

REPORT

# JOINING THE DOTS

To develop a strategic employee engagement program that improves how your business performs, you need to connect it to your customers. This report tells you how to do it.



# WELCOME

Engaging employees and winning with customers go hand in hand. So I'm happy to introduce this report, designed to help you discover and manage the connections in your organization. A special thank you goes out to our contributors for sharing their perspectives and experiences. If you would like to join the discussion, please contact me with your questions, challenges, and success stories. Enjoy!

Mark

**Mark Royal**  
Senior principal,  
Hay Group

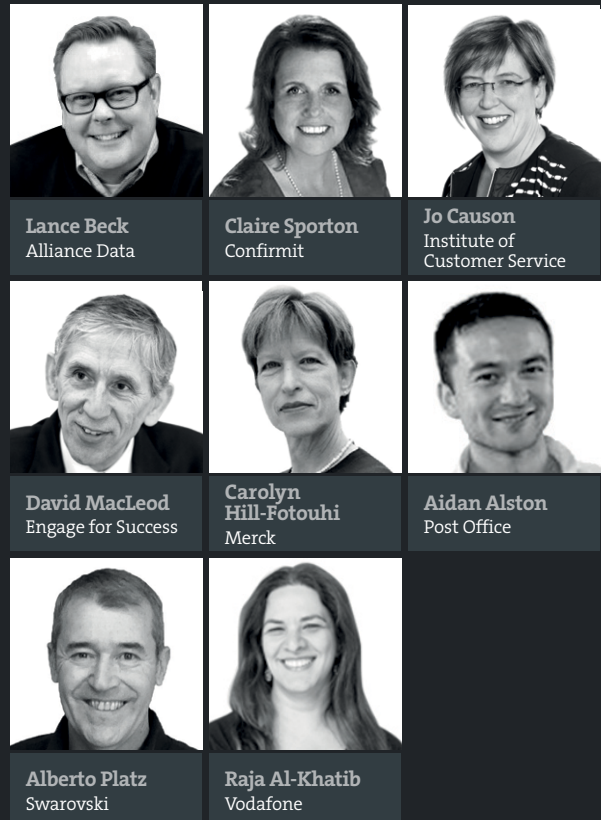
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## IN THIS REPORT

- 03** JOINING THE DOTS
- 04** WHY HAS THE CUSTOMER EXPERIENCE BECOME SO IMPORTANT?
- 06** WHY MAKE CUSTOMERS THE FOCUS OF YOUR ENGAGEMENT PROGRAM?
- 09** FIVE STEPS TO JOINING YOUR EMPLOYEE AND CUSTOMER DATA
- 13** START SMALL
- 16** MAKING IT HAPPEN
- 32** NEXT STEPS

## THANK YOU!

We'd like to thank the following people for working with us to produce this report:



# JOINING THE DOTS

If you want to build a strategic employee engagement program – one that everyone in your organization buys into, and that helps your business to perform in the long term – then this report is for you.

Now more than ever, the way to do this is to link your engagement program to the customer. That means connecting what your employees say with what your customers say, then using what you find to engage and enable your people so they can give your customers a great experience.

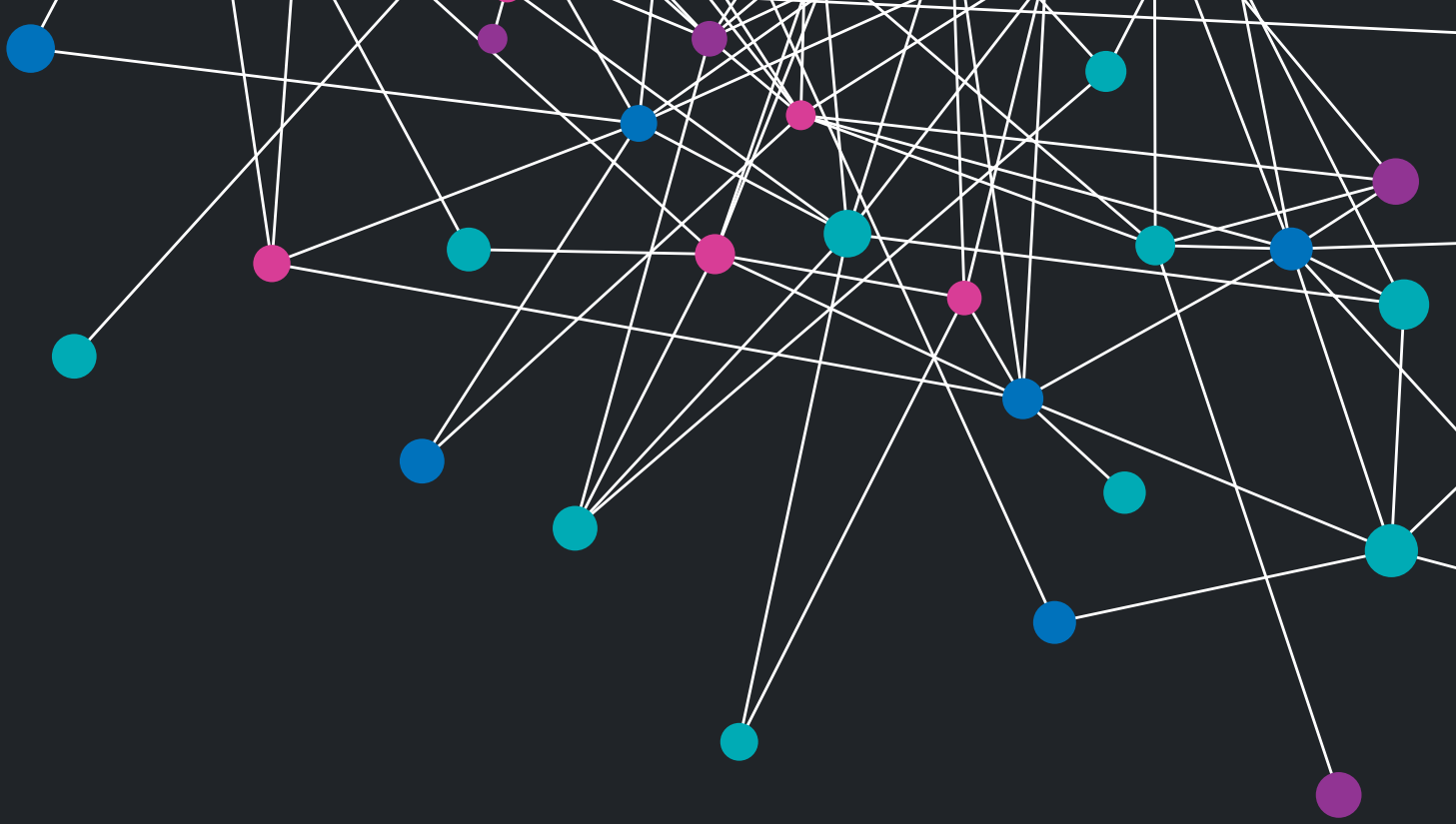
The World's Most Admired Companies (WMAC) understand this. Our annual research with FORTUNE magazine shows that 71 percent of WMAC executives rate their company highly for linking employee and customer engagement. And of the people who use the findings to inform their engagement strategies, 84 percent say it's strengthened customer relationships.

