

# THE RESOURCE

VOL. VIII, ISSUE VI

# HR INSIGHTS

Magazine

*from the eyes of industry leaders*

Career  
Paths  
Are Out

and Career  
Portfolios  
Are In

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To Improve Customer Experience,  
First Improve Employee Experience

Best Practices for Employee  
Experience Programs

How Employee Wellness Programs  
Boost Productivity

Excerpted from a feature article on The Resource, from the local publication, *'Forsyth Woman'*. Story by Martie Emory.

## Empowering people to find their place!

"Celebrating 40 years in business at the end of this past August, The Resource has a proud history and an inspired story. It is truly a time-tested, innovative company that has navigated a variety of obstacles to achieve this impressive 40th anniversary milestone.

Their message to business clients is a simple one: "Are you operating as your best self?"

That theory is clearly at the heart of the company's success through the years, as they have expanded their services to meet the ever-changing needs of their clients and their employees, while keeping one step ahead in the business world through innovation, creativity, and personal insight.

For CEO Kathy Hartung, it has been both a personal and professional journey of learning, adapting, and making the most of every opportunity. From early beginnings in 1979 under the name of Executive Resources, to a new focus – and the new name Temporary Resources – with Kathy coming on board in 1983, she has guided a respected business through recession, changing workplace dynamics, and the challenges of new technology, for 36 of its 40 years in existence.

The early '90s brought changes in the business recruiting industry, with the introduction of background checks, followed by a turn to technology, with the mid-'90s bringing computers and an official "database" of applicants into the workplace. Housed in a single location in Winston-Salem in the 90s, the company then expanded to Greensboro, Mocksville and Lexington. The rollercoaster of the recession of 2008 brought still more change, and eventual rebranding and name change in 2014 to *The Resource*, to better reflect the company's mission. In 2017, the expansion continued to markets in Salisbury and Yadkinville.

"There were always plenty of challenges and obstacles to overcome," says Kathy.

Believing every employee has their very own set of unique abilities, The Resource team also aids companies in optimizing their current workforce as well. With every change or adjustment in staff, they assure clients they are already solving issues for the future. How empowering!

At the heart of their success, Kathy and her staff consider change to be a positive factor, and one they embrace at every stage of development.

"What's interesting is that the same challenges repeat over and over during the years, with just a different face or disguise," she says, with confidence that a positive solution will always be within reach!"

# THE RESOURCE

“ At The Resource we are passionate about our story, and the stories of evolution our clients and employees have to tell. Here's to the next 40 years of fulfillment! ”



Best Regards,

A handwritten signature in black ink that reads "Kathy Hartung".

Kathy Hartung, CEO



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# HR INSIGHTS

*from the eyes of industry leaders*

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## DESIGN

The Office of Kristian Bjørnard



Career  
Paths  
Are Out  
and Career  
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Are In

START

BY CHARLES COY





The lexicographers at Oxford University Press define *path* as “a way or track laid down for walking or made by continual treading.” The word carries with it a connotation of linearity: though it may wind a bit here and there, a path generally moves toward one direction. In the business world, there’s a longstanding practice to talk about careers as having paths. But what if the career path concept is outdated?

I recently discussed this shift with futurist April Rinne, who advises companies and individuals on global trends. In her opinion, today there’s almost nothing “pathlike” about a career. Rather, she explained, the traditional career “path” has gradually become more of a career “portfolio” because of “many factors—both push and pull—[that include] everything from people feeling unfulfilled at their jobs to technology making it far, far easier for people to work in many different, often remote, ways.”

Rinne uses the term *portfolioist* to describe people who create their own platforms and find ways to use their varied skills to maximize their potential. People who fit into this category decide what they feel the world needs and figure out how to use their unique skill sets to create businesses that meet those needs. Although portfolioists aren’t necessarily freelancers or people who are self-employed, freelance workers do make up a significant chunk of this group.

According to a study commissioned by Upwork and Freelancers Union, the freelance sector has grown quickly in the past few years, and “at its current growth rate, the majority of the U.S. workforce will be freelancers by 2027.” With that in mind, Rinne believes that organizations should focus on bringing in freelancers and portfolioists. Because freelancers are associated with flexibility, attracting freelancers means becoming a destination for workers.

Rinne cautions companies against underestimating freelancers or portfolioists in general. In one recent article she described the great variety in their ranks:

Independent workers don’t only exist locally; they’re also a key part of global talent mobility. It’s not only your freelance photographer neighbor who is part of the freelance workforce; it’s also the engineer, marketing maven or C-suite executive who has opted for

a change of pace, wants to see the world, or simply wants better work-life balance.<sup>2</sup>

To appeal to this specific class of workers, businesses need to avoid getting caught up in job titles when seeking new hires. Instead, a company should focus on the skills it truly wants and be clear about them in the job description. Skills should be front and center when it’s time to review applications: rather than worrying about the actual positions an applicant has held, pay attention to what experience he or she claims to have. Keep in mind that a jack-of-all-trades candidate may actually be a portfolioist who’s well-versed in many fields.

In another article Rinne explains how the shift toward career portfolios has been accompanied by an expansion of what it means to have colleagues: “You have the ability to be part of far more *communities of practice* than the average employee, and to work with people whom you *really like*.”<sup>3</sup> This ability allows portfolioists to engage in more cocreated work and gives them opportunities to work with people in different places geographically, to control their workloads, and to have more control over who else is “in the office.” Traditional workers join their work communities, but portfolioists *create* theirs. In comparison to most traditional candidates, portfolioists usually bring with them a greater diversity of experience and thought—and great benefits to their organizations.

And there’s no reason for a portfolioist to choose just one community. Independent workers often become part of multiple communities that may or may not be related to each other. A freelancer with a diverse portfolio—the product of a diverse skill set—might cultivate a network that involves several different communities. That network is unique to that individual, and the people within it become his or her colleagues.

The business world is still waking up to the potential of portfolioists. Companies that are on the fence about whether to embrace this trend will need to choose a side soon, though. And those that take a chance on hiring portfolioists are unlikely to be disappointed.

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Charles Coy is the senior director of analyst and community relations at Cornerstone. Responsible for evangelizing about Cornerstone’s innovation in talent management technology solutions, he is interested in the ways that technology can affect how organizations evaluate, motivate, and value their employees. He can be reached via Twitter at @oleskoo.

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TO IMPROVE

Customer  
Experience,

FIRST IMPROVE

Employee  
Experience

BY STIJN DE GROEF

Whatever their products—razors, drinks, project management software, or anything else—and whether they are startups or global pioneers, companies are finding it harder than ever to be competitive. Thanks to disruption, today's status quo, doing business has become more difficult for everyone because of two main reasons.

First, competitive pressure is increasing, thanks to the fast pace of technological change and the intensity of direct competition. In a 2014 interview, venture capitalist Christoph Janz offered a description that still rings true five years later: "Many categories, in e-commerce for example, have now been captured, plus lower barriers to entry mean more competition, so most markets are more crowded than ever before. Starting a company is easier than it's ever been, but scaling it to a large success remains the real challenge."<sup>1</sup> Large enterprises, too, face their own set of challenges, as new entrants turn categories upside down (e.g., Dollar Shave Club's disruption of Gillette's former market dominance) and leave stakeholders perplexed and profits plummeting.

At the same time, as global competition reaches a boiling point, the bar is raised. When Gillette was (more or less) the only option, for example, customers had to choose Gillette. Now a disrupted market means that customers have more choices and better experiences than ever before.



