



Special Report

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The State of Employee Listening

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Executive Summary

The landscape for global employees continues to evolve and, in many ways, has grown even more complex in recent months. Along with that, the desire to include employees in the change process has also increased. Nearly all large organizations are gathering employee data — perceptions, suggestions, and behaviors — more often and in more ways than they were a year ago. As these listening methodologies evolve and the flexibility of the listening increases, the ability of organizations to put all the pieces together becomes even more important to their overall business success.

A 2022 Perceptyx study of large organizations highlighted a number of listening practices that differentiated the most successful organizations.

Organizations who employ these practices are:

- **6X** more likely to exceed financial targets
- more likely to achieve high levels of customer satisfaction
- more likely to retain talent, even during times of high attrition
- more likely to adapt well to change
- 9X more likely to innovate effectively

In uncertain economic times, leaders know that employee listening is a key strategy to maintain and grow their business. Overall, about 60% of leaders would prioritize listening during a recession versus more favorable times. In addition, organizations with a more mature listening strategy are four times more likely to utilize feedback from their employees to help them succeed during times of business strain.

Considering this data, and the potential positive impacts, leaders would do well to understand where their organization is today; the methods, frequency, and integration steps being employed by the most successful listening organizations; and the next best actions to move their own listening strategy forward.

Introduction

Our current economic picture is a dichotomy of increasing layoffs and simultaneous talent shortages. Organizations are facing continuing challenges related to inflation, shifting customer demands, and the need to redefine where and when work gets done. At the same time, employees are applying new pressures to prioritize well-being, increase flexibility, and establish clearer paths for career growth.

For organizations that understand their competitive advantage lies with their people — critical to driving both growth and innovation — effective employee listening has become more important than ever.

By actively seeking and, more importantly, responding to feedback from their employees, organizations can gain critical insights into their workforce's needs and behaviors, and capture ideas for continuous improvement. This enables leaders to make more informed decisions, build stronger relationships with employees, and create a culture of trust, transparency, and engagement.

The View from the Top: How Leaders Think about Listening

In our second annual State of Employee Listening report, we look at what organizations are prioritizing when it comes to employee listening and what leaders are still wondering about, when and how organizations are listening to their people, how leaders outside Human Resources rank the importance of listening, and what steps your organization can take today to improve your own employee listening practices.

To answer these questions, and more, Perceptyx interviewed two different populations of leaders about their employee listening practices, their organizational and performance outcomes, and the decisions they are making given current economic conditions. Both samples contained senior leaders from global organizations with 1,000 or more employees. The first was a set of more than 600 human resources decision-makers, influencers, and practitioners who are deeply involved in their organization's employee listening program. The second expanded to include more than 500 senior leaders from other lines of business in large organizations — finance, sales, marketing, etc. — to capture executive perspectives on listening outside the People team.

Relying on the current studies, as well as our previous **2022 State of Employee Listening research**, the Perceptyx People Analytics team developed:

- a 4-stage maturity model that describes the progression of an employee listening program from its most fundamental to its most robust,
- an interactive assessment to help any organization determine where they sit today along this continuum, and
- proven strategies to evolve a listening and action program, and realize the associated benefits.



The studies highlight that while there is no single best listening approach, there are many similar practices among organizations at all levels across the maturity continuum. Matching the listening strategy with the goals set by the organization, listening frequently and in multiple channels, and taking clear action to change the workplace for the better lead to organizations where employees stay longer, innovate more, and advocate for the organization in the marketplace.

Our research audience included 600+ People leaders in large firms, as well as more than 500 leaders outside HR.

Current State of Employee Listening

As listening expands from general, large-scale employee experience survey events to more targeted listening focused on a specific issue or business question, many organizations have at least some listening happening all the time.

