

WINNINGTEMP

How Leaders Drive Profitability by Focusing on Employee Experience

GUIDE N°1



How Leaders Drive Profitability by Focusing on Employee Experience

Why you should do away with annual employee surveys

Let's take a hypothetical situation: Your company's doing well, revenue is rolling in, and it seems like everything is, more or less, "business as usual". Employees are doing their jobs and generally seem satisfied when greeted in the corridor.

Precisely why the result of the annual employee survey comes as a shock to you. The verdict is not at all what you had expected. Of course, there had been a bit of dissatisfaction here and there, but – all of a sudden – most employees declare that they are not satisfied with their work situation.

Your department managers are unable to determine the exact reason or for how long the dissatisfaction has build up. They feel frustrated and feel like they have failed in their leadership because they have not managed to find the root cause in time.

But then you wonder if the result is actually worse since the employees who left the workplace during the year were not included in the annual survey.

This is not really a hypothetical situation for several leaders who have experienced or will experience this in their careers if the annual employee survey continues to be the yardstick for measure employee wellbeing.



Why are these annual employee surveys unreliable?



In short, employee surveys can affect neither the employee well-being and engagement nor the sky-high costs associated with sick leave, ill-suited recruitments, and employee turnover. It's also not possible for leaders to act in real-time on any of the problems reflected in the reports. Furthermore, these surveys are not entirely reliable as they only reflect what employees are feeling at that moment.

Measuring the organisation's commitment and well-being over a more extended period can produce completely different results. Many organisations also do not have the opportunity to get to the bottom of the real problem - shortcomings in employee experience.



What is employee experience?



Employee experience begins with the first contact with the employer and continues up until the point when the employee finishes their employment. For example, the first contact can occur when the person reads a job advertisement published by the organisation. At this stage, the potential employee already starts to learn more about the company culture and determines whether it is an opportunity worth exploring.

Josh Bersin's model illustrates the 5 different parts of Employee Experience:



Meaningful work:

The feeling that the employee is contributing to the overall goal of the organisation, that their work is significant, and they are in the right place in their career. Team spirit and the degree of autonomy also play a part.

Supportive management:

The support the employee gets from managers in the form of common goals, feedback, coaching, and more.



Fantastic environment:

If the work environment is perceived as modern and flexible, and tailored to individual needs. Company culture, open, and inclusive communication also play a part.

Growth opportunity:

If the conditions and opportunities provided by the organisation are adequate for personal growth and achievement of their career goals.



Trust in leadership:

The degree of trust the employee has for leaders to be transparent, inspiring, and steer the business in the right direction.

By the time an employee finishes their employment, they will hopefully be an ambassador for the organisation. However, if the company loses the employee due to negative employee experience, the person will probably not have something positive to say about the culture and the people there. To continuously work with every aspect of employee experience can seem complicated and time-consuming, but it doesn't have to be.

Nowadays, we have the technology and digital tools to simplify and automate several processes.

We will look at some areas related to employee experience: leadership, meaningfulness, dedication, and feedback, and we will provide actionable tips on how you can strengthen the employee experience.



The new generation wants both leadership and self-leadership



Several studies show that the new generation of employees (Generations Y and Z) desire autonomous ways of working along with responsibilities, flexible workplaces, and working hours conducive to a better work-life balance. Although the desire for self-leadership is evident, 'Good Manager and Leadership' tops the list as the most important criterion when choosing an employer. Although it may seem contradictory, one does not necessarily exclude the other. Employees need the right conditions from their manager to be able to lead themselves.

Good leadership can take several forms, and an autonomous way of working has proven to reduce sick leave and to inspire innovation in individuals.

We will provide some examples of how organisations have influenced employee development and commitment through their leadership competency.



A positive employee experience generates profitability

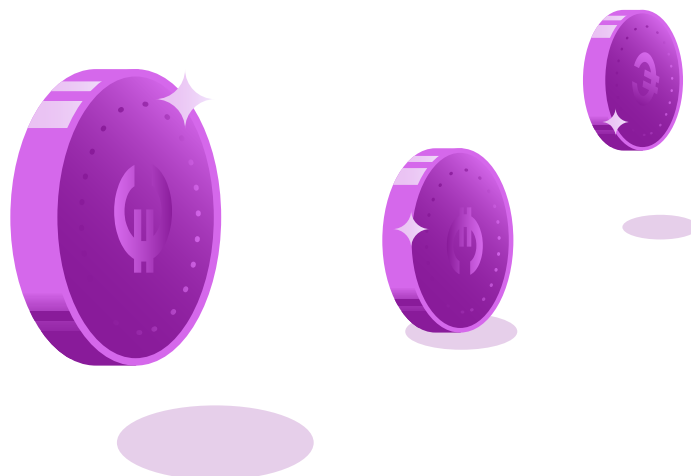


Among employees in the retail trade and other service professions, the impact of employee experience on profitability is clear because it's directly linked to customer experience. If the employees are dissatisfied with their work situation, they are less likely to provide excellent service to the customer. This is particularly evident in the hotel industry.

