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CORPORATE RESEARCH FORUM

BEYOND ENGAGEMENT:

CREATING A PURPOSEFUL
EMPLOYEE EXPERIENCE

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BEYOND ENGAGEMENT: CREATING A PURPOSEFUL EMPLOYEE EXPERIENCE

Carmen von Rohr

CONTENTS

COMMENTARIES: ENGAGE AND GLINT	3
AUTHOR	5
EXECUTIVE SUMMARY	6
1.0 WHY EMPLOYEE EXPERIENCE, AND WHY NOW?	8
2.0 STAGES, ASPECTS AND ENABLERS – A FRAMEWORK FOR THINKING ABOUT EMPLOYEE EXPERIENCE	18
3.0 CRF'S EMPLOYEE EXPERIENCE FRAMEWORK: WHAT DOES GOOD LOOK LIKE?	36
4.0 METHODOLOGIES AND EVALUATION	48
5.0 CONCLUSIONS AND RECOMMENDATIONS	56
6.0 RESEARCH PARTICIPANT LIST	59
7.0 REFERENCES AND READING LIST	60

COMMENTARIES //

ENGAGE

Addressing employee experience has never been more important for the corporate agenda. The upheaval of the past 18 months and the impact this has had on employees across all sectors, at all levels, has shown us that we need to go beyond engagement if our organisations are to thrive in a new, ever-changing future of work.

This report underlines the strategic importance of employee experience. Reading the findings gives us unequivocal evidence that it must become a core element of business strategy, and one that reaches ALL areas of the organisation, not just a siloed HR project.

At ENGAGE, our focus has always been on employee experience as a core pillar of business strategy, alongside leadership and culture. It's as important to future success as elements such as finance, sales and marketing – and is absolutely critical in creating an organisation that is agile, adaptable and future-fit.

As this research shows, becoming strategic about employee experience can be challenging. When we work with clients, we help them begin by working through these core considerations:

- **Be clear about your strategic business objectives.** What do you want to achieve and how can employee experience help you get there? Are you looking to attract or retain employees? Do you need more attention on customer focus or service delivery? Or is productivity and growth your main goal?
- **Understand the strategic importance** of employee experience in delivering your goals, not just the tactics involved. Too many organisations have programmes that are purely a list of initiatives. This simply doesn't work in the long term.
- **Remember that one size doesn't fit all.** Off-the-shelf programmes won't support the individual goals, needs or nuances of your organisation. There is no single solution; a tailored approach is the only way to achieve real success across all employee types.
- **Recognise that great employee experience programmes have two lenses: enablers and barriers.** By starting with strategy and then implementing a few first simple steps, you'll be able to more clearly identify and harness the enablers of great experience, and to recognise and to remove the biggest barriers.

- **Ensure your approach is people-led, not policy-led.** Employee experience is not a sheep-dip initiative; neither is it achieved by having a piece of paper stating your intent. You must understand what factors will work for *your* people, segmenting them as necessary, and then implement initiatives that directly answer those requirements.
- **Employee experience is made up of two elements: ongoing factors and specific events.** A balanced focus on both elements is critical. Many programmes fail because they place their focus solely on event-specific aspects such as onboarding or promotion, with little attention on deeper, ongoing aspects such as leadership, management and culture.
- **Metrics are vital.** Every organisation needs clear KPIs and success metrics, and these must be defined at the start to build in accountability. Think about what success looks like in your organisation, and therefore what measurements will be most appropriate. Critically, this needs to happen on an ongoing basis, not just once: testing, measuring and iterating your employee experience is the only way to keep it alive, evolving over time, and continually relevant to your business.

Taking the first step is certainly the biggest challenge, but by reading this report organisations have a huge advantage in understanding both *why* and *how* to implement a long-term employee experience strategy – giving themselves the best advantage when it comes to creating a successful, future-fit business.

We hope you find this report both informative and thought-provoking. We're always interested to discuss the subject in more detail and would be delighted to hear from you about employee experience in your organisation.

Dr Andy Brown, CEO and Sean Mills, Director, ENGAGE

COMMENTARIES //

GLINT™

If you've taken a look at the recent LinkedIn Global Talent Trends report, you've seen that employee experience is becoming increasingly influential in the workplace. Approximately 96% of the talent professionals [surveyed for the study](#) said employee experience is very important in shaping the future of HR and recruiting.

"Companies are beginning to work for employees, not just the other way around," the report concludes. "HR teams are going all in on employee experience to improve retention and employer brand. Beyond collecting feedback, companies need to actively collaborate with employees to create an experience that works for everyone."

Our work in [employee engagement](#) confirms the findings from our colleagues at LinkedIn Talent Solutions. (Didn't know Glint is a part of LinkedIn? You can read more [here](#).) Indeed, employee experience is top of mind for the HR tech industry and people leaders across sectors – so much so that we're starting to hear the two terms being used interchangeably. So how are they related? The most straightforward way to state it is that employee engagement (EE) is influenced by the employee experience (EX). In other words, an employee who has a positive experience at work is generally more likely to be engaged than an employee who has a neutral or negative experience.

Generally speaking, a broad EX approach will not automatically create a culture of highly engaged, high-performing employees. Snacks and a ping pong table in the break room do not alone result in desirable outcomes. We know that particular elements of EX, like a sense of belonging, purpose, and ability to learn and grow, have a much tighter connection to EE. And worse, a botched opportunity to individualise EX can negatively impact EE.

It is crucial to give employees a voice through [regular engagement surveys](#) and ongoing conversations between managers and employees – with clear action based on feedback. We know from our customers' experience that organisations that do [employee engagement pulse surveys](#) 3-4 times per year grow their businesses much faster than those that survey less frequently. We also know that people who have at least a monthly conversation with their manager feel more focused and supported. The insights your organisation will gain from regular engagement surveys and conversations will empower both managers and employees to make changes together, and ensure those changes are individualised to the needs of each employee.

Steven Buck, People Science Lead, EMEA, Glint

ABOUT CRF

Founded in 1994, **Corporate Research Forum (CRF)** is a membership organisation whose purpose is to increase the effectiveness of the HR function, in order to drive sustained organisational performance, through developing the capability of HR professionals. Through more than twenty years of research, and the expertise of our team, we have developed a deep understanding of the ways HR can contribute to business outcomes, what works, what doesn't, and in what circumstances. With a network of over 200 leading organisations, we continue to grow as the respected focal point and knowledge source for improving corporate and individual performance.

We support our members in enhancing their personal capabilities and building organisational effectiveness, guiding them through topics relevant to success, identifying actionable insights and practical recommendations, and facilitating networking opportunities. Our work helps organisations and the HR function make sense of the environment in which they operate, and develop capacity to deal with continuous uncertainty.

We explore topics through an evidence-based lens, highlighting practices that enable the function to deliver business value, and sometimes critiquing existing practices. Our approach is rooted in the principle that adults learn best through action, experimentation, discussion, reflection and interaction with others.

For more details on how your organisation can benefit from CRF membership please contact Richard Hargreaves, Commercial Director at richard@crforum.co.uk. Alternatively, please visit our website at www.crforum.co.uk.

AUTHOR



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BEYOND ENGAGEMENT: CREATING A PURPOSEFUL EMPLOYEE EXPERIENCE

- ▶ Employee experience is not a new idea, but it has been gaining traction in a post-pandemic environment where talent attraction and retention are increasingly challenging. It is a broad concept with no universally agreed or scientifically-validated definition. Generally, it refers to everything that a person encounters before, during, and after their employee journey with an organisation. However, this broad definition obscures the concept's nuance – employee experience is also contextual, rooted in business strategy, employee-driven, intimately linked to customer experience, consistent yet dynamic, and more than just process. Importantly, one employee experience does not fit all, neither within nor across organisations.
- ▶ Talent attraction and retention, improving engagement and productivity, and changing expectations of employees are some of the most common factors driving interest in employee experience. While the evidence base documenting the business impacts of a great employee experience is limited, it points in a positive direction, with improvements in profitability, innovation, and customer satisfaction cited by some researchers.
- ▶ A great employee experience requires buy-in, collaboration, and participation across and beyond the organisation. Key stakeholders include senior leaders, line managers, colleagues across all functions that impact experience (Communications, IT, Finance, etc.), the Board, employees, and certain external stakeholders (such as vendors, consultants, and investors). HR plays a crucial role in orchestrating and supporting employee experience in collaboration with these other actors, and the quality of HR's capability, reputation, and relationships impacts its effectiveness.

EXECUTIVE SUMMARY

- ▶ Few organisations are taking a whole-workforce approach to employee experience. Most attention is focused on full-time, in-house staff. We also see limited differentiation of experience by demographic factors, job level, geography, and so on. This is a missed opportunity given that strategic business needs will require a differentiated approach at most organisations. For example, if your business relies heavily on a contingent workforce, how are you differentiating the experience to attract and retain those workers? If developing critical talent is key, what types of experiences should you be designing for this segment of your workforce?
- ▶ The most advanced organisations take a strategic approach to employee experience. This means tailoring the employee experience strategy to the organisation, its culture, its particular business challenges, and its stage of maturity. Key questions to ask include: what business and industry issues are relevant? What do we have to get right? What are our current pain points? This will guide what opportunities you have to differentiate your employee experience and gain competitive advantage. Remember that you have to meet the 'table stakes' too – the basics, upon which you can build.
- ▶ There is a strong emotional component to employee experience, making negative experiences especially risky for an organisation. Businesses need to beware 'unrepairable moments' that forever damage the employer-employee relationship. One of the first tasks an organisation should tackle is identifying and repairing problem areas. Good data is essential for identifying what's difficult in the employee experience, for whom, and why.
- ▶ We introduce the CRF Employee Experience Framework to help organisations think through the stages of the employee journey and the aspects of experience that they will design for at each stage. By 'aspects of experience' we mean the critical moments that are likely to occur for many employees at the different stages of the employee journey and that make or break the employer-employee relationship. Critical moments can be positive or negative, they are about how employees feel (not about the process or the tool), they are highly personal, and often occur at moments of transition.

- ▶ Organisations can pull a variety of levers to better enable a great employee experience. These include leadership practices/behaviours, the cultural environment, management practices/behaviours, communication practices, the technologies and tools used, job design, the physical environment, and HR policies. We find that most organisations are focusing on upskilling senior leaders and line managers, and evolving their listening strategies to better enable a great employee experience.
- ▶ Organisations are encountering several challenges as they seek to improve employee experience. Siloed functions that stymie collaboration are a key issue. Other big challenges include lack of leadership buy-in, lack of the right technology, contradictory data, the challenge of determining whose voice to listen to and when, and deficits in HR capability. For many organisations there is a great deal of work to do in upskilling HR, leaders, and managers; rethinking structure; and improving technology in order to facilitate a better employee experience.
- ▶ We find that many organisations have developed excellent listening strategies. Yet, employee experience is about more than just ensuring employees feel listened to or heard. It's also about how organisations involve employees in defining and co-creating solutions. The most advanced organisations are using collaborative design methods that allow employees to influence the outcome and design of the experience. Design Thinking is a leading methodology; HR faces a challenge in upskilling in these collaborative design methods.
- ▶ Few organisations – just over one-third according to our survey – regularly evaluate the effectiveness of their employee experience programmes. When evaluation does take place, there is a bias toward HR metrics such as engagement, retention, and wellbeing. We find that the most effective evaluation strategies are designed up-front to include metrics that fit business goals, therefore combining business and HR metrics.



1.0 WHY EMPLOYEE EXPERIENCE, AND WHY NOW?

1.1 WHAT'S THE ISSUE?

“People want a job that feels secure, a fair salary and opportunity for development. They want to understand the direction of the business, feel a part of it, and have a good relationship with their colleagues and manager. If we don’t get these things right, nothing else matters. Those building blocks at the bottom – security, direction, warm colleagues, and caring managers – are critical. And that’s been much more challenging for businesses to achieve during the pandemic.”

SUZANNE COUSENS, HEAD OF INCLUSION AND ENGAGEMENT, BIBBY FINANCIAL SERVICES

Is ‘employee experience’ merely the next shiny new thing?

The pandemic may have heightened focus on the concept, bringing ‘experience’ into sharp focus for employees themselves and reminding employers of the importance of understanding what employees are experiencing at a difficult time. The pandemic may have accelerated employers’ focus on the ‘whole person’, creating an urgent imperative to identify and deliver the elements of employee experience that matter most in the moment, and for employees’ ‘whole life’, not just their work life.

However, growing interest in employee experience predates the pandemic. For example, Google Scholar shows that scholarly articles on employee experience began to sharply increase from about 2010, and in our interviews for this research HR leaders described organisational journeys with employee experience beginning over the last two to five years.

In fact, the idea that employees’ experience at work impacts business performance is an old one. As HS2’s Human Resources Director, Neil Hayward, explains: “Employee experience has always been there, and will always be there. It’s only temporarily impacted by the pandemic. It’s a long-term issue.”

What does it mean exactly, and how can it be operationalised in a practical manner to bring concrete business benefits? Answering these, and related questions, is the purpose of this report.

- In Chapter 1, we will offer a definition of employee experience. We will review the factors driving interest in the concept and the evidence that it impacts business performance, and we will explore who is responsible for employee experience and who it's for.
- In Chapter 2, we will introduce a framework for thinking about employee experience. We will examine how business strategy influences decisions about employee experience, and we will review some of the barriers to effectively implementing a great employee experience.
- In Chapter 3, we will share examples of good practice that we are seeing.
- In Chapter 4, we will discuss commonly used methodologies for 'doing' employee experience, and look at how organisations are evaluating their progress.
- In Chapter 5, we will share key conclusions and recommendations.

Throughout, we encourage HR leaders and practitioners to stop, take stock, and think about what employee experience means for *their* organisation. There is a great deal of loose talk around the concept and less in the way of concrete, validated definitions and evidence; therefore, to make it meaningful and useful, we must think carefully about what employee experience is and how we can bring it to life in our own organisational context.

RESEARCH METHOD:

This report is based on the following data sources.

- Interviews with 32 practitioners, experts and academics. We list the interviewees in the [Research Participant List](#).
- An online CRF survey, completed by 104 respondents in May/June 2021. Respondents were predominantly Heads of Employee Experience and functional specialists. They represented a broad spread of industry sectors. 31% worked for organisations with 10,000 employees or more; an additional 29% worked for organisations with more than 5,000 employees. Some 81% were based in the UK, 11% in Europe, and the remainder in the rest of the world.
- A review of relevant academic and practitioner literature. [The Reading List](#) in the Appendix contains references.



1.2

WHAT IS EMPLOYEE EXPERIENCE?

"Employee experience means lots of different things to different people. Many try to apply it to the bit of the organisation that they look after – doing good things to nudge forward a particular part of the business. This is different from stepping back, taking a holistic look, articulating and cultivating a vision, and making sure that vision happens for everyone."

JONATHAN KOHN, HR VP TRADING AND SUPPLY, SHELL

There are dozens of definitions of employee experience, none of which are universally agreed upon or scientifically validated.

In this report we adopt the Institute for Corporate Productivity's (i4cp) definition:

Employee experience is "the whole of what people encounter, observe, and feel before, during, and after the course of their employee journey at an organisation."

“Employee experience is the day-to-day reality of being part of an organisation. It can be quite overwhelming for someone trying to work on experience in an organisation – it’s hard to know where to start as it’s all-encompassing, including everything from the beginning of an employee’s relationship with the company all the way through till after the employee’s left. It’s influenced by many things – technology, team and manager, HR policies and processes. There is a myriad of factors all intertwined and all impacting each other.”

AMY SAWBRIDGE, CHIEF PEOPLE OFFICER, CÔTE RESTAURANT GROUP

This is a broad, expansive definition. In our interviews for this research, we sought to better understand what employee experience means in practical terms. Several key themes emerged. HR leaders told us that:

1 EMPLOYEE EXPERIENCE IS CONTEXTUAL.

Both external and internal contexts influence employee experience. The pandemic has been a major external contextual factor that has influenced organisations to give immediate, and perhaps greater, attention to certain aspects of employee experience such as wellbeing and flexibility. Equally important is the internal context of a business – your workforce, its needs (do your people want more flexible rewards? Improved learning opportunities?), and the opportunities and constraints for meeting those needs.

When thinking about the internal context it’s important to keep in mind that ‘employee experience’ will mean different things to different segments of your workforce. Amy Sawbridge, Chief People Officer at Côte Restaurant Group, explains: “For many organisations and industries, the view and experience in the ‘bubble’ of the head office is a world apart from the view and experience that an average employee has in the field. This is why starting with the employee and using tools such as Design Thinking is so important. In the hospitality industry, for example, think of the employee experience of an HR Director at the head office compared to that of a chef working in a hot kitchen. We have an opportunity to be more expansive in our frame of reference for employee experience. We have to get beyond thinking of it in terms of a particular demographic, particular roles, or for those with a particular level of academic achievement. It can be very easy to get a bit ivory tower about it if we aren’t careful.”

44%

of respondents to CRF’s survey report that their organisation **currently has a strategy for employee experience**

63%

of those who do not currently have a strategy for employee experience **plan to implement one within the next three years**

2 EMPLOYEE EXPERIENCE IS ROOTED IN THE ORGANISATION’S STRATEGY.

It begins with the needs of the business and its workforce. What is the unique business problem you’re trying to solve? A ‘good’ employee experience will differ between organisations. There is no one-size-fits-all checklist, though it can be useful to have an internal framework and to identify boundaries for experimentation. In Chapter 2 we will examine what it means to be strategy-led and in Chapter 3 we will look at some examples of how strategic needs have driven choices around employee experience at specific organisations.

3 EMPLOYEE EXPERIENCE IS EMPLOYEE-DRIVEN.

Interviewees told us that employee experience is, among other things, about “making the most of an employee’s potential”, “understanding what people need to thrive, be creative and innovative”, and “figuring out what makes someone want to stay, and be an advocate when they leave”. If any of these things are to be accomplished, it’s clear that employees’ voices have to drive the conversation. Otherwise, the designers of the employee experience (HR or others) are just creating an experience that suits them and that has an increased risk of failure to meet its objectives.

Jonathan Kohn at Shell highlighted another advantage of taking an employee-centred approach to experience: “Thinking back from the employee’s perspective can lower costs and improve efficiency because it enables activities to be selected on the basis of what is really needed and valued by employees.”

Putting employees at the centre of experience also enables organisations to emphasise that employees bear some personal responsibility. Annette Swinburn, Global Head of Transformation & Business Engagement for Life Sciences at tobacco company Philip Morris International, explains: “We all have a responsibility to make the culture and the experience better. For example, when I started in my role, I made a point of going around and introducing myself to everybody and asking what I could do in my role to help them in theirs.”

We will look at tools for understanding who the workforce is and what’s important to them in Chapter 4.

"I urge people who are reading this to stop and breathe before running after the latest fad. Take time to think about how employee experience relates to you as a person, and how it relates to your organisation. If it doesn't match the values of your organisation, it's going to be difficult to implement. There's no point investing time and money if it's so far out from who you are as a business."

STEVEN BUCK, PEOPLE SCIENCE LEAD, EMEA, GLINT

4 EMPLOYEE EXPERIENCE IS INTIMATELY LINKED TO CUSTOMER EXPERIENCE.

The thinking is that employees who are having a great experience are more likely to deliver a great customer experience.

Joanne Tyler, Listening & Engagement Manager at multinational British hotel and restaurant company Whitbread, explains: "Our approach to employee experience is driven by our customer heartbeat model. It's a schematic that puts the customer at the heart of everything we do. To do that, we have to have fantastic people working in our organisation who share that purpose. When we broaden this idea, we very quickly realise that if we demonstrate that we really care about our team members, we set them up to care for our guests."

High turnover is standard in Whitbread's industry. When Whitbread's data analysts dug into the relationship between customer loyalty scores and team member retention scores they found that as team retention worsened, so did customer loyalty. Whitbread has a business imperative to retain team members who deliver an experience that increases customer loyalty. This retention is achieved by delivering a great employee experience in which team members are well-trained, have capable managers, and work together with purpose. These teams are then better positioned to deliver fantastic experiences and create returning customers.

5 EMPLOYEE EXPERIENCE IS CONSISTENT.

Throughout an employee's journey with an organisation there should be a consistent experience. It's not enough to craft great candidate and onboarding experiences and then forget about the rest. These initial standards must be followed through for performance, growth, exit, and when relevant, for alumni too. Mariasole Paduos, HR Manager, EIMEA at industrial lubricant manufacturer WD-40 Company, sums it up: "From the first point of contact at candidacy until exit, it's very important to have a positive lasting memory of being part of and belonging to WD-40 Company."

6 EMPLOYEE EXPERIENCE IS DYNAMIC.

Business and employee needs are continually evolving as the external context changes, business strategy shifts, and as the demographic makeup of the workforce shifts. Therefore, an organisation's approach to employee experience needs to be dynamic, flexible and up-to-date. There is no end state of employee experience.

Consider the 'Big Tech' model where employees never had to leave campus because everything was on-site. In a post-pandemic world, that model is much less likely to evoke a sense of 'great experience'. Organisations will find themselves in a position of having to perpetually update their approach and will sometimes need to get their arms very quickly around changing expectations.

Taking a dynamic approach requires certain hard skills (see Chapter 4), but it also requires a certain mindset. As Whitbread's Joanne Tyler explains: "It's so important to remain really curious about employee experience. You need to be aware of what your people really want and value from their experience, what other organisations are doing and have your finger on the pulse of how the market is moving. This awareness needs to anchor any type of thinking or activity that you're doing. Is 'X' good enough? Should I be focusing on 'Y'?"

7 EMPLOYEE EXPERIENCE IS MORE THAN JUST PROCESS.

Employee experience has a process angle. As Shell's Jonathan Kohn explains: "It's easiest to control and curate experience when it comes through processes such as onboarding or exit. It's triggered by a traditional HR process and HR can see it and box it up."

However, this narrow process-focused view ignores both larger fundamentals and the fact that, in the words of Wendy Hirsh, Principal Associate at the Institute for Employment Studies: "so many moments that matter to a person have nothing to do with HR procedures and processes."

Jonathan Kohn continues: "In a way, [these HR-focused moments are] the tail of the dog. There is also the overarching impact of what it feels like to work in a company, what's its purpose and culture, what does it feel like to work for your boss and your boss's boss? You are only eating away at the edges if you're not addressing the fundamentals of who the company is and how it feels day-to-day to be an employee on the job."

Or as BT's Nicola Lister puts it: "We can be at risk of boiling the ocean. We want to get all the journeys 'perfect', but sometimes that doesn't actually change anything for employees."

EMPLOYEE EXPERIENCE AND EMPLOYEE ENGAGEMENT: WHAT'S THE DIFFERENCE?

Like 'employee experience', 'employee engagement' is a concept with no universally-accepted definition. It is measured in dozens of different ways, constantly evolving and supported by (thus far) limited causal evidence. So, are the terms simply two faddish labels getting at the same loose idea?

