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CX/NPS® Programs Fail"*

Harnessing the Power of
**CUSTOMER & EMPLOYEE
FEEDBACK** *to Maximise*
BUSINESS SUCCESS

Let me tell you a story.

A hotel conducted Net Promoter Score® (NPS®)/CX surveys. After detailed granular analysis at an individual staff level they discovered that one specific housekeeper Mary had very high NPS® scores that stood out in comparison to all the other staff. When they interviewed Mary to understand why, she shared that as she was a migrant and therefore away from home, she fully understood how guests at the hotel felt as they were also away from home. So, she did whatever she could to make sure the guests felt at home when they checked-in to their hotel. Following this, the hotel made a note of her behaviours and shared this best practice with other staff. They also linked the empowering meaning applied to each staff member's individual purpose. This resulted in increased customer satisfaction and also additional referrals for the hotel.

Now, I want you to think about the following:

1. Though organisations create products and services, strangely, they are not in the best position to evaluate their performance. So, who is? Obviously, customers are because they use the product or service and can tell you exactly what is good or bad.
2. On the other hand, which stakeholder delivers the actual customer experience? Obviously, your staff.
3. Final question, if I asked you to describe your best ever experience with a brand, I guarantee you that in a majority of cases you would describe an event where a staff member went above and beyond, and not an experience with a bot.

According to Engaged Strategy's studies, staff going above and beyond is one of the strongest drivers of loyalty and recommendations and is the critical bridge between customers and staff.

So, how do you engage customers and staff?

It is no surprise that the dual engines of employee engagement (EE) and customer experience (CX) surveys offer unparalleled insights into organisational dynamics. The obvious solution then is to develop a voice of the customer program and an employee engagement program via tailored surveys.

Yet, despite their potential for transformation, many businesses find themselves ensnared in a vicious cycle of surveys, data collection, understanding pain points and drivers, and even in some instances, action planning, but then unfortunately, a lack of substantive change implementation.

Given the rapid changes in market dynamics and growing competition, the voices of customers and employees serve as invaluable assets that can drive organisational success.

From identifying areas of improvement to fostering employee engagement, leveraging these voices effectively can unlock significant benefits for businesses. In this article, explore the power of customer and employee feedback and provide actionable strategies for bridging the gap between data collection and meaningful action.

Fuelling Organisational Success via Voice of the Employee

As much as Voice of the Customer holds importance to a business, equally vital is the voice of the employee. This is because your staff are the ones driving business operations and delivering the customer experience. To achieve this optimal performance from employees and foster a culture of excellence, organisations must understand what drives employee engagement. Only then can they empower their staff to go above and beyond in delivering exceptional service and driving business growth.

Employee engagement surveys provide valuable insights into factors that influence employee satisfaction, motivation and productivity. By soliciting feedback directly from employees, businesses can identify areas for improvement and develop targeted strategies to enhance the employee experience. Moreover, engaged employees are more likely to exhibit discretionary effort, leading to improved customer service and business performance.

