

How IT Delivers on the Promise of Employee Experience

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Introduction

It's no secret that employees often struggle at work. Outdated systems, siloed departments, lack of communication and the pressure to increase productivity are just some of the things that can cause negative employee experiences. These days, the number of employees who dread their workday is now nearly 3 in 10. These are concerning numbers, especially given the well defined link between the employee experience and positive revenue growth and in light of the recent trend of record-high employee turnover in many sectors.

Much has been written about HR's role in the employee experience (EX). But what about IT teams? While they might not be the first to come to mind when thinking about EX, IT teams have a role in improving EX, as frequent stakeholders, decision makers and caretakers of EX technology. To better understand IT's contribution to improving the employee experience, Simpplr, in partnership with CMSWire, conducted the Employee Experience Technology Stack survey. We sought to understand what IT teams consider employee experience technologies, why the employee experience matters to them and how they can improve it at their organizations.



Demographics in Brief

The Employee Experience Technology Stack survey was conducted in January 2022. The survey received more than 400 responses entirely from IT professionals at and above manager level.¹



The Employee Experience Technology Stack survey received more than

400

responses from respondents.

¹For complete demographics, see Appendix.

Setting the Stage: IT's Relationship to the Employee Experience

IT might not be the first department associated with the topic of employee experience — isn't that HR's job? But as frequent stakeholders and decision-makers for the technology to improve the employee experience, IT teams have a critical responsibility for this area.

Drivers of EX Technology Investment

The main driver of EX technology investment is the role of employee experience in delivering on mission-critical business objectives. This is a near-universal belief. Ninety-one percent of respondents agree with the statement, "Improving the employee experience is critical for our organization's ability to deliver on its mission" (Figure 1).

IT professionals agree (all respondents)

Improving the employee experience is critical for our organization's ability to deliver on its mission.	91%
Our leadership understands how the employee experience impacts the customer experience.	89%
Senior leaders at my organization understand the importance of improving the employee experience.	85%

Figure 1



Key Findings

- IT teams play a **critical role** in improving the employee experience — and are often **held to account** for the outcomes of the technology they procure.
- Employee communication technology** is a crucial component of EX, and encompasses a wide range of technologies.
- Respondents at organizations with **mature** EX technology stacks say they experience **better outcomes** than those with less advanced stacks.

Being Held Accountable

In addition to recognizing the benefits of EX for improving the efficiency and effectiveness of their own work, the vast majority of IT professionals report that they are held accountable for the outcomes of efforts to improve employee experience. **At 96% of respondent organizations, IT is held responsible for the outcome of newly implemented employee experience technology, either wholly or partially.** Further, 55% say improving digital employee experience is a high or critical priority for their organization over the coming year.

Further evidence for the increasing priority of EX: nearly two-thirds of respondents say their organizations are planning to increase their investment in EX technologies. At 65% of respondent organizations, the budget for employee

experience technologies will increase next year. Senior leaders are putting resources behind directives to improve the employee experience and will be heavily supporting IT teams with the budget to secure new technologies.

At a more granular level, many IT teams are accountable for metrics around employee experience technology — some affecting their teams and some affecting the organization as a whole. Nearly half of all respondent organizations are responsible for team-specific metrics, such as ticket resolution or time spent on support. But at some organizations, IT teams are also wholly or partially responsible for organization-wide outcome metrics of employee experience technology, such as employee engagement or satisfaction (Figure 3).



- 65% of IT professionals say their organizations are increasing budget for employee experience technologies next year.

Metrics for which the IT team is held responsible (all respondents)

