

an·thro·lytics

How Employee Experience
drives the Customer Experience
and fuels business growth

By way of introduction

Chief Strategy Officer at Anthrolytics and inventor of Predictive Behavioural Analytics



44+ years of experience

Experience Management

- Customer Experience
- Employee Experience
- Supplier Experience

Combining **data science + behavioural science** to:

- understand why people do what they do,
- what they are likely to do next and why,
- how organisations should best respond

The relationship between Employee Experience, Customer Experience and the Bottom Line

The staffing crisis hits the bottom line

Both directly (e.g., higher costs) and indirectly (e.g., falling satisfaction)

Changes in where work happens is having an impact on the employee experience

Dissatisfied employees are more likely to be less productive, take time off, or to resign

Constant staff turnover impacts the ability of all employees to deliver a good customer experience

Disappointed customers are less loyal, spend less, and more likely to talk negatively about the brand

Increasing employee costs & falling revenues = pressure on the bottom line

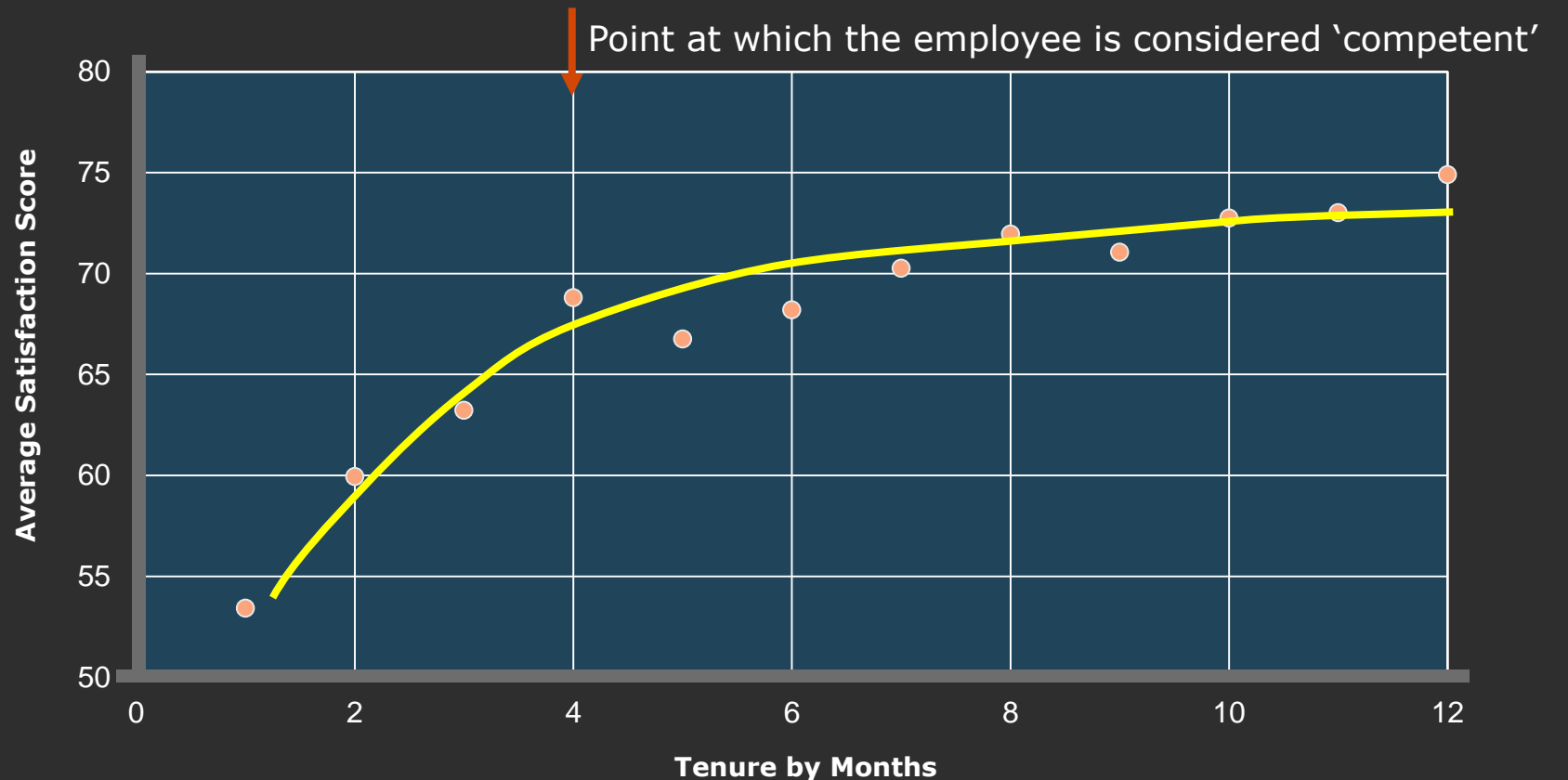


For example, satisfaction is often a function of tenure

The more experienced an employee, the better the satisfaction score

Customer satisfaction is a function of motivation, skill and experience

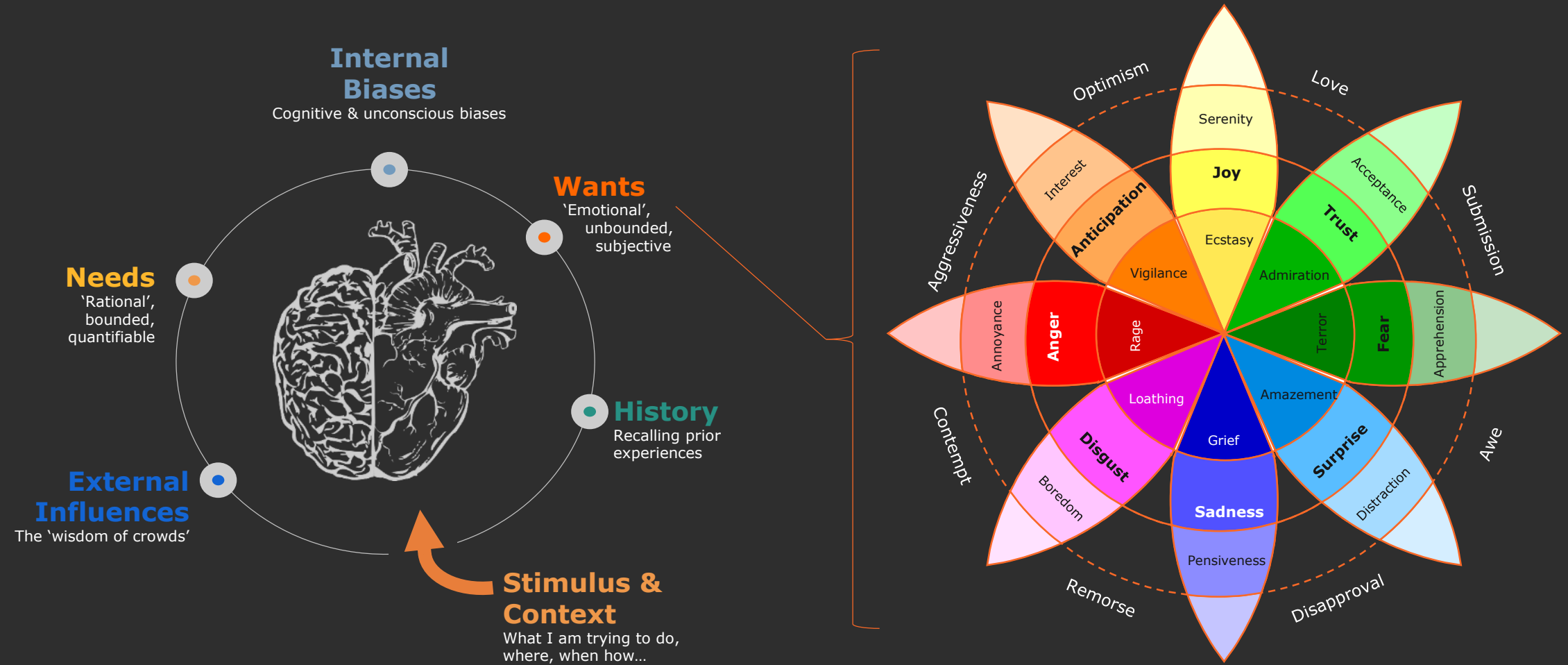
However, the impact of tenure reduces in absolute terms once core proficiency has been reached



