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Digital workplace and culture
How digital technologies are changing the workforce and how enterprises can adapt and evolve

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Many business leaders are currently operating under a traditional model: vertically integrated companies hiring full-time employees to work eight- to nine-hour shifts in a company's own office, campus or factory.[1]

However, the traditional way of doing business is quickly becoming outdated.

Today's growth in technological capabilities, exponential increase in computing power available to both consumers and enterprises, and almost ubiquitous Internet connectivity among other digital advances is changing the way employees and enterprises work.

Organizations are benefiting from the increased digitization of the workplace through increased productivity, cost savings, a more mobile and agile workforce, and generally increased flexibility and adaptability in an ever increasingly complex marketplace. Enterprises are collaborating more globally, and with more diverse and global staff. Employees can now work all over the world, from the jungle to the arctic, as long as they have reliable Internet.

While this has been a boom for employers, it has also changed the power balance in the employer-employee relationship, often more towards the employee.[2] The ability to work from anywhere and stay connected through smart phones, tablets, and other mobile devices has enabled employees to stay connected and collaborate with peers and stay on top of digital trends more readily than the organizations they work for.

This new digital workplace also creates its own challenges, including security, developing a new kind of digital etiquette to expectations for employees, and the tendency for building expectation of always being "on," causing burnout and often leading to retention problems. Integrating digital technologies into the workplace can not only wreak havoc on the productivity of workers, but it also creates its own distinct culture, impacting the previous work culture and the general work experience. These changes will challenge the workplace by forcing both executives and employees to adapt the way they interact with each other and the technologies that enable their work.

Companies must be proactive in creating new systems and policies, and re-interpreting their corporate culture around digital in the workplace, or they risk losing clients, productivity, and employees. Organizations that will succeed in this new digital work environment are those that can be open to innovation and adopting new digital methods, while also curating those digital experiences for their employees, including creating distinct lines between work and non-work, and making the workplace overall more human-centered rather than technology-centered.

Technology the enabler

The growth in computing speed and storage is making virtual and global collaboration possible in more fields every day. As technology and networks become more robust, the computing power available in consumer hardware continues to increase, and employees become more comfortable with working on their devices, rather than meeting face to face or having to come into an office.

Having a more digital savvy team has been a boon for employers. Technology supporting a digitally integrated workforce gets stronger and more robust every year, enabling enterprises to keep a very disperse team on the same page logistically and moving towards the same goals. Mobile computing is rapidly expanding access to the network of global workers connected by data as well as voice. Teams across time zones and countries can work remotely while staying connected to their teams virtually via Skype, VoIP, email, and cloud-stored files. Companies no longer need to send workers on an expensive airplane ride to visit clients or collaborate with other teams. Technical and social mobility decouples people and organizations from physical geography and defined markets. Today's workforces are freer to go where they want to work instead of staying where work originates. Easier access to skill development resources is making vertical moves easier, too, for both people and organizations.

Companies are also able to create digitally integrated "on-demand" teams, offering the ability to tap into extensive networks of innovators, technical experts, and seasoned professionals from all over the world that can collaborate together. Researchers estimate that as many as 30 to 40 percent of all US workers today are contingent.[3] These contingent employees and "on demand" teams create a level of agility for enterprises of all sizes.

Additionally, new cognitive technologies are increasingly reengineering work. This is a positive for both workers and enterprise as it replaces or augments work that was before very slow and tedious. Cognitive technologies are also creating new jobs, as these technologies both create and allow the analysis of datasets that were unheard of only a few years ago, creating new jobs for those with data science and analytics skills. On the other hand, some staff may be worried they will lose their jobs to a machine. The development of smart machines will continue to shift the workplace and force companies to not necessarily replace but redesign jobs to incorporate new technology solutions. Enterprises must work to integrate both smart machines and people into their talent networks.

The face of the digital workforce

This increase in communications and virtual connectedness has also opened the world to new ways of acquiring, developing, and managing talent and work, and is changing the way work is distributed and sourced. In addition, it is also changing the perceptions that people have around work and working, and overall work culture.

Managing a global talent pool, and one constantly in flux depending on needs, requires the ability to manage and mine large pools of employee and business data. A number of freelance and open source talent, product, and idea marketplaces have quickly evolved over the past several years. The analytics from these allow companies and employers to access, review, rank, analyze, and maintain millions of records on individual tasks, projects, and workers. At the same time, this also gives all employees a new power angle. Since current, contingent, and potential employees also have access to much of this data and technology, they are also learning to use it to their advantage.

