HEALTH WEALTH CAREER

PULSING WITH A PURPOSE

BUILDING AN EFFECTIVE EMPLOYEE RESEARCH PROGRAM

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In recent years, a growing number of organizations have started implementing pulse surveys to complement or replace their annual employee engagement survey. Intrigued by technological advances, the power of Big Data and the promise of artificial intelligence, many leaders, managers and HR professionals are eager to gather employee feedback on a regular basis, using short assessments to evaluate workforce attitudes and engagement levels on a quarterly, monthly, weekly or even daily basis.

Gathering regular feedback from employees in today's dynamic business environment makes sense for many reasons. When pulse programs are well designed, they can generate valuable real-time insights about employee engagement levels, core concerns, performance barriers and emerging organizational problems. But we have also noticed that many organizations are pulsing without a plan, naively assuming that more data will lead to better insights, better management and better performance. Without a well-designed research strategy, we have found that frequent pulsing can actually overwhelm leaders and managers and decrease employee engagement.

If your organization is currently conducting pulses or you are about to embark on a pulse survey campaign, it is critical that you have a robust research strategy in place — one that starts with your business priorities and considers everything from research methods to analytic techniques (See Figure 1). In this paper, we highlight five critical questions to consider before launching your next survey.

Figure 1. Five Considerations for Building an Effective Employee Research Program

WHAT ARE YOUR STRATEGIC BUSINESS PRIORITIES?

Over the past two decades, the world of work has become increasingly volatile, uncertain, complex and ambiguous. Based on our research, employees are definitely noticing. In our latest global norms, we found that 30% of employees do not have a clear sense of where their organization is headed, 32% are not confident in their organization's ability to adapt to external changes, and 44% do not have a good understanding of their future career path. These results suggest that in many organizations, a good number of employees are feeling confused, concerned and disoriented, and the future of work looks murky at best.

Considering these conditions, getting a regular read on the employee experience makes good sense. The savviest leaders realize that evidence-based decision-making, advanced people analytics, organizational sense making and organizational learning are all critical in today's business environment. As a result, many leaders and decision makers are eager to gather feedback on an ongoing basis with the hope of gaining a deeper understanding of employee attitudes, concerns and observations.

But some organizations make the mistake of rushing into pulsing without having a clear idea of what they really want to learn, assuming that a series of quarterly employee-engagement pulses will suffice. If your organization is having a motivation, commitment or retention problem — and leaders are taking steps to address these issues — quarterly pulses focused on engagement might make sense. But if not, this approach may not generate much insight.

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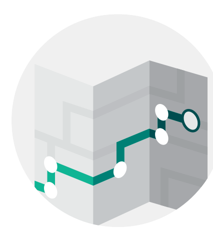

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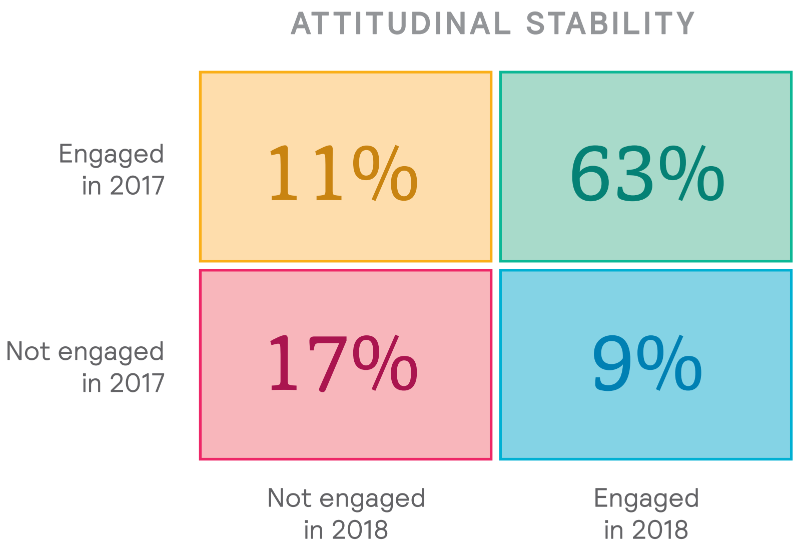
Our research shows that in many organizations, engagement levels are remarkably stable over time. For example, in one recent client study of over 25,000 employees, we found that year-over-year engagement levels remained stable for the vast majority of the population: 63% were engaged both years, while 17% were not engaged both years. Only 20% of employees experienced notable engagement increases (9%) or decreases (11%) (see Figure 2).

