



EMPLOYEE PERSPECTIVES ON DIGITALIZATION: HOW IT INFLUENCES AN ORGANIZATION'S CULTURE

Volume 5

This edition explores the concept of organizational culture and some of the key aspects that shape it. Our analysis focuses on the dimension of 'people' and how employees from different generations (who are inherently different in terms of perspectives, aspirations, work preferences, and work styles) play an important part in shaping a company's culture.

The right organizational culture is a valuable driver of business success. It should include the values and norms followed in the organization that create a positive social and psychological environment. The culture of an organization affects how everyone interacts with stakeholders including peers, managers, executives, business groups, clients, vendors, partners, etc., and this behavior eventually impacts business outcomes. For these reasons, creating a positive organizational culture is one of the topmost priorities of CHROs and CEOs in successful organizations.

What defines organizational culture

The organizational culture is a system of shared beliefs and attitudes that develop over time within an organization. There are many dimensions that define an organization's culture such as:

- **Vision and mission statements** – These provide organizations with direction, goals and values and are partly responsible for developing the culture within an organization
- **Individual values** – These impact each employee's perspective and how they work within the organization
- **Generation gap** – The generation that forms the majority of the human

resource has a key role to play. Organizations with strong representation across multiple generations may experience glaring generation gaps that can have serious implications for the cohesion of the organization culture due to colliding values .

Thus, the key question for many organizations is: How do we maintain a smoothly functioning culture and workplace when the workplace changes drastically between generations? The answer lies in first understanding what drives employees. Once companies are aware of how employees from different generations behave, they can craft an organizational culture that promotes cooperation and collaboration for greater success.

Generation types in a digital world

These days, technologies such as artificial intelligence (AI), autonomous vehicles and Internet of Things (IoT) are part of our daily lives. In this digital world, people are no longer defined by their age. Instead, they are defined by how aggressively they use modern digital technologies. When it comes to accepting and using disruptive technologies, we can broadly classify employees into three categories:

- **Digital natives** – These are people who have grown up in a world where technology is prevalent, pervasive and a part of their normal lives. They are native speakers of the digital language of computers, apps, video games, and the Internet
- **Digital immigrants** – These are people who have adopted technology into their lives, some more than others, and find it useful. Sometimes, though, they tend

to do things in a non-digital way such as using the Internet to get information once they can't find what they wanted in books

- **Digital refugees** – These are people who have not grown in the digital world but are forced to adopt it and do not like it very much. They prefer to do things in the old non-digital ways

Here is why it is important to understand these categories: Today, digital natives and immigrants constitute a majority of the workforce in organizations. Digital immigrants joined the workforce during an era of slow economic growth. Conversely, digital natives were born into a time of rapid technological advancement where the Internet and all its applications were widely used. Thus, while digital immigrants ushered in the age of cell phones, Internet, and social media, most digital natives grew up when these technologies were already mature and a part of daily life. These experiences of growing up in dissimilar environments have produced generations

of employees – each vastly different from the other.

Key differentiating factors

1. Ways of working

Both generations – digital immigrants and natives – have very different ways of working, governed by their exposure to different levels of technology and communication channels. For instance, low technology maturity during the age of digital immigrants meant that many of them prefer one-to-one and face-to-face interactions at the workplace. They value this, and consider it a representation of how committed one is towards one's work. On the other hand, digital natives value the ability to work from their homes or from remote locations and do not necessarily believe in having to travel to office if a task can be completed from elsewhere.

The concept of hierarchy also varies. Digital immigrants believe in a step-by-step

power structure where the boss is viewed as the final authority on all matters. Natives believe in a flat hierarchy where the concept of bosses and subordinates does not exist and all employees are simply colleagues. They treat their bosses as mentors and expect regular feedback from them. Similarly, immigrants use technology as a tool to facilitate their work in the workplace while technology is ingrained into the daily lifestyle for natives.

