

THE BIG, BAD STATE OF EX

Findings from the
State of EX 2022 Survey

 FOUNT

 TYPEOPLE

The Big, Bad State of EX

3	Foreword
4	Executive Summary
6	Small Teams, Small Budgets, Big Potential
11	Big Challenges
14	Big Silos
16	Dispersal: How Much Is EX Work Shared Across the Organization?
17	Storytime: EX Is Everybody's Job
18	Bad Data
21	Measurement: What's Wrong with EX Data?
22	Storytime: Psych!
23	Big Plans, Bad Strategy
24	The EX Team
28	Humancentricity: How Employee-Centric Is EX Work?
30	Storytime: Big Isn't All Bad
31	The HR Function
35	Agility: What Do EX Ways of Working Look Like?
37	Storytime: Don't Go Chasing Waterfalls
38	Conclusion: Flip Big
41	Four Benchmarks to Assess the State of EX in Your Organization
43	Appendix
43	About the Survey
44	About the Survey Respondents
46	About the Author
46	Acknowledgments



Foreword

The 2022 State of EX research findings come at a noteworthy time as CEOs demand higher levels of productivity from their teams, employees are experiencing burnout and finding new ways of “Quiet Quitting,” and the economy teeters on recession. For large organizations focused on removing needless friction from work in order to attract, motivate, and retain talent, understanding the state of employee experience (EX) couldn’t come at a more opportune time.

The organizations that recognize these shifts in the macro work environment and prioritize how they listen, measure, and act on employee feedback will be best positioned to compete for talent and increase the productivity and satisfaction of people at work. We have seen this reality play out with our own customers—many of whom are at the forefront of EX work—as some of their early EX improvements are identifying and removing bottlenecks in the work environment and in return are yielding triple-digit increases in employee satisfaction in critical areas of the business.

This year’s State of EX respondents reflect a cross-section of HR and business leaders—beyond the sole EX practitioner or team. With that input, we see a broadening interest in EX work throughout the organization. Not surprisingly, measuring and solving the many sources of friction employees experience as they go about their work is core to the success of business. But where to begin? The answer is simple: start small.

One of the most striking findings in this year’s research is that unlike large, transformational HR projects that require a heavy lift many years in the making, EX work is more agile in its implementation. It can be broken down into small, manageable projects across specific moments, roles or geographies and prioritized by criticality, accessibility, or any other strategic directive. Vanguard EX organizations are embracing this iterative approach because it delivers quick wins, big impact, and a repeatable template with plenty of room to scale. We believe this year’s study will inspire you to continue to invest in EX and make it a strategic advantage for your organization.

Thank you,

Volker Jacobs

Co-founder and CEO, FOUNT Global, Inc.

Timo Tischer, PhD

Consulting Director, TI People

Executive Summary

The 2022 State of EX survey was fielded by T1 People and FOUNT Global, Inc., from August 16 to September 19, 2022. A total of 161 global respondents of various org sizes and industries included EX leaders, EX team members, corporate HR leaders, HR business partners, and non-HR business leaders. They told us:

94%

believe EX work is a long-term commitment for their organization

>50%

of EX teams have budgets of <\$100k/yr

#1 challenge

Measuring the business/financial impact of EX improvements

79%

struggle to coordinate EX work across their organizations

#1 EX-influencer organization-wide

Business leaders and managers

76%

place primary accountability for EX on HR, not business leaders

Long-term outlook

Despite the small size and low budgets of EX teams, the long-term outlook for EX work in organizations appears positive.

- Respondents are confident that, even in the current business environment, senior leaders will continue to invest in EX.
- Improving EX is not yet an enterprise-wide priority in most organizations, but neither is it the prerogative of just HR or a single business unit.
- Although 44% of respondents feel their senior leaders currently place less importance on EX than other corporate priorities, 40% say their leaders value EX and other priorities equally.

Top challenges

The top 5 challenges organizations face in achieving their EX goals all center on measurement, cross-functional collaboration, and experience redesign. Measuring the business/financial impact of EX improvements—the top challenge—is a struggle for 85% of respondents.

Collaboration

EX teams seem to struggle to engage business leaders in EX work. This struggle may be due partly to a perception that EX is “HR’s job”, and partly to a failure to adapt traditionally slow, cumbersome, scaled HR ways of working to the urgent, agile, targeted needs of business leaders.

92%

run employee surveys
at least once a year

70%

feel EX data
is inadequate
for their needs

61%

have an EX
improvement strategy
for at least the next
6 months

60%

prioritize senior
leader buy-in
over employee
preferences when
choosing EX
improvement projects

**#1
EX-influencer
in HR**

Talent, career mobility,
skill development

66%

prioritize EX
improvements that
impact all employees

Measurement

EX data is currently satisfying very few people in EX, HR, and especially the business. The problem does not appear to be the quantity of data available, but the kind: Data collected at scale doesn't provide sufficient insight into specific experience problems to inform action.

Top priorities

EX teams' 1-3-year priorities show a preference for infrastructure-building in the short-term, function-building in the mid-term, and business value in the long-term. Experience redesign—the team's most impactful work and the most expedient means to prove business value—ranks as a moderate priority all 3 years.

HR investment

HR's investment portfolio is apparently difficult to differentiate in terms of EX impact, which in turn makes it difficult for HR to prioritize its investments. This problem is likely rooted, again, in the kind of EX data currently available in most organizations.

Small Teams, Small Budgets, Big Potential

Our EX maturity is in its infancy.
–EX team member

EX is not even a word that is taken into account in the organization I'm working in right now. We are at the very start.
–HR leader

Slowly but gradually, we are becoming more and more important for the business. And senior leadership is beginning to embrace EX.
–EX leader

Small Teams, Small Budgets

As the quotes from our survey participants on the previous page indicate, most EX teams are still the new kid in their organizations. So it's not surprising that nearly half of respondents reported being on a team of just 1-3 people, with 74% on teams smaller than 7 people.

Similarly, over 50% of respondents reported an EX budget of less than \$100k/year—including 39% with no budget at all. Where EX budgets exist, an average of 85% of funding is provided by central/corporate sources, with just 15% coming from lines of business.



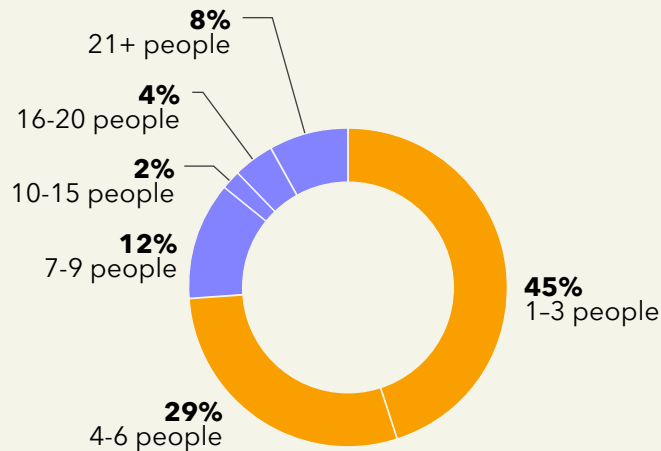
Is small bad?

Not necessarily. Small teams and small budgets may indicate organizations still see EX teams as an experimental—not yet proven, permanent—way of organizing people work. However, findings on the following pages suggest that the majority do not view EX work as just an experiment, and our respondents' small teams are not necessarily

all of the EX teams at their organizations. Additionally, the 8% of respondents on teams of over 21 members with a budget of over \$1M/year also suggests that, in some places, EX work has taken a firm hold. So to us, these findings just point to the newness of EX work itself, not necessarily to how much people believe in it.

EX Team Size

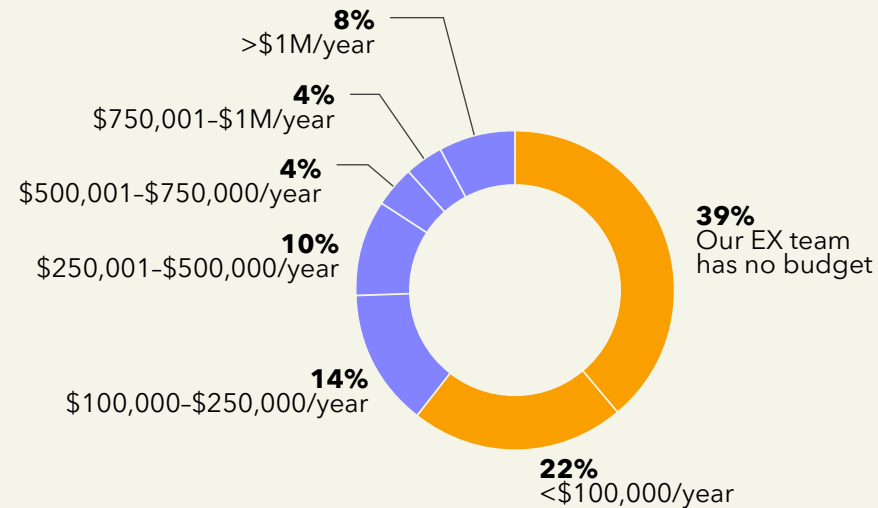
How large is the EX team that you're on (including the seniormost leader)?



N=51 EX professionals
Select-one

EX Team Budget

What is the (approximate) annual budget of the EX team you're on, in US Dollars?



N=51 EX professionals
Select-one

Big Potential

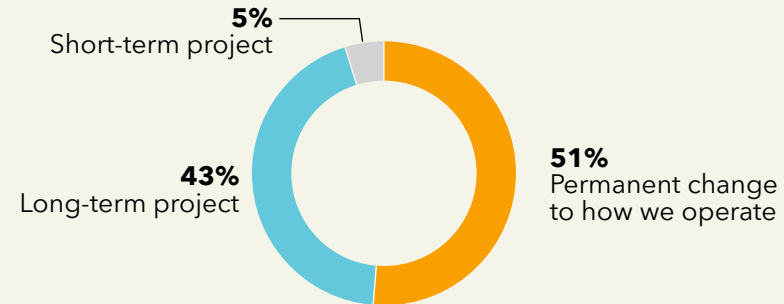
Although small teams with small budgets might indicate that senior leaders are waiting for proof before investing further in EX work, our respondents were quite optimistic that their organizations are actually transitioning to a whole new way of working. A whopping 94% report that improving EX is more than just a short-term project at their organizations, and over 50% claim it's a permanent change in how their organizations operate.

Furthermore, our respondents interpreted the current business environment as disproportionately favorable for EX investment. Of the three macro-socioeconomic conditions we inquired about—economic uncertainty, competition for talent, and return-to-office/hybrid work issues—two of the three were reported to inspire greater desire to invest in EX. And even for economic uncertainty, nearly 50% of respondents said they expect it to have no effect or a positive effect on EX investment in the near future.

That being said, our survey participants do recognize organizational barriers to improving EX, namely in the form of competing priorities: Above, where 51% of respondents said they see improving EX as a permanent change of operations, a majority also said that EX is a priority in some parts of the organization, but not all of them. And when asked how important EX is to senior leadership relative to other corporate priorities, 40% said it's of equal importance, but 44% said it's less important.

Perceived Organizational Commitment to Improving EX

Which of the below best completes this sentence? "For the portion of my organization that prioritizes EX, improving EX is a..."

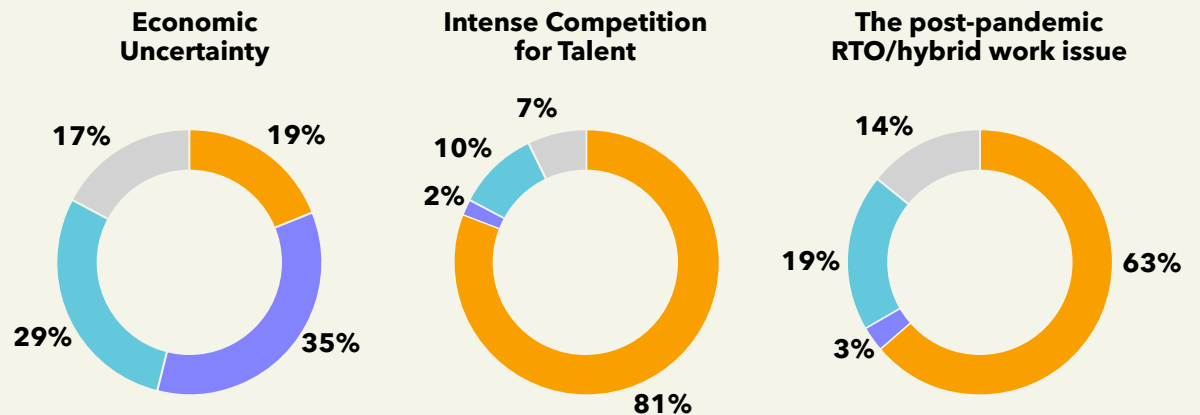


N=136
Select-one

Perceived Impact of Macro-Socioeconomic Conditions on Willingness to Invest in EX

How have the below conditions changed how much people at your organization are willing to invest in EX improvements?

