Episode 31: Human-centric IT experience management for the future of work

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Nishant – Hello everyone and a very warm welcome. I am Nishant, Senior Manager at HCLTech and this episode is going to be interesting, as our guest will be talking about the future of experience management. Our guest for today is **Sami Kallio**, CEO and co-founder, HappySignals.

Sami is a forerunner in human-centric experience management. He's a popular writer and speaker on IT experience management and cultural shifts needed to make the change happen. Sami thank you for joining us today.

Sami – Thank you for having me and also thank you for those lovely words in the beginning. It's great to be here.

Nishant – Thank you, Sami. So can you tell us about HappySignal's journey and your role and how you have seen the company scale?

Sami – When we first started the company nine years ago, we considered discussing IT experience. We were too early for any other market than Finland, where we started. So companies here were only discussing experience within enterprises and IT. Everything has changed in the last nine years. I still remember the first time I went to the UK and tried to speak to people about IT experience, and they were not interested. We wondered if we were in the right business. Does this start to plume and grow? Now the situation is different. We do get inbound leads from Australia, the US, and everywhere. We have people in the United States, the United Kingdom, India, and other countries assisting enterprises and organizations such as yours to embark on the journey of experience management. So much has changed in the last nine years, and we now believe that the XLA boom and much of the discussion surrounding it is becoming more and more like normal IT. The question seemed a bit hyped-up at the time, but today it's more practical when it comes to what IT thinks about the experience and how interested they are in truly understanding how people feel. So perhaps that is about to set the tone for our journey. As a founder, I have been involved in IT for 10 years, bringing new ideas and helping enterprises move forward. It's great to be part of this podcast, as it's a pleasure working with one of the world's largest IT organizations. We are committed to bringing the best of IT globally to the table.

Nishant – Thanks for your kind words, Sami. It is really good to see how HappySignals has involved and expanded its customer base. So moving on to the next question. HappySignals is the platform for organizations to put their IT experience management into practice. Could you please elaborate on your philosophy of more smiles, less time wasted?

Sami – That, I believe, is our slogan, and it has two meanings. The most important meaning is that we are measuring the experience of end users, or employees, and how much time they lost as a result of some ideas. So we're measuring productivity. So two things, more smiles and less time wasted, are really about how and what we measure and where we help enterprises understand how they can make better decisions and focus on development, and so on. But also the Simon Logan Code, which was the real reason I founded this company, which was to make IT workers happier and more efficient. And it is related to the founder story, but before I founded this company, I interviewed ten different CIOs of large organizations. And those CIOs were struggling with experience because they were focusing on traditional SLA metrics.

Then, when they discuss IT with the business, they may even despise it or question what value IT creates. Now, after ten years, we've learned that SLAs and XLAs aren't the same things and that we will discuss later. As a result, IT can make better decisions based on experience data, making IT employees more efficient and satisfied with their jobs. We ask our entire customer base, "What are the most significant benefits you have?" According to 64% of respondents, IT employees are more motivated. And that is something that is frequently overlooked when we talk about IT experience management: not only can we think about ourselves in IT, but we can also think about others in a way that makes what we do more meaningful and makes us feel good when we add value. We are not only looking at SLAs but also at the value we have created.

Nishant – That makes a lot of sense. And this is a niche domain where we are measuring the sentiments of employees and how IT workers make their life can be made easy, and how that struggle is simplified. So I think it's wonderful to hear your views. Also, how is the HappySignals platform different from any other analytical tool which determines the employee experience score and gives visibility on workplace operations?

Sami – Experience data is essential for understanding customer satisfaction and satisfaction with IT services. It can only be obtained from employees and end users, and tools for measuring process and technology areas are crucial. These tools help identify individual touch points of IT and their feelings. However, experience is a broader concept that encompasses how people feel and what matters most. Focusing on two small touch points may lose the content and meaningful aspects of the experience. To provide valuable data for customers, it is crucial to

measure people's experience and combine it with other technical impulse data. This approach helps in determining what matters even at the IT reputation level.

Our company focuses on enterprise IT, helping organizations with thousands of employees and a large customer base. We offer two main services: the platform for measuring and helping enterprises with experience management, and the ITXM framework, which is a collection of the best ways of working that we have collected in the first nine years of this company. Our approach is differentiating from other organizations by not only being a tool but also a way of working. Our platform helps organizations understand end users and helps them measure and improve their experience management processes.

Nishant – So we are completely aligned with your thoughts here. Experience data should come from employees. You have to ask these questions to the employees and understand what are their feelings, and what they feel about the IT services provided to them.

So my next question is, how does HappySignals help workers navigate the entire workday and remain productive?

Sami – IT understands employee needs during workdays, weeks, or months by identifying important aspects and identifying both positive and negative aspects. This helps IT focus on areas that matter and improve in areas that matter, ensuring a smoother employee journey within the organization.

We started the company with services, ticket-based services, and service desks. Today, we measure everything Enterprise offers to their employees, including remote working options, applications, and devices. This provides a wider understanding of employees' thoughts on IT and other aspects. These business units may cause issues, and understanding these differences can help enterprises cater to different employee groups. By providing this understanding, enterprises can better serve different employee groups and improve their overall performance.

Nishant – XLAs is a new buzz in the market. How do you see progressive enterprises are accommodating XLAs and how shall IT and business leaders approach the transition towards the XLAs?

Sami – I think this would be an area where we could do three podcasts in a row. I often discuss with CIOs about the meaning of the XL and its impact on IT leadership, focusing on the XL's role in organizational changes.

