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The Perfect Storm: Employee Engagement, Extraordinary Customer Experience, & Solid Sales Performance

White Paper

TalentKeepers® is celebrating 15 years of providing award-winning employee engagement and retention solutions to help companies around the globe increase their performance. We provide employee engagement solutions, leader development programs, on-boarding processes and standardized or customized surveys, and other key talent management services to address critical business issues and enhance stakeholder value. We help you respond to industry and market factors that create uncertainty and organization exposure. Let us help you build a culture that keeps your best talent, boosts productivity and delivers outstanding performance.

Please direct questions, comments, and press inquiries to solutions@talentkeepers.com, please access our website at www.TalentKeepers.com or call 407.660.6041.

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It is not a secret that an engaged workforce provides extraordinary customer experience and strong sales performance. Numerous research studies show that engaged employees deliver better results for their organizations. Two organizational outcomes in particular have received a lot of attention: financial results (e.g., increased profitability, increase sales volumes) and customer satisfaction metrics (e.g., overall satisfaction, willingness to recommend the company/product). The question is, “How does an organization engage their workforce to gain loyal customers and increase sales performance?”

Understanding Employee Engagement

Before beginning any initiative it is crucial to understand the concept behind the desired result. The talent management industry defines engaged employees as those who willingly give “discretionary effort” – going beyond what is typically required in a position to help an organization succeed. At TalentKeepers, we describe an engaged workforce as having a heightened level of ownership when each employee wants to do whatever they can for their team, their customers, and the organization.

The model to the right illustrates the four drivers (in blue) of employee engagement, which TalentKeepers' research has shown are essential to creating an engaged workforce. The bottom elements of the model show the outcomes (in gold) of developing and maintaining an engaged workforce.



TalentKeepers' Case Study

Based on this understanding of employee engagement, TalentKeepers has devised a process that enables organizations to increase engagement, customer experience, and sales performance through a multi-faceted approach. This process has been utilized by a national retail organization who has seen attrition rates drop significantly, from 50% to 15% in a single market. Just as important, sales performance of highly engaged teams sold approximately

\$942,000/month above teams with low engagement. Customer experience ratings between the two groups differed significantly, as well.

TalentKeepers has a 4-step engagement process which will be outlined with case study examples to demonstrate how our national retail client utilized the TalentKeepers initiative to increase employee engagement, customer experience, and sales performance.

Step 1: Survey your Employees

TalentKeepers advocates asking employees for their opinions. Our research shows that employees want to be asked questions regarding their work environment. It is important to gather feedback to understand the factors that contribute to engagement: why employees choose to join, stay, and leave the organization, the strength of the four drivers of engagement, employee satisfaction, and attrition risk. Employee surveys are a way to get the temperature of your employees and their level of engagement and, in turn, their desire to deliver an extraordinary customer experience and increased sales performance. TalentKeepers' research and client history has identified strategic steps for implementing surveys in an engagement initiative:

TalentKeepers' Engagement Process

- ✓ Survey Your Employees
- ✓ Utilize Key Metrics
- ✓ Interpret Data & Action Plan
- ✓ Integrate Initiative with other Processes

Support from Senior Leadership

TalentKeepers knows that an effort toward engagement must be supported by Senior Leadership to achieve success. A top-down effort by all key stakeholders emphasizes the importance of an engagement initiative to employees. TalentKeepers' advocates having an Executive Sponsor and Engagement Coach to communicate the importance of the engagement initiative.

Case Study Example: The national retail organization has two senior leaders who take the responsibility of Executive Sponsor and Project Manager to set the stage for a successful initiative. These engagement leaders stay involved in communicating the initiative, following through with tasks, and role modeling employee engagement leadership tactics.

Cross Functional Inclusion

TalentKeepers stresses that an engagement effort must include every aspect of an organization. Therefore, all departments should be included in survey participation. While certain job roles directly influence a customer's experience and the sales performance numbers, *all* employees have a hand in creating an engaged environment.

Case Study Example: The national retail organization includes a wide range of departments in their survey. Human Resources, Learning Services, Marketing, Sales Operations, and all support organizations are given the opportunity to voice their opinions.

Two Administrations per Year

Successful engagement initiatives require more than one survey per year for the following reasons:

- ❖ *Honest Feedback:* Respondents need to be comfortable with being honest on the survey. When employees see that their responses are used for a positive, organizational change they become more and more willing to voice their true opinions each administration.
- ❖ *Performance Metrics:* The first administration establishes a baseline for the organization. Later administrations allow senior staff, leaders, and employees to measure changes in the survey metrics.
- ❖ *Accountability:* Two administrations per year holds the organization accountable for making steps toward change quickly. A “one and done” mentality only fosters an environment where employees use their voices, but do not feel heard.

