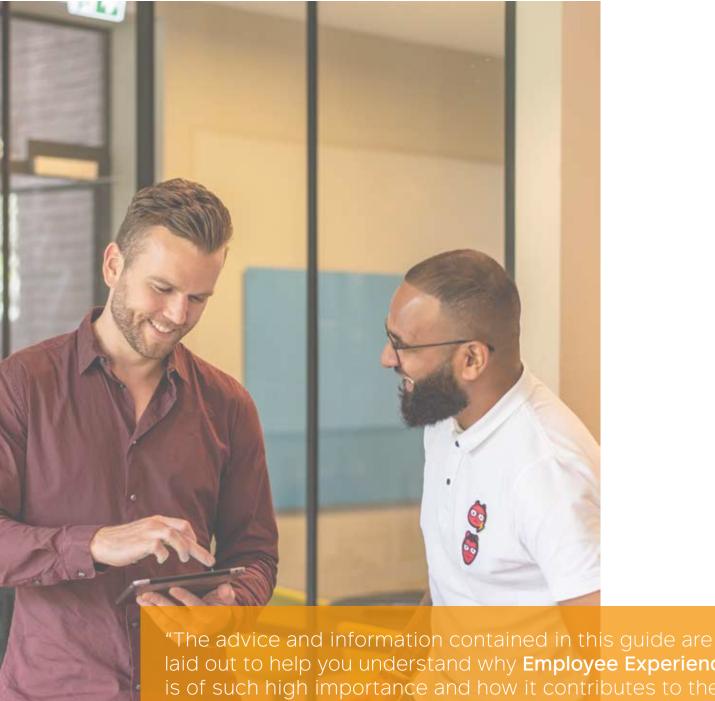
EMPLOYEE EXPERIENCE: THE KEY TO BUSINESS SUCCESS

A PRACTICAL GUIDE FOR ANYONE WHO WANTS TO GROW THEIR BUSINESS.



laid out to help you understand why **Employee Experience** is of such high importance and how it contributes to the success of a company."

MEASUREMEN | NOVEMBER 2020 WHITEPAPER

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KEY INSIGHTS

The pandemic caused many employees to struggle with their well-being leading to various (mental) health complaints, engagement, and productivity losses. Work has received a different role in our lives now that we're working remotely. Scientific studies show that investing in well-being is a win-win for organisations and employees: higher engagement, productivity, organisational satisfaction, and lower turnover.

Investing in well-being should be done holistically but personally, employee needs are various and should match with the opportunities offered.

INTRODUCTION

We all have lost the workplace that physically connected us together. The online way-of-working caused us to miss out on small-talk, gossip, chemistry and empathy which are essential to sustain the social bond between colleagues (source). The physical workplace got us in our working mindset and made (some of) us feel purposeful, while the office facilities supported us in doing our work effectively and ergonomically. Nevertheless, recent surveys have shown that employees and managers are quite positive about the effectiveness of remote working. BCG reported a 15-40% increase in productivity, this poll showed that 65% of employees believed remote working was more effective. But on the other side there are also many signs of employees struggling with their well-being. Remote workers feel unable to unplug from work since the borders between work and life have become blurred. Many employees with families have difficulties with dividing their attention between their relatives and their work. While on the other side, single employees experience a sense of loneliness and a general lack of purpose (source). Next to that, people also experience stress from the pandemic itself. There is scientific evidence that quarantining can lead to psychological effects such as posttraumatic stress symptoms, confusion, and anger. While at the same time, many people (24% of UK-residents and 34% of Americans) are scared of contracting the corona virus. 68% of the Americans fear a long-lasting effect on the economy, with 57% worried about the virus making a direct impact on their own personal finances. Furthermore, there is a fear that employees will suffer from health issues due to prolonged unergonomic postures in improvised remote offices, and delayed health care.