Feedback from employees should also include asking them to make improvement suggestions in terms of products, processes, and policies. This is because they are in the best position to know exactly what works and what does not work.
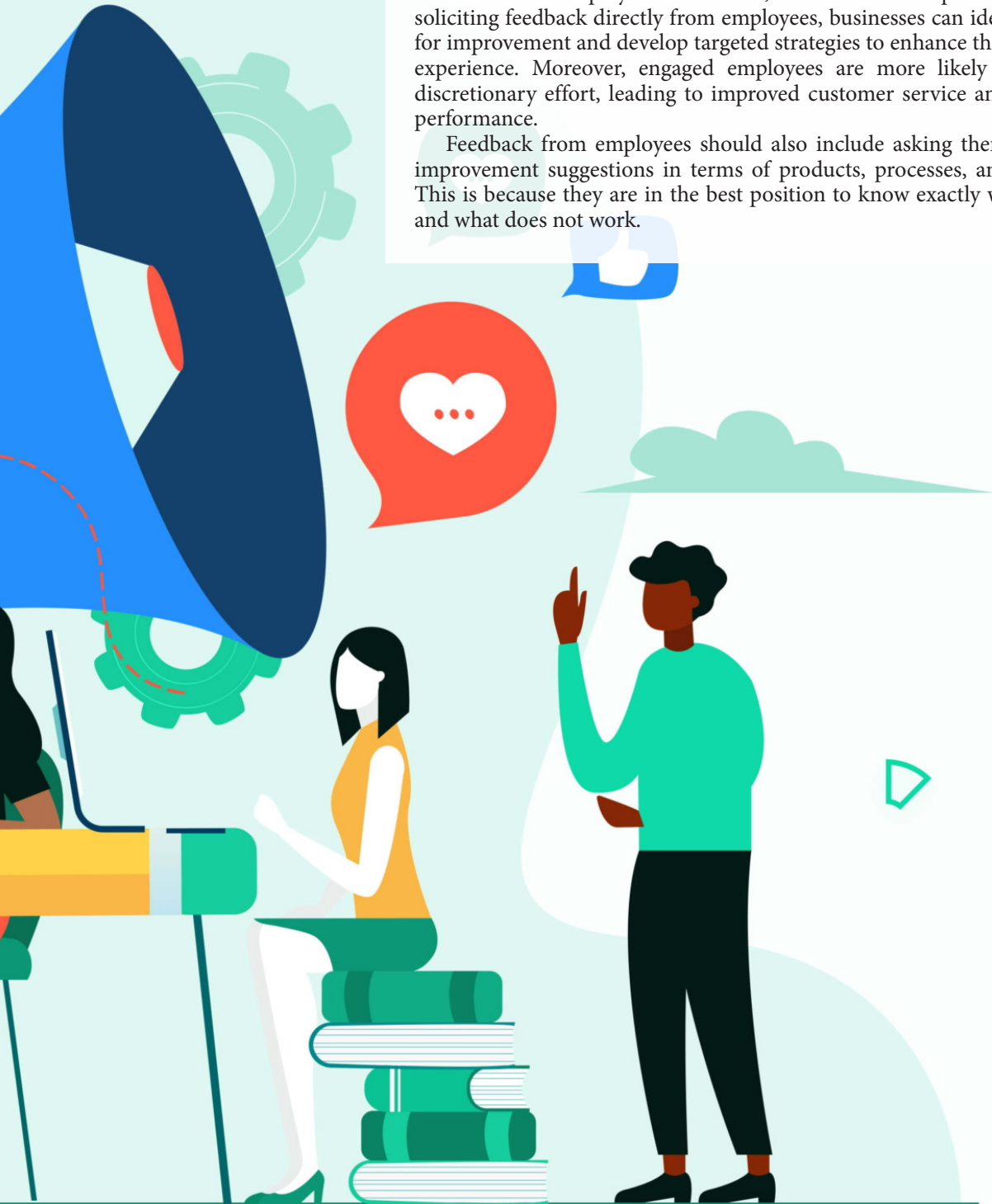
So, what are the Challenges in Translating Feedback into Action?

One of the primary reasons why the feedback-to-action process often falters is the tendency of recommendations remaining at a high-level and lacking in specificity. When organisations receive feedback from customers or employees, it is common for the resulting recommendations to have a broad scope, such as "improve communication" or "enhance teamwork." While these recommendations highlight areas of concern, they fail to provide actionable guidance on how to address these issues effectively.

It is critical to note here that without actionable recommendations, businesses may struggle to implement meaningful changes that address the root causes of dissatisfaction or disengagement. Instead, they may resort to generic solutions or superficial interventions that will fail to deliver the desired results. This, in turn, can lead to frustration among stakeholders and perpetuate the cycle of feedback without tangible improvement.

For example, consider a scenario where an employee engagement survey reveals a need for improved communication within the organisation. Without specific guidance on how to enhance communication channels or address communication barriers, leaders may implement generic initiatives such as more frequent team meetings or email updates. However, the underlying issue may probably be lack of understanding of the organisation's strategic direction, which cannot be resolved with more frequent team meetings. The end result would probably be a detrimental impact on employee engagement or satisfaction.

Similarly, feedback often lacks granularity, making it difficult for organisations to identify specific actions that will drive meaningful change. Granular insights may include employee engagement results at a team level with a clear indication of focus areas. In customer engagement surveys, team-based insights drive accountability, ownership and delivers a clear line of sight between the team and the organisations goals.

Such granular feedback provides organisations with a clear roadmap for action, allowing them to address specific pain points or leverage particular strengths. By delving deeper into the nuances of feedback, businesses can uncover actionable insights that inform targeted interventions and drive measurable results.

Hence, by addressing feedback at a granular level, organisations can implement targeted solutions that address the underlying issues driving dissatisfaction or disengagement. This approach ensures that resources are allocated effectively and that interventions have a meaningful impact on customer and employee experiences.

