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Title:

“Conducting a global employee opinion survey within a multinational company:
the intersecting roles of internal and external consulting in economic uncertainty”

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1. Abstract

The challenge facing companies especially in this fast paced environment is to respond to customers' needs and ensure that internal functions deliver. Communication and cooperation play key roles: understanding the market, listening to customers, and translating this message internally while listening to employee views, which can affect performance.

Employee surveys have long proven effective in identifying obstacles to efficient operations. For this function business leaders have traditionally called upon internal and external consultants.

This paper will explore the impact of increased pace on the evolving role of one internal consultant, part of a three-person team in a multi-national corporation, in carrying out an employee opinion survey: the type of survey selected, the survey's goals, the participants identified, and the difference between the roles of the internal and external consultants in this survey compared with those in nine previous company surveys in which the consultant was involved in the past 10 years. This most recent survey - the Pulse Check, a short, 18-question, closed ended version of an employee opinion survey - was administered to approximately 49,000 employees in 91 countries in 29 languages over a period of 10-15 business days in November 2008 with a response rate of 64%. The type of survey, urgency and compression of the time frame, level of company involvement, and changing roles of the internal and external consultants reflect the urgency companies feel to produce in a fast paced environment and, in so doing, alter earlier functions of internal and external consultants.

2. The function of employee opinion surveys in times of fast paced business

2.1. How does fast paced business change the situation within companies?

It needs no explanation that corporations and businesses are facing turbulence from many sources - a plummeting economy, shrinking customer base, fewer workers, and low employee morale - all in the face of higher expectations. To counter these pressures, the corporate work place has become more fast paced than ever, putting exceptional pressure on business leaders to push back against this economic tidal wave by tightening deadlines and increasing demand for employee performance. In this difficult environment the role of the internal consultant has changed as companies seek what appears to be the most efficient and cost effective way of accomplishing tasks and reaching goals.

The current economic and financial crisis is only making more visible what has been the gradual development in recent years: Increasing reaction of companies to its current needs and less long term planning. Decisions are made faster, the planning phase, if at all existing, is closely followed by execution, and given the overall time pressure of projects, the results of a parallel run project are already expected. These circumstances are becoming more pressing in the current economic and financial crisis. In times of sinking orders, companies are under extreme cost pressure and react with restructuring measures. Downsizing staff leads to often minimal staff available to carry out projects, which makes it often enough difficult to cover all of the required tasks. Economic turbulence has clearly arrived, and leadership in the era of economic uncertainty seems to be the name of the game.

One question that comes up repeatedly is how can companies organize themselves in a way that they are close to their customers and at the same time ensuring that the functions internally deliver respectively? Therefore effective communication and cooperation plays a key role: understanding the market, listening to the customers, knowing how to make this message heard internally as well as listening to the employees, their needs, recommendations and making things happen accordingly. Given this perspective the

capacities of listening, communicating and acting are crucial ingredients for survival in times like this.

The quarterly business focus is based on the international used practice which fosters the existing tendency for a short term perspective. Companies are more and more in the situation of acting according to the existing needs.

The current economic and financial crisis is only making more visible what has been the development for the last years: Increasing reaction of companies to current needs and less long term planning. Orders need to be realized in less time and the production cycles are forced to be reduced.

Now in times of the economic and financial crisis the management in companies realizes that the financial instruments and products cannot provide the security which many have thought. Experiencing that there exists no (more) security, some even go so far to ask for new ways of organizing the business within companies. Change is permanent and many companies realize that they need to develop the capacity within their staff to deal with uncertainty. Given these circumstances it also becomes more challenging for the employees to deal with the increasing workload and the uncertainty what possibly can happen to their department and workplace. Decisions need to be made faster, the planning phase, if at all as such existing, is closely followed by the execution and given the overall time pressure of projects the results of a parallel project are already expected. These circumstances are becoming more pressing in the current economic and financial crisis. In times of sinking orders, companies are under extreme cost pressure and react with restructuring measures. Downsizing staff leads to often minimal staff available which sometimes makes it difficult to cover the project tasks.

