

IF YOU DON'T ASK
YOU'LL NEVER KNOW

POLLING

Politicians aren't the only strategists keeping an eye on poll results these days. Strategic employee polling is proving to be a necessary, but oft-forgotten tool in advancing key business objectives throughout many organizations.

BY KRISTINE ELLIS

“**N**umbers bore me to death,” says Ken Kemp, paper machine training coordinator for Inland Paperboard and Packing, Orange, Texas. “But the process works. It absolutely works.”

The “process” Kemp is referring to helped save Inland more than \$500,000 last year and included the implementation of an intervention strategy solely based on customer complaint data and the results of a targeted employee skills survey. After calculating that quality issues in the paper machine shop cost the mill \$680,000 in 2000, Inland management was ready to take disciplinary action against employees as a way to drive down that cost. But Kemp believed that employee education was the better tool. He was able to back up his conviction—and develop a precise solution—by surveying the employees involved. ▶



Suits



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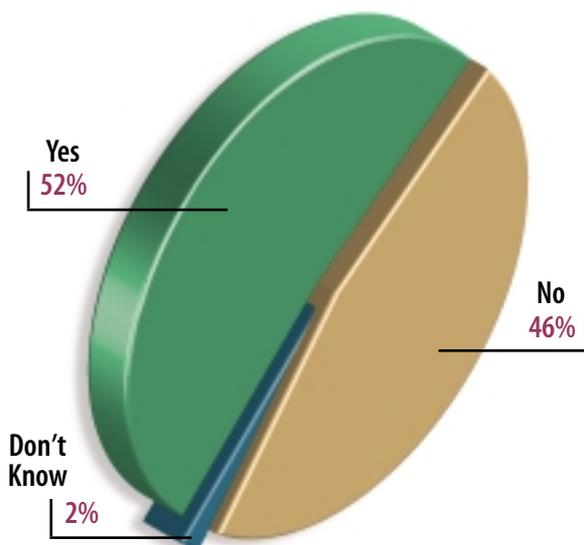
Skills surveying is just one example of the various types of employee polling companies are now using to advance their business strategies. And surveying is a smart move. Whether measuring skills, tracking performance to gauge alignment of employee behavior with corporate goals and objectives, or mining knowledge to enhance customer service and product excellence, querying employees can literally provide a wealth of critical information.

It's also easy. Web-based technology enables organizations to ask for, analyze and act on employee information within a matter of days. "What used to take one to eight weeks with paper surveys now takes one or two days," says Eric Shephard, president of Stamford, Conn.-based QuestionMark, a provider of software that writes and administers surveys via the Internet or Intranets. "You get a very rapid distillation of opinions that you can act upon right away."

As a result, companies are doing more polling, more often. In a survey commissioned by *Training* magazine, 75 percent of those companies doing strategic polling reported that they are doing more today than they did five years ago. Not surprisingly, the majority of these companies administer at least some of their surveys online.

"Web-based surveys haven't been available for very long, and already 39 percent of respondents said that their surveys are administered online," says Linda Murray, director of the Center for Organizational Research (CFOR), a division of Boston-based Linkage, the administrator of the survey.

Is your organization using strategic alignment employee polling?



Source: *Training* magazine and The Center for Organizational Research, a division of Linkage, Boston, 2002

"We use the results of GEOAs to measure how we are doing against our people strategy and also as part of our balanced scorecard."

—STEVE CONSTANTIN, GLOBAL DIRECTOR, HUMAN RESOURCES
DEVELOPMENT/WORKFORCE PLANNING STRATEGIC CENTER,
DOW CHEMICAL CO., MIDLAND, MICH.

"Another 23 percent use a blended approach which includes at least some technology."

The ability to quickly generate real-time data makes "pulse" surveys on specific issues particularly appealing. For example, in late February Harvard Pilgrim Health Care (HPHC), a not-for-profit managed health care organization in Quincy, Mass., conducted a four-question survey about its 2002 business plan. "Our CEO had done a series of town meetings with employees to explain the plan and our business strategies for the year," explains Sarah O'Neil, HPHC's senior training consultant, human resources. "We wanted to find out if our folks understood the plan; if they thought the work they are doing in their business units was aligned with the plan; if they needed more information and, if so, what did they need; and if we were missing anything in the plan."

