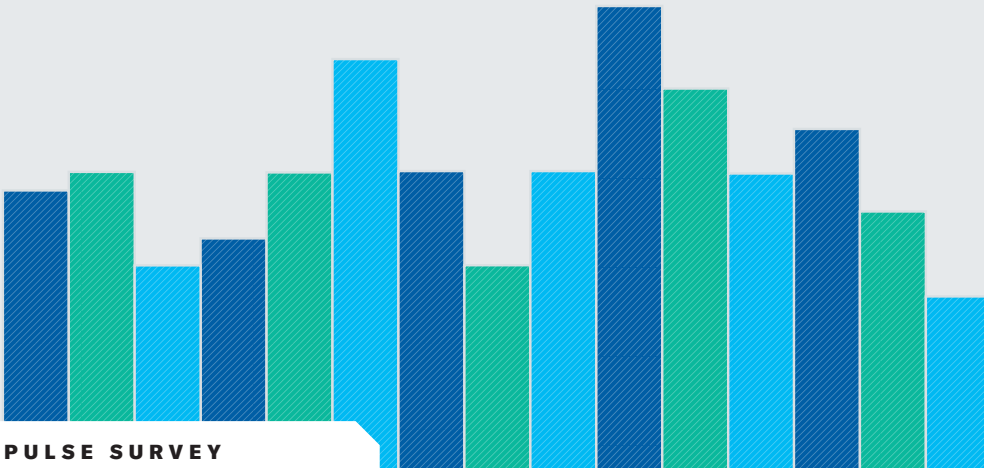




**Harvard  
Business  
Review**

ANALYTIC SERVICES



# Making Technology an Integral Part of Your Employee Experience Strategy



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## SPONSOR PERSPECTIVE

When employees can work from anywhere, the tools and technologies they need to do their work suddenly matter more than ever. Whether physically in a workplace or working remotely, employees expect to have the tools they need to be productive and work efficiently—their success, and the success of your business, is determined by having the right technology.

As a result, when it comes to employee productivity and efficiency, HR is no longer the only stakeholder responsible for employee experience (EX). IT plays a critical role in building an EX strategy to ensure that employees are equipped with the right technology to get their jobs done. IT needs to be able to innovate fast to meet the ever-changing needs of the business and do so securely and at scale, while still maintaining the cost to serve and increase employee productivity.

Employee productivity not only impacts the bottom line, it also impacts overall employee satisfaction and engagement. Regardless of company size or industry, engaged employees create better customer experiences, which can further the growth of the business.

Harvard Business Review Analytic Services has done a deep dive into how companies prioritize EX, how EX has been impacted by Covid-19, and how technology is a key catalyst that shapes employee impact. The findings reveal that companies that prioritize EX technology were better prepared to work remotely during Covid-19 and have an ongoing competitive advantage.

At Salesforce, we know there's never been a more important time than now to prioritize the employee experience, reimagine your workplace, and enable everyone to work from anywhere. That's why we've sponsored this research to help companies and their technology leaders understand the deeper ties between EX, technology, and overall organizational resilience.



**Sarah Franklin**  
**EVP & GM Platform,**  
**Trailhead & AppExchange**  
**Salesforce**

# Making Technology an Integral Part of Your Employee Experience Strategy

Today's employees are consumers of the workplace. They expect a personalized digital experience and the ability to connect with information through consumer-like technology platforms that are as convenient as the ones they use outside work. The organizations that treat their employees like premium customers, from the recruiting process through the alumni experience, are best positioned to retain talent and see the highest performance in return.

While employee experience (EX) is entwined with an organization's culture, the right tools and technology to digitize work and provide new ways to collaborate are the key enablers of how workers view their experience. This dependency is made starkly apparent as businesses around the world reconfigure their ways of working in response to the Covid-19 crisis.

More than 90% of executives in a recent Harvard Business Review Analytic Services survey who say their organizations make EX a high priority report that their teams have the tools and technology to do their work efficiently, compared with 76% of all the other respondents. Communications tools (74%), remote work tools (73%), and collaboration tools (67%) were the top-cited technologies seen as "very important" for getting work done efficiently. **FIGURE 1**

The survey comes as business executives are planning for recovery from the global pandemic during a recession, an exercise that is putting a premium on employee welfare and highlighting the connection between EX, technology, and organizational resilience and agility. In the face of this unprecedented workplace disruption, the benefits of focusing on EX and the technology that enables it are clear: increases in productivity, employee engagement and retention, and resilience despite external disruption.

