

# Employee Engagement Survey in downturn times

Case study

*Lidiya Nadych-Petrenko*

JTI Ukraine



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# JTI

- #3 Tobacco Company in the World
- #1 Tobacco Company in CIS
- Winston, Camel, Mild Seven, LD, Sobranie & Glamour
- 3 of 5 most popular cigarette brands
- 23 000 employees worldwide
- Top100 FT500





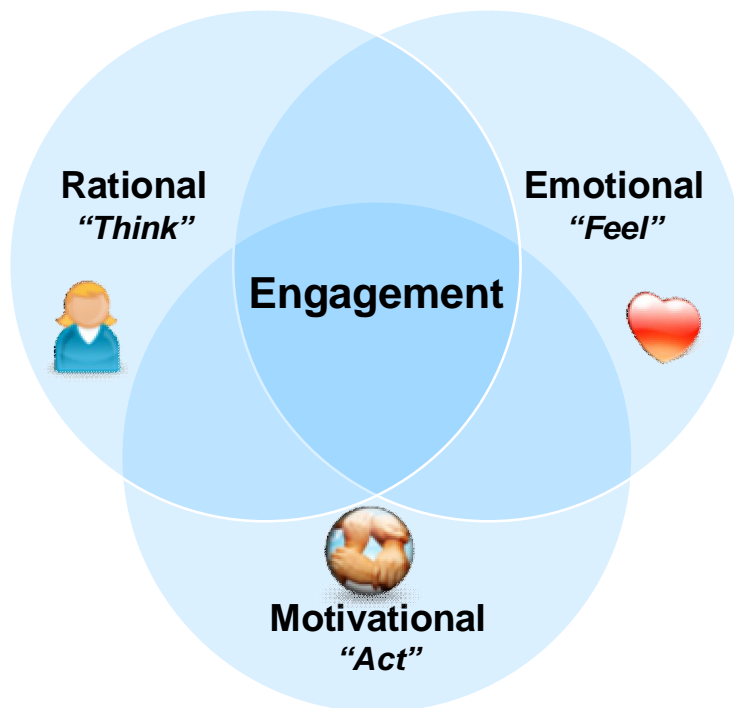
# JTI Ukraine

- Since 1993 (started as RJ Reynolds Tobacco)
- 1300 Employees
- Factory in Kremenchug
- 600/450 HQ/Sales Force
- 9 regional Offices
- #2 in Ukraine
- Winston #1
- Top4 FMCG Employers

(Korrespondent 2008)



