



From interesting to irresistible: Raising the bar on the employee experience

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What makes a company a simply irresistible place to work? With unemployment low and the demand for talent high, companies need to be strategic about how they keep current employees engaged and attract top workers. Here to tell us how Ingersoll Rand is doing just that is Craig Mundy, Vice President of Human Resources Strategic Business Units for Ingersoll-Rand. Craig will share details of how the company's integrated career management and reward system called Career Progress is transforming their employee experience. Later, my colleagues, Bradd Craver, Ina Gantcheva, and Jeff Mike will discuss why becoming simply irresistible is essential in today's competitive talent market.

Bradd Craver (Bradd): Hello everyone, my name is Bradd Craver and I am the managing director for Deloitte's Human Capital practice in the Charlotte area with Carolina's practice. I also have the opportunity to serve clients like Ingersoll Rand for areas within their organizational capabilities and performance and also get the opportunity to look at client's ability to drive business values through their talent management practices. Today, I have the opportunity to have a conversation with Craig Mundy. Craig, thank you so much for joining us on the podcast today, and what I would like to do is give you an opportunity to introduce yourself, give us a little bit of information about Ingersoll Rand, and their journey around talent and winning culture, talk about career progress, and then we will have some conversations about how this manifests itself into high business value for Ingersoll Rand.

Craig Mundy (Craig): Thanks, Bradd. Yeah, a little bit about myself first. Currently I am the Vice President of Human Resource for strategic business units for Ingersoll Rand. I have been in this role for about a year. Prior to that, I was the Vice President of Talent and Organization Capability, which is really a combination of being the Chief Talent Officer, Chief Learning Officer. I was in that role for about 5 years. While in that role is when we rolled out this project or initiative called Career Progress. So, happy to be here to talk about that.

Bradd: Great, thanks Craig, so much. So just to put us in context a bit about sort of catalyst for the Career Progress initiative, Ingersoll Rand is already fairly well known, I think, as an organization that develops talent and has a reputation of being really a good place to work in terms of its employment brand. What really triggered this initiative for yourself and your team at Ingersoll Rand?

Craig: So, the journey itself about Career Progress is like the last 3 years, 2-year initiative, we have been leveraging it for the ask in here, but I wanted to, Bradd, just go back 10 years really quick and talk about Ingersoll Rand's journey because I think it builds context for what we are

trying to accomplish. When our new CEO at that time took over, Michael Mark, he brought, I don't know, say the top 100 leaders into our innovation center and sat us down and he introduced his idea of Premier Performance and what he showed us was not necessarily our competition in terms of service and products, but those companies we compare to from a shareholder standpoint. The top 10 key performance indicators showed where we were in quartiles and in most cases, we were in the mid and bottom quartile. I think it was a brilliant move, because you have basically a room of overachievers and it gave us a sense of challenge, if you will. Then we started talking about Career Performance, which is being in the top of the top quartile. If you think about what became our strategic focus at that time, its growth excellence, operational excellence, and winning culture, which I will talk about more later. But under that umbrella of Premier Performance and winning culture, the outcome of that is what we wanted to deliver was an environment where we had engaged employees, delighted customers, and confident shareholders. We have consistently worked under that framework since the beginning. If I go and I fast-forward 2, maybe 3 years ago, looking at the results from our engagement surveys, we had been making progress for 2 or 3 years in our engagement scores.

They were going up, but we consistently kept seeing in the feedback was not the best scores in terms of questions like, I can achieve my career goal at the company, company has effective processes for developing people, I am going to support it and take advantage of available career opportunities. They weren't terrible scores, but we had a lot of room to improve. So, the executive leadership team stepped back and said how do we attack this? One of the things it already started was looking at how we changed our compensation system, or what you could call Career Framework. Then we combined that effort with looking at Career Management and that became Career Progress. The intent was to have an integrated career management system and we provide resources for employees, and support for our managers



on career development. So, we worked on that journey as I said about 3 years ago to make that happen. So that is kind of the battle to it, Bradd.

