



MORE DATA OR BETTER DATA? A PULSE SURVEY STRATEGY THAT MAKES SENSE

OVERVIEW

Many survey vendors and so-called “thought leaders” out there are touting the concept of “continuous listening” when it comes to surveys—meaning that organizations should be surveying their people all the time—or at least very often.

It sounds good on paper—and probably sounds even better for those survey vendors’ bank accounts—but there needs to be a better reason than just “more data must be a good thing.” More importantly, there is ZERO evidence that surveying employees more does anything to drive business outcomes (e.g., sales, productivity, profitability, turnover).

Step back and ask, “What is the goal of surveying employees?” Based on the proposed name “continuous listening,” one would assume the goal is to be constantly listening to your employees. That sounds noble, but is that really the purpose of employee surveys?

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SMD clients know that the purpose of employee surveys is to:

1. **Listen to employees to uncover how you can help the business**
2. **Diagnose drivers of business results**
3. **Take action to improve those key drivers**
4. **Demonstrate impact**

If you are a low-impact HR function, then checking the box and saying “we completed our survey” is fine, but actual business partners know better. The point is that just listening to employees is not enough. If just listening to employees and not doing anything is the goal, then you should send employees a survey every hour of every day. The technology and capability to do that exists – but that does seem a bit silly. Remember: just measuring or “listening” more often doesn’t get you anything. It’s critical to measure with a purpose and a stated goal.

AN ANALOGY: IS CONTINUOUS LISTENING TO YOUR BODY EFFECTIVE?

Consider a simple analogy that most of you can probably relate to – weight loss. Imagine that you set a personal goal to lose 20 pounds over a three-month period. That seems aggressive, but reasonable. Now, by using the same logic as “continuous listening,” you would weigh yourself at least twice a day, every single day. You don’t have to do anything other than weigh yourself more frequently – it can be called “continuous listening to our bodies.” If that is all you do for the next three months, it’s probably safe to say that you won’t meet your goal of losing 20 pounds.

The net-net of this analogy? Measurement (or listening) by itself is not the desired outcome. So, continue with the analogy, but with the four steps outlined above for employee surveys. Using this approach, SMD’s plan would be as follows:

1. **Listen to your body** – Take a baseline measurement and weigh yourself. Let’s say you weigh 200 pounds and want to lose 20 pounds (target weight of 180 pounds).
2. **Identify the drivers of being overweight** – Identify root causes of your current weight. For example, you are only working out one day a week and eating no breakfast, a fast-food lunch, and a large dinner on most workdays.
3. **Take action to improve those key drivers** – Build an action plan and execute against that plan. You decide to work out three days a week and start eating balanced meals, which include eating breakfast and packing a healthy lunch every day.
4. **Demonstrate impact** – Measure to assess the impact of the plan and make adjustments to your action plan for the next three months. At the end of three months, measure yourself again to see if you met your goal of losing 20 pounds. Imagine that you lost 15 pounds and feel much better. At this point you could set a new goal, revisit root causes and make adjustments in your action plan. You know what you did was working since you lost 15 pounds, but you decided to increase your workout routine of three days a week from 45 minutes to an hour, as well as reduce the number of meals eaten out during the weekend.

This approach mirrors how everyone should measure employee attitudes. The organization should identify the business objectives of the survey process (and YES this should be around a tangible business outcome – not engagement scores or listening or other NON-business

outcomes) and build a measurement process around achieving those business objectives. In the weight loss example, you should probably measure your weight a time or two between the baseline measurement and the target date, but build those check-ins (pulses) based on a strategy. Maybe a once a week weigh-in to check on progress makes sense for the three-month period, but measuring yourself twice a day makes NO sense.

The bottom line is that more data CAN be a great thing. SMD LOVES data, but it will only recommend more data when it adds value and helps an organization achieve its goals. So saying that all organizations should be measuring employee attitudes constantly is ridiculous. Measurement is not the desired result.

