

# Digital collaboration: Delivering innovation, productivity and happiness

Extracts from Deloitte's recent report.

**Innovation and collaboration in the workplace**

Our interviews have shown that managers can take a number of steps to enable innovation and collaboration in the workplace. We have summarised these activities into a number of actions that managers can take to unlock the latent potential in their organisation.

However, a word of warning; innovation and collaboration are social activities, which means that the conditions in an enterprise may render some of the initiatives we suggest less useful. Sadly it is not as simple as making people communicate and hoping that innovation ensues.

But in embracing some of the ideas that we have gleaned from our interview programme and from our experience, and listening to the mood of colleagues, we believe that all managers can create the conditions for innovation within their organisation without necessarily making formal changes to the way it operates.

**The importance of cohesion**

The creation of social cohesion is at the core of success for managers in this environment. Employees that collaborate the most are happier and are more cohesive in teams

than other workers. Highly collaborative employees are 17 per cent more likely than low collaboration workers to feel that their new ideas are valued.

Cohesive teams are more productive, particularly where skills are complementary; they also make better decisions as they have a stronger basis on which to solve tricky problems.

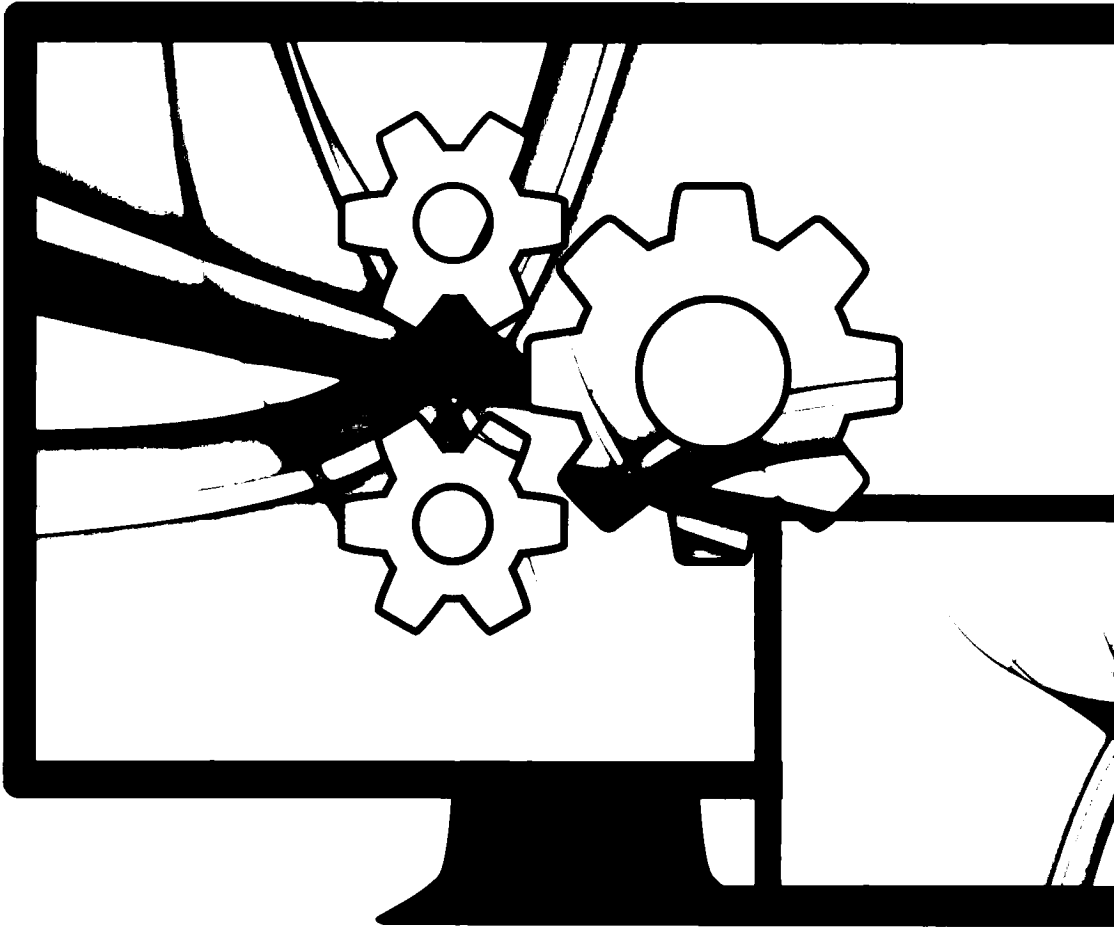
Cohesive teams start with social connections that create trust. Unfortunately

