

CORPORATE LEADERSHIP COUNCIL
ISSUE BRIEF

Strategic Use of Employee Survey Results

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This project was researched and written to fulfill the specific research request of a single Corporate Leadership Council member and as a result may not satisfy the information needs of other members. In its short answer research, the Corporate Leadership Council refrains from endorsing or recommending a particular product, service or program in any respect. For primary research, sources are obtained at random within the parameters set by the requesting member, and the resulting sample is rarely of statistically significant size. For secondary research, sources are cited and reviewed based upon their relevance to the requesting member's information needs. That said, it is the goal of the Corporate Leadership Council to provide a balanced review of the study topic within the parameters of this project. The Corporate Leadership Council encourages members who have additional questions regarding this topic to assign custom research projects of their own design.



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RESEARCH METHODOLOGY

In conducting research regarding the use of employee survey results, the Corporate Leadership Council interviewed human resource professionals at eight United States-based corporations. In addition, researchers reviewed human resources publications, business journals and past Corporate Leadership Council studies produced on the topic.

COMPANY INFORMATION

	Number of Employees	Revenues	Industry
Company A	7,500 – 20,000	\$2 billion - \$5 billion	Information Technology
Company B	20,000 – 60,000	\$5 billion - \$10 billion	
Company C	More than 100,000	More than \$20 billion	
Company D	7,500 – 20,000	\$2 billion - \$5 billion	
Company E	Fewer than 7,500	Less than \$2 billion	
Company F	20,000 – 60,000	\$5 billion - \$10 billion	
Company G	7,500 – 20,000	Less than \$2 billion	
Company H	7,500 – 20,000	\$10 billion - \$20 billion	Utilities

REPORT MISSIONS AND IMPERATIVES

FORMAT OF EMPLOYEE SURVEYS

- (1) *When did the company begin using an employee survey? How often does the company survey its employees?*
- (2) *Through which media does the company survey its employees (e.g., intranet, paper and pencil)?*
- (3) *In how many countries is the company located? In how many languages is the survey translated?*

DRIVERS OF THE EMPLOYEE SURVEY

- (4) *What are the objectives of the survey and how are they communicated to employees?*
- (5) *How would you rate (in estimated percentage) the level of commitment from senior and local management to the employee survey process?*

SURVEY ADMINISTRATION AND USE OF RESULTS

- (6) *Is the HR function solely responsible for the support of the survey process? Does the company use an external vendor for the drafting, administration of and/or follow-up to the employee survey?*
- (7) *If known, please estimate the investment of staff, time and budget allocated to survey administration and follow-up work.*
- (8) *Please describe the infrastructure and workflow for survey administration.*
- (9) *Who evaluates the results of the employee survey? How are these results communicated throughout the organization?*
- (10) *How are these results acted upon? Who is responsible for planning follow-up efforts?*
- (11) *Please describe the process and timeframe of survey follow-up.*
- (12) *How successful have follow-up efforts been in responding to employee opinion? How does the company measure this success?*

CRITICAL SUCCESS FACTORS

- (13) *What have been the critical success factors for administering and acting upon employee surveys?*
- (14) *What suggestions would the company make to another organization embarking upon a global employee survey effort?*

EXECUTIVE SUMMARY

Employee surveys are one of the key vehicles for ensuring a full dialogue between management and employees. Although many companies already conduct effective surveys, few companies excel at survey follow-up, which is the phase that achieves maximum business value.

Source: Thomas Rollins, "Turning Employee Survey Results into High-Impact Business Improvements,"
Employee Relations Today 21 (22 March 1994): 35.

In addition to reviewing the survey process of the profiled companies, this report focuses on how companies follow up on employee survey results. Typically, management engages in action planning to address issues raised in the survey.

Despite the importance of taking action based upon survey results, several companies maintain a laissez-faire approach to survey follow-up. Without some guidance, management response at individual business units will vary widely. At those locations where little or no action is taken, employees develop a sense that management does not value their feedback. Subsequently, employee commitment to future surveys and feedback instruments wanes. Even with follow-up efforts at the local level, employee frustration may grow if feedback is not also addressed at a corporate level.

In addition to a show of senior management support, some companies may choose to make survey follow-up mandatory. This usually includes formal tracking of action plans. However, forcing the hand of management may lead to undesirable results; resulting action plans may be ineffectual or unneeded. Ultimately, all people within an organization must believe in the value of the survey process before effective follow-up on survey results may occur.

Visible support from the company's senior management helps foster the local management involvement that is fundamental to successful follow-up to employee survey results. HR can assist management in implementing feedback sessions and action planning to address issues raised by the employee survey. As explained by the manager of organization assessment at **Company B**, the most successful action planning efforts occur at all of the following levels:

- **Corporate-wide**—especially systematic issues such as compensation and benefits
- **Business unit level**—both corporate and local issues may be addressed
- **Team level**—teams should have some ownership over the action addressing local issues

In addition to the paramount need for total management involvement, interviewed individuals suggest the ideas presented on the following page to improve all areas of employee surveys.

EXECUTIVE SUMMARY (CONTINUED)

SUGGESTIONS FOR SUCCESSFUL EMPLOYEE SURVEYS	
Aspect of Survey	Suggestions
Survey Format	<ul style="list-style-type: none"> • Commit to regular surveys, but allow ample time (18 to 24 months) between surveys for follow-up. • Clearly communicate to employees that all responses will remain confidential. • Establish and communicate a clear goal for the survey. • Work with a vendor to design accurate questions. • Involve local management early in the survey process. • Allow HR departments at international locations to translate the survey as they deem necessary. • If possible, use a web-based survey instead of paper to save effort and time.
Survey Administration	<ul style="list-style-type: none"> • If using an external vendor, select one that the company will use year after year so that there will be comparison data from previous years. Have a single project manager communicate with the vendor. • Consider allowing business units to add their own questions to address local issues. • Consider posting ongoing percentage response rates by business unit to help boost participation through competition.
Communication of Results	<ul style="list-style-type: none"> • Consider available time and resources before breaking down results by department or manager level. If such specific results are desired, rely on an external vendor for detailed reporting.
Follow-up	<ul style="list-style-type: none"> • Reinforce action planning at all levels of the company. • Prepare material and train managers on how to facilitate a feedback session effectively. Smaller companies may wish to outsource this task. • Hold business unit management responsible for the participation of their organization and action planning. Establish specific goals.

Appendix B provides a comprehensive outline of the observations and practices discussed in this report.

Drivers of Employee Surveys	Format of Employee Surveys	Survey Administration	Communicating Survey Results	Following-up on Survey Results
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Observation #1	<i>Most companies communicate to employees that they will act upon survey feedback.</i>
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Examples of how senior executives may communicate their support and interest in the employee survey process are listed below. In some cases, these messages may be reiterated by the senior management of individual business units.

- **E-mail**—Before each survey, the senior leaders of **Company D** send a company-wide E-mail expressing their interest in receiving employee feedback.
- **Letters**—At both **Company F** and **Company H**, senior management writes letters in support of the employee survey. Company F separates this message from the survey itself by sending it to employees’ homes.
- **Memos**—In addition to general support, a memo from **Company A**’s president details the specific objectives of the current survey and actions taken as a result of the previous survey.

