

An HMG Strategy Research Report
sponsored by Zendesk



Strengthening Employee Engagement in a Time of Uncertainty

Keeping employees engaged and motivated in these trying times is a top concern among technology executives. Discover the steps that top-tier CIOs are taking to inspire their teams.

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Executive Summary

In the months since the start of the global health crisis, millions of employees have shifted from working out of dedicated offices to work-from-anywhere environments. While the future of the pandemic remains uncertain, it's clear that organizational leaders will have to adapt to an increasingly remote and flexible workforce. This includes efforts to help remote employees feel connected with one another and rooted into the organization's mission and culture.

Meanwhile, technology executives in the HMG Strategy community have repeatedly shared in executive summits and in dozens of one-on-one interviews that they are heightening their focus on demonstrating an empathetic leadership style during the current crisis. Tech leaders are listening more closely to the needs and concerns of employees and are leading through humility, empathy and compassion as safety, financial and other concerns weigh on employees.

In a recent survey conducted by HMG Strategy, 73 percent of technology executives say they are focusing greater attention on employee engagement and motivation since the global health crisis began.

Most technology leaders are doing so because it's simply the right thing to do. They recognize that employees are feeling stressed about work, theirs and their families' health and well-being while trying to juggle multiple responsibilities in addition to their jobs – including child-care and elder-care.

Of course, there are other advantages to having an engaged workforce. Numerous research studies have shown that strong employee engagement will result in numerous productivity and business benefits, including a heightened customer experience that can result in greater customer loyalty along with increases in revenues and profits.

To examine the situation more closely, Zendesk and HMG Strategy conducted a survey of nearly 100 CIOs and technology leaders from Fortune 1000 companies to determine the steps they are taking to motivate their teams and strengthen employee engagement.

The findings are revealing. For instance, while 68 percent of CIOs and technology executives say they are seeing 'much stronger' or 'somewhat stronger' employee engagement compared with the pre-COVID environment, **more than 71 percent**

of respondents continue to use outdated or infrequent touchpoints to gauge employee engagement such as annual or semi-annual employee satisfaction surveys, tracking employee productivity and retention rates or by conducting exit interviews.

As employees continue to struggle in the current environment, CIOs and technology executives need to think differently to strengthen employee engagement and motivation.

This starts with taking a more hands-on approach to employee engagement. "There are a variety of reasons why CIOs should own the employee experience," said **Colleen Berube**, CIO and SVP, Operations at Zendesk. "CIOs have a unique view across the enterprise as to how different lines of businesses and organizational functions interoperate and how these can be better coordinated to deliver more intelligent employee experiences which, in turn, can lead to heightened customer experiences."

In this in-depth research report on the factors that are impacting the employee experience along with recommendations for strengthening employee engagement and motivation, you'll discover:

- How leading CIOs and other technology executives have shifted their leadership styles to be more attuned to the needs and unease of employees in these difficult times
- Specific steps that successful technology leaders are taking to motivate their teams and strengthen employee engagement
- The correlation between a strong employee experience and a solid customer experience
- The business and operational benefits of having an engaged workforce

The Factors That Are Influencing Employee Engagement

What is the single leading factor that's influencing employee engagement since COVID-19?

