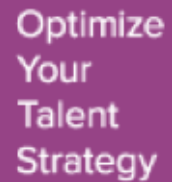



The HCI logo consists of the letters 'HCI' in white, bold, sans-serif font, centered within a solid orange square.The text 'Optimize Your Talent Strategy' is written in white, sans-serif font, stacked vertically within a solid purple rectangle.The background of the slide shows a group of people in a meeting, with their hands and arms visible as they look at a large table covered with various business charts, graphs, and documents. The charts include bar graphs, pie charts, and flowcharts, all in various colors like blue, red, green, and orange. The overall scene is brightly lit and professional.

# The Business Impact of Great Employee Experiences

# TODAY'S MODERATOR



**Holly Pennebaker**  
*Human Capital Institute*



@hpennebaker  
@Human\_Capital



humancapital





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**THANK YOU!**

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# HCI Webcast

Acquire the Right Talent [VIEW SLIDES ↓](#)

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# The Business Impact of Great Employee Experiences

Tuesday, January 14, 2020  
1:00 PM Eastern

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# Providence St. Joseph Health

- Leads People Analytics and Workforce Planning initiatives that enable leaders to make better, faster, ethical decisions about the workforce
- Prior experience in academic neuroscience and leading Employee Compensation, HR Information Services, and Workforce Planning



**People Analytics Trailblazer**  
2019 Vizzie Award



**Gary Russo PhD**  
Director HR Workforce Intelligence

**7**  
States

**50**  
Hospitals

**115K**  
Employees

**38K**  
Nurses

**1.9M**  
Covered Lives

**\$1.6B**  
Community Benefit



# VISI<sup>er</sup>

- Helps large enterprises optimize their talent through analytics and prepare for their analytics journey
- Prior experience includes partner of Ernst & Young and has been a management consultant for close to 20 years, helping large HR organizations in their HR transformation initiatives



**Wes Wu**  
Vice President, Advisory Services



**Productivity, Engagement, Experience**

# Great EX is no longer going to be optional

**85.2**

million worker  
deficit

**\$8.5**

trillion unrealized  
revenue

2030 global talent shortage means there may not be replacement hires

# Why do companies spend so much on the workforce?

**60%**

Labor Portion of  
Business Costs  
(Salaries & Wages)



