

Preparing for digital future requires rethinking policies

By <u>Valter Adão</u> 31 Jul 2017

The future of work is being shaped by two powerful forces; the growing adoption of artificial intelligence in the workplace and the expansion of the workforce to include both on- and off balance sheet talent.



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Many companies are responding to an increasingly digital market environment by adding roles with a digital focus or changing traditional roles to have a digital orientation. There are now digital strategists, chief digital officers, digital engagement managers, digital finance managers, digital marketing managers and digital supply chain managers, among other positions.

Despite the proliferation of digital roles and responsibilities, most executives recognise that their companies are not adequately preparing for the industry disruptions expected to emerge from digital trends. Nearly 90% of respondents to a 2015 global survey of managers and executives conducted by MIT Sloan Management Review and Deloitte anticipated that their industries will be disrupted by digital trends to a great or moderate extent, but only 44% said their organisations are adequately preparing for the disruptions to come.

Senior level talent committed to digitally maturing enterprises

Preparing for a digital future is no easy task. It means developing digital capabilities in which a company's activities, people, culture and structure are in sync and aligned toward a set of organisational goals. Most companies, however, are constrained by a lack of resources, a lack of talent, and the pull of other priorities, leaving executives to manage digital initiatives that either take the form of projects or are limited to activities within a given division, function, or channel.

Despite this, some companies are transcending these constraints, achieving digital capabilities that cut across the enterprise. The research found that nearly 90% of digitally maturing businesses – those in which digital technology has transformed processes, talent engagement, and business models – are integrating their digital strategy with the company's overall strategy. Managers in these digitally maturing companies are much more likely to believe that they are adequately preparing for the industry disruptions they anticipate arising from digital trends.

Companies that give their senior executives, senior management and managers the resources and opportunities to develop themselves in a digital environment are more likely to retain their talent.

Digital congruence required

In navigating the complexity of digital business, companies should consider embracing what we call digital congruence — culture, people, structure, and tasks aligned with each other, company strategy and the challenges of a constantly changing digital landscape. For example, a conservative and hierarchical organisation, populated with energetic entrepreneurs, may not be able to harness their drive and energy. Similarly, an organisation with a flat and nimble structure may still struggle if its culture fears risk. When culture, people, structure and tasks are firing in sync, however, businesses can move forward successfully and confidently.

Disruption lies ahead

Imagine the future of work and what do you see? If intelligent machines can do many tasks now performed by people, what uniquely human skills will be valued? Evolving technology, demographics and power dynamics are all connected and those connections make all the difference in the future of work.

Driven by accelerating connectivity, new talent models, and cognitive tools, work is changing. As robotics, artificial intelligence (AI), the gig economy and jobs are being reinvented, creating the "augmented workforce" becomes the focus. We must reconsider how jobs are currently designed and work to adapt and learn for future growth.

Digital technology is having a profound effect on the 21st century organisation. It is fundamentally changing the way we work, the way we manage, where we work, how we organise, the products we use, and how we communicate.

Even though there are many changes, some aspects remain constant. Organisations, filled with people, still exist to unite around a common purpose, common values, strategic objectives and to get things done. People remain the most critical asset of most organisations—but are increasingly in the shadow of machines and in a maze of technologies. Individuals are still bound by hours in the day and their mental ability to process information. Work (done by computers and people) must be coordinated to create maximum value.

Organisations still need great leaders, managers and employees at all levels to get things done in an efficient and effective way. We believe there is tremendous unrealised value from this new era yet to be claimed in how we communicate and collaborate in the future work environment.

New digital tools

The future working environment will require a shift in how we communicate and collaborate. Digital tools will be critical enablers for increased cross-cultural teaming. Virtual teaming capabilities across cultures for instance are becoming significant and normative.

Collaboration strengthens relationships, so the choice of technologies should ideally allow for relationship-building activities as well as efficient communications. As companies move from email to other tools for communicating, collaborating and connecting, they will need to develop the right cultural context and adapt workplace policies and processes to help ensure

the environment and expectations are set up to enable successful adoption of whatever digital capabilities are implemented.

Valter Adão, chief digital and innovation Officer, Deloitte Africa will be part of a panel discussion on the 'Future of Work', at the SingularityU Summit South Africa, taking place 23-24 August 2017 at the Kyalami Grand Prix in Johannesburg.

ABOUT THE AUTHOR

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