87 Responses- 1 Empty



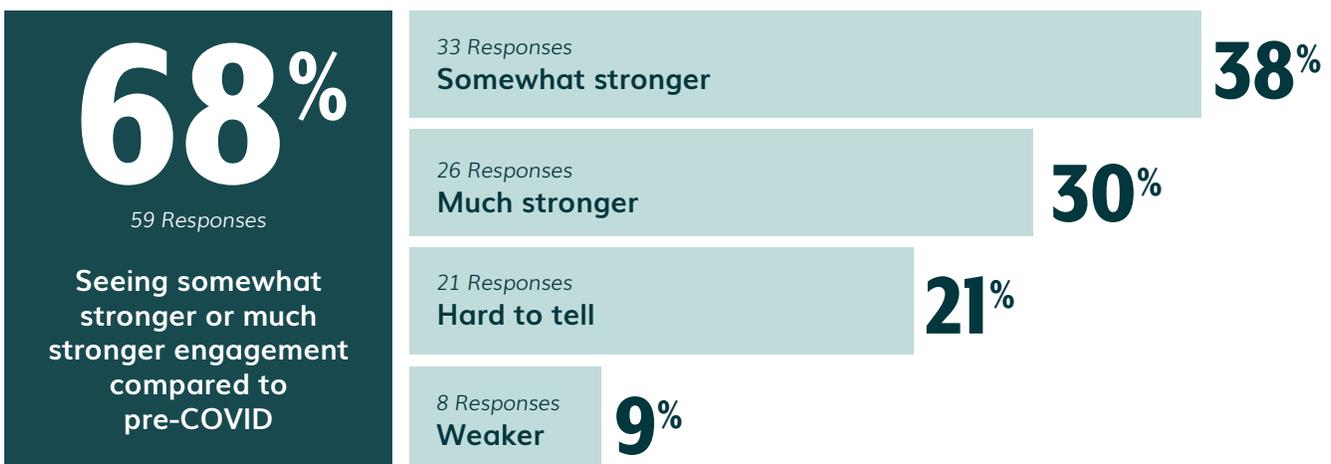
Source: HMG Strategy-Zendesk survey of 88 CIOs and technology executives in Fortune 1000 companies, conducted 3Q 2020.

Rating Current Employee Engagement Levels

Sixty-eight percent of CIOs and technology executives say they're seeing either 'much stronger' or 'somewhat stronger' employee engagement since the global health crisis began. However, technology leaders continue to remain apprehensive about keeping employees engaged and motivated in the prolonged remote work environment due to social isolation, mental well-being and other concerns.

Overall, how would you rate general employee engagement levels within your company's IT organization today compared with pre-COVID?

88 Responses



Source: HMG Strategy-Zendesk survey of 88 CIOs and technology executives in Fortune 1000 companies, conducted 3Q 2020.

Rethinking Leadership in a Time of Uncertainty

Since the world changed in March 2020, many CIOs and technology leaders have been lauded for enabling their organizations to make the digital pivot and keep their businesses operating in an incredibly difficult economic and social environment. These successes have helped boost the status of technology executives in the C-suite, creating increased opportunities for tech leaders to work with the executive team to help drive innovation and to identify and execute on new business models.

While some of the current challenges have included protecting enterprise assets in a hybrid work environment as well as cost-cutting mandates for companies facing volatile business conditions, many CIOs and tech executives are sharing the difficulties they're facing in trying to keep employees to continue to feel connected and fervent about their roles with the company.

"Making the case for strengthening employee engagement now is less about employees working in a remote setting as it is about the circumstances and pressures that employees are currently facing," said Zendesk's Berube. "It's critical for CIOs and technology leaders to check in on employees regularly to see how they're doing, to understand what their pain points are and to clearly communicate the impact that each employee is making on the customer experience."

There are multiple steps that executives can take to motivate and inspire employees in this time of uncertainty and in a remote setting. These include fostering a more inclusive culture and providing team members greater opportunities to participate in decision-making (as cited by 12 percent of the respondents to the HMG Strategy-Zendesk survey).

Some technology executives are replacing drive-by visits that once took place in the office with a steady cadence of one-on-one video or phone calls with employees (13 percent of respondents) to stay in touch with them on a regular and personalized basis and to better understand their personal concerns and challenges.

Many tech leaders find it useful to radiate positivity as a leader and to regularly and clearly communicate the impact that individual employees and teams are having on the organization's mission.

It's also important to keep close tabs on how employees are feeling and the challenges that concern them most. "One of the things we do at Zendesk is conduct pulse surveys with employees every few weeks to see how they're doing," said Berube. "If employees are encountering any issues with getting their jobs done, we can then quickly identify and resolve those issues to improve the employee experience," said Berube.

Berube also points to other steps that Zendesk has taken to help employees feel more connected with each other and with the company's mission in recent months. These include virtual social outings conducted on Zoom and other virtual "offsites" where teams are broken up into smaller groups for speed meetings and to tackle business problems together.

