

# The Definitive Guide to Employee Experience

How to activate the untapped power of your people to improve every area of your business

**Medallia**

## INTRODUCTION

# Get ahead of your company's next big challenge by activating the untapped power of your people

Employee needs and expectations are continuously evolving. And, when you work in HR, it's up to you to be at the forefront of the next big shift — whether that's helping your people excel in a remote working environment or collaborating across the organization to foster a more inclusive and high-performing workplace.

At this very moment, your team may be in the midst of iterating on programs and policies your company worked hard to roll out just last year. And the priorities you may need to embrace in the coming year could still remain largely unknown.

When it's up to you and your team to stay ahead of the trend, ready for whatever's coming, you need a comprehensive employee experience strategy that enables you to continuously listen, understand, and respond to your people. After all, they are your best source of creative solutions and innovative ideas that can vastly improve how your company operates. You are also creating a workforce that feels empowered, entrusted and connected to a higher purpose.

### Investing in employee experience

**\$550 billion**

the annual cost of employees feeling disengaged on the job in the U.S.<sup>1</sup>

**\$2,420**

the average companies spend on improving employee experience per worker.<sup>2</sup>

**And the ROI? Not so great...**

**Only 13%**

of employees report being "fully satisfied" with their experience.<sup>2</sup>

**But what if companies aren't truly understanding what employees want or need?**

**56%**

of employees say their company rarely solicits feedback on their employee experience, asking only once or twice a year.<sup>3</sup>

**64%**

of employees say their company rarely acts on their feedback.<sup>4</sup>



## What is employee experience, anyway?

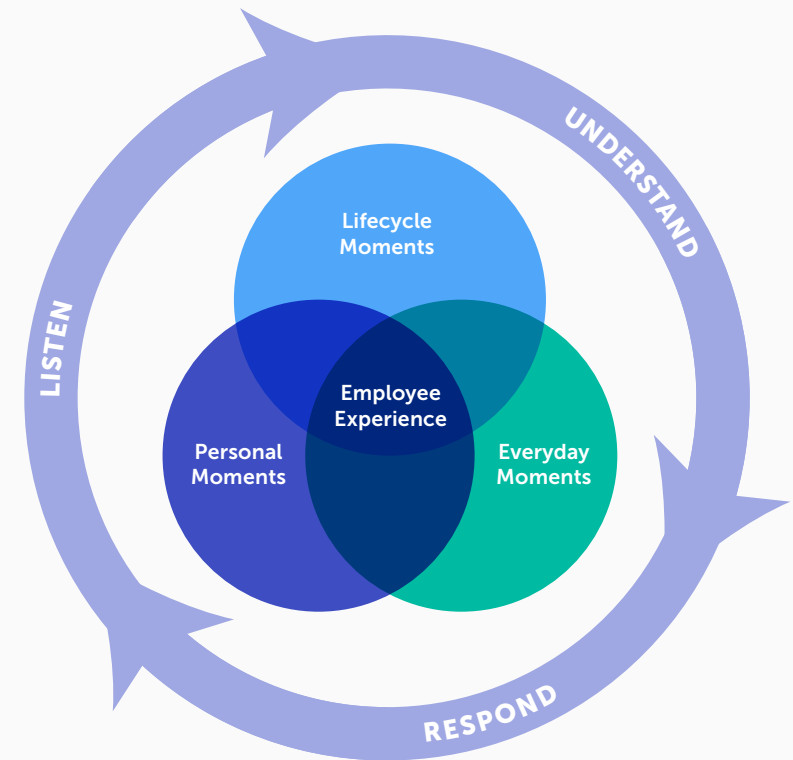
Every employee has their own unique journey with their employer. And each and every moment, interaction, touchpoint, and transaction along that journey — from the first interview to the exit — is what makes up the individual employee experience.

Employee experience is not about any particular step a given company takes. It's about the impact of those steps. In other words, it's about how companies make employees feel.

The perspective needs to change from one focused on the company's point of view to instead one that prioritizes the employee's point of view.

