The Experience Issue

Driving productivity and growth through better business processes for employees and customers

Mandate for 2021: Become an experience-driven organization
PAGE 02

A CHRO roadmap for digitizing the employee experience
PAGE 08

5 principles for business leaders to realize value
PAGE 18
The Experience Issue

02 Mandate for 2021: Become an experience-driven organization
Companies that deliver great digital experiences for employees and customers alike are in the best position to win

06 5 capabilities to build an experience-driven organization
How companies can drive growth by merging EX and CX efforts

08 A CHRO roadmap for digitizing the employee experience
A Q&A with ServiceNow’s VP of global talent and acting CHRO, Shane Driggers

09 Self-Assessment: Does your employee experience support revenue goals?
Every organization has an experience—but few are optimized to deliver real business results. Take this self-assessment to learn how you rank against peers

12 Where CIOs should invest to improve digital experiences
CIOs can make big strides for employees, and add top-line growth, by investing more in key technologies

16 Anita Sands on what a COVID-era boardroom expects of you
Have a simple plan for resilient employee and customer experiences to secure board approval

18 5 principles for business leaders to realize value
The pandemic has forced companies to work differently. Here are 5 ways leaders can extend those innovations to create a new work paradigm

20 Culture eats digital for breakfast
Why smart CIOs focus on cultural transformation

23 Digital skills get a jump start
The pandemic is intensifying demand for key digital skills

24 The people factor
Putting customers at the heart of business

26 Revolutionizing convenience
How customer service can differentiate your company in the COVID-19 era

Enterprise technology exists to generate value for customers and employees. As IT leaders, our job is to deliver employee experiences that liberate staff from the mundane, so they can focus on innovation that helps customers and gives our companies a competitive edge.

At the National Basketball Association, where I serve as chief technology officer, we’ve never had a more tech-savvy, connected and mobile workforce. A big part of my job is providing communication and collaboration tools that match the convenience and usability of their favorite consumer apps.

Our fans are equally tech-savvy, connected and mobile. Today they consume NBA games and programming in 47 languages across 215 countries and territories worldwide. For those fans who can’t make it to an NBA game in a physical arena, we’ve created digital experiences that allow them to experience the NBA on any device, anywhere in the world, 24/7.

All these innovations were made possible by the passion and ingenuity of our employees. We run our business on digital platforms that make it easy for them to ideate, communicate and get work done—wherever, whenever, on any device. For the NBA, employee and customer experiences are two sides of the same coin.

That’s also the main takeaway from the Experience Issue of Workflow Quarterly. Based on worldwide reporting and a survey of 600 C-level executives in 12 countries, the Experience Issue shows how companies are digitizing and automating their enterprise platforms, employee work processes, and customer experiences to drive business success.

The goal is to help organizations develop a roadmap to excellence in their enterprise platforms and workflows, validated by statistical and executive insights.

A key finding of the research is that digital employee experiences are a key ingredient of corporate success.

Digital experiences do more than improve employee productivity and engagement. They drive performance across the business, improving customer retention, market positioning, and top-line growth. Leaders in digital employee experience see bigger benefits in more areas than other firms, particularly in revenue growth and productivity, but also in increased employee engagement, faster issue resolution, and higher profitability.

Bottom line: If you deliver great digital experiences for your employees, you are more likely to delight customers and (bonus) frustrate competitors. That’s true in professional basketball and every other industry.

Krishna Bhagavathula is chief technology officer of the National Basketball Association. He guest edited the Experience Issue of Workflow Quarterly.
The Experience Issue

BY HOWARD RABINOWITZ

The right EX tools for the new normal

By shifting to remote work, the pandemic has upended how many companies conceptualize employee experience. Without no shared physical space to foster communication and collaboration, employees need real-time access to tools, apps, and information that allow them to work well individually or as part of a team.

But, the ESI/ServiceNow survey shows, not all investments in digital employee experience are equal. Companies planning digital EX investments in 2021 should consider where the most experienced practitioners are placing their best bets. Here are four tech investment areas where EX leaders are seeing the biggest benefits relative to follower organizations:

- **Robotic process automation (RPA):** Machine learning enabled RPA automates repetitive tasks of workers, freeing them up for higher-level responsibilities. ROI for Leaders: 37%; for Followers: 25%.
- **Mobile-enabled work experiences:** Giving employees the tools to work from their mobile devices offers substantial benefits. ROI for Leaders: 26%; for Followers: 16%.
- **Access to customer data:** Companies that invest in CRM systems that broaden insights into customer sentiment and behavior report high returns. ROI for Leaders: 28%; for Followers: 19%.
- **Digital assistants:** EX leaders are seeing higher ROI from the use of chatbots and digital assistants. ROI for Leaders: 23%; for Followers: 14%.

Beyond enabling teams to work faster and smarter from home, EX leaders also report seeing higher ROI from digitized employee training and development, with 59% of leaders reporting high ROI, compared to 37% of followers.

Mandate for 2021: Become an experience-driven organization

Even before the pandemic hit, new research shows, companies that had already made significant investments in digitizing employee experience (EX) were achieving major benefits. In a global survey by ServiceNow and ESI ThoughtLab of more than 600 C-level executives in five sectors—financial services, healthcare, manufacturing, public sector, and telecom—organizations defined as “leaders” in digital work experiences reported where they are seeing the biggest benefits relative to other companies:

- **Higher top-line growth:** 44% of EX leaders say their efforts have resulted in more revenue compared with 27% of other companies.
- **Increased employee productivity:** EX leaders (58%) cite better productivity as a benefit, much more than other companies (41%).
- **Higher employee satisfaction:** Almost half of EX leaders (44%) say digitization has led to a happier workforce compared with 37% of other companies.