"Breaking up into smaller groups for brainstorming and personal bonding was the key to making this successful," added Berube.

Critical to the success of these and other employee engagement efforts is the need for technology leaders to be attuned to the needs and concerns of employees as empathetic leaders.

"People are struggling with a variety of challenges," said Berube. "As leaders, it's so important for us to listen to understand what those issues are and what we can do to help employees to address them."

As part of this, it's also important for leaders to be transparent and demonstrate that they're vulnerable. "We're all human – no one is perfect," Berube noted. "Leaders who are open and show their vulnerability are more likely to gain employees' trust – it lets others know that you as a leader are human, too."

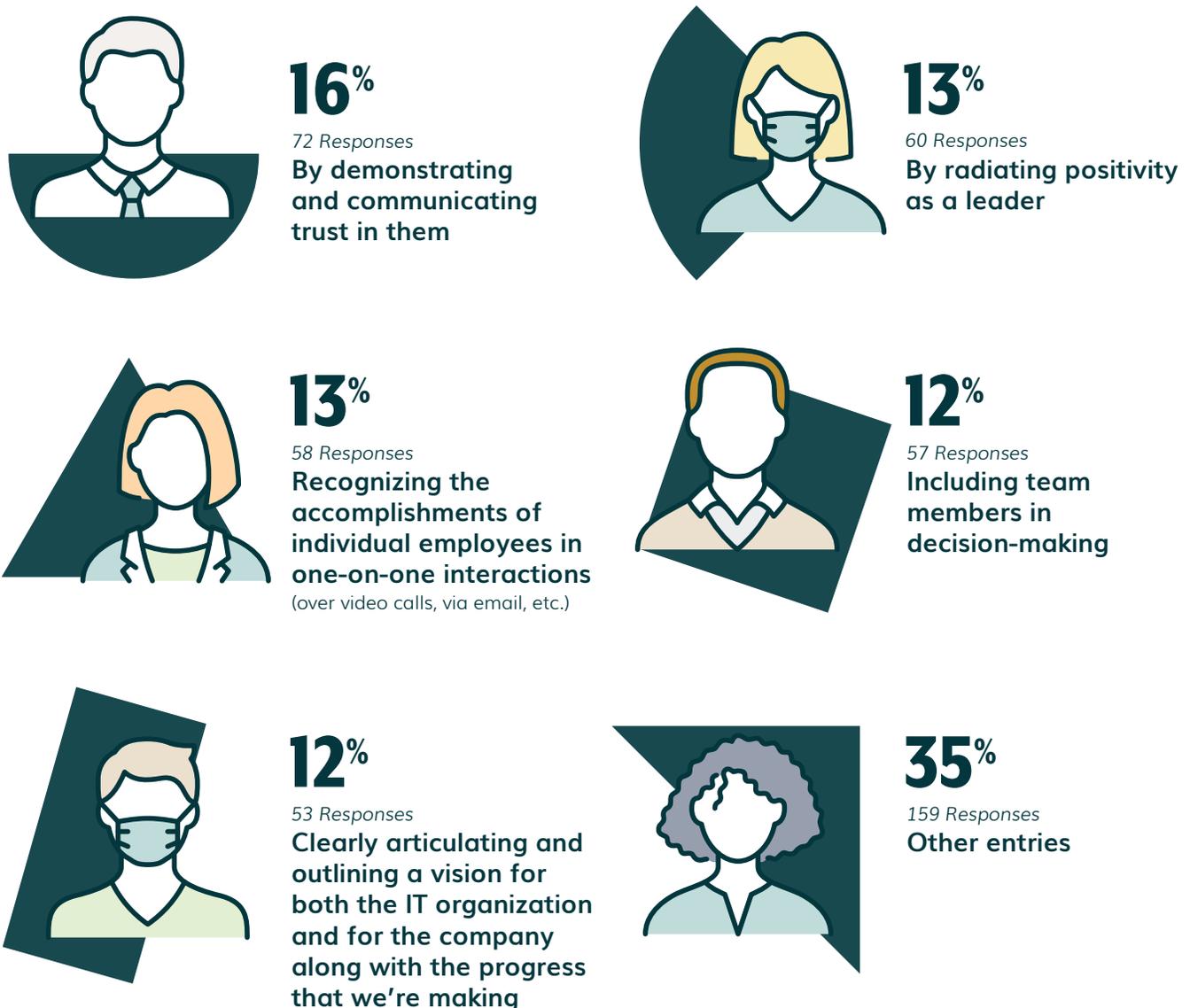
CIOs and technology leaders who stay close to employees to understand the pain points they're going through and the challenges they face both personally and in their professional lives stand to strengthen employee engagement and establish stronger relationships for the long-term. In the next section of this report, we'll explore actionable steps that CIOs and technology executives can take to further deepen employee engagement and inspire employees to reach higher for themselves – and the customers they support.

