



CHARTING YOUR PATH TO THE ALGORITHMIC ORGANIZATION

Abstract

While change is the only constant of an ever evolving business landscape, organizations are increasingly exploring how to craft new workforce and organization models. The business imperative is to enable deep collaboration and social inclusion while innovating and being responsive to steady change. With decades of experience in digital transformation, Infosys believes in the future of the algorithmic organization built around purposeful ecosystems with an extended workforce.

Ongoing digitization of business. Live Enterprise. Shortage of [digital] talents. Gig economy. Digital colleague. Robots. Enabling flexibility and stability. Fostering creativity and standardization.

In an algorithmic world, the traditional distinctions between customer and product, human and machine, etc. - are all blurred. Infosys strongly believes in the Live Enterprise that continuously evolves, learns and innovates. In this model, the key to competitive differentiation is to amplify workers everywhere and build purposeful and customer-centric ecosystems relying on autonomous teams.

Part 1: Expanding the concept of the workforce

In mid-2019, Infosys conducted a worldwide study, surveying over 1,000 senior management executives globally, at companies with over US \$1 billion in annual revenue to understand the demand drivers of digital talent, the rising demand for skills, the skill gaps and what leading companies are doing to address them¹. Some startling statistics:

- 75% of hiring managers agree that finding digital talent with adequate technical skills is difficult,
- 65% of employees agree that keeping up with skill requirements is hard

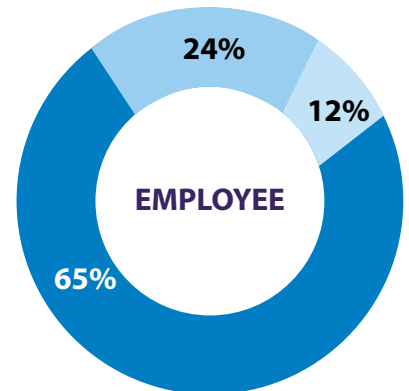
Infosys research highlights the pressing need to find new workforce models not only to meet the current organizational requirements but also to anticipate the future ones. Indeed, if you look at hard skills such as IT architecture or Analytics, an expert today will be a novice tomorrow.

Finding digital talent is a challenge



■ Agree ■ Neutral ■ Disagree

Keeping up with skill requirement is hard



In this context, contingent workers and independent contractors contribute to the growing gig economy where organizations harness the power of highly skilled individuals to close their talent gap. Managing the related contracts and talent pool is not the only headache for

HR who must also address the challenges arising from the growing instances of human-machine interactions. While there is a consensus on leveraging machines to amplify human potential by complementing each other's strengths, there is no standard recipe to achieve a balance between ethics and development.

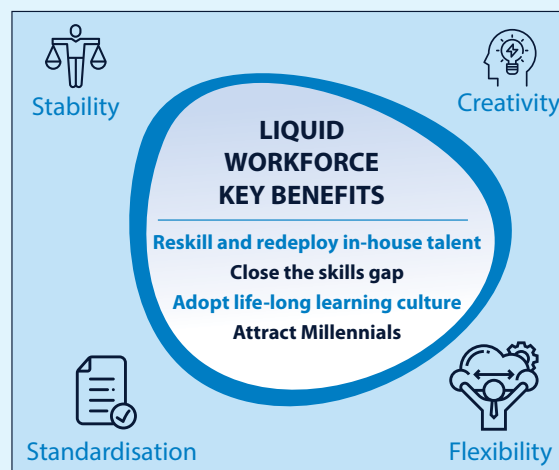
Focus: The liquid workforce, opportunities offered by blending employment

The term Liquid Workforce describes a form of workplace organization that relies on fluid teams of workers that come together, from anywhere in the world, to work on projects. In the Liquid workforce report², Accenture predicted that by 2025 we will see at least one new global 2000 company with no full-time employees outside of the C-Suite.

This emerging trend is not a new concept but it is amplified by the advances in

technology (automation, AI, etc.). Tapping in on-demand workforce can be a key differentiator in the new rules of the economy as illustrated here.

Data and algorithms now connect us in complex and dynamic ways that cannot be cast in the rigid mould of 20th century organizations model.



