POST-DIGITAL CULTURE SHOCK

Digital’s impact on workers: Tipping the scales for growth and good
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We would like to thank Adam Grant, organizational psychologist at Wharton, bestselling author of Originals and Give and Take, and host of the chart-topping TED podcast WorkLife, for his valuable insights during our interview.
Imagine being an employer without employees.

Instead, your company is comprised of a team of cocreators who are partners in purpose. You pay them, but rather than the transactional twentieth-century version of employment, you’ve upgraded to the post-digital-era model. The work brings exciting opportunities to innovate and grow. Workers bring a bevy of modern skills that they continuously broaden and deepen, as well as creativity and enthusiasm.

It’s a potent, synergistic exchange of talent for the right worker experience. And that’s where organizational culture takes center stage.

Digital is disrupting businesses that fail to move faster than the changing environment around them. The integration into the workplace of artificial intelligence, extended reality tools and other new technologies offers tremendous opportunity for productivity gains and cost savings.

But while businesses will spend $1.2 trillion on digital transformation initiatives in 2019,¹ many are overlooking the importance of recreating their culture to reflect a new digital reality.

What does that look like? We’re glad you asked.
A few pioneers are creating a culture that uses digital to improve the worker experience. Some, like German chemical and consumer goods company Henkel, are fostering the culture of continuous learning that digital demands in a way that empowers their people. Henkel has begun a comprehensive digital upskilling for its highly diverse global team of more than 50,000 people. Employees’ anonymous online self-assessments will drive targeted training recommendations for ideal future skills like analytics or sourcing the future workforce.²

In a creative twist, Microsoft is using digital technology to tip the scales for positive change. When an annual survey of their engineers revealed a feeling of poor work-life balance, leaders used analytics to identify the root cause. Analytics pointed to long, redundant meetings that ate up the workday. Engineers were finishing work at home instead of unplugging and recharging—an issue compounded by managers’ after-hours emails to them.

Once leaders gained these organizational insights, they saw an opportunity to course-correct to provide a better worker experience and a healthier culture that accounted for digital’s 24/7 nature. Managers were coached to audit their meetings to identify which ones were really necessary, while workers were encouraged to block off time for the deep thinking they needed.
to solve problems and generate new ideas. Digital tools showed everyone how successfully they were meeting these goals, helping to make the operational and culture change stick.³

Companies are realizing they need to support their workforce’s needs in order to support their business’s strategic needs. This shift couldn’t come at a better time, as the orthodoxy that companies exist first and foremost to serve shareholders and maximize profits is being challenged. Today, as many CEOs have recognized, businesses are responsible for creating shared value for all stakeholders. Nearly 200 CEOs from the Business Roundtable recently signed a statement redefining the purpose of a corporation to be more holistic.⁴ It states that companies exist to invest in employees, deliver value to customers, deal ethically with suppliers and support outside communities.
A NEW GENERATION OF TOP TALENT RAISES THE BAR

The new generation of top talent is holding companies to a new cultural standard already. As businesses look ahead to the post-digital era—one where many industries will recognize the competitive advantage from digital transformations—attracting the best talent means building a company culture worthy of the best.

This talent doesn’t expect to survive. It expects to thrive in the face of changing needs, ranging from how individuals maintain digital wellness, to how to build a relevant skillset, or how to manage data about their careers.

Creating a culture that supports employees’ needs is not just the right thing to do, it’s essential for real competitive advantage as well as attracting and retaining high-value workers.

In a compelling culture, workers transform to innovators who take initiative, rather than just following orders. Instead, it creates a team of impassioned advocates for a company’s purpose and brand. These co-creators partner with the best digital intelligence and technologies to continuously reinvent products and services in a constantly changing world where reinvention has become a competitive capability. Leading businesses aren’t just changing their technologies or processes, they are redefining the culture and the character of their organization.

A compelling culture creates a team of impassioned co-creators and eliminates the outdated notion of workers as order followers.
A CONVERSATION WITH ADAM GRANT
“TECHNOLOGY IS AN AMPLIFIER”

Organizational psychologist, bestselling author, TED talk pro, top-rated Wharton School professor. Adam Grant wears many hats, but his sweet spot is work and psychology.