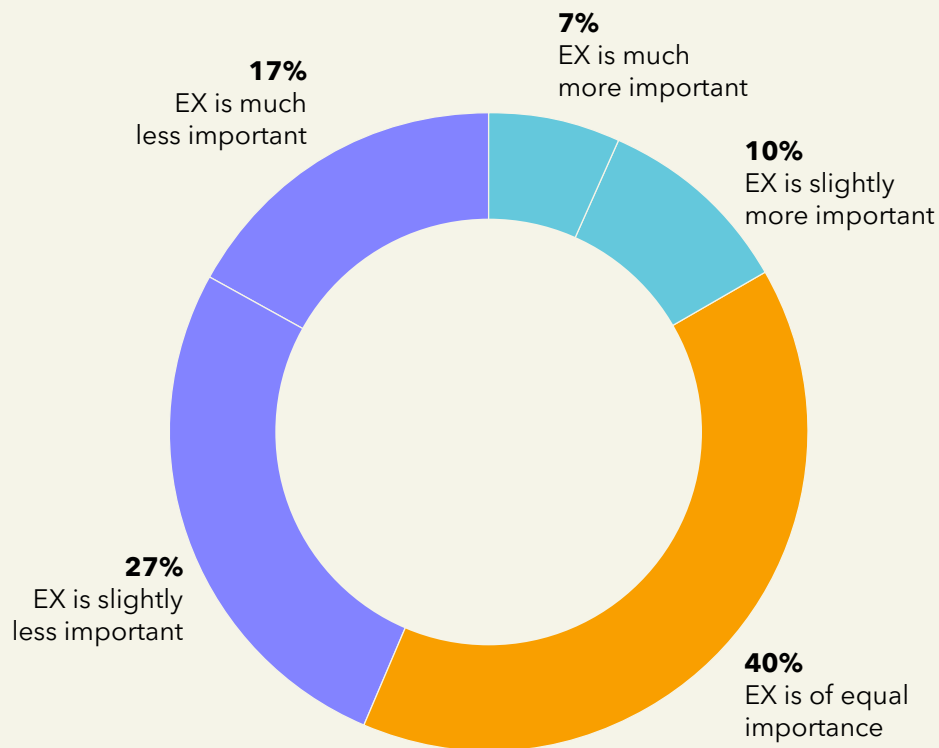
- They seem willing to invest more in EX because of this
- They seem to want to invest less in EX because of this
- I think this will have no influence on how they invest in EX
- I'm not sure



N=98
Select-one

Perceived Importance of EX to Organizational Leaders

In your opinion, how important is EX to your organization's leaders relative to other corporate priorities?



N=136
Select-one



EX: A prognosis

Our survey respondents appear to take a balanced view of EX work's staying power: On one hand, they recognize that EX is a top priority only in pockets of their organizations, and that senior leadership doesn't (yet?) view it as the preeminent corporate priority. On the other hand, they're confident that the current business environment is auspicious for EX investment, and that that investment will be a long-term one. If they're right, EX work is here to stay, but organizations have a long way to go (and EX teams have a lot of buy-in to secure) before it becomes the primary way they approach people work.

The current economic context has put stress on societies overall. People face more insecurity and complexity in many parts of their lives. **If EX management leads to smoother, less cumbersome, more pleasant work experiences, it can significantly contribute to the healing.** It can help people lead a more content life because it takes a part of the insecurity-weight off their shoulders. Employees will feel and value this—[and respond] with identification and performance.

–EX leader

Big Challenges

The most important question is how to relate EX to bottom-line KPIs.

–HR leader

Data is your best friend on this journey.

–EX leader

Our current EX activities are run in silos with no aligned methodology. Prioritization is decided within the different units, not based on hard data.

–EX team member

Understanding why many senior leaders don't yet prioritize EX on par with other corporate priorities depends partly on what those other priorities are for individual organizations, and partly on the achievements of EX work itself to date. The former question was beyond the scope of our survey, but for the latter, we drilled down to find out what prevents EX professionals from wowing their executives.

The answer, it seems, is primarily two-fold:

Top Challenges

- 1 Measurement
- 2 Cross-functional collaboration

Hands-down, measuring the business/financial impact of EX improvements is our respondents' top challenge, with over 85% saying it's a barrier. Even measuring the impact of EX improvements on employees (a much simpler task analytically) is a struggle for 65% of respondents.

Sandwiched between these measurement items are two collaboration challenges: coordinating EX work across the organization and cultivating a common understanding of EX organization-wide. Respectively, 79% and 77% of respondents said these are barriers to achieving their EX goals.

The top four challenges, then, are either measurement or coordination-related. Just below these we find three of the four "EX impact-makers," as we call them:

EX Impact-Makers

- 1 Identify experiences to improve
- 2 Prioritize improvement opportunities
- 3 Redesign experiences
- 4 Implement improved experiences

Our respondents seem to feel they have the first impact-maker down—although even here, 51% said it is a challenge. Prioritizing, redesigning, and implementing, though, are clearly much more difficult, and of these, redesigning is the most frequent struggle.

Below these three we get a random spattering of barriers, notable perhaps only for the fact that they tend to be things that HR can do on its own, without collaboration from the business. Is that why they're less of a challenge? The suggestion of big silos in EX work hints it may be so.



First hint of "big bias"

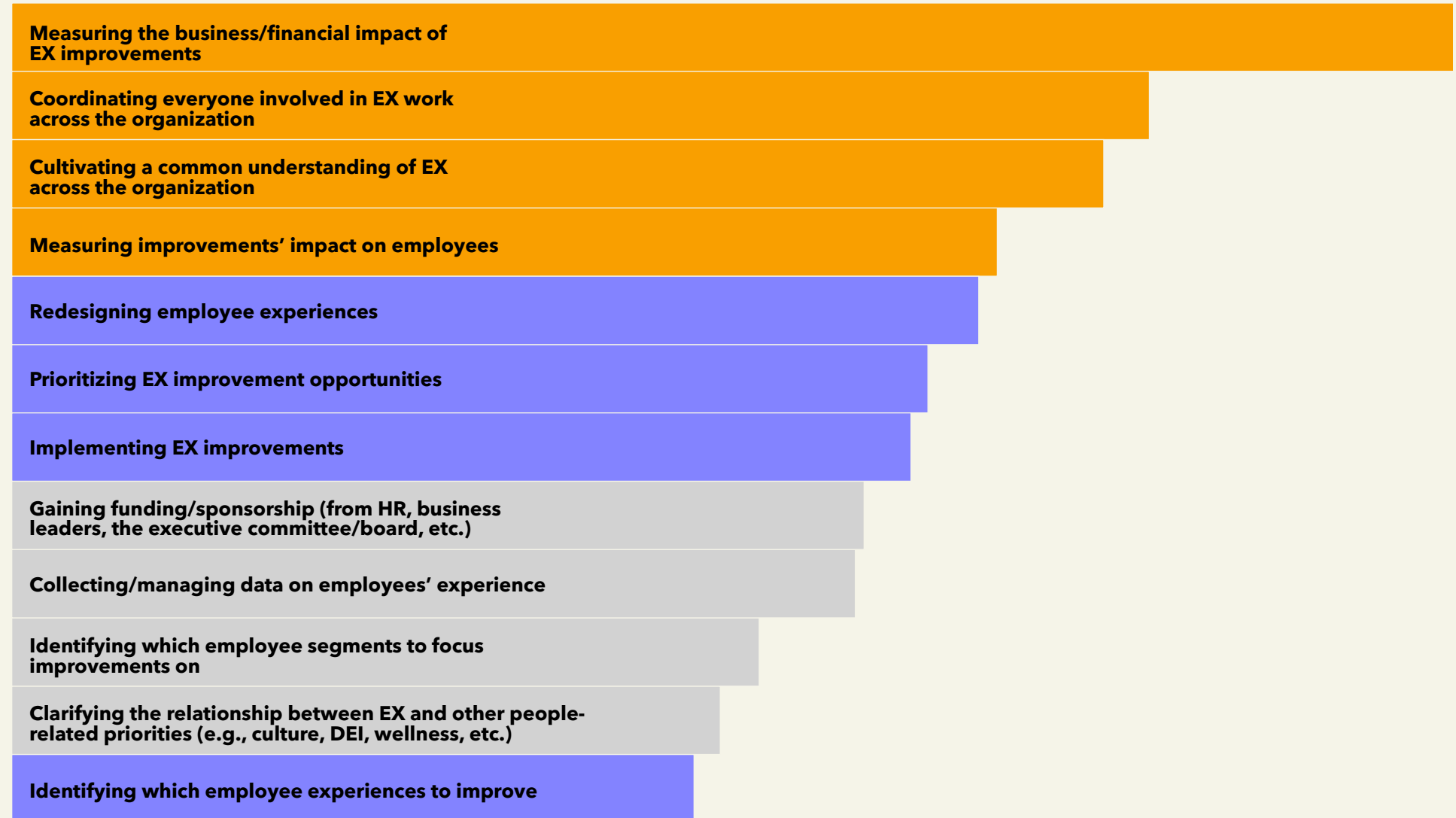
What organizations perceive as a challenge is one indication of what they're focused on right now—in other words, of their priorities. Below, we'll look more closely at EX teams' 1-3-year priorities, but these challenges reported by all survey respondents definitely foreshadow those priorities in their emphasis on "the big stuff". Measurement and coordination are big, complex, infrastructure-building endeavors that take a long time to hash out. And that stuff is getting more attention in organizations than the actual impact-making work of experience redesign, which can be tackled on a small scale quickly, iteratively, and with much more tangible payoff than "the big stuff".

So when we look at these challenges, what we hear our respondents saying is, "We have to build out all this big stuff before we can get down to the real work of redesigning experiences". And while we understand that that's business as usual in most organizations today, we don't think it's the best strategy for EX work. The best strategy is to put experience redesign first (which, trust us, is plenty challenging). In doing that work, you'll figure out the big stuff little by little along the way.

Barriers to Achieving EX Goals

What's getting in the way of your organization achieving its EX goals?

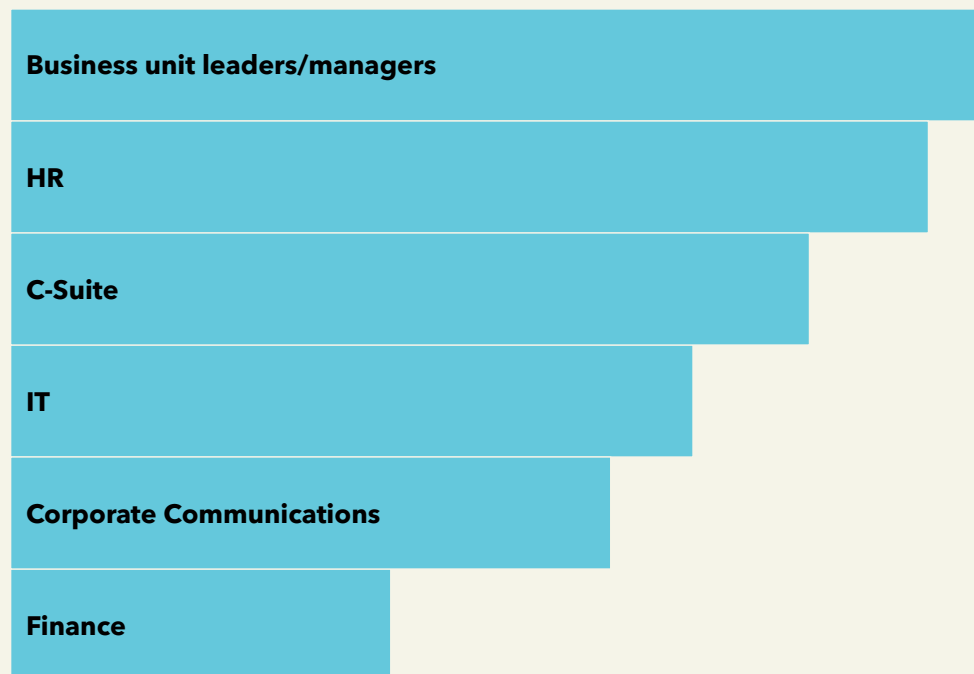
■ Top Challenges ■ EX Impact-Makers



N=118
Group+rank

Perceived Impact of Organizational Players on EX

Thinking about employees' total experience at your organization, how much of that experience do you feel is directly attributable to the work of the teams listed below?



N=121
Rank

Big Silos

Although the vast majority (70%) of EX teams report into HR, respondents from EX, HR, and the business agreed that HR does not have the most impact on EX–business leaders and managers do.

Unsurprisingly then, when we asked EX teams who their most important partners were, they chose business leaders over HR. But when we asked who their most helpful and frequent partners were, positions changed. (See next page.)

Business Leaders Rank

#1 influencers of EX

#1 most important partners of EX teams

But only...

