The HRXPS Model & Key Findings

Executive Summary

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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.**

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 across 25 countries 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 (HR XPerience Score)

2. **Build** a metric to measure these experiences

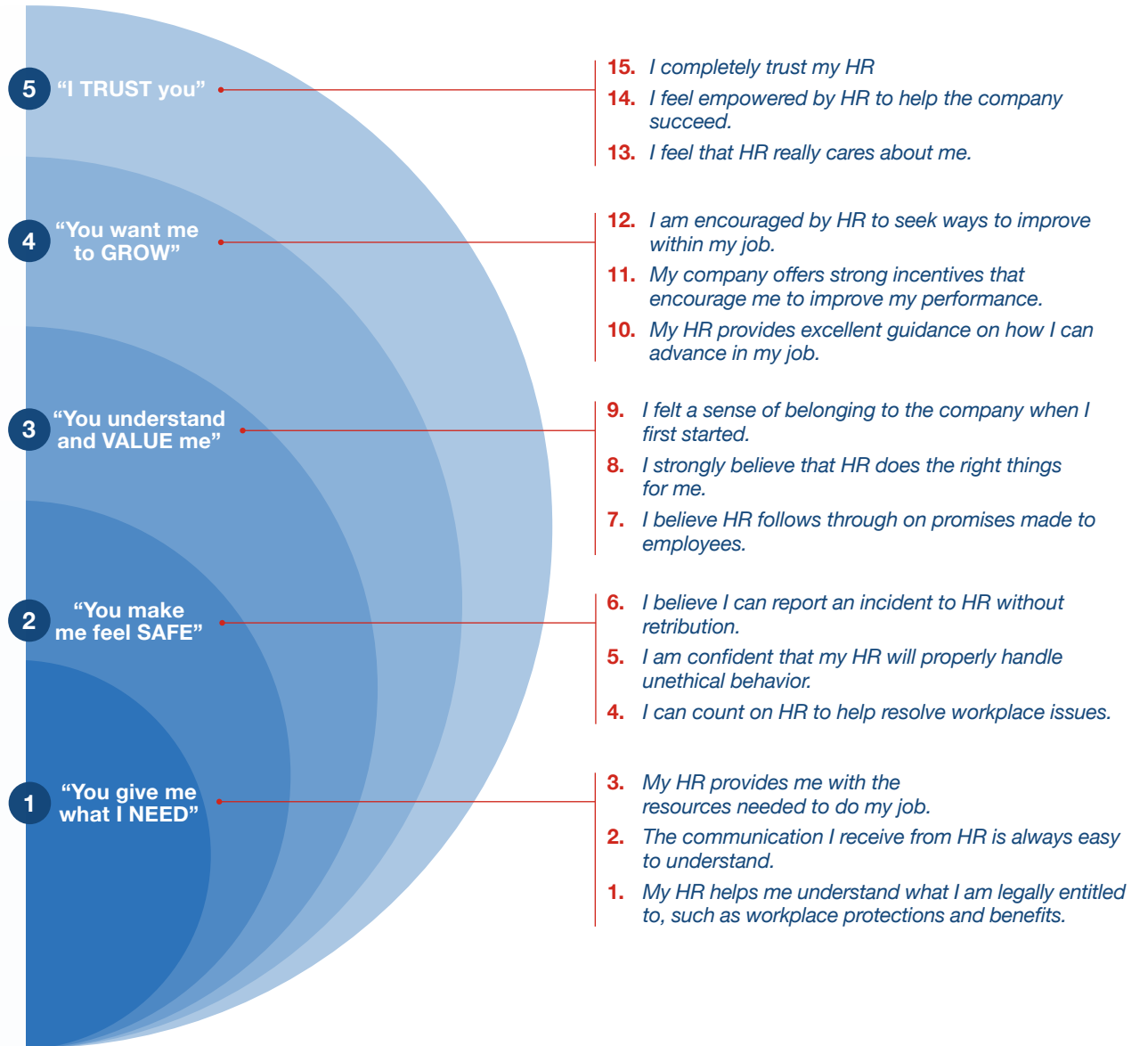3. **Identify** both the causes and effects of higher HRXPS

The HRXPS Construct Model

(HR XPerience Score)

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.

5 — "I TRUST you"

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

4 — "You want me to GROW"

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

3 — "You understand and VALUE me"

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

2 — "You make me feel SAFE"

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

1 — "You give me what I NEED"

3. *My HR provides me with the resources needed to do my job.*
2. *The communication I receive from HR is always easy to understand.*
1. *My HR helps me understand what I am legally entitled to, such as workplace protections and benefits.*

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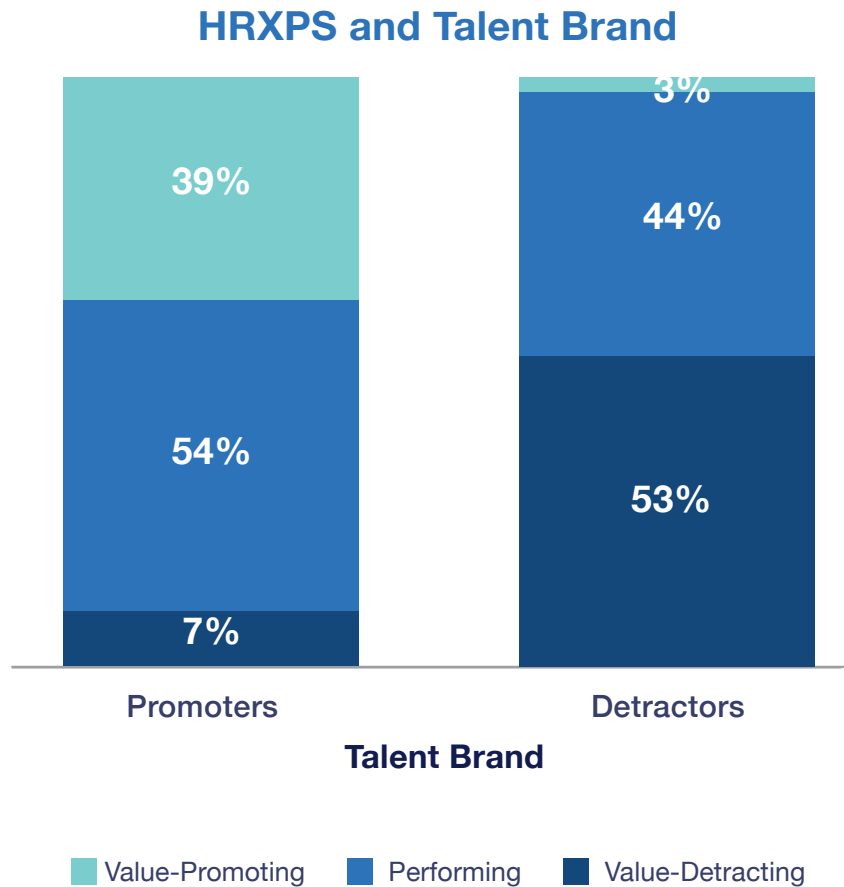Employees who view the HR function as detracting from the value of their employee experience.

