
Questions & answers – Avanade webinar with Dr. Nils Fonstad, MIT Sloan

Have you done any research or does your research include any focus on the not-for-profit or government sector?

Dr. Nils Fonstad: Both my qualitative and survey data include firms from the not-for-profit and government sector research. In 2011, with CIONET, I co-founded the European CIO of the Year Awards. It includes a not-for-profit/government category. As a result, each year, I have the privilege of interviewing some of Europe's top digital leaders in that sector.

The portfolio data I shared included public sector data. We examined if sector made a difference in the average portfolios of top performers and found that it does not.

Are there specific capabilities you've seen that are most impactful for a future-ready employee experience?

Dr. Nils Fonstad: Because I am focused on how firms innovate greater value faster, my answer is biased towards work habits around employees being able to work with others from different functions as together, they iterate between hypothesizing, testing, learning, and adjusting their efforts accordingly.

My colleague, Kristine Dery, is leading MIT CISR's research on the employee experience (recent research briefing, attached). One of the aspects she is investigating are key digital platform capabilities to strengthen the employee experience (e.g., improving A/B testing capabilities so that employees can test and learn a better customer experience).

The 4 types of innovation appeals. But how do we distinguish between EX and CX in a business case?

Dr. Nils Fonstad: Ultimately, the two are linked. CarMax, a company we recently completed a case study on, invests significantly in EX precisely to sustain and increase its NPS (which is in the 80s!)

Some companies that I have studied make the business case for EX with a mix of metrics. Some metrics reflect the value of better EX to the professional development of employees (e.g., increasing retention and increasing an employee net promoter score that measures to what extent would an employee recommend the organization to friends and family as a place that is professionally fulfilling). Other metrics reflect the value of better EX on business outcomes, such as improved business processes and revenue-generating innovation (e.g., decreasing time to market: the better employees can test and learn, the faster they get a new product or service out into the market). In all cases, this is an opportunity to make explicit assumptions regarding the value of better EX to both employees and to the organization.