We asked participants in our research to clarify the difference, if any. A few key points emerged:

- Employee engagement and employee experience are not the same thing. Most interviewees expressed the difference in terms of inputs and outputs: employee experience is the input, while employee engagement is the output. If a company 'gets employee experience right', the hope is that the result will be more engaged employees. As one interviewee put it: "experience is going to the movies and engagement is what you talk about afterwards."
- Yet, some argue that the relationship between engagement and experience may be symbiotic. Experience might impact engagement positively or negatively; in turn, high levels of engagement might improve the employee experience.
- While engagement is a state of mind, experience is about lived reality. Does the reality of things match up to how you feel?

"It's interesting that employee experience is becoming a hotter topic now, since the idea has been around for ages. Employee experience is critical to attracting and retaining good people who are aligned to what you're trying to achieve as a business. But it has to be true experience, not just how the organisation presents itself. Work is such a big part of life now, and people want to be in an enjoyable environment. We're starting to reach a groundswell from employees; there are different expectations of a business than there used to be."

AMY SAWBRIDGE, CHIEF PEOPLE OFFICER, CÔTE RESTAURANT GROUP



1.3

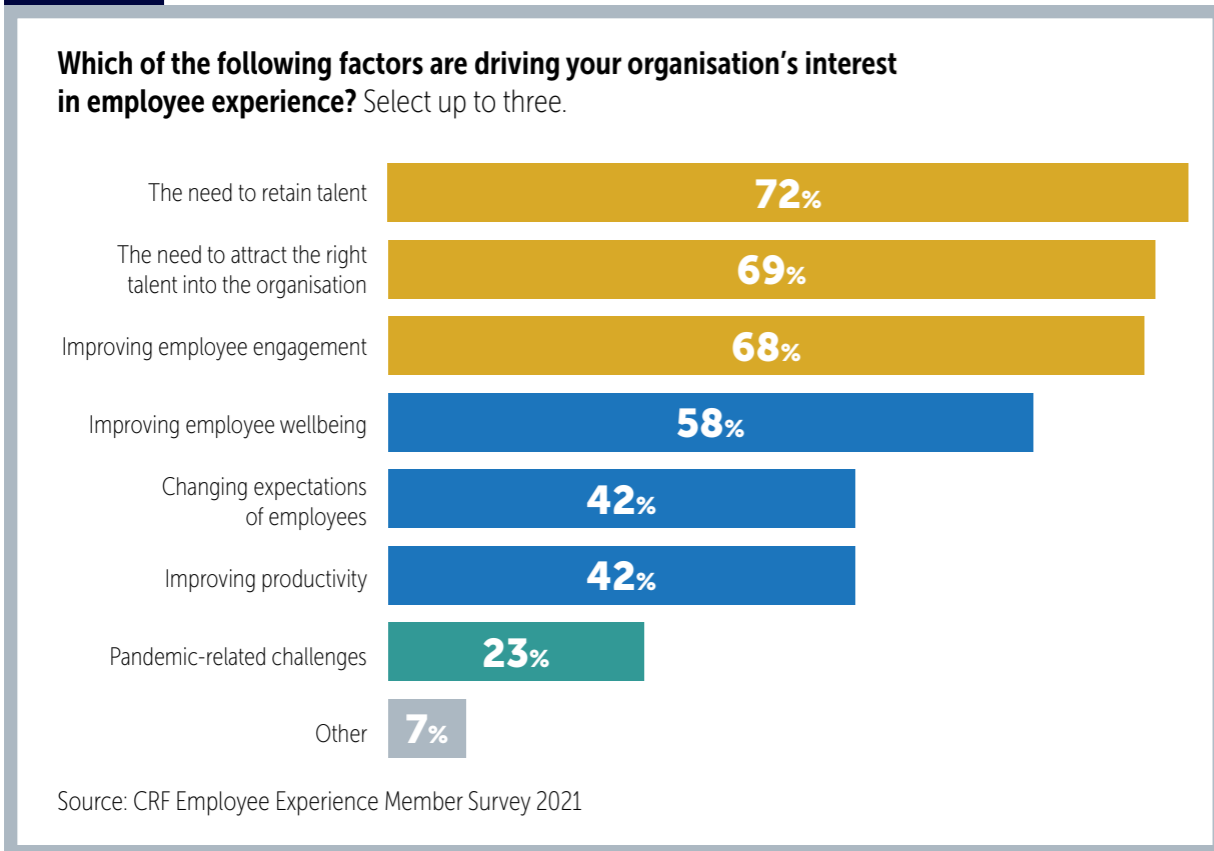
WHAT FACTORS ARE DRIVING INTEREST IN EMPLOYEE EXPERIENCE?

As part of this research, we asked survey respondents to select the main three factors driving their organisation's interest in employee experience. As shown in Figure 1 on the following page, the need to retain talent emerged as the top factor, cited by 72% of respondents, followed closely by the need to attract the right talent (69%), and a desire to improve employee engagement (68%). Improving employee wellbeing was cited by over half of respondents (58%), while improving productivity and changing expectations of employees were each cited as a driving factor by 42% of respondents. Interestingly, only 23% of respondents cited pandemic-related challenges as a key factor driving their organisation's interest in employee experience.

These findings were largely reflected in the qualitative interviews for this research. Attraction and retention of the right talent was cited repeatedly, with a particular concern expressed for retention of key talent in a post-pandemic context where people may leave not just to move to a competitor, but in search of completely different careers and lives. Employee experience is a key lever for retaining talent in such a challenging environment.

Many interviewees cited a desire to use employee experience to increase engagement and solicit the associated benefits such as improvements in productivity and employee wellbeing. There was also broad recognition that experience is of increasing importance to employees. Employees have higher – and varying – expectations around what it means to be an employee of an organisation and, as such, employers are finding themselves under increased pressure to effectively respond.

FIGURE 1



Our interviews with HR leaders revealed some additional factors driving interest in employee experience:

- **The DEI (Diversity, Equity and Inclusion) agenda.** Many organisations are considering how to use employee experience to attract and retain diverse talent.
- **The ESG (Environmental, Social and Governance) agenda.** “If organisations start to think of employee experience in terms of a broad ESG map rather than just a set of HR activities, that context could give them much better focus,” explains Andy Brown, CEO and Co-Founder, ENGAGE.
- **Reputational risk.** We are in a new age of web- and social media-driven transparency, which can pose risks to an organisation and its employer brand. With employees’ feelings now more visible, it’s increasingly important for the organisation’s reputation (and ability to attract talent) that those feelings are largely positive.

- **Purpose.** The significant connection between purpose and employee experience is increasingly being recognised. People are more often making career choices on the basis of a sense of alignment between their purpose and values and the organisation’s purpose and values. Therefore, purpose needs to be front and centre in work around employee experience.
- **Growth and development.** Some organisations are using employee experience to help their people continue to grow and develop.
- **Digital thinking and the digitisation of processes.** As processes are digitised and new, often complex technologies are adopted, people may be making thinking more carefully about the user (employee) experience.
- **The data explosion.** Data itself provides opportunities to improve and enhance employee experience. There has been an explosion in the availability of data and in our ability to link different sources of data together to uncover complex insights. Steven Buck, People Science Lead, EMEA, Glint, gives an example: “Whereas before an organisation might have had an ‘are you happy to work here’ measure, as compared to peers or over time, now data can show us how happy someone is to work in the context of, say, greater sickness absence, poor quality meetings, or limited time for learning. We are increasingly able to introduce and link datasets for instantaneous insights.” Businesses don’t have to rely on case studies from other organisations, they can use their own data to solve their unique business problems. Of course, data quality and the capability to effectively interpret and action data remain both a priority and a challenge for many organisations.
- **Engagement.** “The concept of employee engagement reminded organisations that how people feel affects how well they work,” explains Wendy Hirsh. “It started a slow-burning fire that reminds us that we can’t disregard how employees are feeling. Where does this fire take us? It should prompt the organisation to ask what in the employee experience makes someone feel the way they feel, and consequently, what do we need to fix here?”

Whatever the factors driving a given organisation’s interest in improving employee experience, a recurring theme among interviewees is the importance of being strategic about where investment will have the most impact. What are the opportunities for enhancing employee experience in order to improve organisation performance? We will take a closer look at the importance of strategy in Chapter 2 of this report.



1.4 WHAT ARE THE **BENEFITS** OF **IMPROVING EMPLOYEE EXPERIENCE?**

37% of respondents to CRF's survey report that their organisation's **spend per employee** on employee experience **is increasing**

52% report it is **staying about the same** **11%** report it is **decreasing**

In the previous section, we examined the factors that are driving organisations' interest in employee experience. Here we consider the evidence that improving employee experience actually achieves material benefits for an organisation.

Perhaps unsurprisingly, the evidence base for employee experience is still small. Definitions of the concept vary; and widely agreed, robust measurements have not yet gained traction. In the literature, there is still more theory than science-based evidence.

Yet a few of the more robust studies of employee experience offer grounds for optimism:

- A 2019 study from risk management company Willis Towers Watson found that companies with a strong employee experience "consistently beat their sector on average by a clear margin of 2 to 4 percentage points across key performance metrics including return on assets and equity, one-year change in profitability, and three-year changes in revenue and profitability." Companies "delivering less effective employee experience consistently underperformed their peers by 1 to 10 percentage points." The study is based on a dataset that includes over 500 companies.
- A 2018 study from IBM's Smarter Workforce Institute found that organisations that score in the top 25 percent on employee experience report nearly three times the return on assets and double the return on sales, as compared to organisations in the bottom quartile.
- A 2016 survey of 281 executives by the MIT Sloan School of Management found that companies ranked in the top quartile for employee experience, when compared to those ranked in the bottom quartile, experience twice the innovation (51% of revenues from new products and services introduced in the last two years, as compared to 24%), double the customer satisfaction (industry-adjusted Net Promoter Score of 32 as opposed to 14), and greater profitability (73% to 58% profitability compared to competitors).

In the qualitative interviews conducted for this research, participants cited higher engagement, increased productivity, improved employer brand, and more effective attraction and retention as a result of enhancements to employee experience.



1.5

WHOSE RESPONSIBILITY IS IT, AND WHO IS IT FOR?

“HR, what are you going to do about it?’ is not the way to approach employee experience. How to build a great experience is a shared challenge, a shared issue – not just an HR issue.”

CAROLINE PENWARDEN, HR DIRECTOR, UK & IRELAND, MEDIABRANDS UK

WHOSE RESPONSIBILITY IS IT?

Is employee experience an ‘HR thing’ or is it something a broader range of stakeholders should have responsibility for?

In our discussions for this research, HR leaders were clear that a great employee experience requires buy-in, collaboration, and participation across (and beyond) the organisation. While HR plays a crucial role in orchestrating and supporting employee experience, others are needed to execute and bring a great experience to life.

Here we briefly examine the roles that different organisational actors should play in employee experience.

1 THE HR FUNCTION

We asked survey respondents who is primarily responsible for employee experience at their organisation. The HR function was by far the most commonly cited actor – cited by 47% of respondents (see Figure 2).

FIGURE 2



While our interviewees described a web of relationships, actors, diffuse responsibilities, and nuances (discussed below), in practice, the HR function bears primary responsibility for designing, implementing, supporting, and taking accountability for employee experience at many organisations.

This is unsurprising, given that many issues related to employee experience and the employee journey sit with the HR team – it is, after all, *employee experience*.

“HR can design the most fantastic employee experience, but if the will or skill of people leaders is lacking to make it a reality, there’s no point.”

VICTORIA TALBOT, HEAD OF EMPLOYEE EXPERIENCE AND ENGAGEMENT, DIRECT LINE GROUP

Our interviewees highlighted three issues with respect to HR’s role in employee experience:

- **Capability.** People working in HR need the skills – technical and soft – to design and implement employee experience. This includes everything from the right mindset – for example, considering how to make a process work for the employee, not for HR – to practical research and design skills. We will explore the tools of employee experience in Chapter 4.
- **Reputation.** “The relationship employees have with the HR function is crucial, yet many HR functions have positioned themselves to have no relationship with employees at all,” explains Wendy Hirsh. Too often, employees believe that HR doesn’t want to talk to them, or that HR will not take an independent view from what a line manager has said or decided. “If HR wants to improve employee experience, it must recognise it’s not just a process designer,” says Hirsh.
- **Relationships.** Things that HR does in isolation are very difficult to embed. HR has to have good quality relationships with the right stakeholders to effectively implement a great employee experience. These relationships include senior leaders who sponsor and advocate across the business, implementation partners from multiple functions, and advocates in the employee base.

2 SENIOR LEADERS

Senior leaders are vital to communicating vision and purpose. Many of the HR leaders we spoke to emphasised the importance of having senior leaders clued in and attentive to the depth and breadth of the work required to make a great employee experience. Employees won’t buy it unless senior leaders themselves buy in, role model, and communicate what employee experience is about in the organisation and why it is important.

This can be a challenge in some organisations, as leaders can seem removed from the employee experience. Therefore, it’s important that they show that they are living the experience when and where they can. It is also the case that some leaders may need more and ongoing help to role model and communicate effectively.

3 LINE MANAGERS

Line managers are essential to the delivery of a great employee experience. They own the relationship between the company and employees, and thus disproportionately impact employee experience. They are the ones that do the work on the ground, pushing messages through and creating the day-to-day lived experience of their people. Thus, it is important that they receive the necessary training and support to do so effectively, including recognising and sharing good practice.

The manager’s manager should also be a key player, but this relationship tends to be neglected in modern HR. Wendy Hirsh explains: “You are on their patch, they are responsible for you, so they should know and constructively sort it out if you aren’t getting on with your line manager or you are not getting the development or support you need. But many employees don’t have much chance to get to know their organisational ‘grandparents’ well enough to have a real relationship with them now and to be able to raise concerns in an appropriate way.”

4 COMMUNICATIONS

Several of our interviewees highlighted the importance of the relationship between HR and Communications colleagues. Communications are essential for how you package and present the experience. HR can help shape messaging, while Communications colleagues know the best methods and channels for disseminating messages, and for capturing and responding to any feedback.

5 COLLEAGUES THAT SUPPORT THE EXECUTION OF EMPLOYEE EXPERIENCE

HR will need to partner with colleagues across a variety of functions that have a material impact on the execution of employee experience. For example:

- IT – how easy is it to get help? Does equipment for new hires arrive on time?
- Finance – is expense reporting straightforward? Are company credit card and payroll issues sorted?
- Brand/Marketing/Customer Experience – Is the employee experience consistent with the broader brand experience? If not, this will be a problem. Ideally, products/services will be reflected in the behaviours of leaders and managers, which in turn filter through to the day-to-day life of employees. It’s easier for an organisation’s people to deliver a great customer experience if they identify with the brand themselves.
- Facilities/Real Estate – have the proper arrangements been made to facilitate hybrid working and a sense of safety?

HR and partner functions must also be aware of the risk of head office functions talking only to one another; employee experience involves responding to operational needs and requires the full engagement and support of those responsible for delivery.

“Everyone in the organisation has to own employee experience for it to be authentic. It has to be seen as integral to driving the business. It’s about every function and strata owning how they are going to serve the customer by first serving the employees and creating a frictionless experience for both.”

PARTICIPANT IN CRF RESEARCH FOCUS GROUP

6 EXTERNAL RELATIONSHIPS

Relationships external to the organisation also play a key role in employee experience.

Those organisations that are partners of, and act on behalf of, the organisation but also directly impact the employee are very important. For example, recruitment agencies and outplacement services should be well-briefed and aligned to the organisation’s values. The same is true of external consultants used as training partners – they should be recruited and inducted in such a way that they feel part of the organisation. This facilitates open and well-informed conversations with staff.

One HR leader we spoke to highlighted the importance of external investors. “If you want employee experience to work, you need to be clear on the why. How does this help the business succeed on a sustainable basis? What are you trying to do and why? What’s required of leaders? External investors can be very helpful with that.”

7 ALL EMPLOYEES

Finally, all of a company’s employees (up to and including the Board) have an important role to play in employee experience. As participants in a focus group for this research pointed out, it’s up to all employees to live and breathe the organisation’s mission, purpose, and values. The HR function can’t ‘own’ that – it’s a shared responsibility.

WHO IS IT FOR?

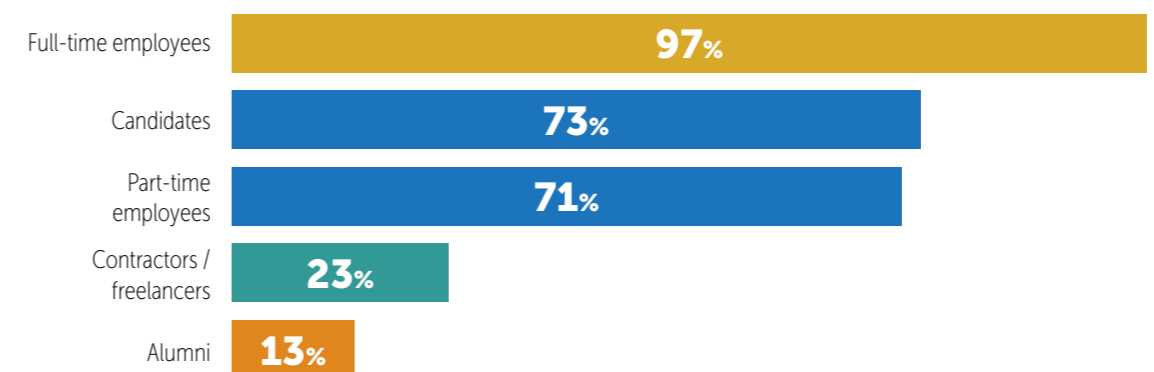
The idea that employee experience is a ‘big tent’ emerged clearly in the literature review for this report. Theorists and practitioners alike argue that employee experience should take into account not only in-house, full-time colleagues, but the larger blended workforce. It’s about creating a good experience for part-timers, contractors, freelancers, alumni, and candidates too.

As part of our survey, we asked respondents which segments of the employee population their employee experience strategy specifically addresses. As shown in Figure 3, while virtually everyone designs employee experience for full-time staff (97%), and most also take into account candidates (73%) and part-timers (71%), much less attention is paid to contractors and freelancers (23%) or alumni (13%). This lack of attention to contractors and freelancers is interesting, given that those companies looking to increase their reliance on the contingent workforce, and to do so strategically, should be thinking about how to differentiate the experience to attract and retain those workers.

These findings were also reflected in our interviews, where it seems to be largely early days for taking a whole-workforce approach to employee experience, or differentiating experience by factors such as demography, seniority or geography. We will begin to explore some of the reasons for this in the next chapter, which introduces a framework for thinking about employee experience in terms of stages of the employee journey, aspects of experience, and key enablers of experience.

FIGURE 3

Which segments of the employee population does your employee experience strategy specifically address? Check all that apply.



Source: CRF Employee Experience Member Survey 2021

2.0 STAGES, ASPECTS, ENABLERS – A FRAMEWORK FOR THINKING ABOUT EMPLOYEE EXPERIENCE

2.1 STRATEGY FIRST

“Some organisations concentrate on fluffy messages – employee experience is part of their branding and marketing, it flows through the hiring and induction processes. Then they let it go because they feel they’ve done their bit. But that’s just the beginning. The middle and end are also key for employee experience – how you train, educate, create personal growth, handle exits. You have to look at employee experience end-to-end if you want it to have an impact.”

NEIL HAYWARD, HUMAN RESOURCES DIRECTOR, HS2

Taking a strategic approach to employee experience is critical for those organisations that want their activities to positively impact business outcomes.

The temptation for some organisations is to take a ‘kitchen sink’ approach, engaging in a wide-ranging but random mishmash of activity. Others may take a one-size-fits-all approach. They may mimic the approach that another organisation has taken without considering the business end that they are trying to achieve. ENGAGE’s Andy Brown explains, “Everyone is searching for a holy grail, but a mature retail organisation has different employee experience needs than a start-up. There is no single solution. Spending time and resources on activity without clarity on what it will help your organisation achieve will bring suboptimal outcomes and may only frustrate your senior business leaders.”

Instead, HR, together with senior business leaders and other key stakeholders, needs to engage in a process of thinking through what’s right for their organisation. Approaches to employee experience should be tailored to the organisation, its culture, its particular challenges, and the stage of maturity it’s at.

The following questions can help you think through how to develop a more strategic approach to employee experience.

1. What is the business strategy? What's the context? What are the goals and objectives? What workforce outcomes do you need to change to support it?

Understanding the strategy is important because it has implications for what the organisation will need from its people, and conversely, what people will need from their organisation.

If your business strategy envisages the rapid creation of compelling new products or services, you may need to focus on what aspects of day-to-day employee experience foster – or create barriers to – innovation. If you are planning a restructure, you may need to think about the quality of your exit and/or alumni stages of the employee journey, keeping in mind potential reputational risks and impacts.

You want to identify the desired outcomes and then work backwards. What are the key touchpoints in the employee experience that will help or hinder your goals?

2. What are the current pain points? Organisations need to take the time to identify and understand the specific challenges their workforces are currently facing, in order to fix problem areas first. Is onboarding fit-for-purpose? Are your people burning out? Are you losing people because of limited opportunities for growth and development? What's really difficult in the employee experience right now, for whom, and why?

With employee experience, as Jonathan Kohn explains: "There is a strong emotional component. Communications need to be completely clear and as simple as possible to avoid misinterpretation or misunderstanding."

Wendy Hirsh cautions organisations to look out for 'unrepairable moments' – experiences that, if handled poorly, forever damage the employer-employee relationship (see Box, p. 24).

Data is a key tool for identifying pain points. Yet only 33% of respondents to our survey report that their organisation consistently or often uses workforce data to diagnose problems and drive decision-making related to employee experience. See the box, next page, for a closer look at why that might be the case.

Identifying current pain points will enable the organisation to work out priority actions to repair problem areas. It's difficult to build a positive employee experience if explicitly negative aspects of experience aren't sorted out first.

"You need to collect data and insights and focus on listening before you try to fix anything. Analysing reviews on Glassdoor, learning from exit interviews, and having conversations at all levels are critical tools for diagnosing what is happening and why. Find out where you are falling short on the promises you are making to people. Then you can come up with a plan based on those insights."

PRISCILLA KUEHNEL, GROUP MANAGER, GLOBAL EMPLOYEE EXPERIENCE, AVANADE

ONLY **33%** of respondents to CRF's survey report that their organisation **consistently or often uses workforce data to diagnose problems** and drive decision-making related to employee experience

3. What activities and interventions are needed? At this point the organisation can turn towards the question of deciding what to do.

'Employee experience' is a complex concept. Therefore, 'deciding what to do' will involve making decisions about what **stage** of the employee journey is involved, what **aspects** of experience it's critical to get right, and what **enablers** will help the organisation achieve its overall goals.

To return to our earlier example, imagine that your business strategy requires constant innovation. What stages of the employee journey are connected to 'being innovative'? Performance and growth, certainly, but perhaps there are also opportunities to foster innovative people and practices in the way you treat candidacy and onboarding.