Figure 2. Year-Over-Year Engagement Levels: Attitudinal Stability



Source: Client case study, Mercer | Sirota

This means that if engagement levels are already high in your organization, a series of quarterly engagement-focused pulses might not tell you any more than what you already know. In fact, they could actually lull your leaders into a false sense of security and squander real opportunities to learn critical insights from your workforce.

When we work with clients to design employee research programs, we start by focusing on the business first. What are the biggest internal and external challenges your organization is facing? What are your main strategic priorities and challenges? How efficiently is your organization operating? How effectively is your organization changing and evolving? What are your main people priorities? By exploring these questions with our clients — before even considering what items to include on a survey — we can help them think carefully about what they need to learn as an organization. We have found this information is the critical foundation for any successful employee research program, providing the basis for more tactical decisions about instrument design, sample selection, administration techniques, and report and action plans.

5 Key Questions to Ask Business Leaders Before Designing Employee Research

What are the biggest internal and external challenges our organization is facing?

What are our main **strategic** imperatives and strategic challenges?

From an **operational** perspective, how is our organization performing?

What are our current **people** priorities and people challenges?

From a **change** perspective, how agile and adaptive is our organization?

GIVEN YOUR STRATEGIC PRIORITIES, WHAT SHOULD YOUR RESEARCH AGENDA FOCUS ON?

Once business priorities have been identified, the next step is to develop and define a research agenda that will shed light on your organization's most important strategic questions. Many organizations take a *ready, fire, aim* approach to pulsing, moving quickly from perceived problem to survey administration. "We want to make sure our employees are having a positive experience at work, so let's put together a short survey to see how everyone is feeling." For some research firms, this kind of vague objective is justification enough to launch a series of off-the-shelf pulses. But we've found that more careful thinking is needed to produce meaningful insights, deep learning and real change.

When developing a clear research agenda, we recommend focusing on three things. First, what are your organization's most critical knowledge gaps? What do your leaders, managers and employees need to understand to improve the employee experience, increase organizational effectiveness and produce higher levels of performance? To help our clients identify their knowledge gaps, we conduct a data-based SWOT analysis, focusing on current organizational strengths, weaknesses, opportunities and threats. Often, leaders want to focus research efforts on organizational weaknesses and threats, which makes sense. But we have also found that many organizations have strengths and opportunities that they do not fully understand, and research in these areas can generate valuable insights. For example, determining the reasons some exceptional sales professionals consistently outperform their peers can help an organization identify best hiring, training and management practices for its salesforce.

Second, how much does your organization already know about the topics you want to investigate? For example, if you want to explore the extent to which employees feel empowered to take creative risks and innovate at work, what have you learned based on past surveys, archival data and in-house research? Who feels empowered and who doesn't? Which teams or business units are particularly effective at innovating? What are the causes and consequences of feeling empowered? What strategies, interventions or leader behaviors have helped foster empowerment?

We have found that by exploring these kinds of questions with our clients, we can develop a research plan that builds on, rather than overlooks, their particular workplace norms, organizational strengths and current weaknesses.

Third, what can be learned from the latest scientific and practitioner literature and field studies? Our understanding of workplace dynamics, organizational performance and the employee experience is always expanding. What kind of leadership do today's employees prefer? How will digitization affect job design? How do you promote a growth-mindset culture? These are the kinds of questions that researchers in the field and at Mercer are exploring. By integrating the latest discoveries into our research programs, we have found that we can help our clients generate new angles and approaches to exploring perennial problems.

When our clients reflect on these questions, we have found they develop a clearer line of sight about what their research agenda should focus on. Rather than chasing the latest construct, management fad or survey solution, they focus their research efforts on the critical strategic, operational, people and performance questions their organization needs to explore.

