Cure Broken Customer Experiences With Voice Of The Employee Programs

by Maxie Schmidt-Subramanian and Samuel Stern
with Michael E. Gazala and Dylan Czarnecki

WHY READ THIS REPORT

Customer experiences fail, and customer experience (CX) pros often don't know why. That's because they don't systematically collect feedback from the one group that can provide insight about the entire ecosystem — their employees. Employees' feedback provides context for how customers perceive their experiences, helps identify process, policy, and technology hurdles that hinder experience delivery, and gives insight into the quality of employees' experiences. That's why CX pros must build voice of the employee (VoE) programs that collect feedback from employees, help them uncover the causes of CX issues, react to feedback, and ultimately explain to employees how their feedback is used.

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June 20, 2014

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March 14, 2014
Cure Broken Customer Experiences With Voice Of The Employee Programs
by Maxie Schmidt-Subramanian and Samuel Stern, January 8, 2015

KEY TAKEAWAYS

Companies Need Both Customers’ And Employees’ Feedback To Fix CX Issues
CX pros cannot rely on customers’ feedback alone because it won't allow them to fully uncover weaknesses in the ecosystem that cause CX issues. For that, CX pros need the feedback of employees about policies, processes, technologies, and the overall employee experience. Most companies fall short on collecting and using this important source of insight.

Build VoE Programs That Systematically Listen To And Act On Employees’ Feedback
To better diagnose the root causes of CX issues, companies need to get more systematic about mining employees’ feedback. Effective voice of the employee (VoE) programs need to collect employees’ feedback, uncover root causes of issues, react to feedback, and explain how VoE insights are used to improve the customer and employee experience.
COMPANIES DON’T UNDERSTAND ENOUGH ABOUT WHY CX FAILS

Almost three-quarters of companies aim to be CX leaders in their industry or across all industries, but only 25% of CX professionals say that their companies’ CX programs actually improve customer experience.¹ Why the big gap? Far too often, CX professionals lack insight into the root causes of poor CX because:

- **Customers’ feedback is insufficient.** Customers can evaluate their experiences, but their feedback cannot pinpoint the root causes of a bad experience. That’s because customers only see a fraction of the people, processes, systems, and policies that affect their experiences. For example, a Swiss telecommunications provider was stumped about why it was receiving frequent calls from customers who said that they didn’t understand their bill. At first, bill layouts were thought to be the culprit. Only after employees on the customer care team analyzed these complaints did they uncover the root cause: Some mobile phone plans were so complicated that customers couldn’t determine if their bill was accurate.

- **Employees’ feedback is incomplete.** Done well, VoE programs help CX teams understand root causes of negative customer experience and allow employees to give feedback on their own experiences. But 77% of companies that collect employees’ insights on customers’ issues only do so sporadically.² And for understanding employees’ issues, many companies rely on engagement surveys that they only field every 18 to 24 months. Thus, CX and human resources (HR) teams lack the steady stream of data that they need to diagnose and address issues, such as whether a lack of coaching undermines employees’ ability to deliver better experiences.³

VOE PROGRAMS CURE BROKEN CUSTOMER EXPERIENCES

CX professionals should think of their colleagues as canaries in coal mines. Employees throughout the ecosystem can warn of potential experience issues before customers notice them, unearth problems before they’ve plagued a critical mass of customers, and spotlight internal flaws that, left unfixed, will frustrate customers soon enough. To cure broken experiences where the root causes may lie deep in their ecosystem, CX professionals cannot rely solely on voice of the customer (VoC) data but need to listen to VoE (see Figure 1). Forrester defines VoE as:

*Any feedback from employees or partners that pertains to their ability to deliver great customer experiences.*

To make the best use of employees’ feedback, create a rigorous VoE program that provides a deeper understanding of customers’ end-to-end journeys, how employees’ activities affect those customers’ journeys, and how employees feel about their own work experiences (see Figure 2). VoE programs should systematically accomplish four key tasks (see Figure 3):
- **Collect feedback from employees systematically.** CX teams have to cast a wide net to collect different elements of VoE data, from insights about a customer’s pain points to the underlying policies, processes, and technology systems affecting the customer’s — and the employee’s own — experience.