The research also shows that investing in employee experience correlates with improved customer success and, ultimately, higher revenue. For example, organizations identified as EX leaders in the survey (60%) were more likely than follower organizations (37%) to analyze customer needs, attitudes, and behaviors. Leaders (50%) also did a better job of designing customer-centric products and services than followers (28%). Leaders (47%) were also twice as likely as followers (29%) to personalize customer experience (CX).

Those findings build on other survey insights about corporate investments in digitizing customer experience. Companies that invested heavily in digital CX saw major bottom-line benefits such as improved customer satisfaction scores, higher revenue growth, and reduced customer churn, to name a few.

- **The upshot for CEOs:** Companies that offer great digital experiences for their employees are seeing that investment pay off in spades with improved digital CX. As companies look to make more progress and scale their efforts in both camps, they will adapt organizationally.
- **The upshot for CX leaders:** Companies responding by investing in a wide range of digital tools and services to keep them engaged and productive with remote working, and to stay connected to their colleagues.
In other words, engaged and happy employees ultimately deliver better products and services to customers. “There’s a concept called the ‘spillover effect,’” says Franz. “One person’s emotions affect how other people around him feel. That’s the connection between employee experience and customer experience.”

Howard Rabinowitz is a business and technology writer based in West Palm Beach, Fla.
5 capabilities to build an experience-driven organization

**How companies can drive growth by merging EX and CX efforts**

**BY JEFFREY DAVIS**

The COVID-19 pandemic has hastened the need for companies to improve how they engage with both customers and employees, leading some to merge the two disciplines into a new function called experience management.

“I see more large companies starting to bring together customer experience and employee experience,” says Bruce Temkin, head of the XM Institute at Qualtrics, a research firm focused on experience management. In fact, studies have shown how a successful tandem between CX and EX requires new coordination between silos, teams, and projects over long periods of time, says Temkin. Companies need to track progress against a well-defined plan that identifies which digital experiences, journeys, products, and services deserve focus and resources, and in what order.

Along with the strategic plan, experience-management leaders can also serve as important change agents, says Lokey. “You have to find the advocates within the company who will bring everybody along with them.”

**Experience design**

The concept of human-centered design—putting people’s needs at the center of creating new products or services—has been around for years. Until recently, however, putting it into practice for CX or EX required big-budget assistance. Successfully creating and scaling digital experience and collaboration with employee and customer feedback teams in CX and EX to collaborate more, scale their efforts, and better share insights and best practices.

**Experience strategy and roadmap**

Successfully creating and scaling digital experience between CX and EX requires new coordination between silos, teams, and projects over long periods of time, says Temkin. Companies need to track progress against a well-defined plan that identifies which digital experiences, journeys, products, and services deserve focus and resources, and in what order.

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**On-demand team building**

Companies considered the most advanced in digital working cite the ability to have the right team with the right skills as a key element of success, according to a new survey by ServiceNow and ESI ThoughtLab. “The ability of an EX or CX project leader to quickly find the right people in the right expertise and form a team is really important,” Lokey explains. How can companies do that most efficiently? Digital tools that manage employee skill profiles, she says, can help project leaders to scan the entire organization for talent, bypassing silos between HR and customer support teams. “Tactically, it’s like a very effective search experience, like a very robust employee directory,” says Lokey.

**Low-code app development**

New digital platforms and tools have given rise to the concept of citizen developers—people in HR, customer support, IT, and other areas of the enterprise who use their deep knowledge of customers or employees to design “low-code” apps and other solutions that don’t require an engineering degree.

“People who are most likely to create those apps are process owners or managing a team,” says Lokey. Merging CX and EX experience design, she adds, can allow companies to innovate much more quickly in both camps. Ultimately, it doesn’t matter how formal or informal companies get in unifying how they create and manage digital experiences, says Temkin. “The most important thing is to start building these skills now.”

Jeffrey Davis, a founding editor of Business 2.0 magazine and former executive editor at CBS Interactive, writes frequently about technology and business.
A CHRO roadmap for digitizing the employee experience

A Q&A with ServiceNow’s VP of global talent and acting CHRO, Shane Driggers

Since the COVID-19 pandemic hit last spring, HR leaders have had their hands full converting hundreds of old, in-office processes into digital ones for their newly remote employees. Heading into another year of uncertainty, many CHROs must focus on a more systematic approach to digitizing employee experience (EX). As a new survey by ServiceNow and ESI ThoughtLab shows, digital EX is proving to be a crucial requirement not just for keeping workers more productive and engaged—no matter where they work—but for improving corporate performance long-term.

Companies that have made the most progress in key employee experience areas are achieving important benefits, the survey shows, including higher topline growth, increased employee productivity, and higher employee satisfaction.

To explore how organizations can build a strategic roadmap for digital EX, we sat down with Shane Driggers, vice president of global talent acquisition and acting CHRO at ServiceNow, for his insights.

How will the pandemic change expectations about employee experience over the long term? Will remote work be the norm?

That’s the million-dollar question. Many companies are navigating today. The new norm has already begun to form, and providing employees choice, flexibility, and care will be important factors to consider when shaping long-term employee experiences.

When we think about choice and flexibility, I believe many companies will adopt a hybrid model that provides flexibility for remote workers—those that work in a corporate office and those that use corporate offices as a destination to collaborate with their colleagues.

That flexibility will have a direct impact on the well-being of your employees, and taking time to hear what’s most important to them is critical to informing the decisions you make.

What kind of process can a CHRO follow to build an EX roadmap?

CHROs need to think about building a foundation that will grow and scale for the future. What are the core experiences that they want to be lasting and reflective of their brand and values? It is also important to design for flexibility and agility in order to respond to changes and what is relevant at the time.