Observation #2	<i>Senior Management Involvement—By communicating their commitment to the employee survey process, senior executives can encourage both employee response and support from local management, which is crucial to driving follow-up to survey results.</i>
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The table below presents estimates made by interviewed individuals regarding the across-the-board commitment of senior executives to the employee survey process.

LEVEL OF SENIOR EXECUTIVE SUPPORT FOR EMPLOYEE SURVEYS	
Company	Estimated Commitment Level of Senior Executives
Company A	90%
Company B	50%
Company C	The survey is always in the “top handful of metrics” tracked by senior management.
Company D	80-90%
Company E	60% (CEO is 100% committed)
Company F	60%
Company G	Very interested in results. (Survey started as a part of HR initiative to address rapid growth in employee size.)
Company H	Senior executives very interested in move to an external norm survey that will allow them to compare their company with others.

The Necessity of Senior Management's Support

Often human resource executives initiate employee attitude surveys in order to discover ways to improve the work environment of their employees. However, too often senior management's full commitment to the process and to making meaningful changes has not been obtained before hand. As a result, management is not prepared to act on the survey findings. In time, as these organizations continue to do surveys without providing feedback and/or acting on the findings, employees become increasingly dissatisfied and cynical about management's motives.

Source: Author Unknown, "Why Employee Attitude Surveys Fail," <http://www.cam.org/%7Esteinbg/fail.html>
(23 March 1999).

Whether or not the goal of an employee survey is stated, employees expect their companies to respond to their feedback. Profiled companies aim to make appropriate changes based upon employee survey results. **Company C's** use of employee surveys since the 1970s in concert with follow-up has engrained an understanding that the company seriously considers employee feedback.

Announcing a survey sets up an expectation for action of change. Not acting on the information you gather can be more damaging than had you not conducted a survey. ...that doesn't mean you must act on everything you learn, but if people don't get feedback—a summary of results, an explanation of your action (or inaction)—they won't respond as well to the next survey you request.

Source: Karen Hildebrand, "Survey Savvy," *Colorado Business Magazine* 25 (October 1998): 50.

**Observation
#3**

In partnership with an external vendor, Human Resources (or a related department) provides administrative support for the employee survey process.

Human Resources typically serves as the "hands and feet" of the survey process, especially at individual business units. As presented below, the corporate responsibility of the employee survey may fall outside of the administrative bounds of HR.

- **Company B**—The Quality Organization controls survey content; HR is responsible for survey administration.
- **Company C**—A survey group housed at corporate headquarters controls content and coordinates results. Local HR handles survey administration. In some cases, local PR and Employee Communications divisions may also be involved in the survey process.
- **Company F**—In 1998, HR took responsibility of the survey from the Quality Organization.
- **Company G**—Employee Communications is responsible for the employee survey process.

As detailed in the following section, profiled companies also rely heavily on external vendors during the survey process.

Drivers of Employee Surveys	Format of Employee Surveys	Survey Administration	Communicating Survey Results	Following-up on Survey Results
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Observation #4	<i>All profiled companies distribute surveys to their entire employee populations; however, actual participation rates vary.</i>
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When implemented correctly, sample surveys may yield results comparable to more intensive and expensive census surveys.¹ Nevertheless, all profiled companies solicit feedback from all employees. The HR manager at **Company C** notes that individual divisions may choose to survey only a sampling of employees; however, this is not the normal practice.

Potential Disadvantages of Sample Surveys

As a communication tool, sample surveys provide only some employees with the opportunity to give input. Consequently, sampling may dilute organization-wide communication and decrease employees' commitment to accepting the survey results and any ensuing actions.

Source: Karen B. Paul and David W. Bracken, *Training & Development*, 45-49.

As presented in the table on the following page, profiled companies experience varied employee response to their voluntary surveys. Most companies distribute surveys to employees and request that they be returned within a few weeks. At **Company C**, local HR departments may conduct survey sessions to bolster participation. During such a session, HR distributes surveys to employees in the cafeteria, or another meeting space, and sets aside one hour for employees to complete their surveys.

Benefits of On-Site Survey Administration

Administering surveys on-site tends to yield 90 percent response compared to the typical 60 to 75 percent of employees returning mail-in surveys. When one considers that employees usually dedicate work hours to completing mail-in surveys, the benefit of increased participation in on-site survey administration should outweigh the cost.¹

¹ Paul, Karen B. and David W. Bracken, "Everything You Always Wanted to Know About Employee Surveys," *Training & Development* 49 (January 1995): 45-49.

**Observation
 #5**

Profiled companies conduct surveys annually or biennially (once every two years) to allow time for communication of results and follow-up action planning.

Survey Frequency

In most cases, survey results change very little, even on a yearly basis. Therefore, surveying more frequently than annually is ineffective and wasteful. What's more, [International Survey Research Corporation] warns, frequent surveys can be counterproductive, as it becomes difficult for corporations to meet employee expectations (raised by the surveys) so quickly and so often which can be demotivating and demoralizing for employees.

Source: Jack Stanek, "The Seven Survey Sins," *Personnel Journal* (July 1996): S1.

At the request of its board of directors and president, **Company A** increased administration of employee surveys from every 18 months to every 12 months. However, the worldwide survey program manager believes that this timeframe is too short for adequate follow-up. In the early 1990s, **Company B** switched from an annual to a semiannual survey. However, the manager of organization assessment notes that annual surveys soon resumed due to the administrative demands of frequent surveying. *Appendix A* provides timelines of the complete survey process at **Company A** and **Company B**.

The table below provides background information regarding the employee surveys used by profiled companies

USE OF SURVEYS AT PROFILED COMPANIES			
Company	Year Survey First Used	Frequency of Survey	Employee Response Rate*
Company A	1994	Annually	82%
Company B	1987	Annually	70%
Company C	1970	Biennially	73%
Company D	1995	Annually	80%
Company E	1994	Biennially	48%
Company F	1992	Biennially**	60%
Company G	1997	Biennially	40%
Company H	1989	Annually	70%

* Surveys are distributed to all employees. Response rates refer to companies' most recent surveys.
 ** Due to business reasons, Company F cancelled its survey planned for 1998 and has no current plans to reinstate the employee survey.

Staggered Surveys

- **Company C's** business units may decide when they wish to administer their biennial survey. Ultimately, all results are owned by the company as a whole.
- **Company G** has decided to stagger its North American and international surveys in alternate years in order to distribute administrative work evenly.

Practice #1	<i>Translating Surveys—Most profiled companies allow human resources representatives at international business units to decide whether they wish to translate the employee survey into the local language.</i>
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The table below summarizes the international presence of profiled companies and the extent to which they have translated their employee surveys. With the exception of **Company E**, which uses an external vendor, the job of translating employee surveys falls to HR representatives at international locations.

