JULY 2019

# MEASURING WELLBEING AT WORK



# A REVIEW OF EMPLOYEE ENGAGEMENT TOOLS

PREPARED BY

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# INTRODUCTION

"Social value is the quantification of the relative importance that people place on the changes they experience in their lives. Some, but not all of this value is captured in market prices. It is important to consider and measure this social value from the perspective of those affected by an organisation's work."

– Social value uk

An organisation providing health programmes for its people can result in employees visiting the doctor less, exercising more and reporting better physical and mental health.  This represents a significant positive social return which can be monetised and calculated using social return on investment analysis.

It is well documented that an employee's working environment can have a significant impact on their mental and physical wellbeing.  Despite companies considering their social impact externally, there has been far less research to date which looks into the wider social impact of a company on its employees.

Talent Gateway and Social Value UK believe there is value in measuring the social impact organisations have on their employees.  This will ensure we focus on measuring what matters to employees and that organisations have a positive impact on those who work for them.

At a high level, social value measurement enables an employer to go beyond the benefits offered and consider what impact it is having.  The "so what?" factor comes into play here. What is it that employees really value and what has the greatest impact? How are employees affected by the organisational culture and does this correlate with the business mission?

Secondly, by placing a value on each outcome for the employees, the relative importance and social impact of the organisation on its employees can be

calculated.  This can help to proactively shape the employee offer and identify opportunities to increase the impact. Not just whether employees like having access to a gym membership but are they healthier as a result and is that an outcome that is important to them? Are there better ways to achieve the same outcome?

This research will explore the range of employee engagement tools currently available to UK companies and how they establish engagement.  It will seek to determine whether there are any tools that are already asking questions that could be used to measure the social impact on employees.

The ultimate aim is to enable social value measurement to be embedded into the employee engagement process.  In this way, the social impact can be captured and used to inform how the company interacts with its employees to the benefit of their wellbeing.

# EMPLOYEE ENGAGEMENT

When an employee is engaged, they are motivated by their role. They go above and beyond what is required because they believe in the business, what it is trying to achieve and see themselves as part of something greater.

Employee engagement should be seen "as a workplace approach designed to ensure that employees are committed to their organisation's goals and values, are motivated to contribute to organisational success, and are able at the same time to enhance their own sense of wellbeing"[1]

Workplace engagement goes beyond organisational commitment and citizenship behaviour. It gives 'people more autonomy, responsibility and more challenge in their individual jobs and they tend to respond positively'[1].

However, employee engagement stands at just a third for the average company in the UK [1].

The CIPD argue that the approach to employee engagement needs to be rethought to keep up pace with modern business practices[2]. Employee engagement, for some, has become a process rather than a philosophy and therefore doesn't achieve the expected results. It is less about measuring employee engagement in a yearly survey and more about good management practices and workplace engagement. This includes regular stakeholder engagement from face to face meetings with managers, opportunities to engage with senior management and team activities.

## AN ENGAGED EMPLOYEE IS 87% MORE LIKELY TO STAY WITH AN ORGANISATION [3]

## THE IMPORTANCE OF EMPLOYEE ENGAGEMENT

Great Place to Work and HR Zone have shown that employees who rate their employer as a great place to work have significantly higher engagement rates, lower voluntary turnover rates and fewer absence days.
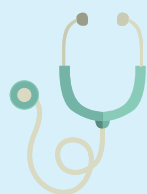
54% OF ACTIVELY DISENGAGED EMPLOYEES STATED THEIR WORK LIFE NEGATIVELY IMPACTED UPON THEIR PHYSICAL HEALTH COMPARED TO JUST 12% OF ENGAGED EMPLOYEES [3].

ORGANISATIONS WITH HIGH LEVELS OF EMPLOYEE ENGAGEMENT CAN GROW PROFITS UP TO 3 X FASTER THAN THEIR COMPETITORS AND IMPROVE PERFORMANCE BY 20% [3].

[1] The Bottom Line Insight Report 2019, Great Place to Work and HR Zone, 2018
[2] Is it 'engagement' or simply good management practice?, CIPD, Claire Warren, 14 August 2017
[3] How to use people analytics to make better decision, Culture Amp, 2017
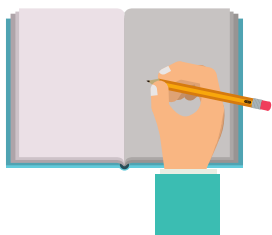
# TRENDS IN MEASURING ENGAGEMENT

Culture Amp Report five key trends in Employee Engagement in 2017 [1]:

1. Companies are **responding to results with a sense of urgency**. They are taking action to correct or improve results and re-measuring to understand whether they've hit their target.

2. They're designing better surveys and using the results. There's **less continuous pulsing and single-question type surveys** (e.g. single eNPS surveys) **and more surveys tailored to the task** - so that the feedback received is used. While getting ongoing feedback can be useful and fun at times, it was found in the past that some organisations didn't have time to utilise the insights and that respondents could tire of responding when they were unsure what was happening with the data.

3. Companies are using a **mix of different surveys throughout the year** and using their results to drive the content of the surveys. A common mix is an annual engagement survey followed by pulse surveys focusing on questions set aside for action and additional questions to understand the topic and feedback on the actions chosen. These approaches help keep the survey program alive as part of an intelligent conversation with people.