A CHRO must be to respond to employee experience and the needs of employees during these unprecedented times.

Experience is not just an HR challenge. It touches all parts of the business and should be co-created. After all, it’s reflective of our brand and how we work together towards our purpose. It’s important when building an EX roadmap that it isn’t designed in an HR bubble, but instead is inclusive of all geographies and parts of the enterprise.

How should CHROs think about costs and ROI when they design employee experiences?

The cost of not doing these things is far greater than the cost of doing them. CHROs need to focus on the talent continuum; hire to retire and all the experiences in between. Without a thoughtful EX roadmap, employee’s won’t thrive and the organization may experience greater attrition, which is very costly. We’ve seen it in the data and listening to our employees, onboarding into a new organization has a lot of moments that matter and the first 90 days are critical. It ties directly back to retention. We know that when the new hire on-boarding experience is wildly positive, it leads to increased collaboration, productivity, innovation, business outcomes and employee retention. The return is simply massive.

How important is it for companies to create an integrated experience, so customers, employees and industry partners have a similar way of interacting with the company?

Absolutely important. Gone are the days of siloed builds, where you create a set of distinct experiences. That’s one reason why the CIO role has become much more sophisticated, because they have to think about a holistic experience that ensures quicker time to value.

I’m one of the executive sponsors of a project with Chris Bedi, ServiceNow’s CIO, on how we can build elements of the employee experience we create for ourselves into our platform. And partner across the enterprise to build those experiences, together. This is a big shift in how HR and IT partner in today’s digital world.

If you’re a CHRO starting out on this journey, what should you prioritize?

Since you can’t do everything at once, create persona-based efforts to think through the most important experiences you want to create. Sometimes you have to go slow to go fast, and taking the time to build a lasting foundation that’s scalable will enable the company to pivot quickly to innovative solutions.

Workflow Quarterly The Experience Issue
The highest performing organizations in a survey of 600 C-level executives have invested more than peers in digitizing the employee experience. These employers have streamlined the onboarding process, made it easy for workers to access the information they need day-to-day, and utilize technology to enable collaboration. As a result, these organizations are on the right path—keep betting on automation and digitization for increased return on investment. In which of the following areas has your organization made considerable progress in digitizing the employee experience?

- Employee hiring and recruitment
- Employee onboarding and offboarding
- Employee training and development
- Facilities management
- Employee feedback
- Employee performance measurement
- Employee benefits enrollment and information
- HR and personal information
- Collaborative working
- Uniform access across functional systems (HR, finance, facilities, etc.)

Beginner (3 or less)

As a beginner organization, remember that investing in digitization and automation is investing in your team: you will free your employees from repetitive, non-dynamic tasks and foster collaboration across all levels of the company. To reap these rewards, technology and employee experience must become a priority; over 90% of super-leader organizations identified overall progress in digital employee experience as a core focus of their EX digitization strategy, compared to 28% of beginner companies. Online pulse surveys are a great way to gather continual feedback from your staff, and yield a high return on investment, while cloud-based platforms can help cross-functional teams work together on key activities. Identifying the areas most in need of updating will help you make the most of your budget.

Intermediate (4 or 5)

Intermediate companies have already made several successful forays into digitizing employee experience. They rate highly for improving systems of employee feedback and IT support, leading to 83% of intermediate organizations reporting increased productivity. The goal is to continue improving systems for remote and collaborative working, and to ensure that as these technologies make dynamic teams with cross-functional roles more and more common in your workplace, roles and responsibilities remain clearly defined. The biggest challenge ahead as your organization grows is to keep upskilling. Training and development must become a priority, with just over half of intermediate organizations identifying this as a key area, compared to super leaders, at 77%. Intermediate organizations are on the right path—keep betting on automation and digitization for increased return on investment.

Leader (6)

As a leader organization, you’ve laid the foundational work of digitization and automation, and are already starting to see some results, with high return on investment for RPA technology that helps eliminate mundane tasks for employees as well as cloud-based platforms. Leader organizations are also highly skilled at managing and measuring data on the benefits of employee experience automation, which allows you to match the right skill-sets to key tasks and build cross-functional teams. Despite the disruption of COVID-19, only 20% of organizations reported that flexible and remote work remains a priority over the next three years. With this in mind, consider the flexibility that further investment in employee experience can provide for your business: in addition to getting the most out of your full-time employees, remote technology gives you access to the talents of freelancers and consultants working around the world.

Super-leader (7+)

Super-leader organizations not only understand the importance of automation and digitization to employee experience, they also continue to invest heavily in the area and have already deployed successful systems in the areas of IT and HR. Super-leaders are experts in fostering collaboration at all levels of the organization, and use technology effectively to collect continuous employee feedback through tools like online pulse surveys. For your organization, it’s not about staying on top, but staying ahead of the curve: 67% of super-leader organizations identify upskilling employees as a key challenge when digitizing and automating employee experience. Your business is likely in a position to be bold, and it could be time to start investing in new, innovative areas of digitization and automation that few other organizations are exploring. Have you considered the ways VR technology can enhance employee experience? What about digital assistants, or health and wellness technology? Expect your organization to continue to pioneer the way we all work in the future.

Self-Assessment: Does your employee experience support revenue goals?

Every organization has an experience—but few are optimized to deliver real business results. Take this self-assessment to learn how you rank against peers.
Chief information officers couldn’t ask for better odds on their tech investments than when it comes to digitizing the employee experience (EX). Organizations that make only minor investments in digital experiences see outsized returns in corporate performance, according to a global survey from ServiceNow and ESI ThoughtLab that covered five major sectors—financial services, healthcare, manufacturing, public, and telecom. Companies that have made the most progress with digitizing experience report higher employee productivity (58%), lower costs (44%), improved customer experience (42%), and higher profitability (47%).

