

Digital Employee Experience (DEX) in the Enterprise: Progress, Patterns, and Gaps



Foreword

Mark Banfield, CEO, 1E

If 2020 was the year enterprises experimented with remote and hybrid work, 2021 and 2022 saw these modes mature into permanent norms for millions of knowledge workers. For many enterprises, this was the start of the journey to digital employee experience (DEX). They introduced new technologies, undertook DEX maturity assessments, and created centers of excellence (CoE). Now it's time to check in on the status of this momentous transition and refine DEX practices.

We surveyed 300 enterprise (5,000+ employees) IT decision-makers (ITDMs) and knowledge workers* in the US and UK to understand their experiences, perceptions, and the state of DEX in 2022.

Ready to move from good to great

When analysts and other experts spoke about the importance of DEX, enterprises listened. A whopping 91% of respondents said that their organization has a strategy in place – or is in the process of implementing a strategy – designed to improve DEX.

Overwhelmingly, respondents recognize the importance of DEX as a key consideration in digital transformation strategy (80%), but almost all surveyed indicate that there is a need for improvement (90%).

DEX affects everyone

It's undeniable. DEX has a direct impact on the business bottom line. And it's not just bad Glassdoor reviews. A good or bad digital employee experience influences everything from employee retention to organizational revenue. Unsurprising then that 81% of respondents agree that enterprises that don't make DEX a board-level priority will soon fall behind their competitors.

Move toward digital empathy

Slapping a “DEX band-aid” over the problem won't fix deep and pervasive employee experience issues; 95% of professionals surveyed highlight that IT issues disrupt employees' digital experience in their organization, hindering productivity and diminishing workplace morale.

The only true solution is to replace digital friction with digital empathy. But only one in three ITDMs say digital empathy will be a priority over the next 18 months (33%). This is despite 40% of knowledge worker respondents saying they'd like a greater focus on empathetic IT.

Digital empathy: to empathize with and/or be considerate of the digital experience employees receive and their feelings when using IT

Read on for many more fresh, unexpected insights about DEX in the enterprise.

Mark Banfield

90%

Say their organization's DEX has room for improvement

68%

Say DEX has a high or critical level of influence on revenue

69%

Say DEX has a high or critical level of influence on operational efficiency

95%

Say they struggle with digital friction such as software and network issues, workplace application access problems, and slow devices

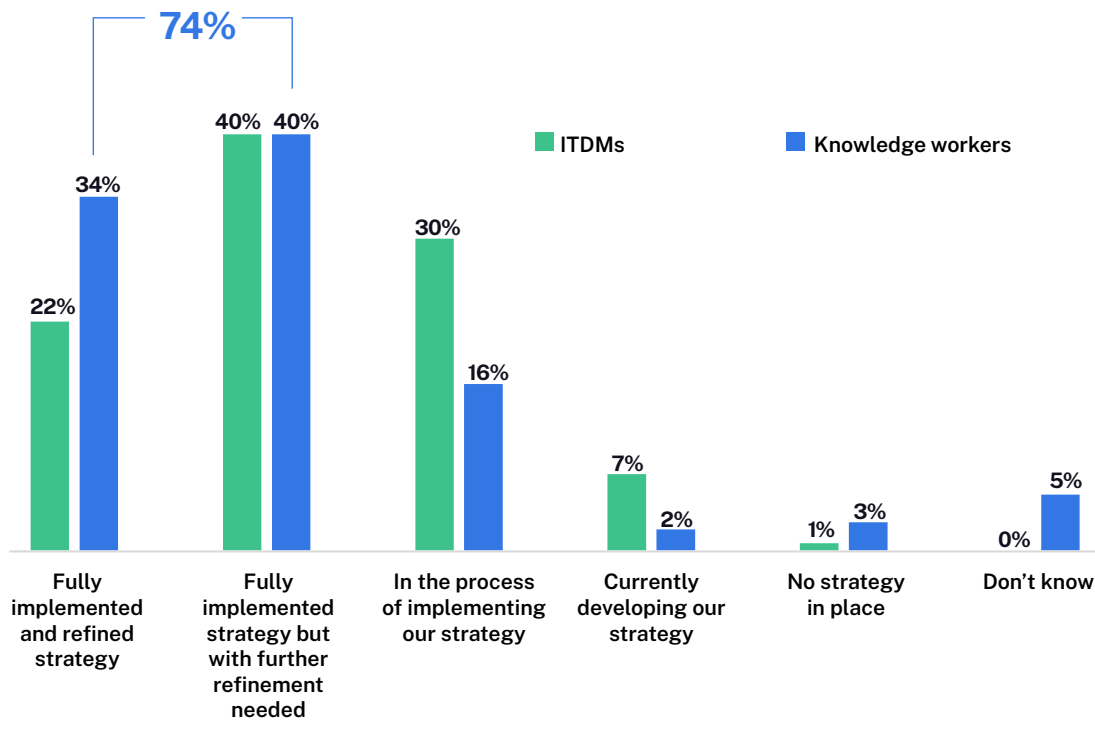
*Knowledge workers: Employees from any non-IT function and any seniority level. They must use a PC or laptop (or similar) as part of their normal working day.

DEX in 2022

DEX is an enterprise priority

Most enterprises have embraced DEX as a priority and have done a respectable job implementing their initial strategies.

74% of knowledge workers surveyed say their business has a fully implemented DEX strategy and 16% say they are in the process of implementing a strategy. Rewind to a pre-pandemic workplace and it's doubtful you would see attainment anywhere near this level.



Which of the following best describes where you believe your organization currently is in terms of its Digital Employee Experience (DEX) strategy and implementation?



80% of those surveyed agree that DEX is now a key consideration within their enterprise's digital transformation strategy. Likewise, 81% agree that organizations that don't make DEX a board-level priority will soon fall behind their competitors.

The influence of DEX



To what extent do you believe that digital employee experience (DEX) influences the following variables for your organization? (Percentage of all respondents that selected at least moderate level of influence)

DEX has enormous potential for enhancing employee happiness and job satisfaction. As many enterprises struggle with skills shortages and recruitment challenges, it's important to do whatever you can to keep staff committed and content – delivering remarkable digital experiences is essential.

