

The Importance of Employee Experience to the Future of Work:

Delivering What Matters Instead of What Is Measured

Custom research by ISG, commissioned by Unisys



Introduction

The ISG Provider Lens™ Future of Work Services and Solutions 2022 reports that enterprise IT and workplace executives are now at the forefront of transformation as they invest in employee retention, workforce technology skills, sustainability and hybrid work. With an economic downturn expected to impact enterprise IT in 2023, we have to ask if investing in an employee experience (EX) management program still make sense. The truth is, if properly executed, EX programs in 2023 may be more important than ever.

ISG has noticed a marked change in how enterprises contract for technology and end-user computing services in the post-pandemic world as leaders seek to gain more from their technology modernization and hybrid workplace programs. Businesses want to combine EX with enterprise digital transformation, representing a shift in focus from traditional IT services to business outcomes, employee retention and workforce productivity. Companies are increasingly interested in creating a hybrid workplace that supports employee mindfulness, well-being and engagement as part of a broader focus on attracting and retaining talent.

The modern digital workplace produces a wealth of data, including information about how employees

interact with the tools we give them. Sadly, very little is done with that data. By maximizing the range of data points available today, it is possible to bring business and IT domains together to gain insights about employee engagement and productivity that were only dreamed of in the past. This same digital workplace data can also be used to drive intelligent organizational change management (OCM) to foster engagement and technology adoption across the enterprise.

Today's businesses are also challenged to extract full value from their existing technology investments. These investments relate to both the experience of the employee (who is both the end user and consumer of the technology) as well as modern software/application technology. EX management initiatives can help organizations achieve greater return on their technology investments by reducing the friction of using complex tools and accelerating workforce adoption. For example, using an EX lens to align Workday functions can reduce friction for end users as they perform infrequent HR tasks, enabling the workforce to be more efficient.

This white paper addresses the challenges of defining and delivering great EX in the modern workplace.

Revolutionizing Work with An Exceptional Employee Experience

The effective application of EX management programs for a data-driven digital workplace is demonstrated very well by one company that provides real estate services to large enterprises around the world. As we all know, the pandemicinduced hybrid work model has radically changed the demand for commercial real estate, with companies reevaluating their footprint to support hybrid work. To adapt to the changing industry landscape and quickly provide services in any location, this company makes use of highly skilled contractors to evaluate commercial properties, perform 3D mapping of floor plans and more.

How did EX management contribute to improving efficiency and transforming this company's work model? Historically, provisioning new contractors was a source of productivity loss, with contractors waiting days to get the workplace tools and services they needed to be effective – all the while billing the company for their unproductive time. Not only did the provisioning process decrease productivity and increase costs for the company, but the contractors also were frustrated by the resulting downtime. Unisys reduced this provisioning process to less than an hour to enable these expensive contractors to hit the ground running with the tools they need.

In addition, the poor EX resulting from the organization's management of incident and service requests presented several opportunities for improvement. Driven by insights from the unified experience management (UXM) team at Unisys, the company now handles nearly 60% of requests via digital channels, 55% of which are resolved through 130 new automations. Unisys UXM has recorded a 25% year-over-year improvement in digital workplace experience across all employees as measured by the UXM platform.

EX and productivity are increasingly important measures of success for technology adoption, specifically in a hybrid workplace. Enterprises around the world, as reported in the Microsoft New Future of Work Report 2022, realize that by providing an agile, sustainable and scalable experience today, their workplace will evolve to meet business demands in the coming months and years. The report states when a workforce is offered a 3:2 hybrid workweek, in which employees can collaborate effectively while enjoying a flexible work schedule, it will see a reduction of 35% in employee turnover and 12% in sick absences.

Clearly, EX management, when implemented well, can result in significant business outcomes. Too often, however, enterprises don't achieve the promised benefits. Why?



Limitations of Digital Employee Experience Management

"Employee experience happens to you; engagement is within you."