TRANSLATION OF EMPLOYEE SURVEYS.		
Company	Number of International Locations	Translations
Company A	19	<ul style="list-style-type: none"> • Kanji (Japanese dialect) • French • Italian • German • Spanish <div style="text-align: right; margin-top: 5px;"> <i>For Web-based survey only</i> </div>
Company B	100	20 different translations
Company C	42	26 different translations
Company D	Not applicable*	
Company E	11	<ul style="list-style-type: none"> • Malay • Japanese
Company F	9	<ul style="list-style-type: none"> • French • Dutch • Italian • Spanish (for Spain and selected U.S. employees) • Japanese • Thai
Company G	25	<ul style="list-style-type: none"> • Japanese • French
Company H	Not applicable**	
<p><i>* Company D's international locations all stem from joint ventures. Thus the actual population of Company D employees abroad is very small and all English-speaking.</i></p> <p><i>** Company H is a utilities company located solely in the United States.</i></p>		

English Required
Company E requires English literacy for all employees. This does not apply to its location in Malaysia. In Japan, the survey was translated to overcome differences in figures of speech.

**Practice
#2**

***Survey Medium**—Although the majority of employee surveys are administered in a paper-based format, some of the profiled companies are transitioning to intranet-based surveys. Using intranets can save both time and administrative costs, especially when surveying a dispersed employee population.*

The manager of employee development at **Company G** notes that intranet-based surveys are “worth pursuing” when most employees have access to a computer and an intranet. She notes that Company G had great difficulty administering its paper-based survey internationally. In fact, surveys from some countries were lost in the mail for several weeks. Yet, because the majority of Company G’s employees are located at client sites and lack intranet-access, the paper-based survey remains the most viable option.

Although **Company D** began with both paper and intranet-based surveys in 1995, its employee survey is now 99 percent intranet-based. The company relies heavily upon an external vendor for the development of the intranet survey site as well as tabulation of the results. In addition to reducing administrative tasks, Company D can ask for response in a much shorter time frame. Typically, employees are allotted 10 business days to respond to the survey.

Both **Company A** and **Company B** have experimented with intranet-based survey pilots. Company A surveyed its international employees, a much smaller number of employees than in the United States. The worldwide survey program manager explains that in case of a problem with the intranet survey, the company would more easily be able to re-administer the survey in paper form to this smaller group of employees. According to the manager of organization assessment, during its last annual survey, Company B allowed employees to choose between a paper- or intranet-based format when responding to the employee survey. After experiencing a positive response to the intranet format, Company B plans to promote this option in the future more aggressively.

The case study below illustrates the implementation process for an online survey at Federal Express.²

AUTOMATING AN EMPLOYEE SURVEY—FEDERAL EXPRESS

1991

United States—Due to a decade of rapid organizational growth, manual administration of FedEx’s Survey-Administration-Action (SFA) program became extremely costly. The Human Resources Analysis group (HRA) developed an online survey employing FedEx’s Human Resource Information System (PRISM). By building on an existing system, the HRA group was following, not leading, technology. In addition, U.S. employees at all levels had extensive experience using PRISM.

International—For the next three years, HRA continued paper administration of the survey at international locations. For groups at earlier stages of development and those lacking the economies of size to support automation, manual administration was cost-effective.

1994

Canada—The executive management of Canadian Operations requested automation of the SFA questionnaire. This request gave HRA the invaluable opportunity to learn about the unique role HR organizations can play in introducing new technologies in the international arena. The project team addressed the following:

- *Technology*—the hardware infrastructure was less developed than in the U.S. and few employees were familiar with the system
- *Translation*—Canadian law required both English and French version of the survey from which employees may choose

Success—99 percent of eligible employees participated; made possible by the project team’s efforts to identify the 35 percent of employees requiring computer access.

² Lindahl, Rosa V., “Automation Breaks the Language Barrier,” *HRMagazine* 41 (March 1996): 79-83.

**Observation
#6**

Specific demographic questions on employee surveys may spark employee concerns regarding anonymity, which may decrease response. Limiting such demographic questions or funneling responses through a third party vendor may help to allay such employee concerns.

Not all profiled companies include specific demographic questions on employee surveys. For those that do, some find that employees may question the purported anonymity of the company survey.

At **Company B**, the addition of more specific demographic questions to the survey negatively impacted employee response. Employees in the United States proved particularly wary of these questions; 25 percent left all demographic questions blank. For several years, the survey had asked employees to identify their function (out of 12 company-wide) and their occupation code (out of a list of 90). However, employees became cautious in answering the following questions:

- Country location
- Team code
- Diversity—Are you a woman or a member of a minority group?
- Tenure—Expressed in five-year ranges

With the exception of the diversity question, **Company G** experienced no difficulty in obtaining similar demographic information on its employee survey. Employees must understand and trust that employers will not try to identify specific survey respondents.

The Importance of Anonymity

Most employees feel they take some risk participating in any survey...During the post-survey period, supervisors must be particularly careful in how they perform their duties. Negative attitudes/perceptions thrive on the exception, and one mistake can reinforce the belief that management was not sincere in promising anonymity.

Source: John C. South and Louise B. Burky, "Before Doing an Employee Attitude Survey," *Human Resource Professional* (January/February 1997): 11-13.

In addition to the level of demographic questions used, their placement within the survey itself may influence employee response. When demographic questions (especially those seen as threatening to minority groups) are placed at the beginning of a survey, employees may react negatively and not complete other questions. To avoid this reaction, demographic questions should be placed at the end of a survey. In addition, respondents are more likely to complete such basic questions at the end of a survey due to a "completion tendency."³

³ Paul and Bracken.

**Practice
#3**

Normative Surveys—A few of the profiled companies use normative survey questions from vendors to enable comparisons between their survey results and those of other companies.

In 1999, **Company H** is switching from an internally focused survey to a normative survey. By using core questions, the company will be able to compare its survey results to those in the vendor's database of Fortune 500 companies. In particular, Company H wishes to benchmark against *Fortune's* "Top 100 Companies in Business" and the "Top 100 Companies to Work For in America." In addition, every business unit may add 12 to 15 questions to address localized issues.

Some argue that regardless of the results, normative surveys will not lead to organizational change. One critic describes the following outcomes resulting from employee surveys focused on external norms:⁴

- *The company is doing better than the competition*—No changes are made. Focusing on competitors does not allow companies to spot their own weak areas.
- *The company is doing about average*—The response to this result is usually no change. However, the survey process raises employees' expectations and a failure to make changes will cause decreased morale, lower productivity and lower quality.
- *The company is below average*—This outcome leads to rationalizations based on recent business conditions, which also results in no change.

On the other end of the spectrum, **Company C** uses its own company data to establish U.S.- and company-wide norms, which serve as targets for individual business units. As explained below, this practice is more likely to drive internal improvements.⁵

Making the Case Against Normative Surveys

Using norms for the purpose of comparison may imply that an organization is satisfied with average parameters. Many survey administrators think that norms give managers a false sense of security when employees achieve or exceed averages. A more proactive approach is to establish a benchmark for continuous improvement, based on past survey results. The ultimate goal should be to achieve the organization's vision, as determined through past surveys.

⁴ Author Unknown, "The Trouble with External Norms," <http://cam.org/%7Esteinbg/norms.htm> (23 March 1999).

⁵ Paul and Bracken.

Drivers of Employee Surveys	Format of Employee Surveys	Survey Administration	Communicating Survey Results	Following-up on Survey Results
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Practice #4	<i>Vendor Use—Although all profiled companies rely on external vendors to tabulate survey data, most companies play a more active role in drafting survey questions.</i>
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When not looking for normative data, companies usually tailor questions directly to the company. Nevertheless, profiled companies have found the survey expertise of external vendors is beneficial. For example, the director of international communications explains that **Company D** takes advantage of a vendor’s knowledge to word survey questions more effectively.

