



High Impact Employee Experience

How leading organizations convert
workforce focus into performance,
resilience and growth

Insights from WTW's 2026 Employee Experience
Global Market Study



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Executive summary

The global workforce is at a strategic inflection point. Artificial intelligence is advancing faster than most organizations' ability to integrate it, reshaping roles, workflows, and skill requirements at unprecedented speed. At the same time, employees are recalibrating what they expect from work — seeking greater clarity, security and meaning in an environment defined by constant change.

What makes this moment different is not change alone, it is the compression of risk and opportunity. Organizations are investing heavily in AI, transformation and growth, while capacity, trust, and confidence are increasingly strained. In this environment, diffused focus carries real performance consequences: slowing execution, delaying returns, and weakening competitive advantage.

Against this backdrop, WTW's 2026 Employee Experience Global Market Study reveals a striking paradox. While nearly all organizations say employee experience matters, few sustain the focus required to translate that intent into results.

In 2021, 92% of organizations planned to prioritize employee experience. Five years later, only 34% report that employee experience was a high priority over the past three years, and another 6% treated it as a true top priority. Looking ahead, 66% expect employee experience to be a high or top priority in the next three years. Intent alone often fails to translate into execution.

This gap is not a failure of belief. It is a failure of **focus**.

As employee experience has expanded in scope while change cycles have compressed, leadership attention has been spread too thin to sustain execution where it matters most.

The study points to a critical shift. The future of employee experience is not about just doing more. It is about focusing on delivering a **High Impact Employee Experience** — one that enables people to consistently deliver results.

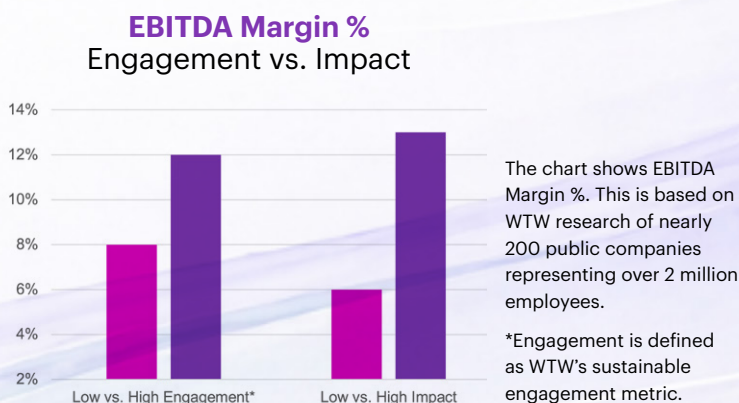
WTW defines **High Impact Employee Experience** as the measurable presence of four conditions: **clarity, confidence, capability and connection**. Together, these conditions determine whether employees can execute strategy, adapt to change and sustain performance over time.

This distinction matters because employee impact explains business performance more effectively than engagement — including sustainable engagement. Engagement reflects employee motivation. Impact determines results — whether that motivation translates into execution and outcomes, particularly under pressure.

Organizations with higher employee impact consistently outperform peers on key financial indicators. Impact predicts financial performance more strongly than engagement alone.

WTW's measure of employee impact better predicts organizational performance than employee engagement

Organizations with a high impact score perform significantly better financially than companies with a low impact score. In fact, impact is a better predictor of financial performance than engagement.



23%
increase in EBITDA

2%
1-year gross profit margin change

8%
1-year revenue change

7%
3-year revenue CAGR

*Employer source: 564 WTW client employee experience surveys with minimum 500 respondents from calendar year 2025. 3,748,500 respondents. Financial performance is shared for a group scoring in the upper quartile on the WTW employee impact index.

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Why employee experience has stalled

Employee experience is more relevant than ever, so having clear focus is critical.

As employee experience expanded to include culture, leadership, rewards, wellbeing, technology, work design, and moments that matter across the lifecycle, leadership attention became fragmented. When organizations attempt to advance everything at once, priorities blur, accountability weakens and execution slows.

This diffusion of effort helps explain why significant investment in employee experience has not consistently translated into stronger performance outcomes — even as expectations for productivity, agility and financial returns have risen.

