



Swiss Human Relations Barometer Autumn Newsletter 2021

Understanding technical and organisational change better

Many factors determine how people experience the world of work. Technical and organisational changes have consistently been important factors. This year's Autumn newsletter from the Swiss HR Barometer provides an in-depth understanding of the opportunities and risks presented by digitalisation from the perspective of employees, as well as taking a closer look at the ongoing changes in career paths that organisations allow and employees wish for.

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Foreword

The 2020 edition of the Swiss HR Barometer focused on digitalisation. One of the findings was that employees whose work is more heavily affected by digitalisation are less satisfied. We take a closer look at this finding in the first article of the newsletter, as well as identifying specific opportunities and risks associated with digitalisation from the perspective of employees. Efficiency and flexibility are important opportunities, which are at odds with the perception of growing surveillance and less data protection as risks. The possibility of becoming superfluous as a result of technology was also viewed as a risk, albeit only by a small proportion of those surveyed.

The second article of the newsletter concerns the importance of career planning. For a long time now, careers have not involved fixed career stages planned by the company in advance. Employees would like more flexible career paths and companies are providing career advice more than career management. Swiss HR Barometer data over a period of eight years show that when

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companies provide greater support for individual career planning, this is associated with lower turnover intention and higher job satisfaction. Openness and guidance together provide employees with the support they need to take their career into their own hands when faced with constantly changing possibilities and limits.

The Swiss HR Barometer is a joint project run by ETH Zurich and the universities of Lucerne and Zurich. The project is funded by the Swiss National Science Foundation and has been gathering information since 2006 on how workers in Switzerland experience their work situation. A representative, differentiated survey of workers in Switzerland conducted at regular intervals is used to establish basic organisational/psychological principles for a compassionate human resources policy. We are pleased that we have been able to make a further contribution to this with this newsletter.

Gudela Grote & Bruno Staffelbach, editors

Opportunities and risks presented by digitalisation – the views of employees in Switzerland

Digitalisation is advancing further and further into all kinds of different areas of work, and in doing so it is increasingly affecting employees as well. This global trend has become even stronger as a result of the coronavirus pandemic (Müller, Lalive and Lavanchy, 2020). Companies in Switzerland are investing more than ever before in technology and innovation as digitalisation progresses, which is rapidly changing the world of work. Managers are increasingly managing their employees from a distance and using the big data available to their company when making decisions (Thiemann et al., 2019). Some of the consequences of this technical progress for the day-to-day life of employees are far-reaching.

The 2020 edition of the Swiss HR Barometer addressed this in the main article, which focused on the perception of digitalisation in the workplace. Digitalisation can be defined as the transformation of analogue content and processes into a digital form or way of working (Demary et al., 2016). The core elements in this respect are the increasingly close link between the physical and virtual worlds, as well as the interconnectedness of people, machines, objects, systems and business processes. In a work setting, this means a realignment of business processes and a move away from traditional

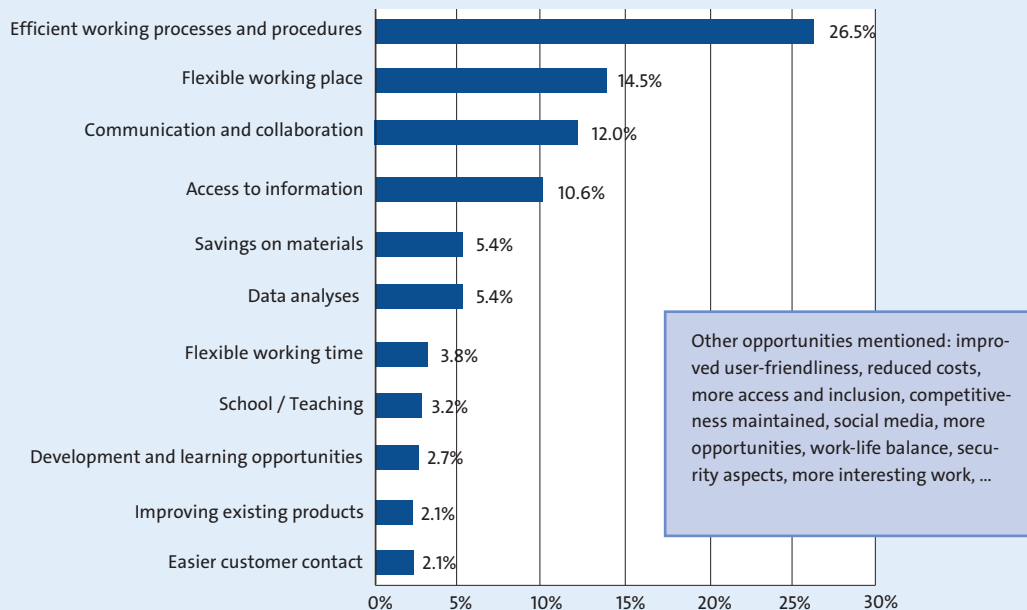
working. The following article expands on the findings of the 2020 edition of the HR Barometer, taking a more in-depth look at the opportunities and risks that employees in Switzerland perceive in relation to digitalisation. Almost 2,000 people took part in the survey for the Swiss HR Barometer. Using an open response format, they were asked what opportunities and risks they see coming in the near future for their career as a result of digitalisation. The responses were categorised as part of a qualitative analysis and are presented below.

