

As Businesses Struggle to Attract Workers, ADP Research Institute Study Pinpoints Human Resources' Impact on a Company's Talent Brand with New Metric to Measure HR Performance

Study reveals specific factors that influence the talent brand, what factors influence intent to leave, and factors that influence people to actually leave through lens of the employee experience in 25-country study of more than 32,000 respondents across four samples

- **A single point of contact influences HR XPerience Score (HRXPS):** Employees are twice as likely to value their company when they experience a single point of contact with HR.
- **Frequency of interactions matter:** Employees are 7.4 times more likely to say HR is Value-Promoting when they experience seven interactions with HR compared to no interactions.
- **HR services directly deliver a higher HRXPS:** The more HR services an employee uses, the higher the HRXPS; employees who use five services are 11 times more likely to say HR is Value-Promoting.

ROSELAND, N.J., Sept. 30, 2021 /PRNewswire/ -- In a first-of-its-kind study, [ADP Research Institute](#) (ADPRI) uncovered the [HR XPerience Score](#) (HRXPS) metric to measure HR service quality and the impact of the human resources (HR) function, as well as identified the key factors that directly correlate to a strong talent brand as seen through the lens of the employee's experience. This 25-country study of more than 32,000 respondents offers studied intel on the importance of HR to the talent brand based on key interactions during an employee's talent journey, providing new insights for the HR and business community as the workforce refocuses efforts on engaging, hiring and retaining talent.

To better understand what influences a company's talent brand – *the likelihood an employee would recommend their company to a family member or friend as a place to work* – the study set out to pinpoint the factors that influence the talent brand and generate a high HRXPS. It also identified what exactly will influence an employee's intent to leave, and influence people to *actually* leave.

Generating a strong HRXPS is influenced by an employee's relationship with HR and frequency of interaction. Employees who have a **single point of contact with HR are twice as likely to say HR is Value-Promoting** than those with multiple HR contacts, and 5 times more likely than employees who have no HR. Additionally, the number of interactions matter as employees are **7.4 times more likely to say HR is Value-Promoting when they experience at least seven interactions** with HR compared to no interactions. In fact, the study found the more services that are used by an employee, the higher the HRXPS, and those who use **five services from HR are 11 times more likely to say HR is Value-Promoting** than those who don't use any services. The research indicates that **onboarding, performance attention and health benefits** are the specific HR services that influence a higher HRXPS.

"While companies have always tried to better understand what contributes to the talent brand, we now have a studied metric to effectively measure the HR function," said Marcus Buckingham, head of people and performance research at the ADP Research Institute. "Our research found that the HR function is critical to the talent brand – so much that every employee interaction that takes place, specific services used and a personalized feel with a single point of contact are what influences a higher HRXPS. In fact, this high-

ranking, single point of contact upends the current industry trend of doing away with HR."

"The workforce remains hyper-focused on the need for talent, as job vacancies soar and competition for top talent remains high," said Sreeni Kutam, chief human resources officer, ADP. "At the center of driving talent, both in acquisition and retention, as well as the talent brand, sits HR. Its importance can now be measured with an industry benchmark to gauge the strength of an organization's HR function. As companies continue to ramp up hiring, HR has an opportunity to refocus efforts on the onboarding process as this is a critical touchpoint, as uncovered in the study. A company's talent is vital and this study shows where and how HR can make a direct impact on the talent brand of an organization."

Real-world actions and behaviors that support HRXPS:

What influences HRXPS:

As part of the study, ADPRI created a metric to measure and categorize the HR function of a company as Value-Promoting, Value-Performing and Value-Detracting, which can be used as an industry benchmark of comparison to the national and global level of a company's HR function.

A positive perspective of HR:

- When an employee thinks HR is Value-Promoting, they are 8 times more likely to be a talent brand promoter.

Likelihood of intent to leave:

- Employees who are Value-Promoting are 3.7 times more likely to have no intent to leave compared to Value-Detracting.
- However, for employees who are Value-Detracting according to HRXPS, they are 3.4 times more likely to be actively searching for a new job compared to Value-Promoting.

Timeline to actual voluntary terminations:

- Employees who voluntarily leave are 1.6 times more likely to see HR as Value-Detracting three months prior to leaving the company.

Key factors that influence HRXPS:

The global study found that overall, HR interactions and the human experience have a dramatic effect on a company's talent brand and can influence retention.

A single point of contact:

- Employees who have a single point of contact with HR are twice as likely to say HR is Value-Promoting than employees with multiple HR contacts, and 5 times more likely than employees who have no HR at all.

Frequency of HR Interaction:

- Employees who had seven interactions with HR are 7.4 times more likely to say HR is Value-Promoting than those who have had no interactions.
- The more services used by an employee, the higher the HRXPS; an employee who uses five HR services is 11 times more likely to say HR is Value-Promoting than an employee who doesn't use any services.

Top HR services that influence HRXPS:

- Onboarding:
 - Employees that experience a formal onboarding process are 8.5 times more likely to say HR is Value-Promoting compared to those who had no formal onboarding.
- Performance Attention:
 - Employees who receive the most frequent attention on their performance are 4.4 times more likely to say HR is Value-Promoting than those who receive no performance attention.
- Health Benefits
 - Employees who receive health benefits and use them are 3.5 times more likely to say HR is Value-Promoting than those not offered health benefits.

Employee characteristics that do not relate to HRXPS:

The study further analyzed additional factors and characteristics that **do not** relate to HR's service quality. **Employment status**, whether full time or part time, 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. Being a certain **gender or age** does not increase one's likelihood to view HR as Value-Promoting or Value-Detracting, nor does an employee's **level of education**. High school graduates are just as likely to rate HR as Value-Promoting as a college graduate. While an employee's **tenure** with an organization has been found to be a driver for many outcomes, such as Engagement, length of employment does not increase the likelihood of being in any one of the HRXPS categories. **Company size** has also been found to not impact the HRXPS.

For a more detailed look and to download [ADP Research Institute's HRXPS](#), visit [ADPRI.org](#).

About the ADP Research Institute

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