# Employee Experience Trends 2023

In 2023, organizations need to transform workplace technology so they can better support hybrid work, increase employee productivity, and cut costs.

zendesk

EX Trends:

# Table of contents

# AI helps teams do more with less

## The shift to hybrid work requires a more unified digital experience that connects knowledge, apps, and AI to increase employee productivity and satisfaction

The hybrid work trend fueled by the pandemic has become a permanent feature of the workplace. Organizations must decide how best to fuel employee productivity across distributed teams.

A new baseline of employee expectations has emerged, regardless of whether they are primarily in-person or able to work remotely. Employees expect knowledge and support to be readily available from anywhere. They want to have modern, conversational experiences that don't disrupt their work day. Every minute is valuable, and digital tools should increase productivity, not detract from it.

At Zendesk, we've designed our employee experience to be digital first—but not digital only. We take pride in our ability to support and accommodate employees across the globe, including a mix of fully remote, hybrid, and in-person roles. We believe flexibility is critical to the success and longevity of any business.

Many organizations are still struggling to realize the vision of a flexible, digital-first workplace because the technology they're using simply wasn't built to solve current business challenges. They are realizing that they need to transform their employee experience if they want to retain their best people and protect their bottom line. Technical roadblocks including legacy infrastructure, siloed data, and application sprawl are at odds with employee productivity and engagement—and something's gotta give.

## Key findings from EX Trends 2023:

✔ **Digital transformation is top of mind**

84 percent of EX professionals agreed that improving their ability to support remote, hybrid, and in-person employees is a top priority for their business.

✔ **Workplace technology remains a pain point for employees**

52% of employees believe that software related to their employee experience is dated and difficult to use.

✔ **AI chatbots are an opportunity to increase efficiency and control costs**

68% of EX professionals believe that AI/ bots will drive large cost savings over the next few years.

Employee experience is closely tied with customer experience. When your employees are empowered to find information and solve problems, they can focus on providing even more value and strengthening relationships with your loyal customers.

We hope you enjoy this research, and come away with actionable insights that you can use to transform your workplace technology for the benefit of employees, customers, and the business.

# Employee experience is a cross-functional motion that touches every part of the business

Workplace transformation requires cross-functional input from EX stakeholders across the business, including HR, IT, Operations, Legal, and the C-Suite.

These groups need to work together to balance the needs of employees (fast, reliable digital experiences) with the needs of the company (security and compliance), so they can deliver companywide transformations that improve productivity and increase employee satisfaction. In our survey of over 370 business leaders and employees, 84 percent of EX professionals agreed that improving their ability to support remote, hybrid, and in-person employees is a top priority for their business.

This is consistent with outside research from McKinsey & Company that showed that 87 percent of American workers remotely at least one day a week, if they are given the option.

Flexibility is becoming the norm, regardless of whether employees are primarily remote or in-person. Organizations need to invest in modernizing their digital experiences for all employees and streamlining employee service so they can deliver fast, reliable support across different locations and employment models.

## 84%

of EX professionals agreed that improving their ability to support all employment models is a top priority for their business.
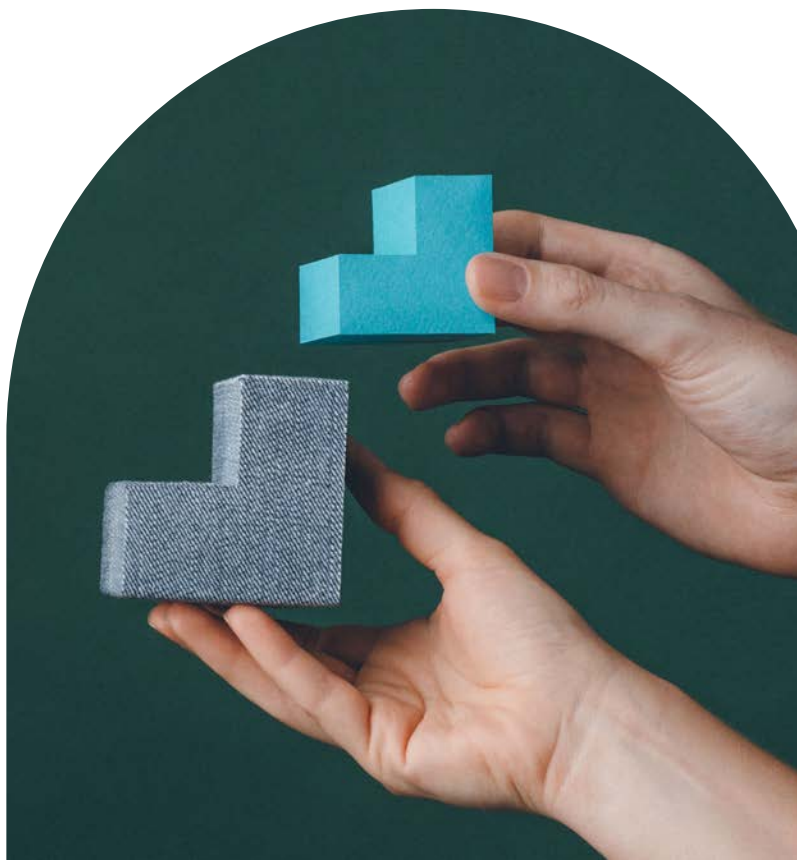
# 1 EX is moving from back office to center stage

