

- Hey, and welcome to "PCTY Talks". I'm your host, Shari Simpson. During our time together we'll stay close to the news and info you need to succeed as an HR pro. And together we'll explore topics around HR thought leadership, compliance, and real life HR situations we face every day. On today's episode I have with me Steve Beauchamp, the co-chief executive officer here at Paylocity. Steve, as we think about the impact of the pandemic, I'm curious, how do you think your leadership style was impacted? Did you make any major changes during the pandemic?

- Well, I think the interesting thing about the pandemic is it was so unexpected to everybody that really, you're reacting in the moment. And so things are happening to your employees, to your business, and trying to figure out what needs to be done to mitigate the impact of COVID and then at the same time, still make sure that we're kinda there for our employees and our teams and shifting to remote so quickly. So I think a lot of things have changed in terms of my leadership style, but I don't think it was planned. It was probably a little bit more reacting in the moment. And so we were already about 50% remote before the pandemic and then we shifted quickly, like many businesses, to a 100% remote. And I think one of the things that really was evident early on was we had to change our communication style. And so people were really nervous. They didn't know what was gonna be happening with their jobs. We were doing, you know, kind of our normal communications but it wasn't frequent enough. And frankly, it wasn't frequent enough for all of our abroad employees, but it also wasn't frequent enough even for our internal teams. And so thinking about like, weekly staff meetings and those rituals, like they weren't necessarily working. They broke down really quickly early in the pandemic. And so I think the biggest thing from a leadership perspective was reacting quickly to more communication and different types of communication to get in front of all of our teams who were personally struggling with a whole bunch of anxiety and concern over COVID and then professionally really struggling as there was an impact to our business. People are worried about their jobs. And so from a leadership perspective it was really almost becoming real time in terms of how we're communicating with all of our teams. I'll give you a couple quick examples there. When I look at my team, we used to meet kind of on a weekly basis and you'd have an agenda and topics. And we were all trying to figure it out in the moment and getting feedback constantly. So we just started meeting at the end of each day. And so it was half an hour at the end of each day just to figure out what did you hear today? What are the decisions that we have to make? How do we stay ahead of that? And so that is going from a weekly to a high frequency, every day. Another example would be we get the same question from employees all the time, no matter how many times we've answered it. And that's because they were nervous and they were going through a lot. And so we, I started doing videos to all the employees twice a week, and then we would still have meetings with all employees as well on top of that. So the frequency was really actually important

cause you don't hit everybody all the time. And so increasing that frequency in leveraging asynchronous video communication I think was another great example of how we had to shift our leadership style. And then gathering feedback from employees would be the third thing, which is asking them what's going on, how they're feeling, you know, what are the challenges of working from home? And being a little bit more formal about that. So, you know, leveraging surveys to be able to make sure that we're getting feedback on an ongoing basis. And so I think the challenge, I don't know if my style changed, but what I would say is I had to do things much more real time, higher frequency, and had to create different routines to be able to support my team, but also the broader employee population.

- Have you kept those frequencies at that level? And the reason I ask that question is, cause I think about where we're at now and for those that have a lot of knowledge workers or have had organizations that have been fully remote, right? 'Cause there's still people who are in the office now. But we're now seeing like, trying to keep employees engaged and connected has changed. So I'm curious, you know, have you kept that frequency? Are you doing things differently as we kind of look at how do we keep people engaged with that remote workforce?

