

DORSET BUSINESS FESTIVAL – CONFERENCE DAY

Entitled **The Future of Business**, the conference was held on Tuesday October 10th at the Hilton Hotel conference suite in Bournemouth and sought to discuss and enquire into five key areas that business will need to understand and embrace going forward. There were five panel discussions with industry specialists with questions posed by the **Conference Host, business journalist and broadcaster Declan Curry**,

The day was introduced by **Ian Girling, Chair of the Dorset Chamber** and the conference opened with a speech by keynote speaker, **David Smith, Economics Editor of The Sunday Times**. These were his key points:

- Productivity has been dire since 2008 financial crisis and we have seen productivity and wage stagnation since then.
- Government debt at its highest since WWII
- Inflation caused by Russia's invasion of Ukraine
- Global economy is subdued, as are Advance & Emerging markets because:
 - i) Huge energy price shock
 - ii) Labour shortages everywhere, not just in the UK
 - iii) Supply chain difficulties (although now largely eased)
 - iv) Central banks tightening policy, so cost of borrowing rising
 - v) People have dropped out of labour market, which no one expected as a result of lockdown
- He feels that we are now in the grip of two forces:
 - Lower inflation will provide a boost to real incomes
 - Many of the savings built up over the past 2-3 years are waiting to be spent, plus are attracting higher rates
 - BUT the impact of tighter monetary policy – higher interest rates – have yet to feed through.
- What does this mean for Dorset and the South West?
 - Worker shortages should be starting to ease
 - As should cost pressures
 - But plenty of longer-term challenges remain, including transport infrastructure, skills etc
 - And the levelling up agenda is not what it was.
- There are reasons why high inflation should not be permanent:
 - Energy price spikes tend not to last, despite Russian-Ukraine
 - Despite labour shortages and faster rises in pay, there isn't a full-blown wage-price spiral.
 - The big money supply expansion associated with QE is over
 - Producer price inflation is now negative by 2.3% for input prices and 0.4% for output prices.

The Panel Discussions

Listed below are the five panels and their speakers, followed by a synopsis on each panel discussion, focusing on the key take-outs to consider. What was said has been collected into all comments by each speaker, in the order they spoke, rather than the debate that took place.

1. **The Workforce of The Future**

Panel – **Lord Mark Price**, Found of Work L (*ex-Marketing Dir of Waitrose*); **Kevin Barnett**, partner, Lester Aldridge; **Karen Parkinson**, head of HR at Keith Spicer Tea; **Cllr Jill Haynes**, Portfolio Holder for Corporate Development and Transformation, Dorset Council

Cllr Jill Haynes – Dorset is one of the largest councils in Europe and has an interesting demographic, as its biggest growing age group are the over 85s and its fastest diminishing, the under 55s. So where do our workforce come from? How can we keep our young people in the county? DC is going out to talk to Year 8 students to inform them about the huge variety of opportunities in the public sector. Whilst Covid hastened the trend, the council had already forecasted 40% of the workforce in the office at any one time, allowing DC to re-consider their office assets. The downside to working from home, though, is lack of team spirit and they insist that all staff spend at least 2 days a week in the office.

Karen Parkinson – one of the key challenges for employers is retaining staff; work expos, job fairs and engaging with students to ensure they know the wealth and variety of job opportunities in the county is really important. Hybrid / flexible working doesn't always work, as it is not suitable for all job roles.

Kevin Barnett – attracting young people is hard; transport is a huge problem as there is neither the road nor transport infrastructure. Business needs an improved HR offer, to include flexibility, maternity/ paternity leave, redundancy etc., as this could give a company an edge.