Just 20% of all surveyed organizations ranked as “leaders” in digital employee experience (EX), meaning they have made significant progress in at least 8 of 14 different practice areas. The remaining 80% of organizations ranked as intermediates (40%), with progress in at least six areas; and followers (40%), with progress in five or fewer areas.

How can CIOs spend wisely to make up for lost ground, or become EX leaders in 2021? Investing in the right technologies can build the right foundation. For Earl Newsome, CIO of the Americas for Linde PLC, a global industrial gases and engineering company, investing in better digital experiences for some 80,000 employees in over 100 countries starts with a strong commitment to the cloud.

“Our ability to rapidly transform and change is much enhanced by the cloud,” says Newsome. “You take your system services, put them in a cloud that will give you trustworthy experiences to deliver to your employees, and give them the ability to work from anywhere. If you’re not doing that right now, you’re making a mistake.”

CIOs can make big strides for employees, and add top-line growth, by investing more in key technologies

BY CHRISTINE KENT

Where CIOs should invest to improve digital experiences

RESEARCH

Where CIOs are investing their EX dollars

In which of the following areas has your organization made considerable progress in digitizing the employee experience?

<table>
<thead>
<tr>
<th>Practice Area</th>
<th>Leader</th>
<th>Intermediate</th>
<th>Beginner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee training and development</td>
<td></td>
<td></td>
<td>61%</td>
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<tr>
<td>Uniform access across functional systems</td>
<td></td>
<td></td>
<td>57%</td>
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<tr>
<td>Employee onboarding and offboarding</td>
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<td></td>
<td>55%</td>
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<tr>
<td>Facilities management</td>
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<td>56%</td>
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<tr>
<td>Collaborative working</td>
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<td>45%</td>
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<tr>
<td>Remote Working</td>
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<td>38%</td>
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Identify the right practice areas to digitize

For CIOs still in the early stages of digitizing employee workflows, one starting point for tech investment is to see where the most advanced practitioners of digital employee experience (EX) are finding success. In the survey, EX leaders identified several practice areas that generate the largest returns:

- IT support: 62%
- Employee feedback: 64%
- Employee training: 59%
- Uniform access across functions: 60%
- HR/personal information: 55%

Every industry has a different sweet spot for best practice areas to digitize, the survey shows. Public sector organizations (62%) and telecoms (61%), for example, realize bigger gains by focusing on IT support. Financial services firms are getting the most from digitizing employee training (46%) and feedback (45%). Of all sectors surveyed, manufacturing firms are making the most progress overall across all practice areas of digital EX (68% vs. the 55% average).
Invest in the right technologies for each practice area

The ServiceNow/ESI ThoughtLab survey suggests other ways EX followers can catch up with leaders. First, they can look at technologies that support EX where leaders have invested the most. In each case, follower organizations are significantly behind in all these areas:

- **Cloud platforms**
  - Leaders: 45%, Followers: 27%
- **Robotic process automation (RPA)**
  - Leaders: 44%, Followers: 25%
- **Online pulse surveys/employee feedback**
  - Leaders: 37%, Followers: 18%
- **Digital platforms and collaboration tools**
  - Leaders: 26%, Followers: 16%
- **Data analytics for decision-making**
  - Leaders: 23%, Followers: 13%

Aside from the benefits of investing in core technologies, CIOs can also consider how certain niche investments offer substantially bigger returns relative to investment outlay. For example, three times as many firms enjoy high ROI from investing in digital assistants than those that make significant investments in this area. The perceived ROI is nearly as high for remote video and chat tools, mobile-enabled work experiences, and wellness and fitness apps.

One lesson that Newsome, Linde’s CIO, has learned from recent investments in both employee and customer experience is that there’s no one-tech-fits-all solution. Companies that adopt an experience-first view as they reflect on what he calls an “infinity crisis mirror,” will have a never-ending learning experience.

“There’s this notion about how to provide great sensory capabilities and understand what the employee experience is,” Newsome says. “It’s only through a continuous learning loop that you can create the best experiences. And whenever that next crisis happens, we will continue to evolve to react.”

—

Christine Kent is a San Francisco Bay Area-based writer who covers technology and security.

Best practice areas fully implemented

Which of the areas of progress are generating the largest returns when considering both revenue gains and cost savings?

![Bar chart showing the percentage of leaders, intermediate, and beginners for various areas of progress.](chart)
Anita Sands on what a COVID-era boardroom expects of you

BY RIVA FROYMOVICH

Have a simple plan for resilient employee and customer experiences to secure board approval

D r. Anita Sands sits on five boards of directors, including ServiceNow. She has a PhD in atomic and molecular physics. She was the Head of Transformation Management at Citigroup during the Great Recession. She analyzes the world’s most successful leaders and distills those insights into succinct “wisdom cards.” Thousands have sought out her advice. And, she is the mother to a preschooler and step-mom to five. Suffice to say, when it comes to resilience and gravitational potential, she knows of what she speaks.

The Experience Issue

employee and customer experiences

Have a simple plan for resilient

Post-COVID, how do you define and evaluate whether an organization has a strong employee and customer experience, and why does that matter?

Great leaders know that at times like this, major dislocations can occur across and within industries, therefore, we should be asking how we can elevate our thinking—not just meet, but exceed customer and employees expectations. A key element is gaining perspective from employees who are out on the frontlines with customers. Snow melts from the outside in. This is also when diversity plays a huge strategic role because you want a broad diverse range of perspectives inside your organization so you can innovate your way out of these unprecedented circumstances.