Luke Jamieson. global influencer and CX/EX thought leader

The initial undertaking by many enterprise IT departments and their providers has been to implement specialized tools across technology endpoints to measure the "experience" of each device and generate a metric (often listed as digital employee experience or DEM/DEX) - but all too often, that is as far as the "experience" journey goes. IT teams see that they've achieved a DEX score of 7

"Experience is the **journey** and engagement is the destination."

Luke Jamieson, global influencer and CX/EX thought leader

[See LinkedIn post]

or maybe improved from a score of 6.2 last month to 6.3 this month but aren't really sure how it translates to business value.

These measurements, reports and even optimistic plans for improvement typically are represented as static values - and most worrisome, with absolutely no focus or ownership across organizations to make any discernible difference to the DEM/DEX score beyond wishful thinking. DEX becomes nothing more than another monthly report to be debated in protracted service delivery review meetings.

As an evolution from traditional IT management, collecting DEM/DEX data is a good start but very quickly leads to clients and employees alike asking, "So what?"

Unless that data is used to understand what is causing a poor EX and identify actions for improving it, the employee experience program has limited value.

So what is the secret to a successful EX program?



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EX Management, Well Delivered

EX can never be delivered as a one-size-fits-all commodity. Across every enterprise is a range of persona groups - all of which have varying technical, physical and emotional requirements that define what makes a good workplace experience. Mapping the differences between personas is critical. This requires benchmarking the baseline experience and then prioritizing specific initiatives to address the personas or roles with the largest experience gap. Addressing these disparities will have the biggest positive impact on the business.

The frontline worker is an excellent persona to consider as the proving ground for EX, quickly demonstrating the value of EX management. Typically, frontline workers have very limited exposure to enterprise IT, are provided with locked-down handsets or shared devices and, most notably, have almost no voice to provide feedback as to how technology enables or hampers their daily tasks. Almost instant improvements in EX for those on the front lines can be achieved via a mobile app or cloudhosted portal access. But as good as that first step is, the frontline workforce will quickly seek the same level of EX their office worker counterparts enjoy.

Continuous measurement, analysis and evaluation of the implemented experience indicators (XI) will guide the business toward the North Star with efficiency and accuracy. These learnings can be further codified and even automated, driving EX to levels that the majority of the workforce has rarely enjoyed.



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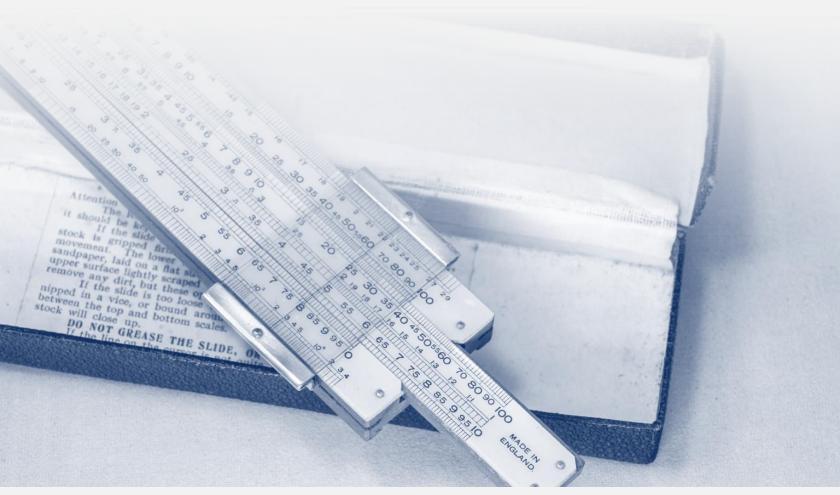
What It Means to Be an Experience-Focused Organization

A select group of progressive organizations has started to embrace the necessary transformation in their operational models away from the legacy approach of service level agreements (SLAs) toward a modern approach: using experience level agreements (XLAs) to measure and improve EX. The history of SLAs has its roots in the early days of IT service management. SLAs are, by definition, focused inwardly on the services that technology solutions and services provide to a business.

