

EMPOWERING YOUR PEOPLE MANAGERS

How to create an employee experience that drives long-term growth and engagement across your organization

Our latest research explores the current landscape of employee experience and offers expert insights to help people managers deliver a thriving workplace culture



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UNLEASH is a global information business providing the latest HR, learning and recruitment news & analysis, trends and events on the challenges and opportunities shaping the new working world.

Since 2011, UNLEASH has served as a strategic transformation engine for the most powerful network of human resources leaders. They represent a range of organizations from the world's leading employers from the Fortune 2000, public sector organizations to innovative start-ups and everything in between. Built to inspire, connect and empower leaders to navigate the fast-changing world of work and exponential technologies.

Ultimately, we provide a platform to share ideas that work, network and do business. UNLEASH's mission is to be the world's #1 destination and marketplace for human resources, recruitment and learning leaders globally.

unleash.ai

Unit4's next-generation enterprise resource planning (ERP) solutions power many of the world's mid-market organizations, bringing together the capabilities of Financials, Procurement, Project Management, HR, and FP&A to share real-time information, and deliver greater insights to help organizations become more effective.

By combining our mid-market expertise with a relentless focus on people, we've built flexible solutions to meet customers' unique and changing needs. Unit4 serves more than 5,100 customers globally across a number of sectors including professional services, nonprofit and public sector, with customers including Southampton City Council, Metro Vancouver, Buro Happold, Devoteam, Save the Children International, Global Green Growth Institute and Oxfam America. For further information visit unit4.com/hcm.

For HR leaders evolving their role to tie activities directly to business goals, Unit4 is uniquely placed with its cross functional collaboration to deliver one tightly linked data set. Enabling mapping of skills needed now and, in the future, making better use of resources, gaining valuable insights into employees' performance and engagement, and putting agile strategies in place to develop and mobilize talent. We offer the full range of Human Capital Management (HCM) solutions, from the operational elements such as core people data and payroll all the way through to a talent management system and data insights and analytics. We can natively integrate into the Unit4 ERP solution and Unit4 Financial Planning and Analytics, or connect to existing technology stacks. Creating a common set of information for everyone to use – providing reliable real-time insights, from which to make informed decisions that will affect the success of organizations.

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EXECUTIVE SUMMARY

As part of our commitment to stay on the pulse of the main trends and challenges affecting today's business world, Unit4 has partnered with UNLEASH to conduct an in-depth research study that explores the extent to which organizations are currently supporting people managers to deliver a superb employee experience.

In this report, we seek to highlight key opportunities for businesses aiming to deliver greater efficiencies in the way their organization operates. We discuss the main barriers preventing people managers from taking a more strategic role, and the forms of support offered by HR and business leaders to facilitate success – such as data analytics, feedback loops and leadership development.

We'd like to thank everyone who took the time to be a part of our research, and we hope you find these insights valuable for your own workforce planning.

Key Takeaways

- 69% say line managers play either an 'integral' or 'make or break' role in developing a positive employee experience.
- More than half (55%) believe their people managers are having an 'average' impact on employee experience.
- 41% of businesses we surveyed were confident that people managers understood how they contribute to organizational performance.
- Exit interviews (63%) are the most common method for gathering staff feedback.
- Only 31% of businesses maintain a continuous feedback loop with people managers.
- 65% say their managers are either not given the data at the right time to inform key decisions, or they don't have access to a full range of insights.
- Only 25% of HR and business leaders feel sure that line managers have the right tools to enhance employee experience.

INTRODUCTION

Creating a positive, purposeful employee experience (EX) that meets key needs and covers all touchpoints throughout the employee lifecycle is no easy task; yet that's the challenge facing people managers across all modern industries.

From onboarding to exit, the type of experience offered to staff has a direct impact on a range of key organizational objectives: from talent attraction and retention to wellbeing, engagement and development. People managers play a pivotal role in delivering an EX that fulfills these objectives. It's their job to maintain two-way communication and empower employees to set and attain goals that align with those of the business.

Meanwhile, economic uncertainty and high mobility in the job market are forcing employers to find better ways to inspire loyalty among staff. Remote and hybrid forms of working have shifted the parameters of workplace engagement. Expectations are evolving quickly, which makes staying on the pulse of best practice a huge competitive advantage.

Top organizations realize they can no longer rely on outdated systems and manual processes to maintain an exceptional EX. Today's employees demand a consumer-grade experience that resonates with their needs and expectations – and that's only possible by listening to what employees want and equipping people managers with the right tools and technologies to deliver it.

Our latest research reveals the main recurring trends and insights into the current state of EX across various industries, as well as the challenges and opportunities open to organizations as they seek to attract and retain top talent.



The Great Resignation and the rise of quiet quitting

The environment in which employees and people managers are operating has a huge bearing on the employee experience and the pressures facing people managers. Between a global pandemic, the shift to remote working, unprecedented digital transformation, geopolitical tensions and the cost-of-living crisis, life over the past few years has been challenging to say the least.

In the midst of widespread uncertainty and economic turbulence, people began leaving their jobs in droves during 'The Great Resignation'. Then the talk shifted to 'quiet quitting' – people who are doing the minimum required of them at work but no more than that.

According to a Gallup survey from June 2022, at least 50% of the US workforce are quiet quitters¹. That's a lot of disengaged employees who aren't performing to the best of their ability.

