



# Digitalization

## Optimizing the everyday lives of customers and employees

Private as well as public companies are currently undergoing extensive digitalization of services and systems and within a very short period of time, they have to implement and operate IT solutions, which are subsequently to be mastered by both customers and employees.

Basically, a digitalization process is labour intensive and requires changes of habits by employees and perhaps also by the end user - a process that can be uncomfortable and lengthy.

During such a process, we often tend to overestimate our own ability to adapt and handle new systems. We overlook human limitations such as how much mental energy it actually requires to change our habits and daily routines in accordance with the change of our working tools.

In such processes, it is an advantage to the nudge methods to facilitate the transition improving both learning and performance results.

Nudging and behavioural design is a way to measurably change human behaviour without using an injunction or punishment. It is about designing our environments and systems in ways so that they match human psychology and thereby make the right life decisions easy.

From a nudge and behavioural design perspective, digitalization processes can be executed on the basis of two strategies:

1. First by means of communication and intensive learning (in the form of e-learning, competency development/training of skills) to influence

# Facts about barriers

When working with behavioral changes, the development process begins by mapping the barriers already existing in surroundings and systems. We are referring to three different definitions of barriers:

## Psychological, Physical & Social

1. Facing the implementation of digital solutions, a typical barrier can be the psychological barrier, when employees/end-users experience a high degree of complexity trying to understand the steps needed and what the consequences of these steps are as well as the trouble related to these steps. This type of barrier can typically be overcome by visualizing processes towards employees and customers.
2. The second kind of barrier is the physical barrier. An example of this kind of barrier is when you change the hardware and/or the software in such a way that functions, which were often used earlier, now are hard to find – it then becomes a physical barrier.
3. The third barrier is the social barrier and is related to the way we are affected by the behavior of other people when we are going through change-management processes and have to change our habits. This could for example be the negative talk amongst employees during their lunch break of the digitalization process in the company, which quickly can spread as a common and mutual understanding that everybody is frustrated over this process. During a transformation and change process, this perception of the whole situation becomes a barrier.

employees to over time and through hard work to adapt daily routines to new digital techniques, services and products. This is fundamentally a resource-intensive process. However, it can be less intensive, if the teaching material is visual, intuitive and has visible objectives. Clearly defined objectives and clearly defined steps in order to visualize the change process for both employees and end-users on the journey of changes, they both go through. Using this strategic approach, the digitalization process is designed on the basis of the “needs” of the digital services. The human being, the employee as well as the end-user become secondary and the risk of human errors in the initial phase increases.

2. On the other and far more behavioural-efficient hand, a digitalization process can be based on existing routines and habits. In this case, the development and transition process begins by mapping the behaviour of employees and of end-users after which you identify psychological behavioural barriers in the existing environment and systems. This identification enables us to create, customize, and choose digital systems. Systems, which in the best possible way help employees and end-users to succeed in a busy day, despite the fact that the tools and media they have to use are changing.

Using this strategic approach #2, digitizing follows human habits. The human being is in focus and the digital systems are built around existing habits. This approach increases the likelihood that the transition to digital services and solutions are experienced as much more efficient and less effortful for everyone.

Based on the latter strategy and when you have selected and developed the digital solution, the implementation still has to be supported by competency development and training of skills, e-learning programmes, employee development and clear objectives and has to be integrated into the culture and organization. Further, knowledge must be shared so we help each other to be successful in the new digital world. Also, remember to celebrate successes along the way in the development and implementation phase.

This process - the strategy to be based on behavioural psychological, social or physical barriers - is scalable to other development areas in the organization, whether it comes to innovation, compliance & risk management or other areas. In addition, the leadership team of course has to support the transition and implementation process by putting action behind their words and ensuring that the organization has the power to execute.