That is why when writing on the impact of technology on the workforce, we wanted his perspective. In a recent conversation with us, Adam shared this:

“Technology is not a cure-all. Technology is an amplifier. Whatever already exists, and whatever you feed it, becomes more pronounced and extreme. For example, if you have an always-on, bureaucratic culture and you add new technology channels, you will likely end up with workers who are trying to manage 47 different apps to communicate and manage projects. That’s not helpful. Technology itself does not create culture change. You have to intentionally change your culture first, treating technology as a resource rather than an answer.”

We couldn’t agree more. Companies optimize their chances of successful outcomes when they consider the interplay between technology and culture as they create a strategy for growth and innovation. This helps them avoid pockets of technological progress, in which they take one step forward but then two back due to unintended consequences for their people.

Adam talked about that interplay: “In cultures that end up using technology productively, there is a value placed on relationships, not just results. Technology is not forced on people. Instead, it’s adopted in service of helping people. Technology and culture should free people up to be their best, rather than constrain them. It’s empowerment versus a perceived lack of control.”

Put another way, in a culture that elevates people, technology does the same.
NEW NEEDS, NEW CULTURE

Digital technologies create some new needs, but also bring a digital twist to some existing employee needs. The good news is, digital can solve for some of the very challenges it creates.

DIGITAL WELLNESS

In a world where mobile devices allow always-on connections, the boundaries between work time and personal time have eroded. Workers’ personal domains—family, social time, time alone—are being impinged upon by constant work. As physical boundaries disappear, companies risk work culture becoming 24/7. Workers are having to put up psychological boundaries to protect their well-being, to keep company demands from becoming all-consuming.⁵
In many cases, given employers’ push for productivity, those boundaries are not being respected. Employees are having to transition from one realm to the next with increasing frequency throughout their days and nights, with negative impact on their own health and their ability to contribute—at home and at work.⁶ Studies abound showing people regularly check work e-mails at the dinner table, as well as in bed.

Even vacations are no longer protected time. Only 27% of U.S. employees say they actually unplug on vacation, while 78% say they are more comfortable taking time off if they know they can access work⁷

While some people may feel that keeping up with e-mail on vacation or putting in an hour of work after dinner makes them more productive, emerging research suggests quite the opposite. Professor Cal Newport, author of Deep Work, argues that the human brain needs uninterrupted rest to restore focus and attention. Trying to squeeze in a little more work after hours might reduce effectiveness to the point that less gets done the next day than if a worker took a real respite from work the night before.⁸

Some employers are trying to help workers set clear boundaries. German automaker Daimler allows its employees to use a vacation email setting that automatically deletes messages sent to them during their time off. It goes one step further, informing senders that the recipient won’t ever see these email messages, encouraging them to send at a later date or to contact someone else.⁹ Some firms even pay their employees to go off the grid, with marketing firm Acceleration Partners offering employees a $750 bonus to stay offline during vacation.¹⁰
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And where employers don’t create a culture that respects boundaries, governments may. In New York City, the Right to Disconnect bill would prohibit companies from requiring workers to check electronic communications outside of normal working hours, unless their contract says otherwise. France and Italy require contractual clarity on what is expected of an employee for after-hours communication.
In one career, it’s not unusual for a worker to participate in many employment arrangements, from self-employed, to full-time worker for one company, to freelancer. The pervasive adoption of digital technologies and broadband internet allows for more workers, in more types of roles, to switch employers with the same ease that they switch service providers as consumers.

More and more workers are in alternative work arrangements, versus traditional employee relationships. Cultures need to morph to accommodate this reality, removing stressors so workers can bring 100% focus to their latest work endeavor.

Recognizing the fluid nature of work and careers in the post-digital economy, companies and governments are considering a benefits safety net. Benefits vary throughout the world, with some countries being more progressive than others. In the United States, Rep. Suzan DelBene and Sen. Mark Warner introduced legislation in 2018 allocating US$20 million at the Department of Labor to create and test new benefit models. Several U.S. states—California, New Jersey, New York and Washington among them—have also introduced portable benefits legislation. In several models, companies would contribute a percentage of fees paid to a benefits fund account for each worker. Workers could then use the money to purchase benefits like health insurance or to take paid family leave.