That same truth applies in every business category. Companies have stepped up and created a new set of standards. Today's customers expect Apple-like innovation, Amazon-like delivery, and Netflix-style choice. In what's known as the "halo effect," these expectations affect businesses of all sizes and in all industries (even something as small and as specialized as a local store in Mississippi that sells only lightbulbs).

In this context, innovation is more important than ever. Businesses must build exceptional customer experiences (CX) or be left in the dust as their competitors overtake them. Across the board, business leaders "believe CEM [customer experience management] has a positive impact on their business."<sup>2</sup> And 81 percent of respondents to one 2017 survey said "they expect to be competing mostly or completely on the basis of CX" by the end of 2019.<sup>3</sup>

The standards keep rising, and most companies are racing—and failing—to keep up. For example, only "22 percent of customer experience leaders report their CX efforts exceed customers' expectations."<sup>4</sup> At the same time, "87 percent of organizations agree that traditional experiences are no longer enough to satisfy their customers."<sup>5</sup> It's clear that even though a business's success rests on its ability to create exceptional customer experiences, almost everyone is failing at this. Why? What's the missing piece of the customer experience puzzle?

The halo effect doesn't shape only customer expectations. It also shapes employee expectations, because employees are also customers (for example, a company's sales manager might love Netflix, and its IT director might buy Apple). So any statements about how customers have new expectations of flexibility, convenience, and customer-centricity apply in the workplace, too. Customers expect to be more satisfied than ever and to have their unique needs accommodated—and employees have those same expectations.

Just as Dollar Shave Club has shaken up Gillette, new entrants in the business world (or astute legacy companies that are able to move fast) disrupt traditional employee experiences. Even if a business offers, say, more flexibility than other big companies, its people are comparing it to Google or Facebook or that cool new startup down the road. That translates into rock-bottom employee engagement levels globally. Although engagement is increasing in some areas (for

example, it was up to 34 percent in the USA last year), overall levels are still dismal.<sup>6</sup> That's a big problem—and one big reason why a company's CX efforts aren't paying off as much as they could.

## EMPLOYEE EXPERIENCE DRIVES CUSTOMER EXPERIENCE

It's been well documented that companies with high employee engagement enjoy better business outcomes on two levels:

- **Employer brand.** Employee engagement defines a company's employer brand. An organization that delivers a subpar employee experience will find it more difficult to attract candidates. As a result, it will never quite have the A-listers it needs to power innovation and deliver exceptional experiences.
- **Company culture.** Poor employee experience creates a culture of disengagement, and disengaged employees don't deliver exceptional services or experiences. That's true for crucial customer-facing roles (such as sales and customer service) but also equally true for back-end roles (for example, product engineers who don't go the extra mile can damage the organization just as much as someone who works directly with the public).

A company with poor employee engagement will struggle to attract the best candidates and to get the best from its employees once they're on board. Under those conditions, it can't deliver the experience its customers need.

## PRIORITIZE EMPLOYEE EXPERIENCE

Happy, engaged employees make for happy, engaged customers. In order to transform the customer experience and stay competitive, businesses must give employees a customer-like experience in the workplace. A good place to start is by looking beyond the obvious things such as salary and employee benefits. Perks do matter, but a culture of engagement is even more valuable.

For example, only 12 percent of respondents to one recent survey "strongly agree that their organization does a great job of onboarding."<sup>7</sup> When a company doesn't start off on the right foot with employees, it's no surprise when it struggles to engage them long term.

Performance management is also crucial—for employees as well as for managers.

Considering that manager quality determines "at least 70 percent of the variance in team engagement," organizations should analyze how they select and train their managers.<sup>8</sup>

Learning and development are vital, too. Today's employees expect to grow professionally and personally while they work.

Companies should not neglect diversity and inclusivity. Key questions to answer are "Do all employees feel that they are treated with respect and that their voices are heard?" and "Do all employees feel that their unique perspectives are valued?"

A culture of employee engagement can't be created overnight. It's a long process that can't be rushed by offering employees free breakfasts or flexible hours. But companies that take the time to get their employee experience right will see their customer experience follow suit—and thereby distinguish themselves from their competitors.

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A passionate HR professional, entrepreneur, and cyclist, Stijn de Groef is the CEO of Talmundo ([www.talmundo.com](http://www.talmundo.com)), an HR technology company. Before founding Talmundo in 2012, he worked in senior talent management roles at EMEA and at the global level at Swarovski and Goodyear. De Groef now travels the world to spread the word about Talmundo's employee onboarding software and the strategic importance for businesses to get onboarding right.

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Feeling valued and appreciated at work is something all people need in order to do their best, whether or not they realize it. Helping employees feel valued can dramatically affect their performance. In one study, for example, phone-based fundraisers were randomly divided into two groups: the first group made its calls as usual, and the second group made its calls after hearing a director's speech about how grateful she was for their hard work. The speech had a measurable effect: the group who heard it completed 50 percent more phone calls than the group who didn't.<sup>1</sup>

#### WHAT IT MEANS TO FEEL VALUED

It's human nature to want to feel loved, cared about, accepted, supported, and included. Humans seek this sense of value constantly, including during office hours. Tony Schwartz explains, "To feel valued (and valuable) is almost as compelling a need as food. The more our value feels at risk, the more preoccupied we become with defending and restoring it, and the less value we're capable of creating in the world."<sup>2</sup>

During his ten years as CEO of the Campbell Soup Company, Doug Conant became famous for sending employees at all levels of the organization handwritten notes expressing how much he appreciated their contributions. This habit is certainly admirable, but kind words and thank-you cards aren't the only options. Employers must acknowledge their employees' value in other ways, too, by giving them fair base pay, performance pay, paid time off, benefits, autonomy, work-life balance, meaningful work, job security, and career-advancement opportunities.

If these foundational elements are missing, then face-to-face gratitude or handwritten notes won't make up the difference. By focusing on the things that employees truly value, the organization sends the clear message that it cares about its people. By implementing the following five strategies, an organization can build a solid foundation for its employee experience by clearly demonstrating—and not just paying lip service to—how much it values its employees.

#### DEVELOP A COMPENSATION STRATEGY

The most obvious indicator of how much an organization values an employee is how much that employee is compensated. Of course, value extends beyond dollar signs alone. But if a company's compensation lags behind the rest of the market, then its employees will feel undervalued and dissatisfied.

To understand where it fits within the job market and where its employees land on the compensation scale, a company should make sure its compensation plan answers these questions:

- **"What talent markets do we intend to use for comparison?"** The company should decide if it wants to lag behind the market, match the market, or lead the market when it comes to compensation.

- **"What are the organization's competitive limits?"** As nice as it would be to pay top candidates exactly what they ask for, it's important to be sure that the company can truly afford it—and not just financially. (For example, what could the impact be when a veteran employee finds out that a new hire is making more than she is?)
- **"Which behaviors do we want to reward with our compensation dollars?"** This question helps companies hone their compensation management strategies so they know exactly what behaviors they're rewarding—and thus encouraging people to emulate. (For example, raising pay based on tenure could motivate employees to stay longer.)