What employees value now

How people make decisions

A lot of our expectations and decision making is based on our prior experience and current emotions



Emotions, Moments that Matter & Moments of Truth

My definitions

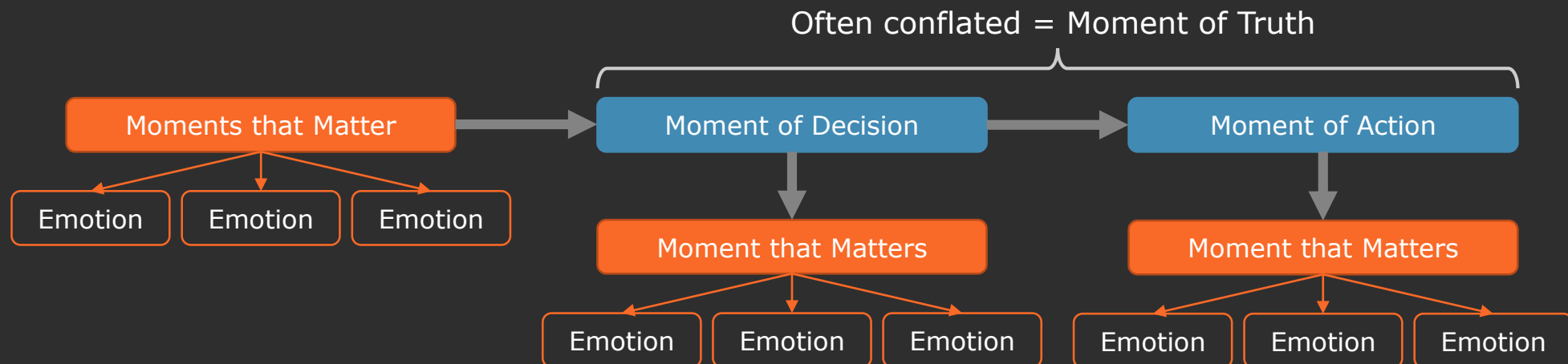
Moment that Matters

Any event or interaction that generates significant levels of emotion (that can be detected)

Moment of Truth

An important time when a person must make a decision quickly, and whatever they decide will have important consequences in the future.

- Collins English Dictionary



Example employee motivators

Once the 'hygiene' is taken care of, employee motivators are mostly psychological / emotional

Sense of purpose / mission

Knowing that what they are doing is worthwhile and making a difference

Shared values

Alignment between 'saying and doing' – part of the framework for making decisions

Having realistic goals

SMARTER, aligned to values, regularly reviewed with feedback

Recognition

That is contextual, relevant, and rewarding

Getting meaningful feedback

Constructive criticism to enhance future performance

Appropriate management

Empathetic, coaching for performance against goals

Empowerment & agency

Having some autonomy and authority with the responsibility

Psychological Safety

Diversity of thought, and to ask for help without fear

Equal and fair treatment

Equality of opportunity and treated like peers

Pay and benefits

Properly compensated for their work

Hiring, training, motivating, and retaining employees

What is 'employee experience'?

Employee Experience is...

...the sum of all observations, encounters and feelings that an employee has before, during and after their engagement with an employing organisation and across all touchpoints

The employee lifecycle

Attitude and emotions play a role in the employee experience and can...