- Sure, so a couple things that I think we've learned through the pandemic that will persist long term, in my opinion. So number one, the more authentic and real the communication is in the moment, that is actually more important than having a really tightly prepared answer. You know, maybe having a PowerPoint and frequently asked questions. And so being able to react real time in the moment is important. So we have a biweekly session with all of our employees, and we usually get 1/3 to 1/2 of our employees each session that join. We collect questions ahead of time and then we react in the moment to chat that's happening. And so we did that every week at the start of the pandemic. And so we've reduced that frequency to biweekly and we've also sent surveys out to employees in terms of what are topics that we can bring to the table? And so it's changed and evolved rather than just reacting to maybe pandemic in the moment questions to also be able to handle topics that we think are gonna be important to us as an org or important to our employees. And so very similar concept, but it has evolved slightly differently. Use of asynchronous video has changed as well. And so I was doing a couple videos every week just reacting to what was happening and trying to give people a sense of what I'm thinking. Cause sometimes I don't certainly have all the answers when you think about the start of the pandemic. And so that has evolved and changed a little bit. We learned that as people are working remotely more frequently, and especially employees that never planned on working remotely, when we had to send them back home, they may not have the ideal home setting. And obviously during the pandemic you're managing kids at home and it's really chaotic. And so we really started to leverage more asynchronous communication. So think about that as recorded videos that somebody can watch anytime. It is much

more personal than an email or other types of communication. And we were able to go back and see how many people viewed that. And then they were able to engage with comments and reactions. And so it became a little bit more of a dialogue. I think through the experience we had in the pandemic, we learned that that's actually a really important part to manage things like Zoom fatigue. And we do a lot more of asynchronous video communication today than we probably would've ever done had we not made that shift early in the pandemic.

- I like that you mentioned the video. I think I've seen that change not only in our organization but across the board. I recently interviewed someone on the podcast and instead of sending me a thank you email, he sent me an email with an attached video. And I was like, do I click on this, right? My IT spam filter mind was going off. But it was very personal, it was two seconds or, you know, however long it was. And it was just thanking me for having the opportunity to jump on the podcast. But I would've never have thought about sending somebody a video in the past. It's definitely a new way of thinking about it.

- Yeah, I think you can also help in like, you know, real work settings. And so one of the things that we hear from employees is I'm on Zoom meeting after Zoom meeting after Zoom meeting. And you know, often when I'm in the office, you know, I'm running over to the restroom, I'm getting into a hallway conversation, I'm having different types of interactions. Whereas, you know, having your face on the camera all day long, and I feel like it's just one meeting after the next to the next, right? And you're joining the next meeting either right on time or, you know, a minute after us things are ending. It can be stressful for everybody. There's not necessarily a lot of breaks. And so one of the things that we've tried to do is after the meeting it's very typical to have a handful of followups. And what do you do? You schedule the next meeting to go through all those follow ups. And so instead of that what we've often done is said, listen, why don't you record a video with, you know, the answers or the follow up items. Send that as a distribution to the team. We can review that, we can comment on it live, we can ask questions back and forth. And rather than having another meeting let's try to reduce the frequency of those meetings. Give people a little bit more time to think, give them some time to actually work on, you know, projects, initiatives that they might have. And so not only is it a good broad communication tool to give updates but it's actually a great follow up tool so that you can really try to reduce that. Or we also use it sometimes ahead of meetings. So the meeting's supposed to be an hour, let's get the meeting down to 30 minutes. Let's send out materials ahead of time. You can watch it anytime you want. You can see a discussion sometimes happening ahead of the meeting. And it really can allow you to be more efficient.

- Yeah, one of the things we've done in the HR space before our meetings is we'll send out a compilation of recognition that our peers

have given each other. And it's such a, just a fun way to watch and get your mindset ready for that meeting and just get excited about what's coming. You know, we are really great that we have an internal data science team and they have been pulling some data around our clients, and they found that clients with the most senior executive engagement on Community, which is our collaboration platform, had employee engagement scores that were on average 18 points higher, tracked by our Modern Workforce Index. Right, this is only a correlation, but I'm curious your perspective on why do you see that lift, you know, when you have a leadership team that's more engaged you have higher engagement scores?