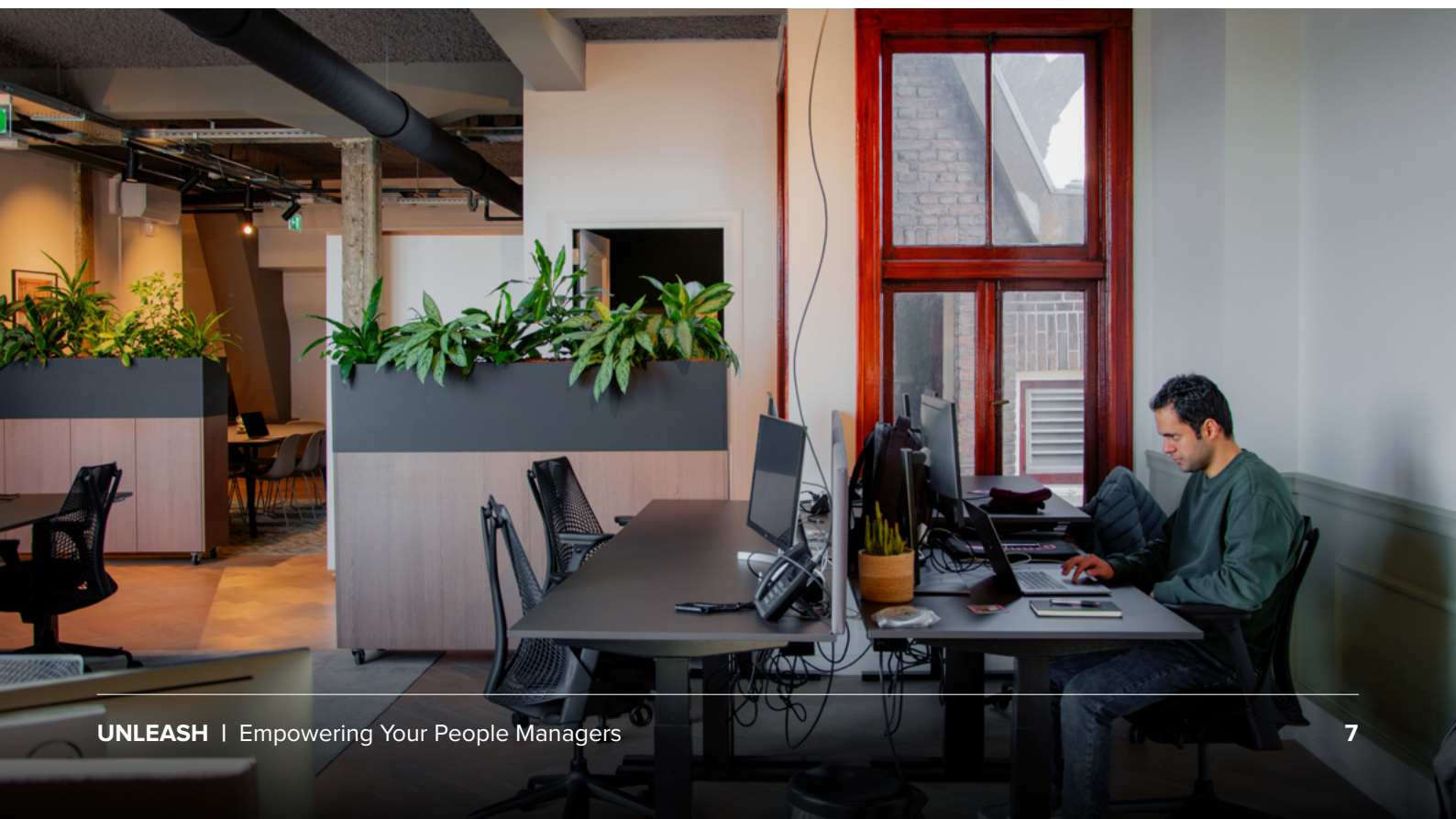
It's also easy to forget that managers are facing many of the same pressures as their employees. As well as managing their own stress levels and workloads, they also have to manage those of their employees and create a positive employee experience in challenging times.

The Workforce Institute has identified the 'people leader paradox' as a key challenge for the coming year². Capable and passionate managers are in high demand, but organizations are struggling to fill leadership vacancies amid rising disinterest in the role.

Being on the front foot is key, which means setting people manager priorities and ensuring there's no disconnect between what HR priorities and the reality of what's happening across the organization day to day. This is the only way to maximize the impact of your people managers on the employee experience, performance and productivity.

1. [Is Quiet Quitting Real?](#) Gallup

2. [Workforce Predictions](#), Workforce Institute



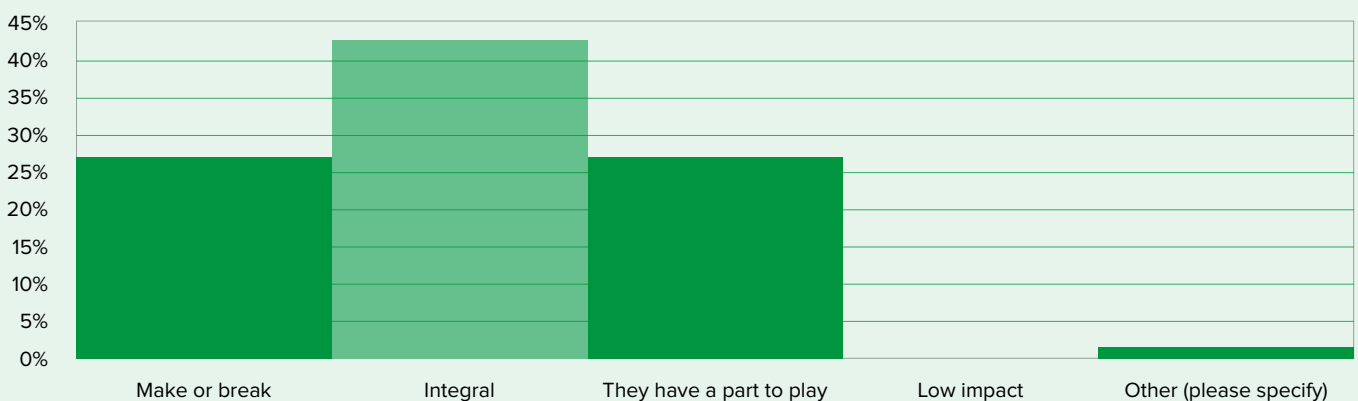
EX: ALIGNING EXPECTATIONS WITH REALITY

Every business dreams of creating a workplace culture that attracts and retains the best employees – and for good reason.

A study from Harvard Business Review found that businesses which moved from the bottom quartile to the top quartile for employee experience increased their revenue by more than 50%, and profits by nearly as much.³ Research from Gartner also identified that highly engaged business units realize an 81% deduction in absenteeism and a 14% in productivity.⁴

It takes ownership and effective delivery to turn the dream into reality – and a large part of the responsibility falls into the hands of line managers. They are the immediate supervisors who have direct contact with employees on a daily basis and shape the environment in which people work. Let's take a closer look at how this is playing out in today's average business.

To what extent do line managers in your organization impact the overall employee experience?



The vast majority of organizations (69%) say line managers play either an 'integral' or 'make or break' role in developing a positive employee experience. The fact that no business responded with 'low impact' further confirms the level of expectation.