## How is employee experience different from employee engagement?

While “employee engagement” and “employee experience” are two terms that are often used interchangeably, they shouldn't be. They neither mean, nor represent, the same things. In fact, employee engagement is just one outcome of employee experience.



### EMPLOYEE EXPERIENCE

#### Lifecycle Moments

- Recruitment
- Onboarding
- Quarterly pulse
- Training
- Exit

#### Personal Moments

- Job transfer
- Gets a new manager
- Gets passed up on a promotion

#### Everyday Moments

- Encounters time-consuming workaround
- Needs IT support
- Has innovative idea

### MEASURABLE OUTCOMES

- Engagement
- Retention
- Productivity
- Customer satisfaction

# What it takes to truly understand your employees

Uncover what's really happening and how employees are actually feeling in the daily flow of work

## 01

### Expand your view of employees beyond annual engagement surveys

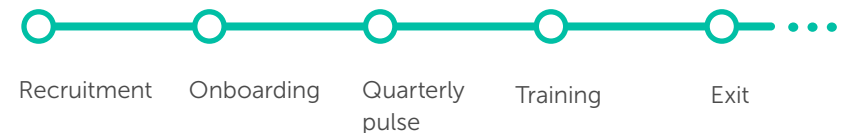
Organizations make every effort to listen to employees. But how well are they really hearing them? Companies often miss how employees are actually feeling because they lack the ability to continuously capture and understand the employee's personal and organic points of view — which are the greatest predictors of engagement, longevity, and productivity. To get a complete view of the health of their workforce, organizations must capture:

**The Company View:** A traditional understanding of the employee experience with a focus on lifecycle moments, captured through the lens of the company

**The Employee View:** A progressive and holistic understanding of the employee experience with a focus on personal and everyday moments, captured through the lens of the employee

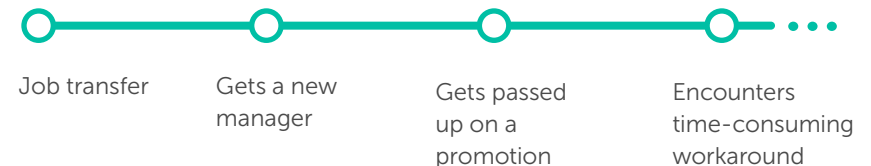
### The Company View

Annual engagement survey, quarterly/monthly pulses, lifecycle journey

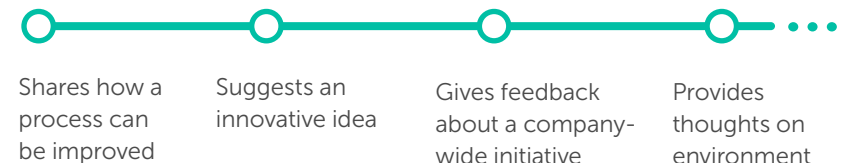


### The Employee View

Surveys triggered at personal moments of change or potential frustration



Always-on surveys for everyday feedback at any time



## What about survey fatigue?

**The fear:** You're providing too many opportunities for your employees to give feedback. Won't they get tired of submitting their comments and stop participating altogether?

**The reality:** Survey fatigue is a myth. But 'lack of response' fatigue is very real. As long as you are responding to and taking action on your employees' feedback, they will be more than willing to give it more regularly.

**The solution:** Create a program that is designed with the following best practices in mind, and over-surveying employees needn't be a concern.

## Getting surveys right

### **Step 1** Ensure surveys are available to employees at the right time.

**Ask yourself:** Do my employees have access to surveys in the moments that matter the most? For instance, when they encounter a time-consuming workaround or just transferred to a new department?

### **Step 2** Communicate the purpose of each survey.

**Ask yourself:** Why are the surveys I'm sending important for employees to share their feedback? What am I going to do with the results?

### **Step 3** Streamline and centralize all surveys. Send via one clearly-defined, centralized team to ensure scheduling and messaging is cohesive.

