

The HRXPS:

(HR XPerience Score)

How to measure the performance and impact of HR through the lens of the employee experience.

Full Research Report

Dr. Mary Hayes
Dr. Frances Chumney
Marcus Buckingham

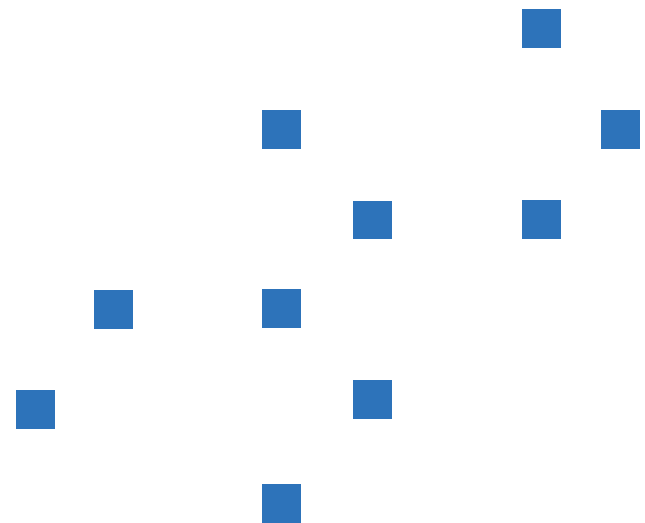


The HRXPS:

(HR XPerience Score)

How to measure the performance and impact of HR through the lens of the employee experience.

- 1 Introduction
- 2 Methodology and Intent
- 3 The HRXPS Model
- 4 Categories and Benchmarks
- 5 What Real-World Actions and Behaviors Does the HRXPS Relate to?
- 6 Which Characteristics *Do Not* Relate to HRXPS?
- 7 Which Characteristics *Do* Relate to Higher HRXPS?
- 8 Which Traditional HR Services Relate to Higher HRXPS?
- 9 Conclusions
- 10 Appendix





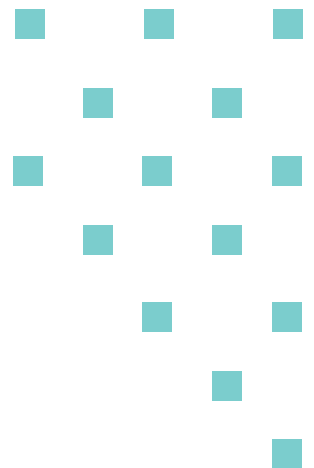
1

Introduction

Despite having innumerable data points at their fingertips, companies do not have reliable indicators of the employee experience of HR. The employee's sentiment of their HR experience is, as yet, unmeasured. We do not know what comprises it, which aspects of it are most important, nor what real-world actions or behaviors it drives.

Companies have a wealth of knowledge about their employees' experiences at work, but they lack the ability to understand how HR is contributing to these experiences. All companies would benefit from having a reliable and accurate metric to measure HR service quality.

Beginning in September of 2020, the ADP Research Institute set out to construct a metric to explore and measure employees' experience of HR. **Our intent is to make this metric available to all HR practitioners, so that they can improve the quality of the employee's experience and track their progress.**





2

Methodology and Intent

Methodology

We started with qualitative interviews with HR professionals and identified 67 possible items to measure HR service quality, and fielded these items across four samples totaling over 32,000 participants to pinpoint which were the most powerful. By the time the last sample was fielded in July 2021, we had identified 15 items with which to measure HR effectiveness and pinpoint what strategic and tactical actions the HR function can take to increase service quality.

Intent

Our intent with this research was threefold:

- 1. Define** the psychological experiences that drive higher HRXPS
- 2. Build** a metric to measure these experiences
- 3. Identify** both the causes and effects of higher HRXPS



Descriptions of Quantitative Samples

Study 1

Data was collected in September of 2020. The study consisted of 5,008 adults, age 21+, who were working full or part time in the United States, not in a contingent/contractor role, at companies with Human Resources departments. The research instrument comprised 67 items. Data was analyzed to identify relationships between the items, the hypothesized psychological experiences, and the two Net Promoter Scores collected.

After completion of the survey analysis, 15 HR professionals were interviewed to understand their perspectives on HR touchpoints, company policies and procedures related to key touchpoints, and perceived barriers to high HRXPS ratings. These in-depth discussions provided context for understanding HR performance and how to improve it.

Study 2

The primary research to develop the tool was done with a random sample of working adults in the United States. We wanted to know more about how these items worked within an intact organization. Working with ADP, we launched the survey internally to about 3,000 employees from which we had 1,413 complete the survey (46% RR). The first ADP sample was fielded with English-speaking employees in nine countries.

Data from this sample was connected to Engagement data as well as other demographics. The findings of this study supported the model and the expected relationships.

Study 3

The third study was deployed to 25,000 working adults across 25 countries. Following the best research methodology for surveys in multiple languages, items were forward translated into the 17 target languages and then back translated to English. The second step is the most critical when doing research like this because it helps us to determine if the meaning of the items is maintained in the various translations.



25 Countries (2021)

North America



United States



Canada

APAC



China



Singapore



India



Australia



Japan

EMEA



Germany



United Kingdom



Netherlands



Italy



Spain



France



Russia



Sweden

Middle East/Africa



Saudi Arabia



Egypt



United Arab Emirates



South Africa



Israel

Latin America



Argentina



Mexico



Brazil

The sample was collected in May of 2021. The HRXPS construct model was analyzed to determine if there was measurement invariance across the 25 countries. Measurement invariance is a statistical property of measurement that helps us understand if the same construct is being measured across specific groups. This is important because to understand and compare the findings globally, it is necessary to be measuring the same thing. The findings were varied. For more details, see “Model Stability Across Countries” in the Appendix.

Study 4

A fourth study was completed in July of 2021 with a global sample within ADP. Data was merged with demographics as well as the eight Engagement items. Similar measurement invariance existed across the same countries that was discovered in the third study (see “Model Stability Across Countries” in the Appendix). Similar relationships exist across Engagement and demographics, but caution should be used where global samples contain respondents from the suspect countries listed in the Appendix. Analysis should only be done at the country level instead of combining all respondents together.



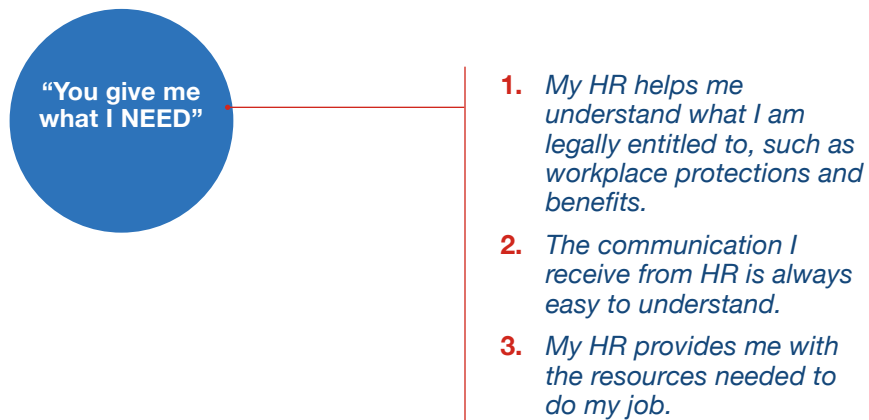
3

The HRXPS Model

What emerged from these four studies is a model of HR service quality, seen through the lens of the employees' experience. This model comprises five aspects of this experience, with three items or statements to measure each experience. **Here are the five experiences that drive HR satisfaction:**

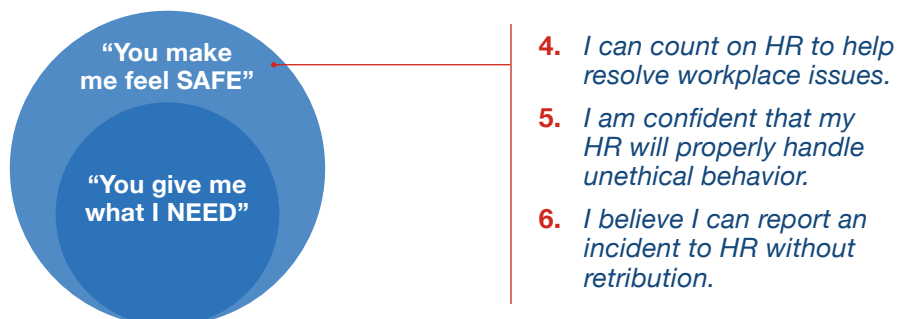
1 “You give me what I NEED”

The first psychological experience is that of Basic Needs – the employee must feel that their most basic HR needs are being met. The three items which measure this aspect of the experience are:



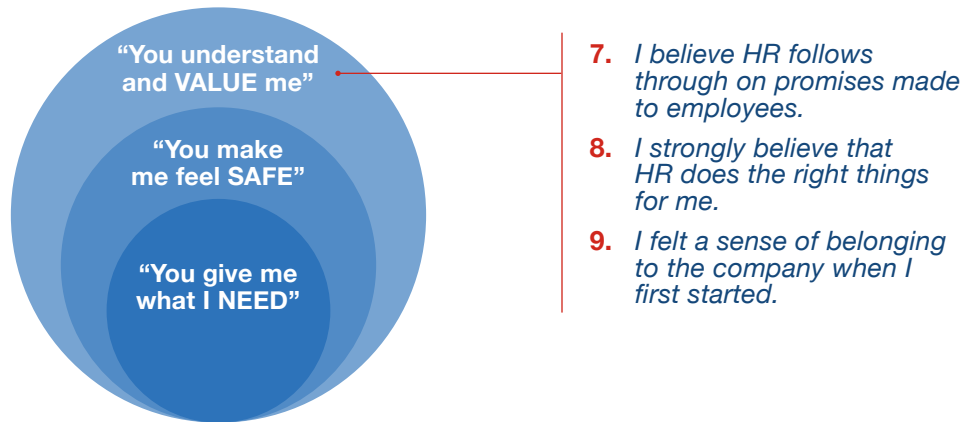
2 “You make me feel SAFE”

The employee data showed that a safe workplace where concerns can be communicated without retribution, and where someone is available to listen and provide resolution to workplace issues are important aspects of HR service quality. The items which measure this aspect of the employee experience are:



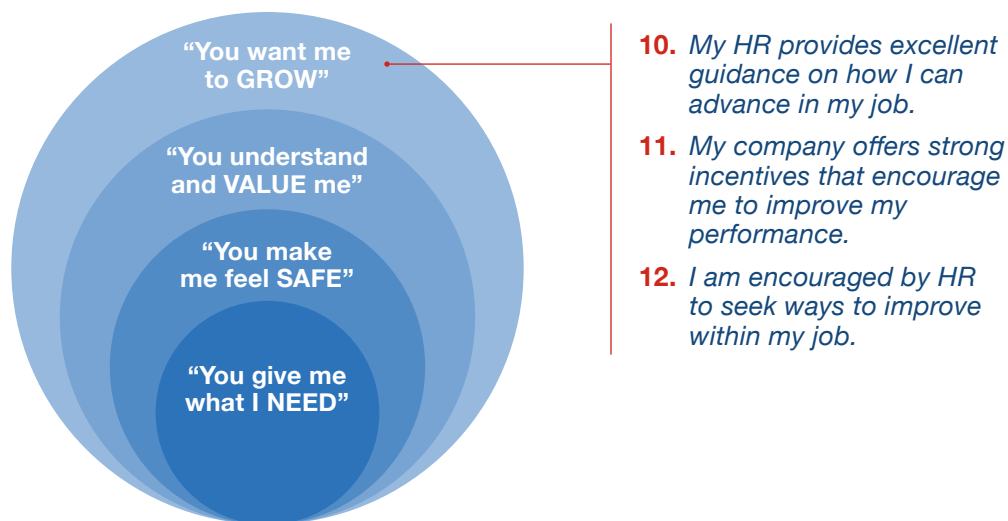
3 “You understand and VALUE me”

The third experience contained within HR service quality is the sense that HR is “in the employee’s corner,” keeping promises and doing what is right. This reinforces a sense of belonging to the organization, of feeling understood by HR. The items identified to measure this aspect are:



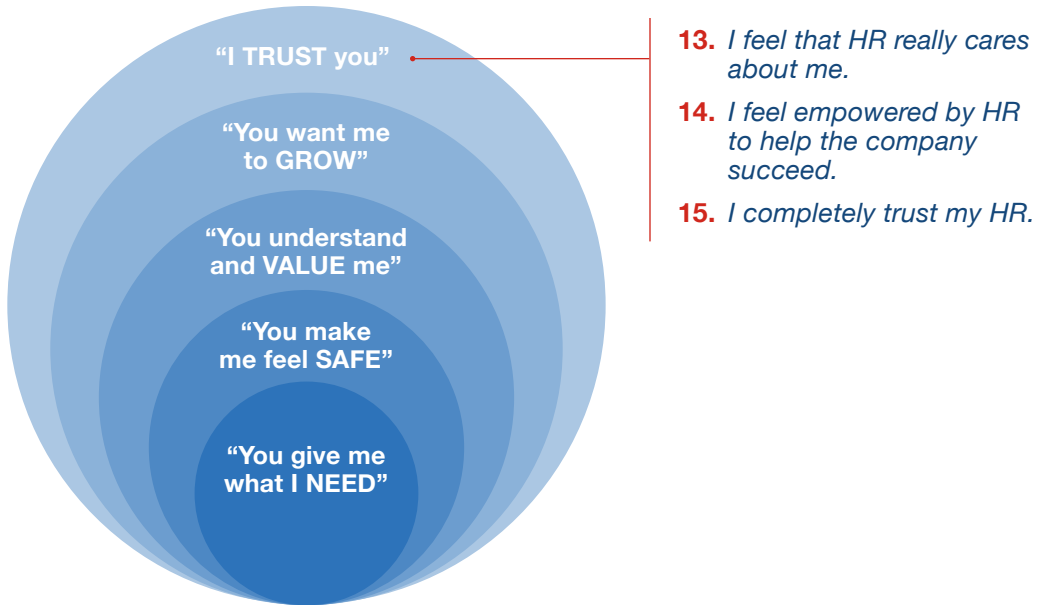
4 “You want me to GROW”

Employees need clarity around how to grow within their position and the organization. They need opportunities to advance and improve, and they expect HR to play a role in this. The three items which measure this aspect of the experience are:



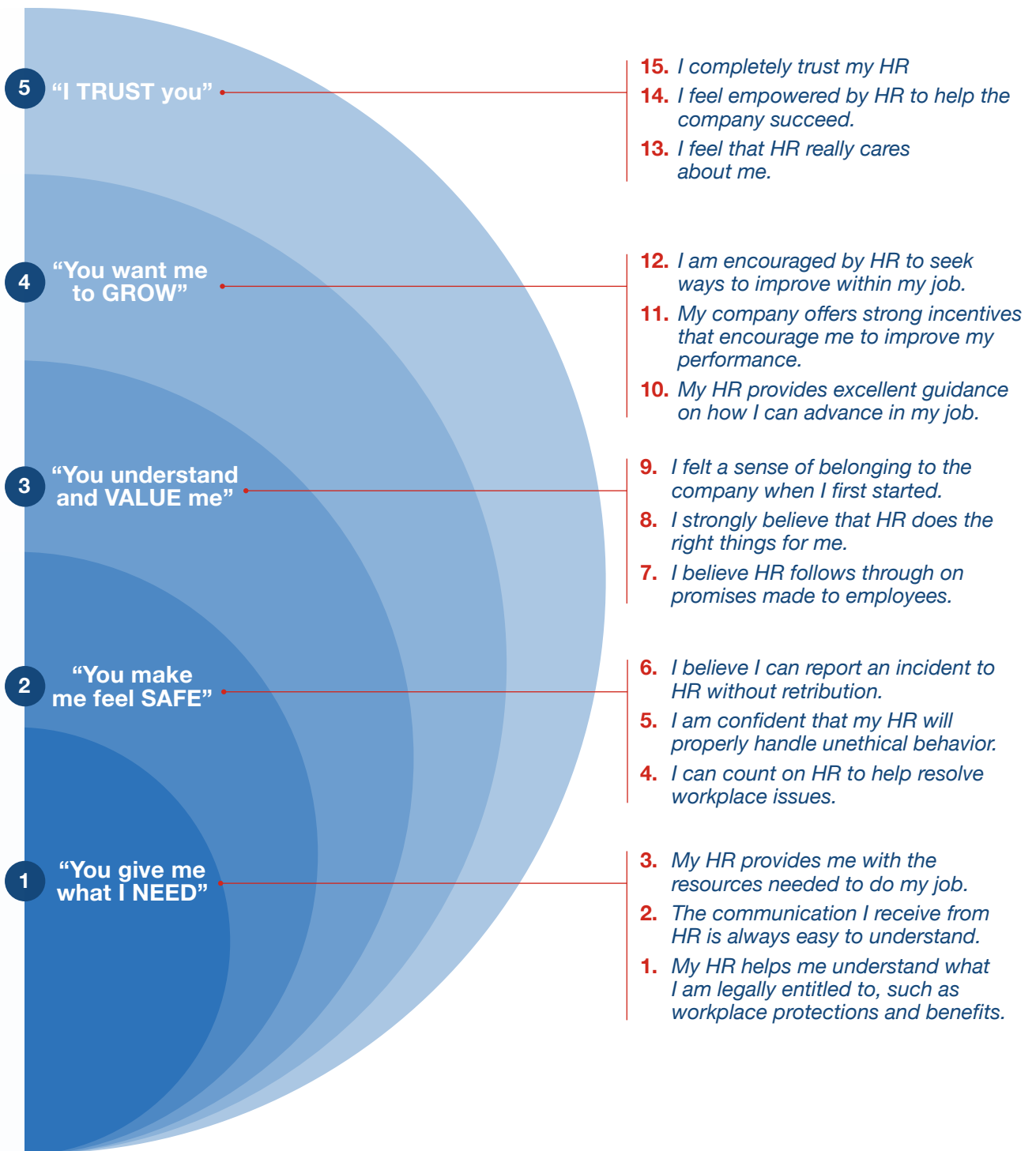
5 “I TRUST you”

The final summary aspect of the employee experience is deep trust felt by the employee for the HR function. This deep trust flows both ways: the employee feels like they can completely trust their HR function, and they feel like the HR function completely trusts them. The three items which measure this aspect are:



Summary

These are the five experiences we've found to comprise employees' perceptions of HR, and the three items that measure each experience. **This metric provides a way to measure the effectiveness of HR service quality and pinpoint what actions can be taken to increase that effectiveness.**





4

Categories and Benchmarks

Categories

To measure HR effectiveness, the HR function can deploy these 15 items to either in-tact teams (a census) or to a representative sample of employees in the organization. The metric (which we are calling the Human Resources XPerience Score, or HRXPS) will then enable the organization to place each employee into one of three categories:

Value-Promoting:

Those who answer most positively on the HRXPS metric are in the Value-Promoting category. These are people who see the HR function as adding significant value to their experience as an employee.

Performing:

These are employees who see the HR function as performing its responsibilities effectively.

Value-Detracting:

Employees who view the HR function as detracting from the value of their employee experience.

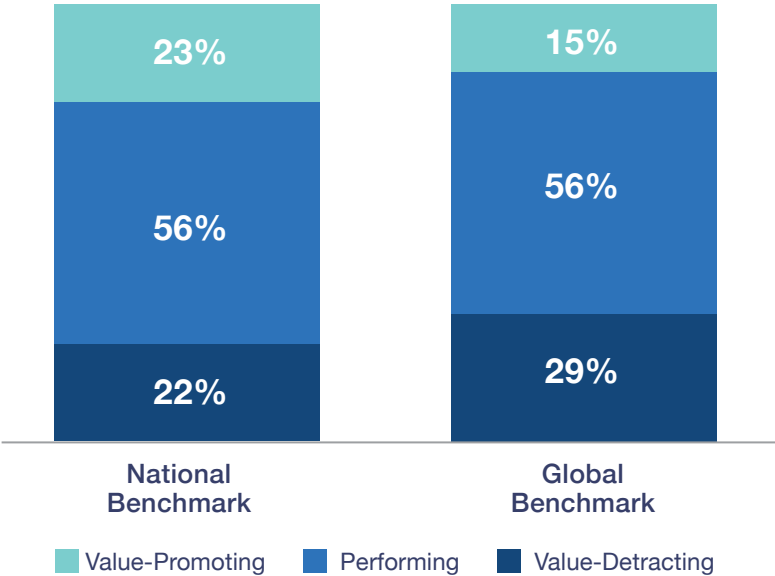
Our HRXPS metric measures the value that the HR function is adding to the employee experience.



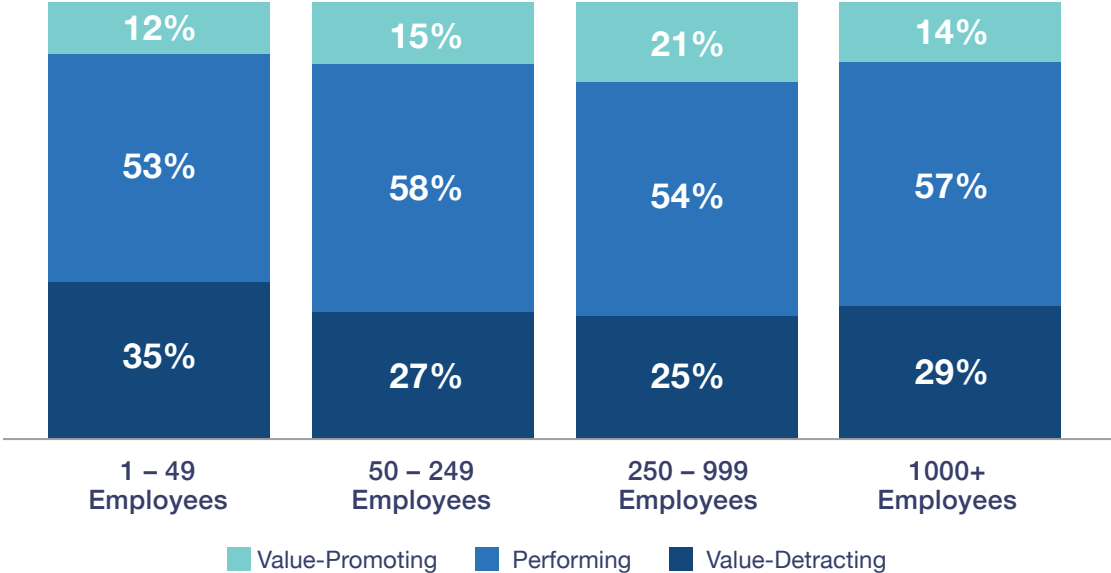
Benchmarks

From the research described earlier, we were able to create benchmarks for these three categories within the US, globally, and by company size. These benchmarks enable companies that deploy the HRXPS metric to see how their percentages of employees who believe HR to be Value-Promoting, Performing, or Value-Detracting compare to these national and global samples.

National and Global Benchmarks



Benchmarks by Company Size



What Is the Relationship Between HRXPS and Employee Engagement?

The ADP Research Institute uses a reliable measure of employee Engagement from previous ADPRI research, using the following eight items:

1. I am really enthusiastic about the mission of my company.
2. At work, I clearly understand what is expected of me.
3. In my team, I am surrounded by people who share my values.
4. I have a chance to use my strengths every day at work.
5. My teammates have my back.
6. I know I will be recognized for excellent work.
7. I have great confidence in my company's future.
8. In my work, I am always challenged to grow.

With over 1.1 million completions of this 8-item survey, we know a great deal about what these items measure and how they relate to each other. For example, we know that these items comprise of one primary factor (Engagement) and that Engagement varies most dramatically not by which organization you are in, but by which team you are on. To learn more about this tool, read [**The Definitive Series: Employee Engagement**](#) full research report.

As part of our research into HR service quality, using the HRXPS metric, we examined the relationship between HRXPS and our stable and valid Engagement metric. We found that these two metrics are indeed related, as one would expect – however, they explain only 51% of the variance in each other, leaving 49% of the variance in the HRXPS metric unexplained.

In short, the HRXPS metric is affected by a person's level of Engagement with their team, but it is also measuring a discrete aspect of the employee experience outside of the team.



5

What Real-World Actions and Behaviors Does the HRXPS Relate to?

The HRXPS metric showed a strong relationship to the following three actions and behaviors:

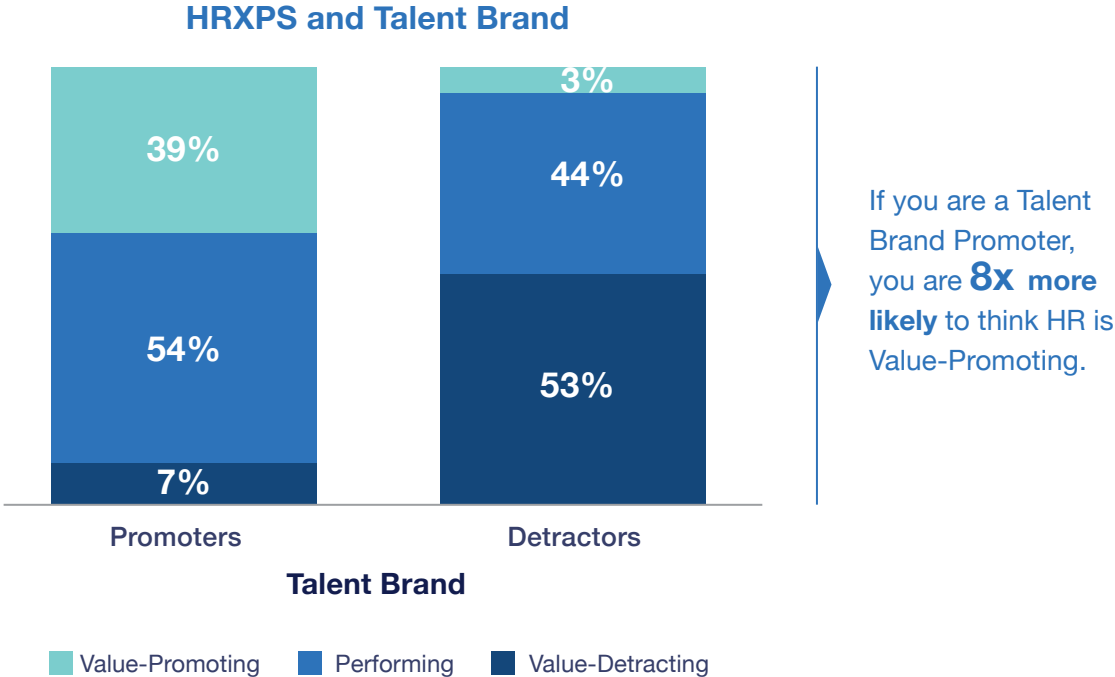
1 Likelihood to Promote the Organization's Talent Brand

As part of this research, we asked the following question of all 32,000 participants:

“How likely would you be to recommend your company to a family member or friend as a place to work?”

The answers to this item allowed us to classify each participant as Talent Brand Promoters or Talent Brand Detractors. Using an eleven-point scale ranging from 0 “Not at all likely” to 10 “Extremely likely” we collapsed the respondents into three categories: Detractors 0-6, Passive 7-8, and Promoters 9-10. Traditionally, these question types are collapsed to understand how many of the respondents are strong supporters compared to those who would lessen the Talent Brand.

When we examined the relationship between the HRXPS and Talent Brand, we found that the employee’s experience of the HR function (as measured by the HRXPS metric) shows a strong relationship to the employee’s likelihood to be a Talent Brand Promoter.