By contrast, our own poll of 400 engagement professionals found that only 31 percent had attempted to analyze the link between engagement and the customer experience in their company. And only 11 percent of those had managed to use the results to drive positive change.

## THIS REPORT AIMS TO CLOSE THAT GAP.

In it, we bring together the opinions of 400 engagement professionals, our experience working with clients around the world and real-life examples from global organizations that are already reaping the benefits of a joined-up approach. And we use this knowledge to:

- help you understand the link between the employee and the customer experience, and why you should drive that link in your organization
- share five steps for linking up your data to demonstrate the impact that engagement is having on the customer and the business – in a tangible way that everyone will buy in to
- help you use your findings to create a practical, customer-focused employee engagement program that works for your organization.



# WHY HAS THE **CUSTOMER EXPERIENCE** BECOME SO IMPORTANT?

**“EVERYTHING AN ORGANIZATION STANDS FOR MANIFESTS IN THE WAY ITS PEOPLE INTERACT WITH CUSTOMERS. ENGAGED STAFF DON’T JUST MEET CURRENT CUSTOMER NEEDS, THEY ALSO ANTICIPATE THEIR FUTURE NEEDS, BECAUSE SUCCESS LIES IN BOTH. THEY UNDERSTAND UNDERLYING CUSTOMER NEEDS, AND FIND CREATIVE WAYS TO MEET THEM. THAT’S WHAT GIVES COMPANIES A BREAKTHROUGH”**

David MacLeod, co-founder, Engage for Success

**In today’s globalized, hyper-competitive world, customers are more demanding than ever.**

Digital technology has created an explosion of choice, as well as endless ways to compare and rate your products and services. As a result, today’s customers know not just what they want, but when, how and where they want it. And that includes a different kind of service at different times.

Your people are at the heart of delivering that genuine, personalized experience – wherever they are in your organization. And if you can

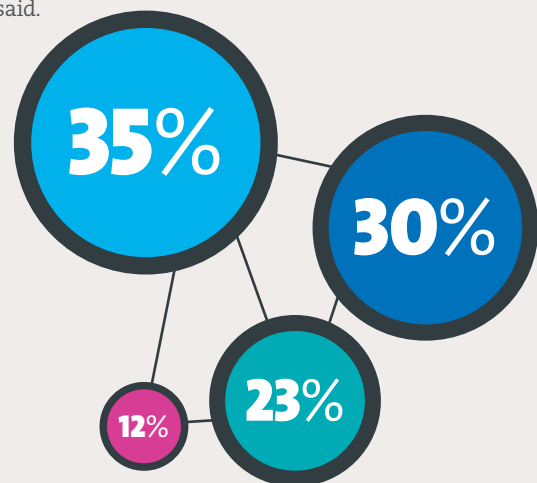
engage and enable them to anticipate what the customers will want next, not just what they want now, your business will have a real competitive advantage.

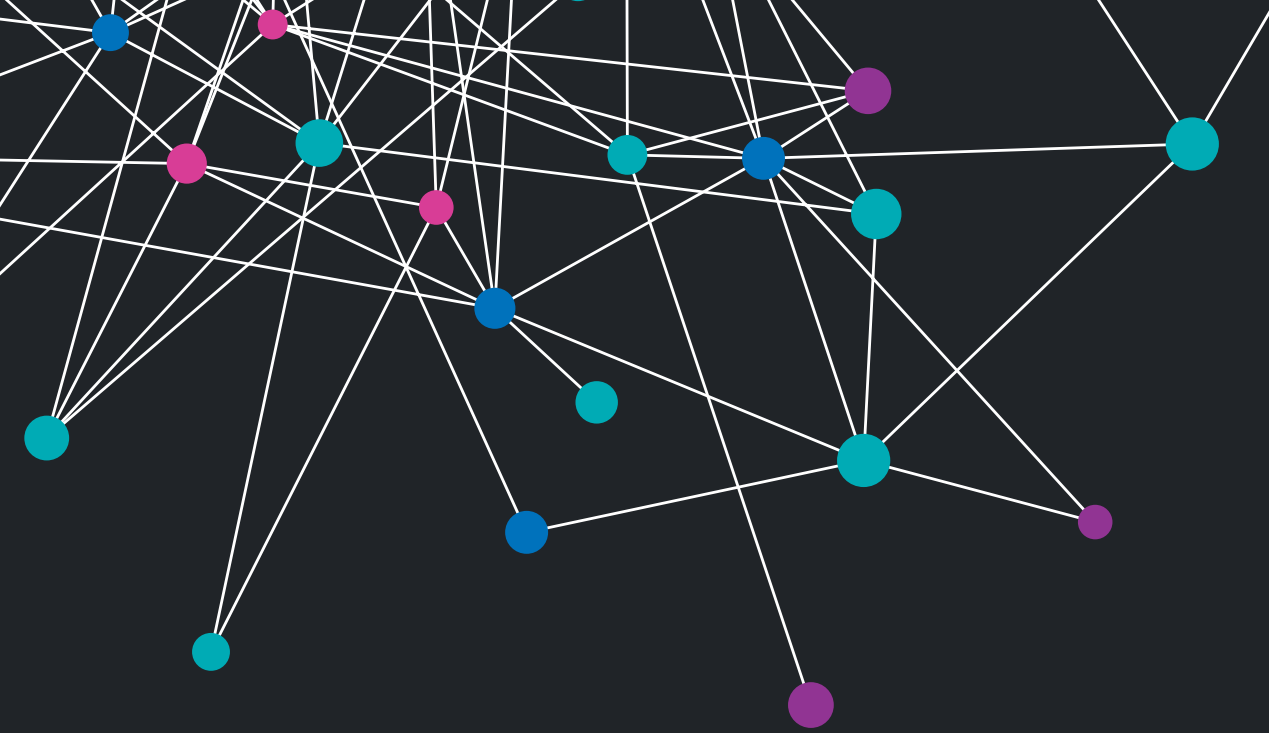
Of course, that’s not easy. This new kind of customer experience requires a new set of skills, behaviors and values: things like emotional intelligence, empathy and communication skills; collaboration, creativity and innovation. To breed these in your organization, you need to embed a laser-like focus on the customer at every level, and in every region or country around the world.