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

What Real-World Actions and Behaviors Does the HRXPS Relate to?
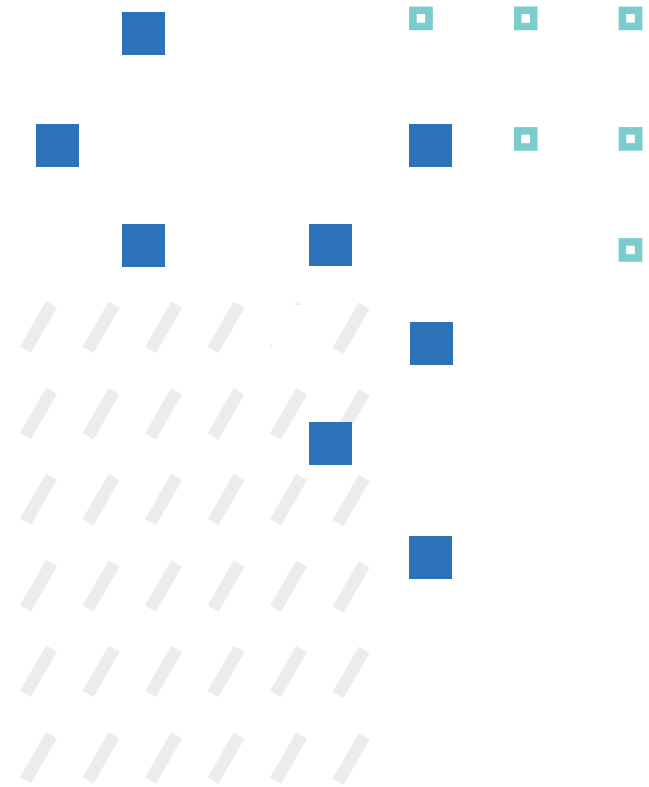
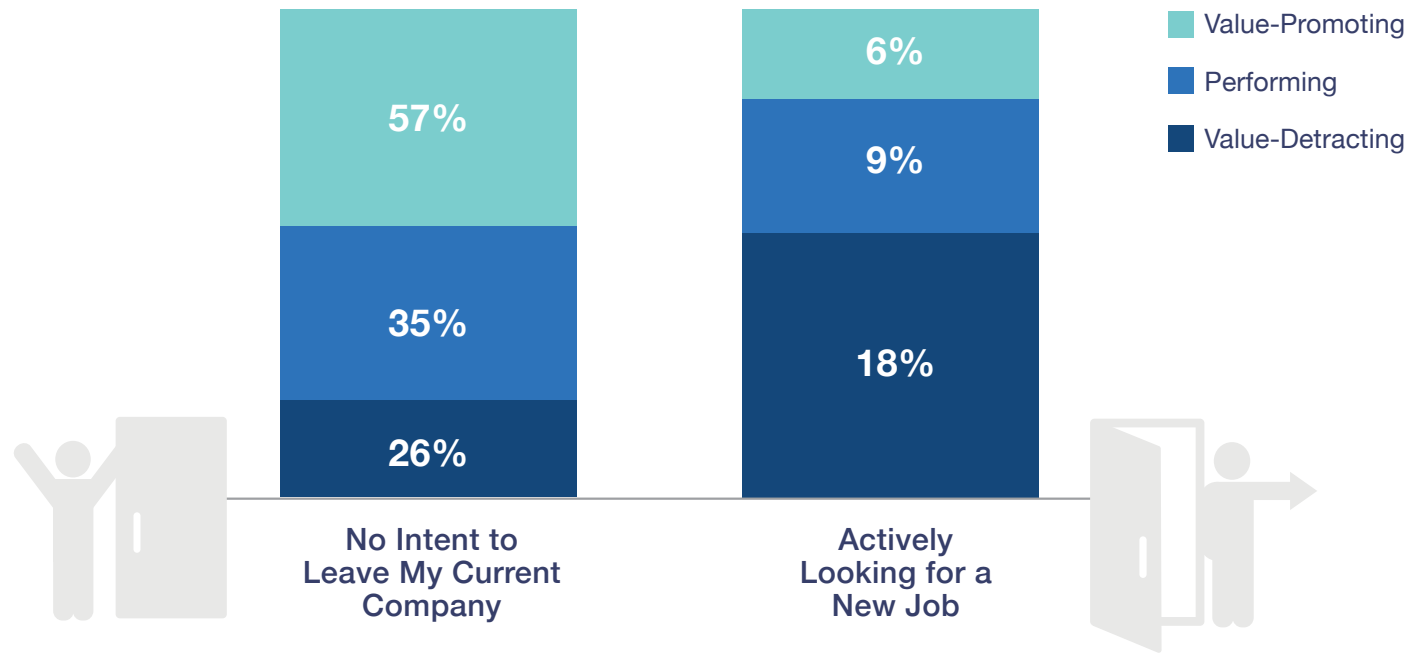# 1 Likelihood to Promote the Organization's Talent Brand

HRXPS and Talent Brand

If you are a Talent Brand Promoter, you are **8x more likely** to think HR is Value-Promoting.

Promoters: Value-Promoting 39%, Performing 54%, Value-Detracting 7%

Detractors: Value-Promoting 3%, Performing 44%, Value-Detracting 53%

Talent Brand

Legend: ■ Value-Promoting ■ Performing ■ Value-Detracting

② Intent to Leave and Active Job Search

HRXPS Drives Intent to Leave

No Intent to Leave My Current Company
- 57% Value-Promoting
- 35% Performing
- 26% Value-Detracting

Actively Looking for a New Job
- 6% Value-Promoting
- 9% Performing
- 18% Value-Detracting

Legend:
- Value-Promoting
- Performing
- Value-Detracting

If you think HR is Value-Promoting, you are **3.7x more likely** to have no intent to leave compared to Value-Detracting.