That was the first time HPHC had done this type of survey, but given the response, it won't be the last. Of the 1,300 employees in seven locations, 36 percent responded to the online query. An overwhelming number of them reported that they understood the plan and thought the company was headed in the right direction.

Tools For The Top

HPHC's executive-level Leadership Committee is the primary driver behind both the February staff query and a comprehensive organizational assessment survey that will be completed by early summer. It has been three years since HPHC has even done employee satisfaction surveys, and the organization has changed dramatically since then. "In 1999, we had many more employees and a completely different leadership team, so we are a different organization now," O'Neil says.

O'Neil calls the assessment survey a first step in systematically using employee data as part of the corporate measurement of the organization's growth and alignment to its mission. Other companies, meanwhile, are achieving that by adapting traditional employee satisfaction surveys. Dow Chemical Co., for instance, conducts an annual employee

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census—the Global Employee Opinion and Action Survey (GEOAS)—that includes assessment components for employee alignment with the company's strategies and objectives. "We use the results of GEOAS to measure how we are doing against our people strategy and also as part of our balanced scorecard," says Steve Constantin, global director of Dow's Human Resources Development/Workforce Planning Strategic Center, Midland, Mich.

Constantin is emphatic in explaining that GEOAS is a strategic tracking tool rather than a system for finding and fixing employee complaints. "We have long-term strategies that we think we are making progress on, but we want to know that we are," he says.

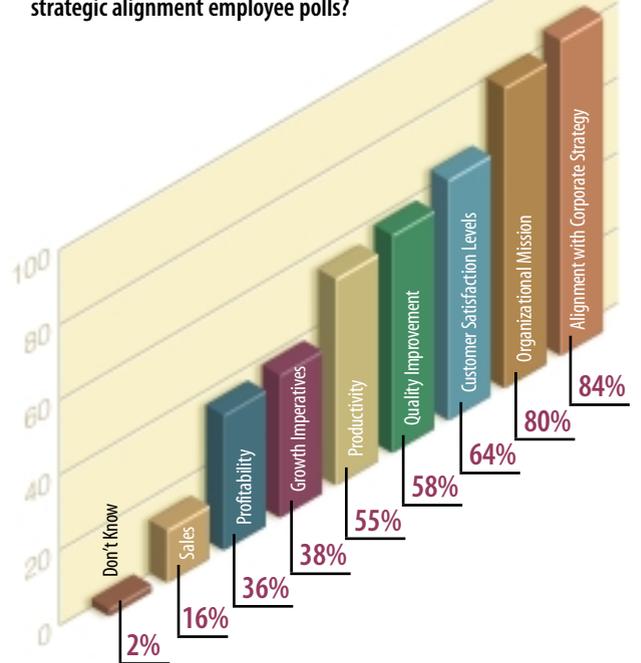
Results are reported on a corporate level and by each of Dow's eight portfolio businesses. The business units are responsible for analyzing their own results and, when necessary, taking action to boost next year's scores. That can range from broad to narrowly targeted actions. For instance, one business unit unhappy with its GEOAS scores in a particular area investigated and found it had a leadership problem. "They made some changes and then saw their scores rebound," Constantin says.

In another instance, a Dow business unit wanted to make better progress in employee development and started by having members of its leadership committee attend a two-day training session in which they reviewed the goals of the business, its business strategy and how they individually could best align that strategy with their employee development plan. The committee found the workshop so helpful that it decided all of the business units' leaders should go through the training. But they didn't stop there. "They decided that the training was so powerful, every employee should go through it. About 5,000 employees in all," Constantin says.

Dow's incorporation of strategic alignment components in its employee satisfaction survey isn't unusual. The National Council on Compensation Insurance (NCCI), a Boca Raton, Fla.-based provider of products and services for the workers' compensation industry, also has historically tracked employee behaviors and awareness regarding its mission as a piece of its annual satisfaction survey. So does Fannie Mae, in its biannual employee satisfaction survey.

And many believe that this upsurge in strategic polling will continue. In fact, Paul Squires, president of Morristown, N.J.-based Applied Skills & Knowledge (AS&K) believes "feel-good" employee satisfaction surveys are morphing into what he dubs "high-performance work group surveys." These are comprehensive in their scope, gathering employee input on

What are the strategic goals and objectives that your organization focuses on when it conducts strategic alignment employee polls?



