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Islands Have “all the Right Ingredients” to Nurture the Businesses of the Future

About a third of businesses expect to change radically in the next two years as they seek growth opportunities in a fast-changing world, according to a new survey by HSBC¹, and Warwick Long, Head of Commercial Banking at HSBC Channel Islands and Isle of Man, believes Guernsey, Jersey and the Isle of Man are well placed to support internationally-dynamic businesses as they adapt for the future.

‘Navigator: Made for the Future’, a survey of over 2,500 companies in 14 countries and territories, found that, whilst technology tops firms’ spending plans, firms are also now prioritising investment in the well-being and future skills of their people.

The survey shows that 34% of decision-makers think their technological focus will ‘totally’ change over the coming 24 months, with a further 45% expecting ‘slight’ change. Over half (55%) plan to invest more in research and development.

Nearly as many though (52%) will boost spending on skills training and 43% on employee well-being; ahead of logistics (42%), plants or equipment (34%) and ‘bricks and mortar’ premises (29%).

By upskilling employees and adopting innovative technologies, the end goal for businesses is to become more efficient, more customer-centric and greener. Over half the companies surveyed plan to increase their investment in customer experience (52%) and 45% will raise spending to become more environmentally sustainable over the next two years. Almost a quarter (24%) want to become greener to attract and retain talented staff, and 30% are feeling pressure from customers to improve in this area.

A number of new technologies have already been embraced by businesses and include A.I. (41%), the Internet of Things (40%), wearables (37%) and facial/image

recognition (38%). The biggest benefits of employing these four technologies are improvements in productivity, customer experience and product or service quality.

Meanwhile 76% of companies think technologies will make their staff more productive and 72% think they will enhance well-being. Three in five (60%) intend to introduce or increase flexible working practices to enhance well-being and adapt to a rebalancing between human and automated output.

Commenting on the findings, Warwick Long said: “Excitement about rapidly-evolving technologies, including artificial intelligence (AI) and virtual reality, comes through clearly as businesses prepare to meet the needs of tomorrow’s customers. However, this survey also shows that businesses are well aware they will need their people to be healthy and happy in their jobs if they are to be successful in the future. Well-being and sustainability are becoming watchwords for business success.

“In this context, the Channel Islands and Isle of Man are well placed and have all the right ingredients to enable businesses to adapt and make the most of future opportunities. All three islands have made strong commitments to creating world-leading digital frameworks to support technological innovation and digital skills development, whilst the islands also place a real emphasis on wellbeing - HSBC’s latest Expat Explorer survey², for instance, found that 75% of expats in Jersey, 77% in Guernsey and 74% in the Isle of Man believe they enjoy a better quality of life since moving to the Island.”

Interviews for the ‘Navigator: Made for the Future’ survey were conducted in Australia, Canada, China, France, Germany, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, the UAE, the UK and the USA in May 2019. The full report can be found [here](#).

² HSBC Expat Explorer 2019: <https://www.expatexplorer.hsbc.com/survey/>

The top five technologies and skills businesses need to be 'Made for the Future'

Technologies (identified by businesses as representing the greatest opportunity for their business)	Internet Of Things	67%
	Artificial Intelligence and Machine Learning	60%
	5G Technology	59%
	Robotics	54%
	Augmented / Virtual / Mixed Reality	54%
Skills (new or different skills businesses will be looking for in their workforce in the next 1-2 years)		
	Innovation	31%
	Technological knowledge and skills in business technologies	26%
	Customer Experience	24%
	Research & Development	21%
	Cybersecurity	20%

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Note to editors:

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