Secondly, what aspects of experience foster innovation? Is it how teams work together? Is it an employee's relationship with their line manager? Is it reward related? Or, is it about all of these things?

Finally, what are the enablers? Is it about building the right culture so that teams can work together in a certain way? Is it about having great technology? Is it about the quality of management practices?

The framework presented in this chapter (see next section) may be helpful in thinking through what stages, aspects, and enablers of employee experience you need to consider as you seek to achieve a particular goal. Chapter 3 of this report will share several concrete examples of how employers are shaping employee experience.

When planning activities and interventions, keep in mind the following questions:

- Do planned activities match the organisation's values and norms?
- Have employees' views been centred?
- Have the right connections with stakeholders outside HR been established?
- Is the planned activity targeted and relevant?
- Do you have room to experiment, test, and make improvements?

4. Are there processes in place to evaluate and evolve the employee experience strategy?

Evaluation is a weak point for many organisations, but it is an important tool for measuring the effectiveness of a given activity or intervention. Organisations should be able to measure whether an activity had the desired result, in terms of impact on both individual and organisational outcomes. Evaluation is also important for determining how the strategy should evolve. This involves considering what an organisation needs to do more or less of, and how needs are shifting among different segments of the workforce. We will discuss evaluation in greater detail in Chapter 4 of this report.

USING DATA TO DIAGNOSE PROBLEMS

The consistent use of workforce data to diagnose problems and drive decision-making is the exception when it comes to employee experience, not the norm.

Yet doing so is key to improvement. As Glint's Steven Buck explains: "Organisations can't realistically expect to deliver on employee experience if they're not using tools that tap into a significant portion of it."

Today's workforce analytics tools continue to evolve at a rapid pace, and can instantaneously identify insights that used to take months. They can address questions across the employee lifecycle, such as whether people are having a great onboarding experience, how they are developing, if they are satisfied with their jobs, and why they are leaving. They can very precisely identify pain points, such as when and where in the organisation bad quality meetings with a negative impact on performance are happening.

So why is the use of workforce data to diagnose problems still the exception? There are two main reasons:

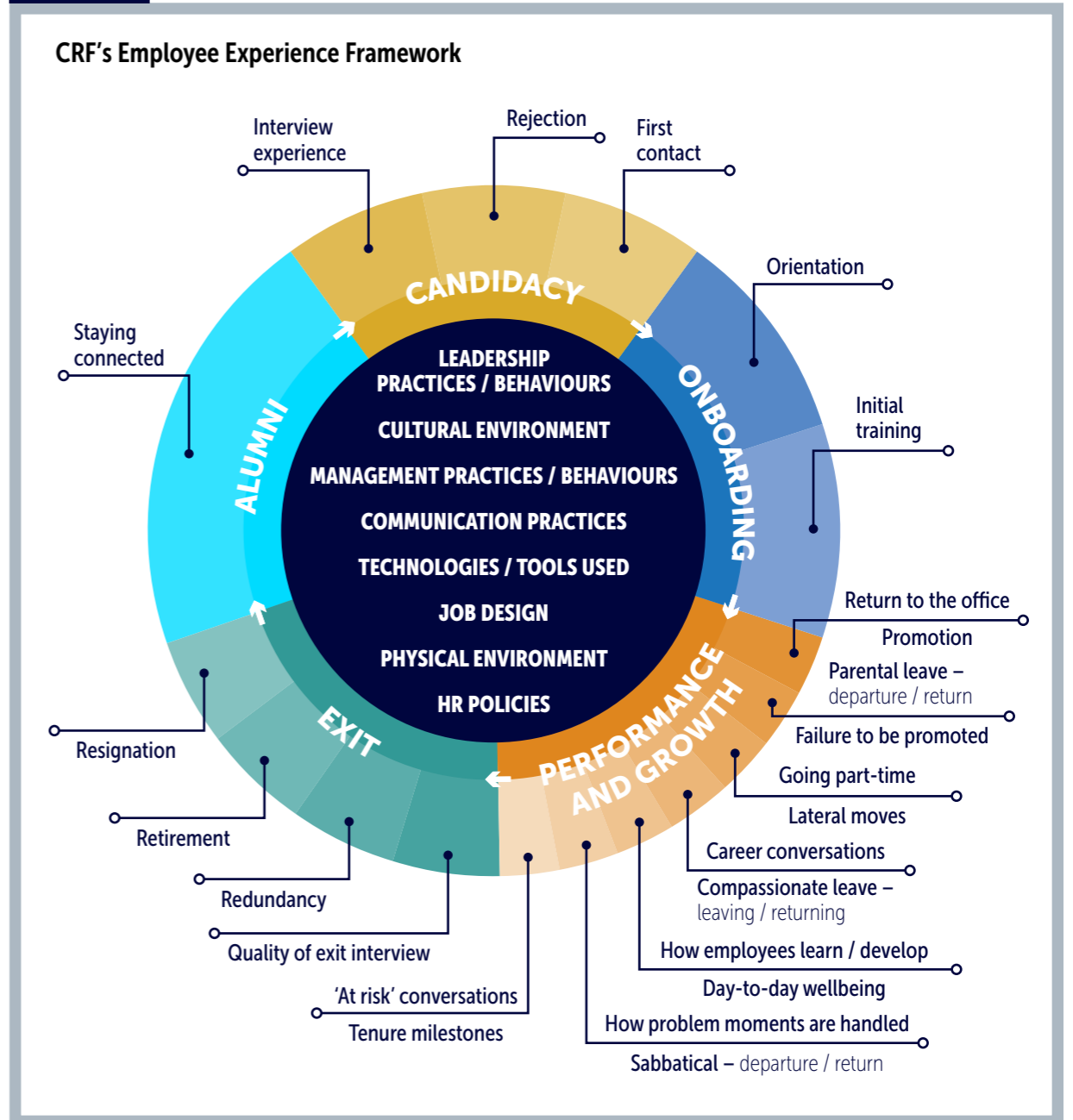
- 1. Quality of the tools.** It is still the case that, particularly in HR, there are many disparate systems, that may do a great job of looking at one thing in isolation but do a poor job of joining their data points together in a safe, secure way. Steven Buck explains: "HR has suffered too long with Stone Age tech. Other business functions have much better tech than HR. Clunky systems or multiple systems that don't talk to each other. To make effective use of workforce analytics, you need things in the moment – real time dashboards that are as integrated as what Finance might have. It doesn't have to be complex and sexy; it can be simple as long as it does what it's supposed to do."
- 2. Capability to use them.** Technological tools should make it easy for organisations to drive performance by improving things for their people. However, the ability to understand and interpret data, draw insights and conclusions, and formulate actions is still lacking in many HR functions. There are issues in terms of both practical skills and confidence. See CRF's report, [Strategic Workforce Analytics](#), for a closer look at building this capability.

2.2 CRF'S EMPLOYEE EXPERIENCE FRAMEWORK

So, you've identified your business goals and what you need from your people to achieve them. You've also identified some problem points that rapidly need to be addressed. Now what?

CRF's Employee Experience Framework has been designed to highlight the different stages, aspects, and enablers of employee experience that you will need to think about as you try to design solutions. The framework is a tool for asking questions and thinking things through; it is not an employee-centred methodology for 'doing' employee experience. We will explore how organisations are actually soliciting employee views and organising the nuts-and-bolts work of employee experience in Chapter 4.

FIGURE 4



STAGES OF THE EMPLOYEE JOURNEY

There are different stages that employees go through on their journey with a company. As such, employee journey maps can be highly detailed – one map we encountered in our research identified ten different stages of the employee journey.

We identify five core stages, illustrated in a circular manner to reflect that the employee journey isn't always strictly linear. It's also important to note that while HR and other functions benefit from having some sort of mapped journey, individual employees' journeys are entirely personal and as such will vary in practice.

Companies will want to align their objectives to these stages. Do your business goals require you changing something about how people are attracted? Then you will want to look closely at the candidacy stage of the employee journey, and perhaps also the exit and alumni stages (if you want to re-attract top talent or attract referrals, for example). Is retention key? Then you will probably want to look at aspects of experience related to performance and growth; equally, you may want to give attention to the exit stage of the employee journey, as the people you want to retain are watching how these are handled.

Identifying the stages that you need to focus on will in turn help you identify the aspects of experience that require attention at that stage.

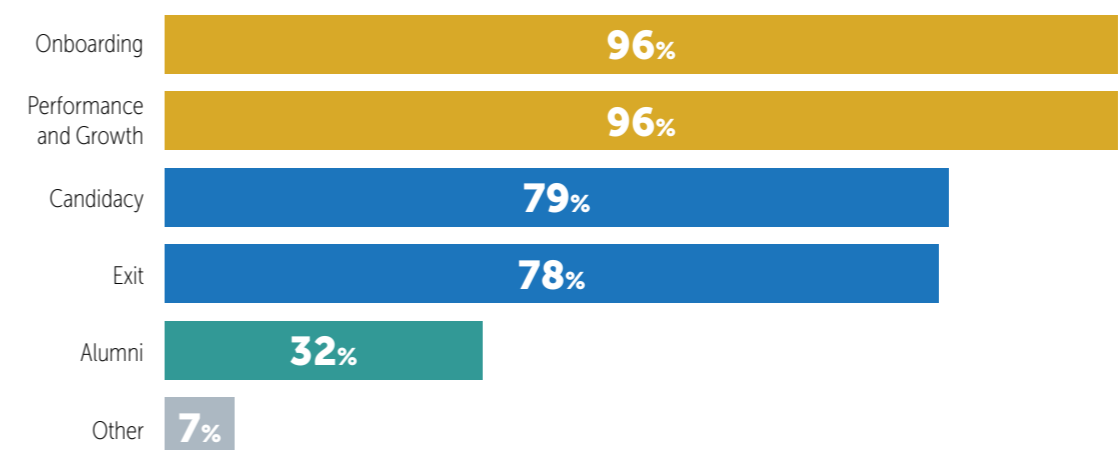
“Organisations have a role to play in supporting people in their greatest time of need – joining, leaving, marriages, or when they face challenges that may cause mental health issues, all the human panoply of events. People invest heavily in their work and employer, they spend a considerable amount of their lives at work. Therefore, it's core to our organisational values to be there to help people during their key moments – because it is the right thing to do. People want to see their colleagues being supported in their time of need.”

MAURICE FENTON, VP REWARD, SHELL

CRF MEMBERS' VIEWS ON STAGES OF THE EMPLOYEE JOURNEY

We asked survey respondents which stages of the employee journey are included in their organisation's conception of employee experience.

Which stages of the employee journey are included in your organisation's conception of employee experience? Check all that apply.



Source: CRF Employee Experience Member Survey 2021

'Onboarding' and 'Performance and Growth' were most frequently cited – each by 96% of respondents. 'Candidacy' and 'Exit' are also defined as part of the employee journey at a majority of organisations – 79% and 78% cited these stages, respectively. These findings were broadly reflected in our research interviews, with a slight bias toward the 'Onboarding' stage of the employee journey.

Interestingly, only 32% of survey respondents reported that their organisation includes 'Alumni' in their definition of the employee journey. This finding was reflected in our research interviews, where only a few companies cited 'Alumni' in their definition of the employee journey.

However, this may reflect business strategy. Maintaining great relationships with alumni may be more important for some industries or businesses – think of technology or consultancy – where it is common for talent to move between companies and then be attracted back, or where there is stiff competition for scarce talent. In other industries, maintaining strong relationships with alumni may not be a good use of limited time and resources.

Of course, there is also a question of segmentation – it might be the case that, even in industries where alumni relationships are generally not important, those relationships with certain segments of talent do need attention.

ASPECTS OF EMPLOYEE EXPERIENCE

By 'aspects' of employee experience we mean the critical moments or 'moments that matter', that are likely to occur in the employee journey. These can make or break the employer-employee relationship. In the model, we have aligned to each stage of the employee journey some of the critical moments that our interviewees identified. A crucial point about these aspects of employee experience is that each organisation will be unique in which ones are important in relation to their business needs.

With limited time and resources, it is not possible for most organisations to identify and perfect every aspect of employee experience. Nor is it desirable, as why spend limited resources on an aspect that doesn't matter for your particular people and business needs?

Thus, the emphasis on strategy and prioritisation. For example, an organisation that is trying to improve the gender diversity of its succession pipeline might prioritise the employee experience of returning from parental leave; an organisation seeking to retain top talent might prioritise the experience of transitioning to and from international assignment.

An important question raised in our research is whether there are both 'generic' aspects of employee experience that are likely to matter at most companies, most of the time, as well as highly specific aspects of experience that vary from one company to another. For example, do most companies have a business need for a great onboarding experience, while only a few will need to develop great transitional experiences around international assignments? We explore this question in the box, 'Do Some Moments Matter for Everyone?', on p. 24.

The key task for an organisation is to identify which aspects of employee experience, at each stage of the employee journey, are critical for meeting their business goals and objectives, and to regularly review and update as business strategy, external factors, and/or workforce needs change. No small task!

Our interviewees highlighted other key points about these critical moments.

- **Critical moments can be positive or negative and ideally this has a temporal aspect in that negative moments get fixed, while positive moments are more enduring.**

Amy Sawbridge explains: "Some moments that matter only matter because it's broken and needs fixing. Once this has been done, it's no longer a moment that matters. Other

"Imagine how it might impact learning and development if, instead of just talking to your line manager about your aspirations, you could instead choose whomever you want to have the conversation with and define what you want to get out of that conversation. That sort of flexibility and autonomy could really enhance the employee experience and enrich outcomes."

LORE TAILLIEU, HEAD OF PEOPLE EXPERIENCE AND ENGAGEMENT, CERN

moments that matter do so because they're positive and significant in the employee experience. These moments can be enduring and serve as distinguishing signatures or hallmarks of your employee experience."

- **Critical moments are about how people genuinely feel, not about the process or the tool.** Showing care and making the moment easy to navigate are important. While there may ultimately be a process behind the moment, the person's experience in the moment needs to be curated and personalised.
- **Critical moments are highly personal.** "Moments that matter to me may not matter to you," explains Caroline Fanning, Chief People Officer, Avanade. The focus is likely to shift depending on the employee.
- **Critical moments often occur at points of transition.** These include joining or leaving the company, moving to another department, departing for or returning from parental leave, sabbatical, international assignment, and compassionate leave, among others.
- **Data is essential for identifying critical moments that need to be fixed.** Avanade's Priscilla Kuehnelt explains: "Engagement surveys, exit interview data, attrition data can and should be used to identify where your experience is not good for people. Look at what this data tells you and go target that."

Once an organisation has identified the different aspects of experience at each stage of the employee journey that are critical to get right, the work can begin. Working through each stage and aspect, you will want to identify the gaps between the current experience and an experience that will address business objectives and employee needs, while being authentic to your unique culture and values.

In Chapter 3, we will share several case studies of how organisations have approached different aspects of employee experience. In Chapter 4, we will review the methodologies available for understanding and evolving the quality of experiences.

DO SOME MOMENTS MATTER FOR EVERYONE? // //

Are there certain aspects of employee experience that every business needs to pay attention to, and to achieve to a certain quality standard?

The answer is surprisingly complicated.

Côte Restaurant Group's Amy Sawbridge explains: "There are table stakes. Things that, if you don't do, you are shooting yourself in the foot in terms of attracting talent. These are things you have to do just to keep up with the market and your competitors. But then there is also an opportunity to differentiate yourself in certain elements of your experience. Things you can do slightly differently than the rest. Moments that you can own. So, you can overlay those table stakes with differentiated moments, that will vary depending on the strategy and what's authentic to the company."

What are some of these moments that matter for most employees in most companies, most of the time?

Wendy Hirsh highlights the following:

- 1. Joining.** This is important because it is a high-stakes moment where the employee is making a change but is largely in the dark. Where do I park my car? How do I get into the building? Why can't they get me a laptop? How am I going to get to know people? The whole process needs to be handled with attention and care to get someone up and running as quickly and smoothly as possible.
- 2. Moments the company makes matter.** Some things are high-stakes because the organisation makes a fuss of them. For example, many organisations make a lot of noise about performance reviews, so they become important to the individual and often more stressful than necessary.
- 3. 'Unrepairable moments'.** When someone is having a problem – with their boss, a customer, a colleague – such as being bullied or sexually harassed, if the organisation and HR aren't absolutely with the individual in that moment, that individual will never feel the same about the organisation. "It only takes one day of being treated badly and your supervisor doing nothing about it to forever colour the relationship," explains Hirsh.
- 4. Moments of unfairness.** Even seemingly small instances of being treated unfairly can be damaging to the employee experience. Whether things are really fair (procedural justice), whether they are felt to be fair, or whether things are enacted fairly – fairness matters. Managers and HR professionals need to be alert to these moments and be ready to listen, explain and respond if someone really has been treated unfairly. If brushed to one side, a moment of unfairness can become 'unrepairable'.

5. Personal moments. These are moments during which people feel vulnerable and anxious because they have things to attend to outside work, for example health or family issues. They may require a bit of time off or a change to normal work patterns. The pandemic has allowed organisations to become more attuned to things like this; they are high-stakes for the individual, often both emotionally and practically.

6. Day-to-day moments. The employee experience is coloured by those many moments of interaction with the line manager, team members and other important colleagues. These interactions build up or grind down relationships at work which – more than anything else – are what the employee experience consists of. Day-to-day moments may matter most when people have too much work, a task they can't do easily or have made a mistake – that is, when people are a bit worried and need a bit of help.

7. Moments of organisation change. Organisations often get this wrong, Hirsh says. "When doing organisational change – a big technological transformation, a restructuring – all thoughts about employee experience can go out the window and it can be dreadful." Hirsh points to a recent example in her work of a company undergoing restructuring. "There was no communication, no clarity about jobs, secretive job allocation – it was all very much in opposition to how employees were used to experiencing everything else. The change was handled so poorly that the company alienated very many of its staff completely unnecessarily." Getting moments of change right is critical because they signal how you plan to take people with you. Sometimes HR may be looking to help but may not be allowed in, or the HRD may be involved but secretly. Neither situation is helpful from an employee experience perspective.

These types of moments matter for most workers in most companies, most of the time.

Yet, Shell's Maurice Fenton complicates the question further. "Does the actual employee experience have to be different in different companies? Is the positive experience that employees are seeking generic enough that you can replicate the way it is delivered through certain processes, like onboarding? What's distinct about the way HR deliver this in Shell, as opposed to how it is delivered in other organisations?"

Fenton suspects the answer is that there are both generic and specific elements: the critical moments for employee experience can be generally understood, but exactly how you handle them may be specific to the organisation, the kind of staff it has, its history, and the kind of culture it is seeking to promote.

WHAT ABOUT DIFFERENTIATING THE EMPLOYEE EXPERIENCE? //

In Chapter 1, we noted that most companies are designing employee experience for full-time staff (97% of survey respondents), candidates (73%) and part-timers (71%). Fewer are considering contractors/freelancers (23%) or alumni (13%).

Additionally, what about differentiating the employee experience among different segments of your full- and part-time staff, and among candidates? As if designing employee experience wasn't already complicated enough, isn't it probably true that the same moments at the same stages of the journey matter in different ways for different people?

Consider the moment when someone fails to win a promotion during the 'Performance & Growth' stage of their employee journey. Isn't it likely that there may be demographic or job level differences in how that failure is received, and consequently what the organisation needs to provide to make it as positive a moment as possible?

In reviewing the literature on employee experience, we found broad agreement that the answer is 'yes'. In addition to identifying the aspects of experience that matter at different stages of the employee journey, we should ideally be crafting differentiated experiences for different employee segments ('personas' in the literature).

Yet, in practice, this appears to rarely be the case. Our survey asked respondents whether their organisation differentiates the employee experience by geography, job level, job family, role, scarcity, demographic factors, or by function/business unit/operating company. As you can see in the figure opposite, the answer was a resounding 'no'. Only about half of companies differentiate even by the basic category of function/business unit/operating company, 14% do so by job level, and less than 10% do so for all other segments of the employee population.

This finding was largely reflected in our interviews. Why is this the case? The answer may be a simple one – many companies simply aren't that far along on their employee experience journey yet.

Perhaps the most important differentiator to focus on is critical talent. Critical roles are those that have the biggest impact on building and sustaining competitive advantage. Therefore, investing in people who are either in these roles, or have the potential to progress into these roles, should deliver an outsized return. Few organisations do this work, but they should.

CRF's research suggests focusing on two key elements in identifying critical roles:

- Value creation. Value can be manifested in many ways, both financial (e.g., sales) and qualitative (customer satisfaction).
- Strategic impact. Roles that make the biggest contribution to the organisation's competitive advantage or core capabilities.

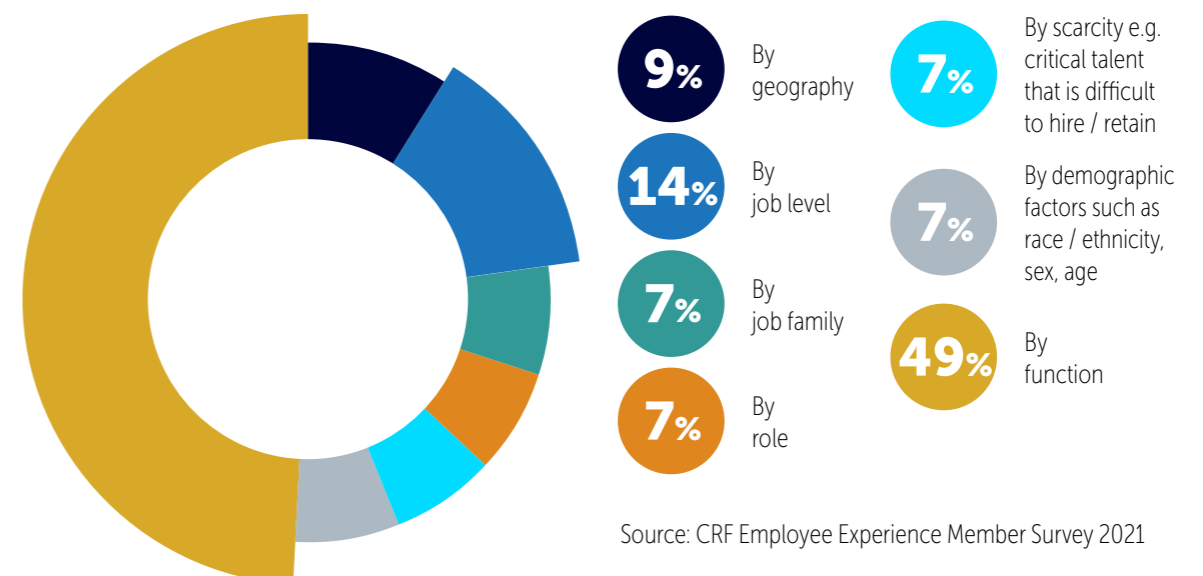
Critical talent includes those who have scarce skills that are difficult to replace, and those who have been assessed to have leadership potential.

