

Can HR automation software help to boost employee engagement?

with Francesco Carbone, COO, Kenjo

Maddie Duke 00:00

You're listening to *The State Of Work*, the podcast by Lano. *The State Of Work* is about finding your place in the changing world of work, as an individual or an organization. In each episode, we dive into some of the benefits and limitations we face when it comes to remote and flexible work. We discuss how we work, how we hire and manage people, and how we live in this increasingly global workplace. I'm your host, Maddie Duke. And my guest today is Francesco Carbone, Chief Operating Officer at Kenjo, an innovative HR platform that specializes in digitizing and automating HR processes for small and medium sized companies. In addition to automating HR tasks, Kenjo's mission is to foster a business culture that promotes the professional and personal development of employees. I spoke to Francesco about how the HR space is evolving, what benefits software like Kenjo presents to businesses, and also how he approaches workplace culture and engagement in his own role managing a growing team that's distributed across two different countries. Hi, Francesco. Welcome to *The State Of Work*. Thanks for joining me.

Francesco Carbone 01:17

Hi, Maddie, thank you for the invitation and glad to be here.

Maddie Duke 01:21

Firstly, can you tell me where you're joining us from today?

Francesco Carbone 01:25

Well, like most of the people, I'm working from home at the moment, sitting in my modified co-working living room.

Maddie Duke 01:32

And you're based in Berlin.

Francesco Carbone 01:35

That's correct. Berlin, Schöneberg.

Maddie Duke 01:38

Nice. So today we're going to talk about Kenjo and your role there and also kind of what Kenjo is doing to help businesses. I love something I saw on the Kenjo website: "humans are more than resources". I think that's a fantastic philosophy to keep in mind. And I thought maybe just to kick things off, could you tell our listeners what Kenjo is? And what kind of solutions it offers?

Francesco Carbone 02:05

Yeah, yeah, I'm happy to do that. So Kenjo exists since March, last year, before our name was OrgOS. Now you know why we changed the name immediately as well. So we started off as an HR software. And after one year, I joined the team. Fun fact, I was one of the very first customers, I think it was customer number three. So leading a people team in different startup, using the software and giving a lot of feedback. And, I'm not sure if you are familiar with those customers that always complain.

Maddie Duke 02:52

Oh, yeah.

Francesco Carbone 02:54

....Really, really nasty complainers. And yeah, I was the king of them. I ruled all over them. So David, our CEO and founder, said, Wow, this guy is so good at complaining, let's get him inside, you know, and then he can complain much closer to us...

Maddie Duke 03:11

...and then the complaint becomes feedback.

Francesco Carbone 03:13

Yeah, exactly. And so I joined Kenjo. And what changed, and so I'm explaining that because we changed quite a lot back then from, let's say, a normal HR tool to a full-suite solution that also covers cultural features, like an engagement survey, performance reviews, shoutouts, meetings, goals, a lot of different features. I think if I would just name all the features that that would, which would be a bit too much. I think, to summarize, what we're doing is basically improving the whole employer/employee experience, and removing all that unnecessary noise that surrounds them by installing great, great technology between them to facilitate processes. And also, of course, we're trying to trigger positive behavior with the software for those companies. We now have roughly 250 customers, small and medium sized businesses all around, well, mainly the DACH market, Spain, and some in Latin America. And growing fast. That's Kenjo at the moment.

Maddie Duke 04:53

Awesome, thank you. So we're looking at if we think about how HR has evolved particularly over the last year and a half or, you know, as more and more businesses are working with global teams and distributed teams and people have been working from home. Whether that's, you

know, in terms of crisis-related working from home, or whether they've actually just have a home office, how is HR evolving alongside the changes that we've seen there?

Francesco Carbone 05:25

Yeah, in Germany would say it was a little bit of a *Brandbeschleuniger*. I'm not sure what the English - it's a beautiful German word. I don't know what the English... it was an accelerator. Yeah, accelerator. So the whole events around the Corona pandemic was an accelerator to digitize. So that's why we also get a lot of requests now from more traditional businesses, even blue collar businesses that say, okay, well, we need to react here, we need to, we need to start becoming more efficient in how we handle our employees. We see the potential there. So this was, this was a big change in the HR industry, I believe, considering that the market is so vast, I don't know the exact number. But it's not even 20% of the market is catered (for) in Europe at the moment. So there's a lot of potential.

Maddie Duke 06:31

And how do you think that, I guess, you know, with Kenjo it's about digitizing and automating some of the HR processes that are really necessary - that have always been necessary - but kind of making them more efficient and effective. What can that mean, for business if all of these steps and processes are done much more efficiently and effectively? What sort of benefits does that mean in a day to day setting?

