

## **Crowdsourcing digital innovation**

Industry disruptors are forcing traditional organisations to move out of their comfort zones and unless they have a solid innovation strategy and roadmap in place to compete, they run the risk of becoming obsolete. This is the view of Vish Rajpal, group executive of business solutions at Business Connexion.



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"Gone are the days where a slight change to a product or solutions could be classed as innovative. Today's fast changing business environment demands that real innovation takes place in real time," says Rajpal. "Organisations can also no longer innovate in isolation. We foresee that we are going to see a lot of consolidation going forward where traditional organisations will collaborate with smaller companies and startups to stimulate further innovation," he says.

## Why is innovation so important?

Innovation is at the core of industry as the world becomes more digitised. "A company that does not innovate will eventually become redundant and cease to exist," states Rajpal. "As our clients and their specific needs evolve, so should we. If we don't, they will simply find a more innovative partner that can meet their requirements at a much faster pace. The problem is that many organisations have become complacent and because they consistently apply the same thinking, they keep getting the same results. Unless they start doing things differently, they won't survive."

## More brains, more gains

According to Gartner's <u>2016 CIO Survey</u> the five key bimodal practices, that deliver the highest improvement in digital performance, are the least used by CIOs. The five practices that have the highest correlation to digital performance were crowdsourcing, differentiated funding, differentiated metrics, working with startups and formal innovation management.

Through crowdsourcing, organisations leverage the collective intelligence of a group of stakeholders to solve a problem. "Crowdsourcing opens up the organisation to a much broader range of ideas, making it a lot easier to come up with innovative ideas to implement for clients," he says. "It ensures that organisations don't stagnate and that industries are able to move forward." Gartner does, however, believe that while crowdsourcing is a very powerful tool, risk-averse organisations might be sceptical when it comes to implementing it.

"Targeting the right audience with a very specific challenge to solve is critical to crowdsourcing success. It requires a very different way of thinking and working, which makes many of the most traditional organisations nervous. Once they can get over that initial hurdle, it opens up tremendous opportunities to come up with new ideas that can then be tested and developed further," says Matumane Tshabalala, managing executive of applications services at Business Connexion.

## Are there more changes on the cards?

She adds that a shift towards crowdsourcing could see consolidation in the market and traditional organisations partnering with disruptors. "Once organisations start seeing the benefits of crowdsourcing as part of their innovation strategies, they will be more open to partnering with non-traditional companies. This eliminates the fragmented approach to innovation, opening many further-reaching opportunities for companies and communities alike. It also creates an opportunity for less risk-averse entrepreneurs to adopt the potential solutions to test and develop them further, creating even bigger economic opportunities."

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