If you think HR is Value-Detracting, you are **3.4x more likely** to be actively searching for a new job compared to Value-Promoting.
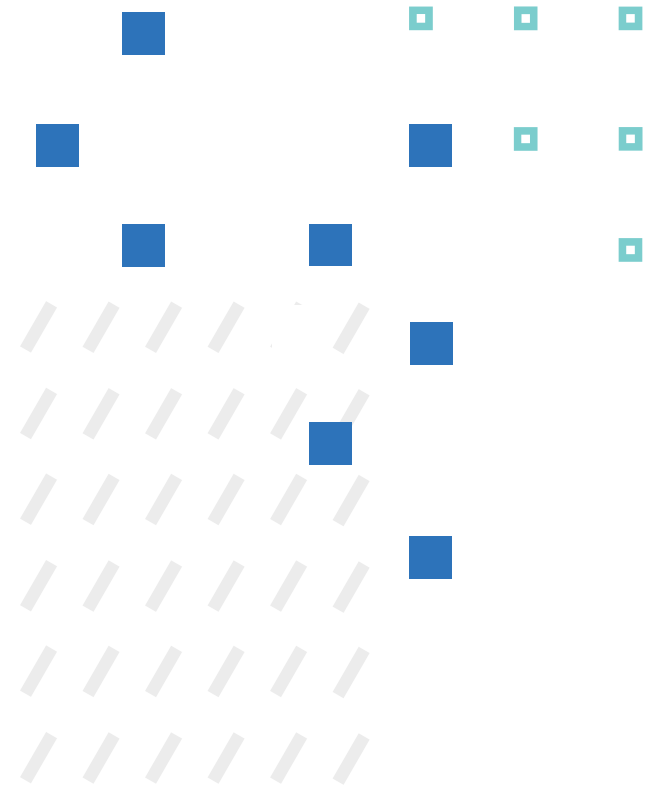
3 Active Voluntary Terminations
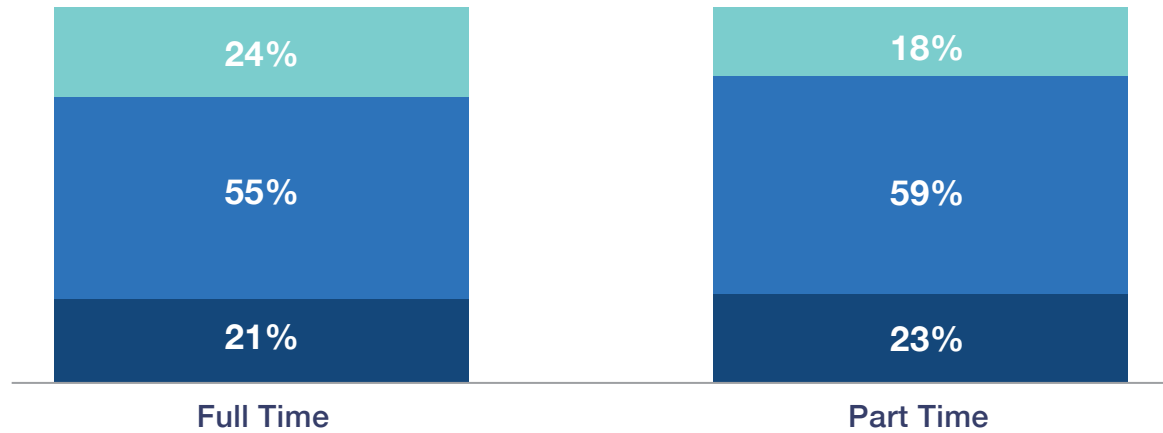
Low HRXPS Drives Actual Voluntary Termination

Active Employees	Voluntary Terminations
24%	18%
57%	55%
19%	27%
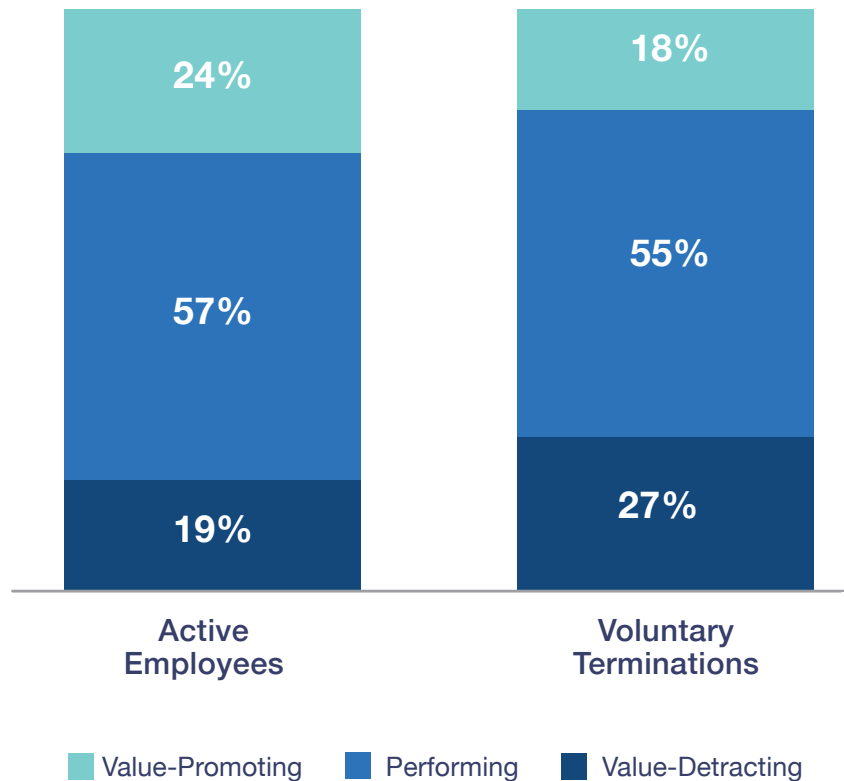
Voluntary terminations are **1.6x more likely** to see HR as Value-Detracting three months prior to leaving compared to those who stay.

Legend: ■ Value-Promoting ■ Performing ■ Value-Detracting

Which Characteristics *Do Not* Relate to HRXPS?

