Creating an Inclusive Employee Experience

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Introduction

Not long before the Covid-19 pandemic hit, I was at a conference and was sat next to someone I had known for a few years. The presenter was talking about EDI and proudly displayed a slide highlighting that their organisation now had a black female leader. "Box ticked, then," said my colleague—who herself is a black woman.

As you will read in this publication, the evidence suggests that employees want to be judged on their skills and experiences, not on aspects of their identities. It is my opinion that many organisations are doing what the presenter at the conference does—focussing on identities as a way to prove that they are inclusive. Had the presenter shared a slide with the entire leadership team then attendees could have judged if they felt that the organisation was indeed inclusive and reflected the community in which they served.

Organisations greatly benefit from having people from different backgrounds, who have different thoughts and have different skills.

And these employees want to feel valued and to add value. At Brand Experiences, it is our belief that creating employee experiences 'from the people, for the people' will definitely boost inclusion efforts. Who better to share what's important to your community of employees than themselves?

Over the following pages we set out to support organisations in creating inclusive experiences. As well as reflecting upon some research, we discuss the need for a better relationship between employer and employee, make clear the business case for investment in EDI, and outline some free-to-use EX tools to build good-to-great employee experiences.

I do hope you find this publication thought-provoking and useful.

Nicholas Wardle
Head of Employee Experiences,
Brand Experiences
March 2023

Don't put me in a box!

Meet Tim. Tim is a veteran who now builds websites for a living. He lives with his wife and their dog and has two grown up children.

When referencing his career in the armed forces, do you think Tim prefers to be called 'A disabled veteran' or 'A veteran'? When he catches up with his old buddies at regiment reunions, do you think Tim would prefer to be put in a side room with others who were injured during active service or do you think he'd prefer to sit where he likes?

The 2022 study by the London Business School **The hidden dangers of the business case for diversity** found that respondents wanted to be judged on their actual skills and experience and not on what they can contribute on the basis of their race, gender, sexual orientation, or other identities.

Respondents thought that virtue signalling and box ticking is 'depersonalised' and the overwhelming evidence is that they don't wish to be treated as a "Black Leader", but as "a leader", for example.

Employees want to be included, not put into boxes. Therefore, not only is simply posting internal or external content about EDI issues with no action to back it up futile; continually highlighting a single aspect of an employee or a defined group of employees could also be counter-productive.

Sadly, all too often EDI efforts are based around virtue signalling and box ticking—shortcuts which employees, prospective employees and potential investors can see through.

www.london.edu/think/
the-hidden-dangers-of-the-
business-case-for-diversity

The Employee Experience Opportunity

The EXO survey

Analyse and publish results
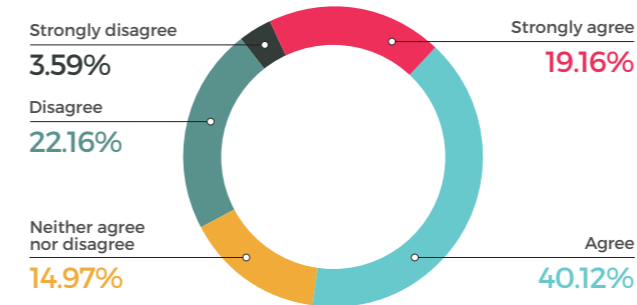
Refine ROI model for EX

Release EXO toolkit
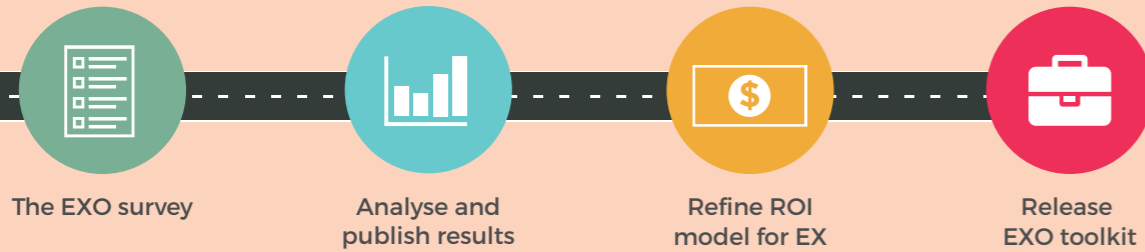
In 2021 Brand Experiences partnered with the Institute of Internal Communication on **The Employee Experience Opportunity**, with the mission being for employee experience to have parity with the customer experience. As part of the EXO Roadmap we undertook some research to unearth the big employee experience themes.

