

Digital Dexterity: The New Competitive Advantage in Modern Work Place

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Abstract:

Digital dexterity is a term that was first used and explained by Gartner as employees' desire and ability to embrace existing and emerging technologies for getting better business outcomes. It's a cultural change that helps both organizations and employees effectively pivot digital initiatives through understanding the real value of innovation.

In almost five years since its first mention, digital dexterity has become a key objective for organizations that leverage technology and accelerate transformation by rethinking operations, roles, and workplaces.

Key Words: AI, deep learning, digital dexterity, employee, innovation, training program

Introduction

Technology adoption will not happen without culture change simply switching to Zoom calls and creating a shared space in a cloud repository is not enough to make your team collaborate in a new way. To really put the puzzle together, executives, managers, and stakeholders should work to reflash their mindsets and get ready for a journey of a thousand miles they will walk hand-in-hand with the workers. Hybrid work is here to stay which means sooner or later companies will not only allow employees to choose the place to work from, but will need to create and maintain fair hybrid workplaces preserving diversity and equality of workers of different ages, beliefs, and occupations. This is only possible when everyone understands the value of innovation and is ready to be a part of it.

Qualities associated with Digital Dexterity

In practice, digital dexterity is a combination of technical and behavioral attributes that empower individuals and organizations to adapt and thrive in a rapidly evolving digital landscape. The key qualities include:

- **Adaptability:** The ability to embrace change and quickly adjust to new tools, workflows, and technologies.
- **Curiosity and continuous learning:** A mindset that values lifelong learning and seeks out opportunities to explore and understand emerging technologies.
- **Collaboration skills:** The capability to work effectively in hybrid or remote teams, leveraging digital tools to foster seamless communication and teamwork.
- **Digital fluency:** Proficiency in using digital platforms and understanding how various technologies interconnect to support business goals.
- **Proactivity and innovation:** A willingness to experiment with new ideas, suggest process improvements, and leverage technology to solve challenges creatively.
- **Empathy and inclusivity:** Recognizing diverse perspectives and creating a digitally inclusive environment that supports individuals of all skill levels and backgrounds.
- **Resilience:** The ability to maintain productivity and focus amidst digital disruptions or rapid transformations.

Cultivating these qualities not only helps individuals excel in the modern workplace but also drives organizational success by fostering a culture that is ready to embrace and benefit from digital transformation.

Now, after we've been into COVID, and witnessed the rise of virtual currencies and conversational AI, nobody seems to question the inevitability of digital initiatives. By 2022, 40% of employees reported improving their digital skills and 85% expressed a strong determination to learn even more. With 2 out of 3 workers reporting they are learning too slowly and 64% complaining about having not enough technology assets at their workplaces, employers should come together around the creation of conceptually new digital-first environments.

Reasons for lack of Digital Dexterity

Despite the growing importance of digital dexterity, many organizations struggle to embed it into their culture and operations. Several factors contribute to this challenge:

- **Resistance to change**

Employees and even leadership may resist adopting new technologies or workflows due to fear of the unknown or skepticism about their value.

- **Lack of visionary leadership**

Without clear guidance and support from leaders, organizations may struggle to align digital initiatives with their overarching goals.

- **Insufficient training resources**

Many organizations fail to provide employees with the necessary tools, training, or mentorship to develop digital skills and confidence.

- **Outdated infrastructure**

Legacy systems and processes can hinder the adoption of modern technologies and create friction for employees trying to work efficiently.

- **Misaligned technology and workflows**

When digital tools don't integrate seamlessly into existing workflows, they can lead to frustration and reduced productivity instead of fostering innovation.

- **Cultural barriers**

A rigid or hierarchical organizational culture may discourage collaboration, experimentation, or employee input, all of which are vital for digital dexterity.

Addressing these barriers requires a deliberate approach to building a digital-first culture, investing in employee development, and ensuring that technology enables—not obstructs—business goals.

Digital dexterity unlocks **significant advantages** for both individuals and organizations, equipping them to excel in today's fast-moving, technology-driven landscape.

Enhanced productivity: Employees equipped with the skills and mindset to use digital tools effectively can complete tasks faster and with greater accuracy.

Faster innovation: Organizations with digitally dexterous teams can quickly identify and implement new technologies, staying ahead of industry trends and competitors.

Improved collaboration: Seamless use of digital platforms fosters better communication and teamwork across hybrid and remote environments.

Increased agility: Digital dexterity empowers organizations to adapt to market shifts, adopt new business models, and respond to challenges with resilience.

Stronger employee engagement: Providing the right tools and training to develop digital skills boosts morale, motivation, and retention.

Cost savings: Streamlined workflows, automation, and data-driven decision-making reduce operational inefficiencies and drive cost-effectiveness.

