

Dealing with digital disruption in 2019

We will hopefully realise that data per se is not oil. Knowledge we get from data is the real oil which we should focus on

DEBJANI GHOSH

Nothing illustrates the true meaning and power of digital disruption like looking at the change in names of the world's largest companies by market cap. In 2008, those which dominated the Top 10 list were the likes of Petro China, EXXON, GE, China Mobile, AT&T etc. Interestingly, Microsoft (at 7) was the only tech company to feature in the elite circle.

Fast forward to 2018, the top five names are Apple, Google, MS, Amazon and Facebook!

Witness the power of tech disruption. The advances in technology are enabling us to achieve scale and business process efficiencies like never before, and essentially, re-writing the rules of competition. Those who are able to adapt faster and better are becoming disruptors, and eventual winners.

Taking cue, a World Economic Forum study portends, "70 per cent of leaders in all sectors may be disrupted in the next 10 years".

Let us look at some of the key ways in which rapid advancement of tech, and its ever increasing pace of adoption are changing the rules of the game.

It is becoming all about experience, resulting in a fundamental shift of business models from being product/services centric to Experience First. This segues into the next big idea. Consumer control is passé. It has made way for "continual engagement with the ecosystem", across the value chain. At times, it is overwhelming to see the kind of conversations business leaders are having with their customers — relentlessly and 24/7 across multiple touch-points.

Entities are moving swiftly from Closed Innovation to Co-creation and Strategic Partnerships to keep pace with tech advancement and innovation which is happening at greatly enhanced

speed. Surely, technology has grabbed maximum mindshare of the C-suite execs because it is driving competitive advantage like no other.

Inasmuch, most realise — at least the top of the class do — that other key success imperatives like digital vision, culture, change management, innovation and talent count in equal measure. Alongside, it has to be a concerted effort. Arguably, the realisation also dawned last year that technology, talent and culture are inseparable. It was also the year which saw talent being put to best use to drive strategic partnerships.

In all this, the significance of agility cannot be over-emphasised and it may even be deemed to be the cornerstone of digital transformation. As Klaus Schwab brilliantly said, "In the new world, it is not the big fish which eats the small fish, it's the fast fish which eats the slow fish." And most importantly, business value is not solely dependent on assets anymore, instead it is also being determined by factors like trust, talent, and scale.

I would say that 2018 was the year when we figured out the right building blocks for digital disruption. And, I dare say that 2019 will be the year to finally see disruption at scale.

So, what do we expect to see in 2019?

I remain confident that the reskilling imperative will attain an altogether different level to see increased activity. Let us see how. While most of 2018 was spent in countering the fear-mongering narrative of job losses and asserting time and again, the great opportunities that lie ahead, 2019 will witness a much higher focus on getting the workforce ready.

Skilling and reskilling

If we maintain status quo, then nearly 54 per cent of employees will get outdated by 2022. Besides investment on skilling and



Tech disruption The name of the game /ISTOCKPHOTO

reskilling by companies, even governments are likely to join the play impacted by a compelling need of digital talent availability which will drive national competitive advantage even. Inasmuch, businesses will link skilling, in greater measure, to career development and growth.

As skilling becomes a must-have criteria for success, all stakeholders — employees, businesses and countries — will come under its ambit.

The new world will be characterised by co-creation and partnerships. No single entity will have the wherewithal (in-house) to drive all the innovation required to stay relevant and aim for greater success, subsequently. The inorganic growth route of M&As will lead to a company's desired innovation quotient along with enhanced ability for co-creation.

This provides an unprecedented opportunity for the tech start-up ecosystem to drive innovation faster which will greatly enhance

our ability to attract investments.

While IOT has been the tech at scale in India, and alongside, we will see several new technologies having widespread adoption as well — like, Cyber Security, Data analytics, AR/VR, Blockchain among others. All of these are in various stages of development around the world and it will be simply astounding what their combinatorial power can achieve.

Of course, we must also bear in mind that in India we will see different applications from those in the US, China and other developed nations.

Hence, scale and impact will once again depend on the availability of local talent and R&D.

We will hopefully realise that data is *not* the oil.

Our ability to get the right insights from the data and use the knowledge in a timely and effective manner is what builds the advantage. The knowledge we get from data is the real oil which we have to focus on. Trust will become a key cornerstone of busi-

ness success. As data drives businesses and economies, entities will have to earn the trust. In future, only the ones that are able to do so, will get access to data. Period.

What I cannot predict, but hope to see in 2019 is a strong realisation and call to action for the need of regulation to keep pace with technology. Also, it must be said that emerging technologies are just that — emerging — and require sufficient legroom for innovation.

There can be several angles to this discussion but very briefly I can say that regulation should not precede tech proliferation. There has to be sufficient room for adoption before we start regulating emerging technologies through a policy framework.

2019 we hope will be the year when India and Indian IT is able to balance technology with digital mastery to fully unleash the power of digital disruption.

The writer is President of Nasscom