

Course title: Digital Strategy and Action

And, the key phases of digital transformation and the requirements for their success.

Dr. Shakhlo Ergasheva

Emerging Assumptions for HR

1. HR is not about HR, but the business
2. HR delivers value to *employees, organization, customer, investor, and community*
3. HR delivers value through...
 - Talent: individual competence
 - Leadership: at all levels
 - Organization: organization capabilities
4. Digital has changed the HR agenda
 - Digital business strategy
 - Digital HR strategy

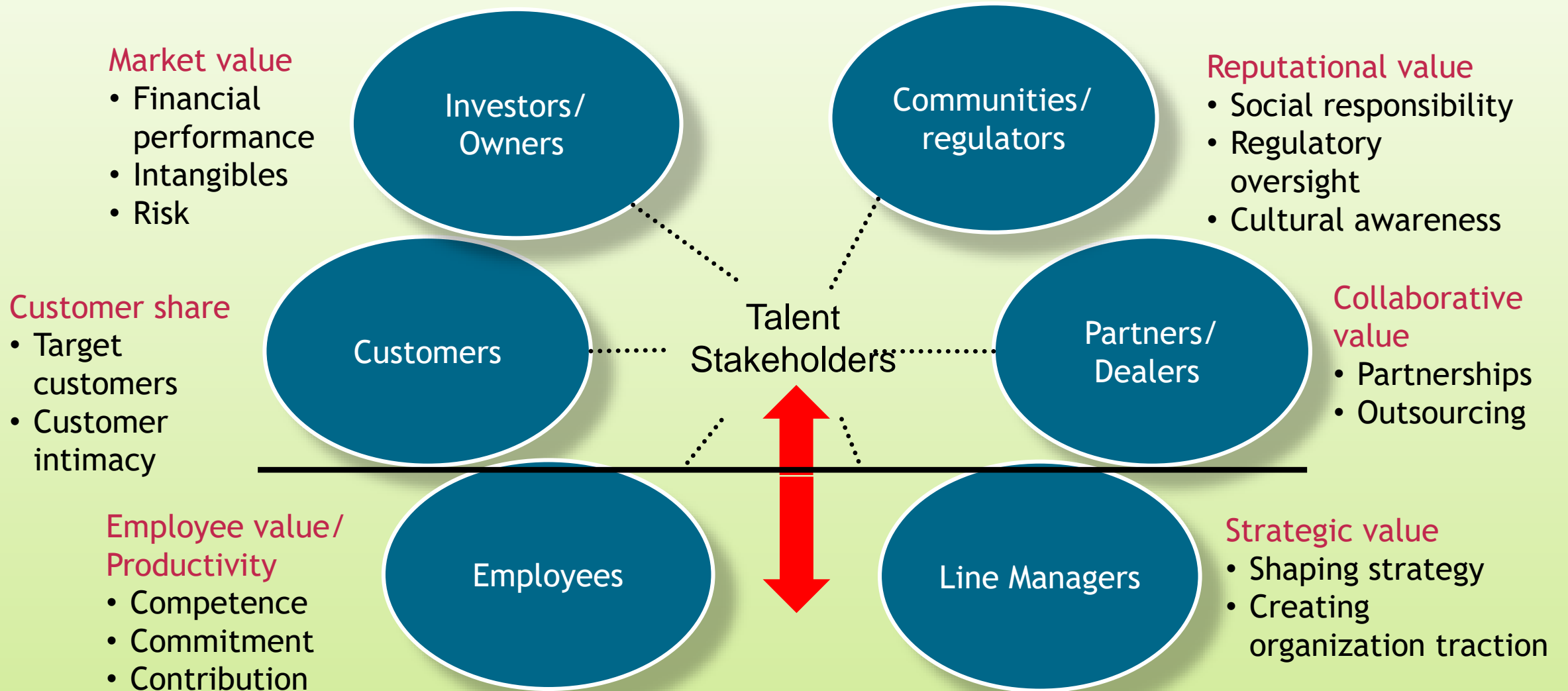


So what are the emerging trends in talent and digital? And how does HR respond?

Why talent matters

If we have better talent at our company, what will happen?

Talent Outside In: HR (talent) Creates Value to Key Stakeholders



A New Talent Formula

Talent
(productivity) =

ENGAGEMENT



COMPETENCE
(ability to do the work)

×

COMMITMENT
(willing to do the work)

×

CONTRIBUTION
(creating well being at work)

Bring the right people INTO the organization, move them THROUGH, and move the OUT

- Integrate

Enact an employee value proposition

- What do I get?
- What do I give?

Well being through growth mindset

- Why growth mindset?
- How to build growth mindset
 - Remove threats
 - Approach values
 - Attach to people

Talent Overview

Competence

Bringing people into, moving them through, removing them from organization

Bringing people IN

What do we do to bring the right people into our organization?

Moving people THROUGH

What do we do to upgrade our existing talent?

Removing and retaining key people

What do we do to remove and/or retain key people?

Commitment

Driving employee engagement through an employee value proposition

How do we keep our employees engaged to give their best efforts?

Contribution

How do we help employees find meaning and purpose from work?