## Engaging with the issues

We recently asked 400 engagement professionals why they’re interested in linking their employee and customer data. Here’s what they said.

- I want my engagement program to link more closely to business strategy
- I need to increase employee engagement levels
- I want to build the business case for my engagement program and get buy-in from my leaders
- I need to understand how we can improve the customer experience





# **WHY MAKE CUSTOMERS THE FOCUS OF YOUR ENGAGEMENT PROGRAM?**

# “CLIENTS DO NOT COME FIRST. EMPLOYEES COME FIRST. IF YOU TAKE CARE OF YOUR EMPLOYEES THEY WILL TAKE CARE OF THE CLIENTS”

Richard Branson, CEO, Virgin Group

Engaged and enabled employees have a positive impact on how your business performs. (See [Engaged and enabled employees: the secret of a great customer experience](#) on page 8). Yet according to our latest data, less than half of employees globally are both engaged and enabled.

So it's not surprising that 87 percent of the business and HR leaders who took part in the Deloitte Global Human Capital Trends 2015 survey said that improving engagement was their top priority. But more than half said they were struggling to do so.

Making the customer the focus of your engagement program will help you to meet that challenge head-on. We know from our

research that there's a clear connection between employee engagement and customer satisfaction and loyalty. And we also know that these factors ultimately translate into higher sales. So if, like two-thirds of respondents in the Deloitte survey, you're currently updating your engagement strategy, then putting the customer at its heart makes good business sense.

But there's a second side to this coin. If your people feel that your customers are happy – and if they themselves believe in the organization and what it's trying to do – they'll feel more confident about the long-term prospects of your organization. And that in turn will make them more engaged. It's a virtuous circle.

## Case in point: the Post Office

By linking branch scores from the organization's voice of the customer program to data from its employee engagement survey, the UK Post Office has discovered that branches that are in the top 10 percent for sales performance have consistently higher levels of engagement and enablement than branches in the bottom 10 percent.

**“THE MARKET MOVES VERY FAST, AND CUSTOMERS HAVE A LOT OF OPTIONS. TO MEET THEIR EXPECTATIONS, WE HAVE TO BE QUICK. OUR PEOPLE ARE CRITICAL TO THAT. IF WE ENGAGE AND ENABLE THEM, THEY’LL BE ABLE TO MEET OUR CUSTOMERS’ NEEDS QUICKLY – AND ANTICIPATE FUTURE ONES”**

Raja Al-Khatib, group program director for customer experience excellence, Vodafone

### Engaged and enabled employees: the secret of a great customer experience

Our research shows that 74 percent of employees think that their organization is committed to the customer. But good intentions alone won't deliver the level of service that businesses strive for – or that today's customers expect.

For your customers to have a better experience, you'll need an engaged workforce that's motivated to go above and beyond for the customer, supported by a work environment that enables them to do so.

Engaging your employees is about being clear about the direction the organization's going in, as well as the individual's role within it; giving them respect, recognition and development opportunities; and focusing on quality and the customer.

Enabling your employees is about equipping them with what they need to be effective. It involves matching people with the roles that take best advantage of what they offer; giving them the tools, resources and freedom to do the job; and removing any barriers that are stopping them from performing.

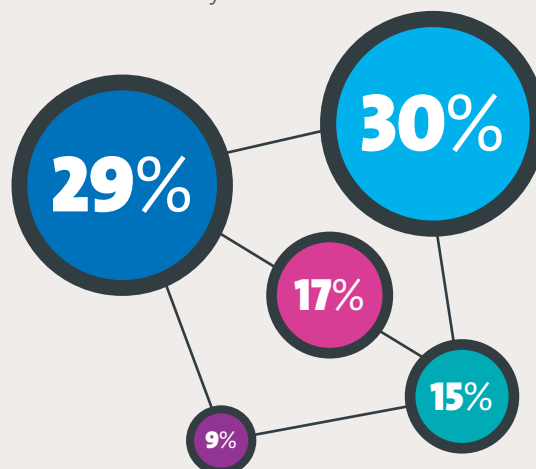
To find out more about how these factors work together to improve business performance, visit [www.haygroup.com/insight](http://www.haygroup.com/insight).

### And the biggest barrier is...

In a recent poll of 400 engagement professionals, we asked: which barriers are you facing in connecting your employee and customer data? Here's what they told us.