Part 2: Towards the algorithmic organization

Traditional organizational models are increasingly battered in an era of exponential change. Becoming a live enterprise that continuously evolves, learns and innovates, is the new business imperative³. Indeed, the algorithmic organization grows and blooms by:

- Developing purposeful ecosystems with the extended workforce and partners

- Leveraging the value of informal networks within your data-driven organization

In that new model, leaders need to switch from commanding to connecting people, partners and platforms. Identifying and developing the strengths of informal networks – i.e. information central nodes and sources, flows and bottlenecks - enable the algorithmic organization to access the real influencers and cross-purposes teams to:

- Increase customer focus by strengthening the ability of teams to

sense and respond to customer needs more effectively

- Enhance collaboration and alignment by connecting otherwise siloed teams
- Accelerate the adoption of change throughout the organization by relying on informal networks that naturally shape the adoption of new ideas and practices.

At the same time, soft skills required to thrive in an algorithmic organization shift from classic teamwork, collaboration and communication to new ones.

Focus: Grow the Robotics Quotient within your organization

Robotics Quotient⁴ which designates a set of skills allowing humans to work effectively alongside robots will become a key competency. Organizations need to integrate this dimension in their training curriculum and also their cultural change roadmap. Let's explore some of the soft skills associated to the Robotics Quotient:

- **Cognitive flexibility:** the ability to switch between thinking about two different concepts, and to think about multiple concepts simultaneously will be useful to collaborate with hybrid teams (digital colleague, cobots also known as collaborative robots)
- **Conversational Intelligence:** the ability in all humans to connect, engage and navigate with others as defined by Korn Ferry Institute⁵

- **Humility:** the ability of learning and seeking inputs within and outside the organization from multiple talents and sources.

In a nutshell, the algorithmic organization paves the way to new forms of doing and thinking to engage, mobilize, reskill and energize the extended workforce while building a flex operating model to respond effectively to change.

DEVELOP YOUR ROBOTIC QUOTIENT

- Conversational Intelligence
- Cognitive Flexibility
- Critical Thinking
- Empathy
- Humility



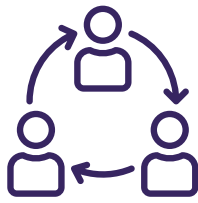
Work is changing. Not just with new technology, but also because of business environments that are increasingly complex and unstable. We will provide in the next section actionable insights to chart your path towards the algorithmic organization.

Part 3: Setting the course for transformation

Is your organization ready to embrace the algorithmic age?

Your journey should start with the “why” to ensure the notion of data is embedded in purposeful strategy and ecosystem. Then consider the following questions as your preliminary assessment to craft a workforce model enabling deep collaboration and social inclusion. More than just deploying new systems and applications, becoming an algorithmic organization is about fostering a data-driven mindset that is pervasive in your business strategy, processes and culture.





ORGANIZATION AND GOVERNANCE

- **How do you reengineer your processes towards data-driven organization?**
Turning data into insight and acting upon that insight requires new capacity and operating model with embedded feedback mechanism
- **How do you build trust on AI systems prescriptions or decisions?**
Hybrid decision-making where you run automated and classic decisions in parallel may help analyse benefits and drawbacks of each system
- **How do you review your employee and enterprise performance measures?**
Towards fluid principles guiding behaviours to empower and engage employees rather than structured indicators and processes.



CULTURE

- **How do your current corporate values fit in an algorithmic world?**
Transparency and accountability for example are must have to avoid the 'black box' effect
- **How do you make Data the DNA of your organization?**
Extracting and interpreting knowledge and insights from data should become the daily norm of employees across all job categories and levels, not the exception
- **How do you revisit your ways of working such as project management, meetings, etc.?**
Constant flow of data and feedback must be integrated effectively in your practices, e.g. switching meeting objectives from command and control to creative development.



