

The State of Human Experience in the Workplace 2021



Improve talent management by gaining a better understanding of employee experience



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Executive Summary

For years, some experts argued that enhancing the quality of an organization's talent is one of the surest ways to gain a competitive advantage.¹ Products and services can often be copied. New business models can be duplicated. But just try to replicate an exceptional workforce and the accompanying culture. It's almost impossible!

Of course, just knowing that talent is crucial is not the same as being able to attract, develop, manage and retain it. Organizations need an overarching framework or paradigm that makes excellent talent management possible in the context of the larger enterprise. In the last several years, the human experience paradigm has been widely touted as key for this purpose.

We define **human experience** as a combination of two overarching types of experience:

- *Employee experience* is how employees think and feel about their job and their employer. This experience is influenced by every interaction employees have with their organizations, from their first contact as a potential recruit to their final interactions with the organization, whether as an employee or former employee.
- *The experience of other organizational stakeholders* includes contractors, alumni, candidates, customers, business partners, investors, and anyone else who has a strong interest in the organization and its products. This experience is influenced by every interaction stakeholders have with their organizations, from their first to last key contact.

This report focuses on the experiences of employees, but we never lose sight of the fact that employees are part of a larger dynamic system that includes a variety of other stakeholders.

About this Survey

The survey, called "The State of Employee/Human Experience in 2021" ran from December 2020 to January 2021. There were responses from 530 HR and recruitment professionals, with 437 responding to every question.

The participants are HR professionals representing a broad cross-section of employers by number of employees, with 78% representing organizations with 100 or more employees and 55% representing organizations with more than 1,000 employees. They also represent organizations from virtually every industry segment.

¹ Lawler, E. (2008, October). Make human capital a source of competitive advantage. *Organizational*. Retrieved from https://www.researchgate.net/publication/228313583_Make_Human_Capital_A_Source_of_Competitive_Advantage

This is the second in an ongoing series of studies of human experience. In our first study, we found that organizations with more positive human experiences also tend assign higher ratings around a variety of related factors including engagement, empowerment, sense of belonging, and “work inspiration.”

Others have also made connections between experience and positive business outcomes. A recent Deloitte study found that 84% of their survey respondents rated “employee experience” as important, and 28% said it was among the three most urgent issues facing their organization.² Research conducted by MIT³ found that, compared with organizations in the bottom quartile in terms of employee experience, those in the top quartile enjoyed twice as much innovation and customer satisfaction as well as profits that were 25% greater.

In this report, we investigate the current state of employee and human experience in light of recent business and global changes, including the Covid-19 pandemic. The topics we cover comprise:

- the current quality and importance of employee experience
- key differences between employee experience and employee engagement
- the primary employee experience drivers and barriers
- the use of technology to enable improved experiences
- practices used to improve employee experiences
- how employee experience is currently measured
- what the future holds for human experience

In addition, we offer comparisons on a number of survey variables based on company size and examine the factors that differentiate organizations that are doing a superior job of building successful experiences from those that are not.

² Deloitte. (2019). Leading the social enterprise: *Reinvent with a human focus*. Retrieved from <https://www2.deloitte.com/content/dam/Deloitte/cz/Documents/human-capital/cz-hc-trends-reinvent-with-human-focus.pdf> p. 45

³ Dery, K. & Sebastian, I. (2017, June 15). Building business value with employee experience. *MIT Center for Information Systems Research*. Retrieved from https://cisr.mit.edu/publication/2017_0601_EmployeeExperience_DerySebastian

Below are some of the key findings from the report:

Key Finding

1

The importance and quality of employee experience is on the rise.

When asked about the importance employee experience, 74% report that it is now more or much more important compared to three years ago. Even more encouraging is the fact 77% of respondent say they are expending considerable effort on enhancing employee experience in their organization.

Key Finding

2

A majority of HR professionals believe the quality of employee experiences is good or excellent in their organizations, and most expect it to get better.

Importance and attention appear to impact outcomes. Eighty percent rate the experiences of employees in their organization as good (51%) or excellent (29%). And, three-quarters feel it will improve over the next three years. The question is whether HR is overestimating the quality of employee experiences, a topic we touch on in the report and will address more fully in future research.

Key Finding

3

Nearly a third complain they lack good ways to measure experience, somewhat calling into question the accuracy of HR's overall level of optimism.

Thirty-one percent say that a lack of good ways of measuring employee experience hinders their ability to enhance those experiences. What's more, 12% do not measure such experiences at all. Both of these findings suggest that HR's optimism about employee experience is often based on subjective evaluations. Almost all respondents (89%), however, agree or strongly agree that the ability to measure employee experience is essential to being able to improve it.

Key Finding

4

The most commonly used experience measurement tools are still traditional ones.

The most commonly cited measurement tool is the performance management system, but other HR Research Institute research indicates that many HR professionals do not view the data coming from their performance management processes as reliable. The second most widely cited tool is annual surveys, often known as climate surveys. Because these surveys are done so infrequently, some experts believe they are inferior to tools that gather data on a more frequent basis.

Key Finding 5 **HR believes most employees are positive about multiple aspects of employee experience.**

When asked their opinion about how employees feel about a range of human experience ingredients, most HR professionals give positive responses. For example, 76% report their employees feel a sense of belonging, and 72% say the same about employee engagement.

Key Finding 6 **Multiple stakeholders own employee experience.**

When asked who has responsibility for employee experience, 80% point to immediate supervisors while 77% point to senior leaders. Percentages are lower for HR and employees themselves: 68% and 53%, respectively. These responses indicate that efforts to enhance employee experience typically require the collaboration and investment of multiple stakeholders.

Key Finding 7 **HR professionals are mostly like to say that the “ability to grow” is among the top issues impacting employee experience.**

We asked survey participants their view on the top four issues impacting employee experience. “Ability to grow within the organization” is the most frequently chosen issue at 52%. Trust in leadership and good compensation/benefits are also high on the list, at 46% and 41%, respectively.

Key Finding 8 **Thirty percent lack technology for managing employee experience.**

We asked participants, “Which technologies, if any, does your organization use to track, gauge and otherwise manage or influence employee/human experience?” Thirty percent say they do not use any technology for this. Among those that do, the most common choices are “one more components of our HR management tool,” a major survey application, and a major customer relationship management tool.

Key Finding 9 **Learning and development (L&D) is most widely regarded as an important initiative for improving employee experiences.**

We asked which four programs/initiatives employees would consider most important to improving their experience. The top answer is L&D (58%), followed by mentoring and coaching (50%), recognition programs (48%) and manager and leadership development (41%).

Key Finding 10 **Better employee experiences correlate with better practices and outcomes.**

We compared respondents who indicate they have excellent employee experiences with those who have average or poor experiences. On almost every variable in this study, those who report that their organizations are doing a superior job also tend to more use technology, cite higher degrees of stakeholder involvement and leverage better measurement. They also report a higher return on investment (ROI) on their employee experience investments.

HR's Understanding of Employee Experience



Finding: Most HR professionals understand the difference between experience and engagement, but there is still some ambiguity

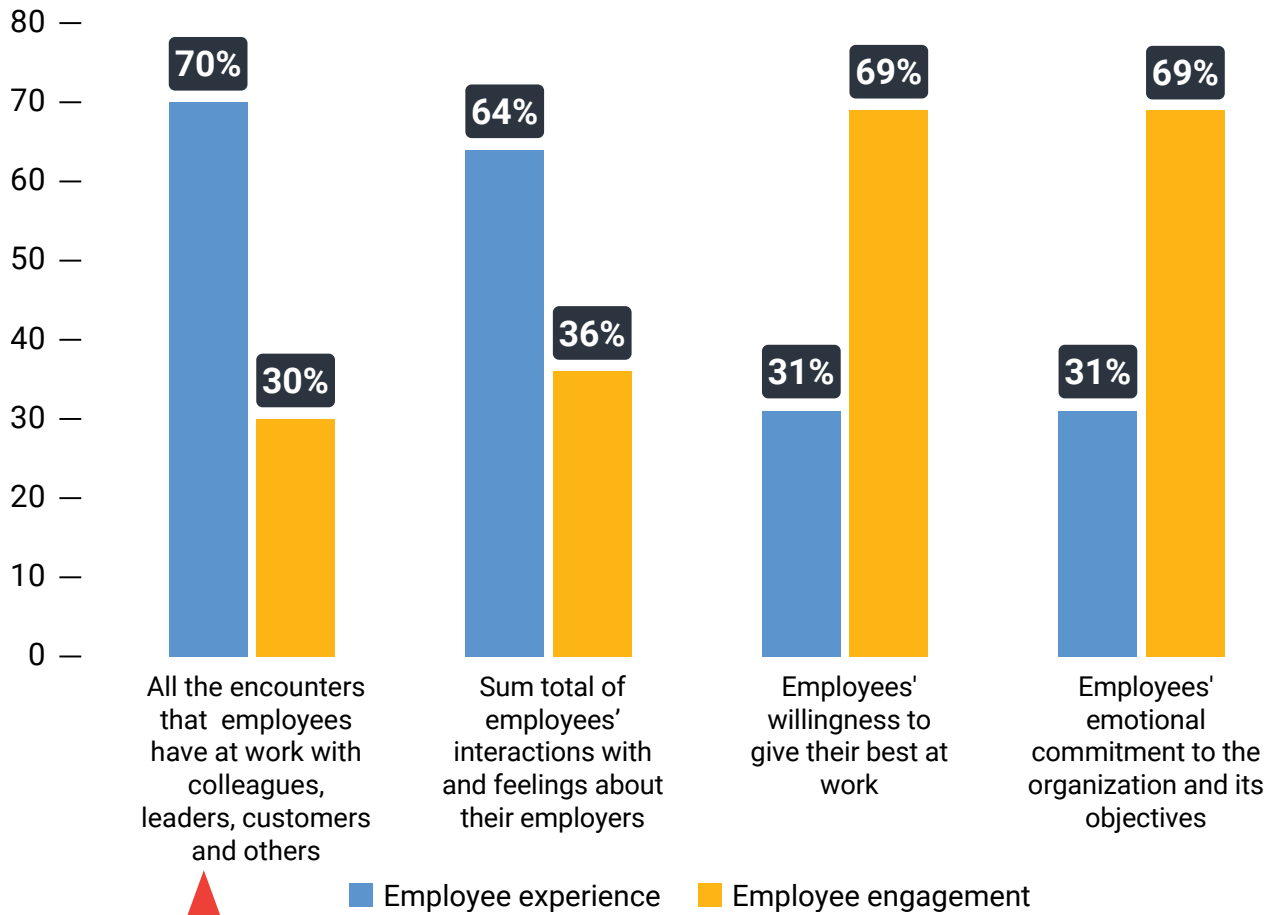
To see if HR professionals share a common understanding of the differences between employee experience and employee engagement, we provided them with four statements and asked them to select which ones went with which concept.

