

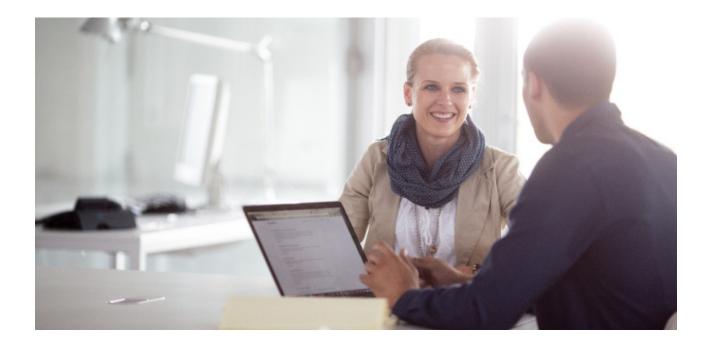
THE QUESTBACK 2015 ANNUAL EMPLOYEE SURVEY REPORT

FROM TACTICAL SURVEYS TO STRATEGIC INSIGHT



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EXECUTIVE SUMMARY



Engaging with employees has never been more important. Retaining and developing talent is crucial to business success, while listening to staff feedback can uncover insights that improve both strategic and day to day decision making. At the same time, staff are more and more willing to give feedback, if only companies will listen and act on it. Senior managers understand the importance of engagement and feedback. Questback's pan-European research found a widespread acceptance of the competitive advantage that integrating feedback into decision making could bring, with 96% of respondents stating that employee surveys are a topic at senior management meetings.

Yet, the research also found that companies are not fully embracing employee feedback. Over nine in ten organisations (90%) run surveys on an annual or biennial basis, rather than more regularly. Using the results of these to guide business strategy is akin to driving a car just using the rear view mirror – you will not see what is happening in front of you. Additionally, surveys are being used for tactical purposes, rather than being embedded within dayto-day operations, meaning that valuable insight is lost and competitive advantage squandered. Aimed at senior managers within HR and other departments, this guide outlines the full research findings, along with recommendations for how organisations can transform how they collect, analyse and share employee feedback, and consequently benefit from its power moving forward.

To find out, enterprise feedback provider Questback surveyed 2,000 managers across Europe. Respondents from the UK, Germany, Norway, Sweden, Finland and Denmark all shared how they are collecting, analysing, integrating and sharing employee feedback within their businesses. The research was carried out in the second half of 2015 using Questback's online data collection tool with business managers. All were involved with employee feedback, the majority either as a project owner (38%), decision maker (24%), or as the manager for engagement/feedback (16%). 70% of survey respondents work in companies with more than 2,500 employees.



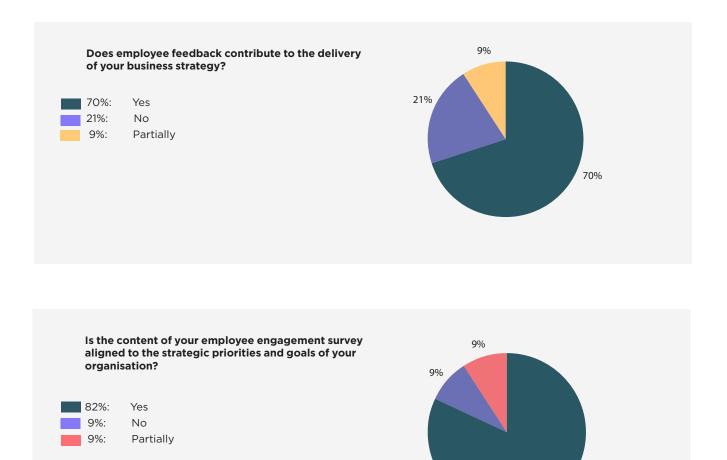
82%

FOUR KEY CONCLUSIONS

1. BUSINESSES SEE EMPLOYEE FEEDBACK AS A STRATEGIC BUSINESS DRIVER

Senior managers understand the importance of employee feedback and engagement to their organisations. Nearly all (96%) regularly discuss the findings of their employee engagement surveys at senior management meetings, with the other 4% carrying out ad hoc discussions.