- Yeah, a lot of the conversations that I might have with other leaders, there's a fair amount of reluctance to maybe change the leadership style and specifically the communication style and using maybe more modern tools. And the reality is, you know, especially when people are working from home with knowledge workers, you know, they're doing a lot of things online, right? They're communicating with their friends on their mobile phone via a wide variety of social networks. You know, they're buying things on Amazon that show up much later. They're very digital in how they interact. And I think a lot of leaders, especially I'm kinda Gen X but you think like Gen X, baby boomers, that's not necessarily your primary go to communication method. I definitely enjoy the hallway conversations, the in-person meetings, and was largely in the office every day before the pandemic. And so I've really had to kinda shift and understand that I need to be able to meet our employees where they are and need to be able to meet them in very different ways that actually mirror how they communicate socially. And so for us, we use our internal tool called Community, which has a lot of the same social capabilities you might see on external social media sites. And so it's really important for me, as an example, sometimes to go in and comment and react to other things that people are doing. That almost mirrors that, oh, I saw you in the hallway, great to see you. And some of those small interactions that you definitely get in the office, that's one way to do it. I think another way to be able to do that is to actually post more often on topics and provide, you know, what you're thinking and provide perspective. We get to do that in our application via video, much more personal. I think a lot of employees that I've met, you know, they've worked for us sometimes for two years and I meet them post pandemic or hopefully post pandemic, for the first time. They often feel like they know me because I've done so many different videos in terms of communication. And we've really pushed away from, you know, the email announcement or the only written announcement. And it's just so much more personal. And that's not always a comfortable thing to be able to put yourself on video. And sometimes you stutter or make mistakes. But the more real it is I think the more people appreciate it. And so, yeah, definitely find that other people in leadership positions are hesitant to do that. They definitely have kind of leaned on the traditional methods of communication. And I don't think that actually

works really well in today's environment. And honestly I don't think it works long term when you think of Gen Z entering the workforce, who are really the first digitally native generation that are coming into the workforce that have lived their entire lives communicating this way. So I think it's up to us as leaders to really adapt and change and use a wide variety of technology tools to find different ways to connect with employees, to try to mirror the different types of interactions that you would have in the office.

- Was there anybody on your leadership team or is, as I think about those that are listening who might need to go to their leadership team and say like, hey, wanna try this new? What advice do you have for them to kinda get their leadership over that hump of maybe being in front of the camera or commenting on a post or just be more social digitally?

- Yeah, so I think start small is what I would really recommend, and think about nudging the leadership team in small directions. And so that might be, you might be on the HR team and you might see an employee question or a post that, you know, would be great if that leader was able to react. Help them, help them with the draft, send it to them. It'd be great if you could post this as a reaction to it. Really helps drive the culture that we have as an organization. Maybe tee up messages to some of the leaders in terms of topics that they could talk about and record videos. And speaking notes are another good example. Over time, as you increase frequency you get much more comfortable and natural with that. You probably need less of those crutches. But I think early on, I would really try to recommend providing more guidance to the leaders to make them more comfortable and remove that barrier. And then like the whole idea of, you know, you can edit it, you could change it post the fact. In fact, when you think about it, that's a lot easier than doing something live or answering it in the moment. And so I think there's lots of ways to do that. The other thing I would say is you'll find across, assume that there's four or five executives that are kind of, you're really targeting to be more involved in communication. Probably one or two of those are much more comfortable than the others. That's okay. Maybe you don't start with the CEO. Maybe you start with the chief sales officer or the person running sales. They usually love to be in, you know, in front of an audience and talking about what they're doing and then showing success with that and then showing the rest of the leaders. But I would recommend not being impatient, not giving up because as I mentioned, you know, we're gonna have to make this shift with Gen Z in the workforce anyways. And so this is just kind of propelled the change that was already coming. And so I think it's really, really important. And what we see in our data is our customers where the executives are most engaged with their employees, whether it's, you know, creating posts and videos and commenting and reacting. We see more engagement from their employees. And this is a world where it's such a hard environment to be able to attract and retain the

talent that you need. That, you know, key executive involvement in driving culture is more important than it's ever been before. And yeah, it does start from the top and you have to be involved and you've gotta walk the walk. You can't just ask your team to do it. And so I would say from an HR professional perspective is stay at it, show early wins, find the people that are kind of early adopters, and try to provide some guidance to get people comfortable. Because it's really been proven when we look at the data, those customers that have their executives most engaged have their employees most engaged and therefore also have the highest retention.

