

Changing Leadership with the Internet of Behaviors

The world is slowly becoming one big data problem, and the Internet of Behaviors is the key technological synapse to unscramble it.

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Remember the days when CIO roles were new? Then came the Chief Digital Officer and other critical C-suite roles to steer their companies to the future. These functions have been traditionally siloed, but today's hyper connectivity highlights the needs for their hybridization and calls for a new *modus operandi*: one where companies link their work on technology, analytics, and behavioral science to leverage the Internet of Behaviors (IoB) to get a significant competitive edge and get ahead of their competitors.

In this article, we discuss what the Internet of Behaviors is, how it's quickly permeating society, discuss its business and leadership implications, and examine what kind of executive companies should recruit to lead this transition.

Defining the Internet of Behaviors (IoB)

Simply put, the Internet of Behaviors (IoB) is a technology that draws data from smart devices, household devices, and online activity to predict and influence human behavior. This relatively new area of research and development lies at the intersection of behavioral science, edge analytics and the Industrial Internet of Things (IIoT) and originated from a simple question: When and why humans use technology to make purchasing decisions?

Why is the IoB important for Companies Now?

This is a watershed moment for customer-centric companies because the IoB's power is its scale—Statista estimates the number of devices on the IoB is at around 22 billion, with potential to reach 50 billion by 2025. These devices will generate multiple data points across time, creating swathes of information that need to be interpreted. And the IoB's influence goes beyond online shopping and it's present in our vehicles, homes, offices, factories, and cities. While manufacturing these billions of connected devices poses its own challenges, by 2025 they are expected to influence how we as individuals, communities and cultures connect, communicate, learn, and operate.

Over the last decade, enterprise technology companies have leveraged the Industrial Internet of Things (IIoT) across a multitude of uses. The IIoT has also been adopted in urban and rural populations (smart cities, smart agriculture/irrigation), industrial (IIoT, SCM, new products discovery and evolution, workflow optimization), defense (communication, security, GPS, distributed controls), healthcare, finance, education, et al. The pandemic also bolstered this device-led interconnectedness given how consumers' relationship with work and businesses shifted. Now, enterprises that find themselves at the forefront of this digital transformation are looking to exploit the underlying physical infrastructure to generate far more valuable assets: *data, knowledge, and wisdom*.

Connected systems can already anticipate our needs and automate our environments. It is up to all of us to ensure they meet the ultimate goals for society, making it safer, sustainable, and more productive. Unlike the advent of web or social networks, no single individual, company, or industry can play an overarching monopolistic role in this future scenario. Widespread adoption of these smart connected devices will require enormous amounts of data and selective decisions to put power and computing closer to the edge. Deeply intertwined in the silicon is software that brings advancements in security, low power, machine learning, and connectivity. Relationships and “people-centricity” lie at the heart of developing agile and successful organizations and will be led by the Internet of Behaviors.

Why is the Internet of Behaviors important for Executives and Organizations?

Shifting from a data-driven approach to an IoB approach will take a collective effort with many trials, deeper expertise and common vision across an ecosystem of early adopters—in federal and local governments, lawmakers, ethicists, insurance companies, software, semiconductor manufacturers, system integrators, telco, network and security ecosystem, and device makers across industries.

As we cross-pollinate talent across functions and industries, we have spoken with brilliant minds to develop a deeper understanding of their personal motivations and collective vision of the future. Through their insights and our work, we want to share the knowledge and insights to help the industry unravel this complexity and drive forward the enormous potential of connected systems and engineering.

In today’s landscape, the magnitude of new information does not lend itself to those traditional CTO, CIO, CDO, and CPO distinctions. Traditionally, enterprise companies could afford to strictly separate these roles. Today, IoB and connectivity impose more elasticity and hybridization of these roles. The optimal application of the IoB platform is leveraged only when companies simultaneously operate at the intersections of technology, analytics, and behavioral science. Tightly linking all these experiences — as opposed to individually improving each one in a silo — differentiates a business from competitors in a way that is difficult to replicate, creating sustainable competitive advantage.

Cross-functional teams, in which members from different domains collaborate to define what technology must be built and frequently reassess its effectiveness, are positioned to deliver the best results in an IoB-driven world with multiple, mutually exclusive data sources being identified and introduced from across the enterprise.

An open, customer-centric work culture where organizations use teams as a multi-pronged unit can maximize business value much more innovatively. Enterprise teams that are accustomed to this approach will naturally synthesize disparate data sources more swiftly than those accustomed to working in silos. Fostering internal environments which encourage collaborations between the technology, information, and product verticals to an extent that the idea of information-sharing is engrained in the workflow can be critical in developing an IoB orientated approach to the future.

Creating a newly defined Executive

The IoB also presents significant and pervasive social and ethical implications. Collecting data to influence behaviors has the potential to be a powerful tool, and its reception might depend on striking a balance between a forceful yet delicate approach while harnessing its power. This means that enterprise companies will have to look at reimagining and reinforcing the role of transformational leaders within the work culture. Introducing trust-building into the agenda of these otherwise silo-ed roles can act as a force-multiplier while implementing an IoB-based platform.

Instead of focusing on information flow, data volumes, security, or payments at the tail ends of a user journey, enterprises will have to integrate these functions at each step of the process. Being a successful transformation leader will involve wearing multiple hats, from business to risk to technology to software engineer.

When great products sell themselves asaaS services in an ever-connected society, the role of sales leaders and CXOs will evolve towards creating and continuing sustainable business stewardship vision for the company. Digital CXOs may not pine for the trappings of CRMs or ERP systems, since these are already a given. What insights then qualify for KPIs of an executive's success?

Where do I go from here? What is the call to Action?

We want to hear from you on topics that resonate with you and with your organization.

- What decisions and workflows can be obviated to streamline for agility?
- What organization structures would you leverage more vs flatten? How do you harmonize to determine the success of your company's products and services?
- If data suggested that only a small portion of your office spaces are being used by only a small portion of your staff, what changes would you want for your office hubs?
- Aiming for zero-carbon footprint, would you want to encourage remote work and hire/ travel/ fractional employment?
- How do you incentivize this new organization differently?
- How are you navigating cultural transformation?
- How much time are you spending on engagement and interface with internal stakeholders vs. partners in the eco-system? This is where you may see the first signs of IoB coming into the picture and new role of leadership driving change.

Get in touch with us! We will curate your responses and share compelling insights that surface. Whether you are on the Board or C-suite of a company creating innovative products and services for High-Tech, Telecom, Automotive, Energy, or Healthcare sectors working with large datasets, or are an enabler of a society, we hope you find information in this series of conversations is useful for your tasks towards realizing the future.

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We believe that together we can transform people, organizations and the world through leadership.

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