Motivating and Inspiring Your Team

There are several tactical and creative ways that leaders can inspire and motivate employees. These can include encouraging employees to participate in the decision-making process and demonstrating trust in them to clearly communicating the impact that each employee has on the company's mission and on the customer experience.

What are the primary steps you are taking as a leader to inspire and motivate employees during these uncertain times?

459 Responses



Source: HMG Strategy-Zendesk survey of 88 CIOs and technology executives in Fortune 1000 companies, conducted 3Q 2020.

The Empathetic Leader

CIOs and technology executives have articulated that they're striving to be more empathetic and compassionate leaders to better understand the challenges that employees are facing. This includes listening more closely to what employees are communicating and for leaders to share their own shortcomings and weaknesses more freely.

How have you adjusted your leadership style to be more attuned to the needs and interests of employees since COVID-19?

181 Responses



Source: HMG Strategy-Zendesk survey of 88 CIOs and technology executives in Fortune 1000 companies, conducted 3Q 2020.

We're all human – no one is perfect. Leaders who are open and show their vulnerability are more likely to gain employees' trust – it lets others know that you as a leader are human, too.

— Colleen Berube, CIO and SVP, Operations, Zendesk

Re-Energizing Engagement – For Employees and Customers

Most CIOs and technology executives recognize the need to revitalize employee engagement in these volatile and uncertain times.

Fortunately, there are multiple ways for CIOs and other technology leaders to fortify employee engagement and help teams feel more connected with one another and striving to achieve a common purpose.

This begins with becoming a better listener – listening to understand, not simply listening to respond, said Berube.

“If an employee shares that he or she is going through a difficult time or is feeling stressed about work or other issues in their personal life, CIOs and other leaders should be prepared to offer their support,” said Berube. “If it’s a situation where offering advice to help resolve an issue may not be suitable, simply providing an employee with comfort and reassurance can go a long way in helping them feel cared for and valued,” Berube added.

In certain situations, if an employee expresses concern about their own mental health, a CIO or technology leader can recommend assessments and other healthcare services that can help an employee to monitor and reduce their stress levels or to improve their emotional health and well-being.

CIOs and technology executives should also periodically ask employees if there’s anything that can be done to help make it easier for them to do their jobs. This can include flexible work hours to help accommodate specific work-from-home situations (e.g. childcare, eldercare) along with the tools that employees use to support customers along with other aspects of their jobs.

Such steps can go a long way towards improving both the employee experience and the customer experience.

“CIOs are best positioned to own the employee experience,” said Berube. “Thanks to their unique view across the enterprise, CIOs can help to design the types of experiences that make it easier for employees to do their jobs based on their work patterns and across processes.”

In the final section of the report, we'll do a deeper dive into the correlations between employee engagement and customer experience along with the business and operational benefits of having an engaged workforce.