To summarize, XLAs should not be solely measured as a number. Leadership should focus on understanding the way of working, particularly when focusing on the customer and end user–

centric approaches. Explore alternative ways to work, using data and meetings, changing decision-making, and motivating people. This approach goes beyond just metrics or numbers in outsourcing agreements, focusing on a more holistic approach.

Over the past three years, the focus has shifted from understanding XLAs to determining how to differentiate between SLAs and XLAs. Phone calls and lingering messages have provided insight into the concept, but the question now is how to differentiate between these two types of agreements. SLAs and XLAs are distinct tools, not replacing each other. XLAs add an aspect to IT work, measuring IT culture, process, and technology. SLAs measure IT performance, not just IT skills.

XLA is a leadership tool that sets autonomy for teams, allowing them to perform better and achieve higher numbers. It is crucial to understand the importance of XLA in setting goals and enhancing team performance. SLAs and XLAs are management and leadership tools that focus on development rather than ensuring agreed-upon tasks. IT leaders should understand that experience is crucial for their own IT team, vendors, and business. SLAs are agreements between providers and companies, while XLAs are more important for leadership. Understanding these differences can help IT leaders navigate the complex landscape of managing IT teams and ensuring successful business outcomes.

A North Star metric is crucial for businesses, as it enables IT to demonstrate value to partners and the business. This is a significant strength, as it sets IT targets apart from other targets. XLAs are also essential, as they help define the value of the organization to its partners. Overall, understanding and implementing these three points are essential for a successful business.

Nishant – Right. It is really good to hear your thoughts on how SLAs and XLAs are different. I think you have really made it easy for all our listeners and it'll eventually help them understand what is the difference and then take a conscious call, on how to onboard on the XLAs journey.

Also, we often talk about winning through differentiated customer experience, but how crucial is employee experience and what are your thoughts on organizations prioritizing employee experience to win customers?

Sami – The issue of customer satisfaction and care is crucial for organizations. It is becoming increasingly important to deliver more satisfied customers and maintain good relationships with outsourcing service providers. Two years ago, customers asked for the most important metrics for measuring outsourcing service providers. This approach can help organizations improve their overall customer experience and satisfaction.

Two years ago, customers emphasized the importance of end-user experience and how they are valued. Organizations are increasingly creating good value for these customers, who are already on their experience journey. While not the most important global metric, this is

becoming a growing concern for organizations, resulting in increased value. The priority of experience is increasing in winning and working with providers. However, this is also becoming an issue when competing for employee talent. People are leaving organizations due to poor IT experience, impacting both relationships with MSPs and customers. Customers are fighting to retain their employees.

Maintaining a workforce is crucial for businesses as it reduces direct movement and onboarding costs, making it a vital aspect of operations. Adobe's survey last year revealed that 48% of people in organizations work partly due to IT, emphasizing the importance of a good experience after COVID-19. This highlights the growing dependence on screens and the need for a seamless work environment. Experiences vary depending on the end-user group; for example, salespeople's experiences will differ from those of factory workers. It is important to recognize that not everyone is equal, but they may not expect the same level of service from IT.

Nishant – I think everyone should have this level of clarity and things would be so simpler.

So, can you also please tell us about, HappySignals' partnership with HCLTech and how is it a game changer for employee experience management?

Sami – It is an honor for us to be working with HCLTech. I think we are still relevant to small businesses and customers and believe, together we can significantly impact the entire IT industry and the reputation of IT globally. I believe we are the experts in understanding people and assisting others in using data and getting the right mindset, and we are very excited to be a part of your eSense offering and you offering that, and we are a part of that journey.

I would say it has started, we've been doing it for about one and a half years. However, I believe it will be a big game changer for the whole industry when there are companies like you offering experience management services in addition to small HappySignals, and that is motivating for our team too. As a founder, it feels good to work with the biggest brands.

Nishant – Thanks Sami again for your kind words. It is an equal pleasure for us to work with HappySignals and it will help the customer to simplify their journey and measure employee experience management.

I think one last question. What methodology HappySignals uses to ensure that the tool is delivering value to its customers and the value is conveyed to the relevant stakeholders?

Sami - We measure customer experiences and are keen on developing and improving our products based on feedback from customers, ensuring a positive customer experience.

In June, we held a happy user group in Helsinki, where we co-designed with customers and experienced their real situations, fostering a positive experience. Our approach is not to ask

customers for specific product features; rather, we focus on understanding their challenges, problems, and areas for improvement. We develop the ITXM concept with customers, based on their input, and then develop the product accordingly.

In some organizations, concepts and frameworks are developed to explain how to use a product. This approach involves understanding the desired work and description, and then creating a tool to help implement features. This approach avoids the traditional approach of implementing features and then providing an instruction book, which may be the wrong way around.

We take co-design seriously, understanding real problems and solving them for our customers. In Helsinki, we encouraged customers to discuss common problems, leading to a more collaborative approach. This approach evolved from individual opinions to a solution that formed almost a solution, fostering a more collaborative and effective approach to problem-solving. IT professionals often jump from problem to solution quickly, enjoying discussions and focusing on features that are more valuable for large organizations. The hack event did not involve customers voting, but we instead shared four ideas and asked them to vote on two. The customer's decision will determine the priorities in new development. This mindset helps organizations understand what is important for end users, similar to customer development and product development.

Nishant – Great to hear that. Thank you, Sami, for sharing your thoughts with us today. I'm sure these insights will be very helpful for businesses and IT leaders in understanding and approaching their experience transformation programs. Thank you for your time and we hope, for an opportunity to host you again.

Sami – Thank you, Nishant. It's my pleasure.

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