Total Experience
How digital workflows empower customers and employees

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Welcome to the Total Experience Issue

Historically, most companies have treated employee and customer experience as separate challenges, managed in different departments across the organization. Customer experience (Cx) has generally gotten more attention than employee experience (Ex) because customers provide the revenue that keeps companies in business. Yet it seems obvious that happier, more productive employees will in turn deliver better experiences for customers, benefitting the bottom line. Empirical research supports this hypothesis. For example, a 2017 MIT study found companies in the top quartile for Ex delivered twice the innovation, double the customer satisfaction, and 25% greater profitability compared to companies in the bottom quartile.

What can organizations achieve when customer and employee experiences are connected with seamless, consumer-grade tech that breaks down departmental silos, allowing work to flow smoothly across the organization? “We know the covid-19 pandemic was a forcing function for digital transformation in general, because thousands of companies suddenly had to rely on digital platforms to provide holistic Ex and Cx solutions. According to one survey respondent: “Businesses cannot continue to operate in silos, especially after the pandemic. Organizations were forced to work remotely, become more mobile and virtual, and hence needed to think and plan differently.”

Our research showed that U.S. companies are furthest ahead in terms of digital experience maturity. About 26% of them ranked as digital experience leaders, versus 19% of European firms and 17% of companies in Asia.

Financial services companies produced the highest proportion of digital experience leaders (31%), compared to 21% of public sector organizations and 17% of both manufacturing firms and telecoms. Healthcare produced the lowest number of leaders (5%).

Larger firms with bigger IT budgets tended to be more digitally mature than smaller companies. Thirty-three percent of firms with revenues of at least $5 billion were leaders, compared with 10% of firms with revenues below $1 billion, the smallest category.

COVID-19 clearly affected how our respondents thought about the value of using digital platforms to provide holistic Ex and Cx solutions. According to one survey respondent: “Companies need to move to total experience to establish trust and open communication with their clients, users, and employees. It is important to stay on top of all the touch points for delivering better experiences and staying in business.”

Another respondent said: “Companies need to define total experience and understand how it works, and that it helps you create better digital experiences for your own employees and customers.”

Digital platforms are a prerequisite for driving total experience, because they enable smart digital workflows that connect front, middle, and back-office functions. More than half of companies and four of the five industries in our survey said their top priority was modernizing digital platforms. Over the next year or two, executives also plan to drive total experience by hiring more talent, providing them with the right digital tools, integrating Ex and Cx further, and including employees in total experience design.

I hope you enjoy the Total Experience Issue, and that it helps you create better digital experiences for your own employees and customers.
The race is on to master digital experience... Companies expect to accelerate progress over the next two years in digital CX and EX

... as companies seek big payoffs Experience leaders are seeing a variety of strategic benefits in both camps

By Evan Ramzipoor

Top benefits of total experience Merging CX and EX efforts helps companies maximize returns
The Rise of experience management

Why it makes sense to manage CX and EX as a unified discipline

By Laura Rich
Randy Clapp faced a vexing management problem. The retention rate at his call center service was consistently dismal, as was the company’s customer satisfaction scores. But improving employee and customer metrics was critical to retaining the company’s large travel and telecom clients.

The solution, says Clapp, the chief revenue officer for Advantage Communications, was to recognize the two problems as symbiotic: Improving the employee experience for call center agents would lead to a better experience for callers; as customers’ experiences with the service improved, morale and job satisfaction among Advantage’s staff would rise.

Advantage Communications is not alone. Many companies are finding that as they convert more manual processes into digital ones, customer experience (CX) and employee experience (EX) depend on one another to succeed.

As EX and CX teams collaborate more and combine skills and resources, a new strategic discipline, called experience management, is emerging.

With the help of new digital tools, merging an organization’s EX and CX efforts can help raise employee performance and increase customer loyalty, according to recent studies. The combination forces more data sharing between teams—something many companies do poorly—and can help boost revenue, growth, and profit.

Executives at companies whose CX and EX performance measures were “significantly above average” said their companies beat competitors in revenue and employee retention, according to a recent survey from Qualtrics, a consultancy focused on experience management.

