The power of listening:
An employee experience evolution

A modern perspective on listening, action and growth.
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Introduction

Over the past two years, in response to a global pandemic, rocky economic conditions and increasing technological advancements, we’ve seen a marked shift in the way we work, and in the expectations of customers and employees. Prior to this, employee engagement had been rising for the past decade, but whilst Covid-19 stunted this trajectory, the pressure has mounted on leaders to create working environments that are flexible, agile and resilience to shocks, and employee engagement and experience will be a key measure of their success.

As more people are working remotely enabled by technology, employee engagement and experience have evolved, and the understanding of both concepts has deepened. In particular, a virtual environment can mean that the employee experience is less visible and can feel less tangible than before, and that opportunities for incidental, in-person monitoring by leaders and managers is lost. This can mean a delayed response to events that are impacting employees (both individually and collectively) which in turn can impact engagement further. This is where a rising focus on employee listening has been born – focusing on giving employees a voice and giving employers much clearer sight of what matters and where they need to act. Competition for talent is increasingly more apparent, change and transformation are becoming the norm, and customers expectations are highly fluid; all factors which are contributing to the value of employee voice, and finding an appropriate way to harness and maximise the value it can have in your business.

We can learn a lot from how organisations optimise their business. To this, employee engagement had been rising for the past decade, but whilst Covid-19 stunted this trajectory, the pressure has mounted on leaders to create working environments that are flexible, agile and resilience to shocks, and employee engagement and experience will be a key measure of their success.

So what even is ‘employee experience’?

Employees are the heartbeat of every business, however, if without an optimal employee experience, their engagement and wellbeing will be impacted, along with business performance. This may sound obvious, but this cause-and-effect link is often overlooked by organisations, with a focus solely on customer or financial performance. Research has shown that organisations that are committed to delivering a positive employee experience benefit from 4.2x higher than average profit, have 40 percent less employee turnover in comparison to their competitors, and double the loyalty from their customers.

At this point, you may be asking, what specifically defines the employee experience? The employee experience describes what it is like for people to perform their roles, interact with colleagues and customers, and to be a part of the organisation. Clearly, the overall employee experience is hugely complex, made up of the sum of many journeys, moments, micro-moments and user experiences that each individual faces every day. It is the sum of these parts that influences how an employee feels about their experience overall, and each individual contributor is of varying importance. The overall experience is both written and unwritten, based on formal and informal contracts, and requires a two-way commitment between an organisation and its people.

Employee Experience is the sum of many parts

We can learn a lot from how organisations optimise their business. To this, employee engagement had been rising for the past decade, but whilst Covid-19 stunted this trajectory, the pressure has mounted on leaders to create working environments that are flexible, agile and resilience to shocks, and employee engagement and experience will be a key measure of their success.

Key journeys & moments that matter

e.g., First day; Changing role; Getting promoted; Going off sick; Closing a deal; Getting your bonus

Everyday experiences & micro moments

e.g., Team meetings; Serving customers; Commuting to work; Looking for information; Coffee breaks with colleagues; Getting feedback

User experiences (technology)

e.g., Collaborating digitally; Submitting expenses; Finding your pay-slip; Fulfilling customer requests; Booking holiday

Employee experience has a direct impact on employee engagement

A positive employee experience, which makes it easy, engaging, and enjoyable to come to work and do a great job, results in a positive impact on employee engagement. This is part of a positive cycle, as employee engagement directly influences employee behaviour and action, which when translated into better individual performance, can then drive better business and customer outcomes. If employees are engaged, they are more likely to ‘go the extra mile’, commit to the organisation’s goals and purpose, and develop a strong sense of loyalty to the organisation. They will be more inclined to deliver great service to customers, be more productive, and to act as brand advocates. Importantly, this is all intertwined with driving a stronger sense of belonging in the workplace, which is absolutely key for retention and wellbeing.

However, the link between these parts is not always simple. Understanding the intricacies of the employee experience in your organisation, how this links to engagement, and quite specifically, how it impacts key business and customer outcomes is a challenge faced by all. If you can get this right, it is much easier to see drive and continuous improvement, as well as to effectively prioritise investment in the areas which will make a real difference. This report explores how this can be achieved with a clear employee experience strategy, and a digitally enabled employee listening programme.

