

# Time for new game thinking

A consultant to Fortune 500 CEOs for more than 25 years, Professor Gordon Hewitt from the University of Michigan has observed corporate change at close hand. He has seen the rise of upstarts such as Apple and Uber and witnessed the demise of hegemony such as Sony, BlackBerry, Kodak and Xerox. With competition fierce, he tells *GlobeAsia* that for both corporations and countries, a 'New Game' mindset is needed to succeed. By **Shoeb Kagda**

**N**ew forms of global competition are changing the business landscape beyond recognition. Globalization, technological innovations, aging populations and the exponential growth of the internet have all combined to create conditions both disruptive as well as offering enormous potential.

The advent of the fourth Industrial Revolution will alter human life at a speed that is unprecedented. This has enormous implications for countries, companies, institutions and individuals in terms of how they respond to the changes and take advantage of the opportunities that are opening up.

In light of these fast-paced changes, countries such as Indonesia must adopt some new game thinking, says Professor Gordon Hewitt, founder of the New Game Academy and a consultant to Fortune 500 CEOs for more than 25 years. He argues that incremental progress over a long period of time is no longer sufficient. Companies and countries must strive for new thinking, and creating new games with different competitive models.

"Any company or economic system that is measuring progress by incremental performance will certainly be moving backwards, not forwards," he notes. "The world will pass them by."

To be a new game economy, leaders from all walks of life have to start engaging in a different conversation and adopt a different agenda. This was previously deemed impossible but today's technology makes it not just possible but also necessary

"Today I am concerned with the overuse of the word disruption," he adds. "Disruption is only disruptive if you are the incumbent. It suggests pain and upheaval but the opposite is often true. Disruption creates enormous opportunities and the creation of new forms of value for individuals, ignored by traditional market leaders."

## Indonesia's re-emergence

Over the past year, Hewitt has been making frequent trips to Indonesia as chairman of the Global Advisory Board to Singapore-based Six Capital, a fintech company that is pioneering new forms of value and job creation in the financial sector. He recently made a highly acclaimed speech at the Indonesian Economic Forum, as well as delivering a session on New Game Strategy for leading Indonesian CEOs.

A Scot, he has been impressed with what he has seen and heard on his visits. "Since I have been involved in conversations in Indonesia, I found that it has enormous potential," he says. "I come from a small country of 5 million people but we are looking at a country with 240 million people with an established education system."

"Any country with 240 million people must start re-thinking its strategy and agenda," he notes. "Indonesia cannot just think about increasing its participation in the global economy but leading it in some new directions."

This is where he says the term "emerging economy" is both misplaced and elitist. The West often uses the

term to describe economies such as Indonesia, China, India and many others as those which are lagging behind the developed economies. Emerging economies are seen as infant economies as compared to the adult Western economies.

"But what if we change the term to *re-emerging* because that would bring a sense of perspective and history to the conversation," Hewitt says. "There have been many changes to the global economic order in the past 500 years and we must acknowledge those changes."

For Indonesia, the question is how does it re-emerge in a new form and bring new game thinking to key sectors and industries so that it can build a reputation for innovation and breakthrough thinking? This, argues Hewitt, requires a different sense of future opportunity, a new level of collective ambition, and a capacity to leverage its resources in new ways.

Hewitt cited two examples of industries where Indonesia can be a world leader: education and healthcare.

"New game thinking starts with a new agenda. So instead of just asking how do we produce a better system for education and healthcare, the question should be how do we unlock value not seen before," he says.

In education, for example, the key is providing access to higher education to as many Indonesians as possible. "With 240 million people, a high percentage of whom have the qualifications and talent to enter higher education

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institutions, you need a quantum shift in access.”

This requires changing the capacity of domestic educational system but not necessarily through the old form of building more physical campuses. Because of its geographical spread, many Indonesians cannot travel to a physical location for learning.

“But that offers new opportunities for Indonesia,” notes Hewitt. “For example, we can build communities of learning that go far beyond physical locations and that can engage a wider network of Indonesians. Even the traditional Western model of distance learning may be insufficient to unlock Indonesia’s potential.”

#### **Diminishing returns**

This same new game thinking applies to the healthcare industry, which is running into diminishing returns in terms of developing blockbuster drugs. Thanks to scientists, humanity has tackled many of the chronic illnesses that can be cured by new drugs.

But many forms of cancer and the degeneration of the brain pose new challenges for the medical and drug industry, and the financial sector too. In many parts of the world, people are living longer but not necessarily better.

“In a nutshell, the industry history has been focused on curing, not preventing,” he notes. “But the world of bioinformatics, big data analytics, diagnostic technologies, and understanding our DNA opens up a new game for healthcare.

“We must begin with the starting point that re-emerging economies have the chance to do much better in developing this new science than the West because we can start with new assumptions. Why can’t Indonesia become a world leader in developing new personalized healthcare models by turning problems into opportunities?”

Hewitt adds that Indonesia could use its topography and its demographics in achieving a breakthrough healthcare system that focuses on prevention rather than

curing people once they become ill.

To achieve such breakthroughs, the country must engage its youth in new ways. “We are living increasingly in a constituency-centric world and we must embrace the power of the crowd and move away from the old-fashioned models.”

“We worry about people who are economically disenfranchised,” he says. “I worry about people who are disenfranchised intellectually. But the internet is providing new ways for individuals who have ideas, talent and energy to co-develop the agenda for the future.”

Harnessing the crowd, re-thinking economic models and staying relevant in a fast-changing world are the key components of new game thinking. Companies and countries that wish to leapfrog existing economic models need new game mindsets to adapt to new competitive realities. They also need some good fortune. But, concludes Hewitt, “fortune often favors the brave.” ☺