4. There is a welcome rise in companies **providing creative ways in which their people can become part of providing input** and ideas for responding to the survey results. These companies view surveys as just a part of the way that the organisation uses feedback to learn. They see working and experimenting together to utilise feedback is itself a meaningful and positive experience.

5. The final trend is companies looking to understand the **relationship between survey data and other workforce data** such as retention, performance ratings, training attendance, customer satisfaction and sales.

[1] How to use people analytics to make better decision, Culture Amp, 2017

# INITIAL RESEARCH

## METHODOLOGY

This desktop research was conducted by Talent Gateway, exploring different tools available through free trials, direct liaison with software companies and online reviews.  This initial research will be reviewed by Talent Gateway and Social Value UK to establish next steps in integrating social value measurement into employee engagement.

Capterra, a software comparison site, was used to identify a list of Employee Engagement Software available.  This generated 306 software companies offering employee engagement tools.
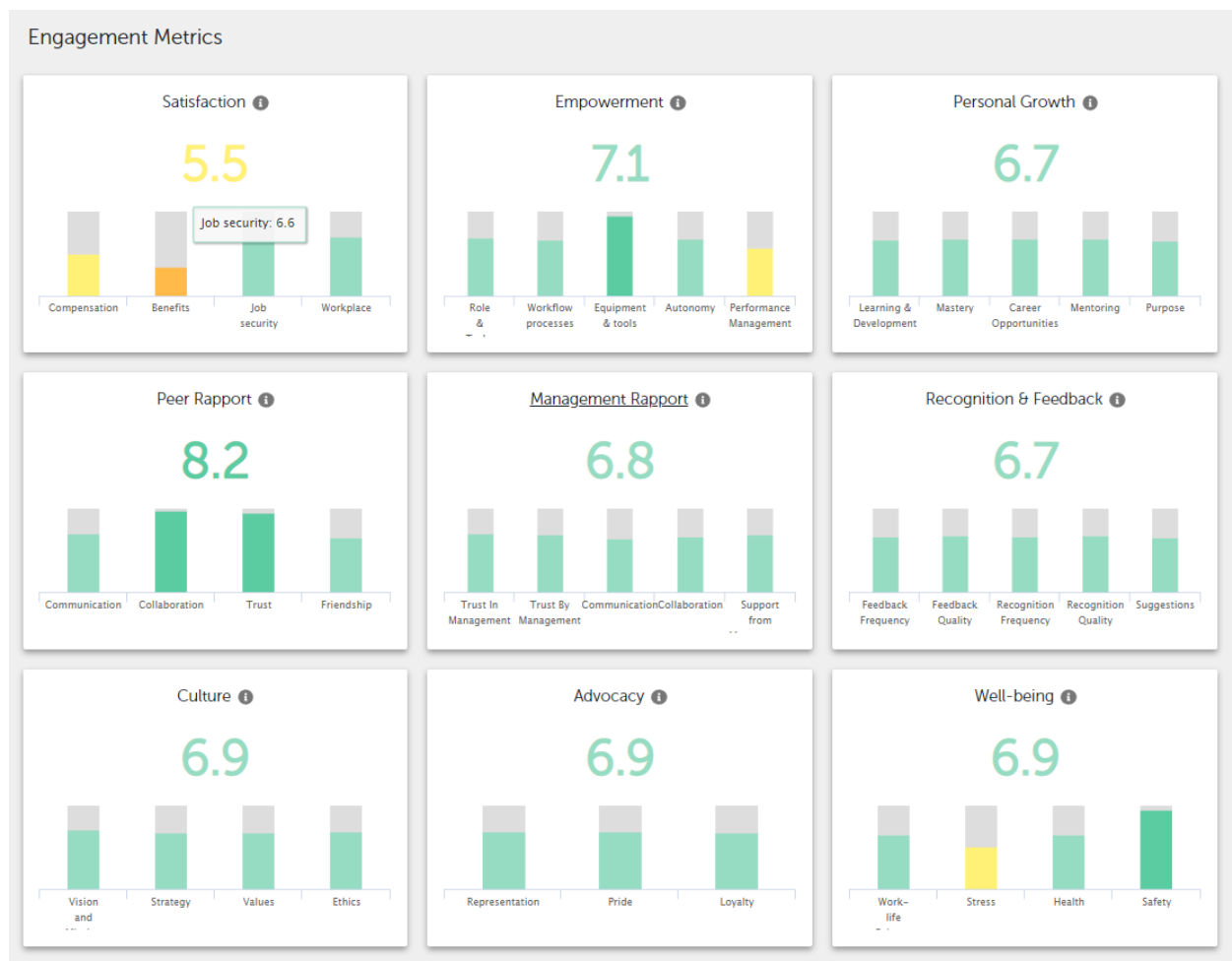
When filtered by 'popular features', only 64 (21%) had the ability to capture health and wellness programs.  Furthermore, filtering by those that offer culture alignment and employee alignment as features, gave 45 results.  The results were further refined by those tools that supported 10-499 employees – given the expectation that there would be more scope to work with SMEs.