Second, as a leader, focus on the human side of everything we do. Have empathy. Don’t over-rotate on one variable at the expense of another, but try to strike the right balance between reality and optimism, vulnerability and courage and so on. It’s the combination that leads to optimal, human-centric experiences that people are craving right now.

Thirdly, right now leaders need to be more thoughtful and meticulous about who they engage, in what, and in what way. For example, I was mentoring an executive at one of my companies, and she mentioned how bombarded and overwhelmed she was feeling. One reason was a request from higher-ups for daily updates on the business—pipeline, customer engagement, invoicing. She thought the board was asking for it and I assured her we were not. But it was insightful that, in times of challenge, when people’s energy and resources are depleted, you can’t place unrealistic expectations on people, you’ve got to prioritize. Think about what the most essential things are to get done. The way you engage employees in times of crisis is different than during normal times.

More broadly, how should COVID inform executive strategy?

As a leader, you always want to be catching the front end of the wave. COVID has given us permission to challenge all of the underlying assumptions in our business and has forced us to look at the ways in which we do things.

A story I read of an academic at Harvard provides a good example. Her house went on fire. She went around the house to close all the doors to stop the spread of the blaze into different rooms. Later that night, standing outside of her burned down home, she said she never realized that the crisis was different in terms of choreography and content. When people come into a boardroom, they often try to move the business forward. That’s what impresses people.

Or are we actually pivoting to think about the rooms and doors to rooms that might no longer exist in the future?

Executives too must ask: Are we spending time closing doors to rooms that might no longer exist in the future? Or are we actually pivoting to think about the rooms and doors that might exist in the future.

For instance, I would be looking for a CHRO to present a plan that is not predicated on data that existed prior to the crisis. I would ask a CHRO, “What are the assumptions upon which your plan is based? What assumptions are still opened to being shifted? In that case, how will you change your response? What are the real leading indicators here?”

Or, if you are not a remote-first company and now switch to become remote-first, you can widen the aperture of talent. But processes and culture are the way in which we get things done. When we switch from one modality of work to another, the way we get things done changes. We need to think now about redefining our processes and resetting our culture. And that needs to be done with intent because you’re going to end up with a culture one way or the other, the only question is the degree to which you’re actively shaping it.

What are your expectations as a board member on how leaders should tackle this work?

What would I want to see is a universal goal for a great employee experience—one that is defined and understood by all of the C-suite. But I want to see targeted strategies from each functional unit for how we’re achieving that universal goal. You don’t want to have separate efforts that don’t tie into that universal goal.

How you present that to the board matters too.

When people come into a boardroom, they often try to stretch for authority because they think they need to go in and impress. They use too much jargon and data. What impresses is if you can create understanding and get the board to the outcome you’re looking for—whatever will move the business forward. That’s what impresses people.

In this era of zoom meetings, we have to be far more mindful about how we prepare and present information in order to have the desired effect. Zoom meetings are entirely different in terms of choreography and content. You have to think “less is more,” how can I resonate with this group of people? What is most important and relevant to them?

Simplicity is actually the most sophisticated form of mastery.
The good news is, I would have been wrong! Especially as it pertains to large enterprises with more than 500 employees that already have digital infrastructures in place. (Sadly, smaller businesses and industries like entertainment and travel continue to struggle) Still, according to The Work Survey, a comprehensive global study by ServiceNow of COVID-19’s impact on work and the opportunities ahead, the pandemic has sparked new forms of innovation in organizations everywhere.

5 principles of innovation

What does that mean for business leaders who want to stay at the forefront of innovation and be ready for whatever comes next? I suggest focusing on these five principles to ensure your company is set up to thrive no matter what crises may arise.

1. Put people first

I can’t stress it enough: You must put people first if you want to build a successful, enduring business. Recruiting and retaining top talent is always critical for business continuity; especially when you can’t bring folks together in one place. Listen to your people and know they are likely experiencing the challenges and benefits of remote work differently. I’m especially focused on the disproportionate impact that women are bearing as a result of trying to balance care for families with commitment to work.

The Work Survey found that executives are most worried about delays in product or service delivery (54%) while employees are most concerned about reduced collaboration across business units (48%).

I understand both perspectives. ServiceNow wouldn’t stay in business long if we didn’t continually evolve our products. Yet endless video calls can feel like the opposite of innovation. Find ways to empathize with and support both ends of the spectrum.

2. Focus on safety

Employee safety should be at the heart of any future workforce plan. So it’s alarming that 60% of employees in The Work Survey believe their company will prioritize business continuity over workplace safety. Stunningly, 44% of executives believe this as well. Reassure your employees that their safety is your priority and then make that reassurance a reality. For tips on where to start, check out our Guide to Going Back ebook and the Returning to the Workplace guide.

3. Digitize offline workflows

Digital transformation was important pre-COVID; it’s now a business imperative. And while our survey showed COVID accelerated digital transformation across enterprises around the world, there is plenty of runway left. Months into working from home, 60% of executives and 59% of employees surveyed say their companies still don’t have a fully integrated system to manage digital workflows. And 91% of executives admit they still have offline workflows, including seemingly simple document approvals (53%) and more complex IT workflows such as security incident reports (45%) and technology support requests or processing (42%).

It’s time to leave behind the tech drag of 20th century software for a fully integrated workflow platform that connects people and processes across your organization. According to The Work Survey, the pandemic will likely reduce operating expenses for 88% of businesses surveyed, freeing up resources for innovation, resilience, recovery, and growth.

