

STATE OF EMPLOYEE FEEDBACK

TRENDING HR PRACTICES, STRATEGIES & TACTICS FOR IMPROVING THE EMPLOYEE EXPERIENCE



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INTRODUCTION

Welcome to the State of Employee Feedback—an analytical, comprehensive summary of strategic HR practices centered on employee feedback. Designed to give executives and HR leaders insight into how organizations like yours invest in their employees' experience, this report uncovers areas like employee engagement prioritization, performance conversation strategies, and best practices for collecting feedback. This report aims to answer pressing questions, like:

- What are HR teams' biggest challenges?
- What will be prioritized in the coming year?
- What employee feedback strategies and tools have become more or less important?
- What tactics and strategies are organizations using to measure and improve their employees' experience?
- What are the most engaged organizations doing differently?

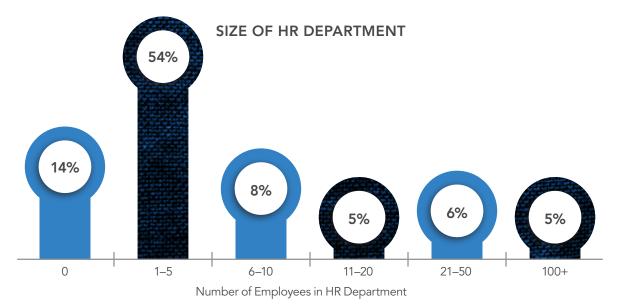


About the Survey

We polled nearly 300 organizations on their HR team's most pressing priorities, the challenges they face, and the employee feedback strategies they have in place to improve the employee experience. We've calculated the quantitative results, identified key findings and trends, and put the details into a polished report: *State of Employee Feedback*.