1. The World’s $7.8 Trillion Workplace Problem (gallup.com)
2. The Employee Experience Advantage; Wiley, 2017
3. The Employee Experience Advantage; Wiley, 2017
4. MIT, 2017 (mit-research.pdf.avadane.com)

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Building an employee experience strategy

There is no specific formula for a great employee experience. Every organisation is different and will face different tests and challenges, depending on several internal and external factors. The key is to listen to your employees – what they say and what they do – and to harness the wealth of data and information available to you to identify where to act. A study found that employees that felt listened to were 5x more likely to feel capable and perform at their highest potential, but over half of respondents stated their employer only asks for their feedback once or twice per year – clearly a missed opportunity.

Employee Listening is more than an engagement survey

Historically, employee listening has often focused primarily on understanding overall engagement, often using instruments such as an annual engagement survey and periodic pulses. The listening opportunity extends far beyond this, and having the dynamic tools at your disposal to actively listen allows you to greatly increase the impact you can have in areas that matter to the organisation.

Key untapped areas of opportunity include monitoring sentiment through change and transformation - including looking at the employees’ understanding of the need for change and their comfort with that; exploring employee perspectives on the products, services and customer experience of the organisation – an often overlooked wealth of direct feedback from those closest to delivering this; and finally understanding the operational experience and the inner workings of the business including performance of key processes, tools and business services. Often, there will be activity in silos aiming to understand many of these areas, but without a connected and integrated strategy, the value of the insights is diminished and the experience of participating is fragmented.

Getting employee listening right is pivotal to achieving organisational success

Change is constant

In today’s world, organisations are in a constant state of flux. The only way to get continuous transformation right is to have a good finger on the pulse – particularly in large, global organisations.

The war for talent is real

Today’s employees want flexibility, purpose and belonging. To get engagement right organisations need to listen to their people and adapt regularly to attract and retain talent.

EX drives CX

Engaged employees are motivated to do a great job and go the extra mile, and enabled employees are set up for success in delivering for customers. Listen to them to know where to invest.

Employees know best!

Your employees are closest to the inner workings of your business and customer experience. Ask them for ideas on where you can improve and you can really make an impact.

Technology and frequency

Once you are clear on the objectives and aims of your listening strategy, the next key hurdle to overcome is establishing a dynamic and engaging approach to gathering insights, akin to the approaches taken with customers. Traditionally, organisations have relied on formal mechanisms such as an annual engagement survey, formal performance appraisals, and ad hoc, some intensive feedback workshops, which can be slow, costly and lacking in impact. However, with the help of technology and artificial intelligence, the opportunity to turn large volumes of data into actionable insights is simplified and accelerated.

Understand every journey

Capture signals from experience and operational data to understand every experience along every customer/ employee journey.

Anticipate needs, predict behavior

Leverage AI and machine learning to detect patterns and predict behaviour and identify risks and opportunities to optimise experience.

Transform experiences

Make changes that matter by driving targeted, meaning ful actions before, during, or after experiences occur.
The pitfalls of traditional listening approaches

Before we explore the features of a modern employee listening approach, it is useful to reflect and learn from the pitfalls of traditional practices, which will feel familiar to many. In particular, organisations often fall into the trap of disconnected insights which are poorly translated into action, and therefore contribute to a disengagement cycle as a result of people feeling they aren’t really listened to. This is more likely to result from listening strategies which are:

1. Not specific enough

Traditional approaches focus on designing single surveys that cover a broad set of topics but don’t always have a clear hypothesis or outcome in mind. Not only is this not engaging to complete, but the result gives high-level insights without granularity. Generally, these results are not used for any real benefit, or can be even used to tell the story that leadership wants to tell, rather than what is really happening. They can look for evidence that confirms a preconceived notion (confirmation bias) which can distract from the real impact drivers.

2. Not engaging enough

Conventional listening programmes are repetitive and often feel disconnected from day-to-day work. They rely on formal mechanisms such as performance appraisals, ad hoc feedback workshops and annual engagement and pulse surveys to understand employee experience, which can be slow, costly and lacking in impact. Annual and ad hoc surveys capture a distinct point in time, and many employees are disinclined to complete them, especially lengthy ones. In some scenarios, it can take months for results to make it to business leaders, and even longer for subsequent action to trickle down to employees. This makes it hard to track trends, spot issues and follow the impact of actions, particularly around operational elements of the employee experience. Without a clear strategy and accountabilities for how insights will be acted upon, decreasing participation (‘survey fatigue’) is a real risk. To be clear, the risk is not a lack of employee motivation or energy to share feedback or ideas, but a risk of them feeling this isn’t worth their time if they don’t see resulting action. Low participation can subsequently skew the accuracy of your data, as well as a risk that respondents slip into unhelpful behaviours such as selecting ‘not applicable’ a lot, skipping questions (particularly in free text responses), or dropping out part way through.