Opportunities presented by digitalisation

The HR Barometer 2020 found that most employees in Switzerland (82%) see digitalisation either more or entirely as an opportunity. The 1,054 individual responses concerning the opportunities perceived in relation to digitalisation – which were included in the analysis and categorised – allow a more detailed look at how the employees see it as an opportunity. Figure 1 shows the aspects categorised in descending order as a percentage of how frequently they are named by respondents.

The opportunity perceived most frequently (26.5%) was more efficient processes and procedures, which can be simplified and optimised thanks to digitalisation. Flexible working is becoming increasingly possible, with the option to telework or work from home (14.5%) and the associated benefit of less travel being necessary. This was also viewed as an opportunity. Also mentioned were digital communication and collaboration (12.0%), faster and easier access to the latest information from anywhere and at any time (10.6%), and savings on material as a result of having a paperless office and resources available online (5.4%). Other opportunities perceived by participants included the different ways that the data available can be used. Data analyses and as part of controlling (5.4%); more flexible working hours and more freedom in dividing up your own work (3.8%); in creating new and improving existing products and services (2.1%).

Teachers view the main advantages of digitalisation as being able to provide material online and conduct distance learning, as well as expand e-learning options (3.2%). New professional development and learning opportunities in order to acquire new knowledge and skills are other ways in which employees see digital progress as having a positive impact on their career in the future (2.7%). Other advantages mentioned were the possibility of closer contact with customers and increasing the focus on the individual customer, making it easier to cater to their needs. Thanks to social media, the company's reach is increasing and recruiting customers is becoming easier (2.1%).

Figure 1**Illustration of the opportunities that employees think digitalisation will present for their career in the near future (Data from the Swiss HR Barometer 2020)****Risks presented by digitalisation**

851 individual responses were categorised concerning the risks perceived in relation to digitalisation. These risks are shown in Figure 3 in descending order as a percentage of how frequently they are named by respondents.

The employees view the area of data security and protecting their privacy as the greatest risk. Specifically, they fear surveillance by their employer or the State (13.2%); hacking, theft of data and data misuse (13.9%); and breach of privacy (6.8%); as well as having concerns about other, more general aspects of data protection, for example the collection, storage and use of data (7.1%). Respondents were also concerned about the possibility of losing their job as a result of their skills becoming superfluous and being replaced by a machine (7.6%). The

loss of direct contact with work colleagues or customers and the lack of direct ways to communicate were likewise seen as negatives (6.8%). In addition, reliance on computers and the internet (8.1%), as well as on electricity (1.4%), represent a disadvantage of digitalisation in the eyes of participants. With more flexibility in terms of when and where employees do their work, including in the context of working from home, there is also a risk that the clear division between work and leisure time will be lost. One of the reasons for this is the expectation that the employee can be contacted at any time (6.5%).

Not only does the rapid speed at which digital technology is developing provide numerous learning opportunities, it also means that new skills are becoming necessary all the time and need to be learnt. Employees worry that it is happening so quickly that they will be

Figure 2**Examples of responses concerning opportunities perceived in relation to digitalisation**

When you think about what the near future holds for your career, what opportunities do you think that digitalisation will present?