- Data is held in different parts of the business and difficult to access
- We don't know where to start in making links
- We're struggling to get buy-in from the right people internally
- We've linked our data but aren't sure what the results tell us
- We're clear on the results but don't know how to make change happen

**The following five steps will help you to overcome these barriers.**







# **FIVE STEPS TO** **JOINING YOUR** **EMPLOYEE AND** **CUSTOMER DATA**

Integrating the way you manage employee and customer feedback will allow you to see which elements of the employee experience are having the biggest impact on the customer. Which means that if you want to improve the customer experience, you'll know which levers to pull.

**HERE'S HOW TO DO IT.**

## Step 1 Work out what data you have available

Many organizations – especially large, complex ones – hold data in many places and formats. And working out where all the information lives, let alone who owns it, can be difficult.

Start with the obvious: the annual survey you run to measure employee engagement. This is a key feedback channel in most organizations, and with good reason: it gives you a comprehensive picture of the work environment and employees' experiences.

The second key channel is your customer satisfaction survey (if you have one). This may form part of a wider Voice of the Customer program or be a standalone initiative. Either way, it's likely to be the responsibility of your customer insight or customer experience team.

In an ideal world, the questions in one survey would link to those in the other. But we recognize that many organizations aren't there yet. A useful interim measure is to make sure that your employee engagement survey is asking the right questions: ones that reflect the strategic direction of your organization and how you plan to win and keep customers.

But to create a richer picture of what both customers and employees think, try to gather feedback from as many channels as possible, and on a regular basis. Start by writing down the internal and external channels you know about, and who's responsible for them. Who owns the anecdotal feedback the business gets from the frontline, for example? What about service failure data, or customer complaints?

Then get in touch with those people so you can discuss what information they hold that could be useful – and how to collate it. This will also help you to define who you should be working with to gather the data on an ongoing basis.

## Closing the circle at Alliance Data

How do you build teams that are responsive, flexible and able to spot potential issues before your customers do?

For Alliance Data, which provides marketing, loyalty and credit solutions for big-name clients, the answer has been to merge the teams responsible for employee engagement, customer satisfaction, operational reporting, data and analytics into one department – part of a larger customer care division.

The move has helped to close the circle between customer and employee feedback. But it's also allowed the business to find out which elements of employee engagement have the biggest impact on the customer experience. And that in turn has helped it to create an impactful, customer-focused engagement program.

### The customer doesn't always know best

A key factor to emerge has been the importance of communication – and not from the leadership to the front line, but the other way around.

'If you only look at data, or the voice of the customer, you could get a disconnect – because the customer doesn't always know the best solution for the situation they're in,' says Lance Beck, regional vice-president, western customer care facilities. 'We find that our associates have that unique perspective.'

But to identify problems before they appear – and be part of the solution – associates need to feel engaged and empowered. By giving them the authority to share their views, anticipate issues and create solutions, the company is creating an environment where engagement can flourish.

### Collecting feedback

'We use a combination of formal and informal channels to get our associates to talk to us,' says Lance. 'The annual associate engagement survey is an important tool: it helps us to determine our strategic direction, make decisions and measure progress over time.'

'On top of that, we create channels that allow for a more ongoing dialogue – such as our monthly focus groups with leaders – so people can help us find solutions to the issues we may be having.'

'We then take what associates are saying and validate it with the responses we're getting from our customer satisfaction surveys, as well as the information we're mining through our analytics technology. And we come up with a strategy that really works.'

'It's all part of how we make sure that we get the customer experience right across our diverse customer base.'

[Click here](#) to read more details on Alliance Data

## Step 2 Bring the data together

This part can be challenging for many organizations. Essentially, you're trying to build and maintain a new project team, consisting of you and your colleagues who look after employee engagement, members of the customer insight team and possibly people from HR and internal communications. And you're trying to build a common sense of ownership among those people for improving your customer experience.

That means breaking down silos and building trust. And for that, you need some good tools. These tips will help you to develop partnerships that work.

- **Define why you should collaborate and get your leaders' support.** Work with your colleagues in customer insight and internal communications to come up with a short and punchy business case for why you should be working together: to help your people create the best customer experience, for the overall benefit of your business. Then present it to your leaders to get their buy-in.
- **Set out who's responsible for doing what.** To build trust, you need to be clear about roles and responsibilities from the outset. Nominate people to own elements of the work you're doing, and give them the tools and freedom to act – both on their own and with others.
- **Get some quick wins in the bank.** People can be cynical or nervous about new partnerships. To build confidence in your overall purpose, aim for some quick, tangible victories. And share the credit for them evenly.
- **Understand and respect each other.** Taking the time to create a shared language, and to educate each other in your methods for collecting data, will build respect. You can add to this by appreciating how the distinctive skills of each person and team will help you to achieve your goal.
- **Put time aside for the partnership.** To do any of the above, you'll need to invest time and effort. Work with your leaders to create the space within your roles to do this, and schedule regular meetings to build relationships and make decisions.
- **Have people standing in the wings.** If turnover among your partners is high, you'll lose ground. Make sure you map the points of contact between your teams and build a succession plan for each one.

## Step 3 Analyze the data and look for connections

This is where you start to see which engagement and enablement factors are having the biggest impact on the customer experience.

Clearly, this is easiest if you can make like-for-like comparisons – for example, by comparing employee engagement scores with customer satisfaction scores across large numbers of stores, locations or customer-facing teams. But many organizations don't have this luxury.

If yours is one of them, you'll need to be a bit creative, and look for less obvious links.

## Step 4 Monitor the link over time

Linking your employee to your customer data can give you a great snapshot of the connection between employee and customer experiences at a particular point in time. But it's when you look at that link over a longer period that a richer and more useful story emerges.

We worked with one retailer to look at three sets of data – employee engagement levels, customer satisfaction and sales growth in various stores – over three years. The link between the first two was clear: when engagement went up, customer satisfaction soon followed. But it typically took a couple of quarters for that higher customer satisfaction to translate into higher sales.

We've seen this "lag effect" a lot in our work with clients. It's why we put so much emphasis on keeping the relationships and data-gathering processes going for the long-term benefit of the business. An initial study will give you enough information to develop a theory for what you think is going on in your organization; it's only by testing that theory over time that you can see the full picture of how the employee experience influences the customer one – and what that means for your bottom line.