95%

of organizations surveyed have an employee listening program in place

7 in 10
plan to do more listening in the next year

7 in 10

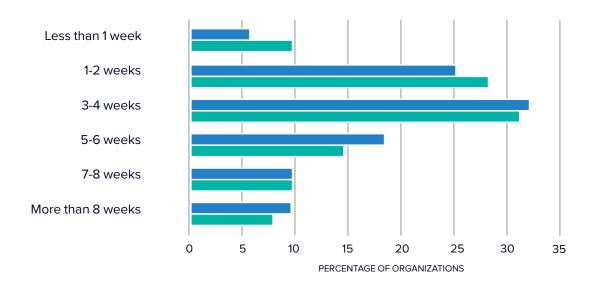
have a listening event for employees at least quarterly

In Perceptyx's 2022 study of the State of Employee Listening, researchers found that the pandemic had accelerated the pace of listening across organizations. That pace continued as the world returned to work and the market experienced a massive employee reshuffling. Current economic tightening has not reduced the amount of listening organizations are doing, nor has it reduced the resources organizations are investing to administer their listening. Nearly all of the organizations included in the study have a formal employee listening program in place (95%) and that same percentage say they are listening to their employees about the same or more now than they were a year ago. 7 in 10 plan to further accelerate their listening over the next year. While 40% of organizations intend to keep their 2023 listening budgets about the same as in 2022, more than half of the organizations studied plan to increase their spending year over year.

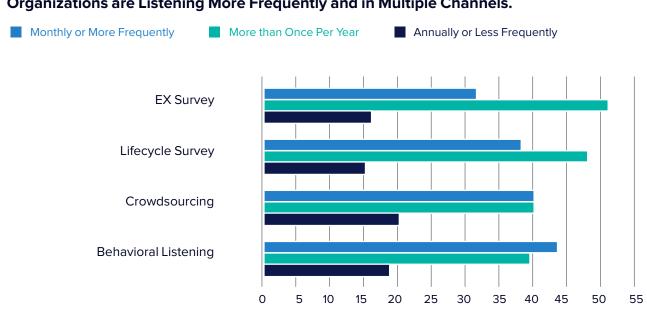
For most of the organizations in our study, listening to employees happens frequently, and the frequency of listening only continues to grow. Taking into account all the types of listening organizations are doing, about 70% of the organizations studied are doing some type of listening event at least once a quarter, with more than half of those organizations listening once a month or even more often. As listening expands from general, large-scale employee experience survey events to more targeted listening focused on a specific issue or business question, many organizations have at least some listening happening all the time.

The Time it Takes Managers to Receive Data After a Listening Event is Decreasing.

2022 2023



Organizations are Listening More Frequently and in Multiple Channels.



PERCENTAGE OF ORGANIZATIONS

People leaders hope to address a variety of business questions and challenges through employee listening. The most commonly mentioned are:

44% Employee Performance

35% Employee Well-being

33% Employee Attrition

21% Financial Performance

21% Employee Safety

19% Diversity, Equity, Inclusion, and Belonging



1 in 3

are very confident that their current listening strategy will help them address these challenges

1 in 4

are unsure or don't have confidence that these issues will be addressed

Regardless of where they sit, only about 1 in 3 leaders in the organizations studied are very confident that their current listening strategy will help them address these challenges and nearly 1 in 4 are unsure or don't have confidence that these issues will be addressed in their current listening strategy. Interestingly, leaders outside of human resources have slightly more confidence in their listening strategies than do their counterparts more closely involved with the listening — indicating that those closest to the action may be selling themselves short.

The single most important measure of success used by all organizational leaders to measure the success of their listening program is the follow-up actions taken by the organization after feedback is captured. Yet effective follow-through is also cited as the number one thing standing in the way of achieving the goals they've set for their listening program. Cracking the code on how to use employee feedback to drive change is what separates high-performing organizations from those that struggle to reach their goals.

Listening Maturity in 2023

600+
Organizations

60+ Listening Practices 4 Stage Employee Listening Maturity Model

Our initial 2022 study examined the various listening practices in use within large organizations. From the more than 60 practices measured in the study, 13 emerged as key differentiators among organizations that achieve more favorable people and business outcomes.

For 2023, we see a slight decline in the number of organizations at higher stages of maturity. Given that there is no sign of pulling back on the amount of listening <u>organizations</u> are doing, the decline in maturity can be attributed to two things:

 The increasing demands on managers, requiring organizations to lean more heavily on HR to shoulder followup actions. Integration of multi-channel feedback with other people and business-related outcomes, often seen as an "extra," is not being prioritized as heavily as it was in 2022.