① Employment Status

Full Time
- 24% Value-Promoting
- 55% Performing
- 21% Value-Detracting

Part Time
- 18% Value-Promoting
- 59% Performing
- 23% Value-Detracting

Legend:
- Value-Promoting
- Performing
- Value-Detracting

② Age and Gender

Gender

Male
- 16%
- 56%
- 28%

Female
- 14%
- 55%
- 31%

Age

Under 40
- 17%
- 56%
- 27%

Over 40
- 13%
- 55%
- 32%

3 Level of Education

	High School Diploma	Some College	2-Year Degree	4-Year Degree	Professional or Advanced Degree
Value-Promoting	13%	13%	14%	15%	20%
Performing	55%	54%	55%	58%	54%
Value-Detracting	32%	34%	31%	27%	26%
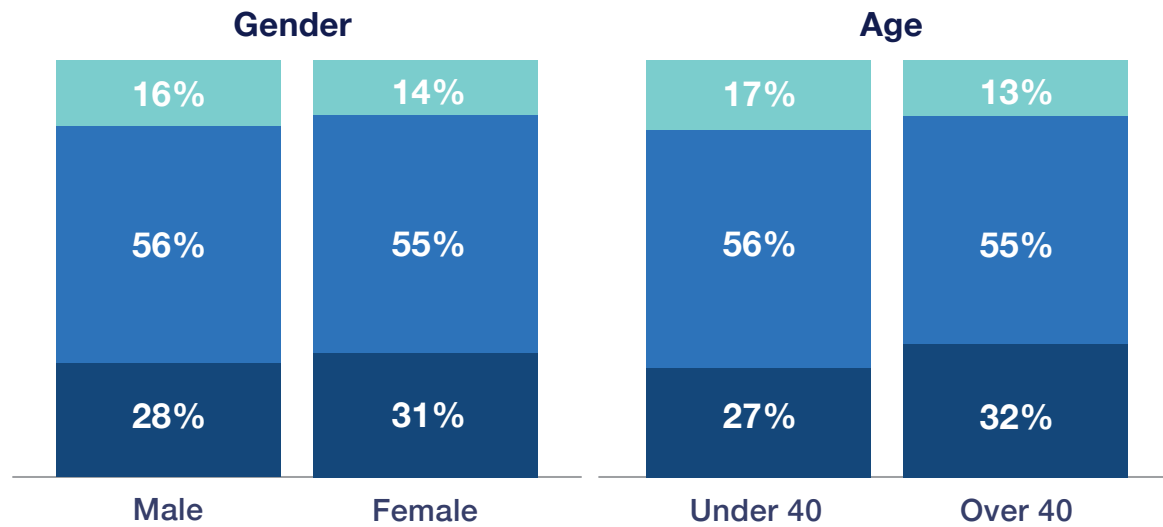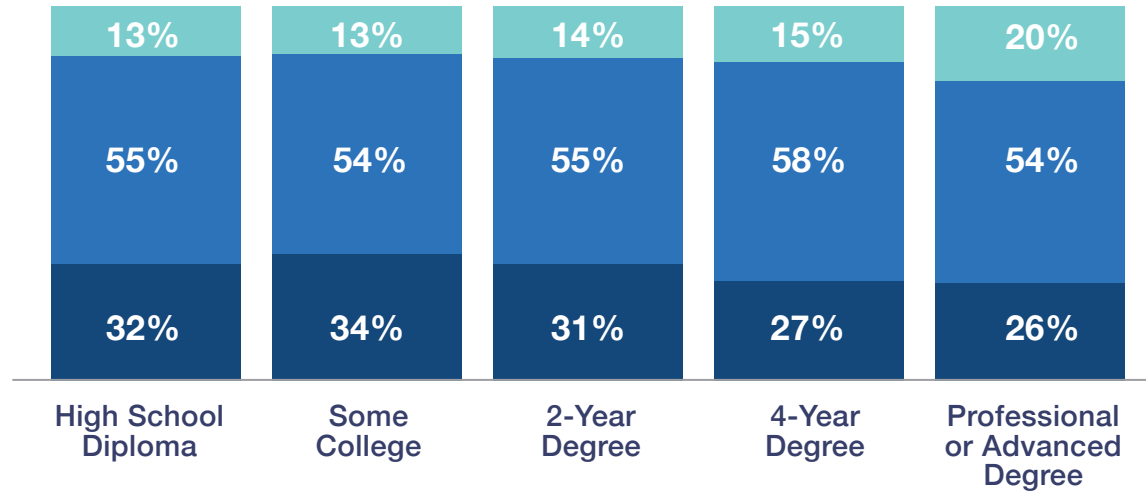
Legend:
- Value-Promoting
- Performing
- Value-Detracting

4 Tenure

	Less than 1 Year (Secured Job before COVID-19)	Less than 1 Year (Had to find new employment due to COVID-19)	1-2 Years	3-4 Years	5-8 Years	More than 8 Years
Value-Promoting	15%	13%	13%	17%	18%	13%
Performing	55%	54%	57%	57%	56%	55%
Value-Detracting	30%	33%	30%	26%	26%	32%

