The 2022 Digital Employee Experience **Trend Report**

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TREND 1 Employees expect all HR services to be mobile-first



TREND 2

Hyper-personalized employee experiences are on the rise



TREND 3

Hybrid, remote and anywhere working are here to stay



TREND 4

More agility will be demanded from HR



TREND 5 Employers must do more to manage employee burnout





The results of our 2022 **Digital Employee Experience** Audit are in. This year's data reveals that some businesses have used the growth of new working patterns to create transformative employee experiences, while others have struggled to adapt to the needs of today's workers.



The past 12 months have seen the world of work evolve: one where hybrid and remote working have rapidly become the norm. Employees' needs have substantially changed. They expect HR teams to provide open communication, personalization, mobile functionality for all HR Services, and greater support for home working.

We've seen even greater blurring of personal and professional boundaries. Whilst this has, in some cases, had negative effects on employee wellbeing, it has also forced businesses to compete with the experiences employees have as consumers. We're seeing more being demanded from HR technology, and greater expectations for work tech to perform at the same level as our favorite consumer apps.

The gap between organizations who are prioritizing employee experience and those who are not is widening. There is a growing disparity between those that have embraced the 'new-norm' and are starting to design EX strategies around modern working styles and those that are still waiting for things to go back to 'the way they were'. This is already having a profound impact on staff retention, productivity and wellbeing.

In this 2022 trend report, we explore how HR leaders can better adapt to the new rules of working and strengthen the employee experience.

In the second edition of 'The Digital Employee Experience Audit', **we have captured insights from nearly 200 HR leaders** across different industries to understand how they have tailored digital experiences for their employees in 2021, as well as their plans for 2022.

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The rise of the mobile-first workplace



We're living in a mobile world where, on average, each individual checks their device <u>58 times per day</u>. This habitual behavior is driven in part by the instant gratification we get from our favourite consumer apps - where we can complete tasks quickly, easily and usually with a sprinkle of serotonin. As a result, there is now a baseline expectation that all the tasks we can complete on a computer should be as easy to complete on our mobile devices. 28%

of organisations said that their HR services were mobileaccessible and consumer-grade.

56% said that it was on the road map.

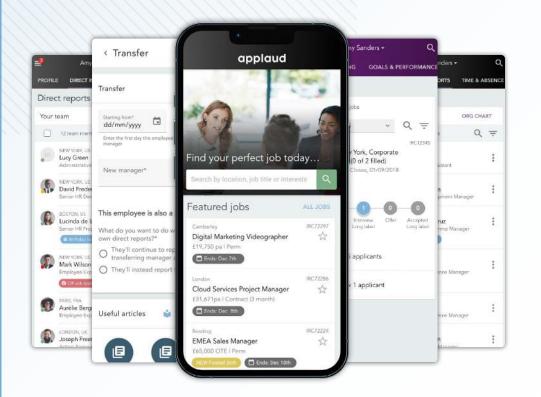
It's important for employers to match this expectation and start delivering a mobile experience akin to Spotify or Amazon if the goal is to provide HR services that employees want to use to aid them in their roles.

Businesses that are implementing technology that complements and leverages natural employee behaviors, rather than trying to force their employees to adapt, will find they see greater engagement and adoption of their HR tech.

The next generation entering the workforce have even higher expectations for work tech. Gen Zers (known as digital natives) are coming into the office, phone in hand, expecting as a minimum that all HR services at least exist in app form on their device.



50% of organizations that have mobile-accessible, consumer-grade HR services on the road map is up from 22% last year.



This indicates that many businesses have taken the last 12 months to map out employee experience strategies that gravitate around new working models. The kind where employees log leave requests when they're out with their friends planning a holiday; receive birthday reminders for their colleagues and shoot off a quick message while they're grabbing a coffee; or pull up their payslip while they're sitting in the bank trying to get a loan approval. HR services that are designed for the employee, not HR.

A word of caution: with personal and working lives becoming increasingly hard to separate, it's vital that businesses do all they can to help their workforce 'disconnect' and properly unwind.