**Ask yourself:** Do we send multiple surveys from several sources?

### **Step 4** Keep things concise and targeted.

**Ask yourself:** Are my surveys too long or confusing? Are employees abandoning surveys before completing them?

### **Step 5** Take action based on results.

**Ask yourself:** Do we have commitment and processes that will allow us to take action in a timely manner?

### **Step 6** Communicate action back to employees.

**Ask yourself:** Do we have a way to show employees what action was taken as a result of their feedback?

## 02

### Integrate employee feedback signals

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The modern workforce is constantly signaling to their employers how they feel on the job, what their challenges are, and how they can be better supported — all without responding to a single survey question. The answers are all there for companies that have the capabilities in place to really listen.

#### What are signals and why do they matter?

Your company is likely already capturing a broad range of signals. That is, what your employees are saying about your company, collected from direct (e.g. surveys) and indirect experience data points (e.g. helpdesk tickets, meeting attendance, PTO patterns, performance reviews, customer comments, and more). This collection of direct and indirect feedback matters because, when combined, this data tells the story of your employee experience in real time. It offers an in-the-moment pulse for how your people are feeling.

#### Signals include:

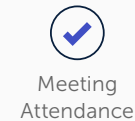
Interactions an employee has with the organization



Anything that impacts employees' work environment, goals, and ways of working



Data that provide perspective into expectations, behaviors, habits, and feelings



# Signals in action

## **Use Case 1: Using meeting attendance data to address gender barriers to growth within an organization**

With far fewer women holding leadership positions at the executive level, one organization recognized there was an issue and suspected that underlying bias may be the cause. With the help of Medallia, the company pulled together various sources of data to uncover problem areas. They looked at meeting attendance patterns to analyze the number of meetings with executives that female employees were invited to compared to males on staff.

**The results?** Females were only invited to 30% of the meetings that their male counterparts were invited to attend. Following this discovery, the company started to dig into other areas of inequities.

## **Use Case 2: Analyzing turnover data and customer surveys to uncover the impact of unconscious bias on involuntary departures**

While analyzing turnover data, a Medallia customer discovered that Black women were more likely to be terminated than others within the organization. While some felt these numbers might be a reflection of the fact that the majority of Black female workers on staff were employed within the organization's contact center, a department with high involuntary turnover, that was not the full story.

By leveraging Medallia's text analytics to examine customer survey reviews, a trend of negative and biased feedback emerged. While the analysis revealed an undercurrent of unconscious bias that was unfairly impacting Black women, none of the comments shed light on the quality of service these employees provided customers.

**The results?** The company started to train managers about the topic so they could detect unconscious bias and was able to see a decrease in involuntary turnover among Black females on staff.

# What it takes to be responsive to your employees' needs

**Continuously meet your employees where they are, in the flow of work**

Capturing the right signals, across direct feedback, indirect feedback, and observed behavior is only the beginning. Evolving your employee experience efforts requires moving beyond simply collecting data to drawing meaningful insights, looping in key stakeholders, and taking the appropriate data-driven actions.

As global industry analyst Josh Bersin explains in his whitepaper, ["A New Model for Employee Experience: Continuous Response Shortening the Distance from Signal to Action,"](#) companies have been spending billions of dollars tracking employee data over the past two decades. But to be truly successful, it's time to start using this data to uncover insights and take action.



Listening to our employees is one of the most important aspects of our culture, and hearing directly from our team is invaluable to how we navigate this unique time together. With Medallia, we get immediate insight on how our team is doing and how we can improve.

**Craig Pintoff**

CALO, United Rentals

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# Five steps to building a continuous listening employee experience strategy

## 01

### Capture signals

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Start by soliciting direct feedback through engagement, always-on, triggered, and pulse surveys. Combine that feedback with indirect feedback and observed behavior, from anonymized experience data points such as chatbot transcripts, helpdesk tickets, PTO patterns, and performance reviews.

## 02

### Use AI

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Use artificial intelligence to surface patterns and trends. With AI and machine learning, you can review millions (or even billions) of these structured and unstructured data points across the sources where you're collecting information. Then, you can pinpoint issues and recurring themes as they're happening in real time.