# Why do companies spend so much on the workforce?

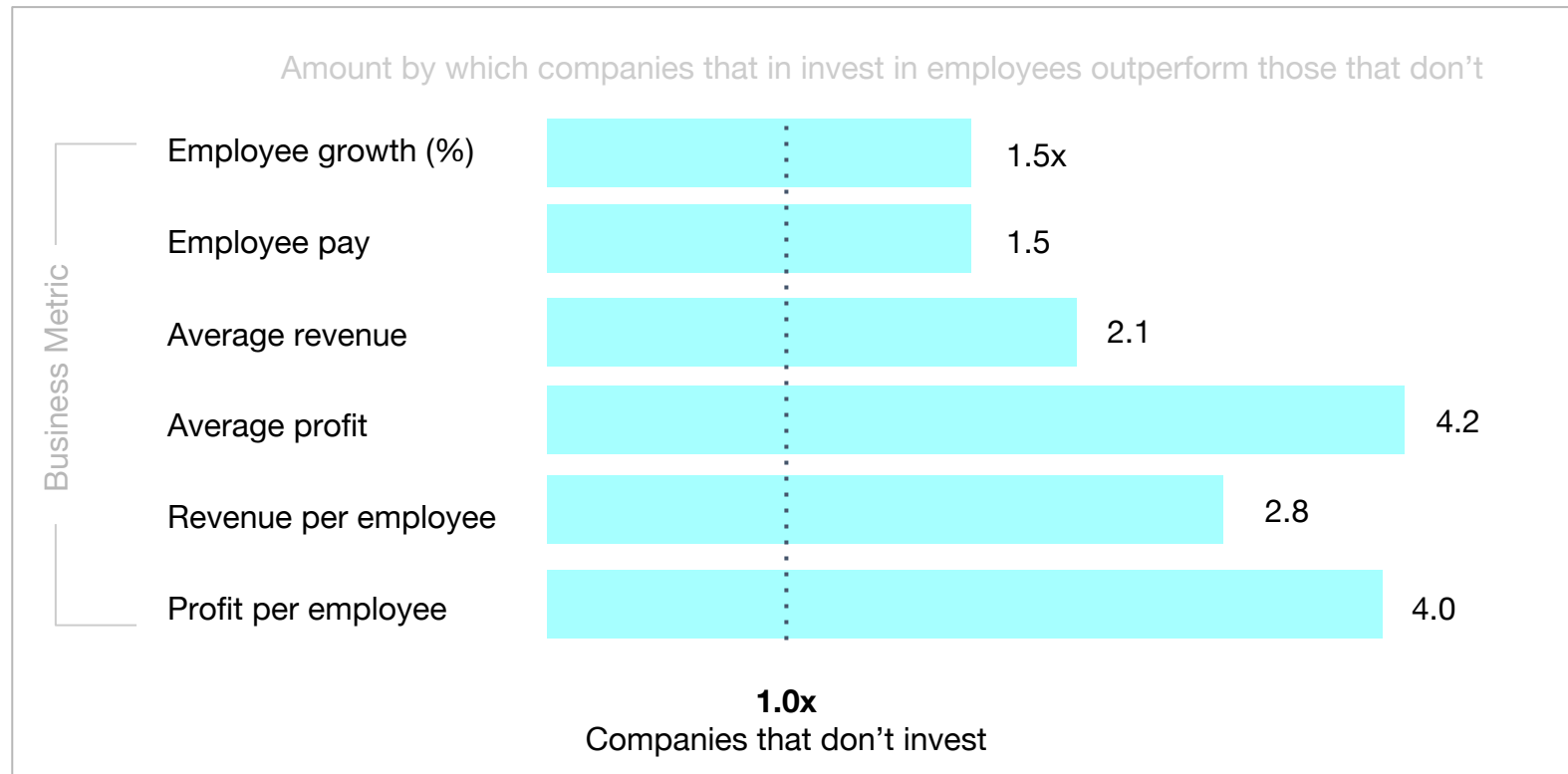
People create value (and profit)

S&P 500 Average Revenue per Employee by Sector (2018)



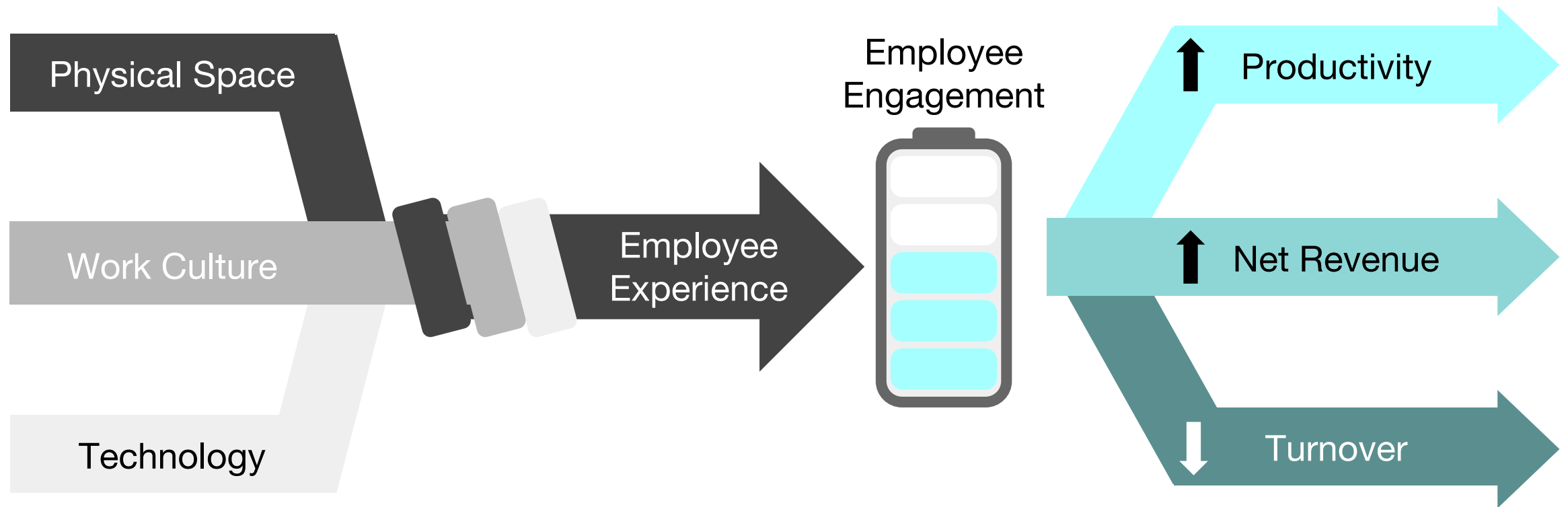
# Companies investing in EX are better revenue generators