Our results tally almost exactly with a recent Gallup survey which revealed that 70% of the variance in team engagement is determined solely by the manager.⁵

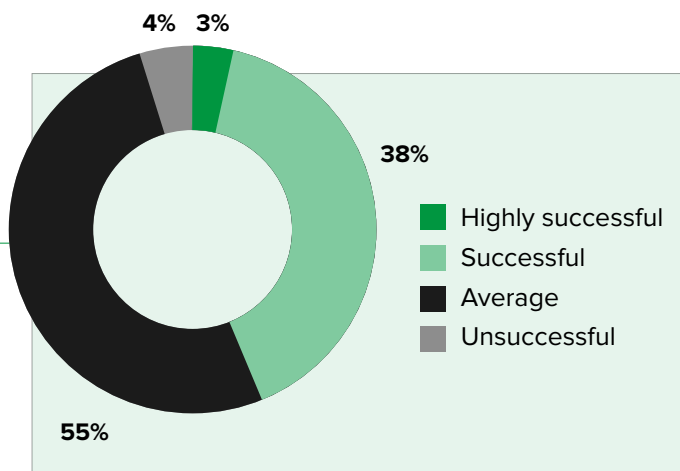
On paper, it's clear that organizations believe people managers have a big role to play in developing EX; however, it's quite a different story when we take a closer look at the perceived impact that managers are actually having on workplace experience.

3. [How Employee Experience Impacts Your Bottom Line](#), HBR

4. [Employee Engagement vs. Employee Satisfaction](#), Gartner

5. [Employee Experience in the Workplace](#), Gallup

How effective are your people managers in influencing employee experience in your organization?



More than half of organizations (55%) believe their people managers are having an ‘average’ impact on employee experience at best. This tells us that team leaders aren’t seen to be excelling in their mandate to deliver an industry-leading EX, or taking the opportunity to gain an advantage over their competitors. It’s also concerning that more respondents stated line managers were ‘unsuccessful’ (4%) than ‘highly successful’ (3%).

Such a clear gulf between expectations and reality is a red flag that HR and business leaders need to address urgently. Lack of alignment between senior management, line managers and staff can stunt the impact of EX strategies before they even get off the ground.

Do people managers understand their role

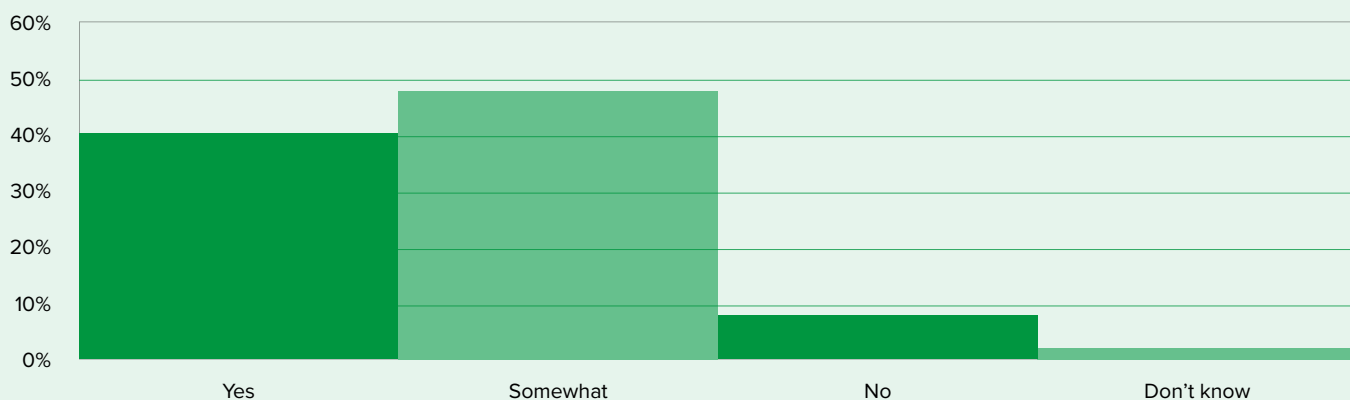
Delving further into the data, the disconnect between managers and wider business and HR goals becomes more apparent. Only 41% of businesses we surveyed were confident that people managers understood how they contribute to organizational performance.

So, how should business go about solving the problem? In order to translate high-level strategic objectives

into actionable plans, senior leaders need to ensure line managers have access to tailored leadership development programs, ongoing feedback mechanisms and the right technology to support their role.

This is the only way to transform line managers from simple supervisors to strategic partners responsible for delivering a better world of work and stronger results.

In terms of your HR strategy, are the roles of people managers clear about how they contribute to organizational performance?



THE FEEDBACK LOOP

Gathering employee opinions on people managers is crucial to get an honest view of what's working well and what needs to be improved.

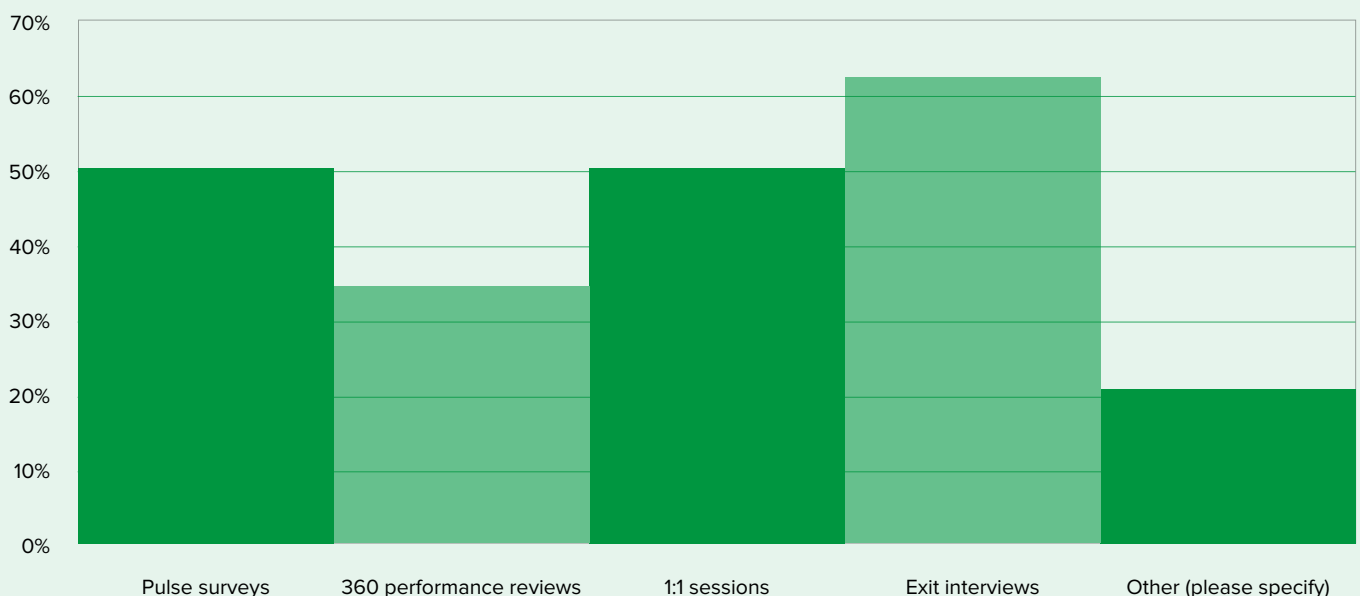
Ongoing feedback helps create a culture of continuous improvement, giving HR and business leaders the chance to strengthen employee-manager relationships and align management practices with the wider mission of the organization.