Digital technologies have already dramatically impacted the culture around work and working. This growing group of younger, connected, and mobile workers are managing their careers on their own terms and often outside of categories that have defined the workforce for decades. Today's workers have a new focus on purpose, mission, and work-life integration. They stay connected to friends and family digitally, and are comfortable working in the same way, often blending the two. More workers of all ages are demanding more of a work-life balance that can accommodate more time caring for family, living further away from city centers, or just avoiding peak commute times. For them, this balancing act includes utilizing digital technologies to enable themselves and their broader goals.

Millennials are a particularly important demographic for organizations to pay attention to. They are the truly first "digital native" generation, and the US Bureau of Labor Statistics predicts that by 2030 millennials will make up 75 percent of the workforce.[4] As millennials grow into managerial roles, their priorities—i.e. working for more than just a paycheck—and leadership styles will have a huge impact on all organizations in the coming years.

Supporting a digital culture provides a layer of flexibility and adaptability enterprises often lack. This struggle is especially pressing in more traditional industries that have been slower to adopt digital and social strategies on a broader enterprise scale. Traditionally, HR, talent, and business executives think of talent and employee processes as a supply chain with an on ramp for new employees and an off ramp for retirees. However, today's employees are more nimble and willing to move laterally or to an entirely new company in order to achieve their career goals. Facilitating employees with digital tools to make their work lives easier provides a necessary flexibility for both workers and employees.

The shift to a more mobile and always available workplace has also adjusted the corporate mindset to a similar 24/7 approach, and impacted the way people think about work and the way they interact with and at work. The way we communicate at work and with coworkers has changed dramatically. Digital has helped lead to a more casual attitude between co-working peers and bosses. For example, many people do not think twice when they see an emoji smiley face included in a professional email from someone they have never met in person.

However, digital has also created a divide from workers' preferences to their workplace reality. In a world where a mobile phone is only an arm's reach away and the lines between work and life are increasingly ill-defined, work-life balance can be hard to achieve.

Digital capabilities and technologies have potentially gotten ahead of workers and the traditional work culture. This kind of technology access can become addictive for some. It may feed well-meaning workers' tendency towards working long hours and always being "on," but in the end does not help overall productivity.

Humans across the globe report being overwhelmed by the digital capabilities they now possess, and find it difficult to put limits or control how much technology they consume or how it infiltrates their lives. Employees today work more hours and are nearly continuously connected to their jobs by pervasive mobile technologies. Workers are also often thrown onto demanding cross-functional teams that bring new people together at a rapid rate, which can make it hard to create truly cohesive and collaborative teams.

All of this connectivity can also create digital etiquette problems for both clients and staff. Workers in different time zones or on different work schedules will send emails or texts to coworkers at all times of the day; smart machines and cognitive technologies, meant to aid or improve a worker's productivity and work/life balance, may also send notifications to a software engineer or other staff member when a process is done, even if it's at 8pm. Some of these notifications may not need to be responded to right away, but in some organizations there is the expectation that they still be responded to soon after delivery, even the 8 p.m. notifications.

If unresolved, all of this connectedness can lead to employee burnout. Employees may feel unable to fully disengage from work, or possibly feel tracked by their company. This growing problem of burnout and being constantly "tethered" to work by mobile devices, email, or other digital formats results in lost productivity and high turnover for companies. A recent Gallup study exploring the effects of mobile technology on politics, business and well-being in the US found that "workers who email for work and who spend more hours working remotely outside of normal working hours are more likely to experience a substantial amount of stress on any given day than workers who do not exhibit these behaviors."[5]

In our own research we performed an analysis on social media conversations around workers using their own devices to work as part of an analysis of "Bring Your Own Device" (BYOD) policies in the workplace.[6] Within this analysis we found a large volume of consumers that mentioned regret in taking work home with them, being available during personal hours, and even working while on vacation. People did not appreciate taking work on vacation with them, but some felt it was acceptable to work while on vacation, and cited studies or articles that showed it is the norm for most Americans.

