EUROPEAN HRD CIRCLE

Capitalizing from digital disruption
European HRD Circle – May 19-21, 2016
Overview of the conference

Because of digital disruption – announced since the 1990s – organisations have to rethink their economic model and their relation to work. For its 2016 edition, the European HRD Circle has decided to establish a picture of this revolution through the HR prism.
The participants pointed out that opportunity needed to be seized, while confirming the HR function's role as a warning system on the risks inherent to organisations' digitalisation.

Digital disruption is turning the value chain upside down. Newcomers, more agile, can appear suddenly on markets that used to be hard to conquer. Thus, the 'uberisation' of markets was mentioned. For instance, the transportation industry is overwhelmed by new, more agile players coming from the digital sphere. How to remain active/responsive when these newcomers arrive? How can the customer experience be valued while maintaining employees' experience?

Changing the way we work:
Digitalisation is **changing the way we work**, both at collective and individual level. It also means sharing and decentralizing. Yet, to succeed in this double dynamic, organisations have to define a joint minimum base of processes and references.

With digitalisation, it is possible to generate, combine and operate data linked to the company's activity (big data). This data can be linked to trade activity, customer knowledge, or even the combination of employee-related data. Let's give the example of Clustree which offers a solution based on data related to recruitment, career management and support and also raises several questions: How can data be ethically used? How can ROI be calculated? Should web-marketing techniques be used? How can such data, given by employees but not validated by companies, be used?

Thus, employees' hedonistic experience in their company and the tools used are now central. Used to ordering on Amazon, Uber or Airbnb, employees are expecting a simpler, connected and personalised employee experience, even if it means 'Bringing Your Own Device'. Indeed, the employee experience is made unique because of the option offered, career paths, data, economic changes and the impact digitalisation has on organisations.

Because of digitalisation, the norm of employees' physical presence in businesses has been shattered. It is possible to work together but not at the same time or in the same place, on a single topic or in the same organisation. For such a network to work, creating a group and a feeling of belonging is vital. The point is to get away from a top-down logic without nonetheless thinking that power relationships are gone.

Recruitment must be thought over. Regarding the outside, organisations have to manage their e-reputation, be attractive and include digital talents. Inside the company, new skills must be found for temporary assignments rather than matching résumés with unchanging jobs.

Changing the way we innovate:

Now, businesses can be seen as a **platform**: innovation is no longer R&D's prerogative. The company as a whole needs to be committed. Then, how can innovation be organised collectively? Should companies ask all employees to be 'intra-preneurs', or call on the services of incubated start-ups? Obviously, a first option could be to encourage innovation and a cross-sector approach via performance assessment and recognition.

<u>Changing the way we work with others</u>:

Finally, digitalisation has completely changed the way we access **information**. Individuals and organisations no longer have a choice and have to be transparent. Such change may come from websites such as Glassdoor for instance, which takes in employees' opinion about their experience in businesses. Having information isn't as valuable as it used to be and the point is now to identify where value has gone. Is the point having access to the one right piece of information? Isn't **organising** the transmission of information the main stake, thus giving communication back a 'noble' meaning? However, digital disruption isn't only an opportunity. Indeed, it could increase control over employees because their work-related data is there for everyone to see.

Corporate training is undergoing a paradigm shift. Training officers are no longer advisors locking access to knowledge or constant supervisors. Employees can access training alone without telling their employer, notably with MOOCs. This evolution raises several questions, notably how to use these practices, their quality and their relation to 'physical' training. This obviously changes training trades.

For their part, unions are coming to terms with the loss of their former information monopoly. Besides, the role of collective structures is questioned with more and more individual paths. Nevertheless, union organisations can be cherished partners of digital disruption. They can notably formalise businesses' commitments in terms of new practices and ethics, for instance to limit the risk of total and permanent control.

The credibility of the HR function will depend on the way it handles this digital turn and on its ability to design its risks. For instance, believing that misused big data is a threat to diversity is logical. Since local managers are the first to be face to face with digitalisation, the HR function has to support them. To do it, it has several levers, including performance assessment, training, change management and social relations.