Customized surveys best communicate an organization’s own vision.⁶ However, when using customized surveys, companies run the risk of overlooking important topic areas. In some cases, this may be done intentionally. For example, **Company E** did not solicit employee feedback regarding diversity. The project manager for the survey explains that the company skirted this issue because they were not ready to take action in this area. Yet, by ignoring certain issues, management prevents feedback on potentially the most pertinent and revealing questions for the organization.⁷ Not all omissions are so deliberate.

Don’t look for what you already see...

Many organizations believe they understand their problems and call in consultants to create a survey to confirm their beliefs. Their assumptions can only be self-fulfilling...They overlook issues of major concern.

Source: David Chaudron, “The Right Approach to Employee Surveys,” *HR Focus* 74 (March 1997): 9.

To help balance the content of its surveys, **Company G** uses core questions for several key topic categories determined by its vendor.

Practice #5	<i>Localized Questions—Several companies allow individual business units to add “indigenous” questions to the core corporate survey in order to address location-specific issues.</i>
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The interviewed individual at **Company F** observes, “most issues [impacting employee satisfaction] are business-unit specific.” By encouraging survey customization, organizations may identify issues and best practices in particular areas of their business that would have not been noted otherwise. At Company F, such extra questions are “sanitized” for wording by corporate HR. Like Company F, both **Company A** and **Company H** also allow business units to add their own questions to the employee survey.

In contrast, **Company B** has ceased its use of localized questions on the employee survey. The manager of organization assessment explains that the company is trying to “force the employee survey to be more global.”

⁶ *ibid.*

⁷ Author Unknown, “Why Employee Surveys Fail.”

**Observation
#7**

Although it is common practice to partner with a vendor during survey administration, companies vary in the extent to which they depend upon an external vendor for analysis and reporting of survey results. At most companies, corporate HR or the responsible department interprets the data tabulated by the vendor.

All profiled companies depend upon external vendors to tabulate the results of survey data. Then at the majority of companies, corporate HR or the responsible department (see *Observation #3*), analyzes the data to identify key trends and problem areas. For example, this duty falls on the shoulders of the worldwide survey program manager at **Company A** (see *Observation #7*).

However, as described below, two of the profiled companies ask external vendors to conduct the bulk of results analysis and reporting.

- **Company D**—The external vendor presents survey results directly to senior management of the company.
- **Company B**—The vendor directly E-mails individual team results to 3,000 managers throughout the company. This data is broken down to groups as small as six people.

Drawbacks of Team-level Reporting

While placing more responsibility and accountability on local managers works in theory, it can be counterproductive in practice. One person can sway the results as much as 25 percent, throwing off any relation to the real satisfaction of the group as a whole. And with such a small survey, anonymity is thinly veiled. The process becomes politicized as employees realize the effect they can have on their immediate supervisor's results.

Source: John Stanek, "The Seven Survey Sins," *Personnel Journal* (July 1996): S1.

Some critics warn against putting the entire survey project in the hands of an external vendor. When a consultant analyzes results and recommends changes, management is more prone to reject their findings and ignore suggested changes. On the other hand, companies are more likely to commit to survey results and action plans developed within their own HR department.⁸

⁸ Author Unknown, "Why Employee Attitude Surveys Fail," <http://www.cam.org/%7Esteinbg/fail.html> (23 March 1999).

**Observation
 #8**

In comparison to their financial investment in the survey process, profiled companies dedicate only a small number of corporate staff to survey administration and follow-up.

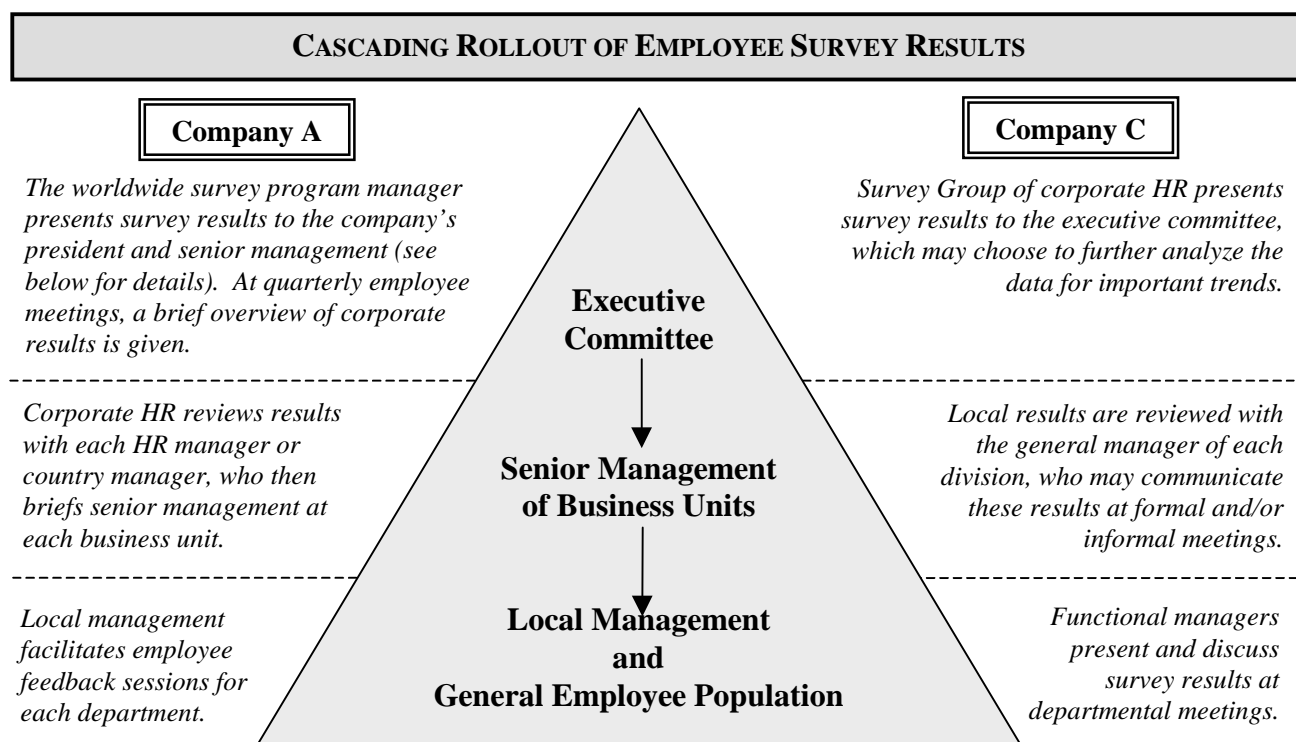
The table below summarizes both the monetary and manpower investments that profiled companies make in the employee survey process. Corporate employees working on the employee survey usually do so in addition to other responsibilities.

