

Listening to Employees

A guide to running effective employee surveys

About Clicktools

turning feedback into results™

Clicktools is the first enterprise application for the management of feedback on the web. The Clicktools advantage is a powerful analysis and reporting tool for feedback from multiple sources that generates insights to improve performance.

As an on demand service, there is no software or hardware to buy, install, maintain or upgrade - just sign up and get started.

Leading organisations, large and small, from around the globe use our product to help them improve their Customer Satisfaction, Employee Retention and Performance and Market Research. Clients include Amcor Flexibles, LogicaCMG, Nationwide Building Society, Rockwell Automation, The Economist Intelligence Unit and Unisys.

If you need help, Clicktools can provide support at all stages of the feedback process, including survey design, interpretation of results, integration with management and IT systems and complete outsourcing.

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A good company looks after its assets. It monitors their performance and carries out regular, preventative maintenance to ensure the asset stays in top condition and performs effectively. If 'people are a company's greatest asset', a commonly used phrase, then they deserve the same treatment. This White Paper explores the role of employee surveys in monitoring the state of the company's greatest asset.

The case for listening

Numerous studies do show a clear relationship between people satisfaction and financial performance. Here are just a few:

- Over the three years of the study, the 'Sunday Times Best Place to Work' companies would have earned an investor a compound annual return of 12.1 compared with a 5.8% decline in the FTSE All-Share index.
- US retailer Sears report that a 5% increase in positive employee behaviour leads to a 1.3% increase in customer retention, a 1% increase in revenue and 0.4% increase in profitability.
- Xerox Services Europe has data showing a positive correlation between employee satisfaction, customer satisfaction, productivity and profitability.
- UK companies with Investor in People award outperform other companies in sales, profit and ROI. Sales per employee in IiP companies average £86,625 compared with £64,912. Profit per employee is £3,198 against £1,815.

Feedback is an essential step in the quest to improve performance; if it is done effectively. Research by HR consultancy Mercer suggests that companies acting on staff surveys report eight in ten employees saying they are highly committed to the firm compared to four in ten for organisations failing to act. The Empower Group suggested that in many of the FTSE 500 firms it studied nothing happens with the results of employee surveys, while 47% do not take regular surveys of staff motivation, morale and engagement.

The link to financial performance highlighted above is achieved through a number of real benefits.

- **Improve performance** by highlighting the barriers to people doing an effective job.
- **Reduce the cost** of retention by identifying the factors that cause people to leave.
- **Support recruitment** by identifying the factors that make the company a good place to work.
- **Identify and share good practices.**
- **Focus investments** in facilities, tools and training on those issues that will affect performance and satisfaction.
- **Highlight talent at risk** - the high performers that may be most likely to leave.
- **Ease the introduction** of new HR policies by identifying preferences and issues.

Types and uses of feedback surveys

Organisations use feedback surveys in a number of different ways.

Periodic Surveys

Most organisations that use surveys to gather employee feedback use a periodic, typically annual survey. Addressing a range of issues, the periodic survey provides a snapshot of the state of the organisation. They usually seek feedback from all employees.

Pulse Surveys

Often shorter in length and focused on the needs of different parts of the organisation, pulse surveys provide managers with a regular view of the state of employee morale and performance. Typically monthly or

Pulse Survey Example

This short survey combines questions focused on teamwork with two questions that are common across this company's pulse surveys.

- *People in my team/department work well together*
- *I have confidence in the ability of my colleagues to do a good job*
- *I trust the people I work with*
- *Compared with what I could achieve elsewhere, I am satisfied with my job*
- *I have no intention of leaving for another employer*

quarterly, they often use sampling techniques to ensure that results are representative of the whole organisation.

Issue/Event Surveys

Organisations use these surveys to gather feedback on specific issues or events; for example the launch of new strategy, design of HR policies, feedback from training or the integration of an acquisition. The quality and effectiveness of HR transactions and activities can also be tested using short surveys.

Team/360 Surveys

Focused on the performance of a team or its manager, these surveys gather and aggregate data from team members about the performance of its members and/or their manager.