As you can see from the selected results, common themes for organisational improvement include:
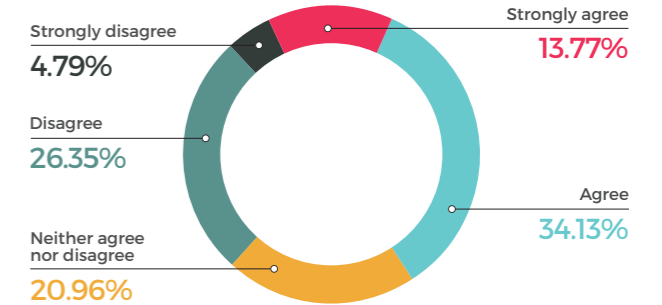
· Employees having more of a say
· Employees being treated better
· Managers understand their employees more
· Organisations committing to investing in the employee experience
· Organisations managing and communicating change better

All of which can be tackled by improving employee involvement and participation through inclusive employee experience practices. Some of which, are discussed over the coming pages.
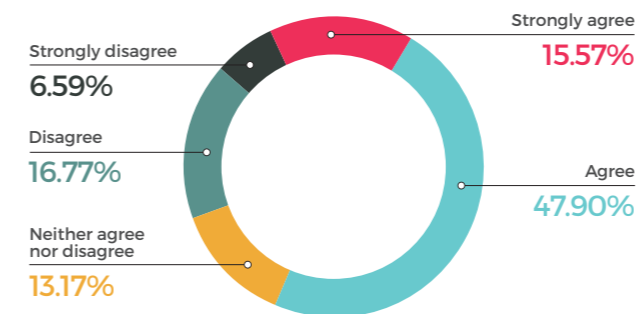
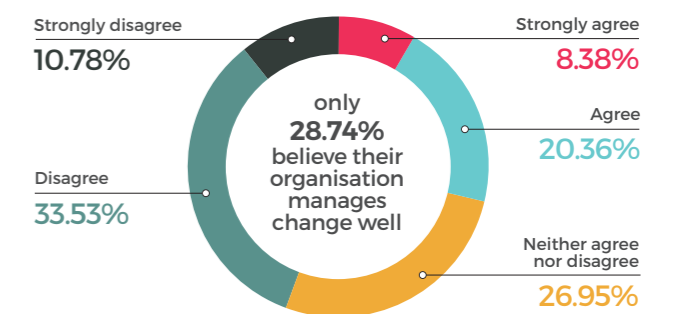## I FEEL THAT EMPLOYEE FEEDBACK IS TAKEN SERIOUSLY BY MY LEADERSHIP TEAM

Strongly disagree 3.59%
Disagree 22.16%
Neither agree nor disagree 14.97%
Strongly agree 19.16%
Agree 40.12%

I BELIEVE THAT MY ORGANISATION IS COMMITTED TO PROVIDING THE BEST POSSIBLE EXPERIENCE FOR EMPLOYEES

Strongly disagree 4.79%
Disagree 26.35%
Neither agree nor disagree 20.96%
Strongly agree 13.77%
Agree 34.13%

MY LEADERS GENUINELY CARE ABOUT HOW OUR EMPLOYEES ARE TREATED

Strongly disagree 6.59%
Disagree 16.77%
Neither agree nor disagree 13.17%
Strongly agree 15.57%
Agree 47.90%

MY ORGANISATION MANAGES CHANGE WELL

Strongly disagree 10.78%
Disagree 33.53%
Strongly agree 8.38%
Agree 20.36%
Neither agree nor disagree 26.95%

only **28.74%** believe their organisation manages change well

MY LINE MANAGER UNDERSTANDS WHAT MOTIVATES ME TO COME TO WORK EACH DAY

Strongly disagree 8.98%
Disagree 22.16%
Neither agree nor disagree 17.96%
Strongly agree 19.76%
Agree 31.14%

