Employee Activation Guide:

# How to Empower Your People to Solve Challenges & Drive Results

Drive positive results across your business — and improve customer experience — by empowering employees to be catalysts for change and innovation.

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When approaching the challenge of improving the inextricably intertwined employee and customer experiences, a common framework has been "happy employees = happy customers." However, **what makes employees happy doesn't always lead to happy customers (and vice versa).** For example, many retail workers would be very happy to not work weekends, but customers would be unhappy to wait in long lines or face closed stores during peak shopping hours.

Instead, many companies are focusing on creating cultures of **employee activation.** Simply put, companies with top-tier employee experience — and often amazing growth metrics — activate their employees to be catalysts for change and innovation, creating an environment where employees feel empowered and connected while also improving company operations and performance. To create this foundation, these organizations are expanding their employee experience programs from capturing the voice of the employee with annual engagement surveys and at major lifecycle moments to continuously listening, understanding, and responding to employees in the flow of work.

By creating ways for employees at every level to share feedback and ideas continuously, businesses can both learn about the obstacles workers face that prevent them from having an impact and get their input on how to best solve these issues. Then, by empowering workers and their supervisors at the site, department, or functional level to put these ideas into practice as soon as possible, **businesses take action rather than** *just planning* **to take action.**

# The correlation between activated employees and business success

**According to Medallia Institute research:**

**4X**
Employees are **4.6 times** more likely to feel empowered to do their best when they are acknowledged at a workplace.[1]

**21%**
High employee engagement results in a **21% increase in profits.**[1]

**25%**
Companies in the top 25% of employee engagement have **25% higher overall customer satisfaction.**[1]

**12X**
Employee experience leaders were **12 times more likely to indicate a revenue growth of 20%** or more over the prior year than companies that were employee experience laggards.[2]

[1] Medallia Institute, "The Definitive Guide to Employee Experience," 2021
[2] Medallia Institute, "Moving Toward Employee Excellence," 2021

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Every area of the business can be improved when employees are empowered and entrusted to provide constructive feedback and enact creative solutions on everything from frontline operations and product development to internal processes and technology. This is employee activation at its core.

The question then isn't "What makes employees happy?" Rather, it's **"How do organizations move beyond annual surveys and lifecycle-based feedback to create healthy, continuous understanding that leads to employee activation?"**

In this guide, we'll show you why these traditional employee experience strategies are no longer enough, and how organizations can build processes that empower employees to lead impactful change.

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# Why continuous understanding is needed to propel change

There's been a remarkably quick shift in the labor market from the pandemic-driven Great Resignation to economic uncertainty, inflation, and mass layoffs. Even for companies that haven't gone through layoffs, wage freezes, or staff reduction through attrition, a recessionary atmosphere can make employees feel unsafe and affect morale and productivity. They may be asked to do more work with fewer resources, intensifying areas of friction in their daily work.



At times like these, **it is not just critical that employees feel heard and understood, but that businesses enact their ideas** — informed by employees' role-based experiences – to improve operations and increase revenue.

In a 2022 survey, Medallia found that **60% of employees reported feeling burnt out** or emotionally drained at their last job, and nearly **50% left their prior job without having a new one lined up.** The majority of employees also reported that they didn't feel heard at their current job (75%), that their employer didn't take feedback seriously (73%), and that their employer didn't take meaningful action based on employee feedback (77%).[3]

Unsurprisingly, the majority (56%) of employees whose employers do not ask for employee feedback at least on an annual basis would not recommend their employer as a great place to work, compared to less than one-third (32%) of employees who have outlets to provide feedback. Notably, **the rate of employees recommending their company as a great place to work soared to 80% when their employers asked for and acted upon employee feedback.**[4]

This remarkable relationship between workplace recommendations and companies that act on feedback drives home the point that continuous understanding — listening and actioning as parts of daily workflows that involve every employee — is a wise next step when evolving traditional approaches.