2 Intent to Leave and Active Job Search

As part of our research, we asked participants which of the following best describes their desire to work for a different company:

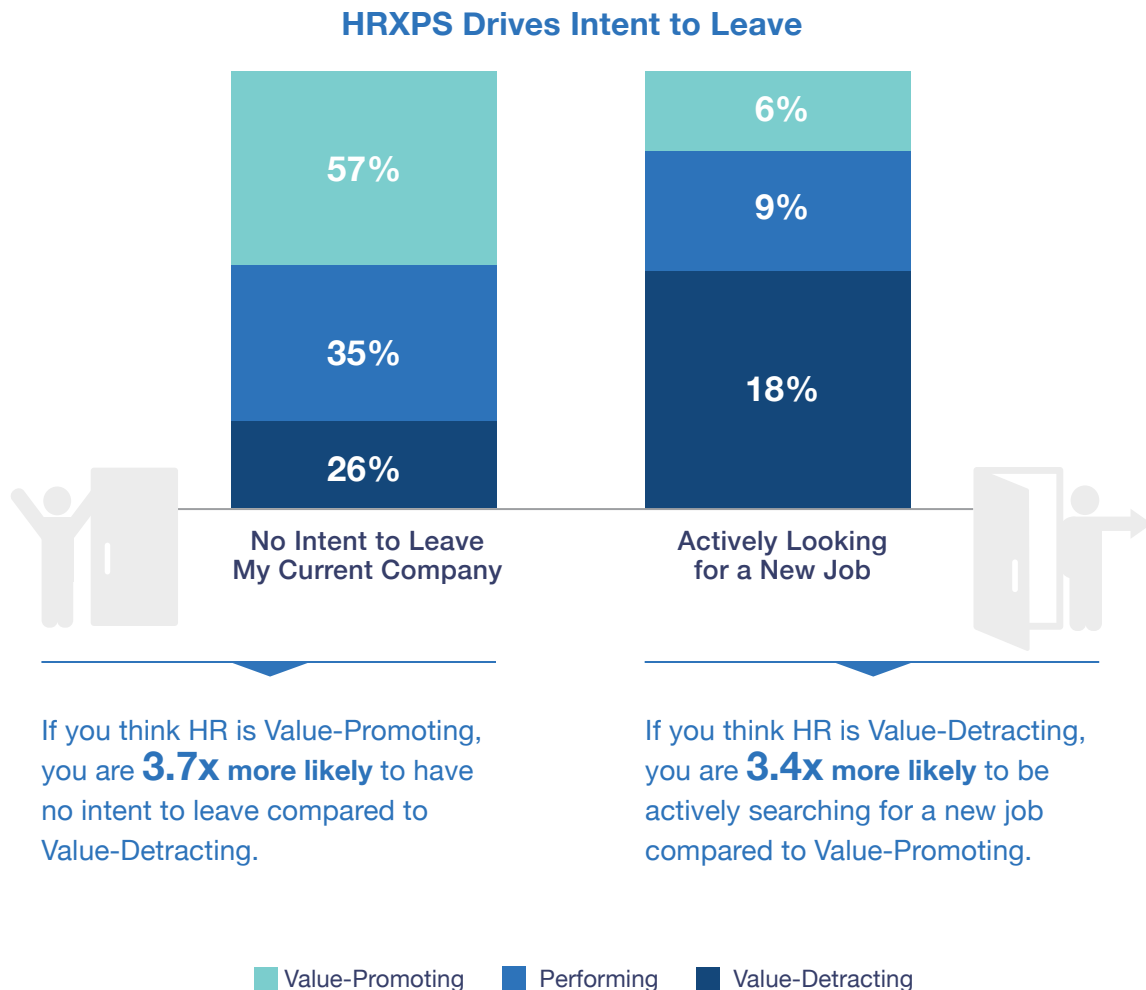
“No intent to leave my current company.”

“Not actively looking but would consider a new company if contacted by a recruiter or saw an opportunity.”

“Actively looking for a new job.”

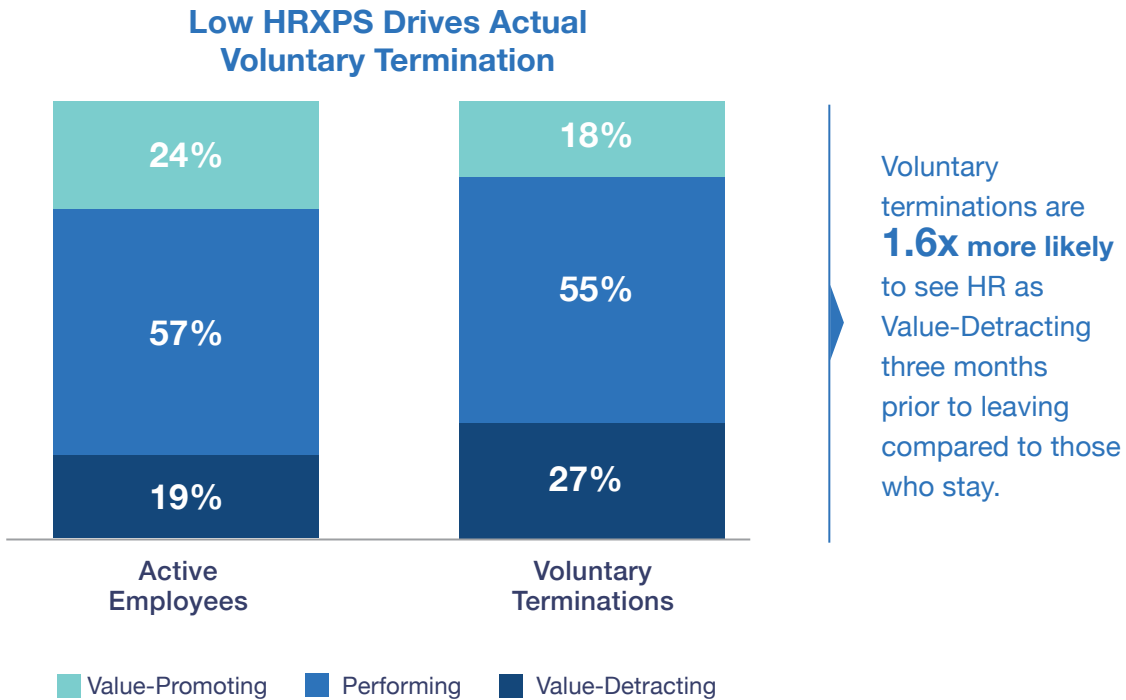
“Actively engaged in the interview process.”

The data show that there is a strong relationship between high HRXPS and lower intent to leave and lower active job search.



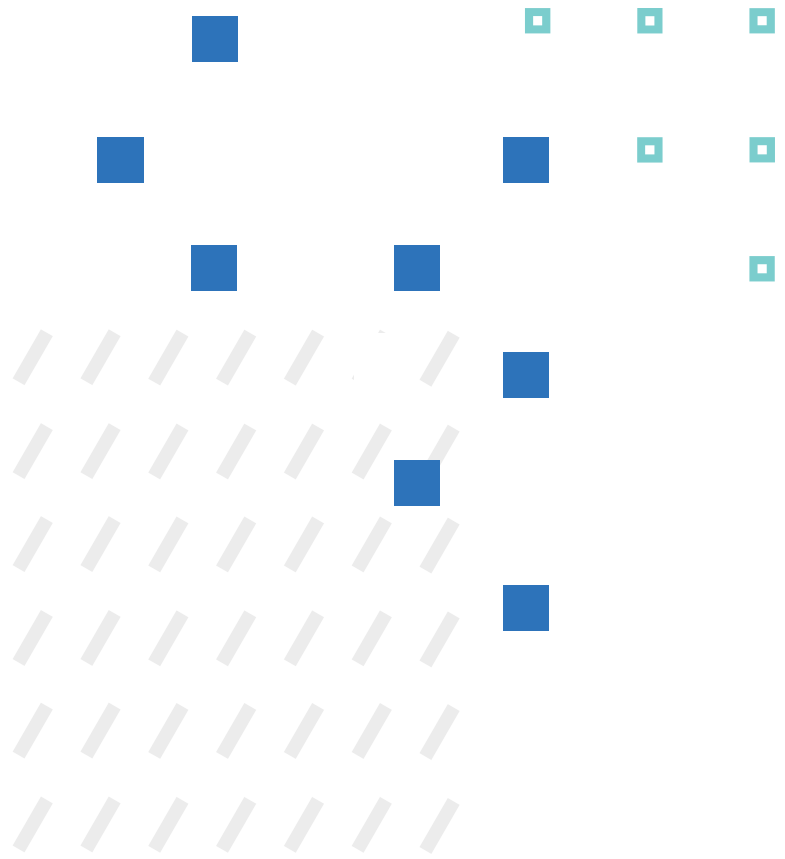
3 Actual Voluntary Terminations

As part of our research within ADP, we had data not only on the employee's response to the HRXPS metric, but also to their employment status three months post-metric. We found that three months after the survey was deployed, those employees who were still active were much less likely to see HR as Value-Detracting than those who had voluntarily terminated.



At the outset of the study, we hypothesized that certain characteristics might have an impact on HRXPS and the likelihood of being a Value Promoter. Using the HRXPS metric, we are now able to examine which characteristics **do** and **do not** relate to HR service quality.



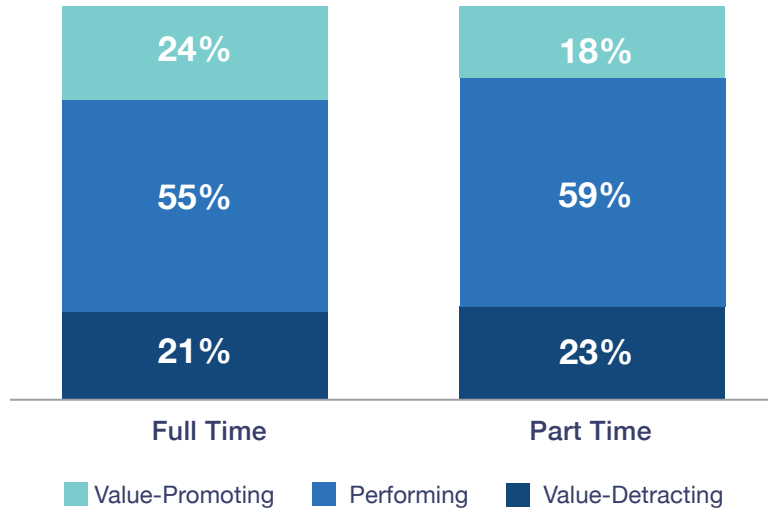


6

Which Characteristics *Do Not* Relate to HRXPS?

1 Employment Status

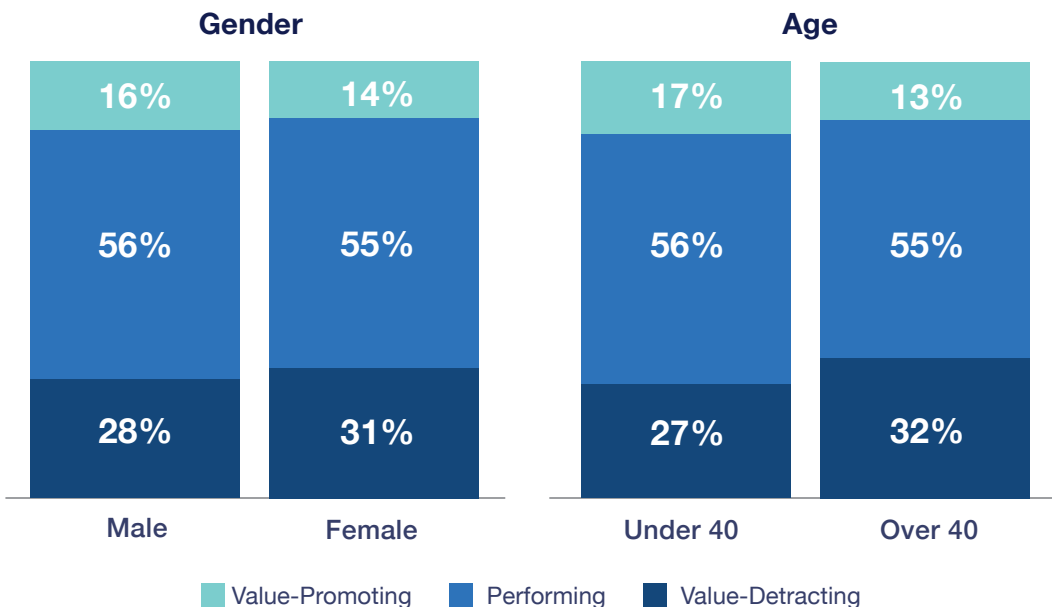
Employment status does not increase the likelihood of any one of the HRXPS categories. The average HRXPS is relatively equal between full time and part time workers.



2 Age and Gender

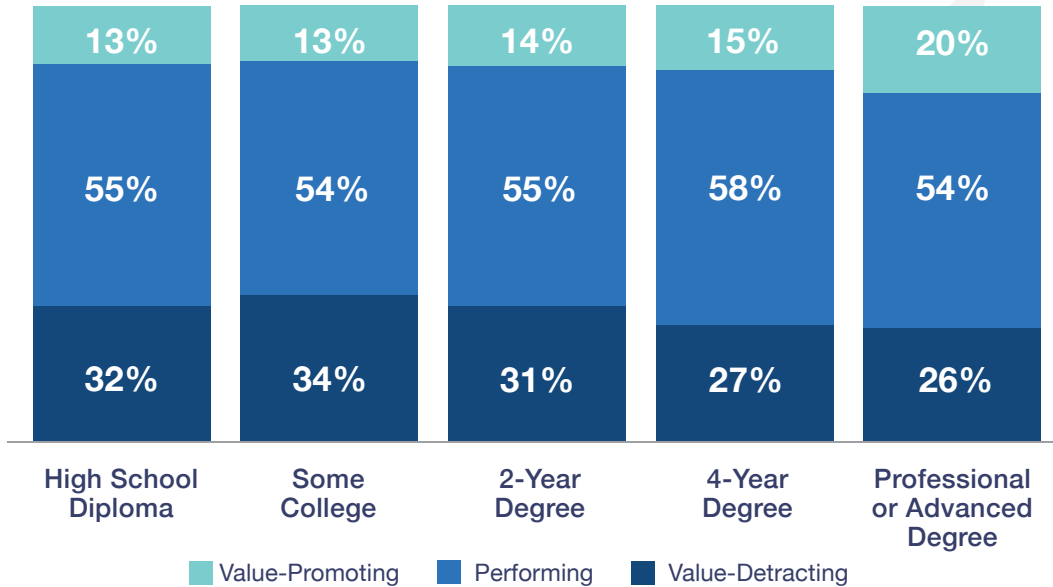
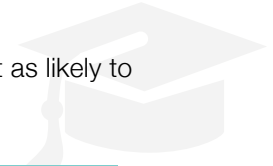
Men and women differ only slightly on the HRXPS categories – being a certain gender does not increase your likelihood to view HR as Value-Promoting or Value-Detracting.

Generations differ only slightly on the HRXPS experiences – being in a certain generation does not increase your likelihood to view HR as Value-Promoting.



