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2019 demystified: finding certainty in the uncertain



What a year it's been for business.

Brexit has dominated the media, on both a domestic and world stage; client expectations have continued to increase applying additional pressure for organisations to disrupt and transform; and, with that, following the arrival of the General Data Protection Regulation (GDPR), compliance has, quite rightly, become a top priority, globally.

These challenges have also presented a series of technologically-veiled opportunities that have demonstrated value where organisations have been able to peek behind the digital curtain and implement them. Hard-hitting, mega trends such as virtual reality, artificial intelligence and augmented reality have started to shift from the obscure and abstract nature of science fiction to precipitate more tangible strategic options, such as ultra-personalisation, virtual working, automation and cloud as the new normal. These trends will continue to grow into 2019, and beyond, but, as we budget and plan for the coming twelve months, what else can we expect from the year ahead?

Business challenges for professional services in 2019



Client expectations:

The shift towards client-centric business models has been the norm for many years now, driving the boom of disruptive technologies, but with 93 per cent of executives observing an increase in client expectations over the past twelve months, 2019 is set to be the year to truly place your clients at the centre of your organisation.



Competition:

Trust is the driving force behind the professional services business model where clients, more often than not, will enter into a relationship without knowing the outcome, making it unlike buying a product with the option to return should it not meet expectations.

Maintaining these trusted relationships with clients and prospects will be a key market differentiator in a competitive market.

Furthermore, the competition for talent acquisition has become more pronounced, where 46 per cent of executives cite 'expertise' as the main differentiator for being competitive in the professional services space.



Change of resourcing models:

Resourcing is already an issue for businesses. 65 per cent of executives have had to turn down work due to a lack of resources and skills to deliver on the proposed projects.

This shows an increase of 35 per cent from 2017.

And 2019 looks set to become even more problematic for organisations that fail to upskill staff and offer competitive packages, roles and working environments, where 94 per cent of high-performing companies are looking to external talent networks for additional support.



Disruption:

The sum of the above three trends relates directly to the extreme and rapid change that professional services organisations are going through, now.

Client-first strategies have been the gateway for new start-ups to enter the professional services markets, with leaner, more versatile and highly compelling business models.

The response must be transformation, although the urgency for some areas is greater than others.

2019 will likely be a make-or-break year for businesses – transform or risk extinction.



Compliance:

As the GDPR wave struck in May many thought it was purely a local issue for European firms to deal with. However, shrewd global businesses were looking at it as an opportunity to put clients' needs first and get their house in order.

What was born out of the GDPR was a benchmark that has had world-wide ripple effects making compliance a top consideration for 2019. Data Protection Officers have become board members, de rigeur.

In 2017 only 56 per cent of large companies had a Chief Data Officer in their ranks, increasing to 63 per cent in 2018.

However, research by New Vantage Partners estimated that 90 per cent of large organisations will have a CDO on their board by the end of 2019.

Trends to **overcome** 2019's challenges

Client **expectations**:

Augmented analytics



One facet of artificial intelligence, the automation of data analytics will augment the way we develop, consume and share insights. The result? Employee decision and action will be optimised to the benefit of employee relations and customer experiences.

Chatbots



A notorious area that requires development, the age of the chatbot will come into its own in 2019. Natural language processing will have a major impact on the services industry; evolving job roles and improving service, in turn.

Digital client engagement



Client experience and engagement has been circulating in the analyst spheres for many years, having been the leading driver behind disruption and transformation.

However, many organisations have struggled to leverage its power for good. Increased investment, stronger initiative and the influx of fresh talent will recalibrate client engagement in 2019.

Competition:

Millennials and Generation Z

To be competitive, businesses need to have the resources and skills to fulfil the needs of clients. Organisations, in many cases, failed to recognise the best ways to work with Millennials for business growth and with 75 per cent of the workforce stemming from this group by 2025, these vital skills must come from them.

Furthermore, their successors, Generation Z, tend to be early starters, so to ensure continuity and growth finding a way to work with these generations will be vital.

Change of resourcing models:

Jobs not lost – time to upskill

With so many business leaders and, in turn, their employees focussing on the loss of jobs, caused by technological implementation, organisations are placing emphasis on the negative and missing the opportunity. Lack of appropriately skilled personnel ranks in the top five obstacles to digital transformation, as reported by 39 per cent of organisations. This is born out of new roles being generated by innovation.

Failure to identify these skill gaps and fill them within your organisation will leave you at a disadvantage and, over time, will erode your business.

Smart spaces



This is defined as an environment of a digital and physical nature that enables the interaction of humans and technology-enabled systems to be increasingly open, connected, coordinated and intelligent as part of a new ecosystem.

It is this synergy between humans and technology that will not only drive business innovation but also precipitate the new roles your organisation needs to plan to drive growth.

Immersive experiences



Blurring the lines between the physical and the digital worlds, immersive experiences can be anything from conversational platforms to augmented, virtual and mixed reality.

These technologies will shift the way individuals perceive and interact with the world around them driving creative solutions to a fresh set of business challenges.

Disruption and transformation:



CEOs take control



There has been a marked increase in CEOs taking the helm of business-transformation projects, shifting from 22 per cent in 2017 to 41 per cent in the past year. Traditionally, executives sitting in the IT, marketing and HR space, think CIOs, CTOs, CMOs and CPOs, have been leading the transformation charge, but with CEOs now poised to take this on in the coming months and years, it is clear that this is a trend to take note of.

Compliance:

Digital ethics and privacy

The world is becoming increasingly digital, so ethics and privacy is a growing concern for individuals, organisations and governments. The GDPR set a benchmark for businesses globally to ensure data is stored, shared and used in an ethical and compliant way, which is now being adapted and adopted in regions outside of the EU.

The focus on compliance, risk mitigation and values is set to grow in the coming years with this increasing value placed on the secure storage of data.

Blockchain

An enigmatic term that has many organisations tied in knots or ignoring it but it comes with opportunities for those who grasp its complexities. Blockchain will enable decentralised trust, deliver transparency and reduce friction across the business ecosystem.

Ultimately, it can generate a more secure environment within which to build your own infrastructure.

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