

THE FUTURE IS BRIGHT

Directors have reason to view the next years with optimism, in several industries. Pent-up demand for services in some sectors, combined with steady demand in others, will lead to continued growth. Savvy directors already recognize the following opportunities and are guiding their management teams appropriately. Which ones apply to your business?

Travel, Tourism, Hospitality

Travel, tourism, and hospitality will be hot sectors and will benefit from increased consumer spending starting again in 2021. They will remain at elevated levels through at least 2023. Wise suppliers will recognize an opportunity on two major fronts: remote workers' new needs and baby boomers returning to their passion for travel.

Remote workers will seek a variety of locations from which to conduct their integrated lives. Organizations, such as Hyatt, have already responded to this opportunity, offering long-term stays with in-room offices, childcare, fitness amenities, reliable WIFI, etc.

When polled, 75% of baby boomers identified travel as the activity they were most excited to return to post lockdowns and restrictions.

Many in this demographic have increased their net worth during COVID. They have saved money, and their investments have multiplied. Like all of us, the pandemic reminded boomers of the fragility of life. This combination will contribute to a willingness to spend a larger share of their wallet on travel and tourism. Savvy operators will offer luxury accommodations, food and drink and as hassle-free travel as possible to tap into this opportunity.

Interest Rates

Low interest rates will sustain consumer purchasing power, particularly for real estate purchases, home renovations, and automobile purchases. This sustained purchasing power will benefit real estate agents and home builders, particularly as consumers seek residences that offer space for work and home. Home renovations have boomed during COVID, and it will continue.

Long-Term Care Centres

Following the many tragic stories of long-term care centres, increased interest in aging-in-place will create a growing market. This increase will provide opportunities for health care services, landscaping, house

maintenance, and further demand for home renovation products and services.

E-Commerce

The explosion in e-commerce will carry forward. Businesses that effectively market their online products and services can expect increased sales from a larger geographic market. Some retailers will improve margins by reducing overhead and converting more and more of their in-store or in-person product offerings to online versions.

Health Care

For health services, virtual health care adoption will provide greater access and the potential for higher quality medical services to those in remote and outlying areas. Virtual health care can reduce the spread of common infections and bacteria. Patients no longer must sit in crowded waiting rooms, waiting for a doctor to diagnose common and easily treatable afflictions, such as urinary tract infections, bronchitis, sinus infections, etc. Fewer inpatient consultations and more services provided by registered nurses and nurse practitioners can also help stem rising health care costs.

The rapid development of multiple, effective vaccines for COVID-19 has challenged assumptions related to the pace of vaccine and treatment creation. Non-traditional health care partnerships were formed, in some cases between start-ups and large pharmaceutical firms. These new partnerships contributed to unprecedented

results in vaccine development. These can be a model for addressing other long-standing disease treatment.

Professional Services

For professional services, more executives now consider remote work a viable option for their employees. I anticipate a return to offices, but not a fulsome return of 100 percent of the workforce. So, if talented, productive employees can work remotely, while in some cases, also balancing the demands of school-aged children underfoot, smart organizations will now cast a much wider net for talent.

Demographics and other factors will exacerbate the war for good talent in North America over the next decade. Open-minded leaders will now recognize that the definition of a global workforce has changed. Historically, multi-national organizations have aligned employee locations to specific business units, e.g., marketing employees reside in London, the finance team is in New York, operations are in the mid-west US, and IT is in Houston. Remote workers can reside anywhere, unlocking the talent pool.

Renewable Resources

The increased emphasis on renewable energy sources and an accelerated timeline will create exciting and well-compensated career opportunities for grads and professionals studying renewable resources. A college in Houston has developed a training program to educate chemical engineers and those in the traditional oil and gas industry, for careers in information technology services, another growth area.

Residential and commercial construction has been hard hit during COVID. Construction projects generate considerable greenhouse

gas emissions. Leaders in construction are offering more energy-efficient options to their buyers. Those who take the lead in reducing waste and CO₂ emissions will stand above the crowd and can take market share over the next five years.

Video Conferencing

The expanded use of video conferencing in business settings as well as by consumers will ensure sustained demand for reliable and practical technology applications and services. While remote learning was an unwelcome necessity for many students, it was and will remain appealing to a particular segment of the student population and some teachers. I expect to see an increased demand for remote learning and education and anticipate private schools adapting more rapidly to this and other educational changes. Progressive colleges and universities can reduce overhead and attract the brightest students by offering greater choice and flexibility.

Looking Forward

Some CEOs and directors have their gaze directed over one shoulder, looking to the past, speaking about a return, a recovery and/or a new normal. Boards and CEOs who have already made a pivot in their business, are already experiencing success or can see evidence of a bright future. These companies have already shifted for a variety of reasons. In some cases, it was out of necessity or in response to consumer demand. For others, the idea struck them in a moment of brilliance. How positive change is created matters little. What will make the future bright is to pursue the new with a willingness to take risks, seize opportunities and forge a new path.

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