

Leaders need to plan for industry disruption



By [Kate Stubbs](#)

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The working world of today is characterised by constant change. Around the world, across industries and sector, the business landscape is dominated by change and market disruption.



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In its [12th annual supplychainforesight report](#), Barloworld Logistics explored this trend, and assessed the ways in which local business leaders are responding to the new business reality and its inherent challenges. The report, titled *Embracing Change for a Sustainable Future*, underscored the fact that most local organisations are poorly equipped to anticipate major market shifts/disruptors and adapt accordingly. This does not bode well for businesses, as it leaves them vulnerable to more nimble, agile and responsive competitors - many of whom are well-resourced multinationals and dynamic startups.

On a more positive note, however, the findings revealed that business leaders are at least recognising that change is a driver. The top ranking strategic business objective for this year was identifying and managing change - revealing that change is indeed on the radar of executive leadership teams. This theme was also reflected when businesses were questioned about supply chain challenges: respondents ranked the top supply chain challenge as the willingness to change/breaking old habits/relationships.

Not equipped to respond...

Yet while there is undoubtedly growing awareness around the fact that change is a reality, the SCF 2015 findings underscored the worrying reality that most businesses are poorly equipped: not only to respond to change and disruption but to anticipate shifts and get ahead of the curve. Moreover, organisations as a whole - teams, employees, etc. - have little faith in their leaders when it comes to surviving disruptive industry forces and the relentless pace of change.

For example, only 42% of respondents said their organisations are constantly in touch with anticipated shifts in the market and predicting game-changing trends. With regards to capabilities to implement change within organisations, 45% of respondents believe it is well executed but needs improvement, and only 7% responded that it is extensive and comprehensive.

Notably, a very high percentage (68%) of respondents believe that the health of their company is at risk in the face of current and potential changes in global market structures and emerging technologies. This is a key insight that speaks to the need for more proactive and visionary leadership.

When viewing change in the supply chain, 36% of respondents said there is a controlled and deliberate process to managing change in their supply chains, whilst the remaining 64% said their companies either react or change only when required to respond to market needs.

So what do leaders need to do differently?

Critically, leadership teams need to put systems and structures in place that enable them to anticipate key market shifts. This requires an element of innovative and visionary leadership, and the ability to recruit talented professionals who are adept at 'reading' markets and anticipating trends.

Another key factor is the ability to respond and iterate quickly in the face of both expected and unexpected change. To do so, businesses need to adopt less hierarchical structures in which management and leadership are less siloed - and decision-making powers are spread more equally throughout the business. In line with this thinking, leaders need to be constantly in touch with their teams and able to communicate quickly and efficiently.

Essentially, leaders need to take a new look at their current systems and structures - and assess whether their organisations are truly future-focused and able to adapt in a global business environment so deeply characterised by change.

ABOUT KATE STUBBS

Kate Stubbs is the current group business development and marketing director for the Interwaste Group which forms part of Séché Environment, an international environmental solutions business.

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