## Step 5 Put your findings to work

Joining the data has allowed you to identify which aspects of the employee experience have the biggest influence on your customers. And that means that you know where to focus your engagement efforts to support the strategic aims of your business.

Now's the time to present your findings back to the business. But you can't do this by just handing over the data. You need to turn it into a story that explains what

the results mean for everyone in the organization; one that they can relate to and "own".

By showing why engagement matters in such a tangible way, you'll be able to make the case for investing in either a more comprehensive linkage study, or in a more customer-focused engagement program.

The activities you include in that program (and how you measure them) will depend on what your analysis told you. But at least some of the common engagement and enablement factors to have emerged from our work with clients should apply to you. See [Making it happen on page 16](#).

**“THE SAME CUSTOMERS WILL WANT DIFFERENT KINDS OF INTERACTION AT DIFFERENT TIMES. ASSESSING THAT ON THE SPOT AND FLEXING THE EXPERIENCE YOU GIVE THEM, REQUIRES INTUITION, EMOTIONAL INTELLIGENCE AND COMMUNICATION SKILLS.”**

Jo Causon, chief executive of the UK's Institute of Customer Service (ICS)





# START SMALL

Are you excited by the benefits of linking your employee and customer programs, but intimidated by the prospect of making it work in your organization? Don't worry. We know from experience that small steps can make a big impact.

**HERE ARE FOUR THINGS YOU CAN THINK ABOUT DOING NOW.**

1

Look at the eight aspects of work environments that commonly have a direct effect on customers (See **Making it happen** on page 16). Are there any quick wins you could roll out in your organization? You don't even need to gather any data – just base your action steps on what you already know or believe makes an impact on the experiences of your customers. If you do collect data, test your assumptions by tracking scores in these areas over time.

2

Add a simple question to your employee survey that will give you some relevant information: for example, 'Do you have what you need to deliver for the customer?' Then study the results for where your enablement scores are particularly low or high. If they're low, ask people what barriers they're facing and if can you do anything to remove them. If they're high, find out why – and share it with the wider organization.

3

Look at the surveys you're asking your customers and employees to complete. Do they include questions that relate to the eight areas? If so, you can analyze both sets of results to work out where you're doing well and where you need to improve. If not, solicit some feedback from employees on how they see your organization delivering for customers in key service areas, and compare that with information direct from your customers (see **Mapping your results in a matrix** below for more details). You could add questions to an annual employee survey to get this information, or conduct a separate pulse survey (perhaps with a sample of employees).

4

Line up engagement scores and customer satisfaction scores for particular markets, teams or business units – even if the number of data points is small. Map the results in a matrix like the one below. Are there areas where both engagement and customer satisfaction are high? If so, what are people doing differently in those areas? Once you've identified the secrets of their success, share them as best practice across the rest of the organization.

## Mapping your results in a matrix

Some organizations map their results in a matrix. By doing so you can isolate service elements that employees and customers perceive similarly, whether positively (a clear area of strength) or negatively (a clear area for improvement). You're also likely to find instances where employees are more favorable than customers. If this occurs, it can signal a potential blind spot, perhaps due to a lack of employee awareness of customer views.

There may also be cases where customers are more favorable than employees. In this situation, you'll want to investigate further. Sometimes, where service levels are evolving, improvements may be felt by customers before they are recognized by employees. Alternatively, it may be that employees are worried about a service element that is not as important to customers and not a cause of much concern to them.

		EMPLOYEE SATISFACTION	
		LOW	HIGH
CUSTOMER SATISFACTION	HIGH	INVESTIGATE FURTHER	CLEAR AREA OF STRENGTH
	LOW	CLEAR AREA FOR IMPROVEMENT	BLIND SPOT

## A crystal-clear connection at Swarovski

Swarovski is proof that for large organizations, it can pay off to start small.

The company – which manufactures crystals, gemstones and created stones, as well as jewelry, accessories and lighting – already had a program in place to engage and enable people to deliver. But by linking customer and employee feedback, the engagement team has been able to show that where its people feel more engaged and enabled, customer satisfaction is higher. And that's allowed it to make the business case for building a more strategic engagement program: one that reflects Swarovski's core objective of embedding customer-centricity across the organization.

'We compared engagement and key customer feedback data in just a few key markets,' explains Alberto Platz, vice president of global talent acquisition and engagement. 'And that was enough to show that there's a clear connection between engagement and customer satisfaction.'

'It's also given us the buy-in to carry out a broader and more detailed study into what factors are driving the link, and which areas of the employee experience we should be focusing on.'

Alberto understands that to strengthen his case further, he needs to carry on collecting and analyzing the data over time – and using the results to drive change.