**Companies That Invest in Employee Experience Outperform Those That Don't**  
 They're four times as profitable, according to an analysis of 250 organization



# The link between experience, engagement, and profit

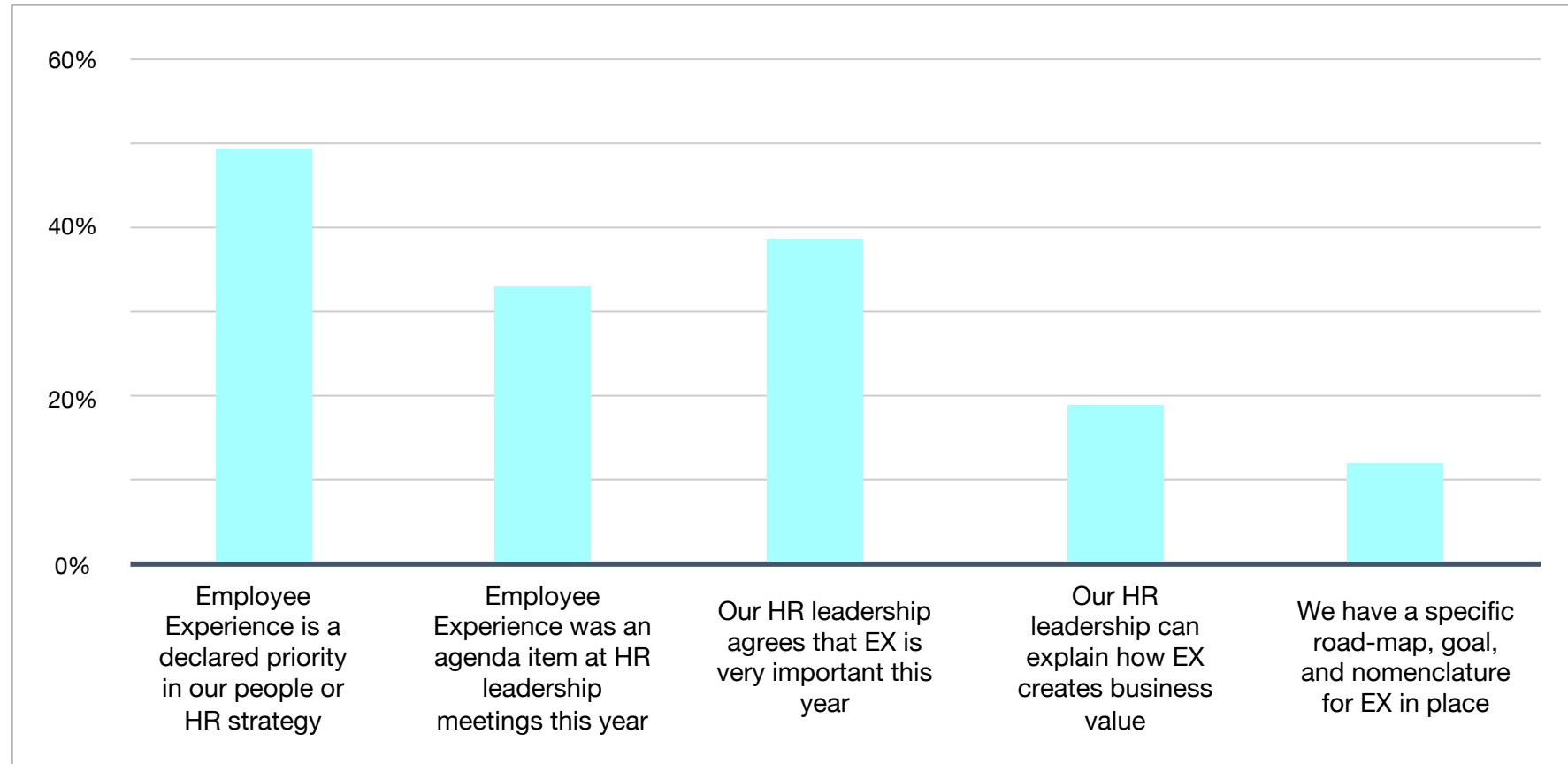
Positive experiences create the energy needed for an engaged workforce