Business travel, in-person events, and other operating expenses may be temporarily on hold. But the distributed way of working and serving customers will remain even when the pandemic is behind us. If you’re in the majority of businesses that have found cost savings during COVID, reinvest them into the digital infrastructure and processes that help create new business models and create great digital experiences for employees and customers.

4. Prioritize digital transformation investments

Even though COVID allowed for an environment of innovation to happen, repeatable success is not guaranteed. Survey respondents had little confidence that departments in their organization beyond IT could adapt and implement new workflows within 30 days of another major business disruption. It’s fair to say that IT leads because of its familiarity with digital systems and relative ease of automation. But if you’re in customer service, HR, finance, or sales and marketing, you don’t have to get left behind just because you can’t code. Reach out to your IT team and other digitally advanced peers and figure out how to adapt your operating models for your functional needs.

One day the pandemic will be behind us. You can prepare for that day by applying the lessons of COVID-19 to build a digitally transformed organization that can thrive in any weather.

Lara Caimi is chief customer and partner officer at ServiceNow.
The right tech demands the right culture
How do you ensure your digital strategy beats those odds? In the COVID-19 era, you can’t afford to waste any resources. The more complex your business, the more work needs to flow smoothly across functions like sales, customer support, finance, HR, IT, legal, and so on. Your IT spend must deliver productivity growth and business continuity. And it must deliver the great experiences your customers and employees demand—anywhere, anytime, on any device.

Digital transformation programs often fail because employees don’t accept new technologies, not because of the technologies themselves. In fact, 43% of 4,500 CIOs surveyed for the 2017 Harvey Nash/KPMG CIO survey cited resistance to change as the top impediment to a successful digital strategy.

It follows that successful transformation involves building the right organizational culture, not just implementing the right tech. Last year, the Workflow Quarterly research team set out to test this hypothesis through an ethnographic investigation of two very different organizations: a major healthcare delivery system in Australasia, and a state government agency in the U.S. responsible for delivering social services to some two million residents. (We anonymized both organizations to protect their privacy and encourage candid responses from our informants.)

Organizational deep dive
With help from our friends at Habitus Insight, we investigated how employee and customer experiences change when humans and machines collaborate. We interviewed and shadowed about 20 research participants across the two organizations, collecting more than 80 hours of film footage and 60 hours of audio recordings.

Both organizations had successfully transformed their service delivery systems in the previous year. The state agency focused on improving its customer experience, while the healthcare system concentrated on the employee experience. Both achieved dramatic results by enlisting their employees in support of digital transformation.

The U.S. agency’s main problem was a terrible customer experience caused by a shortage of caseworkers, unfit-for-duty, repetitive emails. But you can’t support them properly because legacy tech gets in the way. Instead of helping people find jobs and get healthcare, you’re filling in spreadsheets and writing endless, repetitive emails.

The obvious solution is to replace legacy tech with a modern software platform that automates all the routine process work so your caseworkers can focus on actually helping clients. Simple, right? Not so fast. Despite all the industry and media hype around “digital transformation,” research shows most major IT implementations fail to create business value.

IDC predicts companies worldwide will spend nearly $7.4 trillion on digital transformation programs between 2020 and 2023. Yet only 14% of 1,733 business executives polled by McKinsey in September 2018 said their digital efforts have sustained performance improvements, with only 3% reporting complete success at sustaining change. A whopping 73% of enterprises failed to generate any business value whatsoever from digital transformation, according to a 2018 Everest Group study.

Why smart CIOs focus on cultural transformation
BY RICHARD MCGILL MURPHY

Imagine you’re a caseworker in a state government agency that delivers vital services to people in need. Times are tough, and your clients are counting on you. But you can’t support them properly because legacy tech gets in the way. Instead of helping people find jobs and get healthcare, you’re filling in spreadsheets and writing endless, repetitive emails.

The obvious solution is to replace legacy tech with a modern software platform that automates all the routine process work so your caseworkers can focus on actually helping clients. Simple, right? Not so fast. Despite all the industry and media hype around “digital transformation,” research shows most major IT implementations fail to create business value.

As a result, customers were often kept on hold for more than two hours when they called with questions about their benefits.

In 2017, a new commissioner was appointed with a mandate to streamline and improve customer service. The agency embarked on a program of workflow digitization and automation to deliver more efficient services, given staffing limitations. The outcome was a 70% reduction in customer resolution times. And when the COVID-19 crisis hit in early 2020, the agency was ready to handle a surge of unemployment applications. It was able to process new claims in as little as 48 hours.

“We went from being the Fred Flintstone of customer service to being the James Bond,” said the agency’s customer service lead.

Healthcare transformation
The Australasian hospital system faced a wide range of business challenges, including budget limitations, staff shortages and an acute need for additional beds. Over the past decade it has also faced its share of catastrophes, including a major earthquake and a bloody terrorist attack. Both events put enormous pressure on emergency responders and the healthcare system as a whole.

In recent years, the healthcare system has been steadily modernizing its employee experience via new technology and a patient-centered approach. New tools include an HR workflow management system for employers and managers, a patient scheduling system for clinical appointments, and a task-scheduling system that dispatches hospital orderlies via smartphone app. As a result of these and other initiatives, the healthcare system has managed to save about 80,000 hours of employee time per annum, and is now a global leader in digitizing workflows.

So how did they do it? We distilled our fieldwork insights into a cultural transformation playbook that any organization can apply to mobilize employees in support of new workplace technology. It includes the following six principles:

1. Develop a culture of change
2. Collaborate across all levels of your organization
3. Clarify expectations
4. Show benefits
5. Train relentlessly
6. Focus on mission

For a full explanation of each principle, check out my video presentation on ServiceNow’s Knowledge 2020 site (free registration required). And remember: Your employee culture will determine whether your digital transformation succeeds or fails. To paraphrase an old (but valid) business bromide: Culture eats digital for breakfast.