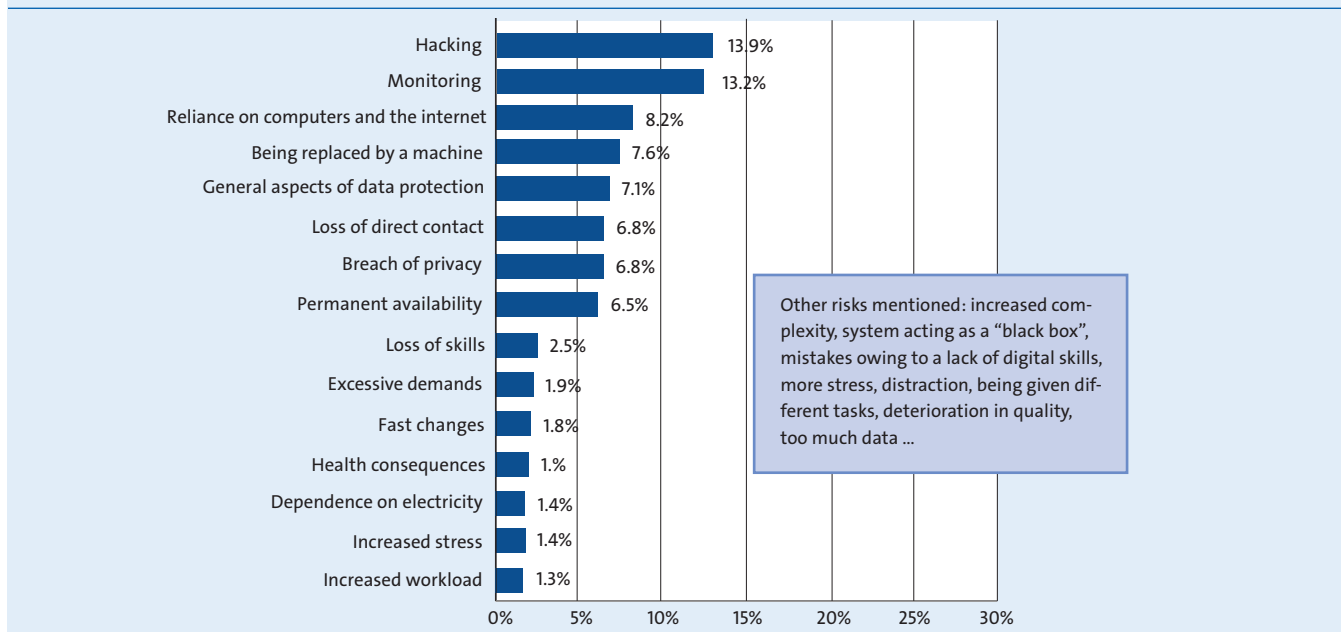
«Annoying routine work can be replaced. More analytical data can be collected to aid the decision-making process. If everything in the office were to be fully digitalised, you would keep adding to your records and no data would be lost.»

«The advantages of virtual meetings are that they reduce travel times (thereby increasing productivity) and are more compatible with environmental/climate change objectives (as a result of fewer car journeys being made). Working from home increases productivity and reduces distractions. This is another way that time can be saved.»

«Improvement in my skills, digital platforms and training opportunities (...). Carrying as little material as possible around with me, i.e. having as much as possible in digital format.»

Figure 3

Illustration of the risks that employees think digitalisation will present for their career in the near future (Data from the Swiss HR Barometer 2020)



unable to keep up (1.8%). Without appropriate support, they see a risk of being overworked by their employer (1.9%). At the same time, their existing skills (for example handwriting and craft skills) are no longer needed and are increasingly being lost (2.5%).

Negative consequences for health are also perceived as a potential risk associated with digitalisation, for example as a result of sitting down for too long and spending too much time in front of a screen, as well as through increased stress (1.6%).

Even if efficiency can be improved as a result of the advance of digitalisation, some employees feel that their workload has increased (1.4%). Despite the automation and simplification of some processes, employees also felt that their work was more timeconsuming at times. Additional documentation obligations were one reason for this. Other potential risks associated with digitalisation that were expressed included more distractions, increased complexity, less room for creativity and lower-quality work.

As well as the opportunities and risks listed above, it is evident from the responses that there are differences between the individuals questioned in terms of how they see the topic as being relevant to them personally. Employees feel that digitalisation in Switzerland has not progressed at the same pace in every sector and will therefore affect the careers of some employees more than others in the near future.

