



Employee Experience:
Win the War for Top Talent

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Chapter 1: An Ever-Changing World

There's no doubt we live in an ever-changing world.

With new technologies, innovative business models and shifting consumer demands, disruption has become the new norm.

But while customer-centricity and experience have defined the business psyche for the past 20 years, a new trend has emerged that is reshaping how companies attract, engage, and retain talent. That trend is employee experience, or EX.

EX is intrinsically linked to a brand's customer experience (CX), and seeks to deliver personalised, authentic experiences that meet the expectations of the modern worker.

Increased transparency and evolving consumer demands have blurred the line between professional and personal. With social media, mobile apps and seamless user experience in the consumer world, employees now expect relevant, convenient and engaging experiences that they've grown accustomed to as digital customers.

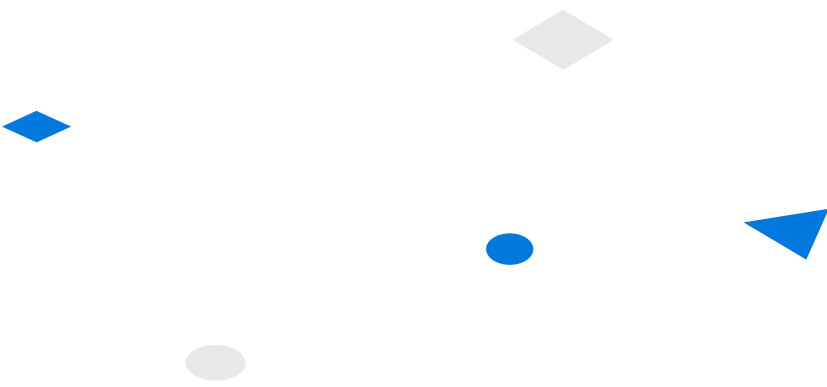
These new expectations, in combination with a shortage of top talent and the need to plan for the skills and capabilities of the future, mean it's more important than ever for companies to invest in EX.

Consider this: nearly 90% of talent say a positive or negative candidate experience would change their mind about a role or company.¹

90%

*of talent say
a positive
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1. LinkedIn Talent Solutions, 2015 Talent Trends



25%

*greater
profitability*

2x

*greater
innovation*

But it's not just about attracting and engaging the best talent. Designing a strong EX means accounting for all aspects of the employee lifecycle – from searching to onboarding through to progression and exiting. As companies go agile, the rigid structure of the 20th century HR department will be replaced with an insight-driven approach.

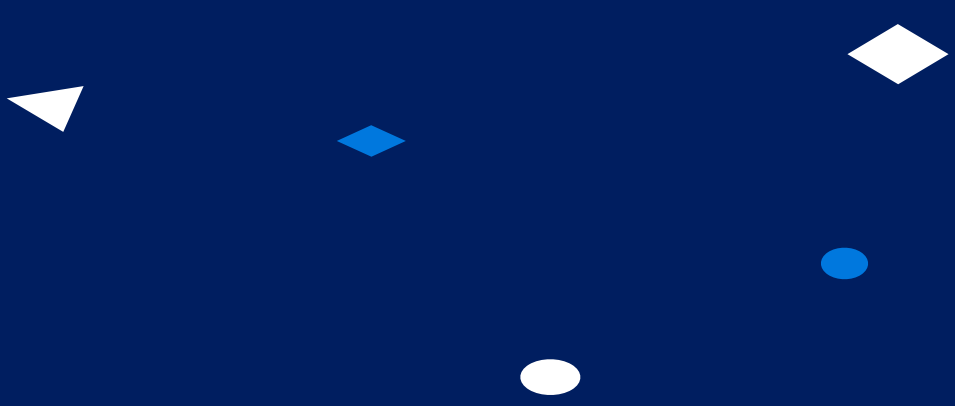
The HR function of the future will consumerise the workforce. This means bringing 'people' intelligence to the business, acting as trusted advisors and partnering with internal departments to create a more customer-centric and commercially minded approach.