Establishing a feedback loop also benefits EX in itself by enhancing two-way communication and demonstrating that opinions are valued at all

organizational levels, both of which are cornerstones of every thriving workplace culture. There should also be a level of confidentiality offered to staff, so they feel able to speak their mind without recourse from senior leaders.

The methods of gathering feedback differ from business to business; here are the most common approaches according to our research:

How does HR currently gather feedback on people managers from employees in your organization?



While half of organizations conduct pulse surveys (51%) and 1:1 sessions (52%), it's surprising to find that exit interviews (63%) are the most common method of gathering feedback from staff.

Although interviewing leavers can be a good way to source honest opinions, the problem is that organizations have already lost the chance to retain a valuable employee by addressing issues or recommendations at an earlier stage.

It pays to take a more proactive approach to sourcing employee insights, ideally through an equal mixture of pulse surveys, reviews or feedback sessions conducted on a regular basis. This enables HR teams to track trends over time and nip any emerging issues in the bud before they leave a dent in employee engagement and performance.

Actions speak louder

Employee listening campaigns are only effective when the insights they produce are turned into actions that benefit the business. Overall, we're seeing a lack of utilization once data has been collected, with half of organizations (48%) clear in their opinion that HR is not doing enough to capitalize on the insights gained from employee feedback.

Only 31% of businesses maintain a continuous feedback loop with people managers, while 39% analyze the data against problem areas of the business – both indications that the majority of organizations are missing out on opportunities to optimize their EX and make better decisions informed by data.



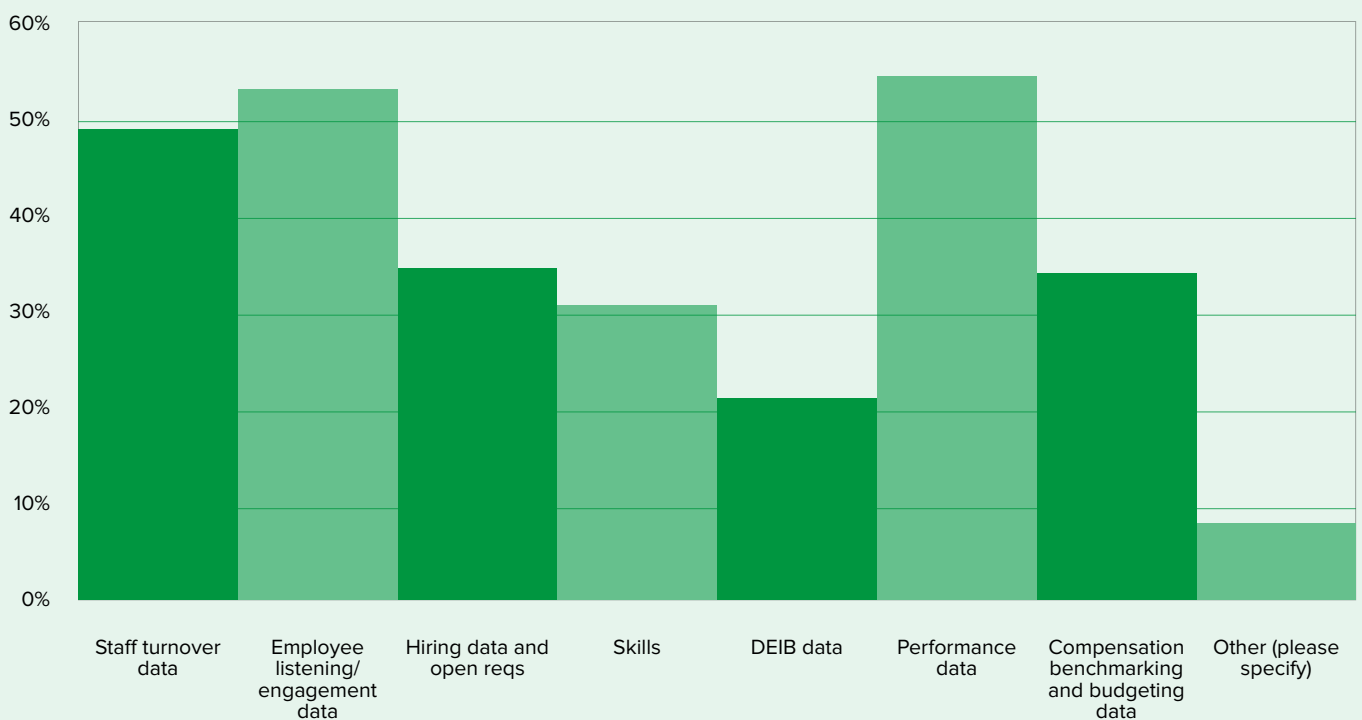
TURNING DATA TO YOUR ADVANTAGE

Beyond staff feedback, people managers that have access to a wider range of data points relating to KPIs and core business objectives are better able to connect the dots between EX and business performance.

Our research shows that just 55% of organizations provide performance data to line managers, in turn giving them more scope to offer constructive feedback and to address both collective and individual issues. Similarly, 54% said that people managers have access to employee listening and engagement data, which further reinforces the idea that crucial feedback is being underutilized.

Under half (49%) of people managers are provided with staff turnover data. This is particularly concerning because it limits the ability for managers to dig into trends and reasons why talented employees may be leaving the business.

Which data points does your organization provide to support people managers' performance?



Company goals, objectives and progress

Performance data

Visibility of workload distribution, resource availability, and project timelines will drive effective planning and – subsequently – employee productivity. Also helps avoid imbalances in the team or and supports wellbeing initiatives and managing employee stress or burnout.