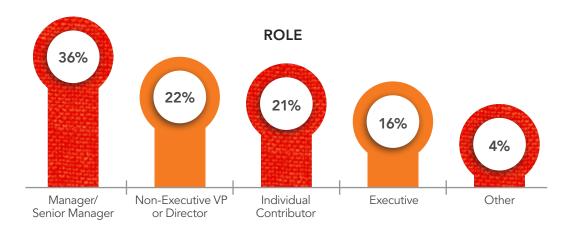
Who Took the Survey

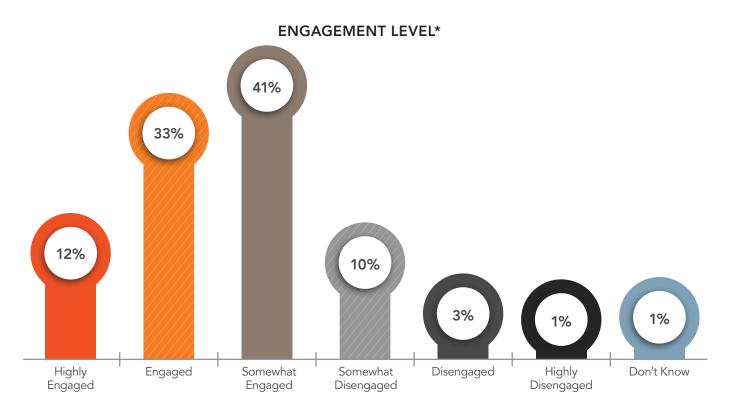






Who Took the Survey



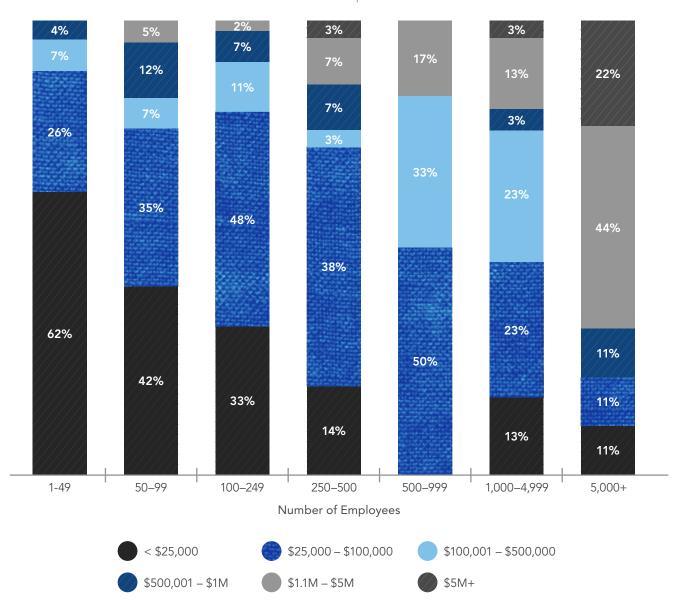


*Our survey asked respondents to report their organization's level of engagement, in their opinion. Throughout the report, we compare survey items to respondents' self-reported engagement level. "Highly disengaged" and "don't know" survey responses had an insufficient number and are not included on any charts or data points that segment survey items by engagement level.

Who Took the Survey

BUDGET FOR PEOPLE OPERATIONS BY SIZE

*Excludes compensation



Slightly more than 30 percent of survey respondents did not know what their company would spend on people operations in the next 12 months. The responses above reflect those who selected a budget range.





What's HR's biggest challenge?

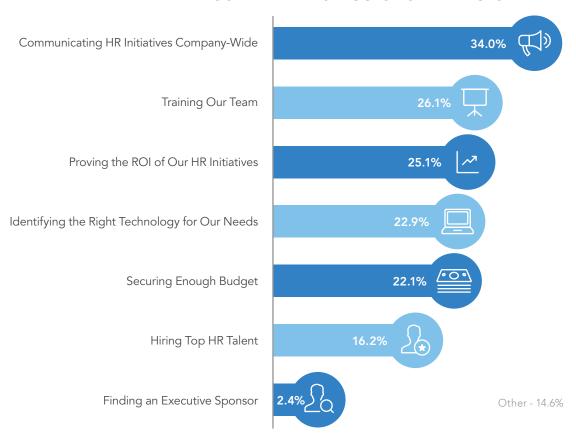
What will HR departments prioritize?

How does engagement level impact challenges and priorities?

HR TEAMS' BIGGEST CHALLENGES

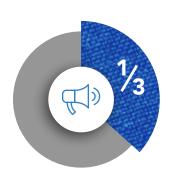
Below is a list of HR's biggest internal team challenges.

WHAT ARE YOUR HR TEAM'S BIGGEST CHALLENGES?



HR's #1 Challenge: Communicating HR Initiatives Company-Wide

Human Resources has no shortage of challenges. But when asked to select only three, the results were telling. More than one-third of all respondents said their HR team's biggest challenge was communicating HR initiatives company-wide. This item being ranked as HR's biggest challenge is concerning. The inability to effectively communicate HR initiatives can snowball into even more difficult challenges—lack of senior leadership, manager, and employee buy-in, decreased trust, organizational disengagement, and more.

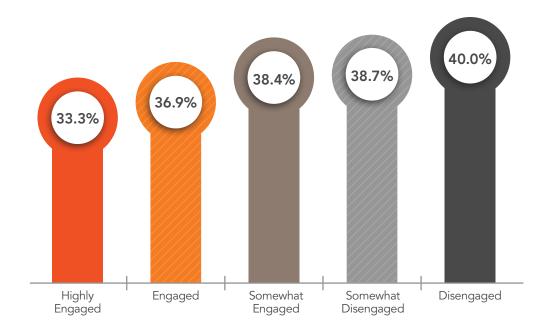




Internal Communication is Bigger Challenge as Engagement Decreases

As engagement decreased, internal communication became more of a challenge.

The chart below shows the percentage of organizations that said communicating was HR's top challenge, segmented by engagement level. The findings indicate that HR's ability to communicate their initiatives clearly across their organization impacts engagement.