#4 most helpful partners of EX teams

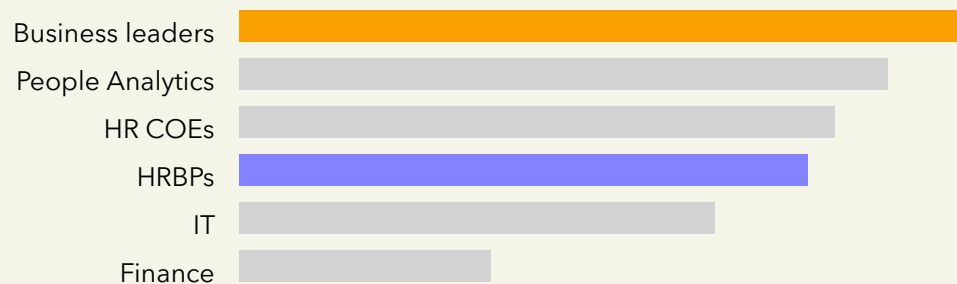
#4 most frequent partners of EX teams

HRBPs—HR's bridge to the business—may be the key to what's going on here. EX teams viewed them as lowest in importance of all those in the business and HR, yet they outrank business leaders in helpfulness and are second only to People Analytics in frequency of partnerships. These rankings paint a picture of an EX team that recognizes the importance of collaboration directly with the business, but that can't get those business leaders to engage in collaboration and therefore uses HRBPs as an "in-house" substitute.

This interpretation of the partnership data is supported by the finding that 60% of respondents' EX KPIs either aren't embedded in anybody's strategy or are only integrated into HR's.

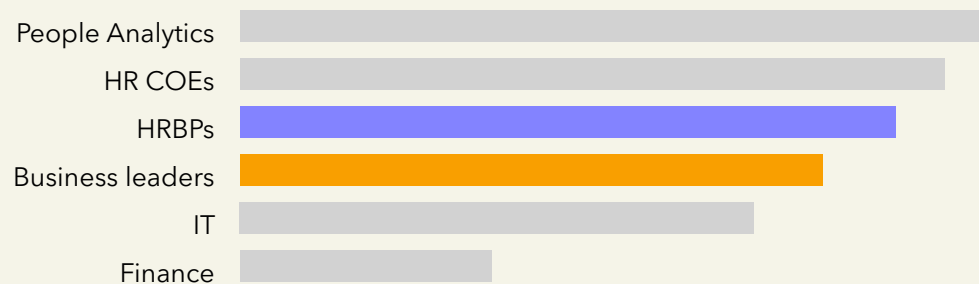
EX Team's Most Important Partners

How important would you say each of these partners is to the EX team's mission?



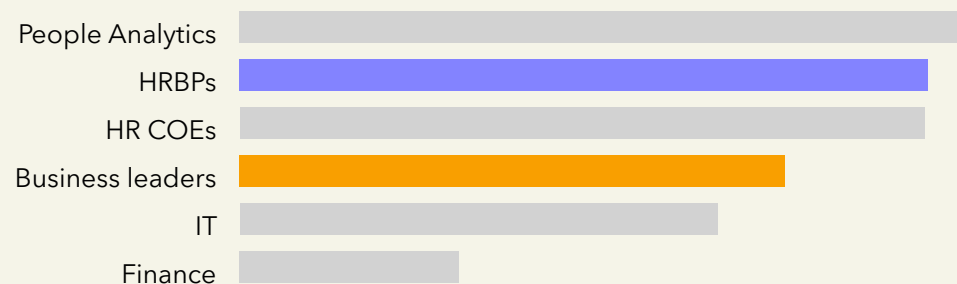
EX Team's Most Helpful Partners

How helpful would you say each of these partners is to the EX team?



EX Team's Most Frequent Partners

How frequently do you partner with each of the below teams?



N=51 EX professionals
Rank



HR-business partnership on EX: A two-pronged problem?

As we'll see in more detail below, HR and the business appear to have very different values when it comes to people work: HR prefers the big, broad, enterprise-wide approach, whereas business leaders and managers appear to prefer a more small, focused, targeted approach. That makes sense given each player's sphere of responsibility, but if business leaders and managers are the real EX-influencers, then HR may need to adjust its traditional way of working to engage the business in EX improvements.

Speaking of spheres of responsibility, though... If business leaders and managers have so much influence on EX, why do EX teams usually sit in HR? Of course, because traditionally HR—not business leaders and managers—is responsible for people work. Which suggests another potential explanation of the partnership challenge: Business leaders and managers perceive EX as "HR's job", not as *their* job.

Dispersal: How Much Is EX Work Shared Across the Organization?

To find out whether EX work is treated like HR's job in our respondents' organizations, we created a 4-point, 4-item scale that measures the degree to which EX work is shared by HR and the business. This is the first of four such scales we'll introduce in this report, and it's the one our respondents scored lowest on.

Judging from these responses, EX work is treated as "HR's job" in the overwhelming majority of our respondents' organizations. Which, again, may help explain why EX teams struggle to partner with business leaders, get EX KPIs embedded into non-HR strategies, and possibly also why they struggle to get senior leaders to put EX improvement on equal footing with other corporate priorities.

Dispersal Scale

EX Improvement Initiation

Our EX improvement projects are most often initiated by...

- The EX/HR team
- The business

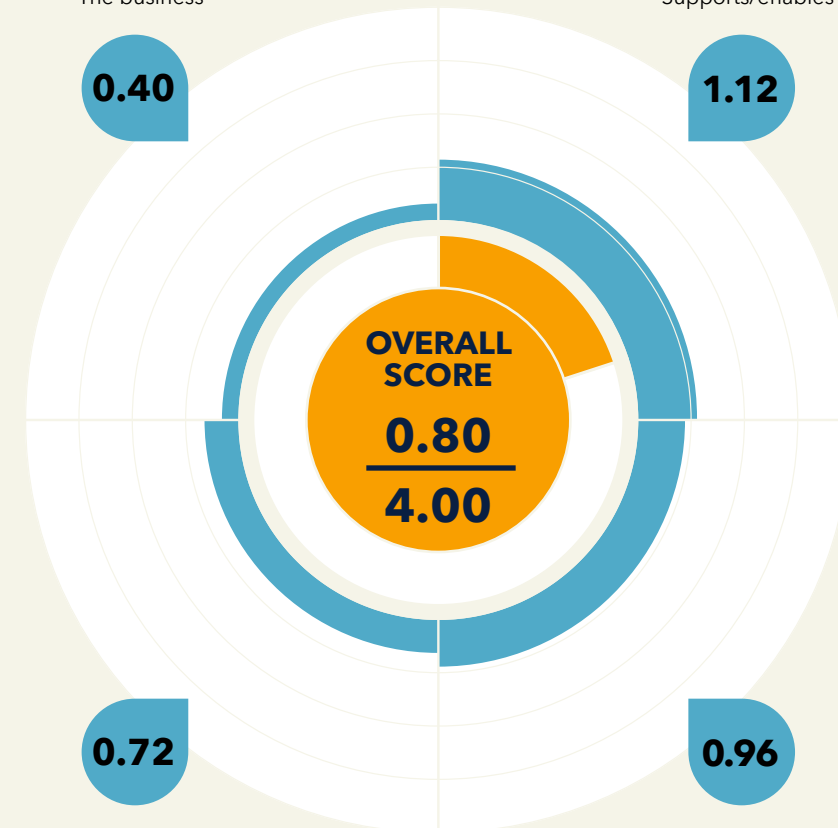
0.40

EX/HR Role in Collaboration

On EX improvement projects, the EX/HR team usually...

- Owns/leads
- Supports/enables

1.12



EX Data Management

Data we use to improve EX is managed by...

- The EX/HR team
- The business

0.72

Accountability for EX

Accountability for the quality of EX at our organization sits primarily with...

- The EX/HR team
- Business leaders

0.96

N=50 EX professionals
Select-one

Storytime

EX is Everybody's Job

One of our respondents told us a story that illustrates very clearly why it's counterproductive for organizations to think of people work as something that should be siloed.

The Great Resignation hit us almost entirely unprepared. Our attrition started to climb later than other industries, so demand for recruiters in the market poached much of our recruiting talent just before we needed them. Our experience data showed a drop in the recruiter segment, but we were far too slow to act on our data. Having more buy-in to measure and proactively improve experience, particularly in riskier products or services, could have prevented a costly issue.
–HR leader

Below, we'll see that the vast majority of survey respondents are unsatisfied with their EX data. But in this case, the data did its job: It proved a reliable leading indicator of massive attrition to come. Even with good data, though, HR couldn't nip the problem in the bud because they couldn't get leaders across functions to buy into a solution.

To make matters worse here, the problem in this story is in recruiting—a silo that usually sits *within HR*. Even within its own walls, then, HR couldn't drum up enough shared ownership to solve a problem that would shortly affect everyone. And in the end, everyone suffered for it, inside and outside of HR.

Contrast that story with the way this organization has incentivized every leader to take personal ownership for their employees' experience:

EX objectives are part of individual KPIs each leader is responsible for. EX is also one of two top priority areas in our corporate strategy. And our CEO is included in our everyday work, which makes it easier to get the buy-in we need to create change.
–EX leader

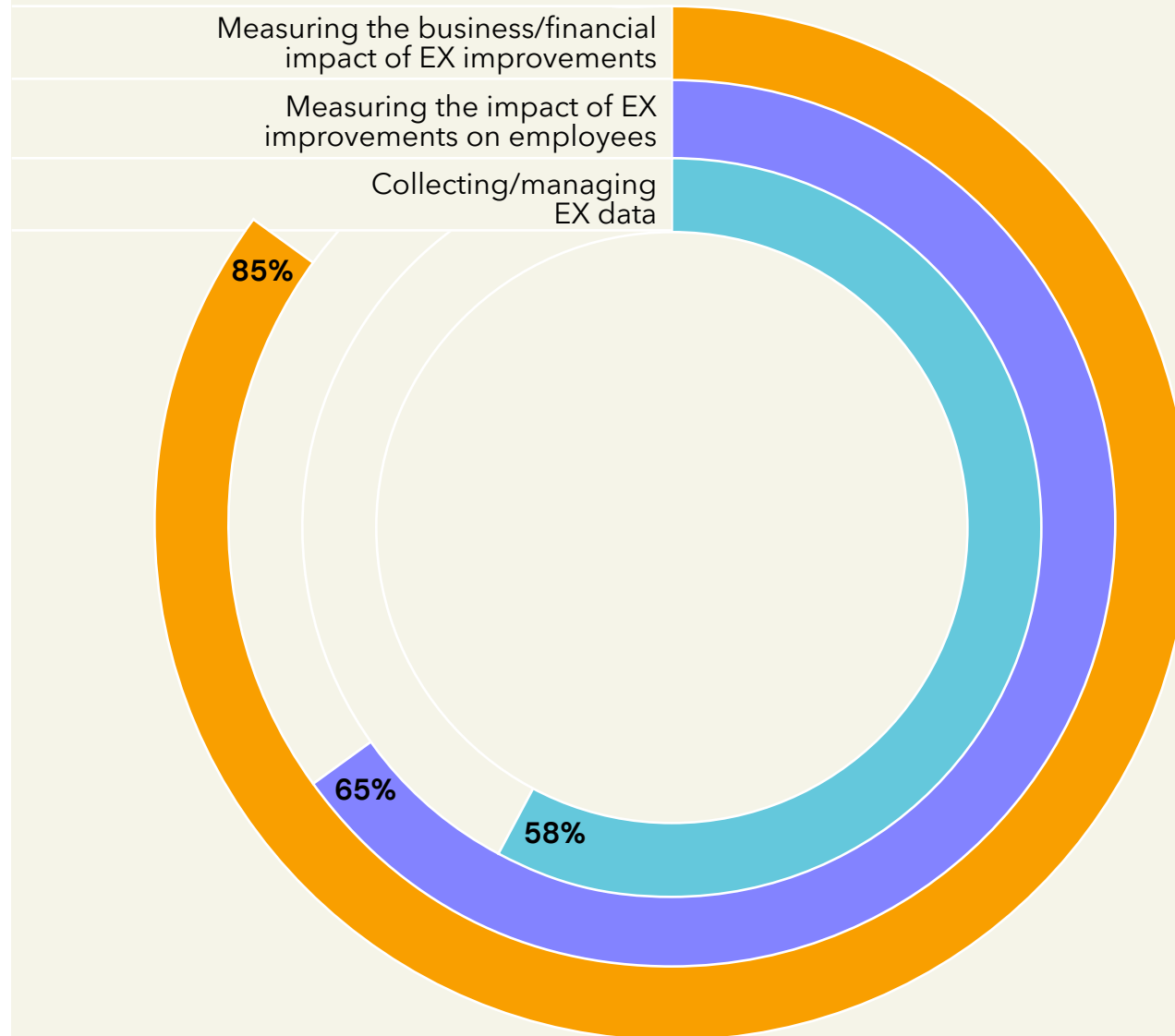
This lucky respondent operates in an organization that acknowledges the reality of EX: Every leader influences it and enjoys (or suffers) the consequences of it, so every leader should be held accountable for it.

