Transforming Workforce Technology Is The Key To Improving Customer Experience

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Executive Summary

Forrester's Business Technographics® surveys show that improving customer experience is the top global business priority. Our customer experience research demonstrates that the companies that offer better customer experiences grow their revenues four to ten times faster than their competitors do. And companies that are making the most gains in customer experience are investing in employee-facing technologies to do it with. Why? Because they know that customer experience is in their employees' hands. Their people must have access to the technology resources they need to stay fully engaged in their work, wherever they work.

Several studies prove that the fewer barriers employees face to getting things done, the happier they will be and the harder they will work at delivering the products and services that keep customers coming back. In other words, to succeed in your business objectives and meet rising customer expectations, you have to invest in workforce technology, now more than ever.

Enabling your workforce with technology is a deliberate strategy to foster high performance and excellence. It begins with understanding that employee experience, customer experience, and revenue growth are decisively linked.

> **Workforce experience is defined as an employee's perception of how well the organization's environment, culture, tools, and support structures deliver the resources they need to stay engaged, make progress toward work they know is important, and stay connected with customers, their colleagues, and meaning in their work.**

Nevertheless, despite the evidence proving that workforce technology investments improve customer experience and revenue growth, enterprise technology decision-makers still see workforce technology primarily as a source of cost, complexity, and security risks — a necessary but troublesome part of their portfolios. It's an understandable view given rising security threats, ransomware, more consumer technology in the workplace, and steadily rising costs, but it's also short-sighted.

In August 2016, Dell commissioned Forrester Consulting to evaluate some of the key challenges, drivers, and trends that businesses are facing to ensure the ideal workforce experience across Asia Pacific and Japan (APJ). To

explore this trend, Forrester conducted a custom study to identify key business priorities, challenges, and methods being adopted across industries. The study included in-depth surveys with 327 senior business and technology executives and workforce computing decision-makers in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand) within their organizations. It also included analysis of Forrester's existing Business Technographics survey data to provide additional context, yielding more powerful insights.

As an IT decision-maker, you can use these insights to build a workforce enablement approach linked directly to employee experience, customer experience, and revenue growth before your competitors catch on.

Key Findings

This study yielded a number of key findings:

› **Business leaders in APJ don't yet understand the links between employee experience and customer experience.** The top two priorities for business decision-makers in APJ are improving customer experience and reducing costs, but better addressing employee needs ranks last.

› **APJ countries widely differ on the importance given to improving employee experience to meet business priorities.** The links between employee experience and business priorities are strongest in South Korea but lowest in China.

› **APJ leaders see employee training, flexible workstyles, and the simplification of processes as important to their digital transformation strategy.** They're committed to helping employees more readily adapt to change.

› **Legacy applications and technology complexity are holding back APJ leaders' progress.** The greater the complexity and the older the legacy applications, the harder it is for employees to adapt to change.

› **APJ business leaders are looking for more software-as-a-service (SaaS) and better support for a mobile workforce.** Today's mobile workforce demands continuous access to information and enterprise applications. With low bring-your-own-device (BYOD) penetration and a desire to increase it, APJ businesses are implementing more SaaS and mobility solutions.

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Workforce Productivity Is Closely Linked With The Evolution Of The Digital Economy

Engaged employees willingly invest their time and energy in your business success, but they need the right productivity tools to get their work done better and faster and a clear vision of how they can improve customer outcomes. The primary job of infrastructure and operations (I&O) professionals responsible for workforce technology is to help the employees in their organization with the ideal set of tools and technology to win, serve, and retain customers. Your employees want to do this. But all too often, they can't. Why? Because, frequently, the technologies we've equipped our workers with actually destroy their productivity.[1]

To achieve high productivity in their work, employees need autonomy, mastery, purpose, and "cognitive flow." Studies show that companies with the most engaged employees enjoy 81% higher customer satisfaction and half the employee replacement cost, and that lower employee replacement cost leads to disproportionate gains in employee productivity and profitability.[2]

> **Flow is defined as a pleasurable experiential state that occurs during full-capacity engagement in which an individual is performing at a level that is matched with the demands of the task.**
> — **Pioneering psychologist Mihaly Csikszentmihalyi, who studied "flow" for more than five decades**

Only 40% of the business respondents to our survey agreed that their IT department provides them and their teams with the latest devices and technology required to achieve their business objectives, while only 61% of business respondents felt that the existing technology in their organization is sufficient to meet their business goals. A large portion of business leaders are limited and restricted by their enterprise technology environment.

A positive employee experience is one that:

› **Facilitates getting things done.** Studies show that what makes employees happiest at work is getting things done — making steady progress with their work every day.

› **Connects employees with why their work matters.** Employees derive their sense of satisfaction from the benefits they bring to the business. An engaged employee will be a productive employee who keeps a continuous focus toward customer satisfaction.

› **Helps employees balance the demands of their jobs with resources.** Technology managers must ensure that they remove obstacles from employees' paths and provide them with the necessary tools to deliver optimal results efficiently.

WHAT ENGAGED WORKERS WANT FROM YOU

So how can you satisfy these engaged workers with their evolving work styles? What do they seek from you? Your technology strategy should help empower them with:

› **Better access to information.** Technology needs to provide workers the best possible access to the information they need when they need it. For customer-facing employees, the entire customer experience can hinge upon whether or not a worker can summon the right information during the interaction.

