

## Chapter 6

# Employee Experience Design: An Innovation for Sustainable Human Capital Management Practices

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### **ABSTRACT**

*The philosophy of employee experience has been advocated as an effective tool to achieve the highest level of employee engagement in a business environment characterized by increased dynamism in workforce demography, psychography, competencies, and expectations. Employee experience encapsulates the overall journey of an employee in an organization from hire to exit, encompassing their experiences, what they feel, do, and achieve from the company. It is a comprehensive view of the relationship shared and experienced between the individual and the organization right from the application stage to stage they join the alumni group after their exit. The chapter explores this new philosophy in current human capital management practices that aims at revamping the HR practices and policies so as to create an experience that provides the highest level of engagement. Based on content analysis qualitative survey of various HR managers, opinions and new age thoughts in HRM practices has been highlighted in this chapter, giving an innovative dimension to HRM.*

### **INTRODUCTION**

Radical innovations have been witnessed in human capital practices due to changing workforce and workplace dynamics in the Twenty-first century. Present millennium is characterised by Learning organisations with a millennial workforce that typically demands individualistic attention, care and engaging experience from their employer. The human capital trends of 2017 boast about millennial workforce with changing demography and psychograph. Not only diversity in the workforce has intensified but also the

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## ***Employee Experience Design***

emotions, feelings, beliefs, work attitude, expectations and needs. Millennial employees are looking for a productive, engaging and enjoyable work experience from the beginning of their employment journey to their exit (Bersin, 2016). According to a 2016 Millennial Survey report by Deloitte, Millennials are found to associate value to career opportunities based on good work-life balance as the most important factor, opportunities of progression and leadership opportunities, work flexibility and meaningful nature of work. Organisations believe that happy, committed and engaged employees add higher dividends to the company's financial performance rather than any other resources. That's why competent and committed employees are referred to as human capital, that is an investment with higher returns over a longer term.

Present business organisations emphasize on experiences they provide to their stakeholders for business development, expansion, branding (including employer branding) and overall growth of the organisation. Design thinking has been applied successfully for enhancing customer experience and user experience in numerous services and products, but in case of human resources management focuses on enhancing employee experience is just the beginning of the endeavour towards sustainable development (Plaskoff, 2017). Human capital management in this millennium is going through a paradigm shift in the same direction; through the designing of policies and practices that provide an enriching and enthusing experience to employees throughout their employment journey in the organisation rather than just increasing financial incentives and employee recreation.

Employee experience is the synchronised perceptual outcome of all interactions occurring between employees and the organization (Jacob & Goldsmith, 2017). These interactions are influenced by three factors, which includes the 'physical space' (workspace/work environment) that employee uses every day, the 'culture' (norms, beliefs, values, policies) of organization and the 'technological environment' provided by the employer (Morgan, Dec 15, 2015). When organisations focus on enhancing the quality of these three factors by adopting digitization, artificial intelligence, inclusive culture, charismatic leadership, challenging and meaningful nature of jobs, conducive work environment etc, employees tend to enjoy the overall interactions they have with the organisation, work and other organisational members. This provides them with satisfying, delighting and motivating experiences that drive their motivation towards organisational excellence.

In this era of virtualisation and automation, employee experience is essential for companies to compete (Dhingra, Emmett, & Samadani, 2018). Employee experience has recently gained popularity in many organizational setups, especially in the services sector in order to build employee loyalty and engagement by holistic designs and innovations at the workplace. Over the last thirty years, organisations have been struggling to provide best practices for employee work-life balance and effective diversity management. But present millennial work climate transcends work-life balance to provide an experience to 'each and every employee' that gives them a 'feel good' factor to cherish and be self-driven towards maximisation of their contributions for goals accomplishment. A lot of effort has to go into understanding each employee deeply and co-creating experiences with them that bear high perceptual value and display care (Plaskoff, 2017). Dramatic changes in the work climate have often blended with a host of issues focused on seeing employees as "whole persons" (Harrington & Ladge, 2009). Inclusivity and sustainability are the new HR goals for any organisation, leading to innovative HR practices providing enriching experiences and perceptions about interactions with work, manager and work environment.

Organizational challenges like downsizing, outsourcing, increased performance and efficiency issues, longer work hours, work-life balance conflicts, stress etc. impel employees to seek out organizations that seem to have alignment with their mind and heart (App, Merk, & Buttgen, 2012). This challenging psychographic trend of the workforce creates constraints on organizations in sourcing and managing

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