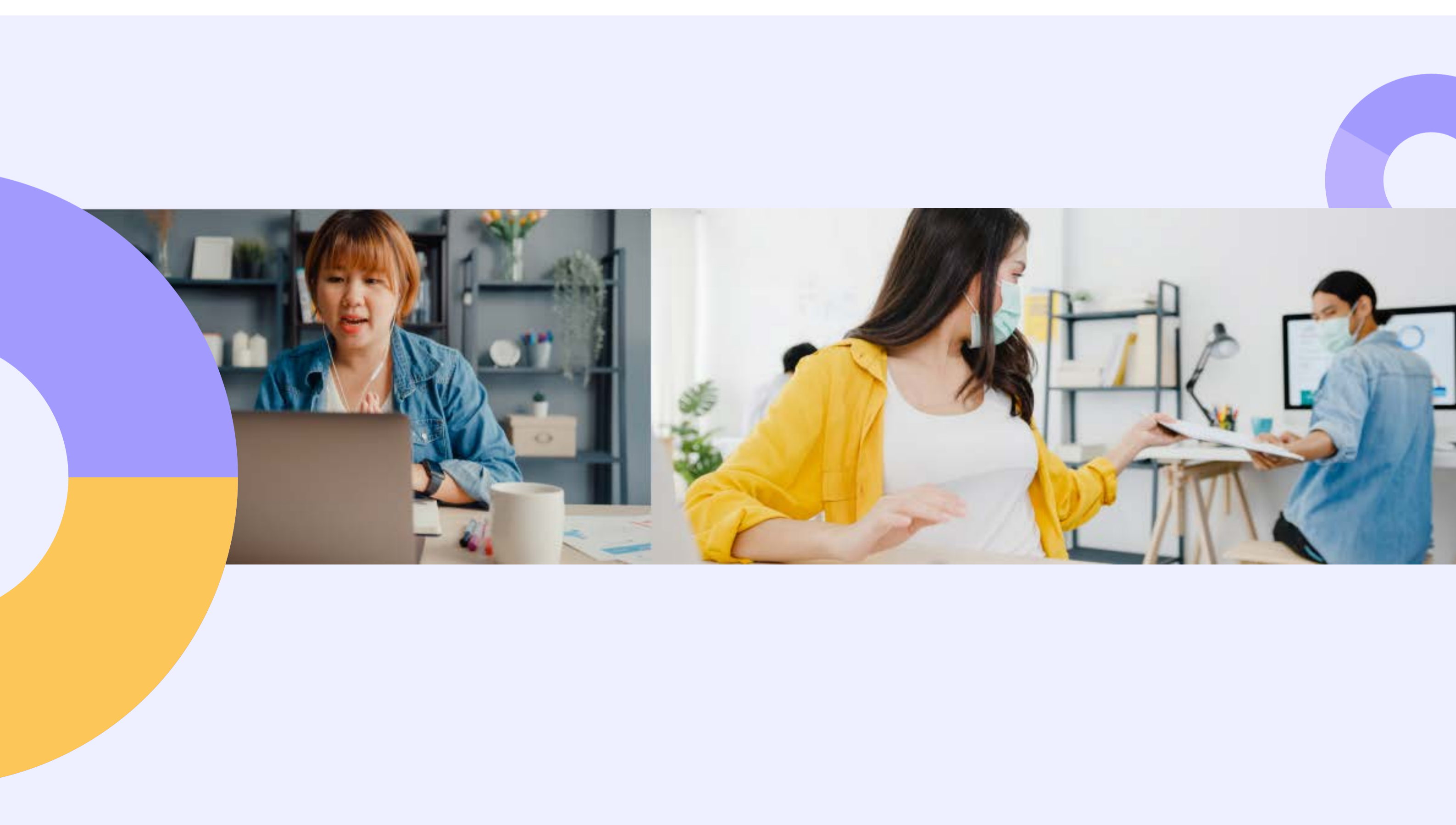**EngageRocket**

Employee Experience Guide

Tapping into the hidden potential of feedback to drive positive employee experience and business outcomes

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Introduction

Employee experience (EX) remains pivotal in today's dynamic business environment. As the pace of organisational transformation accelerates and the nuances of remote work become more ingrained, there's an increased focus on crafting human-centric workspaces. Over the years, the role of managers in shaping this experience has come into sharp focus.

In a recent survey we conducted, nearly half of the respondents believe that managers bear the responsibility for driving employee engagement. Meanwhile, 37% view this as a duty of the C-suite. What's surprising is that only 11% associate HR with this critical responsibility.

Organizations that prioritize employee experience, especially through effective managerial leadership, position themselves for an undeniable competitive advantage.

By deploying robust feedback mechanisms, businesses can tune into the immediate needs, aspirations, challenges, and incentives of their workforce. These insights lay the foundation for data-driven strategies, fostering sustained employee engagement.

What is employee experience (EX)?

Employee experience is defined as the cumulative impact of the multiple interactions that an employee encounters over their tenure with an organisation, spread across all job-related sites, including the physical office, a WFH environment, commute, work-related travel, and the mind space inhabited during work.

To understand what constitutes employee experience, it is helpful to plot this concept against four contributing dimensions:

1. Physical

The physical dimension refers to all tangible elements involved, such as workplace layout, technology and equipment, working conditions, ambient atmosphere, etc.

2. Cultural

The cultural dimension encapsulates a set of intangible values that the organisation seeks to collectively embody. Decisions like who to recognise, what to celebrate, what to wear, what to say, and even elements of the physical like where to work are determined by culture.

3. Digital

Once considered part of the physical dimension, the digital aspect of employee experiences is becoming increasingly important, comprising the ease of use of technology, flexibility of access, upskilling, and using technology to improve the employee's quality of life.

4. Work

Labour is a core dimension of the employee experience, referring to the actual task(s), clarity of objectives, compensation, new opportunities, and work habits such as collaboration, hierarchy/ non-hierarchy, work-life balance, and the like.

As companies look at improving employee experiences in 2024 and beyond, it is vital to recognise how these four dimensions have fundamentally changed in the aftermath of the pandemic.