Bad Data

For nearly all of our respondents, EX data is a major barrier to achieving EX goals, as indicated on the right.

We suspect that the 58% struggling to collect/manage EX data is struggling more with the management of it than the collection, because according to our respondents, HR has a ton of data.

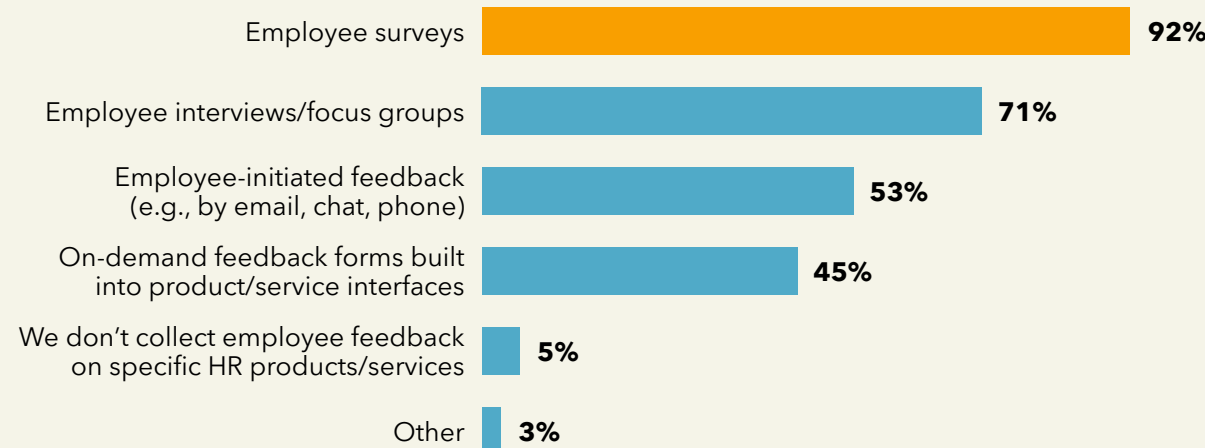
What gets in the way of achieving EX goals?



Data aggregated from multiple questions reported elsewhere in this report

HR's Employee Listening Tools

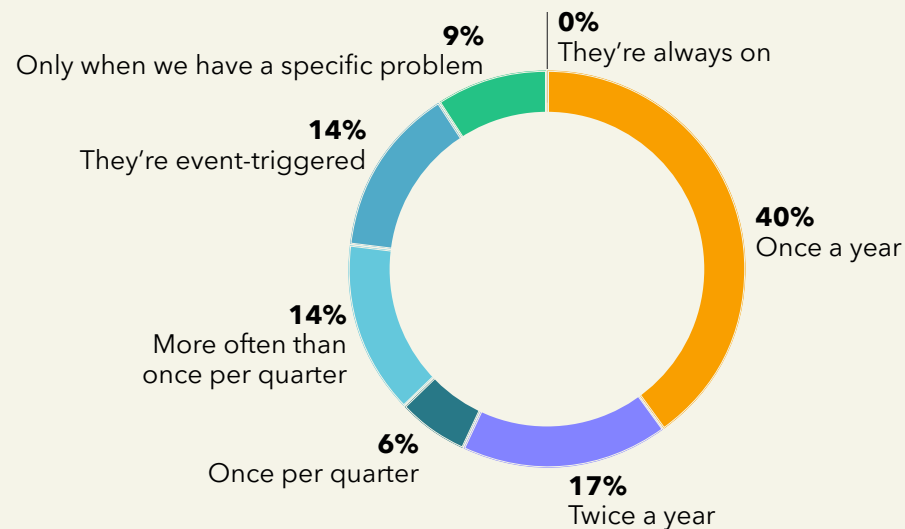
Which of these methods does HR use to collect feedback on its products and services?



N=38 HR leaders
Select-all-that-apply

HR's Employee Survey Frequency

How often do you conduct employee surveys specifically to solicit feedback on HR products and services?



N=35 HR leaders
Select-all-that-apply

Over 90% of HR leaders told us they run employee surveys, and of those, over 90% run them at least once a year. Nearly 75% also use employee interviews or focus groups, but most of these only use them when they have a specific problem. Just over half of respondents report employee-initiated feedback being an option at their organizations, and 45% have on-demand feedback forms built into user interfaces.

With this cornucopia of data available, why is it still so hard for our respondents to harness data to achieve their EX goals? Well, strictly speaking, the above questions only asked about data on HR products and services, and as we saw earlier, even HR doesn't believe that HR is the top influencer of employee experience—business leaders and managers are. So that might be it.

However, we're quite confident that our HR respondents rolled into the above answers their bi/annual engagement, culture, climate, and other HR-owned surveys, which actually elicit employee feedback on much more than HR products and services. (We can tell from the collection methods and cadences they reported—not to mention their responses to open-ended questions.) But even including all of that employee input, respondents just don't seem to find their current EX data very helpful.

We have a yearly engagement survey that provides a lot of data from our employees and managers. The engagement survey is used to identify the priorities to work on.

—HR leader

Un/Helpfulness of EX Data

How helpful or unhelpful have you found your organization's EX data when taking each of the specific actions below?



N=109
Likert scale

How helpful do they find it, exactly? Well, in the chart on the left, averages in the high 2s might look pretty good, because they're over halfway up the scale. But in fact, these averages come in at *less* than "somewhat helpful", and they come from *all* of our respondents, not just HR leaders.

So we've established that HR has a ton of data, and that across the organization, people don't find that data very helpful for EX work. But *why* isn't it helpful? We've got another scale that we think has an answer.



Who's expert in the business' bottom line?

The Finance people, naturally. But did you notice Finance's position as the EX team's least important, least helpful, and least frequent partner above? We can't help but wonder whether there's a connection between that and our respondents' overwhelmingly top challenge: measuring the business/financial impact of EX improvements.

Tracking the impact of people work on the business' bottom line is inherently challenging. Only in recruiting are there clear metrics. If HR is to develop creative ways to solve this problem, they're going to need the help of the people who know how to track money better than anybody.

Measurement: What's Wrong with EX Data?

Clearly, there's something wrong with the EX data most organizations are using. When teams try to understand, prioritize, and improve experiences, that data should help them—but in fact, even engagement and culture surveys disappoint. Why? The scale at right suggests an answer.

These responses point to a few things being wrong. For example, the fact that over two-thirds of respondents feel their organizations care more about HR outcomes than financial outcomes. If that's people's mindset, we understand why they're struggling to make progress tracking EX work's impact on the business' bottom line.

Then there's the fact that over half of respondents believe that their most valuable EX data comes from enterprise-wide listening. Maybe this is the only data they have, and so naturally they'd say it's "the most valuable", but if that's so, we get why it's less than "somewhat helpful". In our experience working with clients, enterprise-wide data is very difficult to translate to specific actions—a fact we believe partially explains why 74% of HR leaders report that at least some people (and for 24%, many people) on their teams are afraid to collect employee feedback.

In these four questions we also saw indications that business leaders view employee data very

Measurement Scale

Data Adequacy

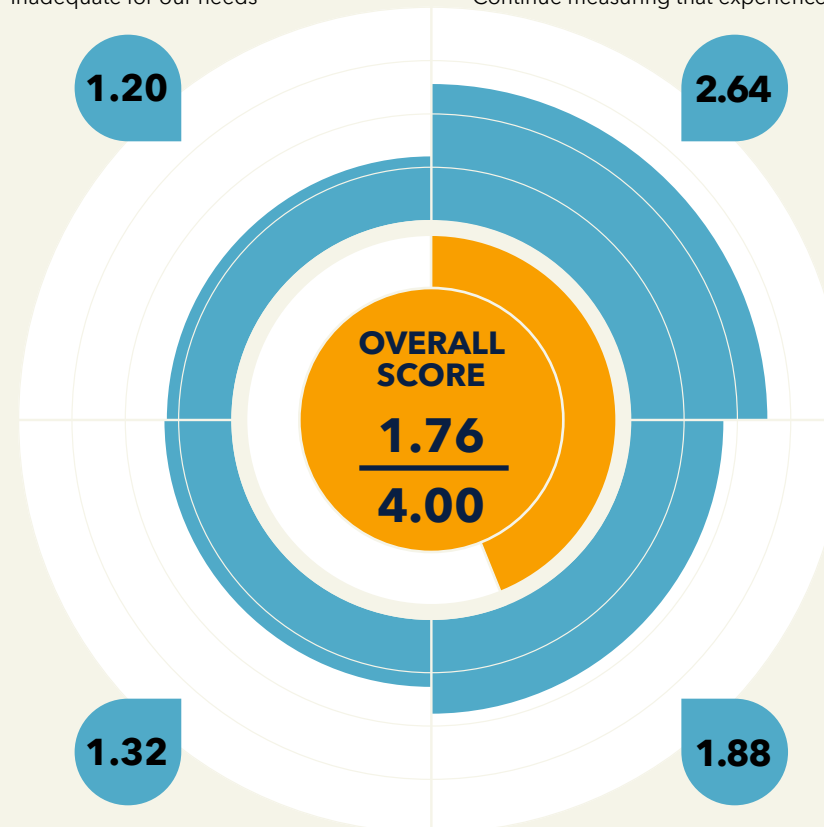
In general, our EX data is...

- Adequate for our needs
- Inadequate for our needs

Continuous Measurement

When we've improved an experience, we...

- Stop measuring that experience or measure it less
- Continue measuring that experience as much as before



Most Important Outcomes

When it comes to improving EX, we care most about...

- Financial outcomes
- HR outcomes

Most Valuable Data

Our most valuable data comes from...

- Enterprise-wide employee listening
- Targeted employee listening

N=109
Select-one

differently from EX and HR professionals. In fact, when it came to data adequacy, even EX and HR professionals differed substantially: 39% of EX professionals felt their data is adequate, while only 26% of HR leaders did. Business leaders were even less satisfied with EX data—perhaps because they were much more likely than both EX and HR to prioritize financial outcomes and targeted employee listening.



Big is bad in EX data

It's not the amount of EX data that's the problem for organizations. It's the kind of data. EX and HR professionals must look at the big picture of the organization, so naturally they collect employee sentiment from the entire organization. But then they suffer what we call "big paralysis" trying to turn that overwhelming mass of surface-level data into actions they can take to improve specific experiences.

Business leaders (those most important partners EX professionals struggle to engage) know better: They have small, specific, EX-rooted business problems that HR's current EX dataset is too scaled to help solve. It's no wonder then that, right now, business leaders are the least satisfied with organizations' EX data.



Storytime

Psych!

It spoke volumes to us that survey participants told us stories about leadership buy-in, relationships, collaboration, infrastructure, bureaucracy, and even EX improvement initiatives—but nobody told us a story about measurement. Sure, they mentioned measurement in their other stories, but measurement didn't get its own story.

So, sorry to disappoint you, but there is no story here. Just an observation that, maybe, our respondents haven't yet grasped the depth to which what they measure, how they measure it, and what they try to do with it is holding them back. Because if they did, they'd probably have told us a story about it.

If that seems mysterious, don't worry: We'll explain more below.

Big Plans, Bad Strategy

We are driving to customized experiences in HR, which is going to be a challenge.

–HR leader

Data should drive personalized recommendations for employees rather than having one approach for everyone.

–EX leader

We managed onboarding with an EX approach and mindset. For performance management, compensation, etc., it's more of a top-down, classical process design and deployment approach.

–HR leader

The EX Team

Big paralysis isn't limited to collecting enterprise-wide data. It's in EX teams' priorities, too. We asked EX professionals whether 12 different action items were a priority in 2023, 2024, 2025, or not at all. It's a lot of information to process as charts, so we've simplified it at right.

We think of each of the 12 action items as belonging to one of three clusters: **infrastructure**, **team building**, and **impact-makers**. We know many people don't think of buy-in and relationship building as "infrastructure", but our definition of "infrastructure" is basically, "Stuff you only do to make the real work possible." "Impact-makers" are the real work. "Team building" is basically EX team-focused infrastructure.

You'll see why all of this is important in a moment.

Since there are 12 action items, let's look at just the top 1/3 of EX teams' priorities for each year.

We are still building awareness and evolving EX holistically instead of solving for specific experiences within functions.

—EX leader

EX Team Action Items

Infrastructure	Team Building	Impact-Makers
Build an EX roadmap for the organization	Define the job of the EX team	Redesign experiences
Get more/better data	Grow the EX team	Implement redesigned experiences at scale
Get broader buy-in for EX work across the organization	Grow the EX team budget	Prioritize experience backlog
Build more/better partnerships with business leaders		Prove the business value of the EX team
Build more/better partnerships with corporate functions (e.g., HR, IT, Communications)		

2023 Top Four Priorities

4-way tie.