## HIGHLIGHTS



93% of survey respondents who say their organizations make **employee experience (EX) a high priority** say their teams have the tools and technology to do their work efficiently.



85% of those respondents say they were **well prepared to work remotely** during the Covid-19 crisis.



62% of all executives surveyed say they are **seeking increased productivity from their EX initiatives**; communications, remote work, and collaboration tools are the top-cited technologies for getting work done efficiently.



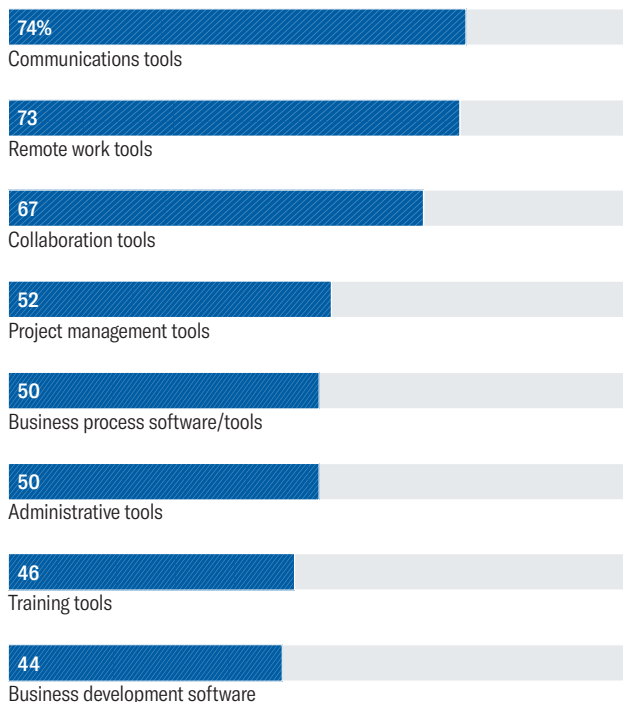
“Think about IT as the pipeline that enables a good experience. It’s an enabling component of a good workplace experience. If it isn’t working well, everyone is frustrated,” says Jeff Spar, an IT consultant who worked at McKinsey & Co. and served as CIO at The Metropolitan Museum of Art and *Reader’s Digest*.

But there is still much work to be done to fully realize these and other benefits, as IT leaders championing EX technology face an often-skeptical C-suite. Just under one-third of the 547 survey respondents (31%) report that EX ranks as a high priority at their organizations (a nine or 10 on a one-to-10 priority scale). Moreover, less than 5% of respondents say IT is charged with managing their organization’s EX. Forty percent cite human resources as being responsible, which was the top answer, with the C-suite coming in at just 14%.

FIGURE 1

### Critical Tech Tools

Communications, remote work, and collaboration tools are the most likely to be cited as very important for working efficiently.



Source: Harvard Business Review Analytic Services Survey, April 2020

### Tech Paves the Way

For the purpose of this study, EX is defined as how hard or easy it is for employees to do their best work, taking into account technical, cultural, and physical touch points. While employee experience is closely aligned with the culture of an organization, technology is the critical enabler, a key component that is often overshadowed by issues related to human resources.

“Think about IT as the pipeline that enables a good experience,” says Jeff Spar, an IT consultant who worked at McKinsey & Co. and served as the the chief information officer (CIO) at The Metropolitan Museum of Art and *Reader’s Digest*. “It’s an enabling component of a good workplace experience. If it isn’t working well, everyone is frustrated.”

Spar says it can come down to seemingly small things that lead to employee frustration: the ease of logging on to multiple systems, different passwords across different applications, bandwidth and latency issues, and compatibility—or lack thereof—between systems.

“Connectivity and integration between business systems is very important,” he says. “Single sign-on—when a common password controls multiple application logins behind the scenes, for instance. Without it, your login status can be out of sync all the time. With it, I can do my work without having to worry about it.”

For many organizations, the benefits of prioritizing EX have already become a strategic imperative: the vast majority of organizations that make EX a high priority were well prepared to work remotely during the Covid-19 crisis, for instance, and 70% of all survey respondents say that their organizations’ EX initiatives have a somewhat or very positive effect on employee engagement. In fact, the study found that there are significant differences in profitability, resilience, and growth between companies that say they highly prioritize EX and those that do not.

