IN FOCUS

Optimizing the Employee Experience

OVERVIEW

The employee experience is a broad and complex topic. This white paper provides ways to optimize the employee experience by looking at the whole picture first, and then zeroing in on how to really make an impact within your company.

EMPLOYEE EXPERIENCE IS ABOUT THE WORK, NOT THE OFFICE

Over the last several years, companies have become highly focused on improving the work experiences of employees. In fact, I would venture to say that employee experience is now replacing employee engagement as one of the biggest topics in HR.

Why the emphasis on this area? It's simple. As we enter the eleventh year of economic growth around the world, CEOs and business leaders are heavily 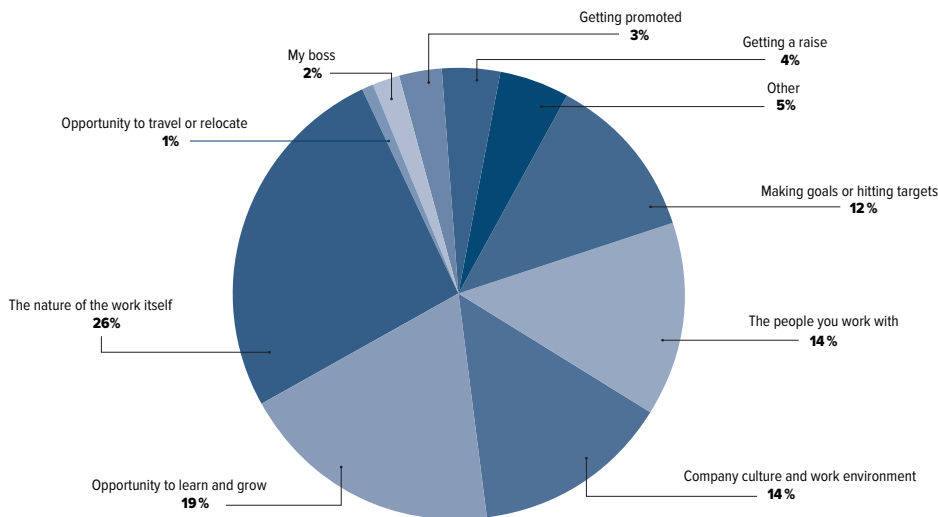focused on productivity improvements, organi-zational transformation, and the development of new digital business models. Success in these areas is not possible if employees are having a hard time getting their work done.

The first point I want to make is that without good, meaningful jobs, no investments in experience will really matter. LinkedIn research last year asked 2,800 professionals what they most liked about work. The top response was "the nature of the job."

As an HR professional, your first step toward improving employee experience

What Matters Most? Meaningful Work

What Is the #1 Thing That Inspires You To Be Happy And Work Harder?

Getting promoted 3%

Getting a raise 4%

My boss 2%

Other 5%

Opportunity to travel or relocate 1%

Making goals or hitting targets 12%

The nature of the work itself 26%

The people you work with 14%

Opportunity to learn and grow 19%

Company culture and work environment 14%

The right job is twice as important as culture and four times more important than money.

should be to understand the work your people do. Interview employees, shadow them, and conduct workshops to learn more.

Such activities will uncover many of the obstacles getting in the way of work. In one restaurant chain, the biggest obstacle to work was a poor workflow design that forced employees to handle a drive-through window at the same time they served seated customers. The constant interruptions were making work impossible to enjoy and provide good service. The solution? A simple store redesign. Suddenly the work was easier, and people enjoyed their jobs more.

My first suggestion is to look at improving employee experience as a job design exercise. You, as an HR professional, should partner with IT and functional business leaders and examine the elements of the most problematic jobs. This exercise will help you identify and prioritize where and how to spend time and efforts to bring about the greatest impact.

TAKE CARE OF THE BASICS

The second priority is simply making the basics of work easy and efficient. How does an employee update an address? File an expense report? Track time? Schedule a meeting? Take a vacation? All these transactional tasks that surround work should be easy to execute.

