

## **Becoming a digital age business proves a steep learning curve**

### **Fast-forward 12 months...PROFIBUS Australia revisits the Automation Innovation Summit and observes industry's response.**

Digitalization as both a way to 'Defy Productivity Decline', and as a key response to the 'Innovate or Perish' challenge facing post-mining-boom Australia, was the two-pronged take-away for delegates at the 2016 PROFIBUS and PROFINET Global Forum and the Automation Innovation Summit.

Twelve months ago, Innovation by inspiration, the dream of event conveners PROFIBUS & PROFINET Australia (PAA), was achieved thanks to the curation of topics and the high quality of speakers. And Innovation by collaboration, the practical reality for those inspired to implement the way forward that networked technology allows, was given a big leg-up by the *human networks* established that day.

PAA is heartened to hear that more than twelve months later, those human networks remain connected and in active use.

On that innovative day in May 2016, PAA's Global Forum featured nine distinguished speakers from Industrial Automation, industry and academia. Their combined efforts provided the illumination and insight essential for change-enablers in enterprises, large and small, who are aware that transformation through networking innovation is a mandatory. And a matter of time.

*PI International Chairman* Karsten Schneider explained what PI technologies mean for the future of automation. Matthew Dulcey, *Global Sales Manager of Procentec* gave delegates a valuable understanding of diagnostics and preventive maintenance solutions designed to deliver unrealized profits for end-users.

The day's second half, the Automation Innovation Summit, featured ten experts, speaking over a sit-down lunch, and then convening as a panel. They took questions and pulled no punches. Nearly an hour's interactive discussion began with Professor Roger Hadgraft *Director of Education, Innovation and Research (Engineering), at UTS*, leaping in to answer the first question—what are the practical steps to enable a better engagement between industry and universities? Professor Mark Dodgson, *University of Queensland*, then took the floor. From his research perspective, leavened with his experience as a board member of two major Australian companies, he spoke soberingly of a recent visit to the University of California, Stanford and MIT— research institutions so very good at what he believes ours need to fix fast: "moving technology into industry". He warned of the crucial need for Australia's industries, academic institutions and governments to get their collective collaborative act together. Michael Bowne, of PI North America, upped the ante with his observation that his own home country, the USA, was way behind what he knew of European collaboration

The sense of urgency in the lead-up to the event was given an energy boost by the Federal Government's announcement of its new National Innovation and Science Agenda in December 2016. As that sense of urgency peaked on the day itself and Automation experts, academia, business addressed how practical collaboration will get Australia competing with more advanced nations; PAA's hope was that all were witnessing a genesis of new, determination. It seemed eminently reasonable. Certainly, not a delegate would have left the day believing that dragging our heels would fix the lag.

And nor were any under the illusion, popularized daily, that to be 'innovative' an initiative must be radically new and unpredictably disruptive. The innovation that will save and grow Australia's standard of living will happen most effectively, and efficiently, not by giant leaps into an unimagined unknown. It will happen by imaginative, planned steps into the productivity-enabling world of Industry 4.0, Digitalization and The Internet of Things. Indeed, smart, manufacturing businesses here and overseas are getting to know the value of intelligent, predictive, digital networking systems by setting aside and systematically modernizing small sections of their plants over time.

Innovation will happen mostly, and most productively, not as a result of blindingly new inventions but by *inventive adaption...* within established manufacturing plants and processes.

Local delegates that came prepared not just to be enlightened but to be confronted by the comparison between their factories and those overseas - that have already enthusiastically adopted digital technologies - left under no illusion that some hard decision making will be required if their plants are to remain productive and globally competitive over the next decade.

Seems like Australian industry is not as switched-on as most other areas of local society. Recent surveys reveal that industry has been slow to adopt new digital technologies, but there are recent signs that digital transformation is speeding up.

The decision-making process for any plant owner, already struggling to comprehend the concept of an evolving digital landscape, can be a daunting process. Evaluating the impact of new technology on an aging workforce; the affordability of new technology and training costs; the threat of data security are all real concerns impacting on the profitability and productivity of a business.

It's well documented that Australia ranks at the bottom of the OECD group of advanced nations in relation to university-industry collaboration. But the future is rosy, we are told. Australians have the talent, the entrepreneurial spirit, the innate plier-and-wire resourcefulness, and now, the essential national innovation and science agenda to realize it. Not forgetting our much maligned, and notoriously slow, internet infrastructure, which is just part of the challenge.

PAA makes no apology for dragging the issue of digitalization from the dark recesses of the nation's general consciousness, putting it on the government's 'innovation' stage, and spotlighting and interrogating it.

Digitalization needs a backbone and we pledge to be a major contributor to that backbone.

May the many conversations started on May 25 2016 continue! Certainly, we will continue to lead the discussion, whatever chance we can take.

And make.