50.90% believe their line manager knows what motivates them
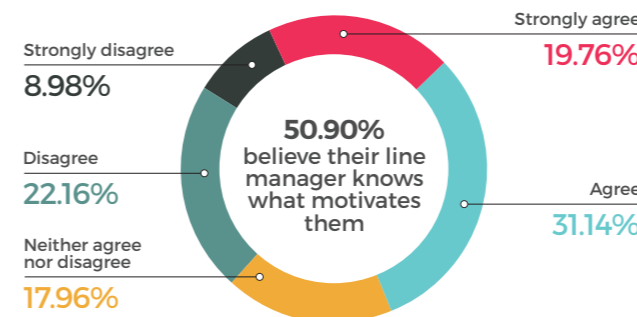
I FEEL I HAVE THE OPPORTUNITY TO HAVE MY SAY ABOUT ORGANISATIONAL CHANGE

Strongly disagree 5.39%
Disagree 28.14%
Strongly agree 11.98%
Agree 28.74%
Neither agree nor disagree 25.75%

www.brandexperiences.com/exo/the-research/
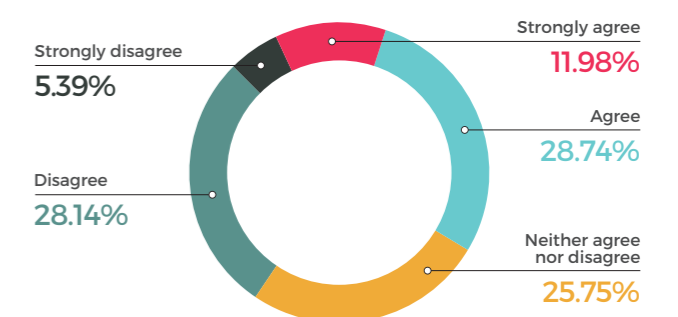
We need a better relationship between employer and employee

The pandemic

The Covid-19 pandemic was a watershed moment for the world of work. What has emerged is not just a superficial shift of working at one place versus another, but a conceptual shift from just 'turning up to work' to getting more from less. It's a shift from looking like one is being productive—at one's desk, responding to emails, attending meetings—versus actually being productive with one's time. If this shift sticks, it could be a positive move away from 'presenteeism' and towards something more dynamic that also gives employees more freedom, autonomy, and 'work/life balance'.
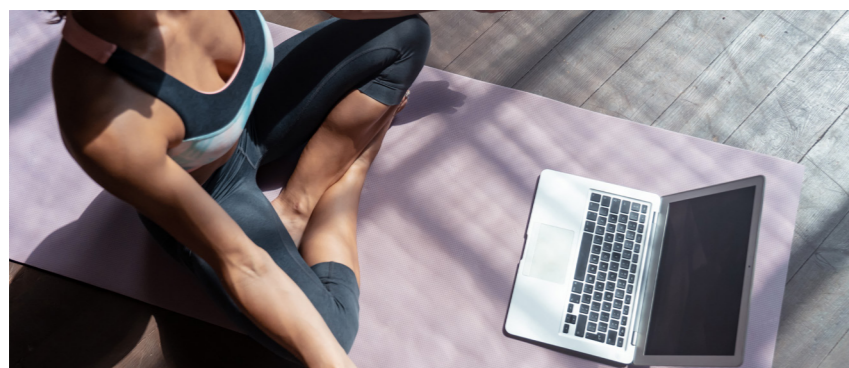
Health and Wellbeing

The pandemic laid clear the issues for organisations when employees go off sick in large numbers. As well as the impact upon the individual employee, the knock-on effects of absence can be huge. This can include drops in productivity and customer service levels and increases in stress for colleagues who have to perform more tasks to cover the absence. (Which could lead to them going off sick.)

Like employee churn, sickness has an emotional and financial cost. The financial cost is laid bare when reviewing the EXO ROI Calculator on page 10. If employees really are your 'best asset' then surely you should strive to look after them?

