

Melbourne Business School

From the Selected Works of Carol Gill

August, 2003

Implementing an employee survey that is linked to business strategy

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Available at: https://works.bepress.com/carol_gill/27/



Implementing an employee survey that is linked to business strategy

A previous article published in this magazine concluded that whilst many organisations have adopted employee surveys as regular HRM practice it is only when surveys are linked to organisational strategy and implemented effectively that they can make a significant and measurable contribution. This article articulated two principles, firstly organisations should only ask what they want and need to know (relevant data) and they should be able and willing to act on what they find (actionable data). This article focuses on the implementation of an employee survey that is consistent with these two principles.

The following figure presents a recommended survey implementation process.



1. Develop survey strategy

To maximise the effectiveness of the survey the most important phase is the survey strategy development. The importance of process over content in employee surveys is most effectively illustrated by the lessons learnt from 360 degree feedback instruments. Many organisations have introduced valid and reliable 360 degree feedback instruments but have provided limited support for the manager who is being assessed. This results in defensiveness and

very little behavioural change as a development activity turns in to a witch hunt or exercise in avoidance. Similarly with employee surveys, obtaining a valid and reliable instrument is the easiest part of the process. Implementing the project in a way that translates in to meaningful change and a win-win for employees and organisation is the goal. This goal is achieved through effective planning. During this step the why question is asked.

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| WHY | <p>Why do you want to conduct an employee survey? A related question is who wants to introduce the survey? Key stakeholders should be committed to the survey implementation and subsequent action plans.</p> |
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There are several reasons why people measures such as employee surveys are implemented. Organisations invest a lot of money to recruit, select, train and retain a skilled workforce and it makes sense to invest a relatively small amount to monitor the views and concerns of their workforce to safeguard this investment. Charles Woodruff in his book *Winning the Talent War* argues that there is always a shortage of labour for talented employees which will become more critical as the baby boomer generation retires. Successful organisations want employees who have the option to leave but choose to stay.

Employee surveys measure employee attitudes, which are a significant determinant of employee behaviour. Surveys provide leading HRM key performance indicators such as employee motivation, satisfaction and intention to quit, which are more valuable than lagging indicators of turnover and absenteeism.

Finally, employee surveys can make a significant contribution to an HRM audit. It is well accepted that HRM needs to be accountable for contributing to strategic business objectives. It is important to have performance indicators that measure the impact of HRM strategy (see figure below).

The HRM Audit



2. Develop survey

If an organisation is clear on why the survey is being conducted what goes in to the survey and who does the survey should be easily answered. It is good to think about the survey outcomes at this stage. For example, how will the results be presented and to whom? During this step what and who questions are answered.

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| WHAT | <p>What do you want to know? This is an important question yet often organisations do not have a clear answer to this question. Obviously surveys measure employee perceptions but there are so many areas that could be measured it is essential to link the answer to this question with strategic business plans. The survey scales can be developed from the business strategy and the proposed organisation critical success factors. Each survey scale will require around five items. Shorter and easy to read surveys receive a better response rate and minimise the cost of employee time. A pilot survey is recommended to ensure the survey is robust. Surveys should also be designed to minimise the tendency towards moderate scores that produce vague results.</p> |
| WHO | <p>Who will you survey? Will the survey be given to the entire organisation (census survey) or a sample? Some research indicates that surveying small, selected segments of the employee population generates results that are just as reliable as census surveys. However, how will those employees who are not involved in the survey respond?</p> |

At this stage it is also important to think of the answers the survey questions will elicit and how they will translate in to action. In particular, questions about a specific job or job context are not as valuable as questions that allow an organisation level analysis. These questions can lose their value if the specific job is unknown which is generally the case with confidential surveys where the results are averaged across jobs, departments and functions. For example, questions that ask “does your job require you to use complex high level skills?” can become meaningless if the responses are collated across a number of different jobs with heterogeneous skill content.

Consideration needs to be given to what the organisation already knows through other sources. The information sought by the organisation may be available from other data collection activities. It is also important to investigate whether the information may have been collected by another department or through an unrelated organisation initiative. For example the Strategic Planning department may have recently asked employees similar questions under a different banner; it is not uncommon for poor alignment and communication between departments. It is important not to re ask questions asked before. This is frustrating for over stretched employees and management and diminishes the reputation of HRM as a professional function.

It is easy to develop a survey question or item but much harder to interpret and subsequently use the answer to implement change. The survey planning process involves not only considering the survey questions but thinking about the implications of the potential answers. If the survey asks the employee if his/her supervisor is doing a good job what will the HRM function do if the supervisor is not? What additional information would be required to design an intervention? What HRM activities could impact on this factor? Would management accept the result and

would it allocate resources to an intervention if required? It may be more valuable to ask if the supervisor is effectively communicating organisational initiatives, as a response based on this specific area would point to a direct and manageable solution. Alternatively, a survey strategy may be based on general questions and have a plan to follow up with focus groups to derive specific information about solutions. It is also important to examine results broken up into organisational units such as divisions, departments, levels or functions. Averages and frequencies taken across the overall organisation can be problematic. For example Division X may be dissatisfied with its leadership whilst Division Y may be satisfied and the same intervention applied to both indiscriminately is inappropriate.

