

How Engaged Employees IMPROVE CUSTOMER EXPERIENCE

BY CHRISTINA ZUREK



Research has shown that positive employee experiences lead to better customer experiences *and* a positively affected bottom line.



Creating this exceptional employee experience is increasingly challenging due to its breadth, though it encompasses all the ways (big and small) that an organization supports and interacts with its employees from the day they are recruited until the day they leave the company.

When organizations invest more heavily in the employee experience, the improved performance is notable, according to expert Jacob Morgan, who interviewed 150 psychologists, economists, and business leaders around the world and detailed his findings in a March 10, 2017 article in the *Harvard Business Review*. According to Morgan, those who do invest have appeared:

- 11.5 times more often in Glassdoor's Best Places to Work
- 4.4 times more often in LinkedIn's list of North America's Most In-Demand Employers
- 28 times more often among *Fast Company's* Most Innovative Companies
- 2.1 times more often on the *Forbes* list of the World's Most Innovative Companies
- 2 times more frequently in the American Customer Satisfaction Index

In addition, they have produced more than twice the average profit and more than twice the average revenue. Morgan further elaborates on these findings in his book *The Employee Experience Advantage* (Wiley, 2017). This data gives organizations the opportunity to reflect and look inward in their quest to improve their outward customer experiences.

HAPPY EMPLOYEES PROMOTE HAPPY CUSTOMERS

To gauge the temperature of your current employee experience, simply pose this open-ended question: "What is it like to work here?" Asking everyone in your organization that query will likely result in nearly as many different answers as there are employees.

Their answers will help you see both the good—and not so good—through their eyes and experiences. Using those insights, consider next how you would want that question to be answered moving forward. This answer will allow you to shape the kind of employee experience that leads everyone in the company, no matter their role or tenure, to feel engaged, connected, and supported. By providing employees with the opportunities, tools, and programs to

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help them excel in and enjoy their working lives, employee experience initiatives can help organizations in a number of areas by attracting talent, embracing a strong company culture, improving engagement, recognizing achievement, boosting productivity, fueling advocacy, and retaining top performers.

What's more, the organizations with engaged employees gain satisfied customers who use their products more. The reason is simple: An organization's employees influence the behavior and attitudes of customers, and customers drive an organization's profitability through the purchase and use of its products.

In the end, customers who are more satisfied with an organization's products are less expensive to serve, use the product more, and are more profitable. In fact, companies with highly engaged workforces are 21% more profitable than those with poor engagement, according to Gallup's most recent engagement meta-analysis report.

CONSIDER THE DATA ON THE CURRENT STATE OF EMPLOYEE ENGAGEMENT

Despite the known successes of having an engaged workforce, well-regarded sources such as Gallup's "State of the Global Workplace" report find that a dismal 15% of adult employees worldwide currently feel engaged in their jobs. To better understand the nuances of employee engagement, market research and strategy firm Chadwick Martin Bailey (CMB) conducted a landmark research study that offers new insight into the psychology of engagement in the workplace.

CMB's research discovered that there are five types of psychological benefits that drive employee satisfaction and advocacy:

- Personal identity benefits
- Social identity benefits

- Cultural identity benefits
- Functional benefits
- Emotional benefits

The first three types of identity benefits (personal, social, and cultural) are particularly important and should be incorporated directly into companies' strategic use of engagement initiatives and resources. This means that companies should not rely on the fourth—basic, functional benefits such as compensation packages—to truly inspire and engage their workforce. The importance of identity benefits should serve as validation to all of us that our focus in recent years on inclusion and creating deeper emotional connections with employees is right on target—but there is still much work to be done. It is especially important for companies to instill the fifth kind of psychological benefit, emotional benefits, by continually fostering their workers' sense of pride, self-esteem, and belonging to create true, sustainable engagement.

CMB's research revealed that employees who are high on each psychological benefit are typically three times more likely to be satisfied and advocates for their organization than if they are low on these psychological benefits.

HOW FOCUSING ON EMPLOYEE EXPERIENCE CAN MAKE A DIFFERENCE

At its simplest, employee experience is all about how your employees interact with, feel about, and respond to all the people, places, and things in your organization. It goes beyond isolated programs with a narrow focus on things like service award recognition or physical fitness challenges. When fully realized, employee experience encompasses an integrated approach to building an engaged, enjoyable, and productive work environment. Just as successful customer experience initiatives focus on making people feel good about a brand and what it



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represents, a successful employee experience initiative should demonstrate and reinforce things that make people feel good about working for their company.

A positive employee experience will help enable your company to:

- Recruit top talent—especially in times of low unemployment when brand reputation matters most
- Retain existing top talent—because keeping them engaged makes it less likely they’ll move on
- Improve customer experiences—since happier, more engaged employees provide better customer service
- Better assist all employees—by looking after the well-being of your talent throughout the employee lifecycle

WHERE TO START: AIM FOR CONSISTENCY, UNDERSTAND EMPLOYEE DIFFERENCES

We are now in the age of knowledge work, where no one wants to be viewed as just another part of the machinery. What’s more, we need to remember that when they leave their desks, our employees are also customers. And, for the most part, they’re being treated quite well by companies that want to engage them in long-term relationships.

