

A Forrester Consulting  
Thought Leadership Paper  
Commissioned By SAP SuccessFactors,  
Qualtrics, & EY

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# Close The Employee Experience Gap

Align HR And Employee Perceptions To  
Improve Employee Experience And Drive  
Business Success

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EX is at a turning point: Those that become EX leaders will see major benefits for their employees, their customers, and their bottom lines.



Within two years, 78% of HR leaders believe that EX will be one of the most important factors impacting firms' ability to deliver on business objectives.

## Executive Summary

Forrester's Employee Experience (EX) Index shows that an engaged workforce is an important driver of business success. These engaged employees work harder to overcome barriers, better serve their customers, and stay with the company longer.<sup>1</sup> But organizations which fail to properly listen to, understand, and act on behalf of their employees' risk potential negative impacts such as increased employee churn, poor customer experience (CX), reputational brand damage, and alienating investors at great cost.

SAP SuccessFactors, Qualtrics, and EY commissioned Forrester Consulting to evaluate the connection between good EX and long-term business value. Forrester conducted two global surveys — one with HR decision-makers and one with full-time employees — to explore this topic.

### KEY FINDINGS

- › **EX is critically important, but praxis remains relatively immature.** EX is now more important than ever before, as its influence impacts both HR strategies and organizations' ability to accomplish major business goals. But despite this, EX strategies and initiatives still suffer from organizational silos, the lack of executive support, piecemeal measurement, inconsistent feedback mechanisms, and insufficient tooling, which all combine to produce an incomplete view of the employee journey.
- › **HR departments and full-time employees are fundamentally misaligned, and it's causing major problems.** When it comes to the drivers of EX, HR decision-makers and full-time employees do not see eye to eye. When HR teams fail to understand the levers that make the most difference to employees, dissatisfaction naturally follows. And for this reason, full-time employees are more skeptical than HR decision-makers about EX improvement. This points to the continually existing gap in EX across organizations globally.
- › **Good enough isn't going to cut it anymore.** The COVID-19 pandemic has put a spotlight on what many have been noticing for some time: changing workforce conditions make EX more important than ever. As more employees become remote workers, flexibility and technology options become more important. Similarly, work-life balance takes on greater importance as workers attempt to manage the new responsibilities of remote learning for their children and/or caregiving for ailing relatives. Unfortunately, HR teams are not prepared for this new era: Fewer than 10% of HR leaders say employee needs are their number one priority when setting EX strategy. This spells trouble for future EX success.
- › **When done well, EX can be transformative for business success.** Both HR leaders and employees agree that good EX results in positive employee outcomes. Satisfied employees produce higher quality work, are more agile and productive, and are more likely to both stay at their current organization and recommend others for open positions. Engaged employees, in turn, are good for the business. EX leaders tend to see higher returns on their EX investments, while also enjoying increased revenue, better customer experiences, and a stronger, more competitive brand.

# There's Room To Improve On Critical EX Initiatives

The time when concerns about EX could be dismissed as merely another business trend have come and gone. Today's organizations understand that investing in a satisfied and engaged workforce is critically important to not only the well-being of their employees but also to the success of their business. As a result, organizations are prioritizing EX at unprecedented levels by investing in a slew of initiatives. But so far, unfortunately, practices are relatively immature and HR teams struggle with organizational complexity (i.e., getting the right sentiment data into the hands of the right people in real time) and insufficient resources.

So, how exactly are HR departments managing employee experience today? Our study of 1,800 HR leaders and full-time employees at global organizations of every size found:

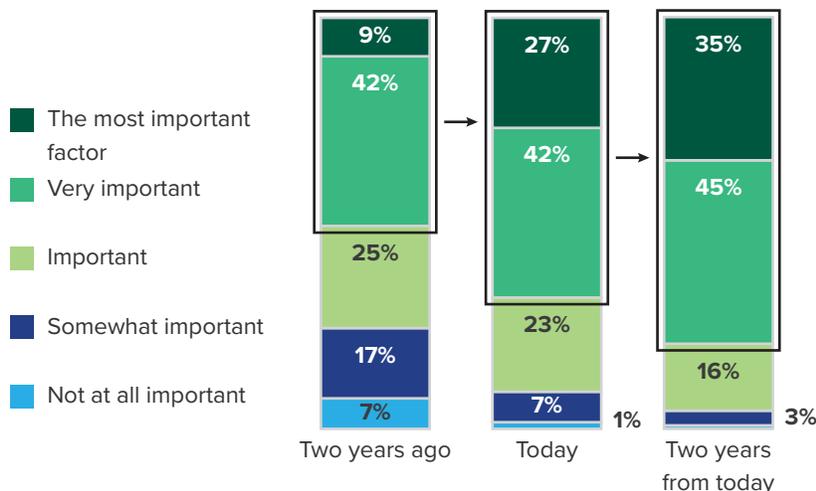
- EX is growing in importance.** Today's HR professionals understand how critical EX is: More than one-quarter say it is the most important aspect of their HR strategy, and another 42% say it is very important. This represents an increase from just two years ago when only 9% said EX was the most important factor then. This upward trajectory will continue to grow. Within two years, 35% of HR professionals say EX will be the most important factor to their HR strategy. This level of importance is mirrored in investment levels. Whereas two years ago, only about 6% of HR budgets went toward EX initiatives; today that number is 11%. Within two years, an average of 16% of HR budgets will be allocated to EX initiatives.



To be successful, everyone in the organization must contribute to employee experience.

Figure 1

“Overall, how important is EX to your organization’s HR strategy today? How important was it two years ago? How important do you expect it to be in two years?”



Within two years, EX will be one of the most important aspects of HR strategies for 80% of organizations.

