

## FROM THE EDITOR

### Constant vigilance and the fork in the road

Once upon a time, liberty was the ‘desired end result’ of constant vigilance. But in our fluid era of disruption, even this noble sentiment has been upended. Harvard Business School’s Ben Esty, for example, has noted the only solution to the pace of innovation and the potential for disruption that now threatens virtually all companies, is constant vigilance; “to recognise the threats and a willingness to respond even if it is costly to do so”. It is now 30 years ago since the concept of disruptive innovation was introduced to the business world, and its tentacles have spread. Consider this: U.S. giant General Motors has announced it is now working towards an “all-electric, zero-emission future.” Unthinkable just 12 months ago, it’s a reality today. It’s a new business—even professional—environment.

Cloud computing, driverless cars and artificial intelligence have gone on to precipitate a fundamental shift in the way we think of existing business models, say Snehal Shah and Ashish Kumar Jha, who conclude that meaningful value is derived when a company is an active participant in shaping the environment to its own strategic advantage. The physical environment and its impact on business is analysed further by Jagdish Sheth and Suhas Apte, who note that as technology and capital, the erstwhile constraining factors in the Asian growth story, become abundantly available, the use of resources in this region will accelerate, and naturally raise environmental concerns for Asia. And as mobile phones and other electronic gadgets become more affordable, Robert J. Kauffman and Kustini Lim-Wavde record that Asia, with its large populations, now generates the most waste. Like it or not, the prospect of all of us living in, on, or in close proximity to the global garbage dump is very much on the horizon.

Thailand’s economic challenges were also to the fore when I met with former Prime Minister of Thailand and current leader of the Democrat Party, Abhisit Vejjajiva. Thailand 4.0 will need a new toolkit, he told me, if it is to transition out of being a middle-income country. In the case of BPI Globe Banko, the Ayala Group made a strategic decision to use its ecosystem advantage and leverage its combined resources to create the bank. It was a game changer for the Group, report Peter Williamson and Havovi Joshi, and it went on to disrupt the Philippines’ traditional banking system.

However, the East Asian blueprint, the quintessential roadmap for progressing from third world to first, and its approach towards development, has yet to catapult would-be tigers in other emerging markets to the same levels of prosperity, observes Shantanu Bhattacharya. The reach and quality of regional healthcare remains a considerable challenge. Elisabeth Staudinger, for example, questions whether high-end innovation in medical technology is a blessing or a curse in delivering healthcare in Asia.

But long before Asia’s economic tigers ventured outside their habitats, U.S. economists were rumbling on about the sustainability of debt. Deepika Deshpande takes a dive back into the 1930s and the Chicago Plan, and emerges with some surprising observations on the then-radical idea of sustainable debt and its modern relevance. Meanwhile the paradox of part-time employees working overtime proves fertile territory for Yong Hsin Ning and Jochen Reb, who discuss the studies that reveal those on part-time work arrangements are voluntarily working either longer hours or working them more intensively. Meanwhile, Saumya Sindhvani, Jerry Connor and Howard Thomas question the extent to which middle management is prepared for today’s challenges. Not an easy task, they say. And on the perpetual drive to increase performance, Marcus Marsden calls our attention to the need for individuals and teams to experience the ‘discomfort of adaptation’—as opposed to the ‘comfort of learning’.

As the social philosopher, William Irwin Thompson has suggested, one way to find food for thought is to use the fork in the road, the bifurcation that marks the place of emergence from which a new line of development begins to branch off. In this issue we have branched out with the introduction of **A Walk Through Asia**, a new section designed to reflect current streams of thought from around the region. In our first article I discuss the flow of funds, highlighting some unique challenges faced by ASEAN countries and their equally unique solutions. I open up the forum to encourage readers to contribute their thoughts on some of these broader issues that challenge businesses across Asia, but to perhaps different degrees in each country. We also encourage authors to submit articles on other topics that affect multiple markets in Asia.

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