



SMART ERP

BLOG

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THE RECIPE OF FUTURE SUPER COMPANIES

ALIGN LEADERSHIP, COMPANY CULTURE, HUMAN AND DIGITAL WORKFORCES, PLUS TRAINING FOR SUPERIOR ADVANTAGE

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Introduction

Imagine a car using a Volkswagen chassis, a Honda engine, and a Tesla frame. Even worse, imagine that we stitch together the legs of the cheetah, the feathers of the swallow, and the lungs of the dolphin. Remarkable as they may be on their own, to reach superiority, the parts of a complex system must complement and support each other.

The same rule applies to companies - it requires the alignment and unity of the main parts for a company to achieve outstanding performance.

When we are looking for supreme effectiveness in collective work the fundamental parts of a business can be considered as

- the leader
- the human workforce
- the Digital Workforce (supporting the humans in their work)
- the company culture (determining the interactions between humans)
- training (enabling humans to do their jobs)

This specific angle is now more important than ever. The seismic changes in the labour market, the hustle for a new world order, increasing environmental pressure and depleting natural resources, plus exponential advances in AI bring about a new era. This new era is as unpredictable as it is unprecedented. There are no proven solutions - new, innovative approaches will have to emerge.

Managing the pace of change used to be simpler, the past few decades were a more forgiving environment. But now drastic changes are taking place in the world and companies have to face multiple challenges at the same time. Superior performance is not something nice to have, but a must have in cut throat competition.

Turbulent times turn things upside down and create new winners. Many companies will not be able to rise to the challenge, and the winners will just syphon their market share. Given the pace of change we can easily foresee that these winners will have fast reaction time, and superior efficiency in achieving their goals. This level of superiority requires the alignment and unity of leadership, company culture, employees and technology.

Even though there are no trivial, well-established ways to create a unified super company, still, dissecting the problem and looking at the individual parts give us clues to where to start.



Work performed by humans and the Digital Workforce

Advances in technology mean that 75% of jobs will disappear in their current form. No role is entirely safe, physical, knowledge-based, communication-centred and managerial jobs will all have to change. New corporate structures and new ways of doing work will characterise the super companies of the future.

When it comes to work the line between humans and technology is becoming fuzzy. Next generation software solutions act more like Digital Assistants (dAs). These dAs blend into the company's processes, and do a big portion of the work. Just like human colleagues they communicate with each other but due to their digital nature this can be made instant, matter-of-fact and frictionless.

In some cases the dAs augment humans, in others the entire old job is taken over by them. It is changing how work is done and by whom. This means that the flow of information and the structure of the company will all need to adapt. The time is near when organisational charts will only make sense if pivotal dAs are represented on them.

On an entirely other level dAs can be connected to form a Digital Workforce of unprecedented sophistication and complexity. The Digital Workforce is multi dimensional by nature. dAs support individual jobs and individual humans while the Digital Workforce operates at a high level supporting the strategy and culture of the company.



The invisible web of company culture

A business' culture is the collection of unwritten rules, habits and assumptions, which help people navigate through the company's social construct and simplify decision-making. A company's culture provides the background for operations and acts like an invisible web. Company culture is not tangible like people, machines, buildings, and products, but it is just as decisive.

These visible and invisible dimensions both exert forces and have inertia. When they are at odds, effectiveness is degraded. Tension and confusion rise, decisions and actions slow down because people have to consider hidden "traps".

The culture of a company can originate from the leader just as well as from an influential group of employees. Cultures take time to develop and they are slow to change. Due to their silent influence and inertia, they often become determining factors. Many good initiatives have come to nothing because of the stubborn immovability of a company's culture.

On its own a company's culture is neither good nor bad. Its relationship to strategy and circumstances determines whether it improves or hinders competitiveness.

Today's rapidly changing business environment will be characterised by superheated competition. The company's culture had better support innovation and consequent reforms, or even the mightiest corporations will fall.

A winning company culture will keep a healthy momentum and come to the rescue even when, inevitably, some reforms will not work out well.

A strong and effective culture needs support and nourishment from the leader, from training, and from Digital Assistants. It is another reminder that dAs and the Digital Workforce are not just IT any more. They are heavily entangled with the human realm, even culture.



Training and retraining

Efficient work requires efficient employees. To gain the necessary skills and knowledge people have to go through ample general and job specific training alike.

When jobs themselves go through drastic change many people have to be retrained. This is already apparent in many areas, and the scale of transformation is growing.

Traditionally, the training of the workforce was the education system's responsibility. We had slow cycles of analysing market needs, creating courses, and churning out the necessary number of people to fill the jobs.

The current training and education system is already struggling. It is in no shape or form to keep up with the speed of current change. Sadly, without adequate training, the workforce is simply not productive enough.

The problem cannot be ignored, especially by businesses who want to succeed. Essential jobs, adding an edge to the company, need to be filled. If businesses can't rely on the training and educational system, then in-house solutions need to be found.

Fortunately, an obvious solution adds itself. More and more training materials are available in digital format, and if we equip the ever present Digital Assistants with edtech features, they can offer impromptu training. We can easily envision a future where part of the training will be delivered just-in-time by dAs - where and when they are needed.



The new world requires new mindsets from leaders

The super companies of the future - those who achieve alignment and unity of the individual parts - will become the big winners. It is the leader's responsibility to make sure that strategy, company culture, the human and the digital workforce, and training mutually complement and support each other.

This requires new skills and an accompanying mindset from the leader.

This is about understanding the nature of technology, training and culture - and not the tiny details. It is about being conscious of the interaction and interconnectedness of the parts. The way they can be developed and incorporated. A purchase-and-install mentality will not be sufficient any more.

A good product and strategy combined with the efficiency and speed of these super companies give a competitive edge beyond traditional approaches. The effect is similar to that of superior new technology in competitive sport.



Tools that help design super companies

Developing a company into an aligned and unified super company is a complex process. It is much easier if it is supported by tools and methods that help you to collect the necessary data and lay it out for assessment and design.

These tools need to cover the jobs and operations of the company, connect it with the people and Digital Assistants, and help point out frictions and cultural discrepancies. They provide leaders with the insight into what needs to be changed in the structure of roles and how they can be supported with training and technology.

In sectors like construction and manufacturing tools to design buildings and products have been around for a long time. The time has come when designing businesses will also need the support of good and inspiring tools.