INVESTMENTS IN EMPLOYEE SURVEYS		
Company	Budget Allocation*	Corporate Survey Staff**
Company A	\$120,000 (Estimated cost of \$15 per employee)	<ul style="list-style-type: none"> Worldwide survey program manager, international and Ireland HR managers spend 15-25 hours per week throughout the survey process 25 associated staff members dedicate 5-10 hours per week
Company B	\$100,000	<ul style="list-style-type: none"> Quality Organization and manager of corporate assessment draft surveys
Company C	\$500,000 - \$600,000 ((\$20,000 - \$30,000 in vendor costs alone)	<ul style="list-style-type: none"> Survey group (a part of corporate HR), consisting of four FTEs, controls content and reporting Occasional part-time support given by an additional FTE
Company D	Company D did not disclose an amount; however, the director of international communications stated that the cost was "not much considering [the company's] size."	<ul style="list-style-type: none"> Director of international communications works full time on the survey for three months
Company E	\$130,000	<ul style="list-style-type: none"> Project manager works full time on the survey for two months
Company F	\$250,000*** (for vendor alone)	<ul style="list-style-type: none"> Special steering committee (8-10 people) works part time to roll out results
Company G	\$40,000 (for international survey; cost of U.S. survey unavailable)	<ul style="list-style-type: none"> Two people dedicate 10-20 hours per week throughout the six- to seven-month survey process
Company H	\$100,000	<ul style="list-style-type: none"> Manager of employee communications works alone on survey in addition to other responsibilities
<p>* Estimated costs of most recent survey administration. These figures account mostly for vendor costs; staff time is not considered.</p> <p>** This does not reflect the administrative work completed by HR employees at individual business units.</p> <p>*** As noted earlier, in 1998 Company F could not justify this expense in light of current business conditions and has since discontinued the employee survey.</p>		

Drivers of Employee Surveys	Format of Employee Surveys	Survey Administration	Communicating Survey Results	Following-up on Survey Results
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Observation #9 *All but one of the profiled companies use a form of “cascading rollout” to communicate the results of employee surveys.*

With the exception of **Company B** (see *Practice #7*), all profiled companies disseminate the results of employee surveys in a top-down fashion, often referred to as cascading rollout. Using the examples of **Company A** and **Company C**, the basic process of such communication is illustrated below. Some profiled companies use more complicated variations on this theme. *Practice #6* describes communication methods originating at the senior executive level. Companies profiled in *Practice #7* gear survey results towards management at individual business units.



The worldwide survey program manager’s presentation to Company A’s senior executives includes:

- Comparison of results with those from past surveys
- Participation percentages relative to previous years
- Comparison of overall company scores against individual business units
- Strengths and development areas for the corporation

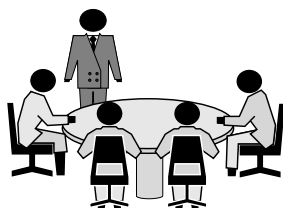
**Practice
#6**

Communication of Results by Senior Management—Senior executives may choose to present survey results to the company as a whole, highlighting key areas they wish to address.

Although the task of disseminating survey results throughout an organization usually falls to HR, senior executives at the companies profiled below assume an active role in interpretation and communication of company-wide survey results.

FRAMING SURVEY RESULTS—COMPANY D

Company D is a management-led system in which information is cascaded down through the layers of management. In the communication of employee survey results, this model involves strong direction from the company's senior management.



Setting the Corporate Agenda—Upon receiving survey results from the vendor, the senior executive team at Company D decides how to frame this information. The team works with corporate HR to identify key company-wide issues to be addressed. For example, a recent survey revealed a weakness in cross-functional teamwork. This sparked a company-wide initiative to build such team skills.



Alerting Employees—After identifying issues for the corporate agenda, the senior executive team sends an E-mail to all employees that provides the following:

- A summary of issues for the corporate agenda
- A hyperlink to the key findings of the survey on the intranet

The vendor also details local results through Power Point presentations for the management teams of each division. Based on these localized trends, each division can roll out its own action plans to supplement the corporate agenda.

Other means of communicating survey results at profiled companies include:

- **Company E** uses several means of mass communication to inform employees of survey results. Senior executives discuss key survey findings during a corporate-wide meeting conducted at all locations through video conferencing. In addition, these results are published in the company magazine and over E-mail.
- The CEO of **Company G** sends a memo with a booklet summarizing survey findings to all employees participating in the North American survey. Division managers are responsible for meeting with employees to address local survey results.

**Practice
#7**

***Emphasizing Business Unit Results**—Business unit leaders may receive local results without input from the company’s senior management.*

Although senior executives at **Company F** and **Company H** receive survey results before business unit leaders, no effort is made to address results at a corporate level. Instead, local management is left to digest the results for their own organizations.

A special steering committee at **Company F** rolls out localized results to the employee survey coordinator at each business unit. In addition to generic company-wide data, local managers are given survey results broken down to departments and teams as small as six people. (If a group returns fewer than six responses, results are rolled up to the next level in order to ensure anonymity of participants.) Managers are asked to meet with employees to discuss survey results.

At **Company H**, the Business Leadership Group assists business unit directors in following the edict to “go forth and communicate” survey results. This group generates copies of survey results, talking points and presentation materials. In addition, supervisors may access survey results on the company intranet. Supervisors are responsible for communicating survey results to the general employee population.

FAILING TO SEE THE BIG PICTURE—COMPANY B

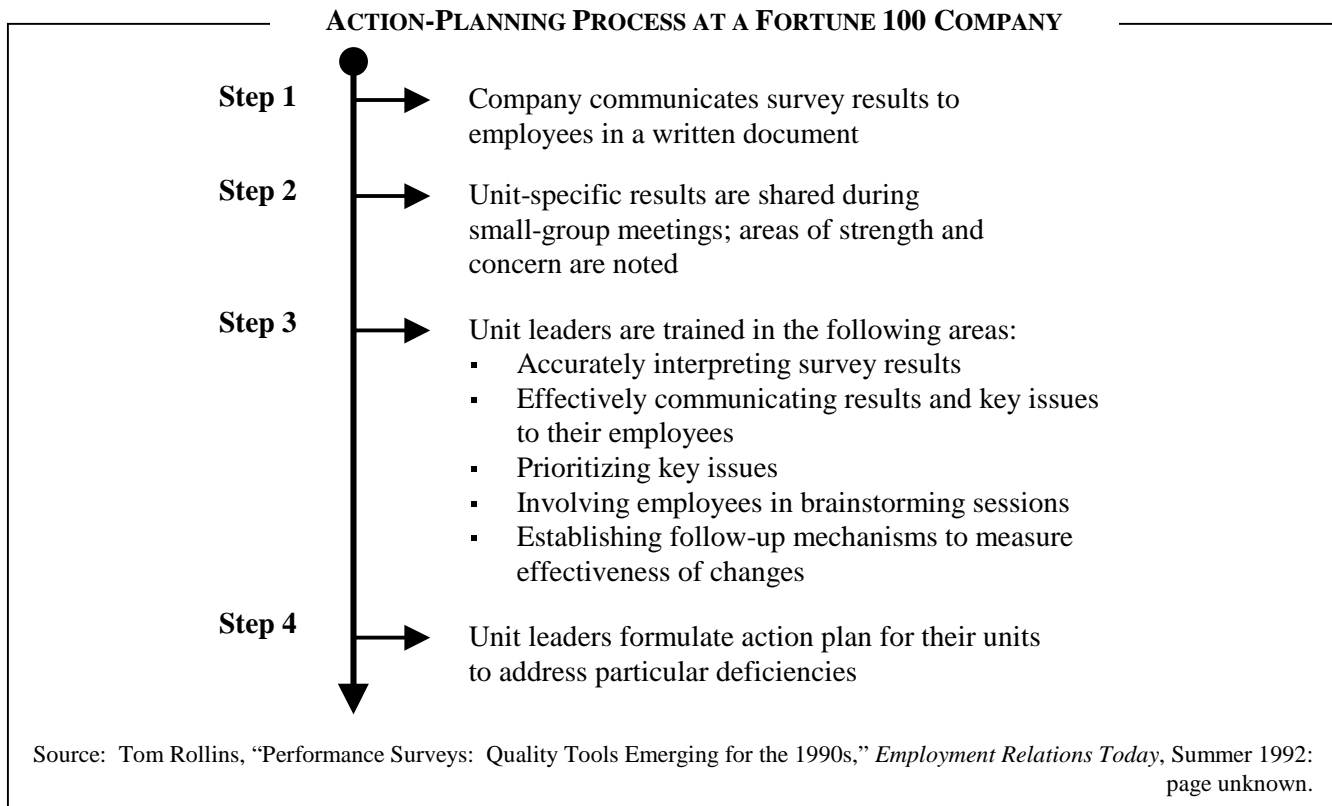
At Company B, local results are the first to be reported. Although company-wide results are later given to the executive committee by corporate HR, currently there is no corporate realization of survey results indicating a need for change.