Studying EX and engagement as distinct but related concepts

Employee Engagement can be defined as a mix of psychological state, attitudes and behavior towards one's job and organisation. It encompasses the feeling of dedication, energy and absorption in work (i.e., work engagement), desire to make the best effort at work (i.e., work motivation), emotional attachment, loyalty and dedication towards organisation (i.e., commitment), as well as feeling of belonging and oneness with organisation (i.e., identification). In a systematic literature review of research between EE and business performance, it was found that EE supports organisational development and leads to improved business performance. In addition, EE also impacts valued attitudes such as active learning, innovation, knowledge sharing and adaptability.

On the other hand, Employee Experience (EX) is a holistic view of how people interact with and perceive their work. Similar to the way companies approach the Consumer Experience (CX), the end-user's motivations, wants and needs are at the core of EX, and the critical objective is to find the intersection between those elements for each organisation. By deeply understanding the human aspects of working in the organisation, employers can design a tailored experience that demonstrates empathy towards employees, in turn building employee engagement, loyalty and performance. This is based on the belief that 'your employees are your brand'.

EX takes into account the drivers of engagement all along the employment journey, with engagement being an outcome of EX. By focusing on the physical, cultural, digital, and work dimensions of the organisation, a positive EX drives engaged employees.

Four key components constitute engagement:

1. Work engagement

The dedication, energy and absorption one feels when working, as opposed to feeling burnt out. As per the Utrecht Work Engagement Scale (one of the most commonly used engagement scales in scientific literature), engagement is a "positive, fulfilling, work-related state of mind."

2. Work motivation

An employee's desire to apply maximum effort to the task at hand – work motivation precedes work engagement.

3. Work and organisational commitment

An employee's emotional attachment to the job, the workplace community, and the organisation as a whole; a strong indicator of retention.

4. Convergence with self

An employee's feeling of belonging and 'oneness' with the organisation, its values, and goals. This occurs when there is a strong alignment between the organisation and the individual's self-image.
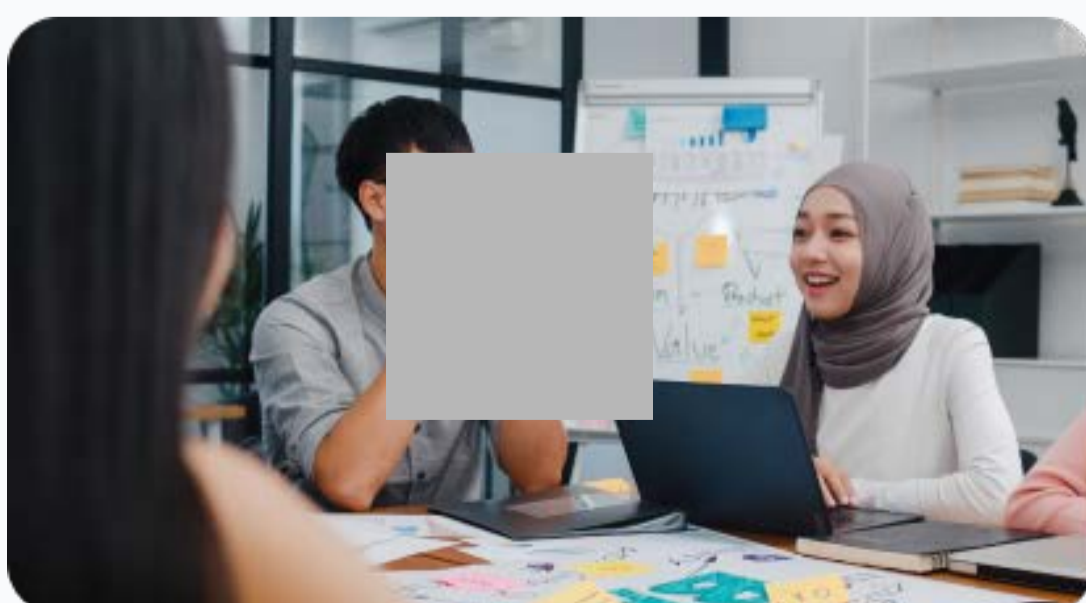
There are several aspects of an employee experience that can make a person more or less engaged. Primarily, the following broad aspects drive engagement at work:

- **Job design** – Expectations, goals, and the balance between feedback and autonomy

- **Leadership** – The degree of support, inspiration, and guidance received from middle and senior management

- **Organisational support and trust** – Efforts made to ensure an employee feels valued and rewarded for being a contributing member

- **HR interventions** – Activities like skill development, benefit programs, and community-building events

- **Personality** – The employee's individual traits that make them prone to greater or lesser engagement

As you can see, while there is an overlap between the factors contributing to high employee engagement and a positive employee experience, the two concepts are distinct from each other. EX is vaster, influenced by granular factors like the ambient temperature and lighting conditions of the workplace, which do not impact engagement.

High engagement, on the other hand, is a specific outcome of positive experiences, along with other outcomes such as employee satisfaction and productivity. However, engagement and its relationship with EX needs to be closely studied to thrive in the ongoing war for talent.
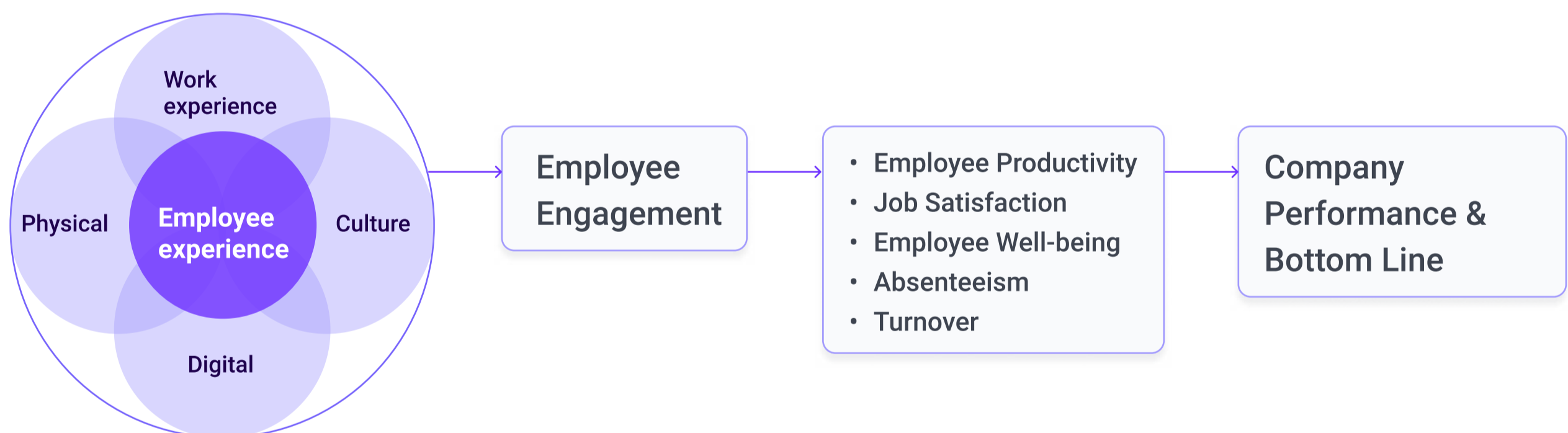
Dimensions of EX