At Sutherland Labs, we have 20+ years' experience in consumer psychology, behaviour and solutions, and we bring all of this expertise and innovation into the HR space. Through our work with large multinationals, we know that investing in EX across every touchpoint and stage of the candidate and employee journey is not just a "nice to have". Companies that invest in a powerful EX generate 25% greater profitability and drive 2x greater innovation than those that don't.²

In a market driven by talent, the truth is unequivocal: today's companies will succeed or fail based on the strength of their people.

To come out on top, this report sets out how you can design an employee experience that will help you attract and retain top talent, boost employee engagement and build a new type of organisation – one that is prepared for and ready to capitalise on the future consumerisation of the workplace.

2. MIT CISR | Investing in Employee Experience to Create Better Customer Experience



Chapter 2: Why Does Employee Experience Matter?

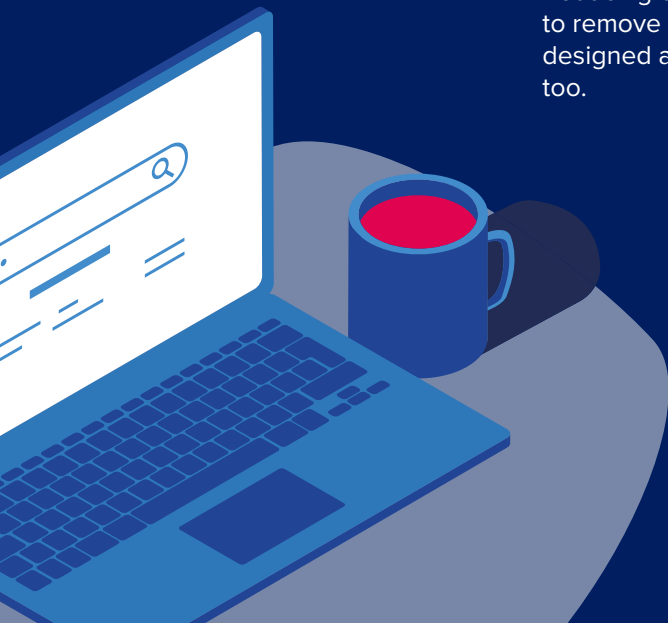
The modern candidate or employee expects an intuitive, seamless and engaging work experience. With an increased emphasis on meaningful work, a shift towards flexibility and a new emphasis on benefits and perks, EX has evolved to mirror the changing nature of the global workforce.

When we say EX, we're really talking about all of the touchpoints and experiences that candidates or employees encounter with your organisation.

In the same way a company would map out its CX journey, the EX journey considers everything from how a candidate fills out an application form to the more fun and playful perks of a work culture.

Reimagining the workplace experience for candidates and employees means much more than just installing a new ping pong table. In fact, EX impacts nearly every facet of your HR and recruitment function. It will help you attract better talent, improve engagement, increase retention, reduce employee effort and boost productivity.

Reducing effort is a key measure of EX, and companies must work harder to remove barriers and enable seamless experiences. In doing so, a well-designed and carefully crafted EX will add surprise and delight to your CX, too.





The link between EX and CX



2/3

of employees think unnecessary effort is preventing good CX

Believe it or not, EX and CX are inextricably linked. Improving one has a positive net effect on the other.

Many organisations, however, suffer from structural issues that result in siloed internal departments. These silos and rules of engagement limit internal collaboration and discussion, which means HR is restricted from moving beyond its limitations. As a consequence, gaps and problems can appear in the EX that creates unnecessary effort for employees.

When there's a moment of friction in an employee's workplace experience, it will often lead to feelings of pain and frustration. While most companies measure engagement to determine the strength of an EX, Gartner has equated experience with effort, a much more meaningful approach.

It makes sense. If something is hard for an employee to do, these pain points and frustrations will trickle down to the customer level.

By consumerising the EX and designing seamless day-to-day employee experiences, you can create a better and more productive environment for employees to work in. When efficiency and productivity increase, so too does employee output. In short, when you take care of your employees, they will take care of your customers.