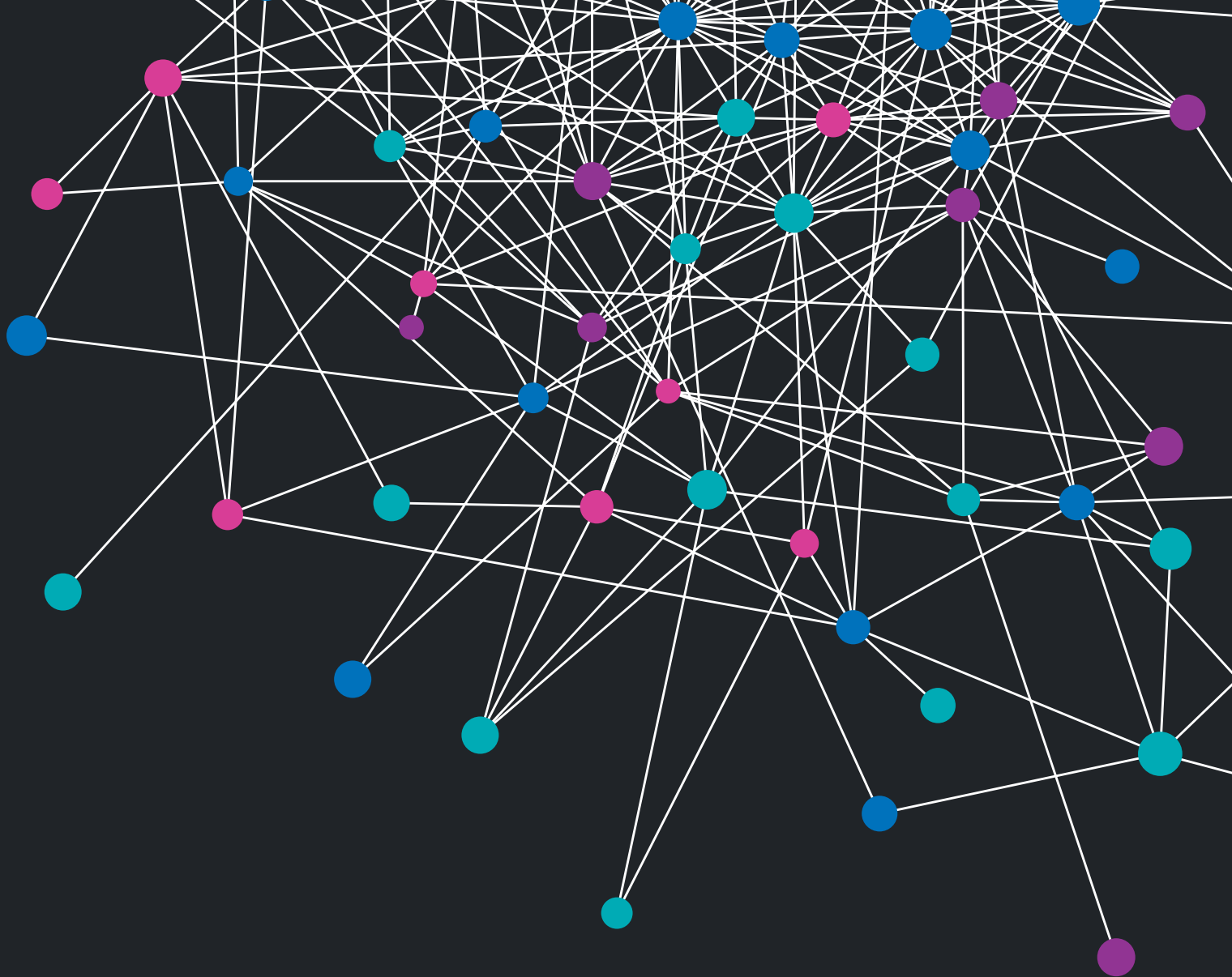
'We need to translate what we learn from employee and customer data into actions that will engage and enable our people to deliver the best customer experience,' he says. 'And we need to carry on working with Hay Group to make sure our employee engagement survey is strategic, by incorporating questions that reflect key performance measures for our business.'

All of this takes hard work and passion, says Alberto. 'It's one thing having an engaged, customer-centric workforce. But as engagement professionals trying to sell engagement and enablement to a complex organization, we need to show that we're passionate and engaged ourselves. Otherwise we won't get our message across.'

[Click here](#) to read more details on Swarovski

**“WE COMPARED ENGAGEMENT AND KEY CUSTOMER FEEDBACK DATA IN JUST A FEW KEY MARKETS – THAT WAS ENOUGH TO SHOW THAT THERE’S A CLEAR CONNECTION BETWEEN ENGAGEMENT AND CUSTOMER SATISFACTION”**

Alberto Platz, vice president of global talent acquisition and engagement, Swarovski



# MAKING IT HAPPEN



Carrying out your own analysis will help you identify which internal levers to pull if you want to improve the experience you give your customers.

Every organization is unique, so the aspects of the employee experience that will improve the customer one

will be unique, too. But we know from the work we've done with clients that some factors appear consistently.

We've shared eight of those factors here – four that engage and four that enable. **Click on each factor to view practical actions you can take to improve in each area.**

## Engaging your people

<b>1</b>	<b><u>Clarity</u></b> Is your organization clear about who its customers are, what they need and how you can help them?
<b>2</b>	<b><u>Customer focus</u></b> How do you put your employees in your customers' shoes so they can understand them better?
<b>3</b>	<b><u>Recognition</u></b> Do your leaders and managers regularly and openly appreciate customer focus and positive results?
<b>4</b>	<b><u>Inclusiveness</u></b> Does your workforce reflect the make-up and mindset of your customer base, so it can better serve its needs?

## Enabling your people

<b>5</b>	<b><u>Development</u></b> Do your people have access to the coaching and training that will give them the skills to meet and anticipate customer needs?
<b>6</b>	<b><u>Empowerment</u></b> Do your people have the ability and authority to use their initiative for the benefit of your customers?
<b>7</b>	<b><u>Collaboration</u></b> Do you encourage and enable your people to work together to create a seamless experience for customers – both in and outside the business?
<b>8</b>	<b><u>Simplicity</u></b> Do your policies and procedures make it as easy as possible for people to meet and anticipate customer needs?

### The spirit of competition

One multinational telecoms company had great success with involving employees. It ran a major internal competition that put people into teams and asked them to come up with ideas to produce better customer service, save costs and so on. The company judged the ideas over a number of rounds, during which teams pitched their ideas to a panel of senior managers – and finally, the Board.

The company then recognized the finalists internally, which helped motivate people to get involved. Buy-in from the top also helped to make the competition a success: the CEO and his team committed budget and resource from the outset.

The event was highly effective at bringing out existing knowledge and putting it to good use. Several winning ideas came from long-standing frontline workers who knew that very slight tweaks – which the company may otherwise have overlooked – could have a big impact on the customer experience.

### Sending the right messages at the Post Office

Aidan Alston, talent and diversity manager for UK mail retailer the Post Office, has the challenging task of engaging and enabling employees who are as diverse as their customers.

With help from Hay Group, Aidan's been able to identify focus areas for his engagement program that will help employees to make a bigger impact on their customers. And it's anything but a one-size-fits-all approach. He and his team have thought about how to reach everyone from executives in the head office to local branch managers and customer service assistants.