Staff turnover data

Getting a handle on staff turnover data is crucial to spot pain points in the employee experience and start forming a plan to retain top employees for the long haul. Turnover has the potential to rock morale among teams and divert focus from a company’s main goals and objectives.

Compensation and budgeting data

Depending on the level of responsibility, access to financial data related to their team’s budget, expenses, and financial performance and compensation planning (with access to external data sources) allows them to manage resources efficiently, control costs, and make informed decisions regarding budgeting and resource allocation.

Employee engagement data

Many businesses conduct regular engagement surveys to get a clear view of experiences across their workforce. The best approaches involve both quantitative and qualitative insights to deliver a richer understanding of what makes employees tick.

Hiring data

Cost to hire, time to hire and open reqs are highly relevant to people managers across all industries. If nothing else, it might provide pause for thought when it comes to the benefits of retention versus recruiting.

Skills and training data

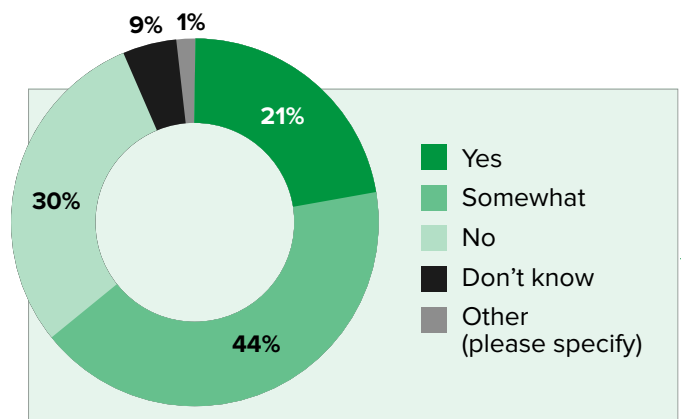
Tracking training programs, certifications, and professional development opportunities available to their team members is another foundational building block for maximizing performance and the employee experience. Especially at present with skills gaps dominating the headlines and retention a business-critical issue.

Too little, too late?

65% of organizations say their managers are either not given the data at the right time to inform key decisions, or they don’t have access to a full range of insights.

A lack of access to supporting insights and real-time data makes it more difficult for managers to spot pain points, track performance in different areas or adjust approaches to meet individual needs. This may provide some explanation for our earlier finding that 55% of people managers are considered as ‘Average’ in terms of delivering a first-class employee experience for their business.

Do you believe your organization provides people managers with the data to make informed decisions at the right time?



DIGITAL EXPERIENCES AT WORK

Digital transformation has changed the way we think about employee experience in the modern workplace.

People have come to expect the same slick, digital interactions at work as they enjoy at home. There's also more emphasis on remote working than ever before, which only serves to heighten the average line manager's reliance on technology to stay connected with their teams.

There are many upsides for businesses that get their digital experience right, particularly in terms of retention and engagement.

Studies show that employees are 121% more likely to feel valued by their company when they have access to high-quality digital experiences at work.⁶

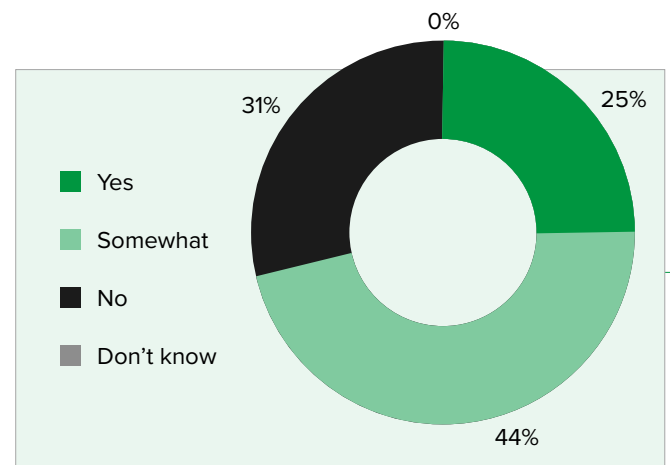
However, our data shows only 25% of HR and business leaders feel sure that line managers have the right tools to enhance employee experience. This is relatively surprising given how fundamental technology has become to the modern HR departments.

Investing for a better EX

Equipping people managers with the right tools and technology is essential for any business looking to create an industry-leading employee experience. Today's software supports virtual communication, collaboration, personal development and training, all of which are core drivers of a positive EX.

Technology also supports managers by streamlining admin tasks and automating repetitive processes,

Do you believe your people managers have the right tools available to help them improve the employee experience?