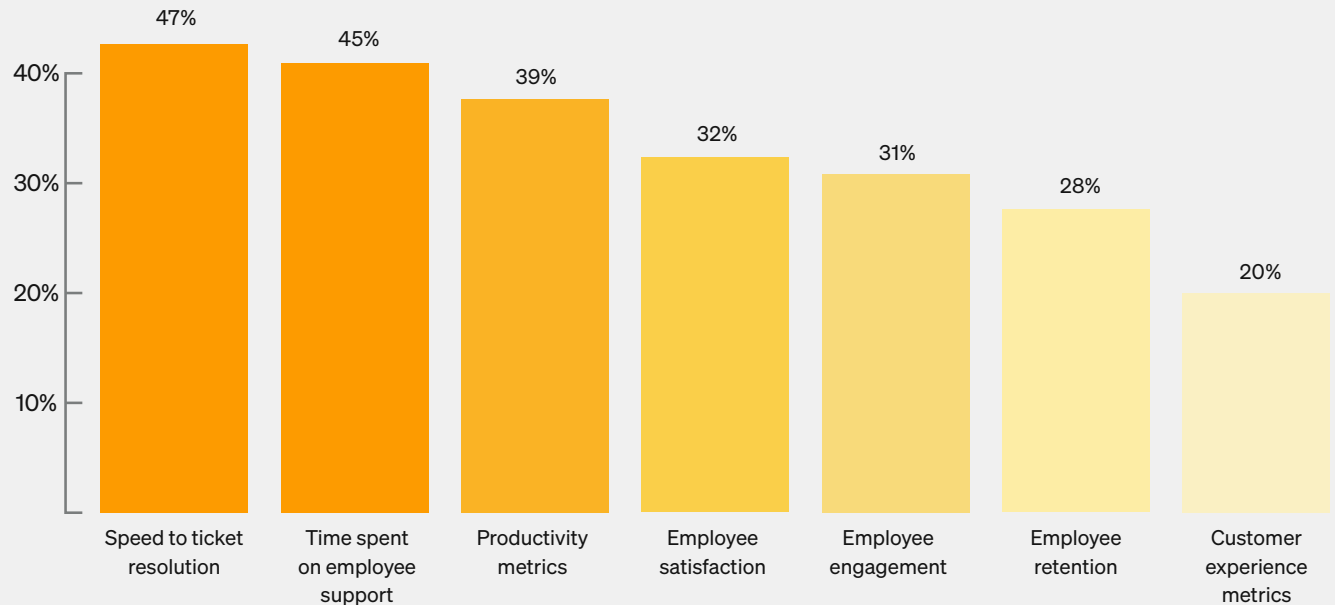


Figure 3

Besides being responsible for metrics (at least in part), IT teams have another reason to drive adoption of EX tech: such technology often produces better outcomes. Many organizations have used EX tech to move the needle on employee experience. Significant percentages of IT professionals report that metrics such as employee satisfaction, engagement and productivity have all improved as a result of new employee experience technology implementation (Figure 4).

Our organization has experienced better outcomes in the following areas from our efforts to adopt employee experience technologies (all respondents)

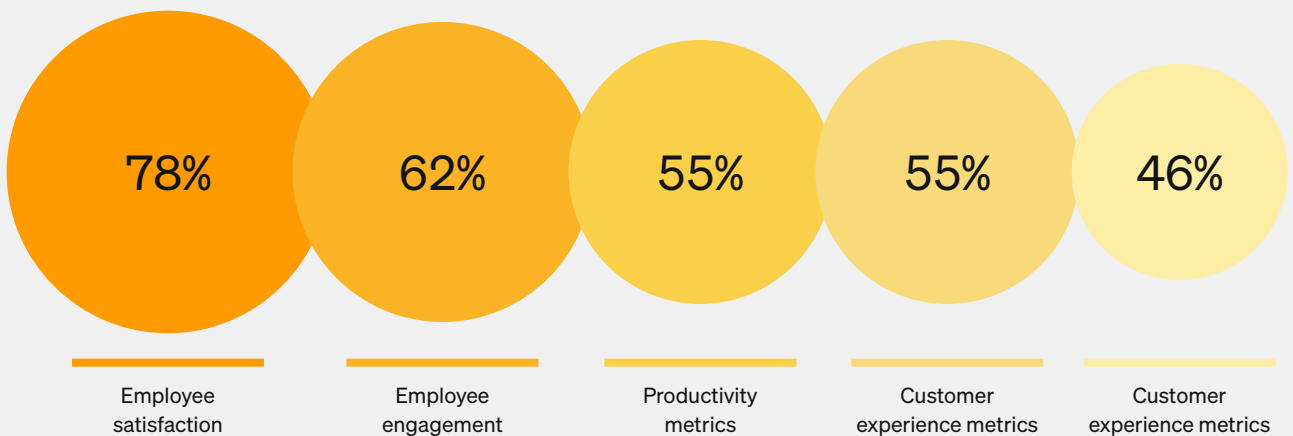


Figure 4

EX Technology and the IT Purchasing Process

With IT teams prioritizing improvements to the digital employee experience over the coming year, what does procurement look like? How do organizations go about adopting EX tech?

