How to Build Digital Dexterity Into Your Workforce

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When the realities of the Covid-19 pandemic became apparent in March of 2020, most organizations responded in two ways: by having employees begin working remotely and finding ways to cut spending. While this cost-cutting occurred across the board — Gartner research revealed that 93% of midsize organizations cut costs — the strategies varied: 49% put hiring freezes in place, 27% conducted significant layoffs, 35% cut all training, and 27% froze all promotions.

Despite the cost-constrained environment, one place where spending was not cut and in fact increased was digital technologies for employees. In fact, more than half of midsize companies significantly increased their spend in this area, and 69% are planning on increasing their spend on digital tools even further in 2022.

As we move to the next phase of the pandemic, more than 90% of midsize organizations are planning to migrate to a hybrid work structure for at least some of their employees. A hybrid work environment accentuates the importance of these technology investments. With employees toggling back and forth between the office and working from home, investments in new meeting solutions, collaboration and communication services, and personal productivity tools will be critical to driving employee performance. Yet even with the increase in spend, many of these investments will fail to generate substantial business impact.

The missing ingredient of most digital transformation initiatives is a sustained and successful focus on improving employees' and leaders' digital dexterity: the ambition and ability to use technology for better business outcomes. If people aren't able to use the technology, then the investments will be wasted and in fact can heighten employee change fatigue.

The Importance of Digital Dexterity

Since the introduction of the IBM PC in 1980, there has been a steady progression of computing eras, each one having a substantial impact on how business is conducted. The PC era gave way to the internet era, which progressed to the smartphone era. In the late aughts, we entered the cloud-based SaaS era, which rapidly escalated the pace of technological change — rather than taking three years to develop and publish a new release, software companies moved to a model of

continuous change for employee-facing technologies. Now on the brink of the age of AI and IoT, there will be even more profound change in how work gets done.

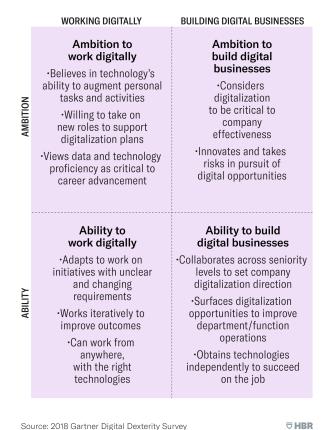
Digital dexterity is now an essential ingredient in business success, but how to build the capability is unclear. At most organizations, the charter of the IT department is to focus on the operational fitness of business systems, while the HR function is responsible for workforce skills development. HR has largely struggled to keep up with the rate of skill change needed, and consequently, the responsibility for workforce digital dexterity often falls through the cracks.

The pandemic, however, made it abundantly clear that digital dexterity is one of the keys — if not *the* most important workforce skill — needed to prosper. Face-to-face interactions, paper-based processes, and analog tasks all failed during the pandemic and were replaced with digital constructs. Collections of SaaS-based personal and team productivity applications were the foundation for quickly transitioning to a workfrom-home model. And when we look at the near future, employee skills around low-code application development, process automation, machine learning, and business intelligence will be instrumental in continuing organizations' digital transformations.

In Gartner's 2018 Digital Dexterity Survey of more than 3,000 employees, we found that in addition to the hard skills required for using technology, behavioral attributes like an open mindset and agile ways of working are critical for optimized digital dexterity (see the figure below). High digital dexterity in an organization increases the likelihood of successful digital transformation by 3.3 times. Based on this broad definition of digital dexterity, however, only 16% of all leaders have high digital dexterity.

What Is Digital Dexterity?

The beliefs, mindsets, and behaviors that accelerate digital business transformation.



To lay the groundwork for this new capability, leaders need to communicate the organization's need for digital dexterity and show examples of digitally dexterous behaviors. They must also ensure that workflows, incentives, budgets, and policies foster, rather than hamper, digital dexterity. Most importantly, organizations need to build digital capabilities within their workforce. There's hardly a role untouched by the need for digital dexterity within an organization — both office and deskless workers need basic competencies in collaboration, data

literacy, workflows, and information creation and retrieval.

Unsurprisingly, employees have varied starting points when it comes to developing digital dexterity. Gartner has identified five digital personas that reflect different attitudes toward technology and different employee career stages (see the following figure). Organizations can use these personas (or develop similar personas of their own) to create a tailored development strategy for each one. They can also be created for specific roles and responsibilities.

Five Types of Technology Users

Workers differ in how they interact with equipment, software, and each other. Leaders can create a development strategy for each of these five digital personas Gartner has identified.