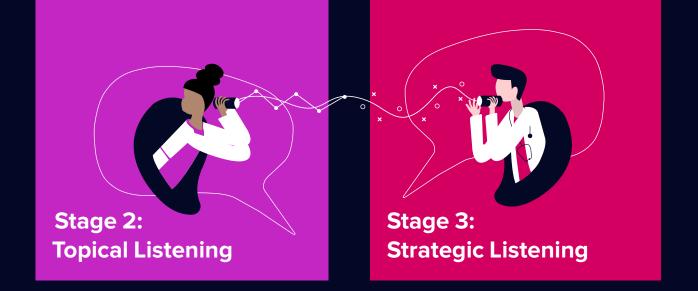
When leaders outside HR were asked to rate these same listening practices, they almost universally responded more favorably. There is both good news and opportunity in these findings. Practitioners hoping to expand their listening may have a hill to climb when seeking additional support, as executives already perceive the organization to be doing these things well. The good news is that when asked about the importance of having employee feedback before making business decisions, leaders outside HR are 13% more likely to say they need that data.

A 4-Stage Model for Assessing Employee Listening Maturity



2022 **19%** of organizations 2023 **20%** of organizations

Organizations at this stage tend to have a traditional and straightforward listening strategy, often focused on a single survey event or a few isolated survey events on a tightly-planned schedule. Their listening strategy tends to be consistent year after year, with few changes, and is often successful at accomplishing a few discrete goals. Gathering and acting on employee feedback is centered in the Human Resources department and is seen as a function of Human Resources. There may be other informal listening events, such as exit interviews, but these findings are disconnected from measures of employee experience. These organizations tend to act in a top-down manner, with planned, contained distribution of results and actions.



27%

2023
30%
of organizations

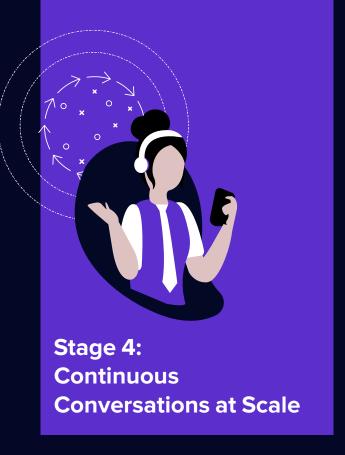
2022
28%
of organizations

2023 27% of organizations

Organizations at this stage have seen the benefit of applying employee feedback to not only largescale listening events, but also to deep-dive topical events (e.g., M&A, IPO), or projects geared toward specific goals (e.g., Diversity, Equity, Inclusion, and Belonging). These listening projects are discrete and still centered in Human Resources, but often other departments reach out to HR to ask for assistance with their own specific goals. These organizations may also be starting to more formally track key moments in the employee lifecycle. Actions taken in response to employee feedback are still topdown but reside within the specific department with the research questions. Action is encouraged at lower levels, but there is no clear accountability mechanism, so only some groups choose to participate in targeted action planning and results are sporadic. Executive communication will reference listening results, especially as a means to reinforce decisions leadership has made. Communication is tightly planned and often results are cascaded to the rest of the organization only after executive leaders have sufficient time to digest and position them.

Organizations at Stage 3 have established a clear connection between their listening strategy and other business priorities. They are often addressing business problems and concerns using multiple methodologies, employing listening channels outside traditional surveys. Less importance is placed on a single, large-scale listening event; instead, that survey is used to diagnose successes to capitalize on and opportunities to improve with additional listening and action. There is some integration of employee experience results and perceptions of the moments that matter across the employee lifecycle: hiring, onboarding, exit, promotion, etc. These strategies rely heavily on technology for speed and scale. There are well-publicized strategic actions taking place in the organization and leaders at all levels are comfortable interpreting and acting on employee feedback. There is accountability in place for action and managers are given tools to encourage their development. Executives do not make major decisions without understanding the impact on people's perceptions or seeking suggestions from employees and messaging is transparent and quickly deployed throughout the organization.

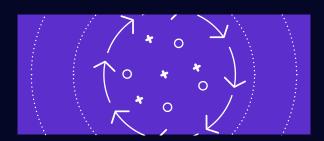




2022 **26%**

2023
23%
of organizations

The most mature organizations have a robust and flexible listening strategy, integrated deeply into their overall business strategy. Stage 4 organizations will still utilize large-scale surveys as a diagnostic and tracking tool, but action happens through more listening and manager-to-employee conversations. While this measure is still a foundational tenet of listening programs for the breadth of data collection, it is no longer considered the primary place to gather the necessary depth of employee feedback. Instead, organizations determine the problem they intend to solve and quickly deploy the proper type of listening to address it. In addition to frequent,



The employee experience is not the responsibility of Human Resources or of the executive team. Instead, everyone in the organization is expected to contribute to the conversation.

flexible surveying on moments that matter, they employ multiple channels, like calendar analysis, email sentiment, and/or crowdsourcing. Managers get frequent developmental feedback and have the tools and support to work with their teams to make real changes quickly. The employee experience is not the responsibility of human resources or of the executive team. Instead, everyone in the organization is expected to contribute to the conversation whether by asking, answering, contributing an idea or solution, participating in developmental work to change their behavior, or listening deeply to team members.