Let's look first at the decision making process for EX tech. Most respondents (80%) said such decisions were centralized, either within a single department, or with a cross-functional team with representatives from multiple departments (Figure 5). At nearly half of all respondent organizations, decision making for employee experience technologies is centralized and done through a cross-functional team. Further, at 16% of respondent organizations decision making is distributed across several different departments.

Digging a bit deeper into decision making around software evaluations and purchasing, IT emerges as the leading function — even ahead of HR and senior leadership (Figure 6). With employee experience technology affecting the entire organization, it makes sense that multiple teams need to review and give their input. EX technology is often integrated with other critical business systems and processes, so IT takes a leading role in evaluating new technologies to add to the environment. The consequences of failed or incomplete implementations can often rebound on IT teams and as we've seen, many IT professionals are held accountable for those outcomes.

Decision making for employee experience technologies (all respondents)

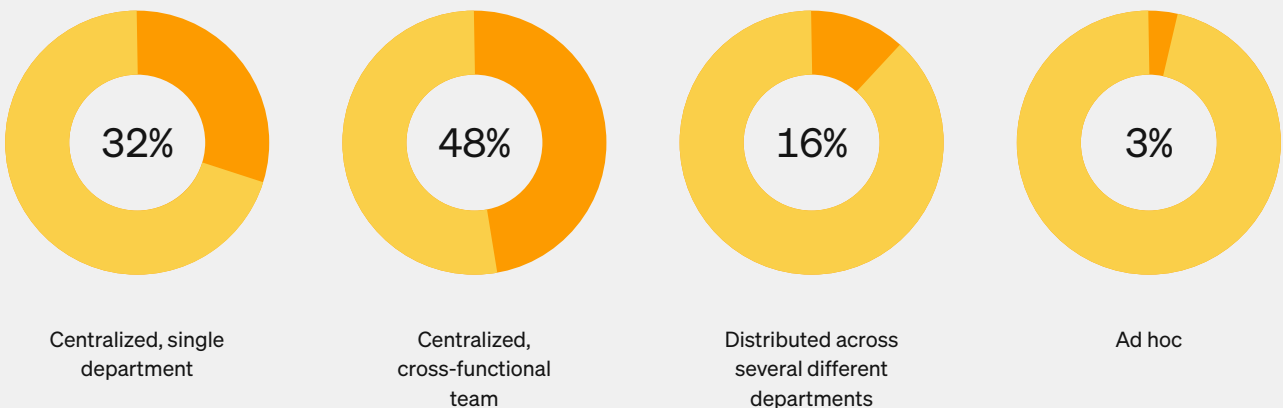


Figure 5

Departments/teams involved in decision making for digital employee experience or who make decisions to invest in new employee experience software (all respondents)

Department/team	Involved in decision making	Make EX software purchasing decisions
IT	64%	34%
HR	58%	23%
C-suite/senior leadership	47%	27%
L&D	29%	3%
Corporate communications	29%	8%

Figure 6

Stakeholders in the procurement process are likely to complete a number of steps before making any decisions on EX tech. Common steps include needs assessments and Infosec and GRC approvals (Figure 7). Because of the number of departments that need to give their input on any new EX tech, as well as the number of reviews that need to happen, the procurement process can often be quite long. Procurement is a 6-12 month process for almost half of all organizations (49%); 21% of organizations take less than 6 months to make purchasing decisions, while 30% of organizations take 12 months or longer.