We found that more than two-thirds of respondents associate two statements with engagement: “employees’ willingness to give their best at work” and “employees’ emotional commitment to the organization and its objectives.” We agree that, out of the four statements, these two are most correctly associated with engagement.

The other two statements—the “sum total of employee’s interactions with and feeling about their employers” and “all the encounters that employees have at work with colleagues, leaders, customers and others”—are much more likely to be associated with employee experience. Again, we agree with this assessment.

But about a third of respondents identified these concepts differently, indicating that although there is a general understanding of the terms, there is also overlap in the minds of many HR practitioners. Indeed, it is true that the two concepts are complementary. It would, for example, be difficult for employees to be engaged if they have poor experiences with their organization.

Survey Question: Of the items below, which do you associate with employee experience and which do you associate with employee engagement? (select whichever one you think best applies)



Fully 70% say employee experience is associated with “all the encounters that employees have at work”

The Quality and Importance of Experience



Finding: Most HR professionals say their organizations are doing a good job of nurturing better employee experiences

Eighty percent of respondents indicate that their organizations are doing a good or excellent job of building positive employee experiences. This represents a considerable improvement from our previous human experience study, which was conducted in late 2019 and very early 2020 (that is, before the Covid-19 pandemic). In that study, only 47% of respondents gave employee experiences high marks.⁴ Although there are technical issues—including variations in the survey panel, size of company, and question wording—that may help explain these differences, sizeable differences remain even when we endeavor to control for issues.

More study will be needed, of course, but the results suggest that something significant happened in the year between the two surveys. Of course, this period coincides with the massive and often dramatic business adjustments to the coronavirus pandemic, so it is possible that these increases are somehow tied to the widespread adoption of certain management practices such as remote work (aka, telecommuting), greater emphases on employee safety and well-being, and/or other modifications in management practices. There could, of course, be a range of other factors as well, including an increase in pandemic-related layoffs (which might make more employees grateful to have jobs) or the elimination of many job commutes.

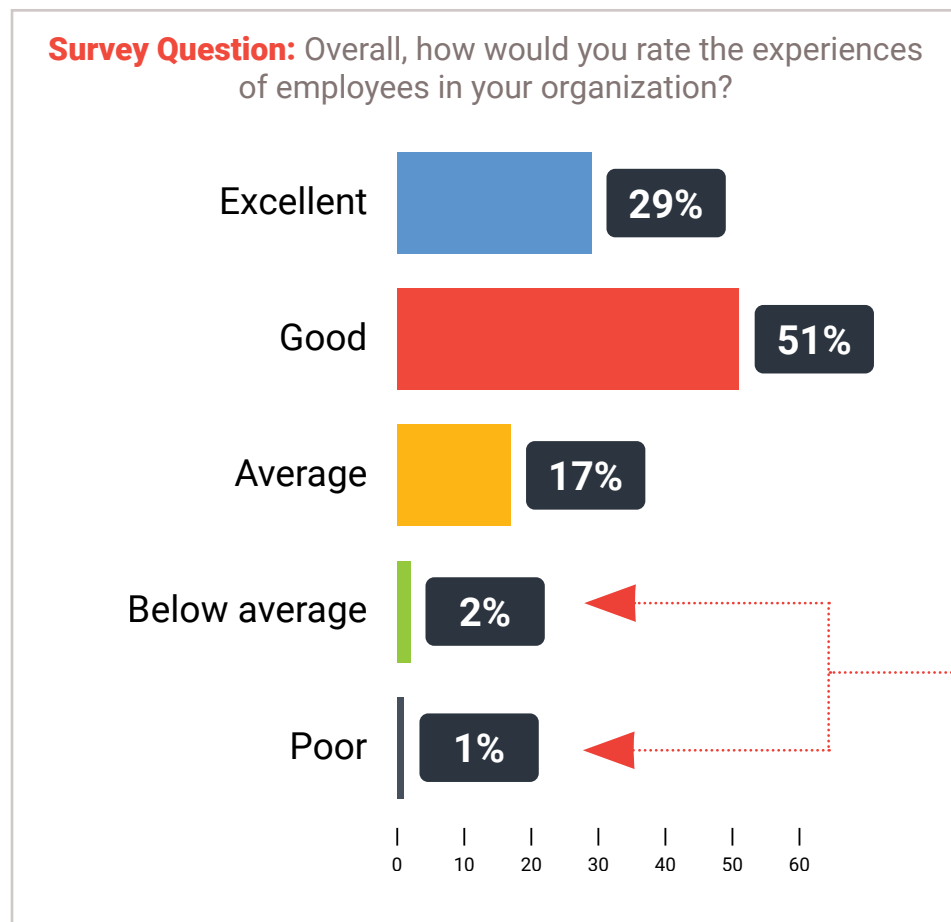
Another factor, as we will see later in the study, could be that many HR professionals do not have accurate metrics related to employee experience. This adds a subjectivity to responses and so might reflect some bias in which HR gives itself higher grades than are warranted. As we conduct more longitudinal research in this area, we expect the picture to become clearer.

⁴ HR.com (2020, February). *The State Of Human Experience in the Workplace*. Retrieved from https://www.hr.com/en/resources/free_research_white_papers/hrcom-human-experience-in-the-workplace-2020-resea_k6is2ttm.html?s=AAGJTvnxkphWLOxJL

We should note, however, that some data external to our survey also indicates that employee experiences grew more positive, especially in the second half in 2020. HR Research Institute Advisory Board member David Yang, Ph.D.—who is co-founder of the employee experience platform Yva.ai—told us, “Our measurements signaled positive well-being in the second half of 2020. Recently we analyzed over 75,000 employee responses to questions on engagement, satisfaction and well-being using smart surveys (active data) and approximately 120 million collaboration signals (passive data) in 110 organizations. Our index has grown 8% as we adapted to the pandemic. Overall, 78% of participants in our database are positive about their workplace experiences.”



A mere 3% say employee experiences are below average or poor, suggesting that there might be some bias in these responses

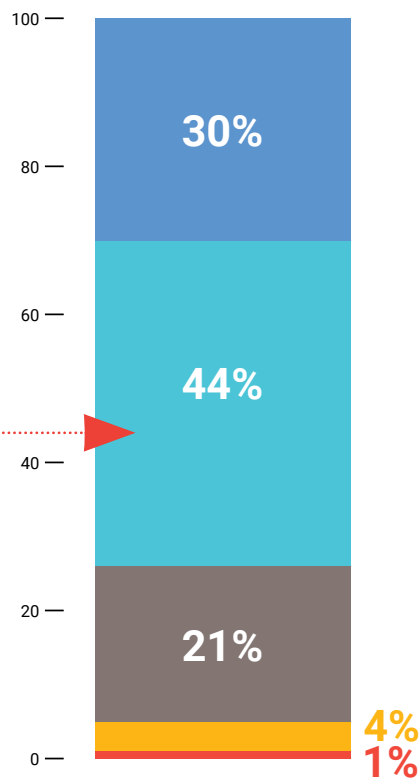


Another reason for the relatively high quality of employee experience (at least in the eyes of HR professionals) is probably the increased importance attached to it. We asked participants about the degree to which employee experience is important in their organization compared to three years ago. About three-quarters say it is much more (30%) or more important (44%).



Most say that, compared to three years ago, employee experience has now become a more important issue

Survey Statement: In your organization, compared to three years ago, the experiences of employees are now:



■ Much less important
 ■ Less important
 ■ About the same
■ More important
 ■ Much more important

The Amount Invested and Effort Expended



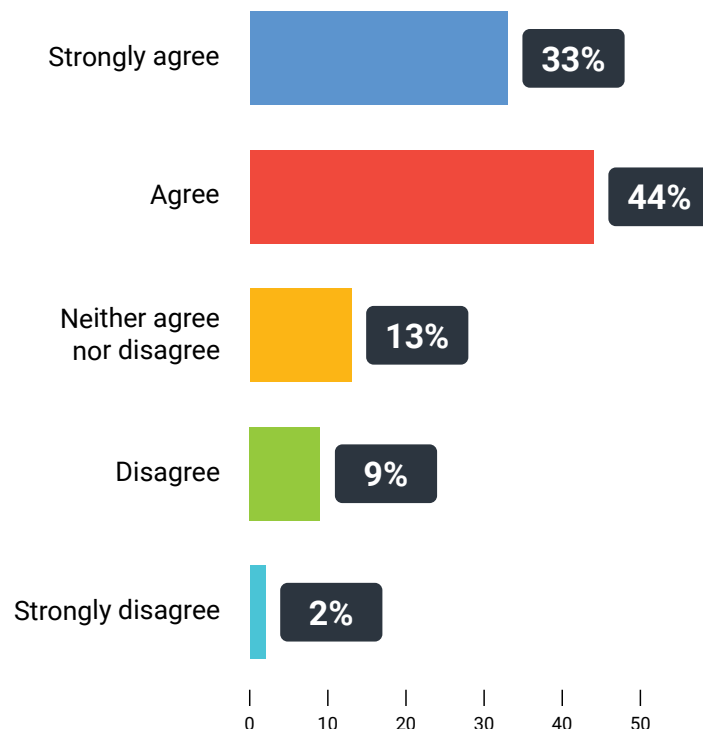
Finding: A large majority of HR professionals agree their firms expend considerable effort on enhancing employee experiences

The increase in importance is reflected in the amount of effort expended on improving employee experience. As with any HR or business initiative, better results don't just happen. Serious efforts at improving something as wide-ranging as employee experiences can be complex and time consuming. Therefore, we are encouraged to see that about three-quarters (77%) of respondents agree or strongly agree that their organizations expend considerable effort to enhance employee experiences.