Listening in Tough Times

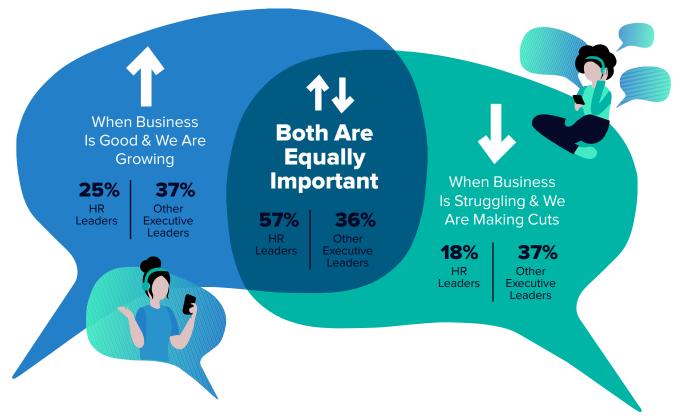
Current economic conditions have driven organizations to tighten their budgets and reevaluate expenses for software, services, training, travel, and salaries. Some industries are experiencing layoffs and restructuring, while others are still attempting to fill vacant spots. Perceptyx wondered how these conditions would impact the importance of listening within these organizations.

When asked generally about the best time to listen to employees, most of the human resources leaders in the study thought that listening was equally valued when the organization is growing as when it's not. Leaders outside of HR were more opinionated about which circumstance might be best, but were split equally between wanting the information during periods of growth versus periods of contraction. For owners of listening programs, understanding this perception gap is important to becoming better

partners with the other members of the leadership team. First, the idea that listening is always important, regardless of the business conditions, is 50% more likely among the "people" people.

While nearly all leaders said listening was important and all intended to continue to do more listening, leaders outside of HR may have a different purpose and different questions they are trying to answer. HR teams are more likely to prioritize listening when business is good. While it is natural to want to provide feedback to the executive team when the news is more likely to be positive, this data shows that may not match up with the goals of the other organizational leaders. Organizations thrive when listening (and acting) is a shared priority. Opening dialogue across the executive team to understand both the goals and the purpose of listening is one way to build that partnership.

When is the Best Time to Gather Employee Listening Data?



More than 3 out of 5 leaders said that they place a higher value on listening during a recession than they do during more favorable economic times.



When asked more specifically about the relative importance of listening during the current economic volatility, compared with more favorable periods, there was close alignment between the HR and non-HR leaders. More than 3 out of 5 leaders said that they placed a higher value on listening during a recession than they do during more favorable economic times. Only about 10% thought it was less important. Listening is so important to both sets of leaders that 2.5 times as many leaders intend to slow hiring as intend to slow listening. These relationships hold true even for organizations that have implemented budget cuts for 2023 or have had a recent round of layoffs.

Perhaps unsurprisingly, the more integrated a listening strategy is with the other business priorities,

the more relative value is assigned to listening during a recession. Stage 4 organizations in our study were more than 4 times more likely than those at Stages 1 and 2 to say listening took on much greater importance during a recession. For employees, tough economic times can bring a great deal of anxiety. Maintaining a consistent dialogue goes a long way toward mitigating that anxiety and its resulting impacts on performance, morale, and more.

The importance of listening for more mature organizations comes through in their intentions should the economic slowdown continue. More than 80% of the most mature organizations intend to increase their employee listening, 2.5 times that of Stage 1 organizations.

Defining the Stages of Maturity

When researchers looked at the characteristics of listening programs for organizations along the maturity continuum, distinct patterns emerged. The Perceptyx team identified four key differentiators: listening channels, speed, agility, and integration. Each differentiator connects directly to specific characteristics of a listening strategy and each one can be matured on its own. When examining your own organization's employee listening strategy, it's important to take each into account. Many leaders in the study noted that while they may have mastered one or more of the characteristics, others were still lagging behind.

