

How to Create a Digital Workplace

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OVERVIEW

The digital workplace is an integral part of every organization today. All too often, however, companies focus on the technology, rather than the quality of employees' experiences. In some cases, that generates resistance. As a result, organizations fail to gain benefits from a digital workplace. To make digital workplaces sustainable and a source of competitive advantage, companies should focus on four areas: strategy and approach, stakeholders and buy-in, the governance framework, and implementation and measurement. Organizations that follow a structured checklist for these activities are much more likely to see success in their digital workplace programs.

CONTEXT

Paul Miller discussed practical steps to make productive digital workplaces a reality.

KEY LEARNINGS

Digital workplaces are becoming common, but aren't always well implemented.

A digital workplace is defined as the collection of the digital tools provided by an organization that allow employees to do their jobs. Digital workplaces have several distinguishing characteristics:

- Work is not a destination
- The work environment is digital, not physical
- Performance is measured by output, not presence

Today, every organization has a digital workplace. However, it isn't always implemented well. A good digital workplace offers numerous benefits including increased productivity, cost optimization, greater business continuity, increased revenue, accelerated innovation, and greater corporate social responsibility. After implementing its digital workplace initiative, Barclays saw a 50% decline in customer complaints about staff knowledge and PwC saved \$1 million by consolidating to a single collaboration platform.

On the other hand, poor digital workplaces suffer from lost productivity, duplicative systems, low adoption, frustrated employees, increased risk, and decreased ability to attract and retain talent. In these environments high-skilled workers spend 28% of their time managing email, the ineffective use of email by just one employee costs \$6,065 per year, and employees lose 25 minutes every time they switch tasks.

CONTRIBUTORS

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To establish an effective digital workplace, organizations should follow a checklist.

The Digital Workplace Group (DWG) has conducted extensive research on the implementation of digital workplaces. It has published over 100 detailed case studies focusing on organizations like IKEA, Adobe, BNY Mellon, and Barclays. Over 14 years, the firm has also completed over 725 benchmarking evaluations across more than 150 organizations.

Through this work, DWG has created a checklist for setting up a digital workplace program. Activities are divided into four categories:

1. Strategy and approach
2. Stakeholders and buy-in
3. Governance framework
4. Implementation and measurement

Before beginning a digital workplace initiative, clarify strategy and approach.

DWG recommends four actions to solidify the organization’s strategy and approach to the digital workplace:

1. Define the scope of the digital workplace and what tools, services, and applications are included.
2. Define the vision, strategy, and high-level roadmap and secure executive sign-off.
3. Review the current strategies, roadmaps, services, and work with business and system owners to ensure that they are aligned with the overarching strategy.
4. Socialize the concept and begin capturing requirements for the core functionality and components, such as single sign-on, mobility, and content management.

Observations about the strategy stage of the digital workplace checklist include:

- **Many organizations initially focus on the intranet.** The intranet serves as the “front door” to the digital workplace.

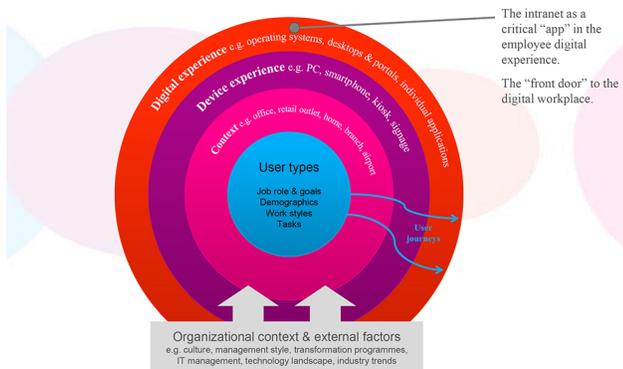


Figure 1
The Digital Workplace Eco-System

- **Strategy is a weak aspect of intranet management and a major challenge for digital workplace programs.** Organizations often suffer from weak strategic management and organizational readiness. Before embarking on a digital workplace program, baseline where the organization stands on these dimensions.