In today's fast paced business environments where employees are constantly striving to achieve business goals under tight time restrictions, they have understandably a special need for receiving information, being involved and listened to. This situation provides a new context for conducting employee opinion surveys.

2.2. Which role do employee opinion surveys play in this context?

During a recent leadership conference it was said that one of the best advices for companies, especially in these turbulent, economic times, would be to listen to their employees. They are the experts, dealing with customers first hand and knowing therefore their needs. This way they have a close look to problems, future developments as well as to upcoming, possible solutions.

Looking back, managers and consultants agree on the fact that many breakdowns of companies and banks could have been prevented if managers would have had taken the chance to listen in a different way to the warning signals and estimations of their employees. In the hectic, daily business it is often asked for ways and instruments to listen, reflect and act according to the voices of the employees. Employee opinion surveys have proven to be such a successful instrument and have a special value in these times.

In fact they can serve as early warning systems providing regular feedback to executive management. Employee opinion surveys give a voice to the employees.

A great advantage of Employee Opinion surveys is that they function both ways. On the one hand they provide management with strategic information, on the other hand they offer them possibilities to act accordingly based on the current reality.

Given that perspective employee opinion surveys are getting a new significance. It is a tool with which management can give a sign to employees in difficult times that they are heard. Not only that the employees represent the internal voices of the company which are important for management in the economic orchestra of company internal and external players. But also that management can send a signal to employees that the company cares about their people, is interested in their opinion and acts accordingly.

A great advantage of Employee Opinion surveys is that they function both ways. On the one hand they provide management with strategic information, on the other they offer them possibilities to act, e.g. in follow up actions as well as in other ways strengthening the company strategy.

In addition the employees should be informed along all phases of the survey, e.g. before the start about the goals and the share of the employees, about the return rate and results as well as the follow up actions and a status information before a possible next round of a survey.

In these times of permanent change it appears that companies use employee opinion surveys also as a way to deal with the changes as sort of offering for the employees. Top management knows that it is somewhat important to include the employees' voice. Some companies go further and say they want to feel their pulse regularly.

2.3. Pulse Check: a short employee opinion survey using the example of a multinational company in the Healthcare industry

The described multinational company in the Healthcare industry belongs to a global player in the fields of electronics and electrical engineering, operating in the industry, energy and healthcare sectors. This powerhouse has a long tradition and has stood for technical achievements, innovation, quality, reliability and internationality. The employees work in over 190 worldwide regions to develop and manufacture products, design and install complex systems and projects, and tailor a wide range of solutions for individual requirements. The healthcare part of the corporation is well known for its innovative, high-quality products and complete solutions as well as service and consulting in the healthcare industry. It employs app. 49,000 employees in 91 countries.

The described corporation has been one of those companies which have relied upon the employee opinion survey regularly to realize measures for improvement, to contribute to the

company's culture and to restructure more efficiently. The employee opinion survey is performed app. every two years. The different sectors and businesses determine time and the organization of the survey according to their needs. Obligatory is a standardized form of app. 30 questions altogether. One part consists of obligatory standard questions provided by corporate headquarters, another part is designed by the business units or key support functions within the sectors according to their respective needs. The results of the surveys have been presented to the employees and to management of the business unit or key support function and are also used as object of the bonus system for managers, as well as the return rate of the survey.

There exists a permanent corporate working group consisting of mainly HR representatives of the different sectors and businesses. They are the contact persons and often the manager of the employee opinion surveys and work closely with the respective representatives of the businesses together. The goal of the group is to share experiences and lessons learned on the process of planning and performing the surveys. One topic amongst others is how to generate an effective questionnaire out of the given company wide questions and the business specific ones. The balance of corporate and local business needs is also in the field of employee opinion surveys challenging. One identified success factor has been a comprehensive communication strategy all along the survey: informing the employees from the very beginning about the goals of the survey, having management on board as a sponsor, communicating throughout all levels of employees about the results, next steps as well as defined measures of improvement, its status of realization and an information transitioning into the next survey.