THE FOCUS

Introduction

It seems that well-being is at risk for many employees. But the variety of risk factors is great and differs vastly between employees. From company engagement, to physical health problems, mental health problems and family problems: many factors (in) directly related to COVID-19 contribute to low well-being and ill performance at work. Altogether, work might have taken a different place in the lives of many employees since they lost the close connection to their colleagues and the immersion in the workplace. Now, family and friends replace the social connection while their own homes replace the workplace. Together, this might lead to a decremental work engagement. Nevertheless, employees know that the continuation of work is more important than ever, since the economic consequences of the pandemic are lurking. This is why 57% of employees are worried about personal finances, and 33% of employees are concerned about their job security. It is likely that employees will try everything to do their work effectively but will have lost their joy and full immersion in their work. This hypothesis, and the above mentioned stress factors, have concerned many employers and scientists (1,2,3,4) about potential increase in burn-outs and mental health disorders (in)directly related to COVID-19.

Focus on well-being

Employee engagement might be at risk as their well-being is struggling. Employees might be in desperate need for organisational support that might stretch further than supporting productivity directly. For years, many initiatives have endorsed "the human-centric approach" with focus more directly on the wellbeing of humans (employees and customers) than on productivity numbers. According to Deloitte's 2018 Global Human Capital Trends report, "61% of business leaders said that an increased focus on well-being improves employee productivity and bottom-line business results." From a focus on wellbeing, improved productivity will follow. Such initiatives focus on supporting employees with their personal needs, like more flexibility in working hours, career development opportunities, or funded health programs. Stephen Koss, from EY underlines the focus on well-being and <u>states that</u>

"The crisis brings potentially lethal physical health consequences for our workforces. But its mental health implications – stress, fear and uncertainty – can be equally devastating. As leaders, our job is to improve the wellbeing stamina of our workforce as we navigate a course through this extraordinary global challenge."

But there are delicate consequences to a focus on well-being. Since the pandemic, the reach of organisations has already extended to the homes of employees by peaking in living rooms and getting to know family members through online video calls. But supporting well-being now might become extra personal which is a delicate area for both the employee and the organisation. Effective support might reach all the way to interventions like making adjustments to homeworkplaces, support in managing family relationships, and healthy lunches at home. Although this "personal" area is a delicate one, with the right strategy, it can have major benefits for both employees and organisations.

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WELL-BEING

Addressing well-being holistically but keeping it personal

Stephen Koss, from EY, further argues in his statement that "supporting wellbeing effectively requires a holistic approach that addresses mental health and engagement with the psychosocial considerations in this new working environment". Organisations and employees have been affected differently by the pandemic and by working from home. Some organisations experience a highly stressful period while the work just stopped for others. And even between employees there is a strong difference in the needs for well-being, as mentioned earlier, the potential stressors vary greatly from one employee to another.

If an organisation can attune to the exact needs of individual employees in their support system, it is very likely the intervention will be successful. For development example, a career program will not be successful for parents who struggle to divide their attention between their family and work, while a time management course will not be effective for single employees who lack a sense of purpose. Employees, therefore, should be able to get the right support for their needs, while an organisation should be able to provide a holistic repertoire of well-being areas to support each need. Two questions now arise: how can we offer a holistic repertoire of well-being support and how can we address the personal needs of our employees?

Organisational support for holistic well-being

A large body of scientific research has done studying well-being. been Professor Martin Seligman suaaests that the easiest way to care for your wellbeing is by understanding that it comprises multiple components known as the PERMAH-factors. PERMAH is an for Positive acronym emotions. Engagement, Relationships, Meaning, Accomplishments, and Health. Positive emotions are more than smiling: it is the ability to remain optimistic and view one's past, present, and future from а constructive perspective. Organisations can play a strong role in fostering positive emotions through constructive management and positive feedback.



PERMAH-FACTORS

Engagement is about activities that meet our need for engagement and flood the body with sugar, spice and everything nice which elevates one's sense of well-being. Organisations can stimulate engagement through offering interesting tasks to their employees and support career development, or if this is not possible, support participation in artistic/health programs that foster engagements in other areas.

Through **Relationships** we thrive on connections that promote love, intimacy, and a strong emotional and physical interaction with other humans. Positive Relationships with one's parents, siblings, peers, coworkers, and friends is a key ingredient to overall joy. Supporting relationships with coworkers through fun activities and frequent interactions is the low-hanging fruit for organisations, but allowing more time with family might also foster this.

