Perceptyx

Platform   Solutions   Why Perceptyx   Resources   Company   See a Demo

How a Mature Employee Listening Strategy Drives Whole-Business Impact

Perceptyx
April 26, 2024

How mature is your employee listening strategy? Did you know that organizations with the most mature listening programs are 6x more likely to reach their financial targets, 9x more likely to achieve high levels of customer satisfaction, and 4x more likely to retain talent?

When it comes to reaching ultimate employee listening maturity, many organizations find themselves asking, "Are we there yet?" Until Perceptyx created its four-stage maturity model, there was no objective way for organizations to benchmark themselves. That's why a deep analysis of the maturity model has such a prominent role in our recently released research report, *The State of Employee Listening 2024*.

What is Perceptyx's Four-Stage Employee Listening Maturity Model?

After analyzing large organizations and examining more than 60 common practices in employee listening, Perceptyx researchers discovered four factors that lead to more favorable people and business outcomes: diversity of listening channels, the speed at which employees feel changes, agility to adapt the listening strategy to new business questions or problems, and an ability to integrate feedback from various listening events with key business and talent priorities.

From there, we developed a four-stage maturity model that describes the quality of an organization's employee listening strategy, plus the steps needed to advance:

- Stage 1: Episodic Listening
- Stage 2: Topical Listening
- Stage 3: Strategic Listening
- Stage 4: Continuous Conversations at Scale

Our 2024 analysis led to four promising findings:

- The increase in organizations that have reached Stage 4 is the biggest we've seen since beginning this research in 2022. Back then, 26% of organizations had reached Stage 4, then that number dropped to 23% in 2023. But in 2024, 36% of organizations are sitting in Stage 4 — meaning they can listen and act in support of employee experience transformation at speed and scale, and importantly, they are serious about making connections between employee experience and business success.
- The percentage of organizations in Stage 3 also significantly increased. In 2023, 27% of organizations were engaged in "Strategic Listening." This year, 36% of organizations have reached this level of maturity, meaning they are using multiple listening methodologies across the employee lifecycle and are able to effectively adapt listening initiatives as new business priorities arise.
- The percentage of organizations in Stage 2 is the lowest it has ever been. In 2022, 27% of organizations were at this level, and in 2023, that number increased to 30%. In 2024, only 17% of organizations fall into this category, demonstrating less reliance on ad hoc listening events and instead, an increased focus on listening strategically
- 11% of organizations are in Stage 1, which is also the lowest percentage we've ever seen. Organizations in this stage are engaged in "Episodic Listening", meaning they only have a single survey or a few isolated surveys on a tightly-planned schedule, and that gathering and acting on feedback is generally seen as an HR task. In 2022, 19% of organizations were in Stage 1 and that number increased slightly to 20% in 2023. In 2024, this number was nearly cut in half, indicating greater use of employee feedback to help leaders make decisions about their business strategy.

Breaking Down Maturity by Industry

Reaching Stage 4 depends on the right combination of strategy, focus, and technology, but some industries find maturity easier to attain. For example, it's easier for employees who spend most of their time on the computer to take part in listening events, and easier for management to share the results. Conversely, it may be difficult for employees who spend most of their time face-to-face with customers to step away to take part in listening events and action-planning sessions. Industries that are prone to high turnover may have a vastly different team by the time data is reported or the organization is ready to take action on the feedback of employees.

Retail is a prime example of that last point, which is likely why only 22% of retail organizations we surveyed are in Stage 4. However, the numbers indicate that some retail leaders are overcoming these barriers because another 31% of retail organizations are currently in Stage 3.

Out of all the industries we studied — Retail Trade, Finance & Insurance, Manufacturing, Healthcare, Information/Technology, and Professional Services — Manufacturing had the highest percentage of organizations in Stage 4 (36%). You can read a more detailed breakdown of each industry in our full report.

The Biggest Barriers to a Successful Listening Strategy

Our respondents identified a variety of factors that are preventing them from seeing maximum impact from their listening strategy.

Perceptyx

Platform   Why Perceptyx   See a Demo

**the Success of Your
Listening Program?**

41% Action planning/follow-up actions
36% Executive Support
31% Manager Talent/Skills
27% Next Steps for our Program
26% Internal People Analytics Capabilities
20% Budget
19% Change Management Capabilities

Source: The State of Employee Listening 2024.
© 2024, Perceptyx, Inc.

