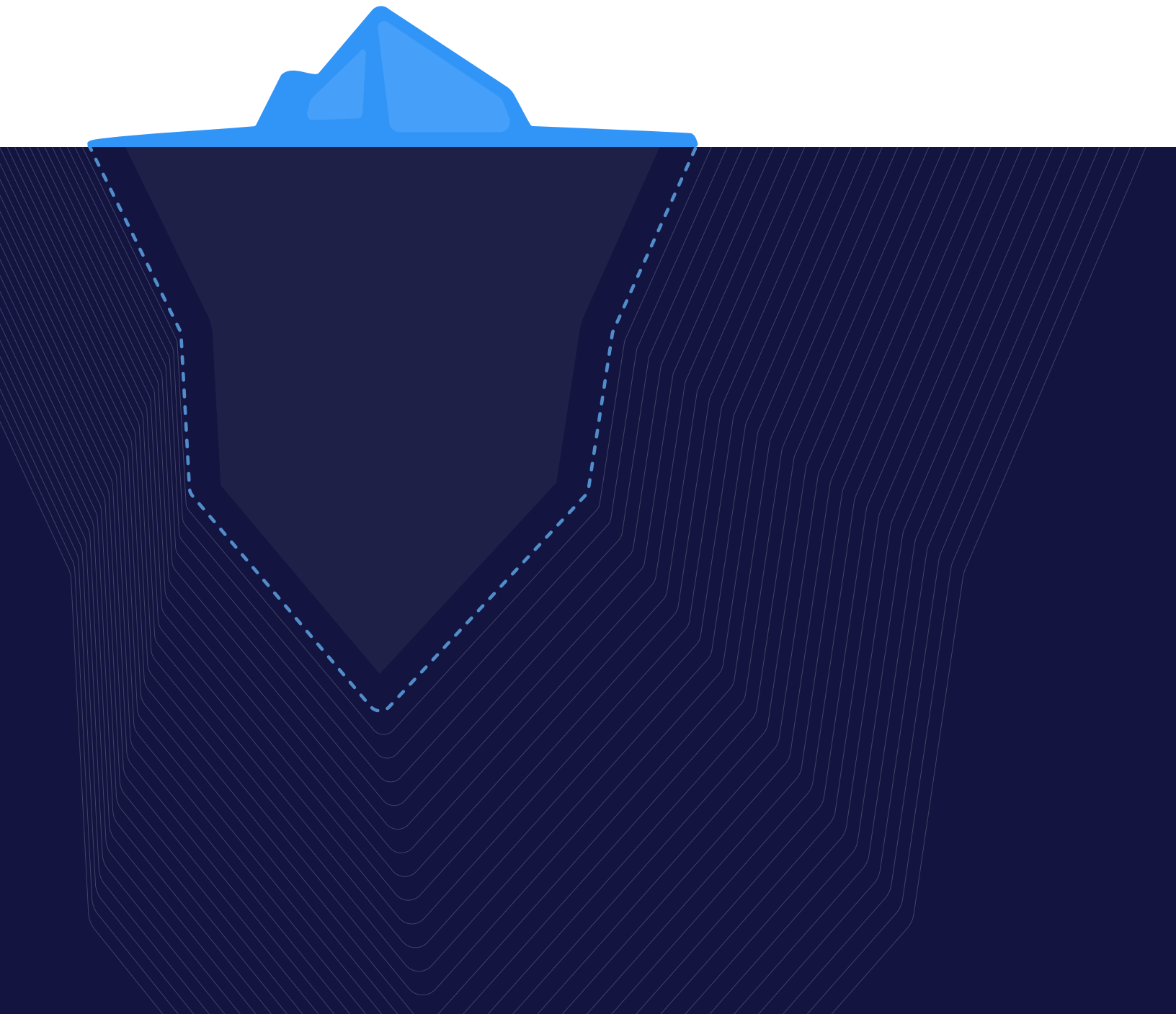


The Hidden Cost of Poor Digital Employee Experience



Exclusive research into the in-app behavior of over 1 million application-using employees reveals the real cost of unintuitive tech and what organizations need to do to change it.

Contents

01. The Landscape	2
02. Methodology	3
03. Application Overload	4
04. The Sectors Leading the Investment Charge	5
05. Time Lost to Support	6
06. Navigation Burn	7
07. Measuring the Value of Tech Investments	8
08. Case Study: Nissan	9
09. Unlocking the Hidden Cost of Unintuitive Tech	10
10. Conclusion	11

01.

