

WHY EMPLOYEE EXPERIENCE IS THE KEY TO DELIVERING CUSTOMER EMPATHY

Examining the link between empathy and EX





INTRODUCTION

Empathy has never been a more important topic. Societally, in recent years, many questions have been raised about why and how we can better empathise with one another in an increasingly digital realm.

Leaders are now being forensically analysed for their ability to empathise, something that was [brought heavily into focus](#) in the UK in 2021 by the character traits of the England men's football team coach, Gareth Southgate, during the Euro 2020 finals.

And, most critically, the global coronavirus pandemic has placed a [renewed emphasis](#) on the role of empathy in business and prompted questions about whether organisations can be truly empathetic towards their customers.



THE NEW BATTLEGROUND

Peter Dorrington, the co-founder of Anthrolytics, a company that specialises in helping businesses to deliver ‘digital empathy’, believes that the importance of being an empathy-driven business is set to supersede that of being a customer experience-driven business.

“Over the last decade or so, customer experience (CX) has been the chosen battleground of business, especially as online purchasing and increased global competition made it more difficult to compete in areas like product features or price.

“But to remain a competitive advantage for the future, CX needs to do more than listen to customers or design efficient journeys.

It needs to add significant extra value. One way to do this is to understand and meet the

emotional needs of your customers, as well as their rational and functional ones.

“Being an ‘empathetic business’ may well be the next competitive battleground. However, it requires more than just clever technology or process optimisation, it also requires a transformation in the way that businesses motivate and enable their employees.”

As this last point highlights, increasingly it is apparent that in order to deliver on the expectations of customers, organisations need to understand the link between customer experience (CX), employee experience (EX) and, ultimately, customer empathy.



WHY NOW?

Research [conducted by Forrester](#) concludes there are three core drivers for a customer's perception of the experience they've had with a brand:

- **Effectiveness** – does the experience deliver value to customers?
- **Ease** – how difficult is it to get value from the experience?
- **Emotion** – do customers feel good about the experience?

Forrester's research also highlights that, of the three drivers, the final one – emotion – is the largest across all of the vertical industries it studied.

As summarised by Dr Natalie Petouhoff, a CX expert and consultant at contact centre technology providers, Genesys:

"Customers want to feel heard, acknowledged, understood and appreciated".

This need to be emotionally understood has only manifested during the coronavirus pandemic. In the 2021 Genesys research study, [The Connected Customer Experience](#), it was found that one in two consumers reported that the pandemic had been hard on them, and that their emotions had been impacted negatively.

In Delineate's June research report, [Unlocking change: How consumer behaviours in lockdown are evolving](#), it found that anxiety remained the overriding emotion when consumers were asked how they felt.

Indeed, *The Connected Customer Experience* study found anxiety levels have increased in 55% of people, compared with decreasing in just 17%. One in three people state they feel "less connected" than before the pandemic.

Crucially, 41% of people say they feel less empathetic towards others, compared with just 23% who feel more empathetic.



DIGITAL TAKEOVER

Part of the apparent decline in empathy can be attributed to the “dash to digital” that most people have experienced in their lives as a result of events in 2020 and 2021.

As a McKinsey [study of 900 global C-suite executives](#) highlights, businesses spent more on digital investments than on any other business continuity measures during the pandemic.

According to the [Covid-19 Digital Engagement Report](#), the speed at which some companies have had to push forward their digital agendas has been extraordinary - [between 5-9 years](#) in some cases.

The unfortunate drawback has been that many digital experiences created by brands in the coronavirus rush – especially those involving interactions – fail to meet the expectations of customers.

[A recent study](#) by CMO Council stated that 65% of consumers felt digital experiences were not exceeding expectations, while Contact Babel’s [The 2020-21 Customer Experience Decision-Makers’ Guide](#) indicates that 65% of UK businesses have had operational issues which have impacted on customers during COVID-19.