They also see the value of listening to employees. 70% state that employee feedback contributes to the delivery of business strategy, while 82% believe that employee engagement is aligned with their corporate priorities.

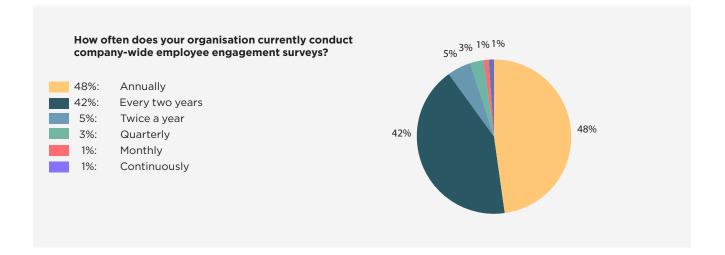


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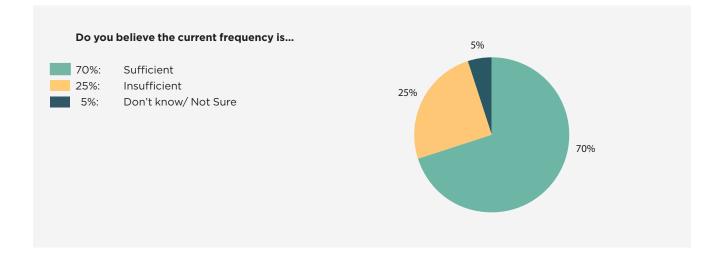
To ensure that feedback is used most effectively, companies need to be asking questions that link to business strategy, processing the results quickly, and using them to drive the right actions. Prioritise action planning and integrate actions into performance measurements to ensure accountability.

2. THERE IS A GAP BETWEEN THEORY AND PRACTICE

However, while managers understand the importance of employee feedback to the success of their business, there is a gap between theory and practice. Central to this is how often they are collecting feedback from across the organisation. The vast majority (90%) still carry out employee surveys either annually (48%) or every two years (42%). Given the speed of business change and the growing desire from employees to give feedback more regularly, this timescale is simply insufficient to provide meaningful, timely insight that can positively impact business strategy.



On the positive side, there is a growing realisation that an annual survey alone is no longer enough. A quarter (25%) of respondents feel that their current timescales are insufficient, with another 5% unsure or don't know.



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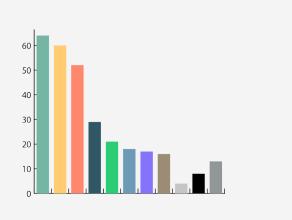
The main reasons for this gap often revolve around internal resource requirements and the organisation's cultural readiness to change. Technology can help to automate the survey process, freeing up people to focus on using the results to drive the business. To gain company-wide buy-in, employees need to understand the benefits for themselves, and departments have to work together to eliminate data silos, in order to bridge the gap.

3. FEEDBACK IS PRIMARILY USED TACTICALLY

When asked what feedback they are collecting alongside annual surveys, and how they are using it, the gap between business strategy and tactics is also evident. The most popular areas for collecting feedback are around training evaluation (64%) and exit surveys (60%). Very few organisations are monitoring the entire employee lifecycle, with just 18% conducting onboarding surveys and only 4% asking for feedback when there are major changes in the employee journey, such as around promotion, changing team or being assigned to a new manager.

What other types of employee surveys does your organisation currently conduct?