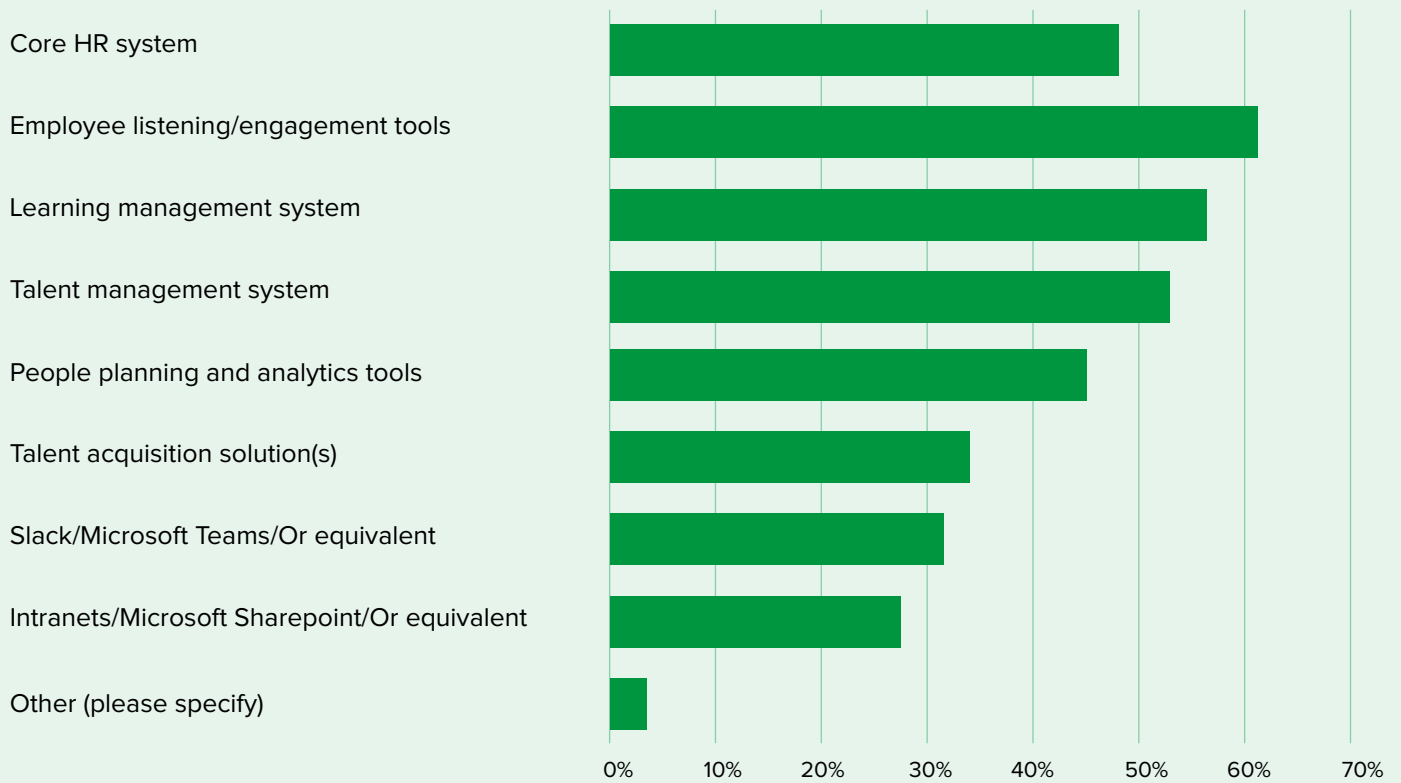


which frees up more time to focus on strategic challenges and, most importantly, the people they are engaging.

There are many different technologies that can be integrated to underpin the role of people managers – the question is, where should you start with investment? These are the most important tools to invest in according to the organizations we surveyed:

6. **Technology Experience Study**, Microsoft & Qualtrics

What tools and technology do you believe are the most important in helping people managers succeed?



61% of organizations rank employee listening and engagement tools as the most important technology for people management success, which is interesting given that only 54% said their managers had access to engagement data. Again, this underlines the discrepancy between vision and expectations, and the reality of the situation facing many managers in not having the right tools at their disposal.

Learning management systems (56%) and talent management systems (54%) also rank highly.

The qualitative data we received told us that HR uses these systems to support ongoing managerial training, development plans and virtual toolkits.

Only a third of organizations (31%) believe communications tools like Microsoft Teams or Slack were important for the success of people managers, which is surprising given the shift to remote and hybrid forms of working many industries have experienced in recent years.

DEVELOPING PEOPLE MANAGERS

It's not enough to throw people managers into the workplace and hope for the best; organizations need to provide the right opportunities and framework for their personal development as a leader.

Whether it's inspiring engagement, resolving conflicts, managing workflows or rewarding great work, effective people management plays a huge role in the way that workplaces operate on a day-to-day basis. Great people managers have the ability to pinpoint issues early and maintain a positive environment for teams, even in the face of adversity.

The importance of soft skills such as active listening, communication, patience, flexibility and building trust should not be underestimated.

The ongoing evolution of modern work means people managers should be adaptable to change, while also being able to deliver change projects across teams when required.

All of this plays into how valued employees feel by their organization over time, and whether or not they decide to stick around for the long haul.

What is HR doing to develop people managers?

We asked HR and business leaders what type of learning and development opportunities their HR department is providing for people managers – here's what they told us.

“

“There is a once-a-year training course that people managers can attend. It is not mandatory, but it is available.”

“

“Not enough. We don't have a clear line of sight to ensure line managers are fully prepped.”

“

“We invest heavily in people management training throughout their career and have a good ratio of HR to people managers.”

“

“Regular two-way feedback, free choice of training and webinars they wish to attend, attending our own leadership and other training programs.”

“

“We focus on their induction as a people leader, core skills development through online and blended learning, targeted talent programs, as well as specialized learning for teams and individuals.”

EMPOWER YOUR PEOPLE MANAGERS TO ACHIEVE MORE

Superb employee experiences aren't built overnight. It takes time and careful investment to create a culture that retains top talent, inspires high performance and enables an organization to achieve its long-term mission.

Looking at our research as a whole, there is a clear gap in the support, tools and real-time data that people managers need to deliver an exceptional EX.

The first step is to link individual employee objectives with the main strategic goals of the business. Open channels of communication and regular 1:1 sessions are necessary to align individual and organizational objectives, and to get a better understanding of sentiment across teams. There should also be avenues in place to encourage confidential, anonymized feedback from staff at all levels.

Many organizations don't have a tight handle on their data, which means people managers are left to base key decisions on instinct rather than insight. It's down to HR and business leaders to ensure managers are supported by the right systems and analytics so they can plan and balance resources, and ensure teams are heading in the right direction.

Ultimately, decisions made now will shape the future of EX within organizations for years to come. Is there anything your organization could be doing to better support people managers and stay ahead of the curve?



INVEST IN YOUR PEOPLE

Your employees are your greatest asset. Investing in talent retention means understanding what motivates them and supporting them in their aspirations and goals, and unleashing the ambitions of your people managers with the right insights.

Unit4's HCM solution is a platform that unifies all employee performance data to create a holistic view of your workforce, their skillsets, and how these impact on your organization's financial top and bottom line.

Unit 4's solutions empower you to create great employee experiences through ongoing dialogue between employees and managers, address skills gaps through their L&D module, and focus on what matters to your people and how they can contribute to company performance.