While most newer HR systems try to make such tasks easier, even the best human capital management (HCM) systems are not as easy to use as one might think. I'd suggest you carefully walk through all these processes, understand all of the

steps, and verify that employees really know how to get them done.

CASE IN POINT: LARGE CONSUMER PACKAGE GOODS COMPANY SAVES A MILLION HOURS A YEAR

Consumer packaged goods companies are large, sprawling businesses, typically with many independent products, business units, marketing groups, and local geographic sales teams. Most grow through acquisition, often buying up innovative new food and beverage companies, and then bringing them into the company's global sales and marketing channels.

One of these companies, a well-known global brand, realized that its overall employee productivity and wellbeing was suffering. While the company has been highly profitable for decades, the HR organization understood that the actual employee experience was quite complex and difficult. The company had multiple HR systems, local payroll providers in many countries, and varying business practices that had grown up in many of the acquired businesses.

The HR team decided to partner with IT to develop an employee experience project. To get started, the team looked at the basics. Team members shadowed employees in different roles and monitored problematic tasks. The team also conducted employee surveys. Through this exploratory work, the team found that many simple transactions such as ordering a company credit card, booking time off, and processing expenses, took dozens of approvals to complete, largely because of the company's distributed,

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decentralized structure.

The team concluded that many of these relatively simple transactional activities were costing the company as much as a *million hours of wasted time per year* and made the business case for making a major investment in an employee experience strategy.

The strategy involved prioritizing problematic processes, purchasing an employee experience platform to help integrate and streamline associated back-end systems, and developing a new set of practices to support employees in the service centers. While the HR team had recently transformed its service delivery, it now recognized the need to streamline the front-end processes in order to deliver a quality employee experience.

After starting with basic transactions, the team is now working in a cross-disciplinary approach creating useful and efficient experiences for employees across the work spectrum.

FOCUS ON THE TRANSITIONS AT WORK

My third suggestions is to examine common work transitions such as new hire orientations, promotions, salary reviews, performance discussions, training events, relocations, and maternity leaves. All such transitions are hugely important to employees, and each requires a systemic approach.

As you analyze transitions, you'll quickly realize that HR is only one of many functions involved. Almost every employee experience involves HR, IT, finance, and line management. As soon as you start redesigning these various experiences, you find that service delivery must be coordinated with these other areas.

The involvement of IT

is critically important, given that every transition will inevitably cross multiple systems. For instance, an HCM system isn't typically tied to a badge reader and may not integrate with a benefits system or learning management system. Consequently, the redesign of employee transitions quickly become process design and system integration projects.

It turns out that the massive efforts companies have undertaken to transform HR have not always dealt with cross-functional service delivery. An executive from a large financial institution recently told me that its HR business partners spend almost 40 percent of their time managing these kinds of transitions. This is an enormous waste of time for talented professionals.

CASE IN POINT: INDUSTRIAL MANUFACTURING COMPANY FOCUSES ON ONBOARDING

One of Europe's most successful industrial equipment company was experiencing extremely high turnover among its front-line service engineers. While the tenured employees were quite happy, new hire turnover was as much as 50 percent during the first two years. Why? After studying the situation, the company realized that this customer-facing job was very technically demanding and required a strong set of customer relationship skills. It also recognized that line managers were just too busy to adequately train new employees.

To tackle the issue, the company is creating a multi-month new engineer orientation program to help employees through their first day, first week, first month, and first year.

To develop the program, the HR team is

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partnering with line leaders to ensure buy in and alignment. The program will include self-study, developmental assignments, testing, and coaching from line managers. As development of the program has progressed, the company's leaders are realizing that these front-line technical people are among the most important customer-facing roles in the company and therefore new hires for this position are highly strategic to business success.

BREAK DOWN THE PROBLEM: EMPLOYEE PERSONAS

When it comes to employee experience design, you must be strategic in setting your priorities. Trying to do too much at once is inviting failure. Every job role is different. The experiences of sales representatives are very different from those of customer service representatives.