It should be noted that for this research, the tools were identified through this search as they were perceived to be more likely to be capturing social value.  However, 80% of software tools are not looking at health and wellness.

Given the huge extent of software tools, this research has selected those most highly rated and with the most reviews to best reflect the potential and limitations of employee engagement software currently available.

The following pages explore in more detail some of the engagement apps that fitted the above criteria and were perceived to be most aligned with SVUK.

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# HONESTLY


Honestly

## OVERVIEW



**Engagement Metrics**

| Satisfaction | 5.5 |
| Empowerment | 7.1 |
| Personal Growth | 6.7 |
| Peer Rapport | 8.2 |
| Management Rapport | 6.8 |
| Recognition & Feedback | 6.7 |
| Culture | 6.9 |
| Advocacy | 6.9 |
| Well-being | 6.9 |

Honestly is an employee engagement and customer experience tool. It measures engagement across 9 metrics:

- Satisfaction
- Empowerment
- Personal Growth
- Peer Rapport
- Management Rapport
- Feedback & Recognition
- Culture
- Advocacy
- Wellbeing

These metrics are sub divided further using a 'large library of science backed questions.' For example, wellbeing is sub divided into four categories: work-life balance, stress, health and, safety,

Honestly automatically sends frequent 'pulse' surveys to provide real time feedback on all of the employee engagement metrics. These surveys are sent out on a weekly or monthly basis and consist of short 2 minute surveys. Employees are asked questions from the different areas of engagement and all responses are anonymous.

# HONESTLY

## SUMMARY OF FEATURES

Survey responses are collected through web, email, mobile app or Honestly feedback terminals.

The dashboard summarises the engagement score for each metric and overall. A traffic light system is used to highlight what is working well and areas for improvement.

In addition to pulse questions, employees are asked open questions across all of the metrics which help to form recommendations as to how to increase engagement further. For example: "What's the one thing we could change that is keeping you from being more successful at your job?"

Responses can also be categorised by location or department, for example, to help identify strengths and weaknesses of an employer's engagement for a particular cohort of employees.

Custom surveys can also be created and questions formatted in a range of ways to build on the pulse surveys. Some questions in the pulse survey follow a direct scale. For example, on a scale of 1-5, how would you rate your work-life balance.

The majority of questions, appear to follow a similar approach but ask how far they agree or disagree with a particular statement. For example, "I regularly have to do job related work in my free time."

Clients of Honestly include Google, Lufthansa and Continental. Prices start from £3 per employee per month up to 200 employees. Beyond that an enterprise version is available on a quote basis.

In short, the engagement tool provides insight over a range of metrics that are aligned to employee wellbeing. The frequency of the questions together with the level of data from the sub categories provides a real time view of employee engagement to enable action to be taken. The use of both scaled responses and open questions align with social impact data collection and would enable the data to be further analysed to understand social impact.

Any gaps identified or further information required could then be addressed through custom surveys.



Engagement Score ⓘ

6.9

▲ +1 %
Compared to last week

68 %
Participation
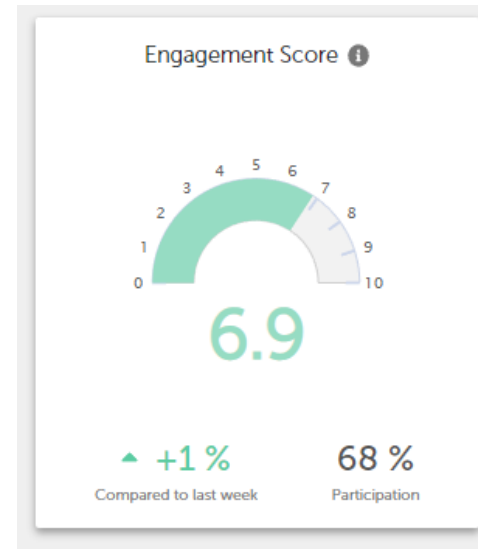
## KEY POINTS

- Uses 9 employee engagement metrics
- Culture and wellbeing included within the metrics
- Frequent pulse surveys to provide real time feedback
- Scaled responses and open questions
- Able to create custom surveys