MORE IS NOT ALWAYS THE ANSWER

Not to belabor the point, but the annual employee survey is under fire because leaders think it doesn't work well and leaders don't see much value in it. HR leaders have a hard enough time getting leaders to work on an annual survey. So, the thought leaders and vendors somehow believe that doing MORE of them is the answer!? Are leaders really going to do six action plans a year? Are organizations really going to change their strategy every month when the survey results come back and they have fluctuated? When done correctly and connected to business outcomes, any HR process can be effective.

SMD has found that clients perform best on business outcomes and survey results when they survey annually and in alignment with their fiscal year so that the survey becomes a business process and not an outlier event. A check-in pulse survey at the mid-year point is useful but only if it is going to be used strategically (more on that below). In reality, surveying your workforce constantly is difficult to do effectively because of all that goes into surveying (planning, communicating, surveying, rolling out results, discussing results, and taking action on results). Plus, if you are going to solicit the opinions of your employees, then you MUST get back to them on what the results were and what you are going to do about it. Just doing a pulse to see if a score is moving will make employees less likely to take the next survey that is asked of them. It's important to remember these three facts: front-line leaders are very busy; HR's survey is not the center of their universe; and the employee survey is probably one of many surveys that they are asked to execute (Marketing, IT, Operations, etc. are also likely sending out surveys throughout the year). If you are going to take some of their time, it's a wise move to make it worth it. To that end, here are two approaches to pulse surveys that will help the organization drive actual business outcomes and build better leaders at the same time.

DON'T JUST CHECK THE BOX; FOCUS ON BUSINESS DRIVERS

SMD's approach to any assessment is not to just "check the box" (collect data, spit out reports) but rather to directly connect survey data to actual business outcome data using advanced analytics. The SMD approach tells organizations exactly what elements of their survey to work on that will drive actual business outcomes. Once the organization knows their own algorithm for success, these survey elements should become the focus of every leaders' action plans. The mid-year pulse survey should assess leaders on the business drivers from the survey—this is where time, effort, and dollars will be spent, so checking in on these areas makes a lot of sense for the organization. This approach will let all leaders know if their approach to working on the business drivers is paying off. Further, because uncovering business drivers is all about real return on investment, moving the needle will allow HR to start talking about the business impact of the survey effort.

CONCENTRATE ON STRUGGLING LEADERS

As noted above, leaders are busy and taking surveys and studying survey reports is not the most critical part of their jobs. In addition to using a pulse survey to focus in on business drivers, another way to approach a pulse survey is to zero in on leaders who are clearly having trouble in their roles. Pulse surveys used in this way would re-survey the employees of leaders who are in the bottom 10 percent of performance at the mid-year point. This approach will allow those leaders to get insight on whether their action plans are showing signs of moving the workgroup in the right direction and get employees' direct feedback on if improvements and actions are actually happening. The report to senior leaders will provide insight into whether leaders who are near failing are headed either up or out in terms of accountability.

MORE RELEVANT AND USEFUL DATA

So having addressed this idea of “continuous listening” regarding more survey administrations, it is worthwhile to consider how an organization can gather more data from employees that **will help** the organization diagnose and address potential opportunities for improved results. This is where measuring the employee across the life cycle has practical utility. At SMD, this means assessing employees as they enter the organization, as they onboard, during their employment (i.e., typical engagement survey), and as they exit the organization. Below is a brief description of these additional assessments.

Entrance Survey

SMD's entrance survey is a brief, web-based survey that identifies the key reasons an employee joined the organization. Based on years of applied organizational research, this survey tool allows organizations to easily identify the primary reasons employees are joining the organization. Oftentimes the misalignment between an employee's expectations and reality once on the job can be a root cause of turnover. This also delivers very useful information to your recruiters to help them understand what draws applicants to the organization and what gets them to say 'yes' to job offers. In other words, this survey can be used strategically.

Onboarding Survey

SMD's onboarding survey measures several facets of the onboarding process (e.g., orientation, teamwork, job fit). Survey administration typically occurs in the first 180 days of employment—at various intervals (e.g. 30 days, 90 days). Using advanced analytics, the key drivers of turnover are identified and prioritized for managers. Understanding how the onboarding process impacts long-term retention is a key factor in the overall turnover story for an organization. Again, SMD isn't just listening, it is finding out what drives early turnover risk and performance ramp-up.

