



GETTING MORE OUT OF EMPLOYEE SURVEYS: 10 High Leverage Steps

by Joe Folkman, Jack Zenger and Wayne Hintze

Many companies have made employee surveys a standard business practice. However, managers and employees are often skeptical about how valuable those surveys are. From employees we hear: “They ask us the same questions every year, but nothing happens.” We hear managers inquire “How we can freshen up the survey to make it more useful?” After 25 years of experience helping organizations create surveys and deliver feedback, we offer ten suggestions that may enable you to improve your company’s employee survey and provide a better return on the resources invested in the process.

1. Schedule regular tune-ups. When we ask organization leaders if their business challenges have changed over the last few years, they inevitably respond with an emphatic “Yes!” When we ask, “So how has your employee survey changed?” the answer is usually, “It hasn’t!” To determine whether your survey is still timely, try the simple exercise of plotting the survey results over time. The trends should be readily apparent. Then compare these survey trends with business outcomes such as profitability or revenue growth. In too many cases, employee survey data is completely disconnected from trends in the bottom line.

We all know people who are pack rats. They just can’t throw anything away. Sometimes organizations have a pack rat mentality towards their employee survey questions. While it is helpful to maintain some measurement consistency over time, each item on the survey ought to be reviewed annually, introducing new items that better assess the changing challenges facing the organization. Similarly, items that produce no actionable insights should be jettisoned.

2. Ask the right questions. The items a company uses in their employee survey eventually frame the dialogue between employees and management. Which conversation would most managers rather have with a group of employees?

Conversation A — What should the company do to make employees happier?

Conversation B — What should the company do to increase the effectiveness of employees in executing the key processes that drive business success?

The answer is obvious. Fortunately, our experience is that employees also much prefer the second conversation.

We frequently ask senior executives about issues “keeping them up at night.” Usually they have clear ideas about what the company could do differently to be more productive and competitive. Yet too often there is only a miniscule overlap between current survey items and “things to do to be more competitive.

Using employee surveys to measure employee satisfaction without also tracking strategically critical issues creates an enormous opportunity cost. *The net result of having a survey focusing on employee satisfaction is that companies miss the opportunity to engage every employee in improving the issues that drive business success.* Another unintended consequence is that senior management gradually loses interest in survey results that don’t have a direct connection to critical business outcomes.

3. Don’t obsess about popularity. Most companies are very interested in how their results compare

to competitors. Many survey research firms stir up the fervor by claiming the only way a company can know if they are really good is by comparing themselves to industry norms. As any parent of teenagers can attest,

Too many companies believe that employee surveys are primarily barometers of employee satisfaction.

too much focus on “being cool” can definitely be counterproductive. External comparisons provide an answer to only one question—Are we better than, about the same as, or worse than other companies? *While comparisons can be helpful; they never provide definitive answers to the more important questions, such as:*

- What does this organization stand for?
- What makes this organization distinctive?
- Which strengths are most relevant to our success given our company culture?
- How can we build on our strengths?
- As a company, what is the most important issue to focus on now?
- How can we leverage our human assets to produce extraordinary results, rather than squandering those resources?

Many companies also aspire to be on the list of the “best companies to work for.” Typically, the company on the top of the list is the company with the best pay, highest bonuses, free meals at work, free on-site medical care, and better opportunities for advancement. If we used the same criteria to choose the best parents, the winners would be the parents who gave their children “the most stuff.” While most children might buy into this evaluation of parental affection, this approach seldom creates great children. What we know about quality parenting is that it’s not the amount of *stuff* parents give to their kids, but the *experiences* they facilitate and the *relationships* they maintain that make the difference in how the kids turn out. We also know that some adversity can be beneficial for children. Companies need to pay attention to the kind of growing and learning experiences they create for their employees. Emphasizing these learning opportunities and avoiding unproductive comparisons will help organizations get the most out of their surveys.