FIGURE 1

It is vital to zoom out and consider engagement not only as a standalone concept but in the context of the holistic employee experience and the end-to-end employment journey. By deeply understanding the human aspects of working in an organisation, employers can design tailored experiences that demonstrate empathy, build engagement, drive business outcomes, and eventually intersect the workforce with your corporate brand.

Simply put, tangible benefits and financial rewards alone aren't enough to engage employees in the new normal. Instead, companies must look at more human and intrinsic drivers that make up EX throughout the employee lifecycle and eventually lead to higher engagement.

Six reasons why EX and Engagement matters

Apart from helping employees stay engaged, the nature of EX influences several other parameters of organisational success. Specifically, there are six reasons why companies must evaluate the cumulative experience across the average employee lifecycle and deliver EX tailored for business outcomes.

1. Positive EX drives individual and collective productivity

Research suggests that employee engagement and EX is linked to both team- and individual-level performance. According to Josh Bersin's Definitive Guide 2021, organisations are 2.2X more likely to exceed financial targets if their HR facilitates positive EX. The link between EX/engagement and productivity/performance could also have to do with the presence of transformational or inspiring leadership in an engaging work environment.

2. Employees will be more satisfied and less prone to attrition

While job satisfaction and employee engagement may be different, they are most definitely correlated. [Research by Governors State University](#) found this correlation to be extremely strong for jobs in the public sector, making it vital to invest in EX design that ensures employees are satisfied. In fact, satisfaction with the job (i.e., contentment with basic job traits like pay, commute, and co-workers) is the bedrock for longer-term engagement that staves off attrition. [Josh Bersin's report](#) confirms that when organisations invest in EX, they are 5.1X more likely to create a sense of belonging and retain employees.

3. Engagement could help in employee health and wellbeing

Companies can bring about higher levels of wellbeing by working towards greater engagement. This is because an engaged workforce is less vulnerable to stress and burnout, receiving timely support and guidance from leadership in tough situations. Also, workplaces that value EX and engagement will also strive for work-life balance, avoiding myriad mental and physical health risks. In a recent report post the pandemic, Gallup emphasised that it is vital to invest in employee engagement (given the current global average of 20%) so that it improves overall wellbeing. As offices reopen, physical wellbeing measures such as sanitisation, safe distancing, and air quality checks must be central to EX design.

4. Smartly designed EX can bring down absenteeism and turnover

Absenteeism and turnover – two primary indicators of workforce disengagement – can be measurably curtailed by reimagining the employee experience. [Gallup](#) observed an 81% decrease in employee absenteeism with an increase in employee engagement. In an engaged workplace, not only are employees more motivated to "turn up" and bring their best to work but they are also encouraged by leadership to address burnout to avoid long-term repercussions like absenteeism arising from ill-health. Also, employees will feel a strong sense of purpose and involvement in the company's objective, preventing turnover.

5. Engaged employees can improve customer satisfaction (CSAT) scores

How your employees feel in the workplace will reflect directly in their attitudes when interacting with customers and the consequent CSAT. This is particularly true for customer-facing roles and industries like retail or contact centres. Even for mid and back-office roles, positive EX and an engaged workforce will lead to better products and more streamlined processes that have a ripple effect on CX and customer satisfaction. On similar trends, Josh Bersin's latest report shows where companies are leveraging the right EX strategy, employees are 2.4x more likely to delight customers.

These five reasons illustrate why it is necessary to invest in a positive EX across the end-to-end employee lifecycle, driving engagement that, in turn, facilitates other key benefits.
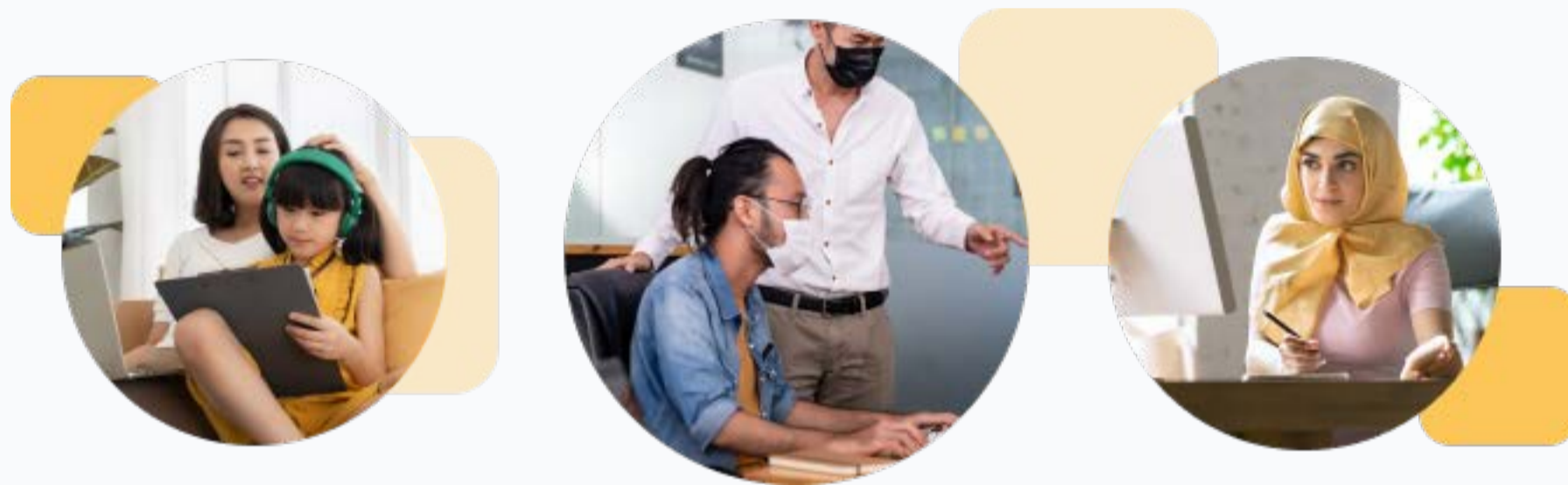
Calculating the ROI on employee experience