For example, an HR executive at a large industrial manufacturer realized that the company's service engineers had the biggest "experience" problems. These employees sell complex machines and are the most important customer liaisons in the company. The job can be very demanding and difficult; consequently, the two-year turnover rate is almost 50 percent. As he and I talked through this issue, it became clear that his first employee experience project should be to analyze and carefully redesign the hiring, onboarding, and ongoing support of the service engineering organization.

The creation of employee personas is an essential step to segmenting your workforce and identifying the processes and challenges relevant to each. One company I recently met with has HR innovation consultants who have created a methodical approach to redesigning various components of the talent and work experiences for each workforce segment. Such design thinking may be one of the most valuable things you do in HR because it gets you closer to your employees.

Keep in mind that HR's focus on employee experience is really just applying the same principles and work most product and marketing organizations have done to create optimal customer experiences. The path is the same: understanding the needs, motivation, and challenges of each segment in order to make them happy.

BRING THE SYSTEMS IN LAST

Most HR technology vendors are jumping on the bandwagon and have redesigned their marketing to address the employee experience related to their products. All HCM platforms, survey tools, learning tools, recruiting tools, and various other assessment and design tools fit into this space.

But, if a vendor tells you its tool will magically improve the employee experience, don't believe it. While the tool may in fact make work easier for people, it will do so only if you fit it into your company's work environment thoughtfully and carefully.

Many companies have made significant investments in new cloud HR platforms with the expectation that the employee experience would improve. In some cases, the systems did bring improvement, but only when the HR team focused on the employee experience as part of the

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implementation.

And frankly, it's possible and perhaps more practical to improve employee experiences today without replacing legacy systems. Products exist that can now directly design better employee experiences without replacing any existing enterprise systems.

Of course, system replacements are necessary every decade or so. Just don't assume that a new HR system will make the employee experience better. You have to do foundational work first, and in most cases, you will discover that you'll still need multiple systems.

CHANGING THE WAY HR WORKS

I conclude with a simple but important point: a focus on the employee experience is going to change everything you and your HR team does. An employee experience focus brings an existential change in the way HR operates. Rather than building global processes or designing new programs, we must start with the employee experience (or employee personas) and design backwards. The result will be better solutions.

One of the most important new ideas related to employee experience design is the concept of "co-creation," which essentially means designing new experiences and solutions in partnership with employees, IT, finance, and line managers. Co-creation, design-thinking, and employee personas are all part of the new HR, and you should get comfortable with them as soon as you can.

Finally, remember that this is essentially a customer-centric strategy. Start with the customer—or in our case, the employee—and work backwards to de-

sign the solutions you need. One executive found it takes 52 different steps and processes involved in the ordering of a company credit card. Yes, 52 steps! No one realized this until someone actually sat in the seat of the employee and traced every step, system, and process involved from ordering to delivery.

I guarantee you have many examples of similarly complex, ridiculous processes in your company. It's the natural path of business. When a problem is encountered, the first tendency is to patch on a new process rather than to analyze and re-engineer.

I'll close by referencing the wonderful book by Marie Kondo, *The Life-Changing Magic of Tidying Up*. She advises us to go through our closets, find the things we don't wear or use, thank them for their service, and then throw them away. We have to do the same thing at work. Building a great employee experience is a redesign and "de-cluttering" process, and it can be life-changing for you and your employees.

Employee experience design may be one of the most important innovations in our thinking about HR. It certainly is not a simple undertaking, but it's well worth the effort.

AUTHOR

Josh Bersin is a industry analyst, author, educator, principal research partner for HR People + Strategy, and thought leader focusing on the global talent market and the challenges and trends impacting business workforces around the world. The founder of Bersin™ by Deloitte, he studies the world of work, HR and leadership practices, and the broad talent technology market. He is often cited as one of the leading HR and workplace industry analysts in the world.

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