› **Tools to serve their customers.** Workers also need access to key applications and systems to act on the information they receive, solving customer problems.

Our study found that:

› **Organizations want to prioritize customer experience.** Business and IT leaders recognize the value of putting the customer at the center of their business strategy. Sixty-two percent of our survey respondents chose improving customer experience as one of their top three business priorities of the next 12 months. Reducing costs was a close second, chosen by 60% of respondents. (see Figure 1).

› **Improving the employee experience is the lowest priority for APJ and the greatest opportunity.** Only 38% of respondents consider improving employee experience as an important factor in achieving business objectives — the lowest of all priorities. There was high degree of variation in the results, though: Fifty-five percent of Korean respondents consider employee experience an important factor in the ability to deliver business goals, compared with only 23% of Chinese respondents (see Figure 2).

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FIGURE 1

Delivering Better Customer Experience Is The Top Priority For Most Organizations

"Which of the following initiatives are likely to be your organization's top business priorities over the next 12 months?"
(Please rank all on the basis of priority)
(Percentages added for Rank 1, Rank 2, and Rank 3)
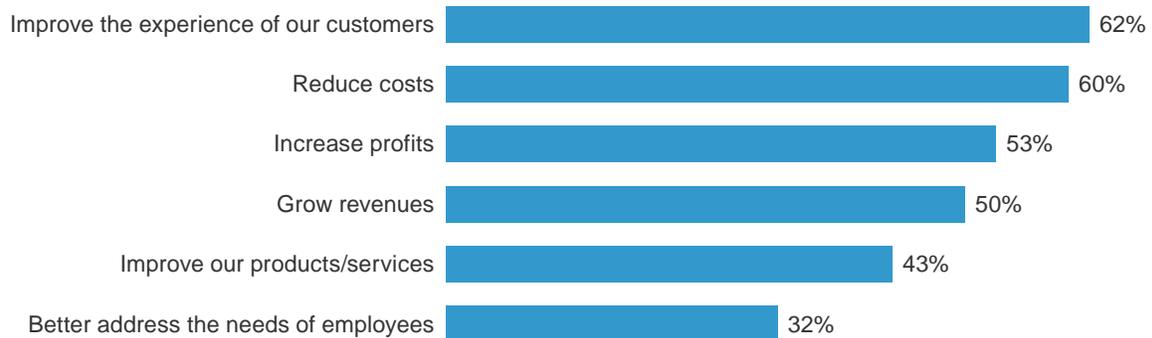
Improve the experience of our customers	62%
Reduce costs	60%
Increase profits	53%
Grow revenues	50%
Improve our products/services	43%
Better address the needs of employees	32%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

> › **There is wide variation between emerging and mature APJ countries on the importance of the employee experience.** Korea ranks the highest in the survey, with 55% of respondents ranking improving employee experience an 8 or higher in importance, followed by India and Australia/New Zealand, both at 43%. China ranks it the lowest, at 23%. Business decision-makers in the higher-ranked countries can look to workforce technology investments to extend their competitive position in their markets, while companies in lower-ranking countries can likely make quick business priority gains (see Figure 2).

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"How important do you think it is to improve employee experience to meet business priorities in the next 12 months?"
(1 to 10 scale with 1 = not important; 5 = medium; 10 = critical)
(Grouped for 8 to 10 where 1= do not understand and 10 = completely understand, on a scale of 1-10)

Korea	55%
India	43%
ANZ (Australia, New Zealand)	43%
Southeast Asia (Singapore, Malaysia, Indonesia, Philippines)	37%
Japan	36%
China	23%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

When It Comes To Workforce Technology, One Size Doesn't Fit All

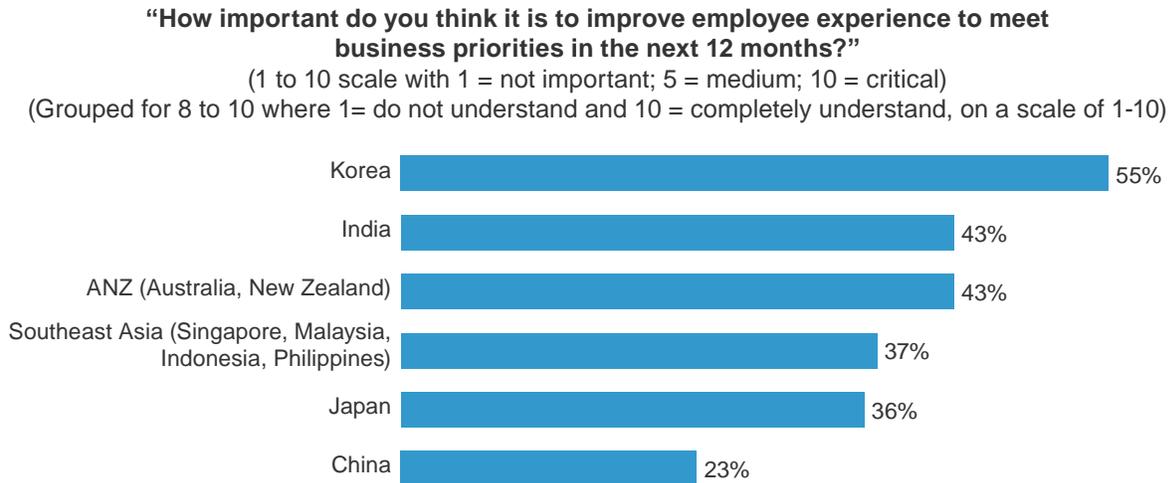IT efficiency has shaped the workforce computing landscape for organizations. Most global as well as APJ IT decision-makers are providing laptops, tablets, and smartphones to executives primarily due to executive demand, while rank-and-file information workers and contact center staff mostly receive desktop computers. This approach is wrong-headed. Employee productivity rather than IT efficiency will drive technology decisions inside and outside IT. Employee-centric design for workforce technology is the best way forward to create a happier workforce, which, in turn, will foster innovation and boost productivity; helping executives meet their business priorities.[3]