“We’ve looked at and recognized the experience customers are having,” says Aimee Lucas, principal analyst at Qualtrics. “Their satisfaction comes from the employee—the ones delivering it directly, but also those involved in the design of the product or service.”

Building agents’ confidence

At Advantage, Clapp found the solution to his experience-management problem in the very place where employee and customer meet: in the calls.

First, Clapp’s team used natural-language processing tools to evaluate calls’ literal and emotional content. They found that the chief difference between more and less successful calls was the agent’s level of confidence.

“A really good performing agent just feels better and better the more they have successful calls,” Clapp says. “One bad call after another, your psyche gets damaged.”

To improve agents’ confidence, Advantage added software that would listen in and provide...
Now, agents feel great about their work, and customers get what they’re calling for.”

RANDY CLAPP, CHIEF REVENUE OFFICER, ADVANTAGE COMMUNICATIONS

“Now, agents feel great about their work, and customers get what they’re calling for,” says Randy Clapp, Chief Revenue Officer, Advantage Communications. "Experience management is still in its early stages, and a clear set of best practices have yet to emerge. But the examples of a few early adopters provide some insight into how companies are navigating the process."

Clapp. After a three-month test of the new approach, the company went from completely turning over its staff of agents to an attrition rate of 20%. A key customer satisfaction measure increased 20%.

Companies that made CX a top priority from the C-suite to the front lines, according to McKinsey research, saw gains of up to 20% in both customer satisfaction and employee engagement. Their customer service costs also fell by as much as 20%.

“The way employees experience work has become more important than ever before,” says Chris Pope, global VP of innovation for ServiceNow. “This is critical for how organizations transform, adapt, disrupt, and stay relevant.”

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The emergence of XM

Digital technology and supporting expertise are needed to make the transition from specialized CX and EX teams into a uniform XM practice. For example, tools that can detect emotion and interpret unstructured data in speech and text can be combined with predictive models that make sense of the data, and then that information can be presented in a usable form at the moment the employee needs it, as in the Advantage call center.

Experience management is still in its early stages, and a clear set of best practices have yet to emerge. But the examples of a few early adopters provide some insight into how companies are navigating the process.

Carolyn Galvin, Nuance’s director of market and competitive intelligence, focuses most of her time on customer experience, measuring consumer loyalty with such metrics as net promoter scores. Early in her tenure, she connected with her EX counterpart to share strategies and best practices for getting feedback in both camps.

Galvin noticed a symbiotic relationship between the two feedback loops. Employees on the front lines are usually the first to notice issues that arise with customers, Galvin says, while customers who interact with engaged employees generally have better overall experiences with a brand.

Potential problem areas “tend to be reflected in both communities,” she says. “If we empower employees with data and insights that helps them address potential problems quickly, we can nip the problems in the bud.”

Galvin and her EX counterpart have discussed developing a shared dashboard for visibility into both areas. Once the dashboard is set up, Galvin says, it might include information about employees’ roles, tenure, region, and department. The information could be matched with net promoter scores or other customer metrics that rate their ease of doing business. Managers could also view teams’ trend lines, where they diverge and where they come together.

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Building an XM team

Setting up an experience-management practice can mean re-drawing lines in the org chart, but it doesn’t necessarily have to. XM structures can come in a variety of forms and can be run by different executives. At Starwood Hotels, Jeff Cava, the company’s former chief human resources manager, introduced an early form of experience management shortly after he joined the company in 2008 and had XM teams report to him. (Cava left Starwood in 2016 and now is a senior external adviser at McKinsey.) Cava recruited the support of the CEO, set up a “guest experience index” that integrated customer and employee data and showed the impact of both, and established incentives among both teams to keep the index high.

Still, experts say a chief experience officer who heads up both CX and EX could more neatly align the two organizations. “Designating a chief experience officer can serve as a powerful signal to the organization about how important XM is,” Lucas says.