3. Not actionable enough

The core purpose of gathering insights should be to drive action, but all too often this is harder than you might expect. Without linking your employee feedback with key outcome metrics (for example, CX, sales, retention and productivity), the results will give you insights without prioritisation. For example, you might see that the majority of your employees feel that team connectivity has been negatively affected, but do you know if this has in turn impacted productivity or attrition? Is this problem worth your time and effort to solve, or are there greater priorities? This issue can be exaggerated further when ownership and accountability isn’t clear – for example an employee listening programme may be owned in HR who have one set of priorities, but much of the feedback gathered is relevant for driving action and impact in other areas of the business who may or may not have sight of this.
Looking to the future

Step 1: Develop a connected insights framework & strategy
The first key step to modernising your listening approach is developing a connected insights framework which maps out each of your key data inputs (‘signals’) and links these with the outcomes you’re looking to influence. This allows the employee experience to be considered holistically, including the analysis of where the sum of many elements of an experience are contributing to overall outcomes.

Our KPMG insights framework looks at this across three key layers of increasing granularity. The first is “Engagement”, which offers strategic insights, the second is “Journeys”, where we dive into measuring sentiment for key employee journeys and moments that matter in more detail, and the final layer is Interactions, where we look at the specific “interactions” (physical and digital) that could be optimised. As you move down the three layers, the insights you gain are more operational in nature and therefore allow for much more granular assessment of the overall experience, as well as supporting real-time continuous improvement and closed-loop management.

Step 2: Use this framework to design a programme which drives engagement and action
Once you have designed the insights framework, the next step is to build a strategy for gathering feedback and insights from your employees in the most engaging and effective way possible. Consider the following eight design principles for maximum impact:

1. Be purposeful and continuous
   Move away from only running periodic surveys to more frequently capturing of signals driven by key triggers (e.g. I’ve got a promotion; I’ve just resigned). Capturing sentiment at these points allows for a much more accurate reflection of feedback than asking someone to put themselves in the shoes of how they felt after significant time has passed.

2. Be flexible
   Having a multi-dimensional approach to gathering feedback allows for both added richness, as well as meeting the preferences of different individuals who are responding. For example, allowing employees to feedback using voice and video and in their language of choice, rather than only through traditional surveys, will make them feel more comfortable doing so as well as increasing the quality of insights gained. This relies on having the technology to support you in analysing unstructured data and managing translations.

3. Let employees feedback when they want to
   Organisations often miss out on hearing what employees care about most because the questions they ask are all from the perspective of the organisation. Providing continual (or always on) opportunities for unsolicited employee feedback allows people to tell you what they want to, when they want to. Whilst this might sound like a risk of opening the flood gates, strong technology to help you route feedback to the right owners in real time makes this much easier to manage.

4. Engage in the flow of work
   Asking employees to leave their normal flow of work is another barrier to participation. Where you can, seamlessly integrate engagement and feedback capture into existing systems and collaboration tools to make participation and use of insights easy.

5. Prioritise transparency
   Democratisation of data is often seen as scary, particularly if results are not as positive as you’re aiming for. However, limiting transparency of data also limits action taking and the feeling of accountability for doing so. Within the remits of confidentiality and data protection, consider increasing transparency and data access in real-time (e.g. to local leaders & line managers) to help with accelerating change at all levels.

6. Make it attributable
   Within the controls in place to protect confidentiality (e.g. minimum report-out volumes), anonymised data should still be attributable back to teams and managers to allow for accountability and targeted action.

7. Collaborate
   Employees aren’t only there to give feedback. Finding ways to involve employees in solving issues and designing solutions can significantly boost overall engagement, as well as buy-in to the end result.