# OFFICEVIBE

õfficevibe

## OVERVIEW
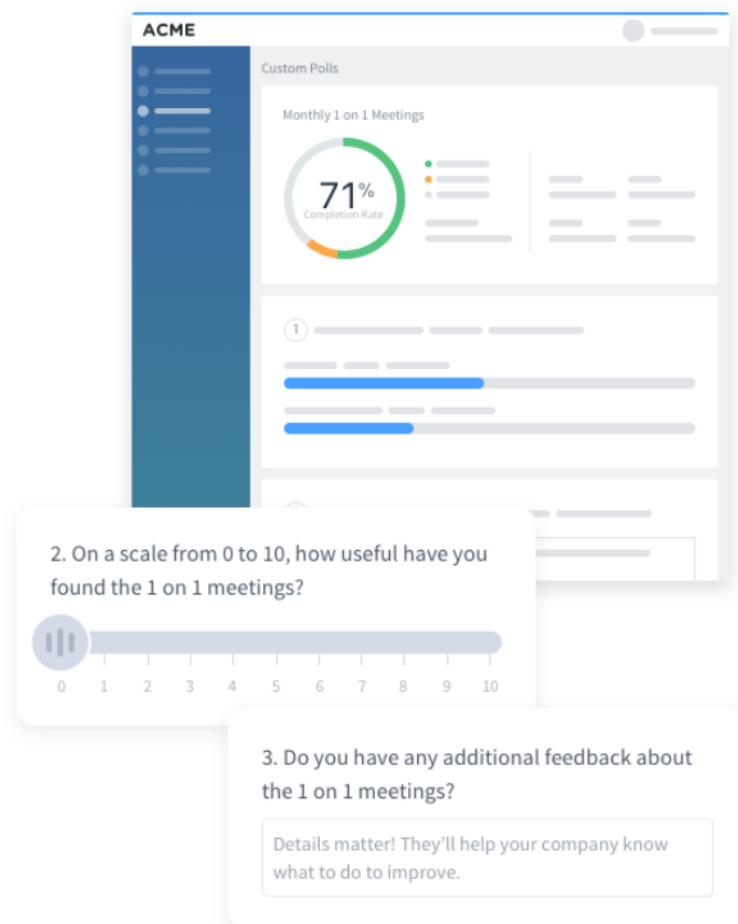


Officevibe has 10 key metrics for measuring employee engagement which are further sub divided into 26 sub-metrics.  The 10 key metrics cover:

- Personal growth
- Recognition
- Relationship with peers
- Relationship with manager
- Company alignment
- Ambassadorship (pride at work)
- Feedback
- Happiness (including work-life balance)
- Wellness (stress and healthy living)
- Satisfaction

The 120 questions that are used to determine levels of engagement for each metric are scientifically-validated, approved by Deloitte and "proven to drive maximum participation".

As with Honestly, Officevibe uses pulse surveys weekly to provide continuous real time feedback with each survey comprising 5 questions and taking less than 2 minutes to complete.  Employees have the choice to provide feedback anonymously or not and results are only provided once a sufficient aggregate is reached to ensure anonymity.

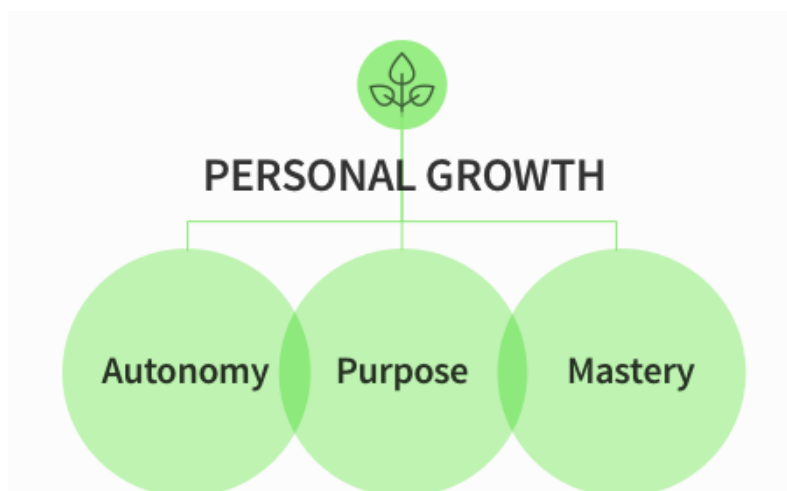# OFFICEVIBE

## SUMMARY OF FEATURES

The metrics are designed to measure overall team health and presented visually in a traffic light system to highlight opportunities for improvement. Surveys are collected primarily through email on a weekly basis.

Each survey explores one metric and asks questions based on the sub metrics to calculate a score per Metric. Each weighted Metric is then used to calculate an overall engagement score. Scores are calculated based on the responses of the last 90 days with a minimum of 3 responses per metric before results are released.

Open questions can be asked as follow up to the pulse surveys. In addition employees are able to provide feedback through an online suggestion box, opening up a private conversation with HR/their manager.

Custom questions can also be added to the weekly pulse surveys or sent out independently to provide further insight into each metric.

Typically, questions in the pulse survey are scaled either on a range of 1-10 or on a five point scale from strongly disagree through to strongly agree. Open ended questions are then asked following the scaled responses to understand why an employee chose that answer.



PERSONAL GROWTH

Autonomy — Purpose — Mastery

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Officevibe also has a range of resources with ideas, activities and recommendations to improve engagement in particular areas. These are categorised according to each metric.

Officevibe has over 1,000 clients including BBC, salesforce and Xero. Officevibe is free for staff with 3-20 employees and starts at $4 per user per month for 21-999 employees.

As with Honestly, Officevibe's uses of both scaled responses and open ended questions align with social impact data collection and would enable the data to be further analysed to understand social impact. The metrics cover a range of areas that would align with social value UK and employee wellbeing.