Given a new corporate structure, the company wide concept of employee opinion surveys is currently reconsidered. One question discussed is if a more standardized, shorter and strategy focused survey performed in shorter sequences would fit better in the global fast paced business landscape. At the moment parallel to the regular employee opinion surveys a similar model has been piloted in the Healthcare part of the corporation, also referred to as company in the following.

In the context of a global reorganization, a new CEO and the financial and economic crisis on the horizon, executive management decided to introduce the Healthcare Pulse Check. This short version of an employee opinion survey measures the employee satisfaction and engagement within the company. Furthermore the employees' perception regarding the company's strategic imperatives should be assessed. Since the company has set the goal to improve Customer Excellence, the survey concentrates on the strategic imperatives: Customer Relations, Customer Focused Innovations, Operational Excellence, High Performance Culture and Quality. Concerns of the organization are then planned to be addressed through action planning and follow-up communication. In this sense the new survey serves as part of organizational development.

3. Description of Pulse Check project

As already described the major goals of introducing the Pulse Check have been to measure employee satisfaction and engagement of the company, to assess employees' perception regarding the company's strategic imperatives and to address concerns of the organization through action planning and follow up communications.

The Pulse Check is a short employee opinion survey, consisting of 18 questions which were translated into 29 languages. The survey was performed for the first time in November 2008 simultaneously for the target population of app. 49,000 employees in 91 countries. It ran for two weeks and was then extended for one week. It is planned to conduct a survey twice a year.

The survey questions cover amongst others the following topics: employee satisfaction, leadership, communication, quality, operational excellence and employees' engagement. The questions were designed to fit the company's strategic imperatives. An external vendor was chosen for this project to amongst others ensure our compliance with confidentiality related aspects. The vendor hosted the survey, worked on the data analysis and report creation.

Some of the questions were aligned with the benchmarking questions the external vendor uses. This enables a comparison with other High Performance Culture organizations. All of the questions are close ended using a five-point scale. Additionally the employee is given the opportunity to not answer a question replying "I do not know".

The survey also required working closely together with the IT and Communication department. The IT department made sure we would not face IT problems such as white lists or spams. The partners from Communication supported on drafting and distributing ongoing information regarding the survey.

The project Pulse Check was started in July 2008. The first phase focused on finding an external vendor. Since the project team consisted of employees in Germany and USA vendors were looked for on both sides. After deciding on a vendor in the USA a US based HR project manager from the project team was appointed. Parallel the survey questions were designed internally and then revised together with the chosen vendor. A few questions were aligned with the benchmarking questions of the vendor to allow external comparisons. Given recent acquisitions, before the survey could be conducted, email addresses of all employees had to be collected and checked as well as the organization's structure had to be visualized. The e-mail address management of app. 49,000 employees world-wide turned out to be very challenging. E-mail rosters were generated with the data from the company directory. Additional resources, full time and part time, were included. Furthermore the questionnaire and online set up had to be translated into 29 different languages. Meeting the local company jargon was ensured through local prove reading contacts.

The communication of the survey was worked on together with the communications department. All of these tasks required a close contact to the country/cluster interfaces. They played a key role being the liaison between the country/cluster and the survey's project team. Help from them was mainly needed to identify the population to be covered by the survey and checking the email rosters but also ensuring the participation of the employees.

During this phase the survey was approved by the workers' council and the data security department.

The second phase took part in November/December 2008. During this time the data was collected and analyzed. The survey was mainly filled out online but a paper version was also offered to give every employee the chance to participate. Management was responsible for driving participation in his/her respective country/business unit.

