

HR, why are you the way you are?

Time for a digital mindset

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Introduction

At many organizations, the “local” human resources rep isn’t local anymore. And neither are the employees. The “office” is the 30th floor in a skyscraper one day, a coffee shop the following week, and a living room with a crying baby the next.

The diffusion of work from offices to digital environments has stretched HR’s ability to be helpful. Many executives recognize a gap — or chasm — between office culture and HR’s modus operandi. It begs the question Michael Scott from *The Office* famously asks of Toby Flenderson, Dunder Mifflin’s corporate HR rep:

“Why are you the way that you are? Honestly, every time I try to do something fun or exciting, you make it not that way. I hate so much about the things that you choose to be.”

To be fair, Michael has a penchant for violating Dunder Mifflin’s HR policies in the TV show. Toby tries to save Michael from himself. But the question is instructive nonetheless: Why is HR the way it is? Why do HR teams cling to practices that no longer work? And more importantly, what can HR executives do to create experiences that a 21st century workforce will value?

The answer to that latter question is to adopt a digital mindset and build a digital workplace.



The digital mindset

The digital mindset simply captures how people are conditioned to see the world.

Traditionally, businesses made an imaginary distinction between “consumers” and “employees.” Consumers deserved ease, simplicity, good service, and so forth. Employees deserved whatever you gave them because they were just thankful to have steady employment.

As we know, the tables have turned.

The rise of consumer mobile tech planted the question: Why are bad experiences the way they are? If binge-watching *The Office* and buying books online are both so easy, why is requesting PTO so hard?

Consumer technology raised expectations among workers who began to question why they put up with archaic B2B systems. This questioning transformed business technology. We’ve seen sweeping changes in customer relationship management systems (CRM), accounting systems, file storage, and communication tools, to name just a few areas. These changes reflect the digital mindset — and a new ethic of knowledge work.

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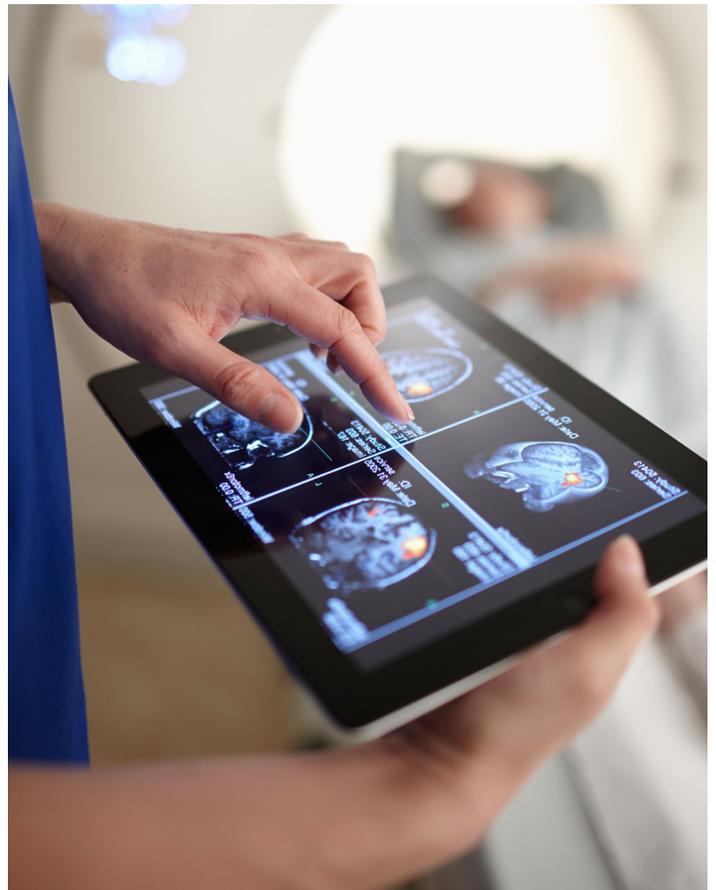
Perfection versus agility

Until recently, getting it “right” was more important than doing it quickly. New products required time-consuming investments in focus groups, prototyping, go-to-market planning, and more. Getting the perfect widget to market superseded getting there first.

However, as digital goods became the predominant end products, rather than means to ends, speed grew in importance. Today, releasing quarterly or annually would be like putting a horse-and-carriage in the Indy 500. Leading tech companies are constantly tweaking, improving, and enhancing functionality. To innovators, agility is more valuable than perfection.

Marketing, sales, accounting, and HR are now going agile too. Rather than starting with an annual budget and taking a whole year to implement a new performance management system, HR is expected to deliver fast, gather feedback, understand mistakes, and iterate. Why spend a year to cataclysmically fail when you could have 50 small fails and end up with a better performance management system in less time?