8. Connect the dots
   To get the most value out of your data, insights and analysis need to be centralised and connected with business/customer metrics so that trends and impacts can be identified. Centralising your data onto a single platform, with intelligent analysis and reporting built in, reduces your reliance on having data experts throughout the business. Key features such as automated action recommendations and alerts can help with making it really easy for your people to act.
**Case study**

**Major US bank**

This organisation was running an annual engagement survey which gave them good information for enterprise wide decision making but did not give local teams what they needed for day-to-day insights and problem solving.

**So what did they do?**

To address this local need, the bank implemented an anytime survey that allowed employees to answer 3 questions by clicking a button on the intranet. They were empowered to submit ideas, raise issues, point out areas for improvement and generally comment on their experience with anything at the bank. Responses were analyzed in real time and insights were served up to local managers. Teams huddled weekly to discuss sales, products, customer experience and were then able to add employee experience to the agenda to solve issues just as they solved all other business issues.

**The result?**

In less than one year, this resulted in a decrease in voluntary turnover, moving this bank from being above industry average in turnover to just below.

**Step 3: Empower your people to turn insights into action**

After gathering a rich and diverse set of signals on your employee experience, you need to turn these into actionable insights. To avoid needing an army of data scientists, this relies on having the right processes, tools and technology in place to support analysis.

These elements need to be combined with the right ownership, access and accountability to drive action and engagement.

Based on the typical challenges that organisations face making this happen, we’ve summarised four recommendations to help with this:

**Use a single, connected technology solution that can help you generate insight and prioritise where to focus**

**Challenge:**

The volume of data and insights from a best-in-class employee listening approach can be overwhelming. In particular, free text written responses, which is where the most valuable insights often sit, can take time to analyse.

For actionable analysis, data and insights need to be appropriately structured, connected, analysed and prioritised.

**Recommendation:**

Implement a single, connected insights platform which uses Artificial Intelligence (AI) to automatically generate analysis measures. Focus on getting actionable insights and study emerging themes to understand future risk areas. For example:

- Identifying the actionability of comments (where can action have the greatest impact).
- Indicating the highest areas of employee effort.
- Predicting the highest risk areas, for example, employee groups at highest risk of turnover.

Choose a technology platform that can connect multiple data sets so you can look at trends and impact, for example:

- How is satisfaction with learning/training in your service centre translating into customer service?
- How does your employees’ sense of belonging differ across key diversity characteristics.

**Democratise access to insights to the right people, whilst maintaining confidentiality**

**Challenge:**

Many listening programmes restrict access to insights to a single centralised team which further distributes them in parts. Not only does this slow down the insights-to-action speed, it also damages accountability for action, particularly at a local level.

**Recommendation:**

Democratise access to data by opening it up to those who will need it. This will drive much greater shared accountability and ownership of the employee experience across your organisation. Whilst strong data governance is imperative to maintain confidentiality and protect privacy, a well-defined set of rules and access rights can automate this to allow safe access in real time. Strong data governance also builds employee trust and means they are more likely to contribute.
The power of listening: An employee experience evolution

Challenge:
You can quickly lose engagement listening programmes and the confidence of your employees if they don’t feel like any action comes from their feedback.

Typically, action from listening programmes focuses on large, strategic change opportunities which can be slow to realise, with not enough attention given to smaller, simpler resolutions.

Recommendation:
Transparency and communication are key. Be clear up front on how you will use the insights, and communicate throughout (what you have heard, what you are doing). Where relevant, involve employees to design solutions through crowdsourcing and ideation groups.

Ensure clear accountability for discussing findings with employees and taking action. Deep action planning should be reserved for significant change, while agile tweaks and continuous action should be implemented for smaller, local concerns.

Beyond this, thinking strategically about how often you repeat your insights collection on certain topics is key. Frequency should be related to the speed of actionability. Some measures need to be monitored continuously, while others likely to cause frustration if asked about repetitively – should be collected periodically.

Communications and training to equip your HR professionals and business leaders to embrace this more sophisticated approach to employee listening will be fundamental to your success.

Case study

This European headquartered organisation was finding that the semi-annual engagement survey was not giving them the depth of insight they needed for action within the various departments across the organisation.

To solve for this, the leaders implemented a monthly survey with only five items. The two key items were, “I feel valued as an employee of this company” and an open ended item allowing employees to explain why and suggest ideas for improvement. The remaining three items were used for timely questions relating to key business issues raised by the various departments. Each month the insights were reviewed in the regular department meetings where solutions were discussed and appropriate actions determined. The leadership team ensured the actions were communicated and implemented in timely manner to encourage continued participation.

