

The secret to perpetual business relevance

Where will your business be in five years? Ten years? Even for the most experienced executive, that's a difficult question to answer, in part because so much depends on things completely outside of your control — evolving customer preferences, shifting market landscapes and disruptive events.

What we do know is this: The most successful companies today constantly anticipate changes ahead — predicting changes in customer behaviour, sensing market shifts, planning for disruptive events — and act instantaneously to put themselves ahead of the competition.

Anticipate and act with precision. Is it possible? How can a business effectively sense what's coming and immediately mobilize a game plan to capitalize on that prediction?

Human beings do this all the time. It's called intuition.



- It's why Serena Williams knows where to move before her opponent hits the ball.
- It's why Lionel Messi knows to cut left, just as the defender lunges.
- It's how Sebastian Vettel knows to take the outside line when the inside line seems clearer.

Some call intuition a hunch; others, a guess. But as we better understand the inner workings of the brain, we're learning that intuition is a product of accumulation, synthesis, theory, trial and error, and refinement, honed over time.

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Most of what we call intuition, to respond to situations and just act, is based on an enormous accumulation of experience.

Herbert A. Simon, Psychologist and Nobel Laureate in Economic Sciences

In short, intuition isn't a mystery at all.

What if your business could be intuitive? Imagine channeling awareness, intelligence and experience into the exact right decision with blazing speed: to invest or divest, raise or lower prices, shift production or supply chains and, above all else, keep your brand continuously relevant to customers.

This is the power that comes from engineering intuition into your business.

Intuitive operating model

Engineering intuition into a business requires far more than upgrading a few systems or bolting on new capabilities. It takes an intuitive operating model: a collection of intelligent and automated business processes, enabled by technology and data, that transform your business into a highly resilient enterprise that can adapt instantaneously.



What is it like to experience such a business?

As a customer

You're amazed by how this business repeatedly delivers products, services and experiences you'd never imagined before but can no longer live without.

As an investor

You notice how readily this business stops doing things that are no longer successful while reinventing itself to remain one step ahead, despite unknowns.

As an employee

You're motivated by this company's clear and compelling purpose, and encouraged to take risks and challenge the status quo. You experience a diverse and inclusive culture that welcomes your imagination and expects you to create something meaningful for customers.

As an individual

Living in the community where this business operates, you see an organization helping to crack the code on the social problems that matter to you.

As a competitor

You marvel at how quickly this business adapts to market change, reskills and retains talent, and consistently evolves its products and services just ahead of customers' shifting needs and desires.



Experience

An intuitive operating model helps you anticipate and deliver experiences that delight your customers, employees, partners and even your community with reassuring consistency — experiences that resonate emotionally, feel personal and inspire loyalty.

GRUNDFOS

This world-leading water technology company sensed a change in customer expectations and, with Cognizant's help, embarked on a radical departure from business as usual. It transformed its core offering from water pump manufacture and sales to delivering water as-a-service, and created an Al-powered solution to tackle the challenge of water-systems maintenance—a virtual agent that can diagnose issues and recommend solutions.

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Processes

Businesses must abandon the conventional wisdom that processes should only be designed to assure consistency and uniformity in the way things get done. "Tried and tested" is no longer a strategy for success in a world where change happens faster than ever. With an intuitive operating model, businesses embed machine learning, data analytics and automation tools into business processes, which assures competitive advantage even as market dynamics shift.

This global agricultural giant, with Cognizant's help, transformed its manual and fragmented order fulfillment processes with intelligent automation — to the delight of its customers and employees.

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Technology

Most large organizations today run on a complex web of old and new systems, which hamper speed, agility and innovation. An intentional cloud strategy is the bedrock of an intuitive operating model; its design is flexible without undermining critical functions at the core.

Under pressure in a sector rocked by disruption, this North American freight giant sought Cognizant's help to embrace its new reality. We helped it build the digital technology foundation it needed to transform from legacy-systems laggard to market trailblazer — achieving competitive advantage by connecting shippers directly with truckers using a customer platform as nimble as a ride-share app.

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Building an intuitive operating model

Humans function effortlessly on an intuitive operating model — our brains constantly review incoming sensory data against stored knowledge of past experience, anticipate what will happen next and instantly take action.

Take the everyday example of walking across a busy road. The vector of the approaching motorcycle, the height of the curb ahead, the pace of the man with the stroller coming your way: Within milliseconds, your brain subconsciously calculates all these data points and cross-references them against stored experience to guide your next step.

This ability is gained over time, as the product of evolution and effort. Similarly, building an intuitive operating model requires the diligence to harness the latest market dynamics — and the wisdom to understand how the apply to your organization.