## 03

### Set up alerts

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Notify the right people when attention is needed. It's no use for critical insights to only live within one team or function. That's because no single department impacts the end-to-end employee experience.

As a result, it's critical to have workflows in place to ensure actionable information reaches the right stakeholders who can take action, resolve issues, and close the loop with impacted employees as needed.

## 04

### Take action

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You have the right data gathered, you have the AI-powered analysis, and you've looped in the appropriate stakeholders. Now it's time to build data-driven strategies to respond, increase employee satisfaction, improve retention, and bolster your company culture.

## 05

### Communicate

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Whatever actions you take, it's time to communicate what's happening back to your employees via all-hands meetings, the company newsletter, or employee portals.

Use all of the communication streams that are already in place or create a new channel fully dedicated to providing updates about how feedback has been acted upon.

# What getting employee experience right means for your business and your people

This is the true ROI of taking care of your team members

Employers who prioritize employee experience enjoy the benefits of reduced turnover, higher engagement, greater productivity, and happier customers.

## The benefits by the numbers

**4.6x** how much more likely employees are to feel empowered to perform their best work when they feel their voice is being heard<sup>1</sup>

**21%** the boost in profits when teams are highly engaged<sup>1</sup>

**40%** how much less turnover employee experience leaders have compared to their competitors<sup>5</sup>

**70%** of company leaders say that improvements in employee experience can lead to gains in customer experience, driving revenue gains<sup>6</sup>



When companies continuously engage and respond to employees, they create an empowered workforce. Employees know their voices are being heard, their opinions count, and that they are an instrumental part of the business.

**Josh Bersin**

founder of Bersin & Associates and internationally recognized analyst, educator, and thought leader focusing on the global talent market and the challenges impacting business workforces around the world

## CONCLUSION

# Elevate your employee experience

Employers want to understand and optimize the employee experience. And employees want their concerns to be understood, valued, and addressed. That's why today's employee experience leaders are working within a new framework to accomplish two critical goals:

1. **Continuously listen, understand, and respond to employees**, in the moment and in the flow of work, when they're experiencing the pain, frustration, confusion, or disengagement.
2. **Empowering engaged team members to drive company innovations** by sharing their unique ideas about how to improve products or processes.

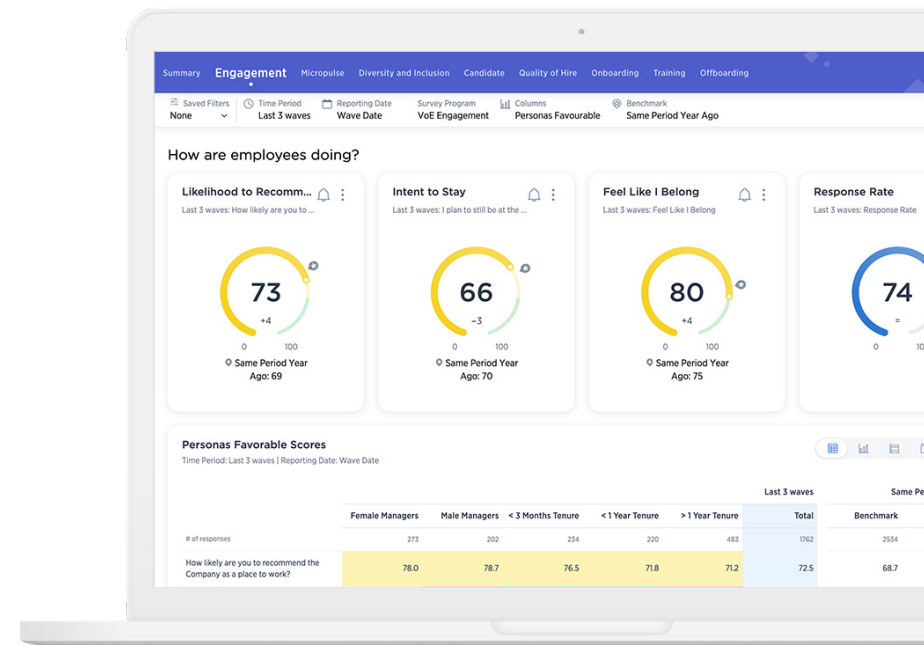
The hallmarks of a best-in-class employee experience program:

- ✓ **Engages employees in the moment.**  
It should be easy for employees to submit feedback, ideas, and suggestions on any topic at any moment in time throughout the daily flow of work.
- ✓ **Removes employees' top blockers.**  
You should eliminate barriers and ensure people feel supported to perform at their best.
- ✓ **Accelerates digital transformation within the company.**  
You should know how your employees rate your technologies and where there are opportunities to improve, innovate, and make future investments.
- ✓ **Communicates back to employees when action is taken.**  
Employees want to know their voices are being heard and want transparency about how leadership is moving forward.
- ✓ **Designed to support continuous response.**  
Companies earn employee trust when they take quick, effective, and continuous action based directly on feedback from the workforce.

# Ready to build an employee experience strategy that activates the untapped power of your people?

Medallia's team of people scientists — including recognized industry leaders and industrial and organizational (IO) psychologists — are ready to closely partner with and guide you in creating a best-in-class program that:

- Meets you where you are in your employee experience journey, with the flexibility to grow and evolve over time
- Offers the most complete picture of the employee experience available today, capturing the company, employee, and personalized view
- Covers the full employee lifecycle, collecting real-time signals beyond just surveys
- Makes it easy for employees to share feedback in the daily flow of work and on their terms with modern feedback capabilities, such as voice, audio, and video
- Provides actionable insights thanks to AI-powered analysis of expansive structured and unstructured data sets, enabling organizations to build data-driven strategies
- Increases employee satisfaction, engagement, and effectiveness, enabling team members to provide great experiences to your customers and drive customer satisfaction
- Reduces turnover and strengthens company culture, empowering employees to be part of the solution and feel connected to the company's higher purpose



## Medallia for Employee Experience

The Medallia platform elevates the employee experience by enabling companies to continuously understand and respond to their people in the flow of work. Rich and intuitive feedback tools are embedded seamlessly throughout the employee journey, capturing real-time signals beyond just surveys.

Modern feedback capabilities such as voice, audio, and video make it easy for employees to share feedback on their terms. Advanced AI-enabled analytics provides valuable insights from expansive structured and unstructured data sets, empowering organizations to take quick and effective action that increases employee satisfaction, reduces turnover, strengthens company culture, and drives better business results across the organization.

**Meet with a Medallia Expert** →

<sup>1</sup><https://www.forbes.com/sites/nazbeheshiti/2019/01/16/10-timely-statistics-about-the-connection-between-employee-engagement-and-wellness/?sh=3bcc86de22a0>

<sup>2</sup><https://hbr.org/2020/07/why-employee-experience-initiatives-fall-short>

<sup>3</sup><https://www.prnewswire.com/news-releases/despise-disengagement-at-work-65-of-employees-plan-to-stay-in-their-current-jobs-according-to-new-achievers-study-300810391.html>

<sup>4</sup><https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/managingemployeesurveys.aspx>

<sup>5</sup>Source: SHRM, The Employee Experience Advantage

<sup>6</sup>[https://www.salesforce.com/content/dam/web/en\\_us/www/documents/reports/forbes-insight%20experience-equation%20final-report.pdf](https://www.salesforce.com/content/dam/web/en_us/www/documents/reports/forbes-insight%20experience-equation%20final-report.pdf)

## About Medallia

Medallia is the pioneer and market leader in Experience Management. Medallia's award-winning SaaS platform, the Medallia Experience Cloud, leads the market in the understanding and management of experience for customers, employees and citizens. Medallia captures experience signals created on daily journeys in person, digital and IoT interactions and applies proprietary AI technology to reveal personalized and predictive insights that can drive action with tremendous business results. Using Medallia Experience Cloud, customers can reduce churn, turn detractors into promoters and buyers and create in-the-moment cross-sell and up-sell opportunities, providing clear and potent returns on investment. [www.medallia.com](http://www.medallia.com)

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