The issue is structural. Many organizations lack:

- Governance that embeds employee experience into business decision-making
- Measurement that links workforce conditions to execution and outcomes
- Accountability for addressing the specific constraints limiting performance

WTW perspective

Employee experience delivers sustained value when it is embedded into the operating model — not managed as a parallel portfolio of initiatives.





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Five forces reshaping employee experience

Five forces are reshaping employee experience simultaneously: AI-driven transformation, accelerating skills shifts, outdated employee value propositions, misaligned rewards strategies, and the continued evolution of work arrangements.

The data underscores a widening gap. While most employers expect AI to fundamentally change employee experience, only about half of employees say AI has helped them to improve their productivity or is well managed.

Together, these forces amplify the importance of sharper leadership focus. As pressure intensifies, performance depends less on how many initiatives organizations pursue and more on whether leaders address the conditions that most directly constrain execution in areas vital to success.

79%

Increasing productivity
(AI and skills emphasis)

54%

Retaining critical
skill talent

52%

Increasing employee
wellbeing and engagement

41%

Attracting talent from
new sources*

33%

Managing reward
program costs

Over the next 3 years, organizations are focused on the areas of greatest pressure

Rather than expanding initiatives, EX Leaders are:

- **Sharpening** their focus
- **Aligning** their actions around the 4C's
- **Targeting** EX actions where results matter most

Source: 2026 EX Global Market Study

*The percentage is based on those respondents who indicate they are experiencing labor shortages.

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From engagement to measurable impact

Engagement has long served as a primary indicator of workforce health. It captures employees' motivation and advocacy — and remains an important signal that people care about their work and organization.

However, engagement alone does not explain performance in environments defined by constant change.

As employee experience programs expanded, effort remained high — but focus and progress became fragmented. In this environment, high engagement can coexist with stalled execution, limiting its effect on outcomes.

Employee impact addresses this gap.

WTW defines employee impact as the workforce's ability to translate intent into results — to execute strategy, adapt to change and sustain performance over time.

Analysis across nearly 200 public companies shows that employee impact is a stronger predictor of financial performance than engagement. Organizations with high impact scores consistently outperform those with low impact scores on revenue growth, margins, and earnings.



**Engagement isn't enough.
Impact drives performance.**

Employee engagement

- How people feel about their work
- Energy and willingness to give effort

Motivation. Connection.

Employee impact

- How effectively people adapt and perform to deliver results

**Focus. Execution. Change readiness.
Measurable outcomes.**

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The proof: impact predicts financial performance

WTW research demonstrates a clear and material relationship between employee impact and financial performance. Linking employee experience data to audited financial results shows consistent, sustained differences between high and low impact organizations.

Compared with organizations in the lower quartile of employee impact, those in the upper quartile deliver meaningfully stronger revenue growth, margin improvement, and EBITDA growth.

These differences represent a material performance advantage not merely short-term gains.

Critically, impact outperforms engagement as a financial predictor. Engagement signals motivation and intent. **Impact captures whether those signals will translate into execution and ultimately, financial results.**

What the data shows

Employee impact predicts financial performance more powerfully than engagement — including sustainable engagement — because it reflects execution capability.

High-impact organizations outperform peers on EBITDA, revenue growth and margins

High impact organizations consistently outperform peers on productivity, profitability and talent outcomes

*Employer source: 564 WTW client employee experience surveys with minimum 500 respondents from calendar year 2025 representing nearly 4 million employees. Financial performance is shared for a group scoring in the upper quartile on the WTW employee impact index.

**Employee source: 2025 EX Impact Polling Survey

Employer*	Employee**
23% increase in EBITDA	5 in 6 say employee productivity is a strength at their organization
8% 1-year revenue change	5 in 6 say operating efficiency is a strength at their organization
2% 1-year gross profit margin change	4 in 5 say attracting employees is a strength at their organization
7% 3-year revenue CAGR	3 in 4 say their organization is better than competitors at retaining key talent

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The four conditions that unlock High Impact Employee Experience

High Impact Employee Experience is enabled by four measurable conditions: **clarity, confidence, capability and connection**. Together, these conditions determine whether employee motivation turns into execution.