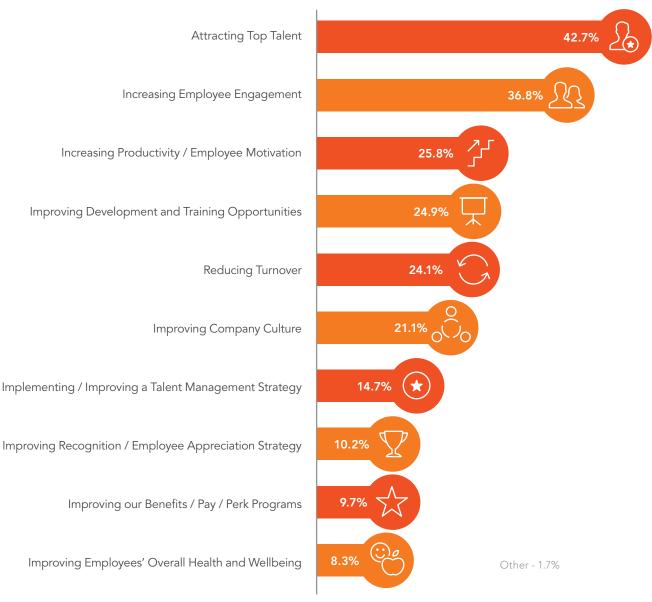




TOP PEOPLE PRIORITIES FOR ORGANIZATIONS

Below is a list of organizations' top people priorities.

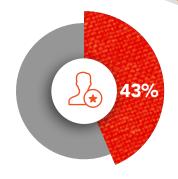
WHAT ARE YOUR ORGANIZATION'S TOP PEOPLE PRIORITIES IN THE NEXT 12 MONTHS?





Attracting Top Talent and Increasing Engagement Are Highest Priorities

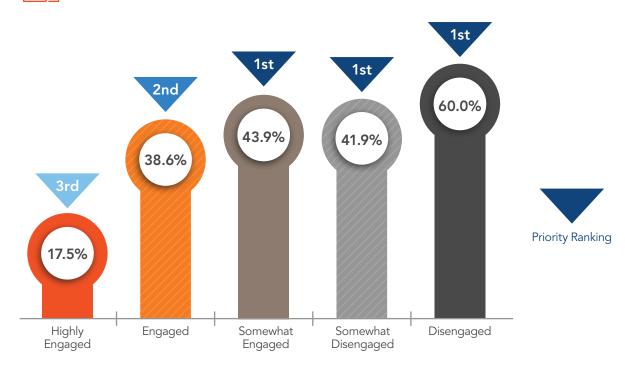
When asked about their organization's top people priorities in the next 12 months, almost 43 percent of survey respondents said attracting top talent to the organization was at the top of the list. Increasing employee engagement ranked second, with almost 37 percent of survey respondents saying it was a top priority.



Engagement is Higher Priority for Those Who Know They're Lacking

Survey respondents who said their organization was less engaged were more likely to report that increasing employee engagement was the HR department's top priority in the coming year. The chart below shows how increasing employee engagement ranked as a priority and the percentage of organizations that will prioritize it in the next 12 months, segmented by engagement level.

INCREASING EMPLOYEE ENGAGEMENT AS TOP PRIORITY

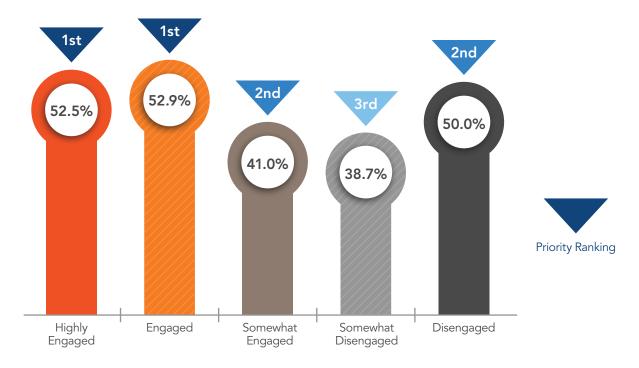




Attracting Top Talent is a Higher Priority for the Most Engaged Organizations

When analyzing attracting top talent as a priority, an interesting trend appeared. Organizations that were the most and least engaged were more likely to say attracting top talent was a higher priority. The chart below shows how attracting top talent ranked as a priority and the percentage of organizations that will prioritize it in the next 12 months, segmented by engagement level.