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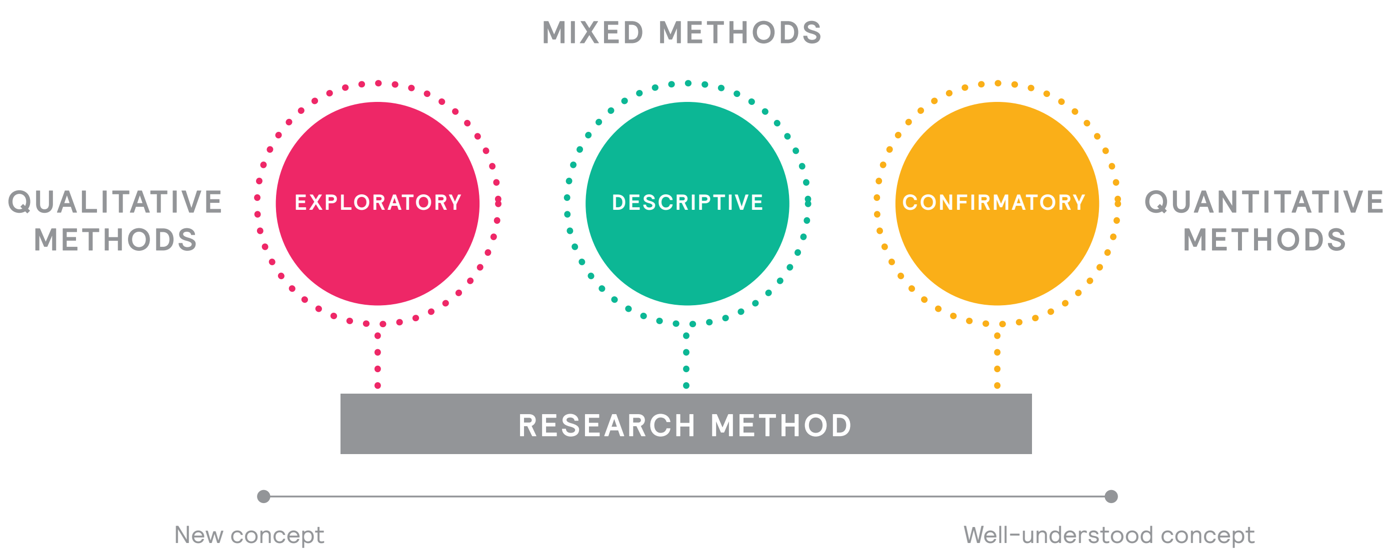
WHAT RESEARCH METHODS ARE BEST SUITED TO ANSWER YOUR MOST CRITICAL QUESTIONS?

When designing pulse surveys, many organizations start by focusing on the wrong things. How many questions should we ask? And how often should we ask them? While survey length and cadence are critical, these are not the first questions to consider. When we work with clients, we start by determining what type of assessment will generate the deepest insights about their topic of interest. For some research questions, we might recommend a culture survey. For others, a team effectiveness diagnostic may be more effective. But when organizations start with the wrong design principles in mind, they run the risk of conducting research that ultimately misses the mark and generates little insight.

To select the right research method for your topic of interest, we recommend doing three things. First, evaluate the size of your knowledge gap. Earlier, we described how critical this information is when developing your research agenda. It's also important when designing a research study. Many researchers assume that the only way to explore a workplace topic is to conduct a survey. But that's not the case. Surveys are effective for measuring attitudes and perceptions about topics that are well known and empirically established. But for topics that are new, emergent or perplexing, exploratory research techniques using qualitative methods often generate better insights (see Figure 3).

For example, one of our clients recently wanted to use a pulse survey to determine the extent to which its employees felt they could be their authentic self at work. The assumption was that employees wanted to share their personal lives with their colleagues at work. When the research team realized it didn't know whether this fundamental assumption was true, we recommended conducting a series of virtual focus groups, using various open-ended questions, to hear how employees felt. By allowing employees to voice their opinions and engage in a dialogue, the client was able to develop a more complete and nuanced understanding of what makes its employees feel accepted and included at work.