To make things more complex, business and IT leaders see different reasons for their lack of progress toward their business objectives. Although the core objective of keeping customer priorities at the top is aligned for both business (30%) and IT (32%), the business leaders say that the major challenges they face in meeting their business priorities are a lack of an ideal products and services suite (33%) and difficulty in managing complex technology (30%), while the IT organization says that lack of cross-functional collaboration due to impaired information flow across the business functions (25%) and unstable legacy

applications (34%) are their major challenges (see Figure 3).

THE FUTURE GROWTH OF YOUR COMPANY HINGES ON YOUR WORKFORCE'S ABILITY TO WORK EFFICIENTLY AND REMAIN ENGAGED

CEOs see technology as the most critical external force affecting their firms today, and innovation sits consistently at the top of executives' agendas. But business and IT leaders must understand that the ability of their workforce to innovate and meet customer expectations stems from its ability to share information efficiently, collaborate across functions seamlessly, and remain in flow for a prolonged period without interruptions. Technology management policies and practices of your organization have the potential to unlock human capability across the organization with the right resources and focus. Some of the key insights we built from the research are:

› **Rationalizing workforce enablement solutions enhances functional collaboration.** Today's workforce is mobile, and tomorrow's will increasingly work from home. How easily can employees connect with people and share information? Employees need a wide variety of devices, applications, and cloud-based services to do their jobs effectively through improved information flow across functions and remotely connect with people within

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FIGURE 3

While Business Organizations Look For An Ideal Product/Service Suite, IT Organizations Struggle With Complex Legacy Applications

"What are the key business challenges you are facing to achieve your business priorities?"

IT	
Unstable legacy applications	34%
Keeping customer priority on top	32%
Lack of cross-functional collaboration	25%
Lack of ideal products/ services fit	25%
Data issues	24%
Lack of skills	22%
Technology issues	21%
Senior business leadership buy-in	21%
Lack of visibility within the org	21%
Low employee engagement	20%
Managing technology complexity	18%
Lack of conducive environment for innovation	18%
Lack of budget	17%

Business	
Lack of ideal products/ services fit	33%
Keeping customer priority on top	30%
Managing technology complexity	30%
Unstable legacy applications	28%
Lack of cross-functional collaboration	26%
Lack of visibility within the org	26%
Data issues	25%
Technology issues	23%
Lack of conducive environment for innovation	23%
Senior business leadership buy-in	21%
Low employee engagement	16%
Lack of skills	10%
Lack of budget	8%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

the organization.[4] Our study shows that the future of workforce technology would stand on (see Figure 4):

- **Transforming the way employees work by providing more flexibility to the workforce.** To meet their business objectives, employers hope to increase enterprise mobility solutions (33%), offer more flexible working conditions (28%), and give remote access to enterprise apps and support (25%), while 30% would like to implement more cloud/SaaS offerings.

- **Providing more device options to employees.** Half of the survey respondents would like to implement or increase adoption of employee device options (27% for BYOD and 23% for Choose-Your-Own-Device (CYOD).

- **Freedom of choice for devices, which is the most preferred option to attract and retain talent within**

the organization. Workforce experience technology is a loose assembly of interrelated but not interconnected solutions. As the battle for talent intensifies and the importance of an engaged, productive, and impactful workforce grows in an ever more competitive market, these disparate technologies will come together. There is a greater need for executive-driven mandates for workforce transformation that caters to the exact need of your workers and keeps them motivated and engaged. The study conducted by Forrester reveals that 42% of respondents want more freedom of choice for devices, while 39% want better freedom of choice for employees for devices, in order to specifically ensure better communication and/or information flow to help them attract and retain ideal talent. Comparatively, only 23% of business and IT leaders said that increasing compensation and bonuses will help them retain talent within the organization (see Figure 5).

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FIGURE 4

Employers Look To Invest In Employee Flexibility Through Mobility And Cloud Solutions

"Which employee-centered activities will you be investing in to meet your business objectives?"