Really, really big data

By 2025, the world will generate **463 exabytes** (that's 463 followed by 18 zeroes) of data every day. Every swipe, comment, tap, click, step, temperature, aroma and heartbeat recorded by a sensor creates data that contains a story of someone's needs, wants, likes, dislikes — even future desires and aspirations. Data unlocks the goldmine of what customers think and feel. And that is the secret to consistently and intuitively delivering the experiences that inspire devotion.

Enterprises responding to a Cognizant study said they will spend about 35% of their artificial intelligence budgets on structuring how data is capture and stored.

The rise of the digital business ecosystem

Cloud unleashes more than massive on-demand computing resources: It makes it possible and more efficient for business partners, suppliers, customers, applications, information providers and technology resources to interoperate and conduct business across digital collaboratives that can form and re-form as needed. Done right, these ecosystems drive innovation. They radically lower the costs and risks of business model experimentation and reveal opportunities for both incremental improvement and disruption. And beyond this, when companies are part of an ecosystem, they can share capabilities, processes and information to quickly deliver insights and new ways of getting things done.





Fast 5G internet — everywhere

The rise of connected devices, from the simplest temperature sensor to the fantastically complex smartphones in our pockets, blurs the lines between our physical and digital worlds. Now, fueled by super-fast, super low-latency, extremely stable and secure 5G networks, business can "sense" more information, at real-time speeds and in far more places and spaces than ever before — and instantaneously predict and act on that data. From robotic surgery to self-maintaining factories to autonomous driving, 5G will enable crucial decisions and actions to happen instantaneously.

Systems that learn

For the first time in human history, we have a tool that can make itself. Machine-learning systems improve on their own over time: They learn how to recognize patterns and find insights, without being told explicitly what to do or where to look. This is what powers the recommendations in our Netflix queue, how Ocado packs groceries, how Uber matches drivers with passengers. Software that harnesses machine learning helps businesses find meaning in vast troves of data, pulling insights from millions of customer interactions and making accurate predictions about customers' evolving needs.

The rise of purpose

Purpose ultimately determines a business' relevance: An intuitive enterprise is connected to the world and society beyond its self-referential borders. Through the use of sensors, data, Al and analytics, it's now possible to collect and analyze information about everything — to know everything about everything that truly matters to your business, inspires your employees, establishes one-to-one customer connections, forges community ties and sustains the planet. Purpose is a business's declaration to stakeholders of the positive impact it has on society, and an intuitive operating model helps it deliver on that promise.

Mindsets to Embrace

To build an intuitive operating model takes more than technology, skills and resources. It's a mindset shift, across three dimensions:





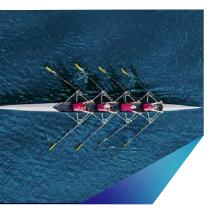
Get fluent in, and comfortable with, data

Our recent research shows that by 2023, businesses globally will increase their use of Al-enabled processes and resources for complex decision making by 50%. Just as most stock trading is now undertaken by intelligent machines, complex business decisions will increasingly be made more quickly and effectively through Al. When the insights from data are front and center of business conversations, every action becomes a confident, swift and strategic choice based on the best available real-time information.



Find the win-win-win in automation

Technology-powered business models are essential for meeting the speed, efficiency and accuracy needed today. But autonomous should not mean human-less: in fact, "inefficiencies" in the checkout line can be hugely valuable in both human and monetary terms. "Win-win-win" automation benefits the customer, the employee and the business. It requires businesses to balance human empathy, judgment and creativity with the precision, speed and efficiency of intelligent automation



Put people first

Business processes are the layer between the technology that powers your operations and the experiences you deliver: They shape the customer journey and future relationship with your organization with every interaction. Staying relevant requires keeping people as your North Star and putting these processes in the service of delivering high-value, highly personalized experiences for customers and partners — and making your employees more efficient, productive and satisfied in their work.

Summary

Building an intuitive operating model — one that goes far beyond running day-to-day activities, to one that acts as if on intuition — is work worthy of our urgent focus. Because as worldwide turbulence accelerates, business adaptability needs to speed up as well. Because the enterprise-scale problems customers need to solve are getting more complex — as is the behavior of customers themselves.

And because so much more is expected of businesses today, which must now think about and respond to the larger contexts in which they operate — societal, environmental, economic, political, technological.

By adopting the market dynamics and mindset shifts required to build an intuitive operating model, businesses can set themselves on the path to sustained relevance. They'll anticipate everything about everything that matters — stakeholder needs and feelings, the interdependencies and external factors that shape their experience — and take the precise action required to be a conscious, positive contributor to society and our evolving world.



The corporation is a living, evolving entity capable of consciousness of its living environment and its potential to contribute to it.

Colin Mayer

Prosperity: Better Business Makes the Greater Good, Oxford University Press, 2018



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