



# **Digital HR Services Experience – The Big Lip-Service**

**Findings from Interviews with  
Heads of Digital HR Systems & Services**

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## Summary

The findings of this paper are based on 10 semi-structured interviews with people responsible for HR systems or services in large organizations, like Head of HR IT, Head of Digital HR, Head of People Services, etc.

Key findings are the following:

- 1. Importance of EX:** Employee Experience (EX) is of importance for the mentioned roles. The question "How important is ensuring positive EX of digital HR services for your organization?" was rated on average with 4.7 of max. 5 (very important).
- 2. Organizational maturity:** Organizations are not yet very mature in embracing EX design and improvement approaches for digital HR. The question "How ready is your organization to ensure positive EX of digital HR services?" was rated on average with 2.9 of max. 5 (fully ready).
- 3. Current and aspired focus on digital HR service improvements:** Currently, investments into digital HR service improvements are still often directed towards saving HR or IT budgets, while the interviewees would like to see a stronger shift towards making easier the daily jobs of managers (especially) and employees as end users of digital HR services.
- 4. What organizations are already doing:** Common practices to bring an EX focus into digital HR include a) Qualitative feedback on running systems, b) Enablement & upskilling, and c) Communication
- 5. What organizations are not yet doing (enough):** Practices that are not (often) observed are a) Human-centered design, b) Strategy & Organizational setup, and c) Success KPIs or cases
- 6. The biggest challenges that prevent a higher maturity are:** a) Missing budgets, b) Executive mindset, and c) Missing data
- 7. Key recommendation:** Collect quantitative moment-centric data to show the real quality of digital HR services, prioritize improvements, and prove their business impact. Broadly implemented and consequently used to improve systems, moment-centric data can become a holistic quality management system for digital HR services.
- 8. Next steps:** EX clearly matters as a lever to derive better digital HR services. But this lever is underused, and many organizations struggle with proving the value of EX to executives and hence changing their mindsets towards applying human-centered approaches in digital HR. It is now crucial to understand successful practices to overcome these challenges and move from understanding the "why it matters" to "how to make it happen".

## What is this paper about?

My last [article on Digital HR Experience](#) triggered many conversations which made me realize again how important the topic of Employee Experience (EX) is for many people responsible for HR Systems and Services. At the same time, I learned how little chances they typically have to embrace an EX approach to deliver better digital HR services. They don't seem to get the required support, specifically in terms of budgets and resources to spend on human-centered approaches, what they get is typically tied to systems that increase efficiency.

For me this triggered the desire to better understand the status quo and potential role of EX in digital HR. My overall goal was to understand **if and how EX can ensure highest end-user adoption of digital HR services and hence a high digital HR ROI**. I initiated a little research in which I interviewed 10 people responsible for HR systems or services in large organizations, i.e. roles like Head of HR IT, Head of Digital HR, Head of People Services, etc. Some of the organizations have agreed to be disclosed: I spoke to representatives of Atruvia, Covestro, E.ON, Evonik, TÜV SÜD, and ZEISS. The remaining four organizations preferred to stay anonymous.

In the interviews I investigated questions like

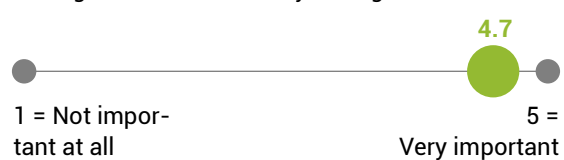
1. Does EX matter to the roles of my interview partners as a concept and approach to deliver high quality digital HR services to employees?
2. How are organizations bringing EX into digital HR (or not)?
3. What prevents a higher organizational maturity in adopting an EX approach?

Today I am presenting back the results of this research. The number of interviews is admittedly not very high – but the knowledge and experience of the interview partners was very deep and therefore the quality of the insights I was able to retrieve. I structured this article according to the key questions I found answers to.

### 1. Is EX an approach of relevance for digital HR service quality?

The simple answer is: yes! I asked the interview partners to indicate “How important is ensuring positive EX of digital HR services for your organization?” on a 5-point scale with 5 being “very important” and the average score was 4.7 (see figure 1). In addition, 6 of the 10 respondents named EX as either the most important driver or one of the most important drivers to improve their digital HR services in the next two years. Why is that so?

Figure 1: How important is ensuring positive EX of digital HR services for your organization?