Bradd: Great Craig, and what I have noticed about Ingersoll Rand is the talent agenda is the CEO's agenda and this whole notion of winning culture. I think it sounds cliché in a lot of companies that we work with, but could you elaborate a bit on that because I think it is very tangible in the culture with Ingersoll Rand and I would like for you to elaborate a bit on that piece of what really drove this from a business accomplishment objective. So, take us down that path a bit if you will.

Craig: We have had for many years a focus on culture as a company. The CEO and a few of the folks on executive leadership team a winning culture, which is to say that it's winning on both sides of the coin, and we had a lot of conversations around does culture drive performance or does performance drive culture? Does performance drive engagement or engagement drive performance? And we realized the answer was, yes, that it is a virtual circle that engaged employees perform at a higher level. Winning teams are more engaged. From that, we kind of tied those two together, and kind of the outcomes or desires for the winning culture is that we have employees and leaders that live our values. And our values are in respect, teamwork, innovation, and courage. As you know, Bradd, I have worked with a couple of companies along the way and Ingersoll Rand is, in my opinion, those that I have been associated with, one of the more values-driven organizations from a leadership standpoint. And it is not in words, it is in the decisions and the actions I see leadership and employees take.

Bradd: One of the things that we have absolutely covered is sort of the leadership at the CEO level in terms of how this has been a mandate for your CEO, as well as for your efforts around talent and career progress. Bring me down maybe one level

where we are in the organization and give me a bit of a sense of how in your VP of Talent Org capability role, you are able to take the CEO's strategy and begin to really make it come to life with that next level. Many companies as you know, Craig, struggle with trying to take philosophical and tangible CEO strategies and really making them come to life into more of a tactical approach to accomplishing the business results.

Craig: If we didn't have the support, not only support, but the drive of the CEO and it became the notion? of employee engagement, which is a key output of a winning culture was when we decided this is the way we are going years ago. Well, in our goal deployment, it was a (08:16) (?) item, so in other words, it was a CEO objective which got cascaded to the next level shows a practical element to it. In the first three years, we did the engagement survey, which is again a measure of our culture. We would create action plans from every unit level and we roll them up. Nothing happened, we stayed in the mid-60s for 3 years for overall engagement and then we moved, the CEO really challenged us to think about it differently. We moved to having managers or leaders or supervisors that have 5 or more people would get a direct report score, which will be their team score. Then we provided training and learning opportunities on how to be a better manager or a leader.

Bradd: Speak to me a little bit about what you felt from the employees' perspective outside of the normal engagement survey that drove the design criteria for having greater visibility to career moves, more of an emphasis around experiential learning, experiential opportunities within your organization to drive succession plan decisions, etc. Was there a groundswell of employee demand for that or you felt like what Ingersoll Rand did around Career Progress really opened up the opportunity and the aperture of your employees to really want to have more of a higher degree of visibility for Career Progress?

Craig: It started with our employees, it started with the feedback in that survey saying that there was not enough focus and support. So how we describe current state route is, from a career framework standpoint, we had 28 distinct job grades. Every time an employee was approached about an opportunity, their first question is, let's say they are a grade 27, is it a grade 28? So, we knew we had to fix that. Then on the career management side, if you asked, may exaggerate for fact, but if he has 10 managers, how do I get from here to there, you would likely get maybe 8 or even possibly 10 different answers, I think, on what good career movement looks like. So, our approach was to solve for both sides. So, in parallel, we went through and created new career framework with broad bands. So, we went from 28 job grades to, from a practical standpoint what gets used if you don't think of to 7 broad bands. The idea there is, and we are getting there now, it is starting to see the fruit of this labor, is we don't get that question, is it a band 5? We talk about what this role does for your development to your ultimate career goal.

Bradd: You have changed the dialogue about the entire progression from compensation driven to career contribution, success driven. You had mentioned early on that essentially your engagement scores was one of the, I guess, lagging indicators of a lack of strong culture around career progression. Where are you now around your engagement surveys and are there specific employee experiences that you are thinking to institutionalize themselves and really change and now they are part of the culture or hoping to achieve through this progress project?