One [survey](#) shows that hotels that have made long-term investments in HR and work actively with employee experience generate happier guests and give the hotel higher ratings in social forums. The survey also shows a significant difference in profitability compared to the hotels that do not work on employee experience.

Regardless of the industry your organisation operates in, working actively with a positive employee experience should be a high priority among business leaders. The [Employee Experience Index study](#) shows that businesses that deliver a strong employee experience have 4X higher profitability than other companies in the survey. Furthermore, positive employee experience also contributes to lower employee turnover, more positive share dividends and twice as high revenue per employee.

Despite this, too many leaders choose to focus on productivity and keeping shareholders and customers satisfied at the expense of employee experience.



How HR can improve the employee experience



Studies show that only 10% of all employees feel fully committed to their work. Changing this figure would place a higher demands on the HR department, who is responsible for attracting, retaining, developing and engaging the organisation's employees.

The first action HR should take is to replace the annual employee surveys with automated, systematic surveys that collect and visualise the data in real-time. This minimises the risk of undetected employee dissatisfaction which can negatively affect productivity.

It's the same approach that the CFO takes to measure financial data to make strategic decisions, and the CMO to continuously optimise marketing efforts. HR needs to measure employee development, engagement and well-being in real-time. Real-time data and insights can help HR and leaders to work proactively with employee experiences.

General trends or patterns surrounding employee behaviours, such as increased or decreased workload, the effect of restructuring or the risk of resignation can be detected early on. In this way, organisations avoid substantial pitfalls and ensure a high level of employee engagement.



Meaningfulness is the foundation of employee experience



Companies like Microsoft, IBM and McDonald's have realised what creates profitability from a long-term perspective - meaningful employee experience. According to a survey conducted among McDonald's employees in the UK, over half expressed that they would feel more motivated in the workplace if they felt greater meaningfulness.

Almost half would also feel more loyalty to their employer. Even among recent graduates in Sweden, a sense of meaningfulness comes far ahead of other options such as compensation with extra leave.

There are [examples](#) of companies that have gained an advantage over competitors with a strategy which helps employees reach their career dreams – regardless of industry. As a part of employee experience, employees are offered training and continuous development based on their individual career goals.

This method has resulted in employees becoming more productive and providing better service to customers. This has, in turn, generated higher profitability for the organisation compared to competitors.





Transparency promotes meaningfulness and reduced sick leave



Meaningfulness is something that is created by the management. By being transparent and involving employees in the company's short-term and long-term goals, a greater sense of 'We' is created. It creates meaningfulness among employees which indirectly leads to reduced sick leaves.

Clarity and individual goals should be established together with each employee. The presentation of the individual and collective goals should be in an environment where employees can transparently monitor development in real-time.

How Google works to create a meaningful employee experience



[Google](#) is a dream workplace for many. It's a place where innovation, creativity and self-realisation are commonplace and those who work there experience higher meaningfulness in what they do.

Google has been at the forefront when it comes to creating strong employee experience for a long time by working with processes which provide meaning and with the actual physical space.

The employee experience is a big part of the Google brand, and they strive to create the same feeling that exists in smaller companies where small-scale teams work together.

One of Google's aims for their employee experience is for individuals to use their creativity and innovation to contribute to common goals. Furthermore, they want employees to be as passionate at work as they are in their free time.



OKR benefits employee experience



Have you heard of the OKR goal management method that Google uses? OKR stands for Objectives & Key Results and is a method whereby every employee sets their desired goals – Objectives. To achieve their Objective, employees need to work on a number of sub-goals that they list as Key Results. Each Objective is determined quarterly and is open to everyone at the company to utilise. When the quarter ends, the employee reviews where they are in the process together with their manager

and receives adequate feedback.

The OKR goal management method creates continuity where employees have the opportunity to discuss employee experience together in smaller teams. In this way, the method creates a sense of participation and transparency among employees, which strengthens both the commitment and the spirit of 'We', as they team together to seek solutions to challenges.

Feedback contributes to employee experience



The employees are often left clueless about their job performance because the leaders don't get the time to focus on each employee and give them relevant feedback. Many of them don't really get adequate feedback on work performed, and over half of them want more in-depth conversations. The majority testify to unclear structures for feedback between colleagues, which means that dialogues take place in informal contexts such as at the company party or beside the coffee machine. It's not a regular practice that leaders take time to acknowledge the employee's performance and give praise.

Follow-up conversations disappear in the managers' calendars, and the employee may, therefore, perceive that they are not necessary, which contributes to poorer employee experience.