The Landscape

Over the past few years, businesses have experienced unprecedented levels of digital transformation. The move to remote and hybrid working drove the digitalization of organizational processes and the introduction of new technologies almost overnight.

As hybrid work became the new normal, these digital transformation initiatives persisted. While the proliferation of new applications has created new avenues for efficiency, it has also created a digital employee experience that is far more complex than before. In a short space of time, employees were asked to get up to speed with a plethora of new applications in order to carry out their day-to-day tasks, communicate, and collaborate digitally.

This complex digital experience is causing employee frustrations and preventing the full benefit of technology investments being realized. If employees fail to fully leverage new technology, business investment and even potential growth is threatened.

There is an urgent need to transform the digital employee experience with applications, ensuring that technology works better for the people that interact with it most. Understanding the current picture will require businesses to dig deeper into the way employees interact with enterprise applications. Relying on a top-down view is simply not enough.

This must be two-fold, looking at employee behavior and the analytics to track intelligent data points from the applications being used day-in, day-out. If businesses get this right, not only will there be significant cost and productivity gains to be made, but it will create seamless application adoption for employees.



Enterprise Software

Used to describe the applications and technologies that large organizations use to perform day-to-day business functions e.g. payments processing, customer relationship management (CRM) or communications.



Digital Employee Experience

An employee's holistic experience with technology in the workplace, with a focus on the quality of their interactions with technology.

02.

Methodology

We conducted research into the digital employee experience as seen through the employee lens. This research brings together:

- The results of our YouGov survey of over 2,000 employees, designed to examine their experience of using software
- Insight into how employees are interacting with software, from a sample of 1 million employees on our digital adoption solution, Nexthink Adopt

Potential hours lost have been calculated by applying YouGov findings to the average large business sizes for Great Britain and the U.S.*

Potential monetary cost has been calculated using data from the Office for National Statistics (ONS) annual survey on employee hours and earnings relating to England, Scotland and Wales, and the latest available data on employee earnings from The United States Census Bureau.

The data in this report comes from our YouGov survey and analysis of the 1 million users interacting with our software. We hope this data helps inform your understanding of the importance of digital adoption and its impact on digital employee experience.

*The average large business size is based on the latest Government data on business population estimates across Great Britain and the latest available data on business population from The United States Census Bureau in 2021.



03.

Application Overload

Respondents that used business applications daily in their working lives revealed some eye-opening insights into both the number of apps they use and the time they spend within them.

- 58% said the number of business applications they use has increased since March 2020
- 76% spend up to 6 hours of their day using business applications
- 22% spend more than 6 hours a day using business applications

With employees now spending the majority of their working day using business applications, the need for business leaders to focus on the digital employee experience within the application couldn't be clearer.

From collaboration tools such as Microsoft Teams and Zoom, to applications delivering key business functions such as Workday, Salesforce, and Sage, employees' roles are increasingly defined by their interaction with software.

And while the shifting reality of working may have demanded action, the consequences now demand attention. To reap the full rewards of their tech investments and keep employees happy and productive, businesses need to prioritize turning a growing number of applications into a seamless and intuitive employee experience.



Digital Adoption

In its simplest form, digital adoption is about helping people to use and embrace technology. Typically used in relation to business software, this definition can be expanded to include internal teams, external customers or entire companies.



Business Applications

Any software or set of computer programs used by employees to perform various business functions.

04.

The Sectors Leading the Investment Charge

The percent of employees who said the number of business apps they use has increased since March 2020, by sector:

76% Media/Marketing/Advertising	67% Legal Services
64% Finance and Accounting	63% Hospitality and Leisure

With each new application added to the employee's technology stack, another layer of complexity is added to the employee experience. One of the common issues this creates is 'context switching'—having to switch between different applications or windows to complete tasks, taking employees out of the flow of work.

Previous studies have shown the dramatic impact that switching contexts can have in terms of time lost mentally refocusing between tasks, sabotaging productivity as a result. Some of these 'distractions'—emails, Teams messages, Slack notifications—are often necessary and typically unavoidable.

However, time lost to context switching can often be a result of unintuitive, inconsistent user experiences.

A common example of this is the difference in support channels available across different applications, meaning employees must adjust to new layouts as they move between tasks.

With universal, in-app support options, this can easily be consolidated and managed to create a more efficient flow of work, but this is just one example of the need to prioritize a more seamless digital employee experience.

