

Next step in organizational development: customer centric to the outside – employee centric to the inside

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Walk the talk takes place in almost every company today. What was mainly planned five years ago is now being implemented. There is hardly a company that isn't already in the middle of a process of change, digitizing its company and applying a customer-oriented perspective to its strategies. Cultural change together with a mindset change and the search for people with the right skills are in the air. Dr. Kristine Dery, Research Scientist at MIT Sloan School of Management, talks about implementing new ways to create value to organization means. How needs arising from these concepts result in the application of the customer-focused perspective also internally as an employee-centric approach to empower and future-proof their people. To qualify them to curate their own careers and get fit to adapt to a future of on-the-fly learning and the creation of their new jobs.

Dr. Kristine Dery was invited for this interview by [Stephanie Woerner](#), Research Scientist at the MIT Sloan School of Management, co-author of 'What's Your Digital Business Model?', according to the [principles of taskfarm](#).

What fields of work are most affected by the change?

Dr. Kristine Dery: Very many. Lots of companies who only talked about change five years ago are making significant changes right now. The move is from a culture that worked with command and control to a culture that is comfortable with hypothesizing, testing and gathering data, learning on the fly and not having perfect information. To get the customer into the center of decisions as opposed to having products and services at the center of decisions. It's a very new way of thinking about what organizations do and it also comes with some practical reality around work practices. We are going to work much more in communities to develop iterative approaches to finding customer solutions and delivering value for the business.

To perform in such environments, we need to empower and train our people to be able to modify their own mindsets and work on obtaining new skills.

We call that employee experience. We separate it from employee wellbeing. We understand that employee wellbeing is really important but we believe the ability for people to do their jobs today and then be in a position to be empowered to reinvent what these jobs may look like tomorrow is going to be very difficult to deliver on employee wellbeing.

What do those new jobs look like?

Dr. Kristine Dery: I'm not sure that there is a specific answer to that, I think that there is a way of delivering value for organizations that are changing. The idea of constant learning in companies means providing an environment for people to be able to reskill themselves in ways that feel safe, in ways that enable our people to learn in a way that suits them, both in terms of their lifestyles but also in terms of their own mindset approaches to learning. All of those things become important. We look at companies that have made significant shifts in the digital transformation.

What companies are already operating in such a mode?

Dr. Kristine Dery: Companies like DBS in Singapore for example, that I have studied for a long time. DBS won the World's Best Digital Bank from Euromoney in 2016 and then again in 2018. They have done an enormous load of work on reskilling their employee base, on becoming what they call 'digital to the core' and on future-proofing their workforce. That has meant taking their set of very traditional, hierarchically cored, siloed bankers, that were amazing at command and control and pulling that apart in giving them new skills and new abilities to learn. It has been a long and painful process and they would say that they are certainly not there, they continue to iterate around that. Do they know what those new jobs are going to look like yet? No, they don't. But they are future-proofing their people so that their people are empowered to create those new jobs.

I think such companies will have the ability to keep reframing their workforce in a way that they will meet all the needs of the digital world. This won't be a fit process, like a skill matching process that we used before. It'll revolve around the ability for people to learn to work more effectively in this environment. Companies are going through massive changes around new agile ways of working and figuring out what it might mean to their particular organization. Activities center around coaching, supporting and enabling people to develop new skills and to dig deep into themselves for new ways of thinking. That sounds all soft and mushy but creating the environment where they can do that is crucial to being able to deliver. Providing technologies that are connected, equipping people with the right tools, constantly iterating around space, to make sure they've got the right working space to work in is inevitable.

Also constantly iterating around the approach to working remotely or having to work in a more physical or connected way.

On the one hand, we have many companies that are beginning to rebuild their business around the customer – to have a

customer-focused perspective. On the other hand, we will have a shortage of skilled workers. It would be interesting to apply the customer-oriented perspective from the outside to the inside. What if the inside view were to revolve around the employees as it revolves around the customer?

