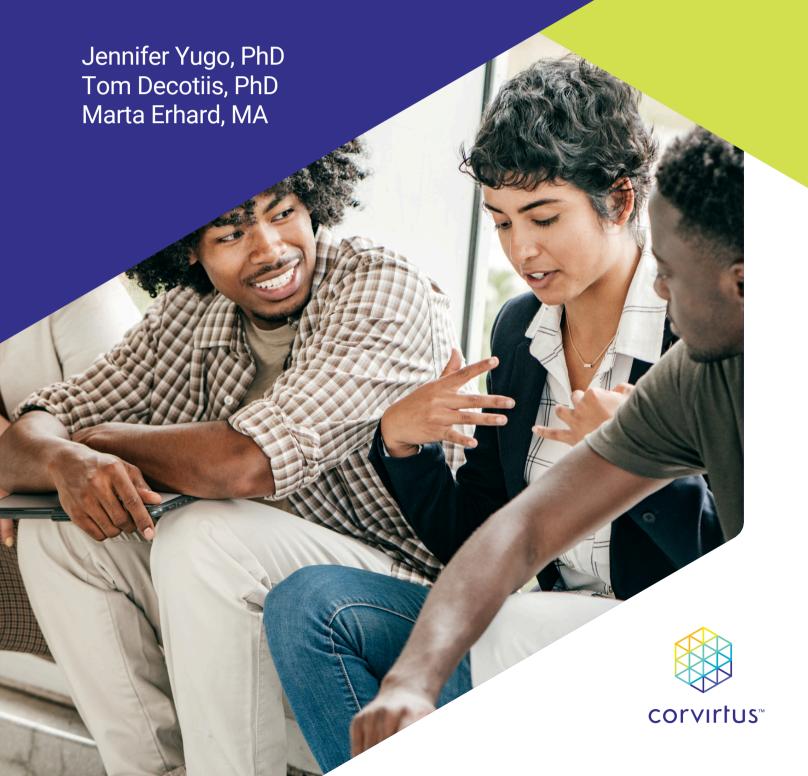
Intuition is Good; A Good Map is Better

The employee experience and business metrics





"The beginning of wisdom is the definition of terms" is as true today as it was 2,500 years ago when Socrates had this insight. Getting and staying on the same page is critically important as leaders face their most persistent challenge: Ensuring consistent execution of their company's intended customer experience. The real challenge is not what leaders say it is – exceeding expectations – rather it is meeting the customer expectations that have been set by the company's brand messaging and the times that the company has perfectly delivered its intended customer experience.

Contrary to popular belief, meeting the challenge of consistent execution does not begin with the development of tactics such as steps of service, shopper's reports or employee pep talks. It begins with a shared understanding among a company's leaders of the sources of its customer experience in the experience of the faces, hearts, and hands of the customer brand; namely, team members and management employees. One perspective on the relationships between management and team member experiences and the reality of your customer experience is summarized by the following model.

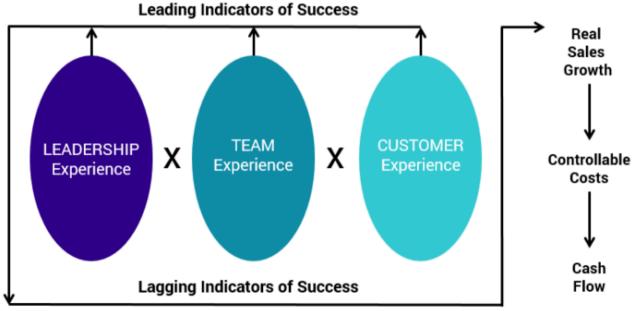
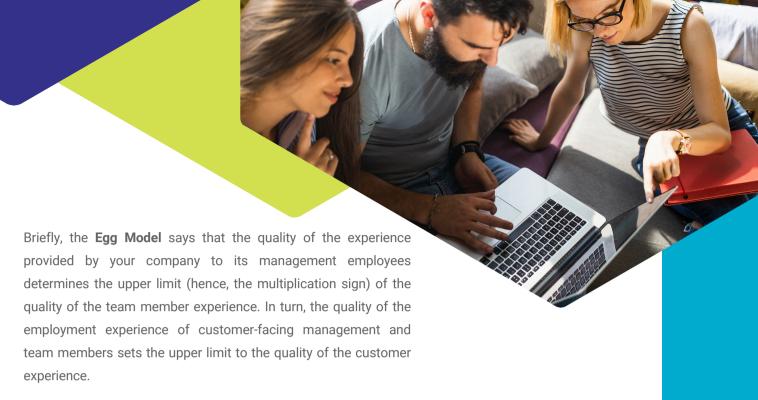


Figure 1. Corvirtus Egg Model of Experience and Results





The model shows Leading Indicators of Success for Managers, Employees, and Customers as the immediate result of the quality of their experience. The leading indicators are attitudinal and typically expressed as behavioral intentions such as a customer's intent to return and refer, and management and team members' intentions to stay, perform, and refer the company to their friends and family.

The Lagging Indicators of Success are typically measured as hard numbers specific to each of the three "eggs":

- Turnover rates
- Proportion of managers promoted from within
- Actual referrals to work or product use by employees and customers (customer count and customer frequency)

It is these outcomes that have a direct effect on financial results such as sales increase, cost management, and cash flow.

