

An
Engaged Workforce

» TARGETS ▶

Guest Satisfaction



By Joan King

Managing Director
Survey Solutions,
UniFocus



972.512.5169

JKing@UniFocus.com

www.UniFocus.com



Most of us know and understand intuitively the relationship between happy or engaged employees and satisfied and loyal customers.

We go about our daily lives with this understanding and operate with the goal of achieving both. Even though the relationship between guest satisfaction, loyalty, and employee engagement may be implicit, knowing the actual attributes of a work environment that inspire engagement is vital to our success. Otherwise, we're simply saying we want to work toward a more engaged work force, but we don't have the knowledge and tools we need to take actions that will actually result in an engaged workforce.

The Gallup Q12 Meta-Analysis (2006) is a study that brought together all of the research that had been done with the Q12 instrument. The research was able to study the effects of employee engagement, as measured by the Q12, on business unit performance. They divided the business units into two groups, the highest and lowest 50% on the

Strength of Employee Engagement



Customer Satisfaction

multi-generation workforce and guests that have higher and higher expectations of their lodging experiences, will the Gallup findings from 2006 still hold up?

The company had over 20 hotels that provided employee survey data and various guest outcome measures (overall satisfaction, price/value, willingness to recommend, intent to return, and loyalty). Three attitudinal questions that addressed engagement were combined into an "engagement index":

Q12. They found that businesses in the higher group had significantly higher success rates on, "customer loyalty metrics, turnover, productivity, and profitability." They also found that between the top and bottom quartile of business units, the top performers had a 2-4 point difference on customer loyalty. This was, obviously, quite significant and reinforced the need for businesses to invest in their work environments for the purpose of improving employee engagement.

The Gallup findings were significant back in 2006, so we decided to work in partnership with our Research Partner, Dr. Dan Mount, Associate Professor, School of Hospitality Management at Penn State University to explore them in more detail. We used recently collected guest and associate data from a medium sized hotel management company for the purpose of better understanding today's environment. With an ever-changing

1. I feel that I am a valued and appreciated associate.
2. Managers at this property are concerned about the needs of people as well as getting the tasks done.
3. Working at this property makes me feel that I am accomplishing my personal and professional goals.

The hotels were then separated into quartiles. The high-performing hotels had an overall guest satisfaction rate of 86.4, the low-performing hotels had an overall guest satisfaction rate of 82.4, a four-point difference, very similar to the results in the Gallup study. Of particular interest was that the engagement index was more highly correlated TO EVERY OUTCOME MEASURE than was the overall employee satisfaction score.

Now we have evidence that driving a high level of employee engagement is still vital

to business success in today's hotel environment. The attitudinal questions listed above are indicators of how engaged this particular workforce is, but they do not necessarily provide us with the information needed to initiate effective action plans at the hotels, and organizationally. In order to derive the list of actionable items, another correlation was done with the data and remaining questions from our survey to determine the items most closely related to the drivers of employee engagement. The items with the highest correlation to the engagement index were:

1. Managers are willing to hear ideas to improve work practices.
2. Managers at this property encourage my professional development.
3. My job makes good use of my skills and abilities.
4. In the last 30 days, I have received recognition or praise for good work.

Now we have a list of actionable items that when addressed will have the most significant and immediate positive impact on this management company's employee engagement, hence impacting their guests' overall satisfaction, intent to recommend their hotels, and return to them.

The ultimate outcome or goal of an engaged workforce are satisfied and loyal guests and customers. An effective measurement of your success in achieving this goal is your guests' intent to recommend your facility and services to others.

Stay tuned for some additional findings on employee engagement related to length of employee service and quality of training programs, and how these factors can influence the ultimate goal of guest loyalty. 