Adobe, for example, installed an executive with specific XM responsibilities. Donna Morris, the company’s former executive VP of customer and employee experience, focused on aligning the two sides through feedback, metrics, and incentives among both teams, with a focus on engagement and retention, attraction, and development.

Assigning a single chief of XM can help keep both teams focused on the same strategy and meeting the same standards, says Isabelle Zdanny, XM analyst at Qualtrics, and “can influence how employees think and act to align with the company’s XM vision.”

Adds Lucas, the Qualtrics analyst: “Start with small, double things in places where there are natural connections and teams are open to doing it. Get those success stories and make the organization accountable.”
Low-code tools empower employees to create better experiences for customers and themselves

By Chris Bedi
When I was starting my career in tech, software development was the preserve of skilled engineers.

That paradigm is rapidly becoming obsolete, thanks to the rise of low-code development tools that allow citizen developers, with little or no coding experience, to create powerful apps using prebuilt templates and intuitive, drag-and-drop interfaces.

The rapid advance of low-code tools is happening at a critical moment. To stay competitive in the digital economy, companies are under pressure to create intuitive, consumer-like apps and experiences for their employees and customers. Doing so requires pervasive automation throughout the enterprise, touching every process, department, and team.

Problem is, there aren’t nearly enough pro developers in the talent marketplace to automate all those processes and design those experiences. That’s one reason why Gartner predicts low-code tools will account for 65% of all software development by 2024.

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Using empathy to design great experiences

Human-centered design helps organizations deliver high-quality experiences faster than ever before.

By Gregg Aldana
Until recently, however, putting it into practice required big-budget assistance from design firms like IDEO to conduct user research and lead design and development.

Today, the tables have been flipped. Gone are the days of lengthy requirement gathering and waterfall software development cycles. Low-code app development, paired with human-centered design and digital workflow platforms, are helping companies reimagine how they can create better experiences for employees and customers.

Traditional software development has historically focused on system owners. By contrast, human-centered design is about using empathy to address the specific pain points of end users. This is critical in delivering great experiences, and requires ideating and co-creating solutions directly with end users in an interactive manner.

Low-code application development platforms are ideal for that challenge, because they allow for the rapid design, development, and delivery of new digital experiences that address those pain points. Projects that once took months or years can be completed in hours and days. The marketplace for low-code technologies and tools reached $10.6 billion in 2020, according to Gartner. And a global survey by ESI ThoughtLab showed that 67% of large enterprises have already made progress with low-code software development.

Here are three examples of how this powerful tandem is creating innovative digital experiences on the fly. All were motivated by the need to achieve new business outcomes by improving the user experience—quickly and at scale.

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**Giving retail employees a new ‘open door’**

When one major global retailer got its start in the 1950s, it created an “open door” policy for worker feedback. Any employee could approach senior managers with a problem or concern.

That was a manageable policy for several decades, but it’s become untenable today with more than 2 million employees worldwide who rely heavily on digital technology. Until recently, 18,000 employee emails would pile up in the CEO’s inbox each month. Many ideas and concerns went unaddressed. Employee engagement and satisfaction levels were low; turnover was high.

To address these problems, the retailer ran a series of design-thinking sprints with corporate and retail employees. The challenge was to figure out how to deliver on the original “open door” promise using digital experiences that would resonate with employees.

The sprints yielded the idea of a new online portal, through which all employees could enter ideas or concerns on any device. Retail employees who lacked corporate email ac-
In March 2020, at the onset of the COVID-19 crisis, Los Angeles officials were in dire need of a digital tool that city residents could use to schedule drive-up COVID tests. The mayor mandated that the new platform be rolled out within days. The solution needed to prioritize at-risk groups and scheduling capacity at specific locations. The process needed to be as painless and friendly as possible for citizens.

Over the course of a weekend, officials completed a human-centered design sprint, and a development team used a low-code platform to build a test-scheduling app. Within 36 hours, it was available to millions of LA residents. Each example illustrates how human-centered design thinking and low-code development are helping organizations deliver high-quality experiences faster than ever before. That’s good news for CIOs, who must increasingly deliver genuine, consumer-grade experiences to stay in the game.