- It's a good point about modeling the behavior. I think about Gen Z coming into the workforce and their drive to know the why behind so many things, right? They're craving transparency. They're expecting that their leadership is modeling the same behavior that they're expected to model. How have you thought about that shift from communication and transparency? You know, I know in our organization I don't ever feel like we weren't transparent or we didn't have access to the information, but going through the pandemic, more and more information came out. Did you feel that shift as well? Or have you seen that shift in the way that leadership teams are handling communications?

- Yeah, certainly we've got about 5% of our employees that fit into that Gen Z category. Obviously there's some questions around exactly what the definition is, but it's growing and it's growing really, really quickly. And what I find is whether it's new employee orientation or whether it's some of these all hands meetings that we're having with our employees, I think some of our newer Gen Z folks are not shy about asking questions, particularly not shy about asking questions when you create a digital environment for them to be able to do that. Cause they're very used to that. And so you've gotta be able to make sure to be able to create the engagement that you're ready to answer those questions and you're ready to engage. So another small example is as we have these all hands meetings, there's a ton of chat going on. And so I might be presenting on a specific topic. And then the rest of my leadership team is actually reacting in chat. Or we may have some folks like yourself from HR on the call, actually reacting to chat. Cause if you do like a one way presentation, you don't interact at all with what's happening with chat. And you think of Gen Z they're thinking, like this is not that different than maybe, you know, so too with a State Of Union type presentation with a PowerPoint. And so you've gotta be able to find a way to actually handle multiple types of communication in the same setting. And the more that you answer their questions directly in real time, the more that becomes a culture building exercise. Versus if you kind of ignore it and you don't tackle it, they feel very negative. I think employees in general do, but particularly Gen Z who feel like it's, I asked you this question in chat. It's no different than me seeing in the hallway and asking this question person to person. You wouldn't just ignore me

and walk by me if we were in the hallway. So when I'm in chat in a live session with you and you completely ignore my question, you know, their feeling is that of certainly being ignored and it creates a very negative experience. And so you've gotta think of this, you know, multi mode of communication and make sure you've got the resources allocated to be able to handle that. The other example I would give you is that we'll download the questions that we didn't get to and we'll put out a frequently asked question document after that to be able to handle the questions. And so I think really thinking through how do you connect with all employees, but particularly through the eyes of Gen Z will result in a bunch of changes in how I think you end up communicating.

- Well, as we wrap up our discussion, I have one last fun question for you. So as you've done these communications, do you have pre-recording makeup done? How many takes does it take you to get your videos done? Is there any prep you do?

- So I used to do a ton of prep, probably like most people, ahead of time. And we would do quarterly events and they would be planned and agendas. And so as we started in the pandemic I can remember the first video that I must have recorded through the pandemic. I'm sitting there on my iPad, recording it, looking at what's behind me, the light, how I look. And then I had a whole bunch of notes down. And of course trying not to look down at the notes so the video actually looks really, you know, authentic and real. I must have recorded it 10 or 15 times. And so then what happened as a frequency was so high, I just couldn't put that level of prep in from a time perspective. So, you know, the second video ends up being less, third, fourth, and I'm doing two a week so it doesn't take long to get to 10 or 12 videos. Probably by the eighth or ninth one at this point, I'm just doing one take. And it was funny, I remember one of the videos that I did I remember kind stumbling over my words and maybe taking longer to get to the point I wanted to. And I thought, I don't have time to rerecord, just post it. And I actually got a lot of positive comments in terms of like, oh, that was really real, really authentic. I people send me messages after and I thought, wow, that was the one that I personally felt probably was not very smooth, but yet it was authentic, it was real, it was in the moment. That's how we have actually conversations. And so I think once you get enough practice and you can push past this idea of perfection and preparation, it becomes a lot easier.

- Well, Steve, thanks for all the great advice and for just modeling that authenticity 'cause I think that's so important right now. But yeah, thanks for a few minutes and jumping on the podcast with me.

- Awesome. Appreciate the opportunity and all the things that you do in terms of driving "PCTY Talks".

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