64%:	Training evaluation
60%:	Exit surveys
52%:	360 degree feedback
29%:	Pulse surveys
21%:	Recruitment surveys
18%:	Onboarding surveys
17%:	Voice of the customer through employees
16%:	Annual or bi-annual employee surveys
4%:	Surveys about changes in employee journey
8%:	None
13%:	Other

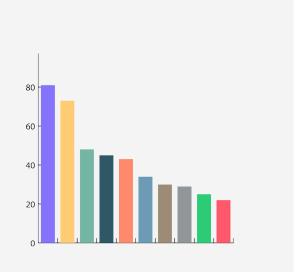


Perhaps unsurprisingly given that feedback is being collected tactically, it is also being used in a similar manner. The most important stated uses of feedback were to obtain insights that could be used to improve their working environment (81%) and to encourage dialogue between managers and employees (73%). While these are worthy aims, they don't necessarily deliver the strategic, business-focused results that organisations require.

Indeed, under half of companies stated that they are using feedback to ensure that employees are aligned to strategic priorities and goals (45%) or to obtain insights from employees which improve business processes (48%).

What are the most important uses of employee feedback in your organisation?

81%:	To obtain insights from employees to
 	improve their working environment
73%:	To encourage dialogue between managers
-	and employees
48%:	To obtain insights from employees which
	improve our business processes
45%:	To ensure that our employees are aligned to
	our strategic priorities and goals
43%:	To check the quality of our people managers
34%:	To ensure we make year on year progress
30%:	For staff development
29%:	For corporate reputation / to attract new talent
25%:	To benchmark ourselves against the competition
22%:	For management reports



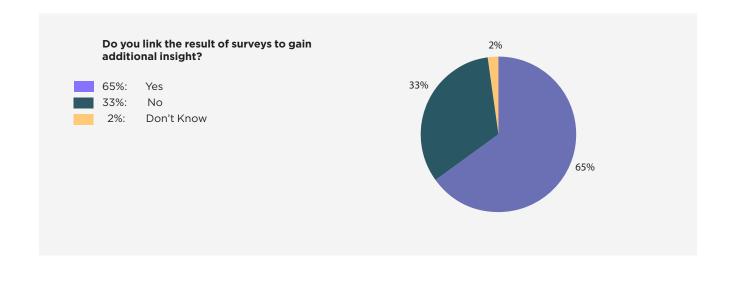
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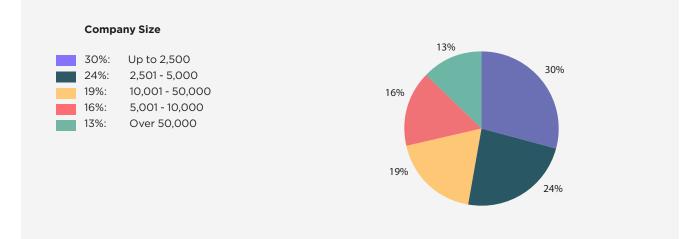
One of the challenges HR is facing today is that there is still a focus on doing things right, rather than doing the right things. HR teams need to take a step back and build a holistic view of the organisation, merging feedback from multiple sources to help better understand what's been happening, enabling them to forecast what will happen next and take action accordingly.

4. LOOKING TO INTEGRATE DATA

Collecting feedback data in isolation just provides part of the picture – it is only when it is integrated with other information sources that managers receive a holistic view to underpin decision making. However, given the growing amount of data, and the range of ways it is being collected, from employee surveys to customer feedback, integrating it can be difficult. Research carried out by Questback in 2014 found that just 36% of organisations were integrating customer and employee feedback, for example, with many citing technical issues as holding back their plans.

The picture now seems to be improving, at least when it comes to HR data, with 65% of companies able to link survey data together to drive additional insight. Moving forward, the third of organisations that are failing to integrate information could find themselves at a disadvantage, with information stored in silos, providing them with an incomplete picture of what employees are thinking and saying.