## KEY POINTS

- Uses 10 employee engagement metrics
- Company alignment, wellness and happiness included in metrics
- Weekly pulse surveys to provide real time feedback
- Scaled responses and open questions
- Able to create custom surveys and integrate into pulse surveys

# PEAKON


Peakon

## OVERVIEW
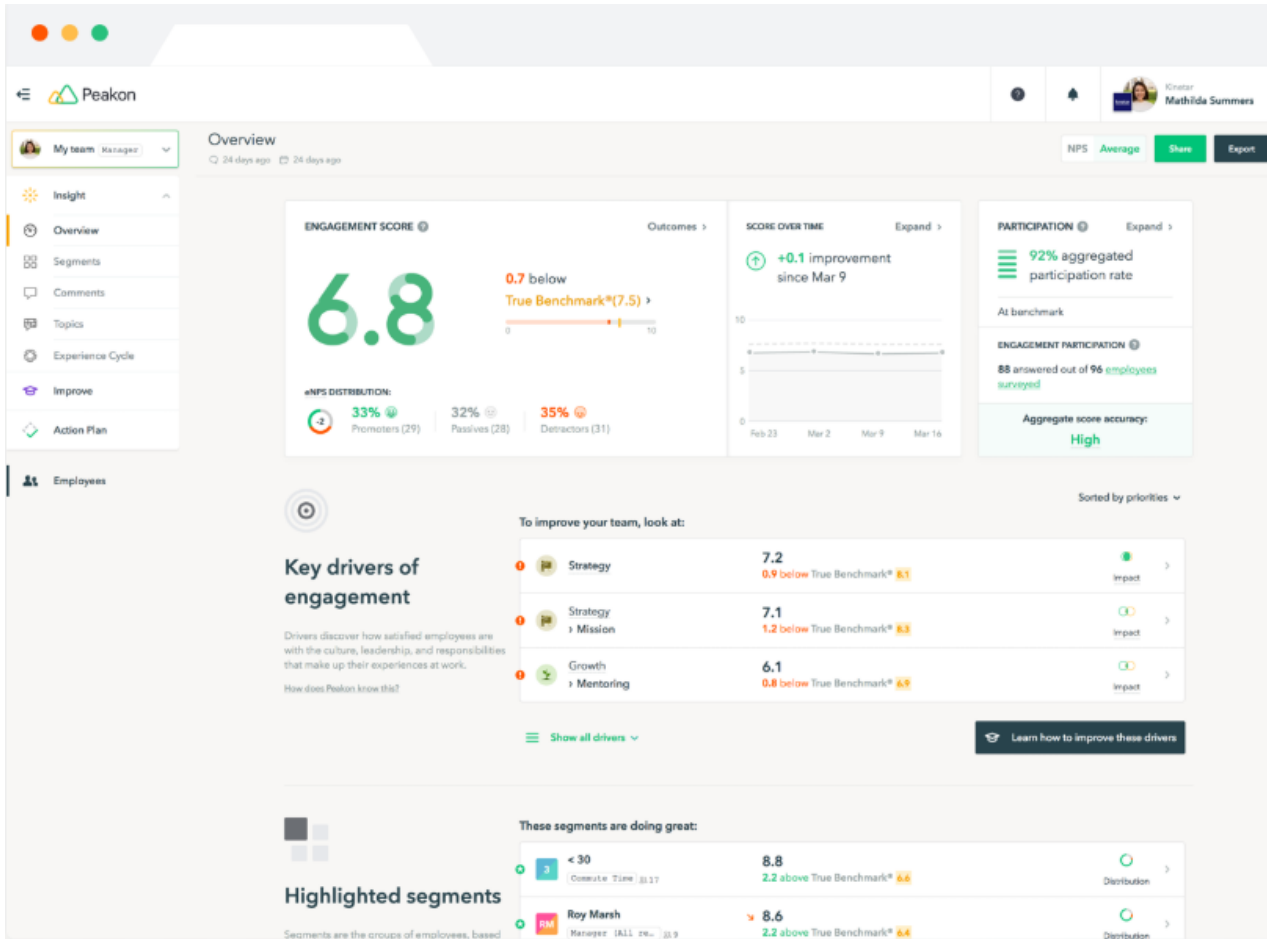


Peakon uses 14 key drivers of engagement:

- Accomplishment
- Autonomy
- Environment
- Freedom of opinions
- Goal Setting
- Growth
- Management Support
- Meaningful Work
- Organisational Fit
- Peer Relationships
- Recognition
- Reward
- Strategy
- Workload

The drivers of engagement are derived from different elements of organisational psychology.  Each driver is split into sub drivers of engagement.  For example, meaningful work is sub divided into 'fit' and 'significance'.

Overall engagement is calculated from one main engagement question together with 14 driver and 31 sub driver questions. Questions use a scaled response from 1 to 10 as to how strongly an employee agrees with a statement.  As with other engagement tools, the frequency of surveys can be tailored from weekly pulse surveys to annual core surveys.

# PEAKON

## SUMMARY OF FEATURES



Peakon has a unique way of determining whether a driver is a priority or a strength for the organisation. Firstly, the driver has to be significantly above or below the benchmark to be considered a strength or priority respectively.  Secondly, Peakon considers the impact of the driver on engagement. Only a driver with a strong impact can be a strength or priority.  This element of Peakon enables organisations to understand those drivers most valued by their employees. Those with greatest impact can be prioritised to increase overall engagement.

Benchmarking forms a key part of Peakon.  Industry benchmark is provided to enable organisations to put their engagement levels in context.  Company benchmark is used to demonstrate ranges across the organisation so individual managers can see how they compare.  Finally, Peakon also use 'True Benchmark' as a more 'accurate measure of the impact that an 'organisation's ;leadership and culture has on the engagement of their employees.'