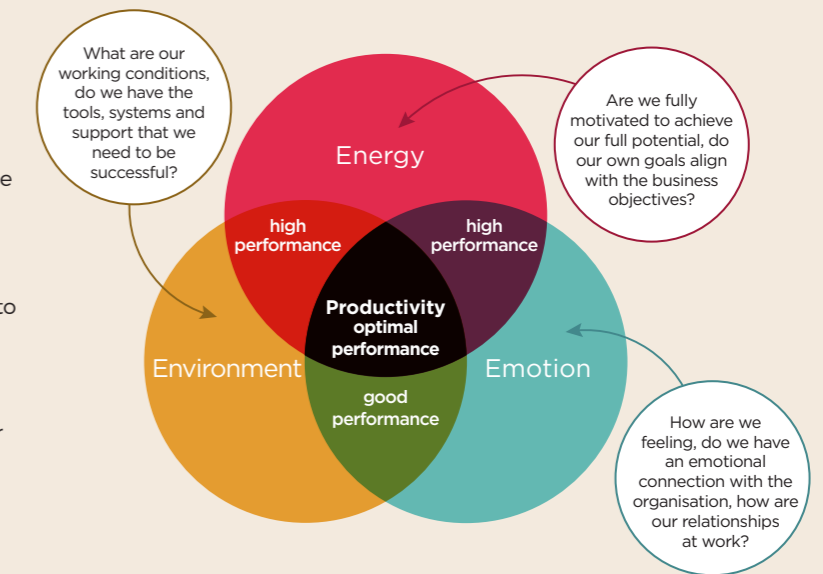## The war for talent (attraction and retention)

Increasingly, employees are voting with their feet and there's much more job rotation. With traditionally office-based employees being forced to work from home during the pandemic, it gave them the opportunity to work with greater flexibility—and many workers are beginning to value this above all other reasons for being with an organisation. As you will see on page 8, contrary to popular opinion, the evidence is overwhelming that money and material gain are not the main intrinsic drivers for the majority of employees. So, it's definitely not a case of pay them and they'll come or stay.

Employee churn and the ensuing lost productivity has a cost—both financially to the organisation and emotionally to those who have to perform extra duties when someone leaves. Therefore, a focus on creating an effective and inclusive employee experience is certainly a competitive advantage in both attracting and retaining talent. Organisations focus attentions on attracting and retaining customers in order to maximise revenues—and so they should for employees too.

Customer obsession

To paraphrase Richard Branson: customers don't come first, employees come first—look after your employees and they'll look after your customers. Although employees should have a sense of personal pride and give their best to support customers, it's human nature that if someone is not in a healthy and productive environment, it can be hard to give your best.

So, support must be provided to employees to enable them to be at their best in order to give their best. If you seek optimal performance from your employees, then a focus is required on the 3 Es of Productivity.

What are our working conditions, do we have the tools, systems and support that we need to be successful?

Are we fully motivated to achieve our full potential, do our own goals align with the business objectives?

Energy

high performance

high performance

Productivity optimal performance

Environment

Emotion

good performance

How are we feeling, do we have an emotional connection with the organisation, how are our relationships at work?

Approaches to leadership

The pandemic has accelerated changes to how people are led and managed. Especially due to hybrid working as those who prefer to manage by presenteeism may no longer be able to do so. A shift has already begun from command and control to trust and empowerment. As per Steve Jobs' famous quote: "It doesn't make sense to hire smart people and tell them what to do. We hire smart people so they can tell us what to do." Although some employees do like to be directed in how to approach and undertake their duties, the majority prefer to be given some guidance and then allowed to get on with the task in-hand.

