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Closing the Loop With Open Feedback

How to engage your workforce and address problems in real time with open feedback



Contents

Why It's Critical to Close the Feedback Loop
Anonymous Feedback Inhibits Positive Change4
5 Simple Steps to Close the Feedback Loop6
Close the Loop, Make Change Happen16
Open Feedback at Your Organization17

Why It's Critical to Close the Feedback Loop

Annual surveys are about the numbers, not the action

The practice of sending out an annual employee survey has been around for decades. And unfortunately, it hasn't changed a whole lot over time.

Even today, a surprising percentage of companies still rely on annual surveys.

74% of organizations rely on annual employee surveys. 2019 Gartner study

The problems with traditional once-a-year anonymous surveys include:

- Focusing primarily on collecting and aggregating feedback rather than acting on it
- Only providing a snapshot-in-time sentiment rather than helping with unpredictable problems and issues that arise over time
- Anonymous responses make it hard for managers and leaders to follow up on feedback and make improvements

In fact, many employees don't put much effort into surveys because they don't believe management will do anything with the results. And there may be a good reason. A <u>recent study tells us</u> that almost 60% of human resources executives — the people who conduct these surveys — admitted that their organizations either do nothing with the results or deal only with the easy issues. While another survey, this one <u>of middle</u> <u>managers</u> who are close to the action, found that 27% never even look at the results of their annual surveys, a figure that is probably understated.

"Idea but : — Fr

"Identifying problems can be a solo sport, but finding solutions rarely is."

- Frances Frei, Harvard Business School



Anonymous Feedback Inhibits Positive Change

To make matters worse, when feedback is anonymous, managers and leaders lack the ability to address problems going on in specific areas of the organization. Typically, they must wait for survey data to be collected and analyzed by HR and then presented to them as general trends. These trends are then viewed against business goals, but don't get to the heart of the problem — what individuals need to be more productive and engaged in their work.

One of the fundamental flaws of anonymous feedback is that it allows respondents to not take responsibility for finding a solution. Your employees understand that it's next to impossible to follow up with them personally. So they may choose to use the survey as a platform for complaining instead of a way to help make real progress at work.

Anonymous surveys also reinforce the idea that speaking up is unsafe. Unconsciously, it sends a message to employees that, if it were safe to speak up, surveys wouldn't need to be anonymous. And without action, it feels as if employers only send out surveys to check a box, not to understand what's really going on.

Over time, the net effect of anonymous traditional surveys is often a drag on engagement. When feedback is not acknowledged or acted upon in a timely manner, employees see surveys not as a way to make their voices heard but as yet another meaningless task. What does it mean to close the feedback loop?

When people give feedback, ideally, there's a change or solution implemented to solve the problem they raised. If not, at a bare minimum people want and expect action to be taken. Even if the action is "no, and here's why," it's better than silence. Closing the feedback loop means that managers and leaders respond to and act on all feedback in a timely manner.

In today's difficult work environment, people want to work for a company that values their feedback and acts quickly to address it. You can be that company. We offer five simple steps to show you how:

5 Simple Steps to Close the Feedback Loop

Closing the feedback loop requires a different way of looking at things. The key is changing your feedback program from a one-way communication to a conversation devoted to realtime problem-solving.



1. Start With Surveys That Support Conversations

The bigger a company gets, the harder it is to solve problems quickly. Not just because there's so much complexity that's built up over the years. And not just because of the inevitable roadblock to change: "That's the way we've always done things." It's because, as you scale, it's more difficult to be aware of problems and create solutions. A small, nimble company has fewer roadblocks to addressing and acting on feedback because when there are fewer people involved, a few simple conversations may be all you need. In this way, it's much less complicated for more nimble companies to move beyond just gathering problems to actually solving them.

But once your company starts to really grow, scaling up those conversations is best done through technology. Technology enables you to start productive conversations across your organization while giving visibility and analytical insights into your culture.

Taking a conversational approach to employee feedback can spark immediate actions on the individual level. When this starts happening across your organization, those individual actions will culminate in a major impact on engagement, efficiency, and profitability.

When feedback is an open conversation, ownership and action are obvious. The feedback is easily routed directly to the people who can help and the feedback loop is naturally closed.

Employee feedback is bigger than HR, it's a conversation

We need to challenge the idea that employee feedback is only good for measuring employee experience and job satisfaction. When feedback is a two-way conversation, the applications are endless. <u>Read more</u>





Beyond surveys: <u>How to work conversations</u>

Modern business tools have been designed to make day-today processes faster and easier for the HR department and managers. Exchanges with your people that used to be two-way conversations are too often replaced by one-way digital surveys.



<u>View our on-demand webinar</u> to learn how businesses are streamlining employee feedback collection while also generating more meaningful conversations and improving engagement across the business.

2. Ditch Anonymous Surveys and Encourage Ownership

When you look closely at how anonymous surveys work in practice, their limitations will reveal themselves.

For one, responses from anonymous surveys only allow for broader, sweeping actions rather than granular actions grounded in specific contexts. If you really want to solve problems your employees are having, you need more context. Managers and leaders need to be able to drill down deeper and tailor the response to fit the situation.

In some situations, you may also want to reply to employees to explain why things are the way they are or why something can't be changed.

"With anonymous surveys, people abdicate responsibility for a problem, but what part do they then play in solving it? Attributable feedback keeps the responsibility with the person and their leader can help them solve it."

- Frances Frei, Harvard Business School

If employees don't get a response or an explanation then, the problem still exists and now, to make things worse, they think management doesn't care.