Only about a quarter of organizations fail to devote considerable effort to building better employee experiences

Survey Statement: Your organization expends considerable effort on enhancing the experiences of employees.



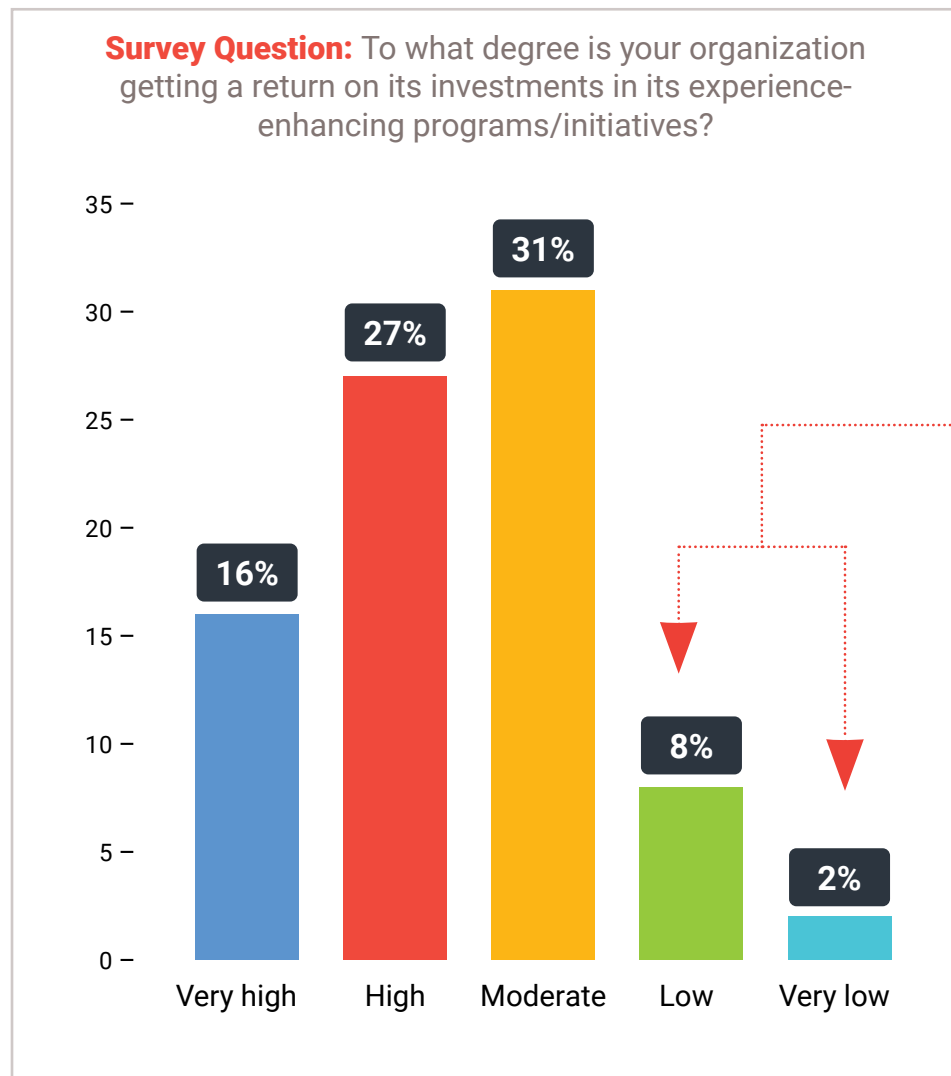


Finding: Investing in employee experience leads to high returns for many

Forty-three percent of respondents indicate they are obtaining a high or very high return on their investment in experience-enhancing initiatives. Only one in ten report low or very low returns. This is one of the biggest differences between the data in this report and the data we collected last year, where only 29% reported high or very high returns.



Just 10% report getting a low or very low ROI on experience programs



Note: This does not include those who responded "don't know."

The Ingredients of Experience



Finding: HR thinks employees are considerably more likely to feel as if they belong than to feel as if they are empowered

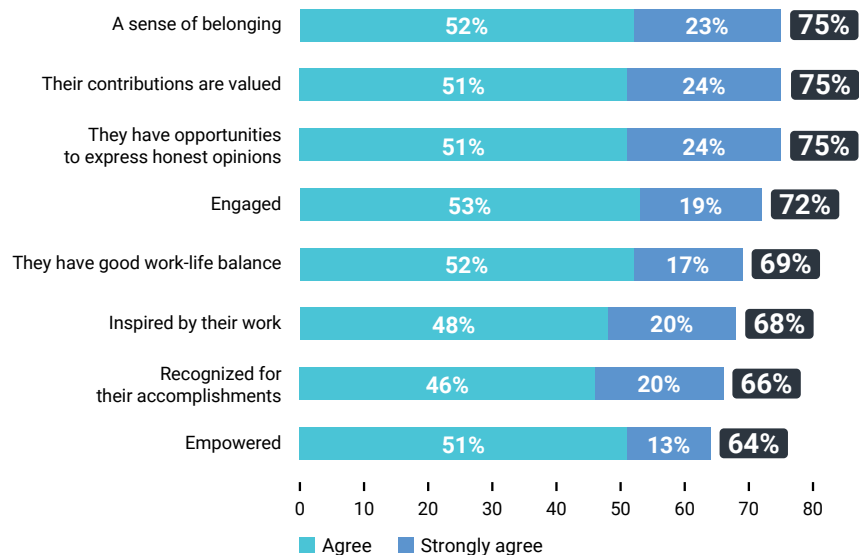
We looked at eight key ingredients that we believe impact an employee’s overall perception of their workplace experiences. Respondents are most likely to agree that employees in their organization have a “sense of belonging,” and they are least likely to say employees are “empowered” or “recognized for their accomplishments.”

We saw a similar pattern last year, when belonging was also most widely cited and empowerment was least likely cited. We find this relative lack of empowerment concerning, especially in today’s networked, flatter organizations. Employees’ access to information in real time often puts them in a better position to make everyday decisions than their leaders. A lack of empowerment sends a message to employees that “we don’t trust you,” a sentiment that can especially hinder productivity in a widely distributed workforce marked by larger numbers of remote workers.



Employees are positive about a wide range of experience factors

Survey Statement: In your opinion as an HR professional, employees in your organization feel:



Factors Impacting Employee Experiences



Finding: Immediate supervisors and top leadership support are most responsible for employee experiences

Who is responsible for employee experience? HR professionals are most likely to say that, to a high or very high degree, immediate supervisors are responsible, closely followed by top leaders. These findings make it clear that, at least in the eyes of HR professionals, excellent leadership and management are crucial to forming the employee experience. This, in turn, suggests that developing leaders at every level of the organization is a good place to start when trying to impact the employee experience.

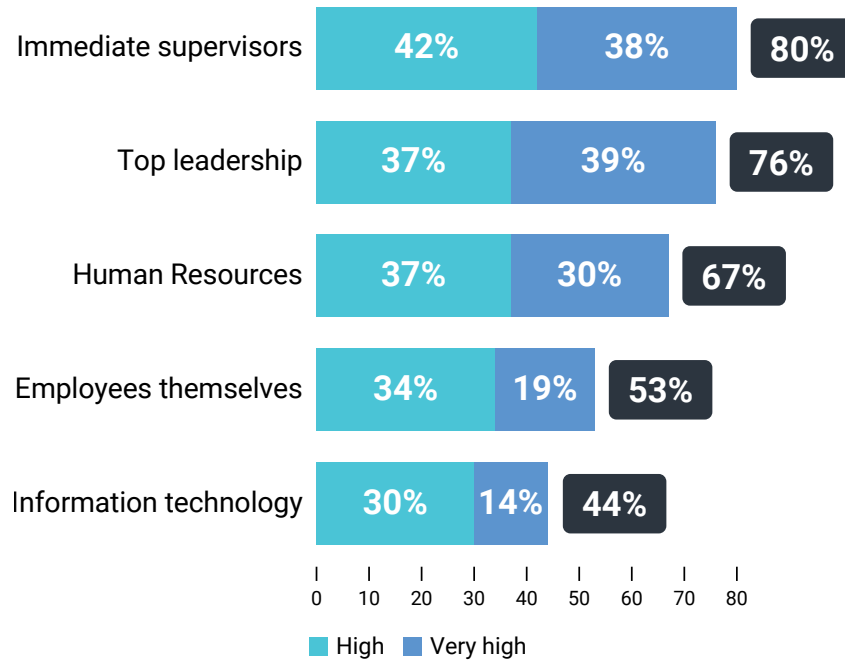
Although HR professionals are not quite as likely to view themselves as responsible for employee experiences, they still tend to say that HR plays an important role. Not only is HR largely responsible for setting up leadership development initiatives, but it is also accountable for designing and implementing many of the touch points that impact employee experiences: e.g., compensation, benefits, rewards/recognition, onboarding, L&D, and many others.

Only about half of respondents say that “employees themselves” are responsible for their experiences to a high or very high degree. This indicates that many HR professionals view employees as having less agency than others within their organization. Perhaps this is related to the fact many HR professionals do not view employees as being “empowered.” After all, empowered employees are much more likely to be able to shape their own experiences within organizations.