Organisations need to identify who their critical people are. HR should help create experiences for critical talent that enable them to grow, realise their potential and also maximise the organisation's chances of keeping them (with a plan to replace them if they do move on).

What might employee experience for critical talent look like? CRF's Director Mike Haffenden suggests the following:

- Interesting work that offers opportunities for progression, challenge and growth. If the work is dull, there is a risk of losing critical talent to an organisation that offers more interesting prospects
- Clear objectives that offer stretch – people need to know what their job is, how they contribute, and how they can grow
- A career plan that describes what the next job or development experience is, and what steps are required to prepare them for it
- Opportunities to learn new things
- Periodic access to the Chief Executive and senior leadership team – to talk about how they're getting on and increase their visibility outside their immediate business area
- Regular contact with someone senior who is not their manager and with whom they can discuss how things are going and their career plan
- The chance to bring forward ideas for improvement – highly talented people can become frustrated if they lack such avenues
- Freedom and flexibility in the job, including some degree of choice about where they work
- Remuneration at, near, or arguably above market value
- A long-term, structured incentive bonus.

In which of the following ways is your employee experience strategy differentiated?



Source: CRF Employee Experience Member Survey 2021

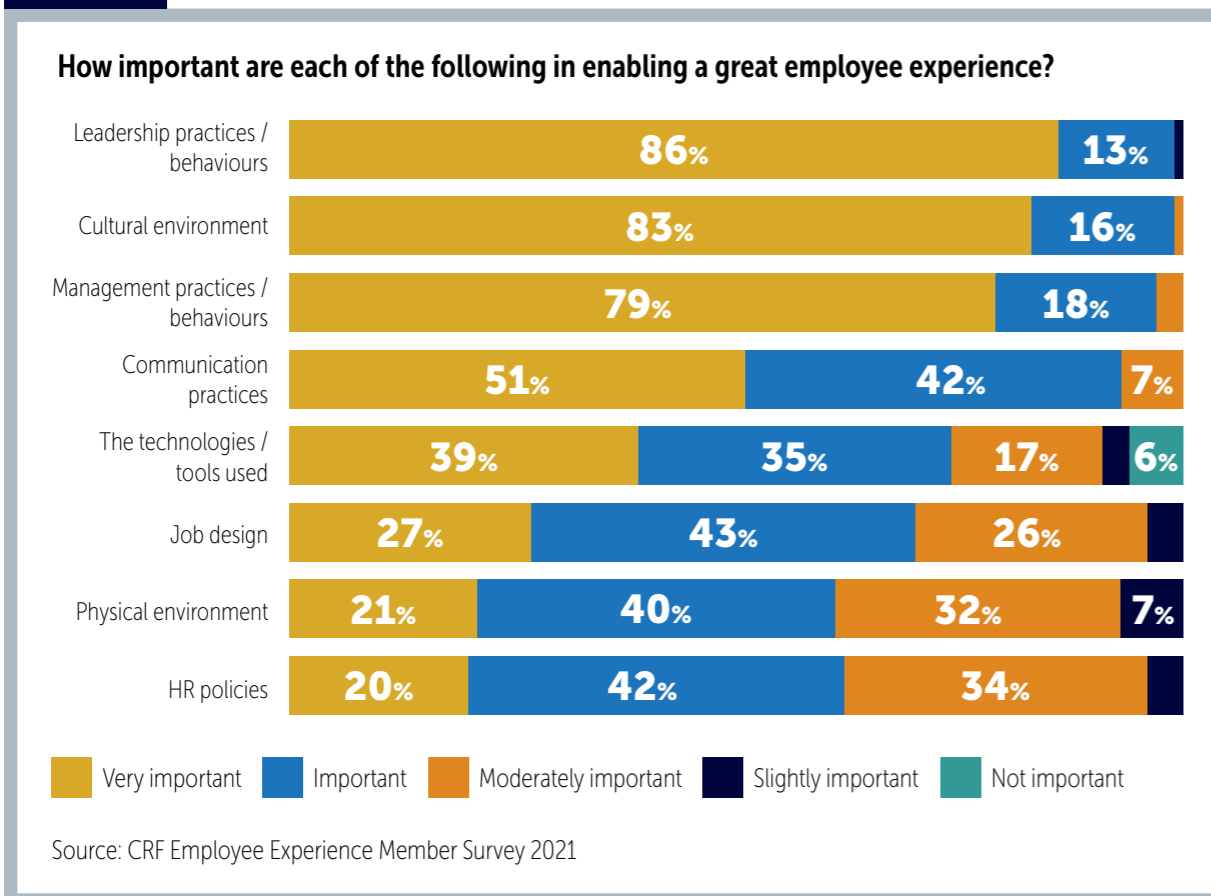
ENABLERS OF EMPLOYEE EXPERIENCE

The final component of CRF’s Employee Experience framework is comprised of those levers that organisations can pull to enable a great experience.

We have identified eight potential enablers of employee experience and have placed them at the heart of the diagram to illustrate their foundational importance. They are also organised top-to-bottom, in order of descending importance as reported by respondents to our survey (see Figure 5).

As you can see from the survey results, all of these enablers were deemed important or very important by a majority – sometimes an overwhelming majority – of respondents. This is not surprising, as it is often the case that multiple enablers are needed to execute a given aspect of employee experience in the most positive way.

FIGURE 5



For example, an employee’s experience of departing for and returning from parental leave will likely be influenced by their relationship with their line manager, the quality of policies and how they are communicated, role modelling from senior leaders, the organisation culture, and perhaps the quality of the technological tools that support the process.

An employee’s experience of their initial orientation and training is likely to be highly influenced by technology, line managers, and communication practices.

Our interviewees for this research further fleshed out how and why these enablers matter. Below, we share key themes that emerged for each enabler. In Chapter 3, we share case studies of how organisations are using these enablers to improve employee experience.

“Legacy cultural things may stand in the way of embedding employee experience. Building the right connections, getting the right insights, getting people aligned to the right things – these are almost exclusively driven by role modelling from the senior leader.”

STEVEN BUCK, PEOPLE SCIENCE LEAD, EMEA, GLINT

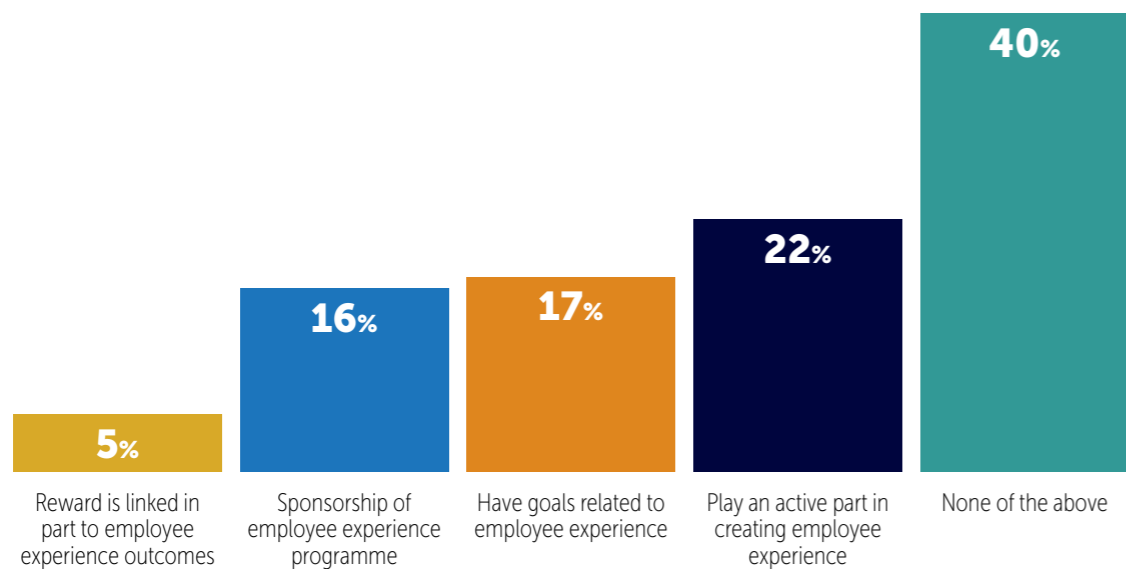
LEADERSHIP PRACTICES / BEHAVIOURS

A resounding 99% of respondents to our survey identified leadership practices and behaviours as an important or very important enabler of a great employee experience. In our interviews with HR leaders, the following themes emerged around senior leaders and employee experience:

- **Senior leaders vary in their commitment to and skill in enabling employee experience.** Many leaders at least have the will to support employee experience, and increasingly understand its importance, but while some are ‘naturals’, for others it is more of a ‘necessary evil’.
- **Enabling employee experience is a greater challenge for leaders who are already stretched in a tough business context.** At some organisations, time, energy, and resources are currently oriented toward business survival.
- **Surveys, and other touchpoints that enable employees to talk about their experiences, are invaluable for keeping leaders informed.** As Caroline Penwarden, HR Director, UK & Ireland, Mediabrands, explains: “Our surveys make people’s experiences visible. Without them it would be difficult for leadership to get involved because they are a step removed.”

FIGURE 6

In which of the following ways are senior leaders in your organisation engaged with the employee experience agenda?



Source: CRF Employee Experience Member Survey 2021

- **Senior leaders are critical role models.** Senior leaders set the tone which influences how employees behave. Are they living and working by the organisation's values? Are they honest and transparent about how things are in the business, their response, and where things are going next? Do they consistently behave in line with the culture and policies? For example, if highly flexible working is a cornerstone of the organisation's employee experience, do senior leaders live this experience, or do they adhere to long, rigid, office-based hours?
- **Communications from senior leaders have a big impact on employee experience.** Both in terms of signalling its strategic importance and positively impacting the experience itself. For example, many organisations have reported that senior leaders' open, authentic, and transparent communication throughout the pandemic has had a very positive impact on employee wellbeing and broader experience.
- **HR has an important role to play in helping senior leaders to flourish and be skilled at this work.** Shell's Jonathan Kohn explains: "Leaders cast long shadows; as an HR person it's important to help leaders understand the shadow they cast, and help them see, explore, and adapt that. Being conscious of the environment, how to intervene at

multiple levels – does each leader understand their role in the overall architecture? Some people are amazingly commercial and grow into leadership, others may have commercial strength but find leadership more challenging. Organisations have to have the courage to provide honest feedback to staff at all levels regarding the expectations of our leaders, even if they are individually very commercially successful."

We asked respondents to our survey one additional question about senior leaders. We asked how senior leaders in their organisation might be engaged with the employee experience agenda – through sponsorship, playing an active role, having goals related to employee experience, or having part of their reward linked to employee experience outcomes. As you can see in Figure 6, these types of engagement were largely the exception, not the norm.

THE CULTURAL ENVIRONMENT

The vast majority of respondents to our survey – 98% – identified the cultural environment as an important or very important enabler of a great employee experience. In our interviews with HR leaders, the following themes emerged around culture and employee experience.

- **Employee experience is more likely to thrive in inclusive cultural environments.** More people will have a better experience in an environment where people with different backgrounds, characteristics, experiences, and ways of thinking feel welcome, included, and able to bring their 'whole self' to work. Such environments are more likely to foster the psychological safety that allows people to speak up and make challenges. Inclusive cultural environments also tend to foster emotional, not just transactional, connections among colleagues and to the organisation, which is important given the strong emotional component of employee experience.
- **Socially supportive cultures enhance employee experience.** Both formal and informal social support and ties among colleagues and between colleagues and managers can make for a more positive employee experience. Spotify deems the social so important that they have a team dedicated to it – the Community Experience (Cx) team. Mikael Bäckström, VP, HR Partnerships, explains: "It's a team that can actually focus on enhancing not the direct work-related stuff but the moments in an employee's everyday life. The team helps tie people together because networking is a strength. Through the team's work, people can learn more about others and about opportunities, about how their work affects others, and what else is happening in the company."

See CRF's 2020 report, [Let's Get \(Beyond\) Physical – Creating a Multidimensional Approach to Employee Wellbeing](#), for a closer look at how organisations are crafting socially supportive and inclusive cultural environments.

“There is a lot you can do centrally to design a great experience. For example, take promotion. You can design for application, selection, calibration, fairness, and how it’s followed up afterwards. You can’t control the day-to-day experience an employee has of working with their line manager and colleagues. Central design and control accounts for 10%, maybe 15% of experience. But the vast majority comes down to line managers and colleagues. That’s why management capability and education is so important.”

FIONA WALLACE, HEAD OF TALENT, BREWIN DOLPHIN

MANAGEMENT PRACTICES / BEHAVIOURS

98% of respondents to our survey – again a vast majority – identified management practices and behaviours as an important or very important enabler of a great employee experience. In our interviews with HR leaders, the following themes emerged around managers and employee experience.

- **Line managers are at the heart of employee experience.** They play a critical role in their direct reports’ day-to-day experiences. They are the conduit to their teams, responsible for interpreting the employee experience and bringing it to life. As authority figures, they can have a disproportionate impact on the emotional and practical experiences of those they supervise so it is important that they are able to effectively support others. Avanade’s Priscilla Kuehnel explains: “Managers have a huge impact on employee experience. Data shows again and again that people leave their manager, not their company. Managers can really make or break the experience. You can work for an incredible company, doing interesting work, but if your manager isn’t supporting you, you’ll leave.”
- **The demands placed on managers are enormous.** The demands placed on managers are multifaceted and complex. It isn’t – and shouldn’t be – just about being good technically and delivering financial results. They need a robust toolbox for the sorts of things they are asked to do (such as having difficult conversations), and shouldn’t be asked to do administrative things that could be more efficiently done by HR. Organisations should

also think about the formal objectives they set managers and how they are rewarded for achieving them. Spotify’s Mikael Bäckström explains: “Companies expect quite a lot from managers, but what managers tend to pick up are the things they get rewarded for – which is usually business results, delivering a project on time, and so on. They’re not often rewarded on the basis of engagement scores or turnover or absenteeism.”

ONLY

14%

of respondents to our survey say that their organisation **sets employee experience as a formal objective for line managers**

- **Managers themselves have very different experiences, challenges, and needs.** For example, the manager of an HR employee experience team in the head office will face different challenges than a call centre manager. The former may find learning and development the most pressing need, while the latter may need to focus on aspects of employee experience that drive retention in a high-turnover team. Managers need flexible and personalised support that is specific to the demands placed on them.
- **Managers vary in their skills and suitability for the role.** Managers are frequently advanced based on technical competence – their ability to manage equipment or process flows – rather than on the basis of their emotional intelligence or good management skills. Speaking of the scientists who largely comprise the line managership at her company, one HR leader said: “They’re not good with people, let alone able to give them a good experience.” Some interviewees also expressed a concern that, too often, when managers are advanced on technical competence rather than management skills, support falls short and then they are left in place when they shouldn’t be.

“All HR functions live through managers. We expect them to be the bearers of culture and values in the company, and HR is there to support them. We expect a lot but maybe don’t always give them the right tools and focus.”

MIKAEL BÄCKSTRÖM, VP, HR PARTNERSHIPS, SPOTIFY

“We need to give people what they need when they need it. What they need today may not be what they need tomorrow, next year, or five years from now. HR has to work in proximity with managers to achieve this. Yet so many managers don’t have the basics – which is understanding what people need from you and how that changes over time.”

LORE TAILLIEU, HEAD OF PEOPLE EXPERIENCE AND ENGAGEMENT, CERN

- **Data is a key enabler for managers.** Data can empower managers to more effectively address their employees’ experience. “Visibility and use of team data are really important,” explains Nicola Lister of BT. “If it’s very difficult to access data about your team, then it’s more difficult to take actions related to your people. Disjointed and inaccurate data will manifest in complicated, clunky, and frustrating processes, which increases reliance on HR and decreases manager accountability. We have to enable managers by giving them quick access to accurate data with which to make team decisions.”
- **Managers need more than just training or a one-off course, if the organisation expects them to facilitate a great employee experience.** Managers need things like coaching, mentorship, and/or day-to-day guidance to embed learning. Beth van Burk, Human Resources, BSI Group, explains: “Training is like the hook to the fish, but coaching and mentoring is the pulling in of the fish. HRBPs have a role to play in stepping in and making sure the line is being pulled, that learnings are being embedded in the day-to-day operations, that connections are being made.”
- **Management that enables employee experience is about having the hard skills.** Good managers are rich communicators, they are clear about their expectations, they are consistent in their attitudes, behaviours, and values, they establish and observe boundaries, they are flexible, able to craft manageable workloads (and recognise unreasonable ones), and they operate on a praise/reward system rather than one of fault-finding. They avoid being overly paternalistic as this can stifle innovation and empowerment while overtaxing the manager.
- **It is also about having the soft skills.** Managers need empathy, the ability to listen without judging, discretion, intuition, trust, and the ability to be vulnerable. They need to be honest even when it’s difficult (for example, during performance conversations). They should be able to respect employees’ ability to make decisions for themselves and to accept the consequences of those decisions. They should show kindness and care, however small.

“Listening has high value for engagement and experience. It’s important as both a corporate skill and a life skill.”

MARK MENARY, HEAD OF TALENT AND ENGAGEMENT, PEOPLE AND CULTURE, BANK OF ENGLAND

“We want to listen to colleagues in a more agile, open, and transparent way, one that reflects how we operate as a business. We want managers to be able to see the results of that listening and help them use those insights to improve employee experience.”

SUZANNE COUSENS, HEAD OF INCLUSION AND ENGAGEMENT, BIBBY FINANCIAL SERVICES

COMMUNICATION PRACTICES

93% of respondents to our survey identified communication practices as an important or very important enabler of a great employee experience. In our interviews with HR leaders, the following themes emerged around communication and employee experience.

- **Communication is vital because it brings employee experience to life.** It is communication – the language used, how, when, and where – that fosters a sense of belonging to an organisation, conveys its values, builds trust, and draws people in. Both senior leaders and managers need to be excellent communicators. Many leaders evolved their communication styles by necessity during the pandemic, moving away from sanitised and scripted messages in favour of transparency and speed of communication. This has been a trust-builder in many organisations.
- **Listening is a key component of communication practices around employee experience, and organisations are getting much savvier at it.** There is an emphasis on bridging the divide between the senior leaders making decisions and the people those decisions affect. Feeding employees’ lived experience back to leaders helps the organisation understand whether it is making the right decisions at strategic level. Listening is equally important at the local level, between teams and managers. Listening can help managers understand the culture and environment they are creating within their team.

“If you speak procedure to people, you’ll get procedure back. HR’s task is to keep communications simple, clear, and accessible – avoiding difficult and jargon-laden language.”

LORE TAILLIEU, HEAD OF PEOPLE EXPERIENCE AND ENGAGEMENT, CERN

- **Listening strategies are in great flux.** Annual surveys are increasingly seen as outdated – rigid behemoths that are not agile enough to offer credible, timely insights that will positively impact employee experience. Consequently, many organisations are moving from an annual to a continual model. More frequent, shorter, and lighter touch surveys are quickly becoming the norm, although organisations are largely still trying to find the ‘sweet spot’ between annual and pulse surveys. For example, some organisations that went from annual to monthly surveys have now shifted to quarterly. The risk is that too frequent surveys not only induce survey fatigue but let people down if improvements can’t be actioned fast enough. In the continual model, survey questions are more targeted and changeable. This reflects the reality that what CEOs, CHROs, and other senior leaders need to know is changing so quickly.
- **Listening without follow-up action is futile.** You can have a great listening strategy and be listening all the time, but it is pointless if you don’t build in time for analysis and action. As one HR leader put it: “You have to act and show you’re acting before you keep on listening.” Pausing to analyse and act serves three purposes. First, it shows your people that the survey matters, is worth their time, and will lead to tangible change (or, in cases where a desired change is not feasible, gives the organisation the opportunity to address and explain the issue). Second, it gives those designing employee experience time to reflect – are they really dealing with the information in the right way? Have they really set out strategy on the basis of these insights? What changes are realistic, resources-wise? Third, it gives the organisation time to draw out valid and accessible insights that, when shared with business areas and manages, are more likely to be acted on.
- **Listening is about more than just surveys.** The most advanced organisations are supplementing surveys with other types of listening – listening to employee resource groups (ERGs), conveying employee experience back to the business through HRBPs, listening at direct employee forums, listening during trade union consultations, and using analytics and AI to analyse unstructured data, such as employee chat on internal social media platforms (Yammer, etc.). Access to and sponsorship from senior leaders is critical to get the most out of your listening (for example, with respect to ERGs).

“How is technology actually being used by employees? Does it save you time? Does it make transactions quicker? It should be saving time and energy.”

MAURICE FENTON, VP REWARD, SHELL

TECHNOLOGIES / TOOLS USED

74% of respondents to our survey identified the technologies or tools used as an important or very important enabler of a great employee experience. In our interviews with HR leaders, the following themes emerged around technologies/tools and employee experience.

- **Technology impacts multiple aspects of employee experience.** It’s part of onboarding, performance management, and learning and development. It plays a key role in keeping people connected and supported in remote environments (as evidenced by the pandemic). It’s part of the day-to-day as people use self-service technology to accomplish the basics (expense reports, booking holiday, etc). This digital ecosystem is massive and will be a source of frustration and inefficiency if it not implemented effectively.
- **Many companies are behind the curve, technologically-speaking.** There is broad agreement that technology is very important and offers huge opportunities to improve how people do their jobs, both in terms of productivity and experience. However, many HR leaders report that they feel behind the curve. One issue is that it can be challenging for businesses to understand their needs, which impacts finding the right solution. Another issue is lack of integration – many companies still have disparate and clunky systems that don’t talk to each other, which can impede ambitions.
- **Technology can be a disengager.** When technology impedes efforts to serve the customer, or employee, it quickly becomes frustrating. People want to be able to use technology to do a great job, quickly. If technology gets in the way, the associated frustration becomes the employee experience. Removing the potential for technology to become a negative influence on experience is a must. Good technology is intuitive, simple, straightforward, and doesn’t ask for information that it doesn’t need.
- **Organisations have to blend technology with the human touch in order to optimise employee experience.** Technology is an essential enabler of how an organisation looks and feels; how work gets done; and how people interact, learn, and grow, but it cannot replace human conversations and interaction. Thus, a major challenge for employee experience is how to integrate technology with people. Where does digital step in, where does the person step in, and how do you combine them to get the best of both? It’s not enough to have cheaper, better, faster technology – it’s about the intelligent application of it.

“Most organisations have technology for their people that’s nowhere near as good as that which they use for their customers. If you’re investing heavily for customers but expecting employees to use difficult, out-dated systems, that sends a strong signal that you don’t value them and their experience to the same level as that of customers. Businesses should start with happy employees to pave the way for happy customers, to pave the way for happy shareholders. This rarely happens.”