Employee Experience can in simple words be defined as “The stories people tell about their work” (The EXchange, Employee Experience 2023 White Paper). Admittedly, well-working HR systems and services are not likely to be what people talk about with their friends on a Saturday evening. However, digital HR services that are specifically bad can become strong

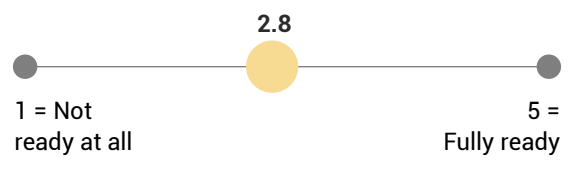
irritants – and that's something people do talk about. Several interview partners told me stories about severe issues when launching new HR systems. For example, one organization had shifted their SAP HCM self-services to Fiori to provide users with a fresher design and mobile access. This also covered time-tracking. Although Fiori was designed with best intentions and thoroughly tested, a storm of protest started after transition of the time tracking for one specific unit. How so? The tests were run by HR experts – but not with users. HR overlooked that over the years, the old time-tracking system had been customized to reflect some specific requirements of this unit. These customizations were not reflected in the new system and the employees couldn't use it. As a result, the company had to fire-fight, adjust the system, and spend effort on communication and re-gaining trust of the users. One can easily assume that in this case, the bad experience of users led them to actually 'tell a story about their work' – and that was likely to not be a positive one.

The story also reveals an important learning about how EX should be approached in the context of digital HR services: It means to consequently involve users in system selection as well as service design and testing. "Had I just involved users in testing the system prior to launch, the whole issue would have been avoided" – that's the reflection of the responsible person. Why wasn't that done? This leads us to the second question.

## 2. How do organizations bring EX into digital HR?

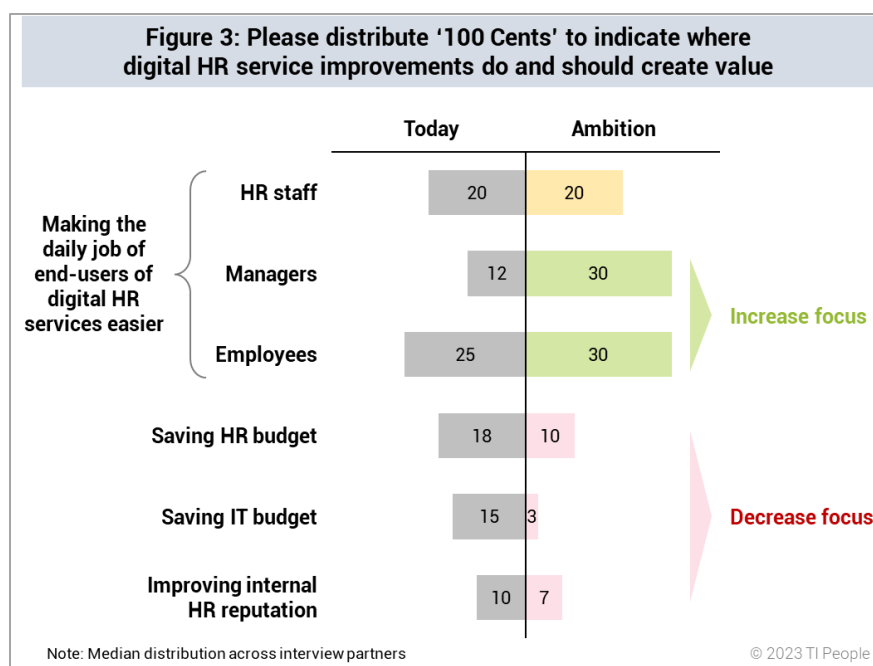
Before discussing current practices of organizations trying to bring an EX focus into digital HR let's first look at how my interview partners have assessed their own organization's maturity. I have asked them how ready their organizations are to ensure positive EX of digital HR services on a 5-point scale, with 1 being "No ready at all" and 5 being "Fully ready". As you can see in figure 2, the average score was 2.8. So, there's a long way to go for organizations, especially when compared with the average importance score of 4.7 highlighted above.

Figure 2: How ready is your organization to ensure positive EX of digital HR services?



