

Goodbye status, hello quo

Digital disruption defines change across industry, sector and organisation.

It was reported that Clark Kerr, the first chancellor of the University of California, once said that the 'status quo is the only solution that cannot be vetoed'. The Latin phrase has come to define political and business conversations and is the one thing that cannot be maintained in the face of digital disruption.

According to IDC, 90% of CIOs in Africa and the Middle East are either currently engaged in, or are planning, some level of digital transformation. The rise of artificial intelligence (AI), the Internet of Things (IoT), and the Fourth Industrial Revolution (4IR) are fundamentally changing the way companies work, the way individuals engage with technology, and the ethics of digital and disruption.

Technology is changing the way companies work

Kieran Frost, research manager for software focused on sub-Saharan Africa for IDC, explains, "The past year saw the industry grapple with the issues associated with these technologies. The Cambridge Analytica scandal exposed how much digitally disruptive companies know about the consumer. Globally, questions were being asked around the process, the people and the ethics of capturing, storing, processing and selling personal information."



Kieran Frost, Research Manager for Software focused on sub-Saharan Africa for IDC

Last year was a disruptive one in and of itself. GDPR came into effect as a truly prescriptive piece of legislation with the most impact. The same year saw the world realise to what extent technology could influence elections and worldviews, with

even the business of government digitally disrupted.

China, for example, is beginning to implement a social scoring system that determines everything from whether a person can use public transport to a loan. Alongside the social and ethical issues, other challenges became just that – challenging – and pressure has increased as organisations and the public sector wrestle with resolutions that allow them to facilitate growth.

“These challenges are both internal and external in nature,” says Frost. “Externally, in South Africa, the most pervasive challenge is skills. Whether you’re a startup or a large organisation, the skills required to build out AI platforms or perform complex data analytics are scarce. Security is also a priority – the frequency and sophistication of attacks continue to grow and 2019 is likely to be a bumper year.”

Impact of the consumer

The consumer is also driving this change, in spite of issues around ethics and data. They want immediacy and the kind of service that can only be associated with a digitally disruptive organisation. But they want this with a fair dollop of security and assurances of privacy. While legislation such as POPIA and GDPR are implemented, or about to be, the discussion remains centre stage.

“Internally, the biggest challenge facing the organisation is that it knows it needs to change but it isn’t sure how,” adds Frost. “This often results in projects that remain the sole responsibility of IT or are perhaps only focused on one particular area of the business. This approach virtually guarantees that the status quo remains.”

Refreshing the status quo

Digital disruption requires a foundational shift in an organisation’s very make up. This means that the business needs to find ways of overcoming the challenges and refreshing the status quo. When it comes to skills, IDC research has found that organisations around the world are likely to look to alternative working arrangements in order to meet their skills requirements.

This will see more companies take advantage of the gig economy style of labour. Industries will also develop the skills they need specifically, such as through establishing training academies to teach people straight out of matric all the development languages, tools and methodologies that they use.

“Organisations must ensure that their digital transformation isn’t left up to IT,” says Frost. “IT may have the skills, but they need the executive and cultural buy-in of the whole organisation to define the operational process and ensure project success. Every business at the foundational level should be looking at cloud, big data and analytics, and mobility. Each of these technologies provides platforms on which to build truly disruptive offerings to take to market.”

Digital disruption doesn’t just happen on a wish and a prayer. It takes careful planning, a long view of the process, and patience. It is a story that’s told as much by the culture of the business as by the technology it implements. Fan the flames of innovation, entrepreneurship and collaboration, upskill and cross-skill, and look to a concrete roadmap that recognises the challenges of today while overcoming those that are coming tomorrow.