#### COMMUNICATE COMPENSATION AND BENEFITS

The benefits of a compensation management strategy extend only as far as the company's skill at communicating about it: if the organization doesn't make sure its employees know that they're being fairly compensated, the employees usually won't make that assumption themselves. In fact, most people don't actually know whether they're paid fairly. In one recent study, 64 percent of people who were paid at market rate and 35 percent of people who were paid above market rate believed that they were underpaid. At the same time, the study found that "if an employer pays lower than the market average for a position, but communicates clearly about the reasons for the smaller paycheck, 82 percent of employees . . . still felt satisfied with their work."<sup>3</sup>

This means a company's plan for communicating its compensation strategy is just as important as the strategy itself. Perception plays a huge part in employee satisfaction: helping people understand why they're paid the way they're paid alleviates the stress associated with guessing, wondering, and assuming the worst.



## PROVIDE GROWTH AND LEARNING OPPORTUNITIES

Organizations can help employees feel valued at work by investing in their development. This investment doesn't have to be expensive; in fact, some of the best employee development initiatives don't cost a dime:

- Peer-learning groups
- Manager one-on-ones
- Stretch projects
- Dedicated learning time
- Career planning
- Internal hiring

Encourage managers to step into a coaching role for their employees. By meeting one-on-one regularly with their teams and working to identify each employee's goals, managers can tailor learning and development opportunities for each person. (For example, someone who wants to move into a management position eventually can be assigned to lead a project, and someone who wants to learn more about payroll can be given opportunities to do so.)

# EMPLOYEES VALUED AT WORK

BY TORI FICA

## ALIGN EMPLOYEE PERFORMANCE AND COMPENSATION

As employees grow and develop, they will become more efficient, more skilled, more knowledgeable, and better at their jobs. Eventually, they will be different people from the ones the organization first hired, and the compensation they receive should reflect that growth. That's why it's important for a compensation strategy to include a plan for reevaluating compensation and aligning it with employee performance.

Rather than base raises on who can negotiate most effectively or who has been around the longest, companies should tie compensation to performance. This will help employees understand that their future at the organization is linked to their growth and high performance as individuals.

But companies shouldn't wait for a "rock star" employee to come asking for a raise before it considers the idea. Organizations need to be proactive in offering these rewards if they want their top talent to stay engaged all year long—not just when it's time for the annual compensation conversation.

## PROVIDE MEANINGFUL WORK

This final strategy for making employees feel valued is the least tangible, because it concerns employees' emotional need for meaningful work. The connection between sense of purpose and engagement has been well established in numerous studies. For example, one survey found that "employees who strongly agree they can link their goals to the organization's goals are 3.5 times more likely to be engaged." Unfortunately, that same study also revealed that "only 44 percent of employees strongly agree that they can see this connection."

Employees perform better when they see that what they're doing day in and day out matters. Managers and executives can help employees make this connection by recognizing great work at every level, especially in those positions that are less visible. For example, the executive team could host a company-wide meeting and invite various teams to present their wins and goals. Not only does this give greater visibility to each department, but it also sends the message that each team is a valuable contributor for the organization.

## AN ONGOING PROCESS

Making employees feel appreciated and valued at work can't succeed as a one-and-done effort. Rather, valuing employees must be an ongoing process that shapes (and is shaped by) the organization's attitude and approach. Through a variety of initiatives that include more "formal" policies (such as providing development opportunities) as well as "informal" practices (such as outlining meaningful work), organizations can help employees feel that they are important contributors. And when people feel valued, they create value.

Tori Fica is a copywriter for BambooHR ([bamboohr.com](http://bamboohr.com)). Through research, analysis, and writing, she creates content to help HR professionals think and plan more strategically. Her focus is on taking complex ideas and in-depth research and turning them into clear, digestible pieces of content.

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# Use Office Space Design to Shape Company Culture

BY BRIAN FORMATO

I recently sat down with renowned office designer Carrie Frye of CFID Studio to talk about how to create great office spaces. The design and implementation of a new office is a powerful opportunity for a company to engage its employees and burnish its brand image. Yet in spite of its benefits, the introduction of a new office is an infrequent occurrence; in fact, most leaders manage an office change only once or twice in their careers.

Between us, Carrie Frye and I have over 50 years of experience helping companies navigate this big investment. Over the course of our conversation, we drew up a list of five recommendations for getting it right.

## **FOLLOW THE GOLDILOCKS PRINCIPLE: THE AMOUNT OF CEO ENGAGEMENT SHOULD BE “JUST RIGHT”**

**BF:** During my 20-plus years in HR, I’ve been involved in a number of office relocations and renovations. In every case, the CEO was highly involved. Why does it matter to a Fortune 100 CEO what a division office looks like? The answer is culture. A company’s physical space speaks volumes about how the company operates and the importance it places on employees.

**CF:** As a designer, I *want* to have the CEO involved. The most successful office cultures come from the top. If new hires see the CEO working in the break room, they know it’s okay to brainstorm over a game of ping pong at 10 a.m.

**BF:** Early in my career I worked for Western Publishing in New York. (They were famous for publishing the Little Golden Books—remember their gold binding?) After an

investment group purchased the company and continued to expand it through acquisitions, it no longer fit in its Third Avenue offices. So we embarked on a project to move to West 57th Street. The move took more than a year to complete and consumed most of my working hours (as well as many of the CEO’s hours!). We debated everything from carpet color to office size, and I was amazed by how much time the CEO and senior leaders spent on the project at the expense of revenue-generating activities.

**CF:** It’s important for the CEO to set the strategic direction for a new office, but there’s such a thing as too much CEO involvement. Here’s my advice to CEOs: *create a team you trust, then let it execute your vision*. Empower that team to do the research, guide the project, and make granular decisions on things such as carpet colors and finishes. That way, you can focus on running the business.





## INVOLVE EMPLOYEES, FROM START TO FINISH

**CF:** The best designs begin with team members and the brand. But too often, design decisions are based on the personal preferences of senior leaders. Team members need to give input throughout the process, via surveys and other methods. As a starting point, designers need to understand how people work and how various groups work differently.

**BF:** I once worked with a large company to consolidate its back-office functions in a new building in Charlotte. After collaborating with senior leaders to select a property, we began space planning. The next months were consumed with determining who would sit where—who would get offices, who would get windows, and who would get conference tables. Everything was determined by level, regardless of people's specific needs. I still recall the IT staff putting new computers in the mail room because they didn't have enough space for them elsewhere. I learned from that experience that form should follow function—but often doesn't.

**CF:** There's a common trap of using office space to differentiate among levels of employees—a practice that can be demotivating for junior team members who have great potential. To differentiate performance and level, I recommend focusing on paychecks and benefits instead. Let your office space and amenities bring people together. When done right, work spaces create energy and can even create trust between employees and managers.

**BF:** During the buildout for the New York publishing company, things became very personal for some people. Many were upset about the sizes of their offices, for example, or about the partially blocked views from their windows. As an HR guy, I quickly learned that people believe that their workspaces say a lot about their importance in a company.

**CF:** It's human nature to think that your assigned workspace speaks to your value. One way to manage that is by offering employees multiple places to work. And by all means, give people plenty of opportunities to provide input about the types of spaces that work best for them—then incorporate that feedback where you can. Throughout the process, it's important for team members to hear messages from the top about the company's mission and how their work supports the mission.

Here are some questions and topics to consider with your project team and designer during the research process for creating a new office space:

- Ask Millennials how they like to work. Consider the importance of community in the culture. (Don't forget to ask Generation X employees, too!)

- What cool features and hygiene factors matter most to team members? Coffee stations? Game rooms? "Chill-out" rooms?
- How much collaboration space is needed? Do team members need enclosed rooms, or can they collaborate within work stations? (Or do they need both types of spaces—or something completely different?)
- Put yourself in the shoes of a job applicant and ask yourself, "Is this where I would want to spend most of my waking hours?"