Los Angeles officials used human-centered design and low-code tools for its COVID-19 response. Here, the mass vaccination site at Dodger Stadium—one of the largest in the country.

“Traditional software development has historically focused on system owners. By contrast, human-centered design is about using empathy to address the specific pain points of end users.”
Can GPT-3 reinvent customer experience?

A powerful new machine learning tool makes it possible to deliver more detailed, realistic content for customer-facing applications

By Christopher Null
A new artificial intelligence model for creating text promises to give companies a powerful tool for improving customer experience.

Last June, OpenAI, a San Francisco-based nonprofit, released the world’s most powerful natural language processing software to date. Known as GPT-3, it can automatically complete a statement, respond to questions, or generate lines of code based on a few simple commands, and can do so with more human-like realism than any previous AI-based language program.

The technology isn’t available to the wider public, and commercial applications are limited. Still, developers have used the model’s API to produce more than 300 applications, including tools to help gather material for legal briefs or create simple websites. Experts predict that GPT-3 apps (the name stands for Generative Pre-trained Transformer 3) could enhance a wide range of documents to producing marketing materials.

Developers have used the model’s API to produce more than 300 business applications.

Early days

To be sure, no one is hailing GPT-3 as a panacea for complex customer-service challenges. By itself, GPT-3 isn’t ready to handle real-life queries, according to customer-service practitioners. It is also unable to read between the lines when a customer phrases a question imperfectly, and will respond with bland, generic answers instead of something more helpful.

The technology isn’t just for chatbots. At Resemble.ai, a producer of synthetic voices, GPT-3 is being used to create vocal interactions for video games or voice-response systems.

“I think GPT-3 will have a significant and lasting impact on NLU [natural language understanding] technologies,” says Bryan Healey, CTO of Aiera, a company that produces financial-news digests. “But we’re still in early days for this technology.”

Chatbots are a natural place to showcase GPT-3’s abilities, mining a company’s knowledge base and providing human customer-service agents with bespoke answers instead of canned, pre-written dialogue. Its responses can be far more relevant and realistic-sounding than those from previous NLU technologies. For example, check out the italicized paragraphs of this blog post, which were written by a GPT-3 bot in response to the previous paragraphs, written by people.

This could, in theory, allow our users to be more abstract with their searching,” Healey says.

OpenAI has licensed the technology to Microsoft, which plans to make its features available through the company’s Azure cloud-computing platform. Its first product, to be available for preview in late June, is aimed at citizen developers who create software programs without the need for deep programming skills.

Microsoft is integrating GPT-3 in its low-code development software, which citizen developers can use to create business applications using plain-language prompts instead of formal programming languages. For instance, an analyst for a cement company could type “show all invoices from corporate-earnings calls.” While this normally requires hiring voice actors to record every conceivable situation, Resemble’s AI can create responses on the fly. Game players can have conversations with characters that don’t rely on pre-recorded dialogue, providing a much more satisfying experience.

GPT-3, which works like a super-powered version of Google’s text-prediction algorithm, can also be used to improve users’ search experience. At Aiera, based in New York, Healey has experimented with the model’s ability to provide summaries of news releases and the highlights of every story written about the company’s products.

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“Early days

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High-quality digital experiences aren’t just for customers
By Daniel Terdiman

Getting started with employee experience design
During a project to improve employee experience, a technology services company with more than 350,000 employees discovered that many were struggling with an outdated online performance-management system. Human resources managers asked workers for ideas on how to fix it.

Suggestions poured in. The customer experience management researcher at Qualtrics XM Institute who studied the project.

The result was a new process that replaced periodic performance reviews with continuous employee feedback, and the employees loved it. Further validation came about a year later, when employee-engagement scores jumped by 20%, says Isabelle Zdatny, an experience management researcher at Qualtrics XM Institute who wrote the article. The project is an example of experience design—developing digital tools and processes to improve engagement with customers, employees, and other groups. The practice, which is growing rapidly, is being used by companies around the world. Zdatny says that companies need to differentiate their offerings and that the process is not just about improving employee satisfaction, but also about improving customer satisfaction.