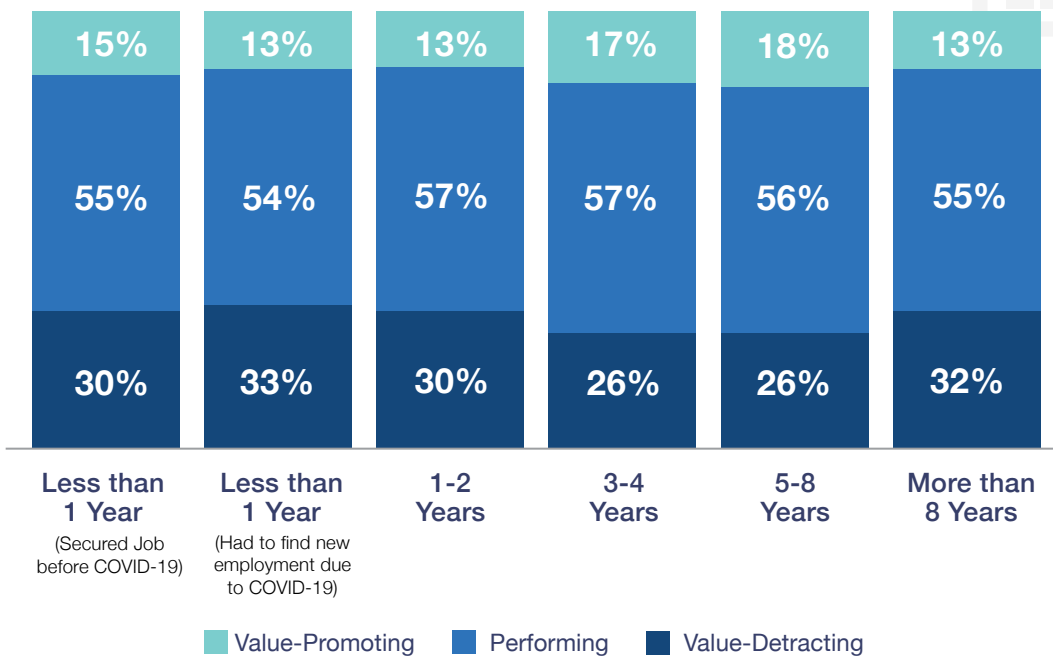
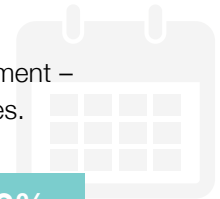
3 Level of Education

Education does not directly impact the HRXPS. High school graduates are just as likely to rate HR as Value-Promoting as a college graduate.



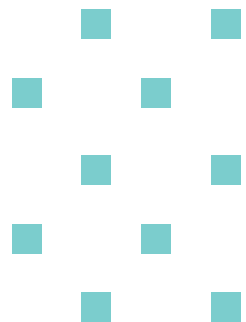
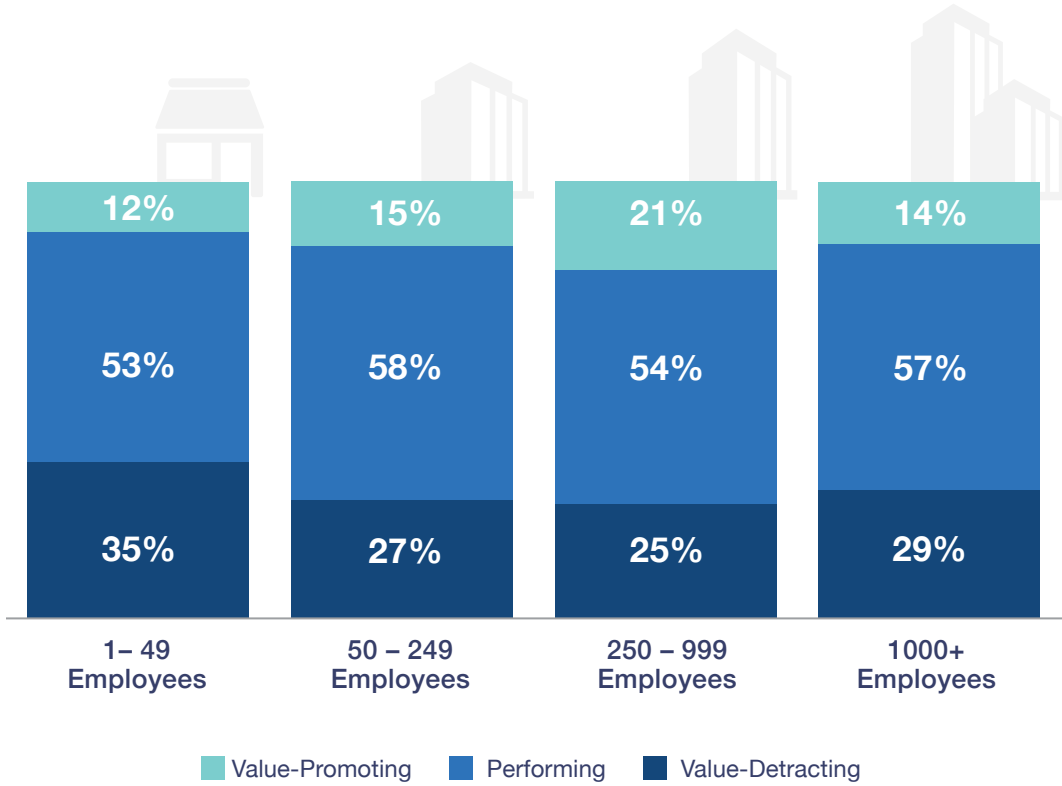
4 Tenure

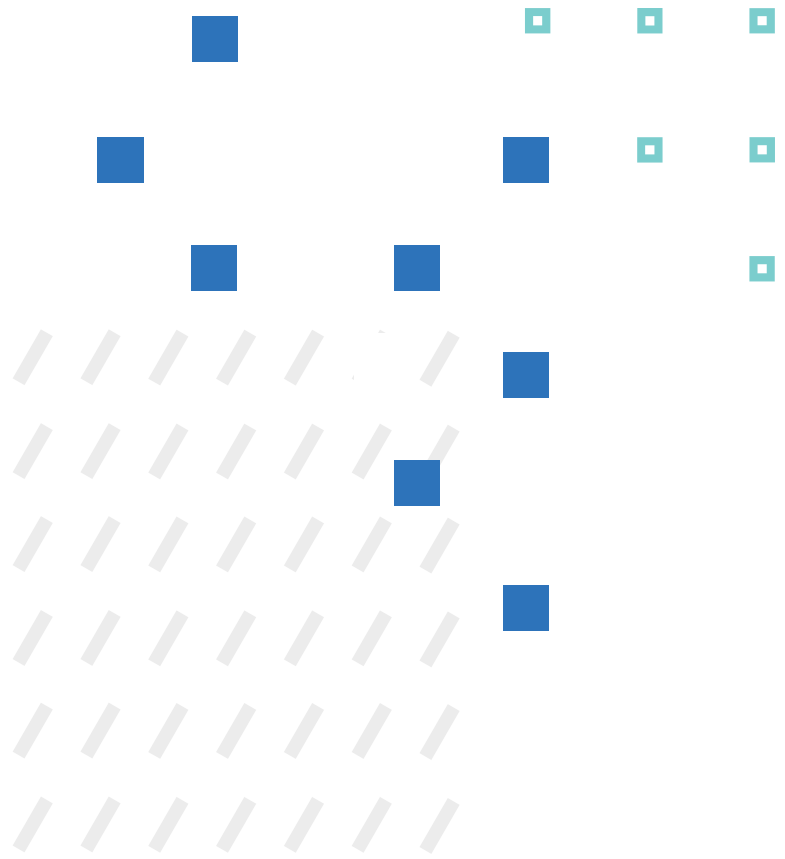
Tenure with an organization can be a driver for many outcomes, such as Engagement – but it does not increase the likelihood of being in any one of the HRXPS categories.



5 Company Size

Company size does not impact the HRXPS.





7

Which Characteristics *Do* Relate to Higher HRXPS?

1 Single Point of Contact

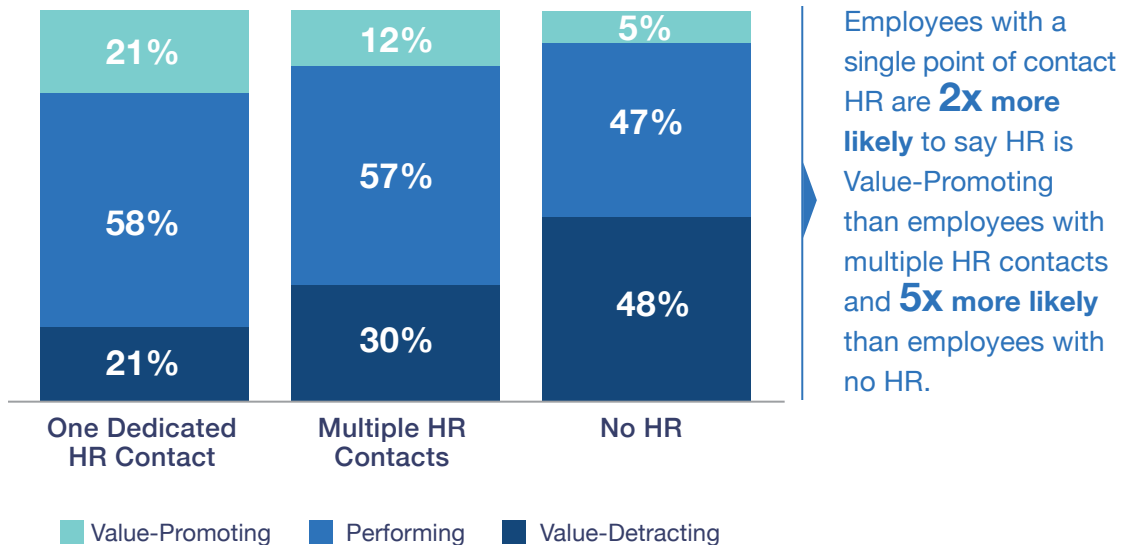
Employees who say they have a single, designated HR contact (even if that contact must then direct the employees to subject matter experts for things like benefits, leave of absence, vacation policy, etc), are 2x more likely to say that HR is Value-Promoting than those who say they have multiple HR contacts, and 5x more likely to say that HR is Value-Promoting than those with no HR at all. As part of our research, we asked participants to respond to the following items:

“I have one dedicated HR contact for all my needs.”

“I must contact a different HR person/department depending on the situation.”

“My company does not have an HR person/department.”

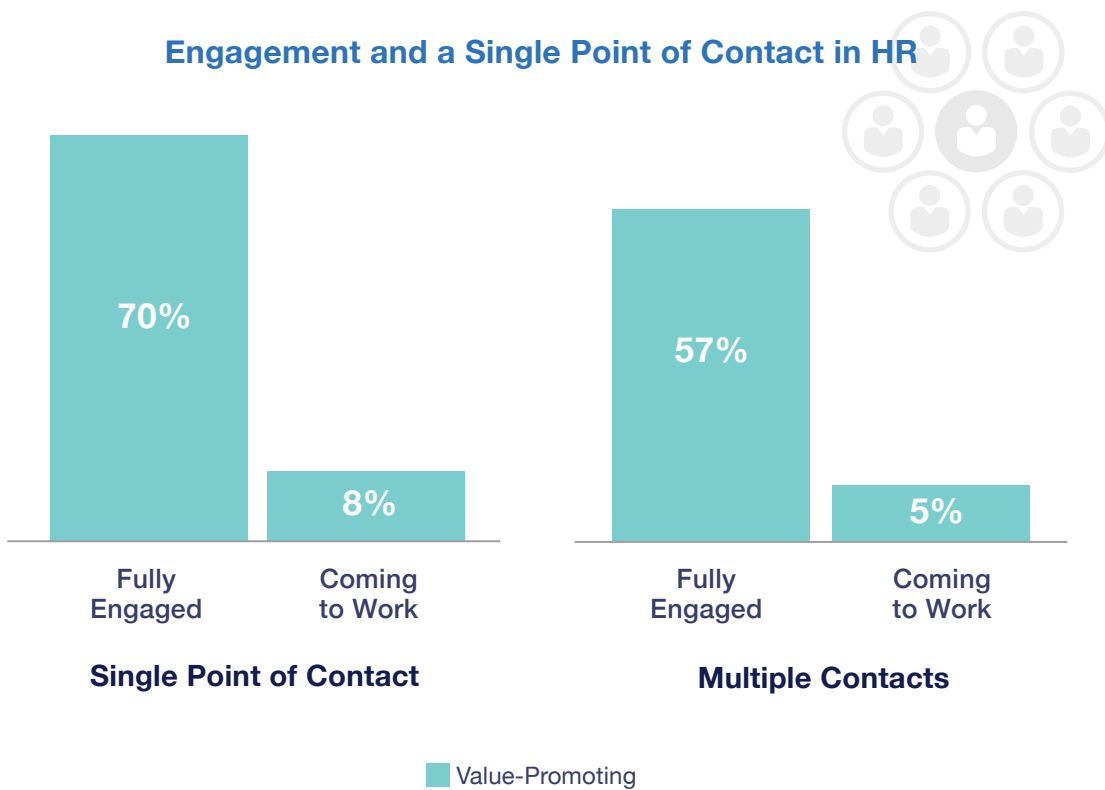
Single Point of Contact Drives HRXPS



This finding is quite surprising, since, recently, a broader HR trend is to rely increasingly on call centers and parallel vertical centers of excellence for each employee issue. Call centers and vertical centers of excellence are certainly more cost-effective than providing a single point of contact for all employees. However, our data suggest that employees feel as though something important is missing from these separated, siloed experiences. It will be interesting for senior HR practitioners to explore how they can reconcile the need for cost-effective HR service delivery with each employee’s need to feel seen, heard, and understood as a whole human being.

We see this effect – namely, relationship of single point of contact to higher HRXPS – regardless of whether or not the employee feels Fully Engaged at work. Respondents who are Fully Engaged, as measured by the Engagement metric, see a relative difference of 23% on the HRXPS, as compared to those who have multiple HR contacts. With those respondents who are not Fully Engaged, we see a relative difference of 60% on the HRXPS for those with a single point of contact as compared to those with multiple contacts.