Source: Training magazine and The Center for Organizational Research, a division of Linkage, Boston, 2002

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—PAUL SQUIRES, PRESIDENT, APPLIED SKILLS & KNOWLEDGE, MORRISTOWN, N.J.

every strategic business component of the organization rather than those typically associated with aspects of human resources. "It's a matter of understanding the organization as a system and, through employees, picking up information about the different components of the system," he says.

Few organizations take such a systematic approach as of yet, Squires says, despite the potential benefits. "You don't typically find corporate leaders doing this because they don't realize that they can get good information," he says.

Currently, most strategic employee polls being done, Squires says, address the components of the system, and in

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—GARY THOMPSON, EXECUTIVE VICE PRESIDENT AND GENERAL
MANAGER, SCHWARTZ COMMUNICATIONS, SAN FRANCISCO

doing so, are valuable measurement tools. The skills survey at Inland is a case in point. When Inland hired AS&K last year to help it establish an internal training group, one of the first things Squires did was examine the business measurements of concern to the mill's managers. Despite his dislike for numbers, Kemp quickly made the connection between the numbers and what actions he could, and should, take. "[With this approach,] the trainer becomes the one who is diagnosing the organization, and the surveys become one of the diagnostic tools," Squires says.

The survey of the 40 employees in the paper machine group determined that not only did they lack the skills to do their jobs correctly, but they also were unaware of the seriousness of the customer complaints. Kemp subsequently set up a series of classes on a new quality process designed to alleviate specific customer complaints, such as dealing with inaccurate labeling of paper rolls resulting in shipping of product that didn't match customer specifications.

In addition to the training, an auditing system was established, whereby 10 rolls of paper are randomly selected each week and checked against their labels. "Before we started the training, 80 percent of our rolls ready for shipment didn't meet specifications. Now that's turned around to 99 percent to 100 percent that do meet them," Kemp says.

What Works For One ...

Given the success in the paper machine shop, analyzing the numbers is now underway in other departments at Inland. In the maintenance department, for instance, a look at two years of data revealed a seasonal pattern to equipment downtime. A skills survey along with an investigation of work procedures are in the works to determine what action is necessary to keep the equipment up and running, not to mention saving the department \$500,000 this year.

In many cases, employee polling initially provides benchmarks for measuring progress in achieving business strategies. Gary Thompson, executive vice president and general manager of San Francisco-based Schwartz Communications, has done extensive work within his own company as well as with other companies in polling employees on an organization's alignment with its values. He begins with a focus group of eight to 10 employees from across divisions, none of whom report to each other.

"I ask them to rate how well the company lives up to its values with an arbitrary score from one to five. Then I ask them what it would take to get us to five," he says, adding that it is during this gap-analysis discussion that employees generate valuable ideas. And sometimes those ideas have far-reaching effects. For instance, in working with Digital Equipment Corp. (DEC) before its sale to Compaq, Thompson conducted an employee focus group around DEC's core values. When passion was identified as a core value, Thompson began looking for employee anecdotes that could be used to promote the value of passion externally to enhance DEC's corporate reputation. One of them was astonishing in its poignancy: "A DEC employee who had been creating equipment for people with Amyotrophic Lateral Sclerosis (ALS) was actually diagnosed with the disease during that time. His own use of the equipment became part of his research," Thompson says.

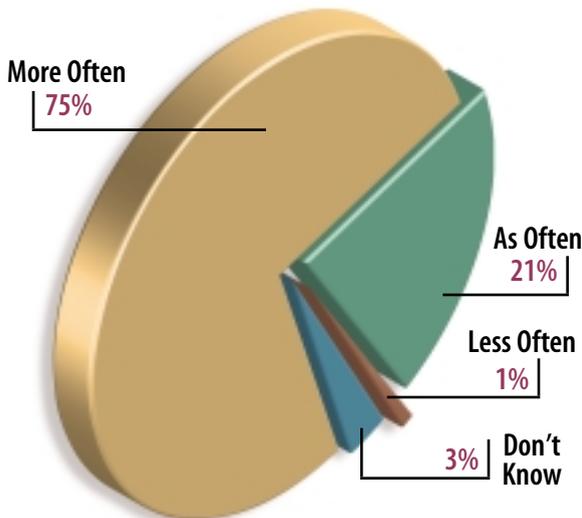
Thompson is another proponent of a systems approach. He helped establish the methodology connecting corporate reputation to profits when he worked with New York-based Reputation Institute, which he helped found. That research identified six drivers of corporate reputation: trust, which begins with values; products and services; social responsibility; workplace environment; vision and leadership; and financials. Enhance these, and you enhance the bottom line.

