KRONOS®

Competing in an Era of Choice

> **How combining a thoughtful employee experience strategy with powerful HR technology can give your organization a competitive edge**

In today's complex workplace, employers are struggling to attract, retain, and engage talent with the skill sets required to meet their strategic objectives. At the same time, employees are looking for alternative work arrangements, flexible hours, more control over their time, and a consumer-like work experience.

The current job market favors job seekers, meaning employees can choose where they want to work and how they want to spend their time — and they're being highly selective. Employees' ability to call the shots has become a new source of competition for employers, forcing them to think differently about the experience they're offering to potential candidates and current employees alike.

This ebook explores how organizations can use their HR systems and technologies to meet their "people" goals — and demonstrate that the things their candidates and employees value most have been thoughtfully incorporated into the work experience — including attracting the right candidates, developing and retaining top talent, and driving engagement and productivity along the way.
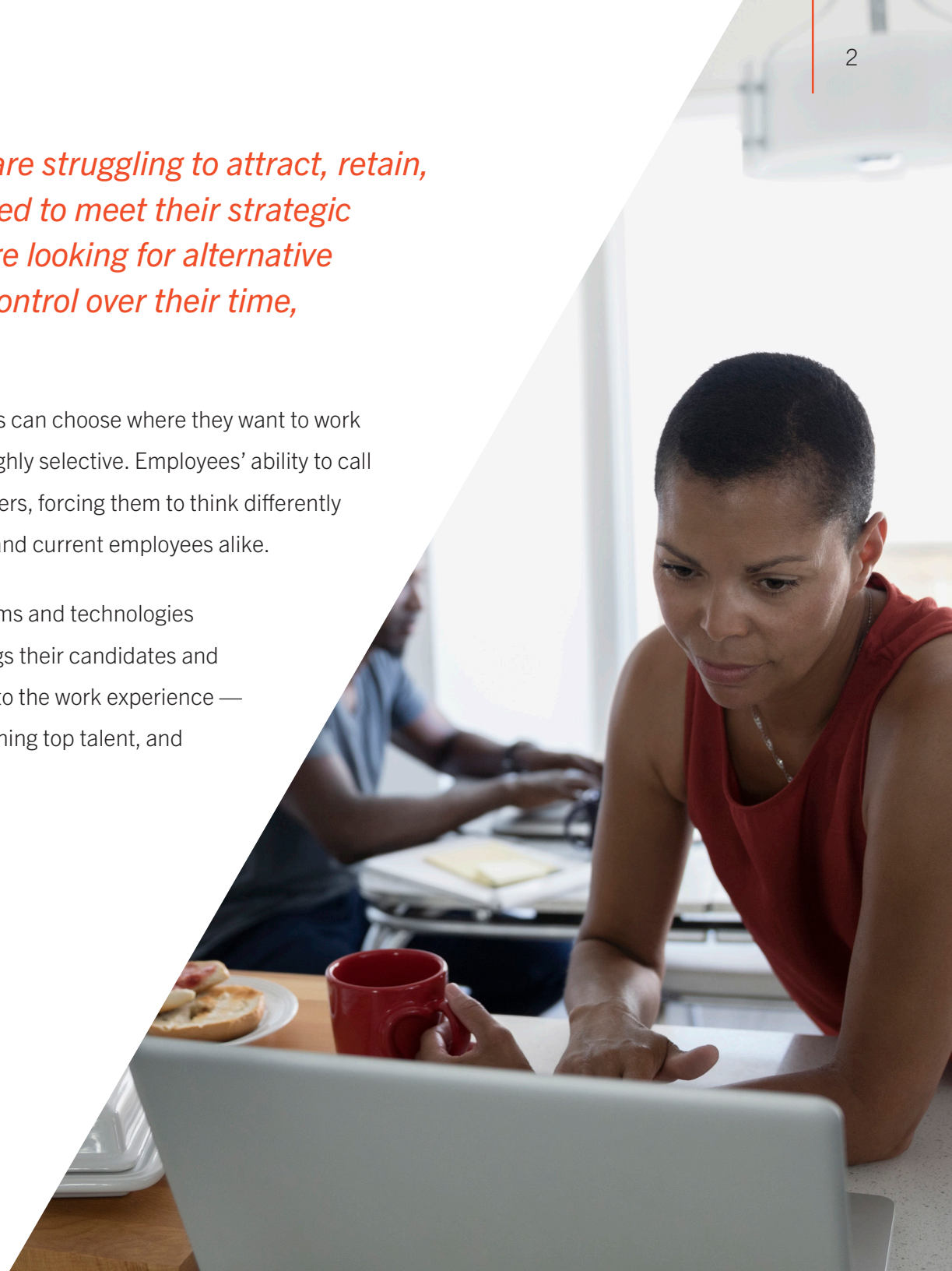
Competing with Choice in Today's Environment

There's no greater disruptor to the status quo than the choice employees now have regarding where they want to work and how they want to spend their time. The fact is, employers and business leaders are being faced with dynamic forces impacting the work they're trying to do, including adapting to changing demographics in the workplace, staying ahead of increasingly sophisticated customers, and attempting to achieve business goals despite a shortage of skilled employees.