A Pulse Check mailbox was taken care by the internal project team. It secured a two-way dialogue with employees/stakeholders throughout the project. Incoming questions during phase two mostly concerned missing links for the survey or unclarity related to the organization structure.

The results were reported to the management in February 2009. The managers and the HR contacts received their reports and were asked to analyze them and start the identification of action priorities. In phase three the results were also communicated to the employees. The respective managers were responsible to inform their employees. Additionally the communication department published the results via an article in the internal company newspaper.

End of February 2009 action plans were developed and the implementation started. The progresses are ongoing tracked and communicated. HR acts as ambassador to support management throughout the process. An internal HR Scouts project team is also working on follow-up measures. Goal is to establish an intranet side collecting possible actions for all questions. This should ensure that the survey does not stop after collecting the data. Possible gaps in the countries/business units should be addressed and worked on.

4. Analysis of process: the role of internal and external consulting

The fast pace of business coupled with changes in the organizational structure of the company created challenges for the administration of the survey. I would like to illustrate the fact of unexpected events during the project with the situation that the CEO and CFO of the company changed one week after the start of the survey. In the last e-mail of the CEO before his resignation he announced the Healthcare Pulse Check to all employees worldwide. Posters in German and English were printed and hung up. After being appointed to the CEO position seven months ago, the champion of this worldwide initiative was leaving his CEO position and the company. What would be the impact for the ongoing survey?

This is another example of the fast-paced business world. The decision of the head of HR that the new CEO should send out the planned reminder to the ongoing survey secured the continuity and the survey could be closed with an overall, worldwide participation rate of app. 64 %.

One point that is crucial for the sustaining success of employee opinion surveys is the set up and maintenance of an effective network of internal cooperation partners. In order to be able to conduct a survey in a very short amount of time, the cooperation of the different experts is key. One not only needs the IT expertise to ensure that the data management functions well. The best questionnaire is actually of no use if you don't know who to reach with respective the employees' e-mail addresses are not reliable. This might sound trivial but in times of frequent mergers & acquisitions the employee data management has become complex. How many employees are effectively in which country? Given the example of conducting a survey for 49.000 employees in 91 countries, a close connection to Business Administration respective Performance Controlling is necessary.

One goal of the CEO was to reach every employee worldwide, app. 49,000 employees in 91 countries. As described, in preparing the start of the survey a major challenge for everyone involved was the collection and administration of all the e-mail addresses worldwide. In

addition the clarification with the vendor how the employee data will be processed to secure a reliable data structure for the reports was a major undertaking. These examples showed that original time and capacity planning can be easily overruled by the practice.

A major milestone in the project was to manage being able to start the survey in November 2008 which was successfully achieved. But soon after it became clear that once the survey is started the project is not over, it has just begun. Analyzing the reports and securing a thorough follow up communication and actions are an integral part of this employee opinion survey. There is a tendency in many companies to measure topics through surveys and tools. But often a thorough follow up process which makes sure that the survey findings lead to tangible results for employees and managers are overlooked capacity wise in the planning. In a fast-paced business environment it is fundamental to realize the promised follow up process to ensure the ongoing motivation of the employees and a high level of credibility of the management.

The theme of the conference “The Changing Paradigm of Consulting: Adjusting to the Fast-Paced World” is relevant for the described project. Consulting, in this case in the role of HR as business partner and internal consultant, is shifting.

In this employee survey the responsibilities as internal consultant amongst others were as follows:

1. Managing the project team globally (Germany and US)
2. Leading the tender offer for selecting a consultant on the German side: we personally interviewed five consulting firms in Germany and 3 consulting firms in the US
3. Generating a 20-page contract specification document
4. Organizing and preparing all content for a day of consultants' presentations
5. E-mail address and data management
6. Organizing and cooperating with internal experts, e.g. IT, in pulling the data together
7. Assisting external consultants in understanding the corporate structure and culture of the company

8. Ensuring and supporting a close cooperation with internal cooperation partners, e.g. Corporate Communication
9. In all steps, ensuring deadlines.

