

The (Inexorable) Evolution of Globalization and the potential of Artificial Intelligence

— Paul Burton | Chief Executive Officer, Mastech InfoTrellis

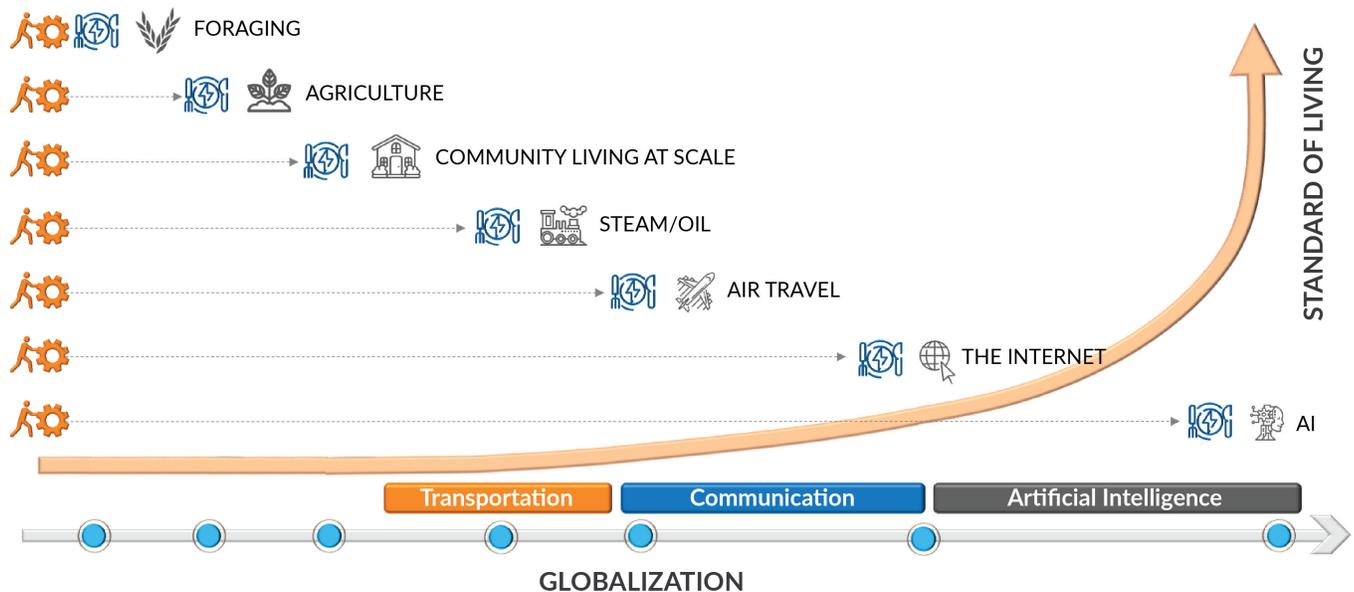
We often hear that we are in the digital age. Everything is turning digital: businesses, consumerism, literally everything. We also talk about the potential the future holds in terms of data, analytics, and AI. To understand the true potential of data, analytics, and AI we must look at how life has changed over the years and what has caused the change. This will reveal to us the systemic forces that will shape the successful enterprises of the present and the future.

When we speak of the digital age, we are really just speaking of the current manifestation of technology on the quality of our life. Technology has punctuated the (inexorable) evolution of globalization for millennia; moreover, increases to our standard of living have always only correlated with advances in technology.

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Production & Consumption



The Inexorable Evolution of Globalization

Globalization has always been punctuated by advances in technology

Technology Punctuates Globalization

A significant increase in our standard of living was not seen until the early 1800s when steam power launched the transportation revolution. Suddenly, with steam power enabling the transportation of large quantities of goods reliably to distant markets, global commerce increased substantially, leading to an increase in labor specialization. This specialization (particularly in the Western World) spawned innovation and produced a surplus of wealth that was recommitted to the economy. Economic growth continued apace. Air travel, while significant, was a continuation of the transportation revolution that deepened commercial linkages among peoples and States as labor and expertise was made more available globally.

The internet, however, significantly changed the game. With real-time communication available between any two points on the earth, business processes could be decomposed, or disaggregated, because the internet provided a means for precisely managing and coordinating the process from afar. This meant that businesses could now functionally decompose their business processes, redistributing process elements to specific locations to leverage cost and factor inputs to their advantage. Consequently, global supply chains took even deeper root and connections hardened as businesses sunk investments into countries they were betting on. With this new communication technology, the specialization of labor increased still further and more significant innovation now occurred in established and emergent thought centers world-wide. Globalization *writ* large took even deeper root.

With each punctuation to globalization caused by the introduction of a new disruptive technology, labor specialization increased leading directly to further innovation and a still more significant functional decomposition and distribution of industry supply chains. Artificial Intelligence promises more of the same, but with a much greater impact and reach. The impact on our standard of living will correlate with the effect generated.