Internal functions including IT, HR, and Ops are moving into the spotlight and have a bigger role to play in shaping employee experience across their organizations. Everyone from senior management to the C-Suite is looking to these internal experts to guide their organization's EX strategy.

**78%** say that senior management is paying more attention to EX than ever.

**87%** say that offering a great employee experience helps retain and attract talent.

Survey results show that a good employee experience is good for business, but despite enthusiasm from top executives, teams are still struggling in a few key areas.

✔ **Digital transformation:**

**52%** of employees believe that software related to their employee experience is dated and difficult to use.

✔ **Internal support:**

**30%** of employees don't know how to get in touch with their company's internal teams (e.g. HR, IT, Legal, and Ops).

✔ **Employee retention:**

**41%** of EX professionals say that a negative employee experience has led to increased turnover in the past year.

To drive workplace transformation, IT leaders will need to unify disparate tools and systems to create a more cohesive employee experience across the entire organization.

**79%** of EX professionals say that employee experience will be a higher organizational priority over the next 12 months.

**61%** of EX professionals report that their organization will increase spend on EX software over the next 12 months.
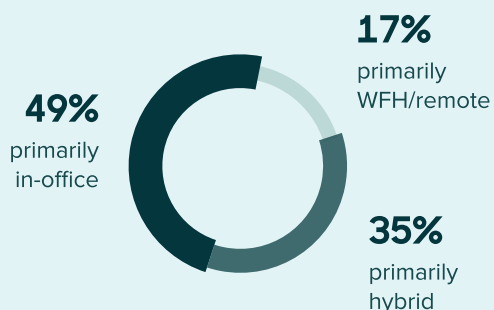
# 2 IT departments are retooling their tech stacks to better support hybrid workers

IT departments will have an even greater role to play in shaping digital experiences across the entire company. They'll need to retool their tech stack—and in some cases take on a complete digital transformation—so they can enable employees, vendors, and strategic partners regardless of location.

## RTO or WFH? Here's what the data says.

While some companies are ordering their employees back to the office, more than half of teams we surveyed still require work-from-anywhere solutions.

But even in-person workplaces can benefit from digital-first tools and strategies. For example, enabling knowledge sharing across teams, departments, and locations, or deploying chatbots for 24/7 employee assistance.

Remote enablement is a major draw for current and prospective employees. Nearly half of job seekers are "definitely looking" to work remotely, according to separate findings from SHRM. Another study by Zapier found that 61 percent would quit their current job for a remote opportunity.



### WHAT IS YOUR ORGANIZATION'S EMPLOYMENT MODEL?

49% primarily in-office

17% primarily WFH/remote

35% primarily hybrid

There has been a global shift in how we think about work. In our research, 57 percent of respondents from Europe and the Middle East said their companies are primarily hybrid or remote. That number was even higher in the Asia Pacific region.

## 57%

Of respondents in Europe and the Middle East were either hybrid or remote.

## 61%

Of respondents in Asia Pacific were either hybrid or remote.

To accommodate hybrid employees, companies need to think differently about their digital experience. Instead of leaving it up to each department to implement their own solutions, EX needs to be a cross-functional motion that's "integrated, embedded, and intertwined" with the organization.

# Technology is a pain point for employees

Over the last several years, the number of workplace tools and productivity apps has proliferated—but more tools doesn't necessarily mean a better experience.

**59%** of employees believe that software related to employee experience is scattered across systems and places.

**52%** of employees believe that software related to employee experience is dated and difficult to use.

Scattered, disparate systems are a drain on productivity (and employee morale). Separate research by the project management app Asana has shown that workers spend 58 percent of their time on "work about work" — things like searching for information, switching between apps, managing shifting priorities, and chasing status updates.

Curtailing this trend requires a fresh approach—one in which IT teams take the lead on building their own integrated experiences that map to specific organizational needs and use cases.

# Moving from scattered apps to integrated solutions

**Workrise,** a vendor and workforce management solution in the energy industry, uses Zendesk to manage internal and external support across 18 different teams, each with different vertical focuses and workflows.