The **Customer Experience** they deliver

How they learn & what they can recall

Their ability to **approach challenges**

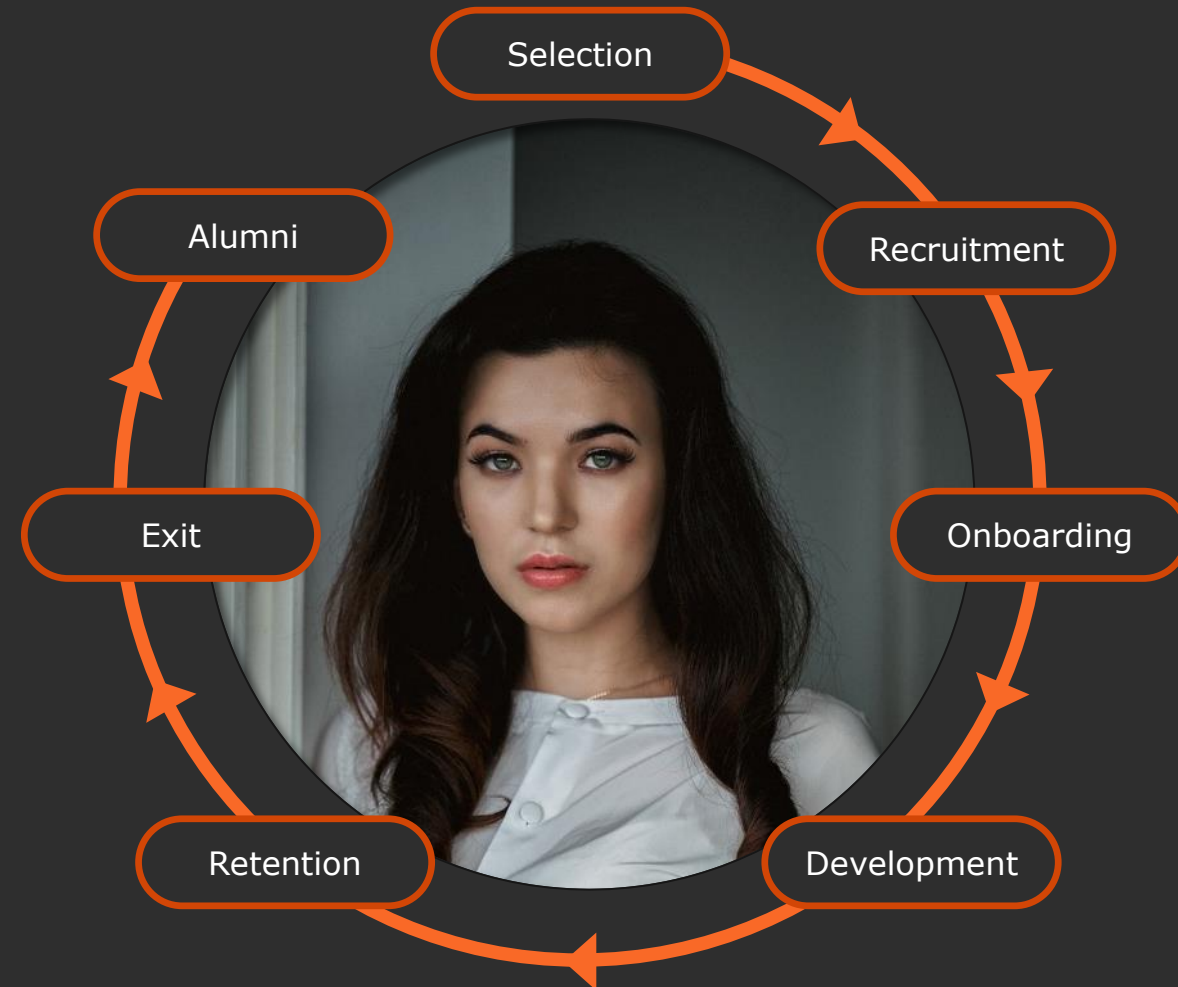
Their **creativity** / capacity to adapt
– especially with **autonomy**

Some key questions:

How can we improve an employee's experience to increase motivation and productivity without impacting loyalty?