Within 6 months, the overall engagement score increased by almost 50%. The success was due to following the EAST framework. The survey was easy for employees to complete in less than a minute. The questions were relevant and timely for employees in each department. The feedback led to quick and clear action which was attractive to employees. And finally, employees were empowered and encouraged to suggest solutions in the monthly department meetings creating a social and shared element to the continuous improvement.

Recommendation:
Empower continuous action at a local level and record what is done to monitor impact. To avoid wasting time, reserve detailed action planning for significant interventions that require resources.

The right sequence of targets and monitoring can be defined against each action. Follow-up signal capture used to measure success.

Where your original method of signal capture is continuous (for example, monitoring the onboarding experience with all new joiners at their 30-day mark), it is easy to track impact over time as your trend line is automatically generated.

Where a priority has been identified from ad hoc or periodic feedback, additional targeted follow-up surveys can be used to monitor progress at suitable intervals.

Recommendation:
Control continuous action at a local level and record what is done to monitor impact. To avoid wasting time, reserve detailed action planning for significant interventions that require resources.

The right sequence of targets and monitoring can be defined against each action. Follow-up signal capture used to measure success.

Where your original method of signal capture is continuous (for example, monitoring the onboarding experience with all new joiners at their 30-day mark), it is easy to track impact over time as your trend line is automatically generated.

Where a priority has been identified from ad hoc or periodic feedback, additional targeted follow-up surveys can be used to monitor progress at suitable intervals.

Make sure action planning is timely, and communications are regular and transparent

Democraticise access to insights to the right people, whilst maintaining confidentiality

Challenge:
For priority areas of change, you need to monitor progress and measure success to be sure you are acting on the right things to shift the dial. It also helps you to be agile and pivot your efforts if they are not delivering the value you hoped for.

You may not have a mechanism to measure and monitor progress at appropriate intervals, or to connect progress measures with overall outcomes (for example, improving certain engagement factors that translate into improved retention).

Measuring success should not be an exercise to prove you have made progress, but rather a critical insight to help you pivot if needed.

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Exploring each of these elements in more detail highlights how this could apply to your employee listening strategy:

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<th>Make it EASY</th>
<th>Make it ATTRACTIVE</th>
<th>Make it SOCIAL</th>
<th>Make it TIMELY</th>
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<td>Low effort:</td>
<td>Using crowd-sourcing to seek employee ideas on hot topics</td>
<td>Leadership and managers promote participation</td>
<td>Action is at the right time:</td>
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<td>- It doesn’t take employees long</td>
<td>Impacting experiences</td>
<td>- Participation leader boards by team</td>
<td>- Always on feedback channels ready to listen when employees want to share</td>
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<td>- Providing feedback is in their flow of work</td>
<td>- Less specific/prescriptive questions and more open-ended opportunities to talk about what matters to individuals</td>
<td>- Viewing, voting and commenting on each other’s ideas</td>
<td>- Feedback anytime</td>
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<td>- They can do it on their mobile or desktop</td>
<td>- Publishing overall scores and action plans for individuals and teams to see and act on</td>
<td>- Sharing action plans with peers to help each other out</td>
<td>- Ask employees questions at relevant times</td>
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A feedback button seamlessly integrated into existing systems and collaboration tools so that employees can provide feedback or report issues without looking for where to do so

Exploring each of these elements in more detail highlights how this could apply to your employee listening strategy:

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<th>What does this mean?</th>
<th>Examples</th>
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- Low effort: A feedback button seamlessly integrated into existing systems and collaboration tools so that employees can provide feedback or report issues without looking for where to do so

- Asking for thoughts via collaboration channels like Slack/MS Teams, where employees can reply as they would to other conversations

- Using crowd-sourcing to seek employee ideas on hot topics

- Impacting experiences

- Less specific/prescriptive questions and more open-ended opportunities to talk about what matters to individuals

- Publishing overall scores and action plans for individuals and teams to see and act on

- Access to feedback anytime

- Ask employees questions at relevant times

- Act on feedback in a timely manner and report back on progress

Simple tweaks in line with EAST can help you to seamlessly integrate employee listening into the way of working your people are used to, as well as subtly encouraging participation and engagement.
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