How to Create a Scorecard to Track Your Digital Workplace Value

AVI-SPL Customer Advisory Board Tech Brief 2020

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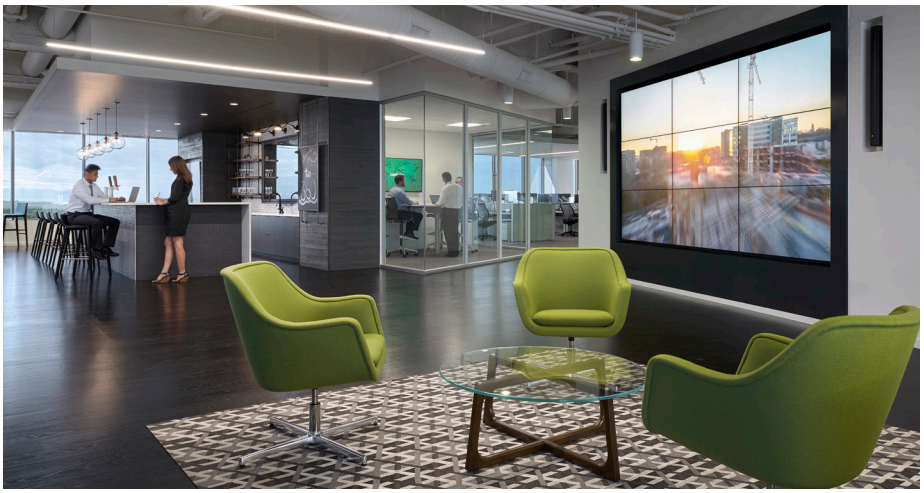

Introduction

Editor's Note: Twenty unified communications (UC), video, and collaboration leaders from Fortune 500 and large enterprises are part of the AVI-SPL Customer Advisory Board (CAB) which meets regularly to address the most common enterprise goals and challenges with accelerating digital workplace transformation. This paper is an output of the board's collective work.

In early 2020, a subset of members formed a working group to co-create a scorecard of the best metrics to measure digital workplace value realized from unified communications and collaboration technology. We felt there were gaps in current measurements, specifically for understanding employee sentiment and business impact. As a group, we could leverage our diverse approaches to create a best-of-breed scorecard. This guide outlines our approach and offers a new template for other IT and workplace experience leaders in enterprise companies and large organizations to assess their baselines and track corresponding benefits achieved over time.

The digital workplace key performance indicators (KPIs) we chose can be measured from a mix of inputs as no one source is wholly objective or accurate. Surveys or focus groups provide direct feedback, while sentiment algorithms offer indirect insights, and large-scale analysis of behaviors help us to infer patterns. All scorecards metrics here can be captured today and are relevant to IT and facilities roles in supporting digital workplace initiatives.

We break out our scorecard into two, key dimensions:

1.) IT alignment with business goals

2.) Employee experience

The former is more quantitative, and the latter is more qualitative. Both are critical to digital workplace program success.