Meaning comprises a sense of purpose in the world. Employees can find (or miss) meaning in their work and the direction of their organisation. Contributing to meaningful causes, like increasing sustainability or equality are important factors which improve the well-being of employees and to the world around them.

Having goals and ambition in life can help us to achieve things that can give us a sense of **Accomplishment**. Organisations can play a role in supporting the career development of employees in line with their ambitions that might retain these developing individuals.

Health (sleeping, moving, and eating well) can be seen as a hygiene factor that supports the overall sense of well-being. Organisations can support healthy behavior through many ways; e.g. standing-desks, wearables, and workshops.

Addressing well-being

Well-being can thus be improved through multiple levels within the organisation. One could make changes on an organisational level changing the overall course and strategy of the organisation. For example, an organisational shift towards sustainability could address the needs for Meaning, Accomplishments, and Engagements. Several workshops on group-level could be focused on positive communication, fun, or healthy working, which address factors such as Positive emotions, Relationships, and Health. But since the personal needs might be so diverse between employees, the success of such workshops might be questionable. It is difficult to know where the exact needs are. Employees don't easily discuss their sense of meaning or positive emotions. The face-to-face micro-communication between the manager and employees just isn't sufficient through the screen.



WORK-LIFE

One could organise online personal coaching sessions that address the needs for well-being on an individual level but these are costly and come at the risk that the coaching takes employees further away from their company. It might be of most importance to measure what the needs of your employees are and how they are distributed between them. For example, if 80% of the needs are focused on meaning, this requires different actions than when the needs are evenly distributed, like 30% focused on accomplishments, 30% on health and 20% on meaning. Further (still anonymous) filtering might help to understand which group (department, age group, etc.) need which intervention. Together, this information might lead to individual, group, or organisational actions that address and improve well-being.

Work life directed well-being

But as discussed earlier, well-being is a holistic concept. If you are supporting the well-being of your employees, the actions of your employees might not be directly related to work performance. For example, when one lacks a sense of purpose, the actions to improve that could be directed towards work (like career development) or towards their private life (like volunteering). Or another example, a lack of social relationships might lead to a search for better relationships with colleagues (work) or with friends and family (personal). Especially now work has taken a different place in the lives of employees, the choices between work and life are now paramount and can affect your organisation strongly. Many organisations might prefer that their employees find their well-being PERMAH factors in their work life. In this direction, work life takes (in the extremes) a central part of their life, where colleagues become family and where the organisational purpose transcends towards personal purposes.

Providing the opportunities to fulfill the PERMAH-segments within the work context might lead to a very strong organisational culture. While on the other (extreme) side, some organisations might desire to only fulfill a few of the PERMAH factors and respect the boundaries between work and personal life (read more about it in our earlier blog about work-life integration). Finding the right balance between these choices is dependent on your own organisational strategy. For example, in some branches, it is just easier to find purpose in work tasks than in others. But low work purpose can then be compensated with higher pay for example, and high pay can be used for numerous PERMAH-factors in the personal spheres. Moreover, higher family engagement and volunteering outside of work hours can have major effects on overall well-being. But the question is, how much of these effects are returned to the organisational engagement, and how much that matters? Providing opportunities as an organisation to improve well-being for your employees, directed towards worklife or personal life, keeps you, in the loop. Especially as you provide opportunities that are organisational-directed the benefits will flow directly inwards, but the exact match between organisational and employee needs might sometimes be difficult to find. Providing opportunities/support for well-being development in their personal life might not directly benefit the organisation but their thankfulness might pay-off in some indirect way after all. Not to mention that the effects of well-being interventions (either in personal- or work life) probably will over-flow between work and personal life.