When these characteristics advance together, they allow an organization to mature from Episodic Listening to Continuous Conversations at Scale.

Given these characteristics, it's unsurprising that while all stages of maturity value innovation and advanced analytics, Stage 4 organizations are more than twice as likely as Stage 1 organizations to prioritize technology when choosing a vendor to support their employee listening strategy.

When these characteristics advance together, they allow an organization to mature from Episodic Listening to Continuous Conversations at Scale.

Key Differentiators:



Listening Channels



Speed



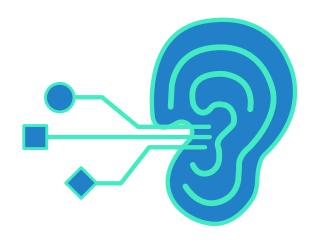
Agility



Integration

Listening Channels

Are you matching the listening event to the business problems you are trying to solve?



When most organizations describe their employee listening program, you'll often hear people talking about "the survey" or saying that "they do surveys." Survey is the most common method of listening and the one that most employees, particularly those outside the human resources organization are familiar with. 71% of the organizations studied use them regularly. They are intended to capture employee perceptions on the totality of their experience with the organization, either as a whole with a census, or in specific areas of the organization where a survey is localized.

Another common survey channel is lifecycle surveys. These are surveys that are intended to measure experiences at specific moments of inflection or change within the employee lifecycle, such as onboarding, exit, promotions, or manager changes. Half of the organizations reported using this listening method regularly.

The third listening channel is crowdsourcing. Instead of measuring perceptions of employees, crowdsourcing seeks to uncover concerns, questions, and ideas for innovation directly from the employees who are closest to the action. Traditionally, crowdsourcing methods have been synchronous, costly, and time-consuming, such as focus groups. Technology allows organizations to crowdsource at scale, using digital methods to collect this data. Traditional crowdsourcing methods can often be dominated by those who react quickly or have the loudest voice, while asynchronous methods allow all voices time for introspection and participation.

How Are Organizations Listening Today?	
EX Survey	71 %
Lifecycle Survey	50%
Crowdsourcing	41%
Behavioral Listening	29%

About 41% of organizations are currently utilizing at least some crowdsourcing in their listening strategies.

The last listening channel studied is behavioral listening. This channel measures employee behaviors, without explicitly asking the employee themselves. This can be done passively, using technologies such as calendar scraping, providing coaching for managers by analyzing the language used in their communications with team members, or by asking team members about their specific behaviors. Used incorrectly, passive listening methods can be seen as Big Brother-style monitoring and can have a negative impact on trust and employees' psychological safety. Some technologies have popped up in reaction to these surveillance systems, creating an unhealthy and unproductive cycle for employees and organizations. However, when done correctly — with consent, in the spirit of professional development, and in an attempt to uncover behaviors employees may not be aware of — this channel is integral to a comprehensive listening strategy. About 29% of organizations are using behavioral listening today.

Speed

How long does it take for employees to feel the change?

The ability of organizations to listen quickly has increased dramatically with technology. What once took months — assembing a list of employees, mailing out paper surveys, scanning those surveys, compiling and analyzing data, and delivering printed reports to managers — can now be done with connectors to HRIS systems, QR codes, or listening instruments delivered to the phone in an employee's pocket. Data aggregation and analysis can also happen in real time. But listening quickly is only one piece of the puzzle. That's not to say that delivery of a buttonedup executive report complemented by a thoughtful communication strategy is less important, but executive reporting is no longer the primary outcome of a listening event. Mature organizations are those in which real change — the actions taken based on the feedback received during a listening event — is felt by each employee. About 30% of organizations in our study are still taking four weeks or more to deliver results to managers and executives, and by the time the change is felt by employees, it's often much longer.