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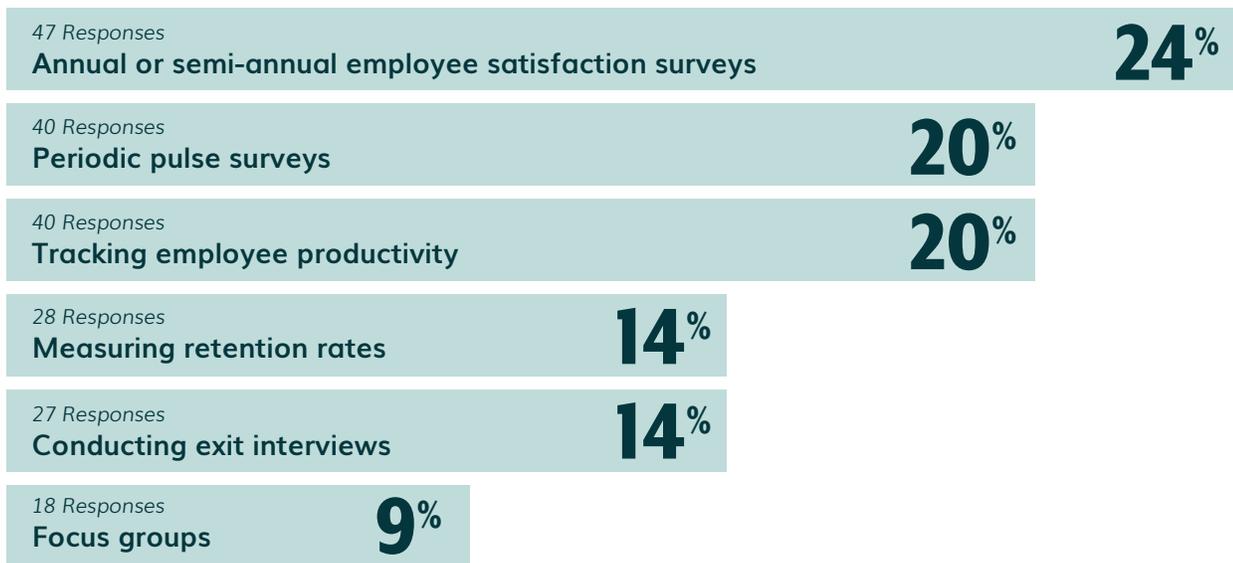
— Colleen Berube, CIO and SVP, Operations, Zendesk

Monitoring Employee Engagement

Because employee sentiment is subject to change, it's important for CIOs and technology leaders to track employee engagement levels regularly and not rely on annual or semi-annual employee satisfaction surveys or other untimely metrics.

What are the primary ways your company gauges employee engagement?