Lord Mark Price – it is more efficient to retain customers and get them to carry on spending/ spending more than it is to attract new ones. The key factors for tomorrow's workforce are: flexibility (location/ hours); longevity of one's working life which will include working in different ways and having several careers; AI – some departments of 500 will be able to be reduced to 2 + AI, although this isn't imminent. Just lost a fantastic worker – person was in the office 2 days a week, new boss offered her same deal, same salary but one day in the office a month. Do they change their business model? Youngsters coming into business need training, camaraderie, coaching, so an empty office doesn't work. His company conduct a Happy Work Test of 5,000 people on a weekly basis, across 26 industry sectors – before Covid, Tech was the worst place to work, now it's the best place as post-pandemic they can work from home.

2. **ESG for Business Growth** (Environmental, Social, Governance)

Panel – **Dr Gareth Sherwood**, CEO of YMCA Bournemouth; **Gary Neild**, CEO of Blue Sky Financial Planning; **Emily Fripp**, CEO of Efeca; **Howard Gunstock**, Eco-Champion at Carbon Kapture.

The host started this discussion with a quick survey of the audience (via our smart phones, we logged onto an HR code to join the survey in real time) –

Question: How many of you (as in, businesses or organisations), have an ESG strategy? Answer – equal split 50%/50% between yes & no.

Question: How many of you have a Net Zero strategy? Answer – 58% No, 35% Yes, Sort of 7%

Emily Fripp – Efeca's aim is making/ helping companies and organisations use ethical sourcing and her company has just gained internationally recognised certification. ESG is not a single policy or philosophy throughout business. Etheca has a no-flight policy in UK and Europe, for instance. Best value doesn't mean cheap, it means what's best for our staff, our planet, our footprint. This isn't a green issue, it makes good business sense, we've got to work collaboratively.

Howard Gunstock – it's difficult for companies to do this on their own; guidance is needed to give insight and information. The seniority of the person getting involved is frequently a problem, as it's normally junior staff members who get given the brief. Feel that it's not taken seriously, due to fear of challenging profitability of the company. Companies need to see the planet as a stakeholder in business. There are five groups across society – general public; small businesses; large businesses; academia; government; they're not speaking the same language. A Carbon Audit is tricky and uncomfortable – its private, as if someone's looking at your bank balance. No one wants to make changes, so don't do the big-ticket items first; change a small thing, make that successful and build from there.

Gary Neild – Empower your team, the whole business should be looking at their department and looking at what could contribute to ESG.

The host then asked "If there is one thing you would recommend business do, what would it be?"

Howard Gunstock – Change your bank!!! They will ask you why you're leaving and you tell them its for environmental reasons; this will eventually force change in the banking sector.

Dr Gareth Sherwood – Planning for 10 – 20 years is easier than for 1 -2 years, so embrace risk management.

Gary Neild – Take a day out to discuss ESG with your staff and ask them for ideas.

Emily Fripp – Take responsibility, talk about it, change your pensions!!! www.makemymoneymatter.com.

3. **Town Centre Regeneration**

Panel – **Claire Whitaker CBE**, CEO of Southampton Forward; **Denz Ibrahim**, Head of Retail and Futuring at Legal & General; **Adam Walker**, co-founder and Entrepreneur at FOUNDRY; **Tom Alder**, Head of Real Estate at Lester Aldridge; **Debbie Oldfield**, Design-Out Crime Officer at Dorset Police

Claire Whitaker – town centres need to be vibrant, exciting and a destination to ensure consistent footfall. Build on what you have and make the most of it, key stakeholders need a common vision and to work together. For a thriving night time economy, we need to extend how people can go from day to evening, re-imagining perception of safety.

Adam Walker – Town Centres need to offer live, work, shop, play and people need to live in town centres. The way we shop has changed forever; town centres are places to dwell and play. High Streets need to be led by indies.

Denz Ibrahim – for years, everything in retail felt the same, the architecture, the shops, the products. The attitude has to change, it's not about renting shops, it's about the customer and curating the offer. There's been a cultural shift in how people view High Streets. The starting point is the consumer – (Not the shop owner, not the landlord). Have a health centre in the town centre, these people will then shop in the shopping centre. The public realm of town centres are the new anchors: design, structure, art, open spaces.