Confirmation of previous findings from the HR Barometer data

As part of this article, a representative group of employees in Switzerland were asked about the opportunities and challenges that they believe digitalisation will present. It is the first time that this has been done. It appears that these perspectives coincide with the findings of other analyses in many respects. For example, in a report published in November 2017 on the impact of digitalisation on employment and working conditions, the State Secretariat for Economic Affairs (SECO) named

Figure 4

Examples of responses concerning risks perceived in relation to digitalisation

When you think about what the near future holds for your career, what risks do you think that digitalisation will present?

«Potential surveillance of employees and an increased workrate as a result of digitalisation.»

«Working with programs and equipment that represent a 'black box'. External attacks on company data, with a particular example being in the area of sensitive data relating to product development and market strategies. Spying on personal data and misuse (identity theft).»

Figure 5**Examples of responses from various industries**

«As a maintenance technician in the oil industry, I have no chance.»

«Digitalisation is not a major issue in my line of work.»

«[...] does not affect me much – I am a flight attendant.»

«I have been a lorry driver for 36 years. My sat nav is in my head! If my work equipment (i.e. my lorry) goes digital, that will be it.»

data security, the fact that employees can be contacted at any time and changes in the skills required as just some of the key challenges. Even after a number of years, it seems that there is still room for improvement in these areas and that the perception of employees coincides with that of the SECO. Furthermore, a recent survey conducted by gfs-Zürich (2020) showed that a quarter of Swiss SMEs had already been affected by cyber attacks and that the number of attacks is rising. It is precisely work done from home that is providing potential attackers with new opportunities. The risks perceived by employees therefore seem to be justified and, conversely, the real risks are appearing in the perception of employees. Companies have already identified these looming challenges and are taking measures to protect against attacks from hackers (gfs-Zürich, 2020). A (global) analysis by LinkedIn Learning from 2020 also confirmed the perception of employees that numerous new skills need to be learnt in order to keep pace with digitalisation and remain attractive for the labour market. The half-life of these skills is becoming shorter and shorter.

Summary

On the whole, the responses from the workforce in Switzerland concerning the opportunities and risks presented by digitalisation reflect the findings of existing studies. The opportunities and risks perceived are diverse. It is the job of HR management to prepare employees accordingly for the changes in relation to digitalisation and support them as it advances. For example, there is an increasing need for training and professional development in areas such as communication and collaboration, as well as in the practical use of new tools. Companies should also carefully address other concerns that employees have, as it has been shown that employees can read a situation well and thereby provide companies with valuable insights where further action is necessary so that the opportunities presented by advancing digitalisation can be exploited as much as possible.

Lena Schneider

Source:

- Demary, V., Engels, B., Röhl, K. H. & Rusche, C. (2016). Digitalisierung und Mittelstand: Eine Metastudie (No. 109). IW-Analysen.
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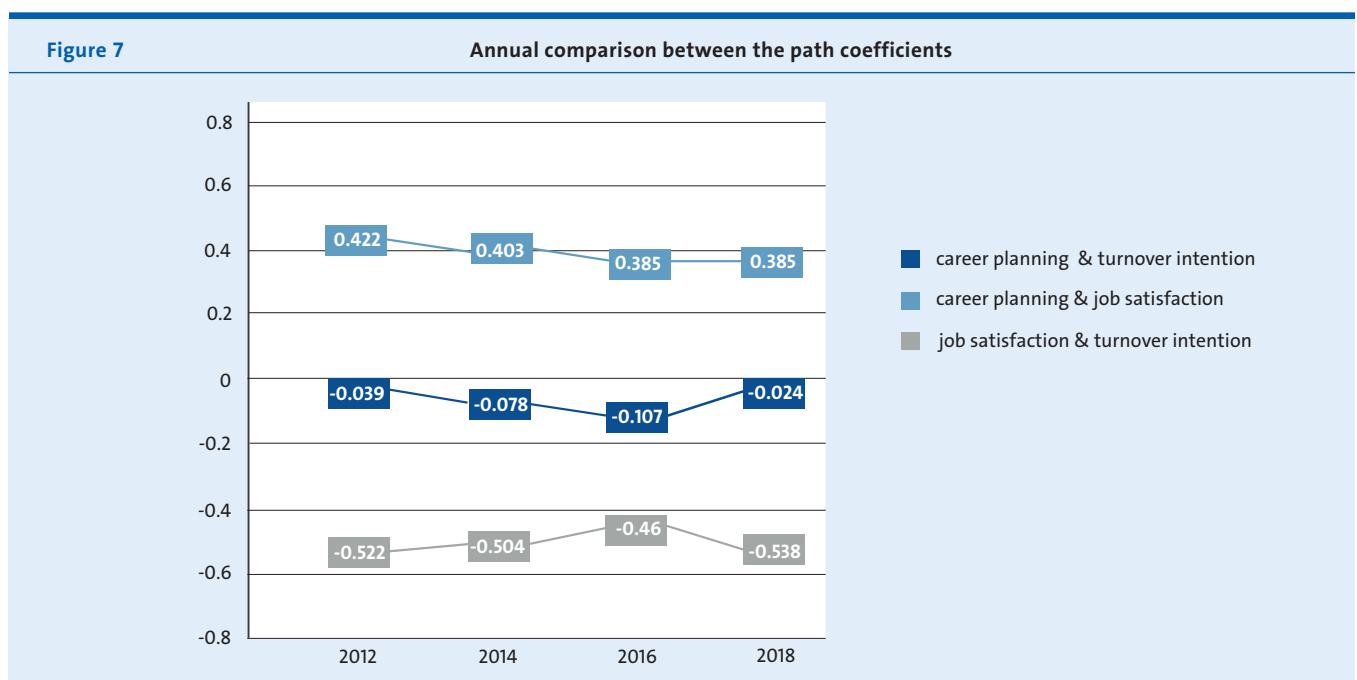
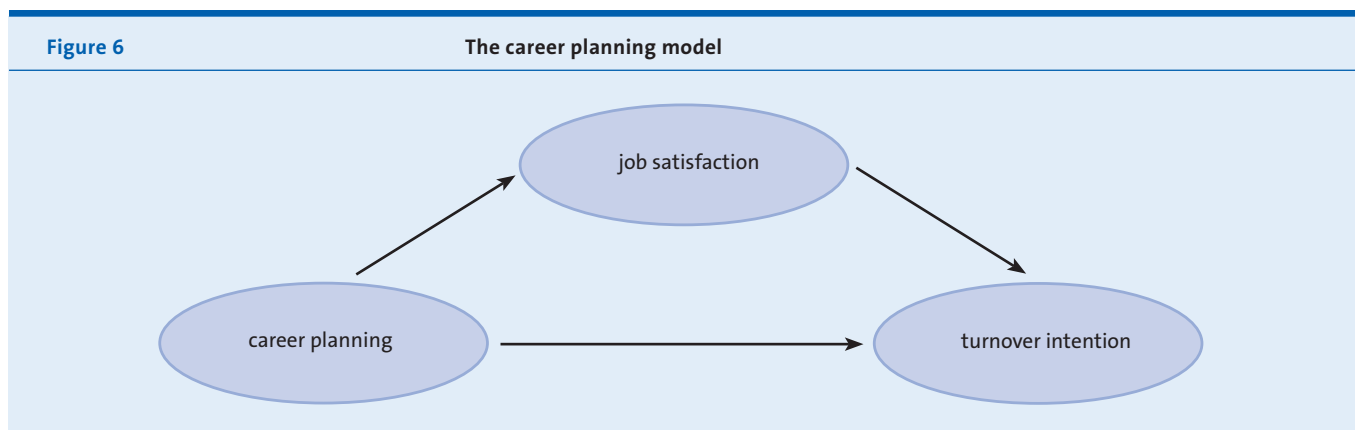
Are paradigms changing? The importance of career planning compared with previous years

Guest article by Janna Ehrlich based on the publication: Ehrlich, J. (2021). *Stetiger Wandel oder anhaltende Bedeutung - Wie beeinflusst die Laufbahnplanung die Kündigungsabsicht?* *Wirtschaftspsychologie*, 22(4/1).

