# POENSGEN

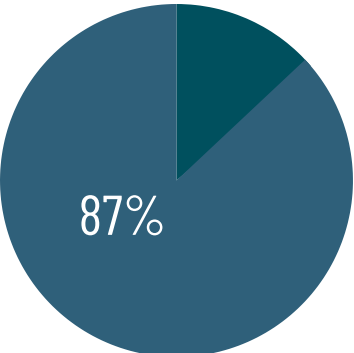## DIGITAL

# INSIGHTS

Factbook: HR in the digital age

# 1. Digital is not an industry or function, but the all-encompassing force that is disrupting each industry and function

87%

Share of executives and managers who think that digital will disrupt their industry

Share of managers that say their digital transformation efforts involve either multiple functions or business units or the whole enterprise

Sources: MIT Sloan Management Review & Deloitte University Press (2016), McKinsey (2018)
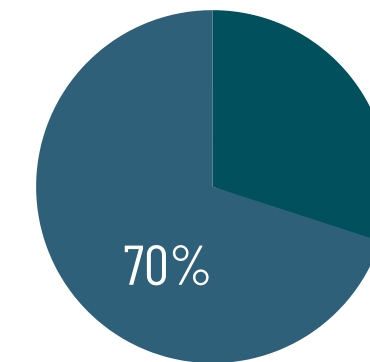
## 2. While digital transformation is the number one concern of senior leaders, most initiatives fail

**①** Competing against "born digital" firms

**②** Ability to attract and retain top talent

**③** Regulatory changes and regulatory scrutiny

The top three risks according to directors, CEOs, and senior executives
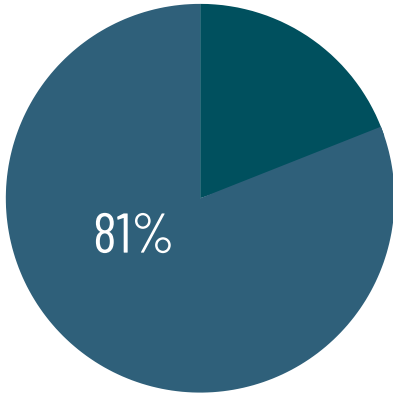
70%

Share of all digital transformation initiatives that fail – mostly due to employees' resistance
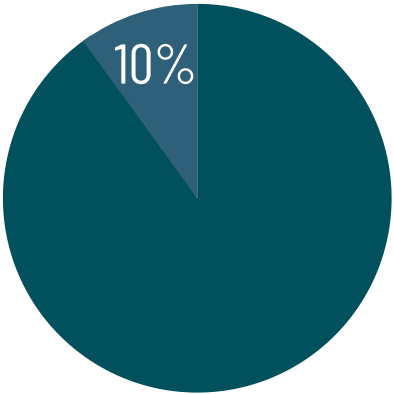
Sources: The Wall Street Journal (2019), McKinsey (2018)