"Every corporation has an annual business plan, but they don't have an annual brand or corporate reputation plan that would be based on the six drivers of reputation," he says. "To get at that, you have to benchmark it, which means surveying your employees."

Sometimes getting employee input seems like a matter of common sense. Who knows more about what customers are looking for in a product than the customer service reps who talk to customers every day? Unfortunately, the recent *Training* magazine/Linkage survey revealed that organizations are more likely to survey senior management than front-line employees.

Thompson relates a story that could be a parable for the risk in such an approach. Years ago, he worked with a com-

Compared to five years ago, how frequently does your organization conduct strategic alignment employee polls?



Source: *Training magazine* and *The Center for Organizational Research*, a division of *Linkage*, Boston, 2002

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—ERIC SHEPHARD, PRESIDENT, QUESTIONMARK,
STAMFORD, CONN.

community bank that wanted to enhance its standing in the community. The marketing people suggested the slogan, “We remember people’s names.” Fortunately, Thompson asked, “Do we?” A survey of the tellers revealed that they didn’t, but they would be interested in trying it. “We gave them memory training courses and other training,” he says, so it worked out. “Had it been done the right way,” he adds, “they would have done focus groups with the tellers and asked them what they thought the bank contributed to customers that made it what it was, and out of that would have come the marketing plan.”

Opinions Do Matter

Thompson’s bank story brings up another vital factor in successful employee polling—it isn’t enough to ask employees for their opinions. There has to be follow-up based on the results. “When the survey comes up on e-mail, employees have to have confidence that their opinion is truly valued and that it’s a worthwhile use of their time,” says QuestionMark’s Shephard. “If they lose that confidence, they are just going to hit delete.”

The quick distillation of information afforded by technology makes follow-up much easier to do, of course. HPHC had results of its February staff query online a week after it was sent out, which actually prompted more employee feedback. “A few employees commented that they wanted follow-up messages about how the departments are doing against the business plan, and many have given us other ideas for how and what we should be communicating with them,” O’Neil says. “So I think it’s very good to be able to ask for information, but you have to be prepared to act on it.”

Another caution is to avoid overwhelming employees with surveys. As Shephard warns, once employees start responding to surveys by hitting the delete key, it will be hard to win them back.

Consequently, some people, like Honeywell Industries Solutions’ Jo Ellen Thomas, a market research and customer loyalty specialist, suggest annual surveys to prevent survey burnout. “People are over-surveyed,” says Thomas. “Because of the technology available, people are using surveys too often.”

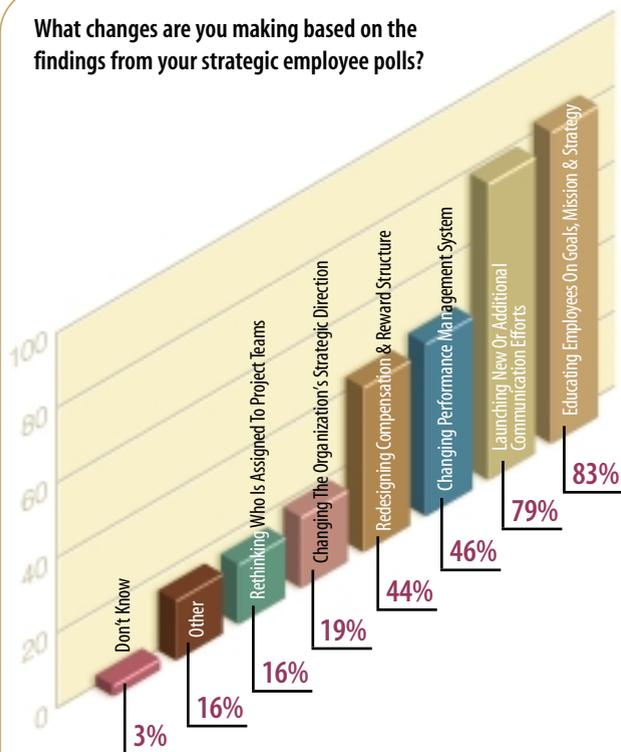
To stem the tide at Honeywell, past management directed that all surveys go through Thomas’ department. Given the merger discussions between Honeywell and General Electric last year, there has recently been a more piecemeal approach, which Thomas is working to change.

