

SUPER CIO



What the **CIO** sees—that other people don't

:digitate

Executive Summary

Given the lower American corporate tax rates signed into law late 2017, business leaders have some tough decisions ahead. Do you distribute the windfall as added dividends to shareholders or bonuses to employees? Or do you reinvest the savings in the business to grow employee engagement, satisfaction and sustainable productivity—perhaps by enhancing employee services through programs like health & wellness, learning & development, and recognition & appreciation?¹ Or perhaps by tackling the fundamentals, enabling employees to work anytime from anywhere, collaborate seamlessly, provide feedback, etc., with or without the monetary incentives?²

A question near and dear to our hearts is, can AI (artificial intelligence) help businesses create a sustainable competitive advantage by customizing/optimizing employee experience, boosting employee satisfaction, and driving corporate top-line revenue? While enterprises invest significant resources in HR technology software and recruitment costs (upwards of 1/3 of an employee's year one salary), in order to meet their talent needs; the new hire onboarding process is still not well addressed and may be a source of competitive disadvantages. Our survey of over 1,500 professionals reveals:

- **New hire onboarding experience sets the tone** – Employees who had a negative new hire onboarding experience are twice as likely to look for new opportunities in the near future.
- **“New hire remorse” & opportunity loss** – After the new hire onboarding experience, 1 in 5 new hires is unlikely to recommend an employer to a friend or family member.
- **The upside (refer to IDC Perspective³ for details)** – By automating new hire onboarding tasks/processes, enterprises have realized:
 - **Reduced new hire onboarding time** – From 5+ days to 10 minutes.
 - **New employee revenue productivity** – A Digitate customer realized \$2M incremental revenue from new hires in year one.
 - **Avoid lost productivity** – The traditional 5-day new hire onboarding process can result in new employee productivity losses equivalent to \$35M for Salesforce or \$678M for Amazon over two years.

¹ SHRM/Globoforce Employee Recognition Survey: Employee Experience as a Business Driver, 2016

² Employee Satisfaction Starts with Centralized Software, HR Technologist, April 4, 2018, Scott Morgan (VP, Workforce Management, Infor)

³ IDC Perspective: Digitate's ignio Reduces Employees' Onboarding Time from Days to Hours



Employee Onboarding Experience Sets the Tone

People who **did NOT** have a **positive new hire user experience (NHUX)** were 2x more likely to seek a different opportunity in the near future.



New Hire Remorse

After the initial onboarding experience, 1 in 5 new hires is **unlikely to recommend** the employer to a friend or family member.

A large, white, cloud-shaped thought bubble with a thick black border is the central focus. It is surrounded by a cluster of smaller purple dots. To the left of the main bubble are three smaller, empty white circles of varying sizes, also with black borders, arranged vertically. The background consists of light gray diagonal rays emanating from behind the thought bubble.