Many organizations are still struggling to implement boundaries that define when work life ends and home life begins. The situation is so concerning that one in four employers are now considering introducing 'right to disconnect' policies to help staff keep their home and work lives separate.

HR clearly has a key role to play here. They need to set the boundaries and ensure that managers and senior leadership teams uphold these values. Currently, 'the right to disconnect' is a growing issue being urged by Ministers, which puts in place strict measures for employees to ensure they disconnect from work outside of core hours.

Gene of the most important things that organizations can do is strengthen from the inside by investing in modern HR practices.

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Forbes

Hyper-personalized digital employee experiences are on the rise



of technology firms offer hyperpersonalized digital employee experiences – the average across all other industries is still less than





Hyper-personalization leverages artificial intelligence (AI) and real-time data to deliver more relevant content, product, and service information to each user.

What does delivering a personalized digital employee experience in 2022 look like? Truly personalized digital employee experiences go beyond using branded templates across HR resources or including first names in mass emails. They mirror the seamlessness and personalization that employees would find at home on Facebook or Netflix, where content is intuitively tailored to their exact needs and where customization comes as standard.

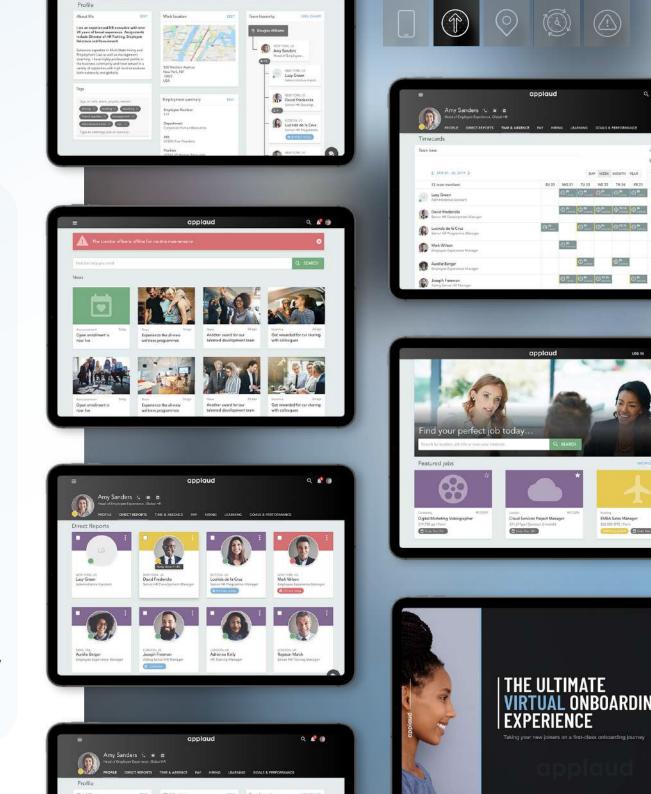
Leading organizations use hyper-personalization to intentionally design a better EX, underpinned by changes to people, process and tech, such as implementing personalized content feeds for individual employees based on their role, geography and, critically, their behavior. For example, if an employee is continually checking the internal job vacancy pages and reviewing training opportunities, they might be served an article on how to have a career progression conversation with their manager. These intuitive experiences should be similar to those we have on mainstream social media channels.

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Despite the known benefits of personalizing the employee experience, 63% of organizations reported offering no individual personalization to their digital EX whatsoever, with the same digital HR experience for every role in their business. Even as employees gradually return to the workplace, the rise of flexible and hybrid working means that the digital experience will remain one of the primary connections that they have with their place of work. Businesses need to do more to ensure that the team members who work remotely feel prioritized. Gone are the days when remote workers could be treated as 'second-class citizens'.

This year's results show that technology firms are paving the way when it comes to offering employees hyper-personalized digital experiences. However, the overall adoption of hyper-personalized employee experiences remains relatively static across other industries, suggesting that implementing tools that can deliver this experience is taking longer/is harder than expected.