After tabulating survey data, **Company B**’s vendor directly E-mails breakdowns of local survey results to 3,000 managers. It is then the responsibility of local management, with the help of HR, to address issues identified in the survey.

The manager of organization assessment regrets that local management is currently “doing the heavy lifting” in the action planning process following the employee survey. He explains that the lack of a corporate reaction to employee survey results is fostering a growing feeling of frustration among employees. Yet, corporate HR has not tried to address company-wide issues such as compensation that have been identified in survey results.

Drivers of Employee Surveys	Format of Employee Surveys	Survey Administration	Communicating Survey Results	Following-up on Survey Results
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A basic action-planning process as described in literature is presented below.



Before charting action plans to follow-up on survey results, organizations should solicit additional feedback from employee focus groups to obtain the "story behind the numbers" and identify areas upon which they should be working to improve employee satisfaction scores. A basic model for focus group feedback sessions is presented on the following page; this information summarizes the practices of companies profiled in a past Council research brief.⁹

⁹ Corporate Leadership Council, *Improving Scores on Employee Satisfaction Surveys*, Washington: Corporate Executive Board (October 1998): 15.

PROCESS MODEL FOR OBTAINING AND USING FOCUS GROUP FEEDBACK

Step 1:

Managers or HR representatives meet with employees in groups of no more than 25 to discuss results and obtain answers to the following questions:

1. What caused particular numerical results (positive or negative)?
2. What could the company do to increase satisfaction in areas in which results were lower than desired?

Step 2:

Managers work with employees to draft action plans identifying five or six initiatives upon which they will focus in the coming survey year. Individual unit action plans allow senior management to track unit managers' performance against improvement initiatives.

Step 3:

Managers forward action plans up through the organization to either HR, senior management staff or board members, who then use suggested initiatives to identify company-wide trends and generate larger organizational action plans that affect all company employees.

Because obtaining accurate and honest feedback during focus group sessions is crucial, companies must ensure that facilitators know how to conduct meetings successfully. Company C¹⁰ profiled in the aforementioned Council brief has made a concerted effort to train its focus group facilitators, as discussed below.

EFFECTIVE FEEDBACK SESSIONS—COMPANY C

As managers are responsible for presenting survey data to employees and facilitating discussions regarding results, the company has taken measures to ensure that managers obtain the best information possible by providing them with the meeting facilitation tools described below.

➤ **“Guide to Managing Survey Results”**

This eight-page manual provides managers with a guideline for conducting survey results meetings. The manual teaches managers how to discuss survey data with employees and how to identify the five to six areas with the lowest scores that both the manager and the employees believe that the company should be working on improving. The manual also informs managers that if they are not obtaining quality feedback from employees, they should bring in an outside facilitator—typically an HR representative—to help with the meetings since employees occasionally are uncomfortable discussing material with their managers.

➤ **Mock-Feedback Session Video**

Videotaped actors perform a mock-feedback session demonstrating how managers should facilitate discussions concerning survey results with their employees. The video teaches managers how to handle conflict, encourage discussion and ensure that all employees have the opportunity to voice their opinions.

**Observation
#10**

The majority of profiled companies delegate the responsibility of action planning to the senior management of individual business units. Thus, the level of response may vary widely throughout a company.

Companies must find ways to boost local management support and response to employee survey results. Interviewed individuals at all profiled companies note that without local management support, action planning may be neglected entirely at some business units. As suggested by the manager of employee development at **Company G**, organizations need to hold local managers more accountable for survey follow-up. *Practice #8* outlines several models for conducting and monitoring action planning.

The percentage of employees indicating that they have noticed improvements since they filled out the last survey typically varies depending upon how seriously that particular region or business line invested in action planning. As acting upon survey results is so important, contacted individuals indicate that planning for such actions constitutes a crucial stage of the satisfaction improvement process.¹¹

¹⁰ As profiled in the past Council brief entitled *Improving Scores on Employee Satisfaction Surveys*, Company C employs more than 60,000 people and generates more than \$10 billion in revenues in the global service industry.

¹¹ *Improving Scores on Employee Satisfaction Surveys*, p. 21.

**Practice
#8**

Requiring and Tracking Action Plans—By requiring and tracking action-planning at local levels based on survey results, some companies ensure that employee feedback does not go unanswered.

As detailed in *Practice #6*, **Company D** outlines a corporate agenda for action planning in addition to any responsive steps taken by local management after the employee survey. Although corporate HR does not track local action planning, the director of international communications indicates that most local managers feel a type of peer pressure to take some action in response to survey results.

Companies may encourage local management further by requiring and monitoring action planning. The company profiles below and on the following page illustrate some possible tactics for achieving this goal.

ACTION PLANNING REQUIREMENTS—COMPANY A

The worldwide survey program manager explains the following measures used by Company A to ensure that action planning occurs in response to employee survey results:

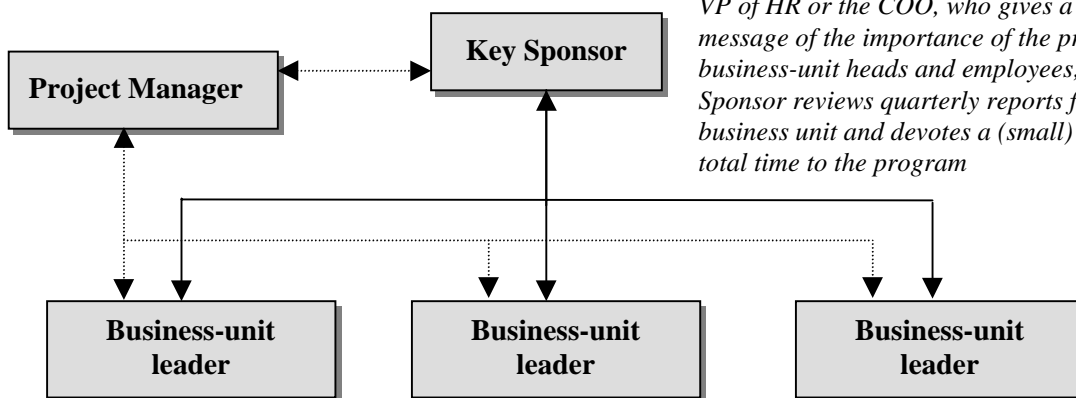
- **Mandatory Feedback and Action Planning Sessions**—All employees are required to attend feedback and action-planning sessions to address major issues identified by their business unit's survey results. If employees miss a session, their managers are responsible for communicating the events of the session to them.
- **Assigning Accountability**—When an action plan has been decided on, a person within the business unit is made accountable for completing that action by a certain date.
- **Monitoring Progress**—Both senior management of the business unit (or country) and the president of Company A monitor the progress of action plans on a quarterly basis.