Consider this: two thirds of employees think unnecessary effort is preventing good CX.³ What's more, supporting what employees' value, not just what they need, increases employee performance by 20%.⁴

EX, then, is more about removing friction and pain points than simply delighting the employee. In fact, a focus on reducing unnecessary effort will lead to increased loyalty and better performance.

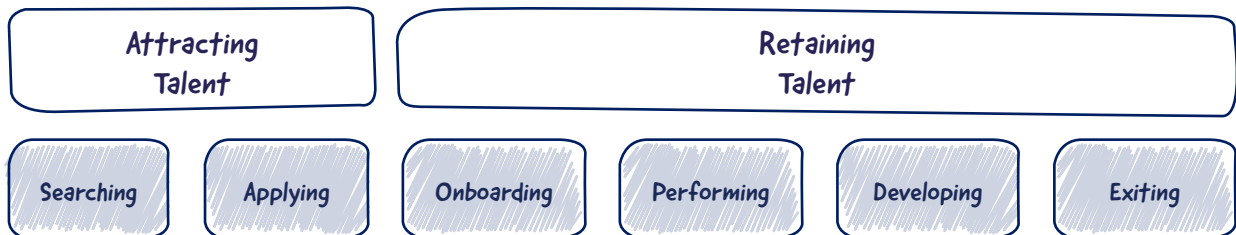
3. Gartner | Employee Experience: The Key to CX Success

4. Gartner | Improve Employee Experience With Consumer-Centric HR

Understanding the EX journey

At Sutherland Labs, we look at EX through the lens of attracting candidates and retaining top talent. These are then split into six key stages that make up the EX journey:

- **Searching**
- **Applying**
- **Onboarding**
- **Performing**
- **Developing**
- **Exiting**



At each stage, candidates or employees want employers to deliver on specific needs and values. We call these the 'Pivotal Moments'. Typically, companies that have yet to invest in EX unknowingly have multiple moments of friction in the EX journey. While most organisations don't realise it, when several of these moments build up or converge, they can cause a perfect storm that leads candidates to drop out and employees to consider leaving.

But there's good news: with the right approach, it's possible to uncover these friction points and turn them into seamless experiences that engage employees and enhance the wider EX.

Chapter 3:

Human-Centric Experiences

Designing a compelling and coherent EX requires a human-centric approach. This means understanding the pivotal moments that truly matter in a candidate's or employee's life – from the first day on the job to buying a house to having a child.

Increasingly, future talent sees career development as an evolving lattice rather than a linear progression. This means companies will need to focus on creating a breadth of experiences, tackling challenges and providing meaningful work.

When you identify the moments and influences that matter to top talent, you're able to reframe and redesign them so that you can turn any negative experiences into positive ones. It all starts by researching and talking to your target audience. This qualitative understanding will enable you to identify specific pain points and find out what candidates and employees really think.

Traditional HR teams, however, are primarily used to generic surveys that rely on large swathes of data covering topics such as "satisfaction" and "engagement". Quantitative research can be a great indicator of what is going wrong, but qualitative insights intentionally work with a small group of representatives (50-100 people) to allow you to dive deep and discover the why. In other words, why people make certain decisions and why they feel that way.

This could involve voice of employees, in-context research, usability testing or service safaris. Whatever the specific tool used, the key is to make sure research gathering is done in person. This provides subtle clues and insights that inform a more holistic approach.

As Margaret Mead famously noted, "What people say, what people do, and what people say they do are entirely different things."



Human-Centric Solutions

Whatever your business model or industry, there are certain actionable steps to building these impactful experiences for candidates and employees.

First, it's useful to take a step back and understand what a human-centred design approach is, and why it's so important when designing memorable employee experiences.

A typical approach to solving problems is often siloed in nature, with particular departments or stakeholders controlling the definition of the problem space and ideating solutions. All too often, there is a solution already in mind which may or may not correspond to the needs of the end users concerned. These "off the shelf" systems, solutions or platforms usually work within the limitations of what has already been implemented. Unfortunately, this misses a crucial point – these decisions are made without considering whether the proposed solution is actually the best system for the end user.