Francesco Carbone 06:57

Yeah, fantastic question. So Maddie, I think the best is always to share personal experience. And so what my experience was, is that I was used back as a customer of Kenjo, I was basically forced to hire 30 people and half a year, almost by myself, I had a 50% person on the side to help me. But that was, it was obviously a massive challenge in two minutes, I couldn't have done that without it. So as a daily business, it just means you are able to do things much faster and much more efficiently than you could do without the support of a software. But then also, what it does is we are erasing jobs that are not fun. That's just how it is. That's, that's how the whole software market works. And, for example, I've never, once once I've stumbled upon the HR coordinator role - my wife used to be one actually at Wayfair. And all what they do is make appointments. And, and then I was like, well, so you're Calendly I'm not sure if you know Calendly? But yeah, you're a software, you're scheduling software. You know that there's something better I said, Calendly just use Calendly!

Maddie Duke 08:47

How did she take that?

Francesco Carbone 08:52

Of course, I mean, it's different because of the personal touch and so on, that's something nice, right? If you get a call with a human voice that is maybe even nice to you, that's different than receiving a link. But at the end of the day of the day, the effort versus output is relatively low. And also it's not. It's not fun to do a job like this all day. It's what I saw at least and so at the end of the day, what we're also doing is we're removing repetitive work that at the end is not so

much fun as creative or yeah, other work basically, yeah. And might sound a bit cruel, but it's really it's really okay, I think in my opinion, because there are so many good jobs, much more fun jobs, so..

Maddie Duke 09:49

Yep, and still even within that, you know, within that space still of HR and recruiting, there's still plenty of other roles. It's not like you're wiping out the entire HR department.

Francesco Carbone 10:00

No, no, no. So I mean, just to continue with the example of my wife, I mean, she's not a coordinator anymore. She works for a company that has tools like this. And now she looks into diversity and things like that - there was no room for that in the past, there was no budget, and no interest. And now we're shifting those roles from calling people to schedule meetings, to, you know, sustainability, diversity, and all those much more important and significant topics, in my opinion.

Maddie Duke 10:33

Do you think that there's also then like, you know, running with that diversity topic, that it also removes human bias as well, like, you know, if you've got someone calling candidates or applicants, making unconscious decisions about their accent, or the way they speak, or you know, that using AI and well, using automated processes helps to remove some of that, especially in the early stages.

Francesco Carbone 11:04

Yeah, I mean, that's, that's a super interesting observation. I've never thought about it, to be honest. But now, if you say it like this, it makes sense. Removing bias is for me, it's impossible. you know, if even if the email is written in a certain way, then there's already can be some triggers for certain people. Reducing bias, yeah, that's that makes sense. Yeah.

Maddie Duke 11:34

Yeah. I was reading that the mission- oh, that well, you know, one of the kind of purposes of Kenjo is to foster a business culture that promotes the professional and personal development of employees. So I understood that as like, by using these tools, you know, maybe particularly the engagement and performance side of things that you're helping your clients and customers and their employees with personal and professional development of employees. What does that look like? What/how do we do that? And how do we see that in practice?

Francesco Carbone 12:11

Yeah, so there are many ways to, let's say, observe it or comment on it, from a humanistic, philosophical, psychological, or even business driven way. If I would go from a business driven way... so why is it important to develop your employees? It's quite obvious. They're getting better and produce more and value for you as a company. Sometimes I talk about this and I feel like it sounds so trivial and so obvious, but it's not being applied on a daily basis.

Maddie Duke 12:49

So yeah, I mean, that's actually really, let's go with that. Because I would agree, like, to me, it also seems really obvious, but a lot of businesses may say, or even, you know, like that there are instances where it's like, kind of maybe even in their values, but is it put into practice? You know, are they actually spending money on this and do you know what, like, why they aren't why they might not?

Francesco Carbone 13:14

Well there's certain traits from the past that are still deeply rooted in some of the organizations which prevent them to make some really, really good decisions. And I mean, how to give an employee the room that they need to thrive is based on trust, for example.

Maddie Duke 13:37

Yeah.

Francesco Carbone 13:41

So a leader, any leader needs to have the capacity to trust and first they need to trust themselves. Just from my personal observation. Money is not an issue because it's relatively easily approved. Hey, I need an L&D budget, Mr CFO, can I please have some? That is much easier to get approved, then to actually have room for development created and being protected by every single manager. This is a bitch of a task. This is really, really, really difficult to create, because you have... So that's my reality. I have eight leaders in the company, and with completely different backgrounds, complete different leadership styles. And so that's the biggest challenge actually to have in every microcosmos that they create enough room for everyone to thrive. Much more difficult than getting a budget approved from the C level.