Figure 3. Choosing a Research Method: Qualitative, Quantitative or Both?*



*Based on Edmondson & McManus (2015)

Second, consider the complexity of the topic you plan to explore. Most organizational dynamics happen at multiple levels, with individual, group-level and organizational-level causes and consequences. For example, scientists and practitioners have found that team effectiveness is impacted by everything from the personalities of its members to the norms of the group to the culture of the organization. But all too often, employee researchers oversimplify their studies, focusing on just one level of analysis and conducting a brief team effectiveness pulse. As a result, they often develop a limited understanding of the topic they are researching. When we work with clients, we help them determine whether and when a multi-level research strategy should be used to understand complex organizational issues.

Finally, anticipate the potential implications of your findings. Research can be conducted for many reasons, ranging from exploration to evaluation. When designing your study, it's critical to think about the kinds of decisions that leaders, managers and employees may make based on results. The more important the decision-making implications are, the more rigorous your methodology should be. For example, if you are trying to discover new ways to make cross-functional teamwork more effective, interviews and focus groups with natural language processing may work best. But if you are trying to predict the personal and contextual factors that impact employee turnover, careful measurement and statistical analysis are required.

When it comes to good research, form must follow function. Different strategic questions require different research strategies, and one assessment approach or survey instrument will not fit all topics. By evaluating your current knowledge gap, considering the complexity of the phenomenon you plan to explore, and thinking about the potential implications of your findings, you will be more likely to select a methodology that will best serve your research and your organization.

WHO SHOULD YOU SURVEY AND WHEN?

Once you have selected your research method, the next step is to think carefully about your survey sample and cadence. Determining who should participate in your research — and when — is critical to any successful research campaign. Asking the right questions to the wrong people at the wrong time usually produces little more than low-quality data and a frustrated workforce. For example, asking new employees about their work experience too early (at the end of their first day) or too late (at the end of their first year) can greatly limit what your organization learns about the onboarding process.

When we help our clients select their research sample and determine the frequency of their assessments, we start by focusing on the ideal. From a purely scientific perspective, what would the perfect research population and cadence look like? Some research questions call for frequent data collection. For example, if you're trying to discover the most common sources of workplace stress in your organization, a daily diary study of all employees may be the ideal. Other research questions require participants to take a longer-term view. For example, if you want to evaluate the impact of a new strategic initiative, a quarterly or even an annual survey of a targeted set of informed employees may be more appropriate. By identifying the ideal population and time series design, researchers can start to develop their data collection plans.

Next, we consider the impact on participants. As continuous listening and regular pulsing become the norm, survey fatigue is becoming a common problem in many organizations. Pulse programs can collapse under their own weight, leading to dissipated interest and energy, when they become a burden to employees. Some vendors claim there is an ideal number of surveys that employees are willing to participate in over the course of a year. We find that context is critical. When pulses and research studies are well designed, are easy to complete, produce original insights and improve the employee experience, most people are eager to participate. But when employees see the same set of questions each quarter, without witnessing positive change or new learnings, most of them are likely to conclude that their feedback is falling on deaf ears and the pulses they are completing are a waste of time.

Finally, we focus on the impact that pulse programs and employee inquiries will have on decision makers. Research campaigns wither without follow-up and action. Therefore, it's critical to make sure that leaders, managers, employees and other decision makers have the bandwidth and capacity to absorb new research findings. Telling team leaders they have the same problem every week, month or quarter will not help them improve if they do not have the time, energy, resources or support to learn from their results and make positive changes. In some organizations, frequent pulses are simply adding to the din of data that leaders and managers need to process on a day-to-day basis.

The best employee pulse programs strike a balance between scientific rigor and real-world practicalities. By envisioning the ideal research sample and cadence, and then considering the impact that your research program is going to have on participants and decision makers, you will be able to determine the most viable option for survey sampling and administration.

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HOW WILL YOU TURN DATA INTO INSIGHT AND ACTION?

Decades ago, Stephen Covey introduced the idea of beginning with the end in mind, a process by which you envision what you want to accomplish and then plan accordingly. When it comes to designing an effective employee research program, this is sound advice.