They've leveraged Zendesk APIs with out-of-the-box functionality to build a custom solution that meets their teams' needs—and cuts costs.

For example, by pairing a PDF reader with an API, Workrise was able to save 8 hours of work per week, equal to $20,000 in quarterly savings—all from a single change within Zendesk.

**$20K/qtr**
Cost savings from one change using the Zendesk API.

**8 hrs/wk**
Time savings from one change using the Zendesk API.

# 3 EX teams are onboarding AI to cut costs and provide faster support

We anticipate AI will take on a greater role in shaping employee experience in the years to come.

More organizations are testing the waters of AI and seeing better results. Over the past year, EX teams have reported that they're increasingly impressed (and less disappointed) with the use of AI and chatbots for employee experience.

## 67%
say AI performance has increased significantly over the past 12 months.

## 60%
believe that bots have driven large cost savings over the past year.
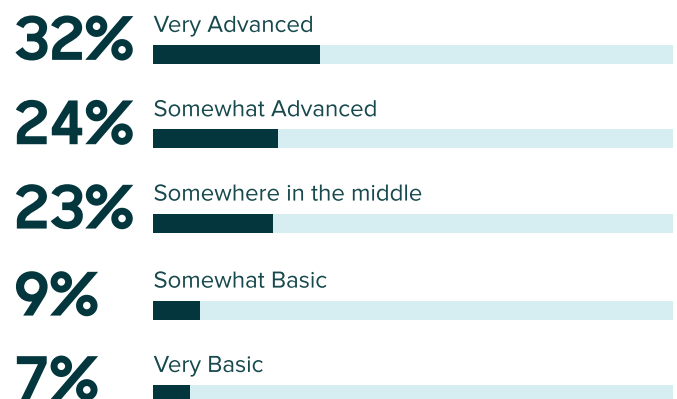
## 66%
say that AI/bot usage has evolved past simple deflection.

Organizations are facing many complex business challenges, and a looming economic downturn has put a lot of pressure on internal teams to keep costs down and ramp up productivity. AI is a clear solution.

Though EX professionals recognize that AI technology has advanced significantly in recent years, they aren't taking full advantage of its capabilities. More than half of EX professionals surveyed believe their organization is lagging behind in using bots for EX, and 44 percent acknowledge that their bots are not very advanced.

## How advanced would you consider your organization's EX bots?

**32%** Very Advanced

**24%** Somewhat Advanced

**23%** Somewhere in the middle

**9%** Somewhat Basic

**7%** Very Basic

# Workplace AI is evolving fast, and organizations need to prepare

The applications of AI in the workplace are likely to expand in the coming years. While it's hard to predict with certainty, it's fair to say that organizations should prepare for AI to orchestrate increasingly complex tasks, and to do so with an even higher degree of accuracy.

EX and IT teams trying to expand their organization's use of AI face internal roadblocks, including ad-hoc strategies and siloed data.

**56%** of EX professionals acknowledge that siloed data across departments makes using AI/bots in more advanced ways difficult.

Now is the time to lay the groundwork for an AI-driven future. It may require some investment to modernize outdated solutions, but the cost savings from AI are too big to ignore.

## Teams that use AI can get more bang for their buck

**68%** believe that AI/bots will drive large cost savings over the next few years.

**65%** expect AI/bots to replace some human agents over the next few years.

**71%** say that AI/bots help to bring continuity when internal support teams are lean.

## The future of AI for employee experience

Employee service has historically been a manually driven, reactive function of the workplace. But the arrival of AI in the workplace has the potential to shake things up—in a good way.

Imagine if you could ask for the status of a project just like you ask Alexa for the weather. It's possible that someday, AI will act as a smart virtual assistant for everyone in the workplace—coordinating the flow of information across an intricate network of internal knowledge, databases, and apps. It'll connect the dots across every step of the employee journey: providing instantaneous answers to almost any question, triaging employee requests by sentiment and tone, integrating with HR and ITSM tools, and serving as a one-stop shop for company knowledge. Many of these foundations are already possible today.

In the future, will employee service be staffed entirely by bots? Possibly. But what's more likely is that AI will absorb the rote, repetitive functions of the job, and free up internal teams to focus on projects that require human processing power.

# 4 Personalized support boosts employee productivity and satisfaction

There are a lot of roadblocks to employee productivity, one of them being that asking for internal help is a confusing and inefficient process.

Using employee data to provide more specific and personalized guidance speeds up the process for both employees and support staff, and allows organizations to strategize across the entire employee journey.

With personalization, the goal is that internal requests and administrative issues are addressed quickly, with as few touches as possible. This helps employees feel more supported, and allows them to focus on important project work— which is ultimately better for the business.