Case Study Example: The national retail organization conducts two survey administrations per year, six months apart. This allows the organization to have time between administrations to make improvements based on feedback. A six-month strategy also allows the organization to pinpoint new areas of concern before they become a major problem. Participation over the last four administrations has risen from 79% to 84%.

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Customize Survey Content & Link to Organizational Objectives

Organizations are unique, so why should their surveys be the same? TalentKeepers advocates customizing survey items to get a gauge of what employees are thinking about organizational objectives and “hot topics”. Customized items work for company-wide initiatives and can also measure unique elements of different job groups. Different departments in an organization have different experiences and challenges. Customizing items based on organization and department allows for a specific understanding of why employees are engaged or not in relation to departmental and organizational changes and objectives.

Case Study Example: The national retail organization customized their latest survey administration due to organizational changes that included reorganization of a department and a new frontline employee to customer interaction strategy. To determine how employees were accepting the changes, specific questions about the reorganization were asked to that department. Further, different items surveyed the frontline sales teams on their new customer

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strategy. The results of the questions were reviewed and adjustments were made to the associated strategies to ensure organizational objectives were being met.

Step 2: Utilize Key Metrics

TalentKeepers' research has determined key metrics measure employee engagement, and lead to increased customer experience and sales performance. Each metric highlights a specific driver of engagement and serves a unique purpose for measuring all aspects of employee engagement, retention, and job satisfaction. Further, the key metrics drive action items and accountability for leaders at all levels of the organization.

Participation: TalentKeepers' research demonstrates that a very successful participation rate is 80% or better.

- ❖ *Engagement Index:* Percentage of employees who are currently engaged by each engagement driver: Organization, Job/Career, Co-Worker, and Leader. This metric is calculated based on the average rating of all questions within each driver.
- ❖ *Overall Satisfaction:* Employees' level of satisfaction at this point in time.
- ❖ *Satisfaction Change:* Employees' change in satisfaction over the past six months.
- ❖ *Intent to Stay:* The amount of time an employee intends to stay with the organization. A measure of overall risk turnover.

Case Study Example: The national retail organization utilizes the participation, engagement index, satisfaction change, and intent to stay metrics to drive employee engagement with leaders and team members. Further, a Leader Retention Effectiveness (LRE) score is tracked to determine how much influence a leader has on their team members' decision to stay with the company. The Leadership Engagement Index has increased from 71% to 80% in the last four administrations. This key metric is vital as employees who worked for leaders in the top 15% for this index are delivered better customer experience and sales performance.

Step 3: Interpret Data & Action Plan

The most valuable outcome of survey results is the opportunity to learn something new. TalentKeepers' Leadership Talents highlight specific areas of leadership development that

TalentKeepers' Leadership Talents

- ✓ Trust Builder
- ✓ Esteem Builder
- ✓ Climate Builder
- ✓ Communicator
- ✓ Talent Developer and Coach
- ✓ Flexibility Expert
- ✓ Higher Performance Builder
- ✓ Retention Monitor
- ✓ Retention Expert
- ✓ Talent Finder
- ✓ Gen Y

increase employee engagement. Use these Leadership Talents when helping leaders interpret results and action plan for their leadership development.

Ask leaders to look for gifts, affirmations, and surprises in the data. Based on data analysis, team members and leaders at every level take steps to enhance engagement behaviors. The development of an action plan involves pinpointing actions that can increase favorable engagement ratings. Next, leaders meet with their teams to determine behaviors that should stop, start, and continue in order to increase engagement. Specific improvement goals are established, which leaders are held accountable for achieving in the next survey administration.

Simply understanding areas of opportunity and devising an action plan is not enough. Leaders should conduct meetings with their teams to thank them for their participation, review results, ask for inputs on how to improve, and share resulting action plans for the group.

Case Study Example: The national retail organization begins their action planning process based on key metric data. Instructor Led Training Sessions are held with Directors down to Store Managers. In these sessions Market level results are reviewed, best practices are shared, and action planning begins. An Action Planning form is utilized by leaders to outline specific areas of opportunity. Along with individual improvement areas, training is offered in specific leader areas that highlight skill sets required to engage employees.

Step 4: Integrate with Other Processes

An engaged culture cannot simply begin and end with survey administrations. Engagement, customer experience, and sales performance must become an integral part of other processes within an organization. Employee Onboarding, performance management, and training are all areas that can benefit from the lessons learned during survey administration and play a role in accountability for leaders and employees.