Caretakers

- ·Believe that digital skills don't help them and that their organization gives them poor technology
- •Support uniformity of device and application use •Express, by far, the lowest satisfaction with IT

Engineers

- ·Late-career experts in digital technology who are satisfied with their work
- •Have the most affinity with senior managers and believe them to be in touch with digital technology
 - ·In a strong position in their organization and are likely IT workers or managers

Mavericks

- Younger workers who bring their own technology to work and have distinct attitudes about digital work
 - •Commonly work in IT departments and are fairly common in sales and management
 - •Just 29% strongly agree that their organization taps their personal digital skills

Navigators

- ·Mid-career and deft, but not expert, with digital technology
 - •Keenest to seek time to work from home and given the choice, they would work at home 35% of the time, on average
 - •Place more value on digital skills than most other segments

Pilots

- •Mid-career, comfortable with technology and spend less time at their desks
- •Consider that their career benefits from their ability to develop digital skills
- •Extend their skills to use devices and applications that their organization authorizes or that they obtain without the organization's authorization

Source: Gartner, 2019

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The starting point for any digital dexterity program is to distill digital dexterity into competencies that matter and gain widespread understanding about what application to use when as well as the minimum level of competency expected. The HR and IT teams might jointly sponsor an effort to socialize a "new work hub," a collection of personal and team productivity applications that form the heart of how work gets done. What goes into the hub would then be customized based on the mix of personas that exist within the organization. It might consist of asynchronous collaboration tools like email and a co-editing tool like a shared cloud drive. A tool for lightweight project management might be added to the list, along with synchronous collaboration tools for meetings and chatting. The goal is to be completely transparent with the workforce about the right tools to use and the digital skills expected of them. Progressive organizations are codifying their expectations for employee technology competencies into job descriptions and performance reviews and emphasizing them in the onboarding process for new hires.

Building Digital Dexterity in the Workforce

Given that only 16% of all leaders — and just 9% of employees — have high digital dexterity, how do you promote a digitally dexterous workforce after addressing basic transparency and accountability issues? We've identified the key steps organizations can take to begin shaping employees' digital ambitions and abilities.

Show employees how digital dexterity matters to them. For some employees, the starting point is not just from a place of low digital dexterity, but rather from not seeing the value of upskilling for digital transformation. Too often when requiring change from employees, organizations focus on the business' needs. While this is important, employees are more inspired to develop a skill when they see how it can help them grow as a person and reach their career goals, or when their

organization contextualizes the skill needs to their specific business units.

Demonstrating this value can also increase retention. Gartner's 2021 EVP Employee Survey shows that when organizations enable personal growth, there's a 6% increase in intent to stay. Highlighting the connection between developing better digital skills and the personal impact digital transformation brings is critical to ensuring all employees are on board.

Ageas, a listed international insurance company with Belgian roots, helps its leaders do this through self-reflection. It designed external "digital safaris" that provide leaders with exposure to emerging technology. The main goal is to show leaders how leadership teams at other companies approach and make digital decisions. Ageas' leaders then use a self-reflection template to contextualize the learning. It prompts them to decide what they would need to do to emulate what they saw and asks them to make a plan to start practicing the behaviors they want to adopt.

Broker development experiences to foster digital dexterity. There is no substitute for learning through experience. However, employees' current jobs may not provide sufficient on-the-job learning opportunities for new skills, particularly now as many organizations are determining their hybrid work plans. Therefore, connecting employees to people or projects that will help them build new skills in practice is key. Organizations that involve their learning and development function to broker learning connections for employees can increase skill preparedness by up to 28% over self-service development.

One technology company's career services team has done this by creating a tool that facilitates a marketplace for the seamless barter of skills and development opportunities across functions. Managers create listings on the tool when they have a development opportunity and employees can view all available opportunities and pursue the one that's most interesting to them.

Identify and harness "translators" with digital expertise to support leaders. To help leaders in particular build their digital dexterity, organizations can identify employees to act as "digital translators" to help guide them through digital business initiatives. ENGIE has done this by having employees outside of IT with experience or expertise in digital domains (e.g., data science or blockchain) provide counsel to leaders on digital business opportunities and connect them to relevant stakeholders.

Develop "skill disseminators" to coach others on the job. Connected to the idea of digital translators is that of "skill disseminators": essentially, employees who can coach others in key digital skills on the job. The first step is to identify an employee who meets several key criteria: has the desire to learn and teach, is open to new opportunities, and holds influence in their local network. HR then trains that individual on the in-demand skills (or hones their existing skills) and equips them to coach others.

Since skill disseminators are at the frontlines of work, they're best placed to identify when skills are needed in the business and can provide timely, personalized coaching to colleagues. It may be easier to find potential digital skill disseminators than one might think, as digital skills are increasingly found in nontraditional parts of organizations. According to Gartner analysis, from July 2019 to June 2020, 39% of new job postings with digital skill requirements were from non-IT functions. Clearly, the IT department is no longer the only place to find digital talent.

As the economy continues to improve and midsize companies become more comfortable with hybrid work, executives can turn away from survival needs and back to what's needed to ensure the business thrives: digital dexterity. Focusing on digital dexterity not only provides employees with wanted (and needed) development, it also provides the necessary underpinning to accelerate digital transformation.



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