Free Report on Engagement Surveys

- Do’s and Don’ts of an Engagement Survey
- Partnering with a Survey Vendor
- Keys to Conducting an Engagement Survey

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It’s Not About Employee Satisfaction!

The Do’s and Don’ts of Conducting an Employee Engagement Survey

By Bob Kelleher

I usually hear a few gasps in audience when I announce, “I do not care about satisfying employees, and neither should you!” I do not believe it is the responsibility of companies to satisfy their employees. You can always throw money or offer great perks to your employees as a means to boost satisfaction levels. However, the last thing any employer wants are satisfied but underperforming employees, or satisfied employees working for an underperforming business. I do believe that employee satisfaction will be an outcome of a great culture, but I do not believe it should ever be your goal. Your goal should be engagement!

I define engagement as “the unlocking of employee potential to drive high performance.” Companies with highly engaged employees have 3.9 times the earnings per share (EPS) growth rate, compared to organizations with low engagement scores.¹ Engagement is the link between company performance and employee potential. Companies need to focus efforts on building a mutual commitment between employee and employer – a commitment that is the foundation of employee engagement. Only when this foundation is in place, will firms experience the collateral benefit of a high performing business – the discretionary effort of employees.

Are your employees fully engaged? Are you capturing their discretionary effort? The latest research by the Corporate Leadership Council is staggering; only 5.9% of surveyed employees are giving their employers high levels of discretionary effort.²

How would you know? As we slowly recover from this recession, enlightened companies are beginning to ask their employees, “What do you think?” as they conduct employee engagement surveys.

Employee Engagement surveys measure engagement - not satisfaction. I suggest that organizations conduct employee engagement surveys now, to gauge their organizational pulse. Studies show that 49% of employees are in the process of looking for, or planning to look for, new employment over the next 12 months.³

The same study reports that 63% of your Generation X employees expect to change jobs over the next 12 months.⁴ This restlessness will create significant organizational challenges for companies. For many employees, the recession has resulted in smaller pay raises, the suspension of bonuses, layoffs, reductions in training, and job anxiety. This has spawned the era of the “disengaged but staying put,” within the employee ranks. It makes sense to determine the current engagement levels of your employees.

¹ Gallup - “A Leading Indicator of Financial Performance”, 2010
² Corporate Leadership Council - Quarterly Employee Engagement Trends, July 2010
³ Deloitte – Managing Talent in a Turbulent Economy, February, 2009
⁴ Deloitte - Managing Talent in a Turbulent Economy, February, 2009
Over the years, I have conducted employment surveys for many companies, large and small. I have learned a few lessons.

- **Lesson #1**: Do not conduct a survey unless you are convinced your leadership team is committed to listening and acting on feedback. If you ask your employees what they think and then do nothing with the results, you will foster cynicism and skepticism. In fact, you will be worse off than if you did not conduct a survey in the first place.

- **Lesson #2**: Partner with a consulting firm. You want the ability to benchmark your results with other companies in your industry, and most survey providers have valuable benchmark data. If you attempt to design and implement an employee engagement survey in-house, you may lose some level of confidentiality (or at least, that is what your employees will fear). A consultant will create a survey that is specific to your organization and also assist with the delivery and roll out of results.

At one point in my career, I was responsible for the HR, OD, and IT functions, and I believed I had all the in house technical resources to design and administer our own survey. While we did save some external costs, these “savings” were more than offset by a vast internal administrative effort, diminished trust with our employees, and a lack of credible external benchmark data. Can you say, “penny wise, dollar foolish”? Partnering with a third party is money well spent.

- **Lesson #3**: Setting the stage. For those companies conducting a follow up survey, I strongly suggest you promote specific actions, successes and progress since the last survey. If you have implemented an effective communications plan since your last survey, you are probably already doing this. This communication, summarizing your successes, should be a key part of your overall survey communication plan, and your best internal communicators should lead it. View this exercise as a terrific branding opportunity, key if you want to capture high employee participation levels.

- **Lesson 4**: Have a communication plan. When the results of your survey are summarized, invite your survey consultant to present the first overview to your top leadership team. He/she will be able to provide the proper context to minimize leadership anxiety, common with senior leadership teams who often take less than positive results personally. After this meeting, work with your communication team to outline the next steps to your employee base. Your consultant can also help you decide the best time to share results with employees. At some point, you will want to communicate both your overall company results and your next steps, as you begin to build transparency with frequent, open, and consistent messages. Assuring your employees their feedback was heard, analyzed, and acted upon, builds a culture of trust and credibility.