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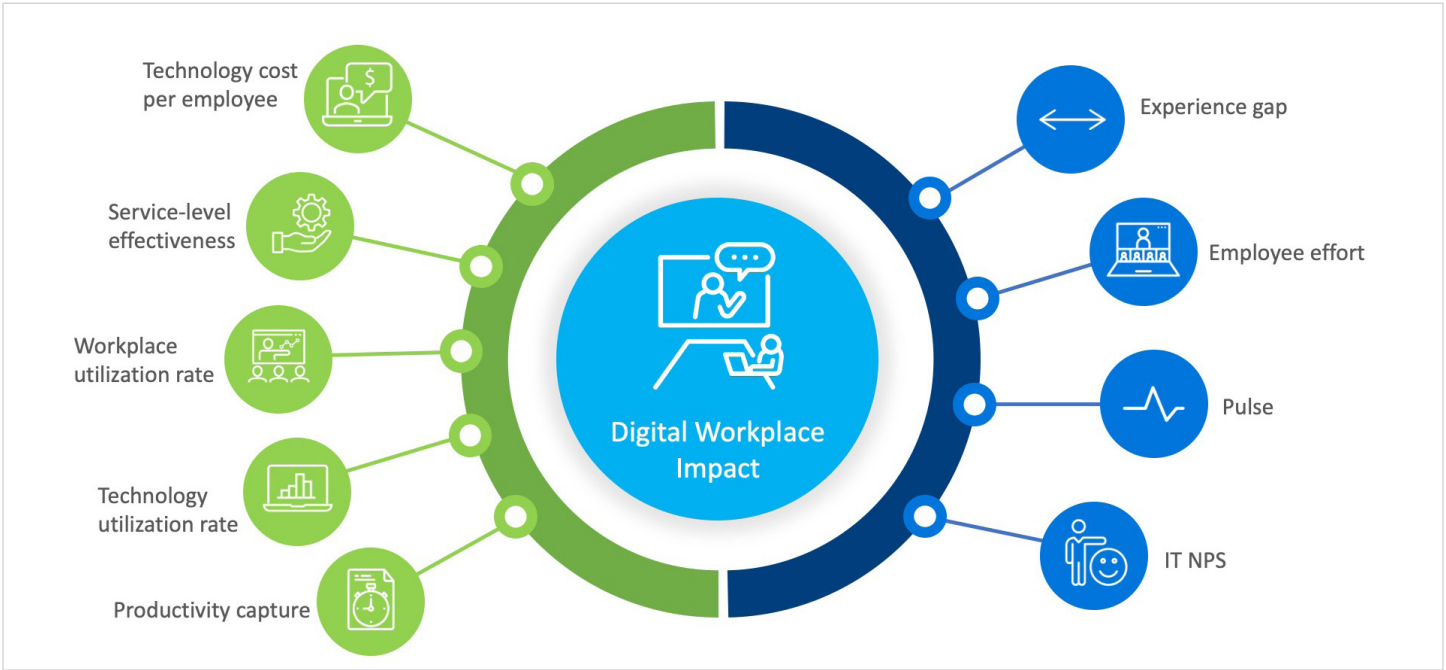
IT alignment metrics

In digital workplace transformation, IT is often the change agent, meeting the combined needs of end-users, workplace strategists, and real estate leaders. The technology investments they make, deployments they manage, and support they provide streamline business operations and enhance employee engagement. This is why we first consider our scorecard through an IT lens. To measure the impacts of IT efforts, we recommend tracking the following scorecard metrics.

In digital workplace transformation, IT is often the change agent, meeting the combined needs of end-users, workplace strategists, and real estate leaders.

1. **Technology cost per employee:** this is a straightforward measurement that should demonstrate optimization over time when investments are easily scaled and adopted.
    - To complement this metric, we suggest considering "technical debt." We define technical debt as the difference between money spent supporting old or aging IT systems versus the cost of implementing new systems that would yield better employee experience.
    - To further drill-down here, calculate your "cost per utilized hour of video." As video communication becomes part of the organization's culture, adoption increases, and concurrent video technology cost per employee and user decreases. Ultimately, the cost per utilized video hour should be a small fraction of the related licensing and systems cost.
2. **Service-level effectiveness:** measure this as the percentage of the time your IT support operations adhered to internal SLAs (e.g., help desk answers phone calls within three rings) averaged with the percentage of the time you achieve first call resolution of the employee issue.



3. **Workplace utilization rate:** consider all the technology-enabled meeting, collaboration, presentation, and training spaces you manage. Measure the rate at which they're used and average occupancy during workplace hours. You may wish to set benchmarks depending on the nature of the space. For example, a meeting room is likely to be used more often than a presentation space. With sensors in rooms or furnishings, you may detect occupancy and participant counts. Coalescing data from multiple workplace sensors can create heatmaps indicating where employees congregate. Video conferencing cameras can also use basic facial recognition to count meeting attendees in a room. As a related metric, we recommend calculating the percentage of time your spaces were utilized as scheduled versus used for ad-hoc meetings or gatherings.

4. **Technology utilization rate:** this metric pairs well with the first, technology cost per employee, and when technology utilization rates are high then there is a positive return on investment. For IT leaders, this metric is a partner to the rate of technology adoption, or the portion of the employees who use the technology provided to them by IT. A good example is the percentage of employees who use video conferencing for meetings with remote participants.

    - A complementary measure and one that is a leading indicator of adoption, is the rate of mastery of new technology, as measured by the percentage of employees who passed required training during a new technology rollout.