Active Loyalty is a key Corvirtus concept and a theme of the lagging indicators, as it reflects the stakeholder (manager, team member, and customer) behavior on **behalf** of the company. It includes actions such as an employee voluntarily going above and beyond what is required (employee engagement) or a customer driving by one of a company's best competitors in order to buy the company's products and services.

The Egg Model is a heuristic that we use to aid understanding and stimulating action on the results of a management, employee, or customer survey. In most situations, the knobs-to-turn, with respect to dialing up the level and consistency of a company's customer experience, are within the management and team member experiences. This idea will become clearer in the discussion that follows. (The exception to this rule is when the customer experience is neither relevant nor resonant from a customer perspective, even when perfectly delivered.)



Getting on the same page

While the Egg Model is a useful tool for visualizing the relationships among management, team member, and customer experiences, it does not provide the detail necessary to measure or alter the quality of the management and team member experiences in the interest of a more consistent customer experience or enhanced results. The necessary detail is provided by the Corvirtus Employee Experience Map™ (The Map). The Map is a proprietary tool used to better understand the sources and consequences of the quality of management and hourly employee experiences and actions needed to improve execution and results by improving the experience of management and hourly employees. The Map is shown in Figure 2 below.

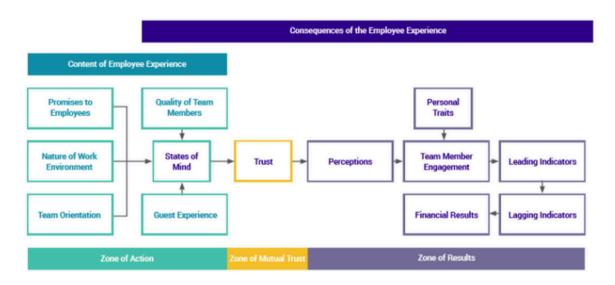


Figure 2. Corvirtus Employee Experience Map

The Map shows trust at the heart of the relationship between an enterprise and its employees, as it is with all healthy relationships. The Map shows this relationship in terms of its origins in the Zone of Action and consequences is the Zone of Results. What a company will do in their Zone of Action depends on its leaders:

- Beliefs about how central the role of employees is with respect to consistency of execution
- The nature of the company's culture
- The quality of the managers leading the actions

These factors create four states of mind among employees and result in the first element of a company's Zone of Mutual Trust; that is, whether the company is trusted.

Trust, as the fulcrum of a good relationship between employer and employee has its advantages. The first one is employee perceptions of the quality of your company as a place to work and grow. It is these perceptions that earn the engagement of employees. Employee engagement is not the ending point, but the starting point of increasingly attractive results that range from leading indicators, such as behavioral intentions to lagging indicators, such as turnover and productivity to financial results.



Right things done right

The Map is the first step toward a strategic approach of managing the heads, hearts, and hands of your customer brand. We use it by measuring each of the *boxes* in order to identify strengths, weaknesses, and opportunities to improve the quality of your company's management and team member experience, and thereby, the quality and consistency of your customer experience.

In practical terms, The Map is the basis for our comprehensive approach to constructing, analyzing, and action planning the results of an Employee Experience (management or team member) Survey. The Map shows the four Promises to Employees: Clear Direction, Preparation, Support for Success, and Recognition and Inclusion. These are the promises from the employer to its management and team members. What Tolstoy said about families – all happy families resemble one another – is largely true of good places to work – there is a common core to them that starts with your company's promises to its employees.

The importance of showing the Quality of Co-workers as affecting the States of Mind is perfectly captured by the admonition that **You can't send eagles (great employees) to turkey school (a bad employee experience) and expect them to soar like eagles.** Great employees are uncomfortable in an environment of mediocrity. In a similar vein, employee pride is affected by their perceptions of the quality of your customer's experience. Anyone who has worked for a company where there is a poor customer experience, as well as for a company with a great experience, can attest to the effects of quality on their states of mind. What The Map shows is that the path to results through management and hourly employees has many stepping stones that have to be aligned – and the better the alignment, the shorter the path.



Fad, fashion, and folderol

What The Map cannot show is something that plagues the profession of enterprise leadership: Enterprise leaders are as susceptible to fads and fashions as any other profession. One of the popular ones goes under the rubric of "employee engagement" and is touted as the end-all solution to a plethora of problems from employee turnover to improved Net Promoter Scores. Engagement may facilitate the sin qua non of success: A relevant and resonant customer experience – consistently delivered. However, what predicts employee engagement? As The Map shows, the personal traits of employees are a critical factor.

As a practical matter, other than the *knob* on the personal traits of the people you hire, all of the other knobs for improving your employees' experience are in your company's Zone of Action. What this suggests is that measuring only part of **The Map** – what companies typically do – means leaving part of the solution to execution problems undiscovered and, likely, not acted upon. This is one reason why sincere and intense efforts to become an employer of choice or to enhance employee engagement often leave enterprise leaders disappointed. A complete solution demands a complete assessment and analysis. This is a solution that is as simple as it can be, but no simpler.



About Corvirtus

Corvirtus provides a range of innovative, science-based measurements and services that tie a company's culture and core values to talent processes. Corvirtus solutions have enabled hundreds of companies to strengthen and scale their corporate cultures, and to identify, develop and retain those employees with the characteristics and capabilities essential for business success and customer satisfaction. For more information, visit www.corvirtus.com or schedule a demo by using this link:

Schedule time for us to connect.