Tom Alder – Covid changed everything; habits have changed, footfall has dropped, we need more residential properties in town. The type of resident dictates what shops are in – younger residents want a gym, rather than a greengrocer. We need a long-term view of the High Street, a town centre that provides many things for many people. Change of use is tricky - if they want town centre regeneration to happen, sustainable change needs Local Planning Authorities to still be in charge. They should be a central, focal hub for the community, places where you can gather and share an experience together.

Debbie Oldfield – every time something new gets built or altered, security needs to be built in from the beginning. A town centre needs to be attractive, think of the aesthetics – colour of roads, the lighting, street furniture, planting, security.

4. **AI & Tech for the Future**

Panel – **Matt Hammond**, CEO and founder at Talk Think Do; **Andrew Radcliffe**, co-founder and MD at Spyrosoft; **Jake Moore**, Global Cybersecurity Advisor at ESET; **Matt Dismier**, Strategist, Advisor and Mentor at Bournemouth University; **Adam Greenwood**, Entrepreneur and Founder of The Human Tech Agency.

Matt Dismier – ChatGPT is just an extension of predictive text! AI wouldn't exist if Big Data didn't exist; having stored all this data, what can I do with it? Just exploring what can be done with all the data captured over the at 10-15 years.

Andrew Radcliffe – explained he was formerly with the police. It is easy for criminals to use ChatGPT, need to empower people and train them much better, better levels of verification. Cyber insurance is a must – get them in to look at what kind of insurance you need and what your risks are. Voice cloning is easy.

You need to learn about AI and use it now for cost-cutting, innovating – start right away so that you start teaching yourself and your staff about it before it becomes so sophisticated you're left behind. It will be as impactful as the arrival of the smart phone.

Jake Moore – do not use free versions as they can easily capture your data. Much better result to get latest version and if you pay, you are protected.

Matt Hammond – it's just natural evolution but you have to use it or you'll be redundant. Use data analysis to come up with opportunities through utilising your captured customer data.

Adam Greenwood – banning ChatGPT in schools is a bit like banning calculators. It's here, we need to learn how to use it.

5. **Skills for Future Growth**

Panel – **David Smith**, Economics Editor at The Sunday Times; **Nicola Newman**, Project Lead at Dorset LSIP; **Phil Sayles**, Principal & CEO at Bournemouth and Poole College; **Michelle Jacques**, Strategist and Data Specialist at Reach plc; **Dr Deborah Taylor**, MBA Director & Senior Leader Apprenticeships at Bournemouth University.

Michelle Jacques – we need to start engaging with junior schools in terms of engaging children in skills/ industrial areas.

Early years education hasn't really changed in 200 years; if girls at age 6 are being taught that certain subjects aren't for them, then by the time it comes to a careers day chat, it's too late. At year 7 (11/12 yr olds), children should be fully conversant with tech. We're asking for children to have skills for jobs we don't even know about yet.

Nicola Newman – 90% of employers employ less than 10 people. The biggest employer in Dorset is the health sector (public and private), then construction, agriculture, digital.

People don't fully understand apprenticeships – they're not just for youngsters and the government pay virtually all costs for adults doing apprenticeships whilst working.
Degree apprenticeships – no debts!!

Phil Sayles – we need close collaboration between employers/ colleges and universities so that the employers get the skilled staff they need, e.g. some managers at Sunseeker International are seconded to Bournemouth & Poole College to teach.

David Smith – it's not just 18 year olds, it's upskilling and re-training 30 year olds, 50 year olds, as people change careers and work for longer.

The host asked for calls to action:

- What skills do you already have that could inspire young people by talking about them?
- People are more engaged now in trying to communicate their needs, making the best of our youngsters because of pandemic skills shortage
- Ignorance stops people investigating career options.
- Get primary schools in to see how businesses work