# Taking action on EX is lagging behind prioritizing EX

Which of these statements would your CHRO agree with?



## Translating EX to the language of the business

**“The true price of anything you do is the amount of time you exchange for it.”**

Henry David Thoreau

# Use hourly wage to begin assessing ROI on EX initiatives

Employees generate at least as much value as they are paid

2x – 6x multiplier considered “healthy”



## Macroeconomic lens

If, on average, employees do not return their wages + operating expenses, the business will collapse





## Example 1: Quantifying EX initiative value

“Employees hate annual training”

**\$45 / hour**  
Average value of labor

“We can reduce training by 2 hours”

**\$90 / employee**  
Potential productivity gain

“We typically train 5,000 employees”

**\$450,000 / year**  
Labor available for other activities

Reminder: 2x – 6x revenue can be generated per productive hour

## Example 2: Quantifying EX initiative value

“New hires are not set up on day one”

**\$45 / hour**  
Average value of labor

“Can take a week to sort out access”

**\$1,800 / hire**  
Value lost to idle time

“We hire 1,000 employees annually”

**\$1.8M / year**  
Cost to give a new hire a poor onboarding experience

Reminder: 2x – 6x revenue can be generated per productive hour

# Taking the next steps to calculate the impact of EX

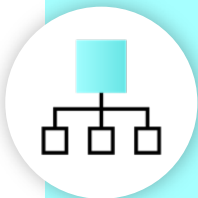
Partner with operations and finance:



Categorize employees into revenue-generating and support/administrative roles to tune cost estimates



Assess time-to-productivity (e.g. total onboarding time) for critical roles to understand costs/impacts



Understand productivity measurements for critical roles and assess the impacts of EX initiatives



# Critical Early Buy-In Partners for EX Initiatives



## Finance

Accounting, Budgeting

Create a key advocate: seek Finance alignment on key ROI/value metrics before extensive work



## Legal

Labor, Intellectual Property

Ensure Legal remains aware of data usage and strategic actions; ensure labor/union compliance



## Operations

Executives, Management, Analysts, HRBPs

Data is meaningless without action. Ensure initiatives are strategically aligned, relevant, doable