Talent menu ******KEY PAGE******

Competence

Bringing people into, moving them through, removing them from organization

Bringing people IN

1. Set standards
2. Source candidates
3. Screen candidate
4. Secure candidate
5. Orient candidate

Moving people THROUGH

6. Workforce plan around tasks
7. Training & development
8. High potential
9. Career and promotion
10. Manage performance
11. Allocate rewards

REMOVING people from organization

12. Retain key people
13. Remove right people

Commitment

Driving employee engagement through an employee value proposition

14. Create employee value proposition
15. Define and Increase employee value
16. Track employee sentiment

Contribution

Helping employees find [17] meaning through a [18] growth mindset

Bringing People Into Organization

Practice	Question	Emerging Actions
1 Set standards	What are the skills for new employees?	Set cultural and technical requirements for the future, to meet strategy, and to serve customers and investors ... have line managers to “mission brief” not job description
		Hire for culture; train for technical; define the right culture that leads to behaviors
		Define work tasks and have variance about who can do them (robots vs. people)
2 Source candidates	How do we source new candidates?	Seek referrals from top employees paying attention to diversity
		Specify jobs done through automation (AI, robots) vs. people
		Have social media presence ... create positive employee brand
		Target candidate source (universities, agencies, search firms, downsized firms)
		Use contingent workers as appropriate (outsource, part time, on demand platform services, consulting, temps, advisor); manage process of contingent workforce (contract, accountabilities, standards)
3 Screen candidate	How do we know if this is the right candidate?	Use behavioral event interviewing with multiple interviewers (inside and out); avoid unconscious bias in screening
		Use temporary employees (internships, projects) to screen candidate
4 Secure candidate	How do we create a unique employee experience/offer?	Create unique value proposition for top candidates (what is expected and what is received) that is tailored to the specific employee (customized deal) and employee experience... e.g., recruit family, hobby, unique offer
5 Orient candidate	How do we help new hire succeed?	Have mentoring program .. mentor networks
		Manage early assignments for visibility and success
		Use virtual reality to anticipate new job

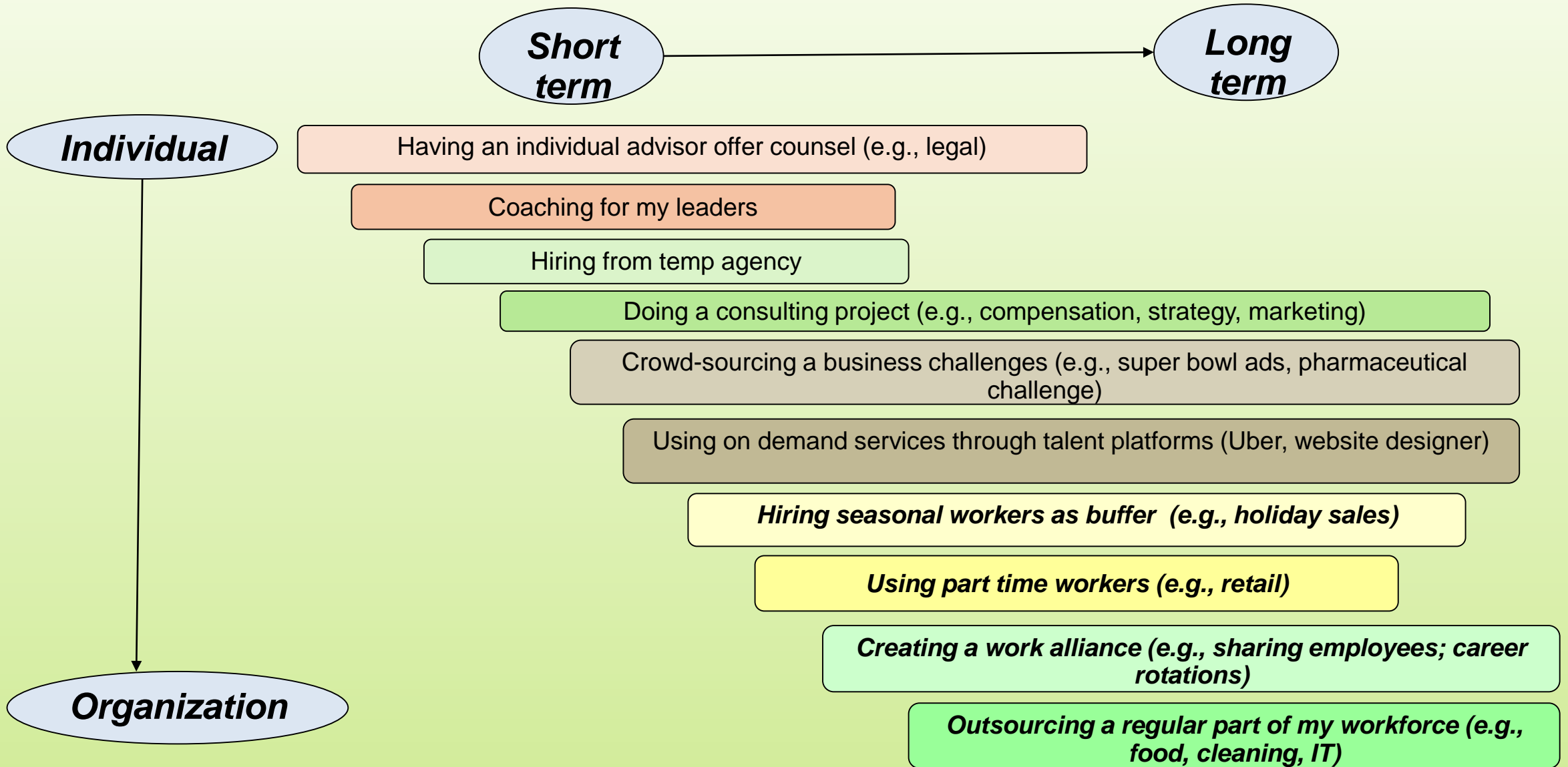
Talent trend 1: Competence: Setting future standards