“Customers at the beginning of the pandemic were forgiving of companies’

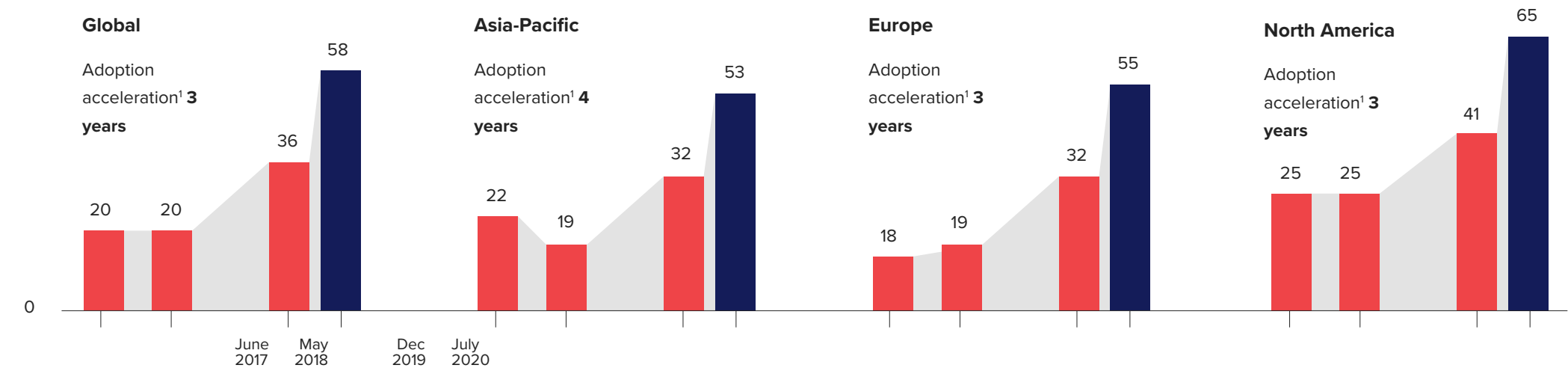
shortfalls with regard to the service they received, as we were all swimming together in uncharted waters,” notes Amy Scott, founder of journey mapping specialists, Sedulous.

“However, as time has gone by many customers are beginning to feel a bit fed up with organisations using COVID as an excuse for poor service.”

Finding ways of meeting customer expectations and offering exceptional customer service continues to be an ongoing challenge for many brands.

The COVID-19 crisis has accelerated the digitization of customer interactions by several years

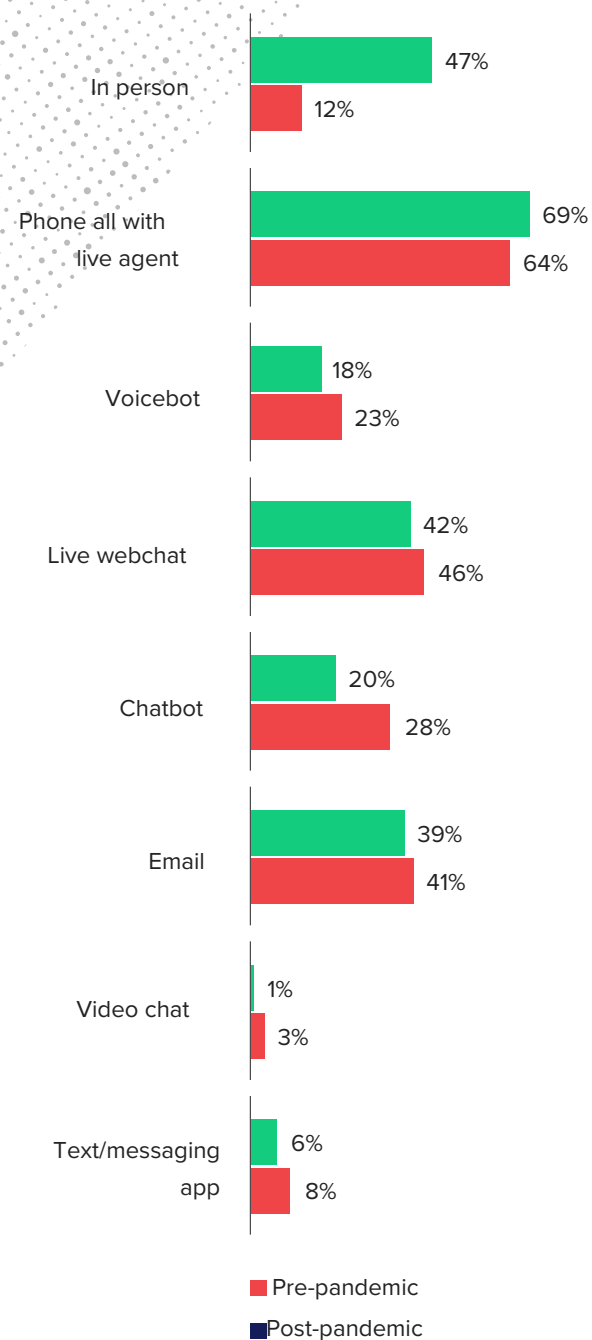
Average share of customer interactions that are digital, %100




¹ [McKinsey COVID-19 digitization study](#), highlighting acceleration of digital interactions worldwide

¹Years ahead of the average rate of adoption from 2017 to 2019.