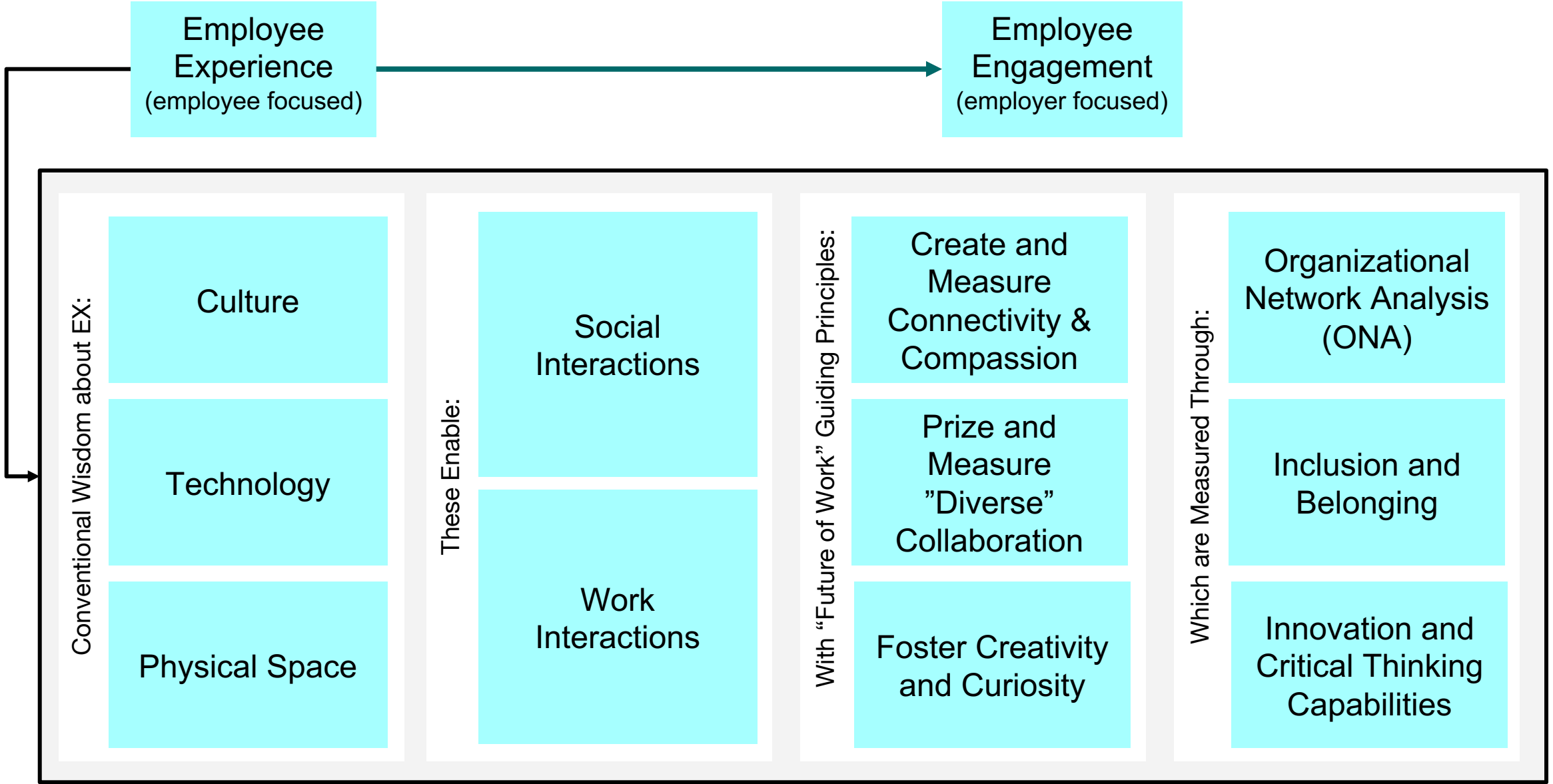
## Communications

Branding, internal/external messaging

Ensure brand alignment of messaging, ask about competing/distracting initiatives & announcements

# Project Value/Prioritization Guidelines

|         |                      |               |                   |                  |
|---------|----------------------|---------------|-------------------|------------------|
| Value   | Employee Experience  | No Improv.    | Indirect Improv.  | Direct Improv.   |
|         | Risk of Job Loss     | None          | Indirect          | Mandatory RIF    |
| Cost    | Scale of Impact      | Local         | Partial Org.      | Entire Org       |
|         | Financial ROI        | Added Cost    | Net Neutral       | Cost Savings     |
| Success | Strategic Alignment  | None          | Indirect Relation | Directly Related |
|         | Commitment to Action | No Commitment | Able to Commit    | Fully Committed  |





# Outsmart

Prepare for a new decade of people analytics

May 6-8, 2020 | Orlando, FL

For more information, visit [www.visier.com/outsmart](http://www.visier.com/outsmart)



# Resources

- **[Ebook] 10 Trends Reshaping HR and the Future of Work**  
<https://hello.visier.com/hr-trends-2020-ebook.html>
- **[Guide] Building your Business Case for People Analytics**  
<https://hello.visier.com/building-a-business-case-for-people-analytics-case-study.html>
- **[White paper] The Datafication of HR: How to make better people decisions with people analytics**  
<https://hello.visier.com/datafication-of-hr-graduating-hr-metrics-to-people-analytics/>

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**Thank You!**

# QUESTIONS? COMMENTS?

Get insight into your challenges by asking a question!

