Culture Amp

Modern HR Playbook

A Culture Amp ebook

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Introduction

As the way we do business and the nature of employment changes, the roles of human resources professionals are constantly evolving. It's worthwhile considering what the purpose of an HR professional is. At Culture Amp, we originally set out to make the world a better place to work. It's still a goal, but we're now more specific. We want to create better people geeks. A people geek is someone in people operations, recruitment or leadership who uses data and insights to drive a better world to work in.

We're aware though, that for all the data in the world, it's essential to build human traits into human resource management.

"I think being a human is hard," says Dawn Sharifan, who leads the people team at Slack. "Life is complex, and things happen. Who we are in our personal lives is who we are at work. If you're getting a divorce, if your kid is sick, if you got in a car accident on the way to work, that all affects your ability to go and do things like create the board presentation or marketing materials."

That said, building a career on just helping people alone is setting yourself up for disappointment, a point Sharifan is sure to communicate when she's teaching at San Francisco State University. "You have to get your motivation and your drive from really connecting to the business." In the 15 years Sharifan has been working in HR she's seen it change dramatically. "I have seen it go from more of a traditional processing paperwork to an opportunity where people are now CHROs and frequently report directly to the CEO."

> "HR is a craft, it is a joy. When the stars align, it is an opportunity to impact the business and someone's life, in a really key way.
>
> *Dawn Sharifan, Head of People, Slack*

It's a change Denise Lyle, VP Employee Success at Campaign Monitor observes too. "Are you going to be a service provider or are you going to be a strategic partner? A lot of folks express that as a challenge they work on," she says. "They want themselves and their team to be called on by VPs with real business problems who sit down and say 'I want to talk about it' rather than just saying 'We need to hire (or fire) these people'."

As strategic partners, HR leaders work across the organization to optimize not only hiring, compliance, productivity and retention, but the employee experience, leadership, learning and development and more. It's not uncommon for HR to be at the centre of organizational restructures and establishing company values – and these areas are more important than ever for organizations. Setting expectations and prioritizing areas to focus on has never been more challenging. With these challenges come significant opportunities for HR leaders.

HR Stack

Before we tackle the challenges of modern HR, it's essential that the day-to-day tasks are taken care of. While it's still important to have relationships with a great insurance broker and other professionals, technology helps us complete day-to-day tasks in an efficient way.

You'll choose tools according to your needs, what you're already using and your business size. The first step should be sitting down and assessing your company's needs and resources. Understanding what you need a platform to do for you and how much support you need from the service provider, as opposed to what you can do in-house, will be a critical first step in deciding on your HR tools.

Culture Amp's People Operations Manager, Stacey Nordwall, has been shaping our HR stack for the past two years. "To a certain extent, the utility of the platform is only as good as the data you can get out of it. You should also think about how or if the platforms integrate together. You want to minimize the number of data entry points you have to maintain, otherwise data integrity can be difficult," she says.

The HR community is a trusted resource in your search. "Seek out feedback from other HR professionals to understand what kind of experience they and their employees have on the platform, as well as what their pain points are," says Nordwall. HR professionals often share information on the People Geek Slack Channel.

As your organization grows, your HR stack will also evolve. Nordwall says when your system begins to feel more like band aids and bootstraps than a well-oiled machine, it's time to revisit your HR stack. "If you are having to find creative ways to get what you need from a platform, it might be time to move on," she says. Similarly, if the platform can no longer provide you with the service or functionality you need, it is time to dig out the research and recommendations you had from your initial reviews, and think about your next evolution.

> "HR tech is changing the way that HR teams can use data in companies around the world. There is a tool out there to help you with everything, provided you have accurate employee information.
>
> *Penelope Barton, Chief People Officer, Vend*

HR Stack

Here are just a few (of many) HR tools you might consider for your HR stack.

Recruiting and onboarding

For your organization to succeed, you need to find and hire the right people. HR SaaS tools can make it easier to recruit qualified applicants and create a delightful onboarding experience.

LEVER

Offering Lever Hire as their standard collaborative recruiting platform, they also offer Lever Nurture to make proactive sourcing more timely and efficient.

GREENHOUSE

Greenhouse is an applicant tracking system and recruiting software for growing teams. They recently acquired Parklet, and now offer Greenhouse Onboarding to support new hires.

DONUT

While their onboarding offering is currently in a private beta stage, Donut offers a unique way for employees (new and old) to get to know each other. Through a simple Slack integration, people are paired up for conversations and inter-office communication is enhanced.

Learning and development

An important part of keeping employees engaged at work is providing exceptional learning and development opportunities. HR tools can help you provide people with learning and development opportunities that are customized for the individual.

UDEMY FOR BUSINESS

Udemy for Business provides employees with high-quality courses on an interactive corporate learning platform. People can choose from courses on topics like IT and software, human resources, finance and accounting and more.

JHANA

Known for their simple, on-demand courses, Jhana provides bite-sized training for people leaders. They combine scholarly research with interviews from their own panel of experts to create their offering of articles, videos and worksheets.

HICKORY

Hickory is built to predict when employees are likely to forget their training and follow up with the appropriate material to review in a timely manner. With a focus on learning for customer-facing roles, Hickory aims to help companies create a consistent experience for customers.

Payroll and Benefits

Paying people and providing them with health and other benefits shouldn't be daunting. HR SaaS tools for payroll and benefits aim to make administration easy for companies at any size.

GUSTO

Gusto offers payroll, benefits and HR tools for small to mid-size companies. They have many integrations with popular accounting software like FreshBooks and QuickBooks Online, as well as time tracking software.

PAYSCALE

No longer just a place for employees and employers to research market rates for roles, Payscale now offers an in-depth HR tool. Payscale Insights gives organizations the ability to track and analyze their compensation strategy with fresh salary data.

ZENEFITS

Since 2013, Zenefits has been providing payroll, benefits and more to small and mid-size organizations. They're growing to offer more HR tools with a new CEO leading the company.

Human Resource Information System (HRIS)

Your HRIS is where it all comes together – it's the system of record for people at your organization. New tools are providing support for people teams while also acting as a service portal for employees.

BAMBOOHR

BambooHR is an HRIS for small to mid-size companies built to track HR information such as personal data, PTO, employee training, job responsibilities, benefits, contact information, hiring checklists, documents and more.

NAMELY

Namely offers "HR for Humans" with tools for the modern HR professional spanning benefits, payroll, talent and more.

WORKDAY

An enterprise HRIS solution, Workday offers finance, HR and planning tools for HR teams. With robust tools for finance management as well, you can customize your Workday offering.

HR Analytics

Understanding what drives the engagement of people at your organization helps inform every people-related decision you'll need to make. Providing people with a place to give feedback to peers helps guide personal development.

CULTURE AMP

As the world's most powerful employee feedback and analytics platform, Culture Amp provides a platform to help HR leaders measure employee engagement, experience and feedback for managers, individuals and teams.

Recognition

Recognizing employees on a regular basis is made possible with the use of HR tools for recognition.

BLUEBOARD

Rewarding employees with experiences through Blueboard is easy and exciting. They offer customized experiences for anniversary awards, sales incentives and anything else companies want to recognize people for.

Review

GLASSDOOR

As a tool for external recognition of your brand and employee sentiment, Glassdoor reigns supreme. Candidates use Glassdoor to view company reviews, CEO approval ratings, salary information, interview questions and reviews, benefits information and even photos of the company office. All of this information is submitted by employees, so it's trusted as a non-biased source of information. They also offer opportunities for companies to promote their employer brand to interested candidates.

Summary

- HR tools as part of an overall HR stack will improve efficiency and provide the basis for collecting data in your overall people analytics strategy
- There are many platforms to choose from and you should consider your organization's size, what you need from the platform and how much support the provider will give in making your decision
- Revisit your choice of HR tools when you've grown out of them or they're no longer meeting your needs

People analytics

Collecting and analyzing data gives you the information you need to make decisions, measure success, calibrate and improve.