The practicality and productivity benefits of providing a personalized experience are huge. For example, an employee can log into the HR portal or workforce experience layer and immediately see their leave balance, access their payslip, learn that a new joiner is starting in their team tomorrow, and receive a reminder for virtual drinks this Thursday. This level of intuitive UX is something we take for granted as consumers yet is still so alien to the experiences that our employees have with work tech. Through easy access to all of these services, employees don't lose time raising tickets asking HR how to access them, or as commonly happens, just abandoning that HR task altogether and missing out.



What can we learn from this?

That so many businesses haven't yet been able to personalize their employee experiences presents a concern, but also an opportunity. By moving faster than the industry standard, innovative businesses can stay a step ahead, equipping a workforce that is able to engage and work from anywhere and attracting a talent pool that knows they are valued no matter where or how they choose to work.

A good place to start building out personalization is at the personal level, where content can be hidden or shown depending on the parameters of their role. This can then be scaled and get more sophisticated over time. Crucially, it isn't just technology that is needed to achieve this – it's a blend of human and machine intelligence.

For HR leaders looking to retain staff and improve wellbeing, it's vital that personalized employee experiences are created at every step of the employee journey. This means ensuring that staff have choice and flexibility over equipment – particularly for hybrid workers who move between home and office and vice versa. Organizations must treat their employees as individuals, delivering tailored experiences to each and every member of the team if they are to see higher levels of engagement and retention. Employees at 32% of the businesses surveyed remain unable to choose or specify their equipment preferences



Hybrid, remote and anywhere working are here to stay

Hybrid

At its core, hybrid working is defined by the combination of working remotely and working on-site. Usually, there is a predefined structure to this model (e.g. Mondays and Fridays at home, the rest of the week in the office)

Remote

Remote work (also known as 'Work From Home' [WFH]) is an arrangement that allows an employee to permanently work from a remote location outside of corporate offices

Anywhere working

Anywhere working can mean anything from working remotely, to working partially in the office. The defining characteristic is that the employee is free to decide when and where they desire to work without conforming to a structure 94%

of businesses surveyed have at least some remote workers



Nearly every organization surveyed had at least some departments or employees working remotely. Although this has quickly become the norm, it's worth reflecting on the fact that back in 2019 the notion of having entire employee bases working remotely seemed insurmountable for many businesses. What we have since discovered isn't that it couldn't have been done, but that existing prejudices and infrastructure prevented it.

Where we stand today is that whilst many employees are choosing to continue working remotely, the remote EX is still lagging. The trend in 2020 for many businesses was to purchase a lot of different technologies that solved specific remote-working-related problems (e.g. Zoom subscriptions). These purchases were made quickly and independently of an overarching strategy. What we're hoping to see moving forward is a more connected digital employee experience for the remote worker.

The continued preference towards remote work for employees is putting pressure on HR leaders to build out EX strategies centered around these new working models, rather than trying to retrofit old strategies that were built with Monday-Friday, 9-5, face-to-face models in mind.

What's next?

We're predicting greater support for managers who are managing teams virtually for the first time (specific training and coaching).



of businesses now issue a specific code of conduct for remote workers, up 12% from last year.

We will continue to see processes formalized and become more rigorous to accommodate new styles of work.





Nearly 50% of organizations surveyed can't update their HR portals without support from IT or developers, with 31% only able to update some parts independently of IT or developers. The past few years have been turbulent for businesses and employees alike, and HR have often found themselves right at the epicenter, trying to manage important decisions within the business and communicate them outward to employees within very short timescales.

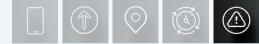
HR teams that had agile HR technology were able to make updates to their HR Portals or Intranets and see those messages pushed out. Those that didn't, looked to all-staff emails or more manual methods of communication.