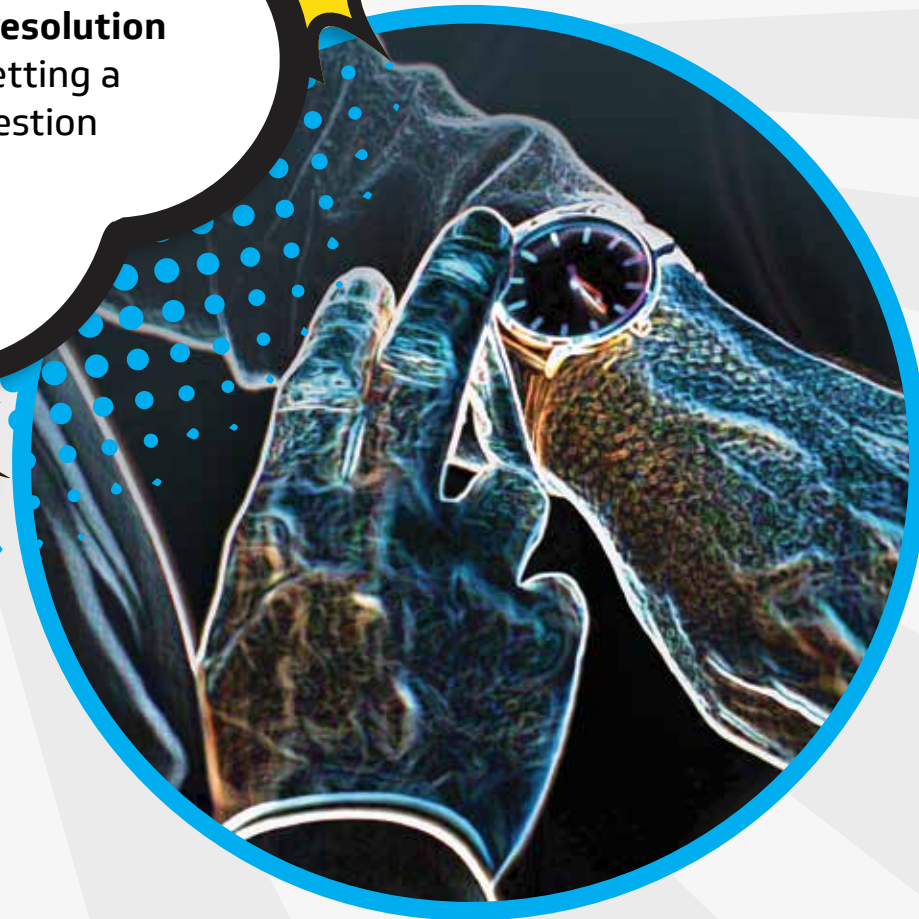
Grading the NHUX

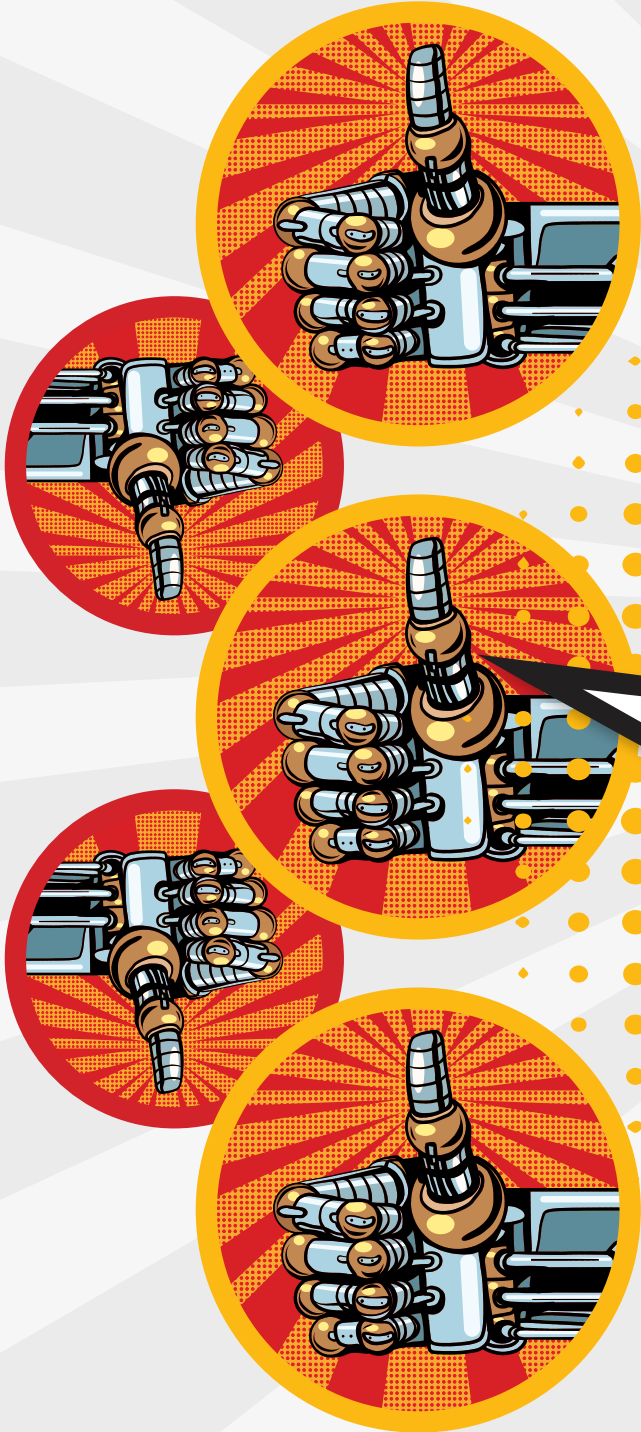
One out of five (22%) employees were **confused about how to proceed** during the new hire onboarding process. One out of six found the systems not user-friendly.



