

TECHNOLOGY

# Why Do Your Employees Resist New Tech?

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While the use and application of technology has become near ubiquitous around the world, the actual adoption of new and emerging technologies across most organizations continues to be less than optimal. Due to several barriers, tech adoption at an organizational level is often slow or even nonexistent. This keeps old legacy systems alive and hinders an organization from achieving its full potential efficiently. This lag in adoption has long been a concern for companies but now, amid a pandemic, it's a crisis.

As businesses have been compelled to re-evaluate their business models either in part or in whole, many have adopted technology to counter difficult market conditions — making externally facing changes, such as revamping their online presence to stem slumps in revenue, or internal ones, such as automating payroll functions or using an enterprise-wide tool to keep tab of workflows to enable their teams to work effectively and productively from home.

This process of rapid transformation is being aided by technology companies, whose business models often start with getting their products into the hands of as many users as possible. Most technology innovators believe in the

“democratization of technology” — making technology platforms available for free or only a nominal fee — and letting user adoption play a major role in how those products and innovations are developed. For example, with the sudden need for more online education tools, the plethora of products that Google alone offers has allowed for quick adoption and adaptation among schools and institutes and will surely inform the company’s product roadmap.

Despite this flurry of activity, we still find that technology adoption is often too slow and the lasting effects are unclear. Why is true tech adoption so difficult to achieve?

While the coronavirus has changed a lot about business, research that preceded the virus can help shed some light on this question: Published last fall and based on interviews with 750 executives across Australia, China, Hong Kong, New Zealand, Singapore, United Kingdom, the United States, and India, a survey from the Economist Intelligence Unit identified challenges including: employee skills, lack of senior management awareness, lack of remote working opportunities, organizational culture, issues of complexity, cost and risk, and inadequate infrastructure. Plus, older,

larger companies are often constrained by the presence of legacy systems and legacy approaches to innovation and problem-solving.

Costs, complexity, and skills are all valid barriers, of course, but without the right organizational culture supporting technology — especially in the age of a pandemic — investments in training or specific tools could wither on the vine. That's why we see organizational culture as area of particular focus for companies looking to adapt to new technologies in coming months.

Based on our experience working on these issues, we see five key levers to help business leaders create a culture that will help drive better, more effective tech adoption.

**Incentivize technology use.** Building such a culture requires different types of approaches across industries, but a time-tested strategy is to incentivize technology use.

Monetary benefits or fresh solutions to hard problems can usher in behavioral changes when managed properly. The same way periodic appraisals determine staff competence, the ambit of employee reviews can be widened to include technology adoption scores. For example, office teams and

teachers in several countries are already using gamification apps such as Kahoot to appraise or evaluate staff and students.

The vast majority of people readily embrace technology in their personal lives — whether in the form of smart phones, smart watches, or apps that are used for personal finance to personal fitness (and everything in between). They make life simpler, more convenient, and more efficient. Apart from generating much needed statistics, a lot of these technologies actually save time and analyze patterns in our day-to-day lives. This suggests that people simply need the right incentives from their workplaces or from governments, should they be employed in the public sector.

**Invest in the infrastructure.** If the use of technology is going to be cumbersome, its uptake is going to be disappointing too. Another requisite for creating a culture of technology adoption lies in making the infrastructure around it — including IT networks and systems, software, processes, and practices — supportive and user friendly. Without both investment and a thoughtful execution plan for new technologies, it is difficult to convince employees of the benefits of adopting new technologies. While this can be

a hard sell from a budget perspective, having a point of view on the opportunity cost the business faces from cumbersome, outdated technologies offered without the right support systems may help make the case.

**Make reskilling and learning part of the plan.** On similar lines, education and reskilling go a long way in enabling the right kind of culture. It's telling that one McKinsey global study found that 87% of executives were either already experiencing or expecting skill gaps in their workforce within the next couple of years. But rather than thrusting new technologies upon employees, organizations should provide them with the right training and support to better use and adopt those tools. This can look very different depending on your industry, but a good question to start with is the relevance of the individual in the evolving nature of work.

**Don't make it piecemeal.** Organizations must have a long-term strategy toward the creation of a culture that encourages and embraces technology adoption. A piecemeal approach to tech adoption and implementation may feel like

short-term progress, but will not lead to the creation of a digitally-focused mindset, and it will not result in a clean departure from legacy systems or attitudes.

**Understand how governments and policy are involved.** Governments also play a role in fostering and encouraging a culture of tech adoption. The right kind of culture often percolates from the highest authority creating a conducive environment for technology to thrive. They lay the legal groundwork and build the ecosystems that attract tech entrepreneurs, who in turn, drive innovation. Be it Silicon Valley or Singapore, public policy has a role to play in getting the ball rolling on new technologies and ways to create stronger research and knowledge sharing.

With heightened concerns over data flows across borders, governments will have to work closely with private players to ensure that both sovereign and economic interests are safeguarded. And some small and medium enterprises (SMEs) are being incentivized by their governments to digitalize faster. A prime example is Singapore, where the government is incentivizing SMEs to go digital — this is

part of the stimulus packages announced by the government to support businesses combat the economic impacts of Covid-19.

Technology has the potential to build positive culture and purpose. It will, without doubt, further organizational potential. But technology, culture, and purpose will need to become better integrated if we want to build enduring and sustainable organizations and societies of the future.

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