The resulting experience, while new, may not be improved, in the sense that it may only benefit certain silos and is unlikely to bring about sustained business impact.

Typical approach to problem solving



Instead, it's much more effective to employ a human-centred approach. This means gathering insights from the users of a given service and using learnings to define the right challenge or problem to solve.

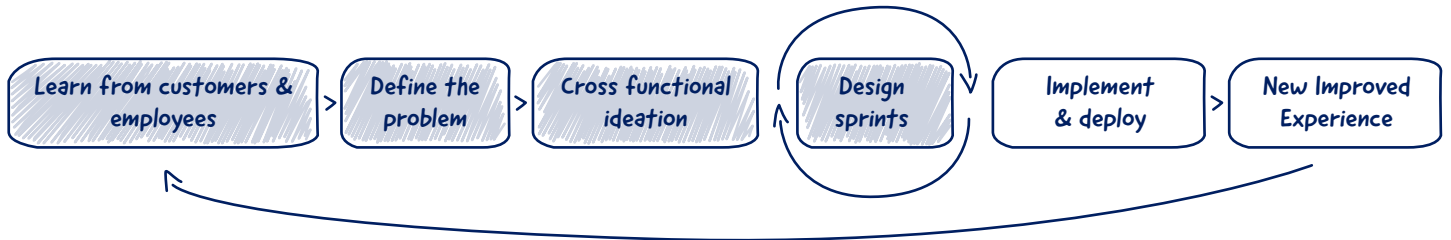
This process involves many different functions, including stakeholders, subject matter and domain experts, and users. This focus challenges assumptions and fully explores the art of what's possible during the ideation phase.

By viewing challenges through multiple lenses, your business will be able to balance the following questions and arrive at a clear and comprehensive solution.

1. What is desirable for users?
2. What is technically feasible in terms of systems and solutions?
3. What are the needs of our business?

These questions help define and roadmap future services and solutions to be designed. Design sprint methodology then comes into play, in which you can efficiently build, prototype and test solutions with users to ensure they are ready for market.

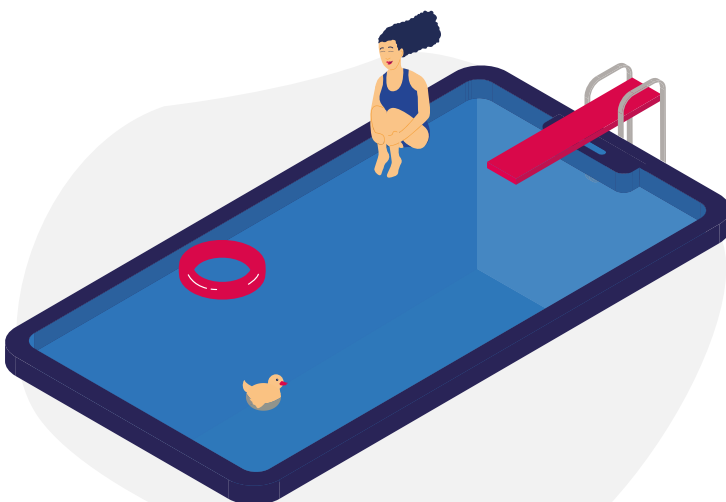
Human-Centred Approach to problem solving



The resulting experience is one which fully meets the needs and behaviours of the intended users, and also brings about positive, sustained outcomes for the business.

What's more, it will help you pinpoint and identify the Pivotal Moments that matter most, so you can design bespoke solutions that address real problems. These day-to-day experiences are what create the overall candidate or employee impression. It all starts with a real understanding of real people in real situations.

When you design experiences with a purpose, you do more than just delight – you reduce effort and remove pain, which leads to increased loyalty, performance and ultimately a more robust CX.



Chapter 4: Bringing the EX Journey to Life

To help demonstrate the value of a human-centric EX, Sutherland Labs has pulled together key case studies that explore real-world EX activation, alongside relevant learnings and results.