You can collect data on many aspects of work life, including:

- employee engagement;
- employee experience (candidate, onboarding, exit and more)
- employee feedback for managers, individuals and teams

In addition to these popular areas, you might find that you have collected data on retention, regularity of 1:1s and all-hands meetings and more. All of these data can be incorporated into your people analytics strategy to understand what impacts engagement, experience and effectiveness at your organization.

> "The primary reason to increase employee engagement is to make the workplace a better place for all of us to come to – especially given how much time we spend here. It's the same reason you try to make your home life happy – because you spend a large part of your life there. However, in addition to that, improving employee engagement won't be harming your business. The evidence suggests it will make it more successful.
>
> *Dr Jason McPherson, Chief Scientist, Culture Amp*

Choosing the right platform

The platform you use to conduct your employee surveys can have a huge impact on how useful the data you collect will be.

Consider

Access: Will all people be able to participate? Do surveys function on all necessary devices? Is there a kiosk mode for people who lack an assigned computer or device within your organization?

Security: Can surveys be anonymous or allow you to use appropriate levels of confidentiality? Is the data secure?

User experience: Is it easy to use?

Shareability: Is it easy to share survey results? Can you create different permissions for different users?

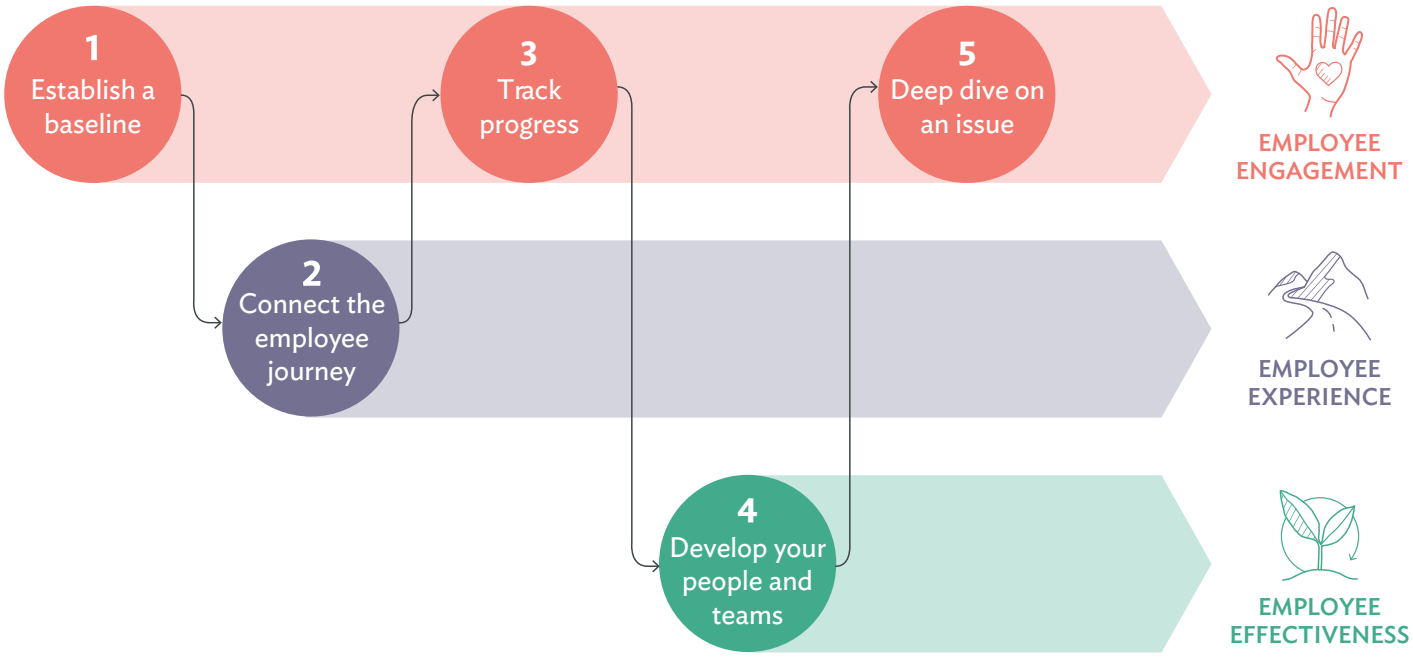
Data reliance: What is the science behind the platform's approach? Is the survey reputable? Are the surveys designed by data scientists and organizational psychologists? Many platforms have different philosophies, choose one that aligns with yours.

Benchmarking: Inbuilt benchmarking lets you understand how your organization compares with similar workplaces. What benchmark data is available? Which would best suit your company? Can you compare with your own data from last year, competitors, other people in your region? Consider the companies that you compete with for staff rather than those you compete with for customers.

Analytics: You'll also want reliable analytics so you can uncover the key drivers of engagement for people at your organization.

Five beat strategy

Used effectively, a five-beat strategy touches upon all three of the primary employee spheres of engagement, experience and effectiveness.



Step 1: Establish a baseline – initiate engagement inquiries

A well-designed survey platform will analyze engagement survey results, identify key drivers and allow you to compare your results with industry benchmarks.

Step 2: Sync survey strategy to the employee experience

Employee experience surveys will help you:

- understand how candidates perceive your recruitment approach
- identify gaps in your onboarding process
- detect trends in the perceptions of people leaving your organization
- gain an overall view of the experience of employees throughout their time at your organization

Use employee experience surveys at intervals across the employment lifecycle. Ideally, you'll want to cover each major stage, from candidate interviews all the way to retirement. This will develop an informed picture of how employees' perceptions evolve over time.

Step 3: Track progress

Effective completion of steps one and two will provide you with insights so that you can identify areas for action. Once you've moved to improve on something, gather feedback to evaluate the success of the action.

Step 4: Develop employee effectiveness

Up to now we've largely been speaking about employees giving feedback to the organization. We should extend this feedback so that managers, individual contributors and teams are receiving feedback.

Guage manager effectiveness with 180° feedback from the people who report to a manager. See how individuals perform by gathering 360° feedback from people who work with them. Seek feedback from team members to monitor how effectively they work together.

Employee effectiveness feedback will help you:

- understand how to support and develop your managers to be more effective
- guide individual employees to discover opportunities for improvement
- streamline your approach to learning and development so your activities have the greatest possible impact.

Step 5. Deep dive on an issue

The results of your first four steps will give you excellent insights into issues and actions. Pick out the area/s on which you plan to focus, then do a deep dive survey to better understand the approach you might take.

You might wish to deep dive on specific issues including:

- Values and alignment
- Learning and development
- Compensation
- Work-life blend
- Management
- Collaboration
- Inclusion and equality

