurring in industries where those technology investments were made. For small and medium-sized enterprises (SMEs) looking to catch up there is now a blueprint to follow. It's important for SME leaders to recognize that they should not go on their digital transformation journey alone.

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Angela Ashenden Principal Analyst in the Workplace Transformation practice CCS Insight



AA: It's important to remember, too, that you shouldn't try to do everything all at once. There might be a temptation to try a wholesale shift, but that is often a recipe for disaster, particularly for a small company – because you are so busy trying to keep the organization running. Instead, **pick particular processes that you can digitize, one at a time, to make sure you can handle it and that it is delivering value**. Also, in this way, you can ensure people – employees and customers – understand how to use the technology. You have to bring them along slowly.

Knowledge is power: technology literacy and culture change

NM: Business leaders should not use technology for technology's sake. It has to deliver you a competitive advantage, or a real improvement to either the customer or employee experience. **Top-level technology literacy is vital. Having that understanding and a clear idea of what business problem you are trying to solve, and being able to communicate the benefits across the company, will accelerate digital transformation**. Bottom-up culture change will speed up significantly if there is top-down initiative and impetus.

AA: For any top-down implementation, the business change challenge is always the hardest bit. Choosing the technology is easy by comparison. As business leaders you have to recognize how employees can help you in that process, and bring them along on the journey with you.

Viewpoints from Crowe

Geert-Jan Krol, Partner, IT Advisory, Crowe Peak (Netherlands)



"The COVID-19 pandemic has been a major wake-up call for business leaders to embed technology in the strategy of companies. We have seen 'going digital' take a quantum leap as a result of the pandemic. For example, digitization of business processes and customer interaction has accelerated drastically, and many technological changes could be implemented much faster than thought possible before the pandemic. Also, the mindset of business leaders

on the strategic impact of technology has changed as a result of the coronavirus crisis. Because businesses had to show resilience and the ability to adapt to this major disruptive event, they are more aware that agility is a requirement to remain competitive now and in the future. Embracing change may help companies to be better prepared and more resilient to future disruptive events, for example by adopting new technology and fostering a culture of innovation. Technology, agility and innovation are key factors to achieve future goals."

Alejandro Olvera Lorenzo, IT Advisory Associate Partner, Crowe Mexico



"Since the beginning of time, those who have possessed the most reliable information are the ones that have had all the advantages to succeed in this game called life. This new pandemic has shown us that, more than ever, we have to be prepared for whatever is coming next in almost all aspects of our lives. For the first time, most humans realize now that our personal, medical, banking and business information is out there, at hand for everybody to share,

and that it's important to keep it safe. Artificial intelligence, cloud computing, home office, resilience, risk awareness and many other concepts are now part of our common language. Small business owners especially are now aware of everything they didn't previously consider to implement their strategies based on robust and secured technology infrastructures. They are now paying a higher price for what they should have taken into consideration in the first place. More than ever, information and its secureness is one of the most valuable foundations for businesses success. To make our businesses survive and grow, we need to be ready to keep up with the technology-driven world we now live in. Here at Crowe in Latin America, we are contributing with our 'grain of sand' by learning and teaching others about information security awareness and how to be trusted by customers and vendors by keeping it safe. Technology is now essential to our lives."

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