As we said previously, anonymous surveys create the impression that speaking up is unsafe, which can slowly eat away at employee engagement.

The real benefit of transitioning from anonymous surveys to open feedback conversations is, when the employee's name is on a response, everyone is more invested in addressing and owning feedback.

The importance of owned feedback

At work, we take ownership of something when we know it's our responsibility: If it's our job to do a thing, we do the thing. Feedback should be no different. It's something we contribute, so we should have some responsibility for it. Feedback should be owned by the people who give it. That's not the reality that many of us experience. <u>Read more</u>



3. Build Trust, Transparency, and Engagement

Organizations thrive when employees feel comfortable speaking up. Removing the fear of reprimand or reprisal enables productive conversations, better decisions, and more innovation. But it's also human nature to be afraid of speaking up when you're not in a position of power.

Three ways to encourage feedback and create a psychologically safe environment:

- Show appreciation when people come forward, and respond appropriately.
- Create clear and transparent processes for reporting errors.
- Acknowledge feelings and emotions in the workplace including your own.

"Psychological safety is a belief that one will not be punished or humiliated for speaking up with ideas, questions, concerns, or mistakes."

- Frances Frei, Harvard Business School

Psychologically safe workplaces are essential to a high-performance culture because they encourage alternate points of view, new ideas, and honest feedback. Want to learn more about psychological safety? <u>Check out this e-book for a deeper dive.</u>

It's important to help your employees see the direct benefit of honest feedback. Conversations get people talking about all aspects of the work experience, and that enables leaders and managers to improve, transform, and fine-tune it for success.

If they can see the benefit and don't fear reprisal for honest feedback, then the quality of feedback goes up dramatically.

4. Use Open-ended Questions and Adopt a Campaign Approach

Traditional approaches to gathering feedback are too rigid. Stop thinking of your surveys as surveys. Think differently and see them as planned campaigns and conversations. Instead of sending a survey with 10 questions all at once, send one question and see what develops from it. Then, send the next related question when the time is right, and so on. Questions spark conversations that may move offline but are still actionable.

These questions should be designed to feel like conversations and spark further conversations among your people. As you get started, make sure to adjust and be flexible based on what kind of feedback you get. Remember that the goal is not pure measurement. It's identifying problems and solving them. An inflexible approach won't do it.

This campaign approach is also less disruptive than traditional surveys. One question is easier to respond to and won't burn out employees when it comes to taking surveys.

Also, ask open-ended questions, because it's easier for employees to identify issues if they're not boxed into specific answer choices. Freeform answers provide more insight, make it easier to address issues, and lead to richer discussions with greater context.

Designing meaningful conversations

At Joyous, we came up with some core principles of good design to ensure our questions feel comfortable for everyone answering. <u>Read more</u>



5. Respond in Real Time

Franklin was right when he said the longer it takes to address a problem, the harder it becomes to solve a problem.

Companies that treat surveys as real-time opportunities to engage in conversations and address issues drive employee engagement and are much more successful than those that treat surveys as long-term measurement tools.

For example, a Gallup survey estimates that companies with a highly engaged workforce have 21% higher profitability than those that don't. Plus, highly engaged companies see a <u>41% reduction</u> in absenteeism.

"An ounce of prevention is worth a pound of cure."

— Benjamin Franklin

Here's what you can accomplish with conversational, open feedback:

- Fix small problems before they become big problems.
- Immediately provide encouragement and support to individuals.
- Get everyone on the same page: Clarify recent communications, the company vision, the direction you're going, and what's important in your company culture.
- Empower managers on the front lines to solve problems without waiting for notice or permission from HR or central leadership.
- Become more nimble and responsive to problems and opportunities.

Feedback doesn't age well. The feedback loop needs to be closed quickly before the opportunity to take action passes or, worse, the problem compounds over time. When your employees see that your organization is a place where things get done and their opinions are valued, they are more engaged and that much more likely to raise their hands and participate in the conversation again.

So, you think your organization isn't ready for open feedback?

If you believe people will only give honest commentary if they can do it anonymously, we think this might change your mind. <u>Read more</u>



Case Study: How Douglas Pharmaceuticals Made Feedback a Regular Habit, Not an Annual Event



Watch the on-demand webinar. <u>Douglas</u> <u>Pharmaceuticals and HRD: Building trust</u> <u>and transparency with open feedback</u>

Related Case Studies



<u>Genesis and HRD: Beyond</u> <u>employee feedback surveys –</u> <u>Working conversations</u>



Adopting open employee feedback – a conversation with Firstgas Group

Close the Loop, Make Change Happen

Moving from a traditional survey approach to open feedback and real-time conversations can be a big paradigm shift. But the results far outweigh the effort.

What's good for employees can be great for business too. In Forrester's latest <u>Future of Work</u> report, researchers touted the growing value of employees as "self-initiating, adaptable brand and culture ambassadors ... the question is not simply how well they are engaged — it needs to be broader ... [companies need to] assess how empowered, outfitted, willing, and able they are to take the mantle, catalyze change when needed, and be ambassadors — to be purpose workers."

Moving to open conversations and closing the feedback loop has a tremendous effect on the core health of a company.

It increases employee engagement, and <u>highly engaged employees</u> lead to an increase in profitability of 21%, lower turnover rates of 31%, and an 80% customer retention rate.

Just follow the five simple steps in the e-book and the transition will be smoother, more effective, and well worth the effort.



Open Feedback at Your Organization

Learn how open feedback and real-time conversations can improve your business performance and employee engagement.

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How to engage your workforce and address problems in real time with open feedback

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