DISRUPTION
IN THE WORKPLACE
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Abstract

Recently, *Disruptive Technologies* and its impact in the workplace is the topic of discussion at almost at every business conference. It is no doubt changing considerably the way businesses operate. We hear how the digital workforce will take over most of our jobs and with the advent of Artificial Intelligent and advancement in Machine or Cognitive Leaning, more and more tasks will be automated with use of cutting edge technologies.

This White Paper seeks to identify what is driving this disruption at work and who are the major disruptors. And the midst of all these disruption, how can organizations continue to craft a digital customer experience that will advance their brand and deliver measurable success?

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Introduction

Of late, the topic of Disruptive Technology is being discussed at almost at every single business conference. We hear how the digital workforce will take over most of our routine and repetitive jobs and with the advent of Artificial Intelligent and advancement in Machine or Cognitive Leaning, how more and more tasks will be automated with use of cutting edge technologies.

So, what is Disruptive Technology?

Simply put, it refers to the effect of digital technologies on a business' current value proposition and resultant market position. First coined by Professor Clayton Magleby Christensen, a Harvard Business School Professor in his book *The Investors' Dilemma*, he clearly makes the differentiation between the term Disruptive Technology and Sustaining Technology – the latter being any emerging technology solution that provides improvement on an already established technology.

Disruptive Technology on the other hand is defined as a technology that considerably changes the way businesses operate. It is the biggest force in history that has the potential to overturn and reshape markets. It may force companies to alter the way they do business or risk becoming irrelevant or lose market share.

From a workplace design perspective, Disruptive Technology holds the key to completely alter the work industry.

For instance, in 1969 episode of Tomorrow's World, James Burke was asked to predict what the future office would look like. He predicted that disruptive technologies would revolutionize communication at work –for instance, files will be transported round the office on motorized tea-trolleys; messages will be dictated and sent via reel-to-reel tape recorders; and oversized cameras would be used to share documents with colleagues. Slightly off the mark in today's world but none-the-less, there are some similarities to the devices we rely on now in the work space.

Beneath this concept is a clear recognition that this is a time of *Digital Darwinism* — a time where technology and consumer behaviour are evolving faster than businesses can naturally adapt to. *Brian Solis defines "Digital Darwinism" as the degree of disruption brought by technology.*

Who is Driving this Disruption?

In the past, disruption at work was driven by the supply side or the service provider e.g. when the banks began to provide ATMs, Phone Banking service, and enabled cashless transactions through the introduction of Credit Cards and Debit Cards.

But today, it would seem that the real threat and opportunity in technology's disruption lies in the evolution of customer and employee behaviour, values, and expectations. Disruption at work is today driven by the customer or consumer – specifically the millennials who expect convenience, accessibility and smarter ways to transact.

And Why Is That? It boils down to consumer behaviour! Consumers now communicate, engage and share using digital technology. So, if consumer behaviour is evolving as a result of technology, businesses can either compete to get ahead of it, react to it, or get left behind by it.

Be Not Afraid

Perhaps the major digital disruptors are tech companies and more specifically start-ups.

According to a survey conducted by Efma and Infosysy Finacle in 2015 in the United States, 45% of banks viewed global tech companies as high threat. The same study goes on to state that 41% of banks viewed Start-Ups as high threats. Interestingly banks are not seeing peers in the industry (other banks) as their primary competitors – instead they are beginning to fear tech companies and in particular start-ups.

Another survey conducted by Accenture which covered 1350 sales & customer executives in over 10 countries found that 66% believe new entrants are providing better customer experience because the incumbents find it difficult to make significant shift in business model because of too many internal road blocks. Only 32% believe they are equipped to deliver the demanded customer experience.

Why are these organizations afraid of start-ups? Perhaps because they are the biggest Digital Disruptors!

Generally, start-ups are viewed as dangerous organizations or persons who can seemingly grow their user bases overnight and are agile enough to convert them into a business model that can threaten the incumbent in multiple markets. They have a deep sense of purpose and most often do not have a business model to monetize their ideas. This makes them dangerous.

Start-ups have low entry barrier and hence are mushrooming. Unlike traditional corporate organizations, they look at ways to first solve a problem and only then do they begin to think of a business model to monetize at a much later stage after having provided a solution. Perhaps most importantly, they are more agile and thrive on attacking those organizations that are slow to embrace change.

Keeping Up with the Change

Rather than react to change or be disrupted by technology, some proactive companies are investing in digital transformation to adapt and outperform not only their competitors but also tech start-ups.

So, what happens if an organization does not keep up with the changing landscape? It dies! Simple!

In the short to medium term, it might suffer loss of profitable activities. In the long run, it will lose its existence just like Kodak. It will be recalled that Kodak was the Google of its day before it died a natural death after failing to switch to digital when digital photography came to replace film and smartphones to replace cameras. In a twist of fate, while Kodak dies, its age-long rival, Fujifilm is doing rather well. What made the difference? Both saw change coming but reacted differently.

Crafting a Digital Customer Experience

McKinsey & Company predicts that digital touch point is increasing 20% each year. Therefore, companies must be motivated to respond to Digital Disruption in order to remain competitive. However, the question remains what can organizations do to craft a digital customer experience that will advance their brand and deliver measurable success?

To achieve this, companies must evaluate and assess if their current processes and systems allow them the flexibility to provide a seamless digital customer experience. They also have to always remain attentive to the digital ecosystem and know when the industry it is in is ripe for Digital Disruption and act swiftly.

Every company has to undergo a "digital reinvention" by rethinking its customer relationship management policies and customer experience strategy which can be enhanced mainly by building and growing the business around the customer's needs. This includes focusing on improving or simplifying the lives of its customers vis-a-vis embracing customer-centric digital technologies in building/improving their products or services.

Companies must also focus on building or growing their business based on the customer's perspective not on an already established business model. This can be achieved by moving away from the traditional business models of thinking from "OUTSIDE-IN" and adopt the "INSIDE-OUT" approach through digital transformation.

Most importantly, we must forget embracing new technologies for the sake of technology. Let's talk about people first! There are so many new developments in technologies in the areas of cloud, cognitive, mobile and IOT. You can choose to combine the use of these multiple technologies. Every organization firstly needs to identify if they're being disrupted at work because of the advent of new technologies or because the millennials, which accounts to 25% of the population, are demanding for a new better improved experience. The answer to this must govern the subsequent actions.

To fend off digital disruptors, think of smooth customer experiences not just products. Your strategy must be positioned at the centre of your customer needs (pain points) to optimize the customer experience. Identify how digital technology can help you solve them in the way your customers want and expect and then build an engagement layer above a product or service offering such as fast response time, social media engagement, responsive website etc.

Finally, work with partners. Partner with business consultants and digital tech companies or start-ups. If you can, buy-off any start-up posing immediate threat to your market. A good example is Facebook acquiring WhatsApp and Instagram. Work as one organization not as many department operational silos.

Conclusion

The time is now not just to react to Disruptive Technology but for today's businesses to drive the disruption themselves by transforming from to digital leaders while embracing digital transformation. The rapid unstoppable wave of advancement that comes with technology is here to disrupt businesses and it's actually not going to be the survival of the fittest but rather the survival of the one that adapts well to Change - Change in demand from customers (which is external) and change in internal demand from employee. Businesses quite simply need to foster a culture within an organization to embrace change rather than react to change or be disrupted by technology.

For More Information

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