

A Forrester Consulting
Thought Leadership Paper
Commissioned By Intel And Lenovo
October 2020

Invest In Employee Experience (EX), Drive Your Bottom Line Growth

Empower Your Employees With The Right
Technology



Table Of Contents

- 1 Executive Summary
- 2 Employee Experience Initiatives Are On The Rise
- 4 Companies Fail To Recognize The Full Potential Of EX Initiatives
- 7 Employee Experience Can't Succeed Without Employee Input
- 9 Key Recommendations
- 10 Appendix

Project Director:
Ana Brzezinska,
Market Impact Consultant

Contributing Research:
Forrester's Infrastructure &
Operations research group

ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

© 2020, Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, RoleView, TechRadar, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to forrester.com.
[E-48481]



“Good technology is foundational to employee experience and satisfaction. It gives them back time to think of the bigger pieces of their job, rather than just the routine transactions.”

US-based CIO of a private research university

Executive Summary

In today’s world, technology is woven into the fundamental experience of an employee’s workday. When technology does not live up to its expectations, employees’ productivity, and, crucially, experience suffers. Recognizing this, IT decision-makers (ITDMs) are increasing their focus in employee experience (EX) initiatives — ranging from improving office workspaces to investing in employee-facing technology — and have high hopes of what they’ll offer.

Studies show that engagement peaks when employees can make daily progress in the work that they know matters most. But when employees know what they need to get done, and they are limited by their technology resources, they become frustrated, triggering a vicious cycle of disengagement.¹ Enabling employees with the correct resources — across technology and HR and culture policies — is paramount to creating a positive employee experience. Good employee experience drives bottom-line growth, as happy employees create exceptional customer experiences. And in turn, companies are able to more effectively retain and grow their customers. This fact is further underscored in a Forrester report which notes that a 5% improvement in employee engagement leads to a 3% increase in bottom-line revenue.²

Intel and Lenovo commissioned Forrester Consulting to evaluate global enterprises’ employee experience strategies and how full-time employees perceive their experiences with company-provided laptops and other devices. Forrester conducted two online surveys — one with 1,014 IT decision-makers and the other with 1,845 full-time employees — and nine qualitative interviews with IT decision-makers across the globe. Organizations must understand technology’s effect on EX and remain resilient with EX initiatives.

KEY FINDINGS

- › **Employees’ satisfaction with technology has the biggest impact on a positive EX.** ITDMs across the globe are increasing their investment into EX initiatives and experiencing significant ROIs on these investments. Of those who track the key performance indicator (KPI), nearly 60% noted that an employee’s satisfaction levels with technology have a substantial positive impact on their EX scores.
- › **However, ITDMs and employees are not aligned on what technology enables a positive EX.** ITDMs consider themselves to be rather flexible when it comes to the technology they provide, but their end users think differently. As a result, laptop satisfaction for the surveyed employees is much lower than other technologies and devices.
- › **PCs are driving positive EX.** Over three-quarters of full-time employees from the survey stated that PC devices are a critical factor in their engagement and daily work, and they agree that PC devices are critical for customer satisfaction (69%), revenue growth (62%), and employee retention (55%). ITDMs must listen to their employees to invest in the right PCs and devices to drive better EX.

Employee Experience Initiatives Are On The Rise

Employee experience initiatives — ranging from improving office workspaces to investing in employee-facing technology — provide a new source of hope in improving employee engagement and satisfaction. IT decision-makers are recognizing that there is a straight line connecting good technology and good employee experiences. They are therefore investing in technology improvements across the board. This connection was brought further into focus with the outbreak of the COVID-19 pandemic, when organizations had to move significant portions of their workforce to operating in a work-from-home model almost overnight. This put pressure on employees' reliance on technology solutions to complete the tasks they are individually responsible for.