Base: 900 global HR decision-makers  
 Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

- › **Everyone has a role to play.** It should come as no surprise that HR departments have the most responsibility when it comes to EX: 58% of respondents say HR is the primary decision-maker. After HR, line-of-business leaders are most often a key influencer (60%). However, executive leadership and IT have a role to play as well: Both groups are often seen as regular contributors to EX. This is an important point: Successful EX cannot just be HR's responsibility. IT's role is of particular importance given the increasingly distributed nature of the global workforce. The tools and systems that IT purchases and supports can either contribute to or detract from an employee's positive experience. If the ultimate goal is to create more engaged and productive employees, everyone in the organization must contribute to employee experience.

## TODAY'S EX PRACTICE IS LARGELY IMMATURE

HR professionals may understand the importance of EX, but their practice leaves room for improvement. We found that HR organizations struggle in several areas (see Figure 2):

- › **Employee feedback is inconsistent.** In order to improve an employee's experience, HR must first and foremost understand the employee. Unfortunately, many HR organizations don't have consistent programs or mechanisms to collect feedback or gather information. Just a little over one-third of HR teams are capturing employee interactions and mapping employee journeys. Similarly, just 36% of respondents have a voice-of-the-employee feedback program, and only 30% of organizations conduct an ongoing employee engagement survey.
- › **Current efforts lack executive support.** Without buy-in from senior leadership and sufficient resources or direction, EX efforts will often flounder. Shockingly, only 24% of teams have a designated C-level steward for their EX work, something that Forrester notes is critical to developing a mature EX practice. This is likely the reason for why the lack of investment and insufficient tools and headcount are three of organizations' top five EX challenges. Without an executive steward, investment will lag, and EX cannot be a business priority.
- › **EX has yet to expand to a truly cross-functional endeavor.** Despite the fact that most respondents admit that all areas of the business have a role to play in good EX, only 21% write EX goals into all business unit strategies, and just over one-quarter have created a cross-functional center of excellence. So, while HR leaders believe lines of business and executive leadership should be a part of EX initiatives, most have yet to put their money where their mouth is.
- › **Measurement is scattershot and not linked to outcomes.** Firms are using a variety of KPIs to analyze the ROI of their EX investments. Employee-focused metrics are most common: productivity, satisfaction, and engagement are tracked by well over one-third of HR respondents. However, 13% of organizations aren't tracking any KPIs, which puts them at a considerable disadvantage. It is also problematic that 37% of HR organizations don't currently have a method for measuring overall EX. Without a consistent and cohesive way to gauge the success of holistic EX efforts, organizations aren't seeing the full picture.

Figure 2

### Most Challenging EX Activities

-  Complex matrixed organization
-  Lack of visibility into teams
-  Insufficient tools

### Top Barriers To Improving EX

-  Using psychological principles and learnings to ensure the well-being of our employees
-  Gathering real-time information about EX
-  Enabling a productive remote workforce

Base: 900 global HR decision-makers  
Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

- › **Organizational complexity challenges.** Organizational issues aren't limited to executive support and cross-functionality. HR respondents reported that their top challenges when trying to improve EX are: 1) a complex matrixed organization and 2) a lack of visibility into teams. These two issues go hand-in-hand. While simplifying reporting structures and team organization can provide better visibility into experience gaps, choosing a technology that can easily map to complex organizational hierarchies is arguably easier to do.
- › **Data struggles plague firms.** Collecting and integrating data is a major problem for HR teams. Likely due in part to their lack of effective feedback mechanisms, 71% of respondents said that gathering real-time information about EX is challenging. Furthermore, 60% struggle when integrating mobile and contingent or gig worker data with permanent workforce data, and 41% find integrating experience data (i.e., data about how people think and feel) with operational data (i.e., data that is produced by your organization's day-to-day activities) challenging.