- **Uncover root causes of CX issues.** It’s not enough to collect feedback from employees. CX teams need to analyze the data and integrate it with other sources like customers’ feedback or operational data to get a full picture of the causes of poor CX.

- **React to feedback and solve issues.** CX teams must collaborate with employees and partners to prioritize the identified issues and to develop and implement solutions to the problems.

- **Explain how employees’ feedback is used.** In order to keep employees engaged, CX teams must close the loop with employees and share how their feedback is being used. This feedback loop reinforces the value of delivering feedback.

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*Figure 1* The Voice Of The Employee Helps Penetrate The CX Ecosystem More Deeply

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**Source:** Forrester Research, Inc. Unauthorized reproduction or distribution prohibited.
**Figure 2** The Voice Of The Employee Helps Identify Four Types Of Issues

<table>
<thead>
<tr>
<th>Issues</th>
<th>Insights gained</th>
<th>Use/benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer-related</td>
<td>Pain points, moments of truth, and customers' emotions, either explicitly stated by customers or implicitly understood by employees</td>
<td>Create a more nuanced view of customer interactions</td>
</tr>
<tr>
<td>Policies, processes, and technology systems</td>
<td>Policies employees follow, processes employees follow, or technology systems employees use (e.g., CRM or knowledge management systems)</td>
<td>Understand how issues with policies, processes, or technology systems affect employees' ability to deliver the intended experience to customers</td>
</tr>
<tr>
<td>Product-related activities</td>
<td>Activities that affect the products and services a company offers (e.g., product design) and go-to-market strategies (e.g., promotions, pricing, distribution)</td>
<td>Understand how behind-the-scenes activities affect the customer experience</td>
</tr>
<tr>
<td>Employee experience</td>
<td>The broader employee experience and workplace culture (e.g., hiring, socialization, training)</td>
<td>Understand how workplace culture issues affect employees' motivations and abilities to deliver the intended experience</td>
</tr>
</tbody>
</table>

Source: Forrester Research, Inc. Unauthorized reproduction or distribution prohibited.

**Figure 3** Effective Voice Of The Employee Programs Accomplish Four Key Tasks

Source: Forrester Research, Inc. Unauthorized reproduction or distribution prohibited.
Collect Employees’ Feedback Systematically

Sporadic, inconsistent, time-consuming, or shallow — if any of these words describe your VoE program, you’ve got some work to do. Effective VoE programs should be:

- **Comprehensive.** Different forms of employees’ feedback have different benefits. That’s why CX pros should collect and combine many sources of feedback (see Figure 4). With that in mind, restaurant chain Red Robin collects and combines many sources of feedback. It surveys its 26,000 team members semiannually to gauge the employee experience. While it uses social platform Yammer to collect rapid feedback from restaurant managers about new burger recipes or corporate policies, it also solicits feedback via email from regional managers who are less likely to log into Yammer. These regional managers can also use a social app called the “portal of pain” to submit and vote on topics ranging from food quality to kitchen equipment. The company complements these sources with facilitated feedback sessions with top restaurant operators focused on hurdles they face, like cumbersome management processes or policies.

- **Disciplined.** Want employees’ feedback on a regular timely basis? Make providing it a natural part of employees’ workflow. Here’s a best practice: Professional services firm Crowe Horwath captures employees’ feedback as part of its program to measure and manage client satisfaction. After clients submit feedback about an engagement, employees append their notes to the client survey as part of their routine project paperwork. These employees’ insights provide a more complete and timely understanding of what worked — and didn’t — in an engagement. Crowe Horwath receives more feedback and makes more improvements because employees are able to enter information as part of their standardized workflow process.

- **Effortless.** Smart firms make it easy for employees to provide feedback. European utility E.On implemented Wocas, a platform that allows frontline employees like call center agents to document customers’ recurring issues — as well as suggestions for potential fixes — in a simple form accessed via their computer desktop (see Figure 5). E.On was able to identify hundreds of topics over the past five years with this highly efficient process and believes that addressing the underlying root causes contributed substantially to a 30-plus-point increase in its Net Promoter Scores (NPS). 