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- **Lesson #5**: Establish a cross sectional committee to review overall company results and make recommendations to management. Do this shortly after your leadership team receives the
survey results. The task team should be between 10-20 employees (depending on company size) and include an equal mix of leaders and respected non-members of your leadership team (representing your employee base). This diverse team will reinforce the mutual commitment aspect of an engaged culture. The committee will evaluate the company wide survey results, and make priority recommendations to the CEO and leadership team. Consider keeping this task team together for 12 months, to guide and monitor progress of key initiatives.

- **Lesson #6**: At a micro level, establish a local cross sectional sub-committee to review local results (departmental, business unit, functional, etc.) and appoint local senior champions. You will quickly discover that you have some business units, departments, etc. that score significantly better or worse than the average company, and they may require an analysis at the local level, and the establishment of local action plans.

- **Lesson #7**: Have your local committees adopt a common action plan template and consider posting all plans on your intranet to encourage the sharing of best practices, collaboration, and consistency. I do not encourage sharing department rankings with all employees; you never want to embarrass a particular department or manager.

- **Lesson #8**: Keep it simple and execute flawlessly. The tendency after a survey is to over promise and under deliver. If you succumb to this temptation, you run the risk of creating a skeptical work culture (“they told us they would do __ but we have seen nothing!”) In addition, make sure to implement a rigorous priority review process, including funds to support the survey goals. Remember, engagement is not free, and a well-conceived engagement action plan will require organizational investments.

My experience following a survey is fascinating. Often, the same leaders who were reluctant to endorse a survey at the beginning stages, are caught up in the organizational energy that follows a survey, and want to change company culture overnight. Remember, organizational change is a dimmer switch, not a light switch. Your agreed on recommendations will take time to implement, and they will be competing with other organizational priorities. A few months after you analyze and implement your action plan, your leaders may be on to the “next big thing.” If an action plan is too ambitious, it can create organizational fatigue (e.g. running a great 90 yards in a 100-yard race!) Organizational follow up and follow through are critical to successful implementation, and ultimately how your employees will judge the success of your survey efforts.

- **Lesson #9**: Plan for a follow up feedback mechanism. How do you plan to solicit ongoing input from your employees? Your employee engagement survey task team, working in partnership with your HR/OD staff, will prove to be a valuable asset monitoring feedback, follow up, and follow through. I suggest managers include a “survey action plan” agenda item during their regular department meetings for a minimum of 6 months.

- **Lesson #10**: Do not commit to another survey for 18-24 months. It is my belief that you need this amount of time to effectively act on the feedback from your last survey, and execute your action plan. It takes time to see results, and if you conduct a follow up survey too soon, your organization may not have had enough time to digest and understand the changes from the
previous one. If you need to do a survey at the 12-month window, consider a pulse survey to gauge trends quickly.

- **Lesson 11**: Invest less in your technology vendor and more in post survey results. Concentrate on the interpretation, action planning, follow up/follow through, communication and branding. The execution should receive more of the budget than the vendor. If your employee engagement survey is not successful, the failure will not lie with the collection of data. More likely, the interpretation and prioritization were poor, the action planning was ineffective, or the follow up fell short.

During the analysis of your results, you will likely discover there are many areas requiring investments of time and money. Some of these areas will relate to engaging different generations. Your engagement scores and needs will vary significantly across generations, and careful action planning will be necessary to address these differences.

Your engagement scores will also vary by organizational tenure, as personal experience and industry trends show that engagement levels differ significantly depending on one’s tenure with a firm. For instance, engagement usually drops after an employee’s first year (employees join organizations with hope and enthusiasm) but after year one, employee’s engagement levels drop until year seven. As you analyze your engagement results, and decide where you want to concentrate your efforts, there is a tremendous opportunity for firms to focus some attention to employees in this valley of despair, (tenure between years 1-7).

Engagement trends are another important facet to an engagement survey. You should not underestimate the importance of social media and engagement. As you analyze your engagement scores and prioritize your action plans, decide how you are going to build alignment by maximizing the different communication avenues now available to companies. Social media tools such as Twitter, LinkedIn, Facebook, and YouTube, should be leveraged in building your communication and alignment follow up.

Social media is here to stay, particularly with Gen Y, and you must embrace these communication vehicles to stay relevant.

Another area to consider while designing your survey and analyzing your results, is the growing importance of corporate social responsibility (CSR) as an engagement driver. Employees want to work for a company that is purposeful, and is committed to sustainability. Look for ways to leverage this engagement driver as you build your action plan. Workforce demographic studies and related research tell us that CSR should be leveraged in your engagement efforts.