**BF:** The designer is crucial to this process. A good designer will study how your teams work today and help you understand how they will use the new space. A great designer will analyze that information in light of your strategic goals and will help you create a space that meets those goals, gives employees what they need, and comes in on time and on budget.

## BUILD YOUR OFFICE AROUND ONE OF YOUR BEST RECRUITING TOOLS: YOUR BRAND

**BF:** When I joined the marketing firm Red Ventures, it had 200 employees and was poised to grow but had difficulty attracting talent because few people had heard of it. (It was known mostly for two products it represented, DIRECTV and Sirius Satellite radio.) With expansion in mind, Red Ventures built a new greenfield office that proudly showed off the company's addiction to data analytics, with large, statistics-displaying monitors throughout the offices.

As the VP of human capital, I had the job of attracting talent. So we put a Red Ventures basketball hoop in the parking lot, we built a game room, and we created a wall of monitors in the reception area to rotate through promotions for our brands or display welcome messages to new hires and visitors. Our office became a showcase for our culture, and open houses were our best recruiting tool. Red Ventures has since taken it to another level with its new headquarters. An indoor basketball court, a yoga studio, game rooms, restaurants, and other amenities create an attractive office environment that's also an amazing recruitment tool.

**CF:** Clearly the Red Ventures management team understood the value of your HQ as a brand platform—and the team supported the development of that space with a major investment, encouraging project team members to dream big. It's a great example of how a CEO can use the design process to drive business results.

## DESIGN WITH FLEXIBILITY IN MIND

**BF:** My final corporate job was at an industrial company in Charlotte, North Carolina. The buildings were stale—mostly holdovers from manufacturing days—and we embarked on a project to redo one of them. Through the design process, we wanted to supercharge a culture change and foster innovation and entrepreneurship. Unfortunately, the intended business unit was restructured during the renovation: the employees the building was supposed to house were permanently relocated, and a different group moved into the new space. Layout choices would have been different if the organization had considered the reorganization prior to building design.

**CF:** That's one reason it's so important to design offices with flexibility in mind. Consider how work will get done in the future. Pay attention to technology such as smartboards, digital signage, power sources, and wireless capabilities—and leave room for new technologies, too.

## GET THE RIGHT TEAM IN PLACE

**BF:** From the start, leverage the right people. In addition to the in-house team, consult external experts, such as an office designer (of course) and also someone with expertise in workplace culture. An organizational development expert can add a lot of value.

**CF:** That's a great point. Often the office project team is enthusiastic about the changes, but that excitement doesn't permeate the rest of the company. I recommend designating a team or person to manage the change. Their job is to educate employees, inform them about timelines and details, and promote a positive attitude around the change.

## FINAL THOUGHTS

When building a new office, be both deliberate and aspirational. Consider choices carefully, because they reflect the company's corporate culture to employees, job applicants, and clients. Listen to and communicate with teams throughout the design process, and include enough flexibility to allow space reconfigurations as the business's needs change. Most importantly, be sure that the new office space announces the organization's purpose!

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# 9 Things to Consider When Purchasing HR Technology

BY SHARLYN LAUBY



HR technology gets discussed a lot these days, but the emphasis is usually on how to use it. One topic that's missing from most of those conversations is how to *buy* it. Any company that's considering the purchase of HR technology should work through the following steps to find (and implement) the solution that best meets its needs.

1. **Assess the organization.** Is this a first-time implementation of technology or an upgrade to an existing system? What's the budget? It could also be helpful to conduct a user analysis to determine the tech savvy of employees, managers, and even HR. At some point, the company will need to prepare an overview of its current technology infrastructure and decide if it can support the new technology being considered.
2. **Establish the goal and the must-haves.** The answer to the question "Why is the organization considering this purchase?" will help a company determine whether the technology investment is the right choice. The company will also want to establish what things are must-haves in the technology solution. For example, when talking about HR technology, are compliance tools required? (And if so, do they need to be at the federal, state, or local level?)
3. **Prioritize customization and features.** Many technology solutions come with lots of great bells and whistles, but that doesn't mean that all companies need all of those features. After figuring out the must-haves, the company needs to decide on the "nice to haves" (e.g., single sign-on, mobile responsiveness, data storage, real-time access). On a related note, there also must be a conversation about how much customization needs to happen.
4. **Confirm the request for proposal (RFP) process.** For almost any organization, technology is a major purchase. Find out who needs to be involved, what information must be in the proposal, and what the selection criteria are.
5. **Understand the technology platform requirements.** Organizations will want prospective vendors to provide details about the type of technology infrastructure required for any new system. It's also important for them to know whether the new technology is compatible with existing HR systems and non-HR systems. (For example, does the new technology work with all Internet browsers?)
6. **Consider the user experience.** HR technology has three main user groups—employees, managers, and the HR department—and each group uses the technology in its own way. The employee user experience should be similar to that for technology already in use. Managers need a user experience that provides real-time data for operational decisions. And HR wants its user experience to include a dashboard to facilitate report production.
7. **Find out what type of user training support is provided.** Get information not only about training during the initial implementation but also about ongoing training (and not just for HR, but for employees and managers as well). Remember that the training needs to support every technology level and should be available in a variety of formats (such as blogs, community forums, webinars, and user conferences).
8. **Ask about implementation plans.** "How much time does it take?" is one obvious question. But organizations also need to know the level of support that the vendor provides. (For major implementations, for example, some companies partner with third-party firms that have strategic partnerships with the vendor.)
9. **Determine how updates and maintenance will be handled.** This actually connects to the first item on this list: when it comes to technology, what type of organizational culture does the company have? Is the organization accurately described as an "early adopter," or does it like to wait a while before implementing updates? Also, the company needs to decide who will be responsible for updates and get that person involved in this process. Finally, it's important to know what role (if any) the vendor will play and ongoing maintenance costs.

When it comes to the questions and decisions that need to be considered when purchasing HR technology, the suggestions here only scratch the surface. This list is by no means comprehensive, but it can help start conversations with vendors and among key stakeholders within the company. Like any other major decision, the purchase of technology solutions must be done deliberately and thoughtfully. By taking the time to create a plan for this course of action (ideally, well before talking to vendors), a company can increase the likelihood that it will end up with something that meets its needs in multiple areas for the long term.

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# BEST PRACTICES FOR EMPLOYEE EXPERIENCE PROGRAMS

BY PETER BELLOTTI

Gone are the days when an employer simply expected its workforce to show up on time, put in their eight hours of hard work, and occasionally do some overtime hours to help the company achieve certain levels of growth. In today's competitive job market, most human resources managers recognize that organizations need to do more if they want to succeed at attracting and retaining employees. Thanks to the current serious shortage of top employee talent, many people now have the flexibility to search for jobs that offer much more than decent salaries and competitive benefits.

Employee experience is the sum of the levels of connection, impact, and meaning that people find in their jobs. Whereas previous generations of workers might have been content to find jobs that simply allowed them to pay their bills, today's employees are looking for much more fulfillment in their jobs. They want workplace flexibility, learning opportunities, a sense of purpose, or other factors that go beyond payroll management and other traditional tasks associated with HR departments. For these reasons, businesses that want top talent should consider investing in holistic, integrated, employee experience programs.