Maddie Duke 14:46

Yeah, yeah. Interesting. And to create that room. It's things like time, trust, putting a value of importance on that, not in terms of money, but in terms of other resources and effort.

Francesco Carbone 15:01

Exactly, exactly. Because it's easy to commit to the hard metrics, like, hey, there's this revenue goal, please go for it and be rewarded for it. There's no discussion. If you get half a million revenue, even though you were supposed to only get 450, then first, it doesn't matter what happens around you, yeah, you are the big winner of the race, you know, and... But if you, for example, created the best culture with a super high ENPS, and then the revenue didn't work, that's an issue. Because everything is connected to the hierarchy of needs. Also, in the company, we have a, we have an underlying hierarchy of needs. If we don't have cash in order to survive, then we will never be able to really go for the more aspirational goals, like developing people, having a positive impact on the environment, and so on. And I don't have a magic formula, how to make that happen. My current observation is that we should put the aspirational goals in the center, which we're still not really doing. And see the underlying needs more as hygienical factors. Now that's my personal approach and my people team as well. And, it works quite well. But yeah, I'm just one person in one department doing one thing, basically.

Maddie Duke 16:54

That's a really interesting thing to hear though, like, particularly from a C suite leader. It's almost a unique perspective in a way to actually be doing that and living by that kind of value. Would you sort of also say that as the those more aspirational goals, like if we're looking at engagement, or culture and the things that kind of show, or indicate that your people are happy in what they're doing? And yeah, enjoying it and doing it well, and working well together that in theory, that that would also then affect the, as you say, hard metrics of like profit and those kind of monetary targets.

Francesco Carbone 17:33

I'm coming back to you with a formula, okay? I was never good at math. But I have a very, very avant garde theory, okay. I have created a formula. I need to clear my throat so it comes out nice. So: treat people well equals people will treat your business well. I know it sounds crazy. I know it sounds crazy. But I have this idea that there could be some truth in this.

Maddie Duke 18:12

I don't think it's... to me, it doesn't sound crazy. It makes sense. You know, I've been in jobs where I've been very, very unhappy, and you have frustrations and you're not motivated. And you don't want to be there. And that's, you know, I mean, that's horrible for everyone. It's horrible for the individual. It's horrible for the team that they're working with. And ultimately, yeah, probably their performance is not going to be what it could be if they were happy. And if they felt that they were being valued.

Francesco Carbone 18:44

100%. So you don't need to rely on this avant garde equation, yeah. There's plenty of research about this out there. So this is no news. In the 60s, Peter Drucker started with this, then we had in Germany, Fritjof Bergmann, speaking about new work. We have Simon Sinek, our Jesus from the new work movement, yeah. So we have Gallup research since 20 years, they're coming up with the same results, there is no change in employees' behavior or something - their needs get a bit higher, but the companies are not picking up with the needs at all. Not even 30% of the employees are really engaged on average, which is crazy. What an untapped potential that we're not unleashing.

Maddie Duke 19:40

Do you see a difference between smaller businesses and bigger ones when it comes to this and applying these sorts of theories that we have, you know, we have evidence of - are there differences?

Francesco Carbone 19:54

The only difference is the difference of challenge. A startup can do more experiments, of course. I always like the analogy of boats, you know, like it's a small boat, it can move fast. But it's also not as secure as a cruise ship. So that means a startup has always one eye on the revenue, because they can do a lot of movement without securing their cash flow. So at the end of the

day, a fundraising or revenue in a bootstrap company is always going to be most important in order to survive. So that's where the corporates have more freedom, they have the financial security. And so they can test things in a more safe environment. However, they have so, so many barriers, so many, so much politics, that is also being a blocker for change. So it's just different types of challenges that we're facing in startups and corporates.

Maddie Duke 21:10

When we look at things like engagement and culture, how do we measure those?