Sure, your longtime industry rival or the company down the street with that shiny new office is still your competition, but at a time when unemployment rates are at an all-time low and, according to the latest JOLTS results, job openings have climbed to an all-time high of 6.7 million,[1] employees have more control over for whom they choose to work. For employers, there's no greater competition today than the freedom of choice your current and potential employees can exercise.

The fact is, your employees can choose to stay in their current role, stay with the organization but look for a new role, find a job with another organization, find alternative work arrangements and take on more entrepreneurial ventures, or decide to continue their education. These options represent new sources of competition for recruiters, managers, and team leads.

As an employer, your challenge is to keep the employees you have and cut through the clutter to get potential employees to choose your organization as the place they most want to work. How do you do that? Start by thinking about the value proposition you're offering to employees and how you can shape their experience at work. Because the type of experience you offer can set you apart from the pack — and keep the people side of your business flourishing.

In other words: To evolve and remain competitive, organizations must start thinking about the experience they're offering to employees.

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1 https://www.cnbc.com/2018/06/05/there-are-more-jobs-than-people-out-of-work.html
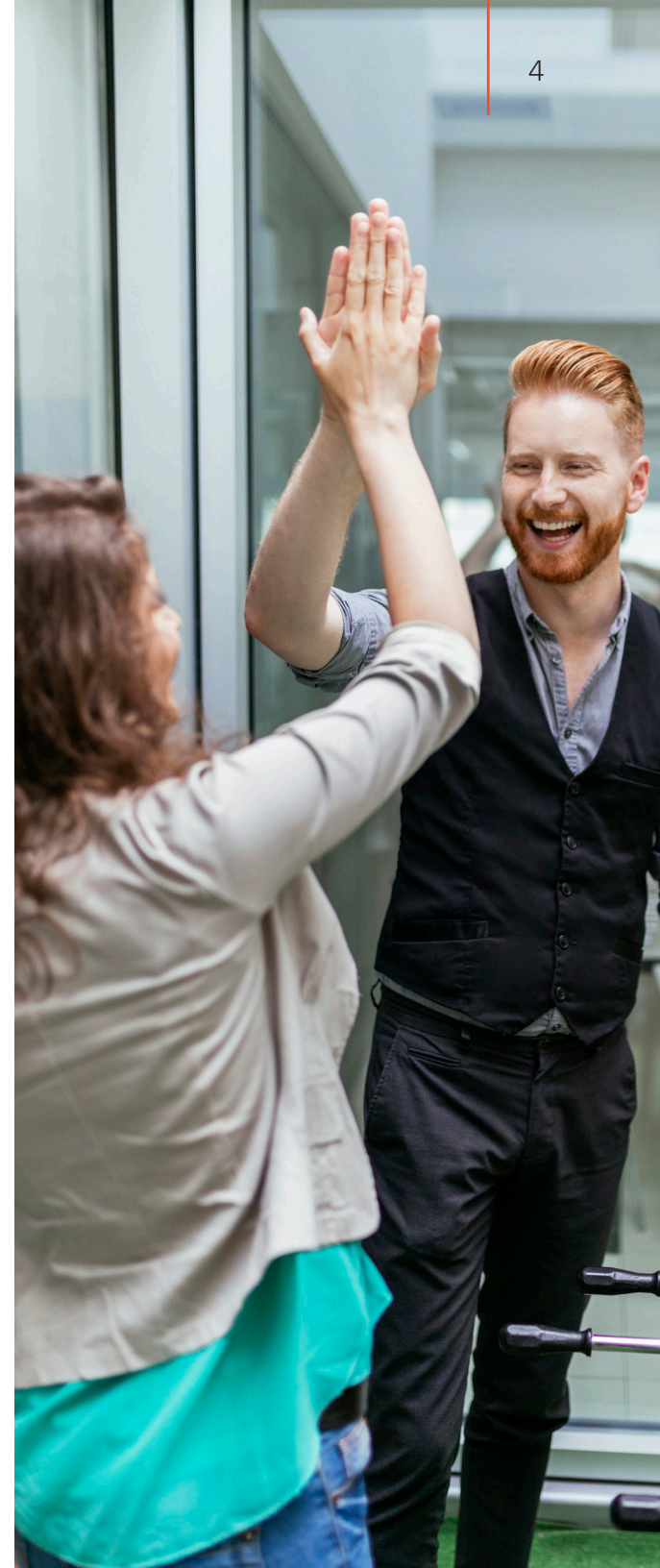
The Rise of the Employee Experience