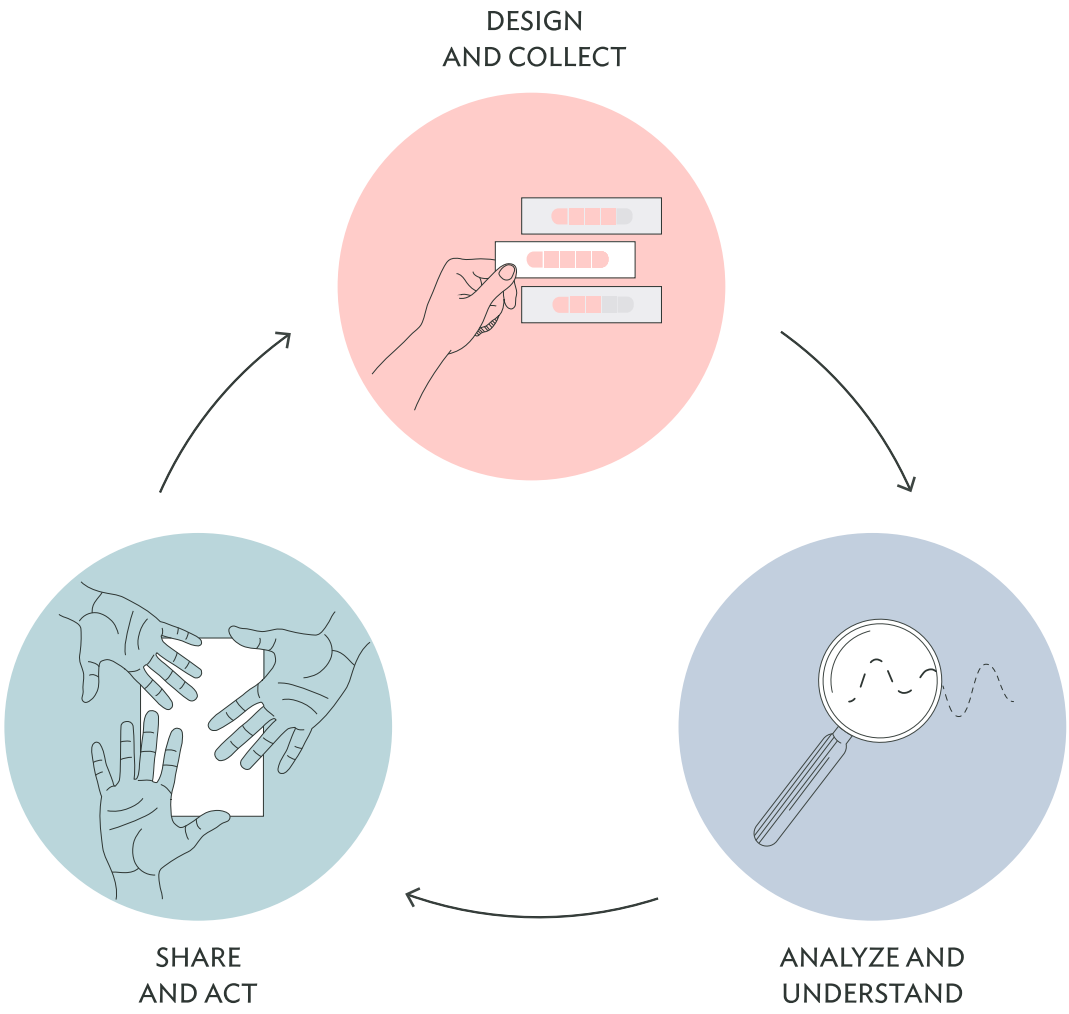
A deep dive survey will help you to:

- better understand the issue
- understand the types of employees affected
- gather input from your team about proposed actions.

The platform you use should provide resources to assist you with this process. For example, survey templates developed by organizational psychologists and data scientists will simplify the path to gaining actionable insights into specific issues and ensure the process is easy for respondents and results are reliable.

Employee feedback loop

The employee feedback loop: design and collect, analyze and understand, share and act.



Once you've completed the Five Beat Strategy, you'll have an understanding of how your organization is tracking on engagement, experience and effectiveness. You'll have had an opportunity to take action based on the insights you've uncovered. Now it's time to enter the Employee Feedback Loop. The cadence of this process is up to you, and will be guided by how quickly you can act on results, collect data, understand results and so on – it's an ongoing cycle of improvement.

Step 1: Design and collect

To ensure that you're set up to measure the success of actions include the questions you asked in your original surveys that relate to those actions, so that you can benchmark against your original results. You can also include questions about what changes people have seen as a result of your actions or a fun question about something that has happened recently.

Step 2: Analyze and understand

Once you have some responses you'll be able to start analyzing what the data you've collected is telling you. A good employee survey platform will do some analytics for you. For engagement it will analyze what the key drivers are and surface any discrepancies in cohorts. You'll be able to see your results against a benchmark of organizations like yours or your own previous results. For experience and effectiveness you'll be able to see areas that need attention and where you've improved – some of these analytics will point clearly to actions, and for others you'll want more context or input from employees. You might do a deep dive during this period to gather this information, or consult with employees during the share and act step. The important thing is to focus on something important versus agonizing on finding everything or the perfect thing. There is never a perfect thing to focus on.

Step 3: Share and act

Detailed research and reporting in the first two steps gives you the insights you need to make decisions that will work for your organization. Share your learnings with employees and invite them to share their thoughts and experiences. Your preference may be to give managers different access to employees or for everyone to have visibility of results. Remember that the feedback is from your employees – so there probably won't be surprises in the results for them (even if there are for you).

Involve people in the process of finding and implementing solutions. Make certain that all actions are supported by accepted conclusions from your internal research.

The Employee Feedback Loop is a proven program that gets results. Find the right way to learn what impacts your employee engagement, genuinely act on the findings, then re-evaluate to refine your

approach. Through this sort of persistent process of inquiry and action, you can effectively improve your workforce engagement and boost your bottom-line.

The data you already have

Your people analytics strategy doesn't need to rely solely on employee surveys, although they're an integral part of the picture. Consider the other data you've already collected – your HRIS might capture tenure and retention data. If you're using a separate platform to conduct 1:1s you might be able to compare engagement scores or scores on a specific question for groups who have regular 1:1s as compared to those who don't. If you have a theory on an issue or improvement, use data to further clarify it, take action, and measure results. Importantly, don't forget to share your learnings and successes with your executive team and the broader organization.

Summary

- Choose an employee survey and feedback platform that is reliable and provides analytics for you – so you can focus your time on sharing and action
- Data can be collected both through employee surveys and feedback mechanisms and through your existing records
- Use people analytics to identify and act on areas of focus and to prove your impact

Further reading

Read how Optoro empowered an employee task force to improve engagement

Read how Vend designed their people analytics strategy

Organizational structure

As the nature of work changes, so do the organizational structures required. Keeping abreast of the latest approaches, and their advantages and disadvantages, will allow you to understand how well-suited your structure is for your organization, and flag opportunities to trial or adopt different approaches. The benefits of changing organizational structure aren't just in improved innovation or agility – the employee experience in a flatter organization as compared to a hierarchy is remarkably different. Although many people are comfortable in a hierarchical organization, more and more employees desire a flatter or holacratic structure, and it seems as though this is a trend which will continue.

Culture Amp decided to transition to a Team of Teams approach to support our fast growth, says CEO Didier Elzinga. "As a fast growth startup, there are a lot of things changing, a lot of things moving, creating the need for us to adapt very, very quickly. It's a different type of stress than maybe a slower growing or more traditional organization might have, and so the desire to look at something like Team of Teams is to meet that need. We want to create an organizational structure that prioritizes the ability for the organization itself to grow and adapt to what's going on, without the time required for that to flow through all the channels in the more traditional hierarchical model."

People had different perceptions of what a multidisciplinary team would mean for them. Some people thought that teams would limit their ability to self-organize. "When you reflect on that, that is an important and valuable point. What we're actually trying to do as an organization is do less but better. One of the challenges for any organization is how you align people onto a few things, and put all of these efforts together for the organization," says Elzinga.

> "The temptation to lead as a chess master, controlling each move of the organization, must give way to an approach as a gardener, enabling rather than directing. A gardening approach to leadership is anything but passive. The leader acts as an "Eyes-On, Hands-Off" enabler who creates and maintains an ecosystem in which the organization operates.
>
> *Stanley McChrystal, Team of Teams: New Rules of Engagement for a Complex World*

Another concern for people is what their trajectory at an organization looks like without hierarchy. “Traditionally there’s a lot of stuff that’s invested into where you sit in the organization – that your value is measured by how many people sit below you, basically. That we are recognizing your individual value by putting you here, and then we have other people below you and you have decision rights and accountability rights, and all these sorts of things.” says Elzinga.

Julie Rogers, Head of People at Culture Amp is cognizant that people need to understand how their development will be supported. “There are a lot of details that go into how you build out a Team of Teams, and we have spent a lot of time talking through semantics. I think a lot of it has to do with how we design the teams, what are the best ways the teams can be designed, how do we actually go through and figure out who’s making decisions on the teams and how our CAmpers, our Culture Amp people, will be supported both in their career growth, as well as in having obstacles removed and being able to get their work done in the best way possible.”