- › **Organizations have increased their focus on optimizing a work-from-anywhere approach.** The top technology-focused initiative for ITDMs is empowering remote workers with better devices — followed by empowering them with better software. Given the foundational shift in work due to the pandemic, this is not a surprise. However, what is important is that these investments are not short-term bandages: Nearly 40% of companies anticipate most of their employees being hybrid (both remote and in-office) at some point in the future. And as the CIO of a global logistics company noted: “Our employees have requested that they can work both at home and in the office, after the pandemic. So, we need to make sure we are ready for that.”
- › **Investments in EX initiatives are significantly increasing.** Although most firms have only just established their EX strategy within the last five years, the returns on investments have been significant. On average, IT leaders are reporting a five-fold return on their current EX investments. For every \$1 spent on EX investments, firms are seeing \$5 back in increased employee productivity, organizational agility, and customer satisfaction. In turn, they anticipate nearly doubling their investment into EX initiatives over the next two years — from a 15% average of their overall IT budget today to nearly 25% in two years (see Figure 1).
- › **Employee satisfaction with technology is a crucial KPI for a positive EX.** Companies are tracking an array of KPIs to analyze the effectiveness of their technology-related EX investments: Employee productivity, employee satisfaction with technology, and overall employee satisfaction scores were the top three KPIs used. Over half of the surveyed organizations used employee satisfaction with technology as their trusted KPI to evaluate the effectiveness of their technology-related EX investments; and critically, this KPI provided the greatest positive impact on their efforts in improving EX (see Figure 2). Nearly 60% noted that they have seen a more than 10% increase in their EX scores by improving employees' satisfaction with technology.



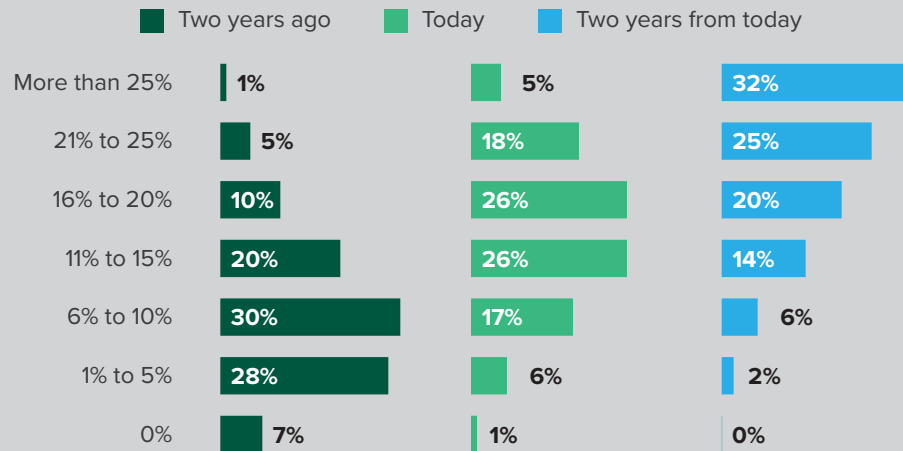
Businesses have seen a **5x** return on EX investments.



Nearly **60%** of ITDMs have seen more than 10% improvement in their EX scores by focusing on improving employees' satisfaction with technology.

Figure 1

“Approximately what percent of your company’s IT budget is going towards initiatives which are directly linked to your company’s defined EX vision and strategy?”