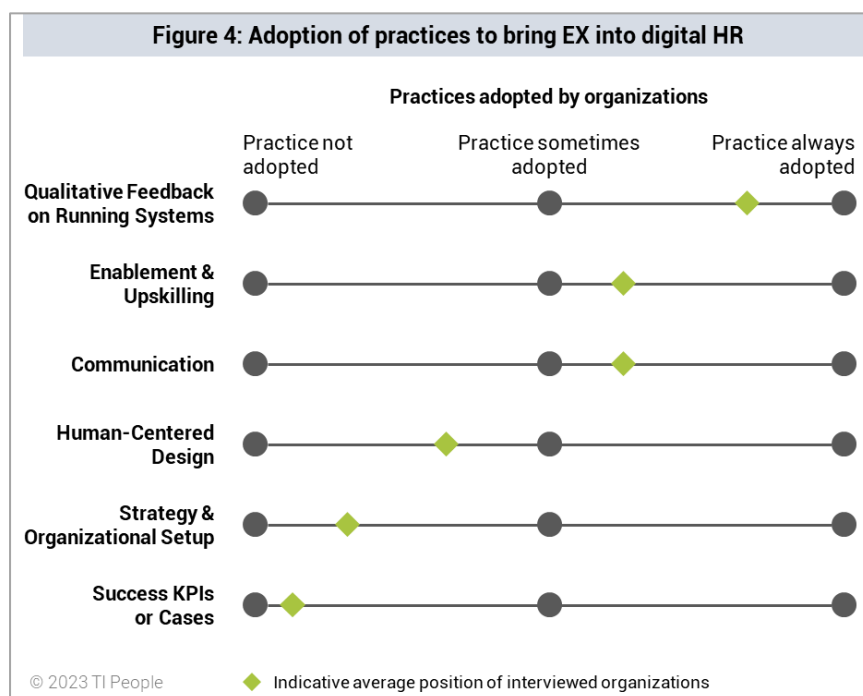
Next, I was interested to understand where current improvements of digital HR services are directed to today and what would be the desired focus of my interview partners. To find out, I asked the interviewees to distribute '100 cents' across six categories to indicate where digital HR service improvements do and should create value.

The results are summarized in figure 3. Today, one third of the cents are allocated to saving HR or IT budgets. Interviewees wish to re-allocate 20 of these cents to make the daily jobs of managers and employees easier. Clearly, today the HR service improvements are not sufficiently



directed towards their users, with a particularly high gap at bringing value to managers.

Now, how are organizations bringing EX into digital HR? The unpleasant truth is: Several important practices are not yet embraced by many organizations.



Based on the findings of the interviews, I was able to identify certain practices that organizations are or should be doing to bring EX into digital HR. Figure 4 summarizes the practices and indicatively shows the degree of adoption. The average percentages are not deducted by science as I didn't ask for ratings, and I only created these practices based on what I heard

during the interviews. When referring to "living a practice", I mean that it is established and accepted in routines and processes, but again this is not a strict definition. Still, I think the

illustration gives a good perspective on what organizations are currently doing (or not). In the following section, I will discuss the practices in more detail.

### **1. Qualitative Feedback on Running Systems**

The most common practice, and quite established, is to obtain qualitative feedback on running systems. Interviews or focus groups are common, but also for example periodic “system clinics” for employees to get support on using systems. The issues discussed provide a constant flow of feedback that fills system improvement backlogs. The same is true for support hotlines or qualitative notes attached to support tickets.

### **2. Enablement & Upskilling**

Also established in the majority of organizations are measures to enable employees and managers to use systems. Part of these measures overlap with what I already mentioned in the section on qualitative feedback. System clinics or support hotlines enable and upskill people. In addition, many organizations offer training sessions when implementing new systems, or regular Q&A sessions (be it on digital HR services in general or system-specific). I have also heard stories about what has happened if sufficient enablement was not offered. One organization went live with manager self-services and apparently thought that managers would figure it out themselves. This heavily backfired, leading to low user adoption and a high support ticket count. So, organizations are advised not to miss out on offering sufficient training opportunities in different formats. This is also a great source to constantly learn about the issues systems currently create and hence to improve them.

### **3. Communication**

Communicating specifically around system implementations is also common. However, here the quality or focus of the communication seems to be a differentiating factor. Good practices are directed towards highlighting the full value of systems and go hand-in-hand with enablement activities. If employees and managers understand what's in it for them and are skilled in using systems effectively, both their satisfaction and system adoption rise. For example, hiring self-services can provide hiring managers with improved transparency on the status of their hiring requisitions compared to HR business partner- or recruiter-led hiring. In a non-self-service model, hiring managers may have to ask the HR representative for the status of their hiring requisitions. The HR representative may be out-of-office or just slow in responding. In comparison, in a good self-service hiring managers should be able to see the status of all their requisitions whenever they want.

