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Capturing employee perception

Why commodity employee surveys are failing our organisations

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Abstract

Many organisations deploy employee opinion surveys (EOS) to measure workforce perceptions. However, research shows that some employee survey products have neither the analytical depth nor the technical pedigree to provide the quality of workforce intelligence demanded by our most progressive organisations.

This paper examines some of the analytical and technical shortcomings of the standard EOS product, and outlines the key ingredients required to conceive and construct a high quality employee survey instrument.

Employee surveys

Employee opinion surveys are widely used for gathering and assimilating HR-related data in companies and agencies of all sizes across the world (*Kraut, 1996*). They have the potential to improve dramatically workplace environments and can be used to identify emerging hotspots and mitigate the downside of organisational change initiatives.

They can also alleviate absenteeism and stress, address issues of bullying and harassment and accurately identify workplace psychosocial risk factors (*Carr et al, 2003; Cotton & Hart, 2003*).

EOS have been in existence since the early 1900s (*Reichers and Schneider, 1990*). Developed initially by industrial psychologists, EOS were traditionally underpinned by extensive statistical analyses. This enabled organisations to be confident that the instruments they were using were accurate and assessed stable employee opinions and perceptions, rather than transient feelings and thoughts (*Cotton, 2003*).

In other words, the results are the same irrespective of what time period employees are surveyed and are not distorted by any external factors.

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In recent years however, this emphasis on statistical excellence has given way to a new wave of arguably less rigorous, generic employee survey products. Indeed, some organisations are using instruments that provide insufficient depth of analysis, whilst others are deploying survey tools of questionable technical pedigree (Laughlin, 2002).

Multi-layered analysis

Of major concern is that fact that many organisations still report aggregated EOS results. In other words, they base their conclusions, action plans and strategies on the combined results for the whole survey sample. The true value of any workforce survey, however, resides at the workgroup level, i.e. broken down by gender, ethnicity, age, religion, sexual orientation, disability, length of service, employment status, department, sub-department and geographical location.

Such multi-layered analysis provides a truly inclusive insight into the organisation, which in turn allows development interventions to be focussed on making a difference to the people that need change the most.

Technical characteristics

Arguably the most important facets of a high-quality employee measurement tool are its technical properties. An instrument's psychometric characteristics determine how accurately and consistently it can assess the very indicators and constructs it was designed to measure. Recent technical reviews of a number of employee surveys used by large multi-national corporations suggest that many of these surveys contain significant redundancy (i.e. questions that serve no significant purpose and, when deleted, have no impact on the results) and unstable or overlapping indicators (items within a particular scale actually measuring aspects of two or more different scales) (Cotton, 2003).

These vital issues of analytical depth and technical excellence have been at the core of the development of leading-edge workforce diagnostic instruments such as PTI's *InclusionIndex™*.

With clear academic foundations, verified psychometric properties and powerful analysis capabilities, tools like *InclusionIndex™* demonstrate a number of qualities that set them apart from the generic employee opinion survey,

The traits of a world-class survey

There are a number of key characteristics of a high quality, balanced workforce survey. These include:

i) The relevance of indicators assessed by the construct

In other words, how appropriate are the factors measured by the survey? Some organisational factors tend to play a greater role in people-related outcomes than others. A world-class workforce measurement tool will capture more of these factors. This in turn will enable the resulting interventions to focus on those organisational leverage points that count.

ii) Outstanding psychometric properties

Technically, a high quality survey of employee perception will be characterised by strong validity and reliability.

Validity means, quite simply, the extent to which the instrument measures what it is supposed to measure. Many EOS currently deployed in large organisations may not adequately assess the constructs they claim to because validity is low (Armstrong et al, 2003)



Reliability is the extent to which a survey returns the same results at different points in time, assuming that nothing that could influence the survey factors has changed.

An organisation must be sure that a change in score for a particular factor over time is due to an actual change in employee perception, rather than the survey instrument not being capable of measuring the factor consistently. Again, research indicates that many EOS do not stand up to scrutiny when it comes to reliability testing (*Laughlin, 2002*).

A high quality survey provider should be able to provide extensive reliability and validity statistics for the instrument in question. In line with International Test Commission guidelines, PTI typically performs regular Univariate and Graphical Data Analyses, Correlational Analysis, Principal Component Analysis and Internal Consistency Analysis using Cronbach's Alpha. Means, standard deviations and standard errors of measurement are also tested as a matter of course.

iii) The foundation of an evidence-based model

Whilst most workplace surveys are based on assumptions about factors such as human behaviour, motivation and engagement, it is important to ascertain whether a survey instrument has been guided by an actual model of organisational behaviour. Research literature shows that those instruments grounded in evidence-based models of organisational behaviour prove to be significantly more powerful when it comes to driving tangible people-related results.

iv) Employee acceptance

This concerns the extent to which the survey is 'face valid'. Face validity means that the questions make sense to respondents, are relevant and that the wording, terminology and general content of the survey are credible to employees.

World-class employee measurement instruments display all of the characteristics listed above. They therefore highlight clearly the areas that can leverage the most value from an organisation's workforce. Our research tells us that a large number of standard employee opinion surveys currently deployed in our organisations do not deliver in this regard.

Conclusion

For a long time, organisations have recognised the need to counsel employee perception in order to pinpoint areas of concern, measure long-term trends, monitor the impact of a variety of programmes and provide employees with a communication channel to senior management (*Kraut, 1996*).

However, it is clear that many EOS products are either unable to analyse the data to a sufficient level of detail, or they are technically unsound. Poor analysis capabilities will render a tool powerless to deliver the depth of data required to make a real difference to individual workgroups e.g. vulnerable minority groups with specific issues. Poor technical construction will simply lead to unreliable results with low validity.

It is therefore essential for organisations to reassess continually the quality and integrity of their employee opinion measures. Only psychometrically grounded tools with powerful data interrogation capabilities can guarantee the most balanced and robust intelligence on which to make key people-related decisions.

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For when diversity's not quite right