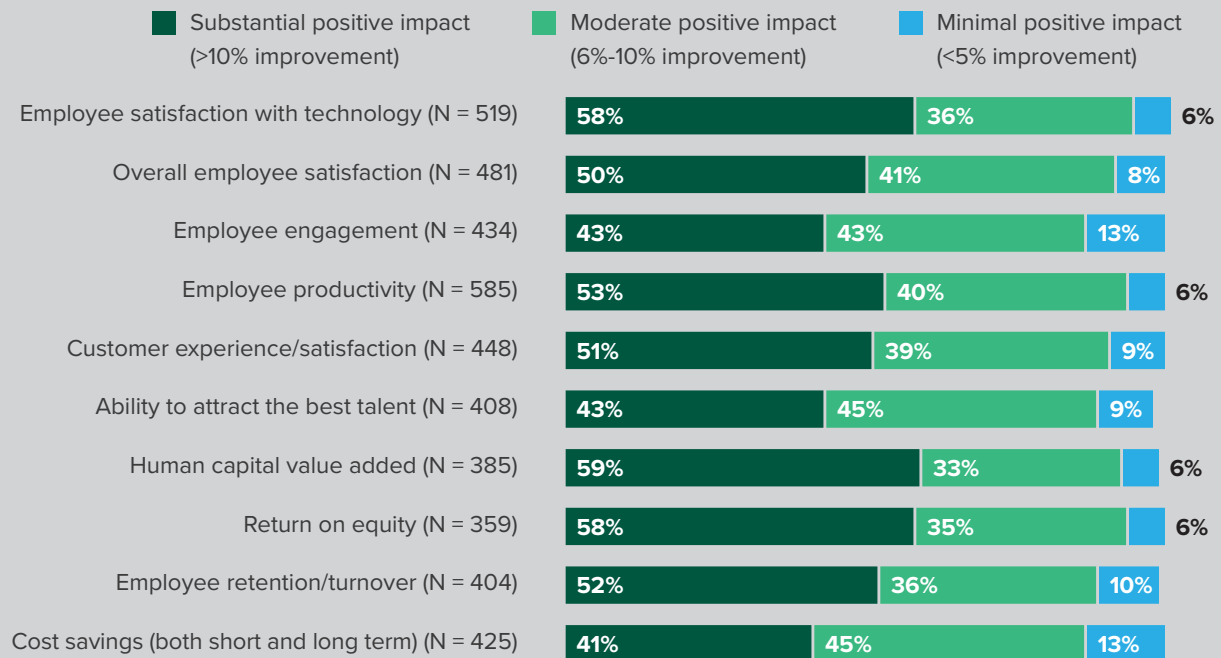


Businesses anticipate nearly doubling their investment in EX investments by 2022.

Base: 1,014 IT decision-makers at global enterprises responsible for IT purchasing decisions and end user computing strategy
 Source: A commissioned study conducted by Forrester Consulting on behalf of Intel and Lenovo, August 2020

Figure 2

“Of the KPIs that IT is tracking, what impact have you seen from your EX improvement efforts?”



Base: 359-585 IT decision-makers at global enterprises that track KPIs for EX improvement efforts
 Source: A commissioned study conducted by Forrester Consulting on behalf of Intel & Lenovo, August 2020

Companies Fail To Recognize The Full Potential Of EX Initiatives

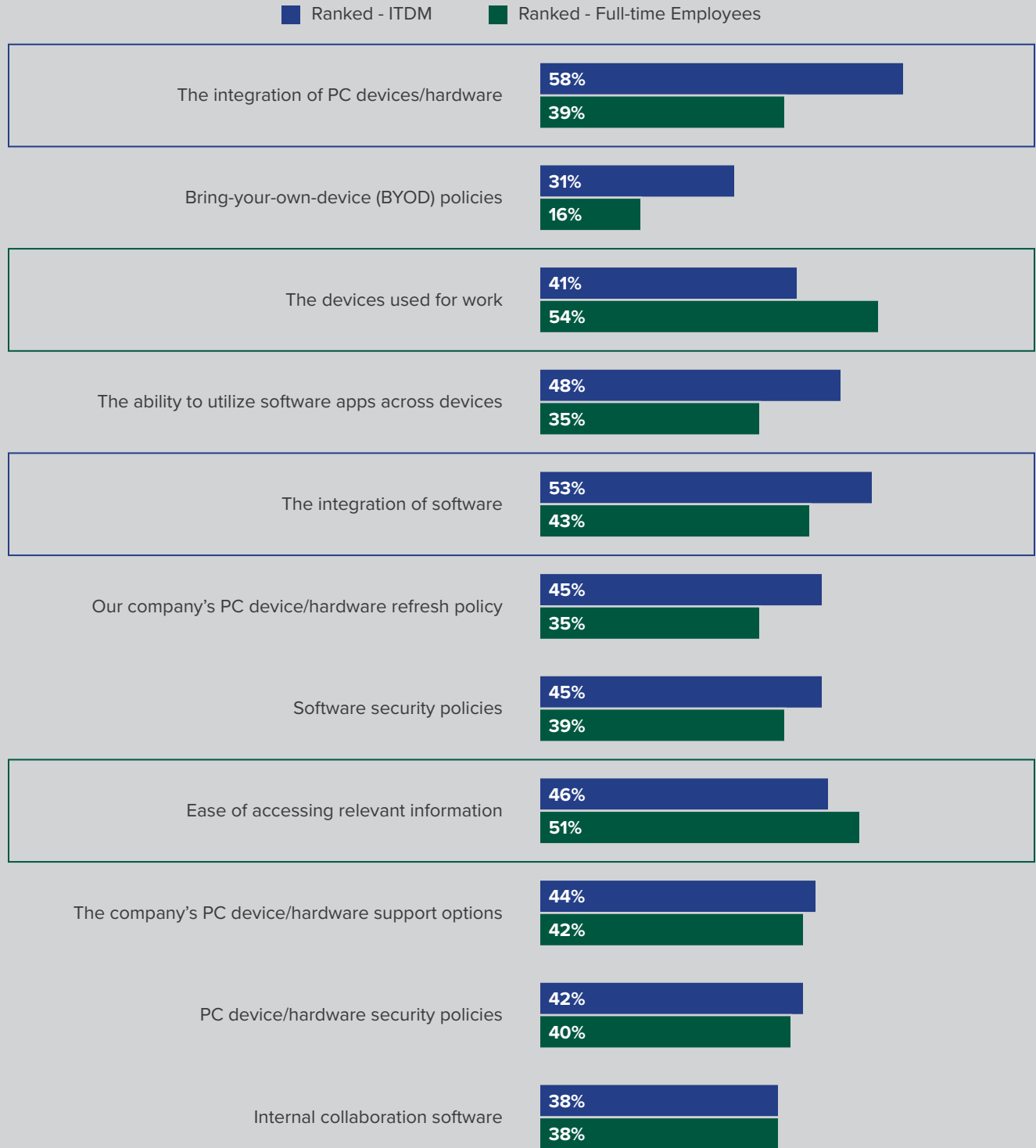
While ITDMs recognize the need for prioritization of EX initiatives and a focus on employees' technology experiences, there is a clear disconnect between decision-makers' strategies and what employees actually want and need to get their work done. ITDMs think they are listening to their employees' desires, but unfortunately their employees seem to disagree. Despite their emphasis on empowering employees with better technology, many ITDMs continue to focus primarily on the longevity of their technology investments, rather than on their employee engagement. This disconnect creates confusion around what has a positive impact on the employee experience at a company. By not listening to what their employees want and need, employee experience suffers.