The link between DEX and happiness



Do you believe that the Digital Employee Experience (DEX) has a direct link to how happy your organization's workforce is? (All respondents)

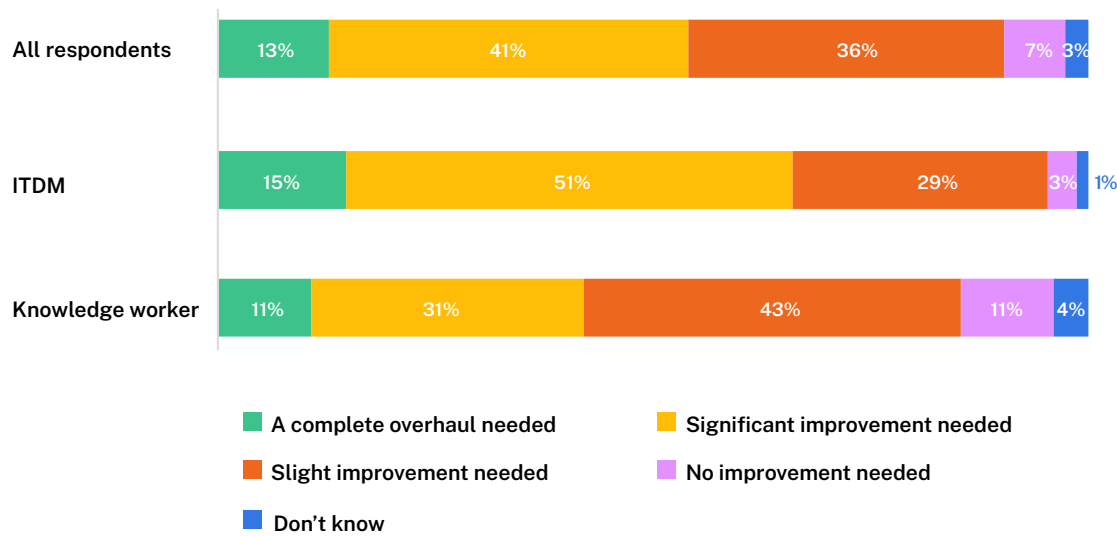
From strategy to delivery

Simply having a strategy won't cut it. Now is the time for organizations to act on their strategic objectives and deliver a top-tier digital experience if they want to enjoy DEX benefits like better operational efficiency, more revenue, and improved employee retention.

Two-thirds of ITDMs say there needs to be a complete overhaul or significant improvement to current DEX arrangements (66%).

Both IT decision-makers and knowledge workers agree on the need for more DEX refinement. Interestingly, ITDMs are more likely to highlight this need for improvement, indicating that leaders aren't blind to the pitfalls in current DEX strategies and understand there is still a way to go.

DEX room for improvement



To what extent does your organization's Digital Employee Experience (DEX) have room for improvement?



Challenges to DEX

The DEX doctor will see you now

Let's paint a picture: you're experiencing random pain, so you go to see your doctor. They acknowledge your symptoms, fail to diagnose a cause, and prescribe you general pain relief. Chances are, you won't see any long-term improvement because the "solution" only masks the pain instead of fixing the issue.

Just as you would need to understand the cause of physical pain before treatment, the same goes for digital pain. It's vital to understand why 95% of ITDMs and 85% of knowledge workers believe their organization's DEX requires some degree of improvement.

The next level of DEX

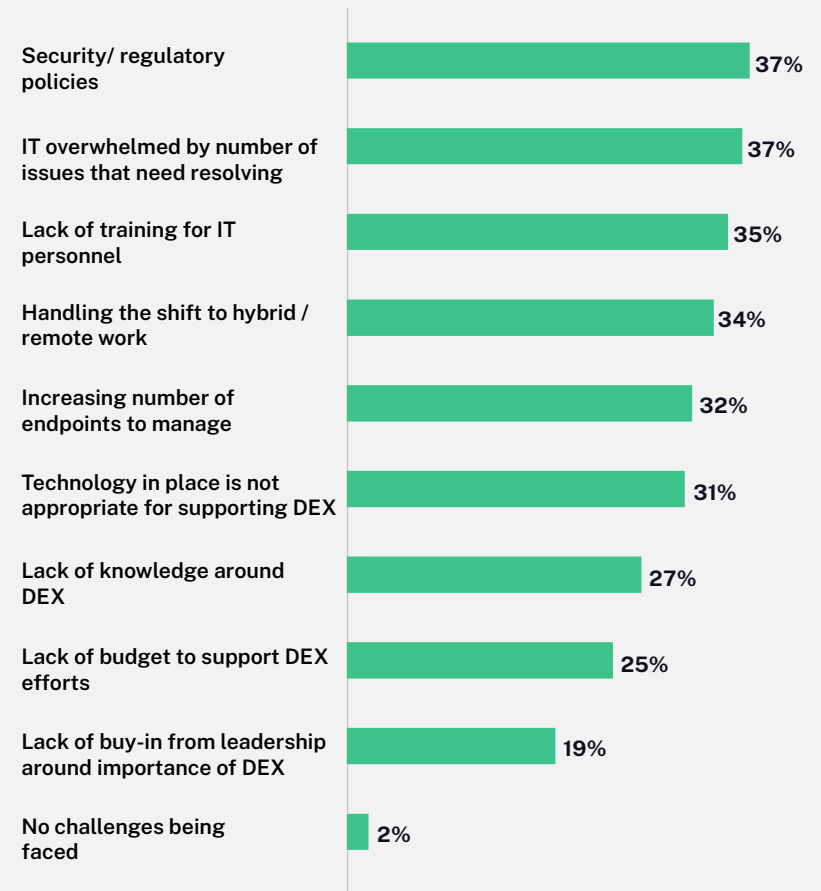
Don't be disheartened; DEX efforts to date haven't failed. Challenges are inevitable, especially when we consider that a year ago many of these programs didn't exist! But as enterprises settle into the "new normal" of hybrid work it's time to level up.

Enterprises are fighting several battles at once as they seek to improve employees' digital experiences – the exception being the lucky (or overconfident?) 2% of ITDMs who say they face no challenges. The other 98% highlight challenges relating to highly burdened IT resources, changing working models, and limitations of current technologies for supporting DEX.

On the one hand, it's a relief that, when it comes to DEX, a lack of knowledge (27%), budget (25%), or buy-in from leadership (19%) are the least-common challenges. This means that organizations should have an easier time making the necessary improvements without too much pushback from budget and strategy owners.

The biggest challenges include security and regulatory policies (37%), overburdened IT resources (37%), lack of training for IT personnel (35%), changing working models (34%), and an increasing number of endpoints to manage (32%).