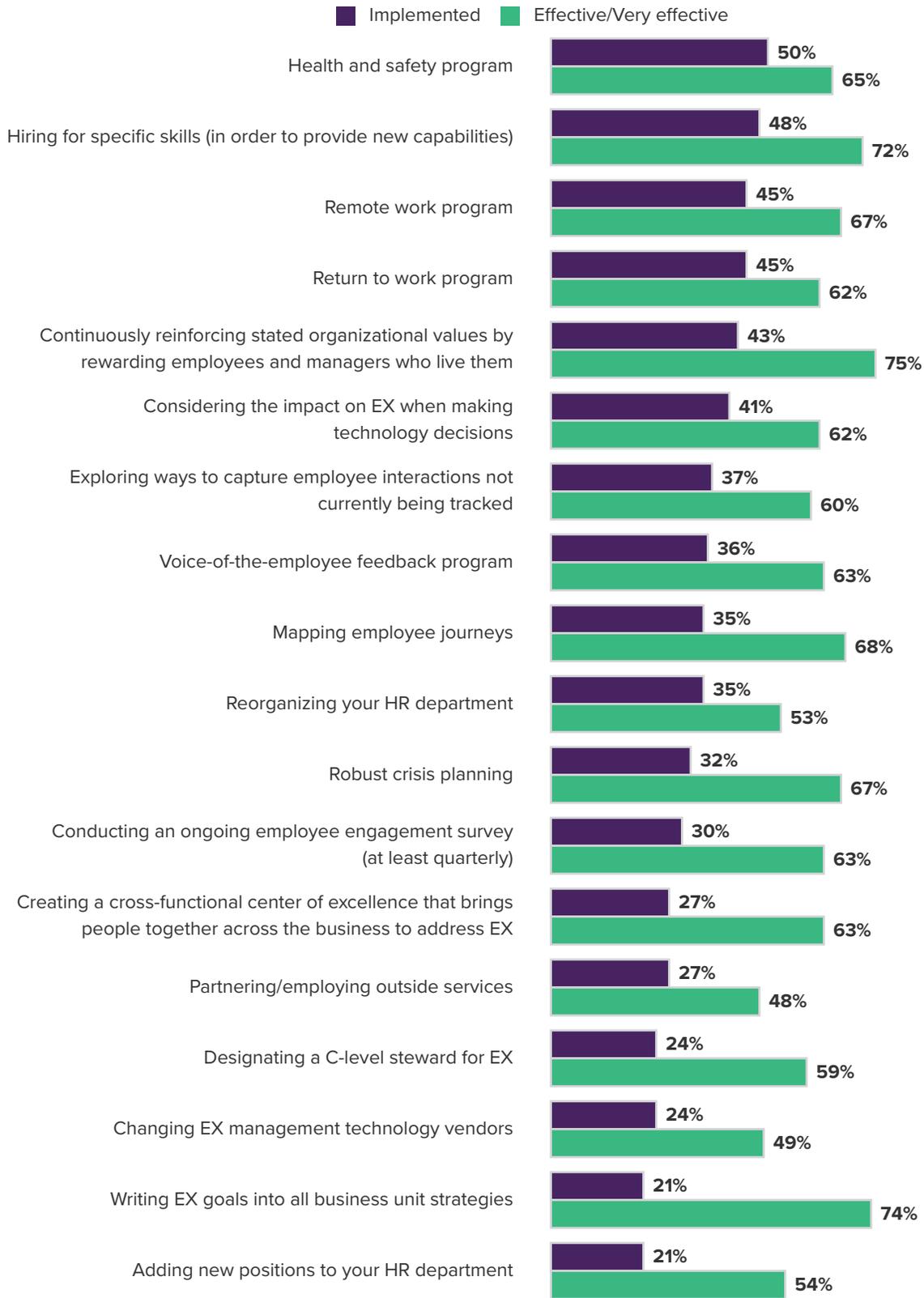
There is good news though. While this research was conducted during the COVID-19 pandemic, which obviously presented a panoply of problems for global businesses, organizations were forced to manage a suddenly remote workforce and ensure that employees were safe and well cared for. Predictably then, HR managers turned their focus to programs largely impacted by the pandemic, e.g., remote work, return to work, and health and safety. Half of organizations have a health and safety program while a bit more than 40% have remote and return to work programs. This work was unsurprisingly difficult for many: 65% of HR respondents said that enabling a productive remote workforce has been challenging. However, their efforts seem to be paying off. Seventy percent of people managers say they feel confident when managing their virtual teams, and 65% of employees report feeling connected to their team members despite working in a virtual environment.

This focus on — and early success with — remote work is a good sign. Even though many EX initiatives see low levels of adoption, their levels of effectiveness are high (see Figure 3). For example, while only 21% of organizations write EX goals into all business unit strategies, 74% of those that do, find this practice to be effective. The lesson here seems to be that when teams buckle down and put their efforts into EX, they see results.



Only about one-third of organizations regularly collect employee feedback. This needs to change.

**Figure 3: EX Programs And Practices: Effectiveness V. Adoption**



Base: 900 global HR decision-makers

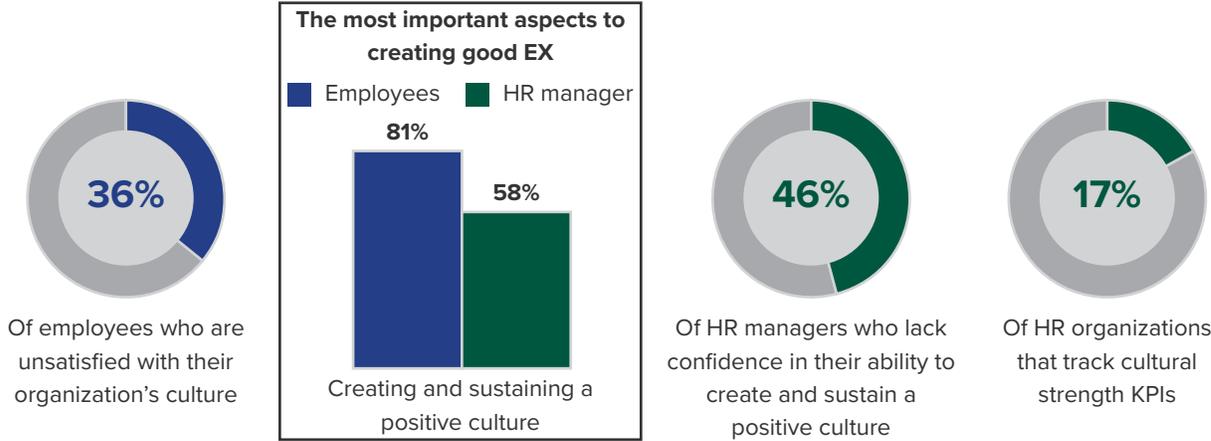
Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

# Close The HR And Employee Gap To Improve EX

Overall, HR professionals tend to have a more optimistic view of EX than employees do. This difference stems from a widespread misalignment between what HR thinks is important and what employees actually value. We found:

- **Employees are skeptical about EX improvement.** Though both HR managers and employees feel similarly that EX today is good — a quarter of employees even think its excellent — employees are less optimistic for the future. Within two years, HR believes things will continue to improve: 39% think EX will be excellent. However, employees expect EX to decline overall: Only 15% expect excellence (down from 24%), and 36% expect it to be good (also down a bit from 39%). Based on the critical gaps we’re about to review, this skepticism may very well be justified.
- **Misalignment on priorities and EX drivers leads to dissatisfaction.** Aside from safety and well-being, employees and HR leaders do not see eye to eye on prioritized initiatives. Although employees think HR is prioritizing remote work, employee experience, and supporting company growth, HR leaders report being focused on corporate branding, crisis planning, and aligning employees with company culture. There are also huge gaps when it comes to the drivers of EX. Eighty-one percent of employees believe that creating and sustaining a positive culture is important to good employee experience, but only 58% of HR managers feel the same (see Figure 4).<sup>2</sup> And even more troubling is the fact that only slightly more than half of HR professionals are confident in their organization’s ability to create and nurture that positive culture. Also problematic is the fact that cultural strength metrics are the least often tracked KPIs for analyzing EX success at 17%. Not surprisingly, you can see this misalignment in employee satisfaction levels: There is a nearly 20-point gap between how satisfied employees are with this culture work and how important they think it is. In fact, this is the case with most of the initiatives that employees rate as being important.

