Is the digital revolution in a plateau?

By Yaron Assabi

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Have we said all we can say about the digitisation of business? What business needs to know for 2020.

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The hype around digital transformation for business is decelerating - not because digitisation has offered all it can, but because businesses are realising digital enablement should form part of every aspect of a business.

The latest technology doesn't always mean value, and business decisions must be based on business drivers such as process or service delivery enhancement, increase in productivity and efficiency or new revenue opportunities.

Some sectors, like retail, had to evolve or get disrupted given the pressure to digitally transform at a rapid pace to ensure survival while others had to adopt a defensive strategy, as consumers changed their buying behaviour and migrated online. What's more is that online-only retailers created differentiated value propositions to win market share.

In some verticals, like mining, digital transformation has simply meant using technology better at a 'comfortable pace'.

Digitally enabled

As we move into a new year, the business of the future will be digitally enabled rather than in the process of digitally transforming.

South Africa and the rest of the African continent still has a way to go with digital adoption, and different maturity levels in different countries mean a challenging, but also interesting, operating environment. If we look at South African banks, for instance, they are digitally advanced and compete globally, but the local manufacturing segment, on the other hand still has a long way to go in truly benefiting from RPA (Robotic process automation), machine learning and artificial intelligence.

Digital transformation is seen to be threatening traditional jobs in many sectors rather than allowing simple jobs to be automated for competitive advantage and allowing human capacity to be focused on complex tasks.

The more complex jobs, or what is termed 4IR, require specific training and we have a huge shortage of digital skills, especially in software development and support services, data science and cybersecurity.

The traditional education system in Africa needs to evolve from a 3-4-year qualification, that is not market-relevant and does not match up with the fast rate at which technology changes, to vocational based training and maybe short courses that are more relevant and contextual to demand from employers.

It may no longer be viable to spend that much time learning about technology that could ultimately change multiple times before graduation. Therefore, there is a need for vocational based training or 'nanodegrees', which are very niche focused short-term programmes. For candidates, this is far more practical, enjoyable and makes them more employable, as well as contextual and relevant to current technology requirements.

South Africa and Africa have a very high unemployment rate, in the youth segment (18-35) it is as high as 66% in some countries which is catastrophic. Therefore, there is a need to focus on digital skills and creating jobs to serve local as well as global demand and create employment in the most sought after vertical.

Cybersecurity skills, for example, have been sighted as one of the most in-demand skills globally. In fact, 1.5 million cybersecurity jobs are unfilled globally currently and are predicted to reach 3.5 million by 2021.

As the World Economic Forum's Future of Jobs Report 2018 outlines, technological drivers are increasingly challenging traditional jobs and careers. Those that are charged with securing the digital revolution are scrambling for talent. Nearly every technologically advanced state in the world is working out how to fill the skills gap.

As the report highlights, the following four very human characteristics will be the most important in the cyber arena, and in the wider Fourth Industrial Revolution

1. Creativity

Cybersecurity is quickly becoming one of the most important industries for artificial intelligence, automation and machine learning technology. Analysing and defending against attacks is still a relatively manual process.

2. Problem-solving

The most difficult global challenges in cybersecurity today consist of navigating the increasingly complex regulatory

and legal environment while promoting optimum conditions for innovation and cross-border collaboration against threats.

3. Leadership and people management

Cyber leaders of the future will face a tough challenge. They must balance an understanding of increasingly complex technical systems, and how they and their users interact with them, with the management of an increasingly diverse global workforce operating in local markets and cultures.

4. Critical thinking

Investigation of cybercrime is difficult. New systems and technologies, such as offensive artificial intelligence, will make it even harder. Attribution and prosecution remain the critical gap in building effective deterrence models. In the UK last year, over 50% of all recorded crime was internet-enabled, but there were less than 50 prosecutions under the Computer Misuse Act.

Being able to think critically about how criminals will use new technical systems to conduct attacks, and therefore what partnerships and analytics are needed to be able to defend against and ultimately prosecute them, will require a distinctly human approach.

While cybersecurity will require technical awareness and hard skills, we should embrace the fact that technological developments will mean that a number of the more 'process-related' technical jobs will become obsolete.

Instead, a premium will be placed on the need for 'human' skills to help us address new challenges and approach them in ways machines simply cannot. Ultimately, we need to harness technological advances in order to support a more creative response to some of the most complex issues facing the world today. There are strong signs that employers are realising the need for broader skill sets in the cyber workplace.

For example, the recent GISW study found that 33% of cybersecurity executives came to the field from non-technical careers. However, there is still significant work to be done.

The digital journey for business in 2020 will demand tailored solutions that look at preparing the business holistically for a digital environment. Not just by providing the right technologies, but rather, by creating a sustainable digital environment that transforms all aspects of the business.

For many organisations, IT departments are a segregated part of the business, and this shouldn't be the case. True digital transformation must include digitally-savvy HR processes; marketing strategies (that clearly account for spend and engage more efficiently through digital lead generation); finance departments, which utilise Business Intelligence (BI) to gain insights and information sharing via dashboards, and operating technologies for automation that are secure as a few examples around integration of digital technologies into business.

Many businesses reach digital fatigue from exploring the latest technologies to maintain an 'innovative edge', or they do not understand the value of the technology and therefore depend on vendor-led solutions that offer these technologies rather than a 'business-led' approach to solve a unique business problem with technology.

While new technologies continue to evolve in 2020 and beyond, the business that will survive and thrive will be the ones that keep focused on business needs centred mostly around their customer's needs.

If you start defining the customer journey and customer requirements and then look at how you need to change your business process and use technology to be more customer-centric you are set to win and achieve your 2020 vision.

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