

# Prioritising self-disruption

 By [Peter Alkema](#)

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The success of Facebook as an organisation has often left people pondering how it constantly inspires its employees to reinvent the social networking site.

After reaching one billion users in late 2012, each new Facebook employee received a tiny booklet capturing a collection of quotes and ideas, representing the company's history and culture. "If we don't create the thing that kills Facebook, someone else will. Embracing change isn't enough. It has to be so hard-wired into who we are; not even talking about it seems redundant."

These phrases are clearly captured at the back of the booklet. Although parts of the booklet may seem like company propaganda, the ethos of having to constantly disrupt oneself was clearly stated. Facebook's approach continues to generate indisputable financial results exceeding Wall Street's expectations.

## Disruptive innovation

In 1997, author Clayton Christensen's *Innovator's Dilemma*, suggested successful companies can put too much emphasis on customers' current demands and fail to adopt new technology or business models that will address their unstated or future needs. He further added that various organisations may seem to be successful in terms of meeting customer needs, adopting new technologies and taking rivals' strategic intent into consideration, but many of these companies still ended up losing dominance in their market.

Christensen calls the anticipation of future needs "disruptive innovation" and argues that a company will eventually fall behind if it does not possess the proclivity to disrupt itself. Therefore, any organisation must continuously support and implement strategic initiatives to promote its internal innovation jumpstart.

Running a disruptive initiative within an organisation comes with many challenges. Key stumbling blocks may include the lack of internal buy-in, inadequate resource allocation, rigid hierarchical organisation, out-of-touch culture, as well as ever-widening technology and skill gaps. Given all these challenges, banking leaders invest extra effort to create novel ways to foster collaboration and harness a shared commitment for continual innovation.

## **Providing a platform for self-disruption**

FNB's Codefest is an annual six-day IT-business sprint that drives new technology, accelerates existing projects and collaboration across IT teams in the FirstRand Group. It is an internal adaptation of the widely practiced hackathon coding marathon, with unique aspects that ensure specific value to the innovation programme at FNB and IT teams across Ashburton, RMB and WesBank (its franchise brands).

In October 2015, more than 250 developers in 42 teams convened in a single venue to build solutions for business problems and requirements that had been put forward during an ideation day a month prior to the event. The sprint concept was borrowed from agile projects and combined with a 24-hour coding marathon to ensure applications were completed and ready for judging on the last day.

The prototypes reached across blockchain, life insurance, fiduciary, sales campaign tool, social trading, lending, Fica document submission, and driver behaviour analysis. Intensive collaboration between teams and unprecedented support for the event resulted in participants remarking that "a solution that would have taken two weeks at the office gets done in 15 hours at the Codefest"; and "It is possible to achieve a working prototype and integrate with other coders and learn to see a bigger picture than my Java cubicle at work"; then, "I was blown away by the energy and progressive thinking ... world leading ... streets ahead".

The ability to self-disrupt and go after moonshots is what makes codefests crucial to maintaining the pace of IT innovation in an organisation, and both Standard Bank and Barclays have also run several similar successful events. South African banks understand that top coders achieve better ideas at a faster pace when they self-organise under pressure in a highly creative and collaborative workspace.

This intense environment is what FNB Codefest aims to achieve for the non-stop coding marathon, while also giving the experts a chance to show why they are the rock star programmers that have a shot at the big prizes. It also fosters the new model of three intrinsic motivators that Daniel Pink posits in his book, *Drive: The Surprising Truth About What Motivates Us*.

Fear and reward are extrinsic, traditional models of motivation; but autonomy, master and purpose move beyond these and are especially powerful for knowledge workers such as software programmes.

The art and science of harnessing a sustainable and effective self-disruption requires a concerted effort. As recommended by Mohamed A El-Erian, chief economic adviser at Allianz and the chairman of President Barack Obama's Global Development Council suggested, companies should reform their core capabilities by benchmarking against other potential rivals beyond those in their industry. Leaders should increase their focus on customers and drive organisational-wide transformations at every level. Leaders must re-engineer their processes and organisational dynamics to achieve strategic ambidexterity – winning in the playing field through both exploration and exploitation – which will greatly determine the future competitiveness of their organisations.

## ABOUT PETER ALKEMA

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