- › **ITDMs and employees are fundamentally disconnected on what most positively influences EX.** Those deciding on hardware investments and the users who will be utilizing the technology have diverging perspectives on what technology-focused factors have more influence on EX. To ITDMs, the integration of PC devices/hardware and the integration of software most impact EX; to employees, they simply want to easily access the information needed to do their job and have a device that works consistently (see Figure 3).
- › **ITDMs and employees agree on what's most important in a PC — however, many employees are frustrated with their current technology.** ITDMs and employees agree that PCs need to be fast, reliable, and highly connected; however, employees are largely not experiencing these benefits, and they are left frustrated with their current PC devices and hardware. In fact, 50% of employees agree that their PC devices are out of date or insufficient, while 44% report that their PC devices break often, and 46% note that their software is frequently malfunctioning and disrupting their work. Forrester's research has shown that employee frustration with technology disrupts their day and leads to an increase in employee burnout.³
- › **ITDMs can easily improve satisfaction by investing in improving laptops.** Only 33% of respondents are extremely satisfied with the current laptop that has been provided by their company. This low level of satisfaction can be attributed to the fact that only 30% stated their laptops' or desktops' capabilities work well across teams, and only 21% said they have the latest and greatest PC on the market.
- › **IT leaders and employees are disconnected.** Unfortunately, IT leaders think they are a lot more flexible than their employees consider them to be, especially with PC device refreshes. Eighty-four percent of ITDMs stated that their employees are able to change to a different PC device form factor (i.e., a more powerful laptop or one with a larger screen) if their needs change; however, only 50% of employees agreed with this statement (see Figure 4). Similarly, 79% of ITDMs believe that their employees are allowed to upgrade their PC device if they feel their current computer specifications aren't adequate; only 49% of employees feel this is an option for them. Without the right device to do their job, it's hardly a surprise that employees are frustrated by their technology.



Figure 3

“Which of the following technology-focused factors most positively influence EX at your organization?”