ATTRACTING TOP TALENT AS TOP PRIORITY







How does HR approach and prioritize employee engagement?

How important is employee engagement to leadership teams?

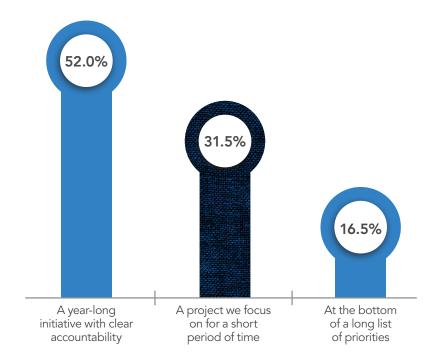
How much responsibility do individual employees have for increasing engagement?

How does HR prioritization, leadership buy-in, and employee accountability impact employee engagement?

ENGAGEMENT IS A YEAR-LONG INITIATIVE FOR MOST HR DEPARTMENTS

When asked what employee engagement meant to their HR department, more than half of survey takers said it was a year-long initiative with clear accountability.

For our HR department, employee engagement is...

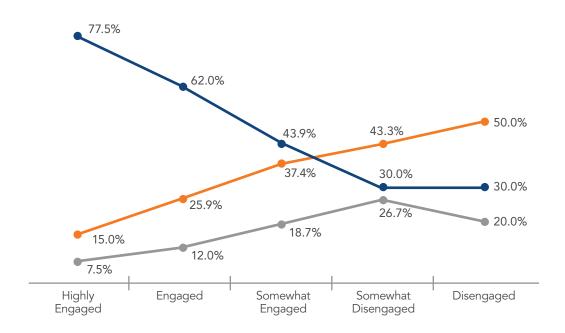




When Engagement Strategies Are "Projects," Engagement is Low

Employee engagement was considerably lower when survey respondents said their organization's HR team treated engagement as a project they focused on for a short period of time. Half of disengaged organization's said their strategy was project-based, compared to only 15 percent of highly engaged organizations.

EMPLOYEE ENGAGEMENT PRIORITIZATION BY ENGAGEMENT LEVEL



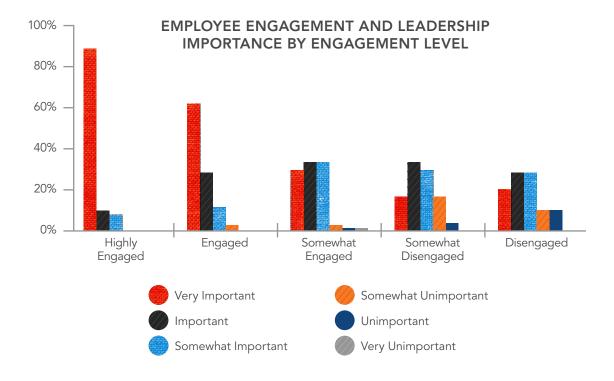
- A year-long initiative with clear accountability
- A project we focus on for a short period of time
- At the bottom of a long list of priorities



LEADERSHIP MAKES OR BREAKS ENGAGEMENT SUCCESS

Employee engagement levels are higher when leaders believe it's important, according to survey takers. Almost 90 percent of highly engaged organizations and 60 percent of engaged organizations said employee engagement was very important to their leadership teams.

Interestingly, somewhat engaged, somewhat disengaged, and disengaged organizations had neutral responses, uncertain if employee engagement was important to leadership. Roughly 30 percent of survey respondents in the neutral group said they believed employee engagement was somewhat important to leadership. The chart below shows leadership's likeliness to consider employee engagement important segmented by engagement level.





Leadership: Biggest Roadblock to Engagement Success

When survey takers were asked to select the biggest roadblock standing in the way of a successful employee engagement strategy, lack of senior leadership buy-in rose to the top of the list.

