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STAYING AHEAD OF CHANGE; BUILDING AND PROTECTING FUTURE VALUE

Throughout the history of mankind, much has been said and written about *change*. Notably the Greek philosopher, Herakleitos (C.535BC - 475BC) of Ephesus, is known to have been the earliest person to have pondered the implications of *change*; and others who followed his thinking, eventually coined the more modernised quote to suggest that, "*the only constant in life, is change.*"

Centuries later, Abraham Lincoln, who served as the President of the United States of America from 1861 until his assassination in 1865, certainly understood *change*. Lincoln said that he had grown to become a smarter person through change, and this was evident as he promoted economic and financial modernisation and ended slavery.

Since these early-day pioneers -- and advocates of change -- the technological and socio-economic advances made by man have increased in epic proportions, and there is still no end in sight as we forge ahead. Our modern world continues to place more and greater demands for, and upon this word called *change*. One must assume that this is done in order to remain relevant within an intricately woven, and fiercely competitive global economy. The fact that we are constantly driving for change, and that it has become so important to us, suggests that we also place incredible *value* to such change.

Even Gordon Moore, the co-founder of Intel® realised the need for staying ahead of technological change, and he did this to build future value for his organisation. His predictions in 1965 stated clearly that the number of transistors on a semiconductor chip would double about every two years. Indeed Moore's technological (and economic) predictions for Intel® were exceeded. Moore and his partners -- Robert Noyce and Andrew Grove -- foresaw value in their microchip which they had developed, knowing the massive effect this device would have upon billions of people around the world, both then and in the future. As is often the case, most people would have, for example, missed the Intel® opportunity; and probably for many reasons. One reason may have been that the ordinary (or unsuspecting) person would not have had the vision to realise the future value of this small device, and would not have acted upon their gut feeling to build such a product, let alone protect their valuable idea.

Of course, times have changed and it is no longer true that value is *only* attached to an object such as the case with the Intel® microchip, or any other well-known or recognised products such as Carl Benz's automobile with its famous encircled three-point star, or a BlackBerry®, or Apple® products for that matter. Nowadays, value is also attached to something which may be less tangible, such as a string of words. For example the slogan "Yebo gogo" has become iconic in South Africa and is attached to Vodacom's full suite of products and services, which is protected with copyright. These products and services are the creative ideas of their founders, each who took personal and financial risks to invent and formulate their respective products and services to improve entire business markets, or segments thereof. Understandably, their efforts need to be protected; and the way in which these visionaries have protected their investment and distinguished their products and services, has been done through trademarks, registered and awaiting registration, and copyrights, denoted by the ™, ® and © symbols.

Looking back in time, it's astonishing to see just how modern society has changed its perceptions toward that which represents value, and of course how things that have value today and which need protection, may not necessarily have any value tomorrow. Not that long ago, a person's value, or wealth was largely determined by their physical assets and belongings. As compared to today, many may argue that a person's value is determined purely by their knowledge and the manner in which this knowledge can be deployed. When comparing the value, in more general terms of for example the Intel® microchip compared to the "Yebo gogo" slogan; we begin to realise the immense difficulty of comparing physical versus non-physical matters, remembering of course that each of these have a *relative* value to their owners and whose values will change, upwardly or downwardly over time.

In economic terms, we need to acknowledge that where there is a perceived or real value attached to physical or non-physical matters -- and particularly if they are in demand -- there is normally a price tag attached which generates an economy and wealth. At the same time, our world has become quite 'borderless' as the economic boundaries have merged through the networked global village, making it increasingly difficult to understand *which* rules of business and engagement should be followed, and when. Similarly -- through the effects of the global village and its wealth of easily accessible information -- it has become very important for companies to know how to manage this information, which may explain the reasons for the appointment of a Chief Information Officer (CIO). In years gone by, there was no such appointment of a CIO, and who today serves a vital function to assist directors and prescribed officers to know not only *what* information is valuable, but more importantly *how* to manage it. Clearly, with the increased personal and joint liabilities placed upon directors and prescribed officers through the recently launched Companies Act 2008, this is an area wherein companies face massive risks. As these complexities of business encroaches upon our value systems (be these at an economic or personal level), one can't help but wonder what might become of our future values, as *change* continues in the decades ahead.

What might the new role of a CIO become in the future? Will this person be expected to simply understand and manage an organisation's information, or will this person *also* be expected to watch out for new catchy phrases or body gestures -- besides the obvious new product and service inventions -- that determines future value? As our society becomes even more 'wired', with more 'virtuous operations' and 'virtual experiences' becoming more the norm, the question of governance immediately arises. Might we then also begin to attach personal liability to say a CIO, who fails to properly protect what the company deems to be valuable, and where the CIO fails to register trade marks, copyrights, or patents to specific business methods as may be appropriate? What will be acceptable behaviour, how will it be managed and what value will society attach to these developments as our world calls for more change?

The questions we pose in this article and the associated answers may not be clear at this point in time. Had we the ability to accurately foresee the changes of the future, then measuring and protecting the value of physical and non-physical matters would have been so much easier to determine.

At CGF we aspire to emulate the visionaries from whom we draw inspiration, and we have realised the significance of such matters as the protection of our own intellectual property, which is not half as grand as a catchy phrase such as "Yebo-gogo". To illustrate the manner in which CGF values and protects its own products and services, and also to distinguish ourselves from our competitors, we have registered Governance Beyond Boards®, Global Governance Framework®, Corporate Governance Body of Knowledge®, CGF Body of Knowledge® and Corporate Governance Framework®.

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