Type of competence	Today What are we good at?	Challenges: Strategy Customer	Tomorrow What will we need?
Technical	1 What are we good at technically?	3 What are our challenges ahead? What is our strategy to respond? Who are key customers and what do they want?	4 Given our challenges and strategy, what must we improve technically?
Social	2 What are we good at socially?		5 Given our challenges and strategy, what must we improve socially?

Competence: [2] Source from new places

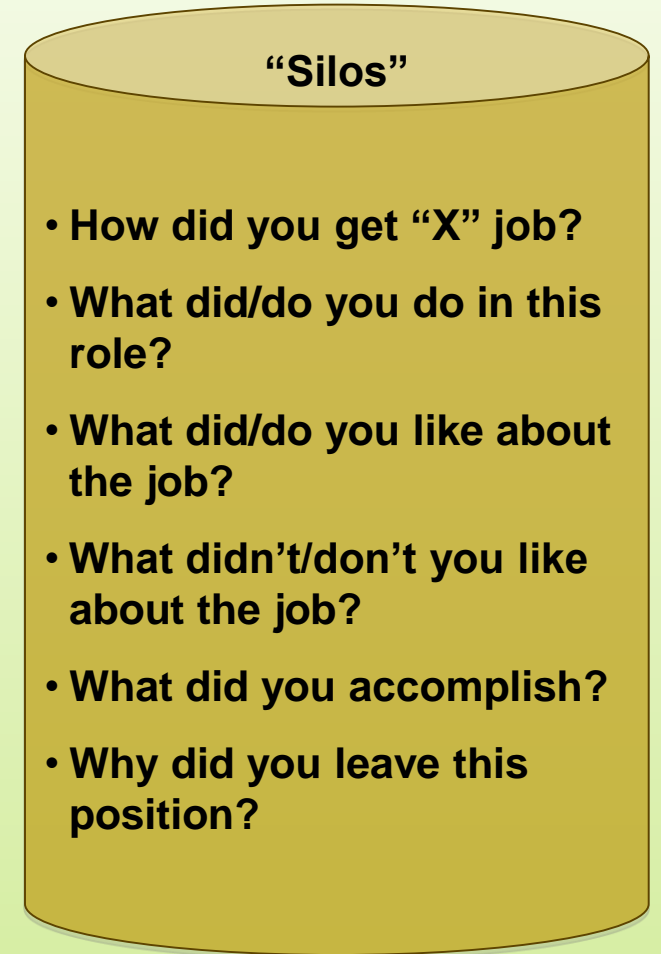


Competence: Choices of Contingent Workforce



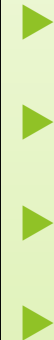
Competence: [3] Screen through good interviews

- ▶ Define standards (key technical and social skills) you seek for the future
- ▶ Translate standards to observable behavior
- ▶ Prepare specific questions to probe behaviors
- ▶ Use multiple interviewers
- ▶ Prepare people (managers) to do interview
 - Go with lead questions and break them down as needed.
 - Exhaust one series of questions before moving onto the next.
 - Form hypothesis regarding strengths, potential, etc.
 - Use probing questions, get to the specifics, and verify initial impressions.



Competence: [4] Secure through customized offer

What questions do potential employees have?



How do we create a unique offer that will give the employee the desired experience?

What you want to get?

What you have to give?

Create an employee brand through the experience

Competence (4): Securing by branding ...

Product Brand

Firm Brand

Organization culture

Leadership brand

Employee brand



Competence 4: Create employee value proposition

What is an Employee Value Proposition or Employee Brand?

How the company brand benefits employees.

Features

- Salary and benefits
- Company culture

Benefits

- Job satisfaction
- Great working environment
- Freedom to innovate



Competence 4: Give Employees More VOI²C²E

- V** *Vision:* Individuals feel part of something important and are energized about the future.
- O** *Opportunity:* Individual development is encouraged, supported, and tailored to the needs of the individual.
- I** *Incentive:* Performance is recognized, rewarded, and celebrated in ways that drive long-term motivation.
- I** *Impact:* Employees' work is meaningful, and employees understand how their work connects to the bigger picture.
- C** *Community:* Employees feel a sense of belonging and pride in the organization.
- C** *Communication:* Employees communicate to reduce noise and reach a shared vision.
- E** *Empowerment:* People feel responsible for taking initiative and action.