Although some see it as playing a role, IT is least responsible for employee experiences

Survey Question: To what degree are the following groups responsible for the experiences of employees in your organization? (please provide your best guess)





Finding: The “ability to grow within the organization” is most widely chosen as impacting employee experience

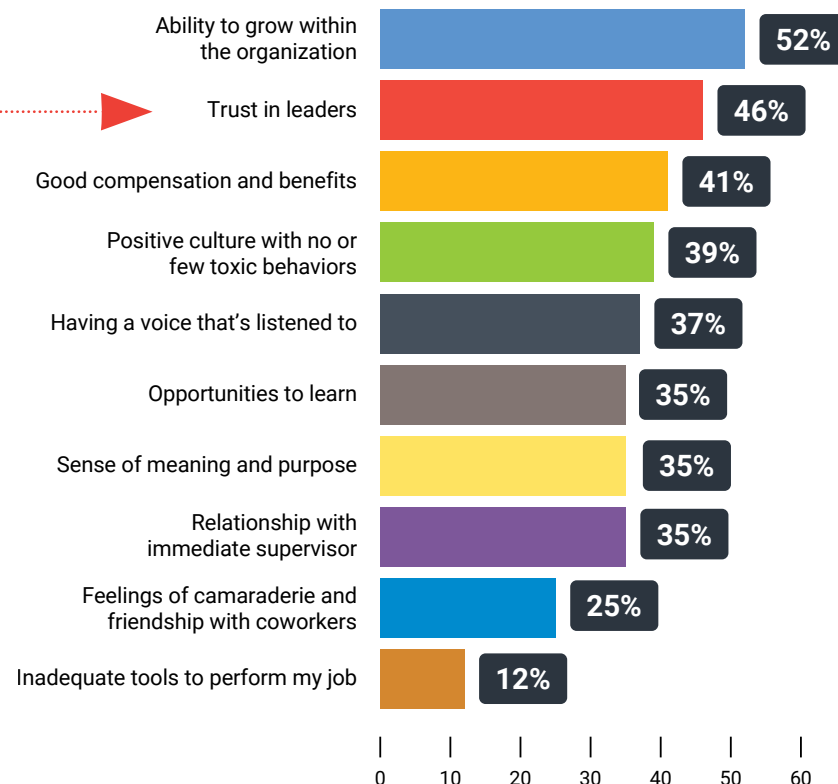
When asked to select the top four issues impacting employee experiences, respondents are most likely to select the “ability to grow within the organization” (52%), followed by trust in leaders (46%), compensation/benefits (41%) and positive culture (39%).

These responses again emphasize the importance of leadership, which is crucial in establishing the culture. It also raises the issue of learning, which is one of the key factors in allowing employees to grow within their organizations. This suggests the importance of L&D to the employee experience, and it points toward other initiatives that can help employees grow, such as coaching, mentoring, succession planning, leadership development and more.



Trust in leadership is a key factor impacting employee experience

Survey Question: What do you view as the top four issues impacting experiences of employees in your organization? (select up to four)





Finding: L&D initiatives are the most widely chosen experience enhancer

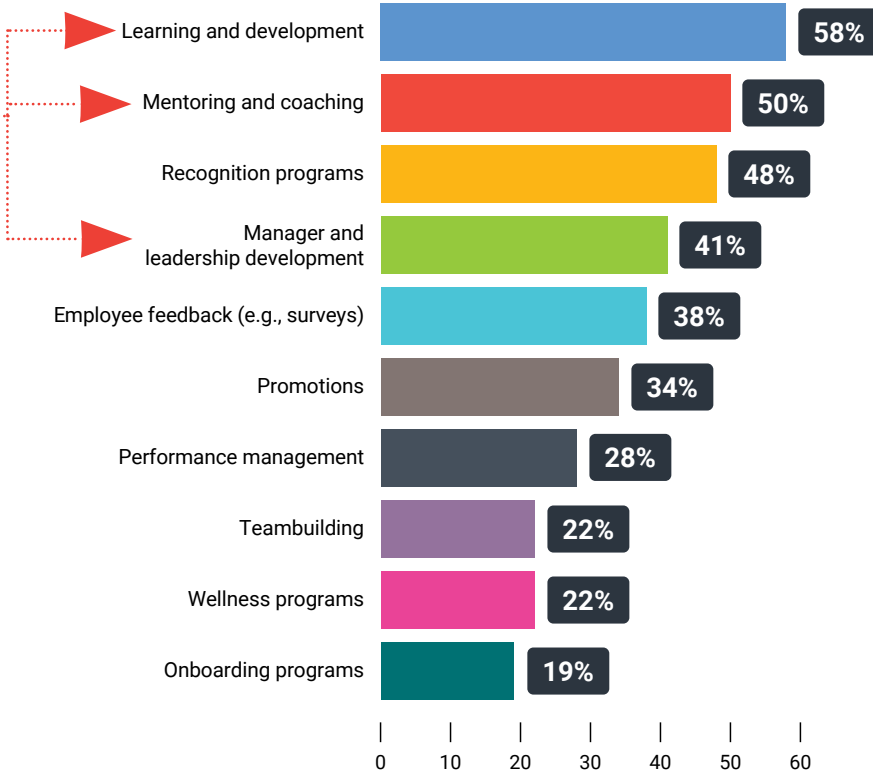
Consistent with the previous finding, 58% of respondents select L&D as the program/initiative that employees find most valuable in enhancing their experience. In fact, out of the four most commonly chosen programs that shape experience, three of them are related to developmental growth: L&D, mentoring and coaching, and manager and leadership development.

Recognition programs are also among the top four initiatives selected, suggesting that employees not only want to grow within organizations but that they also wish to be recognized for their expanding contributions. We should note that leadership development can both help some employees grow and can shape all employee experiences since, as we have seen, leaders and managers are most responsible for shaping employee experiences.



Three of the top four experience-enhancing programs are linked to employee development

Survey Question: In your organization, what would your employees consider to be the four programs/initiatives that are most important to improving their experience? (select up to four)





Finding: Budget constraints is the most commonly chosen factor hindering employee experience

By far the most widely cited barrier to enhancing employee experience is budget constraints, chosen by 55%. More important priorities and insufficient buy-in from senior managers are also top hindrances. Of course, all three of these factors are highly influenced by leadership, again suggesting that leaders have a large impact on employee experience.

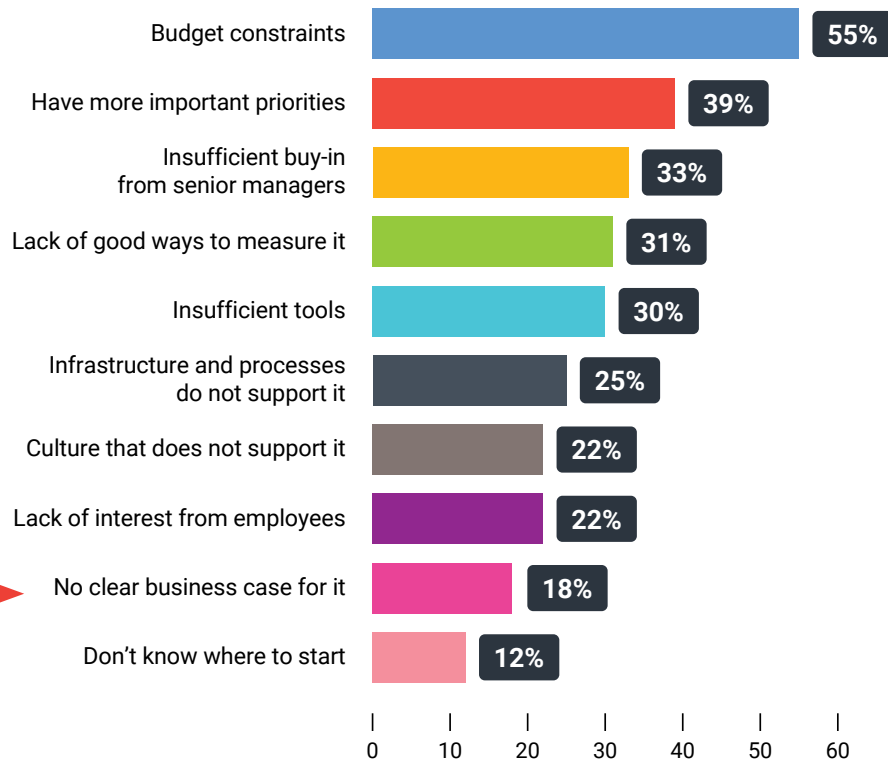
One piece of good news is that few say that there’s “no clear business case for it.” Most seem to believe that there’s a solid business case to be made for boosting employee experience.

A more worrisome finding is that nearly a third cite a “lack of good ways to measure it.” We will learn more about methods of measurement in the next section.



Only 18% say that the lack of a clear business case is a hindrance to the enhancement of employee experience

Survey Question: Which factors do you feel hinder your organization from enhancing the experiences of employees? (select all that apply)



Measurement Matters



Finding: Measurement is essential to increasing the quality of experiences

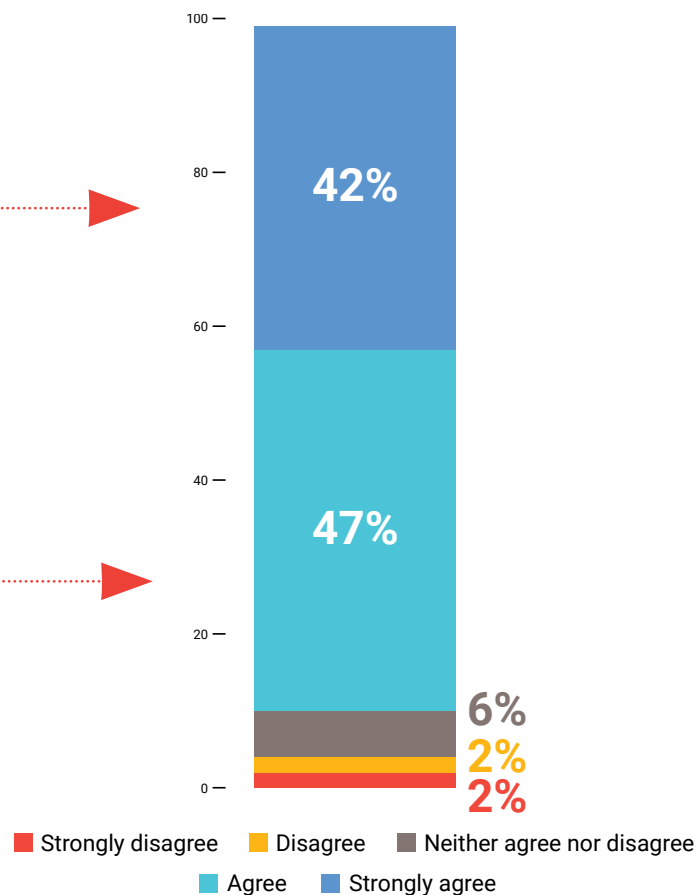
Measuring employee experiences plays two critical roles. First, it helps determine gaps and strengths across multiple experience touchpoints, allowing effort to be devoted to the areas that are most in need of improvements. Second, it enables the measurement of progress.

