

Six surprising truths about how digital transformation will change HR

Gal Rimon

Digital transformation is lauded as the disruptor of many industries, from hotels to transportation. You have probably seen articles that discuss the impact of digital transformation on HR – self-service HR platforms, friendlier HR applications and more. Is this what the digital transformation of HR promises or are there greater promises to be delivered?

In this article, I will suggest that digital transformation carries a unique opportunity for HR to influence culture and employee well-being and engagement. Done right, this will be truly transformative and will allow HR to leave significant fingerprints on any organization, driving its evolution and ability to be truly exceptional.

First, let us begin by understating digital transformation at work. Taken simply (or simplistically), it means more digital services. It means enabling HR services on cloud-based platforms. While this does simplify and streamline HR work, it certainly does not sound transformational to the organization as a whole. Yet, HR is on the brink of digital transformation: the reason is that new HR software is not just about being able to “digitally” help accomplish HR roles – it can actually foster a new dialogue about employee performance, learning and well-being. Fostering this dialogue can be transformational for

the business and for the role of HR and have a deep impact on corporate culture.

The true transformation is not just about streamlining recruitment or training, benefits or performance reviews. The true transformation comes into play when HR plays a role at the core of the employee experience: the employee’s “inner work-life”, as described by Prof Amabile in her groundbreaking book, *The Progress Principle: Using Small Wins to Ignite Joy, Engagement, and Creativity at Work* (Amabile and Kramer, 2011). What this means is that employees are driven by how they experience work at a personal level, their relationships with bosses and peers.

Here are six elements where I believe that HR’s digital transformation will be most impactful.

The consumerization of HR systems

At its core, digital transformation is driven by our smartphones. We can access great consumer apps using our smartphones. Mobile applications are slick and well-designed – the user experience they deliver is tuned to perfection, because user adoption (and application success) hinges on it.

This inherent quality – and the hugely satisfying experience it

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delivers to users – is driving HR software. Suddenly, in a world of Lynda.com and great online learning options, classroom-based employee training and even e-learning need to get their act together. Employees' expectations of HR software and learning are transformed – the way their managers manage goal setting and performance is too. As a result, HR is forced to radically transform its game. This is not necessarily bad news, because it brings more quality into any HR or management application and can result in huge employee engagement. Engagement with learning can easily become 85 per cent instead of a mere 20 per cent.

This trend of consumerization, according to Bersin by Deloitte, is transforming HR from being a system of record (who has which certifications, training etc.) into a system of engagement. And systems of engagement can be just that – reach out beyond the realm of HR and truly engage employees, changing their inner work lives.

The creation of a digital dialogue between employee and manager

How do we mix the consumerization of HR, digital transformation and employees' inner work lives? We do so by ensuring a digital dialogue is ongoing between the employee and their manager.

Digital transformation is no longer about a lengthy performance management review that takes many management hours and results in a tense conversation with an employee – together with forced rankings. Digital transformation can mean real-time goal setting – changing goals to suit real needs in real time – and a weekly check-in facilitated by management. It can mean tying productivity apps to the dialogue or using a gamification solution that shows goals in real

time. It can mean tying those elements into fine-tuned social communications that support the motivation through social proof.

This dialogue can result in far better work lives, as it forces a dialogue between the manager and the employee, recognition and feedback. The ability to tackle those has a significant impact on employees' inner work lives and their engagement with work.

The transformation of learning

The consumerization of HR is especially noteworthy in learning. Learning is moving from a classroom-based delivery to mobile-first, on-demand learning. Content is transformed from hour-long elements to bite-sized pieces of micro-learning. This suddenly makes learning completely different – consumed on the go and on the job. In addition to gamification for performance and engagement, my company offers e-learning gamification – taking these micro-learning pieces and ensuring employee engagement and knowledge retention through gamification, as game elements can pace learning, repeat it and drive completion by tying into how are brains are wired.

The impact on goal setting

The digital dialogue also extends to goal setting. Today, goals can be set annually or quarterly as part of the performance review process. This creates an unhealthy connection between the dialogue about performance and compensation; many times, goals become stale and irrelevant. Disconnecting performance from compensation and openly and consistently communicating goals – S.M.A.R.T goals – distributing them to employees and sharing them with colleagues as needed – fosters a

better-aligned workforce and a more transparent work environment. It also helps managers do a better job. Some even argue these types of processes will, in the longer run, alter management structures, as digital communications will replace some verbal and personal guidance, allowing a simpler yet better way to manage employee performance.

Feedback

Digital transformation also extends to feedback and hearing the voice of the employee. It can include a weekly Q&A session between each manager and employee – collecting the answers and analyzing them using analytics solutions. Other options are a daily check-in with employees, using a mobile app, to determine satisfaction, issues and more.

Analytics

Needless to say that all of the above can be deeply analyzed, presenting immediate actionable insights for managers and HR professionals.

Conclusion

Digital transformation is set to alter the workplace, by engaging with employees and their managers on a daily basis, providing them with job goals, learning, recognition, feedback and a social and emotional connection. This transformation is imminent, and HR and learning professionals should embrace it, impacting in a deep sense the culture and employee engagement within the workplace.

Reference

Amabile, T. and Kramer, S. (2011), *The Progress Principle: Using Small Wins to Ignite Joy, Engagement, and Creativity at Work*, Harvard Business Review, Boston, MA.

About the author

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