## EX teams are ramping up their personalization capabilities

EX professionals overwhelmingly agree on the value of personalized experiences, and many are planning to add or expand capabilities in this area in the next 12 months.

**87%** of EX professionals believe that personalization increases employee satisfaction.

**71%** of EX professionals believe that their organization has a clear plan for advancing its personalization capabilities for employee experience.

**59%** of EX teams currently deliver personalized employee communications, and 23% plan to add this as a capability in the next 12 months.
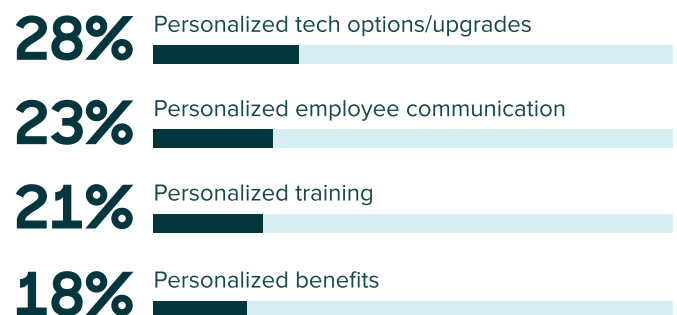
# The importance of personalized support for healthcare employees

Healthcare professionals are highly trained experts in their field—but they're also employees. Like any employee, they are likely to have questions or encounter problems that require support from other teams. Because they are interfacing with patients, it's critical that they can solve problems fast.

**OneMedical**, a membership-based primary care practice, uses Zendesk to provide internal IT, HR, and Operations support to the company's 1,300 employees, including administrative assistants and medical providers. Their team has customized their Zendesk solution with a host of apps that allow for faster, more personalized assistance—so providers can focus on delivering on OneMedical's promise of timely patient care.

The team maintains an 80 percent adherence to a median response time of two hours, and roughly 60 percent of requests are resolved during the same business day.

## Where organizations are planning to add personalization capabilities in the next 12 months:

**28%** Personalized tech options/upgrades

**23%** Personalized employee communication

**21%** Personalized training

**18%** Personalized benefits

# Conclusion

As organizations face complex business challenges, including rising costs and staffing challenges, they must consider how they're leveraging workplace technology to optimize workflows, increase employee engagement, and get more value with fewer resources.

Technology is the through line that connects all these challenges, and a digital transformation strategy will be critical to creating scalable operational efficiencies and controlling costs.

## EX and technology leaders have a few key areas for growth in 2023:

✔ Building modern and secure digital solutions that will enable hybrid and flexible work across locations, teams, and functions.

✔ Onboarding more advanced EX capabilities, like AI chatbots and intelligent operations to help with employee service when internal teams are lean.

✔ Measuring employee feedback and satisfaction, so leaders can make data-driven recommendations on how to improve engagement and productivity.

Balancing employees' needs and organizational challenges, technology leaders can design a digital experience that allows teams to collaborate seamlessly—no matter where they happen to be working that day. Optimizing internal workflows makes day-to-day work less stressful and more productive.

For modern organizations that want to retain their best people and protect their bottom line, they'll need to keep up with the competition and invest in modernizing the employee experience.

# Transformation is easier with a trusted partner

Zendesk was founded 15 years ago on the belief that all service experiences should be beautifully simple yet powerful. Today, over 100,000 businesses rely on Zendesk to unlock the power of the employees and customers they serve.

When you use Zendesk for employee experience, you can deliver modern experiences that increase employee productivity and performance companywide.

✔ **Employee service:**
Provide a unified experience across email, messaging, Slack, and more.

✔ **Workflow automation:**
Automate HR, IT, and other inter-department processes to increase efficiency.

✔ **AI:**
Use Zendesk bots for employee self-service, help center content optimization, and more.

✔ **Data & analytics:**
Measure KPIs and show the value of your EX investment to senior leaders.

Zendesk solutions are built so they can be used out of the box with minimal setup, and they can be modified to meet your organization's specific needs. Zendesk offers thousands of "off the shelf" partner integrations with apps like Slack, Microsoft Teams, SweetHawk, and Myndbend, and you can take it a step further by building your own custom apps and integrations on top of Zendesk to enhance your experience and get more value.

Learn more about Zendesk for employee experience →

# Methodology

We surveyed more than 370 employee experience leaders, agents, and technology buyers from 20 countries and organizations ranging from small business to enterprise during July and August 2022. Results from each survey were weighted to remove bias from the survey samples.

Countries surveyed include: Australia, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Norway, Singapore, South Korea, Spain, Sweden, the United Kingdom, and the United States.

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