Because of the merger discussions, no employee surveys were done at all last year. Earlier this year, however, using SurveyTracker software, Thomas administered a pulse survey for the corporate communications group following a presentation on business strategies for 2002. She is also working with IT, which is going to survey its own department and then its internal customers to benchmark its effectiveness. “There are all new people in IT [since the last survey], so they need to find out if they are on track,” she says.

It sounds obvious. If you want to know how things are going, ask. Still, as the *Training/Linkage* survey revealed, 46 percent of those responding—almost half—*don’t* do strategic polling. And as Paul Squires says, “If you don’t do it, you lose revenue.” It’s just that simple. ►

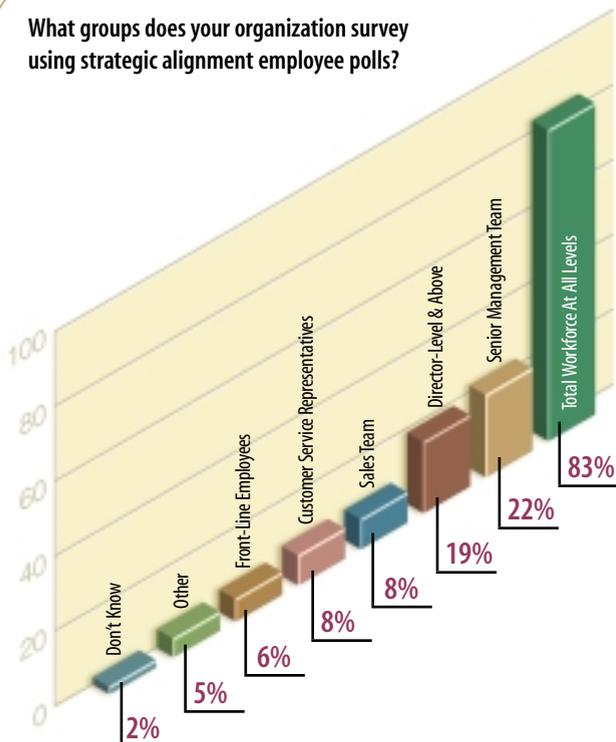
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What changes are you making based on the findings from your strategic employee polls?



Source: Training magazine and The Center for Organizational Research, a division of Linkage, Boston, 2002

What groups does your organization survey using strategic alignment employee polls?



Source: Training magazine and The Center for Organizational Research, a division of Linkage, Boston, 2002

Polling is Good Business

By Kristine Ellis

Earlier this year, *Training* magazine commissioned a survey of human resource professionals on their use of strategic alignment employee polling within their organizations. The survey was conducted by the Center for Organizational Research (CFOR), a division of Boston-based Linkage Inc., and drew responses from a database pool that comprised a cross-section of industries and organizations. About 27 percent of the respondents were manufacturing companies, while slightly more than 21 percent were financial, insurance, real estate and professional service firms.

Of the 120 organizations polled, more than half (63) said they do this type of polling, which was defined as an employee survey conducted to determine how well the organization is doing against strategic business goals such as growth imperatives or embracing the corporate mission. Most of those doing strategic polling are conducting more today than five years ago and, not coincidentally, an increasing number of the polls are conducted online.

"My sense is that Web-based technology makes this kind of polling less expensive, easier and faster to do than in the past, so companies are naturally more inclined to do them now," says Linda Murray, director of CFOR.

Slightly more than 82 percent of those companies conducting strategic alignment polls survey the entire workplace, according to the survey, but they were twice as likely to conduct strategic polls with the upper management level of their organizations than with other employee groups. Respondents poll employees on several topics, the majority of which focuses on alignment with corporate strategy (84 percent) and organizational mission (80 percent). Other focus topics, in descending order of use, were customer satisfaction (64 percent), quality improvement (58 percent), productivity (55 percent), growth imperatives (38 percent), profitability (36 percent) and sales (16 percent).

Follow-up actions were aimed at educating employees on goals, mission and strategy (83 percent), as well as launching new or additional internal communication efforts (79 percent). "The way you get employees to understand the mission and strategies is to communicate them over and over. We have a constant conversation here about what our business is," says Therese Swanberg, chief human resources officer for the National Council on Compen-

sation Insurance (NCCI), Boca Raton, Fla., who participated in the *Training/Linkage* survey.