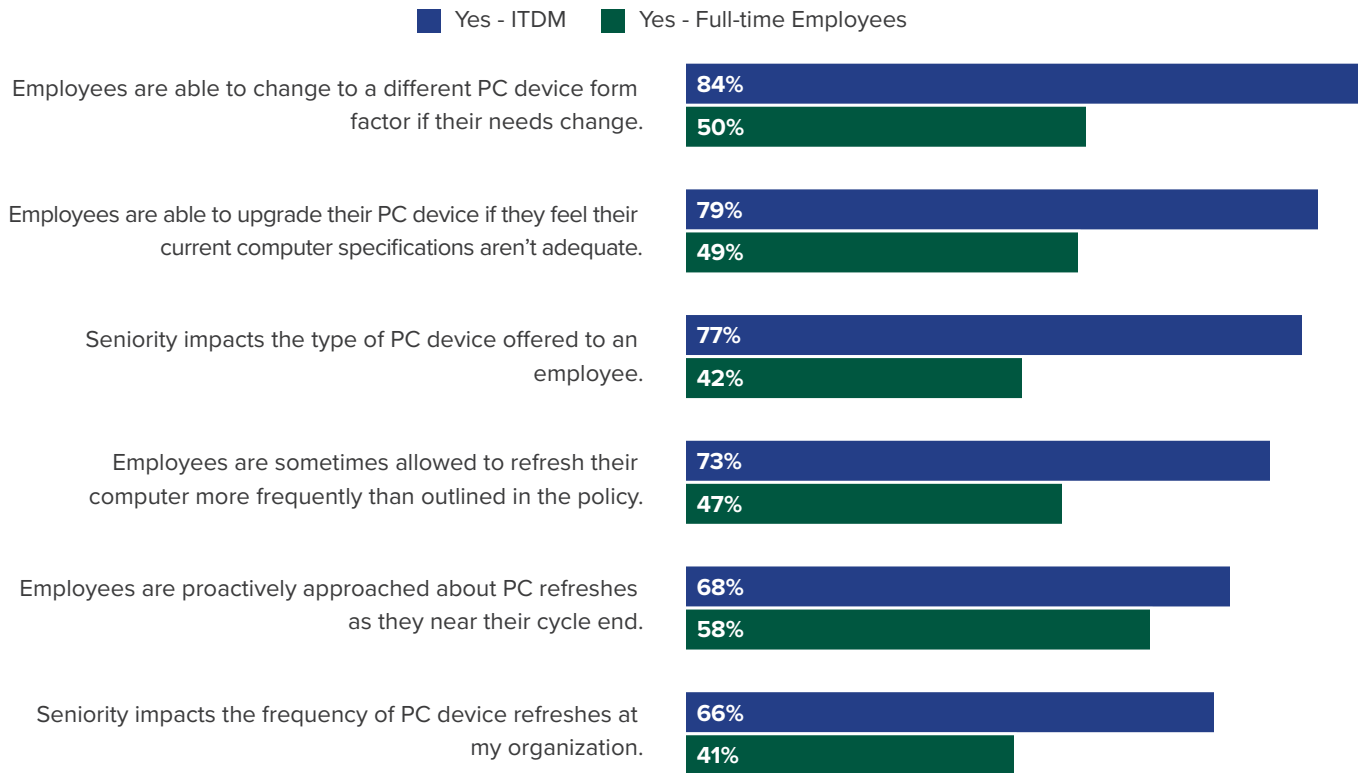
Base: ITDM 1,014 IT decision-makers at global enterprises responsible for IT purchasing decisions and end user computing strategy

*Base: FTE 1,845 global enterprise full-time employees who work predominately with laptops

Source: A commissioned study conducted by Forrester Consulting on behalf of Intel & Lenovo, August 2020

Figure 4

“Please indicate how your company approaches PC device refresh.”



Base: ITDM 1,014 IT decision-makers at global enterprises responsible for IT purchasing decisions and end user computing strategy

Base: FTE 1,845 global enterprise full-time employees who work predominately with laptops

Source: A commissioned study conducted by Forrester Consulting on behalf of Intel & Lenovo, August 2020

Employee Experience Can't Succeed Without Employee Input

ITDMs must reestablish the importance of the PC in enabling good employee experiences, and they should listen to their employees when investing. Technology is the decisive factor in establishing good employee experience. And since PCs are the technology most often used by a wide range of employees, the impact of the PC on good employee experience cannot be overstated. PCs are critical to completing daily work. They therefore fundamentally impact talent retention, employee engagement, and revenue growth.



- > **ITDMs must invest in both future-facing technologies while also ensuring they have a strong IT foundation.** Today's employee wants better collaboration tools and the latest PC devices. But before that is able to be provided, ITDMs must first build a strong foundation of collaboration tools and PC devices before looking toward the next generation of technology tools, i.e., 5G connectivity, augmented reality/virtual reality (AR/VR) technologies, and artificial intelligence/machine learning (AI/ML). The new technologies are undoubtedly enabling the next generation of EX.
- > **Communicate with one another.** Employees are excited to share their voices with their management teams and those who make the PC investment decisions. In fact, 72% of full-time employees ranked listening to employees/getting clarity on what employees need as one of the top three things their companies should do to improve employee experience, which is by far and away the most-ranked suggestion (see Figure 5). Forrester's research shows that an easy way for decision-makers and employees to communicate with one another is through employee journey mapping. These exercises can help inform investment decisions by identifying barriers that are hindering employee productivity.⁴

"The employee experience is absolutely key in terms of attracting and retaining the best, optimal people. Companies have to work harder at getting and retaining really good people, and it's becoming much more relationship-oriented and less transactional."