So, while we know that engaged employees are more likely to see HR as Value-Promoting, having a single HR point of contact makes a measurable difference in HRXPS, regardless of how engaged the employee is.



2 Frequency of Interaction with HR

The frequency of HR interactions relates to higher HRXPS. The more HR services the employee uses, and the more frequently the employee calls upon the HR function to help with a work-related issue, the higher their HRXPS is likely to be.

During our research, we asked participants if they had used HR for the following reasons in the last year:

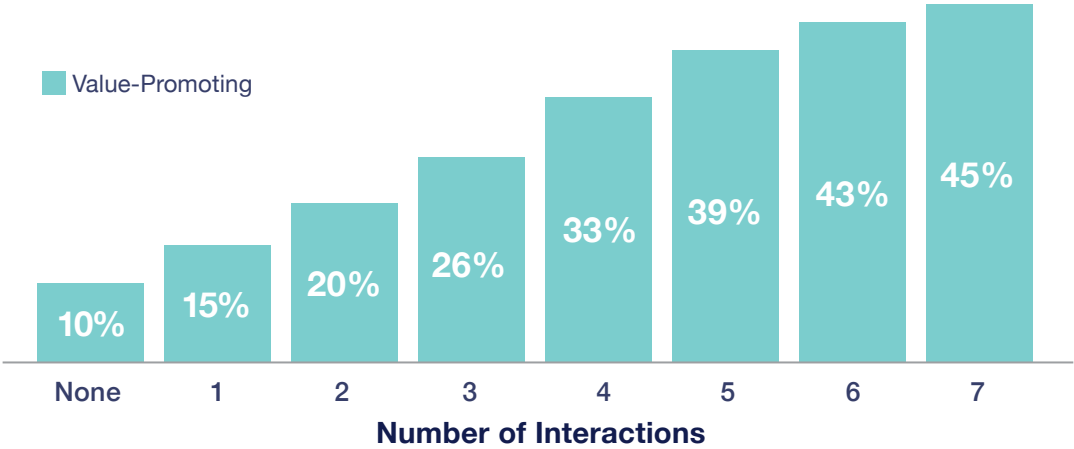
- ✓ To resolve a conflict
- ✓ To request advice on how to manage an issue
- ✓ To raise a complaint
- ✓ To request information about company policies or procedures
- ✓ To request information about health or other benefits
- ✓ To receive training
- ✓ To discuss career planning

We also asked them if they had used any of the following traditional HR services as part of their work:

- ✓ Onboarding
- ✓ Promotion
- ✓ Leave of Absence
- ✓ Performance Attention
- ✓ Health Benefits

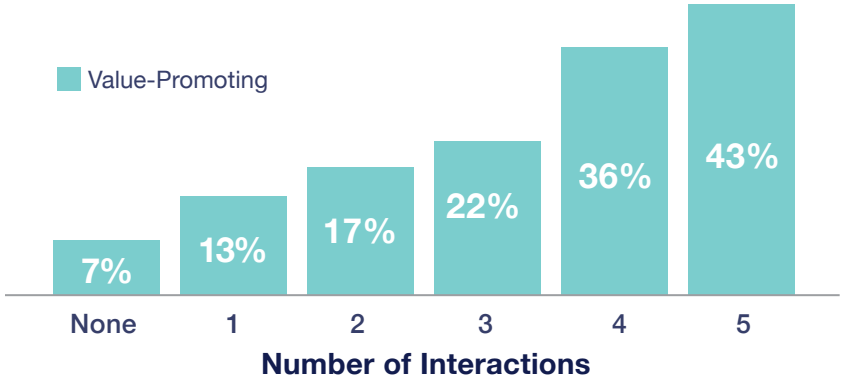
Initially, we were looking to see whether any one or small group of these tasks and services mattered more than others. However, the most compelling finding was that when it comes to these tasks and services, more is better.

Number of HR Interactions Matter



Those who have had seven interactions are **7.4x more likely** to say HR is Value-Promoting than those with no interactions.

Use of Any and All HR Services (Onboarding, Promotion, LOA, Performance Attention, Benefits)



Those who use 5 services from HR are **11x more likely** to say HR is Value-Promoting than those who use no services.

Those who have worked with HR more than 3 times in the last year are 3.7x more likely to view HR as Value-Promoting than someone who has not worked with HR. Those who have worked with HR more than 7 times in the last year are 10x more likely to view HR as Value-Promoting.

The pattern of these relationships holds stable, even when controlling for Engagement.

This Pattern Holds True Regardless of Engagement



One hypothesis for this pattern of relationships may be a function of people rating their experience higher simply because they had a recent HR experience. This speaks to The Salience Effect: the more interactions one has with HR, the more real-world experience they have to draw upon to rate them.

However, even though The Salience Effect may well be significant, we must also consider the possibility that each interaction with HR can be a source of value for the employee – and thus a driver for the company’s Talent Brand.

It is important for senior HR practitioners to examine this possibility, since, at present, one of the broader trends in the field of HR is an effort to remove the HR function completely from the employee’s needs and services and to use HR technology functionality in the so-called “Self-Service Model” of HR technology. What these data suggest is that each HR interaction, when carefully thought-through and executed, may be less of a friction point to be removed and more of an opportunity to create genuine value in the heart and mind of the employee.

Obviously, this is not to suggest that HR technologies have no value. As financial institutions determined with their use of Automatic Teller Machines (ATMs), when the tasks involved are repetitive and require simple precision, a reliable, easy-to-use technology can be valuable. However, as the same financial institutions discovered, when customers need to be seen, heard, understood, and responded to as a unique human being, a well-trained and caring personal banker has much greater value in driving both customer satisfaction and loyalty than an ATM does. Likewise, in the world of work, so many of the needs and services for which the employee turns to HR are emotionally complex and fraught. The most effectively constructed HR function will take account of this emotional complexity and devise ways for the employee to feel that each interaction with HR adds to their overall experience of being seen, heard, and understood as a whole human at work. This will not be easy or straightforward, but as these data show, each HR interaction can drive higher HRXPS, and thus improve the organization's Talent Brand.





8

Which Traditional HR Services Relate to Higher HRXPS?

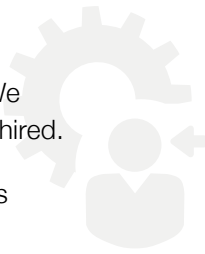
We asked about employee lifecycle experiences like onboarding, promotion, leave of absence, performance attention, and benefits. Of these, the three which showed the strongest relationship to HRXPS are:

1 Onboarding

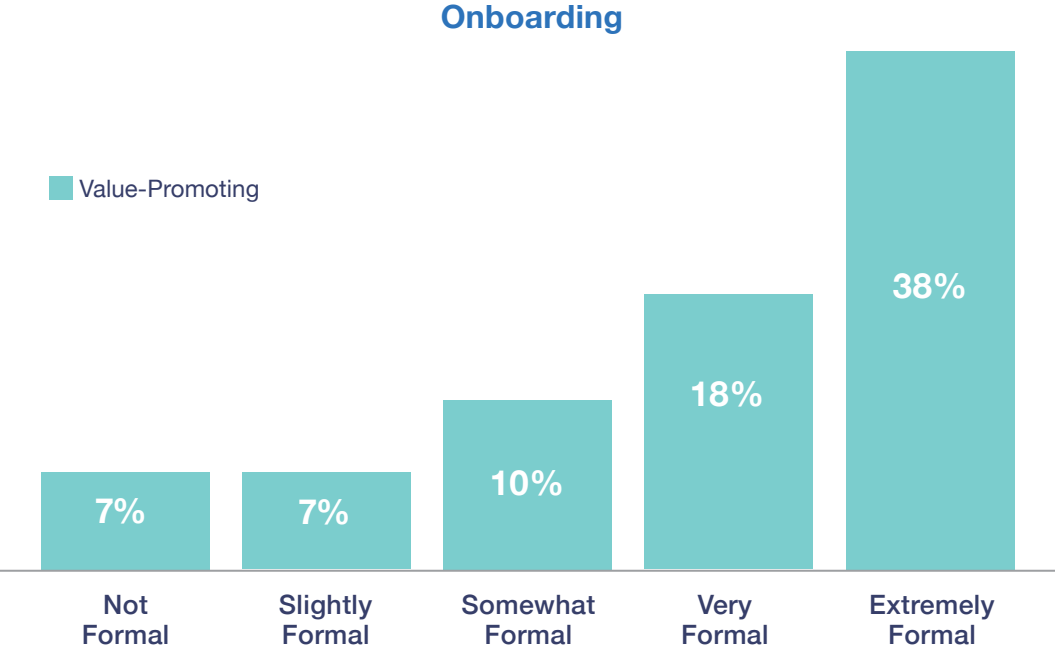
The first introduction to the brand of an organization is often through onboarding. We asked survey respondents to rate the formality of their onboarding when they were hired.

Employees that had a formal onboarding process are 8.5x more likely to view HR as Value-Promoting.

Employees that had a less formal onboarding process are 2.5x more likely to view HR as Value-Detracting.



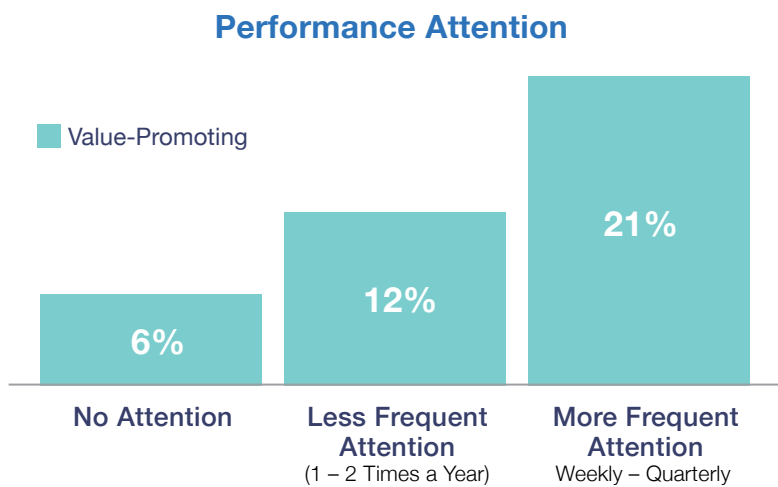
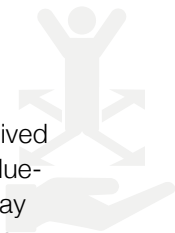
“How formal is your company’s process for onboarding hires?”



Employees that have a formal onboarding process are **8.5x more likely** to say HR is Value-Promoting than the Not Formal category.

2 Performance Attention

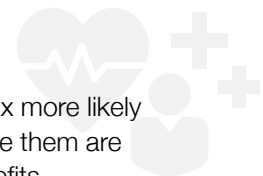
In a time when so many organizations are throwing out their performance appraisal systems, we find that respondents to our survey still crave attention. Those who received the most frequent attention on their performance are 4.4x more likely to say HR is Value-Promoting than those in the “No Attention” category. Even though the HR function may not be delivering that performance attention directly, if an employee is having weekly or quarterly conversations with someone, they still think much more positively of their HR service quality.



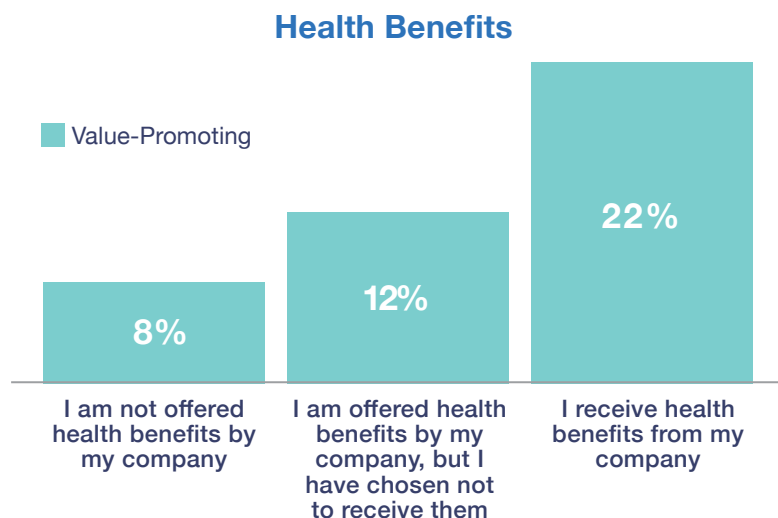
Those who receive the most frequent attention on their performance are **4.4X more likely** to say HR is Value-Promoting than those in the No Attention category.

3 Health Benefits

Respondents who were offered health benefits from their organizations were 1.6x more likely to be Value-Promoting. On top of that, those who receive health benefits and use them are 3.5x more likely to say HR is Value-Promoting than those not offered health benefits.



In the uncertain world of the current pandemic, health benefits make a clear difference in the opinions of the respondents on the value of HR.



Those who receive health benefits and use them are **3.5X more likely** to say HR is Value-Promoting than those not offered health benefits.



9

Conclusions

From this research, it is clear that the HR function can contribute significantly to an organization's overall Talent Brand. Providing an employee with an experience of HR that adds value to their experience at the company **can influence if they speak highly of the company to others**, their level of Engagement, their intent to leave, and their actual voluntary turnover. It's vital that organizations look to how their HR function can create genuine value in the heart and minds of each employee.

When examining how to achieve this, look carefully at the use of HR technology in the so-called "Self-Service" model. The role of technology should not be to replace HR, but instead to enable HR to create emotionally attentive and authentic experiences for the employee. Rather than continuing with the trend of nearly removing HR entirely from the employee experience, organizations should be encouraging frequent HR interactions; and design each HR interaction around fostering one or more of the five psychological experiences outlined in this report.

As much as possible, organizations should give each employee a named individual who can help them navigate the HR world. If some functions are being outsourced, they should still be delivered with the intent to create one or more of those five psychological experiences – and these vendors should be held accountable for their roles in ensuring this delivery.

And lastly, focus the HR function's efforts where they will see the most impact: through onboarding and performance management programs. An employee's first introduction to the company is through their onboarding process, and the data show that having a formal process in place will likely yield a higher rating of HR service quality. Likewise, frequent attention to an employee's performance (even when that attention is not being delivered by HR directly) will do the same.