## GOOD INVESTMENTS

In July 2019, 3.6 million Americans—about 2.4 percent of the total labor force—quit their jobs, continuing a generally upward trend over the previous year.<sup>1</sup> As any

business owner will know, high employee turnover takes its toll on a company. Although estimates vary wildly (depending on the study, the cost of replacing an employee can range from a few thousand dollars to 200 percent of his or her annual salary), but all companies agree that it's an expense they'd prefer to avoid.

However, retaining top workforce talent doesn't just save the company money by avoiding the costs associated with recruiting, hiring, and onboarding new workers. A happy and engaged workforce also bring numerous other benefits to their companies. Consider the following statistics:

- Disengaged employees cost their companies somewhere between \$450 and \$550 billion dollars each year.<sup>2</sup>
- Around four-fifths (81 percent) of respondents to one survey said “they would

consider leaving their current job for the right offer,” and even though creating externally competitive and internally equitable salaries can certainly help to keep employees satisfied, 71 percent reported that “they would take a pay cut for their ideal job, one that met their benefits, career progression, and company culture priorities.”<sup>3</sup>

- When compared with low-engagement competitors, companies with the most engaged employees are 21 percent more productive and 22 percent more profitable.<sup>4</sup>
- Companies with “performance-enhancing cultures” can see a whopping fourfold increase in their long-term revenues over companies that lack those environments.<sup>5</sup>

Clearly, high levels of employee engagement and a thriving company culture offer numerous economic benefits to companies. That environment doesn't magically appear, though, and integrating employee experience programs is one of the best strategies an organization can implement to keep its workforce content, productive, and engaged.

## KEY COMPONENTS

Quality and effective employee experience programs create hospitable, stimulating, and positive workplace environments that



motivate all employees to elevate their productivity levels while making valuable contributions to their teams. Moving beyond hollow employee perks, these programs investigate strategies that can surprise employees, create meaningful connections between employers and their workforces, and remove barricades to help employees achieve their potential. But how can companies that want to implement an effective employee experience program get from the drawing board to the end results? Although there is no “one size fits all” approach to building employee experience programs, an organization that wants to design and implement a successful program should be sure it includes the following three characteristics.

#### • **Employees at the Center**

Employee experience programs should never be the result of top-down decision making whereby executives dictate what their employees need to be happier in the workplace. Rather, each program should be employee-centric, with each individual worker having say in creating it. Through employee surveys and workshops, an engaged HR staff can develop meaningful employee experience programs that allow individual workers to opt in to the elements of the program that are most important to them.

#### • **Customization**

An employee experience program should also be specifically tailored to the unique character of the workforce. For example, PayScale made different coffees available throughout its building in order to encourage employees to move about and visit different areas. But when a coffee-tasting event revealed that there was a higher percentage of tea drinkers among the employees than management had originally thought, the company took that feedback into consideration and expanded its break-room offerings to include more varieties of both tea and coffee.<sup>6</sup>

#### • **Integration of Cultural, Technological, and Physical**

To maximize employee engagement, employee experience programs should integrate the cultural, technological, and physical aspects of the workplace. Culture includes how an employee feels at his or her workplace and the protocols related to structure, leadership, and workplace

hierarchies. Technology gives employees the tools they need to do their jobs efficiently, and physical considerations focus on creating office environments that foster creativity, teamwork, and comfort.

#### **SCALING UP**

Because a successful employee experience program is also dynamic, HR departments should be open to continually modifying it based on the characteristics and requests of the workforce. In this sense, scaling up an employee experience program isn't a one-time affair but an ongoing endeavor. To make sure that employees have what they need to stay engaged with company goals, HR should take the following steps when scaling up such a program.

#### • **Don't Overlook the Importance of Return on Investment (ROI)**

Having happy employees certainly makes for a better office environment and company culture, but the “business” of business is to make money. When planning an investment to expand an employee experience program, be sure to calculate how it will increase productivity, deepen employee engagement, and develop the workforce toward the organization's long-term business goals.

#### • **Keep Senior Leadership in the Loop**

No employee experience program can be effective unless people in positions of leadership are on board with it. When discussing ways to scale up your program, in addition to including the opinions of the employees themselves, ensure that people in managerial positions understand and support the benefits that come with dedicating resources to an improved employee experience. People in leadership positions within the company should also have a clear understanding of their participation in the program.

#### • **Incorporate Enabling Technologies**

The technological tools that come with the digitalization of the workplace can be extremely helpful and enabling in creating a more holistic employee experience program. For example, automating feedback requests between employees and their immediate managers is one way to create a more fluid communication strategy that employees will appreciate. Furthermore, state-of-the-art time

and attendance software can allow certain employees to work from home or remotely without affecting the organization's payroll.

#### • **Be Open to Constructive Feedback**

An employee experience program will succeed only if your workforce finds it to be constructive and beneficial. The best way for an HR department to determine whether a program is achieving its desired goals is to create spaces for employees to critique it honestly. Additionally, because some employees will be reluctant to discuss their physical, social, or operational work environments openly, allowing anonymous feedback makes honest appraisal more likely

Employee experience programs are powerful tools. They can be remarkably effective at improving employee engagement, which in turn increases productivity, retention, and profitability. To be most effective, however, they must be designed and implemented according to several key guidelines.

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Cisco has long been admired for its enviable culture and amazing employee experience. But everyone knows that building a great culture doesn't just happen overnight. Rather, cultural transformation requires a deliberate and strategic approach. In an engaging and far-ranging interview on Workhuman Radio, Madison Beard (lead data scientist and researcher at Cisco) and Greg Stevens (analytics manager at the Workhuman Analytics Research Institute, or WARI) discussed some of the behind-the-scenes work being done as Cisco and WARI team up to use data to drive a more human-focused culture at the technology giant.<sup>1</sup>

#### DEFINING THE QUESTIONS

Describing her team's role, Beard explained, "We study what makes teams great and what makes leaders great at Cisco—and then we try to make more of that. . . . We are in charge of employee listening." Cisco has an entire team that does natural language processing as a supplement to work of their "quants" (people "focused on the number side of things"). She explained the benefits of combining quantitative and qualitative data:

Not only can you see how people feel about what's going on at Cisco, but [you] also get into the mindset of what people are saying about it. So you can combine these two sources of data to really try to understand the "why" behind what's going on with numbers.

Her team works with various stakeholders within Cisco to address a wide range of business problems (such as attrition—"Why are people leaving? Who is leaving? And at what rates?"). Social recognition has been a key driver of the employee experience at Cisco, and by partnering with program managers her team seeks to understand "how to best use the Connected Recognition [Cisco's social recognition program] dollars that we have, so we can have the biggest impact for the most people at Cisco." One of the key findings of this team's research is that when it comes to social recognition, "frequency is important."