UK-based COO of an information services organization



Figure 5

"From your perspective, what are the top three things your company should be doing to improve your EX?"



Base: 1,845 global enterprise full-time employees who work predominately with laptops
 Source: A commissioned study conducted by Forrester Consulting on behalf of Intel & Lenovo, August 2020

- › **Improvements in EX drive improvements in productivity.**
 Fundamentally, business leaders must recognize that a good employee experience is more than just high employee productivity. Improving EX is the best path to improving employee productivity: Automating mundane tasks for employees through AI/ML capabilities not only allows them to focus on higher-value strategic work, but it also increases their EX scores. However, when reprioritizing IT initiatives, business leaders must focus on improving their overall employee engagement before focusing on specific productivity metrics — productivity metrics follow EX. Importantly, nearly 80% of ITDMs will be focusing on just that over the next 12 months.
- › **Focus on PCs.** Seventy-seven percent of full-time employees stated that PC devices are a critical factor in their engagement and daily work (see Figure 6). Additionally, respondents agree that PC devices are critical for increasing customer satisfaction (69%), revenue growth (62%), and employee retention (55%). By focusing on PC devices, ITDMs are able to significantly impact their employee experience initiatives, their company’s bottom line, and their customer satisfaction scores. The VP of IT infrastructure at an India-based financial services institution succinctly noted that good EX boils down to: “Do I have all the resources I need to deliver my work effectively? Does my device work?”

77% of employees note that PCs are a critical factor in their engagement and daily work.

Figure 6

“To what extent do you agree with the following statements?”



Base: 1,845 global enterprise full-time employees who work predominately with laptops
 Source: A commissioned study conducted by Forrester Consulting on behalf of Intel & Lenovo, August 2020

Key Recommendations

Prioritizing employee-facing technology investments is almost always an uphill battle against hard money costs and the status quo. As numbers add up quickly, benefits are often delayed and difficult to measure. But this research provides the foundation you need to change the conversation by linking technology investments with employee engagement and business outcomes. Use the results of this study to:



Reframe employee-facing technology costs as investments in EX. The numbers you need to change the conversation are both in this study and in Forrester's published EX Index research. Investments in employee-facing technology are investments in employee engagement. Employee engagement is the key to increasing customer satisfaction, profitability, and revenue growth, while decreasing employee turnover.



Invest in new, modern PC devices to promote engagement. This study conclusively links employee satisfaction with devices and device choice to positive EX and by extension, engagement. Employees typically use their PC device every day, for several hours a day. It's integral to everything they do in their daily work. It should be a source of satisfaction, not one of frustration. You can improve your employees' satisfaction by increasing your refresh cycle frequency to provide newer, more modern PC devices and more device choice.



Involve employees in the PC device purchase process. For most organizations, the decisions about which PCs to buy and deploy is made without the input of employees. It is also based primarily on factors like cost, manageability, and security. The employees who will use the devices every day, seldom get a say. But manageability and better EX needn't conflict. Decision-makers can realistically achieve both better EX and better manageability by choosing modern PC devices with built-in management technology. The data in this study can help you make the case, and you can also conduct surveys within your organization to give leaders better visibility into employee preferences as well.



Stop underbuying with laptops. This study has clearly shown that satisfaction with laptops is especially poor — most likely because the difference in the experience that a cheap laptop provides is significantly different than a higher-end model with more performance capabilities. Screen size, battery life, portability and performance all increase meaningfully with relatively small increases in purchase price. The cost of the laptop is a fraction of the salary of the employees who use them, and their added capabilities will pay off in higher engagement.