Activity	Percentage
Expand and improve our enterprise mobility solutions, including mobile workplace, field, and sales force automation	33%
Implement more cloud/SaaS offerings and services	30%
Invest in training and new skills to support digital initiatives	28%
More flexible working locations, times, or behaviors	28%
Implement/increase adoption of BYOD policy	27%
Improve and simplify our business processes	27%
Remote real-time access to enterprise applications/IT support	25%
Improve employee collaboration	23%
Implement/increase adoption of CYOD	23%
Leverage analytics/machine learning for employee insights	22%
Make faster decisions	22%
Enhance self service capabilities to resolve IT support issues faster	21%
Time within business hours for own creations	21%
Best-in-class technology to employees	19%
Implement/expand use of client virtualization	18%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016
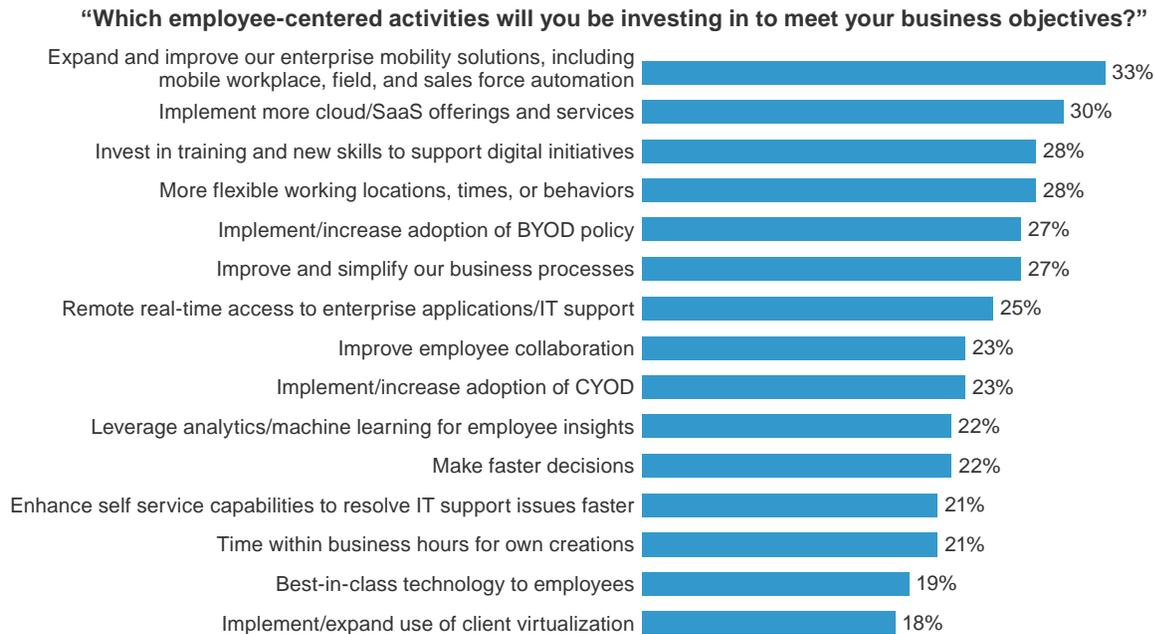
FIGURE 5

Employees Demand Better Devices And More Freedom To Choose Their Own Devices

"Which of the following statements do you agree would help you attract and retain talent in your organization?"

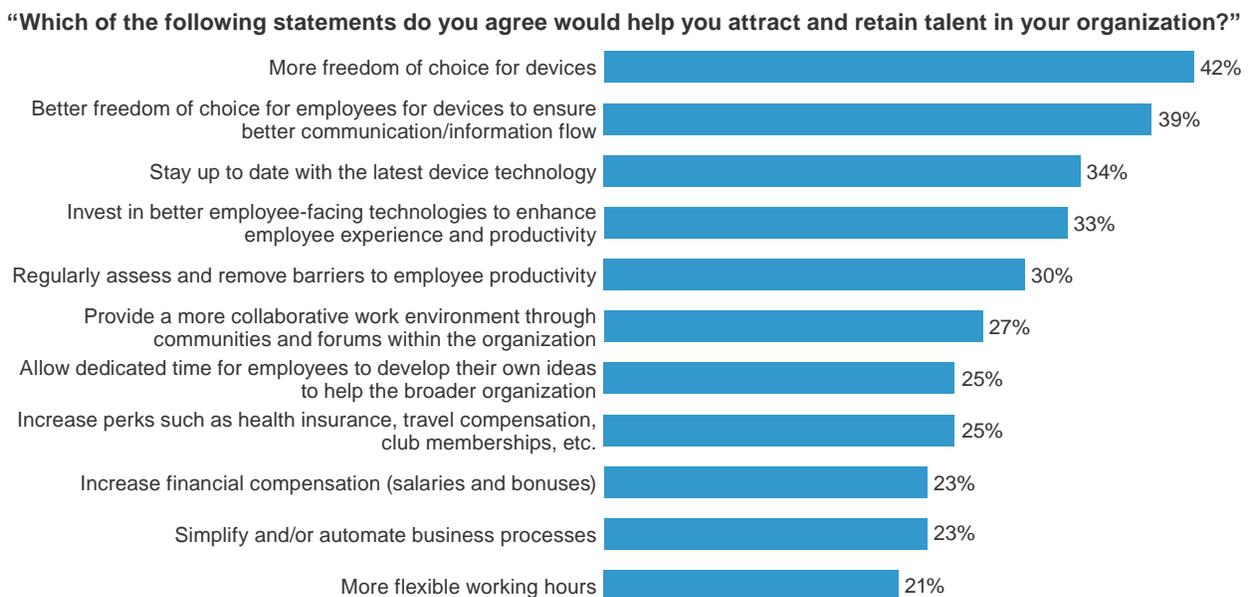| Statement	Percentage
More freedom of choice for devices	42%
Better freedom of choice for employees for devices to ensure better communication/information flow	39%
Stay up to date with the latest device technology	34%
Invest in better employee-facing technologies to enhance employee experience and productivity	33%
Regularly assess and remove barriers to employee productivity	30%
Provide a more collaborative work environment through communities and forums within the organization	27%
Allow dedicated time for employees to develop their own ideas to help the broader organization	25%
Increase perks such as health insurance, travel compensation, club memberships, etc.	25%
Increase financial compensation (salaries and bonuses)	23%
Simplify and/or automate business processes	23%
More flexible working hours	21%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

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Business Needs Will Drive The Workforce Technology Strategy

Technology management professionals must make decisions to enable employees to be more productive in the course of their work. As a technology leader, you must set high standards for technology design to preserve flow. This will ensure the requisite knowledge, time, and motivation for your workforce to help them engage more deeply in their work.