HR professionals clearly recognize this. A large majority of respondents (89%) agree or strongly agree that measurement is crucial to improving employee experience.



The large majority of HR professionals agree that experience needs to be measured

Survey Statement: Being able to measure employee experience is essential to being able to improve it.





Finding: Virtually all HR respondents say their organizations have ways of gauging experience

We previously saw that almost a third of HR professionals complain about the lack of good ways of measuring employee experience, but this does not mean they have no metrics at all. Indeed, virtually all of them (99%) use some type of metric to gauge experience.

When asked which four metrics are most important to the measurement of experiences, employee feedback was at the top of the list, cited by 68%. Given that employees are at the center of experience creation, this makes perfect sense. However, it raises the question of how best to reliably and frequently obtain this feedback. After all, feedback can be collected in a variety of ways, such as via surveys, communication platforms, emails, performance appraisals, team meetings and more.

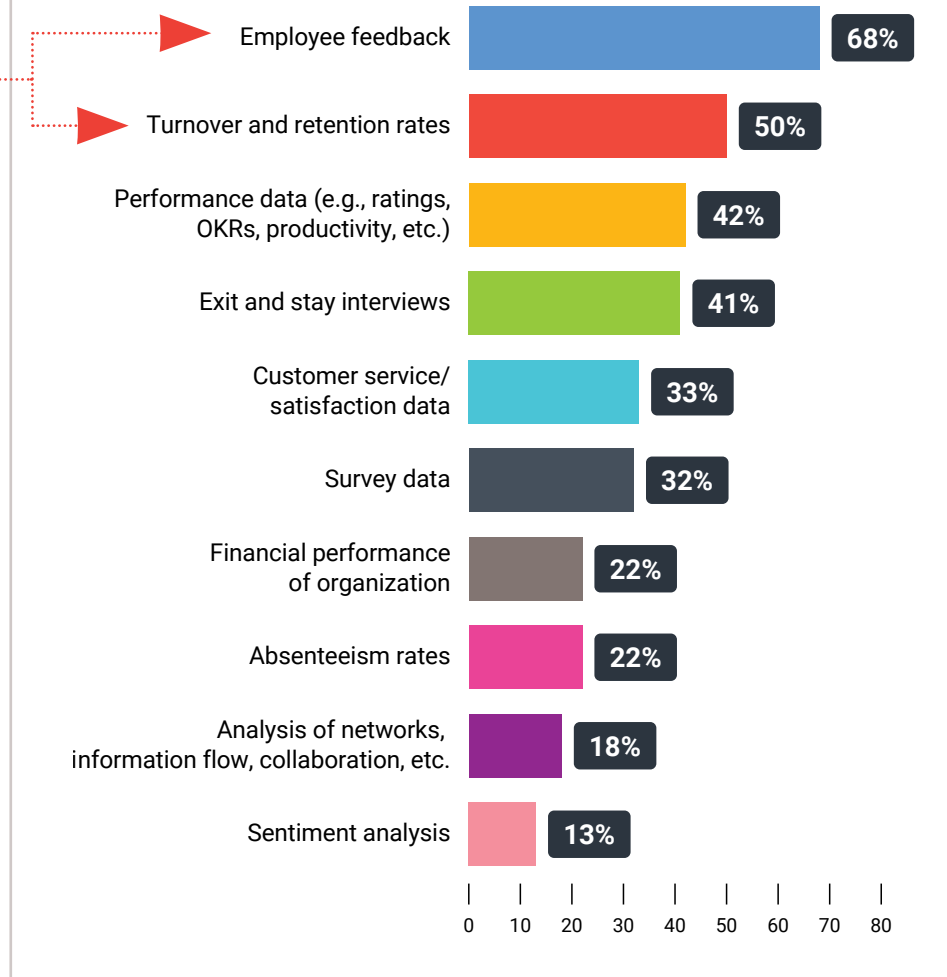
The only other measurement method cited by at least half of participants are turnover and retention rates. In theory, virtually any organization can measure this, but it's not clear that these metrics by themselves are very informative. Therefore, it makes sense that "exit and stay interviews" are also selected as among the top four most important metrics.

So far, relatively few organization use sentiment analysis, which refers to the use of natural language processing, text analysis, and other technologies to systematically identify and quantify subjective information within organizations. As artificial intelligence grows more powerful, sentiment analysis may grow more powerful as well. Therefore, it will be interesting to see whether or not it becomes more prevalent in the future.



HR professionals say employee feedback and turnover/retention rates are the most important experience measures

Survey Question: Which four of the following do you feel are most important to your organization's measurement of experiences of employees? (select up four)





Finding: Performance management systems and annual surveys are the most common tools and technologies used to gauge experience quality

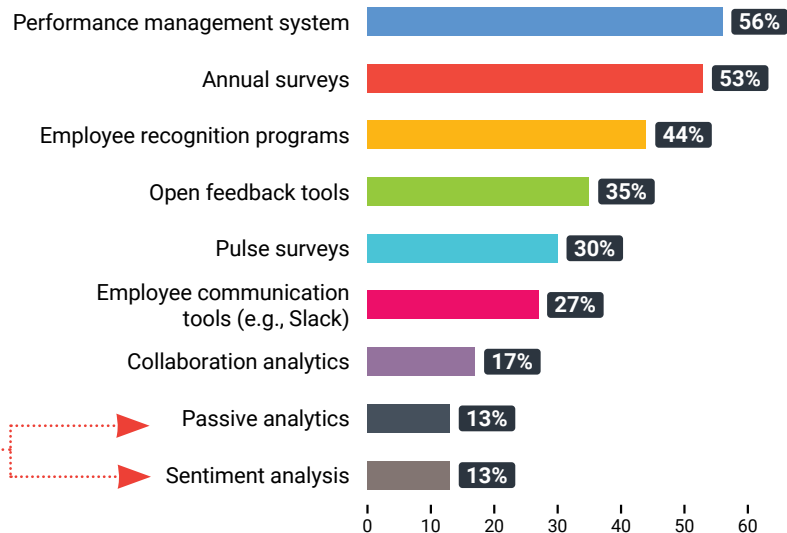
Fifty-six percent of respondents use their performance management system to gauge the quality of experiences. Annual surveys are the second most widely cited tools, chosen by 53%.

Both are valuable sources of data but suffer from a number of disadvantages. Performance management systems, for example, are not always a reliable source of objective data.⁵ Indeed, only 26% of HR professionals say their performance management process “accurately portrays employee performance.” Annual surveys can be useful if they cover the full range of employee experience touchpoints, but once a year may be too infrequent to properly take the pulse of employee experience.



Few organizations are using passive analytics or sentiment analysis

Survey Question: Which tools or technologies does your organization use to measure the experiences of employees? (select all that apply)



Note: This data excludes those who responded “we do not measure such experiences.”

⁵ HR.com. (2020, July). *The State of Performance Management 2020*. Retrieved from https://www.hr.com/en/resources/free_research_white_papers/the-state-of-performance-management-research_kcwn8wry.html

The Multiple Roles of Technology



Finding: Most organizations say their “tech stack” allows employees to have mobile access and use self-service features

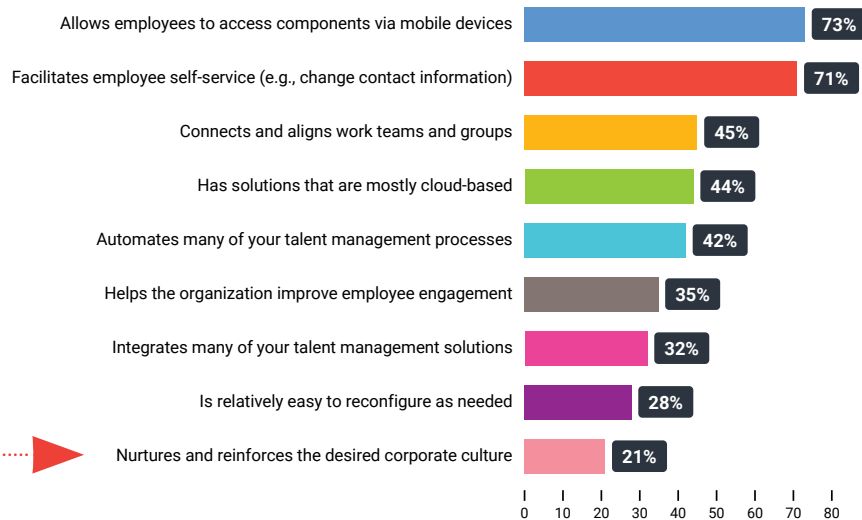
In a separate 2020 survey⁶ conducted by HR.com on the subject of the HR technology stack, we found that most organizations say they allow employees to have mobile access and use self-service features. However, relatively few respondents (35%) say their tech stack helps improve employee engagement.