    - An alternative measure of technology utilization considers the percentage of work hours a technology is in use. This is not the measure of the time technology is powered on or an application is open. It is a measure of the active time the technology (devices, applications, codecs) is in use. UC system monitoring applications can aggregate this data and provide an important view of actual usage.

5. **Productivity capture:** nearly all organizations wish to measure the productivity of their workforce and the effectiveness of the tools provided to support their work. Technology in the digital workplace can be simple and intuitive, or it can cause friction that disrupts the work at hand. An important measurement for UCC leaders, therefore, is productivity capture or the number of minutes not wasted connecting to or starting a meeting. As video-enabled real and virtual meeting spaces proliferate, this is an essential measure that points to IT success. With the increase of work from home programs, the usage rate of IT-provided desktop collaboration tools for remote work is a key component of this metric.

Employee experience metrics

Benefits of the spaces, systems, and applications deployed in a digital workplace are most obvious and notable when measured through a lens of employee experience.

To understand the impact IT and workplace initiatives have on the overall organization, we must consider these additional key scorecard metrics.

6. **Experience gap:** the perceived difference in value between an employee's applications and devices at home versus work. With the consumerization of IT as part of the digital workplace, this parameter sheds light on whether employees feel a similar level of satisfaction with work tools as they do with their personal apps and devices.

7. **Employee effort:** if the effectiveness of the technology and workspaces provided the employee is perceived to be high, then the correlating effort is to use them is low. For UCC leaders, the workplace must provide spaces where employees feel they can collaborate productively. Additionally, the technology in collaboration areas needs to help teams complete their workflow or projects faster than without it. In modern workplaces, this means intuitive and even touch-free technology interface in the workplace.

8. **Pulse:** as reflected by the quality rating of communications, collaboration, or meeting experience immediately upon completing it. Pulse is checked frequently and tracked over time to uncover trends. Pulse ratings may be collected by the UCC application, such as Microsoft Teams, or by other simple prompts like a QR code in a meeting space to register feedback or a pop-up with a positive/neutral/negative rating question at the end of a workflow.

9. **IT NPS:** the net promoter score (NPS) is an index ranging from -100 to 100 that measures the willingness of employees to recommend their company to others if IT is very important to them. Net promoter score is considered a key indicator of growth because it teases out loyalty by separating promoters from passives and detractors. It's often a proxy for gauging employees' overall satisfaction with IT.

Future of measurement – actions speak louder than words

The above scorecard metrics can be measured today through direct or indirect channels. Yet, we envision a future where IT alignment is demonstrated, and employee feedback is perceived through a vast interconnected system of data collection and AI-enabled business intelligence. We recommend designing a data lake of key metrics IT and workplace leaders can gather across business units. Metrics should include utilization rates of spaces and technology, scheduling and occupancy trends, help desk tickets, and ratings. Also consider comments posted in public forums like social media channels and review websites – anything that provides insight into behavior and preference. Actions speak louder than words.

We also see a time when user behavior serves as a strong proxy for measuring employee experience and productivity. We can reduce the friction caused by poorly performing technology, yet how to do observe and lessen the friction caused by the work environment and organizational culture. We're looking to behavioral indicators – like response time, coordination time, assets contributed to a project, users contributing to asynchronous collaboration, time between issue and decision – to transcend a measure of efficiency to get to a measurement of workplace effectiveness.

To understand what these user behaviors mean, we see machine learning as a promising tool for discerning relationships between otherwise disparate metrics. For example, AI insights could tell us if employees avoid new spaces because of the technology in them or the environment of them (e.g., space is underutilized because the tech is cumbersome, or space is not used when the ambient noise level is too high). Natural language processing, a component of machine learning, can listen to user comments, help desk transcriptions, or other expressions to analyze employee sentiment and engagement. Adeptly compiled, this advanced business intelligence can predict which technology and space investments will make for greater productivity gains and improved employee experience – ultimately, which digital workplace investments create the greatest value.

Conclusion – EX is a strong indicator of CX

Numerous studies conducted by institutions from Forrester to Qualtrics show that both high customer experience (CX) scores and high employee experience (EX) scores correlate to higher revenue. Because workplace satisfaction is highly correlated to the perceived ease and quality of the workspaces and the technology enabling them, this scorecard is our ideal collection of metrics to gauge IT effectiveness for employees and the business at large.