In the European Parliament, legislation introduces more predictable hours and compensation for cancelled work, applying to “the most vulnerable employees on atypical contracts and in non-standard jobs.” Three of workers’ top six worries involve health, causing on-the-job stress. And when stressed, productivity suffers.
Outside of healthcare, other stressors can pull employees out of their work. Consider that even though businesses may be investing in their workforces through trainings and certifications, they may not be providing ways of verifying employees have earned these qualifications. APPII, a UK-based start-up, is one company already addressing this problem. They’re developing blockchain-based resumes and CVs that create immutable records of a worker’s training certifications. Blockchain provides the verification and legitimacy employers need, fostering trust.

**A CULTURE OF SAFETY THAT SPANS WORLDS**

Traditionally, workers have required a safe physical environment. But, in the post-digital world, they also need a safe cyber environment. As the physical and digital worlds merge, employees will exist more often in an extended reality (XR) where the two worlds converge at work. Industry spending on two of the major technologies that fuel XR—virtual reality (VR) and augmented reality (AR)—is increasing at a rapid clip. Accenture analysis of 14 industries finds that 21 percent of current work could be augmented by extended reality technologies, ranging from 16 percent in business services to 35 percent in health and social services.
Used wisely, XR is helping companies deliver results better, faster and more safely. BP, for example, puts workers through virtual simulations of offshore drilling operations. Thanks to this VR training, the company was able to safely complete a drilling task 40% under budget and almost four months ahead of schedule.21

Industries are heading into XR at varying speeds, but all show a quickening pace. It’s important that companies begin to put well-being and safety at the center of their design for any technology service or product, as well as at the heart of their operations and culture.

Employees will benefit, but so will customers and society at large. Looking through a variety of lenses, leaders have to ask the hard questions upfront to avoid unintended consequences later.

DHL, the international logistics firm, uses AR to improve the productivity and effectiveness of employees finding and picking items from their vast warehouses. Smart glasses help workers choose the most efficient route through the warehouse, helping them select the most appropriate spot for items on their carts, and keeping the list of items continually in view. This means that even temporary and entry-level employees can immediately conduct valuable work without the need for intensive on-the-job training. Average productivity gains have been measured at 15%, accuracy rates have improved, and the AR tool has high user-approval rating.22
RESPONSIBLE BY DESIGN

As good as technologies like XR can be for business, they raise new questions around trust, mental health and employee safety. As Accenture’s chief corporate responsibility officer, Laurence Morvan said, in our extended reality report with the G20 Young Entrepreneurs’ Alliance: “The potential physical, mental and social costs of mistakes are too significant to try to fix retrospectively. Responsibility must be designed into the way we build and deploy the technologies—from the start. Recent experience with the unintended consequences of technology, like fake news, cybercrime and algorithmic biases, shows that this cannot be taken for granted.

Through the responsible design of safeguards, incentives and collaboratively-defined principles, business, government and society can unleash economic and social possibilities that have so far remained in our collective imagination.”23
ESTABLISHED NEEDS WITH A NEW TWIST

In addition to the net new worker needs digital technologies bring, they also spur an urgency around some traditional worker needs, like transparency, relevance and inclusivity. These needs still exist, but they morph because of the impact of digital.

Companies’ mindset and operations must begin to shift now to address these areas, among others, so they can deal with them proactively, rather than reactively. That affords executives a more strategic approach, which benefits workers and their business.
TRANSPARENCY AND TRUST

Companies can speed their journey to innovation and the right outcomes, but it requires a culture that values transparency and engenders trust. Workers who are true partners need to know what the strategy is, why it’s in place and how they fit into it. And with digital analytics, companies can not only better gauge how on board their people are, they can also see more clearly how work is being done. From which teams to assemble for top-notch innovation to how to better support workers for better outcomes, leaders are afforded a window into what makes their company tick.

