How to Leverage Your Employee Engagement Survey:

Five Steps to Moving the Needle

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Employee Engagement has been talked about and measured for over a decade now, yet very few companies large or small have figured out how to crack that nut and move many of the key metrics to reach engagement nirvana. Why not? We keep measuring engagement every year or two and hope for the best. It’s true that you can expect what you inspect, but to a certain point. If you are going to ask your workforce for their opinions, then you had better commit as a leadership team (not just HR’s job) to act upon the results.

I venture to say that the easy part is conducting the employee engagement survey and the hard part is doing something with the data. How do you move the needle and which needle should you move? Believe it or not many organizations miss out on the opportunity to make a change. According to Price Waterhouse Coopers 2013-2014 Human Capital Effectiveness Survey, 86% of more than 300 U.S. companies said they measure employee engagement, but only 40% of them do something with the data. It’s a huge mistake not to act on your survey data and it’s worse if your organization treats it as an HR initiative with little relevance to the rest of the company.

There are several compelling and some not so compelling reasons companies elect to spend resources on administering employee engagement surveys. These include:

- Our competitors do it
- Our CEO says we need to
- We really do want to know what our people think – maybe
- We want to win an award and be an Employer of Choice
- We heard that higher levels of engagement drive business results

Of the more compelling reasons, employee engagement drives employee performance and workforce retention. The Corporate Leadership Council research (2009) has identified and developed the 10:6:2 rule: every 10% improvement in employee commitment to his/her job can
increase an employee’s effort level by 6%; further, every 6% improvement in effort can improve an employee’s performance by 2 percentile points which means productivity gains that directly hit the bottom line. Engagement also influences an employee’s decision to stay or leave an organization. Again, the CLC developed the 10:9 rule based on their research: every 10% improvement in an employee’s commitment to their job can decrease an employee’s probability of departure by 9%.

For American businesses, there’s a lot at stake. Take $450 billion in lost productivity according to Towers Watson and couple that with $300 billion price tag for the cost of stress in the American workplace together that’s $750 billion dollars going out the corporate door. We got to do something to take care of our employees if we want to remain in business.

We already are experiencing pay freezes, benefits cuts, layoffs, high rates of unemployment, lack of hiring, and longer times to hire (23 days versus 15 days in 2009 (source NY Times 3/6/2013). These factors create stress and uncertainty for employees making our jobs really hard when it comes to moving the engagement needle in the positive direction. Engaging the right employees in the right behaviors remains a critical ingredient of how companies manage in the crazy economic conditions we face. I suggest that we should be asking ourselves not what should we do to engage employees but what do our employees need to be engaged? And what behaviors are we asking them to engage in?

Let’s explore that question and look at key drivers of engagement. AONHewitt completed a survey in 2013 and found that engagement levels are on the rise landing at 60% globally but dropped 3 percentage points in North America. This means that 4 out of 10 ee’s are still not engaged. A key driver of engagement is PAY, usually described previously as a hygiene factor, but now pay has moved up to #3 driver of engagement.

Additional core drivers of Engagement according to AONHewitt include:

- Work – empowerment, sense of accomplishment, tasks
- People – who do your people, work with, leadership, direct supervisor, collaboration
- Opportunities (#1) – career development, learning and training opportunities
- Total rewards – brand of products/services, reputation/employment brand, pay, benefits, recognition
- Company practices – communication, diversity/inclusion, enabling infrastructure, performance management, customer focus, innovation, talent & staffing
- Quality of Life – job security, safety, work/life balance

Also it’s important to note that drivers are different depending on the employee’s economic, geographic, job level, job function and generation. So that means you will need to invest in resources differently and target them to certain groups of population. For example, Front Line employees are more driven by career opportunities while Executive Management looks at the organization’s reputation and employment brand.

I suggest that you focus your resources on trying to influence these drivers across your population so make sure your survey asks questions about these drivers.
A typical Employee Engagement process includes three phases:

1. **Assess** – run the survey, determine drivers of engagement, identify key categories to explore, ensure confidentiality and validity of survey administration.
2. **Understand** – analysis and reporting; you have the data what is it telling you; what is statistically significant and important?
3. **Act** – action planning, practices, tools – what do you do with the data now that you have it?

Some have likened employee engagement to marriages, “it is not the destination it is the beginning.” It is a way to measure how deeply people love their jobs and companies and it can go up and down based on the environment that WE create. We cannot force people to marry us nor can we force our employees to be engaged.

Of the three steps I believe the final step is the most important and has the greatest chance of moving the engagement needle. There are some critical steps I suggest you consider once you have your survey data in hand.

**Step 1:** Understand your survey results – determine what’s working, what’s not, where is there room for improvement, where are the greatest gaps, lowest scores, highest scores, walk around and talk to people, share results within two weeks of closing survey.

**Step 2:** Go deeper – facilitate focus groups with a cross section of employees representing all levels and depts and locations, drill down on a handful of specific questions to get more information and better understanding of results; hold roundtables with the CEO, walk around and talk to people post survey to see what they’re talking about, hold 1-1 interviews.

**Step 3:** Establish and Communicate Priorities - share results with your key stakeholders and get clear on their priorities (CEO, CFO, shareholders, customers).

**Step 4:** Create Your Action Planning Committee & Action Plan (select 6-8 local “champions” who represent a cross-section of departments). Start by asking for volunteers who are supported by their manager for this special project. The Committee is responsible for setting their charter and selecting a chair who facilitates meetings. Ensure that your committee has full access to survey data and help them interpret it to ensure clear understanding of results and implications and priorities or other parameters from which they have to work. Great running committees have super clarity and full empowerment.

Your Action Plans should follow these parameters:

1. Take feedback seriously – engagement can suffer amongst employees who believe their suggestions are being ignored.
2. Implement change where it’s possible – this increases engagement by showing employees that management is listening to them.
3. Be transparent – you should describe what changes are being made based on the data and explain what changes are feasible and which ones are not.
4. Be accountable – tying engagement to performance metrics and including it on your scorecards or dashboards will help ensure that engagement gets serious treatment.

Step 5: Implement APC project plan – Spend several meetings to understand which initiatives and ideas will get implemented from the plan, prioritize them and make sure committee members go back to their departments to communicate it. Float ideas and thoughts to get feedback and set a clear start and end dates. Most plans will need senior management approval accompanied by budgets and other parameters then let them go forward to implement changes. Make sure the committee shares the plan with all stakeholder groups and that they get decision making rules, authority, and approval to move forward. Finally, establish metrics and how you will measure progress and provide recognition on wins along the way. Review and evaluate before the next survey.

In closing, this article has outlined why engagement is still important to companies, some key drivers of engagement, a process to follow to uncover the needles you might want to move and most importantly how to undertake the task of action planning and identifying and implementation change to improve things in the future.

Remember, the ability of companies to find, understand, and manage talent hinges upon getting a powerful differentiated and engaging employment contract right – and today there a lots of pressures on that contract with companies wanting higher productivity out of their employees and employees wanting rewards for their discretionary effort.

Higher levels of engagement not only contribute to short-term survival during economic volatility, but also are a key factor for longer term business performance and better positioning when market conditions become more favorable. Understanding and moving the needle on employee engagement is not “a one and done” proposition, but rather a way of being that requires an ongoing fluid approach to understanding and meeting the needs of the employee contract.