**Final Thoughts or In 50 Words or Less**
Employee engagement is linked to high performance. Engagement is not an initiative to make your employees happy, although that is often a byproduct, but rather an initiative to engage your employees to drive business results.
Partnering with Consulting Firms on Surveys
Count the number of categories below (including any you’ve added). Force rank your needs for a survey partner to help you identify the best provider for your specific organization.

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of survey process</td>
<td>We have a limited budget for completing the engagement survey</td>
<td></td>
</tr>
<tr>
<td>Credibility of partner</td>
<td>We need to use a well-known survey provider like a Gallup or Towers Watson</td>
<td></td>
</tr>
<tr>
<td>Customizable</td>
<td>We have specific needs and can’t use an out of the box</td>
<td></td>
</tr>
<tr>
<td>Filter options</td>
<td>We want to be able to drill down into multiple levels of employee data (by department, location, manager, etc.)</td>
<td></td>
</tr>
<tr>
<td>Flexibility</td>
<td>Our time frame is in flux – we need the survey provider to be able to kick off the survey at a moment’s notice</td>
<td></td>
</tr>
<tr>
<td>Global</td>
<td>We need to deliver this survey in multiple offices across multiple countries</td>
<td></td>
</tr>
<tr>
<td>Guidance during process</td>
<td>We know very little about conducting a survey and need my provider to give me specific guidance</td>
<td></td>
</tr>
<tr>
<td>Languages</td>
<td>We need to deliver this survey in multiple languages</td>
<td></td>
</tr>
<tr>
<td>Normative data (industry)</td>
<td>We want to see normative data that is specific to our industry</td>
<td></td>
</tr>
<tr>
<td>Normative data (size)</td>
<td>We want to compare our data to companies of our size (no matter what the industry)</td>
<td></td>
</tr>
<tr>
<td>Online survey option</td>
<td>Our survey must be done online in a secure environment</td>
<td></td>
</tr>
<tr>
<td>Paper survey option</td>
<td>Some of our employees are remote without access to a computer – they will need a paper version of the survey</td>
<td></td>
</tr>
<tr>
<td>Presentation of material</td>
<td>We want our survey provider to deliver the initial results to our leadership team</td>
<td></td>
</tr>
<tr>
<td>Quick turnaround</td>
<td>We need to have a quick turn-around from start of survey to finish</td>
<td></td>
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<tr>
<td>Reporting</td>
<td>We want reports that are easy to read while being thorough</td>
<td></td>
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<tr>
<td>Services</td>
<td>We want a provider that offers services after the survey such as consulting and training</td>
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<td>Other</td>
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Keys to Conducting an Engagement Survey

Although there are distinct advantages to conducting regular employee engagement surveys online, there can also be risks. Here are some of the main advantages and considerations to conducting employee engagement surveys online.

Advantages

- **Identify problems** - Surveys can be very effective in identifying problem areas before they become serious, especially those that are hidden from senior management.

- **Working Environment** - From something small like a broken chair to the more serious problem of sick building syndrome that can result in employees experiencing headaches; eye, nose, and throat irritation; a dry cough; dry or itchy skin; dizziness and nausea; and difficulty in concentrating. Surveys allow environmental problems to be identified in a measured and controlled manner.

- **Remuneration and benefits** - Measure and monitor how satisfied personnel are with their remuneration and benefits.

- **Mood and morale** - Provides a simple but effective method to measure and monitor the mood and morale of an organization.

- **Benchmark** - In the same way that an organization will consider their financial position by comparison with previous years, so the regular use of online surveys will allow an organization to monitor and measure their progress and development in non-financial terms.

- **Processes and procedures** - As businesses evolve some of the traditional processes and procedures can become antiquated, personnel are often the first to know and the last to be asked. Businesses evolve and the business processes need to be regularly re-aligned.

- **Training** - Lack of proper training is a common cause of disengagement among employees and can lead to more serious problems such as stress.

- **Communication** - For an organization to run efficiently good internal and external communications are essential, surveys can provide a method to help organizations to monitor and measure how well an organization communicates.

- **Goals and Objectives** - Surveys can measure and monitor the extent that the personnel are aligned with the senior management's business goals and objectives.