Customer service channels - used pre-and post epidemic



 [The Connected Customer Experience](#) research, highlighting rapid recent shift to digital interactions

However, Ian Jacobs, principal analyst at Forrester, says empathy remains a deciding factor:

“There is a reason that you see survey research suggesting that consumers would rather [have a root canal than call into a contact centre](#), and it is because we are ignoring the emotional component.

Think about the last time you had a web chat with a customer service agent. Did the representative you were dealing with express empathy, and treat you like a human being, or did they treat you like a case?

“Did the brand give you a case and ticket number - or did they call you by your name? Did they value your time – meaning they didn’t make you repeat things that you had already told the brand in one way or another when they should have been solving your problem? All of these things are emotional components of service and they are all controllable by the brand. But they are also things that brands don’t always think about.”

This is not to say that customer empathy is not achievable in digital interactions. [Research](#) from Joseph B. Walther via the journal Organization Science suggests that, while it may take longer, individuals can develop empathic relationships via digital interaction which in some cases could be even more intimate than face-to-face interactions.

For some individuals, [“increased anonymity and distance works to reduce inhibitions, facilitating more personal disclosures](#) and leading to the achievement of greater empathic connections”.

As Craig Farley, Head of Consulting at IP Integration explains, “It is imperative that brands are able to understand the importance of being empathetic with customers at the right time, on the right channels, whilst ensuring the ‘human touch’ remains:

“With so many of our interactions with companies being made ‘transactional’ – through self-serve and automation or simplified by the use of improved technologies for customer service advisors when customers do speak to someone, the ‘easier’ processes are increasingly being removed from the field of play.

“That makes it harder for companies to differentiate on service except for the areas that are left – the bigger/more complex/more important/higher value processes and contact types. Here, the stakes are higher and it’s harder to automate.

“Things will go wrong sometimes and when this happens the leading CX companies are the ones that are proactive, take ownership, and empower their employees with the tools and processes to put things right.

“IT IS IMPERATIVE THAT BRANDS UNDERSTAND THE IMPORTANCE OF BEING EMPATHETIC WITH CUSTOMERS AT THE RIGHT TIME, ON THE RIGHT CHANNELS, WHILST ENSURING THE ‘HUMAN TOUCH’ REMAINS.”

Craig Farley
Head of Consulting at IP Integration

Happy employees = happy customers – it’s an old cliché but there’s a plethora of research to back this up.”

Indeed, [one such study](#) by HBR in 2019, found clear statistical evidence of the correlation between happy employees and happy customers, with each one-star improvement in a company’s Glassdoor (employee wellbeing) rating corresponding to a 1.3-point out of 100 improvement in ACSI customer satisfaction scores. This was “more than twice as large in industries where employees interact closely and frequently with customers”.



CUSTOMER EMPATHY AND EMPLOYEE EXPERIENCE

The role of employee experience has been firmly in the spotlight in recent years as a result of studies such as HBR’s, and has only been amplified by the events of the coronavirus pandemic.

But why is employee experience (EX) so integral to ensuring customer empathy? The link between customer experience and customer empathy is the clear starting point. According to the 2020 MyCustomer and Genesys research report [Empathy in customer service](#), the empathetic responses of customer service and contact centre employees has a direct impact on brand perception, and whether or not a customer has a positive experience with the brand.

Despite this, there is a clear empathy gap existing in many brands. 70% of consumers believe empathy is vital in a customer service interaction and yet 39% feel their emotional state is not well understood by brands in those interactions.

In the 2021 research [The Employee Experience Imperative](#), it is outlined that an empathetic culture must be created in businesses in order for employees to be expected to deliver meaningful, empathetic responses to customers in service interactions.