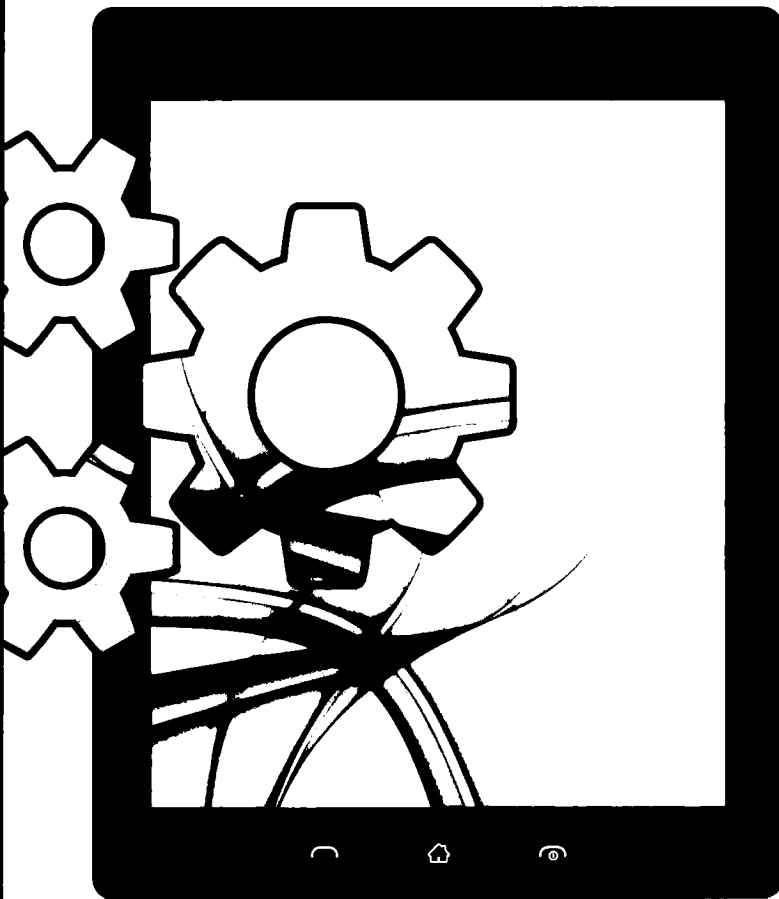
In the last issue, we identified that digital collaboration tools are an important aspect in promoting the happiness and productivity of European workers. The next extract of the report shows how they are also a key part in creating a culture of innovation.

the distributed nature of workplaces means that the connections workers make are more difficult to sustain and develop in a way that leads to new ideas being transferred across the organisation. This is also a problem where assembling project teams, as

many key skills may be hidden from view of the manager commissioning the work.

Worse still, blocking of social networking websites, restrictions on the installation of new software to corporate-issue devices, and poor access to Wi-Fi in the





office environment actively discourages the use of cloud-based services in the workplace. This is the digital equivalent of having to work in total silence.

#### Using collaboration tools for openness and collaboration

"It's really hard to sell innovation to Boards and executives, because innovation involves breaking the rules and taking risks" one of our executive interviewees told us. This attitude is not a surprise as more than half of respondents to our survey said that their organisation does not value new ideas; a

quarter of respondents told us that innovation is actively discouraged.

Attitude to risk is often the barrier to innovation, particularly in organisations where employees are typically required to produce a well-defined output using well-defined inputs. This can be as prosaic as producing an invoice or as complex and skilled as fixing a faulty piece of equipment. Teams operating in this way are often held accountable for performance over short timescales.

Output-based thinking is the antithesis of innovation in that it disincentivises trial and error

in favour of consistent process execution. In this environment it can be inadvisable for an employee to socialise the fact that he or she has spent time pursuing new ideas. The local and digital collaboration tools that help foster collaboration suddenly become seen as a way for management to keep tabs on employees; social pressure acts to force people to execute their part of the process efficiently in case they let the team down.

