

BEYOND ENGAGEMENT: USING SURVEYS TO DRIVE STRATEGY

Looking at employee engagement can be scary these days, but improvement is possible with the right approach.

Recent global workforce studies have identified a growing engagement gap — posing a real threat for organizations amid a struggling economy. According to research published by the Corporate Leadership Council this year, since 2005, the number of employees exhibiting high levels of discretionary effort has dropped by half, and disengaged employees are 24 percent less likely to quit than they were in 2006. A recent Towers Perrin study of nearly 90,000 employees globally reports that only 1 in 5 employees is giving full discretionary effort on the job, and nearly 40 percent of employees are disenchanted or disengaged — lacking the rational, emotional and motivational connections to the company that drive discretionary effort.

But there are intimations of hope. Studies also clearly establish that organizational attributes like leadership, career and professional development, and the kind of work culture and reputation a company creates play a significant role in shaping employees' level of engagement and behavior. Perhaps most encouraging is that employees worldwide report that they want to give more, but also want to see a clear and measurable return for their effort.

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It's HR's challenge to deliver on this desire — aligning global employees so that their relationship with their organization, its leadership and their general work experience are mutually rewarding. HR rises to meet this challenge amid pressure to accelerate its own evolution toward being a strategic business driver balanced with the budget-tightening and high-performance mandates happening in nearly every organization. This collective of challenges creates "the perfect storm" for re-evaluating critical HR processes. Amway and Towers Perrin recently collaborated to manage the storm and discovered how the employee survey process can be as important as the destination. In the face of pressure to optimize investment and maximize value, Amway successfully launched a fresh approach to conducting an employee survey — one that goes beyond engagement to strategically align and drive the business.

The Challenge

Aligning and engaging employees are intimately coupled, and as a pair they are a necessary condition for business success. When these occur, people become an important source of competitive advantage. Amway has remained committed to the employee survey process — making the transition from measuring satisfaction to measuring engagement in the early 2000s. But in the current economic context, the decentralized survey approach and cost structure brought the priority of the survey process into question. Rather than simply addressing the obvious concern of a central administration, HR leveraged this opportunity to re-evaluate the entire survey process, taking a strategic approach to integrate it with business outcomes top of mind to leadership.

Principles Guide Action

Taking a thoughtful look at the goals, roles and processes of the current state of the survey produced a new set of principles that guided the design and implementation of the Amway global survey.

Integration: Reaching beyond engagement into other tenets of Amway's enterprise strategy immediately increased the perceived value of the survey among leaders — placing survey results on par with other key strategic and financial measures. Every survey question now measures something that matters to doing business at Amway, and the resulting insights are being fed into critical value streams, such as strategic planning, business innovations and consumer research functions. With on-boarding as a priority for newly hired leaders and associates, the survey was also used to raise awareness of and measure Amway's core values.

Alignment: Prior to the current year employee survey, Amway used a decentralized survey approach, with individual geographic markets administering surveys at different times. This led to inconsistent, and hence incomparable, survey questions and an overly myopic focus. Rather than just building a better Amway-China or Amway-North America, the team sought to build a better Amway culture globally. Aligning on a consistent set of survey questions enabled apples-to-apples comparisons across markets. Additionally, an inten-



tional, proactive global survey brand, which allowed for some local adaptation, generated significant trust and participation among employees globally. Individual country operations were aligned through common global benchmarking compared to global high-performing companies, whose culture Amway seeks to emulate. Finally, using a standard set of analyses and reporting displays focused leaders on those most important cultural elements that will drive Amway's strategic and financial success.

Discovery: To shift the perception of ownership on the survey, the survey team shifted the experience of discovering survey insights from HR to leadership, using technology as the conduit. This technology was kept simple so that leaders would want to engage with the data and the most salient, relevant information surfaced quickly — allowing leaders to discover specifically what issues impact movement of strategic outcomes. Analytic techniques like linear multiple regression were at play behind the scenes, while the user interface displayed a clean, customized predictor map.