The four Cs operate as a system. When one weakens, execution slows — even if others remain strong. In practice, one or two Cs most often constrain performance at any given time.

- **Clarity** accelerates execution by aligning priorities, decisions, and day-to-day work
- **Confidence** enables adoption of change and protects performance during disruption
- **Capability** ensures skills, tools and AI investments translate into productivity
- **Connection** sustains effort, retention, and capacity over time.

High impact organizations do not just expand programs or deploy solutions. They start by diagnosing which condition is limiting execution — and then intervening with precision.

Organizations that perform well across all four Cs are significantly more likely to convert workforce investment into financial results.

High Impact Employee Experience is unlocked by four conditions



These are **core performance enablers**.
Together, these conditions enable execution, adaption to change, and results.

What leaders do differently

Organizations that create a High Impact Employee Experience do not try to fix everything at once. They make **disciplined choices** about where leadership attention and resources are focused — and sustain that focus long enough to change execution.

WTW defines **EX leaders** as organizations that have sustained employee experience as a priority and expect to continue doing so. These organizations report higher employee impact and stronger performance outcomes — not just because they invest more, but because they focus their efforts strategically.

What differentiates these leaders:

- Employee experience and impact metrics are embedded into business operating rhythms
- Executive accountability is assigned for outcomes, not just activities
- Managers are equipped to translate strategy into day-to-day execution
- EVP and rewards reinforce clarity, trust and performance
- Listening leads to visible, timely action

EX Leaders are more likely to be delivering on the 4Cs, leading to superior business outcomes



Source: 2026 EX Global Market Study

Note: Percentages indicate percentage point difference between EX Leaders and organizations that don't prioritize EX

EX Leaders also consistently outperform other organizations across financial and workforce outcomes

- **1.9x** as likely to report higher employee productivity
- **1.8x** as likely to report significantly higher financial performance
- **1.7x** as likely to report higher retention of key talent
- **1.4x** as likely to report lower annual employee turnover



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Leadership focus: where to direct attention now

As scrutiny on productivity, margins and returns intensifies, employee experience is no longer just an internal conversation. The conditions that shape employee impact increasingly determine how effectively organizations execute strategy, realize transformation investments, and deliver sustained financial performance.

The leadership question is not whether employee experience matters — it always has. The question is **where focus will unlock performance now.**

The 4Cs provide a practical diagnostic lens. Rather than treating them as parallel priorities, high impact leadership teams identify the condition most constraining execution and concentrate effort there with discipline and persistence until it is no longer the constraint.

High Impact Employee Experience is built through precision of focus — not breadth of effort.

What this changes for leaders

This reframes employee experience from a portfolio-management problem to a constraint-management problem. The leadership task is no longer to invest broadly across employee experience, but to identify the condition most limiting execution and focus there until it releases.

High impact leaders ask:

- Where is lack of clarity slowing decisions or consuming capacity?
- Where is confidence lacking, limiting adoption of change?
- What capability do we need to add to see productivity gains materialize?
- Where is a failure to connect eroding resilience, retention, or sustained effort?

This focus-led approach does not eliminate hard choices — it requires them. But it replaces broad activity with deliberate progress in the areas that matter most.

About this Report

Authors



Jill Havely
Senior Managing Director,
Employee Experience



Richard Luss
Managing Director,
Economic Research

Methodology

WTW's 2026 Employee Experience Global Market Study combines employer and employee perspectives, including hundreds of employers representing millions of employees globally, employee survey data across multiple markets and financial performance analysis across approximately 200 public companies.