Richard McGill Murphy is the editor in chief of Workflow.
Digital skills get a jump start

The pandemic is intensifying demand for key digital skills

BY HOWARD RABINOWITZ

The pandemic may have drastically slowed the global economy, but it’s only accelerating the drive to expand workers’ digital skills. Online learning platforms such as Coursera, Udacity, and EdX, for example, saw major spikes in course enrollment in March and April, much of it driven by workers at the direction of their employers.

At Coursera, course enrollment nearly tripled, according to chief enterprise officer Leah Belsky. “Within our enterprise audience—people who have already provided courses to their employees—we’re seeing 80% to 90% increases in engagement on the platform,” she says.

Before the pandemic, large companies including AT&T, Shell, Target, and PwC had launched major initiatives to upskill and reskill their employees. Their aim has been to boost workers’ digital literacy for a competitive advantage. But just as COVID-19 has dramatically changed how we work, it has also moved up the timetable for closing digital skills gaps.

Which are the hottest digital skills in the COVID era? Coursera has seen enrollment surges for certification courses in cybersecurity. Courses that teach coding languages such as Java, HTML, Sass, Stylesheet, and Ajax are also popular. So is training in machine learning, artificial neural networks, and logistic regression.

Hiring trends are another indicator. In recent weeks, job openings have spiked for security specialists, network and system administrators, web and mobile designers, and game developers, says Mike Paylor, engineering and product VP at tech hiring platform Upwork, which publishes quarterly rankings of top job skills. Based on these trends and other Upwork research, Paylor sees the biggest demand for digital skills in four key areas:

Data science
Data science skills are becoming must-haves in the enterprise; COVID-19 is merely accelerating the trend. Two months ago, Coursera launched a Data Science Academy that helps workers qualify for a variety of data science roles. Then came COVID: “We’ve had major companies thinking about doing it who suddenly said, ‘we need to put the pedal on the metal and go now,’” says Belsky.

IT administration
The sudden, massive shift to working from home has boosted internet traffic by 50% to 70%, according to KPMG. Preventing outages amid soaring global usage will require workers with proficiency in information security, network and system administration, and IT management.

Open source tech
The appeal of open source tech lies in its transparency, a source of trust amid rising concerns about data security and privacy. “Developers with open source skills, such as .NET Core and Kubernetes, are going to be highly sought after in a post-pandemic world because of the information sharing it enables,” says Paylor.

Enterprise cloud
Even before the pandemic, 86% of IT leaders said they faced a shortage of cloud talent, according to a recent Logicworks survey. Skills focused on major cloud platforms will continue to rise in demand.

Of course, digital skills only tell part of the story. Many courses in big demand, says Belsky, are focused on soft skills such as managing well-being, mastering remote work, and building leadership acumen. “People who are running large programs that were formerly focused on tech skills are shifting to include these as well,” she says. “They’re realizing that they need to engage their learners as whole people and teach them how to manage and lead and adapt during this time.”

Howard Rabinowitz is a business and technology writer based in West Palm Beach, Fla.

Workflow Quarterly The Experience Issue
The people factor

Putting customers at the heart of business

BY PAUL HARDY

Since the beginning of the COVID-19 pandemic, we’ve seen a shift in priorities for businesses of all sizes. One priority now is certainly to win and retain customers in order to survive (and hopefully prosper) in a challenging economic environment.

In my experience it’s usually only the very top priorities that ever get put into practice. In a survey of C-suite executives in EMEA that ServiceNow conducted before the start of the pandemic, 36% said digitising and integrating customer service and management workflows was a top priority within their organisations.

To me, this number seemed low at the time. Based on my conversations with customers and partners over the last couple of months, I suspect it’s much higher now as organisations navigate rapidly shifting customer expectations.

If you remove all the jargon and theory, great customer experience is actually very simple. It means putting customers at the heart of your business and genuinely caring about what they think, what they need and what they want.

In practice, many organisations aren’t there yet. Only 25% of EMEA-based organisations can be classed as ‘leaders’ in customer experience maturity, according to the ServiceNow survey. We still have a long way to go in our region.

From feedback to collaboration

There are three key ways to put people at the front and centre of everything you do as an organisation, in order to deliver great experiences and build customer loyalty.

I recall the not-so-distant times of flying (more or less) frequently and being invited to share my level of happiness with the service by hitting one of four emojis in the departure lounge. This type of customer feedback gathering is customer friendly. However, it’s also sporadic and doesn’t provide the depth of information required to support informed decision making.

The first element underpinning great customer experiences is an ongoing process of gathering feedback from customers. We want to know all the time—not just when a ticket is opened or a phone call is made—what our customers are feeling and thinking, as well as how we’re performing from their perspective.

Second, we’ve learned that having a ‘single pane of glass’ customer portal helps drive superior, integrated customer experiences. Such an approach helps you gather always-on, real-time customer feedback—say via chatbots or quick surveys. It also helps integrate feedback into organisational processes so you can improve experiences continuously.

This kind of portal breaks down departmental barriers. Every stakeholder in the business gains a full view of the customer experience, not just the part that’s covered by a particular department.

The third element is collaborative customer engagement. Typically, organisations that retain more customers and achieve higher satisfaction rates are those that take customers on a journey and involve them in their community.

At ServiceNow, I believe we do this well by encouraging ongoing dialogue and inviting customers to co-create our future.

Focus on people

The balance between the three traditional factors of change—people, processes, and technology—has changed significantly. While organisations looking to achieve a step-change in customer service management used to grapple with technology and processes, they now have mature technology and out-of-the-box processes and functionalities at their disposal.