According to psychologist Gerald Weinberg, each extra task or 'context' you switch between eats up 20–80% of your overall productivity.*

*Quality Software Management: Systems Thinking, 2004



Context Switching

Context switching occurs when employees switch between different tasks, applications or processes—when this happens frequently, it results in a fragmented working day, impacting on productivity.

05.

Time Lost to Support

Look at the way employees access software support and the issue of employees flitting between multiple business applications is compounded.

Typically, each application will have a different route to support, forcing employees to navigate between various knowledge bases, chatbots or helpdesks to find the information they need—often going outside of the application to seek solutions via search engines or internal resources.

39% of employees who use business applications spend up to 30 minutes a day looking for support, totalling more than 3 weeks a year per employee.

For large businesses in the U.K. this could result in a shocking 71,183 hours lost each year, and for large businesses in the U.S., 172,091 hours lost annually—eye-watering figures.

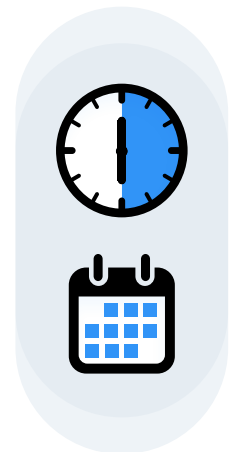
This is backed by data from our Adopt product, taken from a sample of 1 million users.

- Employees spend 2.7 hours per week looking for support materials when support isn't provided in the flow of work
- When employees do access support, they are spending 1.5 hours per week reading support materials

This means **employees are spending twice as much time looking for support materials as they are consuming them.** An experience doesn't get more broken than that.

By observing the use of applications and providing simple prompts to direct users to relevant support channels, organizations can dramatically improve the employee experience.

In fact, our analytics show that the delivery of support materials in the flow of work can reduce the time lost to seeking support by 50%. What's more, it also cuts the time employees spend conducting tasks in half. A simple solution that pays dividends in the long term.



06.

Navigation Burn

Additional data drawn from our Adopt product found that on average, employees are spending 10% of their time in applications simply navigating to the tasks they intend to perform—a problem we've termed 'navigation burn.'

And while this initially seems to be a small number, it could have costly consequences. The problem is quickly apparent when this lost time is extrapolated for large businesses.

3 hours lost per employee per week spent navigating applications	156 hours lost per employee per year navigating applications
219,024 hours lost each year for the average U.K. large business	529,464 hours lost each year for the average U.S. large business

While some form of navigation will always be required, businesses must ask themselves if the technology they have invested in is intuitive enough?

Through analysis of navigation within and between tasks, businesses can identify the most common or complex processes that could be easily streamlined. By truly digging into the data and getting to grips with how employees use and navigate software practically, businesses will find straightforward solutions that could improve these figures drastically.

07.

Measuring the Value of Tech Investments

Successful digital transformation is vital to continued business success. It's never been more important to ensure these investments are creating a seamless digital employee experience and driving ROI.

This is backed up by data from our Digital Adoption Report, which asked 500+ business leaders about their readiness, challenges, and priorities towards business software.*

Of the organizations that measured technology against KPIs:

- Only 12% continued to measure success and outcomes 1-2 years after implementation
- And this falls even lower, with just 5% maintaining measurement after 3 years

This drop off in KPI measurement after 12 months is a frightening prospect. Could it indicate the amount of effort that goes into tracking key indicators, or suggest that these are not based on valuable information?

Either way, it is clear that measurement remains a critical area of improvement. A shift towards frequent, ongoing measurement tied to KPIs and the true employee experience will enable organizations to maximize their tech investments—ensuring they work for everyone.

User frustration on the rise

As we build this picture of employees grappling with unintuitive software, losing considerable time searching for support or navigating to tasks, it's no surprise to see that employee frustration is also on the rise.

One-fifth of employees of large businesses are more frustrated with business applications than they were pre-pandemic.

Our research found this was particularly pertinent for employees in the Legal (27%) and Education (24%) sectors. If businesses fail to rectify these challenges, through both improving the in-app experience and employee engagement, they risk this frustration continuing to rise. It could leave employees to feel increasingly unhappy and demotivated at work—sentiment that will certainly impact the bottom line.

*Digital Adoption Pulse Report, 2020

08.

Case Study: Nissan

In the early days of the pandemic, with many businesses turning to a remote working model overnight, Nissan was in the midst of rolling out our digital adoption product, Adopt, to improve its use of Workday.

“Businesses have always spent energy, time and money on the customer experience, but the employee experience is equally as important.”