The first step to enabling your workforce with technology is to understand the unique requirements of your employees and to measure your employee experience. Through our research, we found that only 62% of organizations measure the employee experience with technology. When we further probed the organizations that do measure their employee experience, we found that the most common way of measuring employee experience is by conducting passive periodic audits, at 52%. Other more active methods such as using end user experience monitoring tools (34%) and conducting surveys (20%) were far less popular (see Figure 6). Clearly, not enough effort is put into understanding the dynamic nature of workforce requirements.
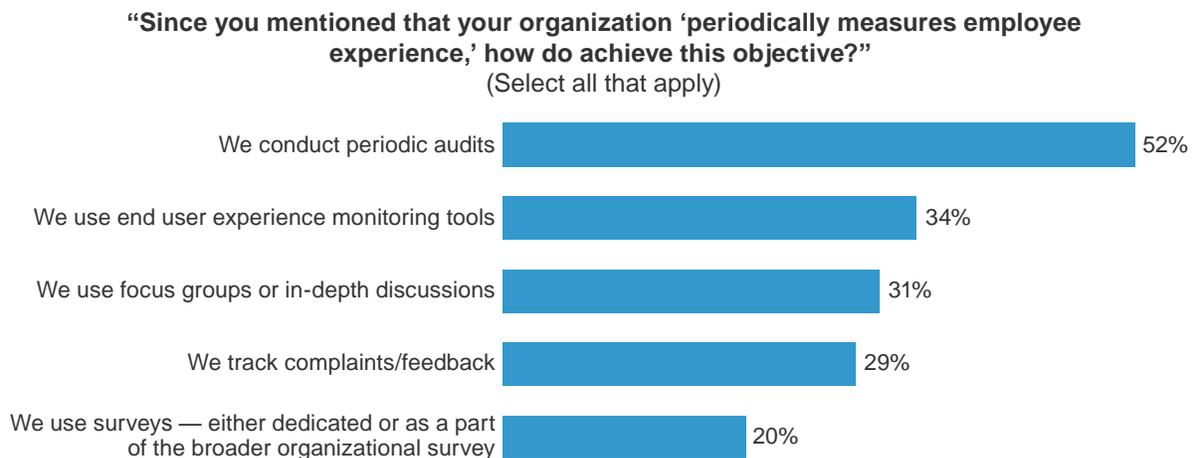
I&O pros require precise information to create effective workforce enablement solutions. In the dearth of credible data, there is an opportunity to introduce a mix of customer metrics and employee engagement measures to this validation process. Some organizations will do this by hiring an outside firm to gather insights and turning to culture change experts to access the ideal mix for employee experience.[5]

IT leaders will work with functional teams, as well as company operations, organizational development (OD), and legal and compliance teams together to assess technology's effect on engagement, productivity, and business outcomes. Successful overlaying technology for improved workforce experience requires company operations and OD to provide guidance to the company's IT partners, and vice versa. The joint measurement work is essential to making this partnership work, as it provides a baseline understanding of what's most important. Continued measurement shows the overall effectiveness of the technology solutions.[6]

FIGURE 6

Periodic Audits Are The Key Tool To Measure Employee Experience

"Since you mentioned that your organization 'periodically measures employee experience,' how do achieve this objective?"
(Select all that apply)

We conduct periodic audits	52%
We use end user experience monitoring tools	34%
We use focus groups or in-depth discussions	31%
We track complaints/feedback	29%
We use surveys — either dedicated or as a part of the broader organizational survey	20%

Base: 226 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

Key Recommendations

An analysis of Forrester's in-depth surveys of IT business and IT decision-makers yielded several important recommendations:

> **Assemble a cross-functional workforce experience working group.** Charter a cross-functional group to define your approach to workforce experience and communicate the strategy back to the company as a whole. Initially, a senior executive in company operations or organizational development should co-chair this group because any outreach to the entire workforce generally requires their commitment and support. The chair should be aptly supported by the legal and compliance teams, keeping regional compliance and regulations in mind. Later, an IT leader can take the reins, with periodic review and involvement from the others.

> **Make employee productivity your top priority.** Cost, risk, and IT efficiency will always be important because they're easy to see and understand, but if you want to help your company improve customer experience and grow revenue, you must shift your focus toward fostering employee productivity.

> **Get comfortable using soft benefits to make a business case**. Business cases are built with the easiest metrics to gather, verify, and watch. But soft benefits are no less real — they're just harder to measure and rationalize, so it takes more work to build a business case with them. Take the extra time to do it.

> **Develop a rigorous approach for understanding the employee technology experience.** Jeff Bezos, CEO of Amazon, once said that fact-based decisions overrule the hierarchy. It's especially true with workforce technology because it's everywhere in your company so it's important to everyone, and there are plenty of sources of data. There are also already proven methods of gathering the data that matters most. Use what you learn to drive discussions, challenge thinking, and lead change by earning commitment from stakeholders to put employee experience first. Now is the time for APJ leaders to turn rigorous analysis into competitive advantage.

