



# Why EX should be at the heart of business strategy

Recent research has found New Zealanders rank work-life balance at number two in what they want from an employer and yet the perception is work-life balance is not a high priority for many New Zealand businesses. By Katherine Swan.



**P**arliament's high-profile loss of 35 back-office staff, amid claims of bullying, is a prime example of the potential fallout when employees find conditions unacceptable. But it's not just happening in the public sector.

Across the board, New Zealand organisations are being held accountable by employees when it comes to their overall experience at work. The message is clear: create a positive, balanced and fulfilling workplace or we'll look elsewhere. And, in New Zealand's buoyant employment climate, job seekers are well-positioned to make that choice.

#### **GENERATING BRAND ENERGY**

Employees can be wonderful brand ambassadors, but if things go sour

there's a risk they'll become brand disparagers. So, creating an enjoyable, engaging and meaningful employee experience (EX) is critical in building positive brand awareness.

And a company's reputation is an essential element of attracting and retaining employees, further generating brand energy.

As Randstad's latest employer brand research found, companies with a positive brand get twice as many job applications as those with a negative one.

Of 4,000 Kiwis surveyed for the report, half of the respondents said they wouldn't work for a company with a bad reputation, even if offered more money; 96 percent said a key factor of job satisfaction was having a company culture that aligned to their personal values; and 91 percent



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of employees monitor their company's reputation via a variety of sources.

Randstad's research indicates 29 percent of employees plan to change jobs within the next year and they're motivated to search for roles that offer more opportunities, better work-life balance or increased challenges.

With nearly a third of employees potentially on the move, the implications for employers are huge given the cost of recruiting and training new staff.

Add to that potential disruption to team dynamics, delays in strategic initiatives and having to forge new customer relationships and the imperative to build a positive internal brand experience is obvious.

#### EX DIVIDENDS OR AN EX DIVIDE

If attracting and retaining employees is not a compelling reason to prioritise EX, then what should be is the link between employee experience and customer experience (CX). Studies consistently show that companies with more engaged employees have more engaged and satisfied customers.

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But while this connection may seem obvious, many New Zealand organisations are behind in creating an employee experience that could generate better dividends for all parties.

Research from the US shows one in three employees aren't fully engaged in their work and the ratio is similar in New Zealand.

The reason being there is a divide between what Kiwi employees' value and what their employers are offering.

For example, Randstad's recent employer brand research found New Zealanders rank work-life balance at number two in what they want from an employer and yet the perception is work-life balance is not a high priority for many New Zealand businesses.

Employee experience is the

combination of how employees work – work manageability, support, autonomy and work life balance; the environment they operate in – including both physical and virtual workspaces; and how they feel about their job and the organisation.

Organisations looking to address a disparity between employee expectations and employee experience need to focus on four crucial elements:

- 1. Put employees first:** For many organisations the concept of putting employee experience ahead of customer experience will be a jarring one as it would seem to fly in the face of the traditional 'customer is king' ethos. However, there are numerous examples of successful organisations for which putting people first has been a winning strategy. As Virgin CEO Richard Branson said, "Put your staff first, customers second and shareholders third. It should go without saying, if you look after your people, your customers and bottom line will be rewarded too."
- 2. Provide meaningful work:** No matter what their role is, helping employees see the positive impact of their work will do wonders for their motivation. Employees who understand and share an organisation's vision, values and

goals, and recognise their contribution to achieving these, are more likely to feel valued – and even more so if they've participated in the planning process.

#### 3. Collaborate on the environment:

There is a lot of value to be gained by engaging employees in the design of their working environment. Beyond the physical spaces, the environment design should also consider systems and processes that help staff connect, free them from needless tasks, harness key data insights and hence achieve their goals. The design should also enable staff to consider how they work (think flexibility) so the company needs to ensure it has a culture of trust that supports this.

#### 4. Understand employees:

Organisations can gain valuable insights into the engagement and performance of employees by utilising technology such as talent analysis tools. These tools also enable the employees to self-manage their training, feedback and other details. There is also an emergence of technology that can help monitor environmental factors in the workplace, flagging situations that could lead to overload or stress and providing advice to help manage this.

While a growing number of organisations are recognising the brand enhancing power of a positive employee experience, for many there continues to be some reticence when it comes to making it a top priority.

Business leaders that don't connect the dots between EX and CX may find they are missing out on a valuable competitive edge.

Companies that put EX at the centre of everything will reap the benefits of a highly motivated, highly satisfied and engaged team of brand ambassadors that will be more productive and consequently deliver results to the bottom line. And that's an experience we could all benefit from. M

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