The responsibilities of the external consultant amongst others were as follows:

1. Understanding the corporate structure quickly
2. Providing the administration of e-mail addresses
3. Sending out invitations with link to survey to all employees
4. Completing all data analysis
5. Providing results according to company structure
6. Presenting results to HR community
7. Being highly professional and fast paced.

What is clear is that the internal consultant role is more closely affiliated with the corporation and involved in translating internal goals and values to ensure that needs are met by the external consultant's role in the employee survey. Since the external consultant was US-based, this meant paying attention to important nuances and subtleties of the company structure and values. Clear communication is key in such a situation.

An effective collaboration between internal and external consultants is not easy. One must be open for the know-how and experiences of external consultants as well as patient and able to quickly understand and deliver information to consultants as soon as it is needed. An internal consultant can make the job of the external consultant easier and more effective.

A company hires an external consultant to benefit from his/her broad experience and expertise in different companies, organizations and industries. It wants this knowledge quickly and effectively. There are no long talks why something is important; it wants a solution for problems immediately. The expectation of the external consultant is for him/her to understand the situation or the problem without too many questions or needed time to be

invested, quickly followed by a feasible solution. If an internal consultant helps, this part of the process is easier.

In the case of the Pulse Check the consultant recommended adding three more questions to ensure the usage of the High Performance Index: In other words, to be able to compare the answers of questions regarding high performance with other index companies. If a survey is prepared in high speed time according to the fast pace business environment of a company, any requested change coming from an external consultant is not welcome and often turned down. Adequately reviewing such a request would require more feedback loops with top management and the time needed to receive an answer back would take more time that can possibly be invested. But then the advantages come into play: a comparison with other successful companies would be possible. These arguments are tempting because top management needs and wants to have an indicator on how the company is doing in comparison with its competitors. Data from the external environment are important for the internal business. In the described case the consequence was the acceptance of three more index questions. Another suggestion by the external consulting company to change a couple of questions was turned down because it would have involved a new coordination with top management which was not possible because of limited time.

An external consultant has to develop a fast understanding of the reporting structure of the company, an important factor because all the results which will be presented to top management are based on the company's reporting structure. Again the internal consultant can assist in this process. In the described case the consultancy was asked to present the result structure to the HR management team at the Headquarters in Germany. Given the availability of the involved parties, a consultant based in Germany, made himself available and delivered promptly the task. Thus the role of an internal consultant can make it easier to avail the advantages of external consultants' global representation or being in an international network.

Over ten years one internal consultant has been with the company, she has been responsible from the HR side to conduct seven employee opinion surveys within the business units and two within key support functions. The survey populations were partly international, the survey questions were in English and German, and all surveys were done electronically. The population of each survey was between app. 100 – 5,000 or more people. Surveys were in the area of Competency Management for the IT sector of the former business sector Communications (60.000 employees) of Siemens which has been completely outsourced or closed. The internal consultant was experienced in coordinating the network, facilitating lessons learned workshops with the key parties, which contributed to knowledge sharing between business units.

But with the changing work environment described earlier have come changes in the internal and external consulting roles over the years in the planning, implementation and analysis of employee surveys.

(1) Planning:

1. There used to be more time allocated for surveys as such
2. An actual planning phase was determined
3. In the business units, e.g. in Quality Management there was an employee identified, whose task was to solely be responsible for surveys
4. There was more acknowledgement for results and suggestions for solutions even in the planning phase
5. There was more time for thorough planning:
 - instead of trial and error because one does not have time to think the survey through and to actually plan it
 - developing scenarios like what happens when employees can not enter the link of survey
6. The project underwent careful preparing for those cases
7. Pilot surveys were run with test people

(2) Implementation/administration/managing:

1. More resources internally and externally were available.
2. Management took the time and energy to check the progress along the way and were more genuinely interested.
3. There was more interest by management leading to more motivation by responsible internal consultants. Today economic and job insecurity pressure felt at all levels leads to fear.
4. More verbal motivation by managers towards their team members to participate in the survey. Today there is less time taken for this.