Are career paths changing? The relevance of career planning for employees and companies has been discussed for almost 30 years. According to Arthur and Rousseau's «boundaryless career» (1996), employees are switching more and more flexibly between different career paths and employers, thereby taking responsibility for their own internal and external career paths. This idea signals a transformation, since individual responsibility among employees is increasingly coming to the

fore, marking a departure from the traditional career paradigm. This calls into question the traditional career paradigm, according to which responsibility for career planning lies with the company (Barmettler, Gubler and Ziltener, 2015).

Swiss Human Relations Barometer data sets from 2012, 2014, 2016 and 2018 were compared in order to examine the extent to which the effect of career planning on the turnover intention of employees has changed. The underlying model takes the relationship between career planning on the one hand and job satisfaction and the turnover intention of employees on the other, and investigates whether the effect has changed or remained stable over the selected period (see Figure 6). Career planning was measured from the perspective of the company with three items, for example: «My superior plans my career development with me at regular intervals».



The model was initially tested using a structural equation model and met the quality criteria to be tested in all four years (Hair et al., 2017; Hair, Risher, Sarstedt and Ringle, 2019). This means that it is valid not just for one of the survey years, but for all four. When analysing the path coefficients, it is evident that career planning has a strong effect on job satisfaction for all survey years. The same goes for the effect of job satisfaction on turnover intention. However, the direct effect of career planning on turnover intention is weak and only significant for two survey years (2014 and 2016), for which a complete mediation of this connection through job satisfaction can be assumed.

Besides testing the model, the objective of this study was to see whether the strength of the effect of career planning on job satisfaction and turnover intention has changed or remained stable over the years. For this, the data were tested for measurement model invariance in order to then be able to conduct a multi-group analysis for the comparison of path coefficients in the different survey years (Henseler, Ringle and Sarstedt, 2016). The path coefficients range between -1 and 1. Figure 7 shows an annual comparison between the path coefficients. It can clearly be seen here that the fluctuations between the years are only minimal. Solely for two comparison points of the effect of career planning and job satisfaction on turnover intention (2016-2018 in each case) were there significant deviations. Both the model itself and the path coefficients can be considered to be stable over the six-year period. It is therefore to be assumed that no paradigm change took place in this period. For this reason, the model can be regarded as both valid and stable.

The study shows that career planning plays a crucial role in job satisfaction and thereby in reducing the turnover intention of employees. Career planning is seen mainly from the employer's perspective here. Going forward, it will be vital to bring it into line with the career planning of individual employees. In practice, supporting employees is becoming increasingly relevant from both perspectives, for example through career development measures such as coaching. This way, the career expectations of employees can be identified at an early stage and taken into account in the company's career planning.

The knowledge gained from this study is in the sound and representative findings which, as a result of the repetition, are less prone to coincidences. Using this broad knowledge base, the model can now, for example, be expanded to cover the perspective of employees or be studied for certain groups in a targeted manner.

Source:

- Arthur, M. B. & Rousseau, D. M. (1996). *The boundaryless career: a new employment principle for a new organizational era*. New York: Oxford University Press.
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News

- In April 2021, Laura Schärer successfully defended her dissertation. Laura is leaving the Swiss HR Barometer team in September 2021 to move to the private sector. We wish her all the best in her new job.
- The Centre for Human Resource Management's networking evening was held in May 2021. Dr. Anja Feierabend reported on the topic «Digitalisation and generations – results of the Swiss HR Barometer 2020». Matthias Mölleny, owner of the consultancy firm peopleXpert GmbH, discussed the results from a practical perspective.
- On 9 August 2021, Julian Pfrombeck successfully defended his dissertation. His SNF Postdoc.Mobility stipendium in New York begins in October 2021. We wish Julian the best of luck with his research projects and look forward to working with him further.
- Delia Meyer (PhD student at the Centre for Human Resource Management at the University of Lucerne) and Lena Schneider (PhD student at ETH Zurich - Chair of Work and Organisational Psychology) joined the Swiss HR Barometer team in July 2021. We look forward to working with them.

Imprint

The newsletter of the Swiss Human Resources Barometer is published every six months in 2021. It provides information on current research projects based on the data of the HR Barometer. You can subscribe to the newsletter free of charge or download it from the website www.hrbarometer.ch.

Authors: Lena Schneider, Chair of Work and Organizational Psychology, ETH Zurich; Janna Ehrlich, Center for Human Resource Management, Technische Universität Hamburg;

Editor: Dr. Anja Feierabend, Centre for Human Resource Management, University of Lucerne

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