Onboarding: Engage Employees from Day One

New hires within an organization must be assimilated into the culture of engagement. TalentKeepers understands that onboarding is a key time period where an organization can highlight the importance of engagement, customer experience, and performance. Creating connection touch points with new hires makes them feel supported, valued, and engaged with their new role and organization. TalentKeepers' research shows that people relationships are vital to keeping employees engaged and satisfied at work, especially for new team members.

Case Study Example: The national retail organization utilized TalentKeepers' Onboard Connection. This process incorporates a non-anonymous survey taken by each new hire to clarify his/her career, engagement, leader, and recognition preferences. The new hire's leader conducts a Handshake Meeting, based on the survey results, where preferences are discussed

Conclusion

and a working relationship is developed. The Retailer also has incumbents participate in the process every two years to keep this information fresh.

Performance Management

TalentKeepers advocates adding engagement and key metrics into the performance management process. This demonstrates that engagement is a vital part of the organization's culture and, in turn, a vital part of each employee's job role. Some areas where engagement and key metrics can and should be included are regular communications, team meetings, operational reviews, employee recognition programs, and leader accountability metrics. Departments within an organization should also be included in performance management updates.

Case Study Example: TalentKeepers' retail client incorporates engagement key metrics into their employee bonus/ incentives plans. It is important to note that it is not the only factor that plays into a leader receiving a bonus. Yet, its inclusion emphasizes the importance of engagement in the organization's culture.

Training

TalentKeepers stresses the importance of using training in the action planning process. Integrating training into the initiative allows employees to sharpen leadership skills that contribute to engagement. Our research demonstrates that a blended training approach is effective in teaching leadership talents. This approach incorporates online training modules, instructor led trainings, and on-the-job tasks so that employees learn new skill sets through various methods.

Case Study Example: The national retail organization continually offers training sessions to leaders. The online modules are easy to access for employees and allow the company to track completion, which keeps employees accountable for their action plans.

In the business world, numbers drive action and customer experience and sales performance are vital to success. Outside research reveals that engagement is the driver for loyal customers and high profits. TalentKeepers' research and client benchmarking not only strengthen this assertion, but go a major step further by addressing "How" to engage employees.

A national retail organization found undeniable success after implementing TalentKeepers' strategic engagement process. The first step is to survey employees because they want to be heard. Use feedback to improve current processes and gauge feelings around "hot topics". Next, utilize key metrics that highlight specific drivers of engagement and link them back to organizational objectives. Interpret data to find gifts, affirmations, and surprises that outline

the areas of opportunity for action. Finally, integrate the initiative with other processes so that engagement becomes a culture, not a twice a year survey administration.

The road to engaged employees can be long, but TalentKeepers has the ability to make the process streamlined for any organization. Our case study on the national retail organization represents only one of many success stories. We have surveyed millions of employees around the world. We are experts in all of the elements required for conducting a highly effective engagement strategy, including design, communication, administration, data analysis, and providing actionable results. We offer standardized surveys with global benchmark data for all phases of the employee lifecycle, as well as the ability to customize a survey that meets your exact needs.

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Talent Management Solutions

TalentKeepers® is a global leader in talent management research, award-winning solutions and proven results in increasing organizational performance. We provide employee engagement solutions, leader development programs, on-boarding processes and standardized or customized surveys, and other key talent management services to address critical business issues and enhance stakeholder value. TalentKeepers helps clients respond to industry and market factors that create uncertainty and organization exposure. Let us help you build a culture that keeps your best talent, boosts productivity and delivers outstanding performance.

Leadership Training Programs

All of TalentKeepers training and development programs are built around critical competencies and designed to give leaders the skills they need to be increasingly effective in their careers. Leaders learn talents including Trust Builder, Flexibility Expert, Talent Developer & Coach and High Performance Builder in a total, blended learning approach including e-learning modules, reinforcement workshops and off-line practice activities. It is the most important leadership training available.

Employee Engagement Solutions

Retaining and actively engaging well-performing employees builds strength in an organization's culture and improves overall performance. TalentKeepers offers several tools proven to increase commitment and positively impact engagement and productivity.

Surveys/Assessments

TalentKeepers' surveys and assessments can help you measure and report the impact of critical factors that contribute to engagement and the degree of influence those factors have on employees' decisions to join, stay or leave.

For details on our Talent Management Solutions or to get more information on TalentKeepers' full range of products and services:



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