The 5 Biggest Impediments to Employee Engagement

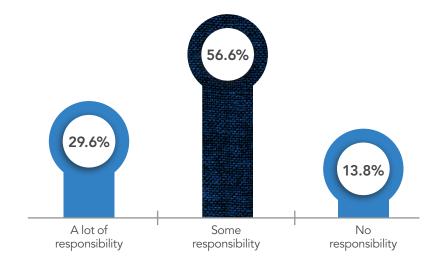
- 1 Lack of Senior Leadership Buy-In
- Current Strategy is "Good Enough"
- 3 Too Expensive
- 4 Difficult to Measure ROI
- 5 Don't Have the Right Resources



EMPLOYEES HAVE SOME RESPONSIBILITY FOR ENGAGEMENT

More than half of survey takers said employees had some responsibility for increasing engagement and bettering the employee experience in their organization.

How much responsibility do individual employees have for increasing engagement in your organization?

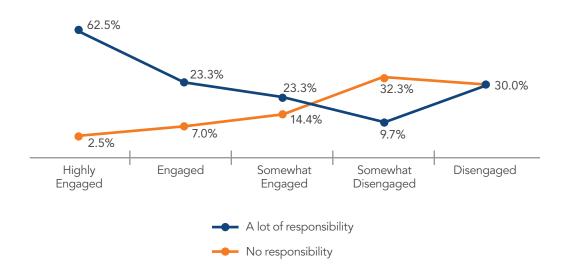




Highly Engaged Organizations Hold Employees Accountable

Highly engaged organizations were the most likely to say employees have a lot of responsibility for increasing engagement in their organization. Furthermore, as organizational engagement decreased, the likeliness that individual employees had no responsibility for increasing engagement increased. The chart below shows the amount of responsibility individual employees had for increasing engagement, segmented by engagement level.

EMPLOYEE RESPONSIBILITY BY ENGAGEMENT LEVEL







What communication strategies are most common?

What talent and people strategies have become more or less important to HR?

What key HR strategies differentiate the most and least engaged organizations?

79.3%

Organizational Communication Strategies

Organizational communication is essential for an engaged and thriving culture. Below is a list of common methods organizations use to communicate with employees, including tools to give and receive feedback.

ORGANIZATIONAL COMMUNICATION STRATEGIES

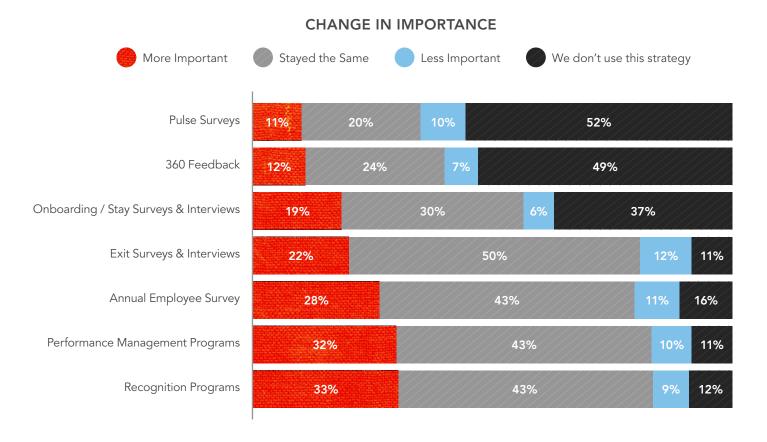




How Are Employee Feedback Tools Changing in Importance?

To gain insight into which employee feedback tools organizations will invest in more or less in the coming years, we asked survey takers how the tools have trended in importance. The graph below shows which employee feedback tools became more important, less important, or stayed the same over the last six months.

What talent or people strategies have become more or less important to your company over the last six months?



Note: If survey respondents were unsure how the above talent or people strategies changed in importance, they could select "I don't know." These responses totaled less than 7 percent in each category and were not included on the chart.



