

Nearshoring and technology: impact analyzed at TEC Business Summit



The analysis of the impact of **nearshoring** in a company's development and the integration of **smartshoring** as an innovative branch of this phenomenon were analyzed during the [2024 TEC Business Summit](#) from [Tec de Monterrey's School of Business](#) and the **EGADE Business School**.

At this summit, which brought together more than **700 of the country's business leaders**, **smartshoring** was identified as an emerging part of **nearshoring**. This is the optimization of supply chains by applying technology, data science, and artificial intelligence (AI).

The summit introduced participants to the **world of smartshoring** from a business-oriented perspective to offer **tools for maximizing efficiencies and reducing costs** while maintaining **high quality standards** in their operations.

"Mexico's leaders and academics have the responsibility and opportunity to create more sustainable opportunities through smartshoring," said **Juan Pablo Murra**, Rector for Higher Education at the Tec.

María Elena Vázquez, National Dean of the **School of Business** said, *"Nearshoring gives us the opportunity to move to a knowledge economy to provide not only economic development but also*

value opportunities."



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The **TEC Business Summit** was held simultaneously at the **Monterrey, Querétaro, Guadalajara, Mexico City, and Sonora Norte campuses.**

Dealing with **nearshoring** and **smartshoring**, it included two keynote speeches and a local panel with specialists in each of the summit's venues, where they talked about the topic and the perspectives in each region of the country.

Leveraging smartshoring and AI

Thomas Davenport, analytics researcher and professor at **Babson College, Oxford, and MIT**, took part in this summit. In his presentation, *Innovation at the Digital Frontier: How Mexico Can Lead in the Age of Analytics and Artificial Intelligence (AI)*, he encouraged business leaders to forge a long-term relationship with **AI** in their processes.

He stated that it should be used within **ethical models** and with **verifiable reliability** as it is a great support in the creation and analysis of large amounts of **unique information that is pertinent** to a business's characteristics.

Davenport said that **AI and classical analytics** are not in competition with each other; on the contrary, they work **in parallel under new models**.

*“We have the misperception that **AI is the new version of analytics and that analytics is already obsolete**, but in reality, classic business analytics is what feeds the new **Machine Learning and generative AI models**.”*

*“Predictive and descriptive analytics **are the statistical basis that Machine Learning needs to make its predictions**. At the same time, it is the **numerical and language basis that generative AI uses to create new information and strategies**,”* he added.

“We have the responsibility and opportunity to create more sustainable opportunities through smartshoring.” – Juan Pablo Murra

Davenport noted that this leads to **three key objectives** when considering the **integration of AI into the business model**, in tandem with a **smartshoring vision**:

1. The **creation of business models, products, and services** aligned with the company and its particularities.
2. **Operational transformation of internal** (and in some cases, external) **processes**.
3. **Understanding of and analyzing new** consumer, customer, and market behaviors.

He mentioned some examples of its application. **BBVA México** has had a **strong focus on digital applications since 2022 to measure the financial health of its users**, personalized alerts, training, etc.

*“**Smartshoring** involves **delegating or hiring** ‘smart’ humans who understand AI as a second language and can **work in tandem with machines and technologies** from neighboring countries,”* he said.

*“**Mexico** needs to build relationships with AI hardware that already exists, develop software applications with AI, and experiment with and **implement** generative AI, as well as **plan employee upskilling and reskilling** that contemplate **the use of AI**,”* he said.



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Superflexibility as a pillar of growth

Carlos Dumoi, President and Founder of the Center for Business Ownership (Centro de Dueñez Empresaria, **CEDEM**), also participated in the event. He suggested the audience be flexible in finding routes for business growth.

Dumoi asked the participants to have a comprehensive and forward-looking vision of their projects, while **being able to easily adapt to changes in the landscape**, whether caused by **innovation** or the **economy**.

*“We’re moving, of course, but **we need to move even faster** because issues like **technological innovation are going to continue to advance and transform the landscape**, and that in turn will change markets and people,”* he said.

He spoke of **the importance of having an entrepreneurial spirit** that combines the **incorporation of technological innovations** with an **organizing system** that includes the marketplace of ideas and **new talent**.

“We need to make smartshoring completely our own and apply superflexibility to avoid stagnation.” – Carlos Dumoi

“Let’s avoid becoming mediocre companies. By mediocre companies, I mean the great mass of companies that disruption **cannot affect** and that keep generating money for a long time,” he said.

“The problem with these companies that don’t adapt to new trends is that they don’t create anything, they don’t generate new value, their multiples are low, their offsite is slow, they grow but with a small amount of value, and eventually they become dead companies,” he said.

He highlighted the concept of **superflexibility**, which is about achieving flexibility at an increasing pace within the organization based on three **fundamental elements**:

1. **Strategic sense**
2. **Collective commitment**
3. **Resource fluency**

“We need to make smartshoring completely our own. You need to think about what you’re doing independently of other actors and apply superflexibility to avoid stagnation.”

Nearshoring: the vision from five Tec campuses

As part of the **TEC Business Summit**, the five venues each had a panel of experts who addressed the topic of **Enhancing Nearshoring for Business Development**. Local specialists analyzed the outlook for each region the talk was held in.