Some 30-plus years later, many organizations are still only measuring application, server, database or network availability in isolation, instead of how these disparate-yet-interwoven siloes can deliver the business outcomes needed for enterprise success. It is easy to understand this trend since, most often, each of those siloes is managed by different providers – so the only obvious way to negotiate terms is with SLAs, which have remained mostly unchanged for decades. Equally accountable are the service providers, as procurement teams seek to penalize them for failed or degraded delivery using tried and tested SLAs as the yardstick.

Over the last five years or so, the movement toward integrated and cohesive IT services has gained popularity. Companies that can articulate the results they expect to achieve are positioning themselves to relay those goals to providers and begin the journey toward EX-focused service delivery. We saw 10% to 15% more enterprises move toward this approach in 2022 but anticipate a watershed moment within 18 months as delivery practices mature and stabilize.

Well-worn phrases, such as "the watermelon effect" and "grow a kiwi," have become widespread and even used to describe services that are not people focused, such as infrastructure. But unless something is actively changed in delivery, these are just empty words.



Shifting the Focus from Tech Availability to Business Outcomes

EX management is much more attainable than many IT experts would have you believe. However, it requires more than simply implementing a new tool set to provide DEX scores. At ISG, we know that the future of work hinges on the successful combination of digital, physical and human aspects. Since DEX data measures only digital platforms, physical and human measurements are left to luck or best guesses.

Instead of limiting IT systems management (ITSM) to the conventional aspects of incident, request, problem and change management, now is the time to enhance capabilities across all areas of enterprise IT with EX management. This holistic practice is based upon the core metrics and foundations of an Information Technology Infrastructure Library (ITIL) but uses experience-based optics to unveil end-user sentiment under the hood of the technology landscape.

Leaders need to consider technology within the context of the business, rather than technology for its own sake.

Beyond deploying a DEX tool, it is essential to establish an experience management office (XMO) comprising a dedicated team of experts who not only possess a mixture of skills and knowledge, but are also, most importantly, inquisitive and curious. Over a relatively short period of time, the XMO collects DEX data from various sources to expose a range of newly illuminated issues. The XMO can use these insights to recommend informed actions and resolutions to address the root causes of poor end-user experiences. While the prospect of simply resolving tech issues is good, the XMO takes this a step further to implement long-term EX improvements with business outcomes in mind.



The Enterprise Value of an XMO

Leading providers are already delivering outcomefocused results for their clients. Utilizing the combination of the three dimensions of the workplace - digital, physical and human - companies have started to gain insights into complex processes such as employee onboarding, and even more importantly, offboarding. The significance of employee offboarding is clear when upwards of 40% of the employees leaving a business cite a poor IT experience among their complaints. (This is from Workfront Annual State of Work Report)

The XMO correlates employee sentiment with technical metrics and reveals the specific technology and services that continually frustrate the workforce and hinder their productivity. Armed with such detail, improvement plans are devised, changes implemented and over the coming weeks, months and years, the number of people leaving the company for something as avoidable as "poor technology" is greatly reduced.

The XMO drives insightful analysis across the entire enterprise's operations – no longer limited to IT. This group enables the business to make informed decisions for maximum positive impact on the workforce. It can even highlight gaps in processes or handoffs between teams or functions to reduce friction and better enable employees to focus on their daily tasks, providing increased value to the business.

Transforming to a true EX-centered approach cannot be achieved with a simple "set and forget" attitude. Unlike SLAs, XLAs have a lifecycle that must be continually managed. EX management cannot be considered static, as businesses experience constant change. This necessitates an "experience evolution board" to provide governance on what is measured in existing XLAs, put mature XLAs into maintenance mode and create new XLAs as business or technology requirements shift. Over time, XLAs should evolve to become ever more closely tied to the company's business goals, such as those demonstrated in the following real-life examples.