We're also seeing a transition from managers to coaches. In previous generations, a bullying approach to management was accepted and employees expected to respect the rank. Thankfully, bullying is no longer deemed to be acceptable in the workplace (although it does still go on) and management development coaches are focussing more on how a manager can bring the best out of their employees by enabling them to be at their best, rather than ruling through the threat of consequences.
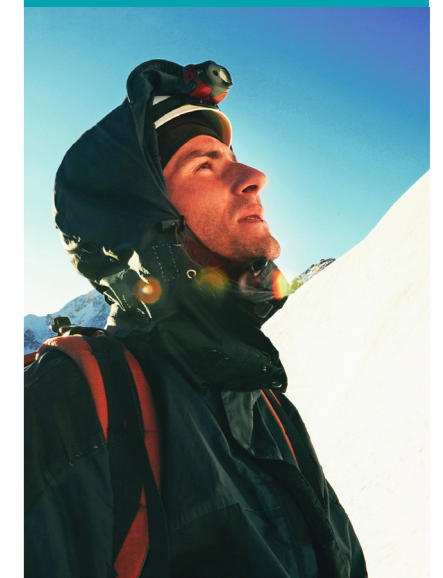
Personalising EX

Employees are human beings, not human resources! The more progressive organisations are realising this and are seeking to treat employees more and more on an individual basis. Examples of this include: build your own benefits packages, more flexibility over when and where you work, and more personalised rewards. For a decade or more, there's been a shift to personalising the customer experience—and the same rigour should be attributed to the employee experience. The less you treat an employee as a 'staff number' or a 'number on a spreadsheet' the better.

Extrinsic to Intrinsic motivation

Another shift is moving away from the carrot and stick approach towards attempting to dig deeper into each employee to try to understand what truly motivates them. Extrinsic motivation efforts such as team huddles, leadership speeches or free pizza lunches as a reward only have a short-term impact. We call this 'Red Bull motivation'—named after the energy drink, which can give you a quick burst of energy but has no long-lasting impact.

Intrinsic motivation is explored in the next section.

The importance of understanding intrinsic motivation

Relationship Motivators

The Defender
Seeks security, predictability, stability

The Friend
Seeks belonging, friendship, fulfilling relationships

The Star
Seeks recognition, social esteem

Achievement Motivators

The Director
Seeks power, influence, control of people / resources

The Builder
Seeks money, satisfaction, above average living

The Expert
Seeks knowledge, mastery, specialisation

Growth Motivators

The Creator
Seeks innovation, identification with new, expressing creative potential

The Spirit
Seeks freedom, independence, making own decisions

The Searcher
Seeks meaning, making a difference, providing worthwhile things

Motivation, like personality, differs from person to person. Unlike personality which is fixed, motivation is fluid. External changes can influence an employee's motivation—for example, economic instability. Internal changes can influence an employee's motivation—for example, a new manager.

The evidence from our mojo motivation and productivity platform is that, across the tens of thousands of mojo maps, the most popular intrinsic motivations are Searcher, Spirit and Creator. What will surprise many is that Builder is ranked only sixth.

As mentioned earlier in this report, only 51% of employees thought that their line manager understood what motivates them. With motivation being directly correlated to productivity it's clearly important to tap into what motivates someone. This also plays to personalising the employee experience and supporting inclusion efforts as employees feel understood—especially if employees share with their teams what motivates them which should create a common understanding.

The business case for investment in EDI

A common complaint from people functions is that they struggle to obtain investment over and above paying salaries and on-costs (pensions, life insurance etc.). We believe that a large part of this reason is that the business case isn't effectively made. Senior leaders deal in monetary figures and KPIs so people-related business cases should deal with these too.

To support organisations in creating the business case, we've created the Employee Experience Opportunity ROI Calculator. The results of which once seen can't be unseen!

How it works

The beauty of it, is that it is not generic; you can use data about your own organisation. To get the most accurate result, you will need to have undertaken a mojo motivation mapping exercise at your organisation. However, in lieu of having these figures, you could do an indicative calculation using the average motivation percentage of 65% or even substituting the motivation % figure with satisfaction % levels. As there's no proven correlation between satisfaction and motivation, you couldn't use this as a 'real' figure.

However, a substitute figure can help you to see immediately how the calculator works and the potential opportunity that comes from investing in your employees' motivation and experience. As we keep saying, motivation is integral to productivity, which is why it forms a part of this calculator.