1	Build an EX roadmap for the organization
	Get more/better data
	Get broader buy-in for EX work across the organization
	Define the job of the EX team

2024 Top Four Priorities

Two 2-way ties.

1	Grow the EX team
	Grow the EX team budget
2	Build more/better partnerships with business leaders
	Prioritize experience backlog

2025 Top Four Priorities

One 2-way tie.

1	Implement redesigned experiences at scale
2	Prioritize experience backlog
3	Prove the business value of the EX team
4	Grow the EX team
	Redesign experiences

Infrastructure

Team Building

Impact-Maker

N=45 EX professionals
Group

These priorities should cause grave concern. In an environment where only 40% of senior leaders value EX equally with other corporate priorities and 44% value it less, EX professionals are waiting years to prioritize impact.

Infrastructure *is* important—it enables the work, after all. But postponing impact is risky, inefficient, and an enormous waste of resources. It's risky because senior leaders may decide to shut down EX teams if they aren't making anything better. It's inefficient because teams that build out a foundation for a totally new way of working before they've done the work and learned what it requires wind up redoing a lot of that building later on. And that is an enormous waste of resources.

One other thing stands out in this data on EX teams' priorities: Respondents agreed with each other that "implementing at scale" is a 2025 priority *far more* than they agreed on the time horizon of any of the other priorities (more than twice as much for most priorities). Now why would that be?

Well, when we asked all respondents about the time horizon of their EX strategies (see next page), only 11% said their organizations have mapped their EX journeys three or more years out. And interestingly, HR leaders were much more likely than EX professionals to say they have no EX improvement strategy (43% vs 29%). Business leaders were even more likely to say "no strategy" than HR leaders.

We don't think that the inability to see three years out is necessarily a bad thing. None of us is Nostradamus. The big gaps between EX professionals, HR leaders, and business leaders, however, makes us think there might be either confusion in organizations around what *counts* as an EX strategy or poor communication of EX strategies to other leaders. Or both.

In any case, if only 11% of respondents have a 3-year EX improvement strategy, how do they even know what their 2025 priorities will be? Most likely they're guessing—and we think that's why so many of them pushed "implement redesigned experiences at scale" to 2025. Overwhelmingly, they agree that scaling experience redesigns is

a priority (only 5% put it in the “not a priority” bucket), but they don’t know when they’ll get around to it, so they put it as far out as our questionnaire allowed. *And they did the same thing for all the other impact-makers.*

If 2025 was reserved for important stuff that’ll (probably?) get done eventually, what did our respondents use 2023 and 2024 for? Only 22% have a 1-year strategy. Only 13% have a 2-year strategy. But the near future is certainly easier to guess about than the distant future. So maybe all our respondents’ “priorities” are saying is that they’re more certain there will be paperwork and meetings than they are that there will be impact.



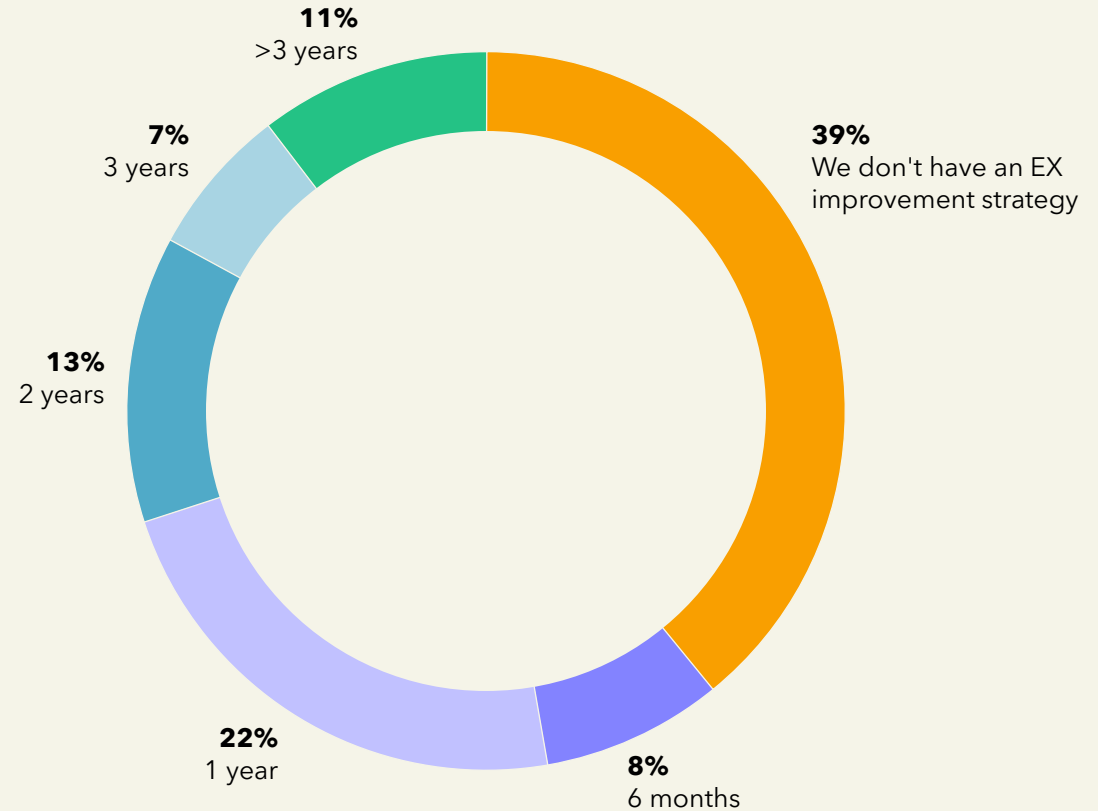
Small should be the strategy

The order of operations for EX work our respondents report is typical of big, slow, painfully bureaucratic organizations that want everything planned and all foundations laid before any of the real work begins. If EX professionals follow these priorities, they’re not going to prove their teams’ business value to senior leaders anytime soon.

Instead, they should make redesigning experiences their top priority every year, proving their business value and building infrastructure and the team as they go.

EX Strategy Duration

We have an EX improvement strategy for the next...



N=121
Select-one

Our organization generally cares about doing good things for employees and taking care of them holistically, **but does not have an explicit EX strategy or identify initiatives as specifically EX-focused.**

–EX team member

Humancentricity Scale

Improvement Implementation

When we're ready to roll out a new experience design, our implementation and communications plans are developed by...

- Our internal experts, consultants, or contractors
- Our employees

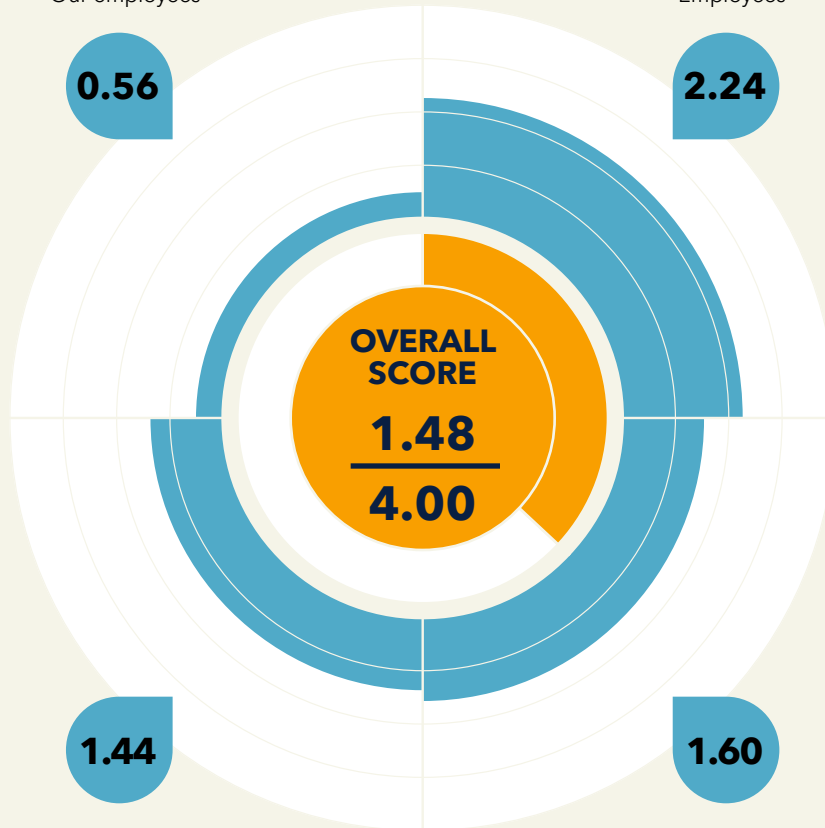
0.56

Problem Identification

Experiences that need improvement are usually surfaced to us by...

- Leaders
- Employees

2.24



Experience Redesign

When we redesign an employee experience, the design is usually developed by...

- Internal or external experts using input from employees
- Employees in expert-facilitated cocreation exercises

1.44

Improvement Prioritization

When deciding between EX improvement projects, it matters more whether...

- Senior leaders care about a project
- Employees really want an improvement

1.60

OVERALL SCORE

1.48

4.00

N=50 EX professionals
Select-one

Humancentricity: How Employee-Centric Is EX Work?

Granted that not many EX teams are devoting mountains of time to redesigning experiences at the moment, what does it look like when they are doing that? According to our respondents, EX redesign is their organizations' 5th-top challenge after measurement and coordination items, the top challenge of the impact-maker cluster, and a moderate priority for EX teams year over year.

Because, in our opinion, experience redesign should be EX teams' top priority every year, we built a scale for it. Specifically, we built a scale to measure how truly employee-centric it is, because the "big" way of doing EX skimps on employee-centricity in favor of efficiency.

According to the data at left, when our respondents do redesign experiences, the process doesn't look very employee-centric. Sure, 56% say improvement needs are usually surfaced to them by employees, but we know what that looks like now: usually an annual or biannual survey that asks every employee the same general, HR-generated questions. And 44% of respondents say it's actually *leaders* who usually surface improvement needs, and 60% say it matters more whether senior leaders care about a project than whether employees really want it.

Then, when it comes to actually redesigning and rolling out new experiences, EX teams rely more on their experts than on the employees who actually have the experiences. Again, this is usually quicker, and in most organizations today, it's certainly the accepted way of doing things. Why else would you hire experts? But consider:

1. Nobody is more expert in employees' experience than employees, so while subject-matter experts might save organizations time, they won't necessarily get them to a better outcome.
2. If EX teams are saving time using expert-led experience redesign, why aren't they doing more of it over the next three years?

Of course, we already know the answer to this question from EX teams' priority list: Because they're not focused on redesigning experiences for employees. They're focused on building something big for their organizations.



Is the business more humancentric than HR?

When we asked survey participants to whom they communicate specific EX priorities, their answers to that question didn't look very employee-centric, either:

Communicate priorities to ...

HR leadership	68%
The executive committee/board	50%
Employees	43%
Managers	34%

Given the 18-point lead of HR leadership, you might think there'd be a big difference between EX and HR respondents here: Maybe a lot of EX respondents are just throwing the average by reporting that they communicate priorities to their bosses. In fact, EX and HR respondents were very closely aligned on this question. It was business leaders who stood out.

In the rank-order of parties with whom priorities are communicated, EX and HR leaders mirrored the above. Business leaders, on the other hand, put employees at the top.

To us, this is another indication of HR's siloedness and preference for a scaled, top-down way of working. At the same time, we recognize that EX teams' immediate priorities—infrastructure and leader relationships, not redesigning experiences—mean they don't have much to say to employees at the moment. Looked at from that perspective, this communication pattern makes sense.

Business leaders' responses, however, make us wonder: Are they more employee-centric than EX and HR? Is there some deeper difference of perspective between them and the corporate people functions that explains not just the business' preference for targeted employee listening but also their recognition that employees are the first and most important stakeholder of all EX work?

Big Isn't All Bad

Just to be clear: We don't think big infrastructure work is useless. It's important—particularly the strategy development part of it. But it should take place gradually, over time, not all at once upfront, postponing any real experience improvement work that could (1) inform the big infrastructure decisions, and (2) prove the business value of EX work *now*.

To illustrate the importance of the strategy part of big work in particular, here's a story from a respondent who humbly admits their organization failed at that:

In our organization, we have all the elements defined for a good EX framework, but we failed to lift it up from the ground.... We had some brilliant pilots, leading to improvements for some employee segments, but we failed to measure the impact and create some quick wins to gain momentum and scale the whole work up.
—EX team member

When we read this, two things stand out: First, the EX framework. Those usually take a long time to build, and they're best built while doing the work, so that learnings from the work can be rolled into the evolving framework. Maybe that's what this organization did (they did, after all, run pilots), but it kind of sounds like they did the framework upfront, then started the pilots. That would not be ideal.

