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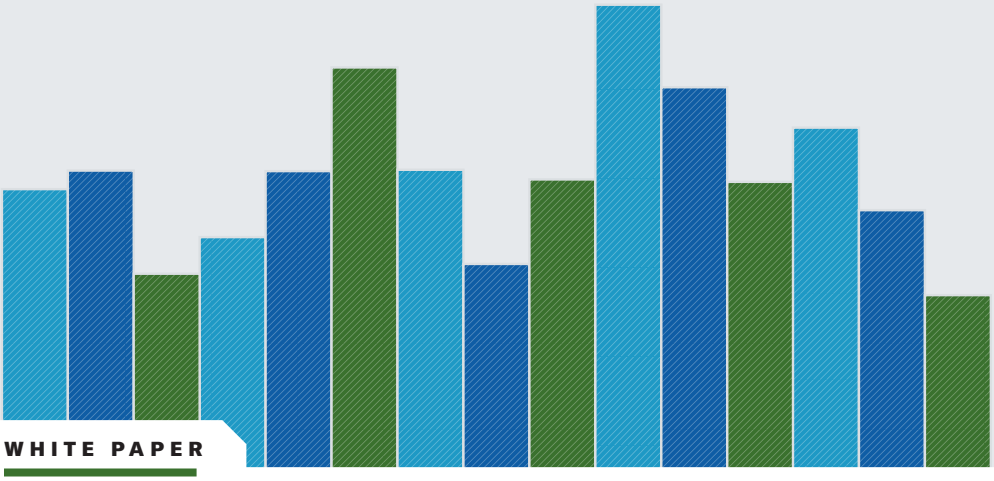
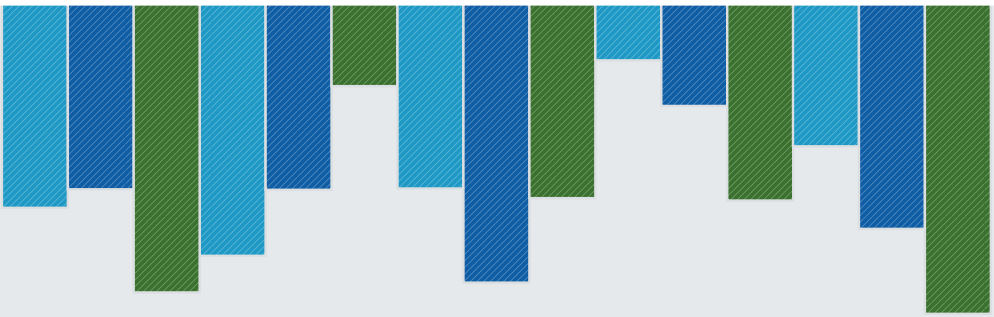


WHITE PAPER

Professional Services' Keys to Success:

Improving Employee Experience



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Professional services firms large and small know the importance of attracting and keeping top talent. In an industry where your people are your product, delivering an excellent employee experience isn't an option, it's an imperative. With its heightened importance, employee experience (EX) continues to expand its scope to encompass the day-to-day interactions of employees. The best firms have realized this and are investing in technology-driven modernization to meet and exceed employee expectations.

Investments today are focused on removing friction and optimizing how employees' time gets spent—not just help them get their jobs done, but also to help them perform at their best. Whether it's enabling real-time, in-context learning or making the right analytical insight available to them at the right time, today's professional services employees expect to have access to tools, data, and artificial intelligence-driven insights that help them deliver increased value to their clients.

To better understand the investment priorities and how the professional services industry is responding to the increased importance of EX, Harvard Business Review Analytic Services has explored how some of the leading industry players are elevating their employee experience in this white paper focused on the keys to professional services success.

At Salesforce, we know that optimizing the return on EX investments requires a thoughtful focus on delivering a seamless employee experience across all aspects of employee engagement. That is why we are partnering with our professional services customers to define our connected vision for the Professional Services Employee 360, from attracting talent to increasing alumni engagement.