Within the context of that survey, we defined the Human Resources technology stack, or HR tech stack, as the “totality of technological solutions that HR uses to achieve its strategic goals, fulfill its various roles, and carry out its tasks in easier, better and more efficient ways.” In addition, we specified that non-HR employees may also use portions of the HR tech stack to meet various needs, from learning about benefits to engaging in performance management and career development.



Few believe that their tech stack reinforces the corporate culture

Survey Question: Which of the following are characteristics of your organization's HR tech stack? (select all that apply)



⁶ HR.com. (2020, August). *The State of Today's HR Tech Stack 2020*. Retrieved from https://www.hr.com/en/resources/free_research_white_papers/the-state-of-today%E2%80%99s-hr-tech-stack-report_keyibe9g.html?s=AAGJTvmxkphWLOxJL



Finding: Only 57% say that their tech stack improves the employee experience

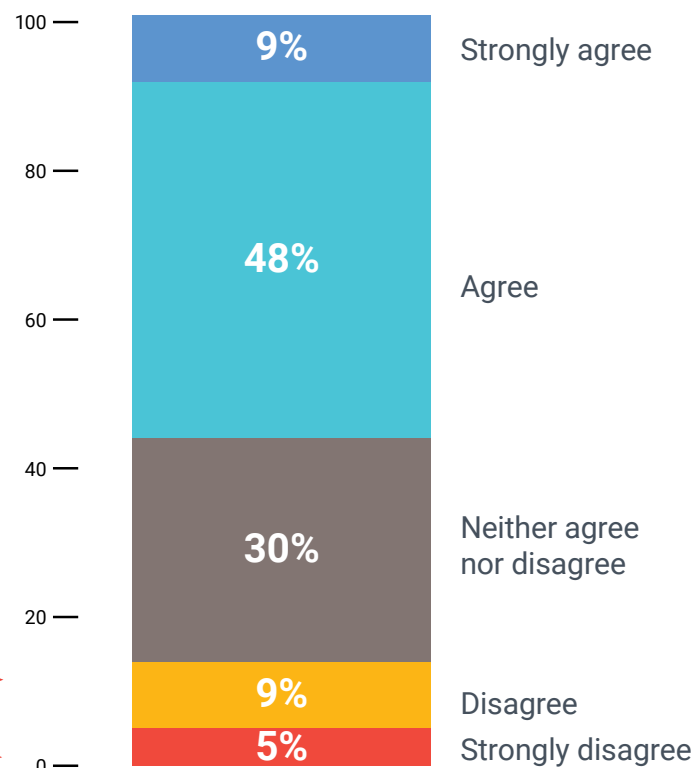
Fifty-seven percent agree or strongly agree their HR tech stack improves the employee experience in their organization. On one hand, this can be viewed as good news, supporting the idea that these systems are often serving the needs of employees by allowing them to access certain systems themselves instead of turning to HR to get information, for example, about their benefits.

On the other hand, fewer responding HR professionals view these systems as enhancing employee experience compared with boosting HR efficiency. This suggests that the experience-boosting capabilities of HR tech stacks still require improvement in many organizations. Perhaps the services these systems provide are insufficient to truly improve the employee experience, as opposed to simply allowing more “self-service.” Another factor may be how the employee interfaces with the solutions.



Only 14% disagree that their tech stack solutions improve employee experience

Survey Statement: Your organization's HR tech stack solutions improve the employee experience.





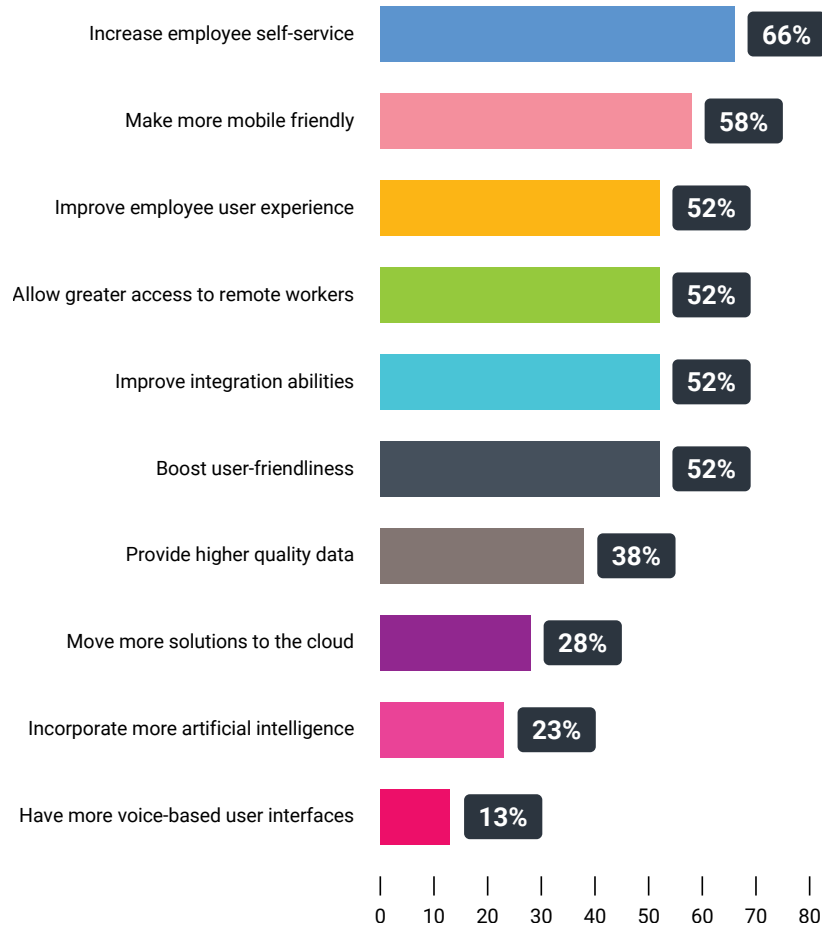
Finding: About half of HR professionals believe the future of HR technology involves improving employee experience

When HR professionals were asked how they expected their organization's HR tech stack to evolve over the next two years, 52% answered "improve the employee experience." Even more referenced increasing employee self-service (66%) and making systems more mobile friendly (58%), both of which are features that can improve employees' experiences with HR technology.



Two-thirds say their tech stacks will increase self-service over the next two years

Survey Question: Within the next two years, how do you expect your organization's HR tech stack to evolve? (select all that apply)





Finding: Organizations are beginning to use a variety of technologies specifically geared toward measuring and enhancing the employee experience

In our State of Employee/Human Experience in 2021 survey, we asked, “Which technologies, if any, does your organization use to track, gauge and otherwise manage or influence employee/human experience?” We found that 70% of respondents use some form of technology for these purposes, but there is not a single type or brand of technology that a large proportion of respondents’ organization utilize.

Eleven percent say their organization uses “one or more components of our HR management software.” Fourteen percent cite a major survey tool, and 10% point to a well-known technology in the customer relationship management (CRM) space.

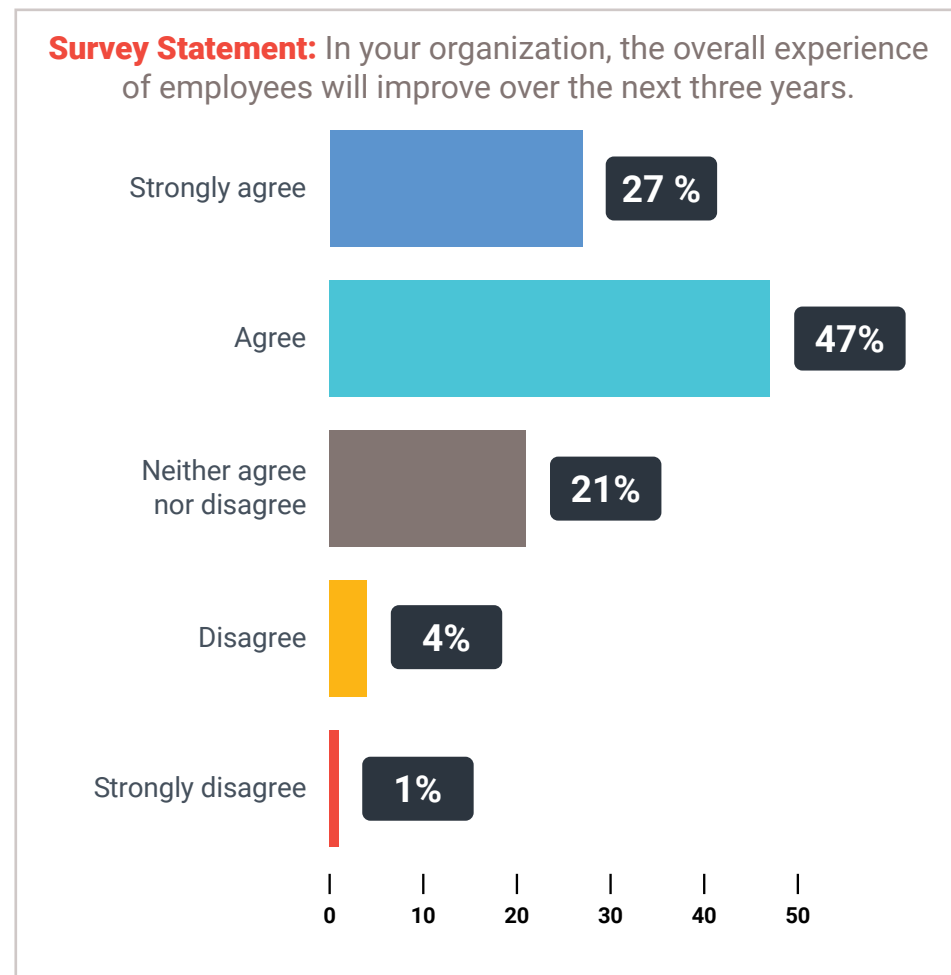
In other words, there is not yet much consolidation among these tools. We think eventually there will be greater consolidation in the future, but the extent of it is anyone’s guess. After all, this is a very large and somewhat amorphous space, and there is still much room for innovation. That said, a single tool could “catch on” and start to dominate the space. It will be interesting to watch for years to come.