Companies must have the means for monitoring the progress of action plans based upon survey results in order to convince employees of their commitment to change in the problem areas identified through employee opinion surveys. A model for such monitoring is presented on the following page.¹²

¹² Corporate Leadership Council, *Utilizing Employee Opinion Surveys to Improve Business Performance*, Washington: Corporate Executive Board (March 1998): 8.

ORGANIZATIONAL MODEL FOR MONITORING PROGRESS OF ACTION PLANS

Day-to-day project manager, likely an HR employee, takes full-time responsibility for administration and daily operations of the program



Key Sponsor must be a high-level employee, preferably in senior management, such as the VP of HR or the COO, who gives a clear message of the importance of the program to business-unit heads and employees; the Key Sponsor reviews quarterly reports from every business unit and devotes a (small) portion of total time to the program

Business unit leaders monitor and are responsible for their unit's improvements based upon action-plans; leaders prepare reports on unit results, preferably once per quarter, for the perusal of the Key Sponsor

Source: Hypothetical model described by Dr. Thomas Rollins, Managing Director, Hay Group Western Division

At **Company B**, senior managers from various divisions requested assistance from HR and the Quality Control Group to improve their ability to track the progress of action plans stemming from employee survey results. The tool developed in response to this request is described below.

COMPANY B—TRACKING PROGRESS



Intranet-based Tracking Tool—Staff must enter all action plans along with regular progress reports on a special intranet site designed for monitoring purposes. With this site, senior managers can easily chart the action of their teams' response to employee survey results.

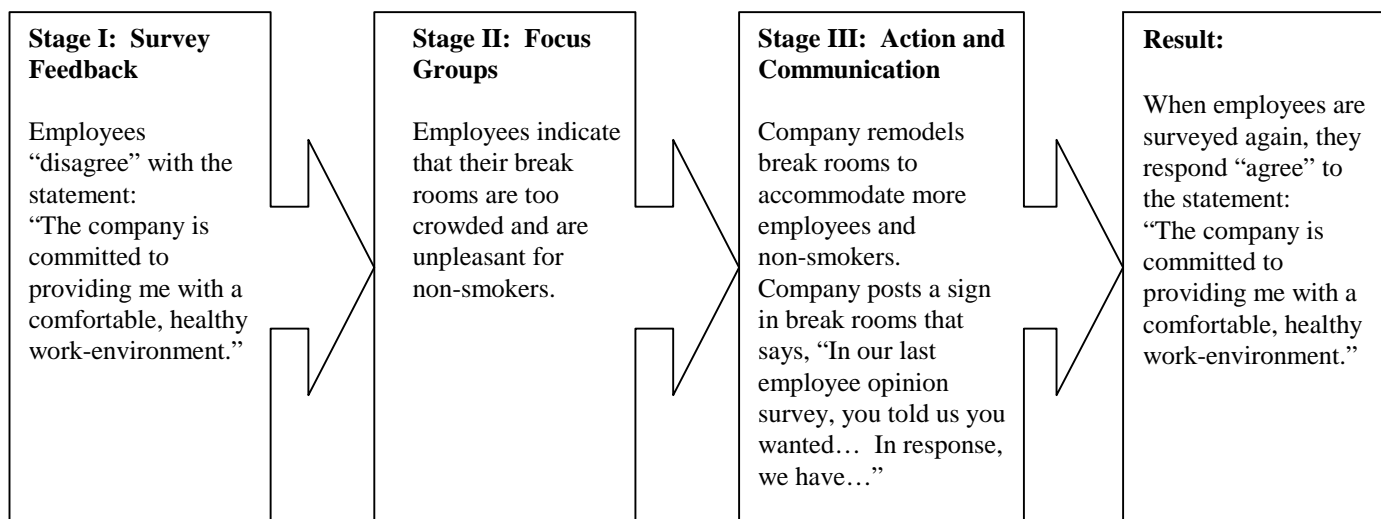
**Practice
#9**

Thorough Communication of Follow-up Efforts—Even if no action is taken on some issues, companies should keep employees abreast of all efforts to follow-up on employee survey results.

Within business units at **Company H**, employees may be asked to develop potential action plans to address the top issues identified by the employee survey. The suggestions generated are recommended to the business unit leadership, which must decide whether or not they are feasible. When actions are not taken, business unit leaders explain why to employees, so they know that their feedback was considered. As noted by the HR advisor at **Company F**, such explanations serve to “close out” all issues raised by employee surveys.

Communicating with employees regarding the company’s efforts and correlating initiation of such efforts to employee feedback allow organizations to demonstrate their commitment to improving employee satisfaction in a visible manner—a process that ultimately helps these organizations to improve survey scores. The example below illustrates the effectiveness of a formal communication process used by a company profiled in a past Council research brief.¹³