Feedback Survey Life Cycle

Whilst it differs slightly according to the type, the basic life cycle for a feedback survey is the same:

- Design: Develop and test the questionnaire.
- Deployment: Issuing the questionnaires and collecting and capturing the results.
- Analysis: Understanding the results
- Communicate and Act: The most important element - telling people what you have heard and the resulting actions planned.

For a copy of an employee feedback project plan, contact Clicktools Ltd.

Feedback Survey Good Practice

Experience has highlighted a number of good practices.

Segmentation

For all but the smallest companies, being able to see the results for different parts of the organisation is important. Segmenting the data enables communication and action planning to be localised. Where demographic data is used to segment results, it

should be collated before issuing the survey. Collating this before the event allows the data to be used to tailor and target the survey.

Collecting demographics as part of the survey lengthens the questionnaire, reducing response rates. If demographic data has to be collected as part of the survey, place the questions at the end.

If demographic data allow the identification of results down to groups of less than six, considering rolling back up a level. At such a micro level, the results of one individual can significantly sway the results. It is also possible that anonymity (see below) will be compromised.

Anonymity

Many people are concerned that their feedback will be used against them and feel they take a risk in completing the survey. Guaranteeing them anonymity allays these fears. It is important that, if anonymity is offered, managers do not pressurise people or make attempts to find out individual responses. It is a matter of integrity.

In more mature cultures, anonymity may be unnecessary. If in doubt, people can be offered the opportunity to include their name.

Having the survey administered by a third party will usually strengthen the claim of protecting anonymity.

Local Language

Whilst the questions might seem quite straightforward (and simple questions are always better), dealing with them in a second language can be a challenge. Nuances and meaning are often lost. Professional translations are advised unless you can be very confident that people will be fully conversant in the survey's first language. Web delivered surveys can provide the facility for users to choose their language.

Short and simple

The response rate to surveys falls as the number of questions increases. Even those people who persevere find it difficult to assiduously read and answer correctly

lengthy surveys. Psychologists refer to a concept known as ‘anchoring’; where the responses to the first few questions can shape the responses to the rest of the survey. It is commonly known as getting into tick box mode – you do not read the question carefully and tick the box that you have previously ticked.

Here are a few ways to maximise response rates and minimise anchoring:

- Keep surveys short. If it is necessary to collect a lot of data, consider using a number of short surveys with careful sampling.
- Use everyday language. Avoid acronyms and buzzwords unless they are universally recognised in the organisation.
- Use sections to break up surveys and different questions types and layouts to avoid anchoring.
- Test the survey on a small, representative group before launching it.

Avoid questions like this one taken from a BBC employee survey. *“Within BBCi, senior managers devote a LARGE amount of personal energy, time, and focused attention to build and maintain implementation of world class core processes which align the business actions and perspectives with the key tasks it needs to perform well and which ensures that those tasks are performed efficiently, effectively and in a consistent fashion (‘we strive for consistency wherever possible, we actively avoid reinventing the wheel.’). Answer on a scale from 1 (agree) to 5 (disagree).*

Focus on real issues

Many surveys ask meaningless questions like ‘How satisfied are you in your job?’. Such a question provides nothing that the organisation can act on. Surveys should address both drivers – the factors that affect performance and loyalty and outcomes – the way that the drivers are manifested. Quality of management is a common driver. Willingness to suggest the company as an employer is an outcome.

Build surveys to measure the outcomes that lead to improved performance and retention and then test for the drivers of those outcomes.

Link perception and reality

Expressing a propensity to leave is one thing; resigning is another. Good surveys provide the means to link feedback results with performance issues. If retention is an issue, ensure that data about causes of retention can be linked to its measurement.

This will allow you to identify the things (drivers) that most influence actual performance. Only in this way can reliable actions be developed from the feedback. The goal is to identify the people practices that most affect performance.

Beware averages and aggregates

Executive summaries are useful but average and aggregate data can be misleading. The people practices that matter in one country or department may be very different to those that make a difference elsewhere. In large, complex organisations, demographic data is essential. It allows organisations to identify the drivers at a granular level.

