

Instead of trying to see the future, start making it

Dr Calie Pistorius, chief executive of DeltaHedron, says that companies must stay abreast of the latest technologies in order to remain competitive

Anticipating an actionable future enables a proactive shaping of the future, rather than merely reacting to a world predetermined by others. The fate and fortunes of companies, irrespective of the business they are in, are closely linked to the technologies on which they rely to conduct their business.

It is the dynamics of technological change, whether incrementally or disruptive, in products, processes and services, which drive innovation and progress. Emerging technologies present great opportunities, but also strategic business risks and threats to companies' and industries' products, operations, supply chains, logistics, business and manufacturing processes. The strategic business risk here is as much about failing to exploit the opportunities as it is about the threat of an adverse event.

Technologies are continuously being improved, leading to “better, faster and cheaper”. At the same time “last year’s hot model” becomes obsolete. Some technologies evolve at a gentle and incremental pace, whereas others change rapidly. From time to time the technological, business and societal landscapes are disrupted by radical innovations, often coming from unexpected and different industries to the one in which they impact.

The disruptions typically result from the interaction of a combination of emerging technologies blending with innovations from other fields, be it finance, fashion or fitness. Many emerging technologies are IT-based, including big data and analytics.

However, the disruption can just as easily come from new materials, drones, robotics, 3D printing, virtual and augmented reality, biometrics or the Internet of Things.

Technological innovations spawn new opportunities, jobs and careers, business models, companies and industries; new ways of doing things and new sources of prosperity. When a new technological order is established, expect the industry hierarchy to change. New companies, in fact new types of companies, become the new industry leaders, often those that had no position in the old technology. The “wave of creative destruction” tends to destroy the established structure, triggering the demise of old technologies, labour markets, jobs and skills and eventually also companies and industries based on the old and obsolete technologies.

There are many examples of those who have created successful new futures underpinned by new technologies. Similarly, there are many who have perished whilst fumbling the future, who have been in denial and steadfastly clung to the obsolete, ignored the precursor indicators signalled by emerging technologies or deployed ineffective innovation strategies to deal with them. It is not unusual to find that their organisational cultures just could not embrace the technological change, often causing the transition to a new technology to, if it made, to be bungled.

Anticipating what can happen in the future is one thing, knowing what to do about it is quite another. As is the case with all business risks, the process of technological innovation and the associated opportunities and strategic business risks – especially those presented by emerging technologies – should be managed, and managed within the context of an innovation strategy which is an integral part of the corporate strategy. Vigilant and continuous tracking of emerging technologies and assessing their impact are essential elements of this process.

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