5 Company Size

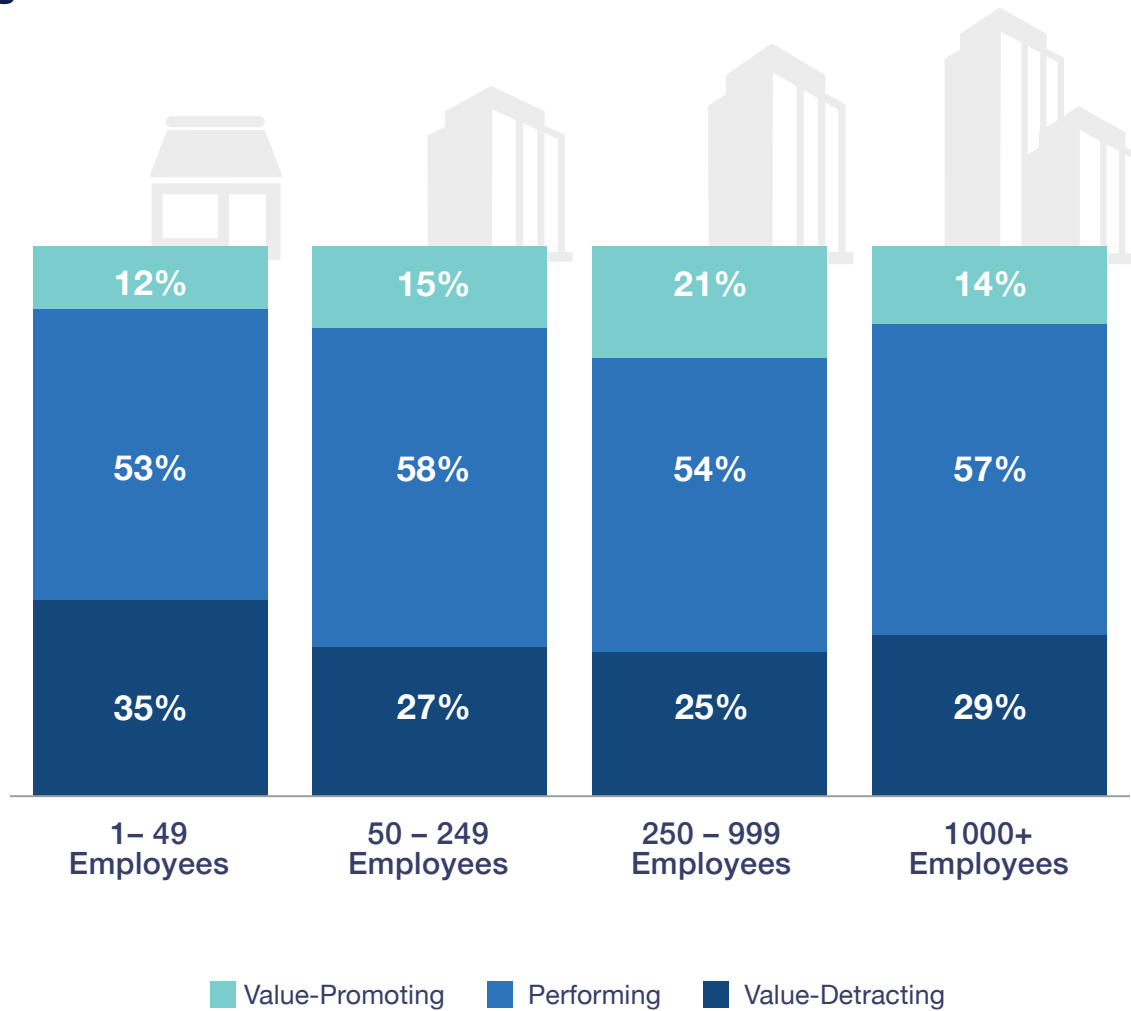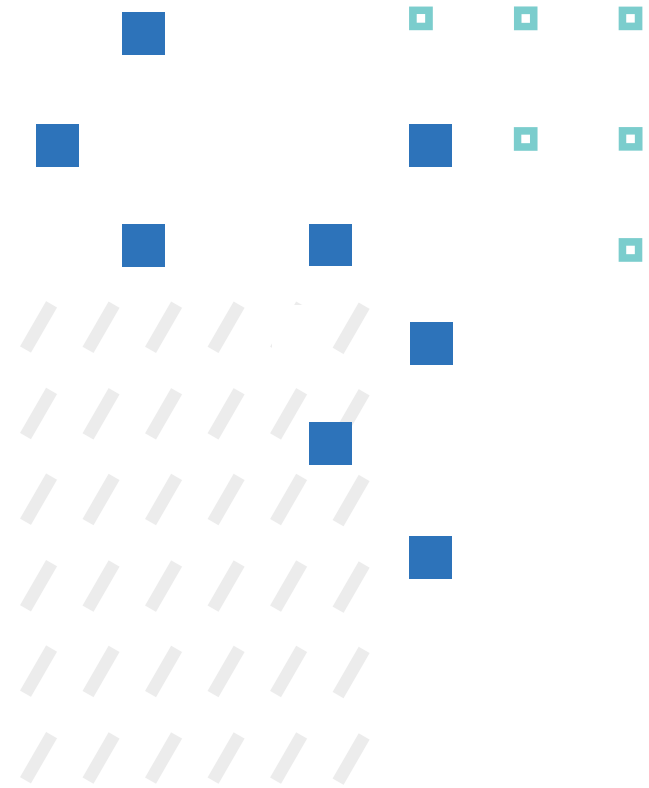|	1– 49 Employees	50 – 249 Employees	250 – 999 Employees	1000+ Employees
Value-Promoting	12%	15%	21%	14%
Performing	53%	58%	54%	57%
Value-Detracting	35%	27%	25%	29%

Value-Promoting   Performing   Value-Detracting

Which Characteristics *Do* Relate to HRXPS?