Craig: We never asked. Each year the engagement survey tells us the story, so we continue to work on what are the current needs of our employees in terms of career progress. That it is not static, it's dynamic, to what it was when we launched it. It will not be what it is 5 years from now. I guess a warning to anyone who is going to take this on, and I will say this, saying correct, but

perfection is the enemy of progress, you need to launch it. There is a certain level of detail that needs to be spot on, but you need to launch it and then continue to work to evolve. Our success profiles are being stretched and pulled and they are evolving, and they are changing. Another look at what I mean by it is going to be different 5 years from now. We're already working on technical connections of our systems. So, when you go into a role, the vision is you are looking at a role, you can click and see the jobs, then you can click again, and you go to my hire to see the actual openings for those jobs within the company. Career Progress is evolving, our engagement journey is continuing. Since 2012, we have gone up 18 points in our employee engagement index. We are in the top quartile for manufacturing industry companies and about a point below all companies in the database that we use. So, the journey continues. Obviously, it becomes more and more difficult to have the bigger increases the higher you go, but we're not letting that slow us down at all. Like, for example, we talked a lot about work-life balance, and we hadn't had that issue before, but if you look at our financial history for the year, the amount of growth that we have achieved, the margin expansion, I think it is fair. We ended up where we are because of what happened, we didn't anticipate the growth. We are following on our forecast in growth, which is great news but now I have company to include our CEO who is very adamant about we have to address this. That is an example of evolution of our engagement journey, we react to what the employees are telling us. We are going to do more intermittent surveys throughout the year, this year, to kind of track that.

Bradd: Super great. Those are some really outstanding statistics, so once again congratulations on the effort. We know engagement scores are multidimensional in that they are influenced by many different factors, but I think probably your largest single, biggest initiative was wrapped around career progress and there is fair amount of statistical increase that can be attributed

to this, because it has almost created a different model for talent, particularly from the employee experience perspective. It really does open up the aperture to a lot of different opportunities. So, congratulations on that. Wanted to just pull you down to a couple additional questions around if there were two or three things that you learned out of this project that when you look back, you would absolutely do or not do? Or some things that our audience may be able to learn from in terms of taking on the project like this and what would you absolutely repeat, what would you just get right exactly, and what are the couple of things that you would probably not do or do differently if you were to go into this journey again?

Craig: An example to get right is we led with, this really came from our CEO, he told us to do this. But we were concerned about changing the career framework in terms of negative perception of that, going from job grades to bands and talk about (band longer than you were on a grade but that is okay. We are shifting to folks on your development and we were kind of leading with the comp piece of career framework. And Mike said, no, lead with career management, lead with how much we are going to help people develop themselves and achieve their career success. We had good retention of key talent and it has improved quite a bit. We have about 96.9% retention of key talent in our company, which is up by about 3 points. That is something I would do again. Having the partnership between what we call total rewards or comp in talent was critical; having the steering committee that included senior leaders within the company who gave us guidance along the way for three years, was definitely part of it. Another challenge is making sure that you have an extremely strong program manager that can engage at all levels of the organization, including the executive leadership team. I probably went through about 3 or 4, and we were grabbing people that were free versus people that truly had the capability.

Bradd: Excellent. Craig, thank you so much. This has been outstanding conversation. Always a pleasure to speak to you. You bring a sense of business-driven human capital management that is unique in some degree. Based on your background, it really came through in this in terms of value for Ingersoll Rand, as well for your employees that matter so much to the success of the company. Thank you again for spending time with us today. Hope you felt this to be a valuable conversation and I am sure our audience will take several of the elements that they heard in this podcast and be able to translate it to areas of growth of human capital within their own enterprise. So, thank you so much again and it was great to speak to you.

Craig: Thanks, Bradd.

Bradd: Take care.