Jimmy Bremner
Vice President, Industries
Salesforce

Professional Services' Keys to Success:

Improving Employee Experience

Talent has always been a professional services firm's greatest asset. Today, staying at the forefront of rapidly changing business and technology trends is what makes it possible for professional services firms (PSFs) to help their clients transform to a digital, data-driven future. This client-driven imperative has become even more urgent as the world emerges from the pandemic. Companies are eager for growth, and at the same time, talented professionals see opportunities to move freely in pursuit of their own goals. Attracting and retaining the best people and helping them learn, develop, and grow at an accelerated pace are critical.

Increasingly, the best PSFs look to achieve their talent goals by focusing on the employee experience (EX). They understand that making it easy for employees to do their best work pays off in higher levels of engagement and effort, resulting in more satisfied clients.

"Employee experience is everything to us," says Joseph Atkinson, vice chair and chief products and technology officer at PwC, the second largest professional services network in the world. "It's the backbone of how we serve clients, create trust, and deliver with quality to meet or exceed client expectations. We know we have to get that right, and the bar keeps moving up."

A great employee experience is human-centered, digitally connected, mobile, and designed to remove friction from all aspects of employees' day-to-day jobs and throughout the employee journey. Improving EX requires strategic technology investments that connect employees to knowledge, resources, and people across the firm, and the development of an open and inclusive culture.

HIGHLIGHTS

A great employee experience (EX) is human-centered, digitally connected, mobile, and designed to remove friction from all aspects of employees' day-to-day jobs.

EX starts at the heart of the firm, with the commitment and leadership of the CEO and other senior executives. But it takes both top-down and bottom-up efforts to make it a reality.

New tools and approaches to learning make it possible to assess skills, design targeted learning pathways, and get professionals up to speed more quickly and with **greater depth** than in the past.

Improving EX requires strategic technology investments that connect employees to knowledge, resources, and people across the firm, and the development of an open and inclusive culture.

This report explores how professional services firms are improving the employee experience. Specifically, it examines the roles of leadership, line managers, technology, and culture in creating a great experience that spans the physical and digital realms.

"An employee's experience is a journey," says Katy Tynan, principal analyst, employee experience, at Boston-based research and advisory firm Forrester. "It's a day-to-day experience of how their technology works, who they interact with, whether they feel like they're making progress on a daily basis. What makes people feel good about their employee experience is their ability to be successful and to make progress every day."

Expanding Employee Experience Beyond HR

Experts view EX through two different but related lenses. First there are the stages the employee lifecycle—the traditional HR view—with all of the touchpoints, policies, and practices that are part of those areas. Then there is the more expansive view of EX that Tynan describes and that moves well beyond the purview of HR.

"EX started with the traditional hire-to-retire processes and talent management practices," says Gastón Carrión, managing director of strategy and consulting, and global employee experience lead, at consulting and professional services firm Accenture, headquartered in Dublin. "But anything that is happening across the organization, any interaction an employee has, becomes an experience," whether that's with their line manager, corporate leadership, or someone in IT, HR, or any other department. "That [reality] creates a new paradigm around how to redefine employee experience, which is cross-functional and cross-businesses," he adds.

Technology giant IBM blends these two perspectives in defining five key employee journeys—join/arrive, work, grow, live, and depart—according to Obed Louissant, senior vice president of culture and transformation at the Armonk, N.Y.-based company. He sees work and grow as the most challenging areas when it comes to enhancing EX for IBMers (the internal term for the people who work at IBM). Work and grow are challenging, in part, because they do not fit neatly into the traditional HR boxes. They require EX leaders to think beyond HR to enhance all of day-to-day experiences employees have.

This cross-functional reality means that everyone from IT to accounting to the legal department is responsible for EX, so becoming "employee-centric" can be a massive undertaking. It also means that different groups , especially IT, must collaborate to improve EX.

As work becomes increasingly digital, "the friction that's created by your technology is your employee experience in a lot of cases," says Tynan. "There's a reason why user experience practices are cross-functional between HR, facilities, marketing, and IT, because all of those need to come together for the experience to work."