There is also a need for managers to trust that good ideas can be found throughout their team. This is the 'suggestion box' idea that has been part of customer-facing businesses for many years. Anonymity is the core advantage of the suggestion box. If you suggest a 'bad' idea then no one will ever know that it was you. There is no lasting damage.

Suggestion boxes are easy to implement at all levels. As one interviewee in a major multinational put it: "people are sceptical about innovation right now but we are building a trust culture: letting people know that we are here to listen and here to action their suggestions."

For employees, trust comes from the top. In many organisations the messages from top executives are filtered through layers of corporate communications. Over-sanitising what is said and reducing the frequency at which leaders demonstrate their own freedom of speech

can lead employees to believe that they too should be careful and guarded in their opinions.

One of the great advantages of the second generation of digital collaboration tools is that they are built to enable a higher frequency of shorter, but perversely, more engaging contact between people. Emails are too similar to a press release to be seen as anything other than a broadcast propaganda communication. Online meetings and enterprise social networks and other tools are more natural as they are multi-directional – everyone is expected to have their say, but are somewhat protected from the social awkwardness of standing up in a rare 'town hall' meeting.

However engaged senior leadership is, employee attitudes on the extent to which their organisation encourage idea sharing, transparency and collaboration are heavily conditioned by their actual experience. It is much better to visibly over-celebrate engagement with collaboration and innovation than create the suggestion that only success should be recognised. Silver bullet innovations are fleetingly rare so it is better to have lots of ideas in order to increase the chances of a big hit.

#### The role of digital collaboration tools

Making good tool-related decisions is crucial to creating a broader culture of openness. 46 per cent of those with effective tools for collaborating saw their organisation as transparent as compared to 22 per cent who do not.

The right tools to provide a foundation for innovation. Leaders need to build the right culture on top of it. As as Fortune 500 Head of Innovation told us: "We need to connect everyone in order to innovate. We want to be very

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diverse. There is an unwritten rule that the more diverse we are, the more chances we have to innovate."

Optimising the selection of tools that are offered or enabled in the workplace begins with taking simple steps to enable access to freely available web-based tools by supplying the Wi-Fi access and unblocking social sites on the corporate network. Although there are some risks involved in this, it's best to first assume that your employees are trustworthy and provide guidelines on the types of information to share on social networks before putting more stringent controls in place.

Once the use and role of company-supplied and employee selected tool has equilibrated, we suggest that managers undertake an audit of their use. This is almost certainly best done by either an independent third party or by an anonymous survey in order to enable employees to answer honestly.

Traditional ways of deploying digital collaboration tools are less effective in the digital era because of service innovation in communications technology and increasing specialisation of role within the workplace. An interviewee described this problem as: "they (employees) are used to using their own choice of hardware and software in their personal lives, and for many, there is frustration that the tools they have to use in the workplace feel like 10 steps backwards."

The consensus view from executives is that managers should seek to control some parts of the productivity tools estate – principally those that deal with sensitive information – and deliberately enable openness in others.

Executives as role models  
In this context, the power of executives as role models

should not be underestimated. Executives using desktop videoconferencing, presentation and document sharing technologies as part of their daily routine are likely to encourage and stimulate their direct reports and teams to try the same tools. In the case of one organisation we interviewed, executives using video-conferencing in lieu of email or phone calls created a pattern of behaviour that quickly had development teams in several countries using the same tools to collaborate on complex tasks, measurably improving productivity and innovation across the business.

The right tools provide a foundation for innovation. Leaders need to build the right culture on top of it and be role models who embrace new tools and practices and express their own ideas more freely. It is unreasonable to expect employees to be willing to raise their heads above the parapet to voice their ideas if executives are not willing to do the same. Employees will seek guidance and comfort from their leaders and from each other, as

they do when making major decisions in their private lives. In the workplace, this is the difference between coming to believe that a change is good via discussions with people you trust, and being told that it is good for you in a generic broadcast.