Millennials have also witnessed instability in the workplace, with two economic downturns during their careers, companies suddenly closing due to mishandling of data or finances, and their parents' jobs being downsized after years of loyal service.[7]

BYOD employee conversation
June 2014–June 2015/sample volume = 383*

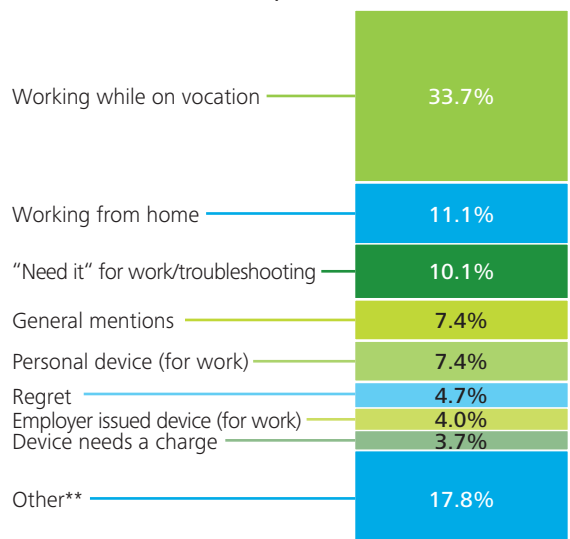|	
Working while on vocation	33.7%
Working from home	11.1%
"Need it" for work/troubleshooting	10.1%
General mentions	7.4%
Personal device (for work)	7.4%
Regret	4.7%
Employer issued device (for work)	4.0%
Device needs a charge	3.7%
Other**	17.8%

Figure 1. Top themes discussed in our social media analysis research examining conversations around workers using their own devices to work as part of an analysis of "Bring Your Own Device" (BYOD) policies in the workplace. (Ref. #6)

All of this unreliability in the job market, combined with the lack of balance, the possibility of never-ending work or fully disengaging from work and being "always on," and external data about their own company and other companies just a few clicks away, can contribute to employees feeling disengaged from their work, their company's mission, and their jobs. According to Gallup, two-thirds of workers are not engaged in their jobs and close to 1 in 5 are actively disengaged.[8]

Despite the struggle to disengage from work, this rapid rise of digital, and in particular social media, has also had positive impacts on the way people connect and collaborate at work. People can quickly share ideas, information, and requests at a speed faster than any other in recorded history. The explosion of external people data (data in social networks, recruiting networks, and talent networks) has created a new world of employee data outside the enterprise that both organizations and employees can tap in to in order to gain knowledge about the culture and process of any organization.

All of this sharing can be a boon or detriment to companies. Today's organizations live in an era where every corporate decision is immediately publicly exposed and debated, thanks to sites like Glassdoor, LinkedIn, Twitter, and others. Once-private issues are now posted online for every employee—and every potential employee—to read. Given the harsh spotlight of this new transparency, an organization's culture can become a key competitive advantage—or its weakness. For better or for worse, websites like Glassdoor, LinkedIn, Facebook, and others not only increase transparency about a company's workplace; they make it far easier for employees to learn about new job opportunities within a company they admire and gain intelligence about a company's culture. In our own research we've seen numerous companies struggle with how to manage Glassdoor reviews and feedback.

When rubber hits the road: Logistics and security

The logistics of managing this network of workers, external data, and connectivity can be challenging for any enterprise. The growth of the digital workplace raises concerns about data security, regulatory compliance, compensation for device usage, and internal governance. This is a problem for all enterprises, not just industries with wider regulation control. Whether the employee is working remotely, working as an "on-demand" employee, or just checking emails from their phone on the bus ride in to work, an enterprise is responsible for creating a culture of security and secure data among its staff.[9] This is leaving CEOs, IT managers, HR, and the rest of the C-suite stuck between a rock and a hard place on how manage all of these changes and implement a digital system that balances both workers' needs and the company's.

IT executives in particular can potentially see this digital influx as a huge challenge, but they can also benefit from this new wealth of digital data and connectivity in the workplace. Due to the ease of collaboration in the digital age, enterprise knowledge is created by all people in the organization and can be shared and used by others just as easily. The key to success lies not only in the documented assets (e.g., plans, inventories, contracts, sales contacts, publications and brochures), but also in the ability to leverage the tacit knowledge of individuals and making it explicit to those who need it, when they need it.[10]

Enterprises and organizations with a large bureaucracy often have a harder time adopting new technologies and policies around them due to slow approval processes, long-standing contracts with vendors, or other various red tape. The evolving regulatory environment of many industries may also challenge the adoption and incorporation of digital practices into the workplace. In the healthcare industry, privacy considerations including HIPAA require additional levels of security and governance which combined with the cost to develop digital programs may lead to slower implementations with more complexity. There are other barriers in medicine; vast differences in digital proficiencies among medical staff and patients and the changing nature of how patients want to receive information and communicate with their caregivers challenge healthcare organizations to create digital programs that support the broad patient demographics and needs as well as address the complexities of privacy and other regulatory considerations.[11] Many other industries including areas of government, legal, financial services, manufacturing, insurance, and utilities face challenges not in getting access to the technology but instead implementing a more digital workplace and culture, due to a web of local, state, or federal regulations. Most of these industries often need a formal approved governance plan in place before an employee can do something seemingly benign like check email through a secure VPN log in.