Figure 4: An HR/Employee Gap Case Study: Creating Positive Culture



Base: 900 global HR decision-makers  
 \*Base: 900 full-time employees at global companies  
 Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

- › **Learning and coaching need attention in order to improve.** Eighty-three percent of HR managers understand that providing employee coaching and training is important to building a good EX strategy, but only 67% of them are confident in this task. Even fewer employees (60%) are satisfied with their company's progress in this area overall. And things get worse the further you dig. Just over half of employees say they are given the coaching and training/development they need to grow (compared to 66% of HR professionals). And only 37% of employees feel their employer is accepting of mistakes and uses them as a source of learning and growth (compared to 50% of HR professionals).

This lack of training appears to be mainly at the corporate level rather than between employees and their direct managers. When given a set of statements that describe the relationship between people managers and employees, both groups showed the lowest levels of agreement with support and training: Around 40% of both people managers and direct reports think corporate training and guidance is lacking. Unfortunately, the misalignment doesn't end with employees: There is internal dissonance among HR professionals as well. Even though HR leaders rate coaching and learning as one of the most important drivers of good EX, they rate learning software as one of the least important tools for enabling good EX. If organizations want to close this gap on training and development, they need to pay more attention to learning software. The good news in all of this? Most employees believe they can easily adapt to changes when needed; they just need the training and coaching to acquire the right skills to be successful.

### **TECHNOLOGY IS A MIXED BAG**

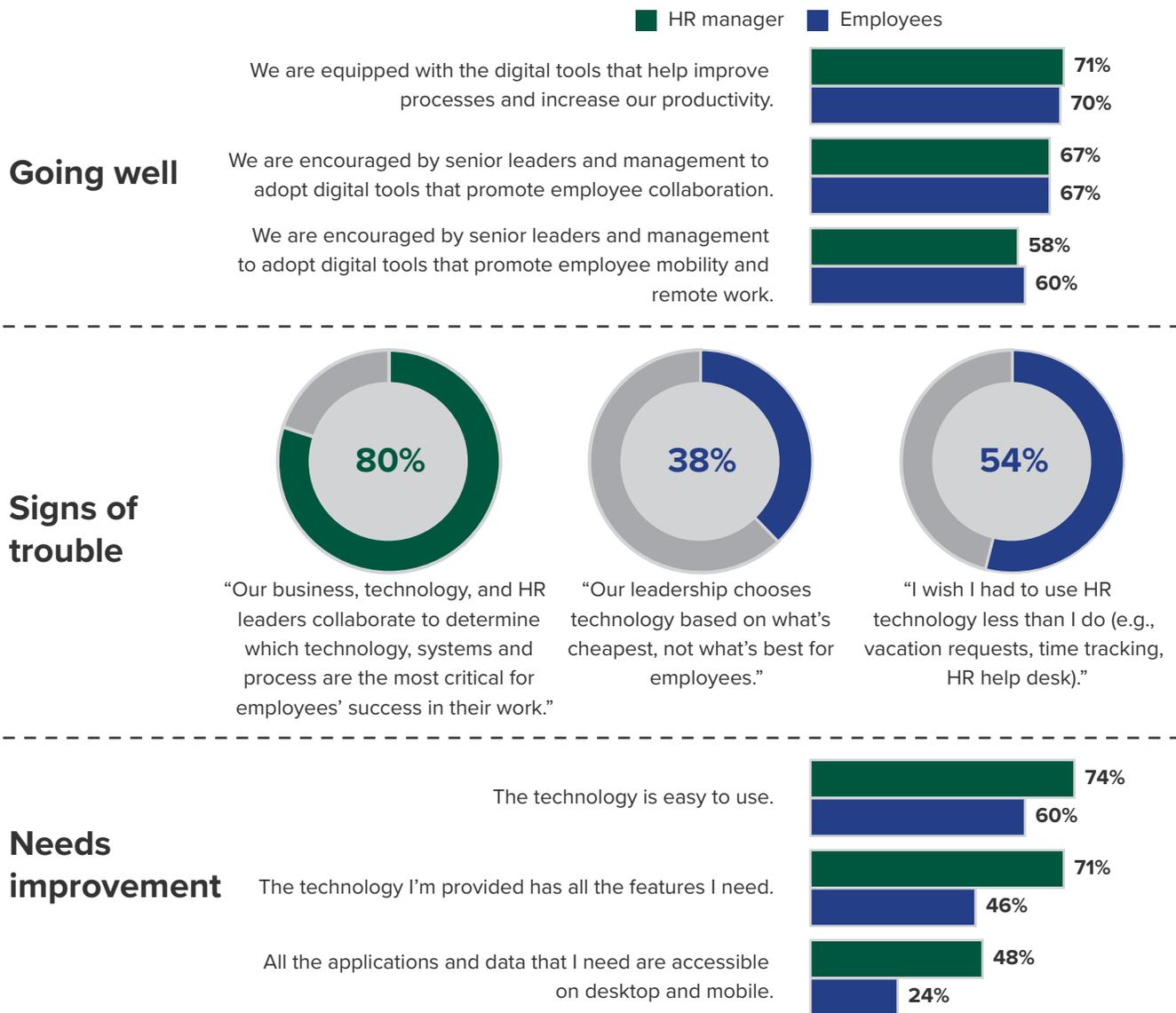
Though there is some general alignment between what HR leaders and employees believe in terms of technology use, it is nonetheless an important area of EX that could stand to improve (see Figure 5). As Forrester has long held, productive employees are satisfied employees, and technology has an outsized impact on employee productivity. HR teams need to close some of these gaps if they want to improve EX. We found:

- › **Everyone agrees leadership has the best intentions.** When it comes to technology, there is widespread agreement that employees are encouraged by management and senior leadership to adopt digital tools that promote collaboration, mobility, and remote work. Similarly, 70% of both HR managers and employees say they are given digital tools that help improve processes and productivity.
- › **But employees think cost takes priority over usefulness.** Here again we see HR's overly optimistic outlook and employees' skepticism. While 80% of HR leaders believe they are successfully collaborating with business and technology leaders to equip employees with what they need to succeed, nearly 40% of employees think cost is the real deciding factor. And more than half of employees simply wish they could use HR technology — like vacation request and time tracking software — less often.