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Appendix A: Methodology

In this study, Forrester conducted computer-assisted telephone interviewing (CATI) of 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand) to evaluate key business trends, growth inhibitors, and innovative solutions for workplace security. Survey participants included decision-makers and business leaders in business or IT roles. The study began in August 2016 and was completed in September 2016.

Appendix B: Supplementary Graphs And Demographics

FIGURE 7

Demographics: Company Type — Location And Employee Size

"In which country do you work?"
(Please select one)

Korea 9%
India 19%
Southeast Asia 16%
ANZ 19%
China 19%
Japan 19%
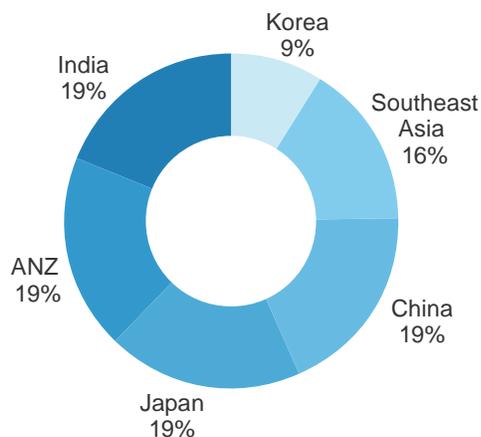
"Using your best estimate, how many employees work for your firm/organization worldwide?"
(Please select one)
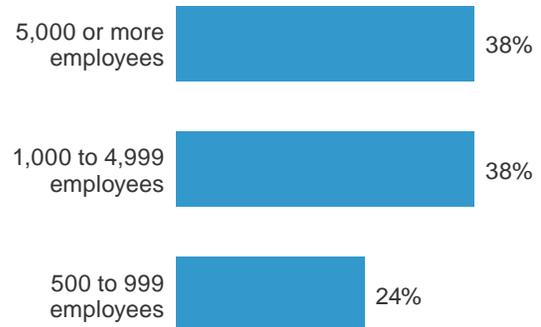
5,000 or more employees — 38%
1,000 to 4,999 employees — 38%
500 to 999 employees — 24%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

(percentages may not total 100 because of rounding)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

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FIGURE 8

Demographics: Position In Organization

"Which of the following most closely describes your job title?"
(Please select one)

Business
33%

IT
67%

Business respondents

Director in business role (dir. in sales, etc.)	18%
Seniormost business leader (president, CXO other than CIO)	10%
Business executive (VP and above)	5%

IT respondents

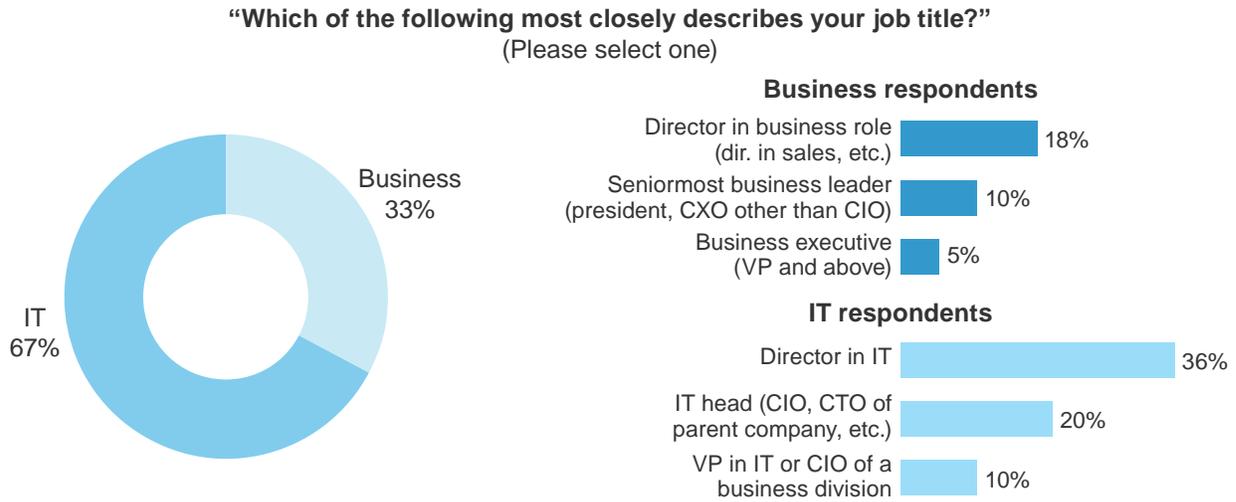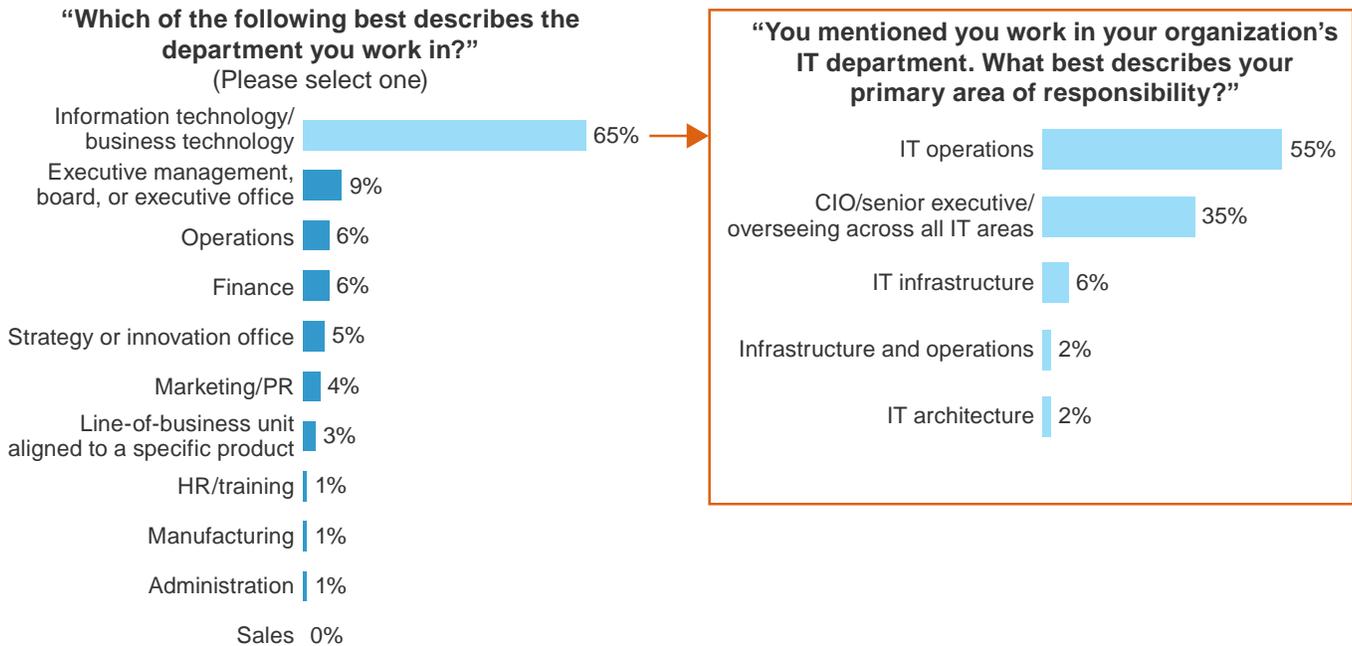|	
Director in IT	36%
IT head (CIO, CTO of parent company, etc.)	20%
VP in IT or CIO of a business division	10%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