Appendix A: Methodology

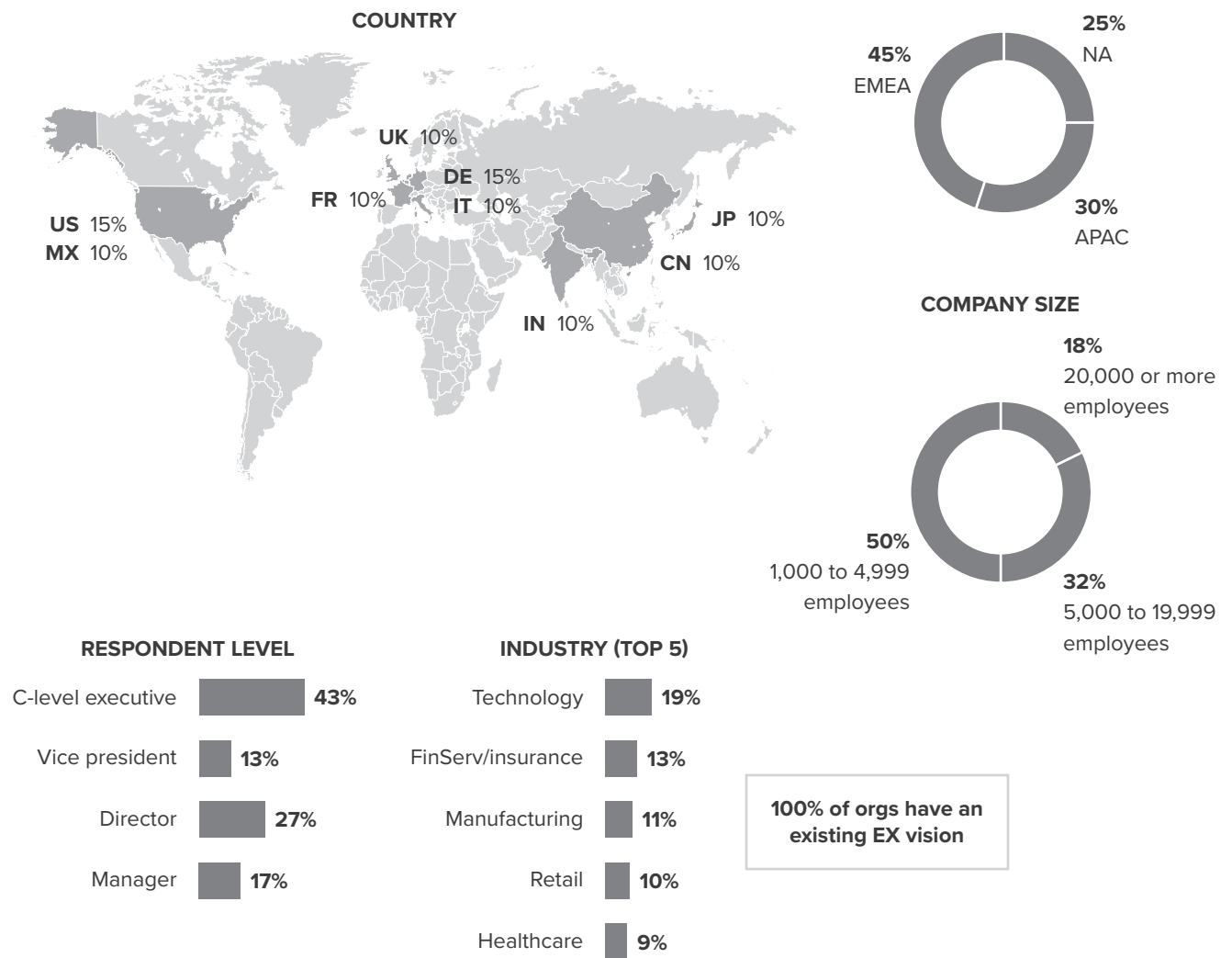
In this study, Forrester conducted an online survey of two audiences and nine interviews to evaluate employee experience strategies and the role of technology. The first audience was 1,014 IT decision-makers at global enterprises responsible for IT purchasing decisions and end user computer strategy. Nine global decision-makers were also interviewed. Questions provided to the participants asked about their current employee experience strategy, how they are measuring success, and their plans to support remote workers in the future.

The second audience was composed of 1,845 global full-time employees that predominantly work with laptops. Questions provided to the participants asked about their current experiences with company-provided technology and their thoughts on what has the biggest impact on their experience at work.

Respondents were offered a small incentive as a thank you for time spent on the survey. The study began in July 2020 and was completed in August 2020.