Conclusions

Exposure to a decade of rich, engaging collaboration tools in their personal lives has opened the eyes of the European workforce to their potential in the workplace. Our research has found that employees were 17 percentage points more satisfied with their workplace culture when they had access to effective digital collaboration tools and 22 percentage points more likely to believe that their employer cared about their morale. In some countries three-quarters of people we surveyed believe that access to collaboration tools would improve productivity, a view supported by executives and major employers.

And yet just 9 per cent of respondents believe that their organisation has a very

effective infrastructure for sharing and collaboration. Perhaps worse still, more than half of European employees tell us that they work in an environment where collaboration is not the norm and their ability to innovate is suppressed.

It is our belief that this is in part a result of digital collaboration tools being regarded as an add-on to the systems of an organisation. The vast majority of tools in a modern organisation are intended to support a given workflow, often one that entails people talking to, and working with, other people. The challenge is that organisations operate in environments that are dynamic. Workflows that are suitable for the core function of a team may lack the flexibility they need to respond to the types of transient situations that are all too commonplace today.

In workplaces that are more dispersed than ever and markets that are more dynamic than ever, digital collaboration tools like social networks, video conferencing and document

Figure 1: Proportion of respondents who agree that digital collaboration tools improve productivity, transparency, communication quality and morale

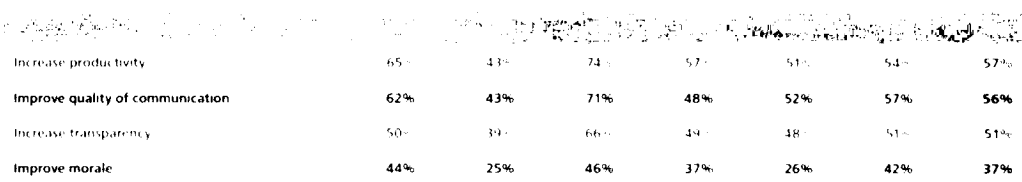
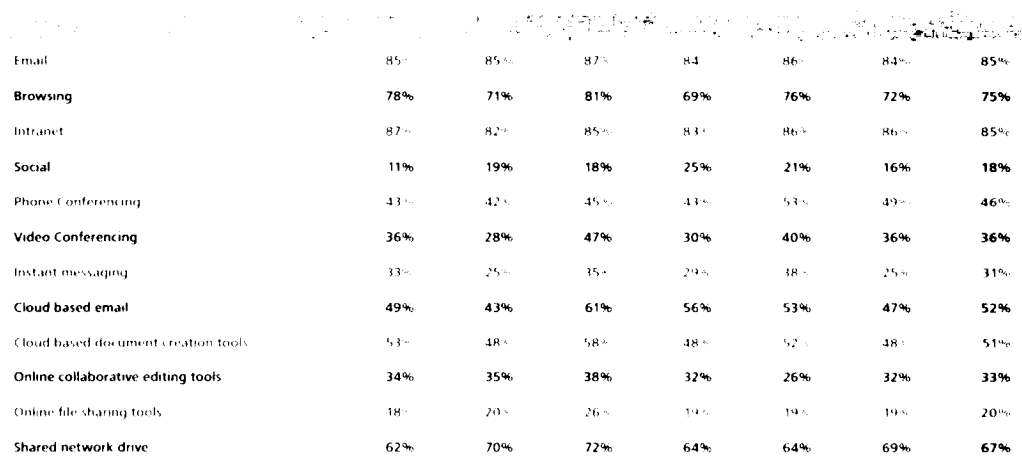


Figure 2: Proportion of respondents provided with the following digital collaboration tools



co-creation play an important role. We are not suggesting that organisations embark on wholesale, top to bottom programmes to redesign around them, merely that collaboration tools are moved from the box marked 'nice to have', to the one marked 'core applications'. Their value as an add-on is limited as their users must actively think about using them, rather than using them instinctively to speed up their work.

In our view, all large organisations should at least understand the options and have them available to use so that whenever business change programmes are underway, workflows and processes should be redesigned to incorporate them. As many of a third of workers are using them anyway so it may be prudent to support them in that usage, by enabling them to share their experiences as a legitimate and valuable evolution of working practice and culture.

Furthermore, the power of the pull should be recognised by managers. Now that IT is ubiquitous at home and in the workplace, employees have their own views about what the best tool is for a given task. Open-mindedness by managers is all that is needed in order to enable employees to experiment with new collaboration and productivity tools years before they reach the attention of the IT department. A free-for-all is unwise, but recognition that different people work in different ways is a pragmatic stance to take in the digital economy.