Competence 4: An Employee Value Proposition



Competence: [5] Orient through on-boarding

Orientation issues

- ▶ Administrative (phone, office, policies)
- ▶ Informal Orientation (unwritten rules)
- ▶ Team Orientation (new manager orientation)
- ▶ First assignments
 - ▶ Impact
 - ▶ Visibility
 - ▶ Connectivity

Experience: Evolution of Meaning

Examples →	Food	Purchase	Shopping	Music	Positive psychology	Employee sentiment	Leadership
Level I: Activity <i>(What we do)</i>	Eat	Buy a car	Buy a product (Shop by internet)	Listen to a song	Pleasure	Satisfied	Do what leaders do
Level II: Experience <i>(How we do it)</i>	Have a meal	Enjoy how the car drives	Have a great in store or shopping experience	Attend a concert	Flow	Engaged or committed	Create leadership beyond the leader
Level III: Meaning <i>(Why we do it)</i>	Have a family gathering	Have the car as part of identity	Find meaning from the product and experience	Have the music and concert touch you	Purpose	Meaning from the work: unleash creative energy	Become a meaning maker

Competence: Importance of the Experience

Activity: manage logistics of search process

- ▶ Contacts
- ▶ Follow up
- ▶ Schedule

Experience: give people great experience

- ▶ Experience the company brand
- ▶ Experience employees and relationships

Meaning: help people find meaning from the experience

- ▶ Tie to their values
- ▶ Discover purpose and meaning

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So what are the emerging trends in talent and digital? **And how does HR respond?**

Digital business strategy

Overall Logic for Digital



Overall Logic for Digital

How do we invest in technology?

- Artificial intelligence
- Robots/chatbots
- Cloud data
- Internet of things
- Social media
- Machine learning
- Automation
- Etc.

How do we access digital information to make better decisions?

How does HR support the business digital agenda?

How does HR build a digital HR agenda?

How do we win in the market place?

Customer share

Investor confidence

Organization capabilities

Employee well-being

Insights from a Leading Technologist (Dr. Bratin Saha)

AI is at an inflection point (paradigm shift) because it follows a neural (brain) logic. Human brain has 100 billion neurons and 100 trillion synapses that create wiring in the brain. Today computers have maybe 1 billion synapses; not very close to human brain capacity.

Use human skills where they are most relevant. Artificial Intelligence (AI) is an assistant (enabler, supporter, helper, partner, supplement, off-loader etc.) not a replacement for people. Technology (AI based) offloads routine, standard, repetitive work where people do not often find meaning and add little unique value. For example, in recruiting, AI can help filter from 10 to 3 candidates because of job requirement and skill match. Then the personal interviews of the final 3 candidates are done by people.

Industries going through digital transformation

- **Transportation** ...driverless cars, autonomy, trucking system, commute quality of life, delivery business; automotive rental; cab service;
- **Retail** ... on line shopping vs. in store; customization of purchasing
- **Medicine** ... better access (tele health, remote diagnostics, doctor on demand), wearable technology, anticipate diseases and solutions,
- **Robots** ... do work humans don't want to do, cybernetics (connected to body)
- **Manufacturing** .. manage supply chain eco system, automation of labor, machine optimization (lean), inventory control, machine management
- **Food** ... fast food on line ordering; meal delivery kits;
- **Lodging/hospitality** ... customize guest experience from beginning to end (AirB&B)
- **Education** ... on line learning (MOOCs); on demand education
- **Financial services** ... replacing credit cards; tailored investment options
- **Entertainment** ... keep track of interests (Disney) and viewership (Netflix, Amazon TV)
- Etc.

Overall logic for digital (outside in)

How do we win in the customer, investor, community, and employee marketplaces?



How does HR support the business digital agenda?

How does HR build a digital HR agenda?

HR role in business digital agenda

Build a Business Case

Create general awareness of digital trends

Facilitate a Digital Business Team

Form and facilitate a multi functional team

Articulate Digital Business Outcomes

Help define the business outcomes of digital efforts

Audit Current Digital State

Help perform an audit of the digital state

Craft Digital Business Plan

Help shape and implement for the digital business plan with steps and accountabilities