There are several factors that contribute to maturity surrounding speed. The first is ensuring that each employee has access to the data captured by the listening event. Once the organization has asked employees for feedback it has a responsibility to let them know what was said. Once everyone can see the data, leaders at all levels of mature organizations are expected to take real, bottom-up action based on feedback in addition to communication from the top-down about strategic priorities and changes based



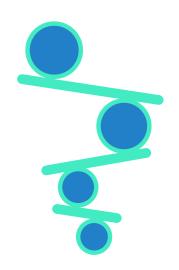
take more than 4 weeks to provide results to managers and executives

Mature organizations are those in which real change — the actions taken based on the feedback received during a listening event — is felt by each employee.

on feedback. Action represents the organization "taking its turn" in the conversation with employees and moves listening from an interrogation (asking, asking, asking) to an ongoing dialogue. The beauty of shrinking this signal-to-action gap is that the conversation takes on a natural, ongoing cadence, rather than starting and stopping as abrupt events.

Agility

How quickly can your listening strategy adapt to new business problems?



A successful listening strategy must be able to adapt to the changing needs of the workforce and the organization itself. Organizations that do this well spend much less time crafting the perfect questions to track over decades and more time understanding that an agile listening strategy is one that can adapt the questions, and the listening channel, as a need arises. Often, the act of listening and acting on feedback sends a clearer signal than the questions themselves. This is not to say that the most mature organizations are abandoning their full employee experience survey. On the contrary, they are using it as a diagnostic tool to illuminate where the next part of the conversation should take place.

Mature organizations are constantly evaluating and re-evaluating their listening strategies. The data shows that for Stage 1 organizations, this evaluation is happening infrequently, if ever. 70% of Stage 1 organizations have the same listening strategy as they did a year ago, with hardly any changes. Conversely, 81% of Stage 4 organizations have made significant changes to their strategy since last year. If an organization is not adapting its listening scope, questions, and methodologies as new challenges arise, it is falling behind. In a competitive employment environment, organizations that adapt to the needs of their workforce, as those needs appear, are poised to retain employees, innovate effectively, and maintain resilience during times of change.

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70%

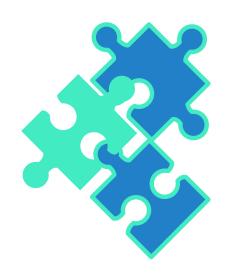
of Stage 1 organizations have the same listening strategy as a year ago

81%

of Stage 4
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Integration

How do all the listening events in your organization work together to form a listening strategy?



The amount of people data organizations have is increasing, and it is often maintained in multiple systems and locations. The expansion of employee listening has only added to this complexity. Large organizations often have multiple teams involved in their listening, with one team handling the onboarding, another conducting exit surveys, and vet another leading employee experience surveys. Other measures, such as attrition, promotions, and learning and development also create data. Outside HR, teams are monitoring employee safety, customer experience, productivity, and other important measures. With so much data, organizations that win are those that can synthesize the data to surface insights and solve real business challenges collaboratively.

Integration of listening data alone is often a challenge. However, mature organizations can, and do, identify patterns and trace them across listening events to craft a strategic response. For example, from exit data, a large organization might discover that key talent is exiting at the 5-year and 90-day mark. For the 90-day terminations, leaders might look back to onboarding survey results and discover that employees are not clear about the job responsibilities after onboarding. Going back further, analysts might discover that the expectations set during the hiring process do not match the realities of the job. By making changes to the recruitment and onboarding process, this organization is able to reduce those 90-day terminations.

A different set of issues may drive the 5-year terminations. Further analysis there may show that employees who applied internally for a promotion or lateral move but did not receive an offer tend to leave the organization. In addition, analysis by tenure on the employee experience survey may show that perceptions of career development drop for that group. Using these data together, an organization can make changes to its talent strategy to ensure employees they want to retain have the chance to develop in their careers as they approach five years.

Creating adoption and buy-in at all levels and in all areas of the organization means speaking the language of the respective leaders. Only 6% of Stage 1 organizations regularly connect listening data to other key business metrics, limiting the effectiveness of their listening program. Mature organizations place significant emphasis on making these connections, with 81% of Stage 4 organizations not only integrating data across listening events, but also integrating business metrics outside the HR department. Although employee listening may be owned by HR, in these organizations, it does not reside wholly in HR. Other parts of the organization see how listening fits into their leadership and decision-making processes. Those leaders seek out people's perceptions, ideas, and behaviors to solve problems in their functional areas and understand how employee experience impacts their performance data.