For your investments in employee experience to be successful and sustainable in the long term, you need to clearly measure the ROI. Measuring ROI on EX helps to get leadership buy-in on transformative HR programs, identify opportunities and challenge areas in your EX policy, and budget for employee centricity as you grow.

As industry leader Josh Bersin noted that Employee Experience excellence directly leads to positive outcomes – across three areas Business, People and Innovation.

ROI on EX based on outcomes

BUSINESS

Exceed financial targets	**2.2x**
Delight customers	**2.4x**

PEOPLE

Create a sense of belonging	**5.1x**
Great place to work	**5.2x**
Engage and retain employees	**5.1x**

INNOVATION

Adapt well to change	**3.7x**
Innovate effectively	**4.3x**

Business outcomes:
- 2.2X more likely to exceed financial targets
- 2.4X more likely to delight customers

People outcomes:
- 5.1x more likely to create a sense of belonging
- 5.2x more likely to be a great place to work
- 5.1x more likely to engage and retain employees

Innovation outcomes:
- 3.7x more likely to adapt well to change
- 4.3x more likely to innovate effectively

The process of calculating the returns accrued from positive EX and greater engagement usually focus on financial targets, described below. It is important to remember that while this is an important outcome of employee experience excellence, it is not the only one.

Bottom-line cost savings

Positive employee experiences and an engaged workforce can significantly reduce a company's operational expenses, thereby improving your bottom line. This includes savings from reduced absenteeism, lower healthcare costs, a reduction in workplace accidents and related penalties, and, most importantly, savings in turnover costs. In addition, your costs of executive hiring will also decrease as a more engaged workforce, and greater commitment towards the company paves the way for internal hiring, upskilling, and a more efficient succession plan.

Top-line revenue generation

In addition to helping organisations save, investments in EX can also help you earn. These can be factored in as additions to your top-line revenues – as a result of better talent (hired via referrals from highly engaged employees), better products (built by employees who understand and are invested in the company's vision), better services (provided by employees that are happier, and enjoy a state of mental and physical wellbeing), and a better reputation (promulgated by employees that act as your corporate and cultural advocates). Investment in EX can unlock sales profitability (driven by motivated employees who contribute to the company's objectives) in the short term and a significant rise in equity value in the long term.

Ease-of-doing business gains

The third component of your returns from EX is the gains obtained from greater ease in conducting daily business operations. For example, as engaged employees recommend their talented peers, you'll find your recruiting pipeline becoming more efficient and cost-effective. Similarly, problem-solving happens much faster in a highly engaged work environment. Employees are more likely to adhere to leadership decisions, removing operational bottlenecks. Product development cycles also accelerate, helping to get a first-to-market advantage. All of these will factor into your ROI as gains from ease-of-doing-business.

To calculate ROI, therefore, organisations must take stock of the as-is state of performance even as they come up with a new EX strategy. As the change programme is implemented in stages, the metrics used to measure as-is performance are re-examined. This reveals the incremental % increase over time and allows you to dynamically adapt your EX strategy to invest in areas that are most value-generating.

How Singapore's major Telco StarHub executes a data-driven people strategy and improves experience

With data-driven insights and relevant follow-up actions from the team, StarHub saw improved participation in engagement events, reduced attrition rate, and increased eNPS.

READ MORE ABOUT IT

How to become an EX-first company: A three-pronged roadmap

As the future of work evolves and a global competition for talent intensifies, prioritizing the employee experience is essential. Your EX strategy and investments this year could shape financial outcomes for several upcoming quarters. From upskilling employees in relevant areas to managing attrition risk, from acknowledging top performers to thoughtfully crafting a benefits package, the coming year will be a period of comprehensive transformation. This demands a structured three-pronged approach.

1. Beginning with Strategy and Analytics

The first step is to align your employee experience strategy (milestones, interventions, goals, and KPIs) with the larger business strategy in place for the same upcoming period. This will help to measure and report clear outcomes throughout EX implementation so that the expected and predictable ROI is achieved. There are six best practices companies must keep in mind at this stage:

- **Aim for alignment with both business and people outcomes**

  Employee experience must be correlated with people outcomes such as greater engagement or increased productivity, as well as with business outcomes.

- **Define measurable KPIs**

  Clearly defined KPIs that can be observed and quantified such as "likelihood to stay with the company in the next 12 months" or CSAT scores among customers" will help plot progress over the stipulated period of change.

- **Prioritise the customer**

  This includes both the internal customer (i.e., your employees) as well as the end-customer so that EX interventions are tailored to address on-ground needs, motivations, and pain points.

- **Segment employee data**

  It is vital to understand how needs, motivations, and pain points differ across employee demographics such as multiple age groups, caregivers and non-caregivers, new joiners vs veterans, etc.

- **Identify the right questions**

  To collect accurate data as per the necessary KPIs, organisations need to ask their employees the right questions through surveys and feedback programs. Questions must be linked with an actionable decision which in turn results in business and people outcomes.