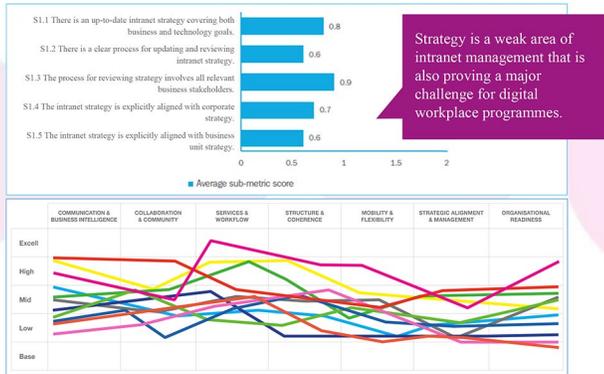


Figure 2
Digital Workplace Maturity Benchmarks

- **Some organizations use a different lens to view the digital workplace.** Unilever, for example, implemented its digital workplace within the company’s Agile Working Model. It considered capabilities that enabled employees to do their jobs better in different areas, such as sustainability and vitality. The digital workplace has contributed to sustainability by reducing the amount of employee travel and corporate real estate. To increase employee vitality, Unilever has used the digital workplace to engage people in gamification.

Stakeholders and organizational buy-in are often overlooked in digital workplace initiatives.

Stakeholders and buy-in are areas where many organizations struggle. This doesn’t have to be the case. DWG recommends:

1. Identify a senior sponsor.
2. Identify key stakeholders across functions, such as Corporate Communication, IT, Real Estate, and Legal.
3. Identify the current business and system stakeholders for the tools and services within the scope of the digital workplace initiative.
4. Undertake internal and external research to capture employee, vendor, and external insights that can be used to inform the strategy and approach.

DWG’s research found that 83% of digital workplace programs have senior leadership involvement. This may come from IT, Marketing, HR, or a digital workplace function.

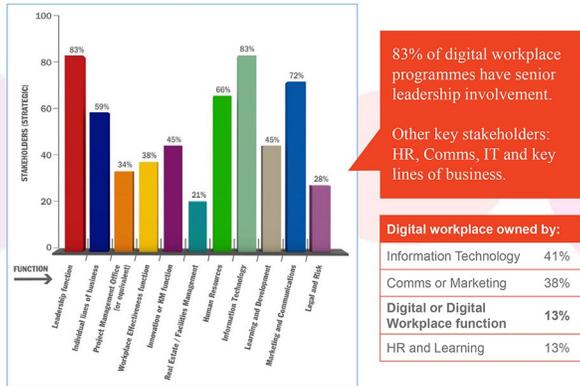


Figure 3
Senior Leadership and Digital Workplace Programs

“When it comes to digital workplace initiatives, getting alignment among the key stakeholders is key. It’s important to approach the digital workplace as a program, not a project.”

– PAUL MILLER

Factors that may affect organizational buy-in include cultural values and employee work styles.

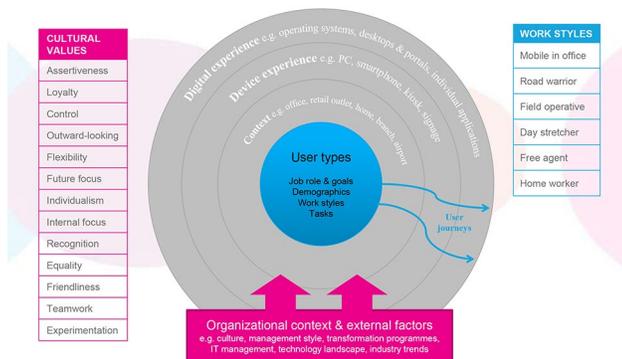


Figure 4
Cultural Values & Work Styles Affect the Organizational Context and User Types

Governance frameworks create a structure for managing digital workplaces.

