

Short read: How you drive may be a clue to how you lead



In his book "Digital Transformation", Professor Werner Leodolter, Dipl.Ing. Dr.techn., describes the ever increasing collaboration between man and machine that gives rise to hybrid intelligences. The author applies this concept of technology-driven change to a human who drives a car: driving takes less effort as a lot of action patterns have been delegated to subconscious mind through the use of assistive systems (e.g., auto-drive mode, parking sensors and proximity warning).

Indeed, technology is changing the cognitive process not just of individuals but that of organisations as well. And Prof. Leodolter speaks to HealthManagement.org about managing the technology-induced change in decision making in organisations detailed in his new book.

He points out that when driving in a highly-assisted mode, the driver is faced with this crucial question: Will I be able to react properly in specific maybe dangerous situations? Will I even recognise them?

"There is the same question in an organisation: Will I recognise critical developments early enough? How will my organisation deal with uncertainty and unforeseeable developments when it is used to automatic decision-taking by algorithms which are good in routine situations?" the professor says. "So it is all about how decisions are taken. Mental and algorithmic models as parts of the subconscious mind of your organisation significantly influence and drive the decisions taken."

Prof. Leodolter explains that the subconscious mind of an organisation serves as metaphor for the sociotechnical construct of an organisation. It consists of:

- Technical infrastructure (which enables the organisation of the subconscious and conscious behaviour driven by digital transformation)
- Structures and processes of an organisation (formal and informal rules)
- · Values, attitudes and strategies.

"It provides a framework to promote and leverage digital transformation in healthcare, in industry and nearly all other kinds of businesses," he adds.

To shape the subconscious mind of an organisation, its leadership should provide e-learning, microlearning and simulation tools, drill staff in systems thinking, and ensure responsibility and accountability from individuals.

"There is a great deal to be done for developing a culture concerning responsibility when you establish or shape

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collaboration between humans and between humans and machines," Prof. Leodolter notes. "I am convinced that only flat organisations, or organisations with minimal levels of middle management, will emerge as successful on the journey through the digital transformation."

He provides these tips to help leaders shape the subconscious mind of their organisation:

First: Apply this metaphor of the subconscious as model of thinking and establish cybernetic and systems thinking by challenging your employees to argue their proposals in this way. Then, with this in mind, analyse perception and decision making now and in future, envisioning the upcoming AI and decision tools. Additionally, analyse how your organisation is embedded in business and in society and what is going to change. Finally: look for a trigger to get started like an adverse event or an obvious need to change your business model.

There are some more guiding principles on this new model of thinking provided and exemplified in my new book, according to Prof. Leodolter.

"Let us make sure that – metaphorically speaking – we 'stay in the driver's seat' and we have established the governance to at least set the direction and to intervene when partly autonomous driving takes us the wrong way," he says.

Prof. Leodolter is CIO of KAGes, a healthcare company with 17,000 employees in Austria and Professor for Applied Management in Healthcare at the University of Graz.

Source: <u>HealthManagement.org</u>

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Published on: Wed, 25 Jul 2018