AMY SAWBRIDGE, CHIEF PEOPLE OFFICER, CÔTE RESTAURANT GROUP

- **HR is often a flawed decision-maker with respect to technology.** Our interviewees raised two concerns. First, HR often lacks confidence when it comes to selecting and purchasing the best software solutions. This lack of confidence influences the second issue: HR too often focuses on making its own life easier, instead of finding the optimal solution for employees or business. The function has a tendency to adopt solutions that work for it, without much thought about managers’ and employees’ user experience. Mediabrands’ Caroline Penwarden asks: “Does the system add value to employees? Is it benefitting them? We need to be careful about how we spend the money on technology. We should be looking for direct benefit to employees, not a few people in HR and Finance finding it easier.”
- **Some companies are looking for an ‘experience layer’ in their technology.** ‘Too many systems’ was a common refrain in our discussions about technology. As one HR leader explained: “At the moment people go into different systems and have really great experiences in those systems. But now there are too many systems that people have to log into on a daily basis. So, we’re looking next at an experience layer that pulls notifications from all systems, that can curate that experience on a single layer.” See the box, p. 31, for a closer look at the issue of Employee Experience Platforms (EXPs).
- **With respect to learning technology, companies are reporting varying levels of success.** There is a shift toward autonomous digital learning, but many are seeing low interaction with these platforms. There are open questions around if and how blended learning (combining face-to-face and digital elements) can work.

CASE NOTES: DIRECT LINE GROUP

At **Direct Line Group**, technology is a critical enabler of employee experience as the insurance company moves toward its hybrid working model. Victoria Talbot, Head of Employee Experience and Engagement, explained: “We want technology to enable hybrid working, so that people don’t feel they have to go into the office. We want the technology to be so good that they feel just as present remotely, able to read the room, able to connect. This is also really important for people’s wellbeing, especially those who are customer-facing. Bad technology makes for a bad experience for our people and our customers.”

The company has demonstrated its commitment by sending out 5,000 tech bundles to its people. Employees are able to choose from a menu of bundles to access the technology (tablets, extra-large monitors, etc.) that will best meet their home-working needs. “Great kit shows intent and builds confidence about the future security of one’s role,” Talbot said.

CASE NOTES: FINASTRA

Fintech company **Finastra** adopts a product management philosophy for its internal and external products. The standards and principles of user experience that are met for customer-facing products are also applied to those created for employees – design thinking, cloud-based, superior user experience, data and dashboards built in to measure and report performance. A cross-functional team stays abreast of success metrics, “and if something isn’t used or isn’t working, we close it and re-invest,” explained Claire Sherwin, Global Head of People Services.

THE EMPLOYEE EXPERIENCE PLATFORM (EXP) // //

The market for technology related to employee experience is large and fragmented, with an estimated value of \$300bn.

The employee experience tech ecosystem is comprised of hundreds of tools, apps, systems, and services, many of which go unnoticed and unused, and none of which can meet all of an employee's disparate needs. There are solutions for learning, wellbeing, performance management, basic services, knowledge management, tools that support culture and productivity – the list goes on.

Some companies are beginning to look for a platform that will standardise and integrate these elements into one portal in order to ease the user experience and improve the employee experience. We expect the demand for an integrated platform to grow as workforces continue to shift toward more distributed and digital work environments.

However, are there any products that can meet this demand? Is there a such thing as a unified, integrated Employee Experience Platform (EXP)?

In early 2021, Microsoft became the first to enter the fray with the launch of its EXP, MS Viva. The product positions itself as a tool for empowering employees in the digital age. Built on Microsoft 365 and delivered in Teams, Viva offers its own suite of applications in addition to functioning as an integration platform (it already integrates content and tools from Glint, LinkedIn Learning, Headspace, Skillsoft, and others).

MS Viva's own applications cover an array of employee experience needs.

- **Viva Connections** provides a single portal for connection and communication.
- **Viva Learning** pushes and pulls employees toward learning content. Organisations can push through their own internal learning content (podcasts, videos, etc.), while the application also pulls the learner by allowing intelligent discovery of other content throughout the network.
- **Viva Insights** supports wellbeing and productivity. It is an integration point for external wellbeing apps and offers its own tools for productivity analysis and workplace analytics. It aims to give managers actionable insights into team performance.
- **Viva Topics** provides knowledge management and discovery. It helps organisations to locate experts, find relevant information, and organise compliance and other documentation.

It is too early to answer whether MS Viva is a gamechanger, and whether it is good enough to have vendors flocking to the platform to integrate their offerings. However, the development of Employee Experience Platforms is likely to hugely impact how work gets done and is a trend to watch.

“We don't talk enough about the role of work design in the employee experience. We focus attention on the workplace and workforce, but often neglect the work itself. Good work is about more than how people are managed; it's interesting, offers autonomy, and involves a sensible workload.”

WENDY HIRSH, PRINCIPAL ASSOCIATE, INSTITUTE FOR EMPLOYMENT STUDIES

JOB DESIGN // //

70% of respondents to our survey identified job design as an important or very important enabler of a great employee experience.

Job design refers to the conditions and features of a job that make it meaningful, manageable, and rewarding (while also contributing to the organisation's objectives).

Well-designed work has the following features.

- **It is purposeful.** Work that has a larger purpose (beyond just profit) can foster a sense of meaning for employees. For many people, the sense that they are positively contributing to something larger, such as advancing knowledge, improving society, or simply growing and evolving their business, is one of the major rewards of work. Purpose is intimately connected to relationships and development, and can profoundly shape what an organisation does and how it does it.
- **It is fairly remunerated.** Fair pay has objective and subjective components. Objectively, wages should be high enough for people to live on (as determined by, for example, a Living Wage), and should match or exceed the average for the given qualifications. Subjectively, equal wages should be offered for equal work – regardless of sex, race/ethnicity, or other demographic factors.
- **It offers high job control.** Job control is defined as the amount of discretion employees have over what, when, and how they work. Stanford University's Jeffrey Pfeffer said that it is “one of the most important predictors of job satisfaction and work motivation, frequently ranking as more important even than pay.” Conversely, low job control is demotivating, hampers learning, and decreases performance. Designing jobs with greater fluidity and autonomy, and erecting barriers to micromanagement are two useful ways to ensure a good level of job control.

- **There are ample opportunities to learn and grow.** The opportunity to learn and grow formally and informally, acquiring both general and specific new skills, is a feature of good work. Learning isn't just about going on a course; it's also about how that knowledge is shared within the organisation.
- **The conditions of work are good.** Good working conditions make a job more manageable. Clear goals, regular opportunities to receive feedback, skill and task variety, flexibility, some measure of job security, and safety are such conditions. One challenge for organisations is ensuring that flexibility is consistent – while different roles may require different levels of flexibility, it's important to ensure that policies are as fair and consistent as possible across the organisation. This challenge is at the forefront as organisations are grappling with hybrid working models post-pandemic.
- **There are opportunities to have one's voice heard.** According to the [Taylor Review of Modern Working Practices](#), employees' feelings about their work are improved when they have a greater voice in the organisational decisions that affect their jobs. This is true whether employee voice takes the form of direct participation, consultative participation, or some other form.

From the employee experience perspective, it is important to note that the value workers place on each of the above is likely to vary both between people and over the course of a given individual's career.

Learning is a fast-changing area. Learning Experience Platforms (LXPs) are impacting how companies upskill their workforces and initial research shows promising results for job performance and career advancement. For a comprehensive look at how learning is changing and case studies of good practice, see CRF's 2020 report, [Talent – Careers, Development and Succession in a Changing Landscape](#). See also Chapter 3 of this report for a look at how one organisation is evolving their learning experience.

THE PHYSICAL ENVIRONMENT

61% of respondents to our survey identified the physical environment as an important or very important enabler of a great employee experience. In our interviews with HR leaders, the following themes emerged around physical environment and employee experience.

- **The pandemic has changed how we think about the purpose and function of the physical work environment.** Attitudes and expectations have radically shifted, and there are large and unsettled questions regarding the place of the physical workplace in a post-Covid-19 world. One potential flashpoint is the emerging divide between people who can't wait to get back to the office on a regular basis, and those who would prefer 'never' to return to a physical office.
- **In the post-pandemic world, the safety of the physical environment is the top concern.** Workplaces are having to be reconfigured for safety, with attention not only to physical but also to psychological aspects of employee wellbeing and experience.
- **Beyond safety, physical working environments need to be comfortable and accommodating.** How space is configured for collaboration may become more important in those organisations where the physical workplace becomes primarily about the social and collaborative aspects of work (with 'quiet' tasks done primarily from home). There should be plenty of natural light, good ventilation, and comfortable temperatures.
- **The shift away from physical environments means organisations will have to think more carefully about conveying culture.** For those organisations where the physical office will play a decreasing role in how work gets done, special attention will have to be paid to how culture, organisational values, and social aspects of work are translated in remote environments. This is especially important for new starters (and even more so for new graduate starters).

See CRF's 2020 report, [Let's Get \(Beyond\) Physical – Creating a Multidimensional Approach to Employee Wellbeing](#), for a closer look at how organisations can create physical environments that are conducive to a positive employee experience.

HR POLICIES

62% of respondents to our survey identified HR policies as an important or very important enabler of a great employee experience.

As discussed earlier in this report, the chief concern around HR policies is that they are clearly worded, accessible, equitable, and designed for *people* rather than for the company or for HR itself. Our interviewees also emphasised the importance of not reducing employee experience to a set of policies.



2.3 BARRIERS TO SUCCESS

“Given how many things influence the employee experience, and the length of the journey from start to alumni, knowing where to start can be overwhelming. Approaching it in a strategic way is critical; otherwise you risk tinkering in one area and causing unintended consequences elsewhere.”

AMY SAWBRIDGE, CHIEF PEOPLE OFFICER, CÔTE RESTAURANT GROUP

What challenges are organisations encountering as they try to improve employee experience? We asked respondents to our survey about the degree to which they were encountering each of five possible barriers to improving experience.

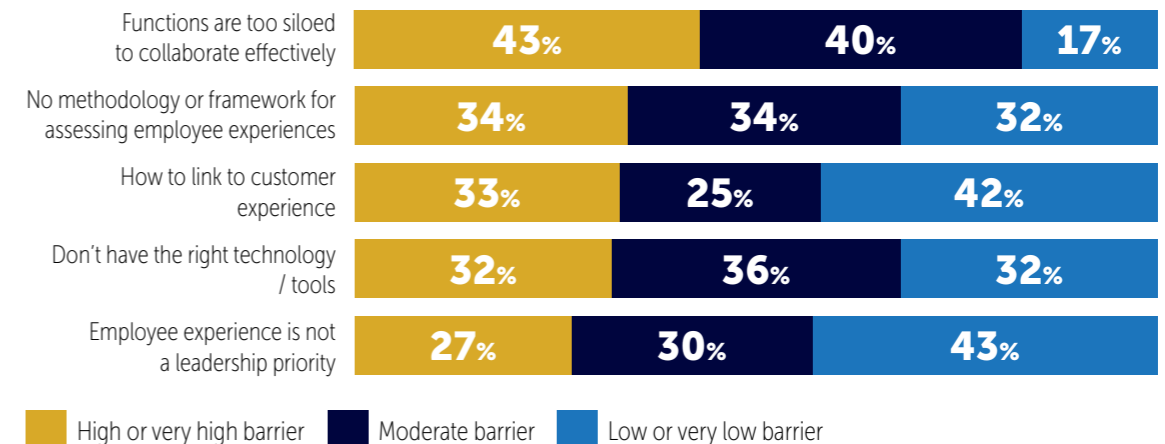
As shown in Figure 7, ‘functions that are too siloed to collaborate effectively’ was the most frequently cited barrier, identified by 43% respondents as a high or very high barrier to success.

Our research interviewees elaborated on this point.

- Siloed functions make it difficult to obtain the resources needed to create an integrated set of priorities.
- Some organisations have teams with a vision, assets, and benchmarks, but haven’t yet reached the rest of the organisation.

FIGURE 7

To what degree are each of the following a barrier to success, as you try to implement an improved employee experience at your organisation?



Source: CRF Employee Experience Member Survey 2021

- Uncoordinated pockets of activity present longer-term challenges for return on investment. They can also be a barrier to gaining buy-in from the top, as it looks like there isn’t a strategic plan behind such activity.
- The siloed approach is more top-down and piecemeal, while employee experience should be bottom-up and end-to-end.
- There is an enormous opportunity to rethink the roles, structure, tools, and strategy used to design and deliver an integrated employee experience. However, organisations have to challenge themselves to be bold enough and to treat employee experience as an opportunity to learn and do things differently (rather than being frightened of it).
- Language is important. People across the organisation need not just the same tools, but agreed definitions and concepts for employee experience.

About a third of survey respondents identified each of the following as a high or very high barrier to successfully improving employee experience: lack of a methodology or framework for assessing employee experience (34%), lack of the right technology or tools (32%), and challenges linking employee experience to customer experience (34%). Chapter 4 will take a closer look at methodologies. See pages 30 and 31 for an elaboration of how technology enables and/or constricts employee experience.

Finally, 27% of our survey respondents reported that leaders not prioritising employee experience is a barrier to success in their organisation. We discuss the importance of senior leaders as enablers of great employee experience on p.26-27. Here, we highlight two additional points made by our interviewees with respect to the challenges that leaders can present.

- At some organisations, senior leaders are more interested in the optics than the actions. There is a particular challenge around role modelling. For example, some senior leaders endorse flexibility but do the opposite themselves. Saying one thing and doing the opposite fosters anxiety among people and negatively impacts employee experience. This can feed down to lower levels too. For example, line managers may fail to give people explicit permission to disconnect, which can lead to overworking and burnout. Our interviewees tie this back to communication. It's important for leaders to make explicit the 'unwritten rules' (for example, is it – or is it not – ok to reject a meeting scheduled during lunch or outside of core hours?).
- At some organisations, senior leaders agree in principle that employee experience is a priority, but commitment then wanes when reality sets in. When it's time to weigh up costs, feasibility, and the effort required to make things happen, it suddenly feels much easier to compromise somewhere short of the stated objectives.

Our interviewees identified several other barriers that they are encountering. The following themes emerged.

- **Whose voice, when?** Employees do not always want the same things, and in fact, what makes a great experience may be in conflict from one employee, or group, to another. This can even lead to conflict and tension. So which voice guides decision-making, and under what circumstances? Whose voice is loudest, and why? Contradictory voices are more likely to emerge in more diverse organisations, as simply a by-product of diversity.
 - A related point is that sometimes, employees themselves aren't sure what they want. For example, as the pandemic comes to an end, many people haven't decided their preferences around the return to the office. Brewin Dolphin's Fiona Wallace summarises: "It can be very challenging to meet needs when the need isn't clear or when needs are contradictory."
 - To complicate things even further, it may be the case that the organisation cannot give employees what they want – at all, or in that moment. For example, in this post-pandemic moment, what many people want is clarity – something many senior leaders are, as yet, unable to give.
- **Contradictory data.** Some organisations report that, while they gather robust, high-quality data, it can be contradictory. This can make it difficult to achieve clarity. One solution is to try to triangulate as much data as possible to arrive at a picture. If data is contradictory, can you at least identify a balance of the direction it's traveling?

"Employee experience is the most cross-functional project you can ever do. It's not just about the people who own different parts of the experience in the business, but also about line managers because they make or break experience. The group of people you have to get working together is enormous. It's important to get the right people together and to get their buy-in up front."

CLAIRE SHERWIN, GLOBAL HEAD OF PEOPLE SERVICES, FINASTRA

- **Speed.** Some of our interviewees mentioned speed as a challenge – the stress of things moving either too fast or not fast enough. This is often related to how busy people are and the time and commitment it takes for them to participate.
- **HR capability.** Several interviewees raised the issue of HR's capability, in terms of research skills, to do employee experience work. There are issues around both building and maintaining this skillset across HR. As one HR leader put it: "How do we maintain continuity of expertise and experience in the HR population so that they can replicate these experiences consistently and to a high standard?"
- **Entrenched negativity.** Some organisations are facing an uphill battle with employee experience because they are starting from a very negative place with their people. Years of not listening to people and not giving them the tools they need to do their jobs properly has diminished trust and created a difficult, negative, resistant culture. People may have a limited sense of connection to the organisation and instead identify with their team or function. In such situations, the only option may be to start small and show incremental but genuine progress to begin winning back trust.
- **Inauthentic employee experience.** One final challenge raised by some of our interviewees is that sometimes, the actual employee experience is completely divorced from the brand. The brand is amazing; the lived reality is not. This disconnect between rhetoric and reality is a massive challenge and a quick way to build frustration and mistrust. As Amy Sawbridge said: "Some organisations give little care and attention to their people, but tell a good story externally, to customers and candidates. This sends a strong message to your people and will ultimately turn them off. If people join the organisation with expectations that are divorced from reality, it's highly likely that they'll leave quickly and will happily share their disappointing experience with their friends and family."



3.0 CRF'S EMPLOYEE EXPERIENCE FRAMEWORK: WHAT DOES GOOD LOOK LIKE?

3.1 DEFINING THE STAGES OF THE EMPLOYEE EXPERIENCE JOURNEY

“Part of the problem is businesses set out doing lots of employee experience activity without ever asking – what effect do we want to have? What outcome are we trying to change? A better approach is to start with your objective, then work back from that endpoint. Where in the employee experience are the key touchpoints that will help or hinder reaching your objective?”

ANDY BROWN, CEO, ENGAGE

In this section, we explore how one company has grappled with evolving employee experience in a highly competitive talent market, including how they have conceptualised the stages of the employee journey and the moments that matter within them.

CASE NOTES:

FROM 'MY INTRODUCTION' TO 'MY DEPARTURE': EMPLOYEE EXPERIENCE AT NORTHROP GRUMMAN

Over the past few years, aerospace and defence company **Northrop Grumman** has been “trying to crack the code around employee experience,” says Steve Bright, Director, International Human Resources. “It sounds great on paper, but it’s hard to do in practice.”

Three factors have motivated this work.

- **The demand for STEM talent vs. the supply.** Northrop Grumman competes for talent in a very strong talent market. The company, looking at the combination of new business demand and the demographics of its workforce, realised it would need to hire tens of thousands of new people over the next five years to meet its talent needs. Yet the people it needs to hire are highly qualified and in very high demand, meaning that the company needs a strong Employee Value Proposition, informed by employees themselves, and a differentiated employee experience, in order to compete effectively in this challenging talent market.
- **Changes in the relative balance in the employer-employee relationship.** While Northrop Grumman has a strong employer brand – it is a mature company doing leading-edge, exciting and high-profile work – this is not enough to attract top talent in a context marked by changing generational expectations (of leadership, transparency, and ways of working), the rise of the ‘gig’ economy, and a post-pandemic reset in which expectations about how we work have radically altered.
- **Feedback from employees.** Formal and informal feedback from employees – through engagement surveys and from leavers – indicated that there was room to improve the employee experience.

So how has the company approached the task of evolving its employee experience?

- **HR engaged in external research.** Bright explains, “We went out and looked at how high-tech businesses are looking at the future of work. We went to Silicon Valley and explored how organisations there were tackling these challenges. We looked at flexibility, branding, the environment. And employee experience came through in every conversation.”
This exploration led to closer engagement with agile and Design Thinking methodologies. The HR functions at Northrop Grumman and IBM (a leading proponent of design thinking) engaged in a peer-to-peer exchange, focused on how design thinking can be used to design solutions and embed employee experience.
- **HR leaders focused on creating a ‘platform for change’.** The work was linked to the company’s Human Capital Strategy (which now includes ‘putting employee experience at the centre of everything we do’), and extensive work was done to help HR embrace an employee-centric philosophy.
- **Constant reinforcement is key.** Shifting mindsets is not an overnight change and has taken considerable time and effort. Exposing and educating senior leaders through Design Thinking workshops and looking for pilot opportunities have been keys to success. “Really switched-on HR leaders got it straight away,” Bright says. “Their language quickly evolved to Design Thinking language. For others, there’s more work to do in getting the level of understanding up, and getting people to embrace a new way of thinking.”

What’s next on Northrop Grumman’s employee experience journey? The company plans to:

- Use an employee experience perspective, generated through a Moments that Matter analysis post a recent Workday launch, to develop a framework to track the effectiveness of HR Service delivery through the entire Employee Lifecycle. This will include analytics to track the employee experience.
- Give a voice to the employee in the design of the Employee Experience framework together with business process owners to continuously validate the analytics.
- Maintain its employee experience focus through Human Capital strategy development and delivery.
- Reinforce the message of employee experience through education of Board members, senior executives and line managers.
- Upskill the HR function through the creation of an HR Community of Practice and a new HR Capability Framework (that explicitly states that HR will be the ‘expert’ in the employee experience). This will include the assessment of development of the HR generalists, access to skill development and ongoing external research through an ‘HR Lab’.

Finally, what has the company learnt so far? Bright shares four lessons.

- **Changing mindsets might happen at a slower pace than expected.** “You constantly have to adjust the pace of change to where the audience truly is,” explains Bright. “You have to be constantly just far enough ahead to show the practicalities of how you’ll get there and why.” Truly engaging real employees is either not second nature or resisted for many. Shifting one’s perspective on the new power balance between employer and employee can take time.
- **It’s important to look for opportunities for reinforcement.** “We had to move away from a philosophical discussion of Design Thinking and look for ‘pain points’ that could be used to incorporate ‘employee experience’ into solution design,” explains Bright. “Our first pilot was to engage employees using conjoint analysis into the redesign of reward and benefit packages in the US, resulting in significant buy-in. This year we have used the introduction of Workday and the changes in how HR Service gets delivered to focus initially on the ‘My Introduction to Northrop Grumman’ lifecycle stage. This has been a considerable area of concern as internal delivery processes change and we still need to recruit and retain to meet our business outcomes. We will be aligning our measurement frameworks with our key talent acquisition and retention targets to demonstrate a correlation between these and an improved employee experience.”
- **Language matters.** A great example of the importance of language comes from Northrop Grumman’s development of its Employee Lifecycle framework. Developed over the past several months, the framework shows the six stages of the employee journey at the company, the moments that matter within those stages, the key associated sub-processes, and the desired outcomes from the employee experience perspective. The framework is currently being validated through qualitative feedback sessions with employees. Strikingly, the framework centres the employee perspective – the employee journey doesn’t move from ‘Onboarding’ to ‘Exit’ – it moves from ‘My Introduction’ to ‘My Departure’. Just this small change of language has translated to a radical change in terms of perspective and signalling intention.
- **Moving from the abstract to the practical is essential.** The company has moved from recognising a challenge, to slowly getting to grips with and embracing a new mindset and methodology, to developing a measurable set of experiences that can be evaluated and evolved. Celebrating small wins along the way has helped reinforce and bring to life these concrete changes.



3.2

'MOMENTS THAT MATTER': CRAFTING SOLUTIONS FOR DIFFERENT ASPECTS OF EMPLOYEE EXPERIENCE

In this section, we share several case studies of how organisations have identified and developed employee experience around aspects of experience, or 'moments that matter', to their business and its strategy.

