AUGUST 2022

How the C-Suite Is Championing the Employee Experience

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Customer experience has long been center stage, with companies everywhere recognizing the power consumers hold to boost (or tank) their bottom line.

However, in recent years, the *employee* experience has been edging its way into the spotlight—and it's no surprise why: Tiffani Bova, Chief Growth Evangelist at Salesforce, says "new data shows that a unified customer and employee experience is a winning growth strategy that can increase revenue by up to 50%."

Despite this evolution, 88% of C-suite members surveyed by Salesforce and Forbes put customer needs ahead of employee needs with the assumption that they are forced to choose which one to prioritize. As a result, the disconnect between the reality of the employee experience and the C-suite perception is massive: 70% of executives say their employees are happy, while just 44% of employees agree.

That said, business leaders *are* cluing into the challenge of employee experience in the current landscape. According to a Willis Towers Watson survey, 43% of employers reported the pandemic had a negative impact on employee experience.

The employee experience runs the risk of being an intangible, immeasurable topic, easily sidelined in the race to boost revenue. But the research backs up the business case, and now is the time for the C-suite to respond to the growing focus on employee experience.

The Business Case for Investing in the Employee Experience

It's easy enough to point to correlation—organizations whose positive employee experience metrics correlate with customer satisfaction and even with profits—but one research study from leaders at Salesforce and Columbia University and published in the Harvard Business Review sought to go deeper. Correlation does not equal causation, after all.

In their three-year study of a national organization, the researchers found a substantial causal link between employee experience and revenue. When this organization directly invested in ways to boost the wellbeing and happiness of their customer-facing workers, revenue and profits increased accordingly—by more than 50%.

Forrester research commissioned by EY agrees with this direct connection between employee experience and long-term business value. People who experience a positive work environment are more motivated to produce quality work and overcome obstacles. They also have longer

tenure within an organization, often recommending their employer to their peers. In fact, a [Willis Towers Watson](#) report says that organizations with transformative employee experience are 90% more likely to report comparatively lower turnover—in addition to reporting higher profitability. The business case is clear.

Why Employee Experience Is Hard to Achieve

As mentioned, there is a significant disconnect between the employee expectation of their work experience and the C-suite/HR perception. EY's research reveals that 81% of employees believe the experience is built on a positive company culture—but only 58% of HR managers agree. [Microsoft's](#) data drive this point home: 54% of managers believe their company's leaders are out of touch with employee expectations.

To some extent, the challenge to achieve an optimal employee experience boils down to the pace at which employee expectations have evolved—particularly over the course of the pandemic. Times of turmoil inevitably spark some soul-searching. As a result, there is a renewed focus on purpose and values, well-being and flexibility, social cohesion and transparency, and initiatives ranging from environmental sustainability to diversity, equity, and inclusion. When companies can't keep up and turn to quick fixes like bonuses or raises, the risk of attrition is high. Employees are looking for something better, but not every employer is positioned to fulfill those expectations.

Is it possible to bridge the divide? Frankly, the current data isn't optimistic. EY reports only 58% of HR managers feel confident in being able to create and nurture the employee experience. Microsoft shows 74% of managers say they don't have the resources to make these changes. [Research from Salesforce](#) reports that a massive 73% of executives are unsure how to leverage employee data in an effort to drive change.

Together, this data suggests that the only way to sustainably drive long-term employee engagement is through a fundamental mindset shift within the culture of the organization—[ending the top-down management model](#) embedded in many corporate environments. Instead, the C-suite must aim to empower their workforce with a deeply rooted employee-first perspective.

What Championing the Employee Experience Looks Like

At its core, the employee experience is one that tunes in to the human element. Compensation is and always will be important, but, as [Gartner](#) posits, the contractual, transactional model of

employment is a thing of the past. In its place is a model that allows employees to thrive—in both their professional *and* personal lives.

According to [McKinsey](#), there are nine key factors that the C-suite should consider when seeking to improve the employee experience. These are:

- People & relationships
- Teamwork
- Social climate
- Work organization
- Work control & flexibility
- Growth & rewards
- Purpose
- Technology
- Physical environment

In order to make progress towards any of these areas, executives must establish a baseline via employee feedback. This requires thorough and robust surveys and other data collection mechanisms, as well as a keen understanding of the best way to interpret that data. From there, getting the full picture of the employee journey is critical—from the recruitment and onboarding processes to working within the role itself and growing and transitioning into new roles, and everything in between. Each touch point between the employee and the company makes an impact on the employee experience. The ultimate step in nurturing a better employee experience is putting systems in place to help scale the initiative as the company grows and evolves.

Finally, a [Willis Towers Watson report](#) speaks to the element of technology and its critical role in the employee experience. Essentially, a company can achieve transformative employee experience when the initiative is tightly integrated with their overall business strategy *and* when they leverage technology to optimize the experience. Executives must be intentional in their technology decisions related to communication, engagement, productivity, performance, and management.

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An increasing number of executives are seeking to overhaul their employee experience strategy in response to the shifting landscape in the post-pandemic era. How is your business approaching employee experience? What outcomes have you seen as a result?