EMPLOYEE DEVELOPMENT

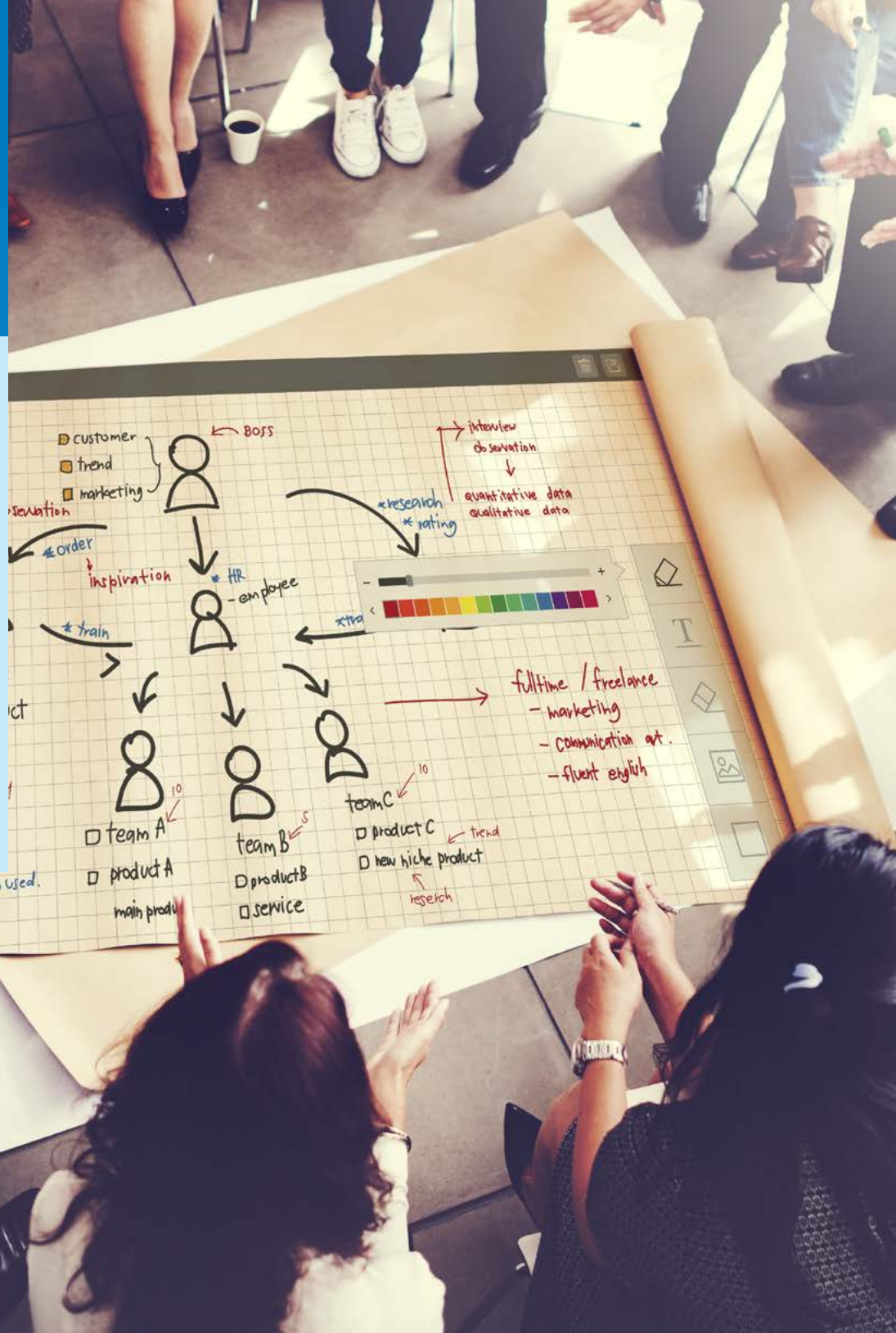
- **How would you rate learnability – e.g. the ability to learn, unlearn, relearn - in your organization?**
Fostering life-long learning is a key differentiator as the nature of business becomes more complex, unpredictable and dynamic
- **How do you mitigate the imbalance between hard and soft skills in your training curriculum?**
Soft skills once developed and practiced stay relevant contrary to technical skills. As highlighted with the Robotics quotient, empathy or humility will be critical in addition to the standard teamwork or communication.

The overall question at stake is “How would you define your ways to the algorithmic organization if you could start over with the ability to leverage AI and automation?”. Performing this exercise will help you define an achievable target operating model that will fully reap the opportunities offered by AI, machine learning and automation. Indeed, thinking from scratch like start-ups brings fresh perspective to incumbent organizations with complex systems.



Our conviction: Reimagining workforce and organizational models to accelerate your digital transformation through purposeful ecosystems

The time is now to revisit the concept of workforce and what it takes to build a thriving organization in the algorithmic age. As Emmanuelle Blons, Organization Change Management and HR Infosys AVP stated, "Over the next few decades, it is work that will make the world even more human. The algorithmic age constitutes a historic opportunity for the de-automation of human work. It would be a mistake to be paralyzed by the fear of the future. The future of work will unleash the talent for which human beings will keep a monopolistic position for a long time to come."



Sources

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3. <https://www.infosys.com/products-and-platforms/live-enterprise-suite.html>
4. *Introducing the Robotics Quotient: A new means of measuring organizational readiness for automation and AI*
5. <https://www.kornferry.com/institute/what-conversational-intelligence>



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