As we first set out to create this scorecard, our world was a very different place without a global pandemic and without companies scrambling to adjust their operations to maintain business continuity. When we reconsidered our work in light of these developments, we realized these same digital workplace metrics are also strong indicators of business agility because they represent a readiness to respond to changing employee and customer needs. Truly measuring and understanding technology utilization rates vis a vis employee effort prepares a workplace to quickly pivot to enabling remote work, remote collaboration, and remote problem-solving. Those with mature scorecards are able to accelerate their digital workplace transformation when needed.

Use this scorecard to establish your own digital workplace baseline, identify gaps, set priorities, and design your digital workplace roadmap to improve team collaboration, enhance employee experience, and unlock new business value.

Addendum – Digital Workplace Scorecard Template

IT ALIGNMENT TO BUSINESS GOALS		
Metric	**How to measure**	**Example**
Technology cost per employee	Technology cost per employee = annual IT spend/mean number of employees in budget year Technical debt = cost to functionally support existing IT systems – cost to replace same IT systems with more modern workplace technology Cost per utilized hour of video conferencing = cost of licenses and systems to provide video conferencing for one month/number of video-enabled conferencing hours conducted in the month	Technology cost per employee = $2,000,000 annual IT expense/2,000 employees = $1,000 Technical debt = $100,000 support - $50,000 replacement = $50,000 Cost per utilized hour of video = $10,000 monthly fees and services/500 hours of video use = $20
Service-level effectiveness	Service-level effectiveness = Mean ((number of IT support requests within the SLA / total number of IT support requests), (number of first call resolutions/number of help desk tickets))	Service-level effectiveness = Mean (90%,70%) = 80%
Workplace utilization	Workplace utilization = number of hours shared meeting or workspace used/ working hours	Workplace utilization (non-holiday work week) = 15/40 = 37.5% Global workplace utilization = mean (all workplace utilization)
Technology utilization	Technology utilization = employees using application or system/number employees with access to technology	Technology utilization = 300 users active in application more than once in past month/1,000 Webex licenses = 30%
Productivity capture	Productivity capture = (mean number of minutes to connect and start a meeting last time period – mean number of minutes to connect and start a meeting this time period) x number of scheduled meetings (in-person or virtual)	Productivity capture = (10-2) x 1,000 = 8,000 minutes = 133 work hours

EMPLOYEE EXPERIENCE		
Metric	**How to measure**	**Example**
Experience gap	Experience gap = (mean satisfaction of employees with work devices, applications) – (mean satisfaction of employees with home devices, applications) Using a scale of 1-7.	Personal devices mean = 6.0 Personal apps mean = 6.5 Work devices mean = 4.5 Work apps mean = 4.0 Experience gap: devices = 1.5 Experience gap: apps = 2.5
Employee effort	Using a scale of 1-10, poll employees for technology effectiveness ("The technology I have at work enables me to complete my tasks quickly and without disruption) and workplace effectiveness (I have the workspaces I need to work and collaborate productively). Effort = 10 - the mean of the effectiveness scores.	Employee technology effectiveness score = 7 Employee workplace effectiveness score = 6 Mean score = 6.5 ((7-6)/2) Employee effort = 3.5 (10-6.5) *Lower scores indicate better employee experience.*
Pulse	Using a scale of 1-5 stars or positive/neutral/ negative emojis, prompt employees to rate the quality of a meeting or technology experience the moment it concludes. Include response rate reference.	**Meeting room A pulse = positive** (68% response rate) **Microsoft Teams pulse = 4/5** (34% response rate)
IT NPS	NPS = % percentage of promoters (score 9-10) - % of detractors (score 0-6) Question (on a scale of 1 to 10, 10 being extremely likely): Imagine that a friend is interviewing at our company, and you know that working with modern communications and collaboration technology is important to them. How likely would you be to recommend they work there?	Acme Enterprises' digital workplace survey results are: 7, 8, 9, 6, 5, 6, 7, 9, 8, 6 % of promoters = 20% % of detractors = 40% **IT NPS = 20 - 40 = -20**