Organizations are beginning to realize that to truly serve their customers well they must create a positive work experience for their employees.

Savvy companies understand that employees are, in a sense, customers too. Job applicants look for companies that offer opportunities to build an absorbing and fulfilling career. Engaged employees feel empowered to take positive actions that can further the company’s interests and build its reputation.

Researchers have learned it is profitable to view the overall employee experience in relation to the overall customer experience. Consulting firm Aon Hewitt found organizations ranking high on employee engagement realize a 4% increase in sales growth and a 2% increase in operating margin.¹ In its 2016 Employee Engagement Benchmark Study, the Temkin Group discovered companies that excel at creating a positive customer experience have 1.5 times more engaged employees than those providing a standard or poor customer experience.²

The intense focus on the overall employee experience goes beyond simply measuring employee satisfaction. Employee experience encompasses the cultural, physical and technological environments in the workplace that set the tone for employee satisfaction and engagement.³ These three aspects must combine smoothly to support an overall positive work environment.

Researchers say effective listening is one of the strongest drivers of productive workplace behavior. Some companies are beginning to use Voice of the Employee (VoE) programs to systematically solicit and analyze input, convert it into actionable insights, and share with employees how their feedback is being used. VoE programs often go beyond measuring employee satisfaction to seek additional input on business operations and the customer experience.⁴

Many companies are applying customer experience techniques such as needs-based segmentation to achieve a more nuanced understanding of employee satisfaction drivers and desires.⁵ The application of these techniques is helping progressive companies redefine employee engagement and satisfaction.

Some of the new approaches to enhancing the employee experience include:

- **Segment employees like customers** — Just as customers don’t all want the same experiences, employees differ in what appeals to them in terms of developmental opportunities, rewards, compensation and work schedules. Companies should strive to provide a range of experiences that appeal to different segments of employees and not limit opportunities simply by job title or rank.

- **Share ownership for employee engagement** — An Oracle study found in 40% of companies human resources departments manage and measure employee engagement.⁶ However, for an employee experience initiative to succeed, employee engagement needs to be jointly owned by human resources, employees, line managers and the business as a whole.
Job applicants look for companies that offer opportunities to build an absorbing and fulfilling career. Engaged employees feel empowered to take positive actions that can further the company’s interests and build its reputation.

- **Make technology enablement a baseline** — Technology is often the single most important factor for creating a positive employee experience. Human resources and IT can team up to ensure a positive experience of technology enablement and support for all employees.

- **Listen well** — With or without a VoE program, listening to employees is critical. According to the Aon Hewitt 2016 Mindset™ Study, employees who feel workplace communication is open and honest are 15 times more likely to be engaged. Those who are encouraged to share opinions and ideas are 11 times more likely to be engaged.

- **Use touchpoints** — Periodic employee satisfaction surveys often become routine exercises, insufficient to gauge real-time employee engagement and concerns. Ongoing touchpoints with employees, such as informal face-to-face discussions at the completion of a project, can quickly gather data on their reactions to organizational and policy changes, effectiveness of communications and social engagement, and physical environment factors. In addition, such touchpoints can provide feedback on employee performance and development.

- **Customize the experience** — Today’s employees have high expectations for a work experience that is made to order for their unique background and skillset. Workers want to have a say in creating a customized approach to defining their employment terms, roles and responsibilities, learning experiences and career development steps. Line managers and the human resources department should work together to create customized development paths and rewards programs for employees.

To discuss these topics in more detail, please contact your PNC Relationship Manager.

---


PNC is a registered mark of The PNC Financial Services Group, Inc. (“PNC”).

This article was prepared for general information purposes only and is not intended as legal, tax or accounting advice or as recommendations to engage in any specific transaction, including with respect to any securities of PNC, and do not purport to be comprehensive. Under no circumstances should any information contained in this article be used or considered as an offer or commitment, or a solicitation of an offer or commitment, to participate in any particular transaction or strategy. Any reliance upon any such information is solely and exclusively at your own risk. Please consult your own counsel, accountant or other advisor regarding your specific situation.

©2017 The PNC Financial Services Group, Inc. All rights reserved.