› **And HR significantly overestimates employee satisfaction.** Perhaps the most concerning technology trend is that HR doesn't understand how unhappy employees are with current technology. Forty percent of employees say the technology is difficult to use, and over half say the technology they are provided is lacking key features. Three-quarters report that the applications and data they need are not always accessible on desktop and mobile. HR, however, gravely overestimates ease of use, availability of needed features, and accessibility of provided tools.

It's not all bad news, however. There are a few areas of alignment which HR and employees can build upon. Both groups agree: senior leaders are prioritizing and investing in creating good EX; compensation and rewards are fair; and employees are encouraged and empowered to make the best decisions for their own success.

**Figure 5: Technology: The Good, The Bad, And The Ugly**



Base: 900 global HR decision-makers

\*Base: 900 full-time employees at global companies

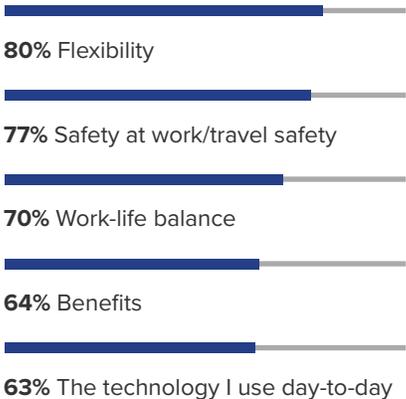
Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

# EX Is At A Turning Point

EX is having its moment in the spotlight. The global pandemic of 2020 has necessitated a massive change in work, forcing companies to hyper focus on how to continue daily operations while ensuring employees remain safe, well cared for, and happy. And this renewed focus on EX is here to stay. We found that employee attitudes have and will continue to shift, and HR will need to shift with them in order to keep pace. Our study shows:

- > **2020 has caused many employees to struggle.** The impact of the COVID-19 pandemic was nearly inescapable. Just recall the time spent watching any news program, reading any article, or even having everyday conversations with friends, neighbors, and coworkers and you'll recall how destructive this global event was (and continues to be in many parts of the world). As our study was fielded during the height of the first wave of infections, employees reported that their well-being — everything from careers and finances to health and family — were being negatively impacted.
- > **And satisfaction with employers' crisis-response was middling.** When so much about life is difficult and unknown, people look for comfort and reassurance. Unfortunately, for many employees, they didn't find this from their employers. Nearly half of the employees we surveyed were only somewhat satisfied or completely dissatisfied with their company's response to the COVID-19 pandemic. However, it is interesting to note that employees who were already more satisfied with their organization's EX overall tended to rate the organization's pandemic response better. They cited higher levels of satisfaction than those who were already unimpressed with EX levels at their organization, proving that employees were more resilient at organizations that have focused on providing great employee experiences.
- > **EX must change, and HR must learn from the lessons of 2020.** Employees' experiences with the pandemic have made them reevaluate work. Factors like work safety, benefits, and work-life balance — while always important — now carry more weight (see Figure 6). The flexibility to work when and where is most convenient has become particularly more important during the coronavirus crisis. Though just 40% of employees rate flexibility as a top factor impacting their work experience, a stunning 80% say the pandemic has made it more important. Moving forward, employers will need to maintain the ability to offer employees flexible working environments if they want to ensure good EX and retain top talent.

**Figure 6**  
“All of the following things can impact how you view your experience at work. Has your experience during the pandemic made any of these things more or less important to you?”  
(Somewhat/much more important responses being shown)

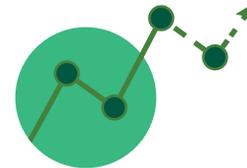


Base: 900 full-time employees at global companies  
Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

## EX IS GROWING IN IMPORTANCE, BUT HR ISN'T DOING ENOUGH TO KEEP UP

Firms are making some changes, but they are likely not enough to keep up with how important EX will become for business success in the future. We found:

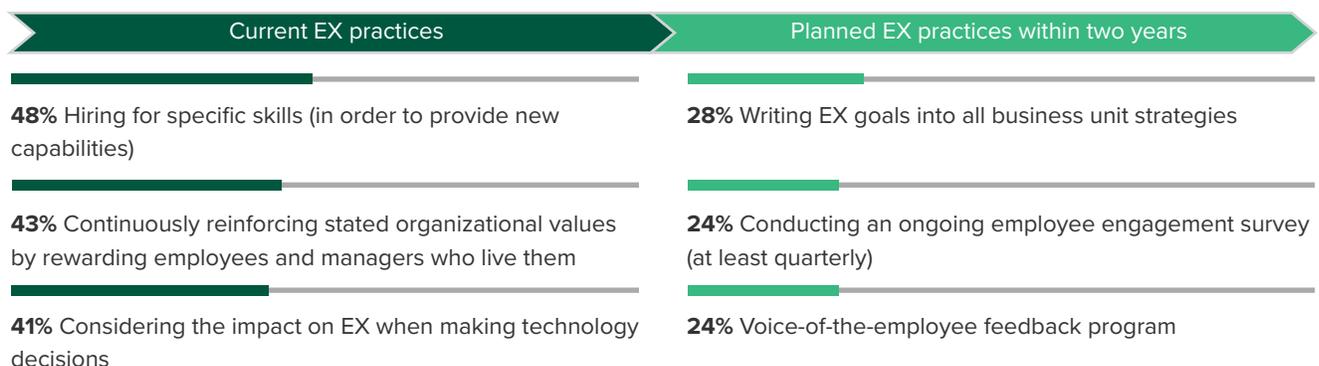
- › **EX will be a critical component of business success.** Though obviously important today, HR managers expect EX to be one of the most important factors of success going forward. More than three-quarters of HR leaders believe that EX will be one of the most important factors impacting their organization's ability to deliver on key business objectives within just two years. In fact, 37% believe EX will be *the* most important factor. Given the outsized impact EX will continue to have, organizations should be doing everything in their power to improve in this area.
- › **But practices remain immature.** Considering how important EX is, and how rudimentary current efforts are, one would hope that HR leaders have big plans for the future (see Figure 7). Unfortunately, this doesn't seem to be the case. Firms lack comprehensive data-gathering techniques, yet less than one-quarter of respondents plan to implement employee engagement surveys or a feedback program. Many organizations lack executive support for EX efforts, yet only 13% plan to designate a C-level steward. HR wants IT and business leaders to be involved in EX efforts, yet just 28% plan to write EX goals into all business unit strategies. Simply put, this isn't going to be good enough.
- › **HR continues to deprioritize employee needs.** Given the lack of employee feedback processes, and the misaligned expectations between the two groups, it's not surprising to learn that HR tends to prioritize other factors ahead of employee needs when making EX plans. A paltry 9% say employee needs are the number one consideration, and less than a third of HR managers say it cracks the top three. Instead, external economic factors, safety guidelines, business goals, and brand reputation are given priority. HR teams need to start listening to and better understanding their employees or they are in for a rude awakening. Organizations that do listen to their employees and prioritize their needs, however, will see benefits for both their workers and their business.



Within two years, 78% of HR leaders think EX will be one of the most important factors impacting their ability to deliver on business objectives.

Figure 7

“Which of the following EX practices has your organization implemented/does your organization plan to implement within the next two years?”



Base: 900 global HR decision-makers

Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

# Good EX Is Good For Employees And The Business

HR leaders are right: EX is incredibly important to business success. And this is one area where HR teams and employees are in total agreement: Both sides say that good EX leads to critical employee benefits like (see Figure 8):

- › **Better quality work.** Nearly 80% of both HR managers and employees say that EX has improved their quality of work. This is likely because 79% of employees say they are proud to work for their employer, and 88% believe in the work they do.
- › **A more agile and productive workforce.** HR leaders report positive improvement to their workforce agility (59%) and organizational agility (67%) as a result of EX initiatives. This leads to an increased ability to innovate. Productivity also improves with good EX: 79% of employees say EX impacts how productive they are, while 73% of HR respondents noted general improvements to productivity.
- › **Better talent.** Positive working environments attract the best people. Seventy percent of HR leaders see improvement to their ability to attract talent, and 68% of employees say they are likely to recommend people for open positions as a result of good EX. These people are also more likely to stay: 65% of HR respondents report improvements to retention metrics, and 70% of employees say they are more likely to stay at a company that provides good EX.

Figure 8



Base: 900 global HR decision-makers  
 \*Base: 900 full-time employees at global companies  
 Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

- › **More engaged employees.** Here again, employees and HR leaders agree: 71% of employees say that their employee experience positively impacts how engaged they are in their job, while 61% of HR professionals see improvements to employee engagement overall.

All of these employee benefits also translate to business benefits, namely (see Figure 9):

- › **Financial gains.** HR respondents report benefits to both their top and bottom lines from EX efforts: 77% experience increased revenue, and 61% report improved profitability. Additionally, 38% report improvements on cost savings KPIs and another 50% say that EX initiatives have helped them hit their growth targets.
- › **Improved customer outcomes.** Seventy-six percent of employees say their experience has improved their ability to provide a good customer experience. This is mirrored in what HR managers say: 75% report improved customer satisfaction which in turn leads to improved customer acquisition and retention.
- › **A stronger, more competitive brand.** Sixty-two percent of HR leaders have seen positive impacts to their brand reputation as a result of EX efforts. This, in turn, can help with competitive differentiation: 53% of respondents saw improvement here as well.

**Figure 9**

**“To what extent have your organization’s EX initiatives impacted the following business outcomes?”**

(Moderate/significant positive impact results being shown)



76% of employees say their employee experience has improved their ability to provide a good customer experience\*



Base: 900 Global HR decision-makers

\*Base: 900 full-time employees at global companies

Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

## GO FOR THE GOLD: STRIVE TO BE AN EX LEADER TO SEE MORE BENEFITS

While any effort to improve EX is likely to result in employee and business gains, our research shows why it's important to aim for being an EX leader. We found:

- › **Satisfied employees are reliable, long-term company advocates.** Satisfied employees are more likely to work harder (91% v. 73%), stay longer (87% v. 66%), and recommend their company to other job seekers (84% v. 59%) than their less satisfied peers (see Figure 10). These happier employees feel supported and cared for by their employer while also enjoying a high degree of satisfaction in the work itself.
- › **Excellent EX drives higher returns.** Though nearly all companies are already seeing returns from their EX investment; those that have created more mature practices tend to drive more value. On average HR organizations with more advanced technology and organizational practices see a return of 3.73% on their EX investments, while their less mature counterparts see an average return of just 2.24%.

Figure 10

“How much do you agree with the following statements?”



More satisfied employees work harder for longer, producing higher quality outputs.