Here is a breakdown of the different metrics the calculator considers:

· Number of employees: Add the number for your organisation based on total headcount
· Average Salary: Add the average number for your organisation
· Annual Revenue: Add the actual number for your organisation
· Average Revenue per employee: Annual Revenue/No of employees
· Churn Rate %: Add the exact number for your organisation
· Motivation %: The organisation-wide score from mojo maps
· Total Salary Costs: No of employees X Average Salary X 1.2 (to allow for employer NI)
· Lost Productivity at Cost: Total Salary Costs X (100%—Motivation %) =
· Cost of Unproductive Time
· Lost Opportunity / Capacity: Annual Revenue X (100%—Motivation %) = Unrealised Revenue
· Recruitment Costs: (Churn % X No of Employees) X Average Salary X Average Recruitment Cost
· Sickness & Absence Costs: Taken from the CBI calculations

www.brandexperiences.com/exo/the-roi/

As you can see from the scenarios, the EXOpportunity is substantial and taking advantage of it has never been more important or achievable. It is interesting to note that a seemingly small percentage shift in motivation and productivity can have rather large financial implications for businesses of all sizes. Armed with a compelling ROI calculation for their organisation, EX teams can have powerful conversations with senior leaders to secure support and budget for EX improvements, including for EDI initiatives.

EXOpportunity Calculator (ROI)

Number of employees	1,000
Average salary	£30,000
Annual revenue	£50,000,000
Average revenue per employee	£50,000
Churn rate %	10%
Motivation / productivity %	70%
Average sickness days per employee	6.4
Average cost per sick day	750
Average recruitment cost %	20%

Submit

Results	Value per annum	Value per month
Total salary costs Excludes pension contributions	£36,000,000	£3,000,000
Lost productivity (at cost) Cost of unproductive time	£10,800,000	£900,000
Lost opportunity / capacity Unrealised revenue opportunity	£15,000,000	£1,250,000
Recruitment costs Based on current churn rate	£600,000	£50,000
Sickness costs Based on latest CBI figures	£4,800,000	£400,000

EXOpportunity Calculator (ROI)

Number of employees	2,500
Average salary	£40,000
Annual revenue	£300,000,000
Average revenue per employee	£120,000
Churn rate %	12%
Motivation / productivity %	65%
Average sickness days per employee	6.4
Average cost per sick day	750
Average recruitment cost %	20%

Submit

Results	Value per annum	Value per month
Total salary costs Excludes pension contributions	£120,000,000	£10,000,000
Lost productivity (at cost) Cost of unproductive time	£42,000,000	£3,500,000
Lost opportunity / capacity Unrealised revenue opportunity	£105,000,000	£8,750,000
Recruitment costs Based on current churn rate	£2,400,000	£200,000
Sickness costs Based on latest CBI figures	£12,000,000	£1,000,000

EXOpportunity Calculator (ROI)

Number of employees	5,000
Average salary	£45,000
Annual revenue	£625,000,000
Average revenue per employee	£125,000
Churn rate %	10%
Motivation / productivity %	70%
Average sickness days per employee	6.4
Average cost per sick day	750
Average recruitment cost %	20%

Submit

Results	Value per annum	Value per month
Total salary costs Excludes pension contributions	£270,000,000	£22,500,000
Lost productivity (at cost) Cost of unproductive time	£81,000,000	£6,750,000
Lost opportunity / capacity Unrealised revenue opportunity	£187,500,000	£15,625,000
Recruitment costs Based on current churn rate	£4,500,000	£375,000
Sickness costs Based on latest CBI figures	£24,000,000	£2,000,000

EXOpportunity Calculator (ROI)

Number of employees	10,000
Average salary	£38,000
Annual revenue	£1,100,000,000
Average revenue per employee	£110,000
Churn rate %	15%
Motivation / productivity %	60%
Average sickness days per employee	6.4
Average cost per sick day	750
Average recruitment cost %	20%

Submit

Results	Value per annum	Value per month
Total salary costs Excludes pension contributions	£456,000,000	£38,000,000
Lost productivity (at cost) Cost of unproductive time	£182,400,000	£15,200,000
Lost opportunity / capacity Unrealised revenue opportunity	£440,000,000	£36,666,667
Recruitment costs Based on current churn rate	£11,400,000	£950,000
Sickness costs Based on latest CBI figures	£48,000,000	£4,000,000

Example EXOpportunity Calculation for an organisation with 1,000 employees:

As you can see, even with a workforce of just 1,000 people, generating £50M in revenue, and with them scoring a pretty good 70% on average on motivation, the lost productivity cost is over £10M per year based on an average salary of £30,000, which is well below the national average in the UK of £38,400.