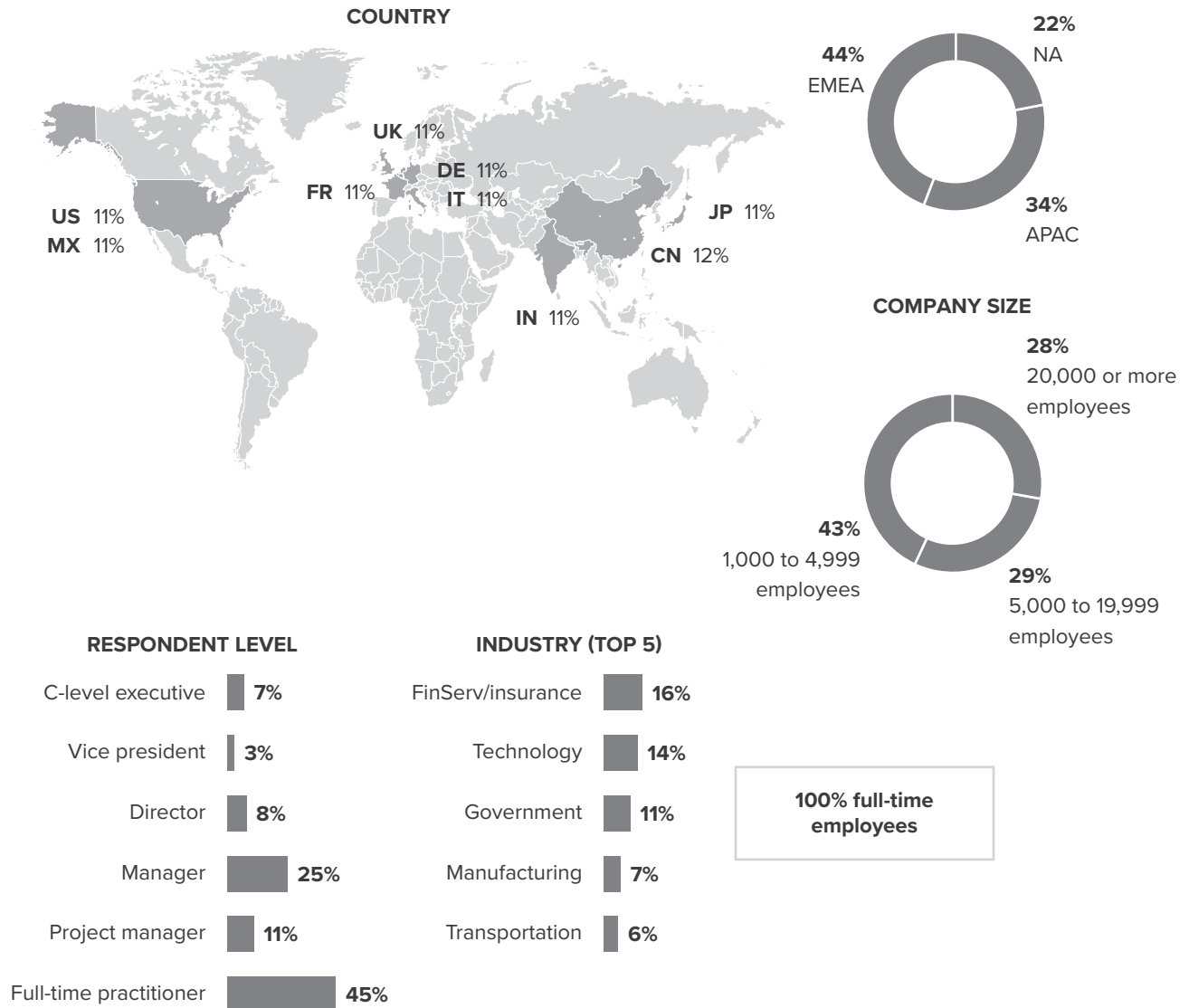
Appendix B: Demographics

ITDM Demographics



Base: 1,014 IT decision-makers at global enterprises responsible for IT purchasing decisions and end user computing strategy
 Source: A commissioned study conducted by Forrester Consulting on behalf of Intel & Lenovo, August 2020

FTE Demographics



Base: 1,845 global enterprise full-time employees that work predominately with laptops
 Source: A commissioned study conducted by Forrester Consulting on behalf of Intel & Lenovo, August 2020

Appendix C: Endnotes

¹ Source: “The Employee Experience Maturity Assessment,” Forrester Research, Inc., January 28, 2020.

² Source: “The Employee Experience Imperative,” Forrester Research, Inc., December 15, 2017.

³ Source: “Forrester’s EX Index: A Deeper Look At The Data,” Forrester Research, Inc., March 4, 2020.

⁴ Source: “The Employee Experience Technology Ecosystem,” Forrester Research, Inc., February 14, 2019.