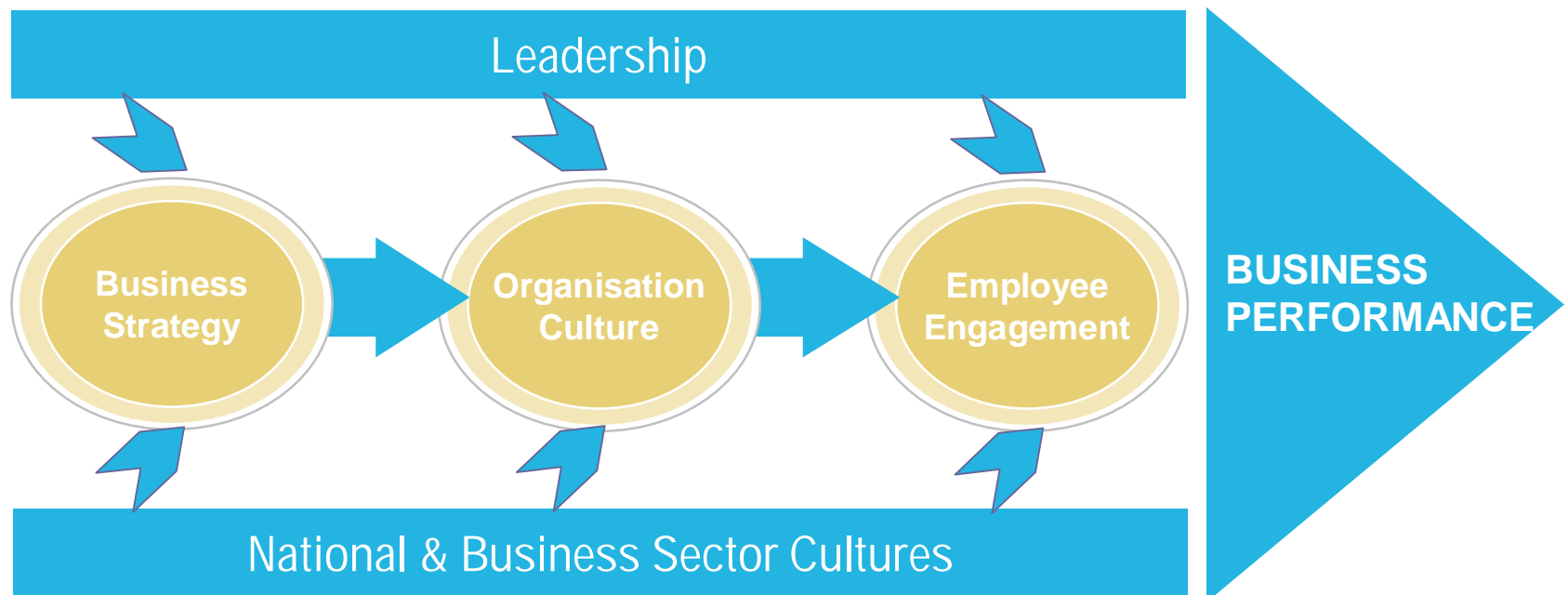
# What is Employee Engagement?



**To be fully engaged, employees must have:**

- **Rational** / cognitive understanding of the organization's strategic goals, values and their "fit" within it (also known as the **"Think"** sector)
- **Emotional** / affective attachment to the organization's strategic goals, values and their "fit" within it (also known as the **"Feel"** sector)
- The **motivation** / willingness to do more than the minimum effort in their role (i.e., to be willing to invest discretionary effort, to "go the extra mile") for the organization (also known as the **"Act"** sector)

# Why do we measure Employee Engagement?



# Turning Results into Action: The Roadmap



# External benchmarks in your reports: Towers Perrin-ISR Global Norms

## Global FMCG Companies Norm

41 Companies, Weighted N=160,316

- Towers Perrin-ISR Global Fast Moving Consumer Goods Companies Norm is comprised of weighted averages of survey results of employees working in manufacturers of non-durable consumer goods such as foods, beverages, home care products, personal care products, including cosmetics.
- The data from nearly 340,000 employees is derived from recent client studies conducted by Towers Perrin-ISR across the world, together with additionally collected Towers Perrin-ISR data from a stratified random sample of the population in full-time employment, working in medium or large-sized FMCG organisations.
- The norms are updated annually.
- Sample organisations include Alticor, BAT, Cadbury Schweppes, Carlsberg, Diageo, General Mills, Danone, Heinz, L'Oreal, Mattel, Nestle, Orkla, Wrigley.

## Global High Performing Companies Norm

35 Companies, Weighted N=145,670

- Towers Perrin-ISR Global High Performing Companies Norm is comprised of a weighted average of employee survey results from a cross-section of industry sectors for operations globally.
- The data from nearly 570,000 employees is derived from recent client studies conducted by Towers Perrin-ISR across the world.
- Companies qualify for the norm by meeting 2 criteria:
  - superior financial performance, defined by a net profit margin and/or return on invested capital that exceeds industry averages; and
  - superior human resource practices, defined by employee opinion scores near the top among the most financially successful companies surveyed by Towers Perrin-ISR.
- To develop the Norm, publicly available sources of financial data are researched to obtain company performance information.
- The norm is updated annually.
- Sample organisations include AstraZeneca, Chevron, Diageo, General Mills, Merck, Macquarie, Novartis, Toyota, Westpac, Wrigley.