In addition, some interviews have shown the importance of being clear about which systems are required for what reasons, why certain standards must be adopted, or where systems have been altered to reflect employee requirements. “We know that you would like this, but we can't offer it for those reasons” and “we are happy to be able to bring you this” is better than not being transparent.

#### 4. Human-Centered Design

Involving employees and managers in the design of digital HR services is something unfortunately only few organizations seem to do. For me, that was a surprising finding. I heard many stories about system implementations that went very wrong because employees or managers were not involved in system selection, configuration, or at least testing. You will remember the Fiori time-tracking example shared above.

Still, I also found some examples of good practices. One company was implementing a SaaS HCM suite. They decided to first go live with modules that had the potential to bring particular personal value to managers, like recruiting which brought better transparency on the status of requisitions as already discussed above. The idea was that the adoption of the entire HCM would be easier if the system was perceived as creating value from day 1. The implementation team was then running a series of global “incubator workshops” with managers to highlight these benefits but also to collect their requirements regarding workflow design and system configuration. Requirements were consolidated across the workshops and assessed regarding their feasibility which showed that it was possible to incorporate 50-60% of the manager “wish list”. The results of the feasibility check were again played back to the managers, accompanied by explanations of why the remaining 40-50% of requirements could not be implemented. This obvious attempt to account for manager requirements, combined with clear communication to manage expectations, allowed for strong messages for the communication campaign accompanying the roll-out. As a result, the module was highly accepted by managers after go-live and subsequent modules were rolled out following the same approach.

For me this involvement of managers in designing a system that they would be supposed to spend a lot of time with felt very natural. It's intuitive to be more likely to accept something that you could co-design and where you know why certain elements are not as perfect as you wish them to be. So why are approaches like the above not common? I discussed this question in several interviews, and it seems that it's a question of a) following the standard approaches of the large implementation providers, and b) being under pressure to hold tight timelines.

Regarding a), the implementation partners have proven sequences to roll out modules in an efficient order – from the perspective of HR IT. Organizations may think to themselves: “I am implementing this vanilla solution that thousands of other companies have already rolled out with this implementor, so they must know how do to this right! I don't need to be special and try to overly tweak the approach. I want it out of the box to lower time and cost.” However, these standard approaches are not (sufficiently) considering how to take the people along that then use the system.

Regarding b), involving people in understanding system requirements takes resources of these people as well as the implementation team and increases the timeline for implementation. That's why many organizations just go with a quicker roll out and then try to fix issues in a wave 2. Depending on the degree of dissatisfaction with a system this can be a risky game for organizations that may

suffer from a loss in productivity if people spend too much time trying to navigate systems that are not intuitive or lack needed functionality.

While in this section I have mostly been writing about implementation projects, some good practices also exist to improve running systems. Several organizations have “evolutionary HR IT budgets” which are used to improve systems on an ongoing basis. This is nothing new, but some organizations have made the involvement of employees and managers to prioritize and design improvements part of their standard process so that they start with people’s pain points and requirements rather than HR IT assumptions and process improvements.

## **5. Strategy & Organizational Setup**

Employee Experience is hardly represented in strategies and the organizational setup of most organizations. To start with, I didn’t find many formal approaches or strategies to connect EX and digital HR services. Organizations are still getting their head around EX in general and a connection to digital HR services is not what most of them are concerned about. It also shows a lack of management attention on the topic. Consequently, there are typically also no dedicated teams or resources for the topic. This is problematic because it leads to a lack of capacity as well as required skills, especially in human-centered design.

Interestingly, some of my interview partners came from organizations that have adopted agile working models and these organizations were more mature in their adoption of EX approaches and available skill sets than those with traditional working models. It seems that agile ways of working naturally bring (or are a sign of) changes in mindsets and skill sets that benefit the adoption of EX approaches.

The only more common formal body that I found in relation to EX in digital HR is to have a standing group of employees and managers, typically between 40 to 70 people, that have opted in to be contacted for system testing, discussing design questions, even being part of an HR IT project team to represent the user perspective, etc. It helps project teams to involve people if they can be sure to not step on anyone’s toes by reaching out and asking for their time, and it avoids recurring discussions with leaders on “can we reach out or not”.