Base: 900 full-time employees at global companies  
 Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

# Key Recommendations

This report provides the data and insights you need to change the conversation around EX improvement in your organization and gain wider acceptance for setting better priorities. From our broader EX research with organizations that've succeeded in getting their EX initiative driving results, we've produced several recommendations:



**Set values that include empathy, transparency, and human-centered design.** Core values help others outside your EX program understand what you stand for, and they help those involved understand what matters most when taking actions. A culture of transparency establishes trust, and it helps employees understand their role in contributing to the company. In order to drive an overall culture of transparency, leaders and managers must be transparent themselves and teach employees to give constructive feedback. Human-centered design is an expression of empathy. And this empathy is necessary when creating conditions that reflect employees' desire to remain engaged in their work so that they can succeed. Anything less would mean disengagement and failure. Studies show that engagement peaks when employees are able to make daily progress in the work they know matters most, so creating a work environment that fosters engagement is the key.



**Build a focused team and new core capabilities for EX.** Direct research with organizations that've gotten their EX initiative up and running in the past two years shows that they're building new capabilities both inside and outside of HR. These capabilities include: a research and insights function to gather data and feedback from employees about their experiences; culture-shaping expertise to foster a more employee-centric culture across the organization; building a center of excellence to continually foster good EX; and design expertise to generate ideas and test prototypes to deliver better EX. Finally, project management and operations expertise is critical to consistently incorporating new tools and ways of working.



**Involve other departments in the process.** EX initiatives that are contained within HR will fail to gain the momentum needed to drive lasting change. It takes a coordinated approach that involves legal, operations, finance, marketing, and technology to address the biggest hurdles. For example, you may find that policies, which are set by legal and implemented by technology, stand in the way of great EX. Design exercises like journey mapping that involve these groups help them understand how they're impacting EX, and they challenge them to come up with alternatives that meet their objectives without impacting EX. Additionally, great employee experience programs don't live in a silo. Innovators connect their data across other core experiences of their business, i.e., customer experience, brand experience, and product experience.



**Get leadership on board with EX, and use this data to do it.** Our research with organizations that have successful EX initiatives reveals that leadership support is critical. You can influence leaders with research and data. You can use Forrester's published EX Index research, and the data within this study, to help earn leadership buy-in by showing that EX investments improve employee engagement. Our research shows that firms with engaged employees enjoy 80% higher customer satisfaction and half the employee turnover, which are both non-trivial results. And that engagement leads directly to higher revenue growth and profitability for the business.



**Define an employee-listening strategy to guide your efforts.** For most organizations, technology purchasing decisions are often deliberately made without employee input. And instead, they are based on primary concerns of cost, manageability, and security. Change the script, and involve employees in this process. It doesn't take much to survey, or better yet, interview employees about what's important to them. Use that data to make the case for better options and take action. Taking action should be customized and tailored to a specific group of employees. The result will be higher adoption and utilization.



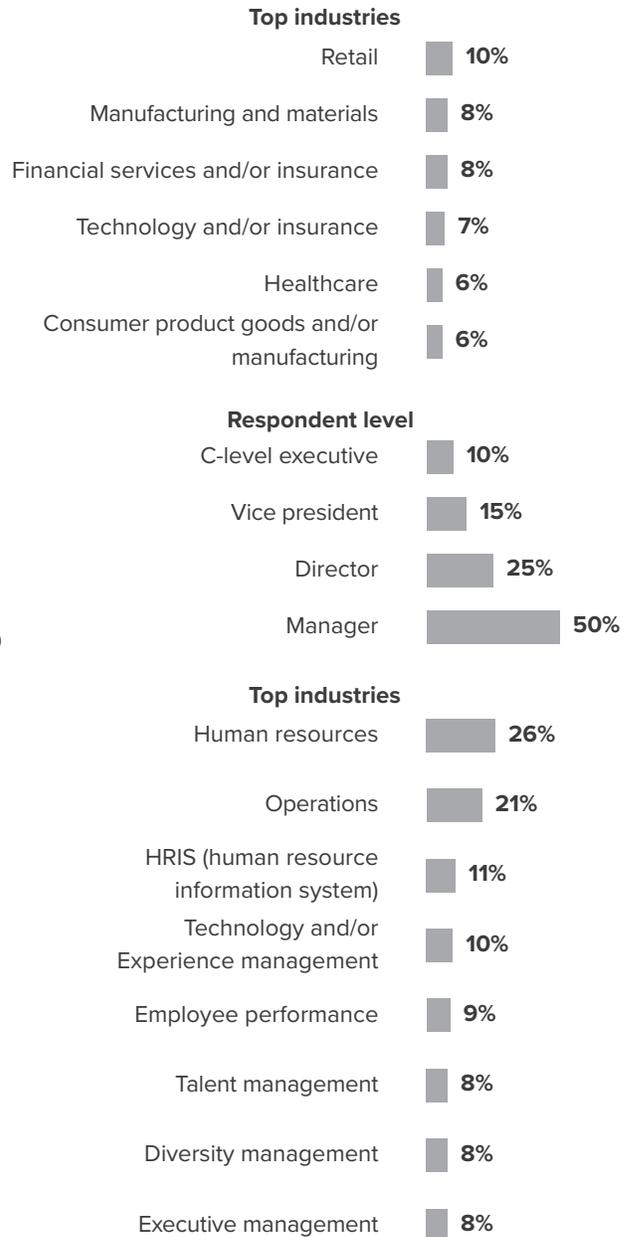
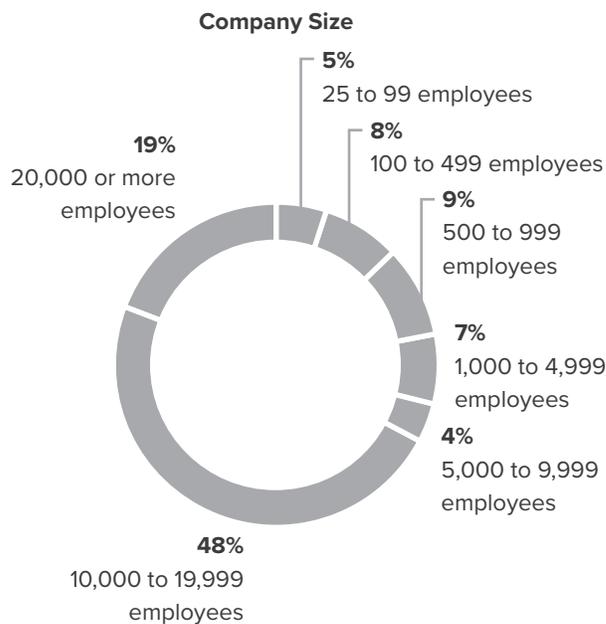
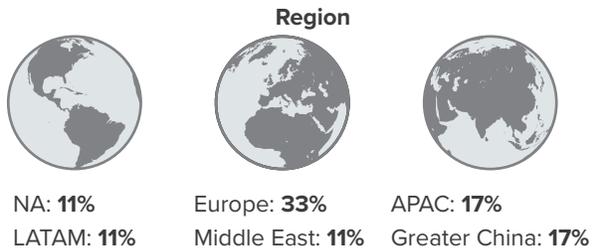
**Be patient: Results take time, but the payoff is well worth it.** Fundamentally changing your organizational culture to one driven by employee experience is not something that happens overnight. Culture takes time to build. Firms should not lose sight of the fact, though, that you can and will experience little wins as you work towards larger goals. For example, one large Canadian financial institution learned through the use of workforce analytics that their efforts to upskill employees – in order to increase overall employee engagement – led to several million in additional revenue. Ensure you are tracking these incremental benefits while being in it for the long haul. And remember that investments in effective HR technology provide valuable data to drive meaningful change, leading to substantial benefits to the business, across both top and bottom lines.