Exit Survey

The exit survey is a brief, web-based survey that identifies the key reasons an employee leaves the organization. Based on years of applied organizational research, this survey tool allows organizations to easily identify the primary reasons employees are leaving the organization. However, exit surveys are not perfect, so this data is just one piece of the puzzle.

Separately, each of these surveys provides some value to organizations. However, when these assessments are combined with a traditional employee survey, the value increases substantially. Just consider turnover as an example. Using advanced analytics across the various assessments, SMD can identify the specific drivers of turnover throughout the employee life cycle. Furthermore, SMD's dynamic survey platform integrates the survey data and key turn-

over drivers for each work unit and provides a single, comprehensive report and opportunity for focused action planning. The following case study illustrates the value of combing the data from these life cycle surveys. It is important to note that turnover is only one example—this process should be used to examine impact on numerous business outcomes.

CASE STUDY — UNDERSTANDING TURNOVER THROUGH THE EMPLOYMENT LIFE CYCLE

SMD administered four surveys for the life cycle of employees for a client.

- New Hire Surveys (2): One administered in the first 30 days of employment, and one at 90 days of employment
- Annual Employee Engagement Survey: Given to employees that have been with the organization six months or more
- Exit survey: Given to employees who voluntarily exit the organization

For each of the surveys, aside from the exit, SMD integrated HRIS data on employees who have left the organization with the survey data to understand what the drivers of turnover were at each stage of the employment life cycle.

Starting with the New Hire surveys, SMD flagged each new hire who had subsequently left the organization shortly after starting and matched it to the New Hire survey data for both surveys. Then, it conducted analyses to understand how those who left the organization scored differently on the New Hire surveys at 30 and 90 days and determined which factors from the survey were the strongest drivers of new hire turnover.

Similarly, with the annual Employee Survey, SMD matched up employees who took the survey and had since voluntarily exited the organization. It compared how those who left the organization rated each of the survey categories to those who still remained as employees. Next, SMD used advanced cause-effect analytics (structural equation modeling) to determine which of the survey categories were the strongest direct drivers of employee turnover.

Finally, by collecting Exit Survey data, SMD was able to understand the final reasons employees chose to leave the organization and could validate findings in previous phases. By understanding these reasons at different phases of employment, the organization is better able to take targeted action to reduce the likelihood that employees will leave at any phase of their tenure with the organization.

Employment Phase	New Hire 30 Days	New Hire 90 Days	Annual Survey
Key Drivers of Turnover	Expectations – New hires need to have a clear picture of their job responsibilities and the daily activities that come with the job.	Onboarding – At this stage feeling welcome to the organization and fully onboarded to understand the organization and the role is critical.	Alignment with Mission, Vision, Values of the organization, Ratings of their Manager , and Safety were the strongest drivers of turnover for employees at this phase.

This approach is far more comprehensive and actionable than just doing more surveys—it points leaders at all levels to exactly what needs to be worked on to drive a real business outcome. In this case, the organization starts with setting up employee expectations right from the start with recruitment and in their first 30 days of employment. In the next phase of the employee life cycle, the organization knows that proper onboarding to the organization and their roles is critical. In the employee's subsequent tenure with the organization, they know that a focus on understanding the organization's mission, having good managerial relationships, and focusing on safety are critical components to the employee experience that drive business outcomes and turnover. The organization's leaders know clearly what to focus on at each time point in an employee's organizational life cycle.

THE BOTTOM LINE

Survey vendors that want you to survey your employees all the time are making that recommendation based on zero evidence—you are simply paying them more money for that data. A pulse survey strategy should be based on two key elements: (1) driving actual business outcomes and (2) helping struggling leaders. Anything else can be a waste of time, energy, and money because leaders and employees need to be driving business results not spending all year taking surveys. A strategy of measuring across the employee life cycle **and** linking the data to actual business outcomes to create actionable information is the approach that leaders need to take.

SMD is the leader in predictive analytics for employee assessments. SMD Link is its patented technology that links employee data to business outcomes and provides these key insights and actions in all manager reports. Learn more at www.smdhr.com and contact them at info@smdhr.com.