- **Cost Effective** - Using an online survey service such as www.surveygalaxy.com, Talentmap.com or zoomerang.com surveys are quick and easy to create, simple to deploy and will provide real-time results.
• **Compliance** - To properly comply with an ever increasing array of regulations the modern organization needs to be able to disseminate information throughout the organization and ensure, through records, that the information has been received, and importantly, understood. Online surveys provide organization with a cost effective method to meet many of their obligations.

• **Keeping the Initiative** - It is always better for management to ask than be told. By conducting regular employee surveys management are able to keep the initiative in trying to identify problems that may otherwise manifest into demands.

**Considerations**

• **Management Backing** - A survey that is both sanctioned and has the support of senior management will go some way in ensuring that any action required, based on the survey findings, will be implemented.

• **Ask the right questions** - Consider careful the questions being asked. If employees feel that the survey is just trying to tick the right boxes the survey could backfire.
  - A survey that is to be conducted periodically should try and ask questions that will provide senior management with an overall health check of the organization.
  - Avoid questions that will only apply to specific departments or personnel. If some areas of the organization require detailed investigation consider running separate one-off surveys that can be targeted at specific personnel.
  - Evaluate your questions to be sure they aren’t leading to a desired result, vague, or open to interpretation.

• **Incentive** - Most employees will feel that by being able to give their opinions that they are already stakeholders in the exercise and will be happy to participate in the survey as they will expect to benefit from the process.
  - However, some incentive may help improve the overall response rate or could be used to encourage early participation.
  - Smaller incentives could be handed out to all employees or all participating employees could be entered into a lottery to receive a more substantial prize.
  - Don’t let employees self-select for participation. Ask all employees to participate and continue to send reminders. A response of 65 – 80% is considered average but shoot for over 80% for a more thorough result.

• **Anonymous** - The decision to allow respondents to remain anonymous or not needs careful consideration. A survey that is conducted anonymously may allow employees to

**Risks of Conducting an Engagement Survey**

• Managers dismiss results - results and comments are justified and ignored
• Ignoring the ‘warts’ – the organization dismissing poor results, especially if normative data is similar
• Non-action – lack of post-survey action results in cynicism and disinterest in any future attempt to survey
• Lack of communication – address what is being worked on and acknowledge what is being pushed off until later
• Blaming employees for results – ‘It’s not a management issue, we just have bad employees’
be more candid, however, anonymity may encourage some individuals to make wild accusations that cannot be substantiated and cause considerable concern.

- Where survey respondents are known there is the opportunity to chase for surveys that have not been completed and also to follow up on some issues directly with those employees who have raised them as problems.
- Communicate that, while employee responses are confidential, the cumulative data gathered will be shared and used to improve the workplace.

- **Comments** - Keep free text comments to a minimum because they are difficult and time consuming to measure and analyze.
  - Consider limiting free text comments to one at the end of the survey or, in the case of surveys that are not being conducted anonymously, allow for a post-survey follow-up to obtain more information where additional and more specific detail is required.
Asking Demographic Questions?
Asking demographic questions is more than being nosey - these questions serve two main purposes:

1. To see how closely the sample replicates the known population. The more closely the demographic distribution of survey respondents matches the population, the more confidence you can have in the data.
2. To allow analysis of sub-groups of those responding to the survey.

It is this second purpose, analysis of sub-groups, which provides the most utility. If the sample size is small (less than 100 or so), this cannot be done. However, with larger sample sizes, an analysis of sub-groups can tell you things that would be missed by looking at the aggregate data. For example, you might find that 10% of employees would rate the health care plan provided by your firm as "poor". You might be tempted to conclude that you do not have a major problem in this area. However, if you were to drill down into the data and find that 30% of employees with children rated the health care plan as "poor," you would have a potentially serious issue on your hands.

Questionnaire length usually limits the number of demographic questions you can include in your survey. The particular items you choose to include will be influenced by the type of industry you are in and the composition of your work force. Below is a list of the types of demographic questions you should consider including in your employee engagement questionnaire.

- Age
- Sex
- Marital status
- Length of time employed by the firm
- Position
- Department and/or business line
- Family information

It is not necessary to include all of the above questions in the survey. The key in selecting the items to include is determining, to the extent possible, the variable that you believe will segment the population in a manner such that the different segments will have different needs and/or feelings about the organization.

When NOT to use Demographic questions:

1. When the sample size is too small – When the sample size is very small (fewer than 50 responses), you really can't slice the data and see statistically significant differences. Thus, you derive no benefit yet you risk losing responses (or obtaining less honest responses).