## 3. Companies' digital transformation is closely related to how their employees view innovation

**Digitally mature companies**

**Early-stage digital companies**

81%

10%

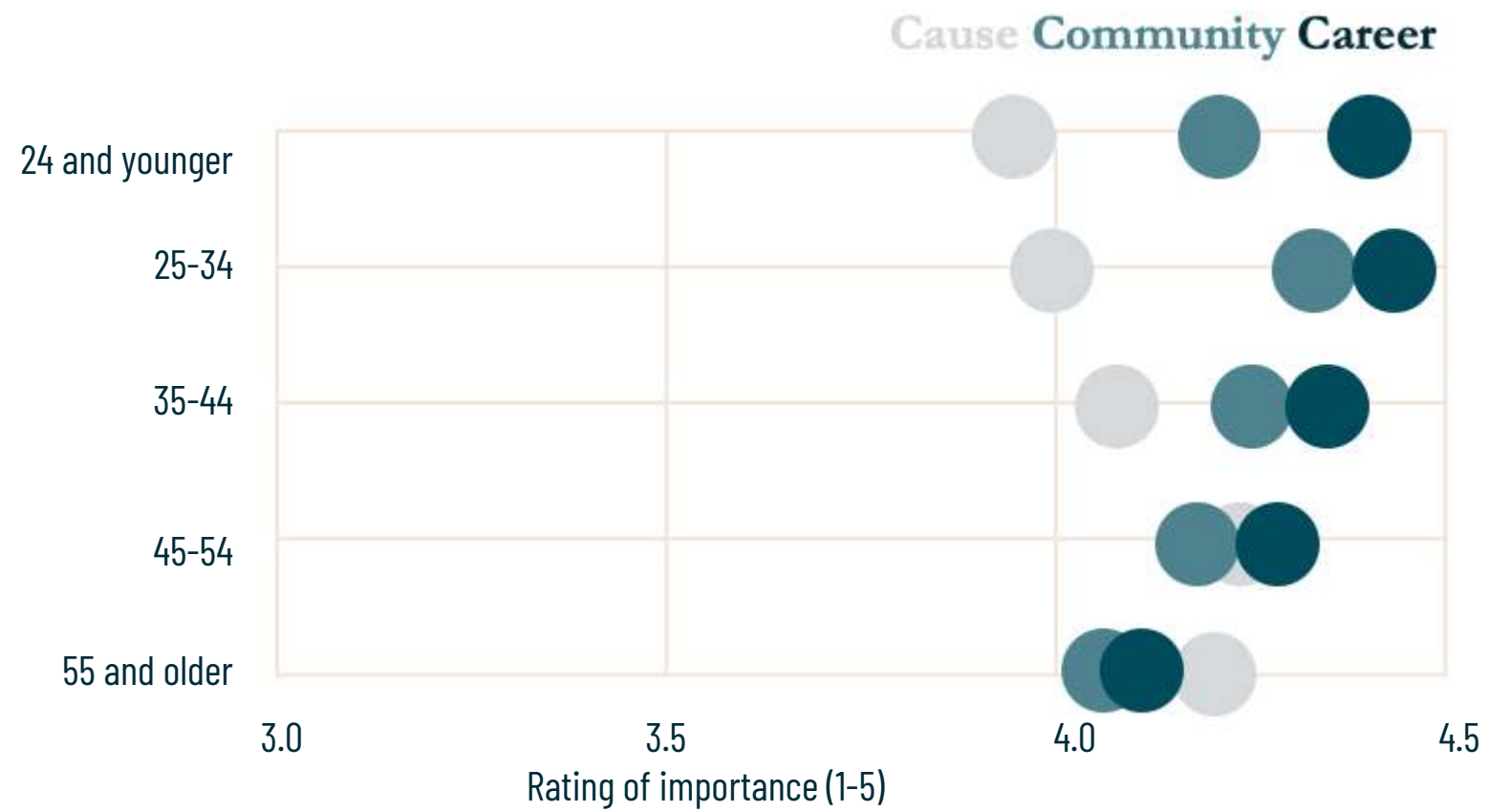Share of employees that view innovation as a strength of their company

## 4. Digital talents are top of the agenda for companies seeking to compete effectively in a digital world



Share of executives, managers, and analysts that believe their organizations needs a new or different talent base in order to compete effectively in a digital world

Source: MIT Sloan Management Review & Deloitte University Press (2019)

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## 5. Across age groups, digital talents are motivated mostly by cause, community and career



Cause **Community** Career

| | | | |
|---|---|---|---|
| 24 and younger | | | |
| 25–34 | | | |
| 35–44 | | | |
| 45–54 | | | |
| 55 and older | | | |

3.0      3.5      4.0      4.5

Rating of importance (1–5)

**Cause**
Feeling that one makes an impact and identifies with the purpose

**Community**
Feeling respected, cared about, and recognized

**Career**
Having autonomy and being able to learn and use one's strengths

Source: Goler, Gale, Harrington & Grant (2018), based on data from Facebook employees