#### PRIORITIZING ANALYTICS REQUESTS

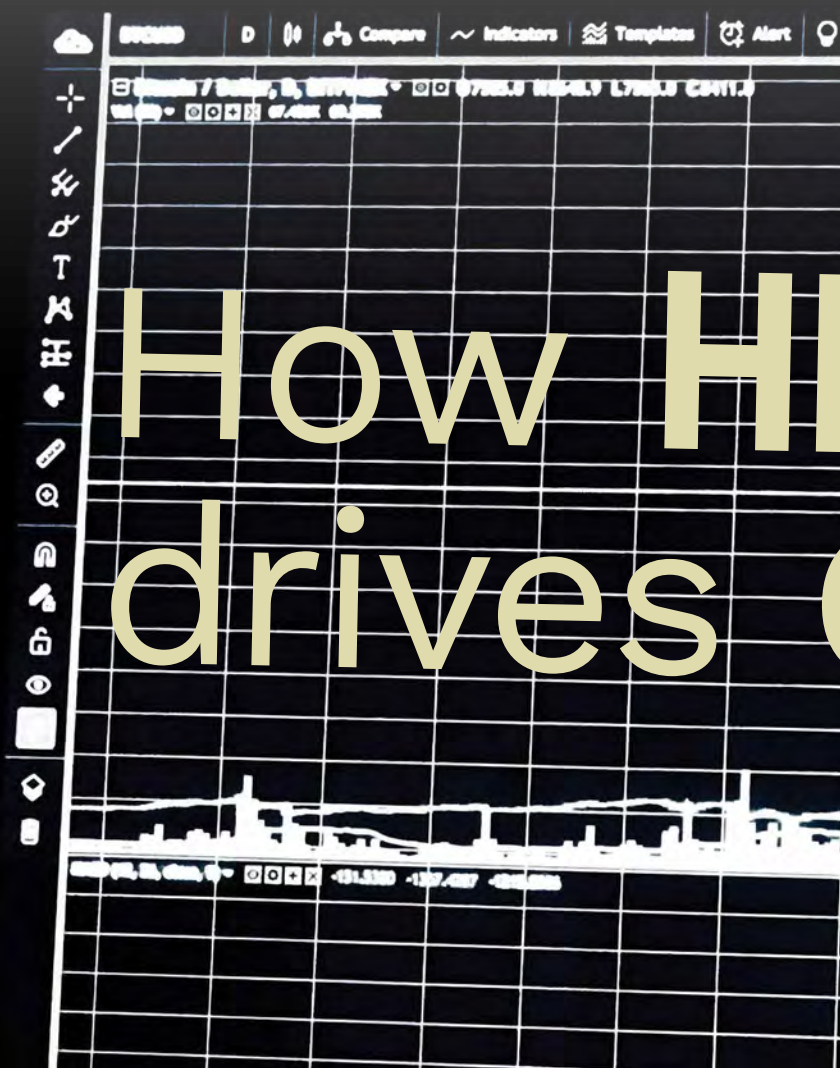
Stevens emphasized the importance of engaging with stakeholders early in the analytics process in order to better understand—and prioritize—the burning questions they want to answer with data. "You want to find answers to every possible question because you've got so much rich data," he said, and the challenge is to prioritize analytics requests and to get the most from his team's abilities and specialties. This approach is especially vital when both quantitative and qualitative people are involved. At WARI, they start with "Why do we want to ask these questions?" Cisco takes a similar tack when analyzing data: "There are always tons and tons of curiosities that we have," Beard explained. "The question is 'How should we spend our finite resources of brain power on the team to make the biggest impact?'"

#### FISHING FOR A SALMON—BUT CATCHING A FLOUNDER

Even as they strive to narrow their focus and prioritize, the data teams at Cisco and WARI are primed to come across unexpected findings. Stevens explained:

We have two modes of research on our team. One is hypothesis confirmation, which means we have a target and we want to see whether we hit the target or not. We also have a hypothesis generation mode that we go into when we don't know which question to ask. That's more of the exploratory nature of analytics.

BY AARON KINNE





Beard used a clever analogy to illustrate this idea:

You're fishing and you're expecting a salmon, for example. And you pull up a flounder. And it's a happy surprise. I mean, flounder is delicious, too. But you might serve the flounder to a different audience. It's a way to be very curious. And when you find things that are surprising, you dig in and ask, "Who might care about this? Who in the business should know this information?" All of those questions will lead you to present insights in a different way and to a different audience.

### THE "DEMOCRATIZATION" OF ANALYTICS

Looking beyond Cisco, Stevens shared his perspective on the current state of HR analytics throughout different industries: "Each company is

in a different point in [its] journey toward analytics. Clearly, we have clients like Cisco that are very advanced and have teams in place that can answer the really interesting questions." Citing the positive impact of what he calls the "democratization" of analytics, he said, "It's easier than ever to have access to resources, whether it's through a partner (such as the Workhuman Analytics and Research Institute) or by other means."

HR's attempts to better leverage data must start with data literacy, data fluency, and better understanding of data, according to Beard. She believes that it's vital that constituents understand the difference between good data and bad data. In her view, HR must take a more proactive role in helping business leaders use data.

### THE POWER OF SMALL DATA—AND SMALL WINS

All of these observations are well and good for a large organization that has the resources—and the

numbers—to leverage data for predictive analytics. But what about smaller organizations that might not have the scale of a Cisco? Stevens says that small data can be a powerful tool for them: "Everyone likes to talk about big data and having millions upon millions of records to analyze. But often there's a tremendous amount of insight in the small data for small organizations." He suggests that smaller organizations look for small wins (simple correlations that can be run in a spreadsheet program, for example) that can provide insights and help them become more data-driven companies. In his view, it's a mindset that's independent of the resources a company has available.

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Aaron Kinne is a senior writer at Workhuman ([www.workhuman.com](http://www.workhuman.com)).

1. A recording of the interview is available at [dcs.mega-phone.fm/OSC3026424421.mp3?key=aa3e14a9a969419a400318c61ca84936](https://dcs.mega-phone.fm/OSC3026424421.mp3?key=aa3e14a9a969419a400318c61ca84936).

# HR DATA

# Cisco's culture





WORK HARDER  
HEALTHIER!

# How Employee Wellness Programs **BOOST PRODUCTIVITY**

BY PAMELA DELOATCH

For employees to perform well, they must be well. To accomplish that, they must practice living a healthy lifestyle by taking care of themselves physically, mentally, and socially. Companies that want to help their employees be well need to provide workplace environments that support the health and well-being of the whole individual. Although many companies offer medical benefits, only a few have wellness programs that promote holistic wellness on a daily basis. Often companies assume that such programs are too expensive or too difficult to implement, but they may be unaware of the strong correlation between a person's well-being and his or her performance.

## THE WELLNESS AND PERFORMANCE CONNECTION

It's been well established that employees perform better when they are engaged in their work. But it is hard for them to be engaged when they're unwell in any way. Even a mild illness such as a cold can decrease employees'

energy levels and distract them from their current tasks. Stress can have the same result and, because it's a chronic and increasingly widespread condition, can lead to even more problems. Unfortunately, today's employees are more stressed than ever before. In one recent survey, for example, 87 percent of

respondents said they were stressed in the workplace, and 15 percent of them described their workplace stress as "not manageable."<sup>1</sup>

Not only can chronic stress lead to burnout and turnover, but people who stay in stress-inducing environments increase their risk of stress-related illnesses, including cancer, heart disease, obesity, and mental illness. Stressed employees are also expensive: by some estimates, through healthcare costs, accidents, absenteeism, employee turnover, decreased productivity, and worker's compensation claims, highly stressed employees cost U.S. companies as much as \$300 billion each year.<sup>2</sup>

Clearly, it is difficult for employees to deliver peak performance when they are under stress, have a physical ailment, or feel socially isolated. Fortunately, the opposite holds true: employees who are well and happy perform significantly better. One psychologist



found that when people felt more positive, they had a “happiness advantage” that made the brain “31 percent more productive” than when it was “negative, neutral, or stressed.” The same research found that positive brains were “37 percent better at sales” and made physicians “19 percent faster [and] more accurate at coming up with the correct diagnosis.”<sup>3</sup> (In some cases, happiness could mean the difference between life and death!)