How seriously business leaders continue to take EX—and how much they invest in the technology that enables it—will be a critical factor in deciding which organizations endure in the post-Covid-19 environment. The crisis made plain that an organization’s resilience is a direct product of how well it takes care of its employees in uneventful times—and those that had the tools and technology in place to easily pivot to

remote work had a critical advantage over those that did not, respondents say. Experts expect that advantage to carry over as organizations realign their work experiences for the post-crisis world.

“The story is clear,” says Peter Cappelli, a professor at the Wharton School of the University of Pennsylvania. “Eliminate distractions and frustrations, and employees have more energy for work; look after them in their roles, and we hope reciprocity will cause them to look after the employer’s interests.”

The EX Effect

There are tangible rewards for those organizations focusing on improving EX. The majority of respondents say EX initiatives have had a positive impact on their organization’s employee engagement (70%), employee productivity (64%), resilience from external disruption (62%), and organizational agility (61%). **FIGURE 2**

“The key for me is employee experience is not a soft thing,” says Michael Gretczko, Deloitte’s consulting principal and Deloitte Consulting’s strategic growth partnerships leader. “It has real impact on the bottom line.”

Respondents underscore his point, as EX is fast becoming a competitive advantage: forty-two percent of executives say EX is important to their organization’s commercial success.

The surveyed executives name increased productivity as the top objective of focusing on EX. Sixty-two percent name it as the outcome they most hope to see. Employee retention (51%) and increased collaboration (47%) are the second and third most selected, respectively. **FIGURE 3**

Those who rank EX as a low priority have a single-minded focus on improving productivity, while those who rank EX as a high priority have a greater interest in other outcomes, including employee retention and increased collaboration.

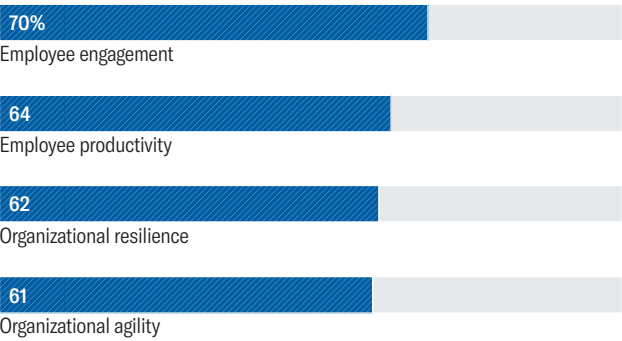
Increased collaboration as a major contributor to EX is likely rooted in its effect on employee well-being and sense of belonging, which a recent study<sup>1</sup> conducted by Deloitte Consulting found are top concerns for organizations. The study tied EX and the technology that enables it to organizational performance. The key, the study suggests, is a convergence of people and technology. The study found, for instance, that 60% of organizations were using artificial intelligence to assist, rather than replace, workers.

“The key for me is employee experience is not a soft thing. It has real impact on the bottom line,” says Michael Gretczko, Deloitte’s consulting principal.

FIGURE 2

EX in Action

Executives rate how much of a positive impact EX initiatives have on different areas of the organization.

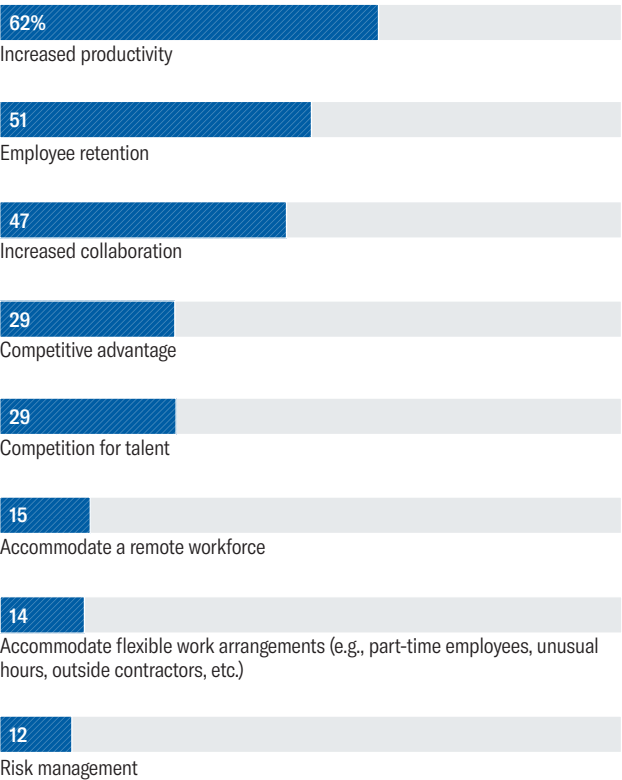


Source: Harvard Business Review Analytic Services Survey, April 2020

FIGURE 3

Productivity Leads the Way

Executives select the outcomes they desire most from improving EX.