Table 1 - How well your emotional state was acknowledged and understood and how that correlates to overall interaction

| | Very satisfied | Satisfied | Neither satisfied or unsatisfied | Disatisfied | Very Disatisfied |
|--|----------------|-----------|----------------------------------|-------------|------------------|
| Very well understood and acknowledged | 63% | 28% | 3% | 1% | 5% |
| Well understood and acknowledged | 14% | 62% | 14% | 8% | 2% |
| Not well understood and acknowledged | 0% | 21% | 25% | 43% | 11% |
| Not understood and acknowledged at all | 0% | 3% | 12% | 24% | 61% |

Table 2 - How well your emotional state was acknowledged and understood and how that correlates to brand perception

| | Feel more positively about the brand as a result of interaction | Feel the same about the brand as a result of interaction | Feel more negatively about the brand as a result of interaction |
|--|---|--|---|
| Very well understood and acknowledged | 63% | 28% | 3% |
| Well understood and acknowledged | 14% | 62% | 14% |
| Not well understood and acknowledged | 0% | 21% | 25% |
| Not understood and acknowledged at all | 0% | 3% | 12% |

🔗 [Empathy in customer service report](#), highlighting how well consumers feel their emotions are understood by brands during interactions

OVER HALF OF EMPLOYEES DO NOT BELIEVE EMPLOYERS ARE INVESTED IN IMPROVING THE EMPLOYEE EXPERIENCE FOR THEIR WORKERS.

“You can train your employees on customer service all day, but there are challenges and situations that no manual can cover,” the report explains. “If you want your employees to deliver a great customer service experience, you first have to deliver a great employee service experience.

“To put it another way, empathy begets empathy. Creating an employee experience that manifests a culture of empathy—from executive leadership all the way to the employee’s direct manager—is critical to driving empathetic customer service and outstanding customer satisfaction.”

Despite this, over half (52%) of employees do not believe employers are invested in improving the employee experience for their workers, highlighting how much needs to be done by brands in order to foster a ‘culture of empathy’.

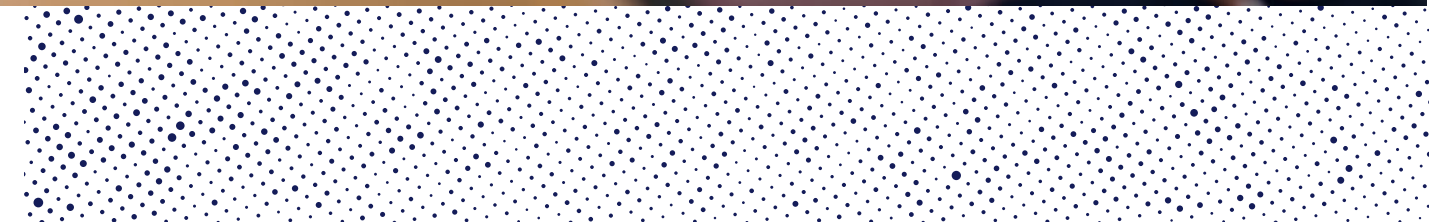
As Craig Farley explains: “Just like how customers are looking to work with more ethical companies, employees – particularly in newer generations of the workforce – are looking to work for companies that align with their personal values and provide more meaning to their lives. Companies that look after their employees and focus on culture have more engaged employees and therefore higher customer satisfaction.

“It’s also important for customer service organisations to focus on these factors right from the start of the hiring process. Companies should bring in employees that are the right cultural fit and apply a great attitude and effort – you can always train the system skills. However, there should be a large focus on the so-called ‘soft skills’ within training programs. Positive tone and language, along with taking ownership go so much further than most companies realise in building empathy and delivering great experiences for customers.”

According to Businessolver’s [Workplace Empathy Monitor report](#), empathy has a “direct impact on employee productivity, loyalty, and engagement”. 80% of millennials stated that they would leave their current job if their office became less empathetic. 92% of HR professionals note that a compassionate workplace is a major factor for employee retention.

As Daniel Kahneman’s Thinking, Fast and Slow, so neatly [summarises](#) on the importance of empathy:

“We are not thinking machines that feel, we are feeling machines that think”.



THE REMOTE WORK EXPERIMENT

Of course, many businesses have had to dramatically shift their approach to EX as a result of the coronavirus pandemic, primarily as a result of the monumental, global shift to remote working.

In the UK, approximately 25.9% - or 8.4 million people – [worked from home](#) in 2020. The figure compares with 12.4% in 2019. 74% of professionals believe remote work [will become the new normal](#). 97% of employees don't want to return to the office full-time.