Looking into the Future



Finding: Employee experiences are expected to get better

Seventy-four percent agree or strongly agree that the overall level of employee experiences will improve over the next three years, and a mere 5% actively disagree with the idea that there will be improvement.





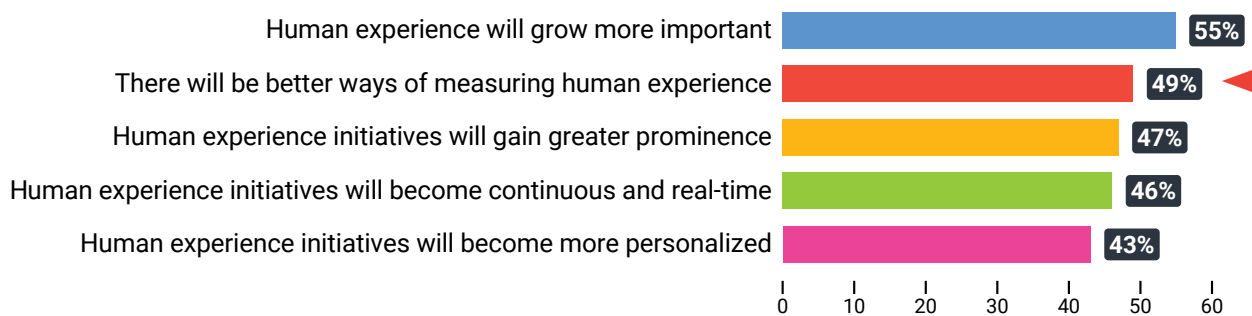
Finding: A change in strategy and tactics will bolster the quality of experiences

One of the main reasons so many HR professionals expect improvements is because related strategies and tactics are also expected to get better. More than half (55%) say human experience will grow more important over the next three years. In addition, 49% expect the methods of measuring experience will get better, enabling organizations to pinpoint areas in need of improvement.

Perhaps most encouraging is that a large percentage expects human experiences to become more personalized (43%) and continuous (46%). We believe that advancing technologies will allow greater personalization in the workplace as it has outside of the workplace.

Nurturing good employee experience creation is not a “one and done” proposition. Constant changes in our businesses, the way we will work, and employee expectations mean we will always be looking for ways to keep the quality of experiences high. However, not all employees have the same expectations. For example, some may want more flexible work arrangements. Others are more interested in promotions or certain benefits. The more that personalization can be built into the experience creation process, the more likely it is that employees will stay engaged and committed to their jobs and organizations.

Survey Question: How do you feel experience strategies and tactics will change in your organization over the next three years? (select all that apply)



About half say that better ways of measuring employee experience will emerge over the next two years

Employee Experience Leaders and Laggards

For this report, we conducted various analyses to gain insight into which practices are most widely used by organizations that successfully manage employee experiences. We divided our sample into two groups:

Experience leaders: These represent respondents who indicate their organization is excellent at managing employee experiences

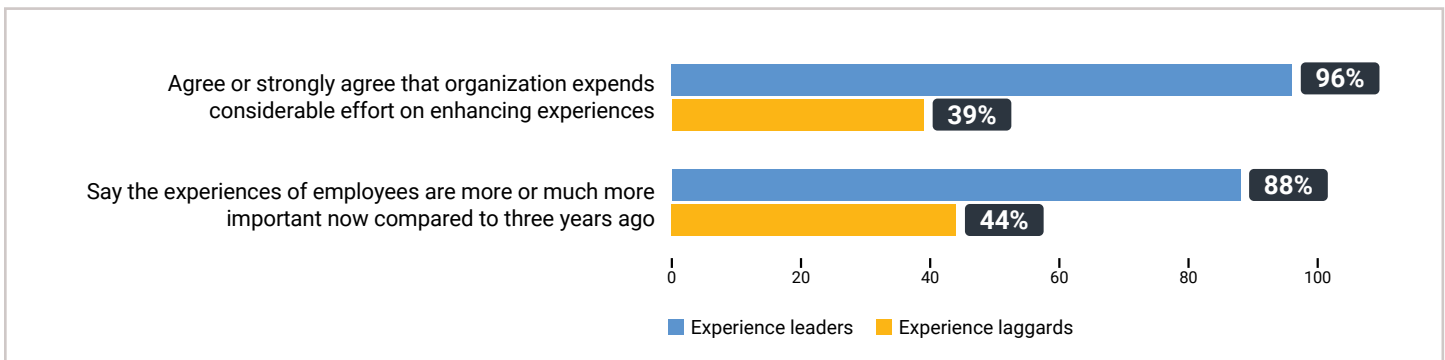
Experience laggards: These represent respondents who indicate their organization is average, below average or poor at managing employee experiences

We highlight select key differences between the experience leaders and laggards. These findings are correlational and do not prove cause and effect. Nevertheless, they are suggestive about what might enhance employee experiences.

Finding: Experience leaders place more importance and expend more effort on creating employee experiences



As expected, organizational focus and effort are linked to better employee experiences. Fully 88% of experience leaders say employee experience has grown more important over the last three years, compared to just 44% of laggards. The gap is even larger in the area of effort devoted to enhancing experiences (96% vs. 39%).



Note: This data is extracted from two separate questions: “In your organization, compared to three years ago, the experiences of employees are now” and “Your organization expends considerable effort on enhancing the experiences of employees.”

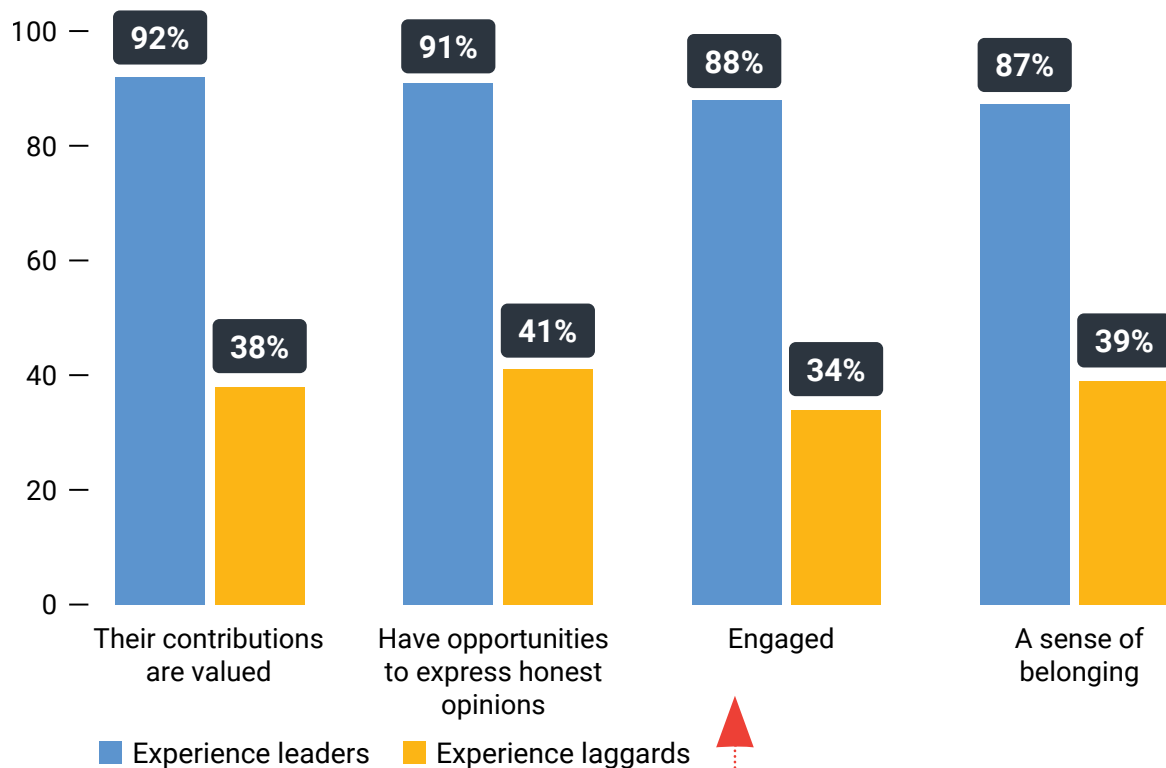


Finding: Employees among experience leaders are far more likely to feel positive across key experience “ingredients”

HR professionals from experience leader organizations are far more likely to say that employees have positive attitudes about experience “ingredients.” For example, whereas 92% of experience leaders say their contributions are valued, this is true for only 38% of laggards, a difference of 54 percentage points! Below are the four areas where we see the greatest differences.

Survey Statement: In your opinion as an HR professional, employees in your organization feel:

Percent responding agree or strongly agree



Experience leaders are more than twice as likely to say their employees are engaged



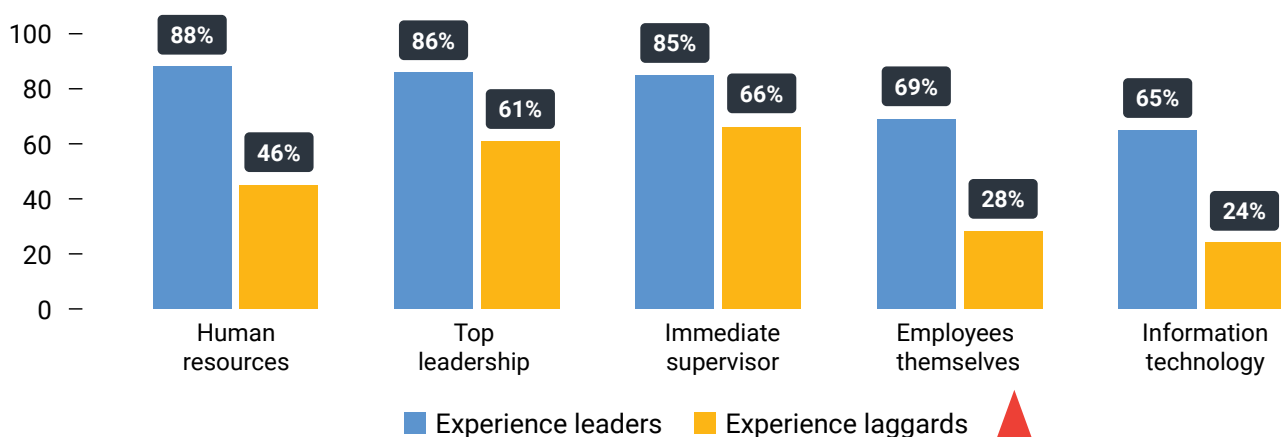
Finding: Experience leaders are more likely to consider experience creation a shared responsibility

Compared to experience laggards, experience leaders are more likely to assign responsibility to all five groups considered in the survey: employees, HR, IT, top leadership and immediate supervisors. The three biggest differences are in the areas of immediate supervisors, employees themselves, and IT.

