

# EMPLOYEE EXPERIENCE (EX) RESEARCH STUDY

## The Current State of EX in Organizations

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## THE CURRENT STATE OF EX IN ORGANIZATIONS

Employee Experience is one of the newest frontiers in creating a competitive advantage for companies. Done well, it will produce measurable outcomes in revenue, talent retention, engagement, productivity, and market share. Given the critical and timely nature of this topic, Stewart Leadership recently conducted research to better understand the state of Employee Experience (EX) in organizations today. We summarize key findings in this report.

This research was conducted from February 7 - March 1, 2019 and represents over 16 industries with responses from 87 participants.

## A FOCUS ON EMPLOYEE EXPERIENCE DELIVERS VALUE

One of the key findings from our research is where leaders can find the most value from an employee experience strategy and improvement. We asked research participants “What value would your organization gain from improving its employee experience?” Their responses are very much in line with what we would expect given the Employee Experience Strategic Cycle (see figure 1).



FIG. 1 EMPLOYEE EXPERIENCE STRATEGIC CYCLE

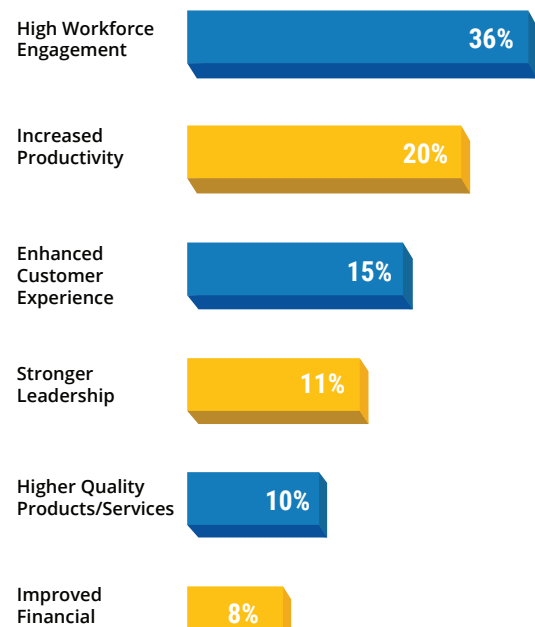


FIG. 2 EMPLOYEE EXPERIENCE STRATEGIC VALUE

You can see in figure 2 that the primary perceived value from employee experience is higher workforce engagement - and that certainly is one of the most immediate. It is encouraging to see a fairly strong spread across many key business outcomes including quality and finance.

## WE ARE DOING FAIR, BUT MORE INVESTMENT NEEDED IN EX

In order to maximize the competitive benefits of EX, a significant investment can help accelerate progress, but a consistent investment proves more important than the level of investment. Another key finding from our research highlights the current state of EX investment, relative to Customer Experience (CX). We asked research participants “My organization invests as much in a great employee experience as it does in a great customer experience.” Findings suggest that some organizations are doing a solid job of investing, while there is plenty of room for improvement. figure three shows that under half of organizations are investing equally in EX vs CX.

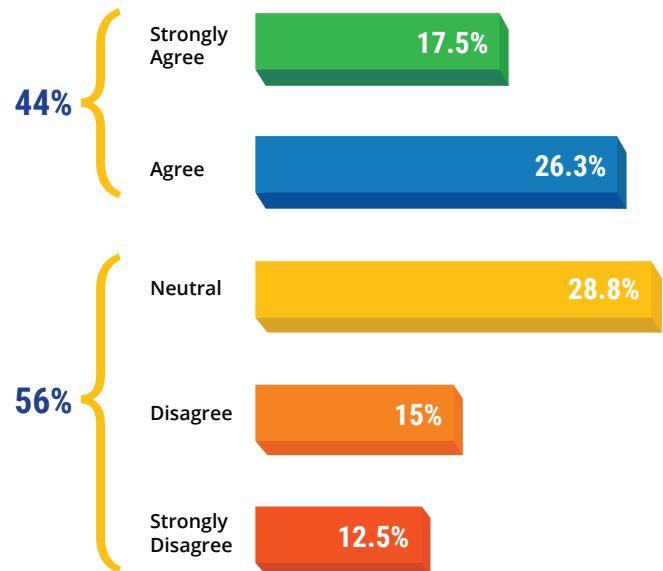


FIG. 3 EX VS CX INVESTMENT

## THERE ARE OPPORTUNITIES TO DEFINE AND COMMUNICATE AN EX STRATEGY

Another finding from our research highlights that there is a more basic opportunity to get EX efforts going - and that is to define the aspirational EX as well as design a strategy for the organization.