Most employers have spent a significant amount of time focused on employee engagement in their organizations, based on the understanding that organizations with more engaged employees typically outperform those without engaged employees. Historically, concerns around engagement have been addressed with one-off solutions or initiatives designed to target a specific area of the business and solve for identified employee concerns. That trend has shifted in the past few years, challenging employers to think more holistically about the experience they offer to their employees — expanding beyond learning and development, employee engagement initiatives, corporate culture work, and wellness programs.

80 percent of executives rated employee experience very important (42 percent) or important (38 percent), but only 22 percent reported that their companies were excellent at building a differentiated employee experience.[2]

The employee experience can be defined as "the intersection of employee expectations, needs, and wants and the organizational design of those expectations, needs, and wants."[3] Focusing on the employee experience is a competitive advantage to any organization that chooses to do so.

2 Deloitte 2017 Global Human Capital Trends Study, https://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/central-europe/ce-global-human-capital-trends.pdf

3 https://www.inc.com/jacob-morgan/whats-the-difference-between-employee-engagement-a.html

The Convergence of Expectations

In addition to the candidate-driven job market we're in, there's another trend impacting organizations' ability to effectively attract and retain employees, and that is the consumerization of the employment experience. That means our expectations as consumers are now influencing our expectations as employees. As consumers, we decide who we're going to buy our goods and services from — and if we have a negative experience, we're unlikely to spend our time or money on those goods or services again. However, if we have a positive experience, we extend our customer loyalty to the organization responsible.

It's pretty easy to articulate what makes a negative experience: poor customer service, bad quality, not following through on commitments, a lack of convenience — the list goes on. But what is it that makes a positive experience?

To stay competitive and drive business growth, organizations must take the time to think strategically about the experience they want to offer their entire workforce — and define the approach that's needed to put that strategy to work.

In other words: It's time to start thinking of your employees as consumers.

What makes a consumer experience compelling?

1. PERSONALIZED
Taps into an emotion that makes it feel unique to the individual

2. TRANSPARENT
Provides a full view of the purchasing experience

3. AVAILABLE IN REAL TIME
Provides products and services that are made to feel available on demand, right there in the moment needed

4. TECHNOLOGY-ENABLED
Offers easy, user-friendly access to buy products or services via a mobile device

Understand the Moments That Matter

To effectively design an employee experience that meets the expectations of your workforce, you first must understand the moments employees value most. The way an organization handles these moments will shape employees' views of the organization and can significantly influence how they will contribute to the organization.

As you can see in our employee experience checklist to the right, there are many points of influence. And while all of these moments contribute to the employee experience, the good news for employers is that each of them can be supported by the right technology.

What Does Your Employee Experience Look Like?

Are you focusing on the moments that matter? Use this checklist to reaffirm the parts of the employee experience that are most important to your current and prospective employees.

	What's Important	Currently Doing
Offering a simple, online job application process	☐	☐
Providing a timely, respectful, and gracious interview process	☐	☐
Presenting a job offer with a small gift or gesture to let candidates know you're excited about bringing them onboard	☐	☐
Providing a well-planned-out first day on the job	☐	☐
Making benefits enrollment as simple as possible	☐	☐
Giving new employees advance access to their schedules	☐	☐
Providing an accurate and timely first paycheck	☐	☐
Setting goals and tracking activities to determine progress	☐	☐
Making it easy to change or update personal information as life events take place	☐	☐
Giving real-time transparent feedback in a positive way	☐	☐
Providing performance reviews that add value to employees' experience	☐	☐
Creating a sense of transparency and empowerment by giving employees the tools to request time off with complete visibility	☐	☐
Providing employees with opportunities to learn and develop new skills	☐	☐
Making it easy for employees to refer other potential employees	☐	☐
Clearly communicating career paths and opportunities to employees	☐	☐

Own the Employee Experience Throughout Its Lifecycle

Organizations must now think about the experience they're offering at every point in the employee lifecycle. If most of HR's time and energy are spent on the recruiting and onboarding process, with relatively little time spent on engagement and retention strategies, what kind of experience are you really offering to current employees? And if you set experience expectations at the beginning of their employment lifecycle, you must live up to those expectations both 90 days and one year down the road. There is no single thing you can do to set your organization apart and make employees choose to work for you. Employees want you to have a well-rounded strategy that demonstrates you understand their needs and wants throughout that lifecycle.