Steps included in the purchasing process for new employee experience software (all respondents)



Figure 7

As they work through the procurement process, IT teams base their evaluations on the factors they consider most critical for their organizations. Top concerns for respondents include technologies that are easy to implement, meet specific organizational needs and integrate with their current ecosystems. Budget is a critical organizational factor for a third of respondents, but it is not the first priority (Figure 8).

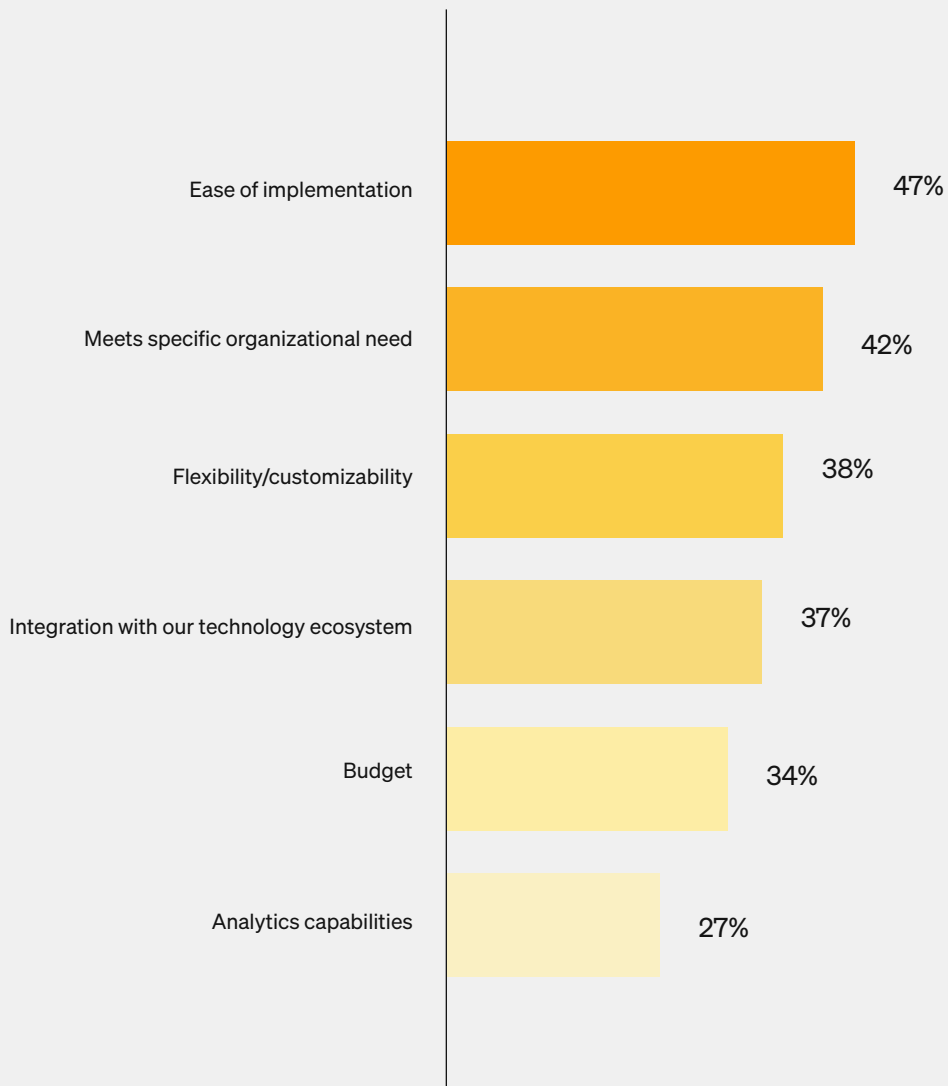


Figure 8

IT teams will need to find the balance among these factors during the procurement process without getting bogged down in competing priorities and trade-offs. Organizations can't afford to lose time to indecision — 67% of respondents say that their organization has experienced negative outcomes from delays in adopting employee experience technologies.

Communication is Critical to Improving the Employee Experience

In order to improve the employee experience, IT teams must first identify which workplace applications contribute to positive employee experiences. By acknowledging which applications can help, IT teams can prioritize those applications accordingly and work them into the EX strategy.