The Ideal Flow from Data Collection to Tangible Results

To bridge the gap effectively between collecting feedback and implementing meaningful change, organisations must adopt a structured approach to feedback management. This begins with conducting comprehensive surveys to gather insights from both customers and employees. These surveys serve as invaluable tools for identifying areas of improvement and understanding the needs and expectations of key stakeholders.

However, it is important that an organisation takes the help of an external consultant who is not emotionally invested in the business, and can hence, provide a more objective strategy. Getting external help for end-to-end facilitation is highly recommended, preferably with someone experienced in strategy development insights analysis, and action planning. This ensures comprehensive support from the initial collection of feedback to the implementation of action plans, which predominantly includes the following:

- **Tailored surveys:** Designed to answer strategic questions that are linked to key business objectives.
- **Feedback analysis:** Carefully analyse collected feedback data to identify key themes and drivers.
- **Identify trends:** Sort through survey responses to uncover common trends and areas requiring attention.

- **Focus efforts:** Direct organisational efforts towards addressing pressing concerns highlighted by feedback.
- **Develop action plans:** Create targeted action plans outlining specific steps to address identified issues and leverage improvement opportunities.
- **Granular and actionable:** Ensure action plans are detailed and actionable, providing clear guidance on tasks, responsible parties and deadlines.
- **Concrete solutions:** Avoid vague recommendations and offer concrete solutions that stakeholders can easily implement.
- **Prioritise recommendations:** Prioritise action items based on their potential impact to effectively allocate resources and drive meaningful change.
- **Track Improvements:** It is important that improvement initiatives are tracked and monitored to ensure that there are no roadblocks to their implementation.

Such a structured approach to feedback management can help organisations ensure that feedback leads to actionable insights and tangible improvements in customer and employee satisfaction. This systematic process not only drives short-term results but also lays the foundation for long-term success and growth.

Leadership Engagement is Key to Driving Change

Remember that all roads of an organisation's success or failure lead to Leadership. The same goes for the success of feedback-driven initiatives, which hinge on leadership engagement and alignment. When leaders demonstrate a genuine commitment to listening to both customers and employees, it sets the tone for the entire organisation. By actively participating in the feedback-to-action process, leaders inspire confidence and foster a culture of accountability and continuous improvement.

The voices of customers and employees hold the key to unlocking business success. By harnessing these voices effectively and bridging the gap between feedback and action, organisations can drive operational excellence, enhance customer loyalty, and achieve sustainable growth.

At Engaged Strategy, we have not just helped turn insights into impact, but have helped organisations achieve Net Promoter Score® increases of 80+ points in difficult categories. As we guide organisations through every step of the feedback management process, from conducting surveys to developing targeted action plans, we help them unlock their full potential and achieve sustainable growth.

Are you ready to move beyond surface-level reactions and embrace a more strategic approach to feedback management—one that translates insights into impactful results? ∎

INEQUALITY IN INCOME

M.B. Balasubramanyam

The recent publication of the working paper by the World Inequality Laboratory has brought out some startling revelations. According to this Paper, the Top 1% of the population owns 41.6% of the wealth and garner 22.6% of the income. The income share exceeds the data for US and Brazil. Earlier also a similar Report had been published in 2014 which had found similar inequality. In spite of the fact that the Team consisted of Nobel Laureate Thomas Piketty, the findings have been questioned about the methodology adopted.

A general reading will certainly invite criticism and find fault with the Policies of the Government as to why this discrepancy is continuing. In arriving at the data, one must remember that all economies are not same, the composition of the population is different and also the main activity of the majority of the population. India is an agrarian economy with more than 70% of the population engaged in agriculture. Further the average landholding is very small which is uneconomical and also not enough for mechanization. Efforts have been made to encourage subsidiary activities like dairy farming, livestock rearing, poultry etc.,and supplement the income.

Can we rest feeling that nothing can be done to reverse the trend?

At least a few measures can be thought of. Small land holders have to come together to make farming a profitable activity. Further price stabilization and buying the produce at the minimum support price has to be ensured. Benefits of drip irrigation, cultivation of latest produce like Butter fruit, Dragon fruit and other fruits can boost the income. When investment increases in Industrial activity, the disparity appears to be inevitable. Lates data shows Mumbai has more billionaires at 92 than China with 91.

The total billionaires in India is put at 271!

Should we celebrate the achievement or ………?