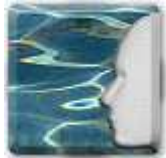




The future of business | The Xpragmatic View



The Xpragmatic View #126
 September 22, 2009
 by [Marc Buyens \(@mbuyens\)](#), Xpragma
marc.buyens@xpragma.com
 url: <http://www.xpragma.com/view126.php>

Change cannot be planned. It cannot be controlled. There is no right direction. It happens. You can only create conditions that will maximize your chances to benefit from change when it happens.

September 10, the "new" [Altimeter Group](#) gave its first webinar, titled Emerging Technologies and the Future of Business. As most readers will know, ex-Forrester analyst Charlene Li founded the Altimeter Group in June 2008. Over the past months, Deborah Schultz, Jeremiah Owyang and Ray Wang joined the group as new partners. Owyang and Wang are also ex-Forrester analysts.

The Altimeter Group, together with other companies such as the [Dachis Group](#), belongs to a new generation of upstart consulting firms that focus on so-called 'Social Business'.

Especially the career move of Jeremiah Owyang got quite a bit of media attention and consequently, this first webinar also attracted quite a large audience. Unfortunately, we were unable to attend and, since there is no recording, we have to do with the presentation. You can find this presentation on [SlideShare](#).

Of course, deriving the correct message(s) by simply looking at the slides is always a risky business, so we will not comment here on what (we think) was presented.

However, chances are that the contents of these slides give a fair representation of the messages that were taken away from the webinar by most attendees. Our real-time understanding capability is limited and our memory short-lived, so very often, the message is what is found in the handouts.

And then, we fear, we are facing again the same problem technology vendors and consultants are facing while trying to bring their message across: a lack of linkage between the message of the vendor and the expectations of the buyer.

Disconnected views

In general, most companies will try to assess how this new technology will have an impact on the way they work today. In general, they will see multiple conflicts with existing procedures, hierarchies, systems, etc. On the other hand, it is often unclear how the use of this new technology will reduce costs or increase revenues and profits. So, you rapidly end up in a ROI discussion wherefore the R part is difficult to assess.

The basic reason for this behaviour is that most organisations have a reasonably good view on what they do, on how they do things. However, they almost completely lack the understanding of the "why" they do so. Even companies that have adopted causal models such as the balanced scorecard, which links financial outcomes to other business activities, only have a very partial view on the "system" that we call the enterprise.

Basic capabilities

Now, the problem with so-called disruptive technology is that, in general, you cannot understand its potential value unless you start focusing on the "why" and this why has to do with the basic capabilities of your enterprise system. These basic capabilities are what determines your future success.

Thinking about strategy, all organisations largely overestimate the level of control they have over their future. They set objectives and then, they design a change path that will bring them to this target.

Unfortunately, change cannot be planned. It cannot be controlled. There is no right direction. It happens. None of the current successes of the Facebooks and the Twitters of this world were originally written down in their business plans. It happened. They provided a platform with certain capabilities and people used it in innovative ways. Then, the platforms were updated to better support these new ways.

In a similar way, companies largely overestimate the likeness of organisations. When adopting new technology, they look for best practices as guidelines for success. However, success rarely comes with replication. Success comes when what you do fits with your organisation and enhances your basic capabilities.

So, do the exercise. Define your industry and the type of company you want to be in that industry. Then, write down what you think is needed to be successful in that industry. What are the basic capabilities that you need? What skills? What communication needs? What type of information flows?

Do it in a very detailed way. Do not limit yourself to vague definitions such as "we need collaboration". Instead, clearly describe what "collaboration" means for your organisation, how it is done and why it enhances your business model.

Then, assess how your current organisation is delivering these basic capabilities. It will be a frightening experience. People skills, structures, processes, hierarchies, they all will show numerous deficiencies that are as many roadblocks for success.

Why?

There will be a multitude of reasons, but very few of them will have to do with a lack of tools or technology. So, don't look in that direction for solutions. First clean up the mess that you made until you reach the real limits of your possibilities. And then, you will start understanding where additional tools or technology might help.

You will be able to clearly articulate what "more collaboration" must mean for you. Not the collaboration for the masses, but for your specific context. Away with the fuzzy marketing slogans of vendors, but how does the tool address my specific need?

Looking at your organisation as an ecosystem of interlinked capabilities, you will experience that organisational change largely becomes a non-issue. You will of course change by improving or extending certain strengths, by introducing new capabilities, but the very essence of the ecosystem will largely remain the same.

Change should be a non-issue. It cannot be planned nor controlled, anyway. You can only create conditions that will maximize your chances to benefit from change when it happens.

About the author



Marc Buyens is analyst, management consultant and owner of Xpragma. Marc started Xpragma in 1999 after a 20+ years career in the IT sector. Today, he provides advice, training and mentoring services focusing on the intersection of technological evolution, organisational change and business strategy: a messy world of unfulfilled promises.



<http://www.facebook.com/marcb254>





<http://www.linkedin.com/in/marcbuyens>



<http://www.twitter.com/mbuyens>

© 1999-2010, Xpragma bvba. All Rights Reserved.

Xpragma bvba - Mechelsesteenweg 254 - 2820 Bonheiden - Belgium
Tel. +32-(0)15-340 845 - info@xpragma.com - www.xpragma.com

 RSS feed: <http://www.xpragma.com/english/rss/xpven.xml>
 RSS feed (full): http://www.xpragma.com/english/rss/xpv_full_en.xml