FIGURE 9

Demographics: Department

"Which of the following best describes the department you work in?"
(Please select one)

Information technology/ business technology	65%
Executive management, board, or executive office	9%
Operations	6%
Finance	6%
Strategy or innovation office	5%
Marketing/PR	4%
Line-of-business unit aligned to a specific product	3%
HR/training	1%
Manufacturing	1%
Administration	1%
Sales	0%

"You mentioned you work in your organization's IT department. What best describes your primary area of responsibility?"

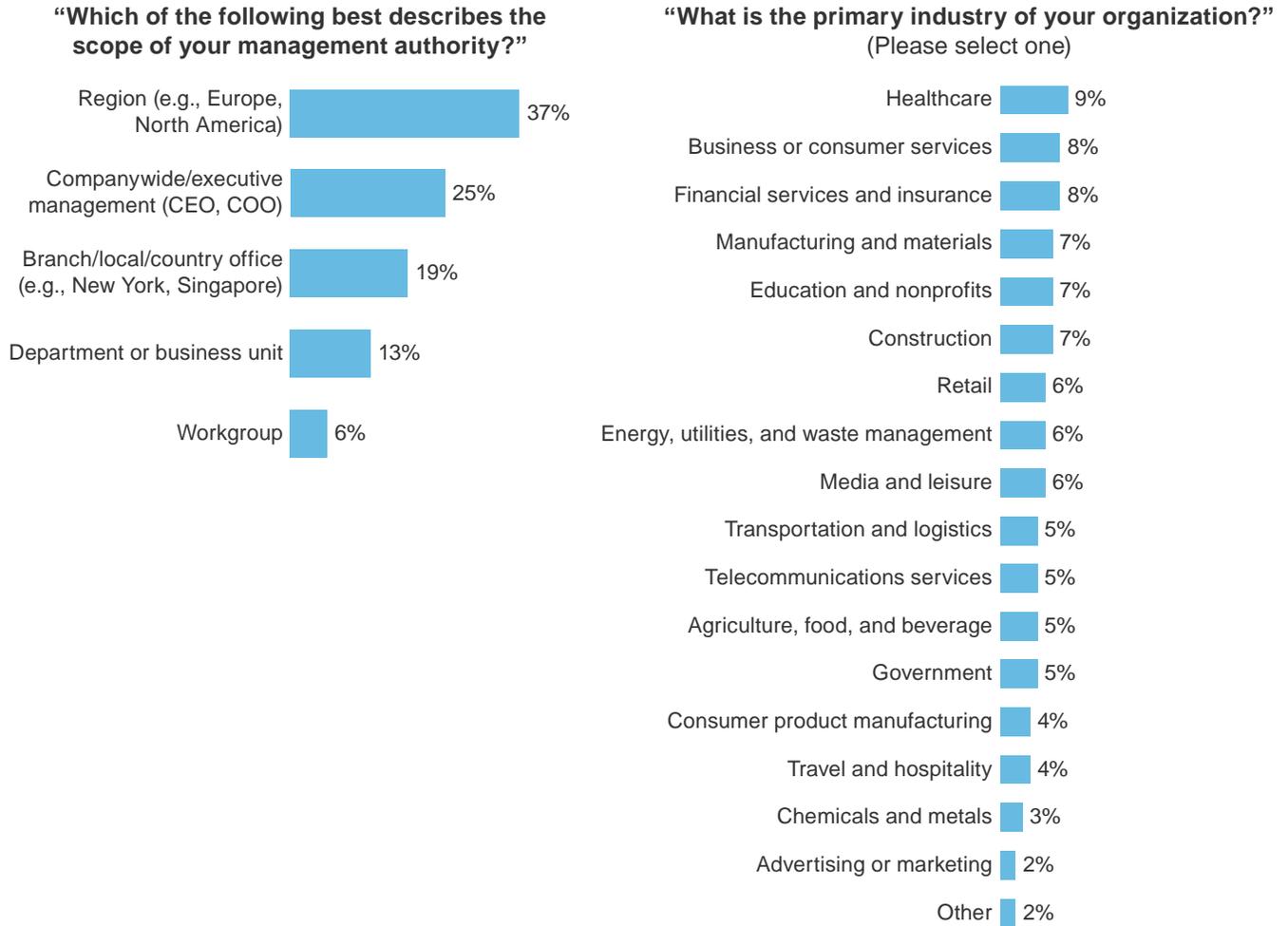|	
IT operations	55%
CIO/senior executive/ overseeing across all IT areas	35%
IT infrastructure	6%
Infrastructure and operations	2%
IT architecture	2%

