

The future is positive

By <u>Ian Mann</u>, issued by <u>SAICA</u>

Ian Mann, one of South Africa's most respected strategy and leadership consultants, shares his fact-based views on why the world is getting better

In a time where we could all do with a little positivity, Ian Mann, CEO of Gateways and international strategy and implementation consultant, feels it's time to give SAICA and its members a motivational talk. But one based on verified facts.

Mann believes the world is getting better, and here, he shares his fact-based evidence, of why we should all think so, too.



Challenges and solutions

Currently we are consuming 30% more of the world's natural resources than we replace. So, how do we get out of a bind like this?

"Every single day of the year, we get 5,000 times as much solar energy coming down to Earth than we can consume in one year," says Mann. "The problem is not the scarcity of energy, the problem is its accessibility."

In the same vein, Mann points out that 70% of our planet is covered in water, but the problem is a shortage of portable water that can be used for drinking and agriculture. "The solutions exist, we just haven't accessed them," he says.

lan Mann

Mann gives the example that aluminium foil was at one time far more rare than gold, but through advances in electrolysis we were able to manufacture it to such a large scale that we now wrap our kids' sandwiches in it. "If we could find an equivalent technology to clean up water, or to harness more energy quicker than we are doing at the moment, we would solve major problems," says Mann.

If you're thinking that these technological advances sound far-fetched, Mann points out that these days, Maasai warriors can be seen carrying cell phones. "Just one generation ago, the president of the United States didn't have a cell phone," says Mann. "Nowadays one of the most remote tribes in the world is more connected than the president of the most powerful country in the world was just a generation ago. We've made extraordinary advances."

The power of individuals

"Individuals today have more power than they have had in the history of the world," says Mann. "Now small firms can make breakthroughs that only governments or huge corporations could have made before."

John Craig Venter is an American biotechnologist and businessman who led the first draft sequence of the human genome. Mark Zuckerburg is reinventing education across the world, and Bill Gates is using his enormous wealth to attack malaria.

Mann is also inspired by the Iranian-born founder of eBay, Pierre Omidyar, who, together with his wife, is dedicating his wealth to bringing electricity to the developing world. "This will have massive consequences on global health," says Mann. "Currently 3.5 billion people cook using biomass such as dung, and if they could be converted to using a burner stove, 4% of the world's global disease could be alleviated." How, you may ask? Well, cooking with biomass causes major air pollution, and obliterating this would mean that 36% of acute upper respiratory diseases would be wiped out, as would 22% of chronic obstructive pulmonary disease and 1.5% of preventable cancer caused by indoor air pollution.

"These powerful examples demonstrate the enormous impact individuals are making, in a way that just wasn't possible before," says Mann.

Big data analytics

These days big data allows us to come up with amazing insights.

Mann gives the example of how, in the old days, your grandmother may have given you anecdotal marriage advice, telling you that the reason she and grandpa stayed together for so many decades, was because they had mutual friends. "Today we have the largest sociological experiment ever done in the history of mankind – it's called Facebook," says Mann. "And in fact, it shows that you have a better chance of a lasting marriage if you didn't have mutual friends before you met."

Horse racing is another example. Traditionally, anyone wanting to buy a racehorse would look for a pedigree, but big data now shows us that physical attributes such as a particularly large left ventricle and a large spleen are much more likely to make you lots of money than a horse's lineage.

"Big data analytics can be applied to almost anything these days, giving us invaluable insights that just a few decades ago we quite simply didn't have," says Mann.

Refinement of commerce

While the world of business is getting harder and harder, it is also getting more and more exciting. Mann compares two different types of business – Amazon and Walmart. While at face value, you may say one is digital and the other physical, that is not strictly correct, explains Mann. "The real difference is that Amazon is customer-orientated, while Walmart is product-orientated."

Walmart has 140 million shoppers every week in their 5,000 stores around the United States. "They buy well, they sell well, and they understand their product really well," says Mann.

What they don't understand is their customers. They have no idea what any of the 140 million shoppers who come into their shops every week buy as individuals.

Thanks to the advantage of digital knowledge, Amazon, which started in 1995, has decades of experience in every single one of their customer's buying patterns, and as such, they create a mutually beneficial shopping experience. "The digital economy allows you to understand what people really want," says Mann.

Conscious capitalism

The world economy has proven the superiority of capitalism. No other system has created as much wealth. The only problem is, it hasn't raised the happiness quotient of all beneficiaries equally.

That said, Mann acknowledges that there are two types of capitalism – crony capitalism and conscious capitalism – and that conscious capitalism is on the rise.

"We're not talking about capitalism with a conscience, where rich guys give money to the poor," he says. "Conscious capitalism is an evolution of doing business."

Conscious capitalists believe that the world is much bigger than you, and that it lasts longer than you. "These are companies where the staff, shareholders, suppliers and communities are treated well, and the great news is that these companies are doing well," says Mann.

And he's not referring to small mom-and-pop shops. Mann points to Costco, a \$76-billion company with 580 stores; Mercedona, the \$21-billion European supermarket with 1,400 stores; QuickTrip, a chain of 600 garages with adjoining

convenience stores that is an \$8-billion company; and Trader Joe's with its 340 stores and \$8-billion value.

"These firms believe that if they pay their staff well, they will work well, if they pay their suppliers well, they will treat you well, and that looking after the environment is the only way to ensure longevity," explains Mann. "If you own their shares, you'll see they make significantly more money than any crony capitalists do," he says.

Thinking positively

Mann acknowledges that as humans, we are hard-wired to think negatively, and in black and white. However, that's not the way the world works, he says. "We need to accept that things can be bad and they can be better at the same time."

He goes on to explain that while the 20th century was a terrible period, with the Spanish Flu, two world wars, tsunamis, hurricanes, earthquakes and plagues of locusts, we still came out of it with massive improvements. "Infant mortality dropped by 90%, maternal mortality by 99%, the human lifespan extended on average by almost 70% and in general, our quality of life and living standards have become quite remarkable," he says. "That is quite an amazing achievement for one century, and we did it. Imagine what we can do in the next 100 years."

To help address the challenges faced by many, SAICA hosted a complimentary virtual leadership series called Leadership in a time of crisis. This series focused on various elements affecting individuals, businesses and the profession as a whole during the Covid-19 pandemic. Sessions in this series have been recorded and can be viewed on SAICA's events page.

ABOUT THE AUTHOR

lan Mann is CEO of Gateways and an international strategy and implementation consultant.

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