Getting EX right is particularly pressing today as PSFs try to figure out what the future of work will look like for them and for their clients. Many are redesigning both their physical workspaces and the digital engagement employees have with all the firm's systems, and then bringing the two together to create that blended physical/digital experience that is certain to emerge.

Perhaps most critical to creating a great EX is changing the overall workplace culture to one that promotes trust through communication and transparency, and where employees are heard, respected, and included. In that kind of environment, people "feel like they can bring their whole, authentic selves to work," Louissant says. He believes a culture of openness and inclusion removes any existing barriers to the collaboration and cocreation that are so important today.

Improving EX produces many benefits. Research from Willis Towers Watson shows that employees at companies with strong EX are more likely to feel inspired by the company's mission and purpose and better able to achieve their potential and career aspirations. They have a deep sense of trust in senior leadership and a strong customer focus to innovate to meet marketplace demands.[1]

"At the end of the day, the direct return is the attraction, retention, motivation, and productivity of the best people," says Jason Girzadas, managing principal of businesses, global, and strategic services at Deloitte, the largest professional services network in the world. "Longer term, we're looking at how the level of engagement of our people has a positive impact on our clients."

Employee Experience Is Built on Trust

A great EX starts at the heart of the firm, with the commitment and leadership of the CEO and other senior executives. But it takes both top-down and bottom-up efforts to make it a reality. Atkinson refers to this combination as "business-led and citizen-led" transformation, and it applies to the tools people use, what they learn and how, and the culture itself.

Regular and consistent communication is key. "Really high-functioning professional services organizations have much better employee communications strategies," says Dion Hinchcliffe, vice president and principal analyst at Constellation Research, a Silicon Valley tech research and advisory firm, and executive fellow at the Center for Digital Strategies, Tuck School of Business at Dartmouth. "One of the biggest problems with employee engagement is that people don't know what's going on. There's been a lot of research that says if you just tell people what's happening and why, it eliminates those little friction points that can build up into large issues where people feel like a cog in the machine."

Clear communication builds trust. "That trust equation and whether or not employees feel you're making good on your promises is a huge part of a positive employee experience," says Atkinson. "We operate with a transparency and information flow that probably feels flatter than our organization actually is. Our associates are constantly reaching out and talking to their relationship partners, and they have access to the leaders and owners of the business."

The goal of opening these connections is not only to create more transparency and links but also to make employees part of the solution. "That environment is really key to helping the employees shape the experience," Atkinson says.

For information to flow both ways, PSFs must also have solid mechanisms for soliciting and paying attention to employee input. "Having a clear listening and response strategy is so central to your employee experience, because it's important to know what employees are feeling," says Louissant. "What are they missing? What do they want more of? What do they want less of?" IBM has multiple channels for this listening, from its annual engagement survey to targeted pulse polls to extracting sentiments from the huge volume of messages that cross their internal communications platform. Leaders, including Arvind Krishna, IBM's CEO, hold live "ask me anything" sessions that are open to all. And the company listens through external channels, like Glassdoor and similar platforms in different countries.

Engage Leaders at All Levels

Having direct access to senior leaders is important, but so, too, is the daily engagement employees have with their managers. "The person who has the most influence on any individual employee's experience is their direct manager," says Forrester's Tynan. "You can have all the people strategy you want, and you can have a really nice, well-orchestrated

The goal of opening these connections is not only to create more transparency and links but also to make employees part of the solution.

employee experience practice that looks at culture and the physical environment and wellness and all of the other things. But if that person's direct manager is not someone who has good coaching skills, who understands how to set goals and expectations, who knows how to give feedback and do all of those things that create the environment for someone to go be their best selves, then everything else falls apart."

Accenture's Carrión believes this is an area where companies will need to invest. "Over the last few years, companies have spent quite a lot of development [money] on the technical skills for line managers, reskilling them in terms of the new technologies and some of the new methods and practices," he says. He believes that the next wave of investment should equip leaders to lead in a different way, focusing on behaviors such as how to coach employees, demonstrate empathy, and lead with humility. "In a world where hierarchies are starting to be challenged by the new generations coming into the workforce, there needs to be a new set of leaders. In all honesty, I don't think everyone will make the transition."