Challenges to the employee's digital experience



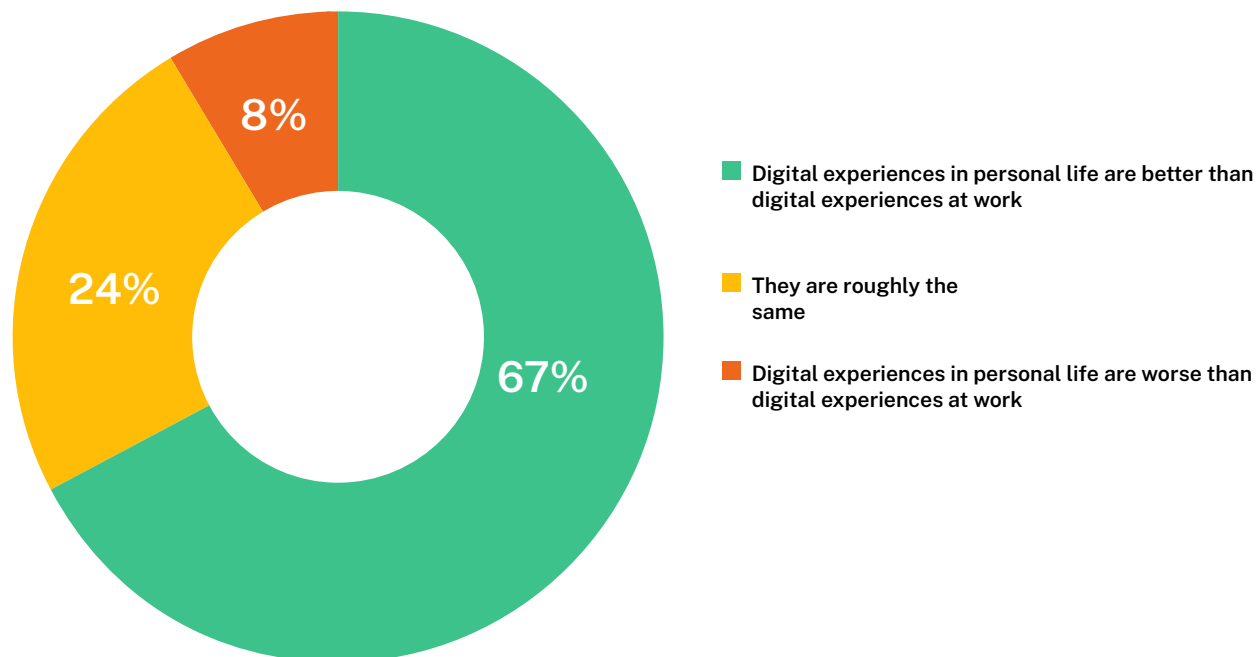
Which, if any, of the following challenges is your organization facing in relation to its Digital Employee Experience (DEX)? (ITDMs)

The race to keep up with changing employee expectations

The move to hybrid and remote working changed digital experience expectations. And so, the very definition of “effective DEX” has evolved, and enterprises need to keep up.

The consumerization of IT reflects employees’ desire to experience at work the speed and convenience they are used to in their personal lives. Failure to meet these changing expectations could see your workforce jump ship. And with hybrid work set to stay, demands for speed and convenience will intensify. This is especially true with younger, digital-native employees now joining the workforce.

Worryingly, enterprises aren’t keeping up with expectations (67%). Respondents say that digital experiences outside of work are better, with more than two-thirds stating that digital experiences in their personal life surpass those of the workplace.



“Consumerization is the specific impact that consumer-originated technologies can have on enterprises. It reflects how enterprises will be affected by, and can take advantage of, new technologies and models that originate and develop in the consumer space, rather than in the enterprise IT sector. Consumerization is not a strategy or something to be ‘adopted.’ Consumerization can be embraced and it must be dealt with, but it cannot be stopped.”

**Gartner, Information Technology
Glossary**

How much better or worse do you believe the Digital Employee Experience (DEX) in your organization is when compared with the level of digital experience that you encounter in your personal (outside of work) life? (All respondents. Due to rounding, percentages do not total 100%.)

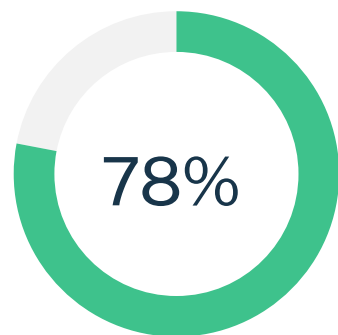
These figures speak to an interesting disconnect when we consider that 58% of all respondents see their organization as being ahead of others in terms of DEX. Considering the results above, it's clear that even those workplaces whose digital employee experience is outperforming the market are still failing to provide a truly competitive digital experience for the hybrid workplace.

Legacy technology limitations are causing digital friction at work that employees don't experience in their personal lives.

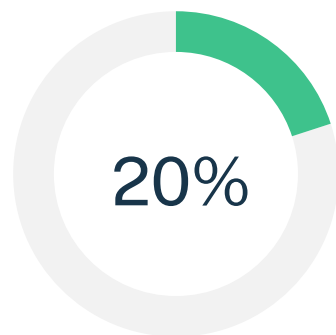
Digital friction is more common than you think

For as long as technology has been used by businesses, there have been challenges. The move to hybrid work has produced new forms of digital friction, leaving employees to struggle with software, connectivity, access, and hardware issues that dramatically affect their digital experience.

With only a small minority of respondents suggesting that their organization manages to escape digital friction completely (3%), it's clear that this is an area for DEX refinement.