Dr. Kristine Dery: We are just writing a paper on exactly this question at the moment. What we see is that companies that have a very customer-centric view in their strategy are investing almost dollar for dollar on the external innovation versus the internal innovation. Internal innovation efforts are not only devoted to innovations that make it easier for our people to do more complex work, but companies are also investing in making it easier for their people to be more innovative. While the former is focused more around technologies and space, the latter relies on innovation platforms, skills and capabilities to generate ideas relevant for a digital world, and finally, the mindset to make this way of working naturally to the ways of working.

How does that look like?

Dr. Kristine Dery: These high-performing companies focus their employee experience on what we call 'speed bumps', prioritizing those and addressing them in very different ways. Using technology primarily to create new ways of delivering the employee experience in the same way as they are using new digital capabilities to deliver for their customer.

What they are finding is that to keep delivering on these new experience on a customer level they have to innovate around the employee. It's not enough just to reskill people and to create new ways of working. They are focussing on creating innovation on the employee experience to the same extent as you built the innovation around the customer experience.

And that does two things: it enables employees to work more effectively and therefore be more empowered to deliver on the customer experience innovation but it also provides a fertile ground to be able to attract and develop the talent that we

need.

It makes a lot of sense but what we typically see is the majority of companies are still investing most of their efforts around their customer which has quick payoffs and quick returns for shareholders. High performing companies are getting advantages through their investment in how their employees work more effectively and how empowered they are to keep changing the way they were.

What companies are already making such investments?

Dr. Kristine Dery: BBVA spent some time finding out what that rich learning environment looks like for their data scientists and data analysts. For them that has meant investing in a degree of data capability and data knowledge right across the organization, so that those with deep skills can have better conversations within the bank.

That has been one of the first things they have done and they have invested a lot in delivering those skills and capabilities across the bank. They think of it like a t-shaped approach. Most of the bank (130,000 employees at BBVA) will have a broad sense of what it takes to be data-savvy to enable for those with the deep skills to be able to work more effectively on projects.

They also recognized that to create a world where data scientists continue to learn is not only about the business of BBVA. So they've become involved in socially significant projects, like hurricane Katrina or other projects where data becomes critical to solve big problems. Enabling their data people to work on those projects builds their skills and has been able to form new capabilities and new ways of thinking of BBVA thus creating priorities around the development of new technologies. That formed new ways of delivering value to the bank. This process was very transformative for them and enabled them to develop into an organization where people with deep digital data knowledge see this as a rich environment for them to learn and grow in.

What jobs will be needed in the future that don't have a name yet?

Dr. Kristine Dery: Structure and job roles, as well as boxes and org charts, are going to become less important than how we work to add value. We are already seeing that there are companies built more around teams. People are becoming less wedded to title and structure and more wedded to community and team. This will also have an impact on the performance-reward-system and how we assess people for those types of roles.

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About:

Kristine Dery is a Research Scientist at MIT Sloan School of Management in the Center for Information Systems Research (MIT CISR). Kristine leads MIT CISR's research on the Digital Workplace, Employee Experience and Talent for Digital. Drawing on both qualitative and quantitative data, she examines how top performing organizations: (1) design and manage the digital workplace to deliver greater employee experience (and consequently, greater business value), and (2) build competitive workplaces that attract and foster talent in the digital era. This work stems from a longer term research focus on the relationship between HRM and IS which has generated publications on mobile connectivity, the strategic impact of human resource information systems, gamification and recruitment, and the management of remote workers. She is regularly a key note speaker for industry and has designed and delivered numerous MIT Executive Education courses based around her research and the broader MIT CISR research on digital disruption.

Prior to joining CISR, Kristine was at the University of Sydney where she was a leading researcher on two Australian Research Council (ARC) funded projects: Human Resource Information Systems and the Strategic Significance of the HR

Function, and New Technology and Talent Acquisition in Australian Professional Services Firms. These projects and other research resulted in publications in journals such as MISQE, the Journal of Strategic Information Systems, and Organizational Dynamics. She designed and taught post-graduate and MBA courses in Human Resource Information Systems and Management Communication, together with a range of Executive Education seminars. She co-founded the Digital Disruption Research Group in Sydney and has previously held management roles in the tourism, hotel and airline industries in Australia, NZ. She holds a Bachelor of Arts in Political Science from the University of Auckland, an MBA from Melbourne Business School, and a PhD from the University of Melbourne.