Time: The Precious Currency

Half of employees say **IT resolution is too slow**. 40% say getting a response to an HR question takes too long.





Automation: The Dark Side or Superhero in Disguise?

Three out of five (59%) employees think
automation may benefit the company.



New Hire Productivity —Accelerated

One Digitate customer automated
the NHUX across IT, HR, and
facilities—**accelerating it**
from **5 days to 10 minutes.**





New Hire Productivity —Monetized

By accelerating NHUX from 5 days to 10 minutes, the Digitate customer (which added 500 New Hires, @ a \$300K revenue-per-employee forecast) realized **\$2M additional revenue** in year one.



salesforce

Taking It Further: New Hire Productivity

Transforming the 5-day NHUX can yield **\$35M added revenue for Salesforce** (6.5K new hires @ \$385K revenue/employee) and **\$678M for Amazon** (50K new hires @ \$985K revenue/employee) over two years.



amazon

Actionable Recommendations

Growth-minded CEOs, CFOs and CIOs have a unique opportunity in 2018. Given a windfall from lower corporate taxes amid an uncertain global economic environment, they can choose to distribute bonuses to executives/employees or dividends to shareholders, or they can put this additional money to work.

By reinvesting the tax windfall back into the business, business leaders can gain a competitive advantage by:

- **Doubling-down on digital transformation** – Initiatives like IT automation around a well-defined but under-addressed business process like new hire onboarding.
- **Controlling the controllables** – By creating a sustainable competitive advantage that provides tangible and sustainable benefits like:
 - **Reduced new hire onboarding time** – From 5+ days to 10 minutes.
 - **New employee revenue productivity** – A Digitate customer realized \$2M incremental revenue from new hires in year one.
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Methodology

Digitate surveyed 1,500 professionals who work at corporations with 500+ employees between Mar 29, 2018 and Mar 31, 2018. Participants were recruited randomly by Research Now and the survey executed via SurveyMonkey. These professionals represented multiple industries and functions:

- **Industries** – Professional Services: 21.9%, Healthcare: 20.5%, Financial Services & Insurance: 12.3%, Manufacturing & Production: 10.1%, Retail: 8.2%, Information Technology: 7.4%, Hospitality: 4.2%, Others: 6.7%
- **Functions** – C-Suite: 1%, Vice President: 2.1%, Director: 5.4%, Manager & Supervisor: 28.9%, Individual Contributor: 62.7%

Why Should You Care?

Answer three simple questions and find the new employee revenue productivity for your business.

2018 Corporate Plan		Example: Digitate Customer – 2017	Your Company:
A.	How many new hires is your business adding in 2018?	500	
B.	How much revenue productivity (revenue per employee) is your CFO forecasting?	\$300K	
C.	How long is your current new hire user experience (NHUX) in days?	5 days	
D.	New hire onboarding process aka NHUX (# days) – accelerated	.00695 days (10 min)	.00695 days (10 min)
New Employee Revenue Productivity – 2018 incremental revenue gained from accelerated new hire onboarding process = $A \times B \times (C - D)$		2017: \$2.05M	

Learn more at
[www.digitate.com/
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Your
answer
here!