2. Leadership aspirations

Both generations have different ideas of progress and promotion in the workplace. Typically, immigrants expect promotions after long hours and many years of work. Progress is proportional to one's experience and expertise in the area of work. Hence, once they earn a promotion,

they also expect the respect due to that position. Natives, however, have a different viewpoint. They do not relate promotions to hard work or time spent in an organization. If someone is good at their

work, they feel the promotion cycle can be shortened and expect instant reward and recognition. This attitude can cause restlessness and impatience, which may affect their progress.



3. Work-life balance

The right work-life balance is an important facet of employee satisfaction for both these generations. However, what constitutes this work life-balance varies.

Digital immigrants prefer an 8-hour working day. Overtime is not acceptable to them and is, in many cases, a valid reason to reject a job. They place great emphasis on spending quality time with their families after work. Similarly, digital natives too are more demanding of a work-life balance and it drives their career choices. However, for them, work-life balance means lesser travel time to work, flexible options such as work-from-home and flexible hours. They also look at personal time opportunities within the organization such as using in-house state-of-the-art gymnasiums and other facilities to keep themselves fit and healthy.

4. Importance of teamwork

While both generations understand and value the importance of working together, each has its own concept of teamwork.

Digital immigrants tend to pride

themselves on individuality and independence. They typically have a 'conveyor belt' approach to teamwork where work is clearly allocated to every person. They prefer to do their part of the job and then pass it on to the next person for the latter's part and so on. They are most productive when they work independently in small numbers.

Digital natives place enormous emphasis on a simultaneous and technology-based concept of teamwork. They engage in group chats, teleconferencing and social media-based apps to solve problems together. The size of the team is not a constraint for them. What matters is that their opinion is heard and valued and that their feedback sought after.



5. Motivational factors

The factors that motivate both generations also vary on multiple levels. Digital immigrants are driven by autonomy, job security and authority. They place greater emphasis on loyalty and sincerity towards their work. They also show great loyalty to their bosses compared to digital natives. Many times, their reasons for resigning an organization are due to their dissatisfaction with their bosses and not necessarily

because of the company. Access to gadgets such as laptops, iPads, high-speed internet, etc., as among the key motivational factors for digital natives. They also value the learning opportunities provided by the company and are always on the lookout to find purpose in their toil.

Financial gains like bonuses, incentives and salary hikes are important to both these generations and act as strong motivational factors in driving their careers.

Conclusion



Diversity among employees across generations goes a long way in defining an organization's culture. While we have provided a general opinion about digital natives and digital immigrants, one must understand that there are no set rules to slot employees in any of these brackets. An organization's culture represents its unique core values and it is critical to use this as an advantage to set itself apart from the competition. As each generation offers its own unique values, perspectives and strengths, organizations should focus on building a culture that fosters collaboration, innovation and agility along with continuous learning. This will help create a differentiated brand that attracts and retains loyal employees while building strong relationships with customers and partners. Thus, the goal should be to build a multicultural organization where the culture becomes part of the competitive advantage.



From an employee's point of view, there are several factors that differentiate people from these two segments as shown below:

Digital Natives at work



Digital Immigrants at work



<i>Prefer fast dissemination of information</i>	---	<i>Controlled & structured release of information</i>
<i>Look at job as portfolio of skills</i>	---	<i>Prefer focusing deeper on certain skills</i>
<i>Prefer Multi tasking and rapidly switching tasks</i>	---	<i>Prefer focusing on one task at a time</i>
<i>Thrive in team Setting and networked</i>	---	<i>Needs Independence and personal space</i>
<i>Needs regular Feedback</i>	---	<i>Prefer tasks based work and feedback</i>
<i>See managers as equals</i>	---	<i>View promotions as rewards</i>
<i>View technology as integral</i>	---	<i>See technology as a learned skill</i>
<i>Prefer to see graphics over text</i>	---	<i>Prefer to see information from text</i>
<i>Think learning as fun and prefer to learn by games</i>	---	<i>Think learning as serious activity & prefer structured approach</i>

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