# External benchmarks in your report: Towers Perrin-ISR National Norms

	Argentina		Lithuania
	Austria		Malaysia
	Australia		Mexico
	Belgium		Netherlands
	Brazil		New Zealand
	<b>Bulgaria</b>		Norway
	Canada		Philippines
	Croatia		Poland
	Czech Republic		Portugal
	Denmark		P.R. China
	Finland		Romania
	France		<b>Russia</b>
	Germany		<b>Serbia</b>
	Greece		Singapore
	Hong Kong		Slovakia
	Hungary		South Africa
	India		Spain
	Indonesia		Sweden
	Ireland		Switzerland
	Italy		Taiwan
	Japan		Thailand
	<b>Kazakhstan</b>		Turkey
	Korea		<b>Ukraine</b>
	Latvia		United Kingdom
			United States

## Towers Perrin-ISR National Norms

More than 100 different national norms available

- Towers Perrin-ISR national norms are comprised of weighted averages of employee survey results from a cross-section of industry groups within a particular country.
- The data is derived from recent client studies conducted by Towers Perrin-ISR, together with additionally collected Towers Perrin-ISR data from a stratified random sample of the national population in full-time employment, working in medium or large-sized organisations.
- The norms are updated annually.



# Objectives of the Employee Engagement Survey 2009

<b>To Gain Insight</b>	Employee Engagement Key Drivers of Engagement	<ul style="list-style-type: none"><li>● To obtain valuable feedback from all JTI employees from the Adriatic, CIS+ Region and Export Markets.</li><li>● To measure current levels of engagement within these areas and their short-term and long-term key drivers.</li></ul>
<b>To Obtain Benchmarks</b>	Internal External	<ul style="list-style-type: none"><li>● Compare employee attitude data across internal units within JTI.</li><li>● Offer benchmark data comparisons for JTI to Global High Performing Companies, Global Transitional Companies and Global FMCG Companies helping JTI to prioritize key activities focused on improving employee engagement.</li></ul>
<b>To Plan Follow-Up Actions</b>	Prioritising Delivering Monitoring	<ul style="list-style-type: none"><li>● Prioritize key activities to achieve sustainable increase in employees' engagement levels.</li><li>● Deliver 2-3 actions per internal unit, according to local priorities.</li><li>● Monitor action planning and delivery.</li></ul>
<b>To Learn Best Practices for the Global JTI Survey</b>	Communication Process Content	<ul style="list-style-type: none"><li>● Communicate survey aims, results, planned actions and outcomes.</li><li>● Learn "best practices" regarding survey process organisation and management.</li><li>● Test questionnaire content and wording, possible basis for a global JTI employee opinion survey.</li></ul>

# Where we stand?

- **Towers Perrin has been selected as the supplier for the project satisfying all JTI requirements**
- **Survey to be run across all CIS+ locations at once.**
- **Results to be obtained and communicated**
- **Action plan development (based on survey results)**

## **Pilot Participants**

Armenia, Azerbaijan, Belarus, Bulgaria, Georgia, Kazakhstan, Moldova, Russia, Serbia, Ukraine

## Ukraine Promo Project Goals

- **Increase engagement**
- **Reach the credibility of the research**
- **Reach response rate min 89% (Serbia benchmark)**

# Responsible Team

- **HR Director**
- **Internal Communications**
- **Employer Branding**
- **Business Partners**
- **Talent Management**
- **ExCom**
- **Regional Management**
- **Line Management**

# Research Communication Steps

- **1 step – Anti-crisis communication**
- **2 step – Research communication (explanatory)**
- **3 step – Encouragement to participate**
- **4 step – Thanking and follow up**
- **5 step - Communication of the survey outcomes**

# Anti-crisis communication

- Anti-crisis communication (preparatory)
  - Nothing about the research
  - Everything about “how we fight to keep you safe and satisfied”
  - Facts and figures
  - Two-way approach

Target: to make people believe that we really care and we care MORE than others do