2. When there have been issues about management trust – If you know that there have been problems regarding the employees’ trust in management, it may be best to abstain from asking questions which employees might fear can be used to identify them.

3. When the survey is too long – If you have added considerable length to a survey in the course of asking traditional organization-performance questions, a good place to cut additional length is the demographic section. However, before you do this, you might want to take a second look at the questionnaire to determine whether cuts can be made elsewhere.
Evaluating Employee Comments

Many employee engagement surveys give employees the opportunity to provide comments. Evaluating each comment as it is returned will be helpful in understanding the needs of individual employees. However, you'll gain even more information if you review the comments in batches and attempt to uncover patterns in the responses through "coding" them.

Once you have completed "coding" the comments, you can look for patterns. You would commonly see many of the same things identified as issues in the quantitative portion of the survey report. Often, the comments will provide you with more specific information about how to fix problems identified in the quantitative portion of a survey. However, it is not uncommon to uncover completely new issues by coding and reviewing comments. If this occurs, consideration should be given to modifying future questionnaires to specifically ask about such issues.

If you see a lot of references to particular employees, you should consider including employee names in both the positive and the negative comment coding sheets. You could then put a tick mark in the appropriate column for each positive or negative mention of an employee. If you do this, be sure to also place a tick mark in the appropriate "issues" category as well.

If you have many comments to code, it is helpful to use a data base program or a spreadsheet (see simple sample below). Rows should represent each respondent and columns can represent categories. This approach also makes it easy to calculate what percentage of respondents mentioned items in a particular category.

**Coding** is the process of putting consistent labels on survey comments in order for them to be sorted into categories. Common codes are:

- Compensation
- Benefits
- Leadership
- Relationships
- Customers/clients

Codes are determined by comments made on the survey and categorized in the review process.
The Value of Normative Data in Employee Survey Analysis
Employee ratings of an organization's strengths and weaknesses can identify areas upon which to focus in order to increase employee engagement. Indeed, if you had no other data, you would still be in a position to make decisions about what to do in response to employee survey results.

You will be able to make much smarter decisions, however, with additional normative data. For example, it's not uncommon to discover half a dozen attributes which receive relatively poor ratings in comparison to others in the survey. Or, on the flip side, you may see some very high results on particular question.

Normative data shows where you stand in comparison with many other organizations on the same attributes. A case in point -- employee ratings of salaries and wages are substantially lower than their ratings of, say, corporate communications or quality of supervision. Looks like a money problem, but is it? It may be that, compared to other organizations, your wage and salary ratings are on the upper end of the scale. And your apparently satisfactory communications ratings are actually lower than those of other organizations.

That kind of information is precisely what norms are designed to provide. Without that information, you can't really tell where you stand, and you may waste resources fixing "problems" that simply reflect prevailing views of employees in general, and missing an opportunity to address the real areas in which your organization lags behind others.

This is not to say that a low rating in both your survey and the normative data justifies your results. Employers of choice know that it’s not good enough to be as good as the competition – they want to be better.
Reporting Results
After a company has completed an employee engagement survey, the results must be communicated to three key constituencies:

- Executive leadership
- Management
- Employees

Executive Leadership
The executive leadership team will most likely be involved with the survey process from start and will be involved in the initial review and coding of results. All senior leaders should be involved in reviewing the initial report and discussing steps for cascading the information throughout the organization and the strategy for action planning.

Management
Communication to management is the next step. The goals of this communication should be to:

- Remind management of the purpose of the survey
- Communicate the findings
- Obtain buy-in that the findings are correct
- Begin the process of determining what policies and practices, if any, need to be changed to improve employee engagement

The first two items are fairly easy to accomplish through a standard presentation. The third bullet, obtaining buy-in, is a key aspect of the management communication. You may be able to obtain buy-in that the findings are correct in a standard presentation (or management reading) of results, but the success of obtaining buy-in can be problematic, particularly if the findings communicate something management doesn't want to hear.

Employees
At this point, delivery of the information to the information can be done in two ways:

- Cascading through the management level to the employees (message risks some dilution – not everyone will tell the same story)
- Delivered directly by senior leaders (a more consistent message but cuts out the connection to managers and supervisors)

Whichever method you chose to use, here are some tips for communication:

- Create talking points to provide a consistent message
- Communicate openly about the results – the good, the bad, and the ugly
- Offer the opportunity for questions
- Explain next steps – what actions you plan to take (remember, you can’t fix everything and your employees know it)

Lastly, part of your action plan should involve the employees in an active role. They’ve told you what needs attention, they should be a part of the solution as well.