IBM's Louissant sees an additional role for line managers when it comes to EX. "You need the manager to pull these things together and navigate for the people on their teams," he says. "Our managers do a really tough job every day integrating the company and the experience for our people."

HR can help. Last year, Louissant created a vice president-level role called "IBMer experience," whose responsibility is to understand the employee experience across the enterprise, including what types of things are coming from communications, marketing, legal, and finance. Design standards across the enterprise ensure that employees experience and feel things in a common way and aren't bombarded with too much information or conflicting messages. Design thinking is embedded in HR as it is in the rest of IBM; there are now 3,000 employees with digital credentials in enterprise design thinking.

"We're making sure that things are integrated, that there are common principles, and that the practitioners who are building and delivering solutions for the IBMer have the capability in enterprise design thinking," Louissant says.

One tool that came out of this process was the Your Career platform at IBM, launched in 2020. It pulls together an employee's skills, career journeys, and areas for development into one platform to help employees progress along their career path with IBM and take advantage of new opportunities. Available on the same platform are Your Learning (the company's learning management system) and Your Guide, IBM's refresh of its coaching platform. Employees have the ability to define a career path, assess their skills and needs, learn new skills, and have someone help guide them along their journey, all in one place.

Of course, it's not all about the technology. The partnership model of many PSFs can be an advantage when rolling out new standards and norms. Atkinson views PwC's nearly 4,000 partners in the U.S. as "an orchestration layer that creates alignment because our partners are not just practice operators, they're business owners," he says.

Remove Friction and Empower Employees

A principal goal of almost any experience effort, be it for employees or customers, is to remove friction. For professional services employees, friction can be anything from a clunky time-reporting process to trying to find the right person in the firm with particular knowledge or relationships. When it comes to friction, technology can just as easily be part of the problem or part of the solution. Those seven-year-old laptops and outdated, disconnected systems are hardly likely to delight talented professionals.

"The worst thing that you can do is hire the smartest people and then give them poor tools to do their job," says Constellation Research's Hinchcliffe. "These people are at the top of the labor market. They can go work for whomever they want to work for. There's this real direct connection between giving people the right tools for the job and employee engagement."

Not only does creating a great experience require good tools, but those tools also need to be made available in a simple and cohesive way.

"There has been a significant shift in the idea that technology should be centered on the employee as opposed to being a disaggregated collection of stuff that we shovel at people and say, 'Go do your job,'" says Tynan. From a technology perspective, companies can achieve that employee-centricity in one of two ways. They might use one vendor's solution or a suite of tools for as many capabilities as possible and then add in other tools and capabilities as necessary. Or they could leverage an integrated experience layer that employees use

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Having direct access to senior leaders is important, but so too is the daily engagement employees have with their managers.

to access a variety of different tools—an option that more organizations are choosing these days, according to Tynan.

In addition to its central employee portal, PwC employees have access to an app called Astro that serves as a "front-door concierge to all things PwC," Atkinson says. Through their phones or from a browser, they can look up their vacation balances, report their time (one of the ways the firm has simplified and improved time reporting), get contact information, and find out which partners and teams are responsible for particular clients. "That frictionless access to insight and information has been a big part of our focus over the last few years," Atkinson says.

IBM uses a chatbot as an interface to bring all of the company's various HR processes together. "Employees can ask questions such as 'How do I create a digital signature?' or 'How do I enroll for benefits?'" says Louissant. "And then it actually takes action for [the employee] in some cases or refers [that person] to resources to get things done."

Automation is a key element for improving service operations, according to Hinchcliffe. "You've got to automate anything that isn't critical to the uniqueness of what you're doing, and even stuff that is unique, you want to somehow automate that."

