EX Metrics Program: Strengths and Challenges

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SUMMARY

A strong employee experience (EX) metrics program is an essential component of any company's EX efforts. It not only allows an organization to systematically measure the quality of the experiences it delivers to employees, it provides insights that help a company spot improvement opportunities, prioritize its investments, track its EX progress, and raise awareness of EX efforts across the business. Use this worksheet to assess the current state of your EX metrics program across the five stages, then identify opportunities to strengthen your program as well as potential challenges you may encounter along your journey. To help you brainstorm ideas for improving your performance across the five steps, review the information provided on page 3.

FIVE STEPS FOR BUILDING A STRONG EX METRICS PROGRAM

A EX metrics program *tracks a comprehensive set of measurements that helps an organization understand the experience that it delivers to employees*, making it a core element of any EX effort. However, EX metrics programs are often overly focused on collecting and calculating metrics and not focused enough on using metrics to drive meaningful actions and improvements to employees' experiences. To build a strong, actionable EX metrics program, organizations should follow five steps:

1. **Step 1: Determine a Core EX Metric.** First, select a primary, relationship-level metric (such as Employee Engagement, Job Satisfaction, advocacy, trust, etc.) that measures the overall quality of employees' experiences within the organization. This Core EX Metric serves as a North Star, aligning employee experience efforts across the entire organization around a common goal.

2. **Step 2: Set achievable goals.** Define realistic targets for your Core EX Metric based on an understanding of how the metric relates to operational objectives, such as job performance or turnover, and business objectives, such as revenue or customer experience measures. How lofty or attainable these goals are should be aligned with how much effort and resources the company is able to invest in improving its employee experience.

3. **Step 3: Identify key drivers.** Not every discrete employee experience is going to affect your Core EX Metric equally. To determine where to focus improvement efforts, companies need to find the moments, journeys, and touchpoints that most significantly impact your Core EX Metric and, by extension, the employee experience overall.

4. **Step 4: Establish key driver metrics.** Develop metrics that evaluate how well the company performs on its key drivers. These key driver metrics are granular metrics (like operational, transactional, or journey-level metrics) that are used to hold individuals and teams accountable for improving the parts of the key driver that they control.

5. **Step 5: Make the suite of metrics actionable.** Leverage EX metrics to drive organization-wide support for employee experience improvements by enabling people to use these metrics in the course of their everyday roles.

HOW TO USE

To help you strengthen your EX metrics program, you can use this tool in a number of ways:

+ **Self-evaluation.** Fill out this worksheet yourself by first rating how well your EX metrics program performs across the five steps, then brainstorming ideas for improving that stage and potential obstacles you may encounter.

+ **Group discussion.** Use the worksheet in a group exercise. After each individual completes it, discuss the opportunities and you've identified as well as areas of agreement and disagreement in the ratings.

+ **Action planning.** Develop plans for improving your organization's current EX metrics program. Use the advice provided on page 3 for ideas and inspiration.

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Rate how you think your organization currently performs in each of the *Five Steps,* then brainstorm ideas for strengthening your company's performance in that stage as well as any potential obstacles you anticipate encountering. For ideas on how to improve your EX program, use the tips provided on page 3. While this worksheet is valuable as an individual exercise, we particularly recommend using it in a group or workshop setting.

STEP	IDEAS TO STENGTHEN	POTENTIAL CHALLENGES
Step 1. **Determine a Core EX Metric.** WEAK　MODERATE　STRONG		
Step 2. **Set Achievable Goals.** WEAK　MODERATE　STRONG		
Step 3. **Identify Key Drivers.** WEAK　MODERATE　STRONG		
Step 4. **Establish Key Driver Metrics.** WEAK　MODERATE　STRONG		
Step 5. **Make the Suite of Metrics Actionable.** WEAK　MODERATE　STRONG		

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Step 1. Determine a Core EX Metric. Select a primary relationship metric that measures the overall quality of employees' experiences with your organization. This Core EX Metric should:

+ Relate to your company's business objectives
+ Reflect the key employee behaviors you want to change and manage
+ Be easy for all leaders and employees to understand and talk about
+ Make employees feel heard and understood by the business
+ Be reviewed and updated periodically to ensure it is still relevant and driving employee-centric decisions

Step 2. Set Achievable Goals. Define realistic targets for the Core EX Metric based on how it impacts business and financial objectives. These goals should:

+ Be grounded in a baseline based on data collected *internally*
+ Be set as a range rather than a specific number
+ Be customized for different geographical locations, region, and segments depending on the business need
+ Incorporate external benchmarks and norms
+ Stop at the point where achieving a higher score stops increasing business value and starts costing money

Step 3. Identify Key Drivers. Find the moments, journeys, and interactions that have the biggest impact on the Core EX Metric. These Key Drivers should:

+ Be determined by quantitative techniques, such as correlation analysis, regression analysis, relative weights analysis (RWA), and business linkage analysis
+ Be supplemented with qualitative insights, such as the open-ended survey responses, text analytics, focus groups, and ethnographic research
+ Vary across different business units, regions, job levels, job types, etc.

Step 4. Establish Key Driver Metrics. Develop transactional, operational, and journey-level metrics that evaluate how well the company performs on key drivers. These key driver metrics should:

+ Be unique to each individual experience being delivered
+ Include the major aspects of an experience that can drive or detract from it
+ Incorporate some "leading" indicator metrics to proactively alert teams to potential issues
+ Be created in instances where measurements are needed but don't yet exist

Step 5. Make the Suite of Metrics Actionable. Leverage EX metrics to create a company-wide culture of employee-centricity. To make this comprehensive set of measurements actionable, companies should:

+ Tailor the distribution of metrics by audience
+ Define role-specific behaviors each employee should exhibit to improve the Core EX Metric and their personal key driver metrics
+ Integrate the EX metrics program with existing management rhythms and align with business cycles
+ Look at EX metrics alongside business and financial considerations when making strategic decisions
+ Avoid tying explicit monetary compensation to EX measures
+ Celebrate the successes of leaders and teams!