Each case study represents a specific phase in the wider EX journey, showcasing how every experience and step in the process can be managed, planned and accounted for. By leading with a human-centric design approach, it's possible to remove friction and create real 'aha' moments that keep top talent engaged and coming back for more.





Searching and Applying

Our parent company, Sutherland, asked us to develop an employee centric Employee Value Proposition (EVP) that would better resonate with its workforce.

Using an ‘in-context’ approach, we deployed researchers across multiples sites and uncovered a number of compelling employee insights that helped reframe the story during the recruitment process. In turn, this impacted messaging, advertising and social media activity. The results included a significant increase in social media followers, a revamped advertising campaign and a consistent employee value proposition (EVP) to guide marketing.



Onboarding

Refinitiv approached us with a challenge – how do we reimagine our talent acquisition and onboarding as part of a wider transformation effort?

We gathered employee insights across multiple sites to help uncover employee pain points and inform the overall talent strategy. In doing so, we established that onboarding was a challenge. Candidates who had a positive recruitment journey were then passed onto multiple teams for onboarding, creating a disjointed process. This meant new starters often experienced uncertainty and were left unimpressed when starting with the organization.

Candidates shouldn't have to wait for their “first day” to initiate the onboarding process. Instead, it should be integrated into the recruitment process and initiate a lot sooner. In order to make this happen Talent Acquisition would need to take ownership of Onboarding and redesign the process collaboratively with all departments to ensure a seamless candidate transition into the business and improved candidate's first impression of the business.



Performing

By immersing ourselves in the day-to-day needs, challenges and pain points of employees, we helped the world's largest investment management company create an innovative digital channel and workplace strategy.

This strategy was designed to boost productivity, but more importantly build community and lead to a more fulfilled workforce. Our teams interviewed and observed a global workforce to create behaviour-based personas to create empathy for employees. The personas revealed daily pain points of increased effort that were being caused by legacy systems and siloed operations. In redesigning these pain points, such as giving greater ownership of processes to employees or delivering key information through the channels most appropriate to the employee, our client reduced employee effort and created a more content workforce. Originating with the stakeholders making strategy decisions, these employee experience best practices were rolled out as use cases across the business.



Developing and Exiting

One of the world's largest pharmaceutical companies wanted to rethink their entire approach to graduate talent in order to become more relevant to today's talent landscape.

We began by running a 'Voice of the Customer' study, gathering inputs from a wide variety of sources, including business leaders, hiring managers and graduates themselves. One pivotal insight – that although grads are ambitious and keen to explore, they need structure to translate their experiences into non-linear career paths. In addition, the business leaders articulated the need for a structured approach to graduate hiring in order to help retain the talent and fill capability gaps.

This and other key insights were translated into workstreams spanning all stages of the graduate journey and led to a holistic, multi-year, EMEA-wide strategy for graduate talent.



Chapter 5: What Does the Future of HR Look Like & Who Owns EX?

As digital changes the way candidates and employees engage with organisations, employers must adapt as well.

Legacy systems and outdated business practices hold HR within a tightly restricted playing field. According to Gartner, 67% of business leaders say their company will no longer be competitive if it doesn't become significantly more digitised by 2020.⁵

To deliver on new employee values, HR must embrace digital and rethink how it approaches EX. This new mindset must be consistent with how people behave and what they value in today's digital world. It should place people at the heart of the strategy and focus on building a comprehensive workplace experience.

This should account for the entire spectrum of employee experiences, including the physical, emotional, intellectual, virtual and aspirational goals of candidates and employees.

When all of these elements align, HR will look more like a consumerised people function. This groundbreaking distinction will enable companies to offer a more consumer-like EX and, more importantly, gain a clear-cut advantage when fighting for strategic talent.

5. Gartner | Improve Employee Experience With Consumer-Centric HR



The front-end and back-end

In the old world of business operations, it was clear that HR owned the employees, marketing owned the customer and IT owned the technology. Today, however, the lines are blurring. In a world where experience is a key driver of success, all internal business functions need to collaborate.