The pandemic added a renewed sense of urgency as remote work made employees even more reliant on their digital tools. This has led companies to work even harder to master the discipline of experience design.

A complex discipline

Experience design is complex, but fortunately companies have several options for providing well-designed apps and tools for employees:

- Take advantage of existing digital tools. One option is to turn to off-the-shelf applications with advanced design features built in. For example, as post-pandemic work goes hybrid, digital tools are acutely needed that address remote work’s asynchronous nature—such as the delay between emailing and getting a response. One such tool, Twist, helps keep multiple online-discussion threads organized and easy to navigate.

- Get employees involved in creating consumer-like work apps. Companies can also custom-design tools that adapt the best features of consumer apps to workplace tasks. Cisco Systems has held hackathons to mine ideas for improving its HR systems; one such event generated more than 150 improvements, including a concierge system to help new employees navigate their first days on the job.

- Lean into low code. Other organizations are pairing design-thinking techniques and low-code app development. Design teams at ServiceNow recently helped a major retailer create an online portal to replace its decades-old practice of in-person employee feedback. Workers can submit their concerns to managers through the portal and are guaranteed a response within 36 hours. The project went from ideation to launch within three weeks.

- Avoid a one-size-fits-all mindset. Different functional groups can have different experience-design needs, Zdatny says, and those needs need to be well defined. New hires and 20-year veterans will want different things from their digital experiences. Similarly, experiences also have to be designed to meet different priorities.

If the goal is employee retention, for example, experiences need to differentiate your company from the competition. One guaranteed strategy for improving employee experiences is to keep open a feedback loop. Online surveys about workers’ concerns, for instance, can keep companies apprised of what’s important to their people, who are, after all, their most important asset.
Roundtable: 3 strategies for building digital EX expertise

Creating great digital experiences for employees requires multiple strategies and capabilities, including tight collaboration between IT and HR, efficient feedback channels for employees, and investments in workflow automation, to name a few. We asked several enterprise technology leaders what organizations should focus on to build their expertise in this critical new discipline.

“Start small, and with an Agile mindset.”

I see two common obstacles when it comes to digitizing and improving employee experience. The first is the tendency to try to perfect the first time, which can send organizations down a path of never-ending development cycles without really solving anything. The second is not thinking comprehensively or strategically enough. Companies need to adopt an agile and iterative mindset when redesigning employee experiences. Get the first version of your experience solution out as quickly as possible. Test it. Improve it based on feedback. Then repeat the cycle, as necessary.

Also, recognize that attempting to solve employee experience issues in one fell swoop isn’t realistic. You’ll be much better off starting with the most critical pain points and then addressing other projects over time as part of a strategic plan.

Josh Bersin
INDUSTRY ANALYST AND DEAN
JOSH BERSIN ACADEMY

“Get good at experience design.”

Too often, companies forget the key part of digitizing employee experiences: great design. Typically, they’ll apply process and technology skills to develop self-service applications and workflows. They will look great on flow charts, and the apps may gain initial adoption by pushing employees to use them, but it doesn’t always work.

When applications are poorly designed, employees either stop using them or end up so confused they do not use them appropriately. When digitizing employee experiences, companies need to apply the same design rigor they would with any important customer interaction. Employees don’t need to love every experience, but every experience should be easy to navigate, easy to understand, and clearly configured to help employees achieve their goals.

Bruce Temkin
HEAD OF QUALITICS
JSQ INSTITUTE

“Target processes that cause the most friction and frustration.”

To create great employee experiences, it’s important for user experience teams to take a close look at the processes and systems at work that create the most friction, frustration, and tedium for employees. Frequently these are processes and workflows created by allied teams and systems that create unnecessary complexity and a lack of transparency for the employee trying to complete a task.

To create great experiences for employees, these journeys must be connected across systems, offering employees a single destination to resolve issues or get information, with heightened efficiencies powered by automation and AI, to reduce tedium and frustration, and enable employees to focus the majority of their time on their creative, collaborative, and intellectual work.

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Fuel business agility and resilience

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