Raju Vijay
Vice President Global People Services, Nissan

While Workday is used daily by Nissan’s global HR teams, the wider workforce typically accesses it ahead of performance and talent cycles, occurring three times a year. As a result, Nissan’s People team was spending considerable time retraining employees on the platform, in advance of these cycles.

“We conduct monthly Voice of Employee surveys, exploring every facet of an employee’s working life, including technology use. We look into its intuitiveness, speed, ease and experience, to identify pain points within the tech we’ve invested in. The surveys often highlighted issues with Workday’s intuitiveness. Though it’s a useful tool, these areas of friction were preventing wider uptake. We were losing significant time and effort having to retrain people on the software, especially as this would be required across multiple territories in various languages.”

So Raju and the wider People team developed a proof of concept to explore how its digital adoption product, Adopt, could encourage greater Workday uptake.

Adopt’s analytics enabled Nissan to better understand how employees used the product and identified areas they required support on.

The data has helped to improve process understanding, reduce task completion time, and ultimately make Workday more intuitive for Nissan’s people to use.

“It’s been a learning curve, but we’ve already seen multiple benefits. There’s been greater platform adoption, and we’ve streamlined global processes too. Most importantly, by acknowledging and interrogating the digital employee experience, we’ve shown our teams that we’re actively taking steps to resolve key issues.

Businesses have always spent energy, time, money and resources on the customer experience. Employee experience is equally as important and should be treated as such.

The business case makes complete sense, too. Yes, it takes time and effort to apply these learnings, but in turn we’re saving time and seeing a greater return on our tech investments. By making progress at this stage, we’ll be able to reap the benefit further down the line as we roll these programs out globally.”

09.

Unlocking the Hidden Cost of Unintuitive Tech

Taken alone, the hours lost to employees looking for IT support and navigating tasks are shocking, but it's analysis of the cost implication that highlights how pressing the need for businesses to address the digital employee experience of applications is.

We analyzed the time lost to looking for support, identified by our YouGov survey alongside the latest national data on employee working hours and earnings in Great Britain and the U.S. The results are significant.

- In Great Britain, business lose 71,183 hours or £1 million a year
- In the U.S., the annual losses increase to 172,091 hours or \$6 million of lost productivity

These figures represent significant lost value for businesses, and not just fiscal.

In fact, we asked employees: if you didn't have to spend as much time looking for software support, where would this saved time be spent? They cited activities including strategy/planning, billable work, personal development (e.g. training), and development of others.

There's no doubt there are significant benefits to be felt by those businesses who can claw back the time and cost associated with employees grappling with unintuitive technology.

And the potential is only clearer when accounting for the further time lost to working through or waiting for support once it's found—especially if it's a poor or disjointed experience.



10.

Conclusion

The In-App Employee Experience Must Be Front and Center

As we move beyond the pandemic, the in-app digital employee experience must be the key driver of digital strategy. This starts with gaining a true understanding of employees' day-to-day interaction with technology, identifying the gaps and areas of friction, before putting interventions in place to address them. Remember:

Listen to employees

Send out moment in time surveys to collect their feedback while it's fresh to gain their first-hand experience of interacting with applications to improve their engagement and productivity.

Gather intelligent data points

Use user in-app analytics to identify current pain points, and even pre-empt issues that could occur further down the line.

Continually review your technology investments

Are your investments paying off? Are they delivering the most ROI? Are they fully supporting hybrid or remote working?

The businesses that create a seamless, intuitive digital employee experience for their business applications will unlock the greatest rewards: a happier and productive workforce, able to access technology investments that truly pay off.

About Nexthink Adopt

Unleash end-to-end application success with digital adoption. Take control with Nexthink Adopt. Maximize your application's potential and empower your users to fully leverage your enterprise applications. Drive end-to-end application success with AI-driven predictive analytics, in-app guidance and self-help, desktop pop-ups, and proactive application monitoring and remediation.

[Learn more at nexthink.com/platform/adopt.](https://www.nexthink.com/platform/adopt)

About Nexthink

Nexthink is the global leader in Digital Employee Experience management. The company's products allow enterprises to create highly productive digital workplaces for their employees by delivering optimal end-user experiences. Through a unique combination of real-time analytics, automation and employee feedback across all endpoints, Nexthink helps IT teams meet the needs of the modern digital workplace.

The Nexthink logo is displayed in white on a dark blue background. It features the word "nexthink" in a lowercase, sans-serif font. The "x" is stylized with a curved line through it. To the right of the logo, there is a decorative graphic consisting of several overlapping, curved lines that create a sense of depth and movement, resembling a stylized "N" or a series of stacked planes.