Here, Aidan shares five practical tips for engaging and enabling a diverse workforce.

#### 1 Make small but symbolic changes that put the customer front of mind

'By renaming our head office our "Customer Support Center", we showed that everyone is working towards the same goal. We also have screens showing live data in the Customer Support Center, such as customer impact scores and sales. And there's a fully functioning Post Office, where we can test-run products before we launch them.'

#### 2 Build understanding and share knowledge for the good of the customer

'Every Christmas, our entire workforce goes into local branches for around a week. It builds an understanding of what frontline colleagues experience, and helps to build a rapport between people in very different roles.'

'We also run a program that identifies the people who deliver the best customer experience and employs them to go and share best practice with other branches. It's improved sales by 23 percent.'

#### 3 Encourage your people to understand the customer – and empower them to act

'We encourage our local branch managers to go to town meetings and sit on local forums, and we leave it up to them to decide how to manage their branch. So if they want to stay open 24 hours a day for the customer, they can.'

'It helps that the Board leads by example, by taking advice from the Post Office Advisory Council – a group of people from business and the community – on how to give customers the best possible experience.'

#### 4 Build a customer focus into your people processes

'One of our behaviors is "wowing the customer". So whenever we interview someone, we look for examples of how they've gone the extra mile to do this.'

'We build this focus into our performance management, too. We measure all of our people for customer impact and base our bonuses on customer satisfaction scores.'

#### 5 Make sure information travels both ways

'Once a week, the branches open half an hour later so we can feed in customer scores and business results. We also do a daily email to the business, which outlines what our competitors are up to.'

'But because we want our communication to be two-way, we also hold monthly forums for the people who best understand our customers: the local branch managers and the people who run our sub-post offices. They meet our product teams to discuss how we can make things as easy as possible for our customers. We then feed this into our product design.'

[Click here](#) to read more details on the Post Office

## A healthy approach to engagement: Merck

How do you engage and enable your people to deliver for the customer if you don't have a consistent, company-wide method for measuring customer data?

For pharmaceuticals company Merck, the answer lies in focusing on the three aspects of the employee experience that they believe make the biggest difference for customers.

Here, Carolyn Hill-Fotouhi, associate director of workforce analytics, sets out what these aspects are and what the company does to support each one.

### 1 Drive and reward innovation

For a pharmaceutical company, innovation informs the customer experience more than anything else. So driving and rewarding it is crucial.

'Merck uses company-wide brainstorming events, such as online discussion groups, which allow employees across the globe to share ideas for innovative ways of addressing business needs,' says Carolyn. 'There's also "DRIVEN" – an online market research community where employees can provide their opinions on topics identified by teams at Merck.'

'Some divisions, such as Merck Research Labs, also offer opportunities for employees to share, collaborate and receive recognition for their innovative ideas.'

### 2 Encourage (and create opportunities for) people to collaborate

Linked to the drive for innovation is encouraging employees to make connections and collaborate with colleagues.

'The more connections Merck makes across divisions and the organization, the more we can learn from each other's ideas,' explains Carolyn. 'So we try to push that message out, as well as create opportunities for people to meet others from different parts of the organization. Our mini conferences, where people present posters of their work, are an example of that.'

'Additionally, reward programs such as the Chairman's Cup Award recognize teams that significantly outperform and contribute to company results by collaborating effectively.'

### 3 Bring the customer experience to life for employees at every level

Historically, Merck employees who aren't customer-facing have tended to respond less favorably to survey questions about connecting with external customers. So the internal communications team uses stories, visits, and key messages to share the customer experience with employees at all levels of the organization.

'For example, when the ground-breaking drug therapy for treating late-stage cancer, Keytruda, was introduced, our CEO Ken Frazier shared deeply moving personal stories that he had received about how the drug had helped a patient or a loved one,' says Carolyn. 'It really helped to bring Merck's mission to life and make people aware of what we offer as an organization.'

Other initiatives targeting different employee levels and groups include bringing customers into the manufacturing plants to talk to production employees about how Merck products have helped them, and asking customer panels to share their views with executive leaders.

[Click here](#) to read more details on Merck

**“AT MERCK, WE BELIEVE THAT IF PEOPLE ARE ENGAGED, THEY’RE MORE LIKELY TO CONTRIBUTE IDEAS FOR NEW WAYS OF DOING THINGS, AS WELL AS TO FEED BACK CUSTOMER PERSPECTIVES THAT WILL HELP US TO DO THINGS BETTER. THAT’S TRUE OF RESEARCHERS AND PLANT WORKERS AS MUCH AS CUSTOMER-FACING EMPLOYEES”**

Carolyn Hill-Fotouhi, associate director of workforce analytics, Merck

## Alliance Data: customer service with style

For Alliance Data, provider of marketing, loyalty and credit solutions, having the right people in its customer-facing roles is key. And that doesn't just mean people who give a great customer experience. It means people who do it with some personality.

'Developing the right culture for customer care is critical to success, but it has to be genuine, with the right people in place, and the right expertise,' says Lance Beck, regional vice-president, western customer care facilities. 'We put a lot of value in creating that human connection with our customers. And while we certainly expect and teach people to follow our regulatory and compliance procedures, we also encourage a bit of style in how our associates interact with customers. The last thing we're looking for is for people to come in and be robotic.'

This means hiring the right quality of person, then giving them the training and development that will enable them to do the job. But it also means encouraging them to use their personality and skillset to create a customer experience that's both unique and consistent – what Lance calls "consistency enhanced by individuality".

'Every one of our care center associates completes a thorough program of customer service skills training, which begins as soon as they join us,' he explains. 'We then reinforce the right behaviors constantly, through call listening, customer satisfaction feedback and supervisor and peer-to-peer coaching.'

'But once these skills and behaviors are engrained, we encourage people to make the most of who they are, and let their personalities shine through.'

[Click here](#) to read more details on Alliance Data

## Diverse customers and employees, a diverse approach to engagement: Swarovski

Best known for creating and selling luxury crystal jewelry, figurines and accessories, Swarovski also supplies the loose crystal components for others to work with. So it effectively operates across the whole value chain.