## **6. Success KPIs or Cases**

The final practice is what nearly all organizations strongly struggle with: How do they prove the success of digital HR services? Of course, ticket systems, system usage data, or search statistics are common. I also discussed qualitative feedback at the beginning of the practices. But there is no visibility on the impact digital HR services are having on the experience of people and on business results. As we will see when discussing the challenges my interview partners raised, many of the practices have low maturity because the required budgets are lacking. To dedicate budgets, the value of investments for the organization needs to be clear. And that’s currently not the case. To give an example, in an ideal case, I could prove that because I worked with employees on improving an onboarding app, after implementing the changes the experience with the app rose and the attrition rate of a critical talent segment went



down, reducing cost for recruiters and headhunters to refill the positions. This logical chain is difficult to build, and hence it is hard to prove that investments into EX approaches pay off.

But organizations even struggle to show success as the impact system improvements have on people's experience. Few organizations in the group I interviewed measure user experience with systems. And even this perspective is too narrow as the experience with a system is embedded in the broader context in which the system is used, so a separate measurement of system experience may miss implications the system has on other experiences. As an example, an organization that digitalizes a service may replace a personal interaction between employees and let's say HR representatives with a system. While the system as such may provide a good experience, employees may still miss other aspects of the personal interactions with HR representatives. Only understanding the system experience would miss out on this broader effect. Such holistic experience data is currently missing in most organizations.

### 3. What prevents embedding a greater EX focus?

After having discussed the practices of organizations to bring EX into digital HR services, the next question is which challenges prevent reaching a higher maturity.

#### 1. Missing Budgets

Most importantly, my interview partners shared how limited their budgets are, for example to even ensure sufficient user testing. Expectations of employees and managers have strongly increased in the last years. They may have questions in their minds like: "Why do learning systems not suggest suitable trainings based on what I did before, like Netflix does with movies?" Or: "Why can't I have a status overview on my HR requests incl. completion date, like I get from amazon?" It's impossible to match these expectations with the allocated budgets.

Some of my interview partners also mentioned that human-centered design is difficult to realize. Often, human centered design capabilities are not available internally, but there's no budget available to bring in external experts, and if there is evolutionary HR IT budget, it cannot be spent on external support.

Another aspect linked to the allocation of budget is the HR Operating Model. Some organizations are not fully clear about the level of personalization they want to provide. Does an organization want to offer personal services, e.g. through HR Business Partners? If systems are supposed to replace these personal services the organization should move the budget from personal services to systems, which most often does not seem to be the case.

## 2. Executive Mindset

Very closely related to the challenge of missing budgets is the mindset of executives. Leaders often do not seem to realize the value of an EX approach to the organization. HR IT budgets and resources are often only allocated if the investments lead to headcount reduction. Counter-intuitively, in several organizations, investments into digital HR services are accompanied by expected FTE reductions of e.g. 10-15% that are allocated across all functional areas, meaning that even HR IT has less resources although they get more systems to maintain. That makes it difficult of course to in addition learn new or take on additional practices as outlined above. If executives expect an efficiency business case from investments into human-centered design, it's likely not to happen.

Referring again to the example of a large system implementation, considering the people perspective is often deprioritized because it would slow down the implementation. Although green field workflow design for system configuration is often far from reality, time pressure for implementation teams is so high that they leave it aside willingly. Again, it's up to executives to steer or mitigate this time pressure.