The annual NCCI employee survey, which includes questions about the company's mission and strategic business strategies, is one measurement of the success of that conversation, says Swanberg. Each business also has its own balanced scorecard with very specific and clear goals, which provide another measurement. "The mission for each senior manager is to make sure that our staff members understand what their roles are, so that there is no point at which an employee could say, 'I didn't know I could effect change.' That just doesn't fly here," she says.

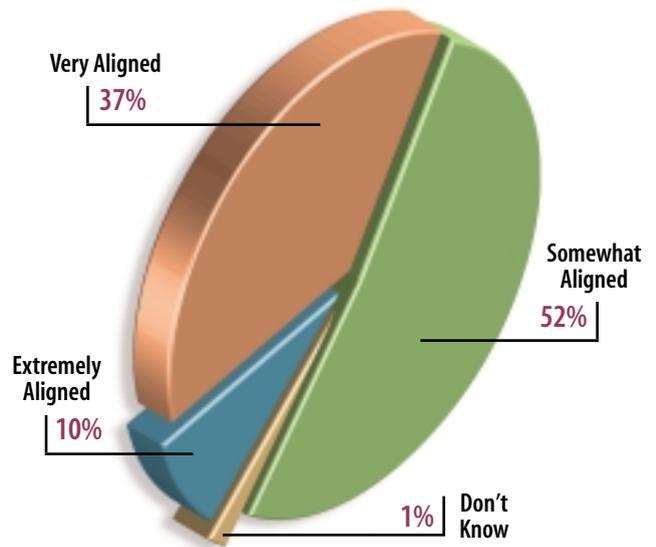
That intensity of focus leads Swanberg to assess that employee behaviors are indeed extremely aligned with the company's mission, goals and strategy. Of the survey respondents, six companies (10 percent) rated this level of alignment between employee behaviors and mission, goals and strategy as extremely aligned, 23 (37 percent) as very aligned and 33 (52 percent) as somewhat aligned.

Less than half of the organizations (44 percent) reported redesigning compensation and reward structures to align with strategic business objectives, and 46 percent reported changing the performance management system as a result of strategic alignment polling. Performance incentives linked to strategic objectives are especially relevant at privately held companies. "We don't have stock options as incentives to drive behavior," says Marilyn Catlin, human resources manager for Solvay Pharmaceuticals, Marietta, Ga., who also participated in the survey.

Instead, each employee has critical success factors, or performance goals, that are tied to the company's strategic plan and measured as part of its balanced scorecard. To go a step further in polling employees, Solvay launched a quarterly anonymous polling process that over time will systematically query every employee about why they stay at Solvay. "By doing it quarterly, we can be more flexible in reacting to employee responses and tracking some of the trends," Catlin says.

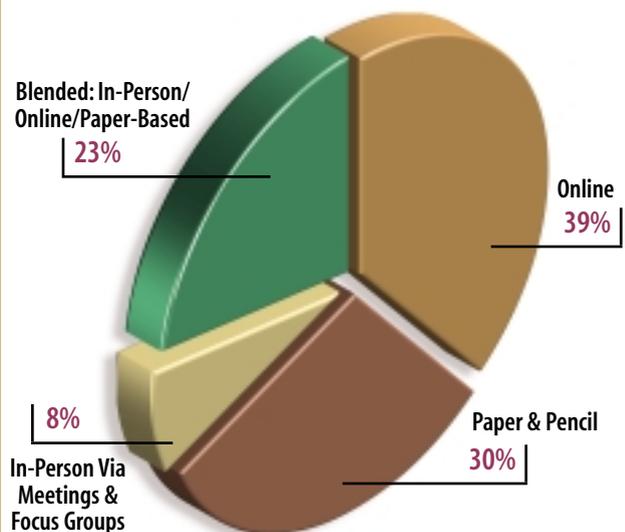
Both Catlin and Swanberg stress that employee polling is a top-level commitment at their organizations. "It gives us the information we need to do even better," says Catlin. ■

Overall what is the level of alignment between employee behaviors and organizational mission, goals and strategy reported in your organization's strategic alignment employee polls?



Source: *Training magazine* and *The Center for Organizational Research*, a division of *Linkage*, Boston, 2002

What method does your organization use to conduct strategic alignment employee polls?



Source: *Training magazine* and *The Center for Organizational Research*, a division of *Linkage*, Boston, 2002

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