The second thing that stands out is the pilots themselves—specifically, their plurality. It's unclear whether these were run back to back or simultaneously, but either way, the fact that they weren't measuring impact or creating quick wins makes clear that they weren't informing each other. And ideally, that's how pilots work: They're intentionally used as learning opportunities to gradually refine how an organization does EX work and delivers value from that work.

That being said, even without a tightly executed strategy, this example still appears more advanced than what we often see in this emerging field: big paralysis to an extreme, with no attempt to redesign anything, just focus on infrastructure for years.

But look at what this organization is doing:

We are creating the purpose to align the company on a common path, while at the same time striving to create impact with small projects that can provide evidence [of value] and support expansion.
—HR leader

That's the right balance. Redesign now—with an eye on small, immediate impact and the long-term goal of growth—creating the purpose and other big stuff gradually as you go.

The HR Function

EX teams' priorities should cause concern—but they probably don't surprise anyone. This big, lumbering, over-planned way of working is the traditional way of doing HR, and as the data shows, the vast majority of EX teams report into HR. So let's zoom out a bit from EX teams to all of HR, to see what organizations' #2 influencer of EX might prioritize for improvement in the years to come.

We asked HR leaders two key questions: Which of your investments has the most impact on EX, and which of those investments are currently helping/hurting EX the most? Their responses (at right) were again unsurprising.

Note the very moderate differentiation between six out of the seven investments in the top chart. Basically, respondents are saying, every HR investment influences EX roughly equally, leading us to wonder whether HR leaders struggle to prioritize even HR-owned EX improvement initiatives.

When it comes to the HR investments most helping EX, there's clearer differentiation. Note the two long bars, two middle bars, and three short bars in the middle chart.

The ability of HR leaders to differentiate which investments are helping EX is great. But when they go to prioritize EX improvement initiatives, they won't be looking for what's helping. And when we look at what's hurting, we get a jumble of equal priorities again: one long bar, then five roughly equal bars, then alumni programs. It's going to be hard for HR leaders to decide where to focus in that big, undifferentiated middle.

Perceived Influence of HR Investments on EX

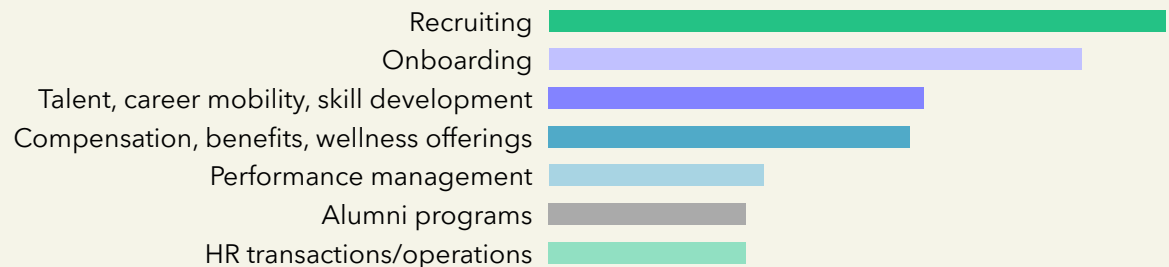
Within HR, how much would you say each of the below investments influences employee experience?



N=38 HR leaders
Rank

HR Investments Helping EX

Right now, how much would you say each of these same investments is helping ... the employee experience?



N=37 HR leaders
Rank

HR Investments Hurting EX

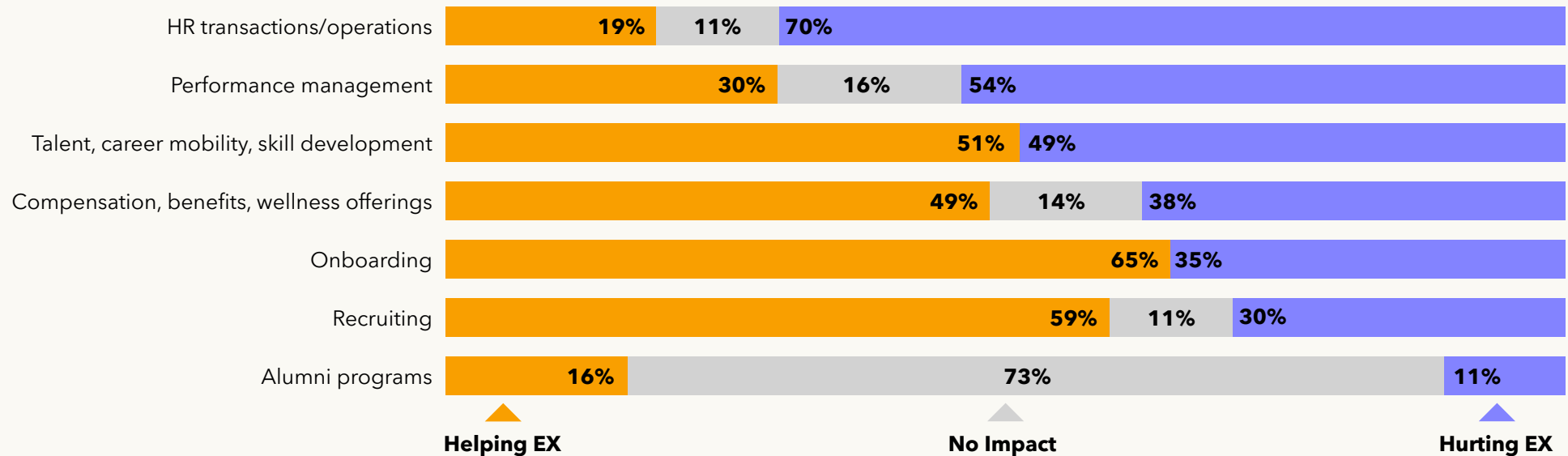
Right now, how much would you say each of these same investments is ... hurting the employee experience?



N=37 HR leaders
Rank

Helping/Hurting Ratios of HR Investments

Right now, how much would you say each of these same investments is helping/hurting the employee experience?



N=37 HR leaders
Rank

Let's look at this data a different way for a moment to see if there's a way to lift HR out of the priorities swamp. Comparing the helping/hurting ratios of individual investments rather than the rankings of all investments, we find that only HR transactions/operations and performance management are hurting more than helping (70% hurting and 19% helping for the former; 54% hurting and 30% helping for the latter).

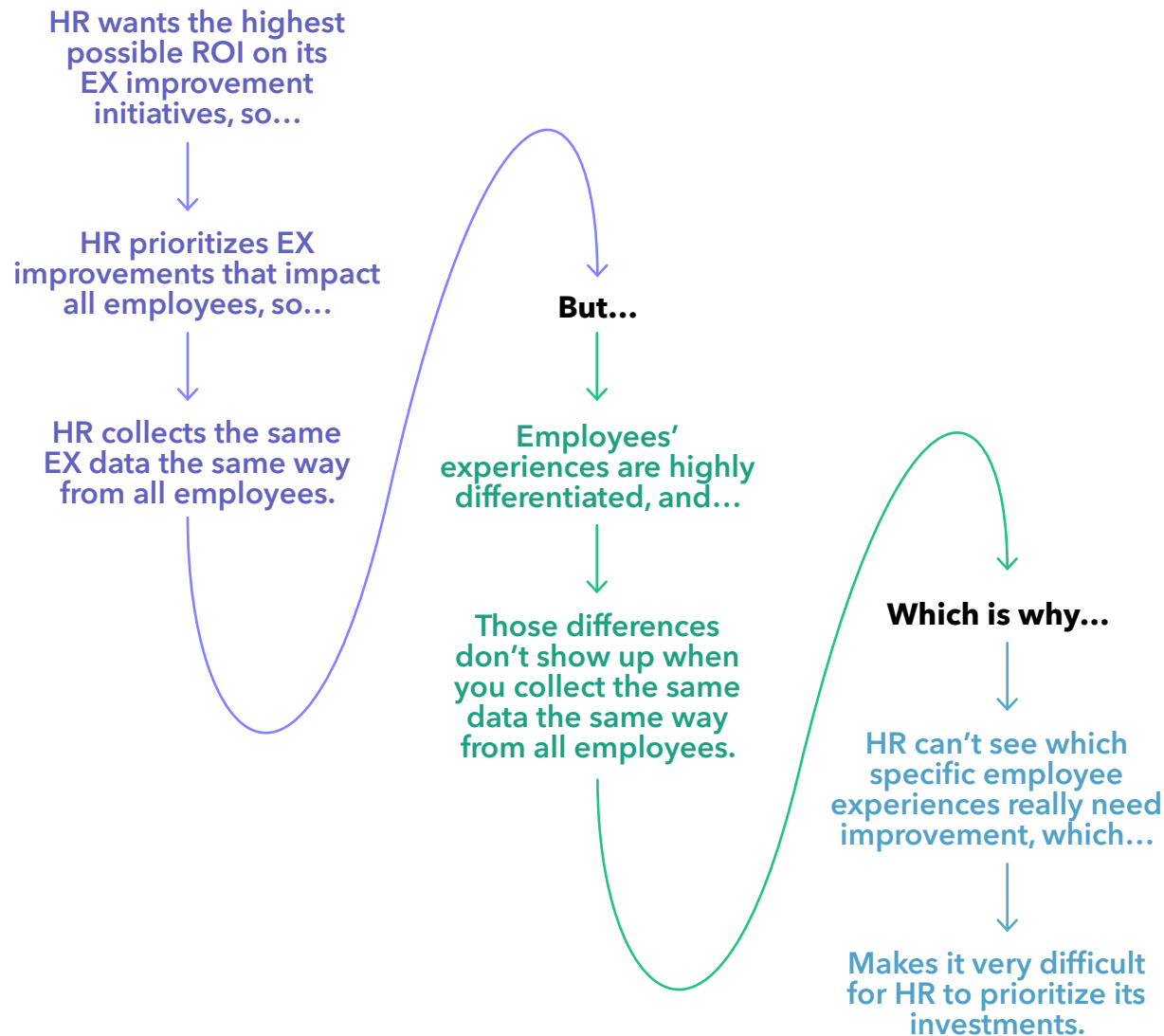
If we look for these investments on the relative influence chart, though, we find that they rank relatively low. In other words, HR leaders feel these

investments are the ones most hurting EX, but they also feel they have relatively little influence on EX overall. Is that just something they tell themselves to cope with the hurt, or are these investments really not worth prioritizing?

We could also start from the top influencer: talent, career mobility, and skill development. It's third in both the helping/hurting rankings, and its individual investment ratio is 51% helping-to-49% hurting—pretty close. This might be the place for most HR teams to focus their EX improvement efforts, but... there's a problem.

Talent, career mobility, and skill development is the broadest, most encompassing, least well defined of the seven investments on the list. It's no surprise it's the top influencer, because nearly all of an employee's day-to-day work experience sits in this bucket. The problem is: Different employees have very different day-to-day experiences—and as we've seen, HR's employee data mostly asks them all the same questions, all at once, and usually only once or twice a year. So if HR were to prioritize talent, career mobility, and skill development for improvement in the year to come, how would they know where to start?

We don't think they do know where to start, but at least we now have some idea of why. It's their employee data again. Follow our logic:



Zoom in, HR

Clearly, HR struggles to prioritize its investments for EX improvement, and the problem seems to be rooted in the “zoom level” of HR data. Think about how we use Google Maps: We can zoom all the way out to a map of the continents, or all the way in to someone’s front door. The continents are useless if we’re actually trying to go somewhere. The zoom level is too high. But that’s what HR data looks like: It’s a map of the whole organizational world.

To actually go somewhere, HR needs to be able to manipulate its zoom level—sure, to the continents, but more importantly, to the roads, blocks, intersections, and even the individual buildings. *That’s* where the problems are. If EX data doesn’t allow HR to zoom to that level of detail, they’re going to struggle to fix things, because they can’t see what needs fixing.*

* For this analogy we are indebted to Michelle Webb, Executive Director of Employee Experience at TEKsystems.

With growing talent competition, more talent market mobility, and less identification with organizations as employers, more and more of the **in-demand talent groups will optimize their work(-life) situations.** This doesn't just mean comp, but to a large extent the context of work, the perks, the flexibility, the easiness of mundane admin tasks, of organizing work, the tools provided for that, the leadership they experience, the purpose of orgs and tasks, etc. All this—and more—shapes how employees experience work.