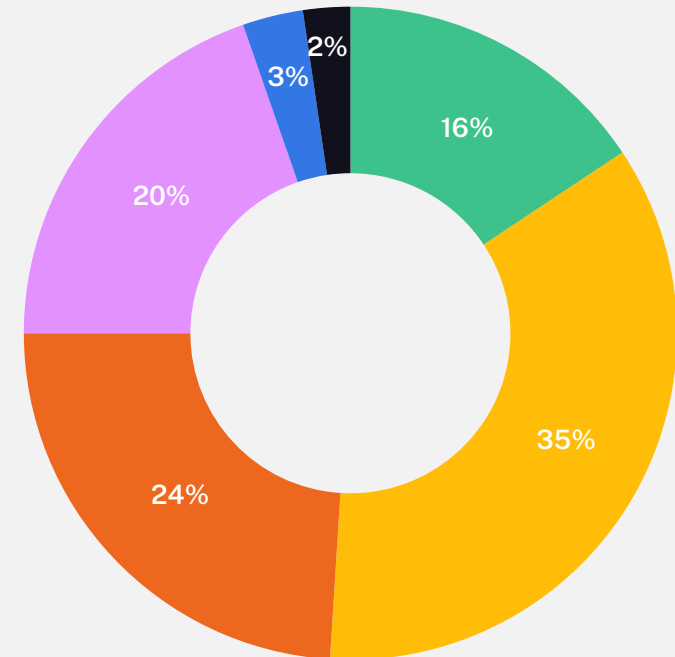


agree their organization has made great progress, but still struggles with some elements of supporting IT in a hybrid working context



say hybrid working has caused considerably more digital friction

Digital friction in the employee experience



- Digital friction is an issue faced by all employees
- Digital friction is an issue faced by the majority of employees
- Digital friction is an issue faced by around half of employees
- Digital friction is an issue faced by a minority of employees
- Digital friction is an issue faced by no employees
- Don't know

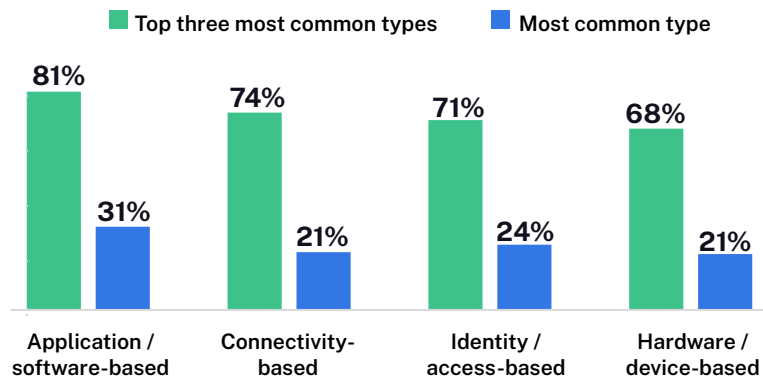
To what extent does digital friction exist when considering employees' digital experience in your organization? (All respondents)

During the early days of the pandemic and initial stages of DEX implementation, businesses understandably struggled to manage widespread remote working and IT issues. However, at this stage, it is fundamental that they target digital friction to improve DEX initiatives and meet employee expectations.

Digital friction can include things such as problems running required applications when needed, PCs crashing or running slowly, disruptive software updates, and time and productivity lost to IT remote accessing/controlling devices to resolve issues.

Respondents identified the most frequent types of digital friction they experience, showing that there is no main culprit when it comes to DEX disruption. The range of common sources for digital friction in the data speaks to a larger challenge. Enterprises can't focus only on improving connectivity, for example, because their employees also have issues linked to software, hardware, or access. Companies need solutions that address all forms of digital friction.

Common types of digital friction



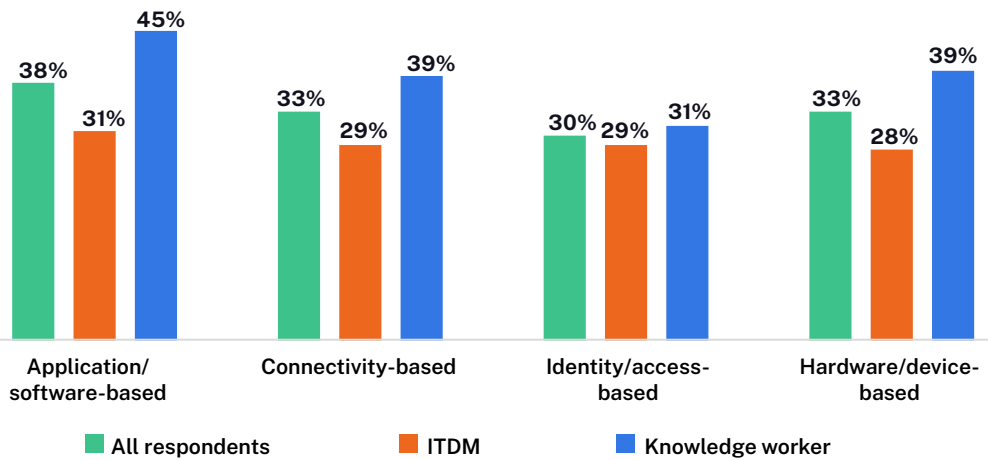
Which of the following types of digital friction are most common in your organization?
(All respondents)

74% place connectivity issues in the top three most common types of digital friction. In the hybrid workplace, where devices are our main link to the enterprise, this problem cannot be overstated. If an employee can't connect to their team, they can't do their job. It's a similar story when looking at hardware and identity-based issues, which further highlights the need for a considerable reduction in IT disruption.



More than one third of respondents tell us that the average employee deals with application or software-related IT disruption either daily or multiple times per week (38%). This is the digital workplace equivalent of the office fire alarm misfiring sporadically throughout the day, disrupting everyone's flow. At enterprise scale, this drains an enormous amount of resources and causes widespread frustration.

Combination of "Daily" and "2-3 times per week"



How often do you believe the average employee in your organization encounters the following IT disruption issues?

Across all four types of IT disruption, knowledge workers are more likely to highlight that the average employee faces these issues multiple times per week. IT leadership, then, underestimates the extent to which an organization suffers from digital friction.

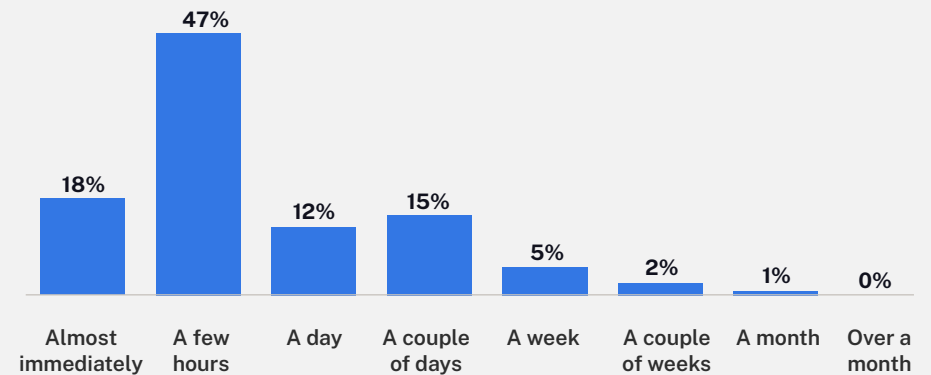
The digital friction DEX butterfly effect

High-friction digital employee experiences, poorly utilized resources, and widespread frustration will have further-reaching consequences than bad Glassdoor reviews and venting on Blind.

