Create an eXtraordinary Employee eXperience

Global Employee eXperience Report 2019

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KINCENTRIC› A Spencer Stuart Company

Create an eXtraordinary eX

Take an agile approach to strategy, measurement and delivery of the Employee eXperience

Employee eXperience (eX) covers how employees perceive all aspects of their employment throughout the employee lifecycle. It is all about creating moments that matter.

Our findings suggest that as interest outpaces readiness, we can expect that more and more companies will be getting serious about eX. And those that do invest time and energy to elevate their eX will need:

Readiness

Strategy: Connect to the business need, identify the eX and cultural behaviors that matter and build the organizational readiness to deliver. — **25%**

Continuous Dialogue: Establish an ongoing, agile, action-listening dialogue to understand culture and engagement across employee lifecycle moments. — **29%**

Delivery: Ensure that systems, programs and people align to continuously deliver on the intended eX. — **31%**

91%
of organizations say that eX is important

28%
have a deliberate approach to strategy, measurement and delivery of their eX

Creating an eXtraordinary eX requires taking an employee-centric approach to Strategy, Continuous Dialogue and Delivery. With a "never done" agile approach, companies can ensure successful delivery of the employee experience that unlocks the power of people and teams to accelerate organizational success.

The data in this report indicate that many organizations will need to close gaps in strategy, measurement and delivery to realize the eX they want to create. eXtraordinary organizations that are most effective at eX delivery point to leading practices to be considered.
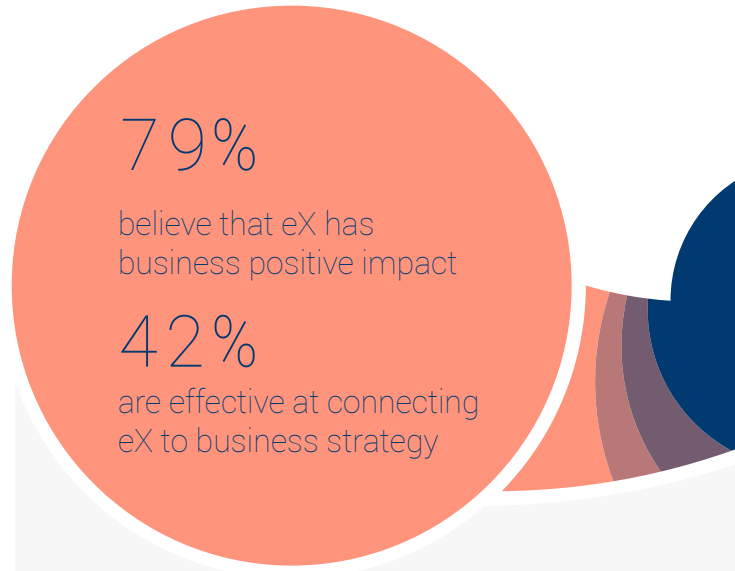
Articulate your eX strategy

Design an eX that aligns with business needs and accelerates performance

Connect your eX to talent and business strategy. While the impact of an improved eX on productivity and performance is no longer in question, the majority of organizations are struggling to make effective connection. Only 21% defined the desired eX for the most important employee lifecycle stages. Successfully delivering a differentiated eX starts here.

Define the culture and behaviors that bring your eX to life. 46% of our respondents state that behavior change leading to individual and organizational success is one of the most important factors of eX success. Identify the most important segments of your workforce that have the greatest impact on business outcomes – then clarify the behaviors that matter.

Ready your organization to support your eX. Once the desired eX, moments that matter and key behaviors are identified, ready your organization to develop, deliver and sustain. 36% of companies have effectively aligned leadership support, even though a majority (60%) see this as one of the most important factors for success. Multiple stakeholders including leaders, HR, managers and employees will need to be ready to bring the eX to life.

79%
believe that eX has business positive impact

42%
are effective at connecting eX to business strategy

The majority of organizations are struggling to align eX with HR and business strategy:

identified the lifecycle stages most important to talent strategy **27%**

identified the employee segments for which they want to understand and improve the eX **31%**
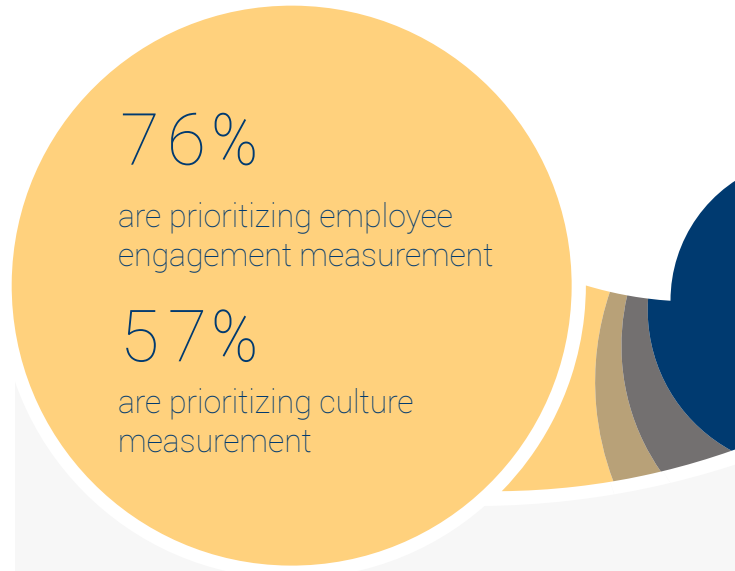
feel equipped to create a differentiated eX **28%**
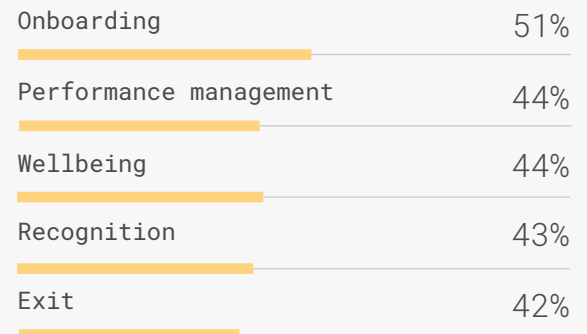
Measure the eX moments that matter

Create moments of inspirational interactions through Continuous Dialogue

Getting Continuous Dialogue right is not easy. As the appetite for more and faster measurement grows, companies have realized that Continuous Dialogue is much more than additional surveys and pulses. **Surveys and pulses should inform hypothesized actions for targeted stakeholders – not serve as research studies in search of action plans to be led by unprepared managers.**
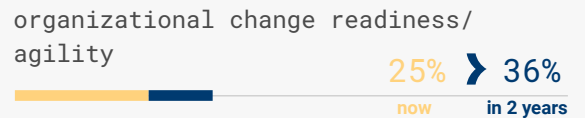
- **Act and improve toward objectives.** While there is a lot of attention on what to measure and who to ask, only 24% have effectively defined clear hypotheses, decisions and actions to be tested – and 27% state they are effectively changing behaviors. Starting with desired cultural behaviors and outcomes makes taking action on survey data easier.

- **Survey and pulse the moments that matter.** Engagement and culture are by far the top measurement topics. However, most organizations are planning on understanding these concepts across several lifecycle stages – and measuring more frequently than just once a year. The key will be to use the data to inform and ignite action that has meaningful impact. Otherwise, more data may just overwhelm leaders and managers.

- **Prioritize and iterate in a feedback loop.** While there is a ubiquitous discussion on data science, only 15% reported using advanced/predictive analytics to set priorities. Machine learning and AI will likely be required to help leaders and managers understand and take continuous action on a larger and accelerating volume of lifecycle data points.
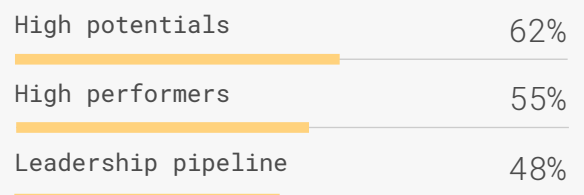
76%
are prioritizing employee engagement measurement

57%
are prioritizing culture measurement

Top Employee Lifecycle measurement topics:

Onboarding	51%
Performance management	44%
Wellbeing	44%
Recognition	43%
Exit	42%

Biggest measurement increase in two years:

organizational change readiness/ agility

25% now ❯ **36%** in 2 years

Segment focus for future performance and talent needs:

High potentials	62%
High performers	55%
Leadership pipeline	48%

Deliver an eXtraordinary Employee eXperience

Converge your people, programs and systems to bring your eX to life

Align program with employee needs. The data show that onboarding, performance management and strategic clarity are the most strategically important lifecycle stages. Agility and digitization experiences are receiving the greatest increase in focus. Program design in these areas should be prioritized to align the eX with business needs.

Deploy systems and technology that enable. With multiple technology systems, seamless integration is key to enable the desired eX. Nearly a third (28%) of companies are currently using systems to integrate multiple data points to create a holistic story about the eX. While technology is a critical element to deliver eX at scale, currently only 30% see technology as a top enabler of eX and 2 out of 10 organizations rate themselves effective in this area.