This accounts for differences in engagement as a result of trends 'beyond the influence of individual managers or companies.'

Other features of Peakon include being able to track alignment of employees' experience at work and the businesses stated values through targeted survey questions and the ability to have conversations with employees online.

Survey results are presented in a dashboard and can be segmented by department, age group, tenure and office location.

Surveys are sent out in a variety of ways (depending on the package purchased) including email, text and kiosks.

Clients of Peakon include BMW, Capgemini, easyjet, Pret and mobile network, 3. Pricing for the essential software package starts at £2.50 per user per month rising to £5.50 for business and £9 for premier.
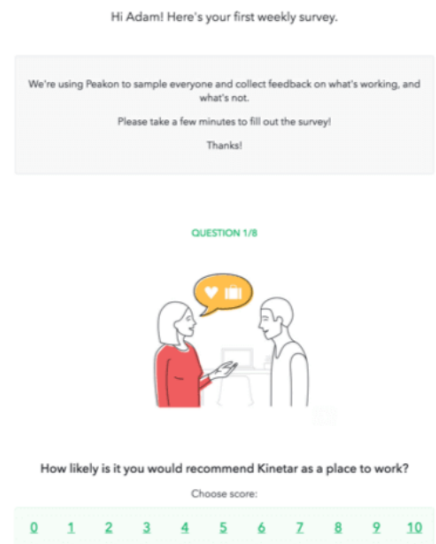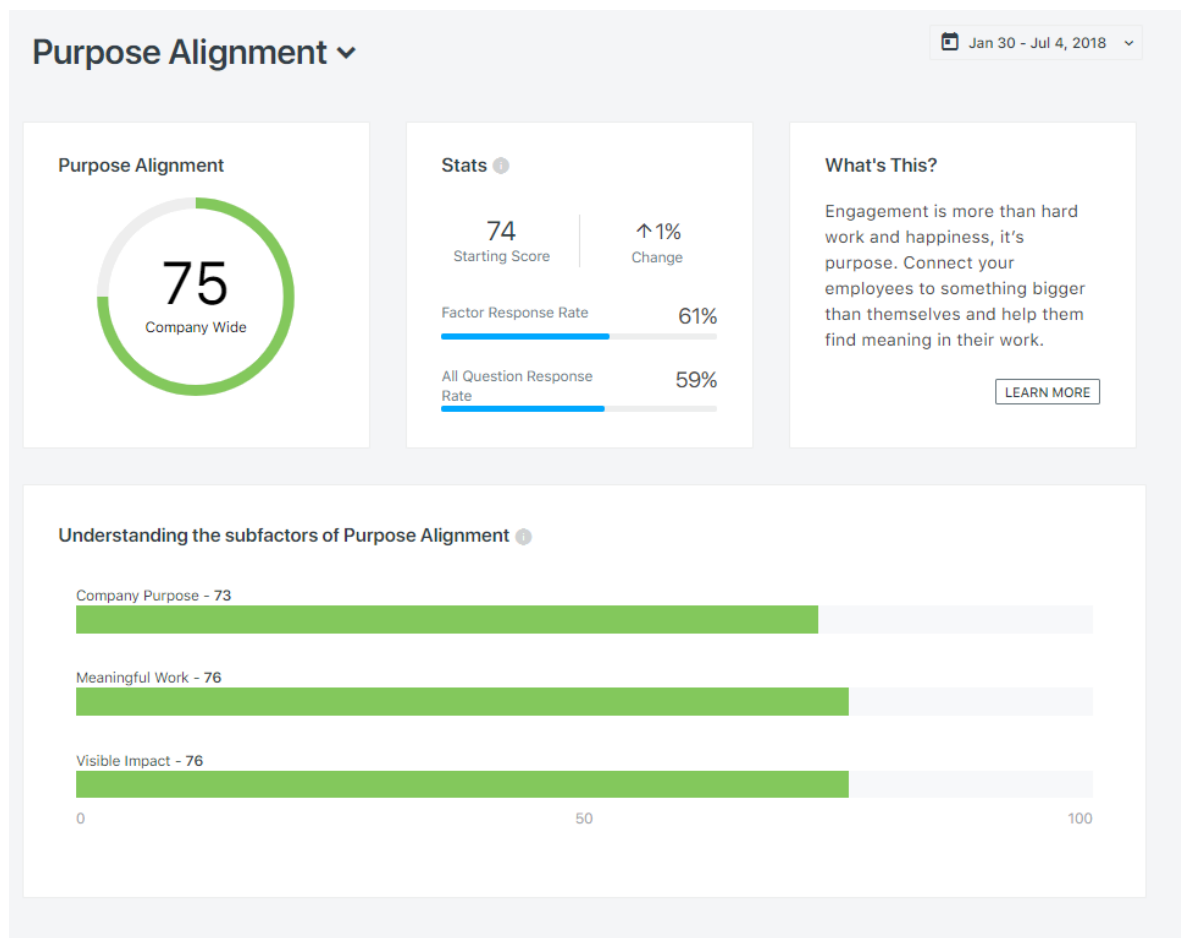
### KEY POINTS

- Uses 14 key drivers of engagement
- Considers the impact of each driver to determine significance and whether it is a strength or priority
- Ability to benchmark against industry and company
- Frequent pulse surveys to provide real time feedback

# SURVEYMONKEY ENGAGE

## OVERVIEW



SurveyMonkey Engage uses 5 core factors to determine engagement. These are further subdivided to form 15 sub categories.