If you don't properly address digital friction, expect to see a DEX butterfly effect:

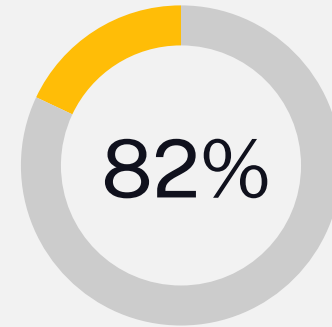


Average resolution time



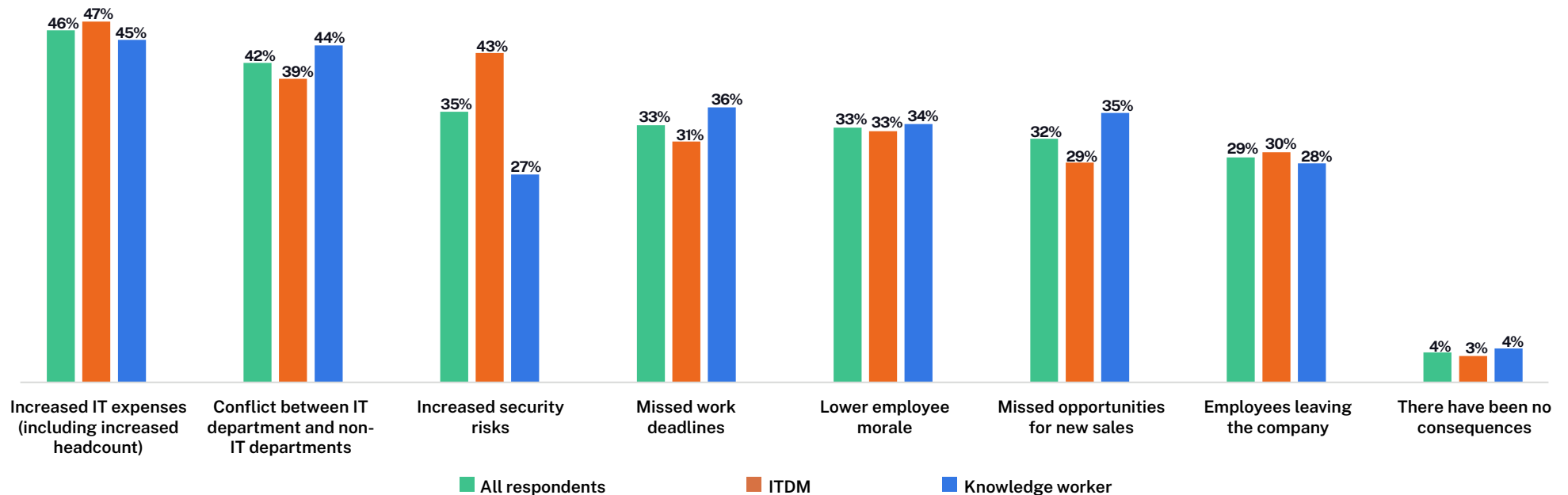
Approximately, how long do you/your colleagues have to wait for your organization's IT team to resolve an average IT issue? (Knowledge workers)

Digital friction's harm isn't limited to the financial or operational realms (e.g., missed work deadlines, lost sales opportunities) but also in company culture (e.g., conflict between departments, lower employee morale). Knowledge worker respondents are more likely to recognize most of these consequences, except for increased security risks, increased IT spend, and higher turnover, areas which are more concerning to IT decision-makers.



agree slow resolution of IT issues not only slows employees down but also damages their overall digital experience at work

Consequences of digital friction over the last 12 months



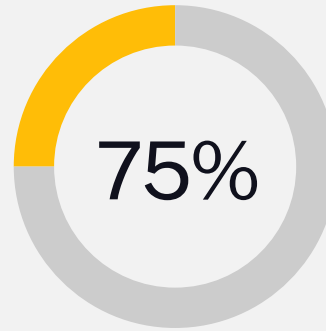
Which of the following consequences have you/your organization's employees encountered in the last 12 months as a result of digital friction?

Employees don't want faster IT remediation

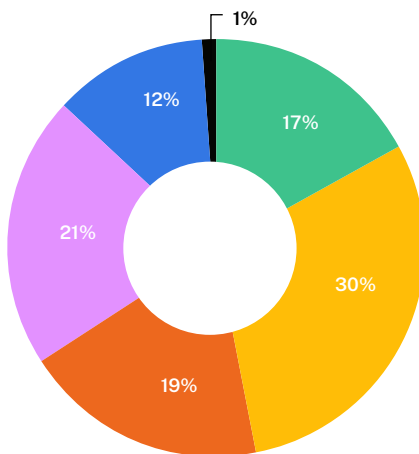
No, really. They don't. But if employees aren't seeking faster remediation from IT, what do they want?

Proactive remediation.

Almost half of respondents felt that IT issues are always or mostly handled reactively (47%), and IT never knows of an issue until they get a ticket. But some organizations are headed in the right direction: 33% feel their IT is mostly or always proactive. We imagine a new status quo, one in which IT resolves issues proactively and automatically before anyone else notices.



of all respondents say that fast resolution of issues by IT is no longer good enough – issues need to be fixed before they even make themselves known to employees



- IT never knows there is an issue first
- IT has automated visibility and reaches out first
- Mostly reactive / rarely proactive
- Mostly proactive / rarely reactive
- An even split of reactive and proactive
- Don't know

Hypothetically, if you faced an IT issue at work, how do you think this is typically handled by the IT department – reactively or proactively? (Knowledge workers)

