Employee Experiences: One Size Doesn't Fit All

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Rob Parsons:
Hi everyone, welcome to the Paychex PULSE podcast. Rob Parsons here. Today, I'm joined by Christophe Martel, CEO and Founder of FOUNT, an organization that focuses on helping companies improve the employee experience. They've also just released their state of EX 2022 survey, The Big, Bad State of EX. Christophe, welcome to the podcast.

Christophe Martel:
Thank you. Good to be with you.

Rob Parsons:
Christophe, I went to HR Tech this year and everybody was talking about employee experience. It was definitely one of the hot button words of the show, but everybody also was defining it very differently. For the purposes of our discussion today, for you, what does EX mean?

Christophe Martel:
Actually, this is a case where one letter makes a big difference. Employee experience actually means the aggregate experience that somebody has as an employee working for their employer. In some cases, that means 200 days per year, 24 hours per day, times 10 years of tenure in a company. That's a huge amount of experiences that are aggregated into what you would call someone's experience with their work. Looking at it that way, employee experience is not that different from employee happiness or satisfaction with their employer, and that's something that companies actually know relatively well how to understand. Where it becomes harder is, well, how do you make it better, and how do you understand where things are breaking down for people? For that, you have to zoom in from that really high-level aggregate altitude of employee experience to actually focus on employee experiences.

Christophe Martel:
Experiences are the things that we do every day. It's what happens when we try to do things at work, whether I try to take some time off and it's a complicated thing because I have to ask a bunch of people, or I try to grow

in my career internally and find a new internal job and I can't see opportunities that are offered to me, I'm not sure how much I would get paid and therefore I kind of give up. Or, whether it's me trying to do my job. So when you think about the aggregate level, what you're talking about is how people feel in general about their employer. When you zoom into these individual experiences, so for example, if I'm a call center agent and I try to solve a customer problem and my systems don't work and therefore I can't do my job well, that's an individual experience and that is where companies are right now trying to first, gain visibility into these events and these interactions. And number two, try to make some of them better.

Rob Parsons:
I love that thought. The analogy in my head right now is I've got a front step, it's all pavers. Every paver is perfect except for two, and those two bad pavers ruin the entire front step for me right now. I love that concept that-

Christophe Martel:
That's right.

Rob Parsons:
It's the aggregate. I also love the title of your research report, The Big, Bad State of EX. Could you tell me a little bit about this research? I believe it's the fourth year you're running it now.

Christophe Martel:
Yeah.

Rob Parsons:
Tell me about the research and what you thought were the most interesting findings.

Christophe Martel:
Sure. EX is something that people have been talking about for now four or five, six years. Organizations just find it difficult to make progress on it, and part of the challenge is definition, so we just talked about that, people going after the wrong things. The other part is that actually, when you think about improving individual's experiences as we described, it's actually a pretty complex thing to do in a large company in particular. What we found is that there were number one, a common approach to EX that seems to have emerged in the past two or three years, which is try to improve everyone's experiences everywhere in the company and to do that through big technology investments, because that's the way that you reach out, you have the biggest reach and for some, thinking that that's how you get the best bang for the buck.

Christophe Martel:
It turns out that improving technology for employees can have a good impact on their experience sometimes, but not always. In fact, what we found is that companies that put all their eggs in that basket, i.e, start big, ended up having diluted impact and actually microscopic impact on every individual employee compared to companies that actually focused on specific employee segments to try to really dig deep into the experiences that they have in their day-to-day work, understand what gets in their way and make that better. Perhaps, the biggest top-line finding of it, and that's why the "Big, Bad State of EX," is that by starting big, people end up having an uncertain amount of impact. For those who actually start small and try to have a really focused impact on certain talent segments, they tend to record early wins that then give them the right to go and improve other things as they go. That was perhaps the top-line finding. There are three underlying capabilities that companies need to develop to get after it, and we can talk about that if you'd like.

Rob Parsons:
Yeah, I think that makes a lot of sense because I think you're touching on something we've seen a lot in HR is one size does not fit all and I can't just have these sweeping solutions. I need trainings that fit individual employees or individual teams. I need reward systems that fit individual departments and job roles. How do I address that? How do I dig deeper and get that more personalized approach, so I can actually drive a real impact?