Francesco Carbone 21:16

Beautiful question, very important, very important, because ...and I want to say that really clear, hopefully, a lot of HR leaders are listening. What people usually do in situations where culture is not on, not going how they wish they would go, it's usually overwhelming because a lot of symptoms come at you. Like oh the employees are complaining about this oh this not working right. And it's always HR's fault. And the natural reaction seems to be actionism, like, let's implement XYZ to fix everything. I didn't even tell you what, but it already sounds like it doesn't work, right? Because it doesn't, that's the point. You can't, you can't meet a bouquet of, of problems with one action. It doesn't - you won't solve it. You really want to find the key driver of the negative culture. And in order to do that, you need to measure. So thank you for the question. I'm very grateful for that. And the best I have seen so far. I'm using that since six years now, is an engagement survey, basically. So I've done engagement surveys with roughly 10 companies and analyze them and it was always an imperative to start with it otherwise, and it's also part of the Gallup research is, you will work on the wrong thing. And that's one of the biggest problems that companies have is that they work on the wrong things, most of the and why is that because most of the things that appear to be a problem, for example, employees complaining about salary, and then you raise the salary. And the people are not getting happy becoming happier is because those are symptoms, symptoms of other stuff. And in salary, for example, it can be a lack of acknowledgement. Just one example. Imagine a 50 year old specialist in a factory reporting to a 30 year old guy that just, you know, came from an MBA study or something. And the 50 year old guy, he doesn't feel valued. What does he do? Go to his manager and say, I don't feel valued enough. Please, can you please give me more positive feedback? No, this guy is super proud. What he does is like I need more salary. And then he gets a salary, but the problem is not fixed. So cultural issues can be very tricky and are often symptomatic, and appear different than what the root is.

Maddie Duke 24:34

Yep.

Francesco Carbone 24:35

So just to react with an action to an observation. That's never gonna work. It may be a little bandaid for a while or distraction. But it's not going to fix the problem... usually.

Maddie Duke 24:52

Yeah. It's interesting that that example because it shows that to get to the crux of an actual symptom or issue requires actually a lot of vulnerability and trust. And that's something that most people aren't able to do - especially at work.

Francesco Carbone 25:15

...and let's face it, we're not gonna, we're not gonna change this, this guy fundamentally, that he opens up his heart all of a sudden. But what we can do is approach him with quantitative, anonymized engagement survey on a weekly basis, what we do at Kenjo, for example, so we have a built-in engagement survey that is free for all of our customers. Because we believe in that, we believe this is the key cornerstone for when you want to start to become a better employer.

Maddie Duke 26:02

Lano makes it easy to hire the best talent on the planet. Companies of any size can hire and pay employees in more than 150 countries, backed by a network of top players of record. Lano takes care of compliant contracts, local tax law and international payments. From full time to freelance the Lano platform has everything you need to grow your global team. Find out more lano.io

Are there any other tools that you see, as you know, absolutely necessary for HR teams moving forward?

Francesco Carbone 26:44

Yeah, absolutely. So my latest finding, I would say, is that the key to this to the success of any company or any HR department is to have a great, an outstanding, if possible, leadership team around you. Because those are your multipliers. And they create anyways, their own universe, we had this like micro universe we were speaking about - you will be for some sort of part out of control, you can end it, which is good, by the way, yeah. So what you want to do is make them the best leaders in the world. So any tool that helps you with that, is definitely, is definitely really, really helpful. So there's a bunch of stuff out there coaching, coaching tools. I've seen, I'm testing now, in Berlin, there's one company called Bunch. They have really, really good content, for example. And then what I was looking at, as a company called BetterUp from the US, that has a scalable coaching approach that is very outcome-oriented. So those are things that are looking really interesting, because we had coaching sessions for the entire leadership team on a quarterly basis. And at some point, I was like, okay, that doesn't really make any sense. Because you have some people that are great at giving and receiving feedback, because of their past. They just had a lot of experience in that. And then some, not at all. So obviously, it makes sense to customize this coaching experience a bit more.

Maddie Duke 28:43

Yep. Yeah, I think that's a great one. Um, okay, well, I want to maybe, maybe we can talk a little bit about like the internal side of Kenjo, and how like how you approach hiring and managing a

team that's distributed across two different countries. And you mentioned earlier that you had this rapid hiring phase as well. What's your approach to hiring and managing your people?

Francesco Carbone 29:09

I think it's a mix between letting those two different cultures thrive on their own, but then being united under a common purpose. We were, to be honest, we were very lucky to be born and raised bilingual. Yeah, so we were immediately starting off as a Madrid and Berlin company. I couldn't even say if we are more Berlin or more Madrid, doesn't really add any value we're really, really that person. I can resonate with that. I'm half German/half Italian. So that makes sense. And this is also the world that we're in, right. It's not one thing anymore.

Maddie Duke 29:56

Yeah.