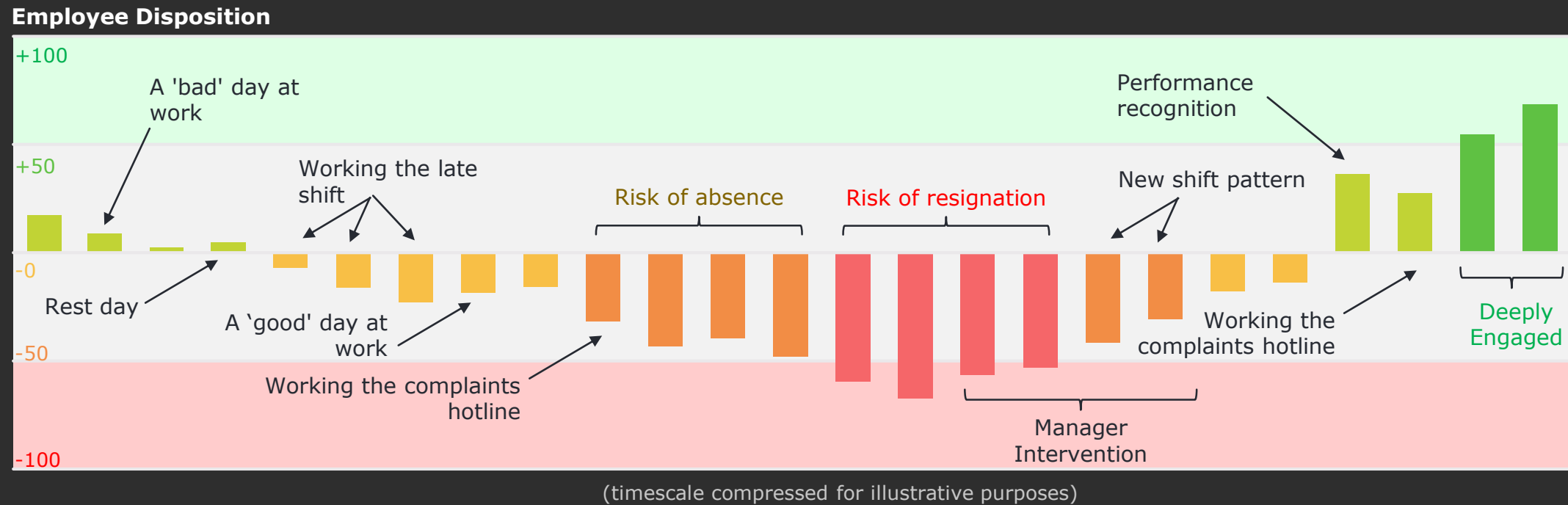
Can we improve how we measure performance and impact to enable insight-driven change and reduce attrition?

How to optimise motivation, performance and wellbeing?



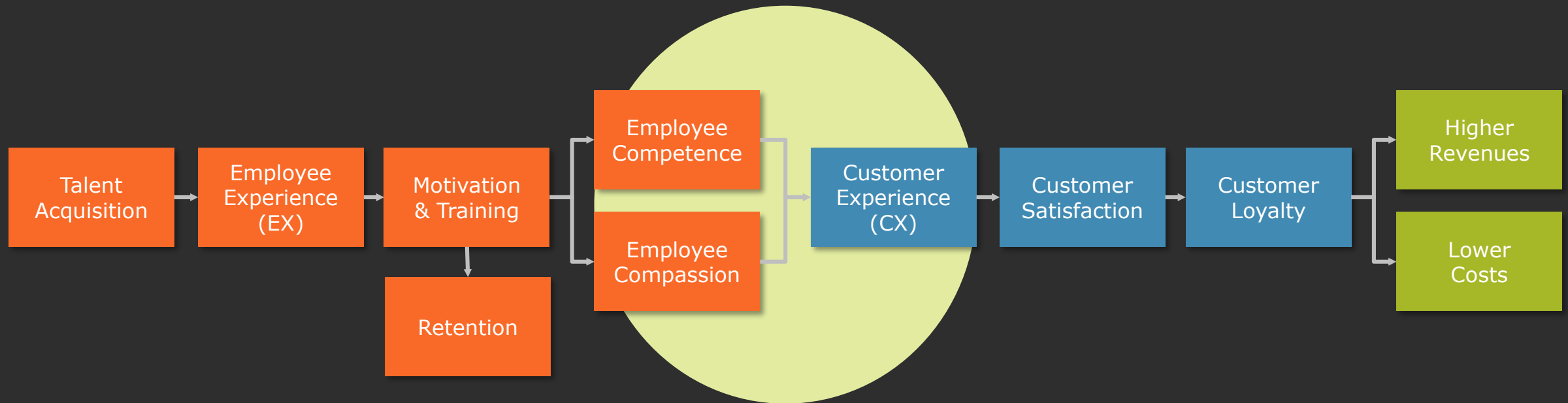
Empathy (emotions) is the biggest driver of loyalty