CASE NOTES:

'IT'S THE MOST DIFFICULT THING': INTERNATIONAL MOBILITY AT SHELL

At **Shell**, HR's job is to support the performance and wellbeing of employees – empowering individual performance by creating exceptional HR experiences, which are aligned to our core values and in turn translate to improved business performance.

Maurice Fenton, VP Reward, explains, "We can't control the entire experience of the company, but we can support the individual's HR experience. And one way that we do that is by creating exceptional experiences, both aspirational and subjective."

The company has identified and given attention to a number of critical moments across the employee lifecycle, including onboarding, departing for and returning from parental leave, how exits are handled, and job changes such as promotions and new assignments.

One aspect of employee experience that is of critical importance to Shell is job changes related to international assignment.

Shell has a large number of internationally mobile people, and international deployment is a high-stakes moment for the individual, both in emotional and practical terms.

Fenton explains, "International mobility is the most difficult thing – many things can go wrong and some elements are not in the company's control. It's an emotional and tumultuous time for employees and their families. And there is a risk of losing them if they have a negative experience."

Shell has spent considerable time and resources improving this aspect of employee experience, given the importance to business strategy of both international operations and retaining staff.

First, Shell changed what it measures with regard to international assignment. "We used to measure the process – how long it takes to do things, rather than satisfaction," Fenton says. "We changed our focus to satisfaction in order to identify the root causes of dissatisfaction – was dissatisfaction related to housing? To education? Was the problem with vendors handling the move?"

This change of focus in measurement led to insights that have allowed the company to improve the experience.

- **Offering recognition, empathy, and understanding.** Shell starts by offering recognition, empathy, and understanding about the change that the employee is going through. There is an effort to take an 'in your shoes' perspective. A briefing call with a dedicated advisor is conducted in 'listening mode', so that Shell can better understand that individual's needs and what matters to them. "Is it housing, the travel policy, schools? Often different things matter more to different people," Fenton explains. The briefing call allows people to ask for things – while a new policy isn't going to be created for an individual, there is flexibility within parameters, and an 'exception option' so that people can ask for things particular to them. The briefing call is also an opportunity to identify special needs that might hinder the move – Shell does not want to send an employee to a country that cannot support a particular critical need.
- **Managing expectations.** Shell recognises that much of the disappointment related to international assignment comes from failures related to unmet expectations. So being very clear about what the company offers, why, and what the individual's options are is key to success. It's also crucial to be clear about what Shell does – and does not – have control over. For example, the company has limited control over the logistics involved in moving personal goods across oceans. Offering clarity enables the company to foster goodwill and ask its people for patience if things don't quite go right.
- **Managing the process with professionalism.** International assignments involve an incredibly complex process – one that has been complicated by the pandemic. It's important that conversations are transparent and detailed, and that the process is clear and well-communicated. "We contract with individuals, and then we deliver against that," Fenton explains.
- **Improving the experience of re-entry.** "You've changed, but your home country hasn't," Fenton says of the cultural challenges of re-entry after international assignment. Re-entry is a time of adjustment, as the individual becomes re-attuned to the home culture and environment. Line managers come to the fore during this part of the experience – are they doing enough to support the individual, and how can Shell support that?

Reflecting on the changes Shell has made to this aspect of employee experience, Fenton highlights three things that really matter for a high-quality experience of international assignment.

1. The quality of the advisor – advisors are selected for their empathy, intelligence, and process knowledge. They are trained in customer experience and in how to have difficult conversations.
2. The clarity of the process – the process needs to be detailed and communicated with clarity and in easily understandable language for all parties.
3. Vendor management – The vendors that Shell contracts with (for logistics, tax management, and so on) must be aligned to Shell's objectives.

CASE NOTES:

AN EMPLOYEE EXPERIENCE THAT CREATES COMPETITIVE ADVANTAGE AT AVANADE

Avanade, the leading provider of digital innovations and technology on the Microsoft ecosystem, is fast-growing – it expects to double in size in the next three years, and the market for its products and services has never been better. The company will need to attract and retain the right talent, those people with the skills and capabilities to lead to technically deliver to take advantage of this phenomenal market opportunity.

But at the same time, “the war for talent has never been so ferocious,” explains Chief People Officer Caroline Fanning. “There is a fight for talent everywhere, but especially in technology, and the pandemic is only exacerbating this, as individuals rethink their priorities in life.”

To compete in this tough talent market, Fanning realised it would be critically important to have a very strong Employee Value Proposition (EVP), one that was carefully thought through and explicit about what it’s offering. “We want to be very explicit about Avanade’s unique selling proposition and purpose – that we seek to make a genuine human impact, what our values, vision, and culture are about. We want to articulate both internally to employees and externally something that is authentic – recognisable to our people – but also aspirational. What does it mean to be a part of Avanade? What does Avanade expect of you?”

In short, by creating an excellent employee experience, the company intends to build a competitive advantage in the attraction, development, and retention of the right talent.

Avanade’s EVP has three pillars: ambitious growth, distinctive experiences, and limitless learning.

- **Ambitious growth.** Avanade doesn’t hire for ‘fit’, but for ability to grow. “We’re not looking for the perfect ready-made person; instead we hire for the potential to train in the skills we need,” Fanning explains. “This opens up more diverse opportunities to attract great talent from different geographies or alternative career backgrounds”.
- Avanade’s people can expect to have **distinctive experiences** because of the clients and colleagues they work with, and the coolness of their cutting-edge technology. These distinctive experiences extend to flexible ways of working and a focus on wellbeing.
- **Limitless learning has two aspects.** It reflects the fact that the company offers its people more training and development opportunities than they could ever consume. Employees have access to Microsoft and other certifications (Avanade has a heavily certified workforce), and have the opportunity to learn about the latest technology from distinguished fellows at MS and senior leaders at Accenture (Avanade is a joint venture of the two companies). It also reflects the company’s attitude towards growth mindset. Limitless learning is about taking on challenges and learning from there, as well as learning from on-the-job experiences.

Employee experience is delivered from a people-first perspective, and this means focusing on moments that matter – those aspects of experience that call for celebration, support, and doing the right thing for employees. “What are those moments and what do we do about them?” Fanning asks. Some of the aspects of experience, or moments that matter, at Avanade include joining, promotion, anniversary milestones, internal moves, and resignation (among others). Of course, because these moments are highly personal, there is a mix of globally applicable, more structured experiences, and more localised moments of recognition and support that develop out of the relationship between the employee and his or her manager.

Here are three examples of how Avanade shapes moments that matter.

- **‘In the moment’ moments.** The company strives to enhance experience during more temporal, one-off moments that matter. For example, in 2020, employees were offered a half-day off for time to reflect in response to the killing of George Floyd.
- **Retention conversations.** Avanade’s attrition analytics allow the company to predict, based on machine learning analysis of factors such as tenure, absence level, project size, and so on, those populations of people who may be at risk of leaving the company. In response, the company has developed conversations for those at risk, and has equipped line managers with skills and support to have those conversations. In a conversation, managers talk to individuals about how they are doing, and what they can do to help. These conversations have been tracked and measured, and the company has been able to create a ‘recipe book’ for line managers to help them talk through the issues with their at-risk people. The cookbook offers solutions that support and enable. Avanade’s data shows that these conversations are highly effective – they are correlated with several percentage points’ improvement in attrition rates between those who have had the conversations and those who have not.
- **Resignation.** Instead of treating it as a regrettable shame, Avanade acknowledges and celebrates. The company acknowledges that people want different experiences and that we rarely have ‘jobs for life’ now; it celebrates people’s success in their new venture, but also acknowledges that it wants to be the best stop on that person’s career journey. Leavers are signed up to join the company’s alumni programme and contact is maintained (in fact, many people boomerang back to the company, and storytelling about these boomerangs has been a boon to retention). Understanding that leavers continue to be brand ambassadors, that they may refer people, or may return themselves, Avanade focuses on enabling them for success beyond Avanade. “We offer tips and tricks for the first day in a new job at another company – even if it’s a competitor – we talk about understanding stakeholders and developing a 30-day plan. We want our leavers to feel confident, inspired, and cared for – part of the Avanade family,” says Fanning.

CASE NOTES:
**SUPPORT AND OWNERSHIP:
PROMOTION AT BREWIN DOLPHIN**

Several of the HR leaders we spoke to for this research highlighted promotion – being promoted, or failing to be promoted – as a critical moment for their employees. This aspect of employee experience can create retention and succession risks.

Brewin Dolphin, the wealth management company, has recently made some refinements to the experience of promotion (or lack thereof) at their company.

Fiona Wallace, Head of Talent, explains, “Looking at engagement and succession data by job level, together with having conversations with the cohort of people going through the promotion process each year, we could see that mid-level careers were often plateauing and flattening. Feedback about the employees’ experience helped us develop a good picture of what’s happening around promotion.”

HR has now co-designed some changes to the process to improve support and ownership of this aspect of employee experience. “It’s not just an HR process. We combined data with feedback from employees, managers, and regional directors in order to identify the pivotal career points that are difficult to navigate and what would make it easier,” Wallace says.

Changes include the following.

- Employees are now offered more support to know when they are ready (or not ready) to pursue promotion. The company encourages personal ownership of whether or not to go forward. Readiness for the next role is discussed in individual performance reviews and each year the company runs an open session for colleagues who are considering applying for promotion to give them advice on how to self-assess their readiness.
- Those successful at obtaining promotion are now offered more support in their transition. “We had given a great deal of thought to those who aren’t successful – offering them mentorship and development opportunities. But we’d thought less about those who were successful and the support they need to transition,” Wallace explains. Are the expectations of the new role clear? Do people know what support they can expect? Have they been prepared ahead of time, and when does the conversation start about a potential next promotion? There are many touchpoints to get right after a promotion, and it’s a risky time for retention as people may feel uncomfortable and ill-equipped (particularly when moving from a more technical role to a people management role). For the newly promoted, Brewin Dolphin provides support akin to induction into a new role, which includes skills-based development, introduction of an internal peer network and hearing directly from more experienced colleagues.

CASE NOTES:
**AGILE EMPLOYEE EXPERIENCE –
ADAPTING TO THE PANDEMIC AT FINASTRA**

An important part of the approach to employee experience at **Finastra** is quickly reacting as things change. As discussed earlier in this report, employee experience is not static – there is no end state that companies can expect to achieve.

Rather, it is about taking a strategic, data-informed approach to continually identifying and responding to employee needs, in order to further business goals such as retention, increasing productivity, improving customer relationships, and so on.

At Finastra, there is an emphasis on both ongoing, incremental work around employee experience and reacting quickly as things that matter for employee experience erupt. “If we see something, we do a deep dive from an employee experience perspective,” explains Claire Sherwin.

The pandemic provides several examples of how the company has moved quickly to ensure a good employee experience as the external context changes.

- Following feedback about its bereavement leave policy, the company made several changes to this aspect of employee experience. It identified the jurisdiction across its operations with the highest legislated mandate for bereavement leave and made this the company’s baseline. It focused on how to assure employees time to grieve and reflect during this critical moment in their lives, with a focus on creating a non-invasive experience. HR now works with line managers to sort things out in the background when these moments happen, freeing the employee to focus on their family and themselves.
- As reports of domestic violence increased during the pandemic, the company created a highly confidential channel (helpline) that people could reach out to if they needed help. The help that Finastra offers its people in this situation is personalised and includes time off to deal with the logistics of leaving/moving, and personal support to build confidence and help people through the experience.
- When the Delta variant of the coronavirus emerged, the company did a wellness-focused piece of work around Indian employees’ experience.
- The pandemic sped up a journey the company was already on with regard to flexible working.

SOCIALISING FOR THE ORGANISATION OR THE PERSON? **RETHINKING ONBOARDING** // //

Onboarding, as noted in Chapter 2, is an aspect of employee experience that matters for most companies, most of the time. This surfaced in our conversations with HR leaders for this research – there was broad agreement among interviewees that the onboarding experience makes a critical early impression that can either facilitate or hinder the rest of the employee’s journey with the organisation.

Interviewees spoke of the importance of delivering a consistent experience across different parts of the business, of setting clear expectations, of making the logistics easy, and of warmly introducing the company – its identity, strategy, culture, and values.

But have businesses really got onboarding right?

It’s this last piece of the puzzle – the assumption that organisational values are to be transmitted to and adopted by new hires – that might be ripe for a rethink.

Writing in the MIT Sloan Management Review, researchers Daniel Cable, Francesca Gino, and Bradley Staats argue that this traditional approach to onboarding, in which an attempt is made to inculcate new hires into the company culture (the company’s values, and why you should be proud to be affiliated), is flawed. They argue that this approach, which is the norm at many companies, is appealing because it supports conformity and offers the organisation a sense of control. But an over-emphasis on the organisation’s identity and how the individual will fit themselves to it can have the unintended consequence of decreasing engagement, as it ignores a person’s unique identity and needs.

Some things have changed since this piece of research was published. The conversation is shifting, with greater recognition of the importance of people being able to bring their ‘whole selves’ to work, and of how people grow and evolve during their tenure at a company, rather than being a perfect fit for a given role or an exact match to the company’s values.

At the same time, in our discussions with HR leaders around onboarding, it’s clear that while the conversation is evolving, practices haven’t quite kept pace. Cable, Gino, and Staats are right – at many companies, the normative onboarding experience is still organised around transmitting organisational identity.

So what can companies do differently, to better align practice to evolving views?

The researchers report the results of an experiment, contrasting two types of onboarding, that they conducted with call centre new hires at Wipro, an information technology company.

In the ‘organisational identity socialisation’ approach to onboarding, senior leaders and a star performer presented the organisation’s values and why it’s a great place to work. New hires reflected on what they heard and discussed what aspects of the company’s value and culture make them proud to be associated with it. To finish, new hires received a company-branded sweatshirt.

The ‘personal identity socialisation’ approach to onboarding was quite different. In this onboarding programme, senior leaders discussed how working at the company would give new hires an opportunity to express and create new opportunities for themselves. New hires engaged in a problem-solving exercise, reflecting on how to apply their personal strengths to the job. New hires introduced themselves and their decisions to the group, and received a sweatshirt personalised with their name on it.

The experiment showed that new hires who had the ‘personal identity’ onboarding experience were 21% less likely to quit their jobs in the first six months than those who had the ‘organisational identity’ experience.

Cable, Gino, and Staats share four principles for reshaping onboarding for an improved employee experience.

- 1. Break out of the traditional employment trap.** Managers have to break the mindset, if they haven’t already, that work is about completing a cluster of paid activities that the individual may or may not care about. Instead, the organisation is a place where people can bring their authentic and best selves to do purposeful work that advances both personal and organisational objectives.
- 2. Help newcomers identify their authentic strengths.** The researchers suggest that, prior to introducing new hires to their team or to the specifics of their job, they are given dedicated, structured time to pinpoint moments they have been at their personal best and the strengths these moments signal.
- 3. Facilitate introductions to other organisational members.** Introductions shouldn’t be left to chance. The organisation should structure introductions among and between new hires, their team, and other organisational actors, and again the focus of initial conversations should be on the new hire’s personal strengths.
- 4. Ask newcomers to consider how their authentic strengths can be applied to the job.** This allows “new hires to frame their new jobs as opportunities to use their best strengths and to integrate their own purpose and motivation into the job parameters.”

CASE NOTES:

COLLECTIVE CREATION – EMPLOYEE EXPERIENCE AT VIRGIN MONEY

Virgin Money, the financial services company, has a business need to build capability so that teams are digital-ready. To achieve this, the company needs its people to have the skills that allow them to build and develop teams that then “have the imagination to learn everything else,” says Francis Lake, Head of Organisation Development.

Employee experience is an important tool for this sort of skill-building. “We want to create an experience where people feel they have autonomy, are equal partners, use their judgement, and have the sense of safety to speak up when they need to,” Lake explains. “And we want to achieve this with imagination – with a Virgin spark on top.”

Teams that are safe and comfortable are places where people can learn, grow, and develop the skills the business needs. While individual needs are important to employee experience, the company is trying to strike a balance between giving individuals as much choice as possible, but also emphasising the responsibility the individual has to their colleagues/team to collectively create a great experience.

So how has Virgin gone about creating this kind of employee experience? Leadership, learning, communication, and purpose all play important roles.

- **Purpose drives a great deal of what Virgin does.** ‘Making you happy about money’ is the company’s purpose, and this is linked to emotional and tangible outcomes. Values and conduct are oriented around this purpose. Values are consistent – Virgin’s people offer customers heartfelt service, show insatiable curiosity about what people need, deliver in a straightforward way, and make it delightfully surprising. These same values are applied internally to employee experience.
- **There is a focus on human rather than corporate language in the way that Virgin communicates with its people.** At the same time, many mechanisms are in place for listening. Annual and quarterly pulse surveys are complemented with online jams. In a jam, about 200 colleagues will gather for a more in-depth conversation, in which questions are posed and anyone can answer. The company has also held Board jams, so that Board members can hear from colleagues, thus allowing them to apply a colleague lens in Board meetings.
- **The company is taking a team-oriented approach to learning.** Learning is peer-led rather than the more traditional model of sending people on training courses. Every week, a team member runs a learning session for other team members (the team’s manager is not present). Content is provided for the learning session – for example, they might receive a learning exercise around the future of banking. The team will have

a peer-led conversation around the issue, do an exercise together, and then put the learning into practice during the week, coming back together in a reflection session to further digest the learning. This team-based approach to learning contextualises the learning, while its frequency means that it’s happening in the flow of work. The feedback is that teams really like learning in this way, and that the exercises and conversations provide dedicated time to be more exploratory and curious.

- **The company is currently doing a lot of work around leadership.** “How do we set people up to thrive in an increasingly digital environment?” Lake asks. The company’s data shows huge variance in the quality of leadership – last year, while average satisfaction was around 80%, this ranged from 17% to 100% – which means, in terms of employee experience, inconsistency. When joining a team people can’t be sure how well they’ll be managed, which has worrying implications for employee experience and teams’ ability to thrive. To address this, Virgin is taking the following steps:
 - Across industries there are a huge number of leadership frameworks and theories, but what actions they should take tends to be missing from these frameworks. The company is running workshops to roll out a refreshed and simplified leadership framework that is focused on several concrete daily actions that managers should try to do consistently in order to develop a great team.
 - The company is working with people leaders to do self-assessments, in conjunction with a two-year structured programme to raise the standard of people leadership. The programme targets one aspect of leadership one quarter, puts that into action the next quarter, and measures progress: Did you participate in the learning? Did you put it into action? Expectations and how things will be measured are made explicit, and improvement is mandatory.
 - Virgin is building an annual ‘Management MOT’ – is a leader’s management road-worthy? What’s up to scratch, and what needs work? Engagement and performance data, together with colleague feedback, inform the assessment.
 - Finally, the company is focused on learning from its data and sharing good practice. It wants to make visible and elevate those leaders/practices that are good, and is asking those leaders to share their approaches. The underlying assumption is that managers who need improvement don’t know, not that they are unwilling.

How is the journey going so far? “People’s confidence to disrupt, their sense of permission, their confidence, and their skills to do things differently have all really grown. Our expectation of experimentation is really making a difference,” Lake says.

LEVERAGING REWARD TO ENHANCE EMPLOYEE EXPERIENCE?

What is the relationship between employee experience and benefits/reward? It is a more indirect relationship – benefits/reward may not make or break a critical moment in quite the same way as, say, a line manager does (think of the role a line manager plays in handling a negative moment of bullying or harassment, for example).

But benefits/reward nonetheless can have a substantial impact on employee experience, especially those experiences outside the workplace that employers have little control over, but that can really impact employee wellbeing and performance (for example, think of the challenges of childcare and commuting, and how benefits/reward may or may not support that aspect of experience).

Avanade's Priscilla Kuehnel argues, convincingly, that benefits/reward packages need a major overhaul in the post-pandemic landscape.

"The context of the pandemic and the shift to hybrid working have huge implications for benefit strategies. They really need to be re-evaluated and aligned to complement the Employee Value Proposition," Kuehnel says. "At most companies, these packages cater toward everyone being back in the office, which is now antiquated. So much is simply no longer relevant, like a membership to a gym close to the office. We need to think about how things have evolved and what sorts of support people really need. How are we supporting home offices? Should there be more around childcare in some people's packages? How about wellbeing – an app isn't enough. How can we use benefits/reward to support not just individuals but families and communities?"

Kuehnel envisions the end of a one-size-fits all approach; instead, the future is likely to see a menu of choices, integrated across different touchpoints in the employee lifecycle, that people can opt in or out of depending on what actually matters to them.

For example, Avanade has a wellbeing allowance that people can spend on whatever it is that will make their work-life balance better – be that a gym membership, a fan, a desk, a Spotify subscription so they can listen to music as they work, or so on. This is quite a departure from offering a lunchtime yoga class on-site.

"What matters to one person might not matter to another. We need to recognise not only this, but also that the moments that matter to a person are so much larger-scale and varied than we might have previously considered. We have to look more closely at how to support the whole person's experience, not just the person at work, and benefits/reward can be a very useful tool for doing so."

CASE NOTES: GETTING THE BASICS RIGHT AT WHITBREAD

At **Whitbread**, the hospitality company, employee retention is a key business issue. The best customer experiences are delivered by well trained and experienced teams that work well together and are led by a site manager that creates a positive atmosphere. Team tenure plays a role in building this camaraderie.

The company's Employee Value Proposition is geared toward offering employees the experience that is most likely to keep them in the job, and at Whitbread that means focusing on the essentials that are important to hourly paid people who work in front line roles across hotels and restaurants.

"Getting the basics right is really important to our people. If we don't do that, we may lose them to competitors. This means stability of hours and pay, the tools they need to do their jobs, access to subsidised meals before, after, or during their shift – we try to give them the things that will make work easier and set them up for success," explains Joanne Tyler, Listening and Engagement Manager.



3.3

ENABLING EMPLOYEE EXPERIENCE

In this section, we share several case studies of how organisations are enabling a great employee experience through leadership practices/behaviours, management practices/behaviours, and communication practices.

CASE NOTES:

COMMITMENT AND ACCOUNTABILITY – LEADERSHIP PRACTICES / BEHAVIOURS AT THREE ORGANISATIONS

Senior leaders are critical role modellers, and it's their buy-in that can push the employee experience agenda forward in an organisation. But leaders' commitment, knowledge, and skills to effectively drive an outstanding employee experience varies.

So what does good look like?

At **WD-40 Company**, consistent, personal communication is a key way that senior leaders show their commitment to employee experience. Communications (videos, emails) come directly from the CEO, rather than trickling down, and frequent, consistent messages keep people feeling informed. There is an emphasis on accessibility and approachability – the company's EIMEA MD knows everyone's first name, and encourages all other senior leaders to include a personal touch in their work. Senior leaders make the effort to go around and chat and to get to know people and how they are feeling. Approachability is a big part of the company's culture and employee experience – no one is fearful about speaking up, and recruitment of senior leaders focuses on the people side first.