Develop capability and capacity to deliver an eXtraordinary eX. Even with great programs and systems, people are still required to deliver the eX, capability and capacity are both needed. Based on the results, capacity is a bigger barrier than capability. A quarter (25%) think that HR and managers have the capacity to deliver eX, and 29% think there is effective eX capability. The vast majority of respondents see HR as the primary owner of delivering a compelling eX.
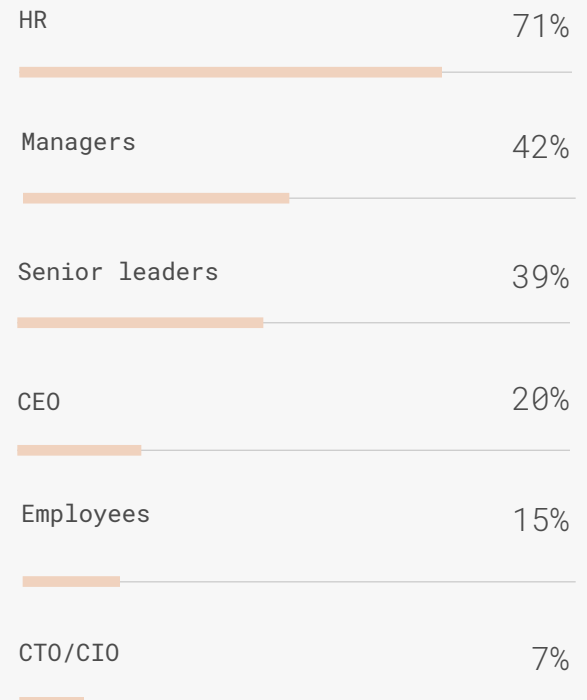
36% have effectively defined HR governance and roles for implementation

44% are currently working on improving the eX in key lifecycle stages

Primary owner of delivering the eX

HR	71%
Managers	42%
Senior leaders	39%
CEO	20%
Employees	15%
CTO/CIO	7%

How do eXtraordinary organizations unlock the power of people through eX?

eXtraordinary organizations that are effective at the strategy, measurement and delivery of the eX were examined to understand what sets them apart. **The largest differences versus average companies point to a focus on culture, engagement and organizational agility that supports the business strategy.**

eXtraordinary organizations know that delivering an outstanding eX is dependent on strategy. 84% of eXtraordinary companies have clear objectives linked to the business strategy. 78% have secured the appropriate leadership support. 62% identified the strategic lifecycle stages for the segments that matter, with a stronger focus on change/agility and culture for high potentials and highly networked influencers.

These eXtraordinary organizations focus measurement on behavioral and organizational change. 67% effectively clarify hypotheses, decision and actions before jumping into measurement. They focus more on strategic alignment and change readiness / organizational agility as measurement topics. They are also measuring supporting HR processes more frequently than the average company.

eXtraordinary companies consciously build the capability and capacity so they are ready to deliver the eX. 82% think they are equipped to create a differentiated eX - and people trump systems in delivery for these eXtraordinary companies. We see the lowest differentiation in technology delivery for eXtraordinary vs average organizations. 74% of eXtraordinary companies are clear on HR governance to deliver the eX and 62% think that their HR and managers have the necessary capability and capacity.

97% of eXtraordinary organizations deliver on the eX they promise to employees

79% offer a differentiated Employee eXperience

Effectively creating behavior change that leads to better individual and organizational performance **63%**

Effectively using cutting-edge technology to deliver the eX although this has the smallest effectiveness difference when compared to average organizations' results **48%**

Elevate your Employee eXperience

With Kincentric's unique approach

High-performing cultures come from highly engaged employees gaining meaningful experiences throughout the employee lifecycle – all the moments of inspiration, leadership, recognition, development and transition.

Our holistic approach to human behavior, technology and data-driven insight ignites change and will help you create these moments to unlock the power of people and teams.

Let us **help** you:

> develop an eX strategy with clear integration of business, measurement and delivery objectives

> engage in a Continuous Dialogue via surveys, pulsing and feedback — supported by cutting edge technology and data science

> optimize your HR function for structure, program, process, capability and capacity to deliver
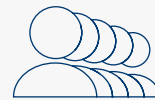
About the Research:
Kincentric launched the second edition of the Global Employee eXperience Research to assess how organizations around the world are taking steps to understand and improve their employees' experience across the employee lifecycle.

1324
HR professionals

43
countries

23mn
employees represented

The findings highlight that getting clear on strategy and advancing HR capability and capacity, will be a requirement to realize the value of measuring the eXtraordinary Employee eXperience.

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About Kincentric

Kincentric, a Spencer Stuart company, approaches human capital differently — we help you identify what drives your people so they can drive your business. Formerly a part of Aon, our decades of expertise in culture and engagement, leadership assessment and development, and HR and talent advisory services enable us to help organizations change from the inside. And our global network of colleagues, our proven insights and our intuitive technologies give us new ways to help organizations unlock the power of people and teams — fostering change and accelerating success. For more information, please visit kincentric.com.

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