At Mercer | Sirota, we believe that surveys are useful only if they lead to strategic insight and action. Surveys create expectations for change; employees expect something to happen as a result of providing feedback. If surveys don't lead to insight and action, employees can quickly become disenchanted and disengaged. This means that if employees are asked for their feedback on a regular basis, leaders and managers must be prepared to respond in a timely fashion. Otherwise, your pulse program may backfire, ultimately eroding engagement by heightening expectations for action.

We have found that the best way to help clients ensure their pulse surveys lead to strategic insight and action is to help them think through three critical post-survey activities.

First, what reporting strategy makes sense? Specifically, who should receive a report out of results, what type of information should that report out contain, and when and how should the report out be delivered? Many organizations spend too little time developing a pulse reporting strategy, assuming their traditional census survey reporting practices (for example, deliver a standard report to all immediate managers who had five or more respondents) will work for their pulse survey program. That's not always the case.

For example, let's say you are trying to explore how new managers develop during their first year in the role, and you want to conduct a series of brief quarterly pulse surveys to gather data about your new managers. Should you provide a report to managers each quarter? Depending on your research goals, that could be a good idea, or it could be a bad one. By thinking through the implications of who gets feedback when, you can ensure that your pulse reports are delivered to the right people at the right time.

Second, what analytical techniques should be used to explore and interrogate the data? Many organizations default to cross-sectional pulses and quarter-by-quarter trending when analyzing results. Depending on your research goals, other analytic techniques — such as longitudinal analysis, time-series analysis or between-group comparisons — may be more appropriate (see Figure 4). By considering a variety of analytical techniques and selecting the most appropriate one for exploring your research questions, you can ensure your study produces valid insights.

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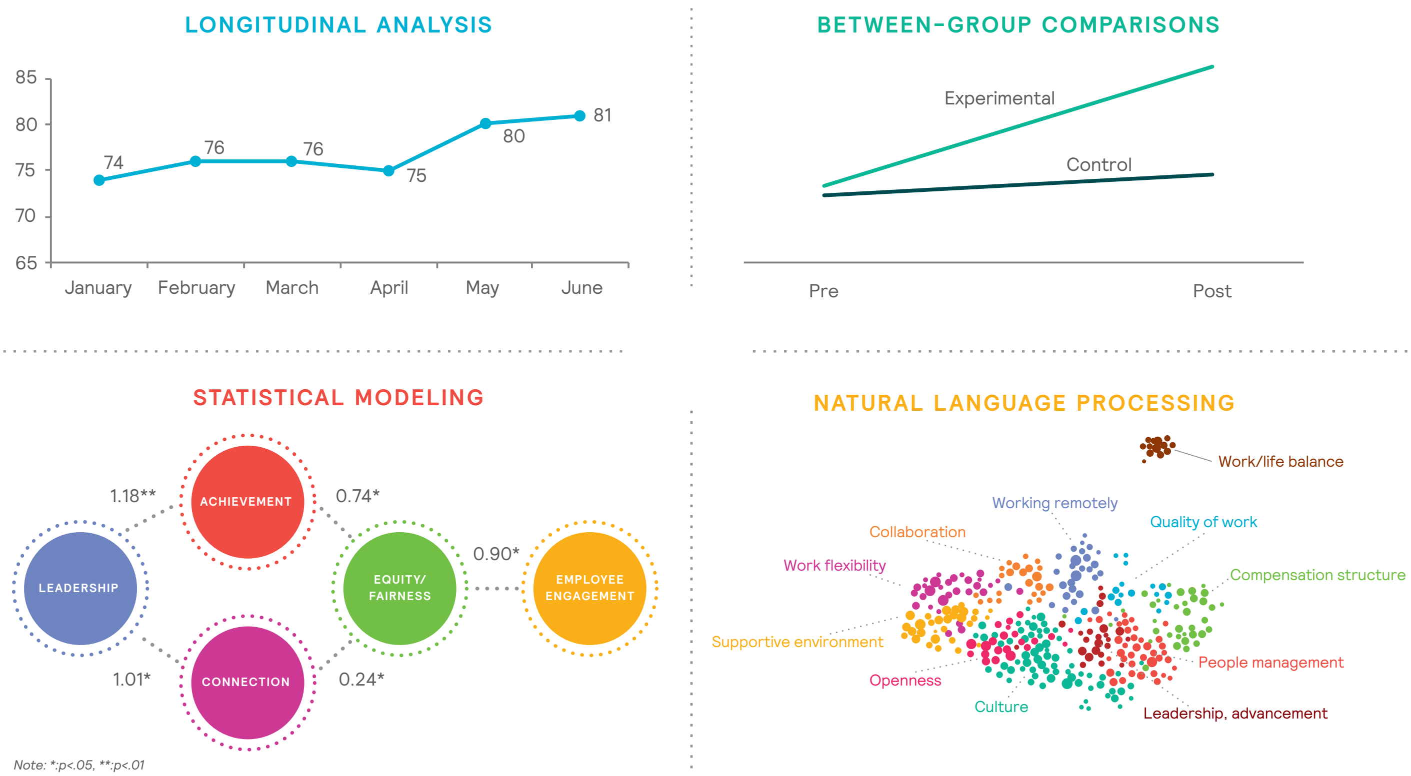
Figure 4. Sample Analytical Techniques for Employee Research