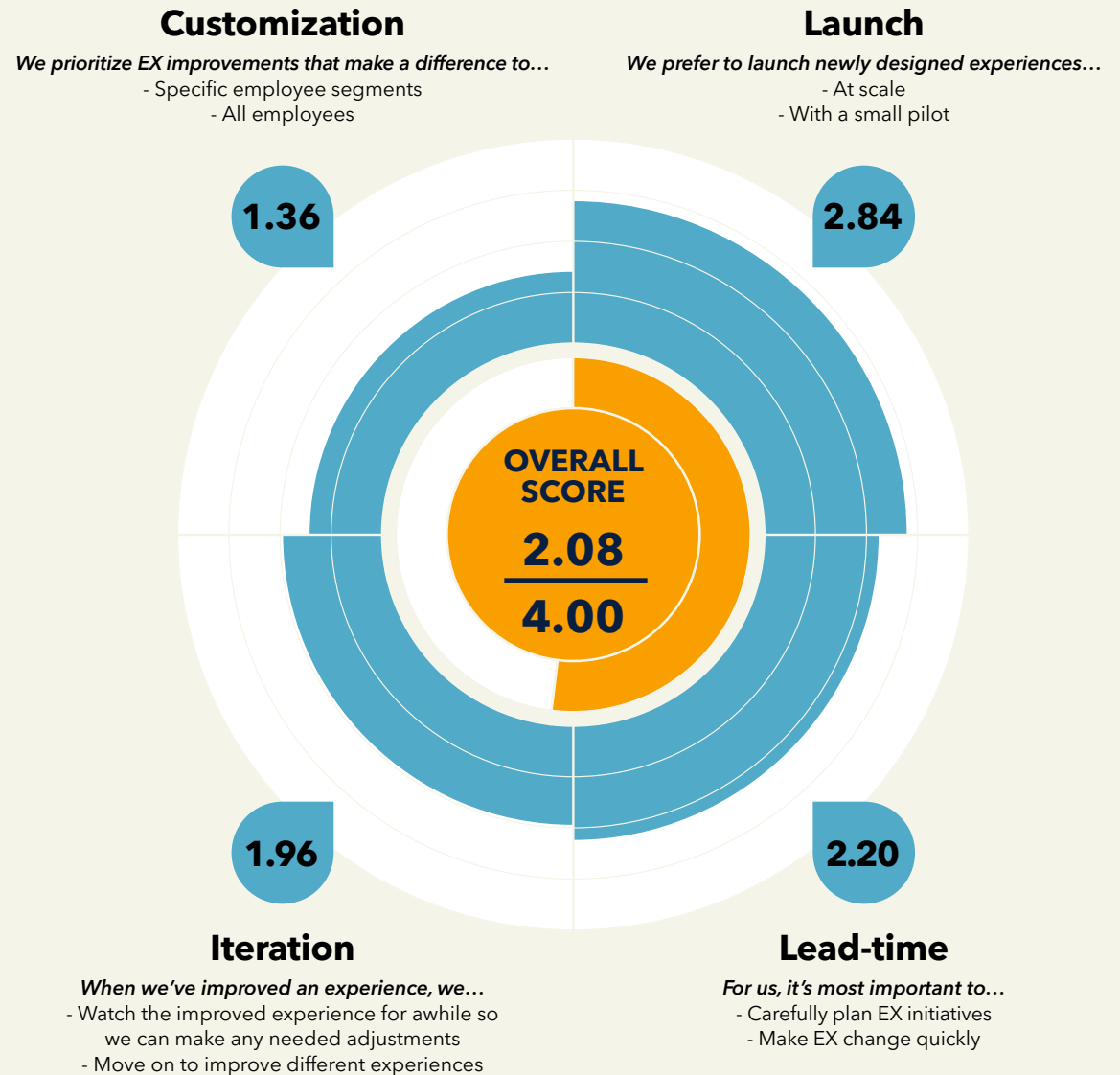
–HR leader

Agility: What Do EX Ways of Working Look Like?

Obviously, our respondents have a clear bias for scale. So we wondered: How exactly does that manifest in the decisions they make about EX work? Whether they view scale as inherently desirable or just an organizational pressure they can't resist, their EX work—and their impact—must look dramatically different guided by an ideal of scale than it would be guided by an ideal of agility.

So we built another scale to measure the difference: It's a scale about scale! (And speed.)

Agility Scale



N=114
 Select-one

As it turns out, our respondents score higher on agility than any of the other four-item measures. But given everything we've learned on the preceding pages, we're very skeptical of that score. Not because we think our respondents are lying to us (or themselves), but because they clearly interpret these agility items very differently from us.

The key to the disconnect flows out of the one response we wholeheartedly believe: 66% prioritize EX improvements that impact all employees rather than specific employee segments. That tallies with everything we know about EX work in organizations today. And from there, it's just plain good sense to launch newly designed experiences using small pilots, as 71% say they prefer to do. After all, if your experience redesigns are targeting every employee in the organization, you'd have to be quite a risk-taker to launch those things at scale.

We half-believe the breakdown of lead-time as well, where 55% say they prefer to make EX change quickly, and 45% prefer careful planning. "Quickly" is relative, after all. But nothing you target to every employee will happen quickly by our standards.

When it comes to iteration, the 49% who say they continue to watch an improved experience so they can make adjustments feels a lot less impressive when we consider what we learned about organizations' EX data above. Understood in the context of the data respondents described there, "continuing to watch an improved experience" likely just means "running the same enterprise-wide engagement/culture/climate survey again next year, on schedule, as planned". That's not agile.



Maybe we're wrong...

There is another way to interpret this apparently inflated agility score: It's not actually inflated. It's only high relative to three other measures that score even lower. Maybe our respondents are making strides to do EX work in a more agile fashion than organizations do most other work—at least more than they're making strides on dispersal, measurement, and humancentricity. Maybe EX teams' bureaucratic priorities and HR leaders' preference for enterprise-wide data are just bad habits or legacy ways of working that they're totally aware of and striving to break free from. That would be good news if it were true. But given what we see every day in the field, we don't believe it's true.

Don't Go Chasing Waterfalls

Stories from our respondents further cement our conviction that organizations—and HR in particular—are throttling the impact of their own EX work by trying to wedge it into old, cumbersome, bureaucratic forms. This one's our favorite:

We were added to the HR organization as an outcome of a reorganization. Because many colleagues were still dealing with this change, we had a hard time getting EX improvements on the agenda. It didn't help that HR leadership communicated to HR colleagues that a shift to focusing on employee experience and journeys can only take place after all the basics are in order. I strongly believe the opposite: The reorg provided a chance to make EX the basis of the new org flow. Now that most of the reorg change is behind us, there is more focus on EX, but [now as we work], sometimes we have to change (again) what was just set up!
—EX leader

"After all the basics are in order"... It doesn't get more waterfall than that. Good on this respondent for knowing better. We're just sorry s/he's now suffering the typical consequences of waterfall ways of working—doing the same work a dozen times because you tried to plan it before you had any idea what it needed to be.

Contrast that respondent's experience with this one's:

We started in 2022 with an EX team of three people. We gave our HR colleagues a jumpstart with workshops and lab sessions, training them (including in cocreation and design thinking). This gave everybody a common understanding and new perspective. Then we chose three projects to focus on and worked with a multidisciplinary team, so more people started to experience the new way of working and mindset. Currently we're planning for what's to come: defining our EX ambition, choosing new projects that move closer to the business—not only working on general EX improvements, but where the need is highest.
—EX leader

Training HR colleagues might sound like unnecessary upfront bureaucracy, but if you're going to throw people into a totally new way of working, it doesn't hurt to prepare them a little. And it sounds like this team threw their colleagues into the real work pretty quickly, which is the best way to learn—both how to do the work and what's required to do the work.

Note also this team's balance of big and small: By using multidisciplinary teams on EX projects, they're spreading understanding throughout the organization *using improvement work itself*. They're defining their EX ambition, but at the same time looking for the next high-impact projects to take on. They do "general EX improvements", which we interpret to mean enterprise-wide, HR-owned improvements, but they're also looking at "where the need is highest", which sounds like targeted employee segments. And they've got a strategy: Move it into the business ASAP. In this case, we're optimistic about their business partnerships!

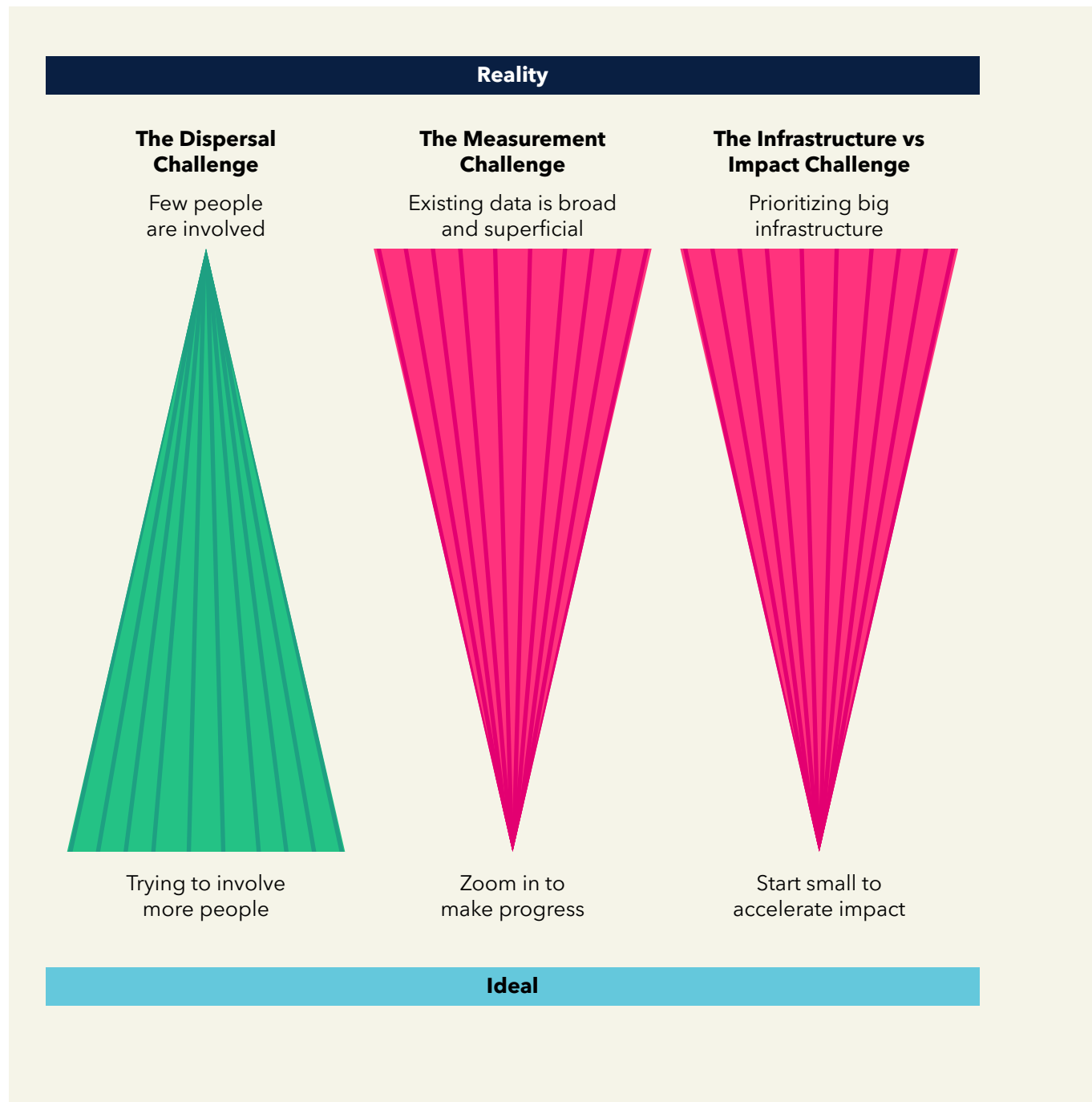
Conclusion: Flip Big




EX work isn't yet entrenched in many organizations, but it is noticeably advancing. EX professionals are optimistic about their future, and they seem admirably determined to do their part to shape that future.

Our respondents indicate, however, that organizations themselves are getting in the way of seizing the revolutionary opportunity that "the turn to EX" presents. They're trying to build relationships and connect silos so that the teams who do EX work better represent the people who actually influence EX, but some parties don't want to play. They're trying to use the same old people data they've always used to do a new thing, but they're finding it unfit for purpose. And they're trying to lay a big foundation for future EX work, but they haven't done enough EX work yet to know what that future will require.

The visual on the right sums up both the reality and the ideal of EX work as we see it, and in it lie the solutions to the problems survey participants reported to us. In our view, the aspiration to build relationships, connect silos, and disperse EX work across organizations is the right move. *Dispersal is a struggle because of bad data and big bias.* By flipping those two pyramids on their heads to match the dispersal aspiration, dispersal should become much, much easier.





Legacy people data is too scaled to serve EX work. Asking the same, surface-level questions of all employees regardless of how different their work experiences are will never provide sufficient depth of insight to inform real experience improvements. It fails to help business leaders and managers, who have specific, local, EX-rooted problems to solve, and it fails to enlighten HR leaders who need to prioritize their investments. What organizations need is customizable, experience-level data collected from meaningful segments of employees—a much more targeted, deeper dataset than they currently possess.