We just heard from Craig Mundy about how Ingersoll Rand designed their employee experience to open up career possibilities for employees and give them the tools to take control of their own career paths. In our next segment, Bradd Craver and I will be joined by our colleagues, Ina Gantcheva and Jeff Mike, to discuss the importance of creating meaningful work and career opportunities.

Interview 2

This is Burt Rea continuing our conversation. We are joined now by Bradd Craver, Ina Gantcheva, and Jeff Mike. Welcome to Capital H and thank you for joining us today. Bradd is a managing director with Deloitte's US human capital, Ina is a principal with Deloitte's human capital practice in the US, and Jeff Mike is joining us as the leader of our Bersin Insights group bringing research on various HR topics including employee experience, as well as HR optimization, talent strategy, workforce planning, etc. So welcome Bradd, Ina, and Jeff. We are thrilled to have you on the call today.

Our objective for this conversation is just to share some thoughts on employee experience and what do we mean when we say irresistible. I would love to get each of your perspectives on that as you think about your organizational effectiveness work, the clients that you serve, Jeff, the research that you are doing with Bersin. What does it mean to be a simply irresistible organization and, Ina, let's start with you, what are your thoughts?

Ina Gantcheva (Ina): It is a very, very interesting topic, and I will say it is one of the predominant topics that we face both as employers and consultants in the workplace and probably think about. Simply irresistible, if I have to summarize in a way, there are three dimensions that now-a-days shape how employees experience it. It is the type of work, it is the workplace where they do the work, and also the workforce, the people they work with. And this is kind of the employee lens, but also is how HR teams and business leaders, they also start to think about it from the same dimensions but slightly different angle. How work is changing especially as we have automation coming in and therefore, how can we create the right workforce to get the work done, keep them engaged, keep them motivated? And therefore, what changes does it bring to the workplace, how much work is virtual, how much work needs to happen in the same

place, how we can leverage technology, and create collaboration in a more efficient way? So complicated, complex, and at the same time fascinating enough.

Burt: Absolutely, I know this topic is getting a lot of attention in the organizations that I work with. Bradd, I would love to bring your perspective in on this. I know you work with a lot of more industrial and manufacturing type of organizations, represented labor, how does it apply to some of the organizations that you are seeing?

Bradd: Thanks Burt. One of the things that I am noticing that has been a real sort of enlightening and refreshing change in the way that our companies are beginning to perceive the whole notion of a simply irresistible organization, as well as employee value proposition is more of an outside-in view. Our clients have become extremely customer oriented, external customer oriented, and are putting a lot of emphasis on a lot of their company brand out there to delight customers and are now becoming very keenly oriented to what is the employee contribution to that customer experience. So what we have traditionally seen as being more of an outward facing customer delight, customer meeting and exceeding customer expectations is now being turned into more of a notion of around, how does the employee interaction with customer enable that delighted experience. And then what do we need to do from a human capital perspective to really enable the customer experience through the way the employees are experiencing their dynamics within their own organizations? So there is this whole view of moments that matter for the customer, there are moments that matter for the employees, those individuals that are delivering that experience to the customer and how do we optimize both because, frankly, you can't do one without the other. And so, many of our companies are turning inwardly, there is this whole notion of what does a customer experience look like. How does it correlate with the employee experience, how do we market our employee experience, and how do we take that cultural experience that the employees

really do matter, and use it to our advantage in the way that customers and employees and potential candidates for employment are perceiving our companies? It has been a nice refreshing merger of what I think have been relatively separate disciplines, Burt, in the past, that really have come through and made a compelling reason for us to really pay attention to that employee experience.

Burt: Yeah, it is really a win, win. It is a win for the organization, because we are treating our customers better. It is a win for employees because they are getting treated better. So, the transit of law of experience, I am going to treat my employees better, and therefore, they are going to treat our customers better. Jeff, let us get your thoughts on this, in the research that you are leading. I know, specifically, you are kicking off a new study on employee experience, how do you see that expanding the aperture though in terms of other talent modalities in the workplace, beyond just the traditional W2 employees? I have heard some folks call it workforce experience as a way to really open the lens.