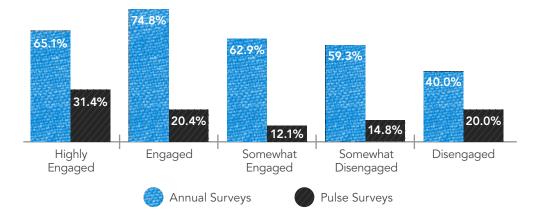
5 HR PRACTICES THAT SEPARATE THE MOST AND LEAST ENGAGED ORGANIZATIONS



Annual Employee Surveys: Foundation & Future for Engagement Feedback

According to the survey, annual employee surveys are the most common method for collecting engagement feedback. The chart below illustrates the percent of organizations that currently use annual surveys versus pulse surveys to collect employee feedback, segmented by engagement level.

ANNUAL VS. PULSE SURVEYS





Highly Engaged Organizations Are Investing More in Annual Surveys

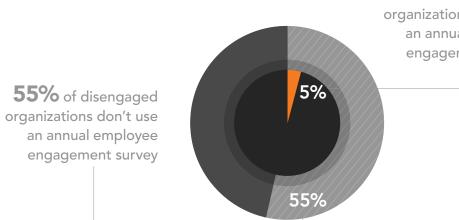
Roughly one-third of highly engaged and engaged organizations said annual employee surveys have become a more important part of their employee engagement strategy over the last six months. Conversely, roughly 12 percent of the same group said pulse surveys became more important.



of highly engaged and engaged organizations said annual employee surveys have become a more important part of their strategy

Want A Quick Way to Disengage Employees? Don't Survey...

When asked if annual employee engagement surveys have become more or less important to their organization over the last six months, 55 percent of disengaged organizations replied with, "We don't use this strategy," compared to only 5 percent of engaged organizations.



5% of engaged organizations don't use an annual employee engagement survey

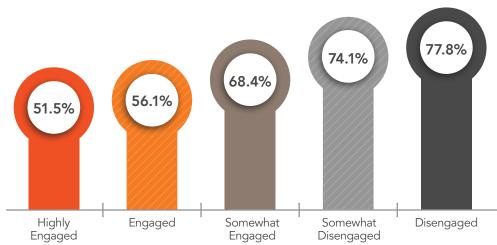




Are Annual Performance Reviews Disengaging Employees?

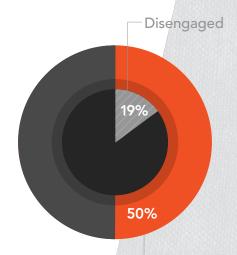
Disengaged organizations are the most likely to use annual performance reviews, according to the survey. As engagement level increased, organizations were less likely to say they used the strategy. The chart below shows how many organizations leverage annual performance reviews, segmented by engagement level.

ANNUAL PERFORMANCE REVIEW USAGE BY ENGAGEMENT LEVEL



Performance Management Becomes More Important to Highly Engaged Organizations

50% of highly engaged organizations say performance management programs will be more important next year, compared to 19 percent of somewhat disengaged and disengaged organizations. This could indicate that engaged organizations realize annual performance reviews are out-of-date and are looking to invest in new solutions, while disengaged organizations are content with the current strategy.



Highly Engaged





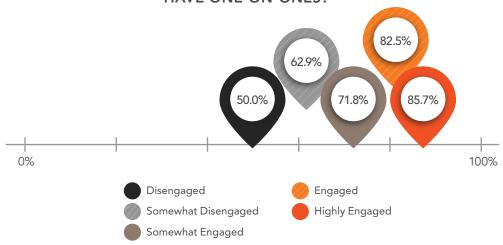
One-on-One Meetings: Common at Highly Engaged Organizations

Highly engaged organizations were more likely to use one-on-one meetings. More than 85 percent of highly engaged organizations said their managers and employees had one-on-ones, compared to just half of disengaged organizations.

Highly engaged organizations ranked one-on-ones as the **number one communication strategy**, ahead of emails from leadership and all-company meetings.



DO YOUR MANAGERS AND EMPLOYEES HAVE ONE-ON-ONES?

