Employee experience management: a matter of perception

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Employee experience management is one of the <u>fastest growing areas in human capital management</u>. The goal is to create work experiences that improve employee efficiency, performance, commitment and other business relevant outcomes. Experience management spans <u>multiple aspect of work</u>. It includes improving specific operational tasks to increase efficiency and <u>decrease employee frustration</u>, such as making it easier to process expense reports. It also involves very broad concepts such as using talent management methods to create <u>agile organizations and supportive work environments</u>. For example, creating culturally relevant experiences that encourage employee learning and growth.

Factors driving growth in employee experience management

The growing interest in experience management is fueled by challenges related to attracting and retaining talent and building more efficient, agile and service focused workforces. At the same time, advances in technology are enabling companies to more effectively measure how employees feel about different work experiences. Digitalization of work makes it possible to capture data providing real-time insight into different work experiences and their impact on employee attitudes and behavior. Examples include tracking candidates' experiences filling out job applications and seeing how this affects their interest in working for the company, getting real-time feedback from employees on the value of different sections within an online training course, using wearable technologies to track how the physical layout of an office influences employee interactions and collaboration, or leveraging pulse surveys and employee feedback questionnaires combined with advanced qualitative and quantitative analytical tools to measure employee attitudes.

The value of experience management data - "turning the sound on"

Experience management data provides a valuable addition to the field of workforce analytics. Traditional operational HR data such as headcount, turnover, course completion, and qualifications metrics provide insight into who is in the organization, what they know, and what they are doing. But it does not tell us *why* employees are doing different things or how they feel about the things they are doing. Experience management data provides insight into how employees feel about things they are doing and experiencing at work, and why they feel this way. Experience management solutions enable companies to "get inside the heads" of employees to understand what is and is not working well. This makes it possible to create more engaging and productive work environments and processes.

The value of experience management data might be compared to having the sound turned on when watching a movie. You can see what the actors are doing in a movie with the sound turned off. But it is hard to determine what is driving the actors' actions when you cannot hear them express their thoughts and feelings. In this sense, experience management data "turns the sound on" for business leaders seeking to understand their workforce. It provides companies with insight into the underlying attitudes of employees, the factors that influence these attitudes, and how these attitudes impact employee behavior and business outcomes.

Experience management depends on managing perceptions

What employees experience at work affects how they feel about work, which influences future work behaviors. This unfolds through three related but distinct elements:

- 1) **Expectations** employees have prior to the experience. What employees think should happen at work.
- 2) Actions that take place during the experience. What actually happens at work.
- 3) **Interpretations** employees draw from the experience. How employees feel about what happened at work, including how they choose to respond as a result.

Most experience management technology focuses on measuring interpretations of work experiences. This is usually done by asking employees how they feel about things that happened in the past. For example, asking candidates if an application process was easy or asking employees whether their company treats people fairly. This data is critical for understanding, evaluating and improving employee experiences. But it is just one part of an overall experience management strategy.

Experience management involves far more than collecting data about employee experiences. It also requires communicating appropriate expectations for different experiences, redefining actions that shape these experiences, and positively influencing interpretations of past experiences. To illustrate this point, consider the following examples of how companies have managed employee experiences.

- Establishing expectations. Based on analyzing experience survey data, a company learned that many employees felt the work demands in the organization were excessive. The employees who were dissatisfied with work-life balance were also more likely to quit. When shown these results, the CEO agreed that the company expected more from employees than most organizations. But it also shared more of its financial rewards with employees than most companies. Rather than change a culture that had made the company successful, the company changed the hiring process to give employees a realistic preview of what it was like to work there. It intentionally hired employees who expected and wanted the experience of working in a high demand-high pay culture.
- Redefining actions. A technology company was struggling to retain sales people, so it conducted a study to understand what sales people disliked about their job experiences. Sales people enjoyed the process of selling the technology, but disliked having to perform post-sales activities that focused on customer support issues. They believed these support activities were important. But they went into sales because they like the experience of selling new solutions, which is very different from the experience of maintaining solutions after they have been sold. To create a better job experience for their sales force, the company created and staffed a new function focused specifically on post-sales customer support. This created a better job experience by redefining the actions expected of sales people.
- Influencing interpretations. A consumer goods company found itself the target of union organizing activities. The company was surprised since it offered compensation and benefits that matched what employees would likely receive as union members. What they learned was many employees did not understand the value of these benefits. Employees were fairly paid, but they did not feel like they were being fairly paid. The company engaged employees to ensure they understood how much the company invested in the workforce. The company also established methods so employees could voice concerns about compensation and other issues that constructively engaged the attention of company leaders. When employees better understood how they were paid and felt they could effectively express future concerns as needed, the union organizing activities stopped.

All these examples improved employee experience, but only the second one significantly changed the work experience itself. The other two focused on shaping expectations and perceptions of work experiences.

Perception defines what we experience

Employee experiences reflect the things people encounter at work. These range from things as simple as having a comfortable office chair, to things as complex as believing the company cares about the

mental well-being of its employees. But it is not just the things we experience that influences our behaviors. It is how we perceive these things.

Two employees can have the exact same work experience and perceive it in very different ways based on their expectations or interpretations of the experience. Somewhat paradoxically, employee experience management does not always involve managing employee experiences. It is also about managing employee perceptions and expectations of work experiences.