Execution: In addition to the strategic intent behind the design of the survey, there was also a focus on organizational effectiveness throughout the process — including the rollout structure, the role of the HR business partner and leveraging technology to enable the process. To further executive support for the process, Amway's office of chief executives assembled a global leadership team to address the most pressing systemic global issue. Beyond this, local leaders, within a guided framework and supported by tools, followed a traditional approach of local action planning.

To prepare client-facing HR consultants for the rollout of results, Amway focused on the coach and technonavigator role in the data insight and action planning process. To lend credibility to the coaching process, building basic statistical acumen and an understanding of different analytic techniques was a major component of the HR consultant training.

The role of technology itself was critical in the result-to-action process. To get buy-in and involvement in the results of the survey, a simple and intuitive interface was designed for the standard electronic reporting tool. The interface visually reinforced the survey brand and walked Amway leaders through the result-to-action process. Taking a Turbo Tax-like approach to technology, any less-than-necessary bells and whistles were turned off, statistical language was simplified and customized export features like a one-click PowerPoint presentation were added to make the user experience pleasant enough for technically challenged, time-conscious leaders to stomach.

Results

Many of the benefits of conducting an employee survey can be difficult to quantify in the form of a hard return — such as an employee understanding the vision of the business and, in the spirit of that vision, choosing to stay late to finish a project. Yet guiding the survey process through the principles stated herein, many of the benefits were an easier sell to leadership. With “softer” benefits more readily apparent to and accepted by leaders, the survey team was also able to realize some overt returns. These include:

- **Administration savings:** Moving from staggered, paper-based administration to global, online administration saved \$500,000 in contract costs.
- **Implementation savings:** Creating a simple, customized, dynamic reporting tool saved an estimated 1,770 hours in running and debriefing additional reports (approximately \$70,000).
- **Response rate increase:** Despite the transition from paper to online administration, consistent and proactive messaging raised global response rates 4 percent (to 87 percent overall). In some markets, the response jumped as much as 10 percent.
- **Correlation to business results:** Strong correlations exist between Amway's survey categories, strategic priorities and business outcomes (sales, net favorability, revenue).
- **Global trends, but local differences:** Certain categories of questions, such as "living our values," universally predict engagement, while second and third order predictors vary by market.

Beyond cost savings, the global survey also yielded some insights worth noting. First, Amway achieved a response rate on par with some of the highest-performing companies in the world. Second, by employing data analytics, Amway leaders were able to link employee opinions to other business metrics, thus quantifying the impact of change in culture with change in these metrics. This had important implications for the types of actions leaders chose to pursue. Rather than focusing simply on the lowest-scoring questions, leaders focused on those issues with the greatest strategic impact on the business. Third, while Amway drives toward one strong global culture, some markets offered unique strengths to be leveraged across the business and others offered the opportunity to better align. Understanding different geographies in the context of country

culture was important in not jumping to conclusions and helped to develop locally formed solutions that yield greater returns than a completely centralized approach.

Recommendations: Seven Steps to Optimizing Employee Surveys for Strategic Impact

1. Measure what matters to your business.
2. Integrate change management throughout the survey process.
3. Surface only the most relevant insights.
4. Rethink the roles of HR and leadership.
5. Leverage technology to do more with less.
6. Prioritize global findings over local ones.
7. Drive accountability.

The employee survey process, when guided by sound principles and thoughtful practice, can be utilized to close the engagement gap, position HR as a business driver, align global culture and drive high performance throughout an organization. Following a strategic survey framework, guided by principles of integration, alignment, discovery and execution, Amway was able to improve global participation, align culture and enroll more leaders in the ownership of and action against their survey results — all while realizing cost savings of more than half a million dollars. Sound science, supported by strong HR coaching and simple, intuitive tools and leadership accountability, sets the stage for aligning individuals and organizations for strategic and financial success. **TM**

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