



Association
of European
Businesses

INNOPROM ONLINE: «INDUSTRY IN DIGITAL ERA»

SESSION: "PRODUCTIVITY. TECHNOLOGY. SOCIAL RESPONSIBILITY"

EVENT PARTNER: ASSOCIATION OF EUROPEAN BUSINESSES

DATE: 23 SEPTEMBER 2020, 12:00 - 13:30

CONCEPT

The coronavirus crisis has changed the business priorities of the companies. It suddenly demonstrated that a value chain, optimized for cost reduction and increased productivity, was not robust or resilient due to external unexpected trials. In these circumstances, the companies with transparent and well-traceable supply chain, least susceptible to restrictions on cross-border transactions and having sufficient stocks, proved to be among the most successful and sustainable.

In today's global scenario, production efficiency and flexibility are strategic requirements. There are many methods aimed at productivity improvement, such as learning methods, measuring organizational performance, cost reduction, modernization, investing in machinery and equipment, reengineering, etc. Cost of production grows rapidly as the costs for labor, raw materials, electricity, and other resources are not under the manufacturer's control. Consequently, not only organizational and educational activities are required for productivity improvement and cost reduction. High productivity is ensured by modern equipment and technologies. The labor costs may be controlled through the reduction in staff, utility costs reduction- by introducing energy saving measures, increase of quality standards and maintaining proper records- by developing control systems. All these measures are available through automation. Automation increases the speed and accuracy of the processes and leads to the reduction of resource intensity and environmental impact.

The global optimization of production chains and the widespread introduction of automation and robotization provided the access to cheaper products for a large segment of the population. However, a significant part of the workforce faced a loss in livelihoods due to the move of many industries abroad- to the regions with lower cost structure. The entire industries have disappeared from the economies of high developed countries. In case of continued globalization, this trend may be only expanding in the coming years. The fourth industrial revolution, as it is pointed out by several world's leading economists, is a kind of danger in spite of all its merits, due to its uncontrolled exploitation of technology contributing to the enhanced societal stratification. It also leads to building a future, enriching a few at the expense of many.

The progress is unstoppable, and we must embrace new technologies and prepare the workers, whose jobs disappear or moved abroad, or who will be replaced by robots. Everyone deserves the opportunity to acquire skills serving as a prerequisite for a worthy future.

Key topics for discussion:

- How did the coronavirus crisis affect the goals formulated within the labor productivity improvement programs, in Russia and worldwide? Did the lessons of the crisis influence the approaches towards the implementation of new technologies?
- Increased productivity can lead to staff reductions in a limited market. What and how to teach "extra people"?
- How to combine the benefits of automation and the SDGs at societal level, not just at the corporation's level?

Co-Moderators:

Michael Akim, AEB Board Member, Chairman of the AEB Working Group on Modernisation & Innovation; Associated Partner, Vitus Bering Management Ltd.; Professor of Graduate School of Business, HSE

Anton Atrashkin, INNOPROM Business Programme Director

Speakers:

Vyacheslav Boltrukevich, EMBA and "MBA-Production Systems" Program Director, Graduate School of Business, Lomonosov Moscow State University

Dmitry Kapishnikov, General Director, KUKA Russia

Alexander Molodtsov, Director of Productivity and Efficiency Department, Ministry of Economic Development of the RF

Aage V. Nielsen, Member of the Council of National Representation (Denmark), Managing Director & Senior Partner, Vitus Bering Management Ltd.

Vasily Osmakov, Deputy Minister of Industry and Trade of the Russian Federation (tbc)

Tadzio Schilling, Chief Executive Officer, Association of European Businesses

Nikolay Solomon, General Director, Autonomous Non-Commercial Organization "Federal Center of Competencies in the Field of Labor Productivity"

Marina Tatarskaya, Chairperson of the AEB PR & Communications Committee; Corporate Communications Director, Ferrero Russia (tbc)