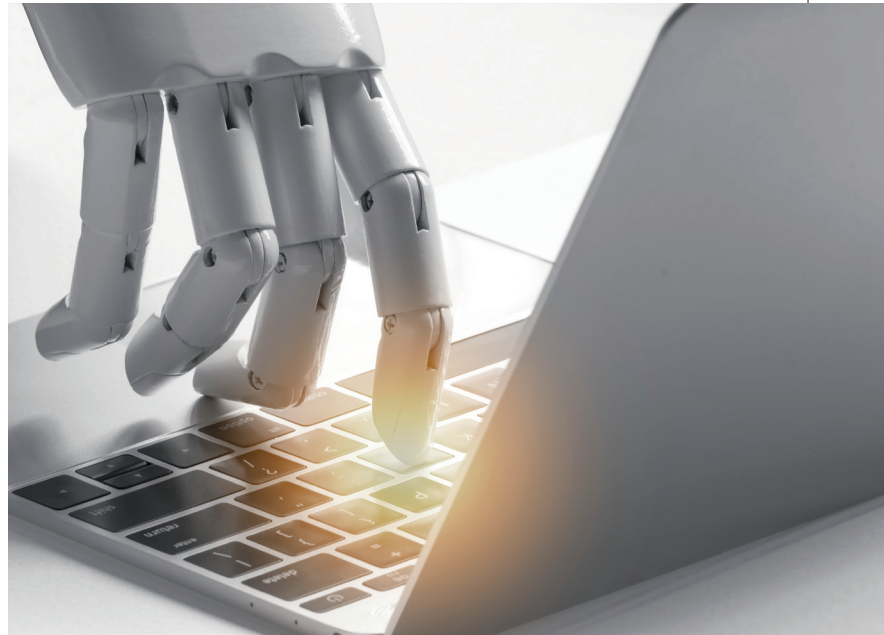


# DIGITALLY SAVVY BOARDS LEAD THE WAY

Sarah Adam-Gedge, managing director of Avanade Australia, believes directors must help their companies adapt to thrive.



**Sarah Adam-Gedge GAICD**

**Emerging technologies** such as artificial intelligence (AI), robotic process automation, advanced analytics and chatbots are changing the way companies operate as well as the markets in which they exist. It's evident that what got an organisation to where it is today will not necessarily drive the same success in the future.

"The pace of change resulting from new digital technology developments is immense," says Sarah Adam-Gedge GAICD, managing director of the Australian arm of Avanade, the global tech company that supplies digital and cloud services to organisations across a range of industries. "Organisations that are not embracing emerging technologies, such as AI and intelligent automation, risk being irrelevant in the next two to three years. Every job is affected by technology or is becoming digitised and so it is critical that boards have enough combined digital expertise to conduct a meaningful conversation about technology."

## Digital inside

As companies automate more workplace functions, Adam-Gedge says a critical success factor will be how they bring employees on the journey. "Being able to adjust skills, retrain and relearn is an increasingly important part of being competitive. To be digital on the outside, you need to be digital on the inside. If you have an engaged, digitally savvy workforce, your customers will benefit."

Decisions about projects and investment proposals will be one area where greater agility is needed, says Adam-Gedge. For instance, executives might bring

an initiative to the board for a two-month robotics trial to see how the technology can change the way the organisation works. It may not be an expensive project but it can still have far-reaching implications for the organisation.

## Cloud cover

The shift to cloud technology and "as a service" models – where a company buys services as they need them – also means that the decisions around capital versus operating expenditure are fusing.

"Instead of setting up a big-data centre, a company may be moving to the cloud," says Adam-Gedge. "Adopting these changes and reviewing the blend of capex vs opex to make sure you don't miss the next step in the company's digital evolution is a challenge for boards to get their heads around."

## Evolving leadership

Adam-Gedge recommends directors work with the executive team to set a strategy and ensure business models are refreshed and aligned. Experimentation may not be a familiar concept for many boards, but it's an important principle to drive ongoing digital innovation.

As digital drives change, it becomes increasingly important for executives to understand the impact technology is having on the company, industry and broader business landscape. Adam-Gedge advises directors to look at other industries for inspiration as well as doing their own learning. "There's nothing better than getting on the shop floor, so to speak."