Monterrey: nearshoring for small and medium-sized companies

The **inclusion of small and medium-sized companies** in a national plan for nearshoring in Mexico **is essential to stimulate equitable and sustainable economic growth**, said the panelists from Monterrey.

According to **Juan Pablo García**, Director of **CAINTRA Nuevo León**, these companies **are vital to the Mexican economy** because they generate employment and foster innovation.

He also pointed out that by participating in **nearshoring initiatives**, they can access international markets **more efficiently, reduce logistics costs, and improve global competitiveness at the national level**.

“We cannot take advantage of nearshoring as a country if we don’t first help small and medium-sized companies in Mexico to also use it to grow,” García said.

Félix Cárdenas, professor of **Innovation and Entrepreneurship at EGADE**, said that **nearshoring** offers Mexican companies **the opportunity to take advantage of the experience and expertise of local suppliers** in key areas such as manufacturing, technology, and financial services.

Mexico City: companies need to incorporate technology

During the panel held at the Mexico City campus, **Larry Rubín**, President of the **American Society** in Mexico, remarked on the importance of companies going digital and incorporating technology into their operations to access nearshoring.

*“Mexico is still a bit behind in these issues, so it’s an opportunity for business leaders to **digitize as many processes** as possible and to be **digitally connected** with their users, customers, and suppliers,”* Rubín said.

At the Mexico City campus, they also mentioned that both **smartshoring** and **nearshoring** are **centralized issues** in the country, so it is necessary to bring more people into the dialogue beyond just business leaders and the government.

*“**Nearshoring** is only on the lips of the people who move in the same circles. We need to take advantage of the opportunity to **involve more stakeholders**, not just the government, in order to generate **development in different areas of the country**,”* said Verónica Baz, Director of Consumer Goods at Integralia.



Guadalajara: improving infrastructure

Flor López, **Senior Director of HP’s Risk Management** office in Guadalajara, participated in the panel at the Guadalajara campus and said that nearshoring is a **strategic opportunity for Mexico**.

She said that Mexico is a unique country because of the ease of **handling logistics and the ability to reduce costs** or labor in **the country**. This is also because it has established trade agreements, a regulated legal framework, and its technology sectors.

*“If we can also **connect with the talent** we already have available at **renowned universities** in the region, that’s another great opportunity we have,”* she said.

Victor Martínez, Finance Director at Brown-Forman, said that it will be easy for **the traditional manufacturing sector to join the move to nearshoring**, but he pointed out that **we should not**

forget sectors such as the medical, pharmaceutical, information technology, and industrial sectors.

He said that this requires **strengthening the communications infrastructure** by **improving** roads, airports, energy, water, construction, trains, and ports so that nearshoring can take place.

“Infrastructure is a challenge, but there are also other areas that we need to develop in domestic companies since 60% of them have fewer than 200 employees, and they often need to join global chains,” said Ramón de la Rosa, **Deputy Director of Economic Studies at Actinver.**

Sonora Norte: creating economic ties with the U.S.

Said Saavedra, Undersecretary of **Economic Development for the Government of Sonora**, pointed out that from a **state perspective, Sonora’s geographic position is a fundamental strategic asset to strengthen economic ties with the United States.**

Juan Batres, Director of the Economic Development Program for the City of Phoenix’s Business Attraction Division, also participated in the panel at the Tec’s Sonora Norte campus and highlighted the bi-national collaboration between Phoenix and states like Sonora.

He said they serve as a model of how **both regions can benefit** by fostering an **exchange** of capital, technology, and talent.

Enrique Esparza, President of Co-Production International, mentioned the importance of **being ready for global trends** and taking advantage of **nearshoring** for **benchmarking** to strengthen Mexican companies and the domestic market.

*“Let’s focus on having a system in place **to identify opportunities in the short, medium, and long term** and for companies **to grow** in that ecosystem by understanding **trends**. I’m certain **that Mexico can do it,**”* he said.



/> width="900" loading="lazy"> **Querétaro: using technology to increase performance**

Gustavo Villa, Chief Business Development Officer at Dataloop, participated in the **Tec Querétaro** panel and said that **the potential of *smartshoring*** needs to be exploited through technologies that increase a company's **performance and positioning**.

*"In these types of **analytics technology initiatives**, the least important factor is technology and analytics; **the most important thing is the people and processes**," Villa said.*

Jorge Buitrón, President of Vórtice IT in Querétaro, pointed out the importance of understanding the **needs** of a company and its **global talents** and **skills** and evaluating the **willingness** to **rethink** and **change** current processes, **putting digitalization at its center**.

Stephanie Bauer, Director of **Foreign Trade for Constellation Brands Mexico**, added that in order to be a **reliable partner**, it is necessary to **think about the regulatory environment and an organization's obligations** to comply with tax regulations.

*"We need to look at process improvement to **address business needs**," Bauer said.*

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**Photos: Fernanda Rodríguez, Dulce Gálvez, Alma Alvarado, and Diego Beltrán*

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