At **HS2**, the company responsible for designing, developing and delivering the next stages of Britain's high-speed rail network, the CEO has shown his curiosity and commitment to employee experience by proactively asking, engaging, and involving himself in assessing the quality of the onboarding experience after it was adapted to the constraints of the pandemic. Human Resources Director Neil Hayward explains, "He wanted to know – how are we making sure that people who join us have a great Day 1 and first few weeks when it's all online? How are we making it a good experience? How is he going to know that's happened?"

Hayward has organised a series of focus groups with new hires to answer these questions. Six weeks after starting, new hires join a call with Hayward and the CEO in which they can share their experience of joining and how things are going. It's this authentic concern and the commitment of his time that demonstrates the CEO's deep engagement to making sure the organisation is what it says it is, and that employees are having a great experience. Over the past 12 months, the CEO has spoken to many of the company's 450 new joiners, and the feedback has shown that the vast majority have had a really good experience, with the right logistical support and an informative welcome, further supported by line managers who have had recent and relevant training to support their teams through complex times.

At **Rothschild & Co**, the financial services company, senior leaders demonstrate their commitment to employee experience in several ways. Storytelling and regular, global Town Halls are two mediums through which awareness is built and issues are addressed. But role modelling, action, and tangible changes are equally important. The company has named ten principles that guide the organisation, including increasing female representation, eliminating bias, increasing transparency, and agile working, among others. Each member of the General Executive Committee (the top leaders within the organisation globally) has committed themselves to one of those principles – to role modelling, storytelling, and generally bringing that principle to life in a concrete way. Leaders are also responsible for creating the cascade within their own leadership team, sharing and mutually reinforcing responsibility and accountability.

CASE NOTES:

DATA, ROUNDTABLES, RELEVANCE – SUPPORTING GOOD MANAGEMENT PRACTICES / BEHAVIOURS

As noted in Chapter 2, many organisations identify managers as being at the heart of the employee experience. As Rothschild & Co's Natalie Maidment, Diversity & Inclusion Associate, says, "Managers are why someone stays at a company. It's about the experience within your team, and managers really create the environment within a team. That's why people stay or leave."

But many demands are placed on managers, and they don't always have the right skills to deliver a great employee experience. So what are organisations doing to address this?

Finastra, recognising the critical importance of managers and senior leaders, took time to identify the different critical groups it wanted to engage. Having identified these groups (1,800 line managers, the Top 200 leaders, and the Top 25 leaders), the company evaluated what shadow they cast – good or bad – across the organisation.

From there, people were informed what group they were part of, what it means to be part of that group, and how their decisions impact the organisation and individuals. Specific interventions were designed for each group, including setting clear leadership expectations for each level and pre-apprising them of business decisions and how to communicate those decisions. They regularly receive data about the ways of working among their people (length of workdays, whether meetings are effective, etc.), to enable them to address issues and improve practices.

In short, Claire Sherwin, Global Head of People Services, explains, "Our approach has been to identify who our managers and leaders are, articulate why they are important for the organisation and as leaders, listen to them, demonstrate what good looks like, and then provide them with data to reinforce and nudge the behaviours that are beneficial to employee experience."

At **Direct Line Group**, there is a temporal focus on equipping managers (people leaders) to deliver a great employee experience. Eschewing one-off training, the company instead focuses on ongoing development of people leaders through a monthly curriculum that answers the question 'what's the ask right now?'. So, for example, during the pandemic

the curriculum shifted focus to enable managers to support their people's wellbeing. Now, the focus has shifted to making sure people feel properly connected as the company moves to new ways of working. The curriculum will next move to preparing for the future – what it looks like for DLG and how leaders can prepare their people. Anticipating the uncertainty around change, the curriculum will then focus on equipping leaders to have better conversations, with a focus on boundaries and setting parameters at the start. Victoria Talbot, Head of Employee Experience and Engagement, explains, "We want to guide our people leaders through, sequentially and sensibly, always telling them 'here's why' and 'here's ideas of how you can do that'."

At **WD-40 Company**, employee experience is served by the organisation's focus on situational and servant leadership. If employee experience is about the individual, their unique needs and strengths, then management that adapts itself to the individual rather than being one-size-fits-all is likely to make for more positive experiences. All of WD-40 Company's people leaders have been trained in situational leadership, which enables them to recognise and adapt to each individual team member's style. The company considers this a basic competency that leaders must acquire and be good at. Leadership accountabilities, clearly articulated from the beginning, and regularly reviewed, hold people leaders to account. If there is a gap or a need for improvement, HR works with the leader to tailor a solution. The focus isn't on achieving 'good leadership' – it's on making good WD-40 leaders, whether those leaders have been promoted internally or have joined the company from outside. Regular leadership roundtables offer people leaders the opportunity to exchange experiences and ask questions in a safe, peer-to-peer environment. The roundtables are facilitated by HR, and have proven a useful space for building camaraderie and sharing good practice, and thus positively contributing to overall leadership capability.

Virgin Money is also investing in managers as part of its work on employee experience. See the Case Note, page 42, for a closer look at the company's development of a 'Management MOT' and its broad philosophy and approach to employee experience.

CASE NOTES: COMMUNICATION PRACTICES – LISTENING AT BREWIN DOLPHIN

As noted in Chapter 2, many organisations are investing considerable resources into their listening strategies as part of their broader approach to communication and employee experience. In our discussions for this research, we heard many good stories about how organisations are listening.

At wealth management company **Brewin Dolphin**, listening is flexible, multifaceted, and most importantly, elicits a response. The company's listening strategy includes the following features.

- **Buy-in from the top.** When senior leaders are thinking about change or have made a change, or important external events are impacting the business, they are committed to understanding the impact on employees and their experience. The listening strategy offers several avenues to achieve this.
- **Deliberate flexibility.** Ways of listening are adaptive rather than rigid. While the company has an annual fixed survey to assess engagement, the survey is supported by multiple other listening mechanisms, including exit interviews and smaller, more specialised feedback points that are developed as and when needed to gauge the experiences of new joiners, those returning from parental leave, those promoted or not promoted, and so on. A robust network of engagement partners provides another important avenue for listening.
- **Emphasis on action.** The company has spent a great deal of time thinking about how and when it listens. How can it listen in a way that will actually improve employee experience? What kind of listening best enables time for feedback and improvement? Fiona Wallace, Head of Talent, explains, "People get inaction fatigue, not survey fatigue. The company really needs to ask itself up-front – what are you going to get from this and what can you do with it? Are you timing it right – do managers have time to absorb

the results, plan, and then act on them? What happens after the first couple of years, when you've acted on the low-hanging fruit? You'll have much deeper issues where it takes longer to effect change – but you do need to be prepared to act on those things that you ask about, or people will get disengaged."

- **Engagement Partners.** A network of 65 Engagement Partners (EPs) across the organisation has evolved as a key listening mechanism. Initially, the EPs played a role in helping get the company's first big annual survey off the ground – communicating about it, helping to analyse and think about what actions could be taken to respond to the findings, and so on. People at all levels and from all functions can become an EP – for some it is a way to build their network and aid career development, for others it's just an enjoyable way to contribute. Over time, the network has evolved so that it now plays more of an 'employee voice' role for the organisation. For example:
 - The company recently asked the EP network for feedback on senior leadership's approach to communications. How effective are they? How can they be improved? What do people want to see more of? On the back of the network's feedback, senior leaders began to take a very different approach to how they communicate internally, and this, in turn, positively impacted engagement.
 - EPs not only give feedback on specific topics, but are themselves a channel through which the organisation can address the concerns they are hearing about, such as offering reassurance to concerns about job security during the Covid pandemic.
 - The company consulted the EPs about its future of work model. The network's feedback helps senior leaders get a feel for the temperature of the organisation, while at the same time channelling the Employee Voice to the Board. Messages from the network travel through a NED for Engagement, who in turn shares those messages with the Board.

CASE NOTES:

EMPLOYEE NETWORKS: PEER-SUPPORTED EMPLOYEE EXPERIENCE AT THE BANK OF ENGLAND

One of the themes that emerged in our discussions for this research is that employees, too, bear some responsibility for their experience. It cannot be entirely up to HR, senior leaders, or line managers to deliver a great experience.

Peer support is another invaluable tool for enabling great employee experiences, and one key mechanism for delivering peer support is the employee network.

At the **Bank of England**, employee networks have a big impact on experience.

- The Bank's employee networks have developed over the past ten years. They bring together people who have common interests, so they can explore challenges and find solutions together. There are networks for parents, wellbeing, women, disabled colleagues, and so on.
- The networks are able to react quickly to support members and enhance experience. For example, during the pandemic, the parents' network became very active, working to understand the pandemic's impact on parents across the organisation. They were able not only to share good practices and support each other (through monthly meetings that acted as a safe place to share experiences), but to bring critical issues to the attention of the organisation during the moment that they really mattered.
- Another example of how the networks grow out of and enhance experience is the development of the external hires network. This network arose based on the lived experience of people coming into the organisation midway through their career and not necessarily having a great experience. The network set about helping its members understand jargon and how the organisation works, ultimately improving the employee experience.
- The networks are also an important catalyst for helping the organisation to understand people's lived experience. Members of the disability, external hires, and women's network have all talked about their experiences, and increasingly networks' thoughts and proposals are being presented at an executive level in the organisation. "The Governor of the Bank is listening carefully," Mark Menary, Head of Talent and Engagement, People and Culture, explains. "For example, he listened closely to our BAME network, which had many issues and questions for the organisation. Consequently, the Bank is now involved in a review from which actions will be generated to make the lived experience better in the organisation."

What can be done to further improve peer-to-peer support and enhance experience through the networks?

"There is less collaboration across the networks than there could be," Menary says. "Each has a large agenda of its own. But I think more could be done to help networks link up strategically and further their impact."

EMPLOYEE EXPERIENCE AND PURPOSE: WHAT'S THE CONNECTION?

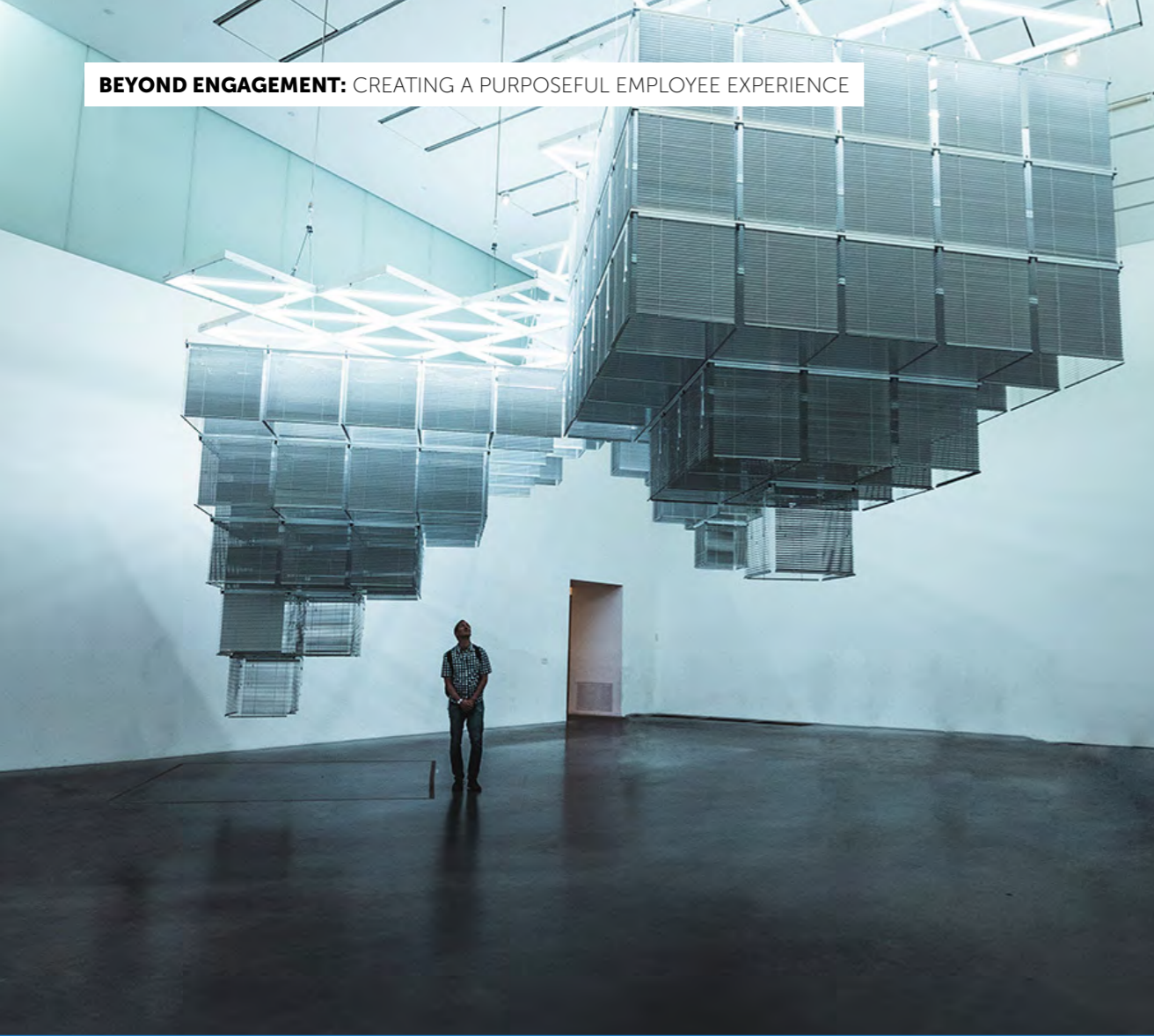
Purpose has been rising up the agenda at many organisations in recent years – whether a founding principle, long-term practice, or a newly crafted purpose for a complex new era.

Purposeful work can foster a sense of meaning for employees. Organisations that are purposeful define and lead with their values, respecting the dignity of people while simultaneously serving society by delivering value. In a purposeful organisation, employees will have a sense that their role positively contributes to a larger goal, whatever the precise nature of that goal may be.

Therefore, purpose plays an important role in delivering meaning to the employee experience. In nearly all of our conversations for this research, HR leaders told us that articulating purpose drives the employee experience forward at their organisation (even if the language of 'purpose' isn't always used).

Here are two examples.

- At **Spotify**, the language used is 'mission-driven' rather than 'purpose'. Being mission-driven is a huge part of the Spotify employee experience, and the company works with its people to help them identify where they are as an individual, what their purpose and long-term values are and how those might align or contradict company values. But, cautions Mikael Bäckström, VP, HR Partnerships, "Sometimes companies might put too much emphasis on having people come up with their purpose; it's also important to remember that for some people, a job is still just a job, and their drivers are found elsewhere."
- At **Mediabrand**s, a recent initiative called 'My Coach' aimed to enhance employee experience and help people navigate a difficult time by helping them focus on purpose. Caroline Penwarden, HR Director, UK & Ireland, explains, "During the pandemic, many promotions and careers were put on hold. It's been a really difficult and confusing time, and the boundaries between work and life have blurred. So we wanted to help people navigate this moment. For every employee in the UK this year, we paid for three coaching sessions with external coaches. The sessions weren't just about how to make the individual's career better at Mediabrand's; they also addressed questions like 'how is your life going to be better?', 'how are you going to come out of this pandemic?'. The sessions were about purpose, career, mental health, and life goals. We wanted to be able to say to our people, 'find out what your purpose is, and we'll try to help you as much as we can, even if that means you leaving'."



4.0

METHODOLOGIES AND EVALUATION:

HOW DO WE 'DO' EMPLOYEE EXPERIENCE, AND HOW DO WE KNOW OUR INTERVENTIONS ARE WORKING?

4.1

DEFINING THE **STAGES** OF THE **EMPLOYEE EXPERIENCE JOURNEY**

“Use tools you already have – surveys, focus groups – to find out what’s working and not working, so that you don’t redesign without clear diagnosis. Then co-design with managers and employees who are not managers, to put their thoughts in and to pilot solutions – people know a lot about what will work for them. This isn’t expensive, it doesn’t take longer, it’s enjoyable, and it works. Underpin this approach with a habit of systems thinking – what happens before and after an experience, how are they all interconnected?”

WENDY HIRSH, PRINCIPAL ASSOCIATE, INSTITUTE FOR EMPLOYMENT STUDIES

In Chapters 2 and 3, we explored how and why organisations are investing resources in listening to their people to develop positive employee experiences. However, crafting an outstanding employee experience is about more than just ensuring employees feel listened to or heard – it’s also about how organisations involve employees in defining and co-creating solutions. The most advanced organisations are using collaborative design methods that allow employees to influence the outcome and design of the experience.

- **Design Thinking is the leading methodology for activating employee experience.** Design Thinking is a powerful, flexible tool that works in many contexts, allowing people to collectively define and resolve problems. Spotify has used Design Thinking to help design leadership programmes and onboarding and exiting experiences. At Finastra, Design Thinking is an integral part of both external and internal product and service development. Below, we take a closer look at the Design Thinking methodology.
- **Hackathons are another tool for co-creating solutions with employees.** Hackathons are design sprint-type events, in which a wide range of organisational actors collaborate intensively to solve a problem. The idea is to focus on a specific problem and to have some sort of prototype of a solution by the end of the hackathon session. Hackathons tend to be most successful in organisational cultures that are already high involvement in nature.
- **HR faces a challenge in upskilling in collaborative design methods.** Design Thinking and other collaborative design methods require a shift in mindset that may be quite significant for some people (as explored in the case study on page 37). HR has work to do in defining what skills and capabilities are needed, ensuring it has those skills, and most importantly, figuring out how to bring those skills broadly into the organisation. As BT’s Nicola Lister

explained: “These skills should exist in every person’s job description in order to do this well. It’s a skillset that should exist within HR but also it should be broader than that. We want to ensure employee experience is not just an HR thing.”

- **A structural question underpins ownership of employee experience and collaborative design.** Collaborative design methods mean having employees involved in the design, but who are they collaborating with? Hopefully not just a team from HR! As explored in Chapter 1, there are differing views about who owns employee experience. Many of the interviewees for this research stressed their use of cross-functional teams to spearhead employee experience and collaborative design work. For example, at financial services company Rothschild & Co, a working group that is focusing on employee experience is comprised of members from recruitment, learning and development, client experience, and food and beverage. “We want an interdisciplinary group with all the right voices to shape what we need,” explained Natalie Maidment. We see a broader structural question underneath this. Where does it make sense for HR to structurally fit (with Facilities? IT? etc.) to best facilitate interdisciplinary working among key stakeholders in the employee experience?

A BRIEF INTRODUCTION TO DESIGN THINKING

In June 2021, CRF hosted a series of interactive workshops on Design Thinking, hosted by the d.school’s Justin Ferrell. A deep dive into Design Thinking, including summary notes and videos of each session, can be found in our [Post Meeting Notes](#).

Here, we define Design Thinking and briefly highlight the key stages in the process.

Design Thinking is a process for creative problem-finding, problem-framing and problem-solving. It’s a way of working that is human-centred at its core. Founded and developed by David Kelley at the Institute of Design at Stanford University (the d.school) and at his consulting firm, IDEO, Design Thinking encourages organisations to focus on the people they’re creating for, leading to better products, services and experiences.

In employing Design Thinking you are identifying what’s desirable to people, while also considering what might be technologically feasible and economically viable for your company. It enables people, not trained as designers, to use creative tools in addressing a vast range of challenges. Design Thinking methods help teams examine human behaviour, then use their skillsets to rapidly prototype toward meaningful outcomes for those they seek to serve.

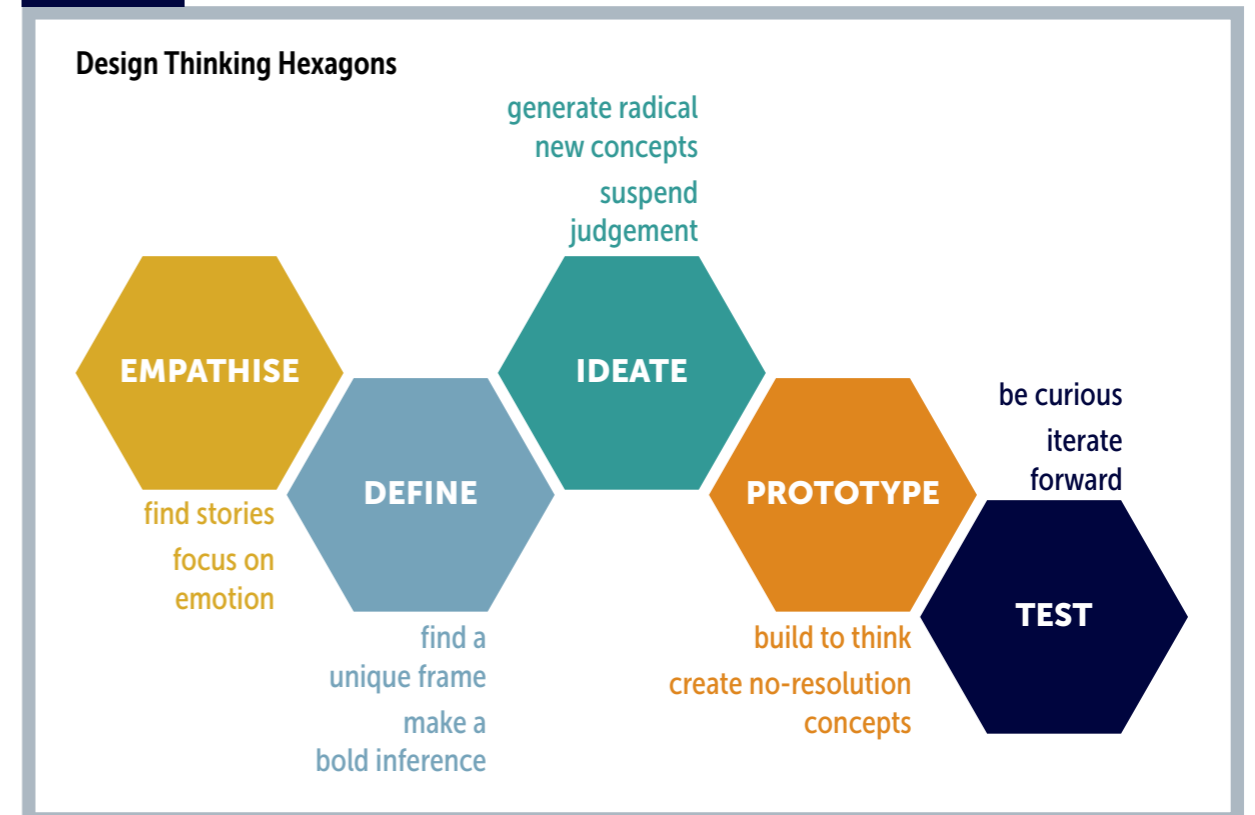
“Design Thinking can be equally liberating and scary because you have to let go of having all the answers and because you are, deliberately, putting stuff out there that isn’t perfect. This is quite a shift in mindset for a lot of people, but it can be a very valuable tool.”