Every employee's experience is unique, but how they feel has a powerful effect



Why this matters - the goal

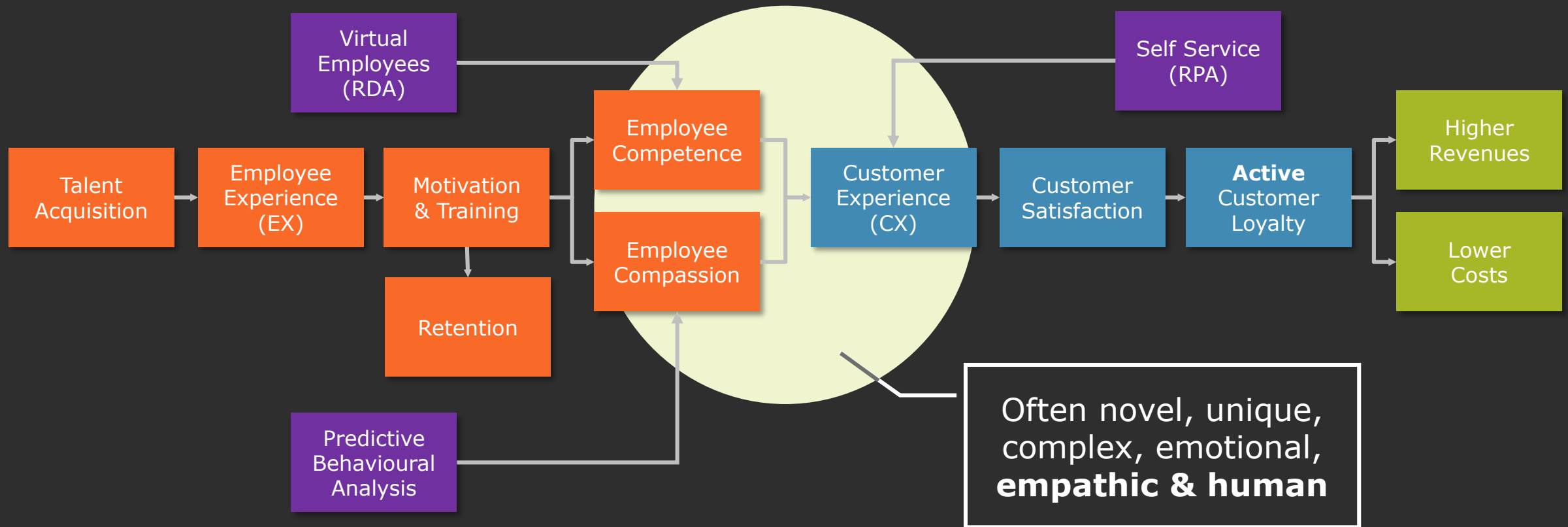
Have employees who are ready, willing, and able to deliver against customer expectations



The role and value of 'digital employees'

The 'A' in AI could / should stand for 'Automation' or 'Augmentation'

Whilst automation can do a lot of the routine work, there is still a need for 'humans in the loop'



Calculating the value of Employee Experience + Customer Experience

Direct RoI impact of improving EX / CX

Excludes indirect costs / benefits such as likelihood to recommend, satisfaction, etc.

Employee Experience RoI

- Number of employees lost per month
- Mean salary per employee
- Mean revenue per employee
- Cost of recruitment to replace losses
- Cost of initial training
- Ramp up time to competence
- Engagement / Productivity
- Number of unplanned absence days

Customer Experience RoI

- Number of active customers per annum
- Average number of products / customer
- Mean value per product / customer
- Attrition (churn) rate
- Sales / Marketing cost to replace losses
- Potential cross-sell / upsell revenues

Worked Examples

Costs can rapidly escalate for even medium-sized enterprises

Employee Experience

Number of employees = 500

Annual Attrition rate = 10%

Staff to be replaced / annum = 50

Cost to hire = € 500

Time to competence = 5 weeks

Total salary costs / week = € 600

Total cost to hire & train x50 = **€ 130,000**

Customer Experience

Number of customers = 100,000

Mean Revenue / product = € 100

Average number of products = 2

Customer churn per annum = 20,000 (20%)

Revenue lost to churn = **€ 4,000,000**

Sales / Marketing cost per customer = € 100

Total customer acquisition costs = **€ 2,000,000**

Questions?

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