Source: Harvard Business Review Analytic Services Survey, April 2020

“When you do employee experience really well,” says Deloitte’s Gretczko, “you create a sense of belonging that aligns the employee and the organization. The companies that get it right are more agile, have more engaged employees, and have better performance. Creating a sense of belonging supports organizational performance. It’s an outcome of a strong employee experience.”

When Deloitte asked how creating a sense of belonging supports organizational performance, 63% said that it does so by enhancing alignment between individual and organizational objectives.

The Harvard Business Review Analytic Services study found that executives who say their organizations’ leadership gives EX high priority see a somewhat or very positive impact from their initiatives on profitability (66% for those who make it a high priority compared with 45% for all others), resilience (73% compared with 57%), and growth (67% versus 50%).

## Covid-19, Remote Work, and EX

At a time when resilience is becoming a key characteristic for business recovery in the ongoing pandemic, companies that have prioritized EX report that their initiatives positively impact resilience to external disruption far greater than those that do not. What’s more, executives in organizations that highly prioritize EX say their organizations have the tools and technology for every employee to work efficiently.

Eighty-five percent of respondents who say their organizations make EX a high priority say their organizations were well prepared to work remotely during the Covid-19 crisis, compared with 68% of all others. In addition, 94% of those whose organizations gave EX high priority say their ability to work remotely quickly during the crisis is a competitive advantage, compared with 71% of all others. **FIGURE 4**

Organizations that were already using cloud-based technology in their architecture were best positioned for the transition to remote work, says Spar, the former CIO at The Met and *Reader’s Digest*.

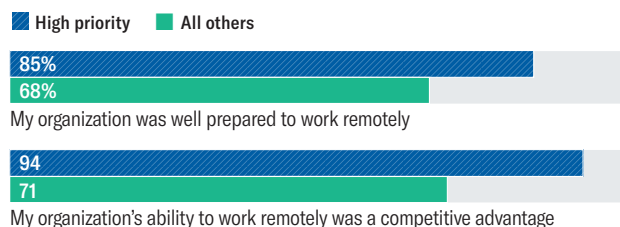
“Step one is ‘Can you get to your email?’” he says. “A very large percentage of what people do is related to what’s in their email. If you simply have access to your email, you can make do and do quite a bit of work. Step two is ‘Can you get to your other business applications?’ That’s where cloud-based applications come in, as access is easier and just as secure as connecting to applications in an internal data center.”

Mike Stull, chief strategy officer of Employers Health, says the transition to remote work was made easier for his organization, a small business based in Ohio, by having a culture that already stressed communications. “The culture set us up to adapt to the change and the tech facilitated it,” he says.

FIGURE 4

### Ready to Work

Those organizations that prioritize EX were more likely to report a competitive advantage during the Covid-19 crisis.



Source: Harvard Business Review Analytic Services Survey, April 2020

Stull says his team has seen some benefits from working remotely and will likely continue to do business this way at least some of the time. “Remote work forced us to embrace the tools to make sure the entire team is on track and working toward the same goals,” he says.

Employers Health isn’t alone. Eighty-three percent of survey respondents say they expect their organizations to continue to work remotely in some form once the crisis subsides. That number was underscored as company after company announced extended stay-at-home policies.

Rosanna Durruthy, vice president of global diversity, inclusion, and belonging at LinkedIn, warns that businesses must work harder to create a sense of community for employees while colleagues are separated, providing another opportunity to leverage technology in creative ways. “As many face feelings of loneliness and isolation, finding time for employees to come together is more important than ever before,” she says. “Harnessing the power of employee (online) resource groups is one way, we’ve found, to maintain connective tissue across global, distributed, and remote teams.”

The crisis, says Erica Volini, principal and global human capital leader at Deloitte Consulting, has created a clarifying moment for work and the workforce. “While technology provides a tremendous platform for reinvention, organizations need to realize that reinventing work is about building a culture where humans can thrive by ... developing a new level of resilience and adaptability to handle disruptive events,” she asserts. “This extraordinary time is when organizations should invest in workers’ capabilities.”