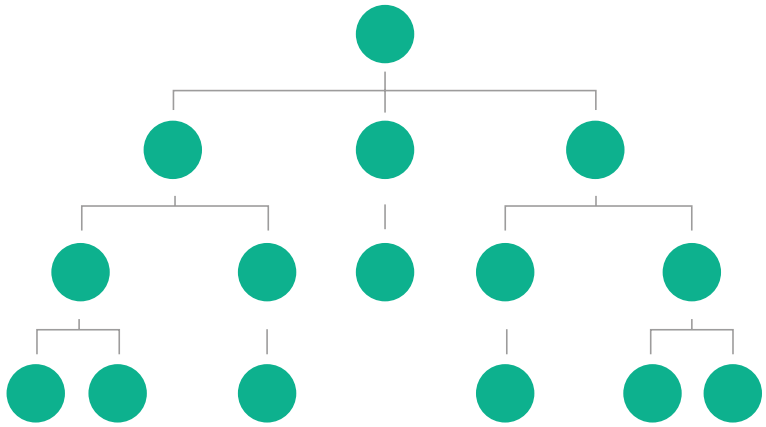
Let's take a look at some popular organizational structures.

Traditional hierarchy

The traditional hierarchy is the typical command and control structure where information flows down layers of management. This structure has served companies who don't need to be agile. It can be argued that the traditional hierarchy is an efficient model if you know exactly what's required at any point in time. However, most organizations have competitors and demands that vary from day to day (potentially hour-to-hour), and the traditional hierarchy doesn't facilitate responding quickly enough.

As technology takes over work that can be automated, the work of the remaining employees often requires sharing knowledge and generating ideas. The traditional hierarchy doesn't nurture information sharing, or people having all of the information they need to hand when they need it. For those at the bottom of a traditional hierarchy, the employee experience is often less rewarding than for people working in other organizational structures. They generally feel more distanced from the organization's vision, and less able to impact progress. Managers aren't incentivized to motivate employees in a hierarchical organization as much as they are in other organizational structures.

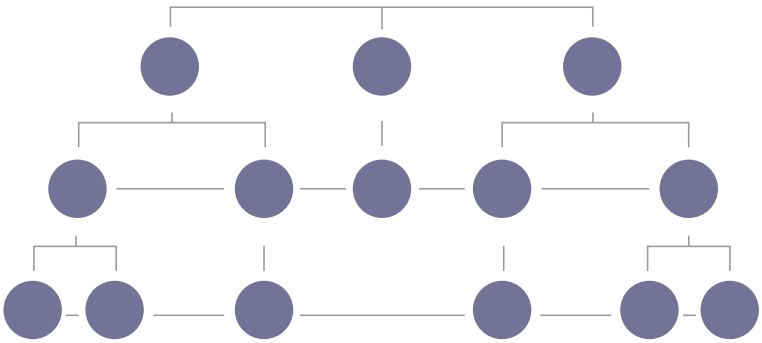
That said, the traditional hierarchy is the incumbent organizational structure for many organizations. It's a structure that many people have grown used to, and it's a structure that reinforces title and importance. As we know, a person's title and how many people report to them can be a source of pride, and connected to their ego.



Flatter organizations

The elimination of layers of middle management has resulted in what Jacob Morgan, Author of The Future of Work: Attract New Talent, Build Better Leaders, and Create a Competitive Organization refers to as 'flatter structures'.

With fewer layers of management, and information shared between more employees (rather than relying on their direct manager for information), flatter structures facilitate more collaboration and faster decision-making than traditional hierarchies. Flatter organizations are the logical first step for large organizations wanting to improve innovation and agility.



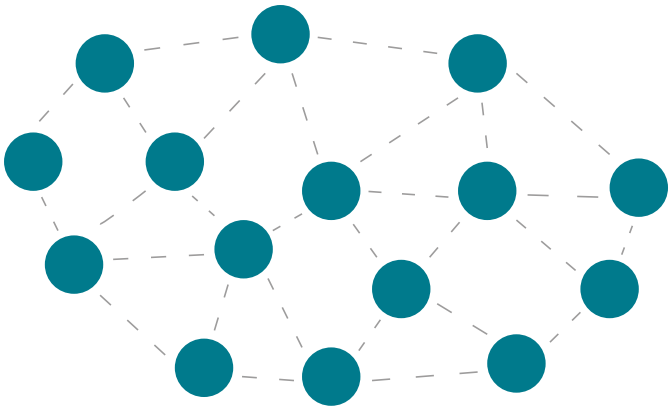
Flat organizations

In a flat organization, everyone is equal. Or at least that's the intention.

Teams are formed around projects and people can choose to work on the project that interests them. In some organizations, if an individual has a project idea, they're responsible for securing funding and building a team.

While a small organization may be able to operate as a flat organization and achieve equality, the reality is that when a larger group of people is formed into a flat organization hierarchies start to appear. More senior people are often automatically deferred to, and cliques can appear where a group of people exclude the general population.

Implementing a flat structure into a large organization with a traditional hierarchy would be incredibly difficult, but there's potential for an organization that's always been flat to scale successfully.

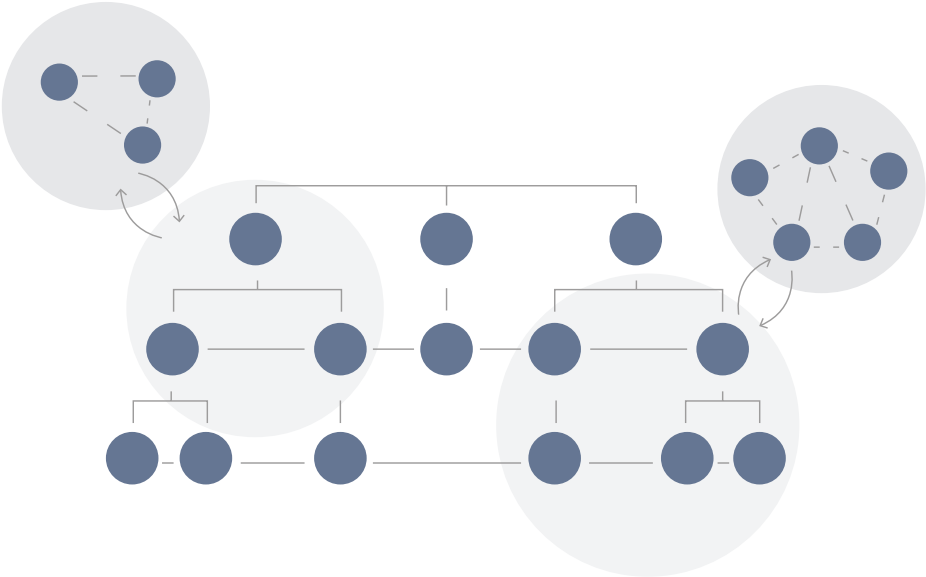


Flatarchies

One way that organizations with a flatter or traditional hierarchy structure adjust to nurture innovation is to build teams outside the hierarchy with flat structures. Morgan refers to these organizations as 'Flatarchies'. (They can also exist where an organization with a flat structure has select teams with traditional hierarchies, although this is less common.)

The team with the flat structure – often referred to as an 'agile team' – works outside the hierarchical structure and the intent is that they have the autonomy and resources to innovate, suggest and explore ideas. They should also be able to move quicker than a traditional R&D team or other team within the organization.

This structure has worked for large organizations which need to be agile to keep up with competitors and/or innovate quickly. This structure also offers an opportunity to engage high-performing people who might otherwise be attracted to a more dynamic environment.

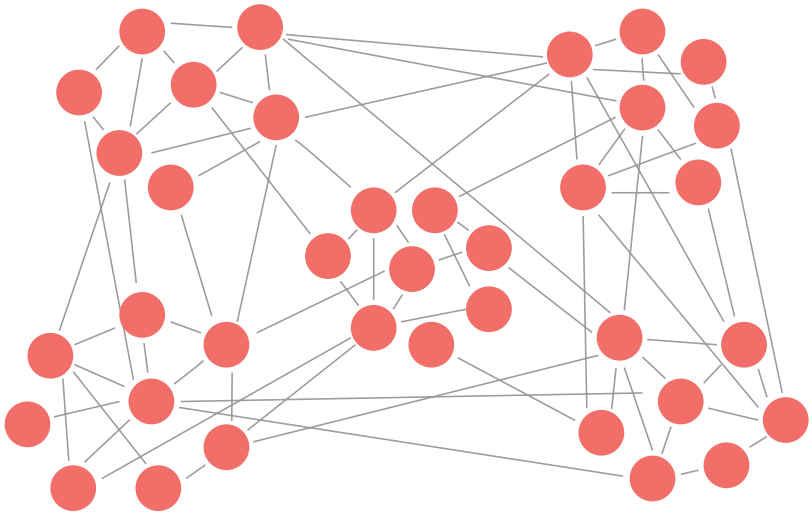


Teams

Structures where teams can be brought together and dissolved quickly to meet organizational goals are becoming more popular, both in start-up organizations and beyond. The dynamic approach of structures like Brian J. Robertson's Holacracy and Stanley McChrystal's Team of Teams allow organizations to be more innovative and agile.