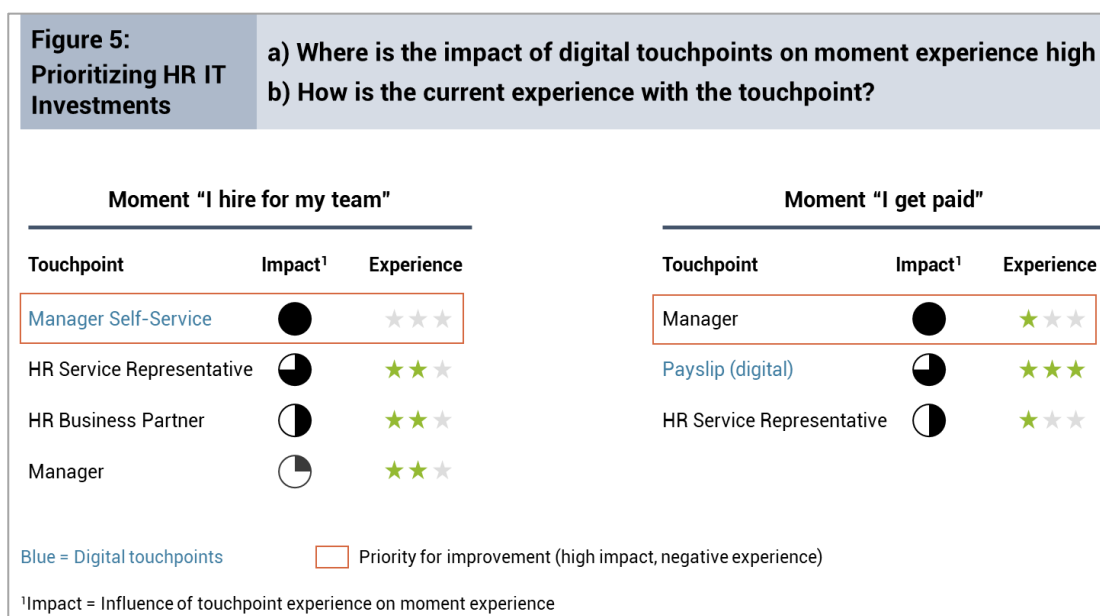
Several interview partners mentioned that there must have been a major escalation, e.g. by managers, before people's requirements are reflected. For example, a newly implemented manager hiring self-service that was designed without involvement of managers had three approval steps, making the hiring self-service cumbersome and long. Only after major complaints by managers the approval steps were strongly reduced. Afterwards, managers were happy with their experience and the duration of the hiring process. But the interview partner was clear that the organizations would not have been ready to let go of the approval steps without the escalation. It's the role of executives to steer towards a human-centered culture that not only accepts but fosters EX approaches, also in the context of digital HR services.

## 3. Missing Data

Admittedly, this aspect has not specifically been raised by many interview partners. It's more my interpretation of an essential aspect to be able to change executive mindsets and secure budgets. I believe that data is missing to understand the true quality of digital HR services in the broader context of people's experiences and to prove the value of connecting an EX approach with digital HR services to the leaders. Looking at user experience – focused on the pure experience with a system – is a good first step. But even if system experience as such is good, the system can have a broader impact on experience that isn't visible from user experience data.

I advocate for collecting moment-centric data. A system, for example the manager hiring self-service tool, is a touchpoint in the manager moment "I hire for my team". There are other touchpoints in this moment, like the manager's manager, team members, recruiters, etc. It is essential to understand a) how much impact the experience with the self-service has on the overall manager experience in the "I hire for my team" moment, and b) how the current experience with the self-service is.

Maybe the system is not very relevant in this specific moment; correlation or regression data can tell. At the end, HR IT investments should be focused on those systems that have a high relevance as touchpoints in one or several moments and in which the current experience is negative. That would have the biggest impact on the overall experience of employees. See Figure 5 for an illustration.



As a next step, experience improvements should be connected to business outcomes like reduced attrition, or productivity increase. Having data on experience improvements and their impact on business results seems to be needed to make a case for executives to embed EX approaches more strongly in digital HR services. Ultimately, user adoption is the biggest lever of many HR IT business cases. Positive people experience drives high user adoption and thus secures the ROI of HR tech investments. Ironically, that's also what HR IT leaders are aiming for in their '100 cents' allocation in part 2 of this paper yet have no or not the right data to steer towards. The best provider of such a data model I have seen is clearly [FOUNT](#).

Moment-centric data, that captures people's experience of a moment and with the (tech) interactions that enable it, can fuel a powerful quality management system for digital HR services.

## Final remarks

The final part of this report is dedicated to saying “Thank you”: I am grateful for all the time and insights my interview partners dedicated to this topic. I found it encouraging to see that everyone I spoke to was very positive about the relevance of discussing how to connect EX perspectives and approaches with digital HR services. On the downside, organizational reality currently often prevents human-centered approaches from being tested and adopted more broadly. Hopefully this paper triggers further discussions leading in the right direction. I strongly believe that both organizations and their people would benefit.

## About the author

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Timo is a Director at [TI People](#) and holds a PhD from the University of St. Gallen. He has focused on the field of EX since 2016 as an advisor, writer, and speaker. In his work with senior HR teams of leading organizations, Timo can also draw on his yearslong consulting experience at CEB and The Boston Consulting Group.

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