This means that both its customers and employees are very diverse, and a one-size-fits-all approach to engagement wouldn't work. Instead, the company puts a lot of emphasis on equipping employees with the skills and behaviors they need to deal with every possible kind of customer. And it adapts its engagement activities depending on where employees sit in the value chain.

Here are some of the ways it does this.

- **Empowering managers to recruit the right people**  
Swarovski understands that a key way to enable store managers is to give them the power to decide who to hire. After all, those managers know better than anyone what their customers are looking for, and the range of skills and behaviors that will meet those needs. They draw on that experience when recruiting, while HR provides the systems and tools to run a smooth process.

- **Enabling new sales consultants to deliver a great customer experience**

Swarovski's retail training academy equips its people with the skills they need to identify and serve the needs of its diverse customers.

Over a two- to three-month period, new sales consultants learn how to spot different kinds of customers, as well as anticipate the type of purchase those customers might want to make. And because they do this with the help of virtual avatars, they encounter and deal with a wide range of life-like, in-store scenarios over a short period of time.

- **Giving employees a voice**

A key way of empowering employees to deliver for the customer is to give them a say in how they do it.

That's why Swarovski has introduced its "ideas box" initiative. Employees at all levels and in all roles can submit their ideas as to how the company can better anticipate and meet the customers' needs. The organizers then send these to the relevant team, such as creative or management, and reward the ideas that are implemented.

[Click here](#) to read more details on Swarovski

### The need for speed: Vodafone

Thanks to a linkage study we carried out, Vodafone already had data to show how employee engagement positively influences customer satisfaction.

The study showed a clear link between employee engagement and important measures of customer satisfaction, such as the customer net promoter score – the extent to which the customer would recommend a company’s products and services to friends and family.

So when the executive committee turned its focus from upgrading the quality of its networks and stores to developing and rolling out a program for improving customer service globally, it knew that engaging and enabling its people would be critical. And it knew that it needed to move fast.

The first thing the business did was to develop five “CARE commitments” – a set of promises to the customer that will inform everything employees do.

It then created a new role – customer experience excellence program director – to head up the team responsible for rolling out the CARE commitments globally. And Raja Al-Khatib was appointed to fill it.

#### Getting the right buy-in

The project team’s first task was to design an engagement plan that would help deliver the program.

Raja understood that for this plan to succeed, she’d need the right people to drive it from the center and to make it happen on the ground.

To drive it centrally, she brought together people from the relevant departments and incorporated their views into the plan; to make it happen on the ground, the plan provided “freedom within a framework”.

This meant that the project team could create a clear, globally consistent approach that could be tracked from the center – while at the same time empowering local managers (who understand the local employees and customers best) to deliver it.

The “freedom within a framework” approach had another advantage. By empowering local managers, Raja could also engage and enable them. And that meant those managers were in a better place to engage and enable their teams.

#### Working through the plan

A big part of the support for local managers was a series of 25 customer experience workshops, run in various markets.

‘The workshops gave managers the chance to discuss what customers want in their market, as well as how they’re going to roll out the commitments and make their teams even more customer-centric,’ explains Raja. ‘Ninety-eight percent of attendees said they were extremely useful.’

Once the managers had developed their plans, they sent them to the central team who challenged anything they thought could be done better. Ideas put forward included sharing success stories, changing the way certain decisions were made and looking at what local markets were launching.

#### Dealing with employees who don’t deal with the customer

So that’s the customer-facing side of the business taken care of. What about the many employees who don’t deal with customers in their daily work?

‘We have a plan for this too,’ says Raja. ‘In some markets, we have initiatives where non-customer-facing employees spend time in stores and call centers. We also do things like communicate stories about the program from both our senior managers and our frontline colleagues. And we share customer feedback from a variety of sources, such as social media, customer letters and calls, to show the impact the program is making.’

[Click here](#) to read more details on Vodafone

## Final thoughts: facing the future

Companies that make a meaningful connection between their employee and customer experiences will succeed – and those that don't will lose out.

That's a view that Jo Causon, chief executive of the UK's Institute of Customer Service (ICS), shares with David MacLeod, co-founder of the Engage for Success movement.

'Companies that fail to make the link will fall behind over time, as their bond with their customers comes apart,' says David. 'They'll become less relevant.' Jo agrees: 'Companies that get the connection right – by joining up their business, customer and people strategies – are those that will still be here in the future.'

Jo also believes that companies will need to consider their whole customer service value chain, within and outside the organization.

'Businesses are increasingly interdependent,' she explains. 'More and more, the overall customer experience will depend on several organizations, not just your own.'

She cites the example of airlines and airports. The quality of your travel experience depends on the service provided by both. If one part of the journey lets you down, that may influence your choice of which airport to fly from, as well as which carrier to use, next time.

'In the future, organizations will need to work together in new ways to deliver a smooth and satisfying customer experience,' concludes Jo. 'It'll be in their interests to collaborate to get service right.'

[Click here](#) to read more from David MacLeod and Jo Causon

**“YOU NEED TO TREAT YOUR PEOPLE IN THE WAY THAT YOU EXPECT THEM TO TREAT THE CUSTOMER. IF YOU AREN'T TREATING YOUR EMPLOYEES RIGHT, HOW DO YOU EXPECT THEM TO GO OUT AND GIVE A GREAT IMPRESSION OR REPRESENTATION OF THE COMPANY TO THE CUSTOMER?”**

David MacLeod, co-founder, Engage for Success



# NEXT STEPS

We know that creating a customer-focused engagement program is a big task. But no matter what stage you're at, we can help. Whether it's collecting employee and customer data, analyzing it to find links or helping you to use the findings, we can work with you to develop the right approach for your organization.

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Get in touch with your local Hay Group office or go to [www.haygroup.com/en/campaigns/joining-the-dots](http://www.haygroup.com/en/campaigns/joining-the-dots) where you'll find more information about linking your engagement program to the customer, including full versions of the case studies in this report.



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