Customer service roles have followed a similar pattern, despite the challenges that come with setting up service employees from home. There was a 47% [increase in demand](#) for remote working amongst call centre staff between January and July 2020.

Such a rapid transformation, coupled with the sudden heightened need from customers to have their emotional state recognised by customer service staff, has led to an exponential rise in the demand for empathy as a core skill among contact centre staff. As a result, delivering employee happiness and a positive employee

experience, from remote working settings, are now high on the agenda for most contact centre, customer experience and senior business leaders.

Top 10 skills sought after in call centre job adverts

| 2019 | 2020 |
|-------------------|---|
| Customer service | Customer service |
| Communciation | Communciation |
| Contact centre | Contact centre |
| Detail oriented | Detail oriented |
| Sales | Sales |
| Computer literacy | Empathy  |
| Enthusiasm | Computer literacy |
| Data entry | Enthusiasm |
| Management | Customer experience |
| Empathy | Data entry |

 [Blue Arrow](#):Empathy's rise as a sought-after skill in contact centres





REMOTE WORKING HAS DEFINITELY BECOME A MIXED BAG IN TERMS OF EMPLOYEE EXPERIENCE, ESPECIALLY FOR THOSE WORKING IN CUSTOMER SERVICE AND THE CONTACT CENTRE.

Research from Slack in October 2020 suggested that the remote working experiment had been an unmitigated success. In the [Remote employee experience index](#), surveying nearly 5,000 newly-remote workers across the globe, it found that work-life balance (+25.7), satisfaction with working arrangement (+20.1), managing work-related stress and anxiety (+17.3) and productivity (+10.7) had all increased as a result of the shift to working from home.

However as time has gone on, employee wellbeing has been severely affected. The number of employees that [report burnout](#) has shot up in 2021 to 72%, from 42% pre-pandemic.

Of equal alarm, nearly 60% of leaders reported they feel “used up” at the end of the workday – a major indicator of burnout.

“Remote working has definitely become a mixed bag in terms of employee experience, especially for those working in customer service and the contact centre,” explains Craig Farley.

“Employees have gained through reduced commuting and increased flexibility but contact centres have always been very social places of work.

Through working remotely, employees have lost some of that camaraderie, feelings of isolation increase and motivation and productivity can drop.

“There’s not as much friendly competition and the role of leaders has become harder without the visual and audio cues of when someone’s having a harder time. Identifying coaching and training opportunities also becomes harder and it’s more difficult for new, and younger, employees to develop with the benefits of having physical buddies.

“All this could mean that employees struggle to reach their peak performance and have more emotionally ‘off’ days – and there’s no doubt this manifests itself in terms of the interactions with customers and the capacity to empathise on a daily basis.”

Added to this, around a [third of UK organisations](#) say they do not have the necessary technology infrastructure in place to support mass remote working on a long-term basis.

REBOOTING EMPLOYEE EXPERIENCE

With employee experience so central to maintaining a culture of empathy and providing empathetic experiences to customers, many businesses will be assessing their long-term delivery of EX. But how can this be achieved? There are seven key actions business leaders can take, combining strategy, personal development and technology.

1. REVIEW YOUR CURRENT EX

As Personal Group's Wendy Melville [explains](#), a crucial starting point is to ascertain the employee experience your business already offers, and how it is supporting your customer-facing staff in the drive to be an empathy-led company.

Melville advises the use of a 'Tell, Show, Grow, Evolve' model. Whilst this method can't be used to determine whether an employee experience is negative or positive, it can help define which of the four stages your employee experience currently lies in.

- **Tell** - Are employees told as they join your business of the company's values and instructed that they abide by them? If they don't like it, then tough, this is what the company believes.
- **Show** - Your business has clearly defined values and shows its employees how it should feel to work with you. You reward employees who demonstrate your values.

- **Grow** - You regularly ask how employees feel about working with your business and ask how the employee experience could be improved.
- **Evolve** - Employees actively shape and evolve the company's reason for being and they define what it means to work there. Employees have an active role in shaping the future of the business.

"Identifying the stage of your employee experience is only half of the battle," explains Melville. "To make the experience work as well as possible your employees must thrive in that organisational design, sharing the same desires, needs and wants."

2. PERSONALISE

A key component of "making the experience work" is to help employees map their development journey. As Genesys product marketer Saramar Vallejo explains, this is a process that can be outlined throughout an employee's time with your organisation, and should be personalised.