RECRUITING

Are you providing your candidates with a modern application experience that makes applying for jobs easy and accessible?

66% of job seekers will wait less than two weeks to hear back from an employer before moving on.[4]

Without transparency about their status, potential employees will quickly gravitate to another opportunity.

72% of job seekers have shared their thoughts online after a poor application experience.[5]

Applicants visit sites like Glassdoor.com to see if an organization is a good fit for them based on what prospective, current, and past employees have to say.

4 Career Builder's Candidate Behavior Study, https://resources.careerbuilder.com/recruiting-solutions/66-of-candidates-wait-less-than-2-weeks-before-moving-on

5 Future Workplace and CareerArc Candidate Experience Study, http://www.careerarc.com/blog/2016/06/candidate-experience-study-infographic/

HIRING

What is the onboarding experience on the first day of a new job? After 30, 60, 90 days? Are you using pre-boarding?

> **At least 40% or more of employee turnover happens within the first month,** and another 10% happens before an employee's first anniversary.[6]

Bridging the gap between the candidate experience and the employee experience through your onboarding efforts can help reduce high turnover rates.

MANAGING

Do your managers have the information they need at their fingertips to manage the day-to-day and more informed business decisions?

> **58% of respondents say their companies base at least half of their regular business decisions on gut feel or experience** rather than being driven by data and information.[7]

6 Equifax Workforce Solutions: https://www.fastcompany.com/3059585/what-to-do-during-your-employees-first-week-to-avoid-losing-them

7 https://bi-survey.com/data-driven-decision-making-business

PAYING

Are your payroll processes set up to produce the perfect paycheck accurately, on time, every time?

49% of employees say they will leave a company after their paycheck is wrong more than twice.[8]

Making sure hours worked, pay rate, exemptions, tax deductions, and benefit deductions are current contributes to the employee experience.

RETAINING

Are managers able to have ongoing performance conversations with employees? Do you have succession plans in place?

Only 1 in 5 employees strongly agrees that the way they are managed motivates them.[9]

The manager-employee relationship is key to talent retention — ensuring your managers have the tools they need to develop relationships with their employees that ultimately drive engagement and performance.

8 Workforce Institute at Kronos, Engaging Employees Through Payroll Survey, https://www.kronos.com/about-us/newsroom/payroll-problems-may-undermine-employee-experience-finds-workforce-institute

9 https://news.gallup.com/opinion/gallup/224342/performance-measures-motivate-madden-employees.aspx

Take an Employee-Centric Approach to Design

It's imperative that organizations keep their employees' needs front and center so they're designing experiences that will impact the choices employees make. They should also note that the elements that create a compelling consumer experience also impact the employee experience. For example:

PERSONALIZED

Take the time to understand employee needs, pain points, and what's important to them personally and professionally.

TRANSPARENT

Make employees part of the discussion. Let them provide input, and give them visibility into the business and its processes so they understand the why, not just the what and how.

AVAILABLE IN REAL TIME

Make speed, efficiency, and timeliness a priority so the little things don't get in the way of employees focusing on what really matters for their role.

TECHNOLOGY-ENABLED

Use technology to its fullest to provide the level of self-service your employees are looking for. Employee experiences can't be created in a vacuum.

59% of organizations believe their employee-facing technology has a significant influence on a candidate's decision to join.[10]

Impact Their Choice with Technology

Your people are your organization's most valuable asset. Today, business success starts with thinking more strategically about attracting, managing, engaging, and retaining your workforce, and leveraging the right technology to effectively execute a holistic employee experience.

Creating an effective employee experience can be broken down into three simple steps:

1 **KEEP EMPLOYEE NEEDS TOP OF MIND**

2 **DEFINE WHAT KIND OF EXPERIENCE YOU WANT TO OFFER**

3 **ALIGN YOUR TECHNOLOGY WITH THE EXPERIENCE**

Make sure your strategy and technology work together to meet the needs of your workforce. The right technology, when aligned with a carefully crafted workforce strategy, can help persuade employees to work for — or remain with — your organization and put you on the path to increased efficiency, higher employee engagement, and improved business performance.

For more information, visit
kronos.com/hcm.

ABOUT KRONOS

Kronos is a leading provider of workforce management and human capital management cloud solutions. Kronos industry-centric workforce applications are purpose-built for businesses, healthcare providers, educational institutions, nonprofits, and government agencies of all sizes. Tens of thousands of organizations — including half of the Fortune 1000® — and more than 40 million people in over 100 countries use Kronos every day. Visit www.kronos.com. **Kronos: Workforce Innovation That Works™.**

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