1: Build a business case for digital business



Speed



Connectivity
Social networks



Convergence



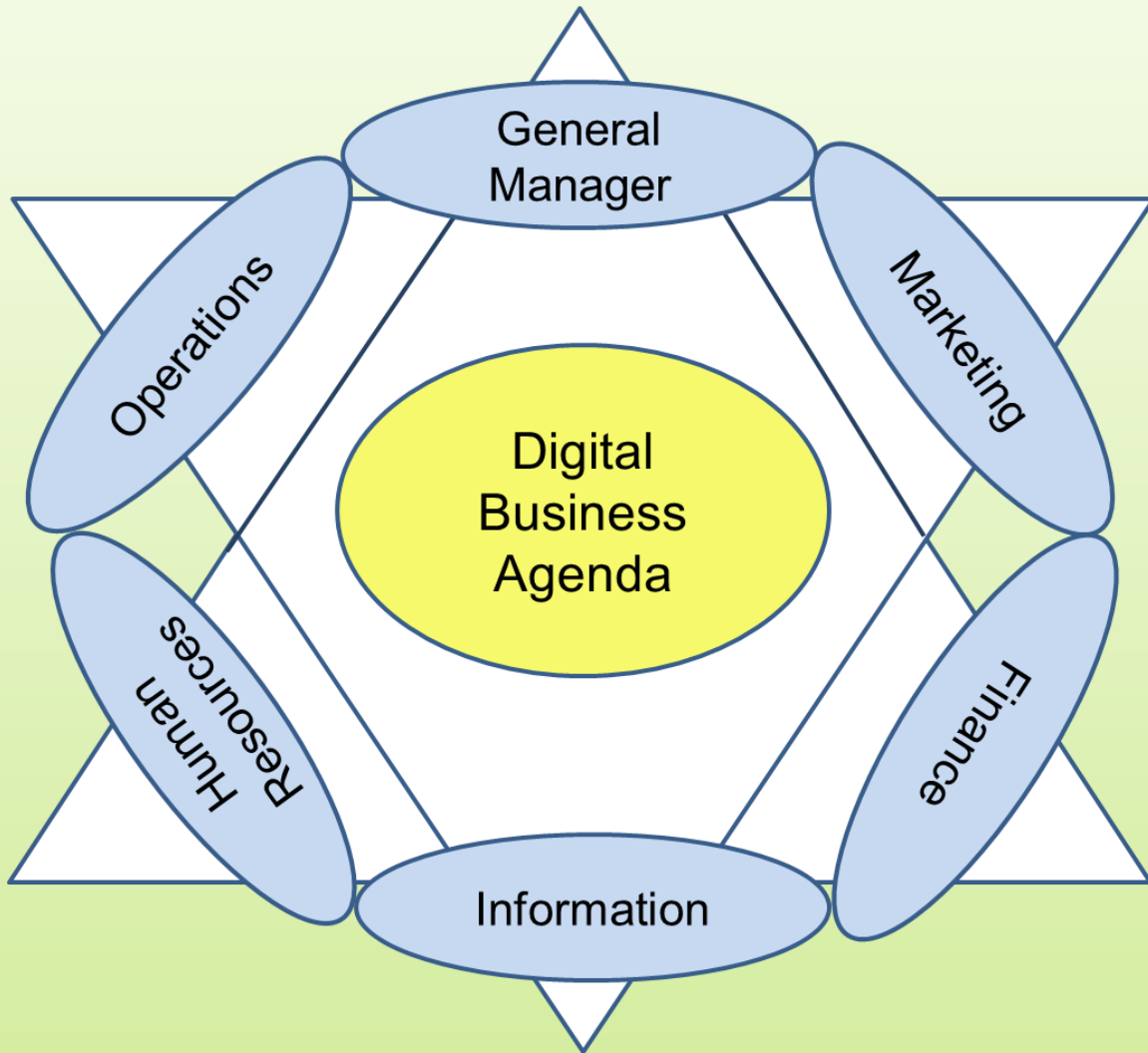
Volume



Technology/
Digitization
Robots, IOT

Implications for information:
An anytime, **A**n anywhere, **A**n anyhow

2: Create a multi-functional digital team



Role	Contribution to Digital Business Agenda
General Manager	
Marketing	
Finance	
Information	
Operations	
HR	

Create a high performing team

3: Articulate business digital outcomes

What are the business outcomes of a digital investment?

- **Employees:** productivity, commitment, personalization, talent analytics, impact of HR practices
- **Organization (strategy, capability):** prioritization, resource allocation, efficiency
- **Customers:** customization, insights on buying criteria, customer loyalty
- **Investors:** increased confidence in past and future earnings (intangibles)
- **Community:** sustainability, reputation

4: Audit digital business agenda

Domain	Diagnostic question ... How well does your organization ...	Response
Context	...understand and adapt to the new digital environment	
Strategy	...have an information management strategy that uses information for business impact (connects marketing, IT, operations/supply chain, finance, HR)	
Customers	... customize customer relationships and connect digitally with them	
Information technology	...use the latest tools in information technology (social media, mobile, apps, big data) to deliver information to the right place at the right time	
Operations	...use digital tools to drive efficiency in operations	
Supply chain	...manage the supply chain efficiently through technology linkages	
Finance	...gather, track, and report financial information	
Organization	...collaborate and share information throughout the organization	
Employee	...work with digital natives to use technology to personalize the work relationship	
??		

5: Create and implement digital business strategy

Vision

Goals

Actions

Follow Up

Step	Questions	Digital Application
<p>VISION What are we trying to do? Where are we headed?</p>	<p>Is our vision ...</p> <ul style="list-style-type: none"> • Accurate (Is it the right one? Will it add value to others?) • Accepted (Do key stakeholders buy in and act on it?) • Clear (Is it well understood?) • Motivating/energizing (Does it inspire the right behaviors?) • Future focused (Will I create a future opportunity?) 	
<p>GOALS How will we track the vision?</p>	<p>Are our goals ...</p> <ul style="list-style-type: none"> • Complete (Do they measure the right things?) • Visible (Are they transparent to those who use them?) • Important (Are they tracking the right things?) • Controllable (Do they deal with things within one's control?) 	
<p>ACTIONS How will we go about accomplishing our goals?</p>	<p>Are our actions ...</p> <ul style="list-style-type: none"> • Focused (Are we doing the right things?) • Improving (Are we learning what we can do better?) • Small and simple things (Do we start small?) • Tailored (Do we adapt to each individual?) • Consistent (Are we making our actions into a pattern?) 	
<p>FOLLOW UP How will we hold people accountable in positive ways?</p>	<p>Do we follow up...</p> <ul style="list-style-type: none"> • Through formal and informal conversations? • With positive accountability? • By linking to HR systems (staffing, performance, promotion, training, communication)? 	