AMY SAWBRIDGE, CHIEF PEOPLE OFFICER, CÔTE RESTAURANT GROUP

HOW DOES IT WORK?

The Design Thinking hexagons are a useful tool for businesses in understanding the basic ‘notes’ of the process. There are five phases. The first two: empathise and define, focus on problem finding, and the last three: ideate, prototype and test, focus on problem solving.

FIGURE 8



Problem framing

The way we frame the problem often determines what we create. When working toward incremental innovation, frame the problem around the solution. When working toward transformation innovation, frame the problem around the behaviour you're trying to encourage. Then ask yourself, whose behaviour? That's who you engage with when you start your empathy work.

PHASE ONE: EMPATHY

What is empathy? The ability to think through the experience of another person by understanding it as best you can.

Why is empathy so important? The goal is to design something that people will use. In order to do this it has to fit their lives in a meaningful way. To design something meaningful you need to understand their behaviours and beliefs.

Why empathise? To uncover your user's needs, discover design opportunities, challenge assumptions, reframe the problem, gain inspiration and obtain a fresh perspective. Not only does empathy work help you understand the intrinsic needs of a person or group of people, but it can also create momentum to motivate others to participate.

Who do we go to for empathy? Within Design Thinking we are focused on either extreme or analogous users. In extreme users the needs and insights are amplified, with current workarounds more noticeable. For the Design Thinking process this means early solutions are more unique and provide more opportunity to be tested for wider resonance. Analogous empathy is about learning from others who design in different scenarios and applying that learning to your problem.

The d.school focuses on three main forms of empathy: immersion, observation, and engaging. To understand how to 'do' these forms of empathy as part of Design Thinking, see our [Post Meeting Notes](#).

PHASE TWO: DEFINE

Once you have gathered the information in the empathy stage, you need to make sense of and transform it into a problem or point of view statement for which you can then begin to brainstorm solutions. This is the Define phase of the process.

This phase is a convergent stage which narrows in on a point of view statement. Its basic process is threefold. First is to form an observation based on the information heard during the interview stage, second is to make an inference as to what this might mean, to then thirdly create an insight as to what might be possible as a solution. The inference acts as leap from observation to insight, encompassing the unknown to some extent.

The Define stage is arguably the most difficult and requires individuals and teams to unpack interviews and find non-linear connections. To do this requires the creation of artefacts to help discuss and surface implicit needs that might not seem obvious and to build a shared understanding amongst your team.

See our [Post Meeting Notes](#) for a case study of Defining in action, including a step-by-step application of a tool for creating point of view statements and guidance on how to use empathy maps to unpack interviews.

PHASE THREE: IDEATE

This phase begins the start of the problem-solving stage. When transitioning from defining to ideation, we are setting aside our judgements to generate as many ideas as we can and entering a 'flaring' phase.

When you brainstorm and generate ideas, you are balancing two goals: fluency (the speed and quantity of ideas) and flexibility (ideas that are truly different and distinct). If you have a lot of ideas that are variations on a theme, you might really have only one idea with twenty-nine other versions. When you combine fluency and flexibility, you can generate a rich array of concepts to choose from.

Design Thinking is about the initial stages of this process: moving from zero ideas to as many as possible, before being able to whittle down which are worth prototyping. Generating large numbers of ideas does not feel efficient but efficiency is at odds with resilience. The more ideas we generate, the more resilient our project will become in the face of disruption and challenges.

PHASE FOUR: PROTOTYPING

We prototype to evaluate which ideas we should move forwards with, with the mindset that we only want to devote enough resources to each prototype to be able to move to the next step. If we prototype in a low-resolution way in these early stages, we are able to incorporate feedback at the lowest cost. Additionally, the later you wait to share prototypes the more we want others to approve of it and may become defensive of feedback. Research shows that when people undertake parallel prototyping (working on more than one at a time) they "produce higher-quality, more diverse work and experience an increase in self-efficacy".

The Two-Hour Experiment

By introducing a time restraint, this tool reserves resources in the early stages of focus on a product or promotion prototype. A product prototype is testing feasibility, and a promotion prototype is testing desirability. See our [Post Meeting Notes](#) for an example of how to execute a two-hour experiment.

“We want to be able to stand in front of our colleagues and say ‘this is why we made the decision, this was the input, this is the process’, so that even if it’s not perfect, we know that a colleague point of view came into the equation.”

NICOLA LISTER, SENIOR MANAGER – EMPLOYEE EXPERIENCE, BT

PHASE FIVE: TESTING

The final phase in the Design Thinking process is testing. Testing revisits the Empathy phase, but this time with a prototype. In testing, you are asking the same sorts of questions: Who is affected by this challenge? Which group do I want to prioritise? Who is the extreme user, and how do I get proximate with them? However, now that you have a prototype to share, the dynamic of the conversation will change.

What makes a good test? Real user experience – this is the key to eliciting both analytical and emotional responses. You want to bring the experience to life – invite testers into the interactive world in which your prototype exists. This helps create the posture of ‘learning as we go’.

The goal of testing is to learn about how people respond to the prototype – how does it resonate with people? Design is how it works, how it looks, *and* how it feels for the users. Testing in an interactive way (set the scene, have roles, use props) pulls in the people who are going to use your idea, to become co-creators with you. They are helping you shape the solution.

Testing requires that you:

- Engage – users with the experience
- Notice – surprising decisions, awkward pauses, facial expressions...
- Follow-up – by asking about the things you notice
- Seek stories – about another time the user felt or behaved this way.

Importantly, testing is a cyclical, not a linear process.

CASE NOTES:

BUILDING TRUST: IMPROVING EMPLOYEE EXPERIENCE AT CWM TAF MORGANNWG UNIVERSITY HEALTH BOARD

Improving employee experience is a stated aim of a targeted intervention at the **Cwm Taf Morgannwg University Health Board** (CTM UHB), a part of NHS Wales.

This has created a somewhat unique context in which senior teams are committed, interested, and ready to push forward with improving the employee experience, while employees themselves are more hesitant. "Trust is low because there is a history of people not being listened to, of issues being raised but nothing ever being done," explained Rebecca Watkins, Employee Experience Lead. "So there is some negativity on the ground from past experience. This makes it difficult to sell 'we want to listen and make a change'."

How is the organisation approaching this challenge?

- **Getting the structure right.** A first step was structuring how the work will be done. Employee experience sits within wellbeing (Watkins reports to the Strategic Lead for Wellbeing), which is a useful frame for experience at the organisation. A Steering Group, chaired by the Director for People, has been created that oversees the work of each workstream.
- **Identifying the steps of the employee journey and assigning workstreams.** Employee journey mapping identified four critical stages of the employee journey at CTM UHB: attract and recruit, onboarding, develop and retain, and moving on. For each stage of the journey a workstream has been created. Leaders in each workstream were specifically chosen for their positivity around change and making a difference and have responsibility for feeding things back into their areas. The workstreams are interlinked and their work crosses over. Watkins oversees tasks, timescales, and ensures that there is no duplication.
- **Collecting and assessing data on the state of things in each workstream.** A critical task is assessing progress for each stage of the employee journey. The organisation is heavy on surveys so there is plenty of data to review – for example, exit surveys provide insights to the 'moving on' workstream. "It makes for very difficult, hard reading – but we need to learn from it," Watkins explained. At the same time, Watkins is cautious about an overreliance on survey data. "Surveys aren't enough. We have a lot of them and people don't see their importance because they don't believe the organisation is really listening."
- **Focusing on small wins to build trust.** There is a focus on slowly meeting people where they are, and the organisation has decided to start with a specific employee segment – nurses – because they are the biggest catchment in the organisation. "We are focusing on going slowly and quietly – building – instead of rolling out a big bang

that doesn't meet expectations." As members of the workstreams map out processes, they are asking 'if there is one thing that could change to make it a great day at work – what would that be?'. Feedback has been varied, but one area exacerbated by the recent hot weather is the heavy and hot uniforms that the staff were wearing. The uniforms make it very difficult to go about their day-to-day jobs and so discussions were held with the leaders in the organisation who agreed that the lighter scrub uniforms could be worn. Without this insight into the working days of these staff, the organisation would not have truly understood the difficulties they were facing. Those working on Employee Experience refer to themselves as the 'dotted lines making the connections to make things better for all'.

- **Building relationships with those who can cascade messages.** Given the low trust and historical negativity about change, an important part of the work around employee experience is identifying those people who are interested in making a difference, getting them involved in the workstreams, and getting their help to cascade messages out to the rest of the organisation. Due to the pandemic and continuing staffing shortages, getting more people involved in the workstreams is proving difficult, but as those working on Employee Experience meet more and more people, engagement is gradually improving. People are starting to come on board because they believe that the team can make a difference for the better. Watkins and her team are also choosing areas to test some of the work, which hopefully will engage staff and evidence that they are listening and looking to change.
- **Co-designing new processes going forward.** Watkins offers an example from the 'attract and recruit' workstream. Occupational Health is a pressing issue for the organisation, in that it takes a long time to get new appointments into their roles because of the number of checks involved and lack of clarity on the process. The workstream, in mapping out the process, has identified where the blockages are and is looking at how to address them. However, there is recognition that managers and staff on the ground are critical to the solution. "Part of that is listening – building knowledge and understanding first. Who are they, and what are they facing? But equally, we need them if we're going to design a process that works. So after listening and gaining understanding, the next steps are to work with the Occupational Health department and key members of the workforce (i.e. those that are recruiting regularly) to help co-design a new process and test it in small areas to see if it works before rolling it out to the wider organisation."

CASE NOTES:

COLLEAGUE EXPERIENCE AT BT

Employee experience has become a priority at **BT** over the past couple of years, driven by a new CEO who is passionate about the issue. He brought the language of employee experience into the organisation ('colleague experience' at BT), and tasked his CHRO with creating a plan to address it.

Initially, a small working group of colleagues from across the organisation came together, exploring what other companies are doing around employee experience. At the same time, Deloitte, the organisation's delivery partner for an HR Transformation programme, began to bring a human-centred design lens into BT. This provided a useful platform to drive the working group's direction. An additional helpful driver was customer experience – BT has a large, well-established, visible, and fully resourced approach to customer experience. This was leveraged as much as possible – "why not do the same for employees?" asked Nicola Lister, Senior Manager – Employee Experience. Things came together, and one year later, the language of colleague experience is embedded into the organisation and a dedicated team has multiple projects in progress.

"Colleague Experience acts as an internal consultancy. We are a small but perfectly formed team," Lister explained. "We provide expertise in human-centred design thinking. We listen to colleagues and measure their experiences. We look at how to partner with experience and process owners across the business to act on what we're hearing and measuring. We are focused on the continuous improvement of the colleague experience and on continuing to update our own skills, experience and infrastructure to bring about positive change across the whole colleague lifecycle."

Design Thinking, colleague lifecycle maps, and employee personas are some of the tools of the trade.

- Problems come to the team in one of two ways. Either the team identifies an area for improvement through its own research, in which case it will then approach the relevant business owner, or the business itself flags an opportunity or problem from its own research.
- During an initial Discovery phase, insights are gathered to more clearly frame the problem they are trying to fix. Surveys, focus groups, interviews, and more innovative data-gathering techniques (such as doing a ride-along with an engineer) are some of the methods used. Things do not progress until the team is sure it's heading in the right direction based on the feedback.

- Once the problem has been framed, co-creation of a possible solution can begin.
 - During the Empathy stage of co-creation, personas are used to apply the lens of a particular audience. It is essential to continually come back to what the colleague wants and needs, rather than trying to shoot from Discovery to Solution. "To be truly colleague-led, you really do have to step into the shoes of the colleague, in their environment, in a way that makes sense to them," Lister said.
 - In the Testing phase, a possible solution, to which a persona lens has been applied, is then tested to see if it works.
 - After a Solution is implemented, iteration continues. The goal is for the team to be fluid and proactive, creating a constant feedback loop and joining progress up instead of doing only standalone projects.

One recent improvement to colleague experience involves the frontline team in the Consumer part of the business. The Consumer HR team approached the Colleague Experience team as they wanted to understand how to best maximise the opportunity to improve the experience of contact centre based staff. Regular surveying was showing that there was an appetite to keep and build on some of the changes brought about by the pandemic. Applying human-centre design thinking and conducting additional research with frontline colleagues helped to shape the improvements that were eventually implemented, which included: embracing a hybrid way of working for this segment of BT's population not previously accustomed to it, improvements in technology and collaboration tools, and driving a more consistent experience for staff working in different sites. Importantly, Consumer HR, by doing colleague-led research together with the Colleague Experience team, was able to bring a number of existing diverse improvement programmes and activities under one purpose of creating a positive working environment, meeting both the colleague and business needs.

It's early days at BT, but the organisation has made a great deal of progress in a short time, with many more changes in the pipeline. Lister is ambitious about where colleague experience can go. "My ultimate ambition would be to organise around the employee journey. Customer experience is organised around customer journeys – pay bill, order products, and so on. What if – instead of Finance, Communications, Property, HR – we organised teams around 'I start', 'I learn and grow', 'I leave'?"



4.2 EVALUATION

FIGURE 9

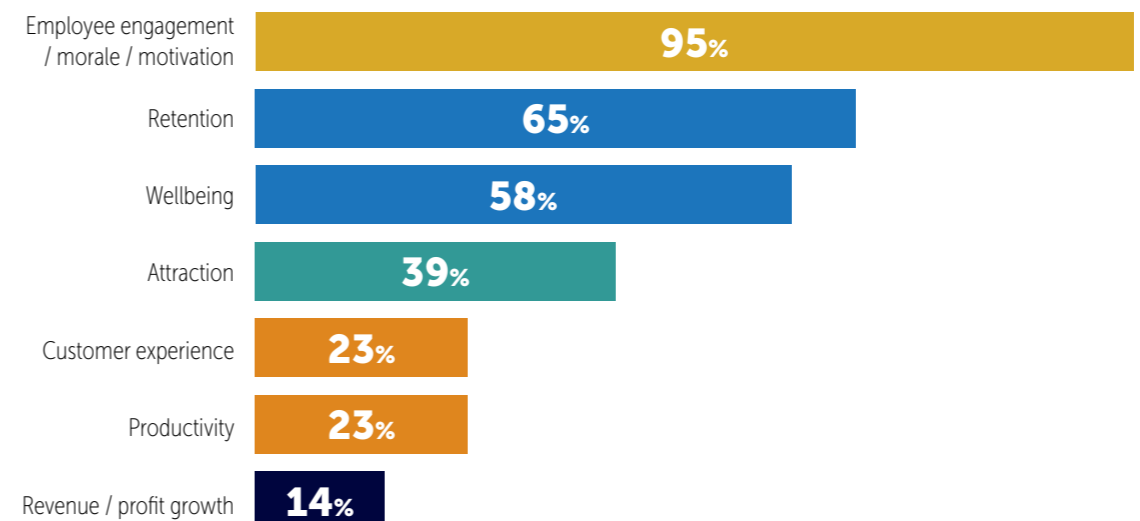
Do you evaluate the effectiveness of the employee experience programme at your organisation?



Source: CRF Employee Experience Member Survey 2021

FIGURE 10

On which of the following do you assess the impact of the employee experience programme in your organisation? Check all that apply.



Source: CRF Employee Experience Member Survey 2021

This is not surprising, as one of the key points made in our discussions with HR leaders for this research is that evaluation is too often narrowly focused on HR metrics. Andy Brown at ENGAGE explained: "Most HR functions focus measurement on pure HR outcomes, such as talent attraction and retention. But if you ask the CEO why they want a good employee experience, they will usually tell you it's about improving customer outcomes and business performance."

Our interviewees made the following additional points about evaluation.

- **The evaluation strategy should be defined up-front.** Success criteria should be defined in advance and tied to business objectives. It will likely include measurement of both business and HR metrics. Cobbling together evaluation after-the-fact is likely to provide insights of questionable value and relevance.
- **With respect to HR metrics, evaluation should always include analysis of different categories of worker.** This allows the organisation to really burrow down into the data. For example, if flexible working is a key part of employee experience, do different groups feel equally able to take advantage of the opportunity? If inclusivity is a key part of employee experience, is it hitting the mark, or are there certain segments of the workforce that feel less included?
- **Proving cause and effect is always extremely challenging.** Yet, the perfect should not be the enemy of the good. Establishing correlations between interventions and outcomes can provide useful information to the business (for example, see the case note on page 39).
- **Interpretation is as important as the raw data.** Analysts should be looking for the implications of evaluation data. What's proving challenging? Where is the employee experience moving ahead, and where is it falling behind? What are the relevant and actionable insights that the data reveals?

BEYOND ENGAGEMENT: CREATING A PURPOSEFUL EMPLOYEE EXPERIENCE

CONCLUSIONS

- ▶ Employee experience is not a new idea but it has been gaining traction in a post-pandemic environment where talent attraction and retention are increasingly challenging. It is a broad concept, with no universally agreed or scientifically validated definition. Generally, it refers to everything that a person encounters before, during, and after their employee journey with an organisation. Yet, this broad definition obscures the nuance in the concept. Employee experience is also contextual, rooted in business strategy, employee-driven, intimately linked to customer experience, consistent yet dynamic, and more than just process.
- ▶ The factors that are driving interest in employee experience vary depending on the business and its strategy. Common factors include talent attraction and retention; improving engagement and productivity; and changing expectations of employees around diversity, inclusion, social responsibility, and wellbeing. The evidence base documenting the business impacts of a great employee experience is limited, but points in a positive direction, with improvements in profitability, innovation, and customer satisfaction cited by some researchers.
- ▶ A great employee experience requires buy-in, collaboration, and participation across – and beyond – the organisation. Key stakeholders include senior leaders, line managers, colleagues across all functions that impact experience (Communications, IT, Finance, etc.), the Board, employees themselves, and certain external stakeholders (such as vendors, consultants, and investors). HR plays a crucial role in orchestrating and supporting employee experience in collaboration with these other actors, but the quality of HR's capability, reputation, and relationships impacts its effectiveness.

5.0 CONCLUSIONS AND RECOMMENDATIONS

- ▶ It is early days in terms of taking a whole-workforce approach to employee experience. Most organisations are focusing on full-time, in-house staff, with less attention paid to the contingent workforce. We also see limited differentiation of experience by demographic factors, job level, geography, and so on.
- ▶ The most advanced organisations take a strategic approach to employee experience. Being strategic means tailoring the employee experience strategy to the organisation, its culture, its particular business challenges, and the stage of maturity it's at. Key questions to ask include: what is the business strategy? What are our current pain points? What activities and interventions are needed? How will we evaluate and evolve the employee experience?
- ▶ Organisations need to identify the stages of the employee journey and the aspects of experience at each stage that they will design for. By 'aspects of experience' we mean the critical moments that are likely to occur for many employees at the different stages of the employee journey and that make or break the employer-employee relationship. Critical moments can be positive or negative, they are about how employees feel (not about the process or the tool), they are highly personal, and they often occur at moments of transition. We introduce a framework for thinking through these questions.
- ▶ There are multiple enablers of employee experience – levers an organisation can pull to help enable a great experience. These include leadership practices/behaviours, the cultural environment, management practices/behaviours, communication practices, the technologies/tools used, job design, the physical environment, and HR policies. We find that, while HR leaders report that all of these enablers are incredibly important, most organisations are focusing on upskilling senior leaders and line managers, and evolving their listening strategies to better enable a great employee experience.
- ▶ Organisations are encountering a wide and varied array of challenges as they seek to improve employee experience. Siloed functions that stymie collaboration are a key issue. Other big challenges include lack of leadership buy-in, lack of the right technology, contradictory data, the challenge of determining whose voice to listen to and when, and deficits in HR capability.

- ▶ Employee experience is about more than just ensuring employees feel listened to or heard – it's also about how organisations involve employees in defining and co-creating solutions. The most advanced organisations are using collaborative design methods that allow employees to influence the outcome/design of the experience. Design Thinking is a leading methodology; HR faces a challenge in upskilling in collaborative design methods.
- ▶ A minority of organisations – just over one-third according to CRF's survey – are regularly evaluating the effectiveness of their employee experience programmes. When evaluation does take place, there is a bias toward HR metrics such as engagement, retention, and wellbeing.

RECOMMENDATIONS

We suggest employers consider the following points when thinking about how to craft and implement an effective employee experience strategy in their organisations.

- ▶ **Start with your business strategy.** What are the relevant business and industry issues? This will guide what opportunities you have to differentiate your employee experience and gain competitive advantage. Remember that you have to meet the 'table stakes' too – the basics, upon which you can build.
- ▶ **Fix your pain points.** Use data to identify and understand the specific challenges your workforce is currently facing in order to work out priority actions to repair problem areas. What's really difficult in the employee experience right now, for whom, and why? Beware 'unrepairable moments' that forever damage the employer-employee relationship.
- ▶ **Assess your structure.** At many organisations, the HR function has responsibility for employee experience in collaboration with other functions and stakeholders. Given that collaboration across functions is one of the main challenges in implementing an improved employee experience, it's helpful to take time to assess whether you are structurally configured in the best way to support employee experience. Does it make sense to have Facilities or parts of IT structurally associated with HR? Who needs to work together, and how, to meet your organisation's particular needs?
- ▶ **Segment the employee experience.** One employee experience does not fit all, neither across nor within organisations. Identify which groups within your workforce will need a different approach, depending on your business needs. For example, if your business relies heavily on a contingent workforce, how are you differentiating the experience to attract and retain those workers? For many organisations, critical talent will be a key segment for which differentiation is needed. What are the types of experiences you need to be designing to retain and develop the most pivotal people in your organisation?
- ▶ **Use a framework to guide development of your employee experience strategy.** Don't do something just because someone else is doing it, or rely on tinkering around the edges. Once you've identified your industry and business challenges and goals, use a framework to go step-by-step through the employee journey, identifying pain points, table stakes, and key opportunities for differentiation. Think about what levers you can pull to enhance experience for all stages and aspects of the employee journey.
- ▶ **Think about who needs to be upskilled to support employee experience.** Do senior leaders need help with communication and role modelling? Would line managers benefit from training in how to have better conversations, or the basics of good management? Who might benefit from upskilling in methodologies such as Design Thinking – HR, managers, everyone?
- ▶ **Co-design solutions with employees.** Listening to employees is a great start, but remember that the most effective employee experiences are those co-designed with employees themselves. People know a great deal about what will work for them. Use methodologies such as Design Thinking to empathise with employees, define problems, and ideate, prototype, and test solutions.
- ▶ **Use business metrics, not just HR metrics, to evaluate success.** Changes in employee engagement, retention, and wellbeing may be important to measure, but impacts on productivity, customer experience, revenue and profit growth, time to market (and so on) may be equally important. Design your evaluation strategy up-front and take care to include metrics that fit your business goals. Taking this approach, you are likely to end up with a mix of HR and business metrics.



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7.0

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