In the most advanced companies, culture supports workers helping to shape a strategy, rather than just being participants in making it a reality. This radical level of transparency ensures they are not passive recipients of something handed down from “on high” and instead, feel ownership of where the company is headed and their part in helping it get there. A sense of shared purpose and values helps, particularly with Millennials and Gen Z.

20/20 VISION

Warby Parker uses Warbles, a process that allows all employees to nominate projects to be worked on. It could be as simple as changing the holiday party venue, or as complex as changing an approach to improve customer experience. Managers vote on the projects they feel would add the most value, and employees can choose those they’d like to work on. Transparency is built into the system.

Employees are embracing Warbles. It earned an 8 out of 10 points rating, versus the previous management system which had scored 3.5 out of 10 points.
In the most advanced companies, culture supports workers helping to shape a strategy, rather than just being participants in making it a reality.

Transparency should not be passive; it must have employee empowerment built in to be a truly enlightened approach. Employers have now begun to collect employee data in the same ways they would collect consumer data, to help them run their business better.

Six out of 10 businesses (62%) are using new technologies and sources of workforce data extensively—today. Yet only 30% of C-level executives are very confident their organization is using workforce data in a highly responsible way.\(^{26}\) It pays to get it right; roughly 12.5% of revenue growth could be at stake. That’s the difference in growth rates between losing and earning employee trust through the use of workforce data. It equates to U.S.$3.1 trillion globally.\(^{27}\)
At Accenture, as part of our own workforce transformation, we use a “specialization at scale” program that relies on AI. With hundreds of thousands of employees, it’s essential our leaders can assemble the right team, with the right skills, ready at the right time, to spark innovation. Rather than having employees self-report on skills, AI infers an employee’s skills and specializations. In pilot programs, our employees confirmed that this new analytics engine identified their specializations correctly 93 percent of the time. And it’s self-educating, so it’s learning and improving every day.

An overwhelming majority of employees—92%—are open to the collection of data on them and their work in exchange for an improvement in their productivity, their wellbeing or other benefits. Leaders need to build transparency and governance into that data collection so workers’ privacy is protected. A transparent culture enables them to get to value while respecting worker rights at the same time.
Digital technologies bring a shift in tasks that means humans must foster skills that machines don’t have. Some of those skills are related to working with intelligent machines. Others are uniquely human, like storytelling, scenario planning, customer empathy, imagination and creativity.

From workers to executives, companies will need to create a culture that embraces “new skilling,” helping workers learn the competencies that will take them into a post-digital future. For instance, Amazon has made a US$700 million investment in training 100,000 employees in skills related to machine learning and other key technologies the company views as critical to sustain their success.

Beyond any one competency, companies will need to partner with governments, educational institutions and workers themselves to better enable lifelong learning—a must in a new world where business changes quickly. Middle-skill workers—those who have more than a high school diploma but less than a university degree—are at a particularly high risk for displacement. Globally, we’re seeing a hollowing out of middle-skill jobs already.

A majority of workers—61%—would be willing to have technology collect data about them and their work in exchange for more customized learning and development opportunities. Using this data, companies can not only hyper-personalize training and learning opportunities, they can tie them more explicitly to business outcomes.

This is not yesterday’s online course or breakroom learning session. This is learning all the time and on-the-go. (See Figure 1).

Using digital technologies to positively influence the very disruption caused by digital technologies benefits both workers and company bottom lines.

Figure 1: A digital mindset and tools are revolutionizing how people stay relevant

<table>
<thead>
<tr>
<th>On the go (70%)</th>
<th>Social (20%)</th>
<th>Formal (10%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning all the time tied to intentional on-the-job experience</td>
<td>Learning from others, coaching and collaboration</td>
<td>Virtual &amp; classrooms accreditation / certification / compliance</td>
</tr>
</tbody>
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Source: Accenture Strategy, 2019
INCLUSIVITY

From accessibility to working styles, cultural preferences to avoidance of stereotypical norms, workers who feel respected are able to commit more fully to delivering value. As companies serve an increasingly diverse consumer base, their employees need to reflect that consumer base. Studies show that companies with policies that encourage the retention and promotion of diverse workers across race, sexual orientation, and gender, are more innovative and release more products.33

New research from Accenture, in partnership with Disability:IN and the American Association of People with Disabilities (AAPD), reveals that companies that embrace best practices for employing and supporting more persons with disabilities in their workforce have outperformed their peers.34 Companies that excel at disability inclusion achieve, on average:

- **28%** higher revenue, double the net income and 30% higher economic profit margins than their peers who are not as inclusive.