- **Synchronise with the full employee lifecycle**

  EX will evolve at key moments of truth across the employee's tenure at the organisation. Data collection at key junctures is necessary for a 360-degree view of EX from onboarding to exit.

At this stage, organisations should aim to build the bedrock of the EX programme through sophisticated analytics that can help extract insights into employee experience, engagement, and the potential effect on business.
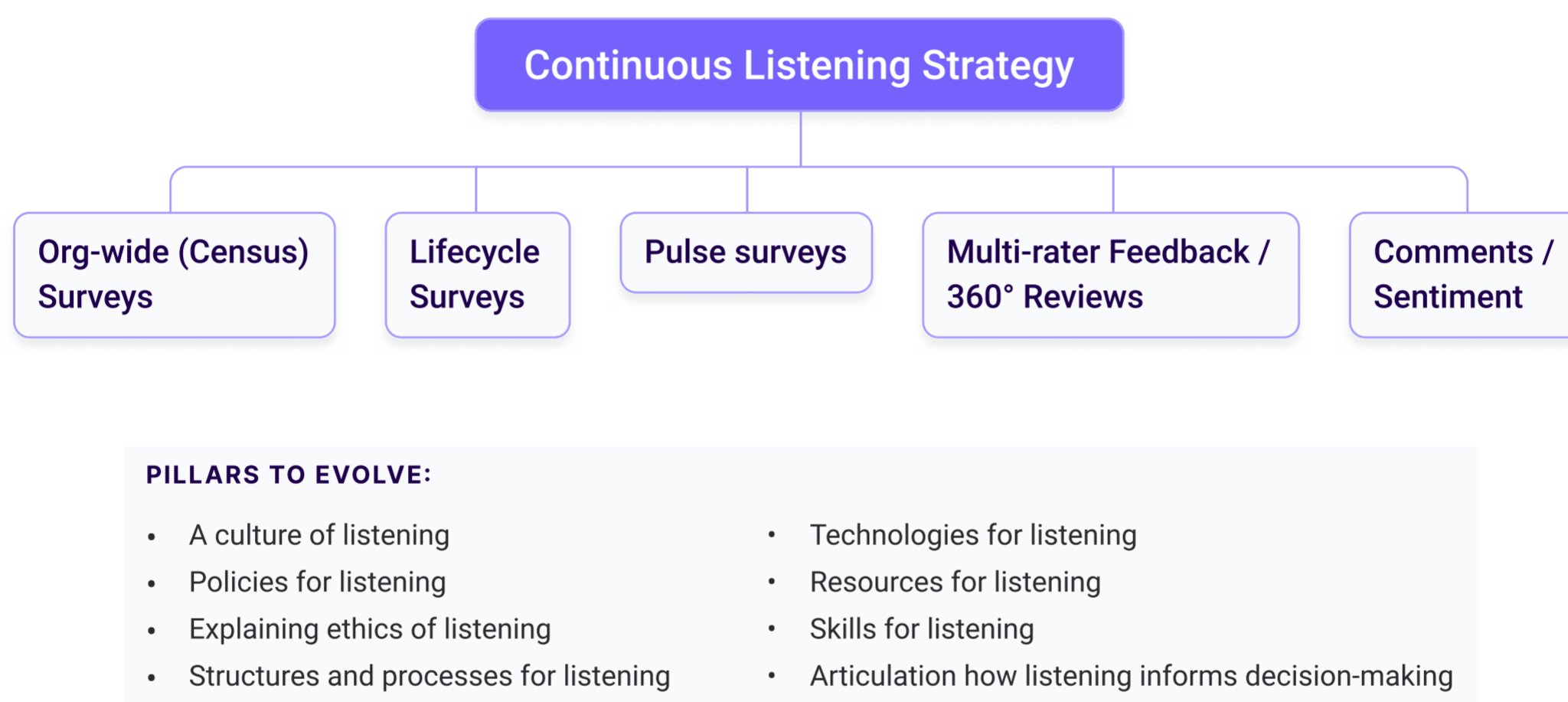
2. Consolidating by Continuous Listening to the VoE

Employee experience is not a static entity, and neither are the needs or expectations of your organisation. That's why an ecosystem of multiple channels is necessary to listen to the sentiment of the workforce – also known as the Voice of the Employee (VoE). Continuous listening programmes that pay attention to VoE can reveal insights into true intent and experience that debunks popular assumptions. Continuous listening reveals the true picture of what employees are going through on-ground, avoiding misleading stereotypes, assumptions, and broad-stroke analytical fallacies.

There are five best practices companies must keep in mind at this stage:

1. **Leverage multiple channels**

    Multiple channels and a diverse set of tools will get you insights into the many aspects of employee experience. It factors in all forms of VoE, and by combining a variety of data sources, you can root out false positives and false negatives. It is advisable to use organisation-wide surveys, lifecycle surveys, pulse surveys, multi-rater feedback and open-ended comments.

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                    ┌─────────────────────────────────┐
                    │  Continuous Listening Strategy  │
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| Org-wide (Census) Surveys | Lifecycle Surveys | Pulse surveys | Multi-rater Feedback / 360° Reviews | Comments / Sentiment |

PILLARS TO EVOLVE:

- A culture of listening
- Policies for listening
- Explaining ethics of listening
- Structures and processes for listening
- Technologies for listening
- Resources for listening
- Skills for listening
- Articulation how listening informs decision-making

Each of those different mechanisms serves a different purpose.

◆ **Org-wide surveys**

Involve the entire population, to gain breadth and depth of info across the organisation.

◆ **Lifecycle Surveys**

Specific individuals are invited to participate based on their stage in their employee lifecycle, e.g. onboarding or exit surveys. These are "always on".

◆ **Pulse Surveys**

Extended to a sample or the whole population. Useful for tracking trends, diving into detail on specific topics or employee groups. Eg. employee net promoter score, 10-20 question "dipstick" surveys, or longer topical surveys on topics like total rewards, mental health, diversity & inclusion, etc.