1 Single Point of Contact

Single Point of Contact Drives HRXPS

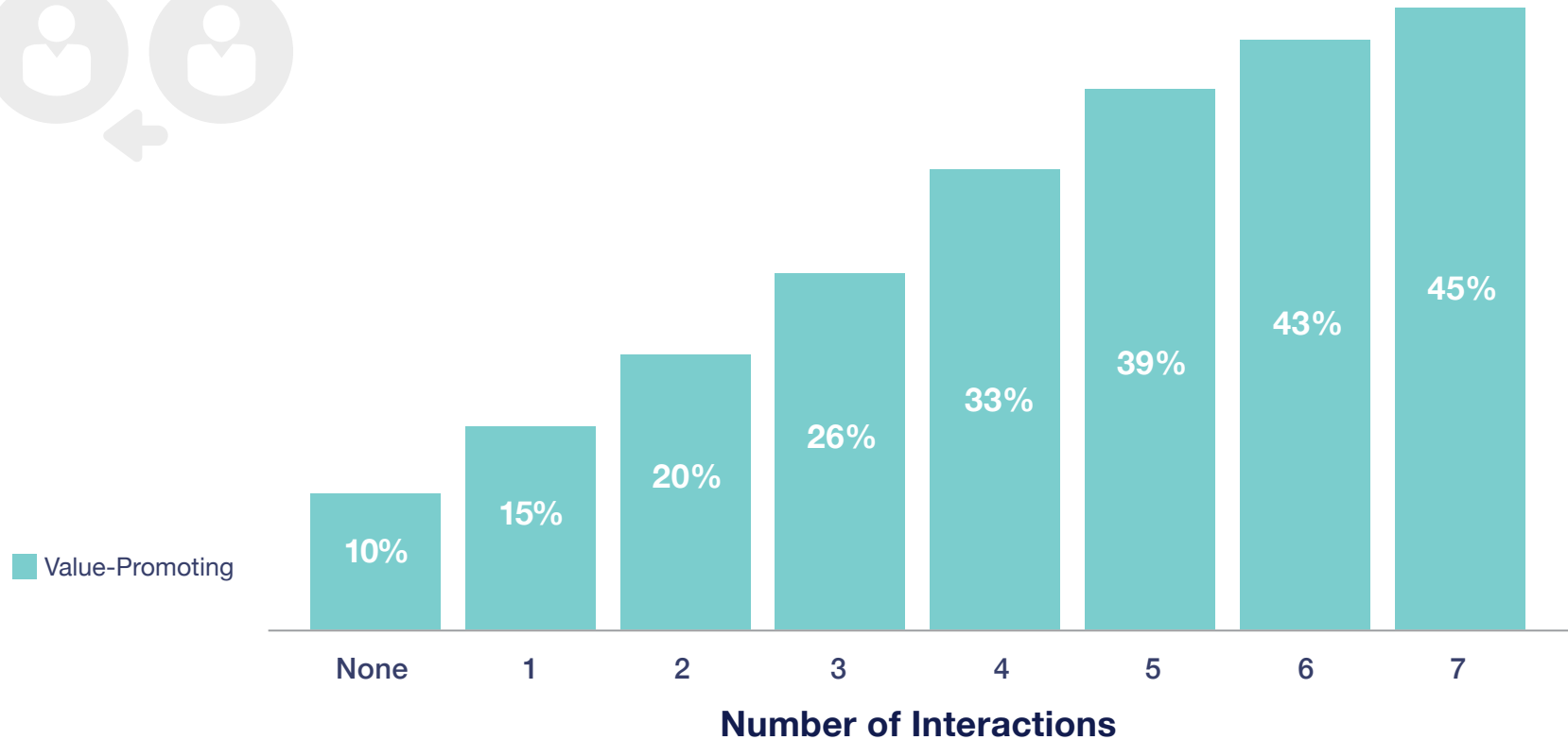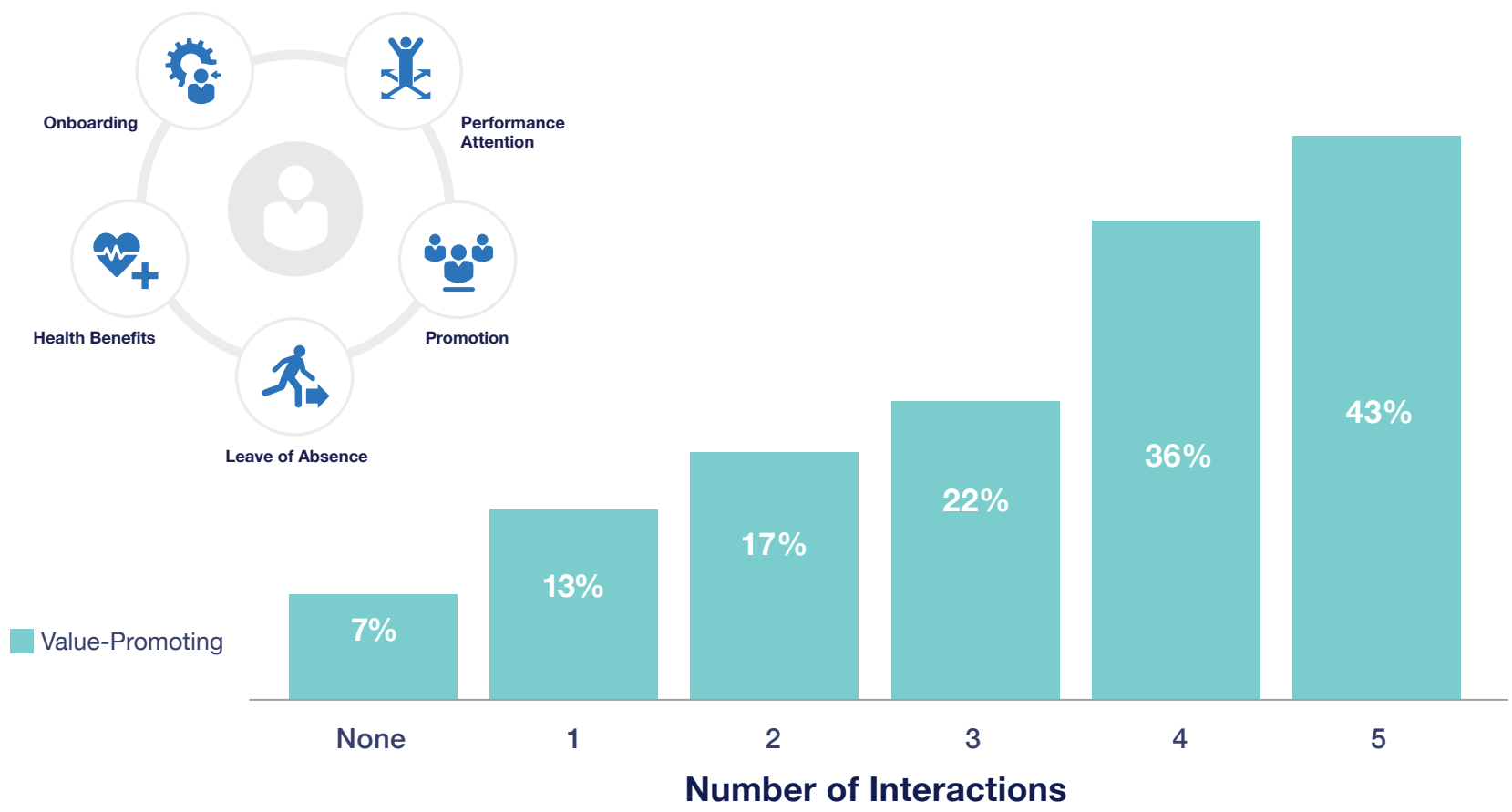|	One Dedicated HR Contact	Multiple HR Contacts	No HR
Value-Promoting	21%	12%	5%
Performing	58%	57%	47%
Value-Detracting	21%	30%	48%
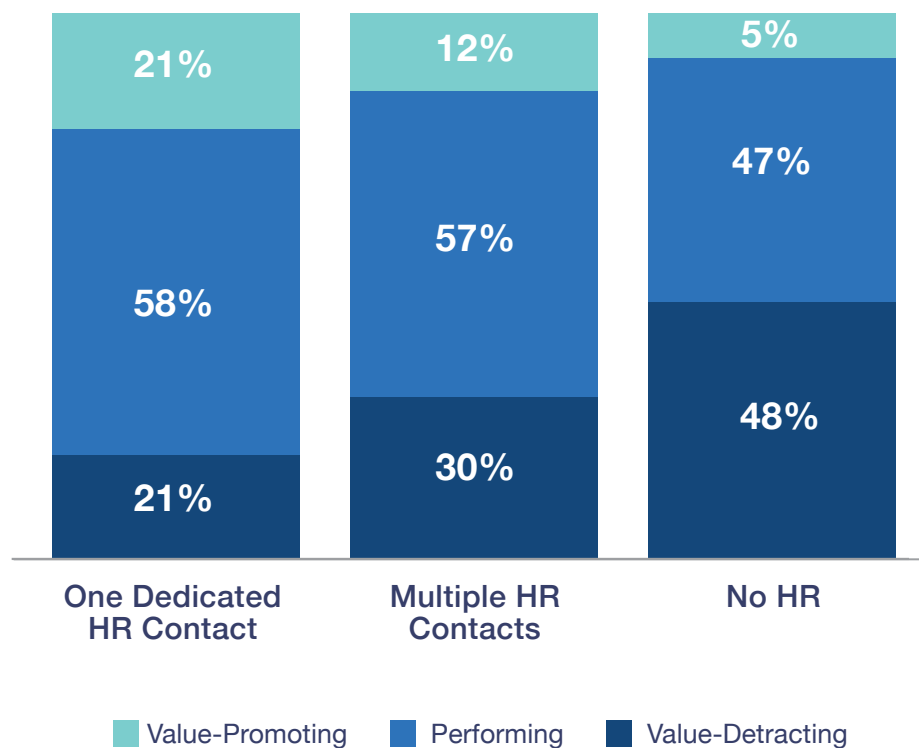
Employees with a single point of contact HR are **2x more likely** to say HR is Value-Promoting than employees with multiple HR contacts and **5x more likely** than employees with no HR.