EFFECTIVENESS OF A FORMAL ACTION COMMUNICATION PROCESS



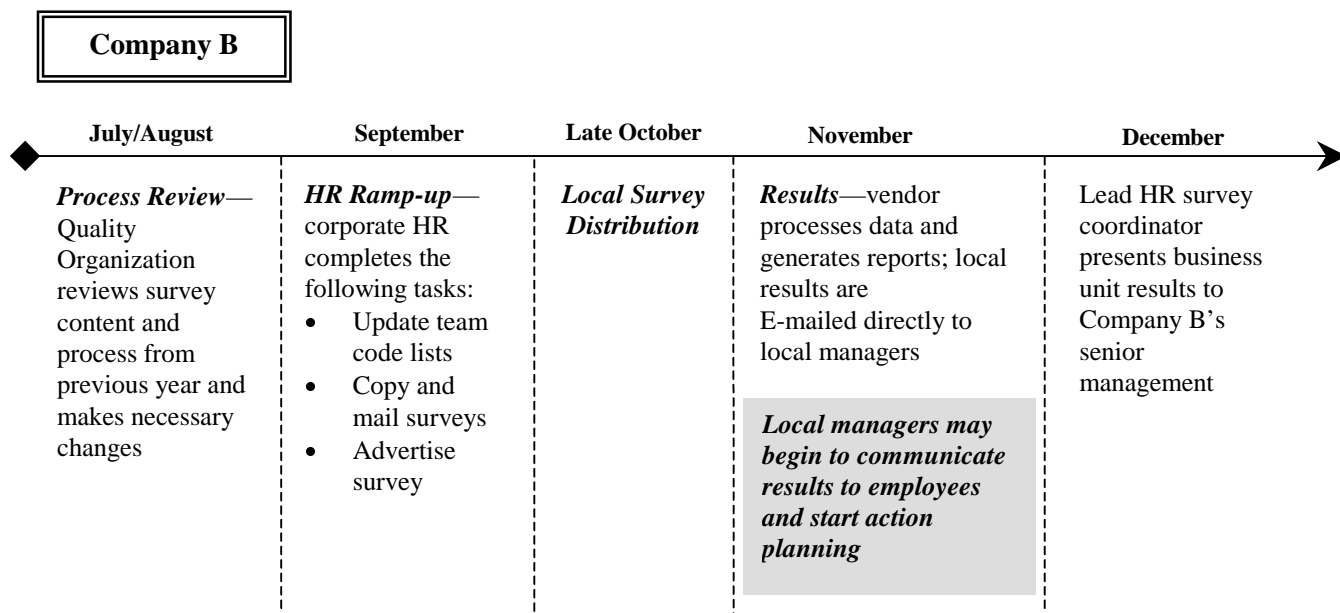
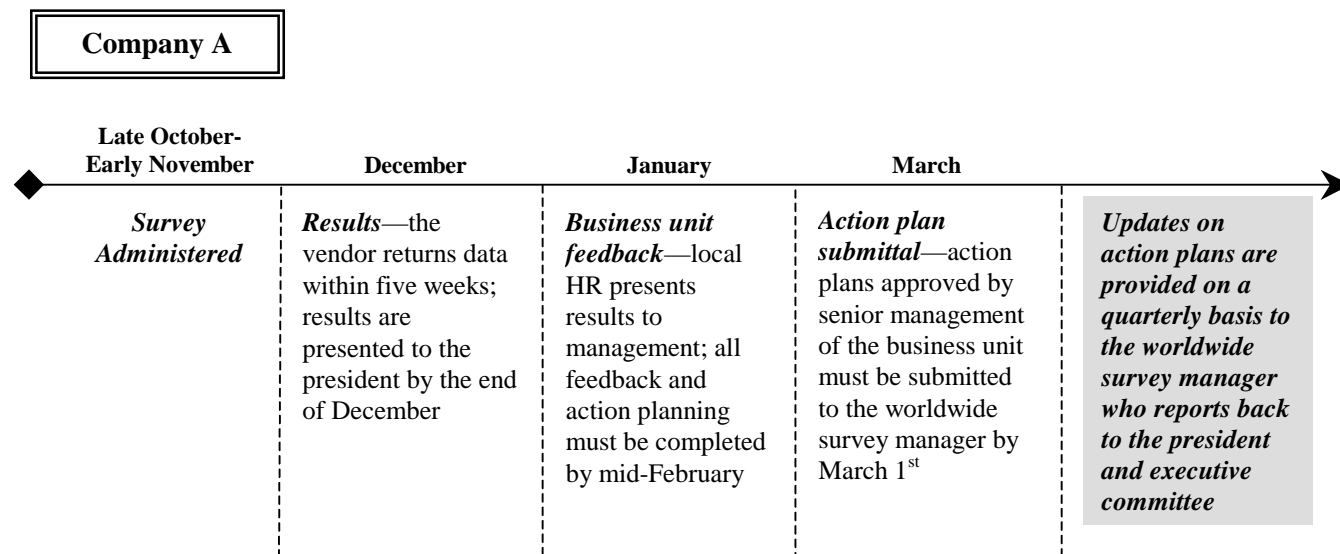
Other possible communication vehicles discussed in the aforementioned brief include periodic meetings held by action teams, brochures, newsletters and in-unit training programs.¹⁴

¹³ As profiled in the Council brief entitled *Improving Scores on Employee Satisfaction Surveys*, Company E employs more than 60,000 people and generates between \$5 billion and \$10 billion in the global services industry.

¹⁴ *Improving Scores on Employee Satisfaction Surveys*, p. 23.

APPENDIX—SURVEY PROCESS TIMELINES

Both of the companies profiled below conduct annual employee surveys.



APPENDIX B—OVERVIEW OF OBSERVATIONS AND PRACTICES PROFILED

Drivers of Employee Surveys	Format of Employee Surveys	Survey Administration	Communicating Survey Results	Following-up on Survey Results
<p><i>Observation #1</i>—Most companies communicate to employees that they will act upon survey feedback.</p> <p><i>Observation #2—Senior Management Involvement</i> By communicating their commitment to the employee survey process, senior executives can encourage both employee participation and support from local management, which is crucial to driving follow-up to survey results.</p> <p><i>Observation #3</i>—In partnership with an external vendor, Human Resources (or a related department) provides administrative support for the employee survey process.</p>	<p><i>Observation #4</i>—All profiled companies distribute surveys to their entire employee populations; however, actual participation rates vary.</p> <p><i>Observation #5</i>—Profiled companies conduct surveys annually or biennially to allow time for communication of results and follow-up action planning.</p> <p>Practice #1—Translating Surveys Most profiled companies allow human resources representatives at international business units to decide whether they wish to translate the employee survey into the local languages.</p> <p>Practice #2—Survey Medium Although the majority of employee surveys are administered in a paper-based format, some companies are transitioning to intranet-based surveys.</p> <p><i>Observation #6</i>—Demographic questions on surveys may spark employee concerns regarding anonymity, decreasing response.</p> <p>Practice #3—Normative Surveys A few of the profiled companies use normative survey questions from vendors to enable comparisons between their survey results and those of other companies.</p>	<p>Practice #4—Vendor Use Although profiled companies rely on external vendors to tabulate survey data, most companies play a more active role in drafting survey questions.</p> <p>Practice #5—Localized Questions Several companies allow individual business units to add “indigenous” questions to the core corporate survey in order to address location-specific issues.</p> <p><i>Observation #7</i>—Although it is common practice to partner with a vendor during survey administration, companies vary in the extent to which they depend upon an external vendor for analysis and reporting of survey results. At most companies, corporate HR of the responsible department interprets the data tabulated by the vendor.</p> <p><i>Observation #8</i>—In comparison to their financial investment in the survey process, profiled companies dedicate only a small number of corporate staff to survey administration and follow-up.</p>	<p><i>Observation #9</i>—All but one of the profiled companies use a form of “cascading rollout” to communicate the results of employee surveys.</p> <p>Practice #6—Communication of Results by Senior Management Senior executives may choose to present survey results to the company as a whole, highlighting key areas they wish to address.</p> <p>Practice #7—Emphasizing Business Unit Results Business unit leaders may receive local results without input from the company’s senior management.</p>	<p><i>Observation #10</i>—The majority of profiled companies delegate the responsibility of action planning to the senior management of individual business units. Thus, the level of response may vary widely throughout a company.</p> <p>Practice #8—Requiring and Tracking Action Plans By requiring and tracking action-planning at local levels based on survey results, some companies ensure that employee feedback does not go unanswered.</p> <p>Practice #9—Thorough Communication of Follow-up Efforts Even if no action is taken on some issues, companies should keep employees abreast of all efforts to follow-up on employee survey results.</p>

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Professional Services Note

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