

Are you quantifying your culture? Pay attention to metrics

Stop for a moment and imagine a perfect world in which your company has its core values (its branded experience) very clearly defined with actionable behaviors every employee can and should do. You've rolled out the experience to the workforce—you've done the pep rallies, made the announcements—but that's not enough.

A company can never be known for its core values unless managers and employees are engaged with a shared mindset and behaviors that power the branded experience. No one wants employees who show up (often late), punch the clock (literally or figuratively), go through the tactical motions to get the job done, and then punch out. But that is what many get when their workforce is not aligned and engaged on how to deliver the values they know are important.

Pep rallies and big announcements alone do not work in engaging the workforce with the branded experience. To be a best place to work, where employees are engaged to deliver the branded experience and customers are engaged and incredibly loyal because they are receiving the branded experience, a company needs to go beyond just announcing the culture and change the conversation to focus on results.

According to Erin Moran, senior vice president of people at the Great Place to



ON PERFORMANCE

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Work Institute, companies recognized as best places to work have better financial results than their competitors. They also have greater trust among employees and in management. And they recognize that the behaviors of management have the largest impact on a successful culture.

The best companies also consistently use these critical techniques:

1. They assess their culture and actually do something with the data. This is where most companies tend to get stuck, because they assess their culture using typical annual employee satisfaction surveys and then they sit on the data, which frustrates management and employees alike. Clients of my firm, Brand Integrity, regularly assess two employee metrics, and so can you. They assess how consistently each of the behaviors is being demonstrated and how engaged their workforce is.

2. They act on the data collected, taking steps to improve their culture, which results in a better and more consistent customer experience.

3. They learn and share information constantly to keep everyone focused on what matters most and how that translates into a consistent customer experience that makes people love to do business with them.

Do you know how engaged your company's workforce is or how consistently employees are living your company values? Are

you able to clearly see the impact both factors have on the financial results you are trying to achieve? If so, you are quantifying your culture. If not, you've got work to do.

You can begin finding out how engaged your workforce is by visiting EngagedIndex.com. It's free. And the more employees who take the survey, the more accurate the results. Once you have the data on how engaged your workforce is, you can begin to compare your score to other metrics that matter most to your company.

It's your responsibility as a manager and leader to determine which financial metrics matter most when quantifying your culture and the branded experience that results. Doing so will create incredible visibility as to which managers are "managing by the values" and creating an engaged workforce and which ones simply struggle to get employees aligned and focused on living the values.

Let me share a few examples of companies I have worked with that have successfully linked the behaviors behind their values and the level of engagement of their workforce to financial results that matter most.

■ An accounting firm was unable to get employees and leadership aligned and engaged with the optimal culture for the future. Significant company expansion made it difficult to create the desired visibility. Company leaders began to quantify their culture through semi annual surveys linked to visibility metrics. In two years, they saw a 29 point increase in their engaged score.

■ Another example of leadership holding the work culture and branded experience accountable for results includes a bank focused on loan sales as a part of its growth strategy. The company created the visibility between how engaged employees are and the impact on financial results. Leadership was able to show a correlation between loan production throughout the branches and the company's engaged score.

■ A large supermarket chain was challenged with employees who struggled to understand and consistently deliver above-and-beyond service. It refined the company

Metrics that matter most

Leading companies use these measures to quantify their culture. Which ones matter most to your company?

Revenue-generating

Repeat business per customer
Average sale per customer
Profit margin
Customer retention
Number of referrals
Average sale per top 20 percent of customers
Cross-selling/up-selling
Hours billed (utilization)
Inventory turns
Billing cycles
Conversion rates

Cost-reducing

Employee turnover
Unwanted employee turnover
Quality issues
Product returns
Employee absenteeism
Legal expense
Marketing expense
Training expense
Safety issues
Time to fill a job
Employee theft

values and established a more specific set of simple and actionable behaviors. Then it instituted measures to quantify the culture through semiannual surveys. Within two years, company leaders were able to connect the level of engagement of the workforce to the average sale per customer.

Whether your company is a retailer that wants to compare engagement to average sale per customer, a professional service provider measuring client retention, or a manufacturing firm interested in lower-

ing quality issues, you will find there are many opportunities to connect, compare and correlate results. Use the accompanying lists of “Metrics that matter most” as a starting point for determining which metrics you should start holding the experience accountable for. Also, visit EngagedIndex.com to find out how engaged your company’s workforce is. It’s a great way to spark the conversations necessary to improve your culture and ultimately improve the customer experience.

Gregg Lederman, CEO of Brand Integrity Inc., is a professional speaker on the customer experience, leadership and culture change. He is an adjunct professor at the Simon School of Business at the University of Rochester and is the author of “Engaged! Outbehave Your Competition to Create Customers for Life” and “Achieve Brand Integrity: Ten Truths You Must Know to Enhance Employee Performance and Increase Company Profits.” Read more from Gregg at www.gregglederman.com.