APPENDIX

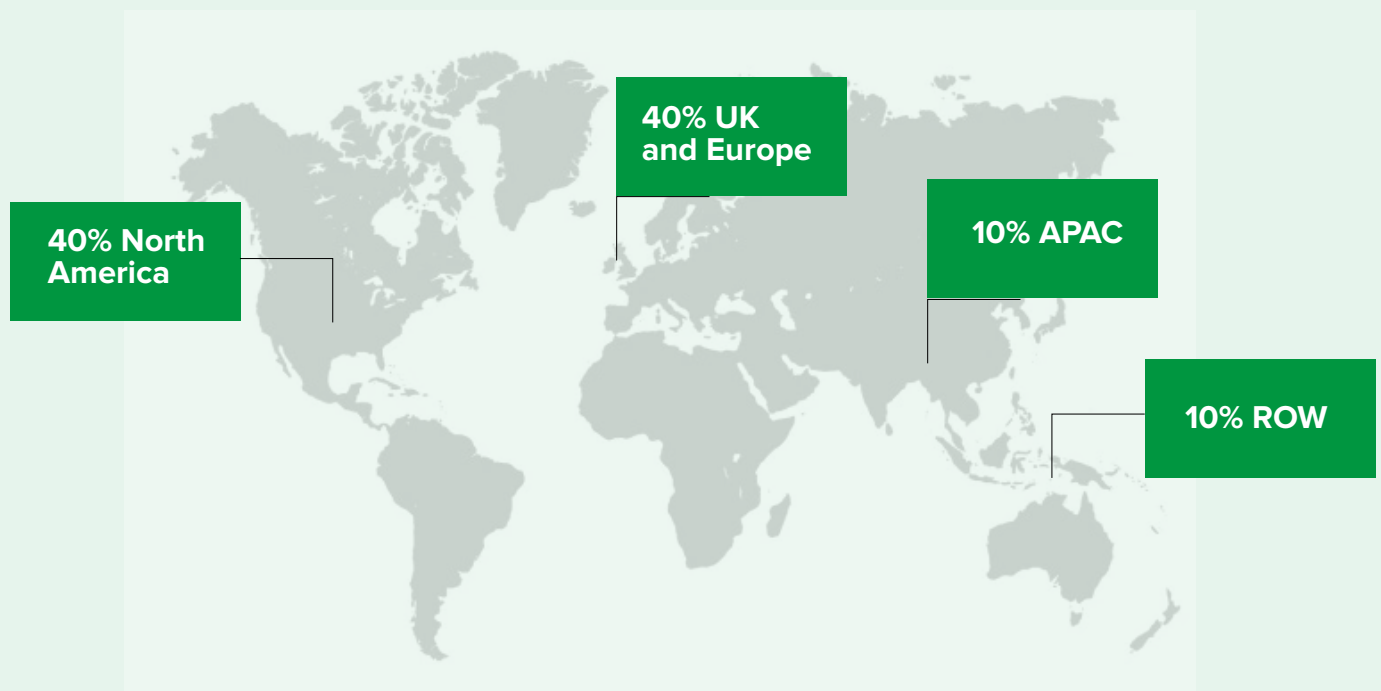
About this research

This research was conducted by UNLEASH Group in partnership with Unit4 using a quantitative survey in the Spring of 2023.

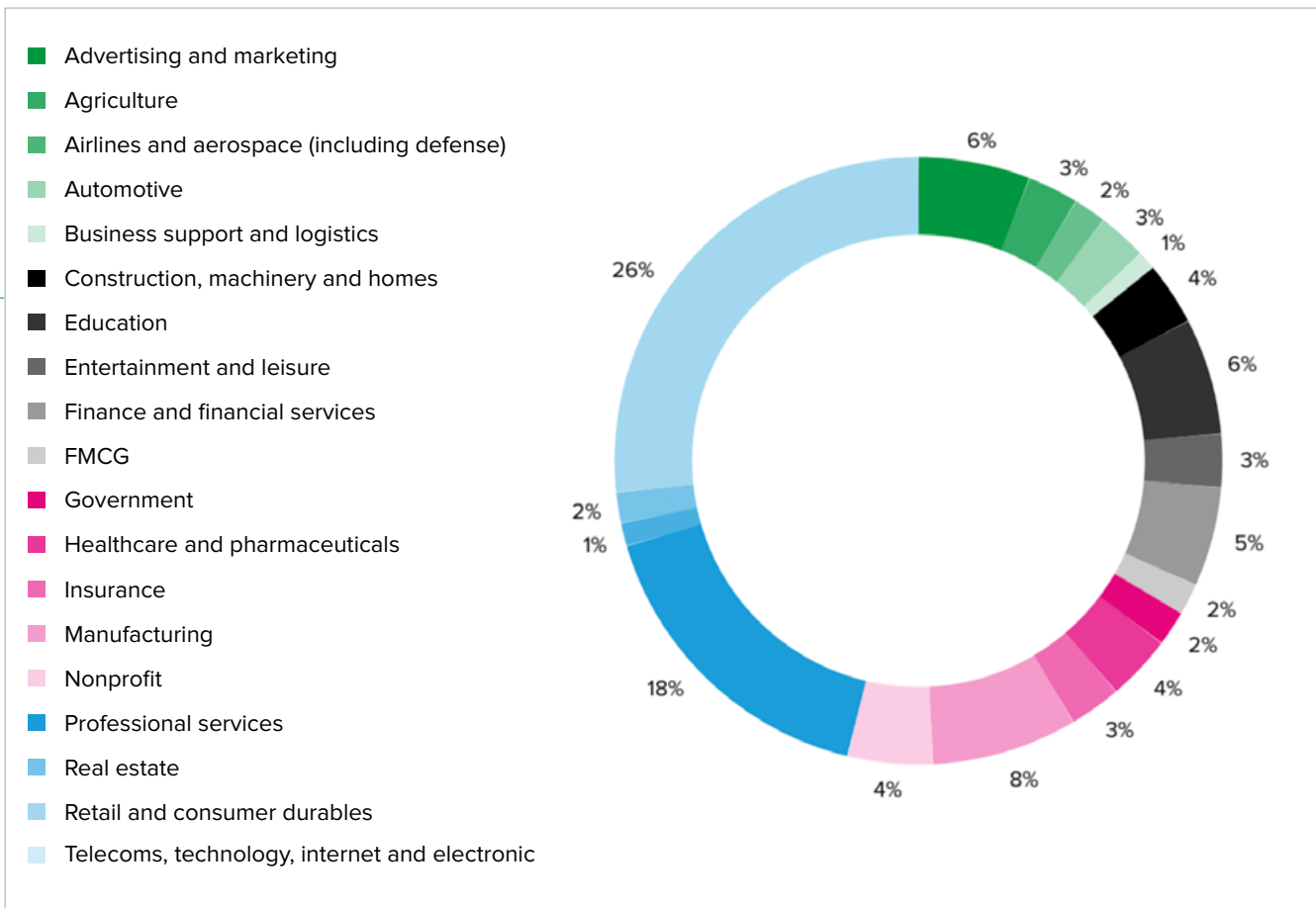
About the respondents

We engaged with 116 senior HR and business leaders from around the world.