■ Value-Promoting   ■ Performing   ■ Value-Detracting

2 **Number of HR Interactions Matter**

Bar chart — Value-Promoting (%) by Number of Interactions:
- None: 10%
- 1: 15%
- 2: 20%
- 3: 26%
- 4: 33%
- 5: 39%
- 6: 43%
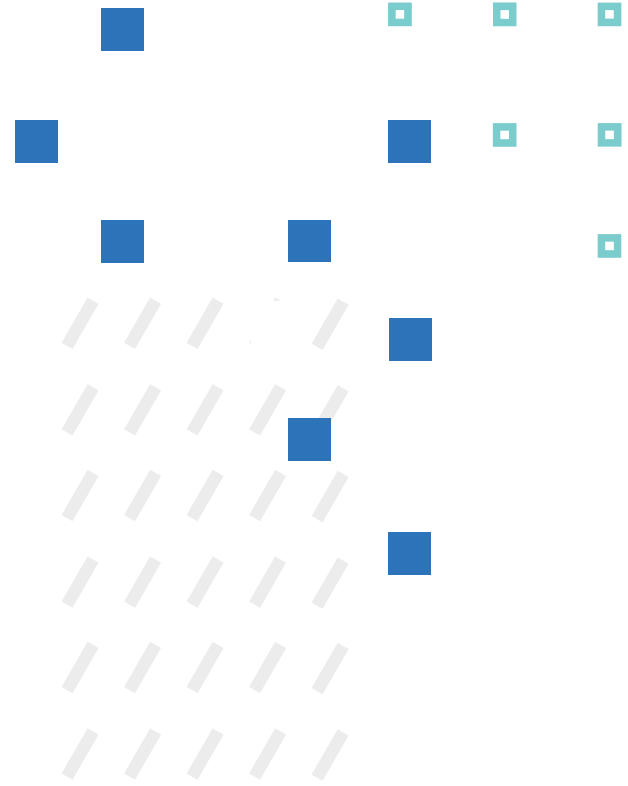- 7: 45%