The most important driver of creating actionable data from the employee survey involves management commitment. Organisational management and key stakeholders must be committed to not only the survey but to where the survey may lead in terms of interventions necessary to create change. Gaining this commitment requires a strong link between the employee survey and organisational strategy.

3. Implement the survey

The implementation phase requires good project management skills by the internal or external consultant. Communication to employees and management about the survey process will facilitate an effective roll out of the survey strategy. During this step the when, how and where questions are answered.

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| WHEN | <p>When will you implement the survey? This question must consider the timing and frequency of the survey. The survey should fit with other organisation processes if possible such as the business strategy and performance review processes. Surveys can be conducted every six or 12 months or periodically to measure the impact of organisation interventions. Of course timing should take holidays and other seasonal factors in to consideration.</p> |
| HOW | <p>How will the survey be implemented? Options include electronic or paper based surveys, interviews, focus groups, or a combination of these methods. The literacy of the organisation should also be considered and surveys may need to be produced in different languages. The issue of confidentiality needs to be considered. For example will the survey be anonymous? Consideration should be given to who will do the coding and collation of the surveys. These considerations should be balanced with the need to present the survey data on a divisional basis.</p> |
| WHERE | <p>Where will the survey be administered? It is likely that employees will fill in the survey during working hours, consequently thought should be given to administering the survey in a brief workshop to improve the response rate and communicate the survey strategy.</p> |



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4. Analyse results

If the planning process has been done well, analysis of data will be a mechanical step. Results and their implications will need to be presented to management together with recommendations that act on the survey results.

Basic statistics teaches that data can be meaningless unless it is compared to some sort of measurement. For example if your employees are “moderately satisfied” is this a good or a bad result? If employees in the industry overall are on average “dissatisfied” this could be a good result, however, if last year your workforce was “extremely satisfied” this could be a poor result. There are various ways to put a value on the results obtained from the employee survey. The comparative approach compares the result with another organisation or division within the same organisation or with historical data usually obtained from a previous survey.

Benchmarking is another use of the comparative approach. Many standard or ‘off the shelf’ surveys offer access to normative data which helps in the interpretation of survey scores through comparison to other organisations who have used the same survey. Normative data provides a single mean expressed as a percentage for every survey question. This is compared to the organisation mean also expressed as a percentage and a judgment can be made as to whether this is good or bad.

Many consultants propose that standard surveys should be used because normative data is available. This marketing approach provides a distinct advantage to the consultants who can sell their copyrighted survey as a product and lock clients in on an annual basis. However, a major disadvantage of standardised surveys is that they are not always linked to an organisations unique strategy and context. Standard criteria are not necessarily areas of competitive

advantage for your particular organisation strategy or environment. Secondly, comparisons to normative data are not a comparison to best practice because the organisation is comparing itself to an average not to the best performer. Working to norms can lead to complacency and neglecting areas of distinct competitive advantage.

A more appropriate benchmark may be historical data from the same organisation. For example the organisation's progress against last year can be assessed. This requires the same survey to be conducted on a regular basis. A one off survey or a survey being conducted for the first time can use current data from the same organisation so that one department, division or function is compared against another. Alternatively the Management by Objectives approach compares the results to objectives or standards that have been set. A third approach is to collect the benchmarks at the same time as the data on performance. So that employees are asked to rank importance and organisational performance on each survey item.

5. Develop and implement interventions

Interventions are developed that address the gaps identified during the analysis of survey data. These interventions will need to be planned and costed.

HR practices that lead to an improved climate include Training and Development, Job Descriptions, Performance Review processes, HR Policy development and working on relationships between employees and employee groups. In particular, studies have found success with managing three aspects of climate including the nature of interpersonal relationships, hierarchy/ support and


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rewards. It has been found that a one standard deviation increase in the use of these 'high performance or progressive' work practices can result in 20 percent increase in organisation performance.

6. Feedback to employees

Preferably feedback to employees should be ongoing but at this point employees should receive a formal communication based on the analysis of results and recommendations for change. Surveys that appear to disappear in to a black hole lead to employee cynicism and frustration.

In conclusion the process around the implementation of an employee survey is more important than the survey instrument itself. Carefully planning will eliminate waste and deliver relevant and actionable findings. ■



Carol Gill is a management consultant/lecturer specialising in linking HRM with strategic business plans. Whilst working across all HRM functions she focuses on Developing HRM Strategy, Assessing HRM Effectiveness, Human Resource Planning and Employee Surveys.
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