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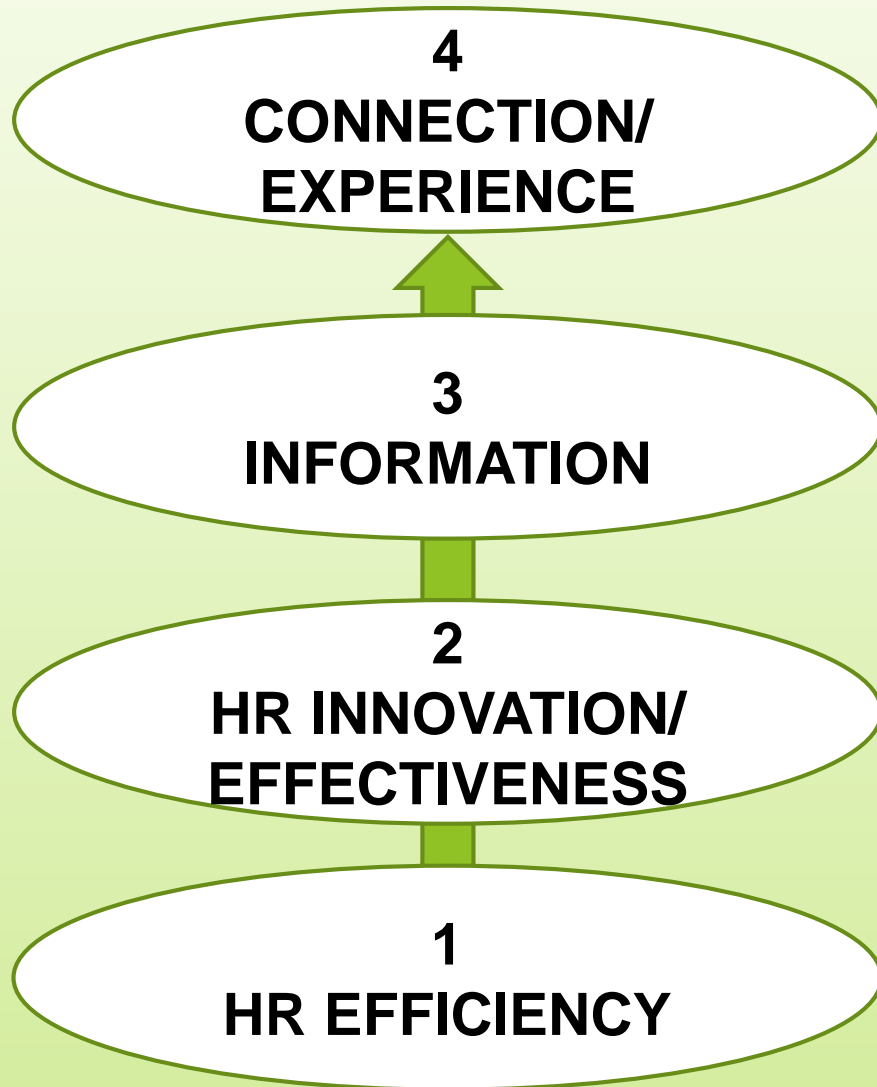


How does HR support the business digital agenda?

How does HR build a digital HR agenda?



Digital HR Agenda: Evolution / Phases of HR Technology



- Build emotional connection (belonging)
- Create social network
- Share experiences through technology

- Share information for business impact
- Access structured and unstructured data
- Bring external information inside

- Use technology to upgrade practices in people (staffing, training), performance management, communication, and work

- Build technology platforms to efficiently manage HR processes; often through existing firms (Oracle, SAP, Workday)

