

47 years ago, the Club of Rome first used the word 'sustainable' in the modern sense, as part of a publication 'Limits to Growth' which described a desirable state of equilibrium for the global population.

30 - 40 years ago bank tellers used adding machines and ledger cards.

26 years ago, a ground-breaking step was taken at the first UN conference on Environment and Development, where Agenda 21 encouraged the cooperation of nations in adopting a model of sustainable development.

25 years ago, we lined up in a bank to get cash or some of us picked up our tally number and returned later in the day to get our cash.

15 years ago, Facebook and other social media platforms barely existed, and applications were what you sent to College.

It's a cliché to say
that thanks to technology,
we are witnessing faster change
than ever before in world history.

But it's true.

It's daunting.

It's exciting.

Today every business aspires to sustainable growth
and the triple bottom line is something
most of us take very seriously.

But sustainable growth does not come easily.

The attainment of growth and a prime market position
in the 21st century
demands a business strategy,
that creates an environment
that stimulates and supports innovation.

Innovate or die is our new reality.

Pause

Innovation means creating value from ideas.

This value could be commercial, social or environmental, from a multi-million-dollar 5G-powered microchip, to producing environmentally friendly cars.

Constantly changing consumer preferences and consumption behaviours means organisations must either innovate or die.

A 2017 PwC survey reported that 60% of over 1300 CEOs believe their sectors have been changed or reshaped, whilst 75% expect to see their market disrupted by the year 2022.

Pause

There is little doubt technology has enabled this new era of innovation.

Advancements in computing such as Artificial Intelligence, Machine Learning and analytics have led to quantum leaps in robotics, analytics, genomics and nanotechnology.

These have spurred innovation in industries such as energy, manufacturing, medicine and financial services.

Accenture forecasts that the continuing adoption of Artificial Intelligence could double economic growth rates of 12 major countries by 2035.

Pause

The world is witnessing the Fourth Industrial Revolution.

In the financial services sector for instance, banks leverage digital banking to innovate real-time solutions, process and predict customer behaviour in an incredibly fast manner, and as a result, deliver best customer experience.

But this is only the tip of the iceberg.

Technology provides infinite possibilities in banking.

The possibilities of billions of people connected by mobile devices, with unprecedented processing power, storage capacity, and access to knowledge, are unlimited.

Pause

Innovation that disrupts has been here for a while.

The last three decades gave us Netflix, Airbnb and Uber, which have fundamentally disrupted the market dynamics of video streaming, hospitality and transportation.

Netflix was launched on April 14, 1998, as the world's first online DVD rental store, but today it serves over 145 million streaming subscribers around the globe, with a gross revenue of US\$15.794 billion.

Airbnb, in 2008, started as a website that offered short-term living quarters, breakfast, and a unique business networking opportunity for city dwellers and visitors. Today it serves a worldwide market, with revenues at \$2.6 billion.

Uber's disruptive technology has placed the 10-year old company in nearly 600 cities worldwide, with a valuation of nearly \$70 billion.

These are just a few examples of how much disruptive innovation can lead to growth and economic value.

When we look around the world, we find many other examples.

Health care is being disrupted.

Scientists are using 3D printers to create human tissues that can be used for medical testing and perhaps one day to produce human organs.

Demographics are a disruptor.

Worldwide, the population of people aged 60 years or over has doubled since 1980 and is expected to double again by 2050.

Climate change is a disruptor.

Devastating floods, an increased number of tornados and earthquakes and last summer an unprecedented number of forest fires erupted in the Arctic Circle.

Shareholder engagement is a disruptor.

Institutional investors are starting to ensure the companies they invest in operate in a sustainable way.

You don't need to look very far to see massive future changes already on their way.

A few years ago, the idea of autonomous vehicles was spoken of in futuristic terms.

"Someday there will be driverless cars," pundits said.

Today, a company called Waymo has 100 autonomous taxis operating in select areas of Arizona in the US.

And in 2020, Uber is planning to test a fleet of airborne taxis in Dallas, Los Angeles and Dubai.

Pause

Closer to home, how will innovation and disruption impact business and economic growth in Nigeria?

Disruptive innovation creates new goods and services and increases the accessibility and affordability of these for more people.

As business leaders, the riskiest and most dangerous thing we could do is resist the need to innovate.

The various challenges confronting Nigerians today, from infrastructure to healthcare, education, logistics and others, provide ripe opportunities for innovation and disruption.

For **businesses**, the acceleration of innovation and the effects of disruption are delivering a resounding swipe to virtually all value chains, yielding long-term gains in efficiency and productivity.

The technologies that underpin the Fourth Industrial Revolution are having a major impact.

Companies now have access to global digital platforms for research, development, marketing, sales, and distribution.

On the demand side, the abundance of information, transparency, consumer engagement, and new patterns of consumer behaviour...
...driven by access to mobile networks and data, compel companies to adapt the way they design, market, and deliver products and services.

It is critical that business executives rethink talent, culture, and organizational processes.

We must deliberately, relentlessly, and continuously innovate.

Pause

For the **government**, tech-led disruptive innovation will increasingly enable citizens to engage with governments, voice their opinions and coordinate their efforts.

It will change the current approach to public engagement and policymaking.

Government will need to adopt new technologies and accumulate capabilities in terms of surveillance systems and the ability to control digital infrastructure.