A key component of the employee experience, particularly in remote and hybrid work environments, is communication. Technology that enables employee communication is considered an employee experience technology by nearly two-thirds of IT professionals (Figure 9). This is the only category considered part of the employee experience tech stack by the majority of respondents.

Workplace applications considered employee experience technologies (all respondents)

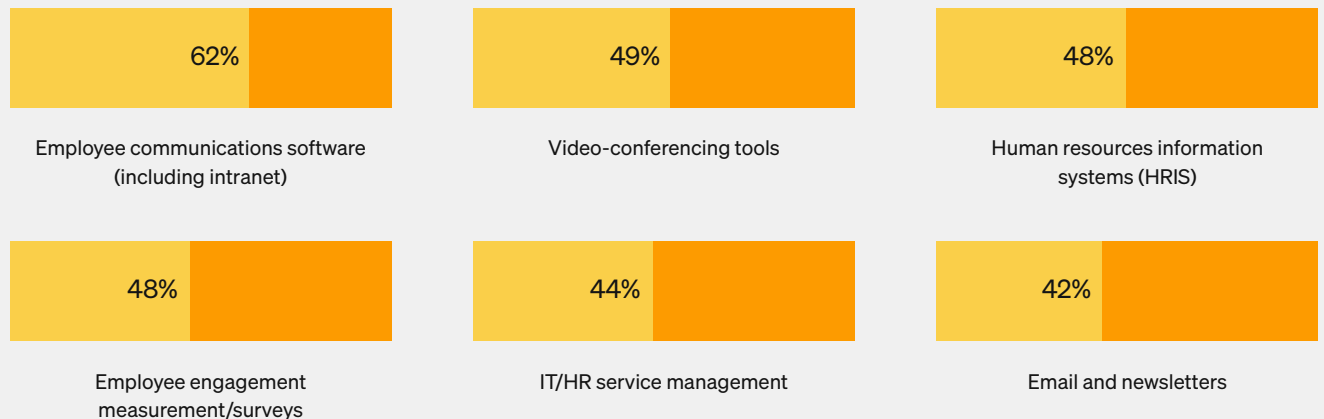


Figure 9

It's important to note that one category — email and newsletters — is already a key part of the employee experience strategy with 89% using them as part of their employee experience strategy. Email and newsletters

might seem like table stakes, but their inclusion in EX strategy is essential, as their use is widespread and can be leveraged to reach a broad group of employees.

Applications organizations use or plan to use as part of their employee experience strategy (all respondents)

	Already use	Plan to adopt
Email and newsletters	89%	9%
Employee intranet	60%	24%
Employee communications software	54%	27%
People analytics	42%	33%
Knowledge management platform	39%	35%
Space/visitor management software	33%	31%
Employee mobile app	46%	32%

Figure 10

So, what the data suggests is that most organizations are adopting multiple communications channels and platforms as part of their employee experience strategy. Organizations are acquiring the platforms and tools they need to communicate with employees where they are, communicate messages consistently across the organization and reduce the noise in employee communications. This way, important messages can be heard and help leadership to gather feedback and input from employees on crucial issues facing the workforce.

In their own words

The importance of employee communication cannot be overstated. When we asked IT professionals about the changes they'd like to see to improve digital employee experience, many of them lamented the lack of good communication and expressed an interest in seeing increased efficiency and consistency in communications, particularly at scale.

Q: What one change would you like to see in the next year to improve digital employee experience at your organization?



—Survey respondents, open comments



“Adopt modern tools and technology that are usable, user friendly and productive.”

“Align with your organization’s strategic view of employee experience.”

“The employee digital experience plan and strategy must be aligned and consistent with the organization’s broader strategic vision.”

“I would like to see an improvement in digital employee experience at my organization to give more transparency among teams.”

“We really don’t have a significant digital employee experience other than Zoom and emails so I guess I would like to see my company get on board with a significant jump in our digital experience.”

“Getting employees involved. Improving digital employee experience requires the involvement and contribution of employees because they are the recipient of the solution. The insights and feedback from the employee will help in customizing the solution to match what they require. You should also create feedback mechanisms that help capture ongoing input from the employee..”