The best HR teams, the ones that seek to evolve, adapt and innovate, will partner with marketing and the wider business to look at how all of these perspectives can work together. When it comes to implementation, HR must own EX and champion its application across the entire organisation.

At Sutherland Labs, we view this transformation through two lenses: the front- and back-end experiences.

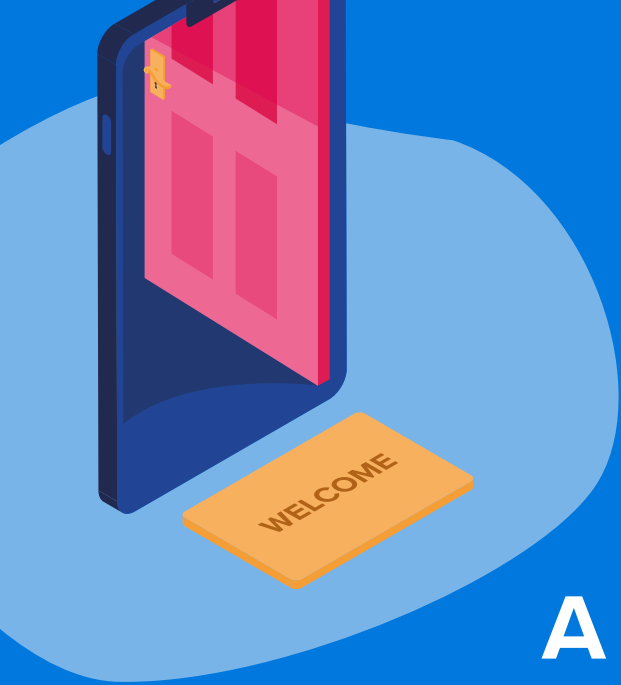
The front-end experience refers to all candidate- and employee-facing experiences that make up the EX journey. This covers everything from a candidate filling out an online application to an employee trying to submit their expenses. All of these touchpoints make up the wider experience, so it's vital that HR takes ownership of these areas.

At Sutherland Labs, we view this transformation through two lenses: the front- and back-end experiences.

The back-end experience is more nuanced, and requires collaboration with other functions internally, whether that's IT, finance or marketing. Collectively, these departments and internal stakeholders become 'customers' in a consumer HR model, meaning HR switches from a rigid, process-oriented department to agile advisers and partners.

This evolution will entrust HR with greater roles and responsibilities, from providing market intelligence to designing strategic experiences that think beyond the immediate need of filling vacancies. In this sense, conversations become more strategic and HR, rather than the CEO or COO, takes ownership of an organisation's EX.

As strategic business partners, this new design thinking will enable HR to drive the people experience and champion all aspects of EX – from talent attraction to employer branding, and workplace environment to facilities. This higher purpose is essential in a marketplace brimming with challenges and competition.



A case in point: Airbnb

While Airbnb is best-known for its disruptive consumer business model, the tech giant is acutely aware of what today's top talent wants and values.

Airbnb is pioneering an entirely new model of HR that treats employees and candidates as if they were customers. In fact, Airbnb even renamed its Chief Human Resources Officer as the Chief Employee Experience Officer. The company has been extremely successful with its new focus on workplace experience and belonging.

Mark Levy, Global Head of Employee Experience at Airbnb, gives his take on what 'workplace as an experience' means:

"At Airbnb we are focused on bringing to life our mission of creating a world where you can #belonganywhere, by creating memorable workplace experiences which span all aspects of how we relate to employees, including how we recruit them, develop them, the work environment we create with them, the type of volunteer experiences we offer them, and the food we share together."

"...creating memorable workplace experiences which span all aspects of how we relate to employees..."