Government will need to embrace a world of disruptive change, subjecting its structures to higher levels of transparency and efficiency in policy formulation, implementation and oversight.

By implication, government and regulatory agencies must collaborate closely with businesses, technology companies and civil society.

For **Nigerians**, disruptive innovation is already affecting our sense of privacy, our notions of ownership, our consumption patterns, the time we devote to work and leisure, how we develop our careers, cultivate our skills, meet people, and nurture relationships.

Innovation provides so much more to people.

In Access Bank, we recognise this and have introduced a new business philosophy ***More Than Banking***, in which we go beyond traditional boundaries to offer bespoke financial and lifestyle services to over 29 million customers across 12 countries through innovations in digital banking, artificial intelligence and analytics.

But to many,
the pace of and the form innovation is taking
raises critical concerns.

Scholars have raised fears
that the Fourth Industrial Revolution has the potential
to “robotize” humanity
and thus deprive us of our heart and soul.

Therefore, there is a call for creativity,
empathy and stewardship to be the pillars
that lift humanity into
a new collective and moral consciousness.

We must develop a comprehensive, globally shared view
of how technology is affecting our lives
and reshaping our economic, social, cultural,
and human environments.

Pause

In Nigeria and elsewhere,
businesses must deal with several factors
in order to make the most of innovation and disruption.

I'd like to highlight four such factors today.

Short pause

First, the changing face of competition.

Businesses and organisations must accept the reality
that competition itself is changing.

New technologies and business models are arising
that will profoundly affect the functioning of existing industries.

Whilst we must protect and grow our individual market share,
we must ensure that we compete on the frontiers of technology,
efficiency, customer experience and value.

The authorities will need to redefine and guide all players
using best competition advocacy.

Second, Nigeria must urgently deal with the challenges of intellectual property protection to maximise the growth potential of innovation.

All stakeholders must collaborate and push for reforms of the legal frameworks for protecting intellectual property rights in Nigeria.

Without this, it will be tough harnessing talents and inventions for economic growth.

Third, Nigeria must deal with the high cost of doing business.

Our poor infrastructure, business registration hurdles, multiple taxation, bureaucratic bottlenecks, and others make it difficult to conduct business in Nigeria.

Nigeria currently ranks 146 amongst 190 economies in the 2019 World Bank's ease of doing business ranking. This makes start-ups difficult and it creates challenges for established businesses to run profitable establishments.

Finally, Information Security and the challenges of protecting customer information against cyber-attack remain a major threat that could erode customer confidence.

We must invest in preventing unauthorized access, use, disclosure, disruption, modification, inspection, recording or the destruction of data.

Pause

Before I finish, I'd like to make several comments on positioning Nigeria's Insurance Sector for a secure and prosperous future.

In 2016, the Nigerian insurance industry generated approximately US\$58.4 billion in Gross Premium Income despite a low penetration rate of 0.45%.

This figure includes Kenya at -2.7% and South Africa at -16.99%.

With only 1% of Nigerians holding an insurance policy, there is a huge untapped opportunity here.

It appears the Nigerian insurance sector has already started experiencing disruptions.

Insurtech start-ups are leveraging technology to gain market share and pursue growth.

In 2014, AutoGenius, launched by Venia Technologies allows users to buy auto insurance online, by working with traditional insurance companies to provide this convenient service.

Similarly, CompareIN launched in 2015 allows users to compare and buy an insurance policy online.

In addition, Cassava allows individuals to make small weekly and monthly insurance subscription payments via debit card or USSD.

So how do we position our insurance sector
to efficiently provide coverage
to innovative and growth-elastic sectors in Nigeria?

Here are my thoughts on three opportunities.

Relative to the size of the Nigerian economy
and the opportunities it offers,
the insurance sector needs serious **capitalisation**
to increase its capacity to underwrite transactions
in sectors such as oil and gas,
marine, aviation, and technology.

In May this year, NAICOM raised the minimum capital
for the insurance industry by over 200%.

Whilst this will go a long way towards repositioning
the Nigerian insurance sector
in terms of product offerings and customer experience,
the sector must grow big enough
to provide cover for huge exposures.

Second, **Strategic Alliances and Partnerships** will be key.

Traditional insurance companies must partner with upcoming Insurtechs so they are able to explore growth opportunities that technology provides giving customers better and more innovative product offerings.

Claim verification processes must also be reviewed to foster trust.

Partnership with the Banks for viable **Bancassurance** opportunities is also a formidable route to growth.

Finally, Insurance companies should make more use of the **new media and digital offerings** to deepen insurance for the retail segment of the market.

The need for the implementation of a robust compulsory insurance policy cannot be overemphasised.

Longer Pause

It is abundantly clear to all of us I'm sure,
that we are living and operating in an **age of disruption**.

Today, businesses and economies
compete in an interconnected and networked world
in which the key to competitive advantage
is no longer the sum of all efficiencies.

Rather, it is the sum of all **connections**.

Strategy, therefore, must be focused on widening
and deepening **connections**
in order to access the ecosystems of technology,
talent and data.

Today's decision-makers
must let go of the traditional linear thinking of change.

We must think strategically about the forces of disruption
and how innovation is constantly reshaping the future.

It has been estimated that we **won't** experience 100 years of progress in the 21st century.

It will be more like **20,000 years of progress**, calculated at today's rate.

The possibilities are endless.

Innovation is our new reality.

We must all become disruptors or risk being disrupted!

Thank you.