At PwC, when executives looked at engagements across the firm's insurance, tax, and consulting businesses, they found that upward of 40% to 60% of people's time was spent on simply acquiring and preparing the data for analysis, according to Atkinson. "So, you have this huge chunk of time … that often was a big part of why people were putting in so many hours." One objective of the company's work in data modeling and automation was to bring that percentage down and either reallocate that time to higher-value kinds of work or create better work-life balance for employees. In the past three years, the company estimates it has taken about seven million hours of effort out of the delivery of its services, based on employee-reported data.

Another aspect of EX is engaging the company's tech-savvy employees to shape the experience, including what tools to use. PwC uses its Digital Lab—a kind of app store housing thousands of tools to streamline daily work—to align citizen-led development with the organization's business goals. Employees submit ideas for automation, data models, and other digital capabilities, and a team of curation specialists map those to the activities that people do every day and that have a positive impact on the business. These tools are then made available to everyone.

Make It Easy for Employees to Learn and Grow

The employee experience begins with recruiting, including how the job and organization are positioned and how the interview process unfolds. It really kicks in with the onboarding process. "Creating a good onboarding experience has the most impact of anything you do [in EX]," says Hinchcliffe. "When an employee goes to a new organization, they're ready to absorb everything and learn everything." Hinchcliffe recommends assigning new hires an onboarding buddy—someone from a similar function who has been through the process recently and can answer questions and give the new employee the benefit of their experience.

Learning has always been central to PSFs' success, but the speed at which clients' needs are changing has raised the stakes. Fortunately, new tools and approaches to learning make it possible to assess skills, design targeted learning pathways, and get professionals up to speed more quickly and with greater depth than in the past.

Development depends on assessing where people are within the context of what they need to know. "The ability to bring people in at all different stages of their career, help identify what they need to develop in terms of skill set, and then deliver that in a methodical and consistent way—I think we do it as well as anybody on the planet," says Atkinson.

Doing it well provides two hugely important benefits. "It not only creates a workforce that can help a client solve the complex issues they're facing, but it also creates this energy in our workforce to do all the things that people seek out in terms of purpose and impact," he adds. And that energy contributes a lot to improving EX.

IBM has built a skills inference engine into its Your Career platform to help employees and the company understand the breadth and depth of their skills, according to Louissant. It uses artificial intelligence (AI) to infer skills based on 230 million documents that are uploaded every month. These include things like LinkedIn data, a variety of employee data the company has within its own systems, and the courses that people have taken.

As an employee, "I'm able to see what skills were inferred, the depth of my skill in a particular area, and then I can make

Development depends on assessing where people are within the context of what they need to know.

suggestions or correct it," Louissant says. Managers are able to validate a corrected skill.

The benefit to the company is knowing the skills that its workforce has and, based on its strategy and where it is heading, seeing how close or far away the organization is from where it needs to be. "That then causes us to generate learning material and content that helps to migrate the workforce to the right place," says Louissant. "That capability is coupled with our Your Learning asset—our AI-based learning management system where we house all of our training to help to move people's skills depth."

Such depth of insight also makes it possible to staff projects based on people's skills and interests, which leads to happier and more capable employees and better client delivery.

PSFs are using data and analytics to improve the performance management process, as well. "One of the biggest new breakthroughs is talent analytics," says Hinchcliffe. "Now instead of stopping the company twice a year to do performance reviews, we can do continuous performance management and not waste everyone's time. There's a real interest in professional services organizations to get rid of performance reviews and just make it a real-time thing built right into the employee experience."

Another way that PSFs are making learning easier is with digital adoption platforms, according to Hinchcliffe. "What they aim to do is remove all the friction from the employee experience. They give you just-in-time training; they watch over your shoulder to try to figure out what you're doing and ask, 'What are you trying to do here?' And then they give you just-in-time help."

EX and CX Go Hand in Hand

The benefits of improving EX go beyond efficiency and having happy employees. Eighty percent of 1,091 respondents to a Harvard Business Review Analytic Services survey conducted in December 2020 agree that it is impossible to provide a great customer experience (CX)—a top-five business priority—without also providing a great employee experience. **FIGURE 1**

"When you invest in the experience of your people, it unlocks the discretionary effort of those people to go above and beyond for their customers," says Jacob Morgan, author of *The Employee Experience Advantage*. "So, if you want to have better customer experiences, it starts with creating better employee experiences."

