How Digitalization Impacts the Employee Experience

Steven T. Hunt, Ph.D.

Click to follow my posts: www.linkedin.com/in/steventhunt

It is hard to imagine any aspect of work that isn't affected by digitalization in one way or another. The question companies face is not whether technology will change the employee experience. The question is how will the employee experience be changed by technology. The following are thoughts on how to ensure these changes are more good than bad.

The three ways digitalization affects the employee experience

When looking at the impact of digitalization on the employee experience, it is critical to understand that the employee experience is defined by three different things:

- **Dealing with work requirements.** These are experiences associated with mundane activities such as completing expense reports, logging time, or completing administrative forms. These activities are a necessary part of work but no one praises us for doing them well. Nevertheless, we must do them and they can take up a significant amount of time. The experience of "dealing with work requirements" is enjoyable when it is simple, short, efficient and easy.
- Getting real work done. These are experiences accomplishing things that matter for our company, our customers and our colleagues. We get praise for doing these things well and are held accountable when they fail. The experience of "getting real work done" is enjoyable when we are given meaningful goals that match our interests, we like the people we work with, we have the resources needed to be successful, and work does not prevent us from fulfilling our non-work commitments.
- Building a career. These are experiences we associate with moving our professional lives forward, developing new capabilities, and fulfilling career goals. The experience of "building a career" is enjoyable when work gives us a sense of doing new things, learning new skills and growing and developing over time.

Few jobs provide exceptional experiences across all three of these areas. Employees are used to accepting some bad experience in trade for other positive ones. For example, we often do tasks we don't necessarily like if we feel it will help us build our career. However, if any one of these experiences gets particularly bad it can significantly decrease employee commitment, engagement, and retention.

The impact of technology on employee experiences

Technology has a major impact on each type of employee experience, but in very different ways.

"Dealing with work requirements": When it comes to "dealing with work requirements", people want technology that is easy and efficient. This technology is being used to perform tasks that many people would prefer not to be doing at all. Technology such as automated expense reporting and intelligent form completion lessens employee frustrations from spending time on "non-value adding" tasks. Mobile and remote technology allows employees to use downtime to finish administrative tasks so they don't have to do them at work (e.g. time spent sitting on commuter trains or waiting for appointments).

Technology can improve the experience of dealing with work requirements, but it can also make it

worse. Automating an administrative task does not mean you have made it easy. This is a significant risk when automating tasks that employees must complete to receive something they need. For example, tasks associated with processing expenses or purchasing equipment. I have seen employees subjected to horrific user interfaces under the banner of "manager self-service" technology. If you truly want to know if your technology is creating a positive employee experience for dealing with work requirements, try this test: require your CHRO and CFO to spend three months using the same "self-service" technology you expect line managers to use. And insist that they do this without any administrative assistant support. Few C-level executives ever experience using their company's self-service administrative systems in the same way that their line managers experience using them.

"Getting real work done". Technology for "getting work done" should focus on making employees feel more productive, connected and effective. This includes technology that allows people to coordinate job goals and activities, collaborate with colleagues, and share knowledge and information. The experience of getting work done can also be improved by using technology that enables managers and employees to provide effective support, feedback and recognition to one another. If you want to know if your HCM technology is creating a positive experience getting real work done, try asking employees these questions: Are you able to effectively collaborate with other people in the organization to achieve your objectives? Do you have easy access to the knowledge, information and training you need to do your work? Do you receive effective guidance and positive recognition for the work you are doing?

The best applications of technology for getting real work done focus on creating connections between people. For example, tools that allow employees to find coworkers who share similar work interests and enables them to communicate with one another. Or systems that ensure managers and employees are having productive, ongoing conversations about work goals and expectations.

"Building a career". Technology used to improve the experience of "building a career" tends to fall into three broad areas. Solutions that help employees identify career opportunities such as career sites, professional interest communities, and career guidance tools. Solutions that help employees build skills and capabilities to advance their careers such as learning tools, development assessments, and mentoring applications. And solutions that match employees with potential career opportunities such as succession management and internal job search tools. The following questions can help determine how effective your company is at providing a positive experience related to building a career: Are you aware of future career opportunities available in the company that align with your interests and goals? Do you feel connected to the organization and supported in building your career over time within the company? Are you able to build relationships with people in the company that are helping you grow and develop your capabilities?

One of the main ways technology improves the experience of building a career is by providing visibility into the company's long-term talent needs and internal talent decision processes (e.g. how the company makes staffing decisions). If employees know the kinds of talent the company needs and they understand how the company makes talent decisions, then they are equipped to more effectively manage their own careers within the company. Technology can also improve the experience of building a career by making it easier to find mentors, learning partners and training resources.

The very best digitalization experiences are frequently not about the technology

Some of best ways technology can improve the employee experience result from things that take place outside of the technology itself. Maximizing the value of technology for creating a positive employee experience is often about understanding when NOT to use technology. Here a few examples:

- **Dealing with work requirements.** There is no substitute for talking with another human being when trying to figure out a complex administrative task. Most of us have experienced the anger and frustration that comes from using "self-service" technology that is designed to make it hard for users to get in contact with an actual person when we have a unique question or challenge.
- **Getting real work done.** Many talent management technology solutions are only effective if they create conversations between employees and managers. These technologies work best when they are used to encourage people to spend more time in dialogue about talent, not less.
- **Building a career.** The single most valuable resource for building a career is having access to other people who can help guide and support our career development. Some of the best technologies for building a career are ultimately designed to <u>help people talk with other people</u>.

HCM technology is most valuable when it makes organizations feel more human, not less human. This includes how talent decisions are made. Employees should never feel that technology is making decisions about their careers, nor should technology force managers to comply with talent decision they do not understand or support. Technology can and should be used to help people make better talent decisions, but ultimately decisions about people should be made by people.

Technology does not by itself create the employee experience. It is how we use it that matters. It is up to us to ensure the impact of digitalization on the employee experience is a good one.

p.s. To learn more about maximizing the value of HCM technology to enhance the employee experience, please join me at <u>SuccessConnect in Las Vegas</u> taking place at The Cosmo August 29-31.