The Lost Opportunity costs outlines the revenue that you are likely to be missing out on due to employees not being fully motivated. In this example, this is a whopping £15M per year or 30% of turnover. Big numbers, indeed, and one of the key reasons that senior executives should be motivated to take action.

Example EXOpportunity Calculation for an organisation with 2,500 employees:

In this scenario, our 2,500 employee organisation is paying just above the average salary at £40K and generating £300M in revenue to give it a below average revenue per employee at £120K.

With employee motivation at the average of 65%, the EXOpportunity for increasing revenue is a massive £105M or 35% of current turnover.

Example EXOpportunity Calculation for an organisation with 5,000 employees:

In this scenario, our 5,000 employee organisation is paying above average salaries at £45K and generating £625M of revenue to give it a below average revenue per employee at £125K.

With employee motivation above average of 70%, the EXOpportunity for increasing revenue is a massive £187M or 30% of current turnover.

Example EXOpportunity Calculation for an organisation with 10,000 employees:

In this final scenario, our organisation has 10,000 employees and is paying the national average salary at £38K and generating £1.1Billion in revenues, which still equates to a below average revenue per employee at £110K.

With employee motivation slightly lower than the average at 60%, the EXOpportunity for increasing revenue is a massive £440M or 40% of turnover. And this is before we consider the knock-on benefits of reducing employee churn, which is costing this business almost £1M per month.

Putting your employees at the heart of your inclusion efforts

As a part of the Employee Experience Opportunity, we have created the EXO Toolkit. This is free to download and use. Here, we introduce the tools and explain how they will boost your inclusion efforts.

But before we do, we're aware that most organisations don't have any dedicated EX resources. EX roles are usually 'add ons' to the duties of an HR Manager or Internal Comms Officer. This speaks volumes of the importance placed on the employees! The great news is that there are few barriers to entry to get going with your EX efforts—as will be explained, the approach is very much 'from the people, for the people' and existing employees are pivotal to creating the experiences. You could get going with as little as one dedicated EX resource. Of course, you will also have to write an EX strategy, which is likely to require some senior leadership input.

Step 1
Define your Employee Lifecycle

Once you have your strategy, then defining the overall Employee Lifecycle is the place to start as this will define the potential scope of your EX activities over the long term. You're very likely to have a Customer Lifecycle, so you should have one for your employees too—show them how important they are to you!

Publishing this internally will help define the terminology used for the different stages in the lifecycle as well as helping people realise that the EX starts before an employee's first day and goes on after they have left the organisation.

Step 2
Identify the Moments that Matter across your Employee Lifecycle

It's important to identify the 'moments that matter' throughout the Employee Lifecycle. These are opportunities to surprise and delight an employee and make them feel all positive towards their employer. They may be viewed as the 'soft stuff' but they really are critical points in the Employee Lifecycle that will have a huge effect on the EX and therefore employee satisfaction.

It's important to plan your moments that matter and try to make these as consistent as possible across the organisation. Not everything has to be a moment that matters... focus on defining where expectations and/or emotions are high and match or, hopefully, exceed them.

Step 3
Create Employee Journey maps for each of the Moments that Matter

The Employee Lifecycle is made up of several stages and each of these stages can include a number of Employee Journeys. In order to minimise the complexity of journey mapping, we advise to try to be as granular as possible, for example, focusing on the first day Employee Journey as part of the overall onboarding experience. It is really about breaking stages down into manageable chunks.

Before we can truly understand how to improve an Employee Journey, we need to understand the current situation, so it is important to map the current Employee Journey in detail first. Journey mapping allows us to create a visual representation of an employee's experience at that point in their Employee Lifecycle, and would normally be created during a workshop that would be facilitated by the EX team and involve a relevant group of employees who have experienced that particular journey. So, using the first day example, you would have members of the core EX team involved in the workshop, as well as people from Talent Attraction, Onboarding, L&D, and some people who have recently just had their first day. As we often say, it's the people who actually do the work who know it best.