4. Get buy-in from line management. Employee surveys are often viewed as a “Human Resource Program.” *While HR sponsorship makes a lot of sense, the*

more each job function, location, and division of the company accepts ownership, the more successful the end results will be. The key to getting ownership from other groups is involving them from the beginning. Then let each group direct and guide the process within their own area of expertise.

5. Aim for 100% involvement. Many companies are satisfied when they achieve a 50% return rate on employee surveys. Their logic is that 50% is much higher than a typical random sample of 10% of the company. As an estimate of the overall satisfaction levels for the whole company, a 50% return rate does provide a statistically accurate sample of all employees. However, a 50% return rate in smaller work groups misses the boat when it comes to applying the data. *Unfortunately, a low return rate makes it impossible to get accurate data to the level where it can have the greatest impact.* Achieving a high participation rate makes it possible to provide good information to even the smallest unit in the company.

We have also found that the return rate is an excellent predictor of the effort and commitment both management and employees will expend to convert the results into change. A 50% return rate at the beginning of the process often translates into a 50% effort to implement the learning. In contrast, *a high return rate creates high expectations for future action*, motivating both senior leaders and employees to do something with the survey data. We challenge our clients to set the goal of a 90% return rate. Though this may be difficult, many of our clients have consistently been able to achieve or exceed this goal, and this appears to help them exceed expectations in implementing change.

6. Deliver feedback to the grass roots level. Potentially the biggest mistake companies make with their employee survey is to analyze the survey results in large aggregate groupings rather than delivering the data to every manager in every work group. We have demonstrated in hundreds of companies that *the one issue that has the most influence on employee commitment is the leadership effectiveness of the immediate manager.* If employees have managers they feel are competent leaders, then they are more likely to stay with the company, they are more committed to go the extra mile, they are more satisfied with their job, and they feel better about their pay and job security. The graph below shows the relationship between leadership effectiveness and employee commitment. Using 110,848 questionnaires from over 50 different organizations,

we identified 5,473 leaders with both leadership effectiveness ratings and employee commitment results. We first divided leaders into deciles based on their leadership effectiveness rankings. We then computed employee commitment averages for each decile. The graph demonstrates clearly that more effective leaders have more committed employees.



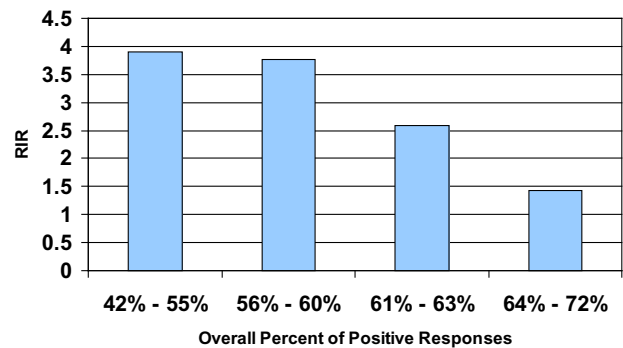
The secret to improving employee commitment is apparent—improve the effectiveness of leaders. One of the best ways we can think of to achieve this is to deliver specific feedback to each manager from work group members. Since work conditions and team priorities differ from work group to work group, feedback is most useful if managers get specific, direct feedback from their own peers and subordinates. *The employee survey offers a golden opportunity to provide managers with a team-specific assessment of their employees' viewpoints.*

While reviewing survey feedback with the president of a large hotel chain we asked the question, “Who else is going to see these results?” His reply was, “I can respond to a few global issues in this survey, but these issues occur mainly in individual facilities and work groups. If we don’t show them the data, then they won’t know they have problems. I want every manager and supervisor in this company to get the results for their own group.”