Perceptyx

The three biggest are:

- **Action Planning/Follow-up Actions:** 41% of organizations struggle to take action on employee feedback, which is why so many large enterprises are looking for an external partner that can handle not only the execution of employee listening events, but also offer more effective ways to identify the right post-survey actions once data has been collected.
- **Executive Support:** 36% of organizations say executive support is a barrier to success. Describing the explicit connection between listening data and the business priorities that these executives care most deeply about is important to building that support, and a key step in maturing a listening strategy. Executives in organizations with less mature listening strategies tend to place the responsibility for employee listening solely on the HR function. However, organizations in Stage 3 and Stage 4 have included executive support as part of their strategy — leading to an environment where many executives do not make big decisions without seeking employees' feedback or understanding employees' perceptions.
- **Manager Talent/Skills:** 31% of organizations say that their managers lack the skills and talent needed to effectively transform the employee experience. A key goal of employee listening is giving managers necessary insights to build better relationships with their teams — which includes employee feedback about their own behavior. While managers are generally getting listening data faster than they have in years past, 15% of the organizations we surveyed take five to six weeks to deliver those insights, leaving managers in the dark about their own effectiveness. Leaders also note that managers struggle to understand results and need coaching or support to identify the best actions to take, emphasizing the need to elevate the most relevant insights and suggestions for action.

The Future of Employee Listening

The State of Employee Listening 2024 contains valuable insights into current best practices, solutions, and barriers to creating a mature listening strategy. But what comes next? We've identified three areas that will help shape the future of listening maturity.

New Use Cases for AI: There has been no shortage of discussion about AI's many applications for HR, and employee listening is certainly one of them. What began with AI support for analyzing themes, sentiment, and intent in employee comments has now expanded to a much more sophisticated solution for the action planning challenge so many organizations face. For example, the AI Insights Engine that Perceptyx introduced earlier this year is designed to improve both empathy and precision. It decodes employee comments according to six emotional valences — love, joy, surprise, anger, fear, and sadness — so that it's faster and easier for leaders to understand how employees feel about their experience in the workplace and, thus, faster and easier to recommend the most appropriate action. AI models are also being used to convert qualitative data, like open text comments, into quantitative data, like numbers, rank order, and charts, that inform and guide data analysis.

Advanced Analytics: Gathering employee listening data is only the beginning; true impact comes from the action it sparks. However, frequent and multi-channel listening events can't depend on manual data analysis, and employee feedback today can come from multiple sources, including third-party sites like Glassdoor. The most mature organizations have mechanisms in place to work at speed and scale, which requires comprehensive analytics dashboards. Without them, it would be nearly impossible to progress from survey scores to meaningful interpretation. For example, Perceptyx's Analytics Studio can zero in on key topics and has Natural Language Processing (NLP) models that can instantly analyze employee comments and pinpoint specific experiences, needs, and suggestions deep within the organization.

As analytics tools get even smarter, HR leaders will find it easier to identify impact and ROI, and easier to quantify those insights with the entire executive team and get the buy-in they so desperately need.

Perceptyx Can Help You Determine Your Organization's Current Level of Listening Maturity — And Then Take You Further

Activate is the critical missing link for HR leaders looking to drive change and deliver impact. It empowers managers, involves every employee, and propels organizations toward their key business and talent priorities with unprecedented efficiency and impact.

As organizations increasingly recognize the direct connection between employee experience and core business objectives like innovation, customer satisfaction, and financial performance, *Activate* is positioned as an indispensable ally. Perceptyx's *State of Employee Listening 2024* report further validates this, revealing that organizations with mature listening programs are 6x more likely to exceed their financial targets and 9x more likely to achieve high levels of customer satisfaction.

Perceptyx Can Help You Activate All of Your People

To dive deeper into our latest data-driven insights, download the full report. To diagnose where your organization is positioned on the employee listening maturity continuum, take our interactive Maturity Model assessment. Once complete, you'll receive detailed analysis on the unique strengths and opportunities of your program, as well as personalized recommendations from our team to help advance your strategy.

Recommended Posts

EMPLOYEE LISTENING

Reimagining Employee Experience with Always-On Surveys

Jonathan Elbaz
July 24, 2023

EMPLOYEE LISTENING

What Ask's Self-Service Capabilities Can Do For Employee Listening

Brandon Riggs
June 7, 2023

EMPLOYEE LISTENING

Planned Census Survey: The Foundation for Employee Listening Programs

Lauren Beechly, Ph.D.
May 10, 2023