Too often, employee journeys are 'pass the parcel'. A person or a team do their bit, then it's over to another. This can make the experience disjointed and often conflicting information is given. This is why it's important to have a core team, so they can follow 'the parcel' from one activity to the next and ensure continuity.

Step 4
Utilise Employee Archetypes so that you understand the types of employees you are dealing with

Where you have different types of employees that are likely to have a different experience, then it is important to understand their different needs, wants and pains. Many organisations create 'Employee Personas' and map the journey for each persona separately. Instead of using these, however, we use 'Employee Archetypes', and we'll explain why.

Personas are fine in CX where you may not have a deep understanding of your customers, and any attempt at 'humanising' them is useful. You should already know a lot about your employees, and should strive to have a deeper understanding of their mindsets, their behaviours, their values, and their motivations. In our experience, personas typically don't support efforts around diversity and inclusion and empathy, as fixed characters are created with a name and a face—e.g. Brian the Gas Engineer who is a white male, aged 45.

If we take the example of an organisation that has both head office workers and remote field workers, then it is important to identify these as different archetypes, as they will have different employee experiences and different objectives and challenges. If the field-based workers included, for example, care workers and maintenance engineers, then we would again represent these with different archetypes. In this case we might end up with: The carer, The fixer, The seller etc.

The idea of creating an archetype is to humanise different types of employees to help us better understand the audience we are looking to affect.

Step 5

Utilise Empathy Maps, to put yourselves in the shoes of employees

When we are looking to map a specific journey for a specific employee archetype, Empathy Maps are a useful way of being able to put ourselves in the shoes of that employee at that moment in time and understand what is going on, both physically and emotionally.

An Empathy Map is a simple and easy-to-digest visual that helps us to better understand what our target users are: thinking and feeling; saying and doing; seeing and hearing. It can also help to identify any fears and concerns as well as their wants and needs.

In short, if an employee is likely to be nervous, then reassure them; where they're likely to be excited, then build upon this. Having all this empathy mapped will help enable you to create a successful first day. Empathy Maps are a key tool to remove any bias from your journey maps and keep everyone in the team aligned to a shared understanding of the employee.

Step 6

Decide what you want to Stop, Start, Change, Continue doing

Once you've reviewed all the evidence, have undertaken Archetypes and Empathy Maps, and started to create your Journey Maps, then you will need to decide what action to take. Some low-cost initiatives can begin right away, but some may require business cases for investment. Some activities already underway may be working well, so you should continue with these; as well as stopping doing activities if low or no value.

Step 7

Track and monitor the changes

Before making any changes, run a survey of those who have been through that Moment to obtain a baseline. Then, after you've made your first tranche of changes, survey employees who go through that Moment to ascertain if the improvements have had a positive impact and ask for feedback on suggestions for any further improvements.

Summary

By creating Employee Journey Maps across your Employee Lifecycle 'from the people, for the people' you will greatly increase your chances of positively impacting upon what really helps employees to produce better quality. By involving your employees in the process, you will also be able to capture concerns around important aspects such as EDI and Wellbeing. The people who actually do the work know and understand it the best, so who better to ask how friction can be reduced and quality improved?

You can download our EXO Toolkit for free at:
www.brandexperiences.com/exo/the-toolkit/

Conclusion

EDI is a very emotive topic and there are a lot of people shouting very loudly about it—both consultants and employees. As with most things in business, it's important to obtain evidence to support how you act. Therefore, by turning to your employees to help you to understand the issues that are important to them, you're more likely to hit the right notes with your EDI efforts. 'From the people, for the people' is much more likely to resonate with employees and prospective employees than rolling out initiatives based on the views of a single consultant or senior leader.

In short, less signalling and more actual including.

Who we work with

THE DUKE OF EDINBURGH'S AWARD

ELLIS JONES SOLICITORS

ETIHAD AIRWAYS ABU DHABI

FitchRatings

Gallagher

Heathrow

INVESTORS IN PEOPLE

Institute of Internal Communication — The power within

Nasdaq

One Housing

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