Increasing Workplace Productivity Using Personas

A global household product company had the goal of doubling its business over the next five years. As its

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EX management service provider, Unisys recognized that the company's pipeline of new and innovative products was directly connected to its engineers' EX. Unhappy research engineers were leaving the company, taking corporate innovation with them and directly impacting the company's growth goals. Unisys' UXM team partnered with leaders across the organization to develop persona-based XLAs designed to counter this pattern and better enable the company's research engineers to be as productive and inventive as possible. XLAs were created not only for the research engineers, but also for seven other key roles in the company. XLA data captured and analyzed by Unisys UXM identified the root causes of dissatisfaction and, among other achievements, enabled IT to eliminate 1.5M application crashes. Within six months, employee loyalty – expressed as net promoter score (NPS) – improved by 15%.

Using Automation To Support Frontline Workers

Two U.S.-based healthcare companies merged to form a single large nonprofit healthcare system all amid a global pandemic. The primary business goal was to continue to provide excellent patient care during the merger. Recognizing that patient experience is intimately connected to EX – especially for the hospital's frontline workers – hospital leadership wanted to deliver experience parity to the two merging workforces. To that end, Unisys' UXM team worked with the hospital to proactively identify and resolve sources of poor IT experiences that directly impacted patient care. The team built 26 automations that performed 3.1M instances of proactive self-healing, returning to clinicians 592,000 hours that otherwise would have distracted them from focusing on patient care.

The Future of EX Management: Trends and Predictions

EX management is relatively new, and the roadmap for use cases and benefits is exciting.

Broadening the definition of EX beyond a subset of technical measurements will expand the future roadmap in directions many of us have considered out of reach. The combination of adjacent or related services, processes, interactions and even interfaces will lift restrictions on business expectations and further close the gap between business and IT leaders.

Software providers are developing incremental features across a range of tool sets, such as Microsoft Viva, among others. These capabilities will become key building blocks in the fabric of business operations and value generation. The direct link between happy and productive employees with increased sales or customer retention will move from hearsay and guesswork to leading business key performance indicators (KPIs).

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New digital workplace technology features will continue to transform from "cloud first" to "experience first" with improved user interfaces (UIs) becoming the motivation for change rather than a result of negative user testing. Technology trends are moving from the consumer world into the enterprise IT world, such as augmented, virtual and mixed reality, as well as voice-activated interfaces. These developments are more effectively implemented and drive greater business value when measured via XIs rather than conventional measures. As EX becomes more widely recognized and adopted across enterprise IT, the future of EX management will expand our definition of the digital workplace. We expect to see developments into further use cases and scenarios, especially those that can extract data insights from the broad range of IT and IoT (including smart buildings and conference rooms, time and space management, network communications and even the metaverse). This evolution may also expand into environmental sustainability and governance programs - partly to report outbound on success, but equally to help enable the adoption of sustainability practices among workforces.

Another use case for expediting non-IT-related initiatives to adopt an EX lens is diversity, equity and inclusion (DEI) campaigns. Key metrics from platforms such as Microsoft Teams will provide data for analysis by the XMO – working together with HR teams - to determine the level of participation and activity across a range of criteria, such as age, gender, role and location. The level of granularity can be adjusted as per privacy or working limitations and can be used to deliver evidence of corporate DEI efforts, which will further bolster efforts to attract and retain talent.

Naturally, increased measurement of technology devices, applications and services will generate copious amounts of data as the breadth and depth of XIs and XLAs grow. Therefore, we already see the importance of machine learning and artificial intelligence in recommending and highlighting opportunities to assist the XMO team in decisionmaking. As these metrics become proven and deterministic, they will allow self-healing solutions to become a reality.

What can we do to make sure everybody gets the maximum value from their EX programs? Define appropriate measurements, develop XLAs designed to achieve business outcomes, and ensure your organization is dedicated to delivering an EX that supports those business outcomes.

Appendix

Learn more Unisys UXM online or by listening to the Digital Workplace Deep Dive Podcast.

Additional resources:

- ISG e-book: From Digital Native to Digital Naiveté
- ISG e-book: From "Help Me" to Engaged Productivity

About the Contributors



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