◆ **Multi-rater Feedback / 360° Reviews**

Either include peer reviews or 360° feedback focusing on manager behaviours, competencies or values. These are usually reserved for developmental purposes, but when used carefully, may be applied as input for performance appraisals.

◆ **Comments / Sentiment**

These include the analysis of open-ended comments in surveys, as well as the ability to respond to these comments in a psychologically safe way, eg. via an anonymous 2-way chat. This provides qualitative input to supplement the quantitative data collected via other methods.

2. Develop two-way communication

The continuous listening mechanism must include an acknowledgement of the fact that the VoE has been heard. You can achieve this by designing communications based on the input from end-users. The feedback can help shape follow-up actions such as further questions, and a brief snapshot of the insights gathered, creating a closed feedback loop. A closed-loop will ensure that the conversation is genuine and authentic (instead of being top-down), and positively contributes to the bonds of trust.

3. Get employee buy-in for continuous listening

A continuous listening strategy, as opposed to one-off programmes, requires active buy-in and participation from the workforce. Ineffective surveys can exacerbate disengagement instead of detecting its root cause. That's why it is important to first communicate the programme to employees, set up continuous listening Champions if needed, and demonstrate the benefits of active participation. For example, frequent check-ins pioneered at Netflix by Patty McCord helped to both improve performance as well as reduce stress and anxiety.

4. Make it cross-functional

Continuous listening cannot be just a one-off checklist exercise, siloed to a single department, team, or business unit. That's why companies must configure a centralised programme supported by data unification between departments to gather meaningful insights for specific employee segments and specific employment lifecycle milestones across the organisation. Different functions have different needs, different OKRs, and it's important to examine differences across various functions to identify opportunities for improvement.

5. Weave continuous listening into your culture

In the long term, continuous listening of employees' feedback has to be so embedded in the company culture that it takes place seamlessly, through both formal and informal efforts, and can capture the micro-experiences of an employee's workday. This requires training managers on the tenets of EX and employee centricity and active participation from senior leadership.

3. Thriving through Action and Ownership

The final step of your three-pronged roadmap to becoming an EX-first company involves the meaningful utilisation of data to solve real employee problems. In addition, stakeholders across the organisation, from HR and management to team leaders and learning professionals, must know their role in EX and the outcomes they are striving for. They should be focused on garnering regular feedback and acting on the same in alignment with the KPIs and targets established in the first step.

There are **four best practices** companies must keep in mind at this stage:

1. Make EX data accessible to stakeholders

The insights from continuous listening and VoE programmes will be collected in a centralised manner, ready for dissemination and use across the organisation. This means that key stakeholders must be trained on data interpretation to garner the most meaningful and relevant insights from the centralised repository. A smartly designed dashboard with role-based access can also help, as it ensures that the right data reaches the appropriate stakeholder and that the insights are easy to read without any statistical knowledge.

2. Incorporate EX into leadership development

C-level leaders, middle management, and even team leads must be trained on the importance of EX and how their role is intertwined with the various dimensions of the employee experience. There are two sides to this conversation – first, senior management must frequently speak on EX as a key corporate value. Second, there has to be an emphasis on the use of VoE data when making organisational decisions.

3. Foster psychological safety

An environment of psychological safety is essential if employees are to express themselves and provide authentic feedback. Worryingly, our research found that more than a third of employees said that they do not discuss work-related problems with their managers. Trends like these can work against you when building an EX-first company, denying employees the psychological safety they need to express the genuine VoE. That's why managers and leaders have to be trained on this aspect of work culture, particularly in the context of remote and hybrid work.

4. Develop data-based interventions and measure impact

A clear framework of data-based interventions is required to guide the organisation consistently and holistically towards a more positive EX. Managers should be able to read data, understand the intervention required using the framework, and be empowered to take relevant follow up actions. The impact of the intervention should also be measured, as the accumulated impacts over time will give you the ROI from EX investments.

The three prongs – beginning with **Strategy and Analytics**, consolidating by **Continuous Listening to the VoE** and thriving through **Action and Ownership** – will assist organisations as they place employee experiences in the front and centre of their people strategy, business strategy, and eventually, the super-long-term corporate vision.

Considerations in choosing the right virtual employee experience platform

Selecting the right employee experience tool is vital for robust workforce engagement. It's essential to evaluate key factors when choosing an employee engagement platform.

1. Meeting Stakeholder Needs

When selecting a tool to boost employee engagement, it's crucial to ensure it caters to the diverse needs of all stakeholders involved:

HR Teams: are at the frontline of implementing these tools. For them, reliability is key. They need a system that doesn't falter, is adaptable to the changing needs of the organization, and is backed by prompt support. Additionally, a rigorous quality control mechanism is essential to ensure that the tool remains effective over time.

C-suite Leaders: The top management often looks at the bigger picture. For them, a tool isn't just about gathering feedback—it's about deriving actionable insights that can drive business growth. They prefer a tool that can offer tailored recommendations directly linked to critical business metrics, and provides trend analysis to anticipate future needs or challenges.

Managers: Often acting as the bridge between the workforce and the leadership, managers need tools that are straightforward to use. Essential to their workflow is the ability for the solution to integrate seamlessly with platforms they're already familiar with, such as Teams, Slack, and other collaboration tools. They require access to essential data that can help them understand their team's sentiment and dynamics. Beyond just raw data, they benefit from conversation guides that can help navigate sensitive topics. Actionable suggestions provided by the tool can be invaluable for managers, enabling them to take immediate steps to enhance engagement within their teams.

Employees: Their trust and buy-in are essential for the success of any tool. As such, the tool needs to guarantee confidentiality, ensuring their feedback or data isn't misused. Furthermore, an intuitive and user-friendly interface will make it easier for them to interact with the system, ensuring higher participation rates.

Given the varied needs of each group, it's imperative to engage in a comprehensive consultation process. Before settling on any solution, conduct thorough discussions with each stakeholder group to gather their specific requirements. Only by understanding and addressing everyone's needs can you choose a tool that truly drives employee engagement across the board.