At a time when HR has been changing drastically, **we hope the prescriptions outlined from this study offer organizations a path forward to higher Talent Brand promotion, employee Engagement, and HR service quality.**



10

Appendix

Technical Analysis of the Model

Level 1 = BN = Basic Needs

Level 2 = SS = Safety & Security

Level 3 = V = Valuing

Level 4 = G = Growth

Level 5 = T = Trust

1. Item reduction: BN = 7, 8, 23; SS = 1, 2, 3; V = 19, 32, 37; G = 20, 26, 34; T = 30, 31, 35. For each of the 5 levels, it is appropriate to calculate a simple mean or sum score. We recommend a mean to maintain consistency with #2 below and allow interpretation to be more consistent across types of scores that might be calculated.
2. Unidimensional structure / Overall score: Most interpretable if compute mean of weighted responses, where weights are tied to the 5 levels (BN items @ 0.722, SS items @ 0.778, V items @ 0.838, G items @ 0.865, T items @ 0.924). So, multiply each item by its appropriate weight, then average those weighted values.
3. Hierarchical structure: There are significant relationships between position within each level (using both deciles and quartiles). However, because the items and subscales are so strongly correlated, it is not actually possible to determine the direction of the relationship. It is just as likely that trust drives all the lower levels as it is that the 4 lower levels drive the trust level. We omitted the respondents who Strongly Agreed to every item and it did not change the strength of the relationships (which is too bad, we really needed them to be weaker to determine directionality). (Summary of correlations: Average response to items within each level = level average. Level averages correlate between $r = 0.71$ and $r = .83$. Item correlations range from $r = .45$ to $r = 0.79$.)

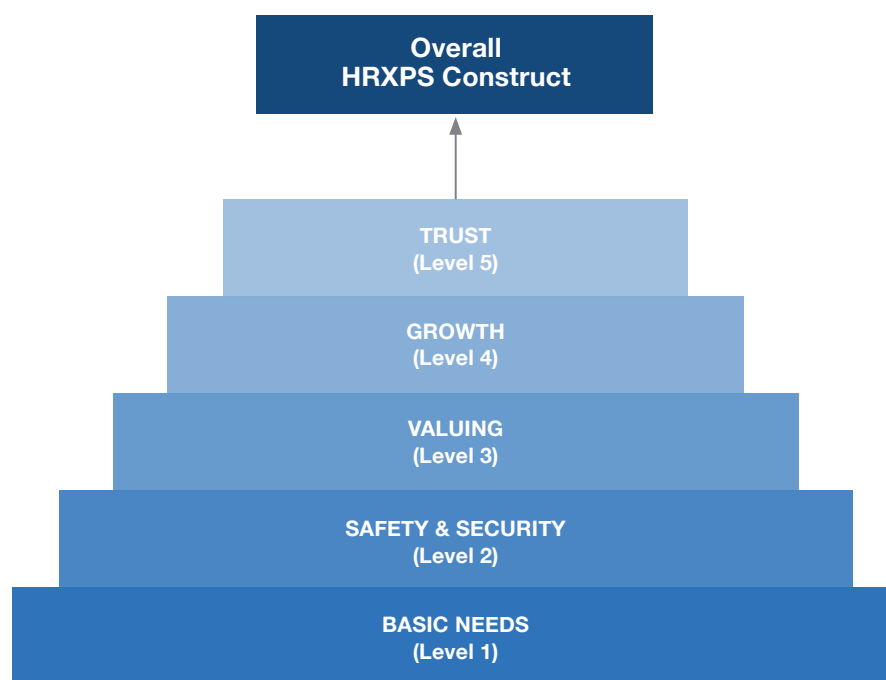
Things one can say about the relationship between the levels:

1. Users in the top quartile of Level 1 are 18.6 times more likely to be in the top quartile of Level 2.
2. Users in the top quartile of Level 2 are 18.9 times more likely to be in the top quartile of Level 3.
3. Users in the top quartile of Level 3 are 19.6 times more likely to be in the top quartile of Level 4.
4. Users in the top quartile of Level 4 are 28.5 times more likely to be in the top quartile of Level 5.
5. 35% of the sample are in the top quartile of Level 5. Of those, 70% are in the top quartile of Level 4. Of those, 88% are in the top quartile of Level 3. Of those, 88% are in the top quartile of Level 2. Of those, 93% are in the top quartile of Level 1.
6. 18% of the sample is in the top quartile of all 5 Levels.

Study 1

The primary measurement objective of Study 1 was to identify the measurement and structural models that best fit the data. A 37-item hierarchical 5-factor (5 levels) model was proposed a priori in which achieving a minimum level of “satisfaction” at each level of the model was necessary in order to achieve “satisfaction” at higher levels. For example, it was hypothesized that someone who did not reach a specific level of the first factor would be unable to achieve positive levels on subsequent factors. This model was rejected during empirical analysis of the data due to a lack of evidence for model fit, lack of evidence for hierarchical chain relationships, and general poor performance of some items.

**Figure 1. Hypothesized Hierarchy for the 5 HRXPS Model Factors
(Not Supported)**

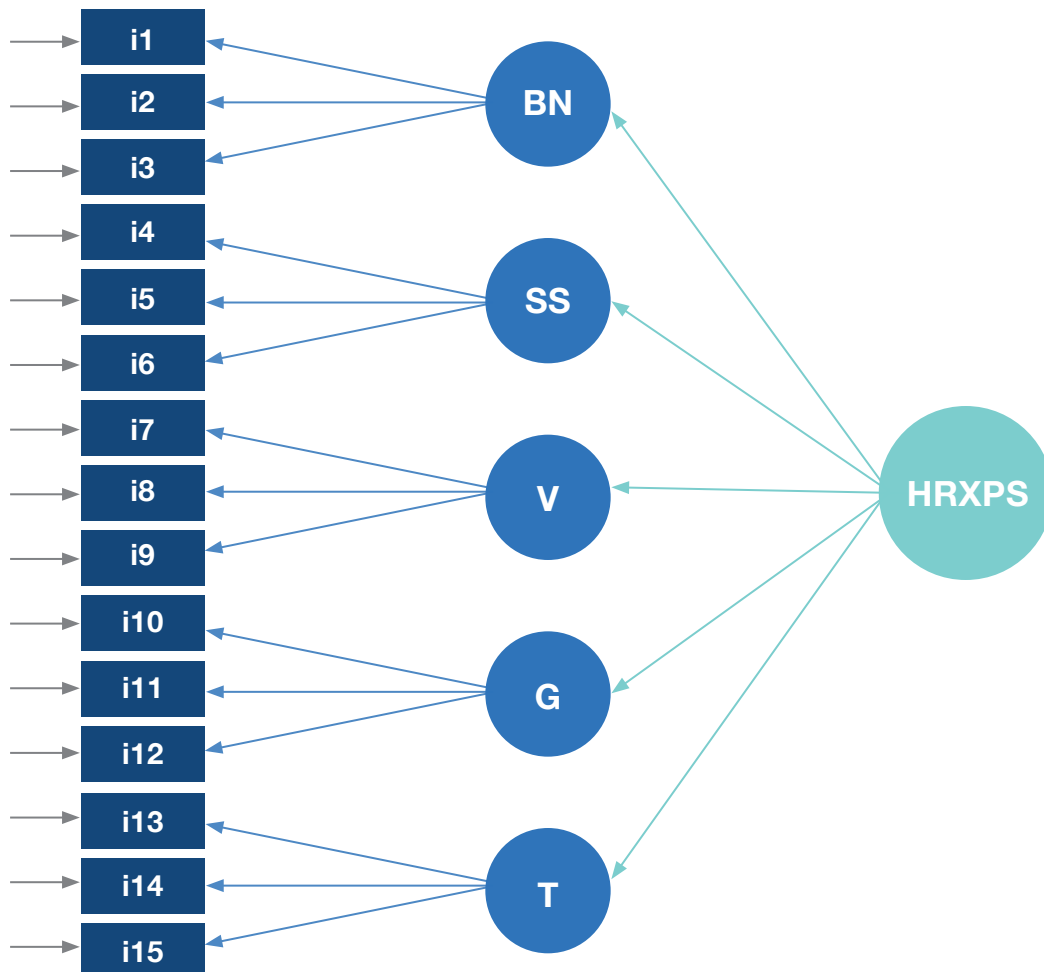


Using the data collected for Study 1 as the basis for calculating population parameters, R software for statistical analysis was used to generate a population of $N = 100,000$ from which 1,000 samples of $n = 10,000$ cases were randomly selected. These 1,000 simulated samples were used to explore and test alternative measurement and structural models for the instrument using a process guided by the findings at each stage. The role of theoretical relationships between items and the latent construct at the heart of each item written are just as important to developing a sound instrument as the statistical relationships found. Thus, the factors hypothesized a priori were a primary consideration in the process of identifying a good model for these data.

A 15-item 5-factor (non-hierarchical) model was identified, explored, developed, and tested using 43 of the 1,000 samples drawn from the simulated population. The remaining 957 samples were used to test the fit of the final model; acceptable model fit was found. The new model (referred to as the HRXPS model, as depicted in Figure 2) was then fit to the original sample of data collected for Study 1.

The measurement portion of the model – the relationships between each set of three items and their corresponding latent factor – were tested individually for each factor as well as together for the overall model. Model fit statistics met minimum criteria for indicating acceptable model fit or better (i.e., CFI ≥ 0.95 ; ≥ 0.95 ; RMSEA ≤ 0.05 , $p \geq 0.05$; SRMR ≤ 0.05). When the full measurement model was fit to the data concurrently with the structural portion of the model – the relationship of 5 unique factors as reflective indicators of a single latent construct – acceptable model fit was found (e.g., CFI = 0.98; TLI = 0.98; RMSEA = 0.04, $p > 0.05$; SRMR = 0.03).

Figure 2. HRXPS Model



Within each of the 5 factors that make up the overall HRXPS model, item sets were found to be congeneric (i.e., measuring a single unidimensional construct) and to meet the assumptions of indicators being essentially τ -equivalent and parallel. Satisfying these assumptions means it is appropriate to calculate a simple mean or sum score for each of the 5 factors; mean values were chosen because their consistency with the original response scale renders them more easily interpreted than summed scores. The overall score for the HRXPS construct – the score based on an aggregation of the 5 factor scores – is more nuanced and utilizes a weighted average of factor scores.

It is important to note that while a hierarchical model requiring “satisfaction” at each level in order to achieve “satisfaction” at higher levels was not supported by the data collected for Study 1, there are significant relationships between relative locations within each of the 5 factors. The items and subscales are significantly and positively correlated (i.e., average item correlations ranging from $r = 0.71$ to 0.83), rendering it impossible to determine the direction of the relationship. After filtering out cases that represent potential use of careless, acquiescence, or extreme positive / negative response patterns, strong relationships between the 5 factors were observed and can be summarized as follows:

1. Users in the top quartile of Level 1 are 18.6 times more likely to be in the top quartile of Level 2.
2. Users in the top quartile of Level 2 are 18.9 times more likely to be in the top quartile of Level 3.
3. Users in the top quartile of Level 3 are 19.6 times more likely to be in the top quartile of Level 4.
4. Users in the top quartile of Level 4 are 28.5 times more likely to be in the top quartile of Level 5.
5. 35% of the sample are in the top quartile of Level 5. Of those, 70% are in the top quartile of Level 4. Of those, 88% are in the top quartile of Level 3. Of those, 88% are in the top quartile of Level 2. Of those, 93% are in the top quartile of Level 1.

The converse of this finding illustrates the extent to which directionality cannot be determined, thus undermining the hypothesized hierarchical relationship: 35% of the sample are in the top quartile of Level 1. Of those, 78% are in the top quartile of Level 2. Of those, 83% are in the top quartile of Level 3. Of those, 75% are in the top quartile of Level 4. Of those, 92% are in the top quartile of Level 5.

6. 18% of the sample is in the top quartile of all 5 Levels.

Study 2

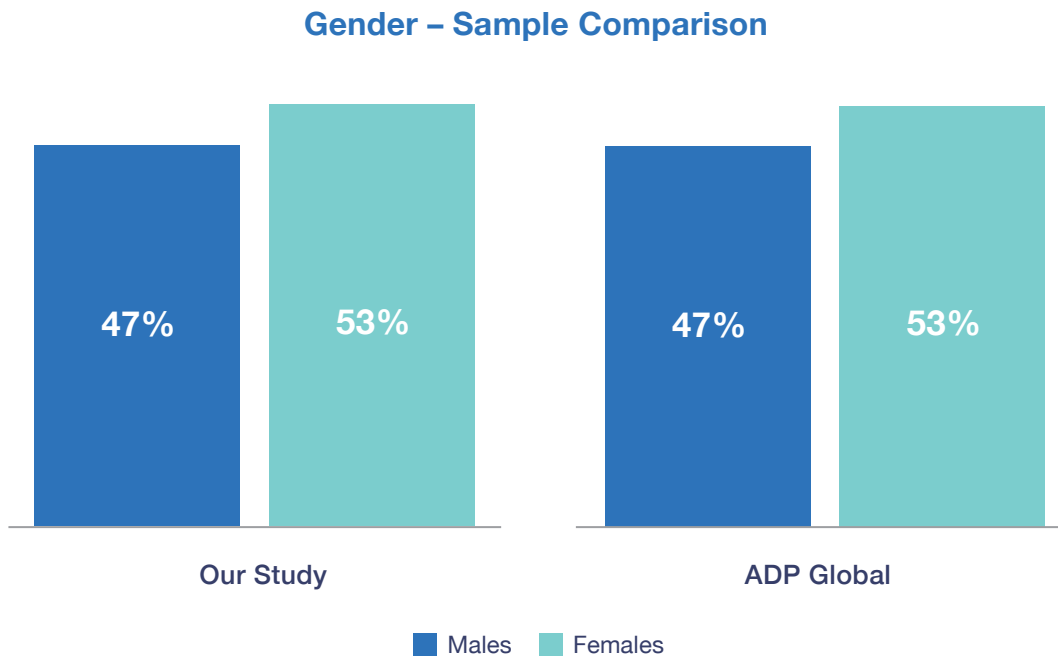
The primary objectives of Study 2 were to (1) further study and evaluate HRXPS within an intact organization with English-speaking respondents, and (2) evaluate the connection of other metrics measured within this organization to understand validity evidence.

The survey was launched internally to 3,093 participants and received 1,413 responses for a RR of 46%. Data from the recent Engagement Pulse launched in March of 2021 as well as personal-level demographics were connected to the response data from the HRXPS.