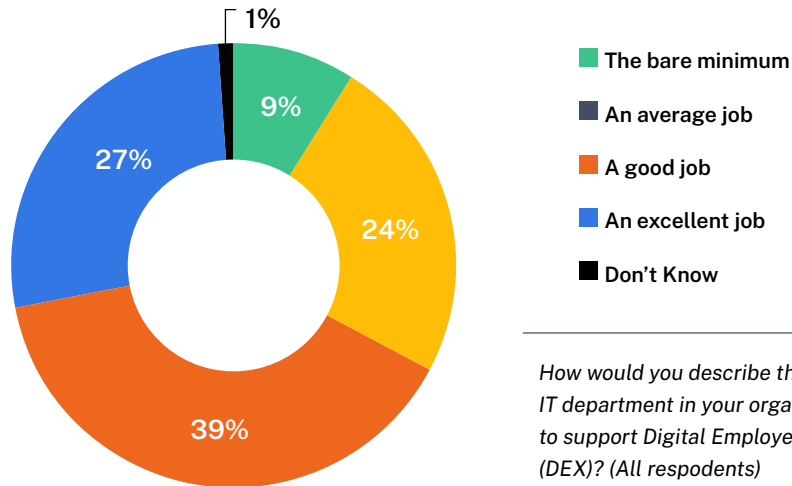
To get there, enterprises need to do more to reverse the gap between employees and IT. Most solutions on the market today are not effective enough at delivering the required visibility and automation for proactive, superior DEX. After all, only 12% of knowledge workers say they have an always-proactive IT department.



Set up for DEX success

66% of respondents say IT is doing a good or excellent job with DEX. But there's room to improve.

By equipping IT departments with the tools they need to support the evolving hybrid workplace and close the employee/IT divide, we can set up enterprises for DEX success.



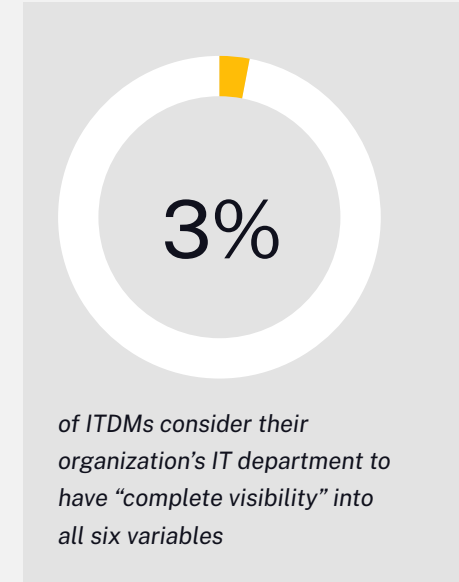
How would you describe the work that the IT department in your organization does to support Digital Employee Experience (DEX)? (All respondents)

IT needs better visibility

Start by giving IT better insight. Many teams lack complete visibility in at least one important variable that contributes to overall IT performance and digital employee experience, including device performance, employee engagement/satisfaction, and application start-up and performance analytics.

For each of the IT metrics that cover several areas where IT disruption is frequently experienced (such as hardware or application performance) roughly one in five ITDMs say their department has complete visibility. It's no surprise then that IT is limited in how proactive they can be in solving employees' IT issues.

By introducing automation into your organization, IT will be able to better monitor these key variables and apply a more proactive approach to remediation.



IT's current level of visibility



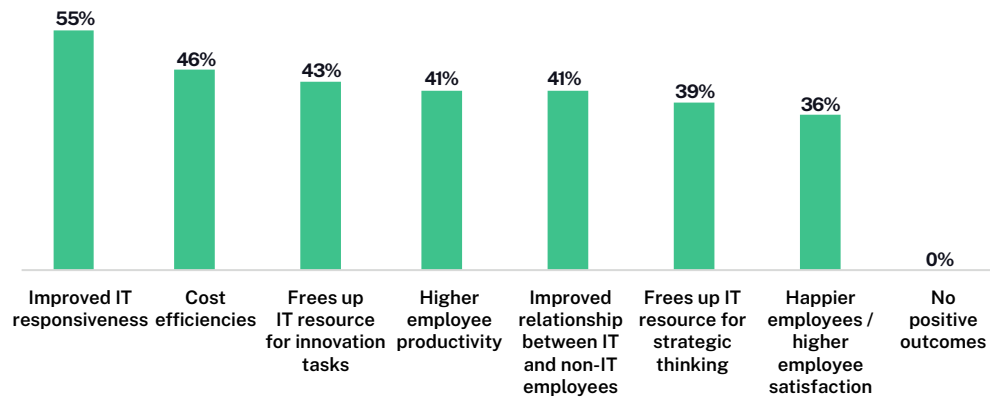
Thinking across all employees, office-based and remote working, what level of visibility do you consider your organization's IT department to have in relation to the following variables? (ITDMs)

Work smarter, not harder with automation

It's not possible to create more hours in the day, but you can help your employees make the best use of their time. Automation is a great way to do this, eliminating the need for time-consuming manual tasks. Although many organizations use automation to some extent, its use is relatively limited. ITDMs say that only 26% of IT issues are resolved with automation, on average. This indicates that enterprises need to increase investment in technologies to support DEX, and there's considerable room for improvement when it comes to automation.

Automation improves IT proactivity and directly contributes to a better digital experience for employees. For example, just some of the positive outcomes seen when automation is used include higher employee productivity (41%) and an improved relationship between IT and non-IT employees (41%).

Positive outcomes when automation is used in IT issue resolution



Where your organization is able to utilize automation in resolving employees' IT issues, which of the following positive outcomes do you experience? (ITDMs)

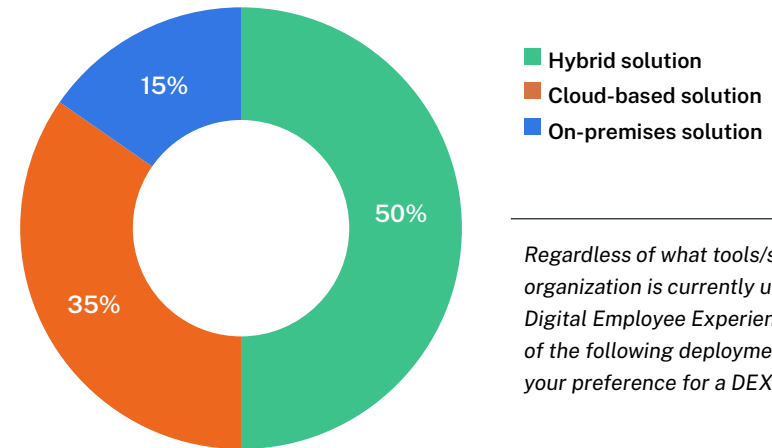


If enterprises can effectively address these IT issues by implementing technology that improves visibility and increases automation, they will likely see other, more human-centric benefits. For example, employee engagement and satisfaction should improve with fewer IT challenges. Collaboration and innovation, too, are more fluid if employees face fewer day-to-day digital friction issues.