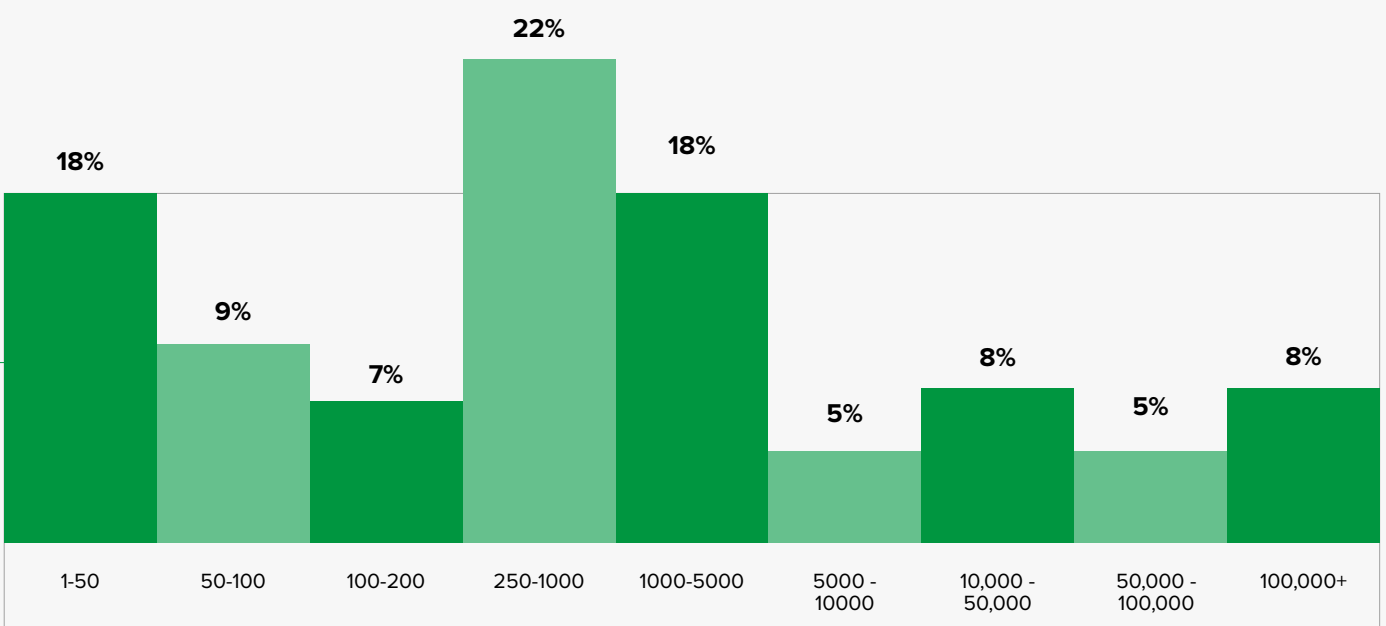
Where are they?



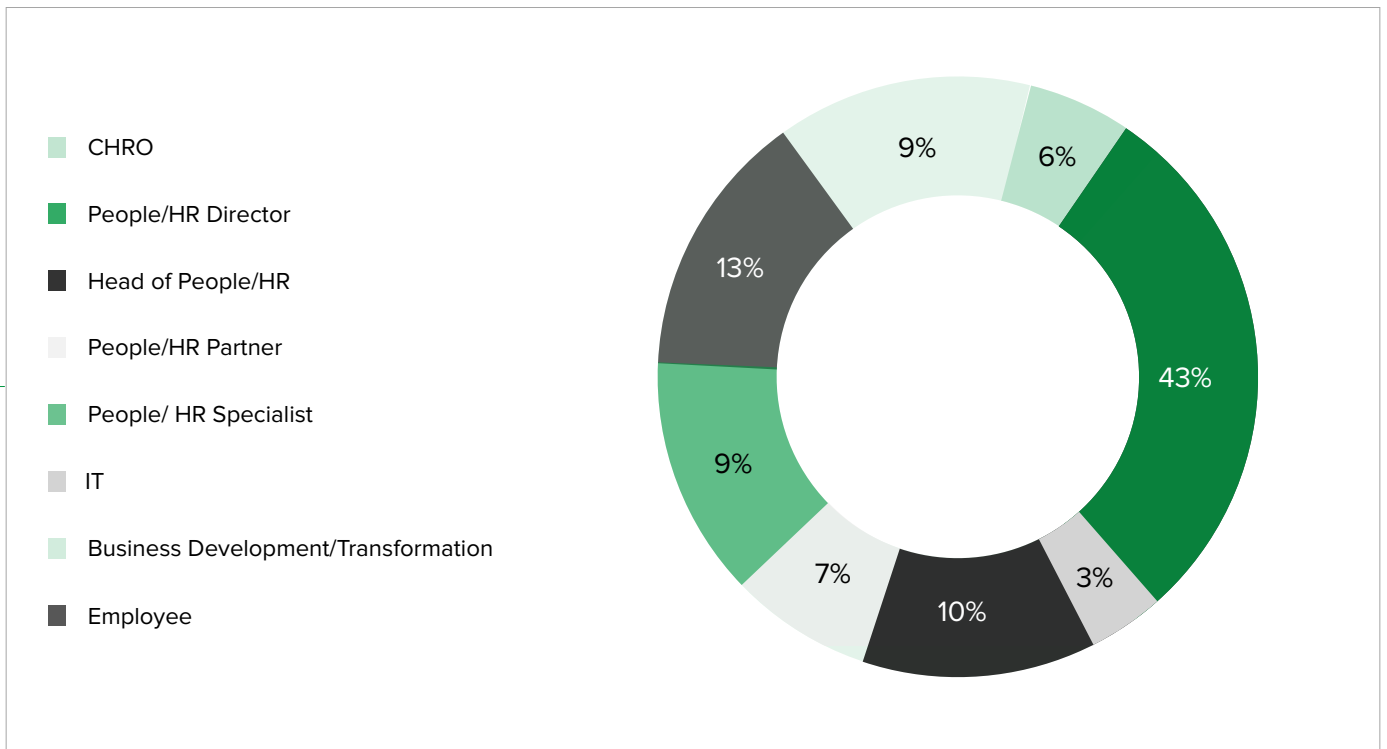
Which industries do they represent?



What size organizations do they represent?



Which job role do they represent?





Accuracy of information and warranties

The analysis and recommendations made in this research are based on the information currently available to UNLEASH Group and its supporting partners and from sources believed to be reliable. UNLEASH and its partners disclaim all warranties as to the accuracy, completeness or adequacy of such information. UNLEASH and its partners will have no liability for errors, omissions or inadequacies in the information contained herein or for interpretations hereof. Opinions expressed herein are subject to change without notice. All content is copyright UNLEASH Group unless expressly identified. All rights reserved.