If they buy a new car, for example, they automatically become part of the manufacturer’s (and dealer’s) inner circle. They continue to get personalized email, phone calls, and special offers—all in the hope of developing a relationship that will turn them into brand advocates and repeat customers. Employees are eager to feel this same sense of connection to their employers as well.

Once you take the time to understand what your employees want and need, you need to take action to create and sustain an engaging employee experience.

Here are four components that are key to implementing a successful employee experience initiative.

Employer branding: Tell a consistent story

- Identify your employer brand by developing a common theme that can be woven throughout your employee experience initiatives.
- Evaluate the ways in which the initiatives you’re considering mesh with the theme you want to project about your organization’s internal brand.
- Develop a communications strategy that reinforces your employer brand both internally and externally.

Research and analytics: Do your homework and focus your plans for the future

- Get executive buy-in and support for your plans.
- Identify your current levels of engagement. Consider asking employees how they personally, socially, and culturally identify with your company to better understand underlying emotions that exist.
- Gather qualitative feedback from employees through interviews or focus groups to gain deeper insight into your quantitative findings about where you’re already succeeding and where there’s room for improvement. Use this feedback to further develop your own employee personas, so that you can evaluate your initiatives through the perspective of each of those typical employee types.
- Map out your organization’s employee experience by imagining yourself in your employees’ shoes, through the lens of each persona. Identify the impactful high points and the low points that exist.
- Create your future plan by collaborating with organizational leaders to redefine the employee experience you want and developing a roadmap to get there.

Employee engagement and recognition: Make your offerings inclusive

- Consider the relevance of your proposed initiatives for each of the different types of workers you employ—including full-time, part-time, contingent and contract workers, and so forth—and their diverse interests.

- Don't expect employees to have awareness of everything you offer; seek out ways to break away from email communications to help make a more memorable statement.
- Offer a variety of reward options to ensure maximum motivational appeal among all employees, including social recognition, monetary recognition, and unique experiences.
- Use analytics to monitor the popularity of each initiative among your employees and be ready to consider alternate options if something doesn't seem to catch on.

Employee events: Say it with feeling

- Find opportunities to bring people together, in small and large settings, to help increase feelings of connectedness, inclusivity, and shared identity.
- Create unique programs with a specific purpose to increase relevancy, including kick-off events that are company-wide or for select teams; conferences to create alignment among employees or between employees, partners, and customers; incentive travel to recognize significant employee accomplishments; and recurring events to celebrate day-to-day wins and ongoing team member recognition.

EMPLOYEE BRAND ADVOCATES A LARGELY UNTAPPED TOOL

Employees who feel engaged and empowered are inclined to share positive feelings about their company everywhere they go: at barbecues with friends, at the grocery store, on social media, on vacations, and more. This is a direct link not only to potential employees but to customers as well.

Recent data has shown that 47% of people see employees as extremely or very credible sources of information about a company, yet fewer than 50% of employees actually believe in their company's brand idea. Furthermore, even fewer employees are equipped by their employers to deliver on their brand's ideas.

Employee brand advocates are:

- Authentic
- Empowered
- Informed of the brand's goals and identity
- Community builders
- Socially engaged
- A marketing channel

Simple ways that you can encourage positive brand advocacy within your organization include:

- Allowing employees access to social media at work (socially encouraging employers are 24% more likely to boost sales than employers who aren't socially encouraging)
- Providing the right tools, talking points, and so on to encourage brand advocacy

When employees are happy and motivated in their careers, it makes what they say about the company they work for that much more appealing to both potential new talent and customers. Plus, research has shown that 84% of people trust recommendations from people they know, yet only 15% trust recommendations from the brands themselves.

According to change management leader Prosci, any message related to organizational change—big or small—needs to be repeated an average of five to seven times before it's understood, accepted, or remembered. So it's just as important to provide employees with the right tools and talking points to encourage brand advocacy as it is to give them the freedom at work to utilize their most-used channels, like social media accounts, to spread the word.

SATISFIED, ENGAGED EMPLOYEES KEY TO COMPANY-WIDE SUCCESS

To optimize employee engagement, leverage strategies that fuel employee self-esteem by instilling purpose, while also working to enhance a sense of belonging to a company and culture that make them feel proud. These efforts drive positive emotional experiences and, ultimately, employee engagement, retention, and advocacy.

Employees are a critical source of customer experience and often have ideas for improving your products/processes, and they can serve as the most effective ambassadors for your company. By leveraging the right tools and by offering employees autonomous authority in the workplace, you will succeed in inspiring engagement (rather than mandating it) that positively affects the bottom line.

Remember, it's OK if you can't do it all at once—it should be an iterative process.

Top-performing organizations have proven—and are increasingly vocal about reminding everyone—that employees are the most important part of their businesses. And when their employees are happy, satisfied customers follow. Creating an employee experience that allows team members to thrive, both personally and professionally, will always result in a positive impact on your customers' experiences. [AQ](#)

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