[3] Medallia Institute, "Understanding Why Employees Leave Their Jobs," 2022
[4] Medallia Institute, "Forever Unified: Customer and Employee Experience," 2022

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# What does continuous understanding and employee activation look like?

While annual surveys and employee lifecycle-based listening are valuable feedback tools that still have rightful places within organizations, these methods often focus on broad enterprise-wide or HR-related topics, like training or onboarding. Because they are conducted only periodically, they miss the "in the moment" feedback that sparks great ideas or surfaces the often hyper-specific obstacles that employees in different roles and departments encounter daily.

**Continuous understanding means integrating feedback opportunities into daily workflows** — such as an always-on feedback link in your intranet, Slack, or Microsoft Teams — and then using technology to analyze that feedback and send real-time insights to the appropriate teams. **Feedback is no longer bottlenecked in slow analysis, only shared with HR and other leaders, or held up in long-term action plans.**

By democratizing these insights, the managers and employees who are in the best position to address the feedback can do so immediately. For example, if customer support agents are slowed down by an inefficient process that could take one step instead of four, it's more likely that the agents and their direct managers can develop a new and better process vs. HR or the CXO who doesn't work with that process daily.

**61%** of frontline employees are likely or very likely to have ideas on **ways to delight customers.**

**56%** of those surveyed said they had feedback on new ways to **improve company processes and practices.**
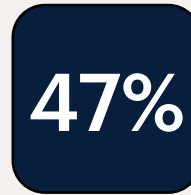
**47%** had suggestions regarding **employee feedback and training.**[5]

Ultimately, enabling continuous understanding and analysis technology that alerts experience owners to issues in real time empowers employees to share localized feedback – the issues that affect their particular jobs or sites – and then work with managers to quickly implement change. **Multiply the power of employee activation across your organization and these many small changes will lead to big improvements.**

# 3 ways to build a culture of employee activation with your experience program

**When establishing processes and technology solutions to activate employees, start with these three steps:**

**01**    **Listen more often and more widely.** While many companies survey employees quarterly or annually and gather feedback during employee lifecycle moments such as onboarding, training, and exit interviews, continuous understanding requires always-on listening that broadens access to feedback and gathers data that has been slipping through the cracks.

The first step is to provide easy-to-use feedback options within daily workflows — the places your employees already are, so the feedback link is always available. The goal is to capture feedback, ideas, and frustrations as they happen. You can also use pulse and experience surveys to get quick insights into timely topics, new programs or policies, or specific interactions, such as with IT, HR, or facilities management.

No matter the method, employees should be able to share freeform thoughts, not just answers to multiple-choice questions. With the right experience platform, you can garner insights and draw out trends from open feedback via powerful AI models that can understand language.

Additionally, you should use your experience platform to monitor indirect signals, which are data points that provide information on how employees feel about your company outside of surveys and feedback tools. These include public social media, third-party review sites, helpdesk tickets, chatbot transcripts, performance reviews, and even PTO requests.

Another way to amass great ideas that can improve your operations is to use a crowdsourcing platform to host "idea challenges," wherein employees across the organization can share ideas for improving a certain aspect of the business. Those ideas can then be upvoted and commented upon by colleagues, so that everyone feels they have a stake.

**02** **Surface insights with AI.** One reason the insights surfaced by annual surveys often languish is that the results are manually analyzed, synthesized into presentations, and then shared only with leaders. Listening without timely action doesn't empower or activate employees; in fact, it can make employees feel even less respected than if they were never surveyed at all.

Advanced analytics powered by AI can surface trends in real time – trends that might otherwise go unnoticed, except by the people who are directly experiencing the issue and feeling unheard. These trends and insights can be immediately delivered to the right person or team who can enact the change necessary to clear a process bottleneck or bring an idea to life. In this way, employee experience data can be democratized across the organization.