WELL-BEING ORIENTATED

The effects of a well-being orientated organisation

When an organisation is able to contribute to the well-being of their employees, this can boost productivity and increase retention rate. A study among over 700 UK employees shows that 30% see poor workplace wellbeing as a reason for moving employers. A further 26% said it would affect their thinking on long-term employment, with 21% saying poor wellbeing made them less motivated and productive (source). Furthermore, a recent scientific meta-analysis across 230 independent organisations found significant, strong positive correlation between employees' satisfaction with their company and employee productivity and customer loyalty, and a strong negative correlation with staff turnover. Our own Habital® data provided similar results, showing a strong relationship between experienced health and performance. Spending resources into improving well-being is thus beneficial for organisations, but it depends on the needs where the resources are distributed to. One should measure where the personal needs lie between the employees, and learn how employees would desire to increase their well-being. Through communicating effectively with employees about their needs, while providing the proper support, one could establish a positive feedback loop between the employee and its organisation, where both the organisation and the employee support each other in well-being and productivity. Such a loop requires, however, open communication about relatively sensitive - but important - issues related to well-being. Furthermore, both employee and the employer need to be willing to listen to each other and be open to change. But together, the mutual beneficial relationship holds a strong potential to improve the organisation and the employees.

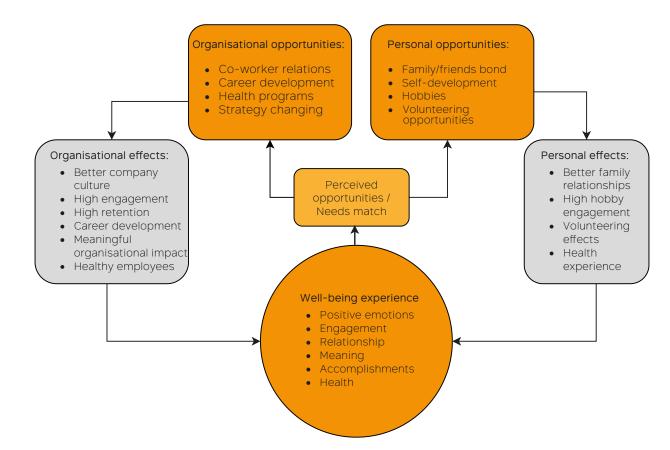
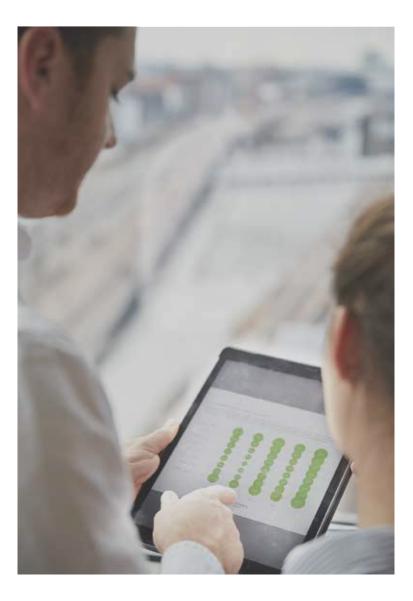


Figure 1. Each employee has well-being experience distributed across the PERMAH factors, leading to personal needs. The employee would be inclined to increase well-being but needs to perceive opportunities to do so. From the opportunities / needs match, actions flow either towards the organisation or towards the personal sphere. The following effects spread across the organisation, or/and across the personal sphere and flow back towards the well-being experience of that same employee.

CONCLUSIONS

Working from home, along with all the other current challenges, has changed the place of work in our lives. The pandemic brings many challenges which affect everyone through different ways. Together, the experiences lead to a variety of psychological needs. Employees can try to fulfill their needs in their personal, or/and their worksphere which has different effects on their well-being and their environment. Organisations can decide to provide opportunities for their employees to increase their well-being by having a holistic but personal focus that supports each employee in their individual needs. Nevertheless, dependent on the direction and distribution of needs between employees, the following actions should be different for each organisation. Organizing strategic support for well-being can have enormous effects on the organizational focus on well-being can create a positive feedback loop between the employees and their organization, making them strong and resilient, getting through this pandemic together.



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Founded in 2005 in the Netherlands, we are now operating in more than 40 countries worldwide. Our goal is to improve the work-life balance worldwide by measuring the use and performance of workplaces to offer insight to help managers build or improve their workplace strategy. If you want to implement a workplace strategy or need to revamp your current workplace strategy, visit our website or get in touch with us:

HQ The Netherlands	United Kingdom	France	Australia	Belgium
℅ +31 20 370 47 34	https://www.measuremen.io		🖂 info@measuremen.io	