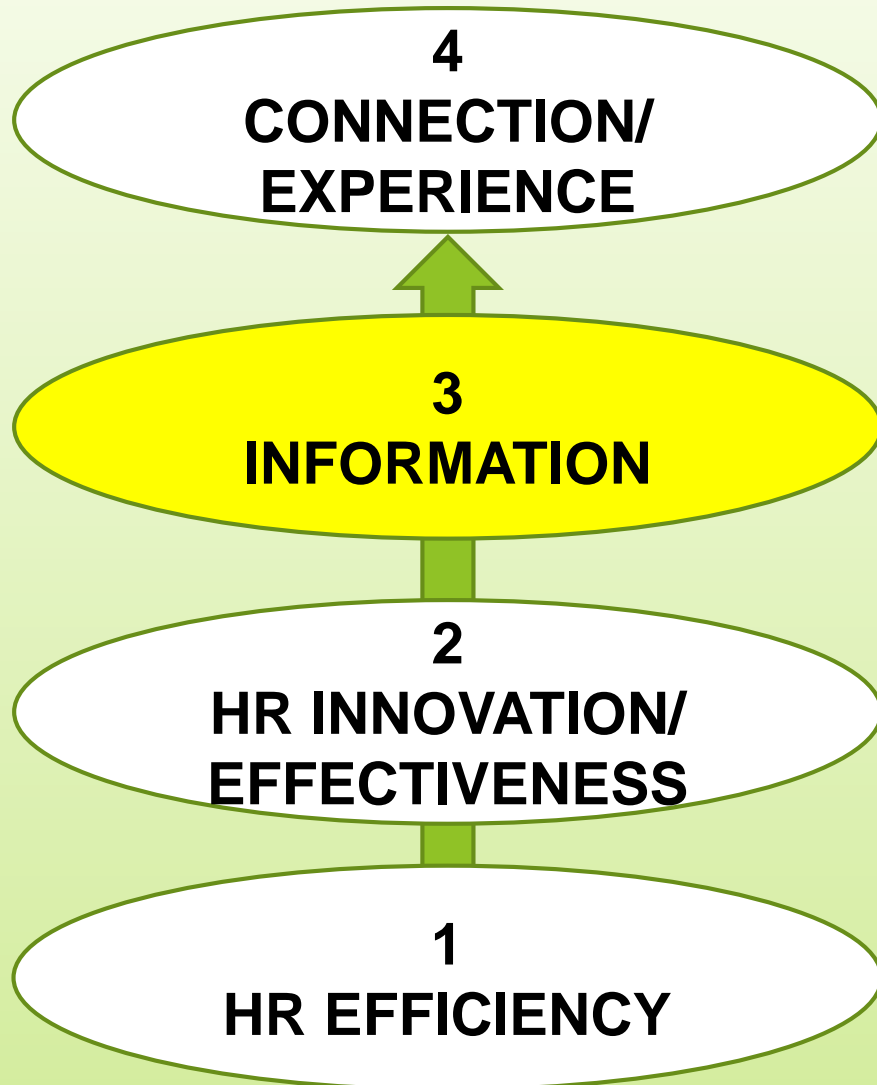
State of the field: 10 trends in digital HR

Trend	1 Efficiency	2 Innovation	3 Information	4 Connection
1. Automate screening and reduce bias in employee				
2. Reduce errors and improve compliance				
3. Augment corporate training				
4. Increase adoption of metrics and analytics				
5. Enhance candidate management (speed up time to hire)				
6. Automate candidate outreach				
7. Streamline employee on boarding				
8. Improve workplace learning				
9. Reveal new insights on talent				
10. Show value of the human touch				

Phase 1 & 2: Innovations

HR Practice Area	Examples of Technology HR innovations
People	<ul style="list-style-type: none"> • Recruiting: interview by video, use of social media (e.g., LinkedIn) for sourcing, broadening the candidate pool including robotics • Employment contract: employees working remotely; contingent employees • Training/development: on-line education, pull training (vs. push), follow up, • Succession planning: systems for career and succession planning
Performance	<ul style="list-style-type: none"> • Sharing everyone's goals and performance to create peer pressure for results • Managing performance and appraisal through automated evaluations or reporting interactions through on line communication
Communication	<ul style="list-style-type: none"> • Sharing information with employees • Running on line town hall meetings • Bringing customer expectations into the organization
Organization work	<ul style="list-style-type: none"> • Decision making processes that involve more people • Creating policy manuals and applications through on line information • Sharing best practices and creating learning communities

