



CIONET

DISCUSSION SUMMARY

DIGITAL BRITAIN: ACHIEVING GLOBAL LEADERSHIP

This article was written by Roger Camrass, research director at CIONET International and a visiting professor of the University of Surrey, and is based on the conversations during a CIONET Advisory Board meeting of leading UK CIOs on 14th April to agree an agenda for Digital Britain.

Digital Britain - the case for action

During the Swinging Sixties, Britain pioneered a cultural transformation that helped its people and businesses to lead the world in music, fashion, sports, finance and education. Those were heady days; 50 years later, Britain is waning rather than swinging. The FTSE 100 share index hovers around the 7,000 level that it almost reached two decades ago. Our business environment is dominated by 'old economy' companies from sectors such as mining, energy, banking and property that have suffered from a chronic lack of growth and productivity improvements. These legacy businesses are being eclipsed by new digital players from the USA and China.

Apple has a market cap that exceeds the entire FTSE 100. The FAANG companies' valuations exceed the sum of all European stock exchanges.

In the post-Brexit and post-Covid era, the UK must swing again: it must participate in the digital revolution as a leading global player. So how can Britain achieve global leadership? We must be brave. We need to develop a vision for how we will bolster our position as one of the world's leading economies, many of which will be dominated by digital giants and scale-ups in the future.

Just think about how different the UK would be if 50% of the FTSE 100 were digital businesses by 2030, with each company worth \$100 billion or more. To move towards this reality, we need to help accelerate the digitisation of our primary sectors and create global digital businesses that can compete with the best from Asia and the USA. This movement must be a collective endeavour: industry, government and academia need to come together. Global leadership will require a national effort to break out of the 'Old Economy' and into the 'New'.

How can we achieve our ambition?

Achieving global leadership will not be straightforward, but the potential rewards are huge. We believe a number of factors will allow us to achieve our vision:

- Ambitious leadership and a focus on talent to help develop digital businesses that can compete on global markets
- Financial resources and fiscal policies that support both start-ups and scale-ups, as well as providing liquidity to UK equity markets equivalent to NASDAQ in the USA
- Technology building blocks to underpin the creation of powerful ecosystems and platforms, which will turbo-charge the growth of leading digital businesses
- A national digital infrastructure that will encourage investment at home and the development of entirely new local industries

Tarun Kohli, a member of our UK Advisory Board, believes we need to adopt new business models that are based on technology-based ecosystems and platforms, which is an approach that has already been successfully pursued by Alibaba in China and Apple in the USA. Embracing these technology-led business models will have a multiplier effect on equity values. Financial expectations will also need to be shifted away from a focus on short-term profits to a concentration on longer-term growth. This combination of behaviours will require fresh partnerships and a renewed sense of purpose among industry leaders and politicians.

Launch of Digital Britain: 26 May, 2021

Time is of the essence. As a matter of urgency, the UK needs to raise the flag and launch a programme of activities to align the interests of government, academia and industry around digital leadership for the next decade. CIONET, together with our partners OneWeb, UiPath and EY, are running this landmark event to create a movement that will add a sense of urgency to our digital ambitions. The event will consist of three elements – a plenary session followed by two discussion panels.

A senior government representative will address the plenary session by outlining the UK's vision for Digital Britain and the strategies that are being employed to mobilise 'New Economy' developments.

The subsequent panel will explore where the UK could have a competitive advantage in the global digital economy, focusing on which sectors are most likely to be key. The UK's recent investment in OneWeb, for example, has helped to put Britain into a leadership position in broadband satellite internet services alongside Elon Musk's Starlink.

The second panel will analyse the enabling factors that could help propel the UK into a global leadership position, such as access to investment capital, technology-led innovation, appropriate talent and skills, a favourable regulatory environment,

and an ability to scale-up fast-growing organisations to become multi-billion-dollar enterprises.

Why is this action important to the UK CIO community?

With over 1,000 members of the CIONET community in the UK, we recognise that digital technologies and the professionals that support them will provide the critical capability to help build the digital-leading enterprises of the future, both within the UK and across the globe.

Many members of our community are already involved in helping to reinvent 'old economy' companies through the modernisation of operations and the creation of entirely new businesses. These successes are encouraging, but we also recognise that true global leadership requires a collaborative effort between pioneering CIOs and other business leaders. We must share our lessons and build a case for action collectively.

Our large community can influence and help shape the digital agenda of leading corporations, government bodies and the nation. We invite you to join our movement and ensure that the pace of technology-led innovation in Britain can be accelerated to equal that of the USA and Asia.



About CIONET

CIONET is the leading community of more than 10,000 digital leaders in 20+ countries across Europe, Asia, and the Americas. Through this global presence CIONET orchestrates peer-to-peer interactions focused on the most important business and technology issues of the day. CIONET members join over a thousand international and regional live and virtual events annually, ranging from roundtables, programs for peer-to-peer exchange of expertise, community networking events, to large international gatherings. Its members testify that CIONET is an impartial and value adding platform that helps them use the wisdom of the (IT) crowd, to acquire expertise, advance their professional development, analyse and solve IT issues, and accelerate beneficial outcomes within their organisation.

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