Voice of the Employee: More Than Just Measuring Engagement
INTRODUCTIONS

Emily Chen
Product Marketing Manager, Employee Practice

Julia Markish
Director, Professional Services, Employee Practice
Why Employee Programs?

Companies that ask for and act on **employee feedback** see close to **50% higher employee engagement levels** than those that don’t.

Medallia Frontline Panel Study, 2016
“Employee engagement plays a vital role in building customer loyalty. Engaged, loyal employees reduce costs, improve productivity, and come up with more creative ideas.”

- Fred Reichheld
Author and Creator, Net Promoter System
Founder, HuddleUp
ENGAGEMENT IMPACTS CUSTOMER EXPERIENCE

Business units with top quartile employee engagement see...

10% higher customer ratings

... compared with business units in the bottom quartile.

QUANTIFYING THE IMPACT OF EMPLOYEE EXPERIENCE ON CX IN RETAIL

Average customer NPS tied to individual employees
Index: 1.00 = Average customer NPS associated with employee detractors

1.00 1.10 1.16
Detractors Passives Promoters

Employee Likelihood to Recommend Segment

+6%
+10%

Note: The results reported in the figure are based on regression analyses controlling for employee demographic variables (gender, age), employee characteristics (tenure at current company, sales/services function), store location, and brand of product. p<0.05

Source: Medallia Institute, 2016
Business units with top quartile employee engagement see...

- 17% higher productivity
- 70% fewer safety incidents
- 41% less absenteeism
- 14-51% lower turnover

... compared with business units in the bottom quartile.

THE CUSTOMER-EMPLOYEE ECOSYSTEM: REINFORCING BEHAVIORS AND EXPERIENCES GROWTH / PROFIT

Impact on relative revenue growth

Low Customer satisfaction

Low Employee engagement

High

Low

High

1.0

1.8

2.5

3.8

4.5

5.2

Source: Fleming, John and Jim Asplund (2007). Human Sigma, Gallup
THE IMPACT OF ASKING FOR (AND ACTING ON) EMPLOYEE FEEDBACK ON ENGAGEMENT LEVELS

Source: Medallia frontline panel study (n=256, n=201, n=314), Top 2 ratings on 5-point scale
WHAT IS AN EMPLOYEE PROGRAM?
LISTENING TO THE VOICE OF THE EMPLOYEE FROM ALL ANGLES

TEAM ENGAGEMENT
Understand team experience

EMPLOYEE JOURNEY
Evaluate and improve key moments

CX LENS / VOCE
Solicit employee ideas for CX improvement
WORK DYNAMICS AND EMPLOYEE EXPECTATIONS ARE SHIFTING - PULSES ARE BECOMING THE NORM

**Census Central Surveys**
- Annual / bi-annual
- Deep health assessment with static reports uncover areas of concern

**Sampled Central Pulses**
- Waves: weekly - quarterly
- Track most relevant metrics across representative employee sample to maintain “finger on the pulse” of organization

**Operational Team Pulses**
- Waves: biweekly - monthly
- Team feedback actioned by mgmt across org, with front line focused on most critical issues (best supported by huddles)
A COMMON COMBINATION APPROACH: COMBINING A CENSUS SURVEY WITH TEAM PULSES

Center sets parameters
- Adjustments to program
- Follow-up on actions taken

Pulse Launched
- Cadence matches team’s pace of change

Teams Huddle
- Surface issues
- Set goals / priorities

Teams / Depts Take Action
- Team accountability
- Focus on priorities

Pulse results centrally analyzed

In-depth study launched

Results and action plans communicated

1 - 2 x per year

4 - 12 x per year
TELCOCo RUNS PULSES ON MONTHLY BASIS, WITH COMPULSORY TEAM HUDDLES ACROSS ORGANIZATION

Case Study: TelcoCo

Monthly
Survey frequency

7
Number of questions

~80k
Employees

Company eNPS
Main metric

5
Minimum response / team
EMPLOYEE JOURNEY: EMPLOYEES EXPERIENCE THEIR ORGANIZATION AS A COLLECTION OF TOUCH POINTS ALONG A JOURNEY

Sample Touchpoints

Onboarding
- How is Erin feeling about her new job in her first month?

Training
- As she goes through various trainings, how effective are they?

IT Helpdesk
- How can the company reduce friction in getting Erin back to work faster?

Promotion
- How has Erin’s support/training been during her transition?

Recruiting
- What are her challenges in hiring a new team?

Erin Employee

Internal Services
TECHCo RUNS A CANDIDATE SURVEY PROGRAM TO INFORM ALL STAGES OF RECRUITING

Post offer / pass

Event-based survey frequency

5
Number of questions

NPS
Main Metric

27%
5-day response rate

Recruiting
Ownership
CX LENS / VOCE: EMPLOYEES PROVIDE DIRECT LINE-OF-SIGHT ON BOTH CX AND THE CULTURE AND PRACTICES THAT AFFECT IT

- **Customer Experience**
  - Customer survey responses
  - Customer service metrics
  - Customer problems and issues
  - Customer needs
  - Customer sentiment
  - New ways to deliver customer value
  - New ways of doing work

- **Organizational Service Climate**
  - Stated values re: customers
  - Cross-functional collaboration
  - Work policies & processes
  - Information Systems
  - Training & Development
  - Leadership direction & support
  - Team trust
  - Product issues
  - Employee sentiment
RETAILCo STORE EMPLOYEES SUBMIT MERCHANDISE FEEDBACK AS THEY NOTICE ISSUES

**Fluid**
Frequency

15
Number of questions

~35k
Employees

**SKU**
Level of focus

**Merchandising**
Ownership

*Case Study: RetailCo*

[Image of two women standing at a counter, one holding a tablet and the other holding a bag.]
Questions?

engage@medallia.com
LEARN MORE AT EXPERIENCE 2017, APRIL 18-21, LAS VEGAS, NV

The Three Pillars of a Successful Employee Program
Learn about the building blocks of best-in-class Employee Programs in a session featuring:

Carolyn Saunders
VP, Scotiabank

Terry Ecklund
Director, Sprint

The Critical Link Between Customer and Employee Experience
Join a panel discussion on how employee programs impact customer experience featuring:

Graham Tutton
VP, Comcast

Karla Archambault
Former GM, Zipcar