To be clear, an organization can’t “make” its employees happy. It can, however, develop a collaborative culture of health and promote wellness initiatives that empower employees to work toward becoming their best selves.

### GETTING ON BOARD WITH WELLNESS

As companies realize the impact of wellness on their employees, leaders are increasingly developing and promoting various programs that encourage employees to be more active and to pay more attention to their health. Nearly half (46.1 percent) of the companies surveyed by the Centers for Disease Control and Prevention “offered some type of health promotion or wellness program.”<sup>4</sup> Programs for physical wellness can include onsite gyms or even napping pods. Examples of activities that focus on social wellness include table tennis, Friday happy hours, coed softball leagues, or team challenges that build community.

Not every company has the budget or the space to launch a wide spectrum of wellness programs. But there are plenty of inexpensive and accessible options. For example, some companies have begun offering employee yoga classes. Because prolonged sitting and inactivity can lead to health problems, the Hatha Yoga approach, which focuses on stretching the hips, hamstrings, shoulders, and wrists, is particularly helpful for office employees who typically sit at desks and work on computers all day. Breathing techniques used in yoga bring oxygen to the brain and increase relaxation or energy as needed; they also facilitate meditation, which increases mental clarity. In addition to physical and mental benefits, workplace yoga classes also bring social benefits when employees try something new together.

### ENCOURAGING PHYSICAL MOVEMENT THROUGH FUN ACTIVITIES

Physical movement doesn’t just burn calories—it also causes a person’s cardiovascular

system to perform better and even helps him or her to think more clearly. Walking increases blood flow to the brain—particularly to the areas of learning and memory—thus improving attentiveness. And simply walking more can dramatically boost creativity, too.<sup>5</sup>

Not everyone wants to sweat it out at the gym, but companies can incorporate movement into the workday. For example, instead of booking conference rooms for meetings, managers could try “walking meetings” that get everyone moving (and, when done outside, help them get some fresh air, too!). Another option is to take a page from the online shoe retailer Zappos, whose wellness director “puts [playground toys] on the plaza and sees what happens.” On these days, called Recess Tuesdays, “people will come outside, shoot some hoops, play tetherball [and] volleyball, and monkey around.”<sup>6</sup> This type of program succeeds in part because it draws people in without forcing them to participate. (And of course, who *doesn’t* want some adult recess time?)

Companies can also encourage wellness through friendly competitions, such as step challenges or weight-loss challenges. These activities can help employees meet coworkers outside of their usual social circles and feel a sense of accomplishment. If participation is voluntary and the senior leaders are all in, employees may feel more motivated to participate (and more enthusiastic about the program).

### CREATING RELATIONSHIPS FOR SOCIAL WELLNESS

Making employees feel that they belong is an important aspect of a successful wellness program. Numerous studies have shown that employees who have best friends at work are more engaged and less likely to leave—and that employees who are lonely at work are less productive, less healthy, and even more likely to quit. Unfortunately, most employees fall into the latter group, and businesses pay a high price for it: in just the United Kingdom alone, the effect of lonely employees costs employers about \$3.5 billion per year.<sup>7</sup>

By creating social wellness programs that bring people together, companies can help employees cultivate relationships. Celebrations and other social activities show employees that they are seen and valued. Departmental retreats, virtual coffee dates with people on remote teams, non-work-related

classes, lunchtime potluck meals, and learning how to form flash mobs are just a few of the fun activities that can bring people together. Providing break rooms—and opportunities to use them—can foster interaction throughout the day. Using collaboration software (such as Slack) for informal team conversations can help all employees, including remote workers, feel connected wherever they are (especially when the GIFs start flying!).

An organization that sets out to build a healthy workplace culture must remember that this change is not a one-and-done process. By using a wellness survey to find out the area of greatest employee concern (i.e., their greatest pain point) and starting with activities—even simple ones—to improve that area, the company sends the message that it cares about its employees and recognizes the importance of holistic wellness. When an organization builds a healthy organizational culture in which people have a sense of well-being, not only will they be more engaged at work, but they will begin to thrive in all other aspects of their lives as well. ■

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# The Importance of Building Trust



BY INSIGHT WORLDWIDE

The strongest structures rest on solid foundations made of stone, concrete, and rebar. Similarly, the strongest organizations, too, rise from solid foundations—but theirs are made of services, products, and company culture. Different companies have different needs, but one thing that the most successful organizations have in common is a foundation that includes plenty of trust.

As companies struggle to source—and keep—top talent in an increasingly tight job market, they would be wise to pay attention to the strong correlation between trust and retention. In one recent study, 53 percent of the respondents said that trust was “a major factor in whether they stayed or left a company.” That same study also found that lack of trust was the reason why 24 percent of employees in the United Kingdom leave their jobs.<sup>1</sup>

When employees are confident that they have management’s trust, usually those employees will not only meet expectations but actually *exceed* them. In an environment of trust—where they are both trusted and trustworthy—employees are more engaged and more productive. Stephen Covey describes how trust has a positive ripple effect throughout an organization:

When trust is high the dividend you receive is like a force multiplier, elevating and improving every dimension of your organization and life. High trust is like the leaven in bread, which lifts everything around it. In a company, high trust materially improves communication, collaboration, execution, innovation, strategy, engagement, partnering, and relationships with all stakeholders.<sup>2</sup>

Susan M. Heathfield echoes this sentiment:

Trust forms the foundation for effective communication, employee retention, and employee motivation and contribution of discretionary energy, the extra effort that people voluntarily invest in work. When trust exists in an organization or in a relationship,

almost everything else is easier and more comfortable to achieve.<sup>3</sup>

Happy and engaged employees are the ones most likely to put in the “extra effort” that leads to stronger and more financially stable organizations. One study found that when companies rate highly as “employee friendly,” they realize better returns on assets and equity than those that are less successful at currying favor with their employees.<sup>4</sup>

From a management perspective, high levels of trust within an organization offer one especially valuable benefit: under those circumstances, management can devote less time and fewer resources to worrying about their employees. Managers don’t have to wonder about day-to-day—level concerns, such as what workers are doing at any given moment, what they wear to the workplace or to client meetings, when they arrive and depart, how long their breaks are, or whether they are truly ill when they take “sick days.”

The need to micromanage isn’t the only concern that fades in a high-trust environment. The positive effects of trust extend beyond the cubicle walls. For example, in a high-trust environment, managers don’t have to be concerned about what their employees are saying about the organization not only when they’re in the office but when they’re outside the workplace, too. And those managers can also rest assured that their employees aren’t likely to be interviewing with competitors—a consideration that carries heightened significance as companies compete for talent.

So how does a company build a culture of trust? Achieving this goal takes time as well as concerted efforts on several fronts. For example,

transparency can help bolster employee confidence in the organization.<sup>5</sup> Encouraging cooperation and communication among team members can improve their trust in each other.<sup>6</sup> Similarly, promoting employees’ development can demonstrate confidence in their abilities and trust that they can fulfill their responsibilities well.

For any of these strategies to be effective, they need to be used with a population that’s receptive to them—that is, with employees who will be good partners in a trust-based relationship. Identifying such employees is a task that begins with the hiring process. A culture of trust within a company is an attainable goal, but only if the organization starts working toward it right from the start. ■

Insight Worldwide provides preemployment assessments and testing solutions. Its integrity testing is one critical tool that recruiters and hiring managers can deploy in their search for trustworthy employees who can help organizations accomplish their goals. For more information, visit [insightww.com](http://insightww.com).