EX Tech Stack Maturity and the Employee Experience

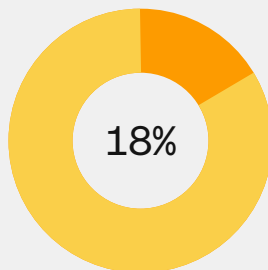
Maturity, Defined

As IT is often a stakeholder in employee experience, it helps to see what organizations with a centralized tech strategy are doing and whether they do anything differently from organizations without a centralized strategy. As it turns out, there are some notable differences. Companies looking to improve their own digital EX can look to those who already consider themselves mature as their approach provides a blueprint for others.

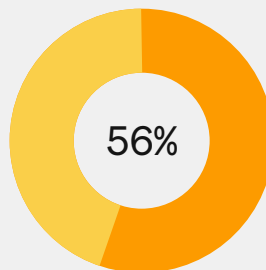
In the survey, we asked the question: “How mature is your organization’s digital employee experience technology stack?” As defined in the survey, our key maturity differentiator was the presence or absence of a centralized strategy for employee experience technology

and the degree to which it has been implemented. Respondents who reported no centralized strategy at their organizations were classified as Beginners. Respondents with a centralized strategy that is still being implemented are Intermediate and comprise the majority. Finally, respondents with a well-established centralized strategy that is fully implemented are Advanced. These make up slightly more than a quarter of all respondents (Figure 11).

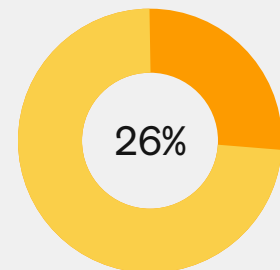
How mature is your organization’s digital employee experience technology stack? (all respondents)



Beginner: We don’t have a centralized strategy for employee experience technology and are investing in these technologies ad hoc.



Intermediate: We have a centralized employee experience technology strategy and are in the process of implementing it.



Advanced: We have a centralized employee experience technology strategy, which we have implemented and we are only making minor improvements from here.

Figure 11

When looking at the data by maturity of the tech stack, a few interesting trends emerge. First among them is that respondents whose organizations have an advanced EX technology stack experience better outcomes than either the beginner or the intermediate group. Three particular areas stand out: what technologies the mature group is using as part of their EX strategy, how they prioritize budget and what outcomes they see.

EX Tech: Thinking Beyond the Baseline

IT teams with a centralized EX strategy take a more holistic view of employee experience technology. A key indicator of EX tech stack maturity is the willingness to think big and use a number of different technologies to have an impact on the employee experience.

Whether or not your organization has a centralized employee experience technology strategy affects how likely you are to use a wide range of technologies to improve the employee experience. Intermediate

organizations are more likely than Beginners to already be using a wider range of employee experience technologies, while Advanced organizations are even more likely to say they use a number of different technologies (Figure 12). Advanced organizations, for example, are 30 percentage points more likely to have an intranet, and 38 percentage points more likely to have employee communications software. Broadly speaking, Advanced organizations are doing more to reach employees through a number of different channels.

Technologies in use as part of our employee experience strategy (by tech stack maturity)

	Beginner	Intermediate	Advanced
Email and newsletters	83%	88%	93%
HRIS	55%	74%	81%
Employee intranet	47%	56%	77%
Employee communications software	37%	49%	75%
Employee advocacy platforms	37%	46%	65%
Employee mobile app	43%	43%	56%

Figure 12

Depending on tech stack maturity, organizations experience different barriers to improving the digital employee experience. As organizations implement a centralized strategy, the number of respondents who say they experience barriers such as a lack of clear goals, leadership buy-in or budget drops (Figure 13). However, this doesn't mean that Advanced organizations are free from barriers, just that the barriers they face change. For example, Intermediate and Advanced organizations are more likely to face the challenges of cross department communication, indicating a greater need to work cross functionally even with a centralized strategy. Advanced organizations are 11 percentage points less likely to say that lack of budget is a barrier for them in improving employee experience.