Once a digital workplace has been established, it is important to develop a governance framework to manage it. Three important steps in this area are:

1. Establish digital workplace steering and working groups. Roles and responsibilities should be defined for groups and individuals.
2. Review existing policies and define governance and design standards that cover the wider digital workplace, such as the intranet, collaboration, and applications.
3. Liaise with Procurement to establish process and checkpoints for new applications.

There is a strong causal link between intranet governance and performance. Yet, only 24% of organizations had robust strategic-level governance for their intranets compared to 45% for operational governance. When defining digital workplace governance practices, it is important to consider a wide range of elements.

Key elements and themes of digital workplace governance

Element	Typical themes
Operational	Ownership, implementation, stewardship, process
Technical	Performance, integration, compatibility, hardware, devices, single sign-on
Legal and risk	Security, misuse, compliance, regulatory, due diligence on suppliers
User experience	Ease of use, efficiency, optimization, findability, information architecture
Branding and design	Corporate branding, consistency, attractiveness, aesthetics
Content management	Relevance, lifecycle, quality, publishing standards
Financial	Cost, budget, procurement process, value for money
Change management	Training, support, digital capabilities, engagement, adoption
Data	Metadata, taxonomy
Business alignment	Digital workplace strategy, corporate strategy, relevance of tools

Figure 5
Key Digital Workplace Governance Elements and Themes

The final phase of launching a digital workplace program is defining implementation and measurement plans.

Four steps to create implementation and measurement plans are:

1. Determine what approach will be used to roll out services and applications.
2. Engage the Change Management team.
3. Establish delivery teams and local buy-in for the implementation.
4. Establish success criteria and key performance indicators/metrics.

“Organizational change and culture” is the linchpin for the success of digital tools in the workplace. Organizational change and culture also distinguishes organizations that are actively pushing great tools from those that are not.



Figure 6
Organizational Change and Culture is Linked with Digital Workplace Success

When developing a digital workplace measurement plan, organizations may decide to implement KPIs and metrics in a range of benefit areas.

Benefit areas	Example KPIs and metrics
Cost optimization	Technology costs, employee:desk ratio, support costs, real estate infrastructure costs, business mileage etc.
People and productivity	Adoption rates for tools and services, employee engagement scores, productivity, time to retrieve information, ability to access internal expertise etc.
Business continuity	System availability, number of employees able to work at home, % productivity during crisis etc.
Corporate social responsibility	Greenhouse gas emissions, energy costs, business travel miles, implementation / utilization of video-conferencing / telepresence rooms etc.
Increased revenue	Bid:win ratio, achievement of sales goals, improved capability / products / services, employee knowledge etc.
Accelerating innovation	Ideas generated and implemented, revenue generation from ideas, product development cycle speed etc.

Figure 7
Digital Workplace Benefit Areas and Associated KPIs

BIOGRAPHIES

**Paul Miller**

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Paul Miller is CEO and Founder of the Digital Workplace Group, co-author of *The Digital Renaissance of Work - Delivering Digital Workplaces Fit for the Future* (Gower 2014) – shortlisted as Management Book of the Year 2015 - and author of field-defining book *The Digital Workplace: How Technology is Liberating Work* (TECL 2012).

He was ranked as one of the world's top 50 Social Employee Advocacy Leaders in 2015 and has given many inspirational keynote talks on the digital future of work to organizations including Microsoft, Google, Adobe, Wells Fargo and Oxford University. He is a Judge and Mentor for the Duke of York iDEA (Inspiring Digital Enterprise Awards) 2015.

For five years Paul hosted pioneering internet radio show Digital Workplace Live and IBF Live and is Executive Producer and host of 24-hour global experience Digital Workplace 24.

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Angelia Herrin is the editor for special projects and research at HBR. Her journalism experience spans 25 years, primarily with Knight-Ridder newspapers and *USA TODAY*, where she was the Washington editor. She won the Knight Fellowship in Professional Journalism at Stanford University in 1990. She has taught journalism at the University of Maryland and Harvard University.

Prior to coming to HBR, Angelia was the vice president for content at womenConnect.com, a website focused on women business owners and executives.

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