Jeff Mike (Jeff): That is a great question and I will double down on what Bradd was saying about this connection between external customer experience and the worker experience. And we use the term worker specifically because we are going broader than the traditional on-balance-sheet employee. Worker is broadly defined as those individuals who add value to your organization, obviously it can be employees, can be contractors, they can be consultants, or freelancers and even in some case crowd sources. So the notion is much wider than the traditional employee. What we are seeing in our research is across a lot of our research is the most high-performing organizations are, actually, they are practicing this notion of treating their workforce like customers. So, actually, taking some of that expertise either from sales, from marketing, from product that is oftentimes externally focused, but now are focusing it, as Bradd said, kind of, outside-in on the workforce. And specifically, enhancing that connection between the worker experience and the

external customer experience. One final notion that we are seeing very specifically is borrowed from the platform notion of business, where if you are designing a customer platform you want to put, pull, you want to facilitate interactions. And you want to match actors on the platform based on their interest. So translated into the employee experience. We want to create that pull for our workforce, whether they are full-time employees, whether they are part-timers, contractors, or freelance, so in terms of engagement we are continuously pulling them back into the organization, so they feel like it is a part of their career, their life, where they can contribute and continue to grow over time.

Burt: That is great Jeff, I love this idea of creating pull, what are the laws of attraction, if you will. And I know some organizations get a little bit cross wires on that in terms of thinking, "okay, I have got an employee experience survey here, it is telling me my employees need to be more engaged, so I am going to tell all my frontline managers to tell their employees, you know, be more engaged." And of course we know that that doesn't work. And I will pose this to all of us here, what is it that does work, what is that you are seeing companies doing, organizations doing, that is creating that sense of pull, that sense of connection? And Ina, let us jump back to you, what works?

Ina: Great question Burt, because I think you will see a lot of the things we mentioned that tie in again to what we call employee centricity. And Jeff mentioned about this, you know, treating employees as customers, Bradd talked about it as well. I see this being one of the areas that things start to get very prudent, and one of the places where I have a lot of experience. Especially recently, is how to create talent mobility and talent attraction, how can employers keep employees engaged, satisfied, create opportunities for growth, create opportunities to move career-wise within their organization. And looking for ways to enable that process to be transparent, to be visible, to be easy to follow kind of the

customer experience. Is there an application, is there a technology solution that helps us connect the information we want somebody to see in a very organized and easy to access way? I see that predominantly a challenge that, in the past, technology was not mature enough, now technology is both. As platforms and different applications get mature, they create this opportunity to create a big customer quality experience of on-demand, at your fingertips, answering to your specific individual questions that now is translated into internal programs, which enable development. As a result increase a lot of opportunities to be actively engaged into what can I do here, how can I grow, how can I better engage because I see a variety of opportunities and I want to contribute.

Burt: So, there is this ability to pinpoint and to customize the experience for each employee, because what makes one employee engaged is different from what might make another employee engaged, and we can't just say one size fits all. So Bradd, tell us in your experience and the organizations you are working with in the manufacturing sector, what is it that is working there, what are you seeing?

Bradd: I think there is a fair amount of changes in some of the perceptions of the career paths in manufacturing, as technology has become so predominant in an industry that was typically a heavy capital investment sector. So, we are seeing manufacturing companies really rebrand themselves as more of a deployment of technologies, as well as producing product. So I work in the automotive space a fair amount, and as you can imagine, all of the auto companies are now becoming and branding themselves externally as transportation services, smart city enablers, essentially a mobile app on wheels. They are very much changing the perception of their own industries and that has fairly significant far-reaching implications on the talent attraction and retention models that they are needing to bring to bear. So to Ina's point, if you are a high-performing talent in a traditional manufacturing company that is not as technologically enabled as it needs to

be, then your worker experience is going to suffer for that. And so we are seeing much more of the deployment around app development for managing your career. There is a whole plethora of firms that are out there that are producing technology that will allow the worker to experience their employment interaction with their employer.