Team of Teams was designed by retired U.S. Army General, Stanley McChrystal, in response to the agile approach of terrorist cells. He found that the hierarchical approach of the army wasn't able to respond as quickly as the opposition, and redesigned the structure of his teams in response. More information was shared amongst his team so that everyone had the information they needed to make decisions quickly. In some ways it was a radically new approach, but in others a return to the past, when communication with people on the ground was impossible and they made the best decision possible. The approach had unexpected benefits: with visibility of what each team was trying to achieve, people had more empathy for one another, and were more willing to share resources. In a business context, Team of Teams allows for visibility across the organization, for teams to be built to achieve specific projects and dissolved, and sets the scene for information sharing.

Holacracy is different to Team of Teams in that an individual can be on more than one team at a time. The focus is on defined roles within the teams and distribution of authority and decision-making. Like Team of Teams, sharing of information throughout the organization is prioritized.



Summary

- There are many types of organizational structures and these are constantly evolving
- Choose or borrow ideas from a structure for your organization that suits the speed of growth, work and the kind of employee experience you want to provide.

Further reading

Naomi Stanford's Organization Design Blog is a great resource for the latest on the future of work and how it can impact organizational design.

Recruitment

Recruitment has evolved in recent years. In industries like technology it's more important than ever to be an employer of choice in order to attract candidates. The ultimate goal is to have great candidates knocking on your door (or at least passing through your community) regardless of whether a job is advertised or not.

Employer brand

Employer brand has evolved from simply ensuring that potential candidates know your organization's values. While not everyone has the budget for an ad agency to produce a campaign like Heineken's Go Places, we can certainly learn from them.

The interactive website is tailored to the location of the person visiting it, with corresponding food and Heineken products. It's a slick, Hollywood-worthy experience, with Heineken employees as the cast. The user takes an interview, answering questions that reveal their character, and they're required to send their results when they apply for a job at Heineken. It's both a clever screening process and a way to illustrate Heineken's culture. Creative Director Jessica Kersten explains, "If you take the interview, you feel the Heineken Company is unlike any other. When you go through the questions and feel the humor, the energy and vibrancy of the employees, you want to join them! Finally, an interview is in reality a moment when a company and a potential employee evaluate if they are going to be a match. After you're done, you will either think, 'I love this company' or 'This is not for me'."

Your employer brand isn't just for candidates. LinkedIn has one of the most comprehensive employer brand strategies we've seen – they continue their relationship with employees via their formal alumni programs and they openly celebrate the success of people even after they have left LinkedIn. Read about LinkedIn's alumni program here.

> "I look for a culture fit, but I'm also hyper aware that 'culture fit' can sometimes be code for 'people who look like us'. I always push myself to think about how somebody who doesn't come in a familiar package might be successful in a role.
>
> *Didier Elzinga, CEO, Culture Amp*

It's worthwhile being intentional about your employer brand, outside the brand you project to your customers. In shaping your employee brand, consider:

- Your Employee Value Proposition: you can understand this from speaking with your existing employees
- What's important to candidates: you might also consider the drivers in your engagement surveys, for example if development opportunities are important to people at your organization, they're likely to be important to candidates too, and worthwhile highlighting
- How organizations who are competing for the same candidates are representing themselves

Employer reviews

Employer ranking platforms come in a variety of formats, from social-style personal review aggregators to lists that are methodically curated by respected industry experts.

Just a few you might like to explore are:

- Glassdoor
- Aon Hewitt – Accredited Best Employers
- Korn Ferry Hay Group - World's Most Admired Companies
- Sunday Times 100 Best Companies
- The Employee Engagement Awards

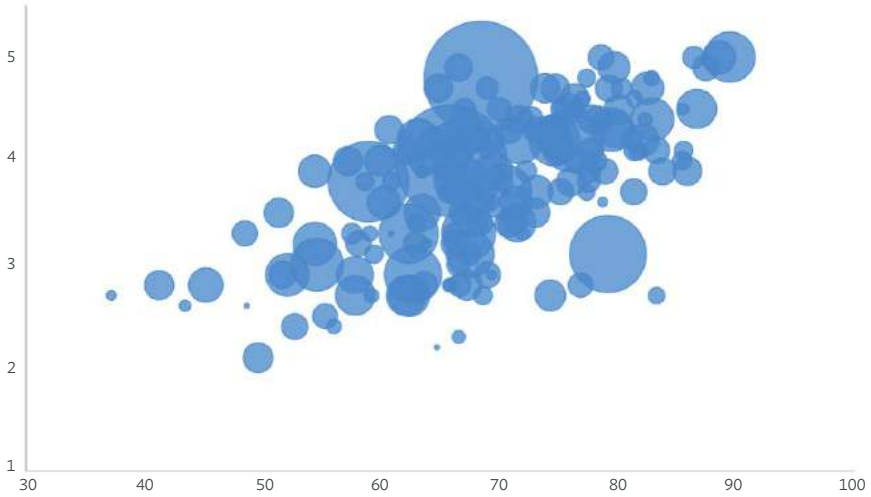
The majority of these lists of preferred employers have significant entry requirements. As a first step in deciding which one/s to focus on, take a look at which ones your organization is currently (or may foreseeably be) eligible for. Open review platforms like Glassdoor are a good place to start for companies of all sizes. Glassdoor allows employees to rate their organization and the organization is awarded a score according to the reviews.

Because the scores are public, they're not only a valuable lever in attracting candidates, they're another reason for executives to care about culture. As Culture Amp CEO Didier Elzinga explains, "With the luxury of being able to pick and choose, in-demand tech talent use Glassdoor as a reference point to determine whether to accept an assignment or permanent position. A bad Glassdoor rating can affect whether a company can hire their desired talent, which reverberates through the entire organization.

"Not surprisingly, boards are taking notice and a common question around the table is now: 'What's our Glassdoor score?' This represents a big opportunity for HR. Executives involved with people and culture are the ones who can answer that question. That means Glassdoor is directly responsible for a large number of HR executives now being invited into board level discussions about culture, retention and engagement."

So how do you improve your Glassdoor score? Some organizations have tried to game the system, but they generally come unstuck. The best way to have great Glassdoor scores is to have a great culture.

Engagement and Glassdoor scores by no. of reviews



This graph illustrates the correlation between Culture Amp employee engagement scores and Glassdoor scores. We know that customers who receive great employee engagement scores with Culture Amp are well-regarded as employers. It's reassuring that the work you do with an employee feedback and people analytics platform like Culture Amp is rewarded with more satisfied employees, better reviews and rankings on sites and lists.

Community

Building your own community or being present in the communities where potential candidates are is a great way to build recruitment funnel, and learn about and build empathy with candidates. Consider whether there's space at your office you could offer to industry groups, conferences you can sponsor or even a mentoring program you can get involved in. The sooner you can meet potential candidates and build a relationship with them, the more likely you are to be top-of-mind when they're looking for a job.

Diversity

Ensuring you have a diverse workforce starts at your pipeline. Referrals are an excellent way to source candidates, but ensure you're also being proactive in finding candidates who aren't people like you – who won't be in your network. Be clear with your recruiter that you want to see applicants from diverse backgrounds and ensure you're working on your own unconscious bias.

Interviewing

Assessing candidates through an interview process is a science and an art, and there are many approaches. Whatever your approach, it's important that you use the same approach for each candidate, so that when you come to making a choice, you're able to make a comparison.