Number of Interactions

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

3 Use of Any and All HR Services

Onboarding

Performance Attention

Health Benefits

Leave of Absence

Promotion

Value-Promoting

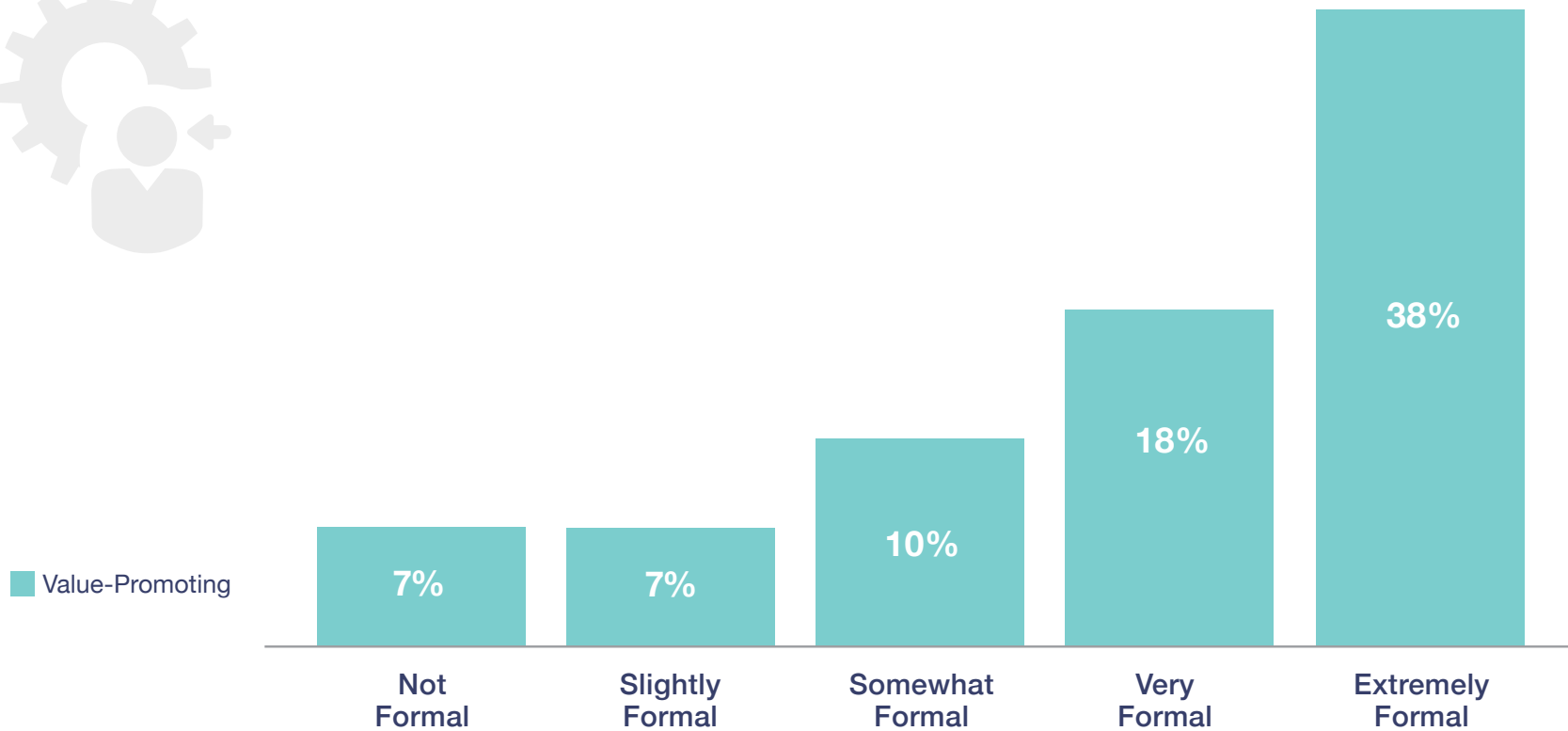| None	1	2	3	4	5
7%	13%	17%	22%	36%	43%

Number of Interactions

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

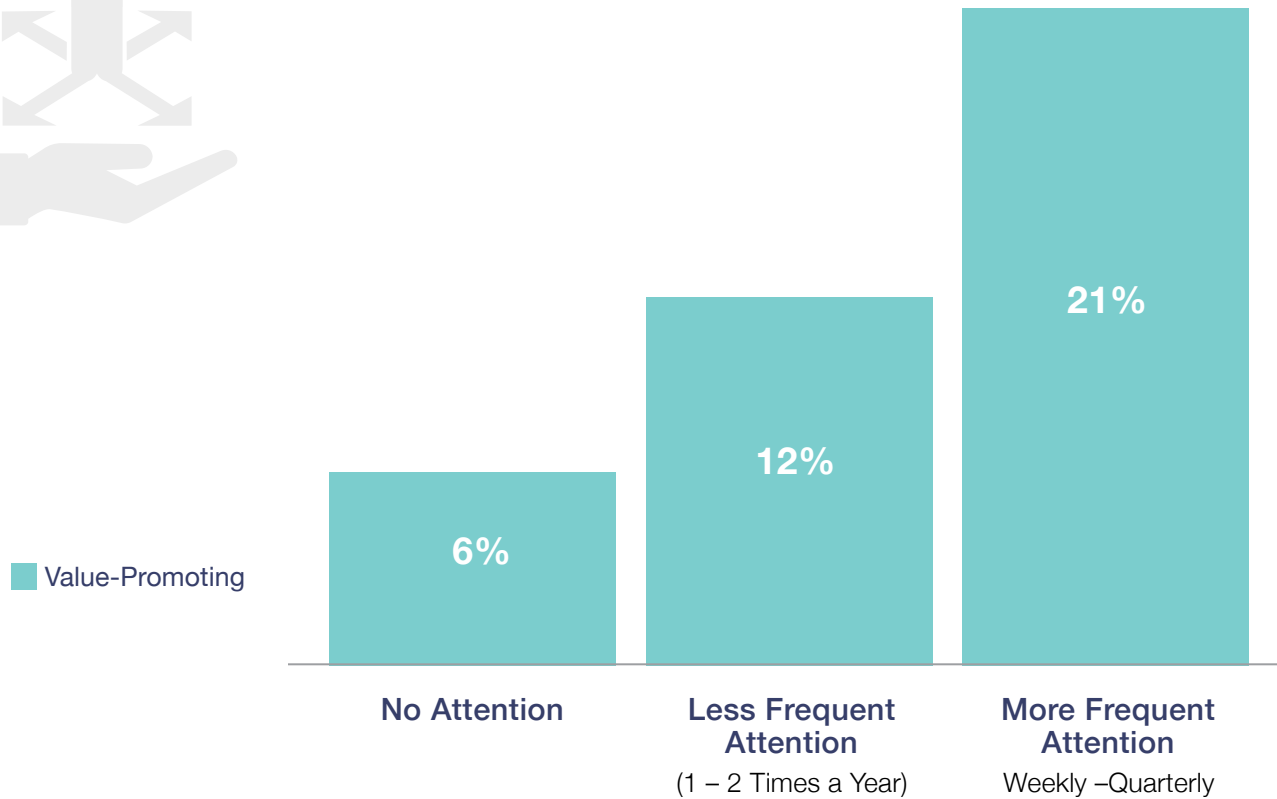# Which Traditional HR Services Relate to Higher HRXPS?

1 Onboarding

Value-Promoting

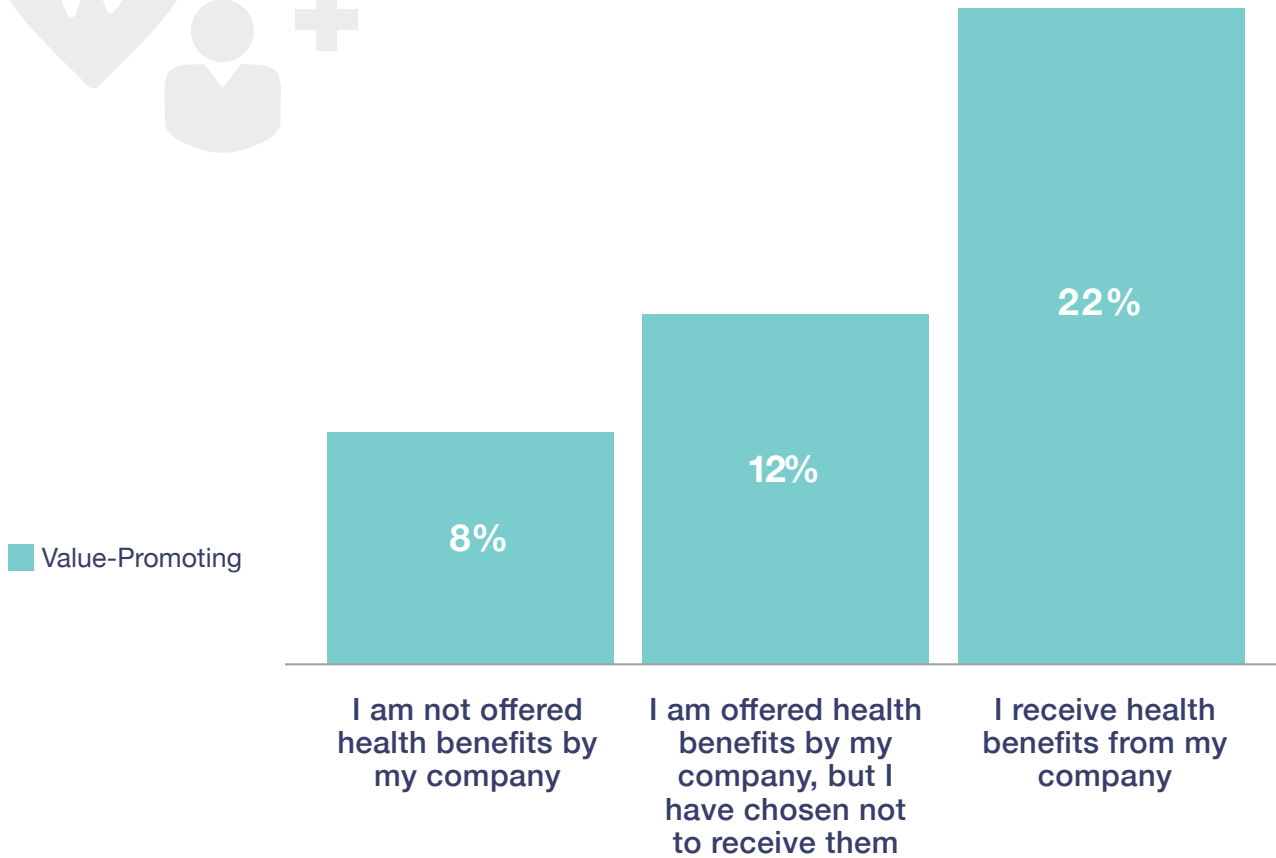|				
7%	7%	10%	18%	38%
Not Formal	Slightly Formal	Somewhat Formal	Very Formal	Extremely Formal

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

21%

12%

6%

■ Value-Promoting

No Attention

Less Frequent Attention
(1 – 2 Times a Year)

More Frequent Attention
Weekly –Quarterly

Those who receive the most frequent attention on their performance, even when that attention isn't being delivered from HR directly, are **4.4x more likely** to say HR is Value-Promoting than those in the No Attention category.

3 Health Benefits

22%

12%

8%

Value-Promoting

I am not offered health benefits by my company

I am offered health benefits by my company, but I have chosen not to receive them

I receive health benefits from my company

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.

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