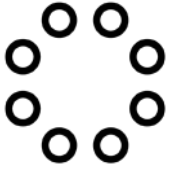


Win in the Workplace. Win in the Marketplace.

The Business Value of
Employee Experience Design





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The Business Value of Employee Experience Design

BY PATTI PURCELL

Much has been written about the dramatic effect of the pandemic on how we do business and the customer experience (CX). But while the pandemic has forever digitized the workplace, it has also exposed the lack of investment in the digital employee experience — and the ripple effects that are eroding both employee engagement and company profits.

Slack, Zoom, and Teams have become synonymous with our new work life. But the issues within the digital workplace run far deeper than a collaboration platform can address. We're talking about issues fundamental to the employee experience. Issues like: How many systems does an employee need to get the job done? Did you start with the correct data accessible in the right tools? How many "hops" did it take to achieve the desired outcome? How responsive was the customer support?

If an organization's responses to these questions were sub-optimal before the pandemic, it's reasonable to conclude that they won't be better in a remote work setting. In fact, they will most likely be worse.

It's not as if we were blind to inefficiencies in digital employee experience design (EX). The fallout has been playing out right in front of us as years of putting off the necessary investments in EX finally come home to roost. It's a bit like Lake Mead, the reservoir that feeds California, Arizona, Nevada, and parts of Mexico, but for decades has been slowly receding due to drought. Satellite images show the magnitude of this slow drain over time, while on the ground, the shrinking water levels are exposing the bodies of livestock — and a few victims of foul play.

If employee experience is our Lake Mead, what story would time-lapsed snapshots of your employee experience reveal?

Most businesses dedicate entire departments to crafting and executing loyalty-inspiring customer experiences. Unfortunately, the experience of those tasked with delivering that customer experience—those who must uphold those big brand promises daily—is woefully ignored.

Yet CX and EX are notably linked. When the [International Data Corporation \(IDC\) looked into EX management strategies](#), 85% of survey participants agreed that a better employee experience and higher engagement led to a better CX, more satisfied customers, and more money for their organization. Here's how to improve yours.

Step 1: Expand how you think about employee experience

Before we can shape and improve the employee experience, we must broaden our definition of the term. The mistake most organizations make is limiting employee experience to a human resources or internal communication exercise focused solely on recruitment of new employees and onboarding them.

But employee experience is as broad as it is intricate. It encompasses the equipment people use, the relationships they develop, and the environments they work in—physical and digital. Simply stated, employee experience captures all the variables that affect how employees answer the question: "What is it like to work here?"



BY THE NUMBERS: Employee experience and profitability

Studies from several industry-leading consultancies, technical institutions, and companies have linked employee experience design to profitability and business success:

- [From IBM's Smarter Workforce Institute](#): “MIT research shows that enterprises with a top-quartile employee experience achieve **TWICE THE INNOVATION, DOUBLE THE CUSTOMER SATISFACTION, AND 25% HIGHER PROFITS** than organizations with a bottom-quartile employee experience.”
- [From Jacob Morgan for SHRM](#): “EX leaders have **4X HIGHER AVERAGE PROFITS, 2X AVERAGE REVENUES, 40% LOWER TURNOVER AND 24% SMALLER HEADCOUNT.**”
- [From Bonusly](#): “**COMPANIES THAT EXCEL AT CUSTOMER EXPERIENCE HAVE 1.5X AS MANY ENGAGED EMPLOYEES** than companies with less-than-stellar customer service, proving that employee experience and customer experience are intrinsically linked.”
- [From Accenture](#): “EX leaders beat out the average S&P 500 by 122%.”
- [From Gallup](#): The estimated annual cost of employee disengagement to the U.S. economy is \$450–500 billion.
- [From McLean & Company](#): On a more micro level, just **ONE DISENGAGED EMPLOYEE CAN COST A COMPANY UP TO \$3,400 PER YEAR FOR EVERY \$10,000 IN SALARY.**

And yet, despite how vital employee experience is to the bottom line, **ONLY 9% OF THE 10,000** companies surveyed felt prepared to make the necessary investments to enhance the employee experience.

As our digital worlds continue to expand, interactions with technology are becoming increasingly critical. Mobile computing and the Internet of Things have changed how we get information, make decisions, and use services. These new technologies altered both where and how we perform our work. Since technology is how employees communicate and collaborate, employers must get this right.

Step 2: Design your digital workspace

A study by [Qualtrics and ServiceNow](#) demonstrates how critical the link is between employee satisfaction and IT services and tools. In it, employees who indicated they were satisfied with their organization's IT tools were 158% more engaged and had 61% higher intent to stay. Yet, the same study revealed that only 30% of employees report that their company's technology exceeds their expectations.

The rise in software-based tools comes with issues that, when left unattended, can contribute to employee dissatisfaction and lower productivity. Employees expect frictionless and intuitive tools. They prefer to spend time performing their duties rather than figuring out how to twist the technology to suit their needs.

Software design can have lasting effects on user satisfaction and productivity. How simple is it to access all the available tools? How many clicks are required to perform everyday tasks? Do the tools keep up with the flow of work, or are we waiting around for one of many screens to reload? Then there's the hardware that houses the software. Under normal working conditions, is it easy to access and use?

Tools that can accommodate potential visual, auditory, and mobility impairments are becoming more critical due to an aging workforce and the desire of many businesses to provide more diverse and inclusive work environments. Can the tools be modified to accommodate the user's preferences and physical constraints?