Google offers these tips for interviewing:

- Assess candidates objectively. Have standard interview questions and a way for interviewers to calibrate their assessments of candidates
- Set a high bar for quality and keep looking until you find someone better than the people you already have – someone who adds something new
- If possible, find your own candidates
- Give candidates a reason to join

You may already have standard interview questions. If not, it's worth taking the time to draw up a standard interview question sheet with follow up questions for interviewing managers.

For example:

- Tell me about a time your behavior had a positive impact on your team. (Follow up with: what was your primary goal and why? How did your teammates respond?)
- Tell me about a time when you effectively managed your team to achieve a goal. What did your approach look like? (Follow up with: what were your targets and how did you meet them as an individual and as a team? How did you adapt your leadership approach for different individuals? What was your key takeaway from this situation?)

One place to do some research for performance-based interview questions to add to your interview is the US Department of Veteran Affairs website. You might also like to consider performance-based hiring expert Lou Adler's advice to share questions with candidates before the interview, you can read more about his process here.

Remember the candidate is interviewing you too, so you want candidates to leave the interview wanting to work for your organization. Leave time at the start of the interview to introduce yourself and plenty of time at the end for the candidate to ask questions. They'll also appreciate the opportunity to walk through the area they would be working. Once you've decided to make an offer, you might choose to invite them to work drinks or a social occasion so they can meet the people they'd be working with. To avoid unconscious bias, it's best not to do this until after you've made a decision about whether to offer them the job.

Summary

- Understand your unique Employee Value Proposition and how you can express it through your employer brand
- Think outside the box when building relationships with potential candidates – consider building a community and other ways to build informal relationships
- Be consistent with interviews, and calibrate with several people
- Be intentional about building a diverse workforce

Further reading

Read our ebook on how to win awards

Read our ebook on how to foster belonging in the workplace

Values and honesty

Although values have been on our radar for a long time, honesty is a driver that's come up in our benchmarks reports regularly over the past year – the survey question is around open and honest two-way communication. Although it's a separate consideration to values, we thought it was worth calling out as it's a key driver for people across all of the industries we work with.

Values

Whether you created values in consultation with employees or have had the same set of values for many years, it's worth checking in regularly to see whether the values are being brought to life in your organization. You can check on the 'health' of your values as part of your engagement survey or a separate pulse survey, but chances are you'll be aware if they're not being applied.

Consider whether your values still serve and reflect your organization. The values you decided on as a team of 20 might not be as relevant for a team of 50. Is it time to work with the people in your organization to solidify or re-draft values?

Once values are locked in, the work begins. How will you bring the values to life? At Culture Amp we ran a set of workshops around each of our values. We reflected on what it looks like when the values are brought to life, and shared stories about the values in action and their impact.

Some organizations, like Airbnb, have awards for behaviour that reflect the organization's values, and specific interview questions during recruitment to identify people who live the values in their day-to-day life.

> "We don't have our values up so much on the walls, as we do in our hearts and minds.
>
> *Mark Levy, Global Head of Employee Experience, Airbnb*

Honesty

Honest communication speaks to not only the quality of communications, but the trust between employer and employee. Increasingly, transparency is expected by employees and they're interested and expect to hear about decisions made at executive level in a timely manner.

In one Culture Amp survey, Airbnb's results suggested that they weren't as open and honest as they'd like to be. So one of the founders, Joe Gebbia, threw out an idea that he called "elephants, dead fish and vomit" – a nomenclature the company has adopted to open up a dialogue. "Elephants are the big things in the room that nobody is talking about, dead fish are the things that happened a few years ago that people can't get over, and vomit is that sometimes people just need to get something off their mind and you need someone to just sit there and listen," Levy says.

On a regular basis all Airbnb employees (they call them "Airfam") have a bi-weekly world meeting, which is typically out of San Francisco, but joined by everyone on live stream. Each country or city office also has a more informal meeting towards the end of the week. The executive team meets weekly and within 24 hours of that meeting it's Levy's task to get the notes out to every person in the company. "We distribute that very broadly and people really appreciate knowing what we're talking about and ask questions, share thoughts and ideas," Levy says."That stems from our communication philosophy that we want to have an honest, open and two-way dialogue between everyone in the company."

Summary

- Regularly check in to ensure that your values reflect your organization
- Work with employees to bring values to life
- Understand how much transparency employees expect of the organization

Further reading

Read about How Airbnb is building its culture through belonging

Evaluation and reward

It's long been established that conducting evaluations of people's performance at the same time as giving developmental feedback is ineffective, and potentially counter-productive. Peers giving feedback are reluctant to give development feedback that could impact someone's pay or promotion assessments, and people receiving feedback aren't in the right frame of mind to receive it at an evaluation session. Not to mention the fact that development feedback needs to be given far more regularly than evaluations need to be conducted. For that reason evaluation and reward and learning and development are separated in this playbook.

> "When a measure becomes a target, it ceases to be a good measure.
>
> *Charles A.E. Goodhart*

There are plenty of ways to conduct evaluations and even more to decide on how to allocate reward. Here are some aspects to consider.

Reward system

Will you 'pay for performance' or will you base compensation and reward decisions on other factors? Some companies see highly individual performance-focussed rewards as a key to their success. But, pay for performance is not the only option. Some companies reward employees based on company performance, team performance, market factors and/or an individual's role responsibilities. These less individually-focused incentives can foster better teamwork, interdepartmental collaboration and less competition between employees.

Many companies opt for a blended approach. For example, a portion of an employee's bonus or incentives may be based on their individual effort, while the rest is based on team effort or company progress.

It's important that your method for rewarding and promoting employees aligns with company values, the desired company culture and the overall business strategy. The decisions made here send a signal about which behaviors and goals the company holds in high regard.

Set expectations

Set expectations of what and how you will reward employees in your company. Communicate these expectations widely and move towards more transparency around structure and promotional decisions.

For example, if you use a leveling system, you may want to share the common behaviors that are expected from personnel at each level. A person at level 4 may be expected to initiate and run projects undirected, whereas a person at level 3 may still require some support. Sharing details like this gives managers a frame of reference for conversations with their employees about the type of work and behaviors they need to develop in order to progress.

Having multiple career progressions or development streams is also important. This highlights that career trajectories need not be completely linear. Example streams might be individual contributor versus manager/people leader. This avoids situations where people with no interest in people management apply for management roles simply because it's seen as the only way to progress.

Calibrate

Managers who make decisions about performance in isolation are at risk of being impacted by bias or falling out of step with the rest of the organization. Calibration involves multiple managers coming together to discuss people's progress. It is an opportunity for them to share insights and learn from each other.

A typical calibration session might be facilitated by an HR business partner. Once they're prepared and assembled, the group discusses each employee in turn, including the identification of:

- notable performance achievements
- development needs
- concerns
- any requests for compensation increases and/or promotions

Managers then listen to contributions from the group about each

employee, whether feedback confirms their initial perception or provides a different perspective. On average, this should only take a few minutes per employee, although longer discussions may be needed for certain levels/roles.

The advantage of calibration is that every employee is given fair consideration. Concerns or performance struggles can be caught early on and employees can get support. Calibration can also help to ensure that employees don't slip through the cracks for rewards and recognition.

It's worth noting that calibration sessions can take up a significant amount of time. The investment is well worth it when you consider the potential impact on both the fairness of the process and your employees' growth, motivation and commitment to your company.

Share results

After every calibration process, managers should discuss the results with the people in their team. The manager should outline the context of the calibration, explaining things like the employee's level and their noted achievements. Then, communicate the outcome of the evaluation: usually, whether pay remains the same or increases and the context – what level the employee is at and what they've achieved. The developmental discussion around what an employee is doing well and areas to focus on for improvement should happen in a separate meeting and be guided by a different feedback process.

Summary

- Separate feedback for development from evaluation conversations
- Bring groups of managers together to discuss evaluation decisions to ensure consistency and fairness

Further reading

Read about the Performance Management Revolution

Learning and development

We know that learning and development is a key driver of employee engagement and retention, but with so many approaches to learning and development at our disposal, and limited budget, how do we decide what to invest in?