This is mirrored by another significant finding: **advanced organizations are significantly more likely to say that their budget for employee experience technology is increasing over the next year.** Seventy-four percent of Advanced organizations say they expect their budget for EX technology to increase. This is true of 63% of Intermediate organizations and only 55% of Beginners. The more advanced an organization's EX tech stack is, the more likely that organization is to be increasing the budget for EX technologies. There are two obvious conclusions to draw from this. First, even the more advanced organizations clearly think that their employee experience will be improved with additional technology investments. Second, organizations that have invested in EX technologies are almost certainly having positive outcomes, since they are more likely to prioritize additional investments in these areas.

Barriers to improving the digital employee experience (by tech stack maturity)

	Beginner	Intermediate	Advanced
Unclear goals/outcomes for employee experience	36%	26%	21%
Lack of leadership buy-in	33%	21%	21%
Lack of budget	36%	34%	25%
Not enough cross-functional communication	9%	25%	23%

Figure 13

Indeed, in addition to using a wide range of technologies as a part of their employee experience strategy, advanced organizations report a number of positive outcomes regarding their efforts to improve EX. Advanced organizations are more likely than either Beginner or Intermediate organizations to see a return on investment in EX across several different variables. This is true of soft measures like employee satisfaction and engagement as well as harder measures like

employee retention and productivity metrics. Perhaps the most interesting (and largest) delta in outcomes is for outcomes related to customer experience metrics. Organizations with a mature EX technology stack are a staggering 24 percentage points more likely to report they've experienced better customer experience outcomes from their efforts to improve EX technologies than Beginners are (Figure 14).

Our organization has experienced better outcomes in the following areas from our efforts to adopt employee experience technologies (by tech stack maturity)

	Beginner	Intermediate	Advanced
Employee satisfaction	74%	74%	89%
Employee engagement	47%	60%	74%
Employee retention	43%	43%	57%
Productivity metrics	50%	54%	62%
Customer experience metrics	47%	49%	71%

Figure 14

You should also consider that a wide range of technologies can improve EX—not just the baseline components you likely already use. If you want your IT team more involved in improving EX, make the connection between EX technology and positive organization wide outcomes that IT is held accountable for (productivity, employee satisfaction, etc.).



Conclusion

IT departments make a significant contribution to the advancement of employee experience at their organizations. Often, IT teams have responsibilities to evaluate and choose the technologies organizations use to improve the employee experience. Because they are almost universally evaluated on the outcomes of employee experience technology initiatives, IT teams have ample incentive to prioritize this critical part of the business.

It's clear that many IT teams have already done much to improve the employee experience at their organization. Part of their success comes from the recognition that a number of different tools — especially those related to employee communications — are critical components of a modern EX technology stack. IT teams often need to work cross-functionally with many different stakeholders and balance a number of different priorities during the procurement process. Having the budget to

invest in these technologies is crucial, and successful EX improvements often lead to more investment. In addition, doing what they can to reduce purchasing cycle times can avoid the negative employee experience outcomes often caused by implementation delays. Finally, there is evidence that maturity in EX technology leads to positive outcomes, from employee engagement to improved customer experience.

According to the results of a survey on customer experience (CX) among businesses conducted in the United States in 2021, 59 percent of respondents revealed that employee enablement would be the leading factor shaping CX over the next year. The second leading factor indicated by organizations was analytics. As a result, improving the employee experience will be a critical priority for many. IT teams can help organizations get there.

Appendix

Demographics

Survey name

Employee Experience Technology Stack

Survey dates

January 2022

Respondents

431

Respondent career level

All respondents are at or above manager level. 45% of respondents are at or above director level.

Organization size

100-500: 25%
 501-2,500: 28%
 2,501-5,000: 24%
 5,000+:24%
 All other industries below 8% of responses

Workforce distribution

Local (one country, one location): 27%
 |National (one country, multiple locations): 41%
 Multinational (mostly one country, some global distribution): 20%
 Global (highly distributed): 12%

Top represented industries

Finance/insurance: 12%
 Health care: 10%
 Manufacturing: 10%
 Retail: 9%
 Business/professional services: 8%
 Software: 8%
 All other industries below 8% of responses
 Numbers may not total 100% due to rounding

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