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Wendy Melville
Personal Group

"Personalising the employee development journey — starting with onboarding — is equally important," Vallejo explains.

"Give your employees personalised development plans that support their growth and meet their skill and performance levels. An effective performance management plan must include strategically delivered onboarding, continuous learning and training, and coaching."

Understand how each member of a team is performing — and then recognising and rewarding how they're meeting personal goals is also "key to motivating employees so they can continuously improve", says Vallejo.



"IT'S IMPORTANT THAT WE SHOW TRUST IN OUR EMPLOYEES TO DO A GOOD JOB, BUT WE ALSO NEED TO RELY ON TECHNOLOGY TO DO SOME OF THE HEAVY LIFTING FOR US."

3. FLEXIFY

Whilst the pandemic may have forced many businesses' hands in terms of the remote working offering given to their employees, looking ahead to the future suggests many will return their staff to a more flexible approach to work – further empowering them to have more choice over when and where they are able to conduct their work.

According to [ONS stats](#), 77% of those who work flexibly would agree it helps them work more productively. They are also more likely to be engaged and yield significant advantages for employers – potentially generating 43% more revenue and improving performance by 20%, compared to disengaged employees.

As Craig Farley explains, trust is also crucial, especially during times of extending working from home.

“Without having people physically in the office, it can be hard to get a gauge of how well employees and the organisation are performing. We’ve almost lost one of our senses. It’s important that we show trust in our employees to do a good job, but we also need to rely on technology to do some of the heavy lifting for us now as well.”

4. COLLABORATE

According to [Gartner Research](#), individual employee performance increases by 20.6% when they can collaborate effectively.

In contrast, as the pandemic has proven, working remotely can be lonely and lead to a feeling of disconnect between employees and their organisation.

As Tom Blower, managing director of The Black Isle Group, [explains](#), collaboration is key to both EX and also ensuring a culture of empathy:

“A lack of personal conversations and opportunities to build relationships can damage morale as employees do not always feel as if they are part of a team. Also, the perception of distant leaders can quickly deteriorate if employees see them as impersonable and distributors of instruction, rather than inspiring and helpful leaders.

“The key to overcoming this challenge is engineering personal time with employees, diarising this process if necessary. Leaders should set aside time at the start of a video conference or phone call to have a personal chat with workers - asking them about the highs and lows in their lives can be an effective opener. This will help leaders understand each team member’s individual needs.”

Having the right communication tools in place is also crucial. Having some form of messaging ability between employees allows them to collaborate, socialise and ask for help and improve knowledge when needed. It [helps teams feel closer](#), despite working in disparate geographical locations.



RIGHT NOW, EMPLOYEES NEED TO BE PROVIDED WITH AS MUCH CERTAINTY AND ROUTINE AS POSSIBLE TO REDUCE STRESS ASSOCIATED WITH THE CURRENT SITUATION.

5. GO BIG ON WEM

Workforce Engagement Management (WEM) tools have proven to be vital during the shift to remote work, empowering employees to shape their own employee experience.

This has been critical for those working in customer service and contact centre roles, as Genesys marketing manager, Marcela Areiza [explains](#):

“Traditionally, contact centres have employed a series of processes that ensure high-quality customer service. Through recordings, quality assurance and more, companies could track, detect and improve upon their agents’ performance. This resulted in a barrage of numbers and targets that agents must meet...and can leave agents feeling as if they’re chasing a carrot on a stick.

“So, rather than take a numbers-heavy route, companies look to workforce engagement as a more holistic and effective approach. By implementing tools that motivate, recognise and [engage with employees](#), companies can nurture their workforce to become highly effective, knowledgeable, and, most of all, invested in their company’s success. And that improves customer experience and employee experience.”

By allowing for control of their own schedule via request changes, shift swaps and booking time off, WEM tools give customer-facing staff more autonomy, something that has become essential during the pandemic.

And as Craig Farley states, WEM solutions are “an excellent tool for a business to efficiently forecast workloads and schedule resources at the best time, it also contributes to employee experience.

“Right now, employees need to be provided with as much certainty and routine as possible to reduce stress associated with the current situation.”

6. AUTOMATE TASKS

[According to Frost & Sullivan](#), 50% of organisations across the globe have automated at least four WEM processes, including quality management (QM), forecasting and scheduling, agent assistance, and e-learning.

Added to this, self-service has gained huge traction with customers as a result of the pandemic.