Finally, managers must be role models that help their employees adapt to the new working environment. Again, that means openness to change in their own practices, as much as those of the people they lead. It is fortunate then, that management teams are smaller

Figure 3. Comparison of use of digital collaboration tools in work and personal life

	UK		France		Germany		Italy		Spain		Netherlands		Sweden	
	Work	Personal	Work	Personal	Work	Personal	Work	Personal	Work	Personal	Work	Personal	Work	Personal
Email	85%	88%	85%	84%	87%	90%	84%	91%	86%	91%	84%	92%	85%	92%
Browsing	78%	89%	71%	84%	81%	90%	69%	87%	76%	92%	72%	93%	75%	89%
Intranet	87%	16%	82%	19%	85%	20%	83%	16%	86%	11%	86%	10%	65%	15%
Social	11%	54%	19%	53%	18%	71%	25%	77%	21%	70%	16%	67%	18%	65%
Phone Conferencing	43%	8%	42%	17%	45%	17%	43%	15%	53%	13%	49%	9%	46%	13%
Video Conferencing	36%	10%	28%	18%	47%	21%	30%	14%	40%	13%	46%	14%	36%	15%
Instant messaging	33%	46%	25%	40%	35%	60%	29%	43%	38%	44%	25%	42%	31%	46%
Cloud based email	49%	63%	43%	58%	61%	77%	56%	63%	53%	70%	47%	63%	52%	66%
Cloud based document creation tools	53%	32%	48%	31%	58%	45%	48%	26%	52%	33%	48%	28%	51%	32%
Online collaborative editing tools	34%	24%	35%	29%	38%	39%	32%	31%	26%	28%	32%	31%	33%	30%
Online file sharing tools	18%	32%	20%	37%	26%	44%	19%	40%	19%	42%	19%	45%	20%	40%
Shared network drive	62%	21%	70%	25%	72%	27%	64%	23%	64%	34%	69%	17%	67%	25%

Figure 4. Factors contributing to employee satisfaction

	UK	France	Germany	Italy	Spain	Netherlands	Sweden
Interesting work	75%	63%	61%	63%	72%	69%	67%
Your working relationship with colleagues	71%	62%	58%	66%	72%	68%	66%
Feeling valued	59%	63%	61%	63%	63%	76%	64%
Your working relationship with management	38%	47%	34%	28%	41%	48%	40%
Being part of a team	47%	36%	26%	42%	39%	49%	40%
Workplace culture	22%	41%	34%	36%	40%	44%	36%
The devices your organisation provides	26%	29%	24%	21%	23%	18%	24%
Ability to work remotely or from home	16%	16%	19%	18%	23%	20%	19%
The digital collaboration tools your organisations provide	7%	4%	9%	6%	6%	5%	6%

Figure 5. Reasons why European workers use collaboration tools not supplied by their employer

	UK	France	Germany	Italy	Spain	Netherlands	Sweden
The tool I wanted to use performs better than tools provided by my organisation with the same functionality	34%	41%	34%	16%	45%	46%	37%
The tool I wanted to use has a wider range of functionality than those provided by my organisation	30%	29%	40%	35%	26%	38%	34%
The tool I wanted to use is no better than the tools provided by my organisation, but I am used to it and it's my personal preference	19%	22%	20%	19%	27%	16%	21%

Figure 6. Factors contributing to employee satisfaction

	UK	France	Germany	Italy	Spain	Netherlands	Sweden
Low collaboration, low innovation	54%	62%	52%	54%	50%	65%	56%
Low collaboration, high innovation	21%	11%	12%	13%	20%	12%	15%
High collaboration, low innovation	16%	17%	23%	24%	18%	18%	19%
High collaboration, high innovation	10%	11%	13%	8%	12%	5%	10%

groups within businesses and they tend to be better equipped to use new hardware and software. They are an excellent group with which to begin the digital collaboration journey.

In these ways, by investing now in changes to the culture of businesses and the tools they use, leaders in Europe can create some practical foundations for future success

in the global economy. With sustainable growth seemingly returning to many European and international markets there is no time like the present.