New technology and processes can be implemented quickly and efficiently, with digital workflows automating common requests and providing personalised self-service options.

With technology running invisibly in the background and repetitive tasks being automated, the people factor has become the key defining element of success. Organisations that hire changemakers and empower them to focus on the human side of customer service will win and retain customers both during and after the pandemic.

Despite the highly unpredictable global circumstances, organisations are continuing to innovate to meet evolving customer needs, developing new products and services to adapt to the market and remain competitive.

Some industries may never be the same again, and others will have to transform at a faster rate than ever before.

Regardless of the industry, organisations can maximise resilience and agility in challenging times by prioritising the creation of great customer experiences, underpinned by digital workflows.

— Paul Hardy is an executive strategist in the Chief Innovation Office at ServiceNow.
Revolutionizing convenience

How customer service can differentiate your company in the COVID-19 era

BY PAUL VON ZIELBAUER

The COVID-19 pandemic has accelerated the digital transformation of the customer experience. It has also catalyzed new strategies to keep customers loyal and competitors at bay. This was the focus of a recent virtual conversation between Dean Robison, SVP of customer service at ServiceNow, and customer experience guru Shep Hyken.

Hyken noted that while the pandemic was certainly disruptive, it had also accelerated adoption of digital workflows, which prompted unexpected productivity gains within his department. “We’ve never had a higher CSAT score, never had a higher productivity score or productivity results,” he said.

So how can companies maintain customer service continuity in tough times? Start by planning for the next crisis now. “What have you done to plan for the next bad thing to happen, that we aren’t anticipating?” Hyken asked. “Noah didn’t build the ark after it started raining. Have a plan and be prepared for the worst.”

Hyken added his thoughts on leveraging digital tools to raise the customer experience bar in the COVID era. The pandemic “forced us to make changes we never thought we’d have to make,” he said. “It’s happening in support centers around the world. You’re seeing the acceleration of technology, the acceleration of automation, and acceleration of the adoption of new tools.”

Emerging technologies such as AI, machine learning, and natural language processing will increasingly play a role in customer service automation, Hyken said. He cautioned, however, that advanced tech can’t produce great customer experiences on its own.

“You can’t automate a relationship,” Hyken said. Customers want more help and they love getting it quickly through automation. But they also want the ability to connect with human beings. “They want a human fallback,” Hyken added. “That need for empathy and understanding is at a higher level than ever.”

Hyken stressed the delicate balance between human and automation. “If you digitize the relationship, you become a commodity and it’s robot versus robot,” he said. In short, organizations should only automate customer service processes if it makes sense for the customer.

What customers want
In his book The Convenience Revolution, Hyken presents six principles that organizations should apply to master customer service. They include reducing friction, embracing technology, adopting self-service, implementing subscription models, optimizing delivery, and ensuring access.

Customer service is rarely about perfection, Hyken said. Instead it’s about being reliable, attentive, and above average. That’s how customer service teams can reach what Hyken calls the “always” tier:

- “They always get back to me so quickly.”
- “They’re always so knowledgeable.”
- “They’re always friendly.”
- “They’re always so helpful.”

Even when there’s a problem, Hyken said, you want to hear the word “always,” as in: “I can always count on them.” In short, average customer experiences don’t cut it. Customers want a consistent, predictable, above-average experience.

As an example, Hyken recounted a conversation he’d had with the co-founder of a global luxury hotel chain. “I asked him, how much better than average do you have to be?” Hyken said. “He replied, without hesitation, ‘10% better than average.’”

Give them tools
Your customers should have easy access to mobile, automated support tools. This saves your employees from having to spend time guiding them there.

Robison’s customer service team implemented new mobile support tools just as the pandemic hit. They’ve been a raging success, he said.

“Mobile gives customers the ability to walk away, go veg out on the couch, watch Netflix, and remain connected,” Robison said. “They can still monitor that case, add case comments, through mobile.”

Automation also boosted job satisfaction on Robison’s team during the early days of the pandemic, he said. “When we initially adapted and adjusted to what was going to hit us, I didn’t think I’d have the capacity to handle demand, with everyone working remotely, or because some people would get sick.”

“ Turns out, I didn’t have that lack of capacity for the reasons I anticipated,” he added. “I did lose capacity in nontraditional ways, because employees needed to take care of their families or because they just needed to take a break.”

Automation reduced the burden of mundane, repetitive work, Robison said. “This made the service people’s lives better because now they could focus on difficult issues, which is the reason they got into this business.”

Paul von Zielbauer is a managing editor of Workflow.
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Issue Contributors

Lara Caimi
Lara Caimi is chief customer and partner officer at ServiceNow. She guest edited the Customer Issue of Workflow Quarterly.

Jeffrey Davis
Jeffrey Davis, a founding editor of Business 2.0 magazine and former executive editor at CBS Interactive, writes frequently about technology and business.

Riva Froymovich
Riva Froymovich is the editor of Workflow Quarterly. She manages a research and digital publishing program at ServiceNow. A former journalist and author, she has reported for The Wall Street Journal, CNBC, and other outlets.

Christine Kent
Christine Kent is a San Francisco Bay Area-based writer who covers technology and security.

Paul Hardy
Paul Hardy is an executive strategist in the Chief Innovation Office at ServiceNow.

Richard McGill Murphy
Richard McGill Murphy is the editor in chief of Workflow. A journalist and social anthropologist by background, he runs a research and publishing program at ServiceNow that studies how emerging technologies are shaping the future of work.

Howard Rabinowitz
Howard Rabinowitz is a business and technology writer based in West Palm Beach, Fla.

Paul von Zielbauer
Paul von Zielbauer is a managing editor of Workflow.
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