200 Responses



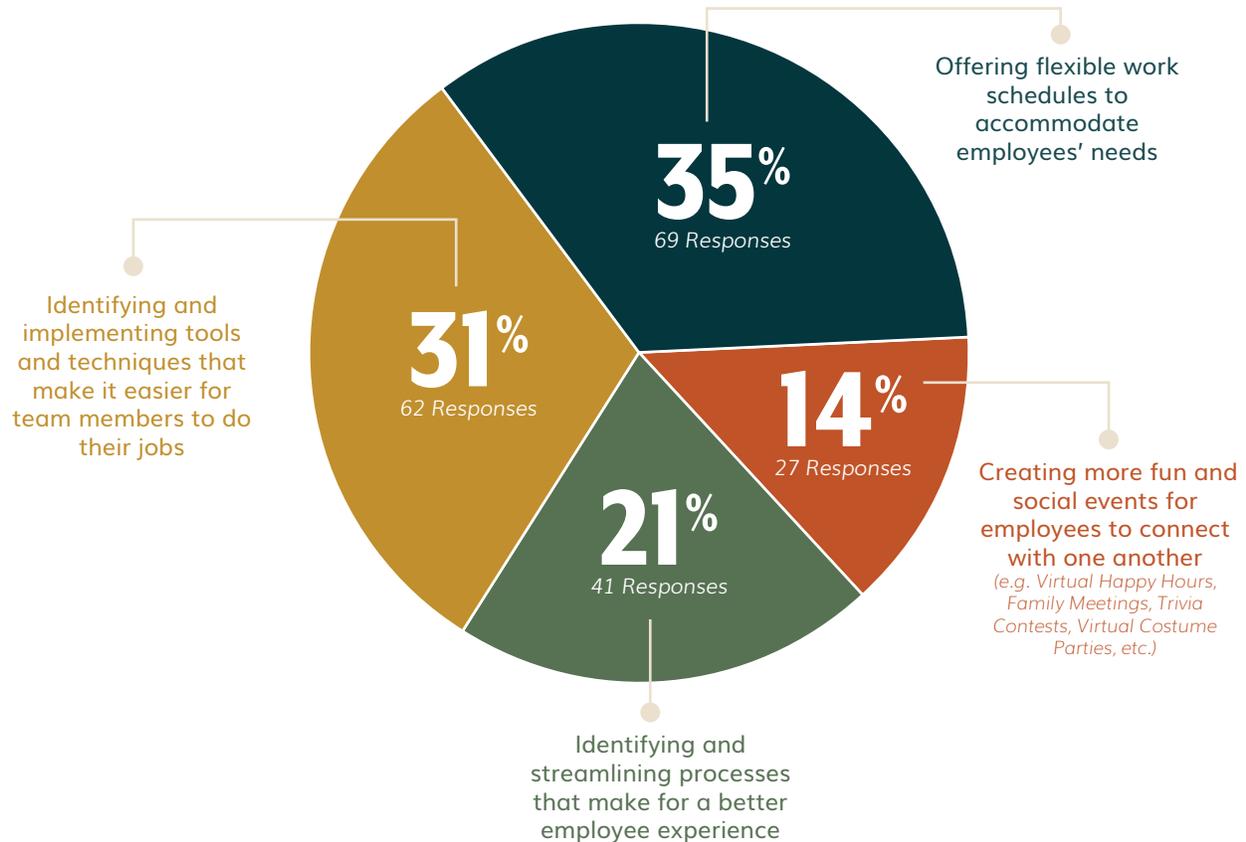
Source: HMG Strategy-Zendesk survey of 88 CIOs and technology executives in Fortune 1000 companies, conducted 3Q 2020.

Steps to Delivering a Better Employee Experience

There are multiple actions that leaders can take to help deliver an improved employee experience. These include offering flexible work schedules to accommodate employees' needs (35 percent of survey respondents), identifying and implementing tools and techniques that make it easier for employees to do their jobs (31 percent) along with streamlining processes that result in better employee experiences (21 percent).

What steps are you personally taking to deliver a better employee experience?

199 Responses



Source: HMG Strategy-Zendesk survey of 88 CIOs and technology executives in Fortune 1000 companies, conducted 3Q 2020.

Connecting the Employee Experience with the Customer Experience

Customer experience is vital for companies today. Companies that provide exceptional customer experiences differentiate themselves in the market and are rewarded with stronger financial outcomes.

Multiple research studies show that customers who have exceptional experiences with companies are more loyal to those brands, spend more of their money with those companies and refer their friends and families to those organizations.

There's also a strong correlation between the impact of an employee's experience on the customer experience. Research also reveals that an engaged workforce is the key to delivering an outstanding customer experience.

In its 2016 Employee Engagement Benchmark Study, Temkin Group found that companies that excel at customer experience have 1.5 times as many engaged employees as do customer experience laggards.

Meanwhile, a 2019 Forrester Research report reveals that companies that lead in customer experience have 60 percent more engaged employees. Moreover, companies that invest in employee experiences that impact the customer experience typically generate higher-than-average ROI.

As the HMG Strategy-Zendesk study bears out, there are additional business and operational benefits to having an engaged workforce. In addition to delivering an improved customer experience which is likely to yield strong business results (as shared by 26 percent of the survey respondents), employees are more invested in customer and organizational outcomes (27 percent), generate greater productivity (24 percent) along with increased revenue (12 percent) and greater profitability (11 percent).

"As organizational leaders, CIOs and technology executives need to create that connectivity to the customer and clearly communicate to employees why their roles are important to the company," said Berube. "By doing so, this can help employees – including IT staff – to better understand why they matter in the grand scheme of things and to help make them feel more invested in both the customer experience and the organization's mission."