You can quickly assess employee user experience by tracking software adoption and usage. If employees are not using a specific tool, app, or system, the odds are that they're not aware of it, they don't understand it, or it's just not working for them. That software undoubtedly has its costs, so are you getting the right ROI from it?

Step 3: Put employees at the core of your EX strategy

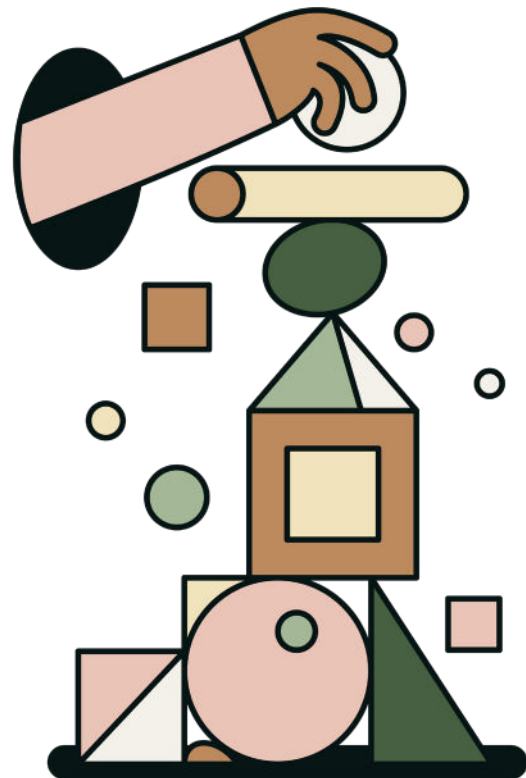
Just like customer experience design puts the customer at its core, employee experience design is an approach – even a mindset – to deliver workplace technology in a more coordinated, holistic, and user-driven way. In this case, your users are your employees.

Data and analytics can help identify needs and measure outcomes. Mapping the employee journey and identifying key moments will further refine what interactions need to be improved and what tools are required to do that job.

Employees aren't bothered about moving between several applications. They just want them to work, for the transition to be super easy for them, and to generally improve their day-to-day activities. That said, there are over [200 apps in the average company's SaaS portfolio](#) – with most departments supporting 40–60 tools each. There needs to be constant evaluation to ensure the right balance of intentional, well-curated tools, so your SaaS portfolio doesn't proliferate unchecked.

Step 4: Map the employee journey to your technology stack

Mapping the employee journey considers the value of all tools and how they work together. Whether it's to support sales, manage inventory, or perform an accounting task, do all your tools cumulatively create an excellent end-to-end experience for employees?



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Employee participation is critical to the process. Invite employees into the conversation through generative Design Thinking and Jobs-to-Be-Done workshops. Their involvement in developing policies and selecting tools and services will expedite adoption while making your people feel heard.

Applying a holistic iterative design approach to change can help ensure that employees see improvements, have the opportunity to offer suggestions, and prepare them for future innovations.

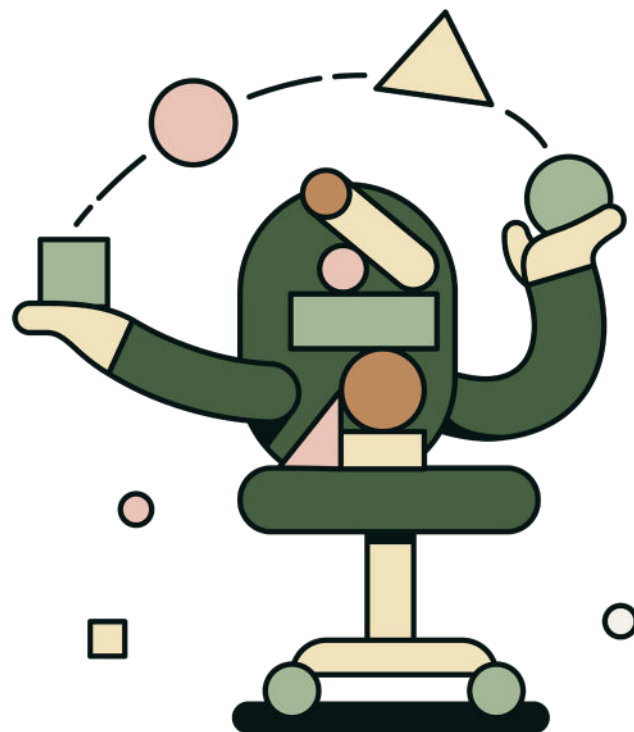
Again, because employee experience spans all departments and functions, any changes or updates to a particular tool must take a 360-degree organizational view. Consider who else will be affected and which departments will be involved in using the solution to gather the proper insight into the entire organization's needs. Disregarding this could leave you with a solution that only fits your department and leaves other stakeholders without a viable product.

If CX is the battleground for loyalty, EX is the new battleground for competitive advantage.

When you focus on a successful employee experience, many other positive outcomes will inevitably emerge. Productive, effective, and engaged employees have a profound organization-wide influence. Engaged employees are the best brand champions and the front line to delivering better customer experiences.

The days of employee experience being simply an HR responsibility are long gone. Given our increasing reliance on technology for communication and collaboration, designing an intentional employee experience requires looking across all departments.

Investment in an interlacing, frictionless, convenient, and relevant employee experience is no longer an option. It's a necessity. When access to applications is seamless, work can be carried out from anywhere, everything employees need can be easily found, and organizations will save time, reduce costs, and improve processes.



Studies show that, above all, what employees today want is the flexibility to do their work on their terms.

See what we can do together.

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