7. Link results to outcomes. Our work in a variety of organizations found strong relationships between employee survey results and other organizational outcomes such as profitability, customer satisfaction, turnover and productivity. These linkage studies help to answer the question, “Are positive survey results related to, or correlated with business success?” *In companies where linkage studies have been done there is an increased enthusiasm and commitment toward the employee survey effort.* The reason is that people don’t mind doing something that has a proven tangible ben-

efit. However, they hate busy work with no discernable relevance. While linkage studies are easier in some organizations than others, we strongly encourage all companies to consider doing some linkage research.

The graph on the following page shows the results of a study demonstrating a link between a critical safety measure and employee survey results in one company. This study looked at reported safety incidents (RIR) in a variety of different plants, and found that less safe conditions (higher RIR) were related to less positive employee survey results. Likewise, safer conditions (lower RIR) was associated with more positive survey results.



Survey details can also provide insights into what activities are most likely to help in creating a positive change.

An oil company was concerned about the turnover of professionals. In discussions, managers argued that the only reason people were leaving was their pay and the only way to retain good performers was to increase their pay. While it was clear the compensation was a motivating factor, they turned to the employee survey results to understand what other factors were influencing retention. The analysis of data showed that the top three factors were, 1) pride in the company, 2) recognition, and 3), a clear career path. These results provide a different perspective on employee retention planning. While compensation matters, employees might leave in spite of the increased pay if the company ignores other less tangible elements of organizational life such as opportunity, recognition and reputation.

8. Accentuate the positive. Employee surveys can also assist organizations to focus on strengths as a way to escalate performance. There may need to be a major change in mindset, but the survey can be used to help the organization reach the loftiest level of performance, instead of being used only as a tool to become “less bad.”

Most employee surveys are carried out using the following three-step process: 1) a survey is conducted, 2) results are

analyzed and reported, and 3) action is taken to correct the more negative survey items. This approach makes a great deal of sense when the negative items are “fatal flaws” that would keep a company from being successful. However, in our experience, it is very clear that companies are successful for two reasons. First, they don’t have any fatal flaws, and second, they do a few things exceptionally well. Effective employee surveys ought to provide insight into things that are going well but can also be done even better. Most companies already know how to fix weaknesses, but the process of building strengths requires a very different approach. To understand the process of developing organizational strengths we looked at organizational units with a high level of skill in a particular organizational dimension. What we found was that in order to be highly effective on an organizational dimension, such as communicating effectively, organizational units need to be effective in several other areas, such as leadership effectiveness, having a clear strategy, ethics, and their ability to change. From this research we created a map of what we call “companion dimensions”—the unique combination of things they need to do to build a given organizational strength.

9. Focus on ONE thing. What would happen to the productivity and effectiveness of a company if every manager selected one weakness to fix and one strength to build? The change would be substantial! Too often we set out to change several issues from the survey only to find that nothing changes. *There is great power and energy in focusing on fixing just one weakness, and building one strength.* If managers will diligently focus on improving one weakness and one strength in each work group, their effort will be much more likely to

succeed and bolster employee satisfaction and commitment.

10. Follow up. In a typical survey process, people get enthusiastic about the possibility of change. They scrutinize the data, select action items, and implement action plans. Once these plans are completed, however, new priorities tend to arise and action plans become a distant memory. What has become very clear to us is that *if no follow-up occurs on the action plans then very little change happens.* Most people believe they are responsible individuals and therefore they do not need reminding. The data we have gathered strongly suggests that those people who are consistently reminded create the most significant change, while those who are not reminded create little or no change. Processes need to be put in place to systematically ask people about their plans for change, and to encourage progress.

Employee surveys can be a valuable tool to assist organizations in accomplishing their mission, or they can be an invasive, administrative waste of time. We recommend these ten guiding principles to organizations just setting up a survey process and to those who currently have surveys in place. Instituting many of these ideas does not need to be difficult. Slight adjustments to current processes can often have a huge impact. The more work we do with organizations the more it becomes apparent that highly successful organizations are not perfect. Instead, they are aware of their critical competencies, and they leverage those strengths to achieve success. Employee surveys should be an effective tool to focus organizations on improving the critical competencies which drive that success.

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