Burt: Jeff, talking about the employee experience in terms of what is differentiating and what is table stakes, and I know a lot of companies get sort of caught up in the both/and dilemma of do I not pay attention to what is table stakes and really focus on the bright shiny objects that have differentiating experiences? Or do I really need to get my table stakes super clarified and efficient and will worry about pull tables and Ping-Pong tables some other time. How do you see companies trading off that preference employees have and how do they know?

Jeff: Thanks for that question Burt. I think there is a really important question, you know what is table stakes and what is the differentiator? Certainly, the technology that Bradd and Ina were talking about is an important element. How do we create these consumer grade experiences for our workers? And that is going to be important, but as that technology proliferates it may become table stakes. How do we make things easier at work through technology and how do we redesign work? Those are still steps we have to take, but it is table stakes. Given the differentiators again, if you are thinking about the role of the leaders and managers as well as HR, it is really about creating a space for these workers to thrive and to succeed and then giving them that opportunity, giving them what they need. And so I think about the leaders as account managers, or leaders and managers as account managers, if we are taking this worker-as-customer approach a little bit further. Those leaders and those managers on the frontline, in particular, are the primary resource of that experience. So they have to get engaged, they have to understand, they have to know their workforce, what drives them, help with some of that personalization and again create those

individual experiences. And I think the ability to recognize the balance between those individual experiences and align those with broader corporate goals of customer service and ultimately financial fitness and meeting their mission, it is a critical role and a critical differentiator. So those organizations that can create the culture through their leadership for this engagement and then kind of, on the ground, on the frontlines, are able to design those both technological and kind of work environment experiences are going to be the ones that are ahead in the game in the near future.

Burt: So, what is that right balance between table stakes and really special? Ina, Bradd, Jeff, this has been a great discussion. We are about out of time, maybe if I can just ask you for, what one thing would you want to leave with our audience, what is our key takeaway here?

Ina: My key takeaway is that if we think about employee experience and the irresistible attraction that we can create for our companies, as we think about the world around us as consumers, and how we can create the pull, just as a lens that we always have with us, it will become so intuitive that we don't have to even talk about it, it will be there, and that is kind of like my aspiration, my hope, that we think about it and it just becomes how we are.

Bradd: That is awesome, and sometimes when you think of that is just in the flow of work, and it naturally happens.

Jeff: I would say that employee experience and being simply irresistible is more than a set of programs or steps or offerings. It really starts with this mindset of pull and taking the customer into account or creating the workforce as customer. So yes, there are lots of things organizations can do to provide the environment and tools and data to help facilitate this, but it really starts with this notion of these are, you know, talent is a scarce resource. It is going to continue to be challenging as we move into transformations across industries, and so this mindset of pull really needs to be the start of the simply irresistible experience.

Burt: I love that concept. Bradd, take us home, what is your one thing?

Bradd: If I were to suggest for the audience that is primarily responsible for the human capital or the organizations, as well as talent, is to really step back and broaden the horizons from traditional HR service delivery to a notion of those skill sets that have been nontraditionally deployed into the HR function. Customer segmentation, marketing, branding, those elements that have driven tremendous sort of enterprise success over time that our leaders in most of our organizations understand intrinsically, but have never really necessarily deployed those same disciplines to their employees or to the workforce.

Burt: Right, so really, instead of looking far afield for best practices, look in your own backyard, at your marketing team, and how

they have been able to gain terrific insight about customers, let's use that same lens on our own employees.

Well, Bradd, Ina, and Jeff, this has been a great discussion. I really appreciate you joining us today. Thank you for participating and look forward to continuing the conversation on becoming simply irresistible.

We would like to thank our guest **Craig Mundy** for his irresistible insights into career progress at Ingersoll Rand, and my Deloitte colleagues, **Bradd Craver**, **Ina Gantcheva**, and **Jeff Mike**, for their lively perspectives. Join us for our next episode where we will discuss how GE is revolutionizing performance management with our guest, Jennifer Beihl, a senior manager in performance and development and culture for GE.

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