Christophe Martel:

That's right. The first realization is you know the expression, "Moments that matter," which is common nowadays. In fact, when you look at the data, which we've been doing for now several years, different moments matter to different people. So, to your point, experience is an individual thing and to be able to address this individually without losing scale, there's one capability that organization need to build is human centricity. Human centricity doesn't really mean that we care about humans, because every HR professional does, but it's the ability to practice empathy, i.e, putting ourselves in an employee's shoes and seeing the world from their perspective rather than our central perspective.

Christophe Martel:

That capability is one that companies are investing a pretty sizable amount to try to reverse their perspective from top down to bottom up, and that is when you illuminate areas where there's clear dissonance between processes, between different parts of the matrix, between manager that says X and HR that says something different. All of it starts to look like plenty of things for HR to go fix, which is what we're looking for, it's the ability to go have an impact. Because human centricity is dependent on the human that you're empathizing with, you can't do that as a broadband approach to the entire employee base because by definition, they're all different. That is why this segment-based approach of targeting smaller segments and solving problems for them and beginning small is one path to success.

Christophe Martel:

Second, ability is we talk about it as dispersal in the research, which is the ability for HR to partner with the business on solving experience problems. I was a business leader for many years and I was a CHRO for many years, and essentially experience is something that is caught between these two owners. HR owns the policies and the processes and comp and things that regulate many things that are important to employees, but the business, i.e., managers own the other side of their experience. Very often, the two tend to point fingers at each other on who's dropping the ball. When seen from the employee's perspective, it's bad parenting basically.

Rob Parsons:

Yes, exactly.

Christophe Martel:

[inaudible 00:10:42]-

Rob Parsons:

It's one company. They don't care.

Christophe Martel:

It's on the same page.

Rob Parsons:

Right.

Christophe Martel:

And so, that is what good practitioners do is that they essentially sit down at the table together to look at the human-centric picture of the experiences that they jointly provide and problem solve whatever seems to be getting in the way. God knows how much there is to solve. If you looked at attrition numbers in the last 10 years, the quit rate in the U.S. went from I think 15% 10 years ago to 34% today, and that's not just COVID. That's been a steady progression. What that means is that people expect better from the companies that employ them, and what that means is better from HR and better from the business. And so, that is this notion of EX can't be done just by HR. It needs to be collaborative with the business is really important.

Christophe Martel:

When you go back to this start small picture, you see things emerge, like for example, heads of operations in a big call center or that have thousands of call center agents working together, partnering with HR, to make the experience of these call center agents better. You start seeing real progress that you can actually measure to be able to say, "Yeah, the experiences that people have every day are getting better." Therefore, people's retention, productivity, and all kinds of business outcomes come out of that. That's the second aspect, the partnership with the business in the frontline to start small is our important ingredient.

Christophe Martel:

The third one I just mentioned in passing, the ability to measure things. One of the big issues for HR is that we never know if we are having the impact that we want it to have. Let's say, we feel that people don't learn enough. We buy a new LMS, and however good the platform that we buy, we actually never know what is the impact on the experiences of people on the backend. Through engagement metrics, we can tell if people are getting happier, but is it because of that LMS investment or is it something else at play?

Christophe Martel:

So, the notion of measuring experiences is something that is emerging right now as an approach to actually not stay at the feelings level, to measure how happy people are with their employment, but get into the interaction level data to be able to say, "Yes, when I'm using the LMS to learn X, my experience is getting better. My experiences of doing my job after that is getting better." That is something that companies are investing a lot in simply to be able to track how much impact they're really having rather than guests and spray and pray, if you will, in terms of their approach to investment.

Rob Parsons:

That nuts and bolts approach makes me think and I loved it. Your friend had a quote on your LinkedIn page, "We know how to design ergonomic chairs, desks, and keyboards. Why not ergonomic work?" I like how you're using that to break down the experience of measuring it.

Christophe Martel:

If you think about who designs work, there again, it's actually a shared responsibility between HR that designs roles and compensation ladders and career ladders and career frameworks and all these things and the business who essentially designs workflows. They're never really designed. They're incrementally iterated to try to tack to the needs of the business. None of those two contributors to the employee experience actually ever design it for the needs of the employee. It's always designed for the needs of the business. "How much productivity do I need?" "What's my P&L look like before and after?" Which is how business is run.