# ACC activities

## Office

- Meeting with GM
- Intranet
- E-mails
- Podcasts

## Sales

- Voicemail
- Hotline

# Research communication

- **Research communication (explanatory)**
  - **ALL about the research (when?where?how?why?)**
  - **What is the SENSE?**
  - **Presentation and supporting materials**
  - **2-way communication (meetings, road shows)**
  - **Hotline**

# Research promo activities

## Office

- Meetings + Presentations
- Intranet

## Sales

- Road show
- Intranet
- Team presentations
- Phone calls for distant employees

## Encouragement to participate

- **Competition (we vs other markets of CIS+)**
- **Countdown**
- **Drive (the time has come!)**
- **Motivation (special activities)**

**Target: to increase response rate**

# Research promo activities

## Office

- **Business TV**
- **E-mails**
- **Rewards for “early birds”**

## Sales

- **Line managers and opinion leaders**
- **SMS**

## Thanking and follow up

- **Follow up (closing the campaign)**
  - **Gratitude**
  - **Announcement of the next research stages**

**Target: to maintain engagement and give the feeling that the story has JUST STARTED!**

## Promo Project Goals - Results

- **Increase engagement** ● **91%**
- **Reach the credibility of the research** ● **85%**
- **Reach response rate min 89% (Serbia benchmark)** ● **91%**

# JTI Ukraine Results



# JTI Ukraine EES Communication Goals

- Communicate the results of EES
- Reach the credibility of the results
- Increase engagement
- Gain insights
- Define next steps

## Responsible Team

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- HR Director
- Employer Branding
- Business Partner
- Talent Management
- Internal Communications
- ExCom
- Regional Management
- Line Management



# Communication Framework

- Face2Face presentations provided by:
  - **Kiev HQ:** HR Director + Department Director
  - **Regions:** HR (WG 2 or 3) + Divisional Director + Regional Manager
- Written communication (after f2f presentation only!):
  - **Kiev HQ:** OASIS Local News (+email) + Business TV
  - **Regions:** communication presentation + podcast on usb flash-drive for every employee.

Bonus: Corporate film devoted to the 10<sup>th</sup> Anniversary

## Communication steps

1. EES results presentation preparation
2. Presentation to ExCom
3. Pre-discussion with Department's Heads
4. Face2Face presentations to departments
5. Post-communication (jTV, OASIS, USB)

# Research Communication (structure)

- To remind about the research  
(when?where?how?why?for what?)
- CIS+ results
- Ukraine market results
- Kyiv HQ/Regions results
- Benchmarks comparison
- Top/Bottom items
- Manager's feedback
- Group discussion
- Next steps

# Key Messages

- Your opinion was heard, submitted and analyzed
- Sufficient efforts were made to get the opinions and thinking of employees
- As a result of the survey, management will act on problems identified
- The solution of the problems and department plans are the joint task of you and your manager. HR could play a role of facilitator in the development of action plans to solve the problems envisaged.
- HR is responsible for the development of the solutions on “company level” issues (for example quality of Performance Appraisal Training programs)

## Important notes

- As presentations are conducted only together with Department Heads, the schedule of the presentations in Kiev HQ was spread because of their vacations and business trips
- Presentations in regional offices were linked to the events gathering maximum participation of regional employees
- For remote teams presentations are conducted by Regional Management, communication of the results is duplicated by podcast and presentation on usb flash-drives

# Results Communication

## Office

- **Separate presentations for every department**
- **Detailed reports for each department sent by e-mail**
- **Thank you letter**

## Sales

- **Road-show for all regional teams**
- **Detailed reports for each region sent on USB flash-drive**
- **Thank you letter**

# Outcomes for the case study

- Each strategic goal or initiative of an organization can be successfully performed only in case it is communicated properly to all parts involved
- CEO (General Manager, etc) should be involved in each internal communications project
- Action plan implementation is a task for the whole organization. HR is the facilitator of the process and main activities are expected from Employees and Line Management



- **Thank you!**