Centralizing data insights is key. If one department has been finding workarounds to a glitchy function in software for months or even years, that problem likely won't pop up on the annual survey. However, AI can recognize that the issue is trending based on always-on feedback, IT service tickets, and Slack chatter. Once the department head realizes how rampant the issue is, they can work with their team and IT to brainstorm a solution.

Employee experience analytics become even more powerful when combined with customer experience data. When these technology stacks are consolidated, you can derive intelligent insights that affect both experiences. Again, democratization of this data is key. For example, when frontline workers learn that customers often complain about a slow point-of-sale interaction, those workers will likely have the best solution for streamlining that process — a win for employees, customers, and the business.



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**03** **Embed the listening and activation strategy throughout the organization.** When evolving your employee experience program, promising big changes and not delivering on those promises can demolish employee trust in leadership. Therefore, it's just as important to plan how you'll manage this strategy as it is to choose your listening and analytics platform. Here are some tactical tips:

- **Enlist champions**
  You need to drive awareness of the availability of always-on feedback to every employee, and champions within different departments should help spread the word. One way to do this is by finding LOB, department, or function heads who have specific problems they would like to solve and who can then solicit ideas from their teams with a short survey or via crowdsourcing. This introduces not just the new always-on feedback technology, but also shows employees how their ideas can immediately be put to work.

- **Send reporting to *all* managers and employees**
  Reporting should empower employees, not just inform executives. When employees see what others are talking about, it will spark more ideas — and if there's anything you want gaining momentum, it's great ideas for improving the business. Additionally, sharing what was only accessible to HR and executives truly demonstrates respect for employees' voices, daily work issues, and ideas.

> Bring idea brainstorming and action into huddles, staff meetings, and other places where problem-solving and quick decisions are happening.

- **Empower everyone to take immediate action**
  Both managers and employees should be empowered to take action wherever they can rather than writing an action plan and moving it up the ladder. When immediate action is inaccessible — such as when a new process must be implemented by another department — then it can be escalated.

- **Integrate continuous understanding and activation processes into existing routines**
  When listening, analytics, and actioning are kept separate from normal routines, they are often forgotten in the bustle of more seemingly urgent tasks. For example, your business can integrate opportunities for listening in the digital spaces employees visit daily. Include insights in regularly scheduled executive meetings. Bring idea brainstorming and action into huddles, staff meetings, and other places where problem-solving and quick decisions are happening.

- **Check on feedback about the listening program**
  Use pulse surveys to periodically check the efficacy of this new program. Are employees feeling heard, empowered, and activated? Include quantitative questions as well as an open field to get ideas from employees on how to improve results.

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# Deliver mission-critical improvements to your employee experience program

When employees' ideas and feedback are heard and actioned — resulting in more autonomy and ability to solve problems on the job — it builds trust, empowerment, and mutual respect. **The benefits of employee-resolved issues and employee-generated ideas can cascade into customer experience improvements, operational efficiencies, new product and service features, and bottom-line results.**

To create a company culture that values employee input, ideas, empowerment, and action, your employee experience program must be built on innovative technology that enables always-on listening, crowdsourced ideas, and real-time, AI-driven insights that lead to change.

With Medallia, your organization will not only get a best-in-class employee experience platform that seamlessly integrates with Medallia's customer experience platform, but also gain the partnership of our industry-leading experts to help you deliver mission-critical improvements to your employee experience — and ultimately, your customer experience and business results as well.

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**About Medallia**

Medallia is the pioneer and market leader in customer, employee, citizen, and patient experience. As the No. 1 enterprise experience platform, Medallia Experience Cloud is the experience system of record that makes all other applications customer- and employee-aware. The platform captures billions of experience signals across interactions including all voice, video, digital, IoT, social media, and corporate-messaging solutions.

Medallia uses proprietary artificial intelligence and machine learning technology to automatically reveal predictive insights that drive powerful business actions and outcomes. Medallia customers reduce churn, turn detractors into promoters and buyers, create in-the-moment cross-sell and up-sell opportunities, and drive revenue-impacting business decisions, providing clear and potent returns on investment.

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