Finally, what type of organizational action do you intend your pulses to produce? Too many organizations take a wait-and-see approach, thinking that they will decide what type of action to take once results are in. But that kind of thinking rarely produces meaningful action because the research team fails to anticipate, plan for and provide the tools, resources and support needed to create change.

As you design your study, you should think through the post-study implications of your inquiry. If you are conducting an exploratory investigation of a new concept (for example, what it means to bring “your whole self” to work), your research may be intended to simply generate new knowledge for your organization. But if you are conducting a series of pulses to incrementally improve team effectiveness within a business unit, you need to have best practices, training and information in place to help team leaders and members make improvements based on their results. And if your pulses are part of a major organizational transformation effort (for example, how to create a more innovative and creative work environment), significant resources need to be in place to translate survey findings into meaningful cultural, political, behavioral and systems change.

Survey results by themselves rarely produce meaningful action. That’s why thinking through what your leaders, managers and employees need to turn their data into action is a critical consideration before you start your research.

CONCLUSION

For modern organizations, developing an effective employee research program is a strategic imperative. In today's complex business environment, evidence-based human resources, advanced people analytics and ongoing organizational learning are all critical for organizational performance. Central to these practices is the employee perspective. Without regular feedback from the workforce, you will find that leaders, managers and decision makers are flying blind.

If you are about to launch a pulse program, you are in a unique position to help your organization explore its most pressing people problems, performance challenges and strategic priorities. But pulses are not a panacea. Without a clear plan in place, they can backfire — producing more noise than signal.

The best employee research programs are carefully designed from start to finish. By clarifying your business priorities, developing a clear research agenda and thinking deeply about instrument design, survey administration, results reporting and post-study actioning, you can ensure that your research efforts are relevant, rigorous and have a real impact on the way your organization operates. The best way to do that, we've found, is to think through each step of the process.

The five questions presented in this paper can help you get started. Before conducting your next pulse, we recommend giving careful consideration to each. If you don't have clear answers, you may not be ready to conduct a successful study.

ABOUT MERCER

At Mercer, we make a difference in the lives of more than 115 million people every day by advancing their health, wealth and careers. We're in the business of creating more secure and rewarding futures for our clients and their employees — whether we're designing affordable health plans, assuring income for retirement or aligning workers with workforce needs. Using analysis and insights as catalysts for change, we anticipate and understand the individual impact of business decisions, now and in the future.

Mercer's Career business brings breakthrough thinking and innovative solutions to help our clients deliver impactful business outcomes in three key areas:

- **Talent:** Design and implement workforce strategies to deliver a compelling employee experience, attract and retain talent, and position your organization for success today and into the future.
- **Transformation:** Define and navigate the journey of constant change needed to stay competitive and succeed in a digital age.
- **Executive:** Align executive programs to business objectives to enhance company performance and achieve shareholder objectives.

Need help planning your employee research program?
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