News Release

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Avanade Forecasts that Digital Ethics, Modern Workplace and Immersive Experiences Will Top the List of Imperatives for Global Companies in 2019

*New Trendlines research outlines key insights about emerging trends that will impact
design, innovation and technology choices*

December 13, 2018 (Seattle, WA) — Taking action on digital ethics, combining intelligence and design and preparing for experiences without boundaries are key trends companies need to focus on in 2019 to keep pace in an accelerating digital world, according to new Trendlines research from Avanade, the leading digital innovator on the Microsoft ecosystem.

Trendline One: Take action on digital ethics
Ethics has long been a key tenet of most businesses, but the rise of AI and automation increases the potential for unintended consequences and potential ethical challenges. Those challenges can affect a company's employees, customers and partners. According to Avanade research, 89% of global executives say they have encountered an ethical dilemma at work caused by the increased use of smart technologies and digital automation with 87% admitting they are not fully prepared to address the ethical concerns that exist today.

"Companies can no longer simply talk about digital ethics," said Florin Rotar, executive, modern workplace global lead. "It's clear that digital ethics is now a board and C-suite focus, and leaders in this arena will need to start developing guiding principles and building ethics-by-design into their work."

Avanade is leading the way with a Digital Ethics Task Force, guiding the company internally and through forums attended by representatives from some of the largest global companies.

Trendline Two: Intelligence meets design
Model-driven companies bring design and data science together to create more personalized products and services to better engage their customers. It's time to apply these same practices to build an exceptional employee experience. Research from the Center for Information Systems Research (CISR) at MIT Sloan School of Management shows that firms with the best employee experience achieve business benefits, including double the customer satisfaction, twice the innovation and 25 percent greater profitability compared to competitors[1]. Forward-thinking executives are putting their data scientists and creatives side-by-side on cross-discipline teams at the earliest stages of product and service creation – with a goal of improving both the employee and customer experiences.

"Model-driven companies re-engineer employee experiences to be on par with customer experiences," said Aaron Reich, global lead for emerging technology. "Getting data scientists and creatives to work together

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[1] "Building business value with employee experience," Kristine Dery and Ina M. Sebastian, MIT Sloan Center of Information Systems Research (CISR), Research Briefing, Volume XVII, Number 6, June 2017

requires organizations to integrate intelligence and design capabilities and toolsets. That collaboration will foster an environment that can drive better employee and customer experiences."

Avanade is leading the way in solving business problems for clients through its network of digital innovation studios, combining multiple disciplines to build new products and services.

Trendline Three: Experiences without boundaries
We're at the dawn of new types of consumer and employee experiences, but many companies are still stuck trying to manage design across desktop and mobile. The world is quickly moving to a mobile-only society where mobile is any extension of a person – from wearables to cars to sensors in walls. When the experience is always "on the go," it is both physical and virtual. Creating these immersive experiences without boundaries requires a new mindset and an IT architecture intervention. According to Avanade research, 80% of IT decision makers believe that not modernizing IT systems will negatively impact the long-term growth of their organization.

"These new experiences require a new mindset in everyone – executives, employees and consumers," said Craig Gorsline, executive, advisory and innovation global lead. "Companies will have to revamp their IT architecture so consumers and employees can enjoy frictionless experiences that augment their lives with relevant information presented across any platform. It's time to embrace change."

Avanade is leading the way with its workplace experience, delivering a revolutionary, digital workplace without boundaries for employees and clients.

About Avanade Trendlines
Avanade Trendlines highlight key themes predicted to develop over the next 12 months and outline what actions businesses should take to ensure they are not left behind. Trendlines are based on ongoing research and the combined experience and expertise of Avanade's 35,000 professionals who work with clients daily, across multiple industry sectors spanning the globe, advising them on how to maximize the business value of technology for their employees and customers. Over the course of 2019, Avanade will publish detailed perspectives on these trends.

"Our trendlines this year are grounded in the potential human impact of technology," said Aaron Reich, global lead for emerging technology. "Many of our clients are well along their digital business transformation journey, and as they keep pushing forward, it's imperative to consider the impact of their technology decisions on their employees, their customers and society at large. These emerging trends will impact their design, innovation and technology choices in the future."

About Avanade
Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences delivered through the power of people and the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help fuel transformation and growth for our clients and their customers. Avanade has 35,000 digitally connected people across 24 countries, bringing clients the best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com.

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