Building digital dexterity helps organizations innovate, work more efficiently, and equip their teams to thrive in today's dynamic digital landscape.

COMPONENTS OF DIGITAL DEXTERITY

An Innovation-Ready Environment

- Supporting CIOs in their desire to build data-centric organizations
- Establishing human-centric security practices
- Investing in custom tools for remote collaboration

An Agile Digital-First Corporate Culture

- Helping employees overcome digital friction
- Explaining the value of upskilling
- Embedding mentorship and mental support in corporate culture
- Investing in soft skills training

Grounding on the combination of a tech-empowered ecosystem and a conscious passion to implementing digital initiatives, companies become prepared for the enablement of dexterous workplaces and have significantly more chances to succeed in digital transformation. Moving on to the ways of achieving digital dexterity at modern workspaces brings us to the concept of the digital workplace, a virtualized tech-enabled office space that provides distributed teams with tools and workflows for effective collaboration.

On a high level, a digital workplace is a set of components responsible for keeping hybrid teams operational—from the infrastructure and storage to communication assets and management tools. Although there is no one-size-fits-all digital workplace transformation solution, they are all built on four essential pillars.

A Digital-First Infrastructure

- Ensuring employee mobility with a set of interconnected devices and technologies that allow accessing workstations remotely.
- Cloud enablement provides robust opportunities for hybrid teams' day-to-day operations and helps organizations scale when teams grow or business landscape changes.
- Reinvented security practices that help companies address migration to virtual spaces, handle the growing process complexity, and avoid reputational losses.

Remote Collaboration Assets

- A shared cloud-based storage to make corporate data easily accessible in real-time.
- Intuitive workplace navigation, corporate knowledge base, and interactive assets for employee training and on boarding.
- Extensive use of audio and video communication tools to help distributed teams overcome barriers and restore the sense of presence.

Productivity Enablers

- An integrated toolset for project and task management that helps line managers understand workforce capacity and manage workload.
- A tailored suite of applications for document processing, product presentations, accounting, analytics, and more.
- Intelligent automation of routine work activities as a way to increase employees' operational efficiency and unleash time for research and development.

Assets for Business Growth

- Custom dashboards that provide executives with consolidated real-time view of key processes, allowing them to easily measure results within a specific department.
- Integrating analytics tools to help businesses make data-driven decisions, scale, and evaluate the impact of their digital efforts.
- Leveraging crowd sourcing tools to collect and validate employees' insights on process improvements, use them to create worker-centric experiences and grow.

These are just the examples of essential functionality companies should consider implementing to become digitally dexterous. In reality, the list is far more diverse and can be tailored based on your teams' preferences, workflows, and transformation challenges.

Simply put, digital dexterity is the motivation and ability to use digital tools to drive business success. While some people are naturally drawn to new technology, this is a skill anyone can develop over time. It's about being comfortable with the evolving digital systems that shape how we work, think, and solve problems every day.

Gartner has a great way of looking at it, defining digital dexterity as a learned skill that supports collaboration, adaptability, analytical thinking, and creativity. Think back to the Excel and Power BI example, organizations with digital dexterity actively use both established and new technologies to get better results.

The Two Sides of Digital Dexterity

At its heart, digital dexterity has two main components- Ambition and Ability.

- Ambition is all about a person's willingness to innovate. It's that desire to experiment with new tools, take a few risks, and learn from what doesn't work. These are the people who see a challenge as an opportunity and who look for creative ways to use new tech.
- Ability is fueled by confidence. It's the belief you have in yourself to tackle new tasks and tech-related problems. This includes the following
 - **Self-Efficacy**- This is the feeling of knowing a task so well you could do it with your eyes closed. This confidence, built through practice, is what makes employees feel engaged and ready to adapt.
 - **Technology Efficacy**- This is the skill of using digital tools to their full potential to get great results. This proficiency doesn't happen in a few weeks, it takes the right training and a supportive culture.

Being digitally proficient is about building the skills and confidence to use your expertise in a way that helps your company succeed.

More Important than Ever

The pandemic had forced companies to make tough choices, like shifting to remote work and cutting costs. While many areas saw budget cuts, investment in digital technology grew significantly. In this new scenario, and with the rise of AI, companies are focusing on whether their tech investments are actually delivering a return. Digital dexterity is the

solution. As businesses increasingly automate routine tasks, employees are expected to be more adaptable and tech-savvy. This is where digital dexterity becomes a necessity. IT departments are the tech experts who can help choose and integrate the right tools. Meanwhile, HR and L&D are the people experts who know how to create personalized training that keeps employees motivated and engaged. IT can provide the technical know-how while HR and L&D build the programs that create a culture of digital learning by working together. This collaboration made sure employees get the skills they need and the mindset to keep growing.