## 6. For digital talents to work together in teams effectively, five factors are most important

**①** **Psychological Safety**
Team members feel safe to take risks and be vulnerable in front of each other

**②** **Dependability**
Team members get things done on time and meet the company's high bar for excellence

**③** **Structure & Clarity**
Team members have clear roles, plans, and goals

**④** **Meaning**
Work is personally important to team members

**⑤** **Impact**
Team members think their work matters and creates change

Source: Google (2016), based on data from Google employees

## 7. Companies that invest in employee experience are both more successful and attractive

**Successful**

Avg. Profit ████████████████ 4.2x

Avg. Revenue ████████ 2.1x

1.0x
Companies that do not invest in employee experience
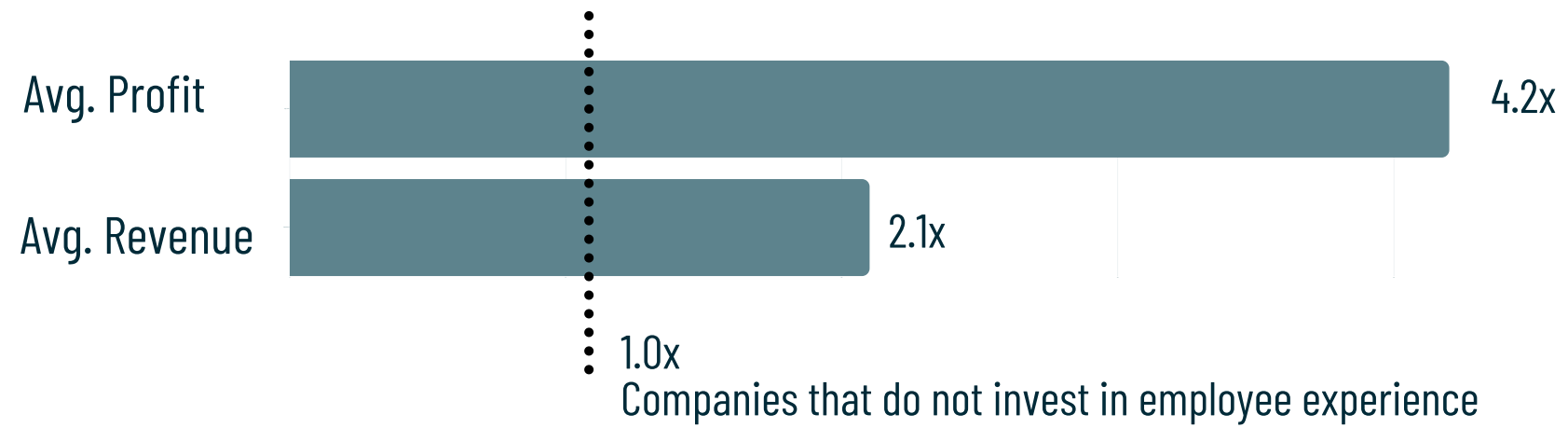
**Attractive**