Senior Management Involvement

It is a common refrain for projects, but senior management involvement does make a difference to the success of feedback surveys. Where they give their time and attention is a powerful message to the organisation about what really matters. Their visible commitment to the process encourages participation. In addition to their figurehead role, senior managers have three responsibilities:

- Provide the authority to act. Surveys are likely to raise issues that HR alone cannot address. Involvement of senior managers from the start helps to ensure that the feedback is acted upon.
- Hold managers responsible for the results and actions in their area. Given that local action will be required (see below), senior managers need to encourage, support and cajole local managers into communicating and acting on the results for their area.
- Take responsibility for the company wide actions that may arise from the feedback.

Communicate with speed from the top

For periodic surveys, it is advisable for senior managers to communicate the company wide results first. This prepares the organisation for localised communication and action. Set aggressive timetables for the communication and first round action planning; delays between data gathering and action planning is often interpreted as lack of interest or, in some cases, a desire to massage or bury the results.

Action planning on the other hand should begin at the local level (see below).

Local action and communication

Whilst senior management support and involvement is important, local communication of results and actions are vital, particularly in larger organisations. Issues and actions may differ, as discussed

above. The local context will also be different and it is important that the results and subsequent actions are presented with reference to that context.

Employee surveys are one of the key vehicles for ensuring a full dialogue between employees and managers. Although many companies conduct effective surveys, few companies excel at survey follow up, which is the phase that achieves maximum business value.

Thomas Rollins, Turning employee surveys into high impact business results.

Further, employee performance and loyalty is more closely linked to their local conditions. The competence and attitude of individual managers make a difference. It is at this level that changes have to be experienced. The more the results are presented as a company wide issue, the less likely that performance is to change where it matters most.

If event/issue surveys are being used, local action and communication are even more important. By definition, they address specific subjects which should be addressed by those responsible.

Track action plans

One question always arises the second time a company asks employees for feedback: "What did you do following the last survey?" The only reason for gathering feedback is to improve; to consider and act on the results. Tracking the actions agreed answers this question. It also ensures that actions are completed, and not lost in the chaos that is daily business.

Beware externally normative surveys

Benchmarks are very popular and can be useful in some areas. In employee feedback surveys, comparisons with other companies are of little value. The context and

culture of organisations vary so widely that comparisons of macro level data are meaningless. Normative surveys require a common question, which usually results in either the lowest common denominator or excessively lengthy questionnaires. Such surveys tend to be proprietary, with only limited scope for tailoring.

Externally normative surveys also tend to minimise change and action. They tend to focus on areas where the organisation is better or worse than the comparison companies and not on the things that are important to their performance. A more effective approach is to seek improvements on previous performance, prioritised by the factors that affect performance most.

Internally normative surveys are a different issue. Where the business and management systems are much more consistent, comparisons become more valuable. They help to identify areas of best practice that can be spread across the organisation. They also encourage friendly competition – not to be underestimated for its motivational value.

End to end planning

Planning is important. The plan for periodic surveys should address the whole life cycle, from design through to completion of action plans. If pulse surveys are being used, it is useful to publish an annual calendar, covering the different phases. In this case, expect (indeed plan for) some overlap between surveys and actions. Use the plans to identify and prepare for peak workloads associated with issue and analysis. Remember that planning should include communication with employees – before, during and after the survey.

Use third parties selectively

Outside suppliers have a useful role in the running employee feedback surveys but beware relying on them too much. The roles they are best suited are:

- Help with the design of questionnaires
- Provision of tools to manage the capture, analysis and presentation of data
- Provide an external view of the data
- Train people in the communication and interpretation of findings

Do not use consultants to recommend changes; managers are more likely to reject their findings. Place the emphasis on those that own the problem, solving the problem.

If using pulse or event/issue surveys, ensure that the supplier can enable your staff to design and run their own surveys: speed and cost are likely to make the outsourcing of this particularly expensive.

And finally

Feedback is the basis of learning at all levels from a single brain cell to whole organisations. Without the stimulation of feedback, learning is restricted. But as the Chinese recognise, learning is only effective if it is put into practice. Surveys might be the exercise, but improvement is the goal. Good surveys can facilitate the actions that drive retention and performance.