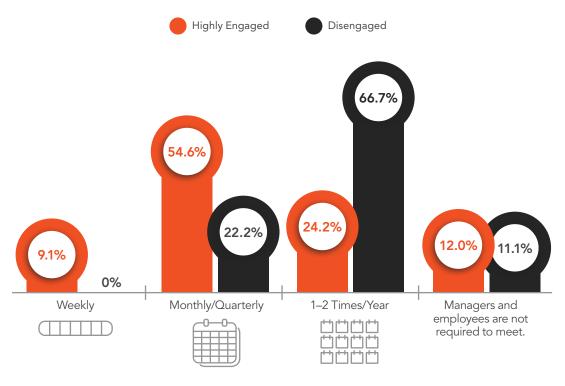




What's Frequency Have To Do With It? Highly Engaged vs. Disengaged

More than half of highly engaged organizations said managers and employees are expected to have one-on-one performance conversations monthly or quarterly, compared to only 22 percent of disengaged organizations. On the other hand, two-thirds of disengaged organizations have one-on-ones only once or twice a year, compared to less than a quarter of highly engaged organizations.

1-ON-1 CONVERSATION FREQUENCY BY ENGAGEMENT LEVEL



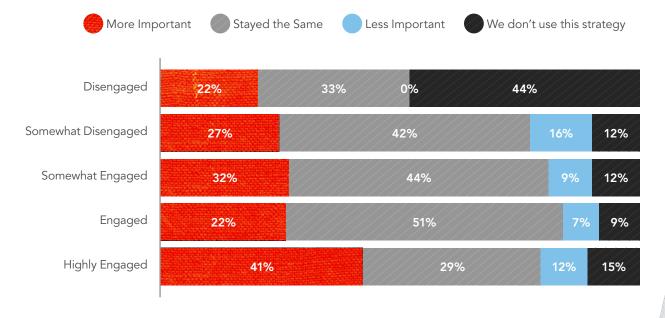




Recognition on the Rise at Highly Engaged Organizations

Just over a quarter of organizations said they use a formal peer-to-peer recognition program; however, when asked which talent or people strategies have become more important over the last six months, recognition programs rose to the top of highly engaged organizations' lists. More than 41 percent of highly engaged organizations said their recognition program is becoming more important, compared to less than a third of every other group.

CHANGE IN IMPORTANCE BY ENGAGEMENT LEVEL



Recognition Leads to Better Business Results \$\$\$

Half of the organizations that said they **saw a positive ROI** as a result of their employee engagement strategy also said they have a formal peer-to-peer recognition program in place.



If survey respondents were unsure if their recognition programs have changed in importance, they could select "I don't know." These responses totaled less than 3 percent for each engagement level and were not included on the chart.

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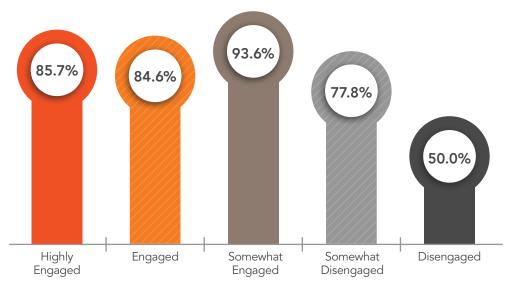




Engaged Organizations Collect and Analyze Turnover Data

On average, highly engaged, engaged, and somewhat engaged organizations were more likely to collect employee turnover feedback, using either exit interviews or exit surveys, than somewhat disengaged and disengaged organizations.

COLLECT TURNOVER DATA BY ENGAGEMENT LEVEL



Turnover & Employee Engagement

Highly engaged organizations were more than twice as likely to conduct a linkage analysis between the turnover data they collected and their employee engagement results, compared to disengaged organizations.

Roughly 45 percent of engaged organizations said they linked the two metrics, compared to only 20 percent of disengaged organizations. Highly engaged companies were **2X more likely** to link turnover data to engagement results.



IMPLEMENT HR STRATEGIES FOR EMPLOYEE AND BUSINESS SUCCESS.

Quantum Workplace can help you

- Survey employees to provide direction for your engagement strategy
- Recognize employees and boost morale
- Give and receive employee feedback
- Set and track aligned goals
- Schedule and conduct effective 1-on-1 meetings
- Successfully manage your talent pipeline

SCHEDULE A DEMO