**Use the Q&A box below!**

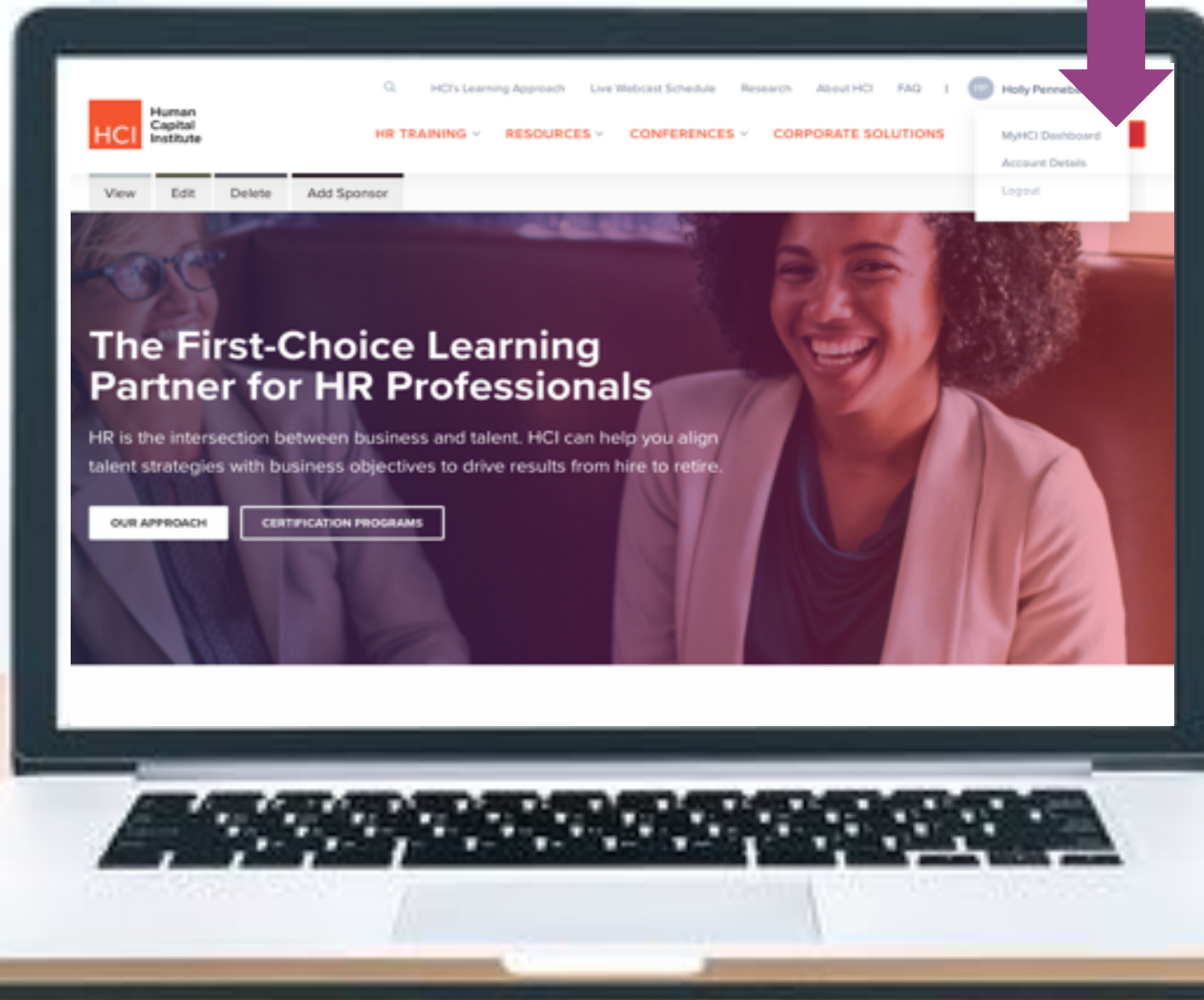


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