CEOs Need to be Technology Leaders

The internet allowed for the remote control and coordination of business processes, while also presenting executives ample opportunity for labor arbitrage. Artificial Intelligence will increase automation in the control and coordination of business processes while dislodging significant amounts of labor - at least

as relates to many of the “process” roles that labor occupies today.

CEOs that understand this and act to rearchitect the business processes that give their businesses form, function, and ultimately profitability, will come out on top. But this means that CEOs must engender a new appreciation for technology generally, and Data and Analytics specifically. Today and into the future all CEOs must be technology savvy more than ever before. All CEOs must be technology leaders!

In the era of Artificial Intelligence, all CEOs want and will work to deliver three things:

Velocity Matters

First, CEOs want high business velocity. CEOs understand that their business is nothing more than an aggregation of business processes that take inputs and produce outputs. Whether the output is a product or service, CEOs need to deliver it fast and tailor it specifically for their client, because if they do not, their competitor will. The only way CEOs can increase their business velocity is to increase the velocity of their business processes. So, CEOs must reimagine their business processes, making maximum use of technology for automation and analytics for intelligence.

Continuous Cost Reduction is an Imperative

Second, CEOs must consistently reduce costs. The only way to do this is to remove labor from business process, thereby reducing the cost of the process itself. It's important to understand that process improvement, while always important, generally produces only incremental improvement. When processes become mostly or fully automated, discontinuous benefits accrue. Again, technology for automation is essential here.

Resilience can be Life Saving

Third, and finally, CEOs must ensure enterprise resilience. CEOs achieve this when they infuse intelligence into their business processes, and their processes become reflexive, self-aware, and coevolve with the business environment. Intelligent processes are increasingly table stakes for companies that want to prosper and take share in a market where *the industry's*

apex predator is a Technology Company!

The Future at Mastech InfoTrellis

At Mastech InfoTrellis we help our clients Architect Enterprise Intelligence. We do this by helping them leverage their entire corpus of enterprise data, develop insights and knowledge from it, and then use the insights and knowledge to drive smart process automation, achieving better, faster, business outcomes at significantly lower cost. Where a business sits on the fitness landscape will be increasingly determinative of its ability to survive in the digital age we are in.

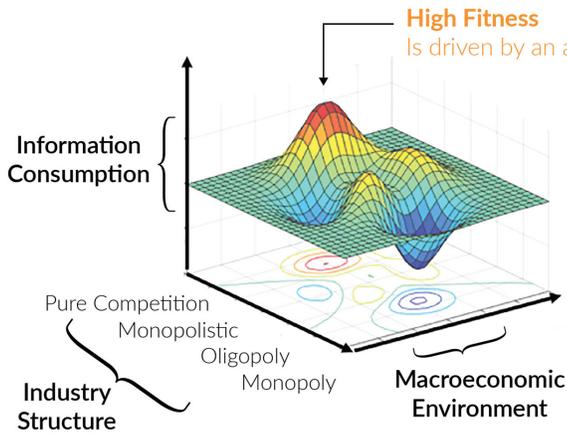
I am excited with the way we have positioned ourselves at Mastech InfoTrellis. Our entire thought process beginning with strategy, innovation, offerings, and delivery excellence aligns with what has been said above.

In all conversations with clients, analysts, partners, and associates, we drive this very clear message: We exist to help our clients Architect Enterprise Intelligence! The result is increased business velocity, reduced cost, and greater enterprise resilience while the client's enterprise learns, adapts, and evolves with greater ease and precision.

I am pleased with the way our journey has taken place over the last year. We have progressed on all fronts since my appointment in January 2019. We have not only sharpened our positioning and offerings, but we have also been joined by an extraordinary set of leaders who take this message to market every day and make a real difference with it to our clients. We have initiated thought provoking conversations with industry analysts and are steadily gaining well differentiated mindshare with current and future clients. I expect 2020 to be a transformative year for Mastech InfoTrellis. Looking forward, I believe the future is bright.

Where are you on the fitness landscape?

An Enterprise's ability to Learn, Adapt, and, Evolve is influenced By Three Things...



"Ability to consume and act on information is a major competitive advantage."



Author

Paul Burton, Ph.D., is the Chief Executive Officer at Mastech InfoTrellis. Paul is a seasoned industry leader with 20 years experience at Fortune 25 companies. He has held global leadership roles at Genpact, Hewlett-Packard, and IBM.

About

Mastech InfoTrellis partners with enterprises to help them achieve their business objectives by leveraging the power of data to derive deep, analytical insights about their business and its operations. We accelerate business velocity, minimize costs, and drastically improve corporate resiliency through personalized, process-oriented programs, consisting of strategy, data management (including master data management), business intelligence and reporting, data engineering, predictive analytics, and advanced analytics. Part of the NYSE-listed, \$177.2M, digital transformation IT services company, Mastech Digital; we drive businesses forward around the world, with offices spread across the US, Canada, India, and Singapore.