Take to the cloud

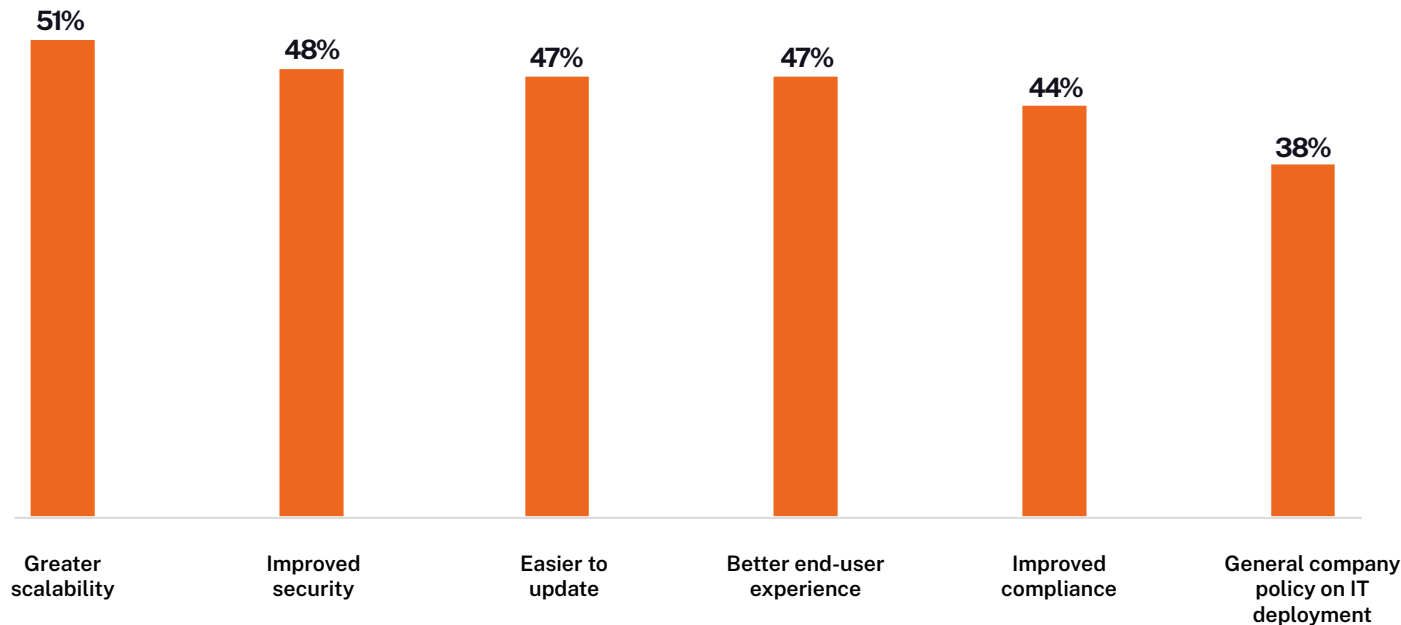
If we're setting enterprises up for DEX success, we can't ignore the clear preference ITDMs show toward cloud-based or hybrid DEX solutions, with only 15% stating that on-premises solutions are their preference. Factors such as scalability, ease of updates, and security are among the most common reasons to favor a cloud-based or hybrid solution.

No single driving factor stands apart from the rest, which suggests vendors must be able to illustrate how their solution delivers across the board on scalability, ease of updates, and strong security and compliance capabilities.



Regardless of what tools/solutions your organization is currently using to support Digital Employee Experience (DEX), which of the following deployments would be your preference for a DEX solution? (ITDMs)

Factors in choosing cloud or hybrid DEX



Which of the following factors are driving your preference towards a cloud-based or hybrid deployment model for a Digital Employee Experience (DEX) solution? (ITDMs)

Replacing digital friction with digital empathy

Approaching IT issues with a purely technical mindset no longer cuts it. Just as the consumerization of IT reflects employees' desire for digital speed and convenience, digital empathy highlights employees' expectations that IT will be thoughtful about DEX.

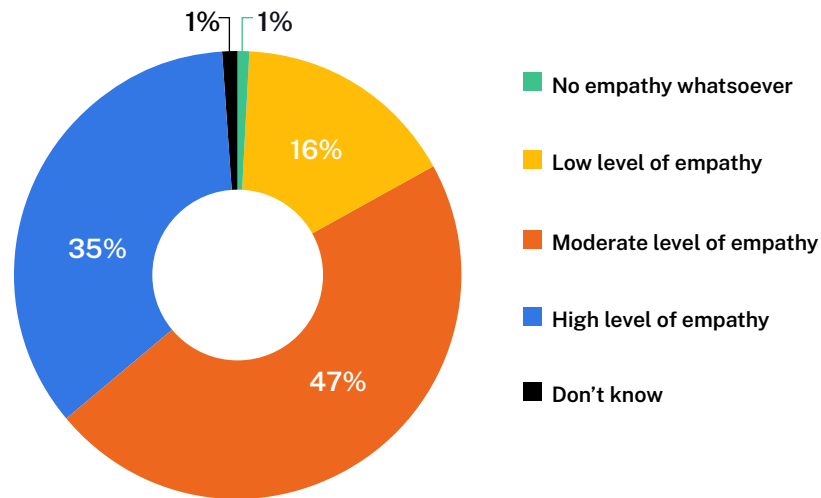
We've already seen evidence of empathy in the numbers; most knowledge workers rate IT as doing a good or excellent job. But despite regular disruptive IT issues, hindered productivity, and diminishing workplace morale, both respondent types agree that IT could improve their empathy towards employees' digital experience.

Our data indicates the need for senior leadership to take the initiative. They must act if they wish to reduce digital friction and improve DEX, rather than leaving it to everyday IT workers. Giving IT better visibility into the organization will help them to understand what issues are being faced, how often, and to what extent, equating to increased digital empathy and – by extension – improved DEX.