2. Transparency in Partnership

In a great partnership, transparency involves a commitment to open communication, developing trust, and setting clear expectations. When you prioritize transparency while choosing an employee engagement tool, you can collaborate effectively with the provider. An open and honest dialogue ensures that your organization and the employee engagement tool provider are on the same page. This can lead to more productive and tailored engagement strategies.

3. Ability to Customize Dashboards

Customizability gives power to HR managers to tweak the employee engagement platform as per their unique needs, preferences, and goals. With customizable dashboards, you can design them as per your organization's branding, workflow, and goals. You'll notice that it improves usability and relevance.

Plus, your teams can see the specific insights and data points that matter most to them. This customized setup helps you focus on particular actions because you have the right data.

4. Strong Support

These experts have an intimate understanding of the tool's intricacies. So, if you ever run into problems or questions about how to use the tool, these experts can help you quickly. They can fix issues, give you advice, and help make your engagement efforts better. It's also crucial to check the Service Level Agreement (SLA) with the provider. Their timely support can reduce downtime and amplify the advantages you reap from the tool.

5. Project Management and Responsiveness

Your chosen employee engagement tool should excel in project management and responsiveness. A tool with effective project-tracking features will let your teams stay organized. Whether you have to change survey questions or solve other issues, a responsive team ensures that your employee engagement efforts stay on track and meet your goals. Additionally, it's crucial to confirm that the provider employs people science specialists who can provide expert advice, guaranteeing that your strategies are based on solid theories and informed insights.

Improve employee experience with
EngageRocket's BELONG

Engage your talent from day one
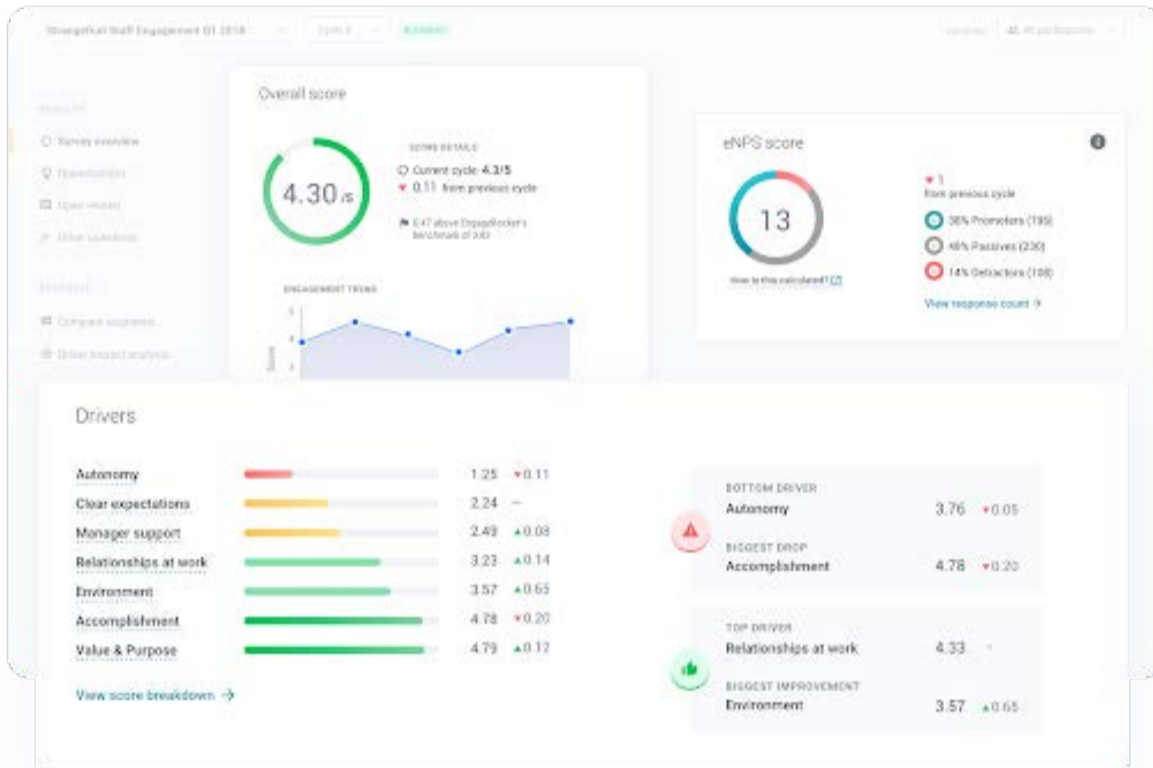
- **Question Library:** Ask research-backed questions & get feedback for on-boarding, engagement, etc
- **Confidentiality**: Encourage communication without compromising employee's confidentiality.
- Build **multi-language surveys** in one click and create and export **custom dashboards and reports** easily
- **Equip managers with the right tools** to identify of key areas to focus
- **Enable better team connections** with targeted activities and conversation points
- **Monitor progress to foster accountability** with HR Dashboard to track actions and send reminders to team leads