A positive financial quarter is celebrated in the sales department, but what about the others who have contributed to the outcome by working at the back-end, or even those whose day-to-day jobs are not linked to the company's turnover?



Four tips on how leaders can get better at providing feedback



Provide continuous feedback

Almost half of the employees who are engaged in the workplace state that they receive feedback every week. By giving employees feedback at frequent intervals, the context and the purpose remain relevant. When there are long gaps between appraisal sessions, the individual is more likely to lose focus, motivation, and sense of meaningfulness. Try to arrange feedback meetings at regular intervals, especially before and after task allocations, project completions, or whenever you think that they require a motivation boost.

Focus on praise in your feedback

Some managers tend to be too harsh in their feedback, which may have an adverse effect on the employee. Research shows that positive feedback and praise for a job well done makes people happier, motivated, and more productive.

Encourage 360-degree feedback

It's not only the leader who should give the employee feedback, but colleagues should be encouraged to give praise and feedback to each other in a simple yet effective way, without the risk of conflicts. This requires a company culture where employees see and appreciate each other's strengths and commitment to their work.

Create a sustainable process to provide feedback

With annual performance appraisals, it's challenging to keep track of what has happened since the last meeting. The feedback provided is often considered as generalised and outdated. Automated tools can simplify the process by streamlining the feedback system for the entire organisation. Annual meetings can be replaced with shorter and more frequent one-on-ones. This opens up new opportunities to talk about specific events that can affect the working condition at that moment in time.



Four tips on how leaders can get better at providing feedback

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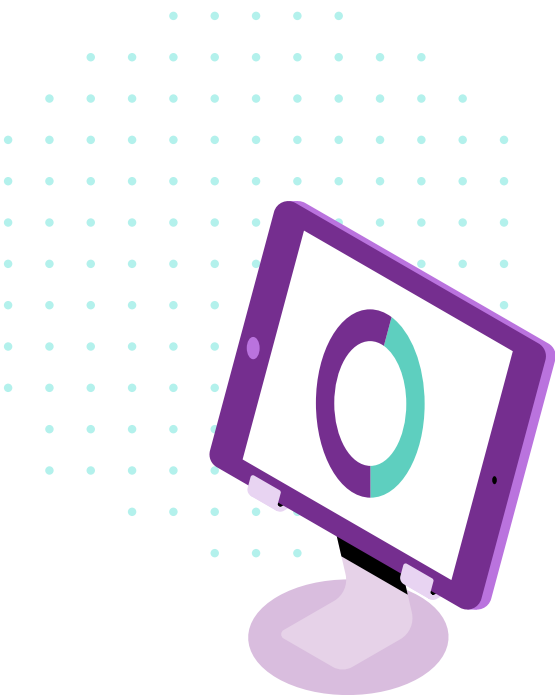
Driving positive employee experience

Having a holistic view of the employee experience across the entire organisation in real-time has never been more important. You should not have to guess if your employees are satisfied with their jobs, make decisions on gut feelings, or hear rumours that are generated beside the water cooler. Thanks to advanced technology, you can now visualise the employees' happiness and satisfaction level with proactive action plans, which contribute to a much higher efficiency among leaders.

Creating smoother employee experience in an organisation is like fine-tuning an engine. Through real-time data, HR and leaders can calibrate their efforts to influence employee behaviour and engagement. This, in turn, affects innovation, sick leave, and employee turnover. It's an investment that pays out in the form of happier employees and customers.

An increasing number of organisations are starting to realise that **profitability lies in prioritising employee well-being**. Stress and burnout have major negative and costly consequences in the workplace.

The HR department has the required knowledge and expertise in this field that can benefit leaders. As a leader, it's about providing the right conditions for cooperation within the organisation where the knowledge exchange between HR and managers creates stability. It's also about utilising smart digital tools that can help leaders to do a job that results in healthy, satisfied, and committed employees.



About Winningtemp



Winningtemp is an AI-powered, intuitive software that helps improve your employee experience by monitoring and measuring staff satisfaction, visualizing the data in real-time, and providing timely recommendations and insights. By applying research and artificial intelligence, Winningtemp reduces employee turnover, identifies risks of stress and churn, and minimises sick leave.

The platform currently helps more than 70,000 users and is available in 20 different languages.

For leaders, Winningtemp is a pretty useful tool to manage employee well-being. With a clear overall picture of the organisation's health, it is possible to be proactive in seize growth opportunities and mitigate any risks.

**The platform is fast, intuitive, user-friendly.
You can explore our primary features such as:**

Employee development, engagement, and satisfaction data analysis

Agile follow-ups on systematic one-on-ones

Goal management with support for SMART goal formulation

E-learning and skills development

See Winningtemp in action by booking a [demo](#) here.