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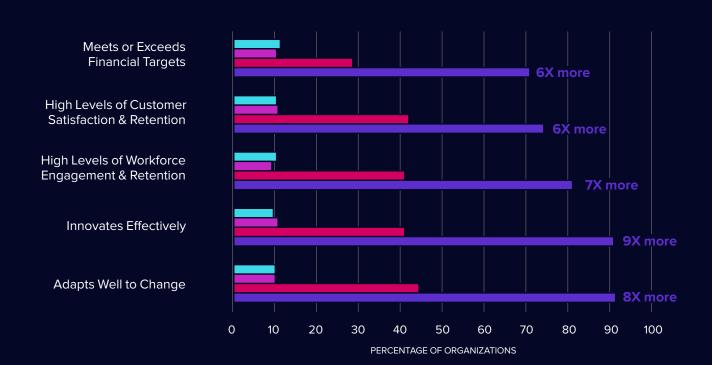
Listening Maturity is Directly Related to Achieving Positive Organizational Outcomes

Organizations with more robust, mature listening strategies — those where signal to action is swift, that have great flexibility to connect the listening channel to the business question, and that have broad support for employee listening outside of the human resources department — are also more likely to succeed in areas where their less mature peers struggle.

Organizations that are particularly adept at innovation and resilience do so by bringing their employees along through the change, ensuring that change is done *with* employees rather than *to* them.

Organizational Outcomes by Maturity Level





Moving Up the Maturity Curve

Organizations that are most effective in advancing their listening programs — regardless of their current stage of maturity — begin by identifying where they are today. Moving up the maturity curve is not a purely linear process. Organizations will find that there is a fair amount of overlap among the stages: often certain programs or parts of the organization are further along than others, and, at times, it becomes necessary to double-back or re-visit one of the steps before leaping forward. Organizations that add "too much, too fast" often find themselves struggling to gain traction. As with any maturation process, organizations must crawl before they walk, and walk before they run.





Step 1: Set Clear Program Goals



Step 2:
Define Performance
Outcomes
Connected to
Overall Business
Strategy



Step 3: Secure Executive Support



Step 4:
Listen
Frequently
& in Multiple
Channels



Step 5: Invest in Advanced Analytics to Target Actions



Step 6: Act from the Top Down and the Bottom Up

A Step-by-Step Guide to Moving Up the Maturity Curve



Step 1: Set Clear Program Goals

Before any single listening event, it's important to clearly define success and to regularly revisit these goals to assess your listening program. 3 out of 5 leaders in Stage 1 organizations don't agree that they have a clear set of outcomes they are hoping to achieve through employee listening. This is in contrast with Stage 4 organizations, where more than 9 in 10 can strongly agree they have clear outcomes they are working toward.



Step 2: Define Performance Outcomes Connected with Business Strategy

At this step, listening leaders begin to speak about employee feedback using language that resonates with other leaders in the business. Stage 4 organizations are 38x more likely to have key performance indicators (KPIs) in place to measure the success of their listening program. Steps 1 and 2 are foundational for moving to Step 3, securing executive support for the program.



Step 3: Secure Executive Support

Organizations at all levels of maturity cite building executive support as a barrier to success of their listening program. As organizations' listening strategies mature, the listening leaders begin to build relationships with the executive leadership team and demonstrate consistently that listening is not simply an expense, but is instead a necessary investment in the organizations' future. Only 1 in 4 organizations at Stage 1 and 2 have a Chief Human Resources Officer who is continually investing in employee listening. Conversely, more than 4 in 5 organizations at Stage 4 have an invested CHRO.



Step 4: Listen Frequently and in Multiple Channels

Mature organizations don't listen to employees in the same way all the time. They understand that, at times, the way feedback is sought is as important to the conversation as what they are asking about. Instead of surveying constantly, leaders in these organizations understand that they must match the listening event and method to the business problem they are trying to solve. They are also adept at synthesizing data from multiple listening events — and from other places in the business — to answer more complex listening questions. Different organizations along the maturity curve wrestle with this step differently, but as they move solidly into Stage 4, they effectively integrate multiple streams of data into a cohesive strategy. 90% of Stage 4 organizations are doing some type of listening quarterly (or more frequently), while less than half of Stage 1 organizations can say the same thing.



Step 5: Invest in Advanced Analytics

As organizations generate more and more data through employee listening and seek to integrate this data with other organizational data, an investment in advanced analytics can uncover insights that may be difficult or impossible to identify through manual analysis. This amount of data can be overwhelming without a scalable way to process and surface a few clear findings that can be acted upon quickly. At all levels of maturity, technology and advanced analytics consistently rank among the top five characteristics that organizations are looking for in an employee listening vendor.