IBM has seen correlations between depth of skill, performance, and Net Promoter Score. "When you have an engaged, deep-skilled team, they're going to perform better," says Louissant. "And if you have cumbersome experiences, it doesn't allow people to frictionlessly build the capability and skill that they need to serve the client."

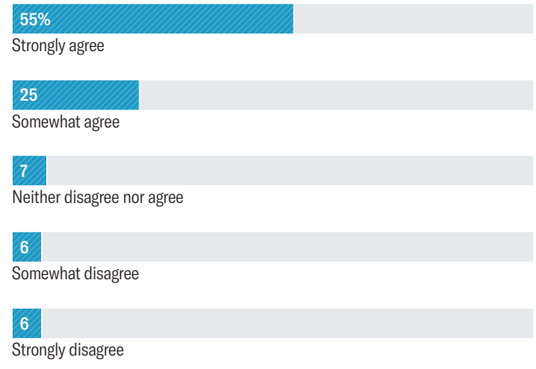
EX leads to better CX in other ways, as well. The increasingly complex needs of clients mean PSFs must be able to connect diverse capabilities across their broad organizations. Addressing that at Deloitte is Girzadas's job. "We have clients who are dealing with very complex and in many cases new challenges that they've never dealt with before," he says. "We're an organization of breadth and immense diversity, so how do we bring that to bear to help them? All of the evidence shows that more diverse and collaborative teams drive higher performance and generate more impactful and innovative solutions."

FIGURE 1

Improving Customer Experience with Employee Experience

Business leaders see the link between EX and improving the overall CX

"It is impossible to provide a great customer experience without also providing a great employee experience."



Source: Harvard Business Review Analytic Services survey, December 2020

To bring that depth and diversity of thought to the client, Girzadas is working to break down all manner of silos. "My job right now is to see how we can eliminate any and all boundaries. There are functional boundaries between our businesses, geographic boundaries between what goes on in San Francisco and what goes on in New York, London, Hyderabad, or Brazil. There's technology and non-technology. There's regulated and nonregulated. The future of business is silo-less, and it's what's required to help our clients as they face these complex and new challenges that are unlike anything they've seen before."

Research also links EX to financial performance. The study by Willis Towers Watson found that organizations demonstrating a strong EX consistently beat their sector by a margin of two to four percentage points on average across key performance metrics, including return on assets and equity, one-year change in profitability, and three-year changes in revenue and profitability. In contrast, companies delivering less effective employee experience consistently underperformed their peers by one to 10 percentage points.

Conclusion

The explosion of digital capabilities holds particular promise for professional services firms, whose work is so fully knowledge-based. Digital tools and platforms, AI, and automation have the potential to dramatically improve knowledge acquisition, collaboration, efficiency, and speed. But introducing new methods can also have a negative effect if not managed well. It is easier than ever for top talent to go elsewhere if they're not getting what they want and need from their current employer. By prioritizing employee experience, PSFs can ensure their workforce remains motivated and engaged. Being transparent about what changes are being made and why they are critical are other EX priorities PSFs can advance.

For instance, "It's easy for people to believe that the only reason you'll automate is because you want to take away a job," says Atkinson. "Our whole business is built on developing great talent. But people hear automation and they get worried." To address that, PwC positioned its transformation efforts to say that while efficiency was an important outcome, the larger goal was upskilling for purposes of individual value and career growth, and creating more effective and rewarding jobs. Employees got the message; engagement scores have climbed, even during the pandemic, and new recruits are coming into the firm with a positive perception of what the employee experience is like. In an industry where recruiting and retaining the very best talent is everything, those are important metrics indeed.

Endnote

[1] Willis Towers Watson, "Better Employee Experience Proven to Drive Financial Success," November 4, 2019. https://www.willistowerswatson.com/en-GB/News/2019/10/better-employee-experience-proven-to-drive-financial-success

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