Sample Characteristics

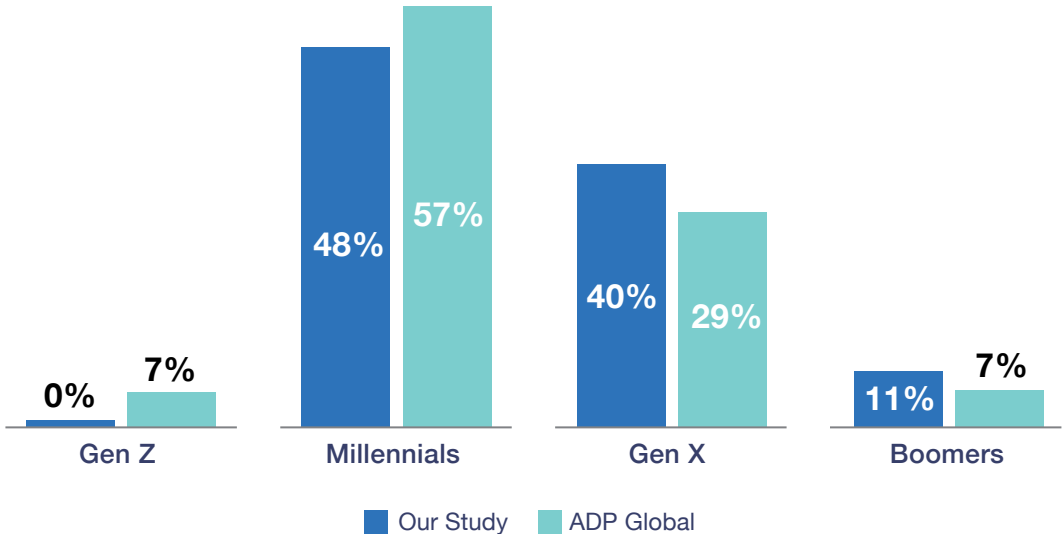
Sample characteristics were examined to understand if the sample chosen was similar to the overall population within ADP.

For gender, the ratio of males to females within our sample is like the overall population with ADP.



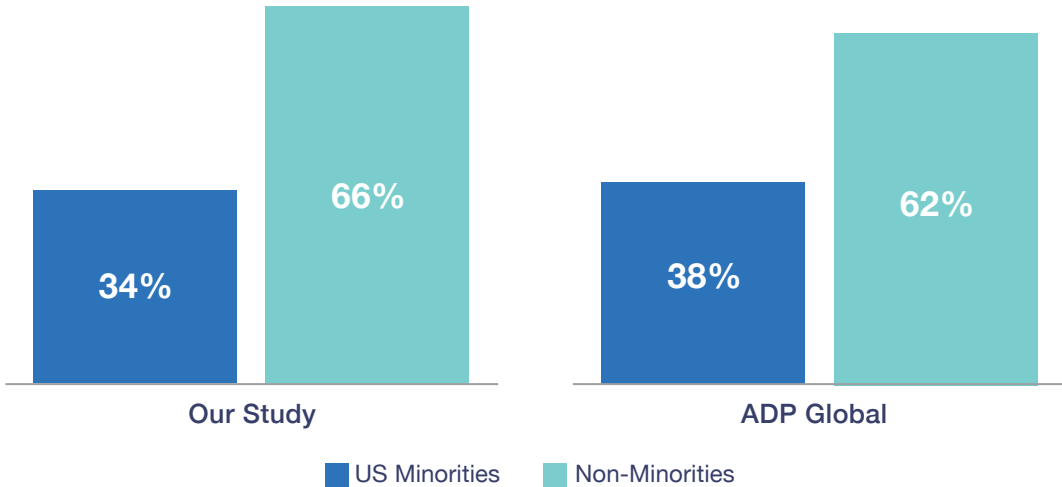
For age, there were some differences between the sample and the population. There were no respondents from the youngest population and a slight over sampling from the oldest generation. While differences exist, there was no cause for concern as a good representation from each of the middle two generations was achieved.

Age – Sample Comparison



The last sample comparison was race. There were no statistically significant differences between the sample and the overall population within ADP.

Race – Sample Comparison



Overall, the sample represents the larger population within ADP; and thus, generalization is possible.

Correlational Analysis

Analysis was completed to understand the connection between engagement and the HRXPS which yielded a moderately strong correlation of $r=.519$, $p<.000$. This analysis helps us understand that while HRXPS is connected to engagement, it is not redundant.

Turnover Analysis

Three months after fielding Study 2, data was obtained about voluntary terminations to understand the connection of HRXPS and turnover data.

Significant differences on the HRXPS total score existed between active employees and those who voluntarily termed within the three months after the survey was originally launched. In addition, voluntary terms were 2.2 times more likely to be detractors compared to active employees and were significantly less likely to be fully engaged. While we can never exactly know the cause for those who term, it appears that these employees are reporting different experiences with their team as well as the organization.

Findings from this study helped to inform the stability of the HRXPS instrument within an intact organization. After this study, it was determined that further analysis into the global characteristics of the HRXPS model were warranted.

Study 3

The two primary measurement objectives of Study 3 were to (1) further study and evaluate the HRXPS model within an additional United States sample, including the application of confirmatory factor modeling techniques; and (2) evaluate measurement invariance of the HRXPS model across samples collected from 25 countries around the world. The first objective was met with the discovery that the HRXPS model developed as part of Study 1 was a good fit to the Study 3 United States sample data: $CFI \geq 0.97$; ≥ 0.97 ; $RMSEA \leq 0.03$, $p \geq 0.05$; $SRMR \leq 0.03$.

Measurement invariance is a statistical property of measurement tools that indicates whether a tool is measuring the same construct across populations. Measurement invariance is important in the context of cross-national or cross-cultural research because when an instrument does not work in the same manner across different groups, it is not possible to make meaningful comparisons across groups, nor is it possible to interpret the results in the same manner for everyone. The process of evaluating an instrument's measurement invariance involves testing (in this sequence): configural model equivalence, metric equivalence, scalar equivalence, residual equivalence, and residual covariance equivalence. Each type of equivalence is progressively more difficult to achieve than the preceding equivalences, and each type of equivalence must be at least partially achieved in order to meaningfully test the next type of equivalence.

In this sequence of equivalencies, each represents a model that is more restrictive than the last. To evaluate measurement invariance, only the data for a single population are examined at a time and the results of each equivalency test are compared to the results of the previous equivalency test for that population, as well as to the same equivalency test applied to a reference group. Comparing each population to itself as the models become more restrictive allows us to evaluate general model fit. The direct comparison of each population to a reference group allows us to determine whether an instrument has the same equivalencies across populations. For this project, the United States sample was used as the reference group against which the samples from all other countries were compared.

Configural Model Equivalence

Configural model equivalence is the idea that the same general structure is appropriate for each population. In the context of this instrument, we were testing for a 5-factor model that includes 3 items per factor and (preferably) no cross-loadings. The existence of cross-loadings was not set a priori as a criterion for determining failure to demonstrate this level of model equivalence. Of the 24 countries compared to the United States sample, those from China, France, India, Russia, Saudi Arabia, Singapore, Sweden, and United Arab Emirates failed to demonstrate acceptable configural model equivalence. In fact, for these 8 countries, the HRXPS model was not able to converge to a solution. The samples from the remaining 16 countries (Argentina, Australia, Brazil, Canada, Egypt, Germany, Israel, Italy, Japan, Mexico, Netherlands, South Africa, South Korea, Spain, Taiwan, United Kingdom) were evaluated for metric equivalence.

Metric Equivalence

Metric equivalence is the idea that the same items relate to the latent constructs in the same way. In the context of this instrument, that means that the 3 items related to Basic Needs should have approximately equal factor loadings across each population, the 3 items related to Safety and Security should have approximately equal factor loadings across each population, etc. It is important to note that it is not necessary for factor loadings to be identical across populations, it only matters that they are not significantly different from the comparison group. Of the 16 countries compared to the United States sample, the sample from Egypt failed to demonstrate acceptable metric equivalence. The samples from the remaining 15 countries (Argentina, Australia, Brazil, Canada, Germany, Israel, Italy, Japan, Mexico, Netherlands, South Africa, South Korea, Spain, Taiwan, United Kingdom) were evaluated for scalar equivalence.

Scalar Equivalence

Scalar equivalence is the idea that both the meaning of the underlying latent construct as well as its mean level are approximately equal across populations. Unlike the previous levels of equivalence tested, acceptable evaluation practices for scalar equivalence allow for its assumptions to be only partially met. That is, we can assume scalar equivalence for a group if nearly all items are similar in factor loadings and intercepts across populations even when a few indicators fail to meet this expectation. Scalar equivalence is of particular importance to cross-national research because this is the level of equivalence that must be met in order for group means to be compared across populations. Of the 15 countries compared to the United States sample in this step, only Argentina failed to meet the expectations of this level of equivalence; the remaining samples were found to have at least partial scalar equivalence and were evaluated for residual equivalence.

Residual Equivalence

Samples are said to have residual equivalence when the amount of error variance observed for the items is approximately equal across populations. When this level of equivalence is not observed, it is an indication that reliability estimates are not scaled equally across groups and therefore cannot be compared. This is because when estimated values are not scaled equally, there is not a constant definition for any value. For example, earning a score of 80 on an exam where scores can range 0 – 80 is different from earning a score of 80 on an exam where scores can range 0 – 100. Though it may be possible to make comparisons across samples from populations where this strict level of equivalence is not met, this should only be done with extreme caution. Of the 14 countries compared to the United States sample, the samples from Italy, Japan, Mexico, South Africa, and Taiwan failed to demonstrate acceptable residual equivalence. The samples from the remaining 9 countries were evaluated for residual covariance equivalence.

Residual Covariance Equivalence

Residual covariance equivalence is the idea that the inter-item covariances in one population are approximately equal to the same inter-item covariances in another population. Like residual equivalence, this level of invariance is important for us to have confidence that values, changes in values, and deviations from set values can be compared across populations. The samples from the remaining 9 countries (Australia, Brazil, Canada, Germany, Israel, Netherlands, South Korea, Spain, United Kingdom) were found to have residual covariance equivalence when compared to the United States sample.

Summary of Results

Taken together, this process of examining measurement equivalence for samples from 24 countries with reference to the United States sample yielded three important findings:

- 1.** Meaningful comparisons of the HRXPS model across countries are possible for the samples from Australia, Brazil, Canada, Germany, Israel, Netherlands, South Korea, Spain, United Kingdom, and United States.
- 2.** Comparisons of the HRXPS model between the countries listed above and the samples from Italy, Japan, Mexico, South Africa, and Taiwan can be made but should be done so only with caution as we cannot compare reliability estimates across these samples and we know scores for these populations are on a different scale.
- 3.** The HRXPS model is not appropriate for use with samples from Argentina, China, Egypt, France, India, Russia, Saudi Arabia, Singapore, Sweden, and United Arab Emirates.

Best practices in measurement invariance and model comparison methodology were used throughout the process of evaluating the HRXPS model against the data collected as part of Study 3. This allowed us to identify the extent to which the model fit the data from each country as well as the extent to which it is possible to compare the results across countries. This process does not, however, shed light on why the HRXPS model is not appropriate for all samples / populations. One explanation may be that the translations of these items – even after careful forward and backward approaches were used – are not tapping into the concepts targeted by the original English language version (used for the Australia, Canada, United Kingdom, and United States samples). Additional investigation is necessary to better understand the nuances of when and how HR functions in other countries so that items may be thoughtfully evaluated within the cultural context of the individuals who provide data. To have a single instrument that can be used globally, it is necessary to make minor changes to items or use alternative items for some target populations.



Study 4

The primary objective of Study 4 was to test the HRXPS model developed in Study 1 with a global sample of employees from in-tact teams within a large organization. In total, $n = 1,353$ employees responded to the HRXPS instrument.

Measurement Model Evaluation

This sample included respondents identified as working in more than a dozen countries (i.e., Brazil, China, France, Germany, India, Italy, Netherlands, Poland, Spain, Tunisia, United States, etc.). The HRXPS model was found to be a poor fit for these data, with no model fit indices approaching acceptable levels. This is not surprising, given the results of Study 3 from which evidence of the HRXPS model was only obtained for samples from Australia, Brazil, Canada, Germany, Israel, Netherlands, South Korea, Spain, United Kingdom, and United States.

Given the small number of participants from each country in the Study 4 sample (largest $n = 248$), it was not possible to separate the data and test the HRXPS model against the sample for each country. The total number of respondents from Study 4 who belonged to samples specific to countries for which there is prior evidence of model fit is $n = 654$, with only $n = 410$ reporting having interacted with their company's HR department in the previous 12 months. Thus, it was determined that this smaller sample was of insufficient size for the purposes of fitting the complex five-factor HRXPS model.

Further investigation is needed with a larger sample from a global organization to estimate the model fit for the HRXPS.



Items Tested

To build the model, we tested 38 items to understand the different relationships between these items and the Talent Brand recommendation question.

1. I can count on HR to help resolve workplace issues.
2. I am confident that my HR will properly handle unethical behavior.
3. I believe I can report an incident to HR without retribution.
4. I feel worker safety is valued by HR.
5. I am confident that harassment of any kind is taken very seriously by my HR.
6. The self-service tools provided by my HR (e.g., HR website, call centers, employee manual, etc.) make my life easier.
7. My HR helps me understand what I am legally entitled to, such as workplace protections and benefits.
8. The communication I receive from HR is always easy to understand.
9. Annual health and voluntary benefits enrollment is seamless.
10. The health and other benefits packages I receive show that the company values me.
11. My benefits package covers my (and my family's) needs.
12. I believe my pay is competitive to similar jobs outside my company.
13. I believe I am paid fairly compared to others with similar jobs within my company.
14. My paycheck is always right.
15. I understand how my job performance is connected to my pay.
16. I believe my HR intently listens to employee concerns.
17. My HR regularly communicates with employees about any changes that directly affect us.
18. I never doubt the accuracy of the information shared by HR.
19. I believe HR follows through on promises made to employees.
20. My HR provides excellent guidance on how I can advance in my job.
21. HR provides development opportunities to improve as a manager.
22. Performance reviews are a fair assessment of the work I do.
23. My HR provides me with the resources needed to do my job.
24. My HR helps me do my job by solving critical staffing needs.
25. My company offers training opportunities to improve myself.
26. My company offers strong incentives that encourage me to improve my performance.
27. I feel supported by HR to be the best manager I can be.
28. I believe what I do contributes to my company's success.
29. I feel my HR goes above and beyond to ensure a safe and secure work environment.
30. I completely trust my HR.
31. I feel that HR really cares about me.
32. I strongly believe that HR does the right things for me.
33. I know who to talk to in HR when I need help.
34. I am encouraged by HR to seek ways to improve within my job.
35. I feel empowered by HR to help the company succeed.
36. The job I was hired for is exactly what I expected it to be.
37. I felt a sense of belonging to the company when I first started.
38. The organizational structure of my company makes complete sense.