- Job Satisfaction - Autonomy, Recognition, Role Fit
- Personal Engagement - Stress, Whole Person, Work-life balance
- Visible Future - Company Direction, Path for Advancement, Transparent Leadership
- Team Dynamics - Cohesion and Leadership, Psychological safety, Valued Voice
- Purpose Alignment - Company Purpose, Meaningful Work, Visible Impact

Survey Monkey Engage uses pre-built surveys and automated deployments to enable surveys to be sent throughout the year to measure engagement. A core survey is sent out annually followed by more regular 'check in' surveys focusing on a particular core factor.

The surveys use 'a whole person approach' to assess the relationship of the employee with the workplace.

# SURVEYMONKEY ENGAGE

## SUMMARY OF FEATURES

Overall engagement is calculated from each of the individual core factors. Data is presented visually in a traffic light system to address weaknesses across teams and different core factors. For each sub category, 3 questions are used to determine the engagement score totalling 45 questions across all core factors. The score is a representation of the most recent six surveys using a stable moving average of engagement data.

All questions are scored on a rating scale of 1-5, for example, "my work is meaningful to me". The core survey appears to use a selection of the same questions but they are mixed to measure overall engagement across the core factors. The questions chosen can be edited.

Results can be filtered and compared by manager, age, tenure, department and location to provide further detail. This highlights any variances between different cohorts of employees.
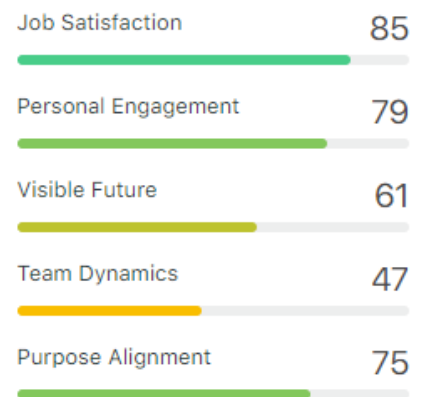
The feedback section provides the opportunity for employees to provide more detailed comments or suggestions for review. SurveyMonkey categorises the comments into improvements, encouragement and uncategorised.

The comments provided can then be closed when an action has been taken. The surveys do not appear to automatically follow up with open questions but it is possible to submit comments at any time.

Surveymonkey Engage does capture some elements of wellbeing through its questions although they are less detailed compared to other tools and there are fewer open ended questions. There is still alignment with social impact but the framing of the questions is less inline with Officevibe and Honestly.

Surveymonkey engage is available for 100-499 employees at a cost of $450 - $999 per month.

### Core Factors

| | |
|---|---|
| Job Satisfaction | 85 |
| Personal Engagement | 79 |
| Visible Future | 61 |
| Team Dynamics | 47 |
| Purpose Alignment | 75 |

### KEY POINTS

- Uses 5 core factors to determine engagement
- Wellbeing and culture questions included but embedded in other core factors
- Frequent pulse surveys to provide real time feedback
- 45 scaled questions with ability for employees to also submit comments

# &FRANKLY

&frankly



&Frankly uses their own engagement model developed from research that measures 7 drivers which impact engagement.

- Alignment - belief in and commitment to the organisation goals and values
- Development - fulfilment with current job content and dev. opportunities
- Pride - Self esteem you feel being associated with the company
- Recognition - feeling valued and having a strong contribution to the company
- Collaboration - a strong team spirit, social context and collaboration
- Wellbeing - sustainable and healthy employment

The tool uses sliding scaled responses to determine the extent of engagement with a bank of over 200 questions.  Pulse surveys are sent out at a chosen frequency to suit the team or organisation and provide real time insights.  The surveys are ready made to provide insights into each driver automatically.

Surveys can also be tailored to gain further information on a particular driver.  In addition, &Frankly provides an Educational portal that provides advice and ideas to companies as to how they can further improve engagement.

# OTHER TOOLS

## OVERVIEW OF OTHER ENGAGEMENT TOOLS

### CULTURE AMP

Culture Amp is a people and culture platform that incorporates employee engagement and performance.  It is continuously improved by feedback from the 2,000 companies using the software.  The tool provides data on employee engagement together with information on diversity and inclusion, top performers and staff turnover.  Engagement appears to be categorised into 14 metrics including work & life blend, social connection, alignment & involvement, collaboration and communication.



A dashboard presents overall engagement and broken down by favourable, neutral and unfavourable. This can be further reviewed by team, age and employee tenure. Results can also be presented in a heat map across the metrics.  The tool uses scaled responses together with open questions to calculate engagement and opportunities for improvement.  Their action inspirations, from collective intelligence, makes suggestions as to how engagement could be improved e.g. mentorship program. Clients include airbnb, Macdonalds and Etsy.