The Roadblocks to Digital Dexterity

1. **Rapid Technological Change-** It can feel like you've just mastered one tool when another one appears. The constant change can be overwhelming.
2. **Lack of Training-** Without proper resources, employees can get frustrated and struggle to learn new systems on their own.
3. **No Support from Leaders-** When leaders don't prioritize digital initiatives, it sends a message that these skills aren't important.
4. **Cultural Resistance-** When a company culture discourages trying new things, employees will stick with what's familiar, even if it's less efficient.
5. **Generational Gaps-** Different generations have different comfort levels with technology, creating a divide that needs tailored solutions.
6. **Siloed Information-** When knowledge is kept within separate departments, employees miss out on collaboration and key insights.
7. **Information Overload-** Being flooded with too much data makes it hard for employees to make quick, smart decisions.
8. **Fear of Failure-** When employees are afraid to make mistakes, they won't try new tools. A culture that celebrates learning is key.
9. **Time Constraints-** Even when employees want to learn, their busy schedules can make it impossible to find the time.
10. **Unclear Objectives-** If the goal isn't clear, all the training in the world can feel disconnected and ineffective.

Bridging the Gap between Generations

It's easy to see why generations might have different levels of digital dexterity.

Generation X (1965-1980) were early adopters who value practical tools that boost efficiency.

Millennials (1981-1996) are tech-savvy and comfortable with seamless tools across different devices.

Generation Z (1997-2012) are digital natives who expect instant access and thrive on immersive experiences.

Instead of a one-size-fits-all approach, you can use these differences to your advantage. For example, pairing a tech-savvy Gen Z employee with an experienced Gen X mentor can create a powerful dynamic where both learn from each other.

The 8-Step Plan to a Digital Dexterity Training Program

1. **Assess Your Current State-** Find out how comfortable your employees are with technology now. This will show you where your biggest opportunities for growth are.
2. **Define Key Skills-** Based on your assessment, list the essential digital skills your organization needs, such as data literacy and cybersecurity awareness.
3. **Get Leaders on Board-** Show your leadership team how digital dexterity can lead to better efficiency and innovation. Their support is crucial.
4. **Remove Digital Friction-** Identify and eliminate the little roadblocks that slow your employees down. Tools like a Digital Adoption Platform (DAP) can provide real-time guidance to make using new software seamless.
5. **Create Smart Training Modules-** Forget long, boring courses. Use methods like microlearning (short, easy-to-digest lessons), spaced repetition (revisiting key concepts over time), and gamification (adding points and badges) to make training engaging.
6. **Provide Continuous Support-** Remember, this is a journey. Set up regular check-ins, mentorship programs, and feedback loops to support your team as they learn.
7. **Measure and Celebrate-** Track your progress and celebrate successes along the way. This could be through recognition or rewards, which show employees their efforts are valued.
8. **Encourage Lifelong Learning-** The goal isn't to just learn one new tool. Encourage your team to see a new technology as a chance to grow.

Technology is synonymous with change. From the industrial revolution to the digital age, each technological advancement has reshaped the way we work, live, and interact. Today, we stand on the precipice of a new era, driven by artificial intelligence (AI) and digital transformation. Establishments that fail to adapt to these changes risk obsolescence, while those that embrace digital dexterity—the ability to adapt, adopt, and use technology for better outcomes—position themselves for sustained success. Digital dexterity is defined as the ambition and capacity to use technology for better business outcomes.

Statistics underscore the importance of digital transformation for organizations. According to a 2023 Gartner report, 91% of businesses are involved in some form of digital initiative, and 87% of senior business leaders say digitalization is a company priority. Moreover, McKinsey & Company found that companies integrating digital capabilities are 23% more profitable than their less-digitized peers. Furthermore, organizations with high digital dexterity report a 37% higher employee productivity and a 30% increase in employee satisfaction.

Conclusion

Digital capabilities are essential for modern businesses. The incorporation of advanced digital platforms and platforms can streamline operations, enhance decision-making, and foster

innovation. Organizations that prioritize digital transformation are better equipped to respond to market changes, optimize processes, and deliver superior customer experiences. For example, predictive maintenance powered by AI can foresee equipment failures before they happen, reducing downtime and maintenance costs significantly. Additionally, AI-driven analytics help optimize drilling operations, leading to more efficient resource extraction and better decision-making. Digital dexterity has risen to become one of the most critical facets of a business. Getting it right can turn a sluggish, old-fashioned team into a digital powerhouse that can adapt to anything. Getting it wrong can mean the death of the company—it's just that serious. The ultimate goal for your organization should be to have digital dexterity ingrained in the company culture. From top leadership to entry-level employees and interns, it should be fully integrated, assumed, and expected.

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