Model Stability Across Countries

The third study was deployed to 25,000 working adults across 25 countries. Following the best research methodology for surveys in multiple languages, items were forward translated into the 17 target languages and then back translated to English. The second step is the most critical when doing research like this because it helps us to determine if the meaning of the items is maintained in the various translations.

25 Countries (2021)

North America



United States



Canada



China



Singapore



India



Australia



Japan

APAC

EMEA



Germany



United Kingdom



Netherlands



Italy



Spain



France



Russia



Sweden

Middle East/Africa



Saudi Arabia



Egypt



United Arab Emirates



South Africa



Israel

Latin America



Argentina



Mexico



Brazil

The sample was collected in May of 2021. The HRXPS construct model was analyzed to determine if there was measurement invariance across the 25 countries. Measurement invariance is a statistical property of measurement that helps us understand if the same construct is being measured across specific groups. This is important because to understand and compare the findings globally it is necessary to be measuring the same thing. The findings were varied.

Measurement Invariance Summary for HRXPS instrument based on 2021 Global Study

1. Meaningful comparisons across countries are possible for Australia, Brazil, Canada, Germany, Israel, Netherlands, South Korea, Spain, United Kingdom, United States.
2. The following countries can be compared with the list above, but should be done with extreme caution: Italy, Japan, Mexico, South Africa, Taiwan.
3. Data from the following countries should not be reported: Argentina, China, Egypt, France, India, Russia, Saudi Arabia, Singapore, Sweden, United Arab Emirates.



It is unclear at this time as to why the model does not have measurement invariance in the countries contained in point three. More investigations are needed to understand how HR works in these countries to determine similarities as well as differences. One hypothesis could be that the translations, even after careful forward and back translations, do not measure the same construct. Three of the countries where the model does not work were fielded in the Arabic language (i.e., Egypt, Saudi Arabia and United Arab Emirates). So, it is possible that the problem stems from a translation issue for these three countries. Without more testing caution should be used when using the model with respondents from these countries.

Another possible hypothesis could be that while we understand the role of HR within some countries, it is possible that HR as a profession does not function the same outside of the United States.

A Monte Carlo approach was used to iterate and find the set of values for all countries where comparisons were possible. After completion of this procedure a weighted score was derived from the 15 items and adjusted scores were created to allow for comparisons across the 15 countries that met the criteria for measurement invariance. All analysis moving forward in this technical report is derived from the fifteen countries where the HRXPS model has no measurement invariance.

Qualitative Reactions of HR Service Professionals to the HRXPS Model and Metric

“You give me what I NEED”

The following two items resonated strongly with the HR professionals we interviewed.

1. *My HR helps me understand what I am legally entitled to, such as workplace protections and benefits.*
2. *The communication I receive from HR is always easy to understand.*

HR Service Professionals agreed that information surrounding benefits sits squarely on the shoulders of the HR department. A lack of clarity around benefits and other communications was considered detrimental not only to the employee and to HR, but also to the organization, as it led to wasted time and redundant work. HR professionals identified internal company websites which were not user friendly, not up-to-date, or not widely adopted as barriers to clarity and clear communication, especially around benefits.

Some HR professionals took issue with the third statement:

3. *My HR provides me with the resources needed to do my job, specifically related to the resources needed to do one's job.*

Many felt that this responsibility belonged with the manager or employer, and was not totally within the control of HR. Industry and related job characteristics may drive differing opinions on this dimension.

Regardless of the extent to which they felt this was in their purview, HR professionals agreed that fulfilling employees' basic needs promoted productivity, by removing possible distractions, reducing time lost to searching for information, and promoting employee happiness.

HR Perspective:

*"It's frustrating when employees have issues about benefits or questions about things that are related to HR and they can't get answers. A lot of times, they'll be at work thinking about those things. **HR should be there partially to allow people to not have to worry about things like benefits and communications and policies so that they can do their jobs.**"*

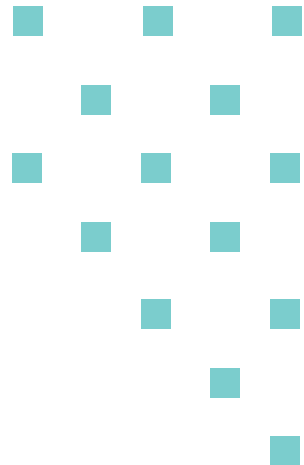
– 300 Employees, Parking Services

*"We're trying to help them in any way possible especially with the resources, with all the working from home. I really like this one a lot. **This shows the employees that we're trying to be there for them in any way possible.**"*

– 540 Employees, Construction

*"...they need short, concise, to the point, all the information, give it to them. With the benefits, that's what I try to do. **Because if it's not clear, ...It's a waste of their time. It can be a huge amount of waste of my time. Communication from HR's imperative. It's got to be clear.**"*

– 35 Employees, Software Development



“You make me feel SAFE”

The items which measure this aspect of the employee experience are:

4. *I can count on HR to help resolve workplace issues.*
5. *I am confident that my HR will properly handle unethical behavior.*
6. *I believe I can report an incident to HR without retribution.*

HR professionals unanimously agreed that the ability to communicate concerns without retribution and with confidentiality was foundational. “This is what HR is” one told us. Importantly however, they noted potential obstacles to delivering on this, first, that they could not always ensure confidentiality for all concerns or issues; and second, that it was not always possible to stop retribution or know for sure that it was occurring.

One cited a specific example of an employee complaint about a manager which could not be kept anonymous. The manager then spent an inordinate amount of time examining the complaining employee’s time sheets, which HR interpreted as an act of retribution because they knew the manager was doing this exclusively for this one employee, and felt this highlighted that there could be other instances of retribution which HR would not have knowledge of.

Though HR believed this is a dimension they own, they felt they could not deliver without buy-in from senior leaders and management.

HR Perspective:

“All the time, people say, “Can I talk to you confidentially?” and I tell them, “You can’t. If you say something to me and I’m required to take action on it, if we’re on notice as an organization. You can tell me it’s confidential all you want, I still may need to take action on it.” I’m very transparent with people and I think that does build trust. Again, it may not be what they want to hear. I’m usually very open and honest about what I need to do, what I can do, what’s out of my control.”

– 31 Employees, Technical Services

“You understand and VALUE me”

The items identified to measure this aspect are:

- 7. *I believe HR follows through on promises made to employees.***
- 8. *I strongly believe that HR does the right things for me***
- 9. *I felt a sense of belonging to the company when I first started.***

The HR professionals we spoke to felt conflicted about this theme. Most identified strongly with the concept of “being in the employee’s corner” and doing what is right, and for some, this is exactly why they wanted to enter the profession. HR professionals noted that in some situations, their duties to protect the employer, keep the employer in compliance, and do what is right for the employee might conflict. Some felt strongly that HR should never make any promises to an employee, for fear that even when well-intended, business situations might force a change or prevent execution.

Many HR professionals noted that employees often make requests or ask questions which are valid and important, but that HR cannot provide an explanation for confidentiality reasons. One professional provided an example of being contacted by current employees about what was perceived to be the unfair termination of another worker. What HR could not share with the concerned employees was that the worker in question had been terminated due to a failed drug test, and the issue went unresolved in the eyes of these employees. Other HR professionals reported being unable to fully address or justify complaints about benefits and company policies which are not decided by HR but by the CEO or other leadership.

HR Perspective:

“If you have an issue and you don’t feel like you have a path to resolve it, then you have no choice but to leave. Right? To me, this really boxes you in a corner, if you don’t feel like you have a path to resolve issues.”

– 55,000 Employees, Financial Services

“If they feel that there’s going to be retribution, they’re not going to want to talk to anybody. That can make it an unsafe as well as a hostile work environment.”

– 25,000 Employees, Communications

“You want me to Grow”

The three items which measure this aspect of the experience are:

10. *My HR provides excellent guidance on how I can advance in my job.*
11. *My company offers strong incentives that encourage me to improve my performance.*
12. *I am encouraged by HR to seek ways to improve within my job.*

HR professionals generally did not see growth as central to their roles. One area where they felt HR could contribute was to publish promotion guidelines or align job descriptions for clarity. The general consensus was that responsibility for growth and advancement belonged with leadership, managers, and the employees. Those at companies with flat hierarchies or otherwise limited opportunities for advancement felt this was not relevant to their organization. Interestingly, they generally did not, unprompted, consider opportunities to grow that did not include promotions.

HR Perspective:

*“I think there’s very few people who want to do the same thing that they’re doing for their entire career at an organization, and I think sometimes people feel it’s easier to go outside the organization to grow than to grow within the organization. **I think being transparent about career paths and promotion and what it takes to get to the next level is really important.** Because sometimes, they can find that easier about other organizations by looking at job descriptions and exploring outside opportunities than growing within the organization.”*

– 55,000 Employees, Financial Services

“I TRUST you”

The final summary aspect of the employee experience is deep trust felt by the employee for the HR function. This deep trust flows both ways: the employee feels like they can completely trust their HR function, and they feel like the HR function completely trusts them. The three items which measure this aspect are:

- 13. *I feel that HR really cares about me.*
- 14. *I feel empowered by HR to help the company succeed.*
- 15. *I completely trust my HR.*

HR professionals struggled to get on board with the importance of this concept as it relates to HR. Though a supportive environment was generally agreed to be a basic need for employees, the HR professionals objected to our findings on two levels: first, it felt unprofessional and somewhat infantilizing of employees; and second, a caring and supportive environment does not necessarily empower employees. The HR professionals worried that putting the onus on HR would make employees unaccountable for their own work successes. They also expressed that in the business environment, they did not see room for what they considered “too soft and nice”.

HR Perspective:

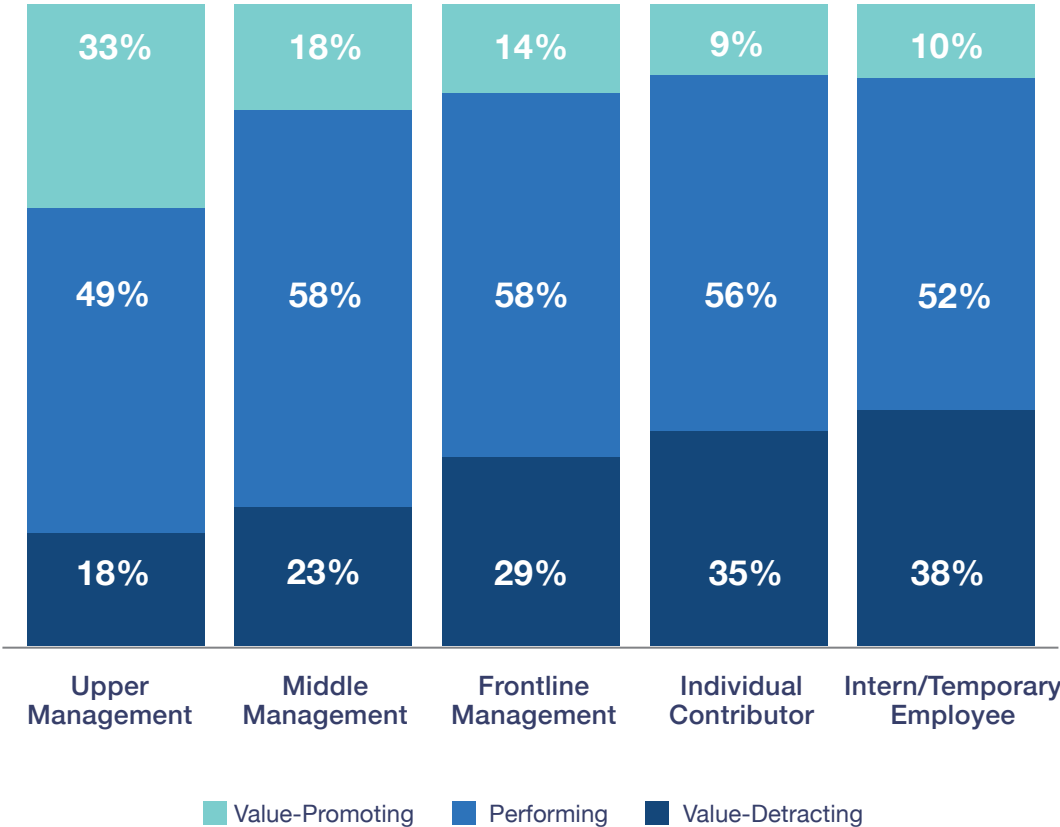
*“I want to be respectful of our role but **I’m not there to treat our employees like children.** Again, the business has a mission, has a goal, has statements, has ideas. That’s what we’re there for.”*

– 2,500 Employees, Retail

The Relationship Between Level and HRXPS

When we look at level, we do see a difference in how HR is viewed. Upper management is much more likely to view HR as Value-Promoting, as opposed to temporary employees or individual contributors. However, upon closer analysis, it is clear that this pattern of relationships is caused less by level than by frequency of interaction with HR – and simply due to fact that – the higher up in an organization an employee goes, the more frequently this employee interacts with HR for themselves, their team, and their team of teams.

More Frequent Use by Management Influences HRXPS





About ADP

Powerful technology plus a human touch. Companies of all types and sizes around the world rely on ADP's cloud software and expert insights to help unlock the potential of their people. HR. Talent. Benefits. Payroll. Compliance. Working together to build a better workforce. For more information, visit [ADP.com](https://www.adp.com).

About the ADP Research Institute®

The mission of the ADP Research Institute is to generate data-driven discoveries about the world of work and derive reliable economic indicators from these insights. We offer these findings to the world as our unique contribution to making the world of work better and more productive, and to bring greater awareness to the economy at large. [ADPRI.org](https://www.adpri.org)