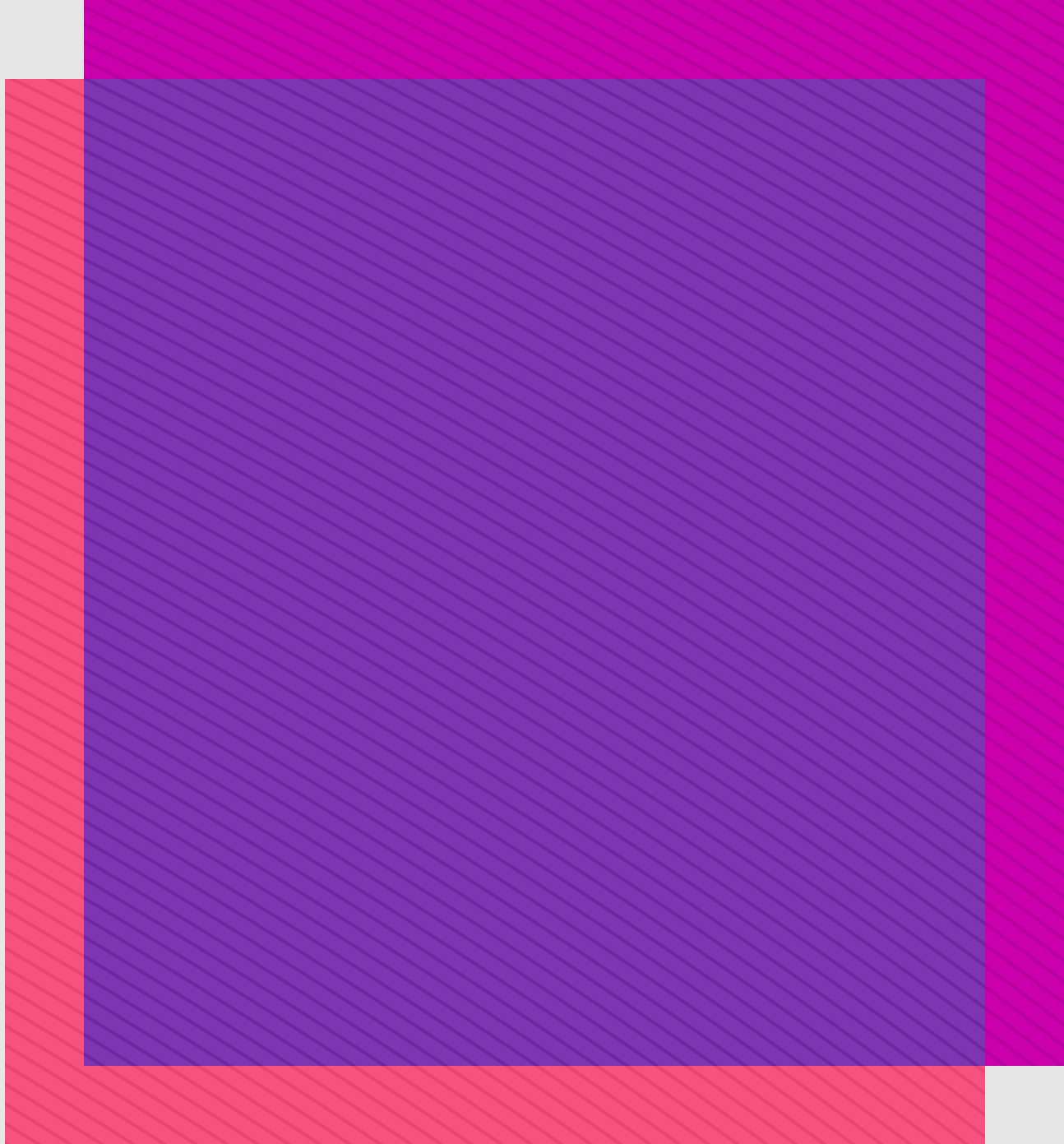
Where WTW helps

WTW helps organizations turn employee experience into a measurable driver of performance by enabling leaders to focus where impact matters most — linking workforce conditions to execution, resilience, and business outcomes.

We transform tomorrows by making a real difference in the lives of millions of employees through experiences that foster clarity, confidence, capability, and connection. These are relationship breakthroughs that matter.

The next step is diagnosis. **Contact WTW** to identify where sharper leadership focus can unlock the greatest impact for your business.

[wtwco.com](https://www.wtwco.com)



About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organizational resilience, motivate your workforce and maximize performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at wtwco.com.



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