The Deloitte study, however, found that only 16% of business leaders expect to significantly increase their investment in reimagining how their workforces operate over the next three years. As is becoming clear, companies



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Sixty-six percent of organizations that make EX a high priority see a positive impact on profitability.

that fail to invest time and resources into EX and its underlying technologies miss out on major benefits, including productivity boosts and talent retention.

## Barriers Remain

The ease or difficulty of an organization's pivot to remote work during the Covid-19 crisis underscores that there is still work to be done before many organizations fully realize the benefits of focusing on employees. For many organizations, cultural, organizational, and technical barriers continue to stand in the way of optimizing EX, most notably a complex organizational structure, poor management, and a lack of proper technology and tools.

Despite the potential benefits of improving EX, two-thirds of executives say it is not a high priority for their organizations—an issue for IT leaders who are advocating greater investment in EX-enabling technology.

What obstacles stand in the way of improved EX? Fifty-seven percent say a complex organizational structure is a moderate or large barrier to getting work done efficiently. Fifty-six percent say their managers are not encouraging and motivating their teams well enough, and half of respondents say a lack of proper technology and tools is a moderate or large barrier. Lack of training and inadequate employee performance assessments are also cited as a large or moderate barrier by half of the respondents.

A root problem seems to be ambiguity around EX itself. Wharton's Cappelli cautions against stretching the definition of EX efforts too far. Today's notion of EX, he says, "can cover everything about management: give them support, proper goals, clear performance management, resources. That's most of management, so it just means, 'be good at managing employees.' Of course, that should improve job performance." EX, he says, is not a substitute for good management, but strong EX can facilitate it.

"It's a question of balance," Stull says. "How much independence do we give people to do their jobs versus how much structure do we enforce? You need some structure so that your operations are scalable and consistent, but you still want people to be entrepreneurial."

Strategic IT leadership can help bridge many of these barriers. Gretczko, for instance, sees organizations using

marketing technology to personalize EX, similar to how marketers personalize their customer communications strategies. By using what an enterprise knows about its employees, organizations can offer employees customized training, segmented benefits and rewards programs, and even new career opportunities.

Gretczko says applying marketing technology to employees is still an emerging field but will soon become a standard business practice. "It'll be a must do," he says, "or you won't be able to attract or retain the best talent."


## Conclusion

The pandemic has accelerated interest in EX and the technologies that enable it. As a result, EX is moving from an important efficiency and retention strategy to one centered on risk management and growth, as the underlying technologies create much-needed connectivity for organizations rethinking the very nature of how they work.

Technology is a key catalyst when it comes to EX—and has the power to shape an employee's impact. Too often, however, strong EX is hampered by poor management and processes or a corporate culture that doesn't prioritize it—a significant challenge for IT leaders who advocate for increased investment in EX. Those organizations that embrace EX, however, are more agile than their peers and better positioned to recover from disruption. They show greater employee engagement, resilience, and profitability.

"Employee experience is an organizational imperative," says Gretczko. "By incorporating data and science, employee experience can result in increased productivity, higher devotion to work, less employee turnover, and higher profitability. These are the tangible results of an engaged workforce."





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**The companies that get  
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**Michael Gretczko,  
consulting principal, Deloitte**

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## Endnote

- 1 Deloitte, "2020 Global Human Capital: The social enterprise at work: Paradox as a path forward," 2020, <https://www2.deloitte.com/us/en/insights/focus/human-capital-trends.html?id=us:2el:3pr:di43244:eng:cons:051820>.

## METHODOLOGY AND PARTICIPANT PROFILE

A total of 547 respondents drawn from the HBR audience of readers (magazine/e-newsletter readers, customers, HBR.org users) completed the survey.

### Size of Organization

**39%**  
10,000 or more  
employees

**34%**  
1,000 – 9,999  
employees

**20%**  
100 – 999  
employees

**7%**  
Fewer than 100  
employees

### Seniority

**18%**  
Executive  
management/  
board  
members

**41%**  
Senior  
management

**29%**  
Middle  
management

**12%**  
Other grades

### Key Industry Sectors

**12%**  
Financial services

**11%**  
Manufacturing

**10%**  
Technology

**9%**  
Education

**9%**  
Health care

All other sectors less  
than 8% each

### Job Function

**17%**  
General/executive  
management

**12%**  
HR/training

**10%**  
Sales/business  
development

All other functions  
less than 8% each

### Regions

**39%**  
North America

**22%**  
Europe

**23%**  
Asia Pacific

**6%**  
Middle East/Africa

**8%**  
Latin America

**2%**  
Other

Figures may not add up to 100% due to rounding.



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