Step 6: Act from the Top Down and Bottom Up

Forty percent of leaders identified that the biggest barrier to the success of their listening program was their ability to take appropriate follow-up actions. **In another study**, focused specifically on actions taken as a result of employee feedback, organizations that regularly listen and act on employee feedback were 3x as likely to meet or exceed their financial targets and 10x as likely to achieve high levels of customer satisfaction and retention.

Acting at all levels is difficult given that many organizations don't even provide listening data access to all leaders. All Stage 4 organizations provide actionable data to their front-line leaders, while slightly more than 1 in 3 Stage 1 organizations do. In addition, all of the most mature organizations require leaders at all levels to own and act on employee listening data compared with less than 40% in Stage 1 organizations, and leaders in Stage 4 organizations are 10x as likely to say that action is everyone's job than are Stage 1 leaders.

It's critical for organizations to continually assess and reassess their listening strategy to determine where the next area of focus should be. Where are they today? And what is their next step?

Organizations that regularly listen and act on employee feedback were **3**x as likely to meet or exceed their financial targets and **10**x as likely to achieve high levels of customer satisfaction and retention.





The Path Forward

The employee listening landscape continues to evolve. Employee listening — and acting — is an essential part of creating a positive and productive work environment, defined as one where employees want to stay, where they feel proud and apply their best discretionary effort daily, and one where they encourage friends and family to come work and to patronize. For organizations, the benefits are reduced attrition, better customer relationships, improved financial performance, innovation, and greater resilience in the face of change. Through a comprehensive listening strategy, organizations can gain valuable insight into the employee experience, identify areas for innovation or improvement, and make data-driven decisions that benefit both employees and the organization as a whole. Given the changing employee landscape — the rise of remote work, the move to hire for skills rather than for jobs, the infusion of digital technology, and changing workforce demographics — employee listening and acting has become more crucial than ever, as it allows organizations to stay in tune with the changing needs and expectations of their workforce.

To remain competitive and be successful in reaching their business goals, organizations must continue to evolve their listening strategy, matching the type of listening with the problems they are trying to solve. Expanding the listening, shortening the information to action gap, and overcoming barriers to success across the organization is no small task. However, for organizations that make the effort, the impact is clear.

Curious how your organization's listening program compares?

Perceptyx has developed a firstof-its-kind assessment to help leaders understand where their organization sits today along the listening maturity continuum.



In just five minutes, you'll be able to:

- Diagnose your organization's current listening maturity stage, from Episodic Listening to Continuous Conversations,
- Assess your program's unique strengths and opportunities for growth,
- Uncover the key questions to ask as you progress along the maturity curve, and
- Take the right next steps to realize the full value of your listening and actioning strategy.

Take the Assessment Now!



Survey Methodology

The research conducted for this report utilized two distinct sources of data. The first source was interviews with 600+ Human Resources decision-makers at organizations with more than 1,000 employees. The second source was interviews with more than 500 leaders outside of Human Resources in similarly sized organizations. Perceptyx's workplace leadership panel has interviewed more than 2,500 senior leaders representing large, global organizations across all major industries.

About the Author

Emily Killham is Director of Research & Insights at Perceptyx, a leader in employee listening and people analytics. Focused on building better places to work for more than two decades, Emily has partnered with organizations in nearly every industry, both global and domestic, helping them discover data-driven solutions to organizational problems. She is an expert at quantifying the value of engaged employees in terms of dollars, productivity, turnover, customer loyalty, safety, and absenteeism. Emily has authored several reports on the value of employee listening and is a frequent resource for media covering employee experience trends and the future of work, with recent placements in Employee Benefit News, SHRM, the Financial Times, Fast Company, and the BBC.



About Perceptyx

Since its founding in 2003, Perceptyx has been redefining the employee insights industry, delivering enterprise-level employee listening and people analytics to more than 600 customers, including one-third of the Fortune 100. With an unrivaled technology platform and a tailor-made, flexible approach, the Perceptyx platform makes it easy for managers, HR executives, and business leaders to discover insights deep within large and complex organizations, driving meaningful action to improve business outcomes. Driven by a deep intellectual curiosity and a culture of innovation, Perceptyx is challenging the status quo — to help people and organizations "see the way forward."

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