By automating tasks, customer service employees are able to focus not on the speed of contact resolution, but on [providing genuine customer care](#) and empathy during interactions.

7. GAMIFY

As explained in the IP Integration report, [How to engage your contact centre employees through gamification](#), a study from Talent IMS found that gamification makes 89% employees feel more productive, whilst 88% are happier at work.

By no means a new concept, gamification has taken on added value in the wake of the rapid transition to remote working, giving customer-facing employees more focus and adding fun to their work.

“Motivation and productivity can drop when working from home and being separate from the energy of the contact centre,” says Craig Farley. “Gamification tools help recognise and reward performance in key areas by applying achievements like trophies and badges. It is particularly suited to remote working as it also improves visibility and transparency across the board for employees and managers alike.”

TURN YOUR EX INTO CUSTOMER EMPATHY

With employee experience clearly such a crucial factor in the customer experience, and ultimately, customer empathy, it is vital all businesses are able to focus on the EX they offer.

Craig Farley provides three useful tips for CX and contact centre leaders on how to enhance the employee experience:

- 1. Increase touchpoints and communication with employees, especially at the start of the working day.** This is your opportunity as leaders to deliver lessons learned from the previous day, celebrate performance and get people into the right frame of mind to be motivated for a day at work...even if they're working from home.
- 2. Don't let training and development slip.** Give employees something that they can be working towards and make visible progress on. Bite-size chunks of online learning and courses can really help here.
- 3. Ensure that employees have the right tech and tools to do their jobs properly at home.** Just getting people up and running on begged and borrowed laptops was a big struggle initially but now that remote and hybrid strategies are being formed it's important to remember that the working environment plays such a fundamental element of employee experience. For office workers companies rightly pay attention to the equipment and environment to deliver the right experience for employees – environment is just as important for working from home so discuss this with your employees.

DON'T LET TRAINING AND DEVELOPMENT SLIP – GIVE EMPLOYEES SOMETHING THAT THEY CAN BE WORKING TOWARDS AND MAKE VISIBLE PROGRESS ON.



ABOUT IP INTEGRATION

IPI is the UK's leading digital contact centre specialist, focused on creating intelligent and innovative contact centre solutions that deliver exceptional customer experiences. Founded in 2001, the company supports more than five million customer interactions and 65,000 agents every day.

IPI offers industry-leading contact centre solutions, as well as a portfolio of applications. IPI solutions – available in the cloud, on-premise or as a managed service – cover every component of the contact centre, from integration, unified communications, networking, workforce optimisation, compliance and security, right up to conversational AI, speech analytics and voice biometrics. IPI also offers a range of consultancy and professional services as well as devOps support, delivered by its highly accredited team of contact centre experts.

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ABOUT GENESYS

Every year, Genesys® delivers more than 70 billion remarkable customer experiences for organisations in over 100 countries.

Through the power of the cloud and AI, our technology connects every customer moment across marketing, sales and service on any channel, while also improving employee experiences. Genesys pioneered Experience as a Service so organisations of any size can provide true personalisation at scale, interact with empathy and foster customer trust and loyalty. This is enabled by Genesys Cloud™, an all-in-one solution and the world's leading public cloud contact centre platform, designed for rapid innovation, scalability and flexibility.

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MyCustomer.com is the leading online resource for customer service and customer experience professionals, with over 50,000 members.

We have been sharing news, practical advice, best practices, case studies and resources for nearly two decades, covering every facet of customer experience management - from implementing CRM systems to fostering a customer-centric culture, and from creating a customer feedback strategy to mapping the customer journey.

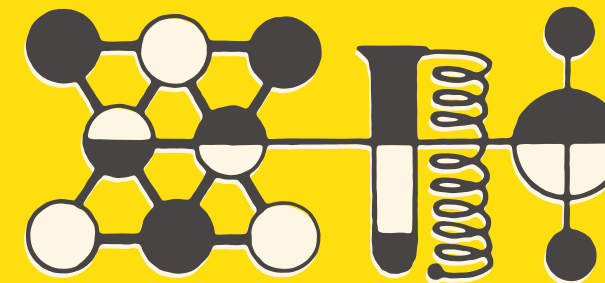
With a network of expert contributors around the globe comprising customer experience professionals and thought leaders, members of the MyCustomer community are able to tap into a wealth of knowledge and receive the most comprehensive view of the trends and practices affecting and influencing the world of customer management.

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