Even with executives on board, getting enterprises to fully embrace a digital strategy as a culture can be a challenge. Some more traditional organizations and industries can find it hard to get workers—who may prefer to use "old-fashioned" methods like phone calls or in-person meetings—more comfortable with adopting new methods and taking a more digital approach to work. It can be tricky to find a good digital culture that provides a balance and aligns with the culture of the enterprise.

On the flip-side, many companies or organizations technically do not allow employees to work remotely, yet often employees still find workarounds to get projects done offsite or communicate with coworkers. Employees are using unofficial channels to communicate such as texting, Facebook groups, or Slack. When employees use their own solutions to collaborate this can create a problem. Every instance of using their own phones and working away from the office creates concerns around security of a company's data, client data, and other personally-identifiable information (PII). A single vulnerable device can leave an entire ecosystem open to attack, with potential disruptions ranging from individual privacy breaches to massive breakdowns of public systems.

Our BYOD policy study found security risks were seen as major hurdles for employer-sponsored mobile phone plans because implementing a strategy that allowed employees to use their own personal devices for work, or vice versa, increases the number of devices used for both personal and business purposes as well as the chances that confidential data may be compromised. At the same time, we found individuals often expressed the need to have their device available for work. This led them to visit public forums to troubleshoot when an issue with their device came up, which suggests a lack of support from company resources, as well as a potential breach in security. Appropriate staffing levels for IT and Helpdesk resources are yet another important consideration in supporting a collaborative digital culture and workspace, since the increases in the number and variety of devices and remote engagement from and to these activities will inevitably overtax current staff.

Digital implementation: How to do digital well

In an era of the digital workforce, an enterprise's culture must expand to include its digital workplace practices. Culture, engagement, and employee retention have emerged as top issues for business leaders. With a new kind of transparency previously unknown to large enterprises, there has never been more pressure on companies to have a positive, productive digital culture. Organizations realize they need to address these issues. 87 percent of organizations cite culture and engagement as one of their top challenges, and 50 percent call the problem "very important."3 It is the job of the organization to create and support a singular vision that everyone is working towards, whether that is in an office or online. No matter where an organization is on the path to digital transformation, executives can take steps to create a supportive, adaptive workplace for the people who can help their organization grow to the next level. Below are key considerations for the digital workplace:

1. Build your culture to support digital

Executives can give their company a competitive advantage and attract top talent by having a strong workplace culture already in place that supports digital implementation. Many studies now show that highly engaged companies can hire more easily, deliver stronger customer service, have the lowest voluntary turnover rates, and be more profitable over the long run.

It is the responsibility of the enterprise to develop the kind of culture they want to see, including how to embrace digital. A focus on culture can be used to understand knowledge management needs and personas of staff, and make the undocumented explicit and accessible. Informed decision making and strategic planning are crucial for successful implementation of a strong digital workplace policy and coordinating a digital culture that works for everyone.

Culture is just as important as strategy when it comes to creating a productive, successful enterprise. If enterprises do not actively work to create a culture that supports their broader goals, strategy, or vision, they leave their employees without any way to execute on those goals, and the strategy executives worked so hard on will soon be going nowhere.[12,13]

Perhaps the biggest reason to actively promote the kind of digital culture wanted within an enterprise comes down to the people executing on that culture daily: your employees. Without a culture that supports the new reality of the digital workplace, or policies to support the culture, organizations face a loss of productivity, frustration from workers at all levels, and retention problems.

According to the Deloitte Global Human Capital Trends 2015 study, organizations that create a culture defined by meaningful work, deep employee engagement, job and organizational fit, and strong leadership were outperforming their peers and are more likely to beat their competition in attracting top talent.

Companies must work to re-integrate the human into the digital workflow, and get people communicating seamlessly with each other almost despite all of the technology available. One way of doing this is to encourage person-to-person interactions. Many companies still encourage in-person meetings rather than virtual. Some companies also strongly push their employees to get up and walk over to chat with a coworker on the same floor rather than email.

2. Treat your employees like customers

As the job market has heated up and new technologies have exploded, power has shifted from the employer to the employee. It is the job of the organization to make room for people to grow and feel like they are part of the team. Managers and executives must curate and create a digital experience for their employees, or they will be left to create piecemeal solutions for themselves that may leave them frustrated and perceive the company to be disorganized.