The barrier to agility is culture. Speed is uncomfortable to longstanding organizations because, historically, they've prioritized getting it right over taking risks. The flip to agility calls for a new mindset — the digital mindset.





The digital organization

The contrast between consumer and B2B tech can sometimes set up HR to disappoint employees.

They may feel the way Michael does about Toby: "...every time I try to do something fun or exciting, you make it not that way." But Toby isn't around the corner, and HR must build a digital environment for that reality — one without desks and traditional hours, without hierarchies and formalities, and with relationships forged in 0s and 1s.

What does this environment look like? Smart.

Your HR systems have captured data for years. It tells stories about your employees — their roles, habits, career stages, and HR interactions. HR can tap that data to a) make journey maps documenting the key moments in an employee's time with the company, and b) divide employees into

personae that reflect differences in each journey. Your VP of Sales, for instance, takes a different path than a retail rep finishing his bachelor's degree. Therefore, they belong to different personae.

Digitizing is about switching from one-size-fits-all, standardized HR to individualized experiences grounded in personae. In the same way a TV streaming service changes your feed if you watch *The Office* habitually, an HR platform personalizes your online tasks and resources based on your actions. Digital HR strives to know who people are and what they need. To illustrate, let's explore a few examples of how digital HR would differ from traditional HR.

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Digital HR vs. traditional HR



Smart self-service

Let's say an employee has a question: "How do I set up my 401(k)?" Normally, he'd call HR, go through a call tree, play 20 questions with a rep, and finally get directed to someone who can answer the question. This process tends to be inefficient, costly, and frustrating for all parties involved.

The digital way is to have that answer on an online portal. The same employee logs in; the system already knows he qualifies for a 401(k) and hasn't signed up yet; he sees a prompt to "Open My 401(k)"; and he clicks to begin. Minutes later, his account is set up. No call juggling, no phone interviews. Done.

Let's say he has another question that new employees frequently ask: "How do I change my direct deposit?" The system wouldn't know to display a prompt for that task, so he enters that question into a chat bot. An artificial intelligence (AI) bot, trained to answer frequent questions, answers with step-by-step directions. Problem solved.

Where possible, digital HR is self-service, intelligent, and automated. It learns from patterns to anticipate what employees need before they ask.



Contextual

Commentators throw around the word "context" all the time. For our purposes, it's just the background or setup for an event. It helps address two questions: "Why this task? And why now?" Digital HR should excel in interpreting and acting on context.

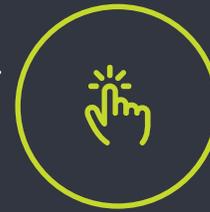
Consider maternity leave as an example. It's a stressful, emotional experience. Maternity and paternity regulations fluctuate considerably among states and countries.

Generally, when employees are preparing for this event, they go through the old call tree. They might even call back multiple times to confirm time off, add their newborn to insurance plans, and complete similar to-dos.

Instead, let's say an employee searches "maternity leave" in a digital HR platform. The platform presents a checklist of tasks to complete before and after childbirth.

The system now recognizes that this employee is having a baby (i.e. the context) so it can propose actions accordingly. Maybe it invites the employee to join a new parents' group. Maybe it notifies her when it's time to request time off. Towards the end of maternity leave, perhaps her portal displays a link to company-sponsored childcare options.

With context, digital HR rescues employees from the fine print. It guides them through the journey without the usual stressors and uncertainties.



On-demand

Some people misinterpret "on-demand" to be about impulse — I want it, and I want it now. Not so. On-demand is about the choice of time, place, and substance.

Think about learning and development. It's not on-demand at most companies. HR gives a limited selection of training options, and employees can take them or leave them. On-demand digital learning is about letting employees choose when, where, and what to learn.

For example, imagine that a creative marketer sees the opportunity to become a marketing technologist. No one at her company has the requisite skillset. She takes bite-sized web courses on coding, data science, and infrastructure architecture while still fulfilling her current role. Soon enough, she takes on marketing technology responsibilities, contributing expertise and value the company lacked.

However, the transition between roles is stressful. This marketer has taken on a crushing workload. Through the digital workplace, she finds courses on meditation and mindfulness that help her manage stress.

That's on-demand. With an HR platform, employees choose services à la carte as their needs change over time.



Toby, the HR rep, 2.0

HR has an opportunity to digitize the relationship between employees and their companies. It is an uncomfortable role. HR can neither control the whole process nor change all the policies, rules, and compliance regulations.

So embrace the discomfort. Question why your department does what it does. Adopt a digital mindset as you seek to address what's broken. Create a digital environment that can meet your vision of a better experience. And finally, infuse those experiences with self-service, context, and on-demand capabilities.

Toby 2.0 isn't around the corner. But wherever he is, he can choose to add a little fun and excitement to work life.

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