We have already elaborated on the importance of competent leadership in creating positive employee experiences. Involvement of IT, while not the most important of the five groups, was still selected by almost two-thirds of experience leaders, suggesting that these organizations leverage technologies to improve employee experiences. IT systems are not always designed with the ultimate end-users, in mind (often employees themselves). This has led to the use of a related concept called User Experience (UX) aimed at involving and integrating the needs of end-users into the IT system design process.

Survey Question: To what degree are the following groups responsible for the experiences of employees in your organization?

Percent responding agree or strongly agree



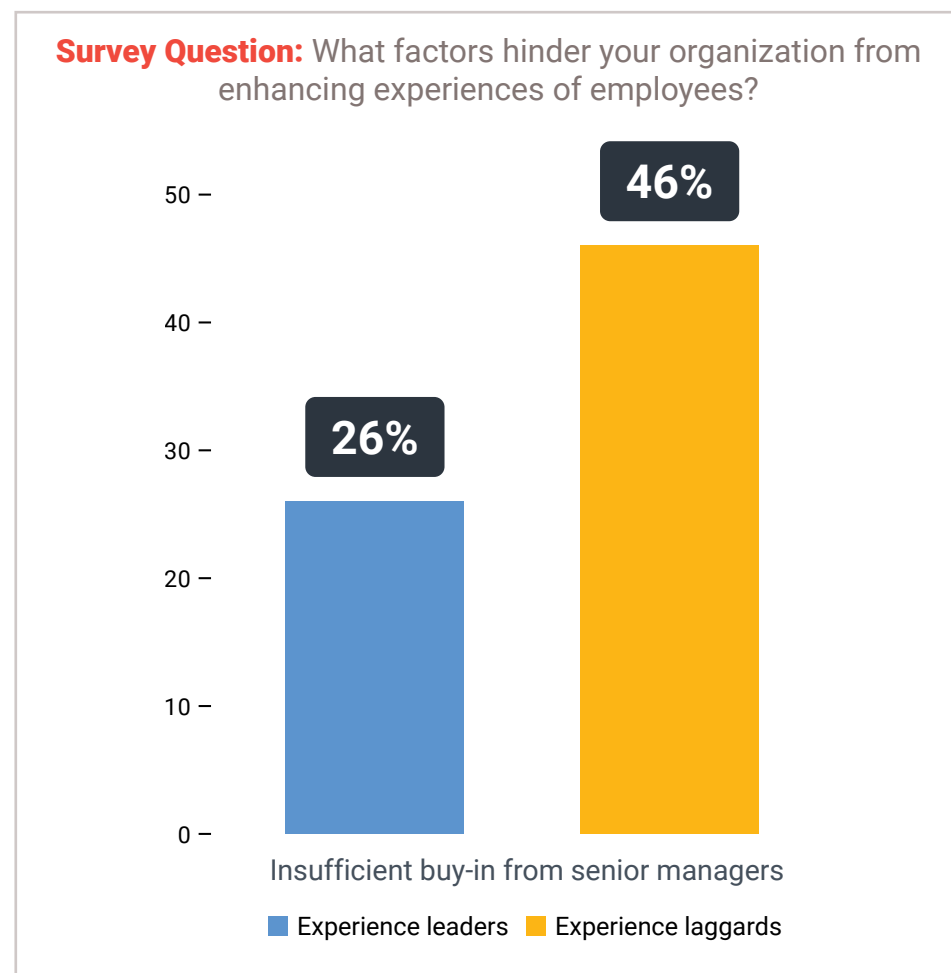
Experience leaders are more than twice as likely as laggards to say employees themselves are responsible for their own experiences



Finding: Experience laggards are almost twice as likely to point to a lack of buy-in among leaders

As we would expect, experience leaders are generally less likely than laggards to let barriers get in the way of the efforts to enhance employee experiences. There is one area, however, where the gap is especially large: buy-in from senior managers.

Only one in four of experience leaders report insufficient buy-in from senior managers compared to nearly half of laggards. We believe that experience leaders are more likely to have anticipated and addressed key implementation factors before those factors could hinder their efforts.





Finding: Experience leaders are much more likely to report ROI based on their experience-enhancing programs

HR professionals in experience leader organizations are far more likely to report a high payoff from their experience-enhancing efforts. More than three-quarters (77%) indicate they enjoy a high or very high ROI compared to just 9% of the laggards! This indicates that experience leaders are not only more likely to have experience-enhancing initiatives underway, but they are also doing a better job at implementation and measurement.

Survey Question: To what degree is your organization getting a return on its investments in its experience-enhancing programs/initiatives?

Percent responding high or very high degree

Experience leaders



Experience laggards





Key Takeaways

Key Takeaway 1

Decide what human and employee experience mean within the context of your organization. Although most of us intuitively grasp what the word “experience” means, your organization may need to define it in a more detailed way so that experience can be better managed and measured. What makes for a good employee experience? How does your organization know whether experiences truly are good, both for employees and other stakeholders, such as customers and partners?

Key Takeaway 2

Start with leadership. This research indicates that the most influential experience shapers in an organization are its leaders. The relationship between employees and their managers is paramount. Leaders need to build trust, guide employee growth and development, foster a sense of belonging, and help employees develop a sense of meaning and purpose in their work. In addition, senior leaders need to be the champions of creating better employee experiences by prioritizing experience, providing resources, and guiding the effort. We would go as far as saying that mediocre leadership and a lack of top support is a non-starter for any experience initiative.

Key Takeaway 3

Align HR objectives, duties and functions with various programs and practices to gain a holistic view of employee experience. A potentially useful way of looking at employee and human experience can be seen in the wheel chart below.



Even as you list and align various factors, keep in mind that one poor experience can taint a variety of positive ones. You can probably remember a plane flight where the gate agent was great, the flight attendants were responsive, and departure and arrival were right on time. But, to your disappointment, your bags took more than an hour to arrive on the belt. You will tend to remember the late baggage more than the positive aspects of your flight experience. The same applies to the creation of employee experiences. One negative interaction or poorly designed touch point can influence an employee’s perception of their experience.

[Click here to see high resolution image.](#)

Key Takeaway 4

Create optimal experiences in partnership with employees. No organization would go about trying to improve the experience of their customers without extensively involving them in the process. Likewise, employee needs and desires must be at the center in crafting experiences. Experiences must not just be created *for* employees but *with* employees. For example, if you are choosing or implementing new technologies to benefit the workforce, then employees can play a key role. The organization can ask their opinions to gauge their needs *before* beginning, and it can gather feedback from them *after* implementation to improve applications over time. The same principles apply to any number of areas, from transforming approaches to performance management to selecting benefit plans.

Key Takeaway 5

Establish quality metrics. Better experiences start with better metrics. It is encouraging to see that respondents in this study are making use of multiple measurement methods. However, a large segment is dissatisfied with the quality of their metrics. Therefore, organizations should carefully consider how best to measure experience via a range of factors. Some organizations use regular survey tools along with measurements of activity, sentiment, engagement and more. Employers may even adopt indices comprised of a range of factors such as career satisfaction, work-based friendships, social networks, financial needs, health, mental well-being and more.

Key Takeaway 6

Use technology to boost employee experience. Technology-based solutions can be strong enablers of better experiences. The options run the gamut from robust ERP systems to an array of point solutions that deal with a specific aspects of the employee experience. Just a few related technologies include:

- HR self-service for employees
- engagement pulse checks
- L&D systems
- social collaboration platforms
- career pathing applications
- rewards and recognition systems

Of course, while technologies can enable better experiences, they can also harm them. Organizations often choose technologies based on the needs of the enterprise rather than the needs of the employees. Line-level employees may not be involved in the choice, design or implementation of technologies, and so those technologies may disappoint workers in the end.

Key Takeaway 7

Leverage experience paradigms that come from other disciplines. Positive employee experiences do not just happen; they need to be built from the ground up. Fortunately, managers can draw lessons and possible tool sets from several “sister” disciplines such as customer experience (CX) design and UX design. These are often used to create new services and products while keeping the end-user in mind. Learning from these disciplines, HR can adopt more an employee-first mindset. This can, however, be challenging. After all, HR not only needs to enhance employee experience but also to achieve other goals such as improving workforce efficiency and reducing organizational risk. HR must be able to prioritize and balance multiple objectives. We believe, however, that a primary focus on managing positive employee experiences will often lead to better business results.

Key Takeaway 8

Broaden your concept of key stakeholders. In this study, we discuss both employee and human experience. Both have similar goals of making our workplaces more productive, more engaging, and more human. However, employee experience focuses on maximizing employee interactions. Human experience includes other key constituents, especially customers and suppliers. Overall, organizational success may depend on all these stakeholders having positive experiences with your organization and with each other. In fact, some organizations design talent management programs based on the assumption that by improving employee experiences they can also improve the experiences of other stakeholders. The idea is that happy and engaged employees create better experiences, which leads to more satisfied and loyal customers and, ultimately, brand and company growth. Employers can measure such relationships and continuously strive to create virtuous cycles in which the experiences of one stakeholder group enhances the experiences of another.



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