Christophe Martel:

There is the growing recognition that if you were able to design ergonomic works, or in other words, work that fits people's expectations, you would get so much more out of the people that work for a company simply because they would have less friction, less things getting in their way, less drag, and be able to enjoy actually their job. With nurses or call center agents, frontline roles that are tough, you see people have immense pride in their work. What they just can't stand is that a company would actually put things in their way of trying to do their job. Why do that?

Rob Parsons:

You're very much reminding me, I had a great conversation last year with Stacey Gordon talking about diversity and inclusion, and she was adamant in that it's not something extra that HR does. It's not something extra a business does. It's how you do business. It's how you go about your business. I'm getting the feeling that experience is not just something I bolt on. It's more of a philosophy.

Christophe Martel:
Yes. From that perspective, if you go back 10, 15 years ago to the world of customer experience that was emerging, customer experience completely transformed the way marketing and customer service operate. Marketing 10, 15 years ago was still very high-brow function. No one really knew how it operated. It was all about branding and things that were quite esoteric. It's now become a very hard-edged function that is completely centered on customer experience, the understanding of it, the measurement of it, the improvement of it. Of course, branding is there in the backdrop. Same for customer service, where now you have customer service teams that are no longer just transactional, but really measured on the experience that they deliver to customers. That is the transformation that this employee experience approach is going to cause in the world of HR, but also of business leaders in how they manage their businesses.

Christophe Martel:
Those that are ahead of the curve actually think about work in the way that we described. So, it's not a human resource that works for me. It's actually people that I need to collaborate with to create the right work environment and get to the right outcomes together. Those that approach it that way tend to reap great rewards in individual productivity, but also retention because people want to be treated that way. The backdrop for all this is that customers have learned that they have a choice, and that's how you have reviews and TripAdvisor and all these things just driving many industries forward. Well, it's the same thing today for employees. Employees have transparency into what it is to work for company X or Y, and they expect more. And so, the attrition rates that I mentioned earlier are a reflection of that. It's rising expectations, people getting smarter, having more expectations for themselves in terms of their life at work. Companies just have to raise up their game, and that's what this EX transformation is about.

Rob Parsons:
I love it, and you are so right. Indeed, Glassdoor. My daughters, they're Gen Z, Millennial. They talk to each other. They know what's going on. They know there are opportunities and things are different now. The competition for people is very real. You hit the nail on-

Christophe Martel:
That's right.

Rob Parsons:
The head there.

Christophe Martel:
This transparency of opportunity is what drives essentially a fluid talent market, which we're not used to. I was born in France in the '60s. If you had a job, you just would hang onto it because who knows? This is a really different reality today. Companies, with all these internal products and services that they offer to employees, have to up their game to be able to get sufficient feedback and think about these products with a design mindset of, "Let me design your work and your work environment to fit your needs rather than to fit mine."

Rob Parsons:
I love it, and-

Christophe Martel:
[inaudible 00:20:39].

Rob Parsons:
Let's be intentional-

Christophe Martel:
[inaudible 00:20:40].

Rob Parsons:

Let's not let it just happen by accident.

Christophe Martel:

Yeah. Anyway, employee experience happens. Whether you design it or not, it happens.

Rob Parsons:

It's there.

Christophe Martel:

The way it happens is going to be accidentally great. It can happen, but you can't count on it. You mentioned actually diversity. It's a really important aspect of experience, but again, it's something that employees actually experience every day. So, there's this notion of diversity and culture and inclusion and things that we want to set at the top as the tone for the company, but for employees, it's what they consume every day, in which they actually engage, whether they're included, whether it is diverse, and it is in their eyes only that it really matters. From an EX perspective, all these concepts and these contextual elements are part of what you design for. Design a certain experience for diversity, making sure that it's going to meet everyone's needs. That's actually the essence of EX. The two are very close, but what's important about the EX perspective is that it is this bottom up. "What happens when I try to do this?" "Does it work for me, or does it not?" That's a question that many companies struggle to answer. At least, that's what the research uncovered.

Rob Parsons:

So important. Christophe, thank you for joining the podcast. This was really a great conversation.

Christophe Martel:

Thank you. Pleasure being here.

Rob Parsons:

Excellent. For those who're interested, you can download your own copy of The Big, Bad State of EX research report at FOUNT-ex.com. That's F-O-U-N-T dash E-X.com. Thank you to our listeners for joining. It's great to have you here on our learning journey, and I certainly learned a lot today about how big and how small EX really is. As always, please stay happy and healthy.

Rob Parsons:

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Speaker 3:

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