Mark Levy, Global Head of Employee Experience at Airbnb

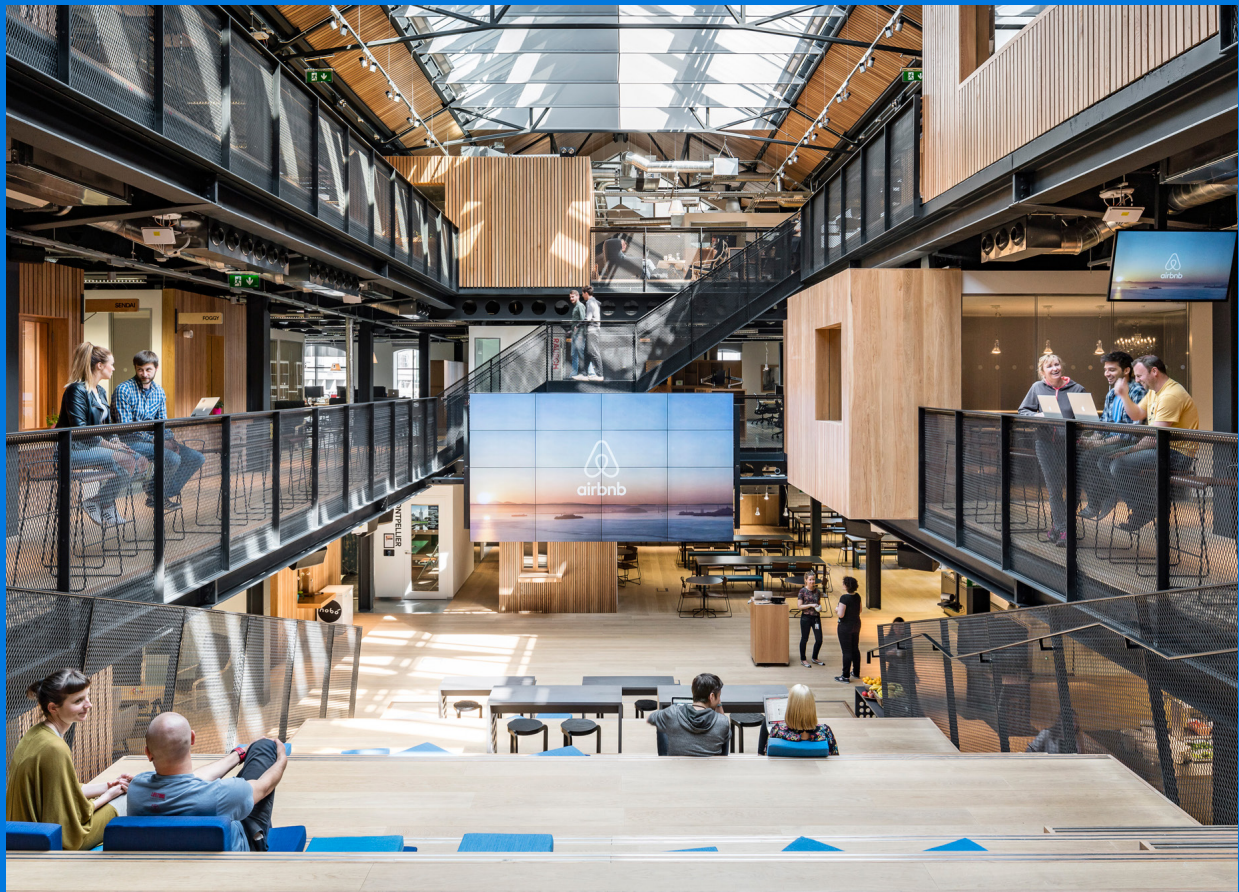


Image Credit: donalmurphyphoto.com

This new role blurs the lines between marketing, communications and HR, and is indicative of the brand's wider shift in strategic thinking. By putting the workplace experience at heart of its HR strategy, Airbnb is able to provide personalised, engaging experiences that deliver on employees' inner values.

Each aspect of Airbnb's EX is designed to fit within five overarching elements, which accounts for a specific need or value in the EX and seeks to reduce effort and friction where possible. Behind all of these activations, Airbnb has seen success because of a key shift in thinking and behaviour.

The brand has taken best practices from the CX model and brought these into the HR and recruitment sphere. From persona and empathy mapping to design thinking, leading with a marketing mindset enabled Airbnb to reinvent its HR function entirely.