Automate your 360 feedback reviews with
EngageRocket's GROW

Develop your leaders into their best selves
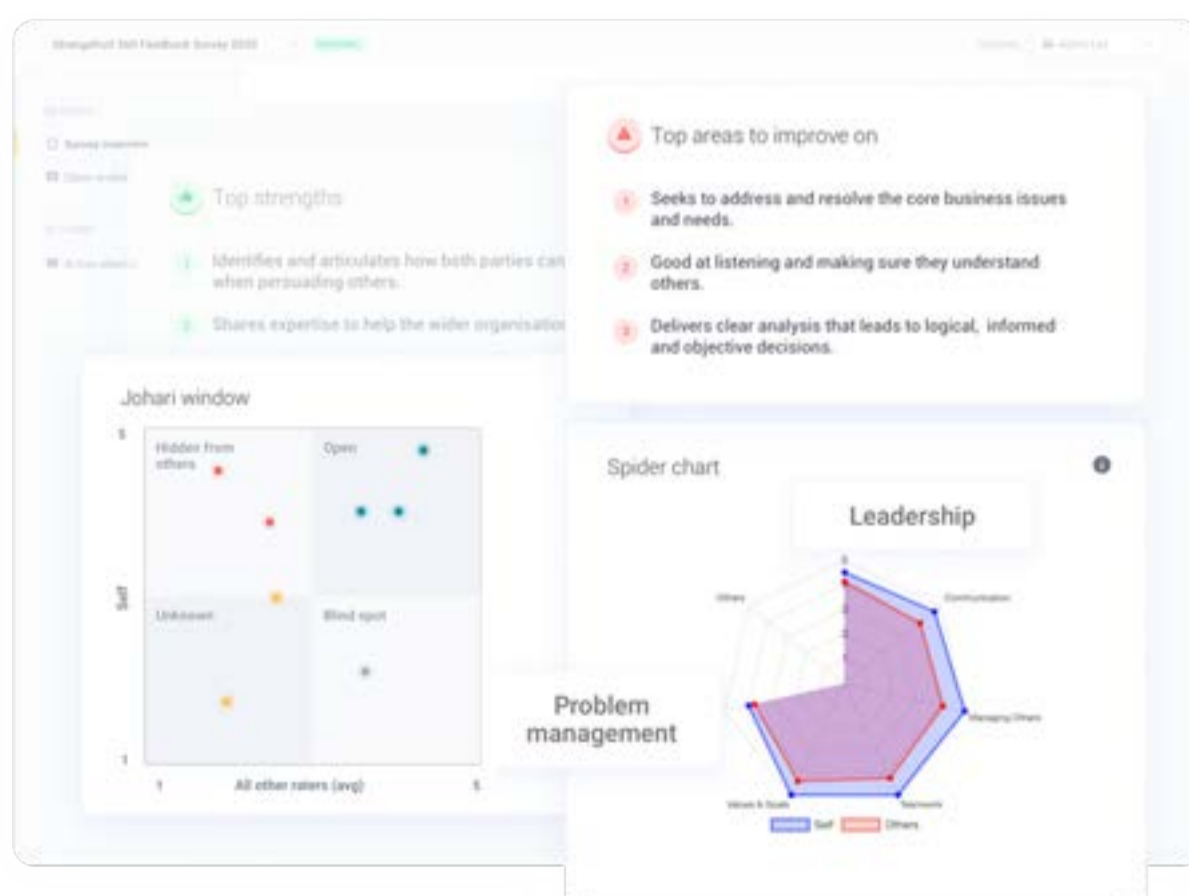
- **Flexible setup**: customise questions, rater groups, selection methods, communication and reminders.
- Large validated competency and **question banks**
- Powerful **analytics**
- Data-driven **learning needs analysis**
- **Action planner**: Set goals, targets, tasks and reminders to encourage personal mastery
- Follow through closely and **monitor progress**
- **AI-assisted feedback**

About Us

EngageRocket

EngageRocket is an employee engagement and performance management platform that helps businesses build engaged teams, empowered managers, and elite organizations. Trusted by the top companies in 14 countries and spanning 20 diverse industries—including Sephora, Toyota, Nikon, CGS-CIMB, and Epson—EngageRocket provides continuous listening and real-time analytics to support impactful management action.

Learn more at www.engagerocket.co

Our Learning Hub

Resources to help you strengthen your EX knowledge

- EngageRocket Resources

- Case studies

- EngageRocket Blog

- HR Impact- Community for HR Leaders
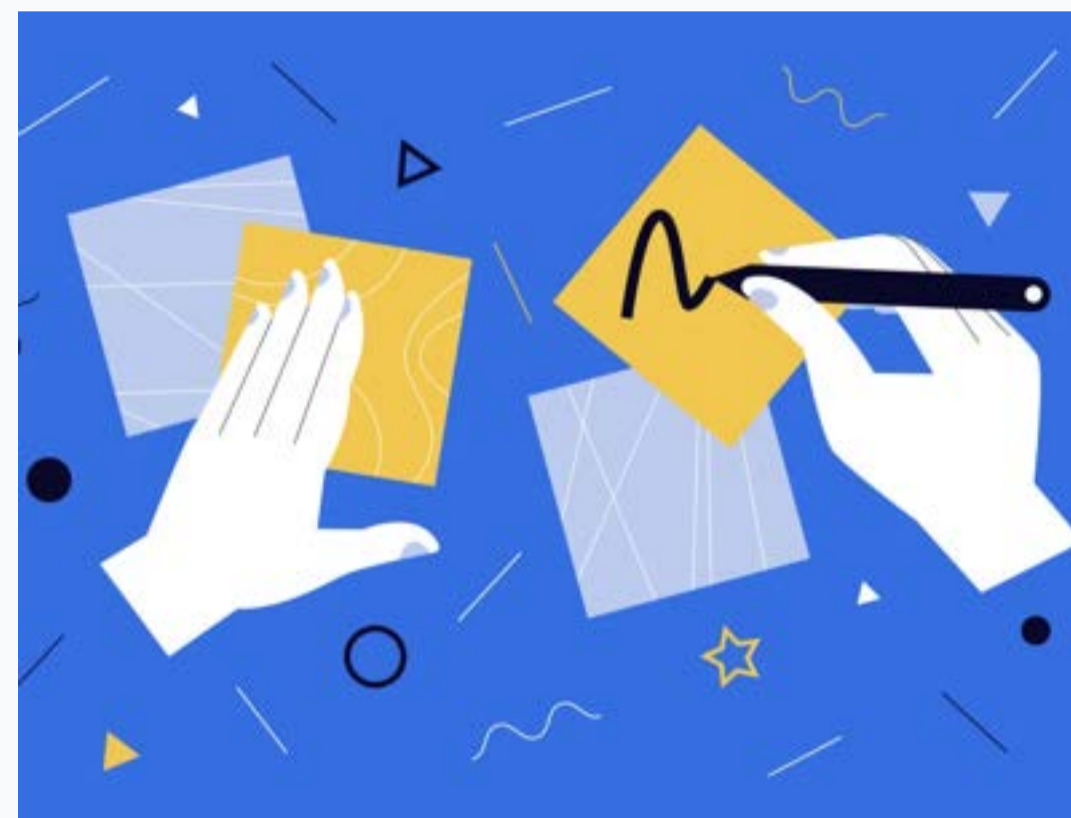
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