(3) Analysis/Outcome

1. Top management made it easier to provide time on their calendars.
2. Incentives for top management were not only given for the return rate of the survey but for the results of the follow up actions.
3. Result presentations not only by company wide intranet but also in meetings, so that employees could ask questions.

The changes in the external consulting roles over the years re:

(1) Planning:

1. Over the years more results are expected in the planning/proposal phase. Consultants are expected to offer ready solutions even in a proposal that is not paid for.
2. Almost no feedback provided to consultants who are turned down.
3. Expectation is that all is carefully thought through, e.g. scenario planning.
4. High expectations of being an expert: knowing what they are doing

(2) Implementation/administration/managing:

1. Increasing focus on the survey tool: a more mechanical approach.
2. Very little time taken to bring external consultants on board to help them understand the structure, culture and needs

3. Expectation is that external consultants should run the show. There are high expectations to make things happen; responsibility is passed to external consultants, which can create a set up for blaming.

(3) Analysis/outcome:

1. Almost no analysis made of process nor results. (see points below)
2. No time to debrief the process of collaborating internally/externally nor to inform them continuously
3. Follow up actions are not looked at and, because of time limitations and pressure, can fall from the table.
4. Seldom that external consultants are well trained on the administration/IT side as well as on the OD side, which means that one side suffers.

In addition, over time there have been other changes of internal and external roles:

1. Internally: 5-10 years ago, there were more resources available, time and money were not as tense as today.
2. Cooperation between internal and external: it is getting rougher, less appreciation and focus on the human side of cooperation.
3. Results are not really worked through and effects, learnings for management not visible (internal)
4. There seems to be little time taken for reviews during the process. Such reviews have come to be seen as time consuming although they could help investing time and resources more efficiently.
5. Employees and managers are not sufficiently trained in lessons learned sessions (a role which has traditionally belonged to internal consultants).
6. Important seems to be that the tool is "running", the effects, e.g. people announcing (which belongs to internal consultant).
7. Little focus on follow up actions because of fast pace. The sustainable factors of surveys through follow up action and continuous monitoring.

8. Fast pace business situation gives the opportunity to position internal and external consultants with thought through work - "who thinks stands."

5. Conclusion

Thus the fast paced world of corporate life has impacted leaders and employees as well as internal and external consulting roles. While the economic downturn makes employee opinion surveys more important than ever, the time and financial pressures make thoughtful use of those instruments more difficult than ever. The lack of time to prepare an effective survey—through field testing and analysis to goals—is no longer available. Also, it is increasingly difficult to assess progress throughout the process—either by looking at the survey itself or working through processes or misunderstandings between external consultant, internal consultant or manager, or external consultants and employees. The role of the internal consultant has increased in some ways while diminishing in others. Key for the internal consultant is to translate the company's values, goals, and needs to the external consultant in a short period of time. But less important seem to be the needed follow up to the results of the employee survey, done in a more leisurely and thoughtful way in the past with better results.

While the employee survey is more needed than ever, the results may have less impact and the entire process less respected. And in turn, the internal consultant, pressed for time to "get it all done" in a percentage of the time allotted in earlier days, becomes less essential to the process in the fast paced, anxious time.

So while the 18-question, closed ended, Pulse Check employee survey appears to have generated a healthy rate of response and seems to indicate that shorter questionnaires yield high rates, the future of such questionnaires is not clear. Nor is the role of the internal consultant, so integral to the employee satisfaction in earlier times. But in these anxious

times, nothing is certain but change itself and the need to adapt and change along with the times in order to serve those who will continue to need our services.