**Figure 4** The Voice Of The Employee Comes In Several Different Flavors

<table>
<thead>
<tr>
<th>Solicited</th>
<th>Unsolicited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feedback requested and collected by an organization</td>
<td>Feedback not requested by an organization</td>
</tr>
<tr>
<td>Examples: employee engagement surveys, suggestion boxes</td>
<td>Examples: grievances, career website ratings and comments</td>
</tr>
</tbody>
</table>

**Structured**

Feedback provided through defined response options

Examples: numerical survey responses, performance evaluations

**Unstructured**

Feedback provided through open text or voice

Examples: open-ended survey comments, call center notes

**Direct**

Employees' expressed perceptions

Examples: survey responses, employee panel feedback

**Implied**

Employees' behaviors that reflect or contextualize perceptions

Examples: attrition rates, training attendance, usage of technology systems

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**Figure 5** E.On Lets Employees Document Recurring Issues And Suggest Solutions

Agents capture recurring customer problems in a simple form and add individual customer contacts as examples for the identified problem.

Source: Wocas

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Uncover Root Causes Of CX Issues

Collecting employees’ feedback is necessary but insufficient to identify the root causes of problems in the ecosystem. To get at those root causes, customer experience teams must:

- **Integrate themes from employees’ and customers’ feedback.** When John Deere Financial finds that customers’ and employees’ feedback both highlight a problem, it knows where to focus its efforts. For example, the lack of paperless statements came up not only as a problem in VoC programs but also among employees. So even though the fix required technical support and was not planned in the current product delivery cycle, it received higher priority than other problems.

- **Involve employees in identifying root causes of problems.** Employees are often singularly well suited to identify what’s behind CX issues. Faced with clients’ complaints about delayed project kickoff and delivery, Crowe Horwath’s CX team set up discovery workshops with employees. One barrier it uncovered was that employees — not wanting to burden clients with a laundry list of documentation requests — weren’t setting appropriate expectations about how much paperwork clients would need to provide. These good intentions were slowing the process. So Crowe Horwath is testing a process where all information requests are shared at the beginning of an engagement to better set expectations, reduce turnaround time, and improve clients’ satisfaction with communication.

React To Feedback And Solve Issues

Employees’ feedback can help identify and solve root causes of CX issues, from people, processes, and policies to technology. How best can CX pros fix these issues?

- **Empower employees to implement ideas right away.** After CX improvement ideas are submitted, VoE leads at John Deere Financial sort them into one of four categories: 1) Just do it; 2) improvement project; 3) requires technical support; or 4) closed — already implemented or don’t do now. The VoE leads also determine who the best resources are to implement the ideas. One “just do it” idea came from an employee who was a veteran and appreciated that USAA call center reps thanked her for her military service. She suggested that John Deere Financial do something similar for farmers. And so now, at the end of Ag Producer customer calls, service reps thank farmers for putting food on tables around the world. Even though they only recently implemented this initiative, they have already received a number of emails and letters thanking them for the recognition.

- **Work with employees to prioritize systemic issues.** Fidelity Workplace Investing asked employees to vote on the most critical issues — or “top rocks” — based on criteria like scope, customer impact, and potential savings developed by the CX team. It used a collaboration tool to let employees vote and then compared the outcome with verbatim comments from the
customer NPS survey. One unexpected but important fix that will result from the “top rocks” approach: Increasing the number of years of statements that Fidelity allowed clients to access was a top priority based on a high vote tally from both employees and customers.

- **Co-create solutions to systemic issues.** Involving employees in problem solving will create better solutions with greater buy-in. This is how Cisco’s internal user experience (UX) team improved the tool its employees and channel partners use to find sales collateral, proposal templates, and related information. The team worked with focus groups of sales reps to specify requirements for the new tool and conducted usability tests with those reps throughout an Agile development process. The return on investment for these efforts? Six months after its release, 13,000 reps had adopted the new sales tool.

### Explain How Employees’ Feedback Is Used

To establish VoE programs as a self-sustaining discipline, CX teams should:

- **Make the collection and use of feedback transparent.** Dutch Telecom provider KPN’s Ambassador smartphone app allows employees to log complaints, compliments, and leads that they receive from friends and neighbors. The app links to KPN’s complaints handling system, which then sends alerts to employees when their complaint has been assigned to the relevant department and when affected customers have been contacted. To provide more information, the CX team at KPN set up a section on the intranet that allows employees to see compliments and give feedback about the Ambassador app.