# Appendix A: Methodology

In this study, Forrester conducted an online survey of 900 HR and human capital management decision-makers in North America, Latin America, Europe, the Middle East, the Asia Pacific region, and greater China to evaluate the connection between EX and long-term business value. An employee study was also conducted with 900 full-time employees, aged 18 to 65, from the same regions that participated in the HR study. HR and employee respondents came from a range of industries and company sizes. All survey participants were offered an incentive as a thank you for time spent on the survey. The studies began in June 2020 and were completed in July 2020.

# Appendix B: Demographics/Data

## HR SURVEY



Base: 900 global HR decision-makers

Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

# EMPLOYEE SURVEY

## Region



NA: **11%**  
LATAM: **11%**



Europe: **33%**  
Middle East: **11%**

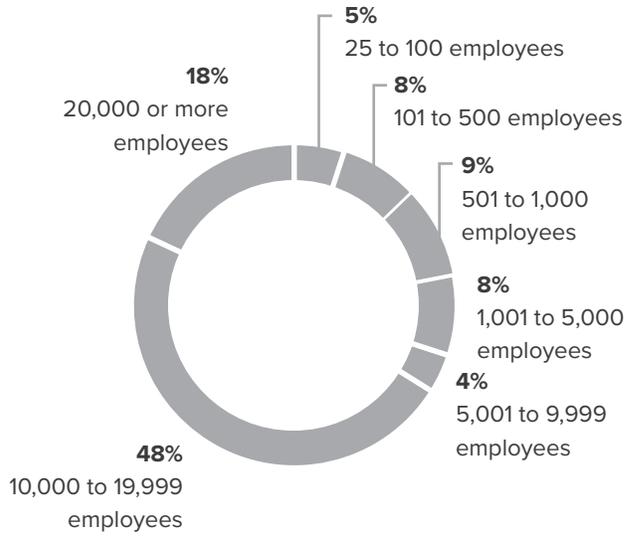


APAC: **17%**  
Greater China: **17%**

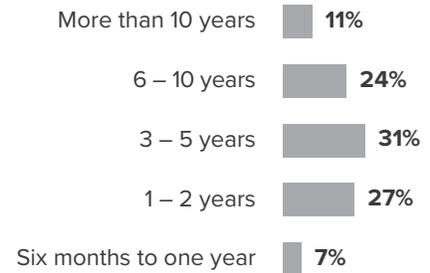
## Top industries



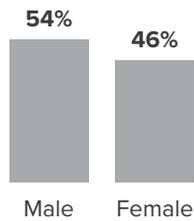
## Company Size



## Tenure at current organization



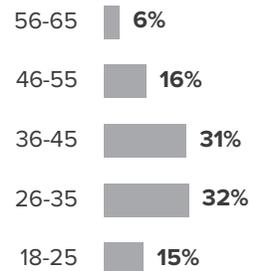
## Gender



## Level



## Age



Base: 900 full-time employees at global companies

Source: A commissioned study conducted by Forrester Consulting on behalf of SAP SuccessFactors, Qualtrics, and EY, July 2020

# Appendix C: Supplemental Material

## RELATED FORRESTER RESEARCH

“The Employee Experience Maturity Assessment,” Forrester Research, Inc., January 28, 2020.

“Forrester’s EX Index: A Deeper Look At The Data,” Forrester Research, Inc., March 4, 2020.

“Trend: Insights Drive The Future Of EX,” Forrester Research, Inc., August 14, 2020.

## Appendix D: Endnotes

<sup>1</sup> For more on Forrester’s Employee Index, see “Introducing Forrester’s Employee Experience Index,” Forrester Research, Inc., February 14, 2019.

<sup>2</sup> Though diversity and inclusion (D&I) work can arguably be considered part of a positive culture, in this study we separated the ideas to give each areas its own focus. For most respondents, D&I work, though important, was rated behind the other EX factors discussed in this paper. For US respondents, however, the issue was much more top of mind. For a more in-depth discussion of D&I at US organizations, see the spotlight report on North American organizations.