

URL: <https://stvp.stanford.edu/clips/revolutionary-transformations-in-business>

Citi Chief Innovation Officer Deborah Hopkins discusses the disruptive and revolutionary changes happening in business, including a move from vertical to horizontal organizational structures, customer control of communication and competitive challenges coming from new directions.



Transcript

The thing that's also happening here and why we really I think this revolution comment is not just for fun, it really is what is going on.. There is a revolution happening in corporate America for sure.. It is a recognition that as those factors come together, you no longer can think about how you're having that dialog with your customer.. They are telling you how you're going to have the dialog with them.. They are - we are seeing this advent of big data and the digitization of information.. You really have to think about it sitting there as a CEO that I have a very different challenge on my hands on how to have this interactive conversation with my customers and how to be able to pivot based on that information.. When I used to have these very long design cycles and I could come back a year, a year-and-a-half later and think perhaps I had presented something differently.. By then you could be absolutely out of business.. So, it is a real, real revolution because not only do you have to think about perhaps new skills and capabilities of the people that are going to deliver these types of change services and increased rich customer experiences, but you have to then turn around and say, the entire way I run my company is very, very old, it's very vertical.. It thinks in hierarchies where somebody on top would speak and the message would come down..

And, even email which you could argue is a modern - I don't know, sometimes I think it's a real pain, but email, when you think about it, is very vertical.. It's very connected.. You decide exactly who is going to see what.. And, it really is frankly - email is going to go away and it won't be that long because it really no longer serves the way we choose to communicate because all of the way corporations run is very vertical and now, yes, people who have matrixed to organizations and so forth but it's an extremely siloed way of doing business.. The challenge of this new world is none of it works vertically; it all works horizontally.. It all is networked, so you are going from vertical hierarchies to very dynamic, ever-changing networks.. And, it really challenges everything you do inside a company.. So, this revolution is big and it's happening and we know because we are ending up talking to a lot of these companies who are trying to understand some of the things and steps that we have taken on that front.. But, the revolution is really here and it's a big deal because frankly, without trying to make that change and react to those impacts, there are huge opportunities here and really think about really the competitors that are also knocking at our door.. It used to be, when you were sitting there and running a company, first of all we all got used to cycles and we thought well that - the cycle is going to - well, no, this is not a cycle..

This is a fundamental shift.. And, then when you were sitting at a bank and say "oh, gee, what's JPMorgan doing? I better find out what those guys at Wells are doing." Forget that.. We better worry what Jack Dorsey is doing up in San Francisco.. We better worry about what Bezos is working on, up at Amazon and we better think about those guys down in Cupertino because not - that is where the competition is going to come from.. And that again will happen horizontally and through partnerships.. So, all these things come together to say a revolution is at hand..