With more employees working across different regions, on varied devices and in various environments, HR leaders must be able to act with agility and reactiveness when it comes to communicating with and updating employees over the coming year. With the working landscape becoming even more hybrid, the ability for HR teams to deliver personalized and relevant information to employees through their work tech will become even more important. However, our research shows that nearly half of the organizations surveyed can't update their HR systems without help from IT teams. This reliance on IT professionals or developers limits HR's ability to serve employees with timely, personalized information.

We may be out of the hyper-reactive part of the pandemic, but the need to have technology that supports HR in their move towards more agile working structures has not gone away. No longer can HR rely on developers or IT teams to make changes that take days/weeks to implement.

As we move towards hybrid working/anywhere working models, we can see even more need for real-time updates, personalized to employees. For example, this would allow teams to introduce protocols such as traffic light systems that show which hot desks have been booked in different locations. Based on this we predict a trend towards low/ no-code HR systems that empower HR teams to make fast changes that can be managed from within their departments.





Employers must do more to manage employee burnout

Whilst we see businesses embracing working models that incorporate less face-to-face time, there are several factors on the rise that can lead to increased employee burnout:

• Managers are not able to pick up on the social cues that indicate their team members are struggling. Often, it means the onus is on the employee themselves to speak up and mention that they need support.

• As home life and work life become increasingly blended, it's becoming harder to 'switch off'. Without a separation of environment or a commute to change their mindset, many are finding that their minds are always on work.

• There isn't a clear distinction of working hours, with many employees finding they are still checking their devices well past what would have been considered the end of the day.

The natural inclination of many businesses when it comes to solving these issues would be to over-communicate with their teams, including additional check-ins or face-to-face sessions in order to catch signs of burnout earlier. But ultimately, change will be driven through broader company initiatives, led from the top down. For example, implementing policies that give employees the right to switch off outside of working hours, actively encouraging managers to stop replying to emails or contacting their teams after 6 pm.

In order for businesses to create a healthier work-life balance and understand where to better invest their services, employee feedback is vital. By asking workforces how HR can better support them in their evolving roles – and turning these insights into action – organizations can expect to see greater engagement and loyalty.

At a time when the Great Resignation is in full effect, this couldn't be more critical: especially with studies reporting that one worker in four is planning to change jobs post-pandemic^[1]. This isn't the only attitude change we've seen over the last year:

64%

of people across the UK now support the idea of a 4-day working week^[2].

While this demonstrates that employees don't want to go back to the way they worked pre-pandemic, the reality of a shorter working week would likely increase stress with workforces squeezing five days of output into four. A better way for organizations to deliver a better work-life balance is with increased support, a focus on staff wellbeing and consumer-grade technology experiences.

Regardless of whether we see an increase in four-day working weeks in 2022, one thing is clear. Businesses can no longer ignore the value of employee experience, and they can't afford to wait until their workforce has left to do something about it.

Conclusion

As we've learned over the past two years, the landscape which HR professionals have to navigate can change at any given moment. While the trajectory of 2022 remains unpredictable, what is clear is that most businesses will need to accommodate employees in offices, in their homes and in a combination of different hybrid environments. To do so, HR departments must be agile and empower their employees to be as self-sufficient as possible and choose working styles that work for them.

In many cases, the ongoing crisis has created a big gap between organizations and their employees, with many left wanting. Having a personalized digital workforce experience layer is one of the big levers HR leaders have to help their organizations and employees master this new normal working environment. Creating increasingly engaging experiences between organizations and employees will ultimately help develop a more productive and motivated workforce and reduce attrition.

It is to be remembered that employees, rather than an organization, should be the centerpiece of this change. The HR team must adopt personalized platforms that are easily accessible to drive employee satisfaction and offer them the sort of flexibility and engagement they would have in their personal lives. Therefore, working with the right partner will ensure that the HR function embodies personalization and humanistic experiences within a business's core philosophy.

Implement



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Complete the 20-question audit today to see how your organization's HR services and digital employee experience compares to others in your industry.

And if you'd like to discuss your results with one of our experts, they'd be happy to help.

Just get in touch at sales@applaudhr.com

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