**4.4** times as often in LinkedIn's North America's Most In-Demand Employers
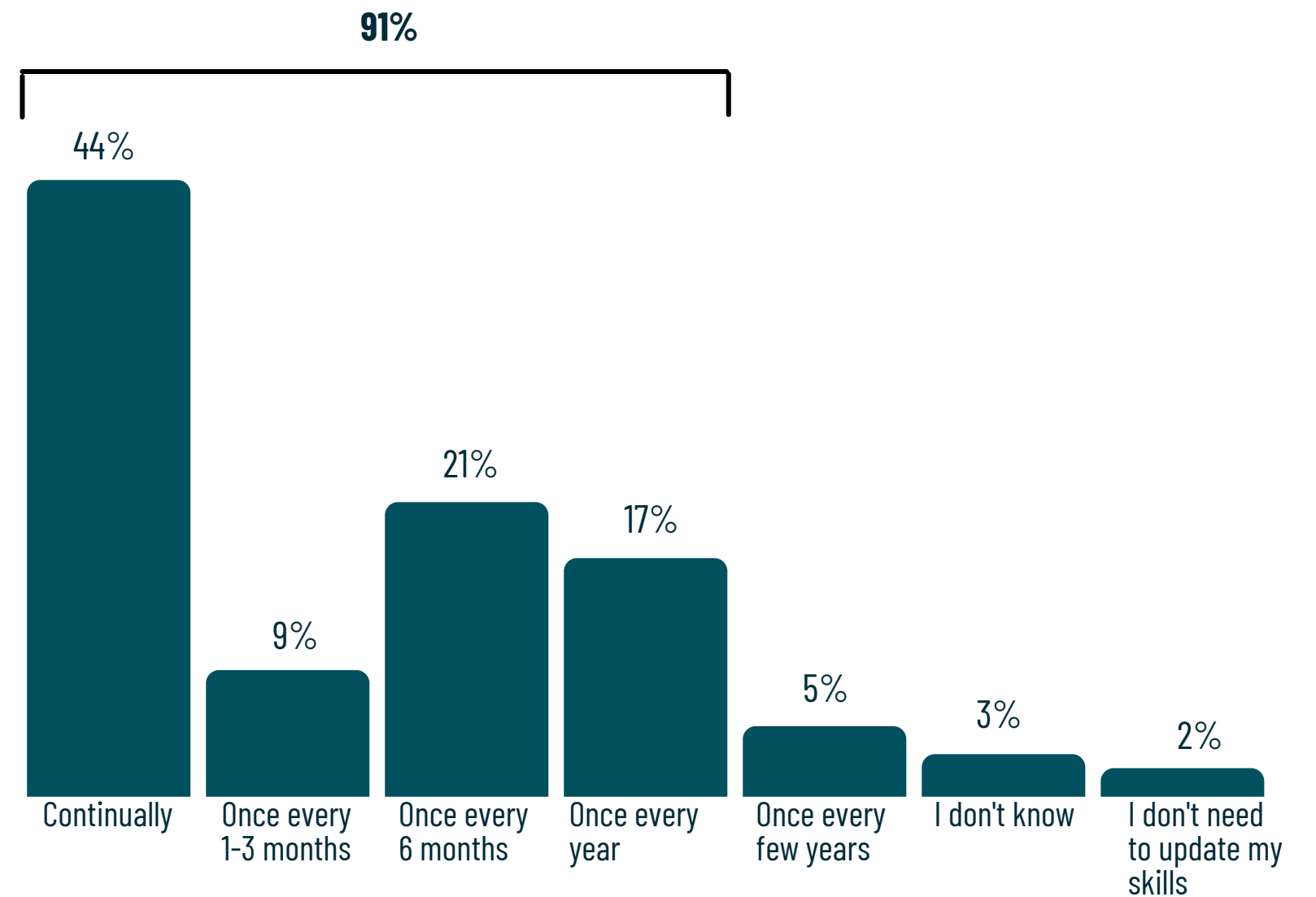

glassdoor

**11.5** times as often included in Glassdoor's best places to work

Source: Harvard Business Review (2017)

## 8. Nine out of ten employees say they need to upskill at least yearly to work effectively in a digital world

91%

44%

21%

17%

9%

5%

3%

2%

| Continually | Once every 1-3 months | Once every 6 months | Once every year | Once every few years | I don't know | I don't need to update my skills |

Answers to the question: How often do you need to update your skills to do your job effectively in a digital environment? (Percentages do not total 100 due to rounding)

## 9. Amongst digital talents, opportunities for digital skills development cause six out of ten employees to switch jobs
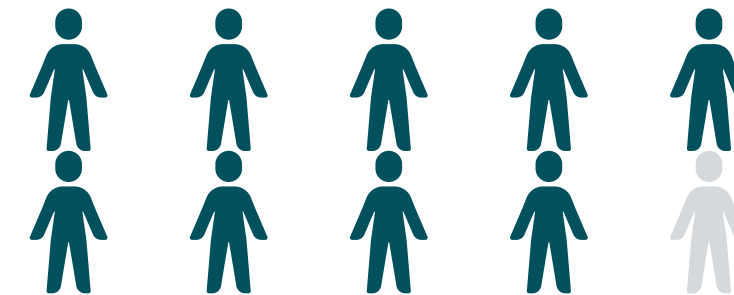
All employees

47%

Digital Talent

58%

Share of employees that say that their next job change will be because the new organization offers better digital skills development
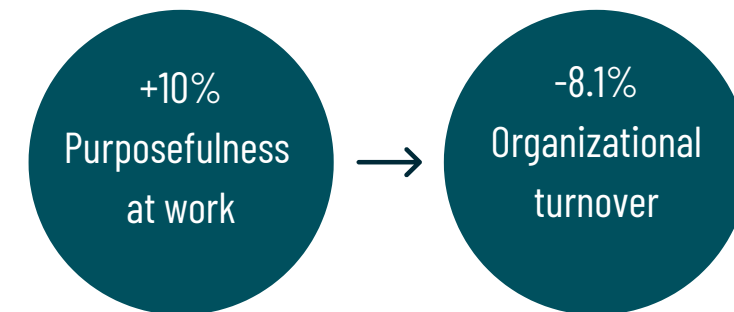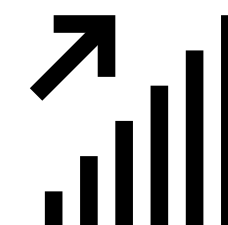
Source: Capgemini (2017)

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## 10. Purpose is crucial in today's working world, for both employees and organizations

**9 out of 10** employees would take a pay cut to have more purpose in their work

+10% Purposefulness at work → -8.1% Organizational turnover

For every **10% increase of purposefulness** at work, organizations experience 8.1% less turnover

+10%

faster growth than market

Purpose-driven organizations grow **10% faster** than the market over 15 years

Source: Boston Consulting Group (2021)

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# 11. In companies, OKR are increasingly the tool of choice when linking employees' tasks with the purpose and strategy

**Disruptive companies**



**Traditional companies**



Companies that use Objectives and Key Results (OKR)

Sources: Company websites (2021)

## About Poensgen Digital

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**Poensgen Digital is the human resources and management consultancy for the digital age.**

### Executive Search

We help you find executives for the most important positions in the digital age. We search across levels for technical experts, digital transformation managers, and senior leaders. However, it does not always have to be "pure" digital – your goal is our goal.

### Management Consulting

We help you attract, develop and retain a workforce that is fit for the digital age. We offer management consulting services to optimize your Employee Experience, Executive Upskilling, and Strategic HR.

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