Legacy ways of working are a fool's errand in EX work. Nobody can efficiently lay great big foundations of planning and preparation when they have no idea what the work will be like. Teams have to do the work of experience redesign first, on a small scale, over and over again, learning and building the foundation as they go. Organizations that permit EX teams to operate temporarily like start-ups within the broader enterprise will discover their business value much more quickly than those who continue to require that they know, document, share, and gain broad agreement on everything before they're allowed to make any change.

Beneath both legacy people data and legacy ways of working lies a legacy top-down mindset that says the organization, not the employee, is the proper unit of analysis and the organization's needs come before employees' needs. Flipping that mindset on its head unleashes EX work's potential to transform organizations from the bottom up.

Four Benchmarks to Assess the State of EX in Your Organization

This year's survey respondents provided us with a kind of benchmark on the State of EX in organizations. The four scales we developed—for dispersal, measurement, humancentricity, and agility—capture the dimensions of EX work we've found to be most critical to our clients' progress. Basically, they're a distillation of the most common ways EX teams throttle their own impact on their organizations and, most importantly, on their employees' experience.

We use these four scales like a weather vane to indicate which way the EX winds are blowing: Where are people weak? Where are they strong? Where do they need help? What have they mastered? Here, we pull all of them together so you can see which way the winds are blowing, too.



How does your organization compare on these measures?

Are you better at measurement than our 2022 survey respondents? Worse at humancentricity? You can find out. We turned these scales into a 16-question “quiz” that compares you against the benchmark.

[Click here to take it.](#)

Appendix

About the Survey

The 2022 State of EX survey was a 95-question survey fielded by TI People and FOUNT Global, Inc., from August 16 to September 19, 2022. A total of 161 respondents included 51 EX leaders, 25 EX team members, 53 corporate HR leaders, 7 HR business partners, and 25 non-HR business leaders. Respondents were clustered by role and branched to the questions their organizational position best enabled them to answer.

All charts presented in this report indicate the number of respondents (n=###) for each individual survey question and, where applicable, their role. Where no role is indicated, the question was asked of all respondents.

In some charts, percentages reported for individual response options may not sum to 100% due to the possibility to select multiple items, rounding, or the removal of small numbers of "Other" or "I'm not sure" responses.

Charts of rank and group-and-rank responses depict weighted averages. For example, if a respondent ranked 5 items, their top ranking was assigned 5 points, their second ranking 4 points, and so on. Points for each item were then summed across respondents and divided by the number of respondents to generate an average item ranking. If every respondent ranked an item at the top, the weighted average of that item would total 100%. If every respondent ranked an item at the bottom, the weighted average of that item would be 10%. Charts depict these weighted averages with no scale along the x axis to avoid the impression that they communicate the percentage of respondents who selected each option.

Individual and overall scores on the four 4-item scales for dispersal, measurement, humancentricity, and agility were calculated as follows: For individual items, the percentage of respondents selecting the option we've observed on more advanced EX teams was multiplied by 4 to generate a score on a 4-point scale (e.g., 34% [.34] x 4 = 1.36/4.00). For overall scores, the percentage of respondents selecting the more advanced option on all four individual scale items was first averaged, then multiplied by 4 to generate an overall score on a 4-point scale (e.g., 34% + 71% + 49% + 55% / 4 = 52% [.52] x 4 = 2.08/4.00).

Quotes from open-end responses may have been lightly edited for spelling, grammar, and clarity. Heavier editing is indicated by ellipses (...) and brackets ([]). British spellings have been changed to American spellings to mask respondent region. We could have done it the other way, but the report author is American and so probably would have done it wrong.

About the Survey Respondents

Leaders and members of EX teams were routed to a set of questions for EX professionals.

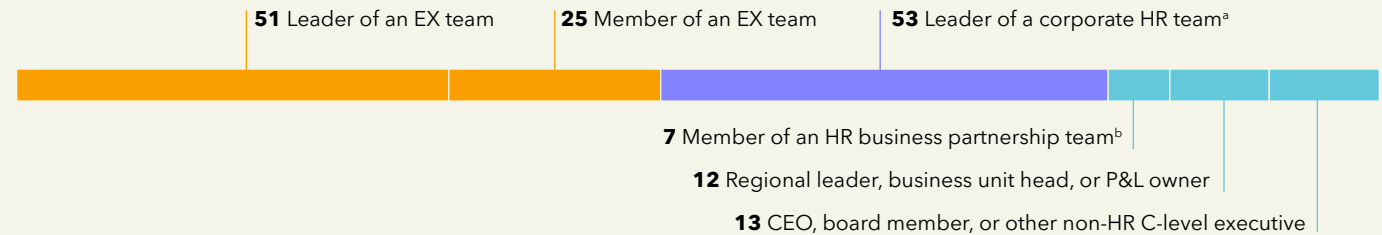
Leaders of a corporate HR team had their own set of questions.

Members of an HR business partnership team, regional leaders/business unit heads/P&L owners, and CEOs/board members/other non-HR C-level executives were all routed to a third set of questions.

Some questions were answered by all respondents.

Role

Which of the below best describes your role at your organization?



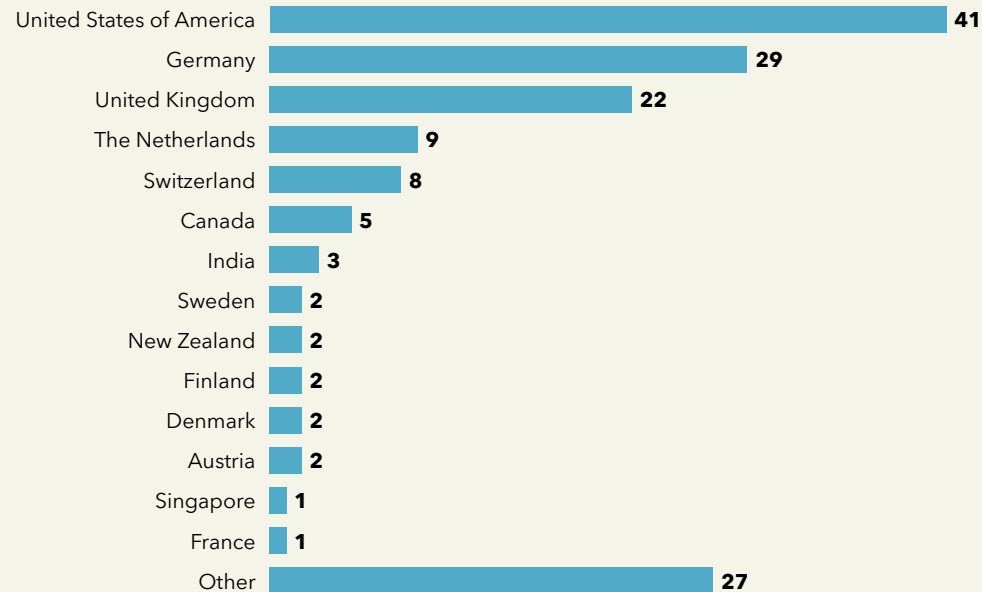
^a e.g., Chief HR Officer, Head of People Analytics, Head of Compensation & Benefits, Head of Talent, etc.

^b e.g., partner to a regional leader, line of business leader, P&L owner, etc.

N=161
Select-one
Absolute values shown

Country

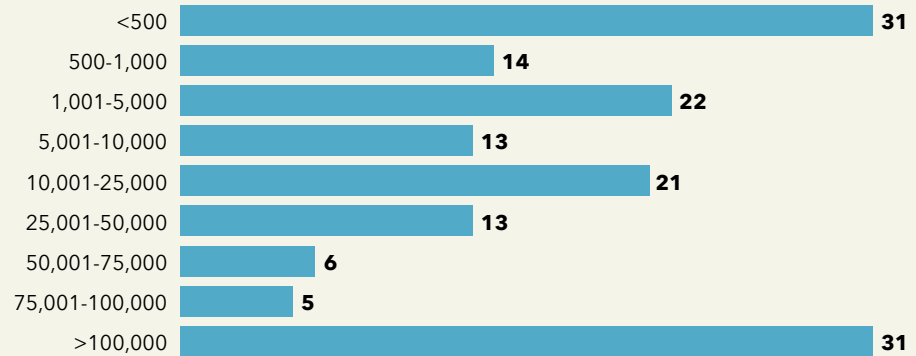
In what country do you normally work?



N=156
Select-one
Absolute values shown

Organization Size

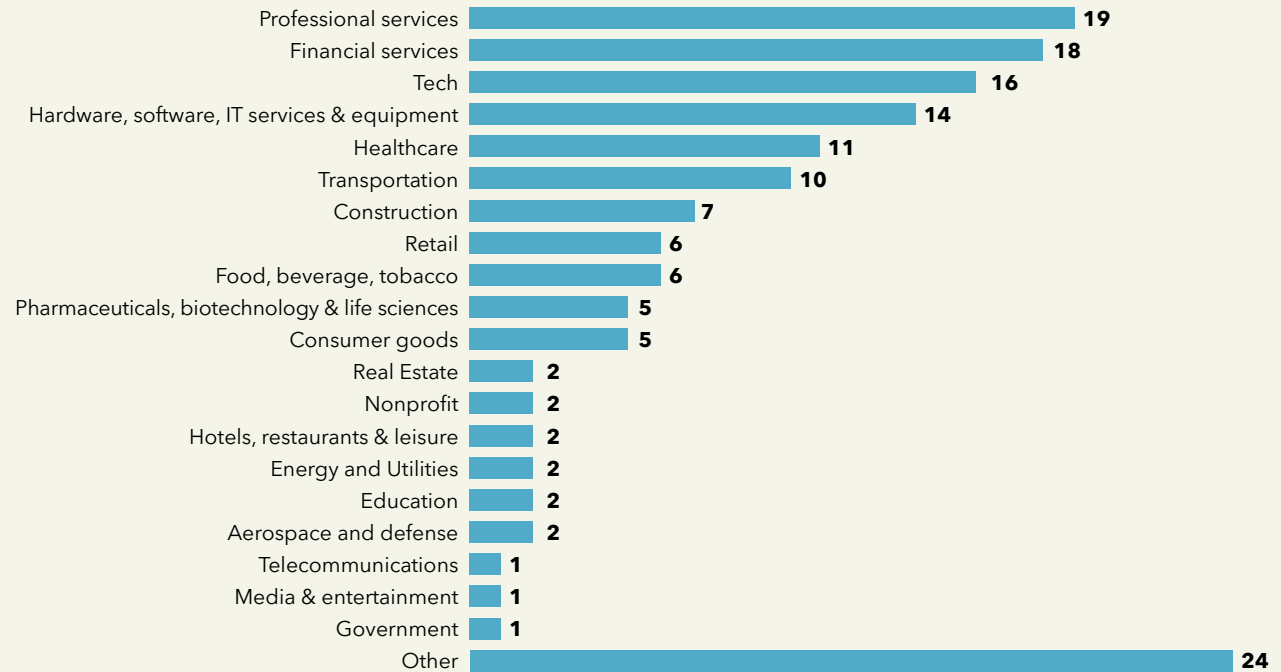
About how many people does your organization employ?



N=156
Select-one
Absolute values shown

Organization Industry

What industry is your organization in?



N=156
Select-one
Absolute values shown

About the Author

Jennifer E. Sigler, PhD

Before becoming FOUNT's first Head of Research, Jennifer worked as a Gartner Analyst, Head of Organizational Learning for a consulting firm, and in university teaching. She earned her doctorate in organizational communication from Purdue University, where she specialized in how organizational structures shape people's experience of work. Her research has been published in both peer-reviewed and popular outlets; in 2023 her dissertation will publish in book format. Though a native of West Virginia, she currently lives in Northern Virginia with two dogs nicknamed "Fluff Monger" and "Trip Hazard."

Acknowledgments

The 2022 State of EX Survey report would not have been possible without the help of a broad group of supporters. We are grateful to both clients and non-clients for their participation, and to partners who amplified the survey's reach. We owe a special debt of gratitude to: David Green and the team at Insight222, and to Executive Networks.



FOUNT Global, Inc. believes work should be less of a drag for employees and companies. The company helps remove needless friction and frustration from individual's day-to-day work. FOUNT's software-as-a-service solution helps companies identify what's at the root of employee dissatisfaction and prioritize what to fix in their work environment. FOUNT works with organizations at the forefront of EX including Adidas, Credit Suisse, Pfizer and TEKsystems. Founded in 2022 as a spinout of the employee experience consultancy, TI People, FOUNT has headquarters in Washington D.C., London and Hamburg.

For more information, visit <https://fount-ex.com> or email hello@fount-ex.com.



TI People provides consulting services specialized in employee experience. Since 2016, the consultancy has been partnering with leaders across the globe who are eager to shape and apply the practices that will allow them to continuously improve employee experiences in ways that drive value for their people and their business. Thanks to this ongoing work in the field, TI People has learned what makes progressing in this space challenging and what is needed to have impact. This enables them to equip leaders with what it takes to meaningfully progress on EX within their specific organizational context.

Find out more at <https://www.ti-people.com/>

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