• The majority of decision-makers identify themselves with the IT/technology department

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

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FIGURE 10

Demographics: Industry And Management Authority

"Which of the following best describes the scope of your management authority?"

Region (e.g., Europe, North America)	37%
Companywide/executive management (CEO, COO)	25%
Branch/local/country office (e.g., New York, Singapore)	19%
Department or business unit	13%
Workgroup	6%

"What is the primary industry of your organization?"
(Please select one)

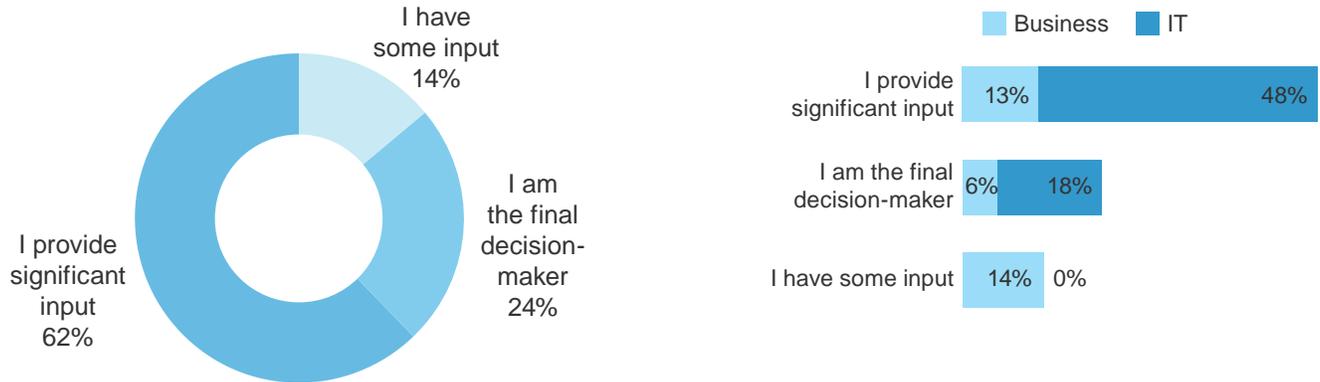|	
Healthcare	9%
Business or consumer services	8%
Financial services and insurance	8%
Manufacturing and materials	7%
Education and nonprofits	7%
Construction	7%
Retail	6%
Energy, utilities, and waste management	6%
Media and leisure	6%
Transportation and logistics	5%
Telecommunications services	5%
Agriculture, food, and beverage	5%
Government	5%
Consumer product manufacturing	4%
Travel and hospitality	4%
Chemicals and metals	3%
Advertising or marketing	2%
Other	2%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

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FIGURE 11

Demographics: Hardware Procurement Role

"What is your involvement in your organization's client computing hardware procurement decisions?"

I have some input 14%

I am the final decision-maker 24%

I provide significant input 62%

Business   IT

I provide significant input: 13%   48%

I am the final decision-maker: 6%   18%

I have some input: 14%   0%

Base: 327 IT and business decision-makers across organizations in China, India, Japan, SEA (Singapore, Malaysia, Indonesia, Philippines), Korea, and ANZ (Australia, New Zealand)

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2016

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Appendix C: Endnotes

[1] Source: "Workforce Enablement Defined: Elevate Productivity And Engagement," Forrester Research, Inc.

[2] Source: "Elevate Human Performance With Workforce Enablement," Forrester Research, Inc.

[3] Source: Business Technographics Infrastructure Survey, Forrester Research, Inc.

[4] Source: "The Workforce Experience Ecosystem: Engagement, Productivity, And Customer Impact," Forrester Research, Inc.

[5] Source: "Measure Workforce Experience Through Engagement, Productivity, And Customer Impact," Forrester Research, Inc.

[6] Source: "Want A Healthy Customer Experience Ecosystem? Free Your Workers," Forrester Research, Inc.

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