The Business Benefits of Having an Engaged Workforce

There are multiple benefits of having an engaged workforce – starting with simply having happier employees who enjoy the work they do. Engaged employees feel a connection to delivering on the customer experience and in helping the organization to achieve its mission. A highly engaged workforce can result in numerous business and operational benefits, as the chart below reveals.



Based on your experiences, what are the most significant business or operational benefits of having an engaged workforce?

241 Responses

27%

64 Responses

Employees are more invested in customer, organizational outcomes

26%

62 Responses

Improved customer experience

24%

59 Responses

Heightened productivity

12%

29 Responses

Increased revenue

11%

27 Responses

Greater profitability

Becoming Customer Focused

One of the reasons why Amazon is wildly successful is that every decision that is made begins with understanding what it means for the customer. Of course, there are other ways for companies to become more customer-focused, including understanding what it's like to be a customer of your company (e.g. calling in for customer support or witnessing first-hand how easy/difficult it is to resolve a product or technical issue).

How is your company trying to become more customer-focused?

175 Responses



Source: HMG Strategy-Zendesk survey of 88 CIOs and technology executives in Fortune 1000 companies, conducted 3Q 2020.

As organizational leaders, CIOs and technology executives need to create that connectivity to the customer and clearly communicate to employees why their roles are important to the company. By doing so, this can help employees – including IT staff – to better understand why they matter in the grand scheme of things and to help make them feel more invested in both the customer experience and the organization's mission.

– Colleen Berube, CIO and SVP, Operations, Zendesk

Next Steps

As the global health crisis extends and companies continue to largely operate remotely, CIOs and technology executives need to think creatively about new ways to engage and motivate employees and cultivate a culture of connectedness.

Some tech leaders are testing out fun approaches to virtual events that can bring team members closer to one another. Others are focused on heightening one-on-one meeting time with individual employees.

One useful starting point that can help to boost employee engagement is by evaluating your own strengths and weaknesses as a leader to identify areas for improvement. This can include conducting a self-evaluation that draws upon feedback from peers and trusted confidantes. Doing so can enable executives to identify and act on opportunities to enhance their own communications and engagement skills to help strengthen one-to-one relationships with employees.

It's also helpful to ask employees directly what their wants and needs are, along with ideas for making their roles more interesting or meaningful. This can be done in a one-on-one setting or by dropping in unannounced to meetings to hear what employees are sharing candidly.

In some instances, depending on personalities, some employees will be forthcoming about what they're looking for to help make their roles feel more purposeful. But because some employees are more forthright than others, tech leaders need to step up their own game in order to open a trusting dialogue with employees.

"This is a time for CIOs and executives to be transparent and open with employees in order to gain their trust and loyalty," said Berube. Unfortunately, it's an area that many leaders need to continue to work on. According to the American Psychological Association, just 52 percent of employees believe their employer is open and upfront with them.

We're living in a time of uncertainty. People are feeling vulnerable and are looking for answers. As organizational leaders, the time has come for CIOs and technology leaders to step up and shine a light to guide the way ahead.

About

About Zendesk

Zendesk is a service-first CRM company that builds support, sales, and customer engagement software designed to foster better customer relationships. From large enterprises to startups, we believe that powerful, innovative customer experiences should be within reach for every company, no matter the size, industry or ambition. Zendesk serves more than 160,000 customers across a multitude of industries in over 30 languages. Zendesk is headquartered in San Francisco and operates offices worldwide. Learn more at www.zendesk.com.

About HMG Strategy

HMG Strategy is the world's leading digital platform for connecting technology executives to reimagine the enterprise and reshape the business world. Our regional and virtual CIO and CISO Executive Leadership Series, authored books and Digital Resource Center deliver unique, peer-driven research from CIOs, CISOs, CTOs and technology executives on leadership, innovation, transformation and career ascent. HMG Strategy also produces the HMG Security Innovation Accelerator Panel, a new webinar series that's designed to connect enterprise CISOs and security leaders with the most innovative cybersecurity companies from across the world.

The HMG Strategy global network consists of over 400,000 senior IT executives, industry experts and world-class thought leaders.

To learn more about the 7 Pillars of Trust for HMG Strategy's unique business model, click [here](#).

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