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# Student Loan Repayment Benefits

BY STRATEGIC HUMAN RESOURCES INC.

## QUESTION:

We have recently heard that some employers offer student loan repayment as a benefit to their employees. What is this program? How does it differ from tuition assistance? What are the main benefits of student loan repayment for the employer?

## ANSWER:

In recent decades, Millennials have been graduating from college with staggering amounts of student loan debt. (For example, the Institute for College and Success has found that the student loan debt of 2018 college graduates averaged \$29,000 nationally.<sup>1</sup>) This debt puts a lot of strain on young graduates just beginning their careers, and having these large loans so early in life has caused the Millennial workforce to value employer benefits differently from past generations.

### WHAT IS STUDENT LOAN REPAYMENT?

Through student loan repayment programs, some companies are addressing the student loan debt issue facing their workforces. Such programs can take a variety of forms:

- **Paid time off (PTO) trades.** Employees use the money they would have earned when taking time off work to instead pay down a student loan. (In 2020 the insurance company Unum will implement this program, allowing employees to apply up the dollars for up to 40 hours of unused PTO time toward student loans.)
- **Student loan repayment plans.** Employers can elect to make contributions, typically on a monthly or annual basis, to the employee's student loan servicer. (In 2017 healthcare company Aetna began offering this benefit to its employees contributing up to \$2,000 per year to the

loan servicer, with a maximum benefit of \$10,000 per employee.)

### • Contributions to an employee's 401(k).

The employee pays a certain percentage of his or her salary toward student loans, and the employer "matches" a percentage of that payment and contributes funds to the employee's 401(k) program. This enables the employee to pay off student loans while still saving for retirement, which often gets put on hold until student loans are paid off. (Through the Freedom 2 Save program at healthcare company Abbott, full- and part-time employees who pay at least 2 percent of their income toward student loans receive the company's "match" deposited into their 401(k). This is an interesting option because of the tax benefits 401(k) contributions receive; the two options described above are considered taxable income.)

Although student loan repayment programs are a relatively new benefit offering, by 2019 they had already been implemented by 8 percent of employees.<sup>2</sup>

### HOW DOES STUDENT LOAN REPAYMENT DIFFER FROM TUITION ASSISTANCE?

Tuition reimbursement (or educational assistance) programs require the employee to be actively taking courses, whereas student loan repayment focuses on helping employees pay back loans for degrees or schooling they have already completed. Unlike student loan

repayment, tuition reimbursement is not considered taxable income under Section 127 of the federal tax code and allows for employers to reimburse employees up to \$5,250 per year, as long as the program meets requirements as detailed by IRS Regulations.<sup>3</sup>

### WHAT ARE THE MAIN BENEFITS OF STUDENT LOAN REPAYMENT PROGRAMS FOR THE EMPLOYER?

Right now, this program benefits employers mainly by increasing their potential to attract top talent. If a college graduate is weighing two opportunities that are comparable except that one offers student loan repayment, there's a very good chance that the candidate will choose the latter.

In February the Employer Participation in Repayment Act of 2019 was introduced in both the U.S. House of Representatives (H.R.1043) and in the U.S. Senate (S.460). This legislation is currently in committee in both houses, but if passed it will enable employers to award tax-free student loan repayment assistance for up to \$5,250 each year per employee. This would match the tuition assistance amounts that are currently in place and enable employers to claim deductions for these payments as well. ■

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## WHEN EMPLOYEES SPEND TOO MUCH TIME AT THE WATERCOOLER

BY MIKE MCKERNS

Most leaders want their companies to have a culture that makes employees actually enjoy coming to work. In addition to the heightened productivity, another benefit of a strong company culture is that it facilitates the building of friendships and bonds that increase employee engagement and happiness. Happy employees stay longer and can save the company money (by both decreasing costs associated with turnover and performing their jobs better).

But what happens when your employees get too comfortable and end up spending more time socializing than working? Although catching up on Monday morning should be encouraged, too much employee time spent at the watercooler or in the break room can not only lead to lost productivity but can actually damage the company culture.

When CareerBuilder surveyed employees about what they considered to be the biggest obstacles to productivity, 42 percent pointed to office gossip and 23 percent mentioned coworkers dropping by to chat.<sup>1</sup> If you think those figures might hold true for your office, it's time to deal with the problem promptly and tactfully. At the same time, though, remember that you still want to maintain the culture you have built—and “scolding” employees about chatting too much could backfire and undermine your efforts.

First, have private conversations with people who are being excessively chatty in the workplace—but be nice about it. In these situations, stress resilience expert Mark Gorkin urges, “Don’t be judgmental, harsh, [or] selfish, or impose blame.” There’s a very good chance that people in this situation don’t realize how disruptive they are being (perhaps “because they have difficulty reading social cues”).<sup>2</sup> A nonaccusatory approach is the most productive way to frame this type of conversation, so start with the assumption that there’s no ill intent—maybe just a little cluelessness. Be clear about what is problematic about the employee’s behavior, and offer guidance on how you expect him or her to act in the future.

In addition to having these conversations with chatterboxes, implement policies that can help those employees who are easily distracted in the office. Consider allowing employees to telecommute, for example, or designate quiet areas that employees can reserve when they need to work without interruption. When the social elements of a workplace make it difficult for someone to get his or her job done, they are no longer positive but become negative for that person.

A strong company culture does not appear overnight. Building it requires leveraging a combination of leadership, policies, communication, teamwork, and fun in order to foster employees’ connections with each other and with the organization. Even the strongest culture isn’t immune to problems, though—especially when they arise from within—so be sure to address them as soon as they appear. ■

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## FESTIVE GREEN BEAN SALAD

Whether you’re hosting your own holiday feast or are bringing a dish to someone else’s celebration, you’ll receive plenty of compliments for these green beans. Not only are they a welcome change from the (oh-so-tasty) starch-based sides that usually grace winter tables, but they bring a nice burst of color—and pack a nutritional punch—in a dish that even the pickiest eaters (including children) will enjoy. There’s an unusual ingredient in here, but it’s one well worth adding to your pantry, because once you realize how flavorful it is you’ll want to use it all the time!

**YIELD:** 4 servings

**TIME:** about 20 minutes

### WHAT YOU’LL NEED:

- 4 cups of raw green beans, ends trimmed
- ¼ cup walnut oil
- ¼ cup unseasoned rice vinegar
- 2 tsp dijon mustard
- 1 tsp salt
- ½ tsp freshly ground black pepper
- ½ large red onion, sliced
- ½ cup chopped walnuts
- ¼ cup shredded parmesan

### DIRECTIONS

1. Bring 1 cup of water to a boil in a large soup pot. Add the green beans, cover with a lid, and steam until the beans are cooked enough to be pierced with a fork but are still firm (about 4 to 6 minutes).
2. Remove the beans from the heat. Rinse very briefly under cool water, then drain.
3. In a lidded jar, combine the walnut oil, rice vinegar, mustard, salt, and pepper. Shake well!
4. In a large serving bowl, combine the green beans, onions, and dressing, then mix thoroughly. Then gently stir in the walnuts and parmesan. ■

### Nutrition Facts

Amount per Serving

**Calories:** 289 cal

**Fat:** 24.8 g

**Dietary fiber:** 5 g

**Sugars:** 4.7 g

**Protein:** 8.4 g







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