We took this finding and mapped it against the previous finding about investment to highlight the next logical step, depending on where an organization finds itself on the EX journey. What you'll see in figure four is that there is a decent population of organizations that have defined their EX and are investing in it. There are also many organizations that have not fully embraced an EX approach yet. See the following four strategies depending on where you assess your organization.

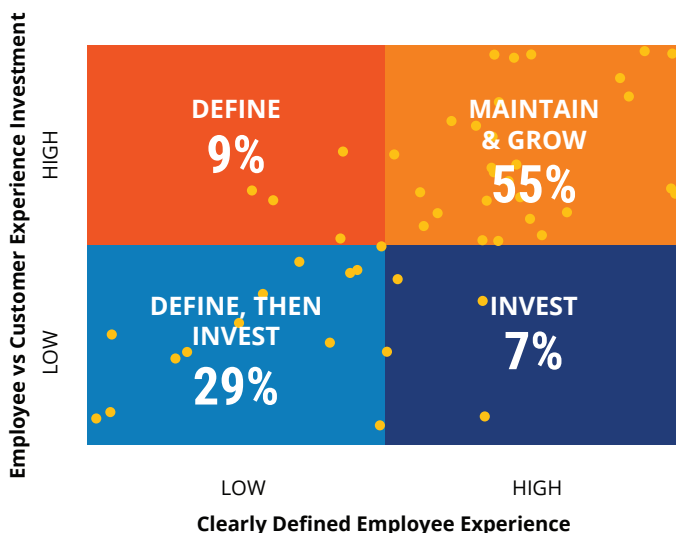


FIG 4. CLEARLY DEFINED EX VS INVESTMENT

## TAKING ACTION ON EX

### 1. Maintain and Grow

If your organization has defined its EX and has a strategy in place which includes significant investment, the best next step is to maintain and grow the approach. There are always opportunities to improve, and leveraging your organization's current data to identify priority actions can continue to provide you with a competitive edge.

### 2. Define

For an organization that is investing sufficiently, but perhaps has not clearly defined its vision or mapped its EX strategy, the best next step is to define the vision and articulate a strategy. This can help you see where you might not be achieving the ROI you need to, and might also highlight some opportunity areas that are critical, but have not yet been considered.

### 3. Invest

It has been said that if you want to understand an organization's strategy, just look at where they spend their money. This is very true in EX. If your organization is not currently investing sufficiently, a good first step would be to evaluate some prioritized investments. Perhaps you could have a role focused on EX, or undertake a study to analyze your situation. And don't forget the business case!

### 4. Define, then Invest

If you find that your organization is very early in the EX journey (or perhaps hasn't begun and doesn't know where to start) first defining and then investing is a logical way to approach things. Defining and building a business case as well as garnering leadership support can be critical to furthering your efforts.

## MAKING PROGRESS: BEGIN WHERE YOU ARE AND KEEP MOVING FORWARD

We have included in figure five Stewart Leadership's Employee Experience Framework to help spark your thinking about your organization and its specific challenges and opportunities. The framework can help you ensure broad thinking about employee's experience. And it can help you ask key questions along the employee lifecycle to pinpoint where your greatest opportunities exist to begin or continue your EX journey.



FIG 5. STEWART LEADERSHIP EMPLOYEE EXPERIENCE FRAMEWORK

## EMPLOYEE EXPERIENCE (EX) SOLUTIONS

*Would you like to create a compelling employee experience to drive engagement and performance?*

### EX DRIVES KEY BUSINESS RESULTS

EX drives improvement in employee outcomes that are critical to any enterprise, such as engagement and retention as well as business outcomes like customer experience and financial results. Our research indicates that the top 3 benefits of a solid EX approach are:

- 1 *Higher workforce engagement*
- 2 *Increased productivity*
- 3 *Enhanced customer experience<sup>1</sup>*

EX is a strategic way to drive results your organization needs now and in the future – and Stewart Leadership is here to help.

### EX SOLUTIONS

Your Stewart Leadership Consultant will partner with your leadership and human resources team to tailor employee experience solutions that drive your business strategy and human capital priorities using our four-step process. Custom consulting solutions may include one or more of the following:

#### 1) EX strategic Framework and Journey Map

- Build a tailored EX strategic framework and enterprise journey map aligned with your strategy and culture.



#### 2) State of EX Assessment Report

- Leverage and customize a variety of measurement tools to assess the current state of EX in your organization and provide you with a detailed summary report aligned with your EX strategy.

#### 3) EX Success Roadmap

- Analyze and understand assessment findings to build a roadmap to help you accelerate EX efforts and execute your EX strategy.

#### 4) LEAD NOW! EX – Leadership Development Workshop

- Develop your leaders and team members as needed on ways to maximize the EX in alignment with your strategy and roadmap.

<sup>1</sup> Stewart Leadership, The Current State of EX in Organizations, StewartLeadership.com, March, 2019