A good first step is to understand what your managers, people and teams need help with.

Collecting valuable feedback

There are platforms that can do most of the heavy lifting for you in terms of understanding what people need to be successful.

Culture Amp's Employee Effectiveness platform allows you to gather, share and action feedback for:

- Managers
- Individuals and
- Teams

The questions for each are designed in accordance with current research – for example managers are measured against the management attributes identified in Google's Project Oxygen research, and teams are asked questions to understand whether they share the attributes of high-performing teams.

Once you have results from Effectiveness feedback, you'll have an understanding of what's required and you can implement programs.

> "You have to be committed to growth, learning and your own development. We are going to give you that opportunity. You need to be the type of person who grabs and embraces those opportunities
>
> *Didier Elzinga, CEO, Culture Amp*

Effective 1:1 meetings

We know that regular 1:1 meetings with our mentors and/or managers are the way to fuel continuous development, but mastering the art of 1:1 meetings takes time. There are plenty of questions we can ask at 1:1 meetings. To start out, share wins and blockers from the week and be sure to ask, 'What can I do to help?'.

After identifying learning and development as an area for improvement through their engagement survey, Culture Amp customer Vend provided a platform (15Five) which provides tracking and tips for 1:1 meetings. To see the correlation between consistent 1:1 meetings and engagement, they ran data on the frequency of 1:1 meetings from 15Five alongside Culture Amp engagement scores for teams. They found a strong correlation between effective 1:1 meetings and team engagement.

A development culture

When people are constantly developing, they're more likely to stay with an organization. Yelp is one Culture Amp customer dedicated to constant development. Their approach relies on two key practices.

The first practice is that people are put in stretch roles. From the day they arrive in the business, they're allowed to find their way, and coached through the learning experiences they come across. Putting people in stretch roles where they have the opportunity to learn is challenging and exciting.

"Rather than 'Hey, go to a training session that we're offering', you're learning every single day in every moment because your job is challenging you," explains James Balagot, Head of Learning and Development at Yelp.

The second practice is promoting from within. "Recently, we took a look at people that were in our mid-market, our national sales, and our sales management roles, and 98% of the people that we promote into those roles were internal candidates," says Balagot. Because people are promoted from within, there's a culture of mentoring. People understand that they've achieved their goals because they were in stretch roles and mentored by others. They also see that if they develop people to take over their role, they can be promoted again.

Internal training

Understanding people's strengths and weaknesses makes it easy to find people that excel at certain areas of their work, and have them train people who need support in that area. The advantages of having high-performing people train others is that the training is already tailored to your workplace, and it's a great way to recognize high-performers.

External training

Of course, there are some situations where external training is the best option. You might identify an area that many employees need support on and arrange training on that.

Mentoring

The role of mentor doesn't always have to fall to someone's manager – in fact it's quite often more effective if each employee has a mentor within the organization who can mentor them throughout their career, rather than swapping when they change managers. At Culture Amp, mentors hold regular meetings with their mentees and are involved in discussions about pay and promotions.

Coaching

Offering coaching is a great way to give employees the support they need to resolve issues and plan their career. At Culture Amp, coaching sessions are offered to CAmpers (our name for employees) when they have been with us for six months, and again at 12 months. "Plenty of organizations offer coaches to their executives. Our Coaching For Everyone program is for everyone, because we want all our people to grow, not just those in the boardroom," says Elzinga.

Whilst most people receive career coaching, they are welcome to use the sessions for personal development. "The benefits of this approach are often indirect, but substantial," says Elzinga. "For example, having an experienced counselor teach better communication with your spouse will probably do more for your work performance than any amount of work-focused training. So, if that's what a person wants to use their sessions for, we say go for it."

Whatever the learning and development approach you take, build an approach into your people analytics strategy to measure its success.

Summary

- Learning and development is a key driver of engagement and retention for employees
- You can diagnose what's required at your organization with Engagement and Effectiveness surveys
- Consider having high-performing people train others

Further reading

Read our Learning and development case study ebook

Employee experience

Employee experience has been a focus in recent years, and it's set to stay. Apart from improving overall engagement and improving culture, retention is a focus for organizations. Employees spending their entire career at one organization seems but a distant memory. Nowadays the average tenure is around five years, with this number remaining relatively stable over the past three decades. If we take a look at younger generations, though, tenure is significantly shorter than for older generations. Add to that that millennials are now the largest generation in the workforce and it's no wonder retention is a focus.

Culture Amp Employee Experience surveys allow you to assess and understand an employee's journey from first interactions with your brand through eventual departure from your organization. You can run (successful and unsuccessful) candidate, onboarding and exit surveys. These are often called lifecycle surveys because they pinpoint particular phases in the employee lifecycle from the very beginning all the way to when the employee leaves. Armed with this data, you'll be able to:

- Track engagement, and other factors, across the entire lifecycle
- Assess effectiveness of your recruiting, onboarding, learning and development, and performance management programs and modify accordingly
- Connect multiple sources of data across the lifecycle to get a more holistic view of your employees' journeys

> "Always treat your employees exactly as you want them to treat your best customers.
>
> *Stephen R. Covey*

Measurement

When done right, each step in the employee lifecycle can be a lever that impacts the bottom line. The candidate experience creates an opportunity to ensure every individual you come in contact with becomes an advocate for your organization regardless of the decision. Once hired, your onboarding program enables that employee to reach their full potential faster and stay longer. And ultimately, when someone decides to leave your organization, an exit survey allows you to understand the reasons behind that decision so you can make necessary adjustments to keep your top performers longer.

Candidate

Often the first experience an individual has with your company is as a candidate. The candidate experience is not only about judging fit for your organization, it's also your first chance to introduce your company culture to the employee, establish trust, and highlight your employer brand. No matter what the final decision is, we want candidates to think the process was fair and feel respected by every employee they meet. Getting feedback at this stage is a great opportunity to improve both the process and experience of applying to your organization.

Advocacy

The candidate process is your first opening to create advocates for your organization. Talent Board, an organization that publishes The Candidate Experience Report annually, has consistently found candidates are likely to share their experience with their closest friends and colleagues as well as more broadly on social media. It's up to you if they are sharing a positive or negative experience. But it doesn't stop there, candidates with a positive experience are more likely to buy your products and services, while individuals with a poor experience will stop.

The candidate experience can either create promoters or detractors, and you have the power to decide the outcome.

Long-term talent pool

Just because a candidate doesn't fit your needs right now doesn't mean they won't in the future. If a candidate has a great experience, they're more likely to stay engaged with your company and reapply when there might be a better fit. The opposite is also true – The Candidate Experience Report in 2013 found that 42% of candidates that had a poor experience said they would never apply to that organization again. By providing a great experience, you'll be able to maintain a large, talented applicant pool for future hires.

Kick-start onboarding

The candidate experience can also be your first step in onboarding new employees by providing you with a platform to clarify your mission, vision and values. For those that aren't selected, this can be another opportunity to reinforce your employer brand and keep them in your talent pool. For those who are selected, a good candidate experience helps build excitement and commitment even before their first day.

Onboarding

The onboarding experience often varies significantly across organizations. Onboarding starts when a new hire accepts your offer and continues through a new employee's first weeks, months and even year on the job. It encompasses everything you do to get new hires what they need when they need it so they can get up to speed and contribute quickly. At a very basic level it's about logistics. Has the new hire filled out all of their paperwork? Are they enrolled in benefits? Do they have a desk, computer, and access to necessary software? A good onboarding program also sets out clear performance expectations and gives employees small, achievable tasks so they can start off feeling like a contributor. More progressive and innovative onboarding programs focus on fostering the employees' sense of belonging on their team and in the organization by helping new hires establish relationships with their coworkers and better understand the culture they have joined.

Identify gaps

You can't improve your recruiting and onboarding programs until you know what needs to change. Getting feedback from new hires allows you to identify gaps in knowledge and training so you can provide those for future hires. Additionally, while you may have a standardized program, there can be inconsistencies in how managers deliver it. You'll be able to identify managers with new hires that are creating exceptional onboarding experiences and be able to share those learnings with managers that may need additional support.