Digital HR Agenda: Evolution / Phases of HR Technology



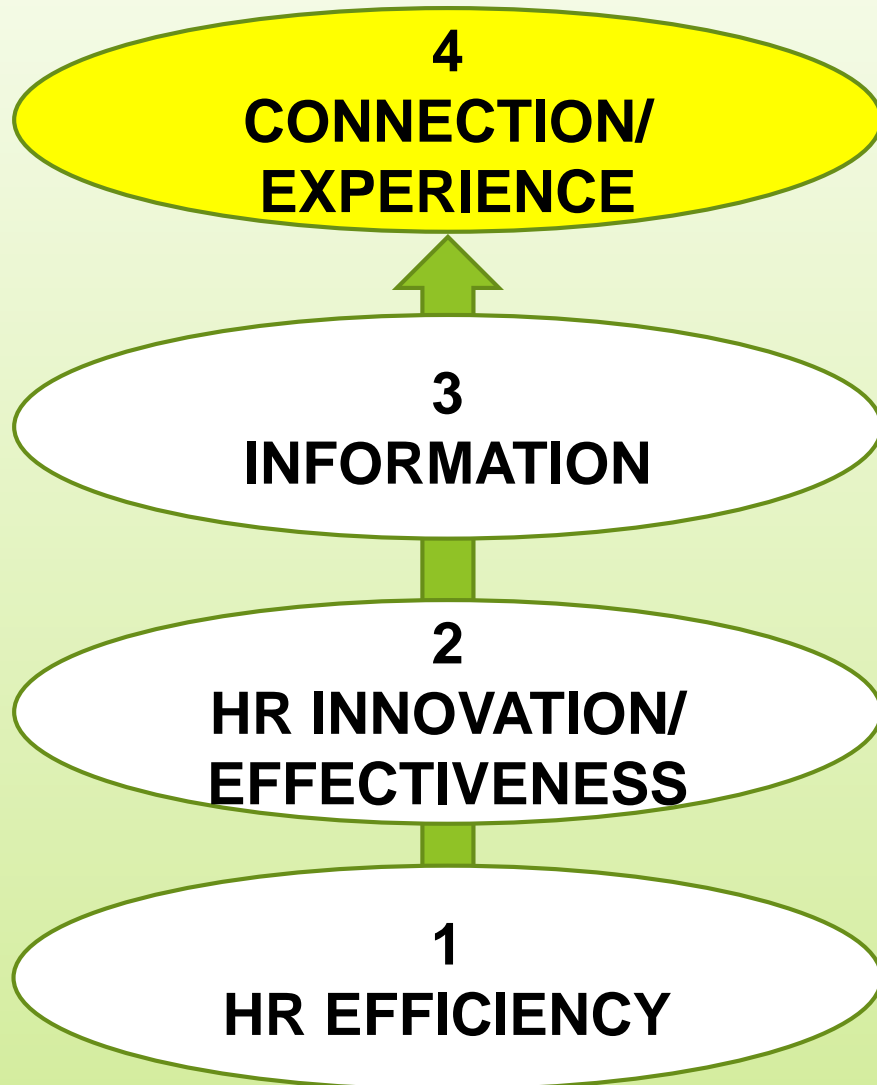
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Quick Test: Which of the following is the leading cause of mortality?

- a. High blood pressure
- b. High cholesterol
- c. Inactivity (no exercise)
- d. Social Isolation
- e. Drinking
- f. Obesity
- g. Depression

Social Isolation / Loneliness

The [U.S. surgeon general](#) recently stated that loneliness is more serious a health problem than opiates. To illustrate this rising problem, the number of Americans with “[no friends](#)” has tripled since 1985. The U.K. has just named a [Minister of Loneliness](#) to create policies to deal with the challenge of social isolation.

- _____% of teens have access to smartphone; millennials look at their phones over _____ times a day.
- From data on national surveys with over 500,000 American teenagers ..
 - Those who spend more time on social media (Snapchat, Facebook, Instagram or smart phone) are more likely to agree with “the future seems more hopeless”.
 - Those spending time in sport, homework, or socializing had fewer mental problems.
 - Those who gave up Facebook reported feeling less depressed at the end of the week
- 12th graders who are satisfied with themselves or life overall has dropped 10% in last 5 years; loneliness is up 10%.

Harvard Study on Relationships

Good relationships keep us happier and healthier

Robert Waldinger: <https://youtu.be/8KkKuTCFvzI>

- Social connections are good for us, and loneliness kills
 - Loneliness is toxic ... less happy, decline in health, live shorter lives
 - 1 in 5 Americans are lonely at any point in time
- Quality of relationships ... not # of friends or connections
 - Conflict is bad for health (e.g. high conflict marriages bad for health)
 - If more satisfied with relationships at age 50 lead to happy and healthiest 80's ...if in happy relationship, physical pain was ok; if unhappy, physical pain worse
- Quality of relationship affects memories
 - Count on others in time of need ... better memory
 - Relationships don't have to be smooth, but they could count on the other when things are tough
- Lessons:
 - Avoid quick fix; Life long effort; Replace workmates with playmates
 - Lean into relationships (screen time with people time; do something new; reaching out)

Belonging

- Belonging is active, not passive (I invite someone to connect; make a bid).
- It requires persistent work and does not occur haphazardly (I make the choice of spending time to engage and connect).
- It endures over time (it is not an event, but a pattern).
- It is tied to shared values (I share something meaningful to me with those I belong to).
- It shapes well-being (belonging increases a sense of personal well-being and closeness).



Technology Perspective Audit

Phase 4: to what extent do we use technology to create social experiences, connections, and alternatives?

Skills for connections:

- Make and respond to “bids”
- Celebrate success - relive it, invite details, be enthusiastic
- See conflict as an opportunity to strengthen relationships
- Replace criticism, contempt, defensiveness, stonewalling with calm, curious, compassionate, clear
- 5 positive to 1 negative
- Track - 3 longest conversations today. How tuned in was I (1-7)?
- Apologize - empathy, responsibility, make it right
- Forgive - think of benevolent explanations; write about letting go

HR Digital Strategy, Phase 4: Connection / Belonging Ideas

On Anniversary (celebration): to the social network, people are invited to comment on how she has affected

Platform called Thumbs Up. Appreciation message from another department

Publish past project on the platform and use crowd sourcing. Self nominate into a team.

Visuals. Use Skype so you can see who you are talking to. Difference is so huge for engagement. Physical connection is way beyond just teleconference.

Create individual groups on things that are not business related.

Community application. Sports, skills, etc.

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Craft digital business agenda state

Help shape the agenda and action for business digital strategy

4

CONNECTION/
EXPERIENCE

3

INFORMATION

2

HR INNOVATION/
EFFECTIVENESS

1

HR EFFICIENCY

Reference and source

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