EXECUTIVE SUMMARY

RESEARCH QUESTION

What are the associated risks of employee engagement surveys and how can they be mitigated?

INTRODUCTION

Over 50% of employers around the world use employee engagement surveys.[1] Companies implement these surveys for the purpose of measuring employee engagement and understanding whether change needs to occur. Survey data has the potential to transform an organization in terms of increased productivity, retention, and employee morale. However, many employers who use employee engagement surveys unintentionally run the risk of decreasing these outcomes.

If a company fails to properly design a survey or respond appropriately to survey data, employees will feel their responses are being ignored by management. 82% of employees believe that managers will not effectively respond to survey data. Further, 47% of employers that do take action only spend minimal time addressing issues presented by the survey results.[2] An overwhelming number of employees recognize that management will not drive change as they want, thus employees don't see value in completing a survey. Without a holistic representation of employees' feedback across different positions and levels of the company, the data becomes skewed. In order to prevent risks of a "failed survey,"[3] companies should take action on these key considerations as they develop a strategic employee engagement survey.

KEY FACTORS

In order to ensure that employees are not only heard but also highly engaged and motivated in their jobs, companies need to consider these key factors when building a strategic survey.

Design. A survey should be designed with strategic goals in mind. The survey questions should be focused on evaluating employee engagement within the scope of organizational needs. Companies should also evaluate the audience they wish to survey. A targeted approach allows companies to review less data and still share best practices across the organization.[4] What is effective for one party can also apply for others. Many companies segment their employee population and deliver different surveys for different employee groups.

Anonymity. Many employees hesitate to fill out employee engagement surveys because they question whether or not it is truly anonymous. Since the survey requests personal information about an employee's status within the company, employees believe that management could easily find out who responded based on the results. A solution to ensure anonymity and grow trust is by allowing an independent third party to run the survey.[5] In doing so, employees can be reassured that managers will only receive the final summary data. Not only can this solution increase employee participation, it can also prove to be a stepping stone for managers in listening to their employees' concerns.

Timing. The kind of data companies wish to collect depends heavily on the frequency of measurement. Annual surveys offer the opportunity to include a larger set of questions, but risks information becoming

irrelevant or outdated by the time the company reviews the responses. About 45% of organizations with over 1,000 employees are moving to survey employees more than once a year.[6] These pulse surveys are shorter and more frequent, allowing companies to collect data that is still current and easier to digest. But pulse surveys are also much more limited in scope, so employers need to understand their primary goals for conducting an engagement survey and use that to determine the optimal timing.

Accountability. Senior leadership should hold managers accountable for communicating results to employees and taking action to create change based on feedback. One way to create accountability is for senior leaders to set clear expectations for managers as to how they should engage employees. Managers who have a clear idea of their role in responding to survey feedback are more likely to take action (75%) than those who do not (45%).[7] However, many companies make the mistake of placing all responsibility of action on front-line managers. This is a mistake as many engagement surveys evaluate metrics outside of the span of control of the front-line manager.[8] Ownership should sit at the level at which change is expected to occur. Most companies place this ownership 3 levels above the front line, with special focus on empowerment and trust in individual groups and units.

CASE STUDIES

Whirlpool Corporation. Whirlpool Corporation holds both the employee and manager responsible for implementing change. This is to ensure that change is happening on multiple levels. It also gives the individual employee incentive to participate in the process and provide a positive impact on employee engagement initiatives.[9] Employees are asked to force rank the themes most important to them, and are given a report of company-wide responses against their own scores on the theme they ranked of most importance. Alongside this is a list of suggested actions employees can take to increase this score. This motivates the individual employee to act on feedback. Since anonymity could be an issue, a third-party contractor is utilized to create the reports.

Marks & Spencer. In 2012 Marks & Spencer drove a company-wide initiative to raise their employee engagement levels.[10] In order to complete this they decided to abandon their traditional annual survey which had been running since 2000 and opted for a pulse survey. The company now runs its engagement survey three times per quarter. The frequency at which the survey is offered allows for results free of any confounding factor of time. The risk here is that employees will not take the survey as seriously. However this technique allows management to link short and long term performance to engagement outcomes, which is helpful in determining what drives engagement at Marks & Spencer.

CONCLUSION

Employee engagement surveys require thought to how the individual employee, their manager, unit and even business implements feedback. Of the companies that conduct and follow up on their surveys, 84% of employers report a higher degree of engagement from their employees.[11] In order to reap these benefits the survey process designer must mitigate against risk by considering design, anonymity, time and accountability factors.

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