Francesco Carbone 29:57

So how do we make sense of this and how do we challenge hiring with this? Well, of course, the recruiter from Madrid is part of the people team. The global people team we're having weekly meetings together, we exchange ideas, we work together very, very closely. So that is key to have a similar idea. The process is everywhere the same. So we have mandatory slots and recruiting with myself and also with David as the CEO, at least, until we are 100 employees. So now we're like 65 or something. And so that kind of gives the same the same approach, the same attention to those hires. And now we have an office in Madrid again, after the pandemic, which is great. I even got a picture - they have a pool in the office. Can you imagine that? I think as a Berliner, you cannot imagine that.

Maddie Duke 31:05

No

Francesco Carbone 31:06

I'm also a bit jealous, to be honest.

Maddie Duke 31:11

Yeah, is it indoor or outdoor?

Francesco Carbone 31:15

Outdoor. An outdoor pool.

Maddie Duke 31:18

Oh my god!

Francesco Carbone 31:20

Yeah, exactly. Lunch break outdoor pool. Quite generous. Yeah? Not a small thing, you know? And no, but the challenge was obviously in the pandemic time, which was super tough, especially on the Madrid office, because they had, they were even more restricted than us and

Germany. And in the beginning, we were working with like, daily stand ups with the entire team of our small team back then, to really see how are you guys doing? How's it going? How's your mental health level at the moment, and really, really tried to foster those relationship building and connection? Because I mean, some people, singles alone and one apartment must have been crazy. I mean, I have my wife, I have my dog. And even for me, it was tough. So I can't even imagine how hard it must be for someone by themselves. And, yeah, so. So how do we tackle how do we tackle that we implemented a lot of different things like we have a very easy one is, for example, it's a donut integration for Slack, I'm not sure if you're familiar with this is, it's just a random is, it's a matchmaker for employees to meet on a regular basis to have just a coffee, you know, no business, just just sipping a coffee together. And talking is very simple, you can do it in five minutes, and it has an effect for the next half year or so, or more. But then also, what I really appreciate is usually culture is very institutionalized. And the expectation from employees and from the company is, okay, HR, or CEO, or whatever, you are in charge of our happiness. And we made that very clear, right? In the beginning, no, this is not how it works. We are all contributors or nobody is a contributor. And so what I'm really particularly proud of is that a lot of initiatives come from the people directly. Why also because we give the room, you know, we say, hey, guys, do whatever you think might make sense. And then we run this through with you and improve your concept and help you reach everyone in the company and support you with what you need. So we have things like, like yoga meditation sessions, from our head of customer success, because she's a certified yoga teacher. And then we have sort of like, a safe place, round table from another person from the team, because he had, he has done that in his private time hosting roundtables for speaking about life and about emotions. So this is coming from the team. And this is their... this is the best actually what you can get because this is true distribution. And the future in my opinion, I mean, why wouldn't we use all those great, great, great, great talents that we have, and this diverse, amazing crowd, in order to distribute culture and with many also something that people team created Kenjonita's Got Talent so we had like, cooking sessions, how to cook The best indian food from our Indian colleague, or how to what do we have, like a cocktail session with our interns and really lots of fun stuff?

Maddie Duke 35:12

That's fantastic. Like, that's exactly what you want. I think, you know, there's nothing like when that kind of culture feels forced, and it's coming from above, you know, if the leaders are the only one saying like, let's do this, and it's not coming from within the people as well. It's a very different feeling. So I imagine that I mean, that to me is a reflection, you know, that, to me, is a symptom of something that's really, really working there where people are actually actively coming up with these ideas. And people are participating as well. So congrats. We're just about out of time. But I have one final question for you, Francesco. Before I let you go, what's the future of Kenjo? What's in the pipeline for you?

Francesco Carbone 36:00

So Maddie, Kenjo has a very exciting journey ahead of us. We're growing fast. What that means is we can build more exciting products. And we're already a very wide tool. If you start if you thought we stopped there, you might be misled. There's a lot in the pipeline, a lot of exciting, exciting things to come. I can't reveal everything. But we're really devoted to build what

everyone is really expecting from an HR software, you know, everyone agrees in the market, we're not there where we want to be, and a lot of things again, to build. That's the exciting part about Kenjo. And if you're an HR manager, looking out for a solution that really is fun, makes sense to you and covers all and everything in one tool then keep watching out for us. Follow our thread on LinkedIn. We will be posting all the new things in the next couple of months. And yeah, just have an eye on us - a lot of exciting stuff to come. I can promise.

Maddie Duke 37:12

Awesome. That sounds really exciting. And I'm really keen to say what's to come of Kenjo thanks so much for taking the time with me today.

Francesco Carbone 37:22

Oh yeah Maddie, thank you so much. It was such a pleasure to speak to you. I've really enjoyed it. Thank you.

Maddie Duke 37:32

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