Exit

With average tenure at organizations on the decline and the contract between organizations and employees shifting from one of lifetime employment to something much more transitory, it is vital that you do everything you can to keep your best employees engaged with the organization as long as possible. Even with your best efforts you can assume that for most employees, at some point they will look elsewhere. When that happens, you want to be in a position where you can capture and understand their reasons for leaving. Getting feedback from exiting employees about their experience working at the company can be hugely valuable to inform changes to extend tenure and performance with key employees as long as possible.

Honest, critical view

Exiting employees will often have a more negative view of your organization. They will feel comfortable sharing this perspective in an exit survey if it is administered correctly. While you're hopefully surveying your current employees for their feedback, feedback from departing employees can tell a different story.

Benchmark

In addition to your current benefits and compensation benchmark activities, exiting employees may have a different perspective on the competitive landscape. Getting their feedback will help you understand where your organization's benefits, pay, and perks compare to their other offers. In addition, you'll have more clarity on your most relevant talent competitors. With this holistic understanding, you can modify your benefits accordingly to provide competitive offers to future employees as well as retain current employees.

Determine levers of attrition

There are many leading indicators of attrition you can measure – such as simply asking employees if they plan to leave your company. This information can be correlated to other data to see what is potentially driving turnover at your organization. Although it's a lag indicator, it's critical to capture data on why employees are leaving when it happens to identify any unknown issues and confirm existing theories.

Results

Take a look at both the aggregate results to modify your overall candidate and onboarding programs as well as detailed results. Drill down to see if there are particular hiring managers, departments, or team leads that need support. Once you have the results, share them with hiring managers, team leads and any other important points of contact so they can understand how they are performing compared to the company overall. This will also give them the opportunity to independently make small tweaks to improve employee experience.

Creating a great employee experience

Taking the information from your employee experience surveys, you can identify areas for improvement. Some areas will be direct reflections on that stage of employment – for example the onboarding program, but other feedback will be on learning and development, leadership and more and can feed into other programs at your workplace. If you're redesigning programs and have the time, involve existing employees in the process so that you can ensure they're fit for purpose and match your company culture.

Summary

- Employee experience is an increasing focus for organizations from the candidate experience through to exit and beyond
- There are tools like Culture Amp Employee Experience that can help you gather insights to understand and improve employees' experiences

Further reading

Read how MYOB uses virtual reality in their onboarding program

Leadership

As organizational structures and employee expectations change, our expectations of leaders also change. What it means to lead a team (or inspire people in a team to manage themselves) is constantly evolving.

A study by Google, Project Oxygen, identified eight traits of successful managers. Through further research by our organizational psychologists, we identified a further three traits, bringing together 11 essential traits of successful managers. These traits are assessed in our Manager Effectiveness survey.

People who work with a manager give feedback as part of the survey. Although 180° and 360° feedback isn't new, not all managers are comfortable going back to their team to discuss the results, especially their faults, shares Culture Amp's Head of People Julie Rogers. She reminds managers that the feedback originally came from the team. "This is what they've already said about you. What's the potential loss from that? What could you lose, versus what could you gain?

"One of the key characteristics of someone who's a really good leader is humility. Everybody has things to work on right? Life is an opportunity for learning. By leaders going out there and saying, 'I heard what you had to say, I appreciate that you took the time to do this. Here's what I've distilled from that. I'm going to try to make some shifts. I want to do it transparently,' it creates an opportunity for humility. It also creates an opportunity for individuals to see the leaders in the business saying, 'I'm not perfect and I'm going to start to work on this stuff', which results in things that we have to work on not being taboo. We can still be a senior person and have things to work on and that's okay."

> "What's exciting about it is seeing that when you train just a few managers, you start to see the shift in the entire organization. When managers are really skilled up, they spread that skill and empower their teams. They also push it up to their managers.
>
> *Tania Luna, Partner, LifeLabs Learning*

The 11 traits of great managers

Caring

Managers who are caring take time to get to know the individuals in their team. They're genuinely interested in people's success and personal well-being and show this by regularly checking in with people on how they're going both at work and outside work.

Coaching

Managers who are good coaches focus on developing the people they work with as well as getting the job done. They ensure they have regular one-on-one meetings with team members and encourage them to present solutions to problems, rather than solving problems for them.

Communicating

Managers who are great communicators are good listeners. They allow time for others to speak. They have a clear understanding of the organization's vision and share it with the people in their team in a way that motivates them. They keep their team up-to-date on what's happening in the organization.

Development

Managers who show a genuine interest in employees' career development acknowledge improvement (not just deliverables). They take time to discuss people's long-term career aspirations and help them understand potential career paths at and outside the organization.

Emotionally resilient

How a manager behaves in challenging circumstances can have a significant impact on their team. Managers who are emotionally resilient are aware of how their mood affects others. They remain calm and productive under pressure and cope well with change.

Fair treatment

Managers who value fair treatment will allocate tasks and set schedules keeping in mind people's capacity and development goals. They acknowledge good work. They build a diverse and inclusive team and encourage diversity of thought. "My manager makes sure that my ideas and work are attributed to me."

The 11 traits of great managers

Fostering innovation

Managers who foster innovation empower their teams to make decisions – and learn from failures and achievements. They don't micromanage people. They encourage innovative ideas and approaches and help people to implement them. "My manager helps me take my innovative ideas from concept to action."

Overall manager effectiveness

Managers who are effective help people stay motivated to do their best work. They make the people they manage feel valued and supported. They feel they're successful when the employees they manage are successful. People willingly recommend them as a good manager.

Results oriented

Managers who are results oriented ensure that performance standards are maintained. They work with team members to help remove blockers impeding tasks being completed and help the team get workable outcomes from team meetings.

Technical capability

Managers with the required technical capability add value to their teams. They can roll up their sleeves and work alongside the team when necessary. They empathize with the challenges the team face and have the necessary skills to help devise solutions.

Vision and goal setting

A manager ensures the vision and strategy of the organization is translated into an actionable vision and strategy for the team. They help people understand how their role contributes to the organization's success.

Nurturing great leaders

Once you've received the results of Manager Effectiveness assessments, you can identify if there are areas requiring support that managers have in common, and work to provide the training or resources they require. Regularly assessing manager effectiveness will allow you to track progress and identify further areas for focus.

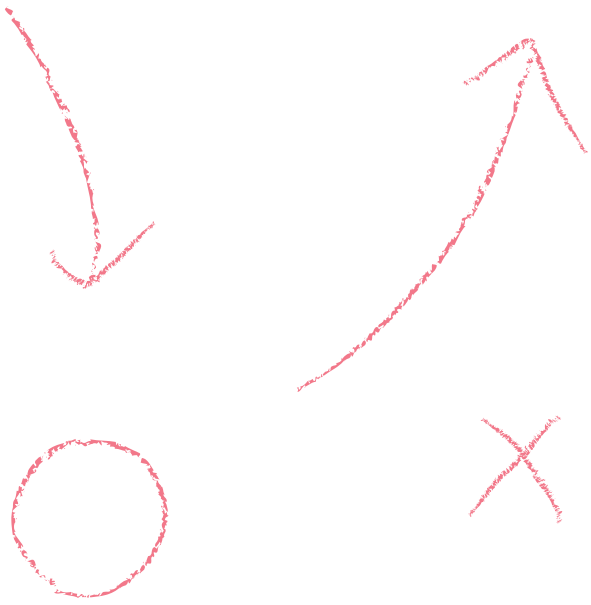
Summary

- You can identify areas where managers need support using a Manager Effectiveness survey
- There are 11 traits which will make modern managers successful

Further reading

Read our Q&A with Tania Luna of LifeLabs on manager training

Read our 11 essential traits of great managers ebook



Culture Amp

We'd love to help

HR is more complex than ever. Modern HR professionals have both more challenges and more opportunities to drive organizations forward than ever. They also have more tools at their disposal.

We created Culture Amp to help people create culture-first organizations – where employees and the organization thrive.

We'd love to talk to you about how we can help.

Get in touch

www.cultureamp.com/contact-us