- **Recognize employees who provide feedback and share top themes.** CX teams have a responsibility to update employees who provide feedback and let them know how they’re using their insights and ideas. Cisco has a two-tiered closed-loop process where it follows up with calls or emails to employees who provide feedback. As part of this process, Cisco also includes a summary of top issues submitted in its regular newsletter that highlights and thanks employees who suggested CX fixes.

### Recommendations

**DESIGN YOUR VOE PROGRAM TO IMPROVE CUSTOMER EXPERIENCE**

Ultimately, a VoE program will only help cure broken customer experiences if it’s correctly designed and executed. To get it right, CX professionals need to:

- **Inventory current VoE sources and build a road map for closing gaps.** CX teams should map customers’ journeys and the underlying ecosystems to identify pain points in current customer interactions. For each pain point and the corresponding part of the ecosystem,
assess the quantity and quality of employees’ feedback about customer issues, processes, 
people, and technology as well as the employee experience. In parallel, CX teams should 
work with their HR colleagues to map the employee journey from recruiting and hiring 
through career progression, retention, and exit. And just as with customer maps, assess the 
quantity and quality of employees’ feedback about each part of the life cycle. Taken together, 
these analyses will reveal gaps in employees’ feedback and help CX pros focus their efforts 
on the specific VoE listening posts to augment or develop.

- **Free up and train employees to improve feedback quality.** Don’t assume that employees 
  know how best to collect and share customer feedback. Instead, equip them to do so. 1&1, 
a German Internet and mobile provider, started a program with small groups of high-
performing contact center agents who were freed up from average handling time targets. 
These agents not only received training and coaching over the course of four weeks on how 
to lead customer conversations where they didn’t solely focus on solving problems but also 
investigated why customers had those problems in the first place. This new approach and 
related data equips 1&1 to solve a broader range of customer problems more effectively, 
while identifying root causes of CX weakness.

- **Make giving feedback a priority for employees.** Each time that Cisco’s technology 
  management team developed an iteration of its successful new sales enablement tool, Cisco’s 
  internal UX team had just two weeks to get usability feedback from sales. The problem 
  was that participation rates were initially only 50%, which wasn’t high enough to provide 
  adequate feedback in the abbreviated time frame. To solve this challenge, the UX team asked 
  executives to nominate a dedicated group of salespeople to spend 1 hour per month for six 
  months providing feedback. By confirming their involvement ahead of time, participation 
  rates increased to 95%.

- **Identify which VoE vendors can help.** Few firms will have all of the capabilities in-house 
  for managing an effective VoE program, so bring on the right partners. VoC vendors like 
  Clarabridge, Confirmit, Medallia, Nice Systems, and QuestBack can build or integrate 
  VoE listening posts. HR consultancies like Towers Watson and Gallup excel at collecting 
  employee engagement data via annual benchmark surveys, pulse surveys, social media 
  scanning, and focus groups. Consider enterprise social networking platforms like Yammer 
  and Chatter to help collect employees’ unstructured feedback rapidly and to facilitate peer-
to-peer conversations. And use ideation platforms like Spigot to help gather and prioritize 
  CX improvement suggestions from employees.
SUPPLEMENTAL MATERIAL

Companies Interviewed For This Report

Capital One                Qualtrics
Cisco Systems             QuestBack
Clarabridge               Red Robin International
Crowe Horwath International Rogers Communications
Fidelity Workplace Investing Sage Software North America
John Deere Financial      Towers Watson
KPN                           Verint Systems
Medallia                   Wocas
Nice Systems               Yammer
PeopleMetrics

ENDNOTES

1 To see how effectively CX programs have improved customer experience quality and delivered financial results in 2014, see the December 30, 2014, “The State Of Customer Experience Maturity, Q4 2014” report.

2 Forrester surveyed 126 CX professionals to find out how their firms manage CX and how diligently they apply best practices. Source: Q4 2014 Global Customer Experience Peer Research Panel Online Survey.

3 In an interview, employee engagement survey firm Towers Watson stated that most of its clients field employee engagement surveys every 18 to 24 months.

4 Net Promoter and NPS are registered service marks, and Net Promoter Score is a service mark, of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.
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