As a result, this new people focus has helped Airbnb find and recruit the best talent, reduce employee effort, increase efficiency and productivity, boost employee wellbeing and drive retention. Moreover, the company has enhanced its CX by investing time, energy and resources into its EX.

In a world competing for talent, EX is now your unfair advantage.



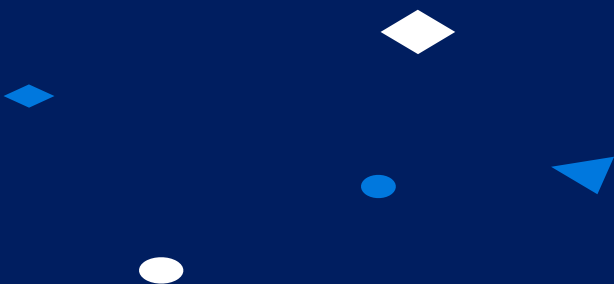
Chapter 6: Adapt or Die – The Impact Of A Human-Centric EX

As we've seen, new technology, shifting consumer behaviour and increasing demands are changing the expectations of candidates and employees.

Because of this, businesses face a crucial moment of decision: evolve or languish. The most innovative companies have already adopted an agile approach that consumerises the EX, allowing for the delivery of personalised experiences that meet new workplace values and expectations.

The starting point is an honest and objective look at your current EX. From there, you can use human-centred design thinking to identify key moments of pain or friction. These moments can then be redesigned using insights from the people it actually effects, enabling you to solve real-world problems for real people.

As we move towards a more digital and agile future, these challenges must be owned by the next iteration of the HR department, not as a static and rigid process-based silo, but as people-focused advisers and partners who treat candidates and employees like customers.





23%

*of managers
and senior
executives believe
their current
acquisition
and retention
strategies will
work*

When all of these elements align, you will be able to design a compelling, intuitive and seamless end-to-end EX that truly delivers on the needs and values of your workforce. In return, this will help you:

- **Attract, engage, and retain the best talent**
- **Increase employee loyalty**
- **Improve your CX**
- **Directly impact the bottom line**

In an increasingly saturated market, the competition to attract and retain top talent will prove a defining move.

According to McKinsey & Co., a whopping 82% of companies don't believe they currently recruit highly talented people. For companies that do, only 7% think they can keep their best employees in the long term. ⁶

More alarmingly, only 23% of managers and senior executives active on talent-related topics believe their current acquisition and retention strategies will work. ⁷

Taken as a whole, this reality paints a compelling picture: if HR wants to attract and retain top talent in our new digital age, it must lead with agility and champion EX, both internally and externally.

Partnering with marketing, digital and leadership, the HR department of tomorrow will provide market intelligence, design strategic experiences and power the attraction and retention of top talent – all via the design and implementation of a human-centric EX.

In this sense, HR is less a 'people-management' arm and more a strategic partner that uses powerful design thinking strategies to consumerise the EX and help companies win the war for talent. In today's hyper-competitive and saturated market, leading the way on EX will prove a pivotal difference maker that helps organisations succeed in the digital age.

At the end of the day, organisations must ask the most important question of all: will you adapt or die?

The choice is yours.

6. McKinsey & Co. | Attracting and Retaining the Right Talent
7. McKinsey & Co. | The State of Human Capital 2012

Get in touch



If your interest has been piqued by our white paper and you believe you could benefit from further information or discussion we invite you to request a free 'Spark Session' - a short workshop designed to examine the current state of your employee experience, and identify the most critical problems to solve.

For more info contact azia@sutherlandlabs.com





Sutherland Labs apply a human centered approach to reimagine and design services that grow business and improve customer and employee experiences. We provide CX and EX research and design services to leading brands all over the world.

Based in London and San Francisco, our team includes service designers, design researchers, and UX design specialists. Their work helps brands understand how their customers and employees behave - what they say, think, and do - and to reimagine and build seamless and intuitive services grounded in customer and employee insight.

Visit www.sutherlandlabs.com or follow us on [Twitter](#) or [LinkedIn](#).