APPRENTICESHIPS IN ACTION

Twitter’s engineering group is using apprenticeships to increase qualified diverse candidates. As Dalana Brand, Vice President, People Experience; Head of Inclusion & Diversity, and Mike Montano, VP, Engineering, put it in a recent blog: “Through this program, we hope to grow our technical workforce of next-generation leaders from nontraditional backgrounds (coding bootcamps, self-taught coders, veterans, caregivers returning to the workforce, etc.) and those underrepresented in tech (women, black, Latinx, Native American). Through our new apprenticeship program, participants will go through a one-year rotation program with full-time employment benefits. Upon completion of the program, they will graduate and join one of our engineering teams.”35
Leaders need to create a culture where their teams move beyond the traditional diversity and inclusion playbook to eliminate inherent bias. That means better addressing workers with disabilities and others who fall outside of the unstated “norm”—from workers who have taken breaks from their career to those who do not think, look or sound like their managers.

Digital technologies allow formerly disenfranchised groups of workers to do things and contribute in a way not previously possible. More than one billion people need assistive products to be independent and productive, but only one in 10 have access. Adults with disabilities have twice the unemployment rate of those without, but technology—and enlightened leaders—can change this situation. Inclusivity is good for people and good for business.
BEGINNING A POST-DIGITAL CULTURAL TRANSFORMATION

As the post-digital era begins, new technologies are defining workplace experiences across industries. While leaders acknowledge these technologies benefit their bottom line, more importantly, they recognize these gains are only sustainable if their organization’s culture adapts and embraces new ways of working.

As Adam Grant notes, technology and culture should free people up to be their best, rather than constrain them. This means redefining organizational culture to address new concerns that are being raised as a consequence of ubiquitous and always-on workplace technologies.
While the needs laid out in this paper serve as a baseline set of topics, leaders recognize that they are not the only emerging needs, nor will they be the last.

In this sense, businesses that help their workers thrive in the post-digital age will also thrive themselves. Businesses can do the following to get started on this transformation:

**Throw out your understanding of workplace experiences.**

Businesses looking ahead to the post-digital age see technologies ranging from AI to XR that will fundamentally change the way work is performed. In response to these changes, leading businesses are rethinking everything that goes into the creation of a digitally equipped workforce and what it will take to help that workforce thrive. Part of this rethinking requires businesses to embrace worker needs that may have previously been considered less important.

**Embrace changing perspectives on the nature of work.**

As businesses find themselves at the dawn of the post-digital age, they have a unique opportunity to prepare for impending change. The reality for every business is that technology will only become more integrated in the workplace, giving rise to new needs that could impact a workforce’s ability to succeed. Businesses that embrace changing workforce needs today can use this transformation effort to prepare themselves for change tomorrow.

**Empower passionate leaders who want to address new worker needs.**

Cultural transformations are impactful if they emerge from within an existing workforce. Businesses must empower leaders throughout their organization who understand the benefits of a workforce that embraces the changes brought by the post-digital era. Individuals who can balance an understanding of emerging workforce needs with ongoing business challenges are well-positioned to chart successful transformation strategies. Bring these voices to the table when you evaluate emerging stakeholder and workforce needs.
All to say this culture change is so fundamental that it’s not just doing. It’s becoming. Leaders will need to throw away the old scorecards and performance metrics, redefining the way they lead and what they hold their teams accountable for daily.

What is your company becoming? Have you put real thought into that—and into how to create physical and virtual work environments that foster the change? Because in the post-digital era, getting there matters. It’s an end state worthy of your workforce and your stakeholders.
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