1 in 3

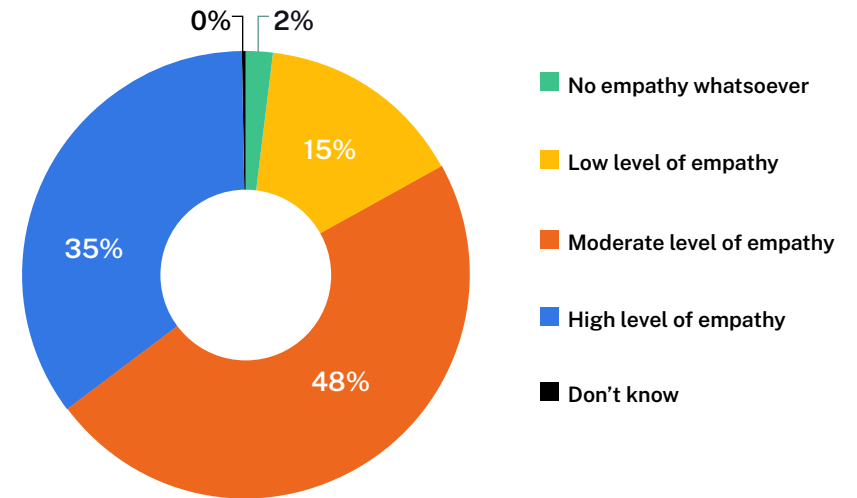
see the IT department as having a high level of empathy when it comes to digital experiences throughout the organization

Level of empathy from IT in terms of digital experience received by the wider organization



To what extent do you/does your department empathize with the level of digital experience that employees in your organization receive? (ITDMs)

Perceived level of empathy from IT in terms of digital experience received by the wider organization



To what extent do you believe that the IT department in your organization empathizes with your digital experience when you are working? (Knowledge workers)

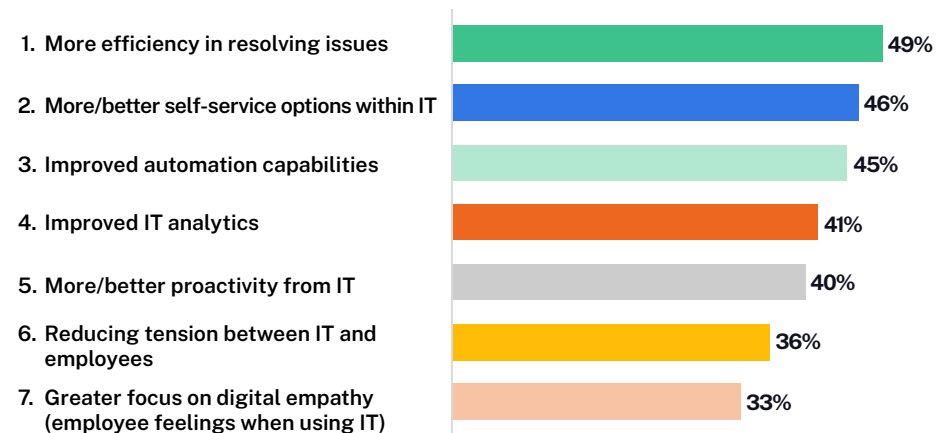
The ITDM / knowledge worker disconnect

There are subtle differences between what ITDMs say the IT department will be prioritizing in DEX for the next 18 months and what knowledge workers want them to prioritize. But for the most part, there is a consensus as to the important areas of DEX improvement. Almost half of respondents from both groups identify “more efficiency in resolving issues” as the number one concern (49% of ITDMs and 47% of knowledge workers).

Interestingly, knowledge workers ranked increased proactivity from IT as their second-most preferred priority for the next 18 months (43%). ITDMs have placed increased employee self-service options in second place (46%). It seems that in an ideal world, employees want IT to be more proactive, but IT wants employees to be more autonomous. There may be a disconnect on expectations, or on what self-service options are available to knowledge workers. Happily, improved automation capabilities should appease both sides.

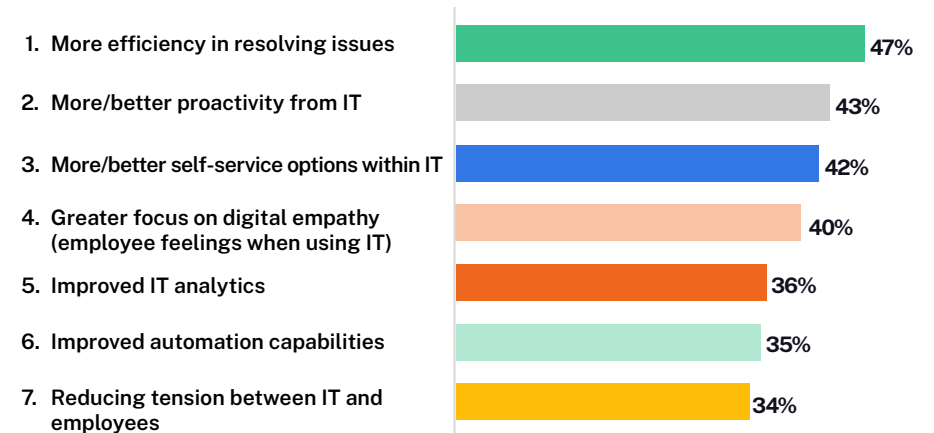
We see the biggest disconnect in the area of digital empathy. The research shows that a move toward replacing digital friction with digital empathy could generate massive productivity and morale progress – and ultimately improve enterprise success. However, only 33% of ITDMs say digital empathy will be a priority over the next 18 months, whereas knowledge workers rank this priority higher (40%). In fact, “greater focus on digital empathy” was the least-selected answer among ITDMs but not even in the bottom three choices among knowledge workers. This indicates that IT is not currently thinking enough about the importance and impact of digital experience on employees’ overall well-being when they are at work, and employees want that to change.

Actual IT priorities for improving DEX over the next 18 months



Which of the following do you believe are the greatest priorities for your organization's IT department for the next 18 months in terms of improving employees' digital experience? (ITDMs)

Preferred IT priorities for improving DEX over the next 18 months



Which of the following do you want your organization to prioritize for the next 18 months in terms of improving employees' digital experience? (Knowledge workers)

About Vanson Bourne

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What if each digital employee experience (DEX) was better than the last? The 1E platform helps IT teams improve end user experience, tighten security, reduce costs, and evolve operations from cost center to strategic enabler. Over one-third of the Fortune 100 rely on 1E's single-agent solution with real-time automation and remediation for more visibility, control, compliance, and observability. Now, all IT teams can provide exceptional employee experiences, increase efficiency, and reduce service delivery time. For more information, visit 1E.com.