### WEBHR

WebHR is just one example of a significant number of software tools that focus more on the practical elements of HR.  The tool is setup to help HR manage a range of functions including performance reviews, training, work shifts, and holidays.  WebHR have integrated an employee engagement tool into the software as an 'add on' to the core functions.  As this is not a core function of the platform, the software is less automated or responsive compared to other tools available.

The survey engagement tool relies on the manager creating and distributing the survey manually rather than using automated pulse surveys.  There is a bank of questions that can be utilised but these tend to focus on more traditional measures of employee satisfaction. There are both scaled responses and open questions that can be created. There is also the option to create polls in the standard software package which comprise of one question with a at least two responses.  These can be scheduled to go out regularly but are not automated completely.  Reports then have to be generated to analyse the data captured. Anonymity is not currently available for surveys.

# OTHER TOOLS

## OVERVIEW OF OTHER ENGAGEMENT TOOLS

### BEEKEEPER
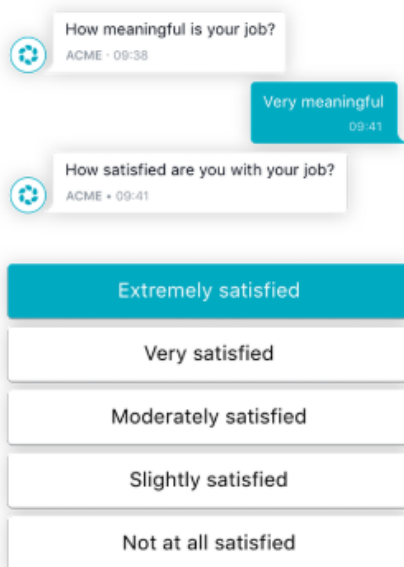


Beekeeper is an employee communication and engagement tool.  It facilitates communication across teams including secure messaging, content management, engagement analytics and employee surveys together with file sharing.  All team members have the Beekeeper app to enable personalised communication and instructions.  Employee surveys and engagement is one component of the Beekeeper tool.  'Employee Survey Chatbots' are used to send survey questions to all or selected employees using scaled responses.

The employee survey is part of a wider communication tool.  It is not clear whether the survey uses key metrics and whether wellbeing is specifically measured through the surveys.  The focus would appear to be more specifically on employee satisfaction.

### LATTICE

Lattice is a performance and engagement tool. A unique feature of Lattice is that it enables employee engagement to be aligned with performance review scores.  Surveys can be developed and customised by choosing from a question bank which covers over 10 themes from diversity and inclusion to team effectiveness.  Results can be filtered by department, manager, gender and performance score for further insight.  Lattice state that they plan to launch employee pulse surveys in 2019 to help provide real time feedback.  Surveys appear to be created by the company using the bank of questions.  Questions can be measured on an agree/disagree scale and link back to a particular metric.
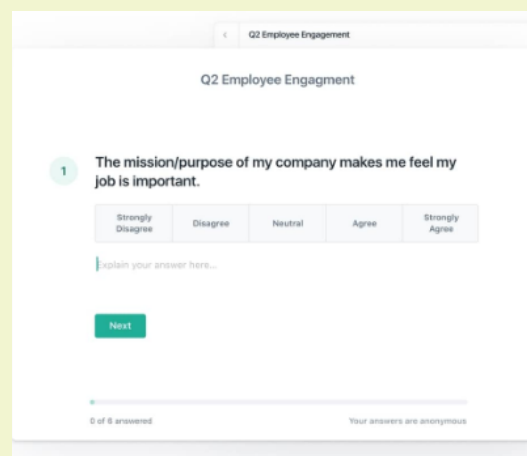
# SUMMARY

There is a wealth of employee engagement tools available on the market for companies to use.  Each offers different features and some are integrated into more holistic HR software.  What is encouraging is that there are already tools available that can help companies to measure employee wellbeing - and companies are already collecting this data.

The research has identified that those engagement tools most aligned with Social Value UK appear to be those that are developed first and foremost as survey tools.  They all calculate an eNPS (employer net promoter score) but dive deeper into the science behind engagement to inform a series of metrics that include wellbeing, working environment and cultural alignment. The use of both scaled responses and open ended questions enables a better understanding of relative importance and impact. Closed questions on a scaled response demonstrate the extent of change over time and open questions provide further insight as to the impact an organisation is having.  The automation and analysis of tools such as Honestly, Officevibe and Peakon are more intuitive and enable easy understanding of engagement.

Peakon is of particular interest as it considers impact in the calculation of engagement.  This dimension appears to be unique to Peakon and enables the business to have a much clearer understanding of what employees really value.

**THE RESEARCH SHOWS THERE ARE ALREADY TOOLS AVAILABLE THAT CAN HELP COMPANIES TO CAPTURE AND MEASURE EMPLOYEE WELLBEING**

Across the tools, there is some alignment of questions with many rooted in organisational psychology, Maslow's Hierarchy of Needs and recent reports on engagement.

In short, organisations using tools such as Peakon, Honestly and Officevibe are gathering valuable data on their employees' wellbeing.  Whether they realise it or not, these tools are enabling organisations to be able to understand the social impact they are having on their people.  This can help to embed a positive culture in the business, optimise social impact and enhance employee's mental and physical wellbeing to the benefit of both employees and the business.

# Attract | Recruit | Retain | Develop