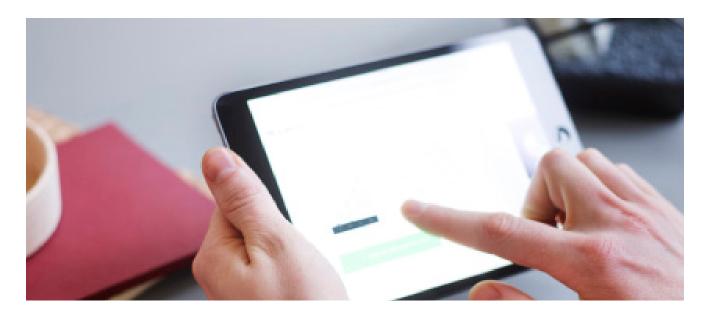


Recommendation:

Integrating data from different sources is not easy, both on a technical and managerial level. Companies need to agree on the vision of what they are aiming to achieve in the long and short term and should bring together staff from different disciplines to ensure the process delivers reliable, relevant, and timely information that meets everyone's needs. Use the power of technology to make the process more fluent and automated, saving time and expense.

THE LESSONS FOR BUSINESSES

BY FRANK MØLLEROP, CEO, QUESTBACK



This Questback research has uncovered much that is positive about how companies treat employee feedback. It is heartening to see that the vast majority of organisations:

- Understand the strategic importance of listening to their staff
- Discuss employee feedback at board level meetings
- See it as delivering insight that can impact strategic decision making
- Are able to gain a holistic view of what employees are saying, by integrating data across different types of survey

However, there is a gap between theory and practice, with feedback exercises not being carried out often enough, and with the results being primarily used to drive tactical, not high level, change. This is a recipe for potential problems which will limit the business benefits. Employees, especially millennials, increasingly want to provide feedback on a regular basis, and expect their voices to be heard, understood and acted upon. In the past relying solely on annual or biennial employee surveys was enough, but now it does not provide the real-time insight that organisations require if they are going to thrive and retain talent.

Why are companies not embracing change when it comes to employee feedback? Many may be put off the idea of carrying out more regular employee feedback due to three worries:

- That running more regular data collection will be a complex process
- Increased costs, including the time of staff who run the data collection and analyse the data
- The difficulty of analysing larger volumes of data quickly enough to support timely business decision making

However, the good news is that the market for feedback systems has also moved on, with vendors now offering platforms that can run a wide range of data collection (from training evaluation to continuous feedback to regular pulse research), integrate the data and make it available to the business through interactive, real-time dashboards. By centralising employee feedback in a single platform, cost and complexity are actually reduced, as there is no need for manual entry of data or cumbersome administration of multiple systems.

Questback's customers have the flexibility to run data collection as and when they want, embedding employee feedback within the business and ensuring it is a key part of strategic decision making. This research shows that companies recognise the importance of employee feedback - we are here to help you to take the next step, build business benefits and make it central to how you operate.

Regards,

Frank Møllerop, CEO, Questback

WHY CHOOSE QUESTBACK?

LEADING SUPPLIER

Questback is the leading online feedback platform helping companies, large and small, understand customers, engage employees and outperform markets. The Questback experience matches powerful technology with human expertise to deliver our clients the most value.

INNOVATIVE AND USER-FRIENDLY SOLUTIONS

Based on user feedback, Questback invests in continuous innovation. We are always asking what next as we work to deliver the best possible products and services for our customers. Questback is web based, intuitive to use, and there's nothing to install.

FIRST CLASS SECURITY AND DELIVERABILITY

Questback takes security very seriously. Advanced technology, carefully controlled work processes, and our BSI-certified data protection programme mean your data is safe and belongs only to you. With an EU data centre we remain compliant with recently updated Safe Harbor rulings. Our services regularly undergo compliance tests by external security providers.

UNIQUE KNOWLEDGE PROVIDER

Questback offers proactive knowledge transfer. Our Customer Success Advisors will assist you with everything from survey quality assurances to enterprise feedback management solutions. Questback gives you best practice templates that adapt easily to your organisation's information needs.

ACCESSIBLE USER SUPPORT

Questback Support is available to help with any questions you have about the platform. We deliver high quality, short response times, and world class support management. Contact support by phone, email, or directly from the Questback platform.

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