A supportive digital culture allows team members to feel connected and included even if they are spread out across the globe. This can be as simple as using enterprise-wide digital collaboration tools like Yammer or Slack.

Have a work culture that supports designated "off" times both physically and virtually. It is important for the organization to make sure talent doesn't burn out. That means creating policies that care for the whole person. This includes obvious things like health care and retirement, but in the digital age it also includes having vacation policies that include a digital vacation and a chance to truly unplug.

In 2012, Leslie Perlow—a professor of leadership at Harvard Business School—conducted research into consultants' at the Boston Consulting Group need to be "on" 24/7. Her work revealed how to break the "always on" habit and change the way one works. Employees not only discovered ways to turn off one night a week, they also became closer as a team, were more satisfied with their jobs and produced better results. The company saw a clear improvement in recruitment, retention and engagement, and the process spread throughout the organization.[14]

3. Be open to innovation

Corporations need to offer some flexibility in order to be able to adopt digital platforms and strategies. Great talent thrives on impact and innovation—the same things a company needs to survive in the future. If a company prioritizes its processes over smart and impactful contributions, it is setting itself up to lose creative up-and-comers, not to mention potentially fall behind the competition. Innovators and change-makers set bold ambitions and work on the edge of possibility. Employees working in the trenches often find the most efficient solutions, and it is often best to follow their lead.

Be open to creative employee solutions, even something that may seem like a "time sink" like Facebook Groups or Slack. Usually employees catch on to effective systems faster than executives, and a good leader needs to be open to that kind of innovation rather than trying to put limits around innovation. One of Google's most famous management philosophies is something called "20% time."[15] Employees are encouraged to spend 20% of their time working on what they think will most benefit Google, in addition to their regular projects. "This empowers them to be more creative and innovative. In some ways, the idea of 20 percent time is more important than the reality of it," wrote founders Larry Page and Sergey Brin. According to Google HR boss Laszlo Bock, "[Twenty percent time] operates somewhat outside the lines of formal management oversight, and always will, because the most talented and creative people can't be forced to work."

Set the stage for innovation by breaking down barriers and empowering your workforce. Give employees the opportunity to venture out of their standard career paths and customize their jobs to align with their personal and evolving skillsets, interests, and career goals. Provide a more open work environment with increased information transparency and trust in expertise by changing the default content and process working mechanisms from private to public.

All of these can set any enterprise on the path towards a successful digital workplace and supportive culture.
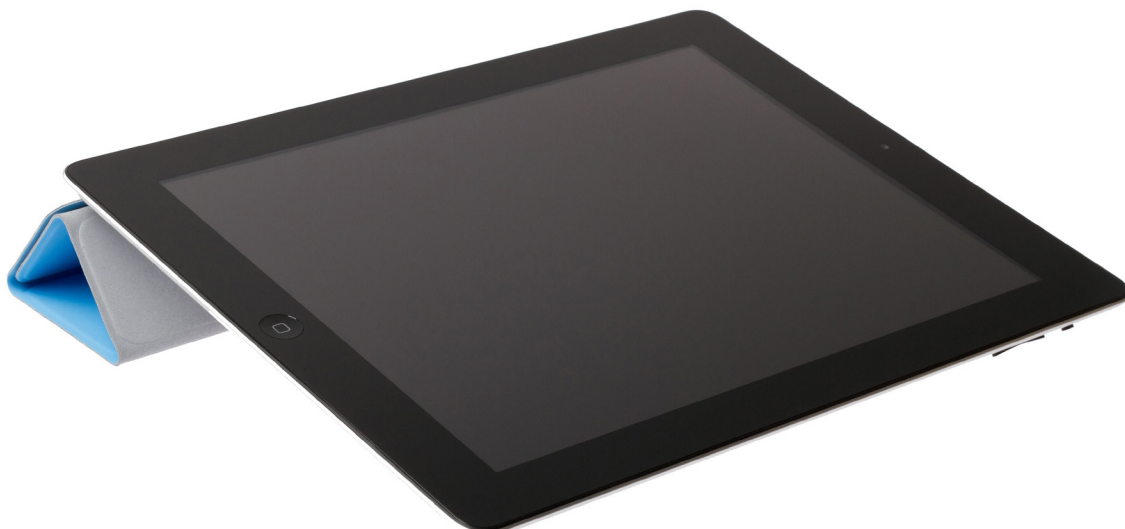
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