

# LISTENING TO EMPLOYEES AS A BUSINESS STRATEGY

## SPM Essentials Series: Practical strategies for today's management challenges

Webinar 5\* in the SPM Essentials Series focused on how financial service providers (FSPs) can better collect and leverage employee feedback to advance strategic goals. Employee satisfaction and feedback are an often-overlooked asset for business. Staff interact most with customers and can be a wealth of ideas for improving an FSP's operations and human resource development. In updating the Universal Standards, SPTF learned of innovative ways that FSPs are doing this.

### **The goal for FSPs**

Collect and use employee feedback to improve business operations.

*\*The ILO and SPTF jointly funded and this webinar, which is one of three webinars in the SPM Essentials series that focuses on dimension 5 of the Universal Standards: Responsible Human Resource Development.*

### Relevant excerpts from the Universal Standards

**Standard 5B: The provider's Human Resource Development system is designed to attract and maintain a qualified and motivated workforce.**

**- Essential Practice 5B1: The provider gives each employee complete employment documentation and training to understand their job requirements.**

**- Essential Practice 5B2: The provider gives employees formal opportunities to communicate with management.**

- The provider has a formal mechanism for consulting with employee representatives on HR decisions and policy development. The employee representatives have direct access to executive managers.
- The provider has a formal grievance mechanism in place that allows employees to raise workplace concerns in a confidential manner.
- The provider asks employees for feedback on at least the following topics: communication, leadership, compensation.
- Employees are given the option to provide feedback anonymously.
- The provider gives all outgoing employees the opportunity for an exit interview or to complete an exit form.
- The provider analyzes the following data, disaggregated by gender, position, and other relevant segments: turnover rate and reasons for exit
- The provider takes action to correct institutional problems leading to employee turnover and dissatisfaction.

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# TIPS FOR COMMUNICATING TO EMPLOYEES AND COLLECTING EMPLOYEE INSIGHTS

VisionFund Mexico, Crystal (Georgia), and Fundación Paraguaya shared different innovative ideas for channels that management can use to communicate with employees:

- **Set up chat groups.** Fundación Paraguaya sets up WhatsApp groups for different levels and offices. Crystal uses Yammer to set up small groups according to specific interests of employees.
- **Send a daily highlight email.** Managers at Fundación Paraguaya send employees a daily “tweet,” which includes the most important 3-6 events from the day.
- **Use an app.** Fundación Paraguaya uses the Heroes App, which allows management to provide updated information to employees and allows employees to submit requests, such as salary advances or requests for leave.
- **Designate a delegate.** Each branch and section can designate a delegate to share information from management to staff.

They also shared ideas for effective communications *content* from management to employees:

- **Keep it short.** Employees are busy; for Fundación Paraguaya’s daily “tweet” email, each news item must be three lines or less.
- **Use visuals.** VisionFund Mexico uses Canva to create images, infographics, and videos that make communications more engaging and are accessible any device.
- **Include them in decisions.** Crystal believes that employees who are involved in the process have the best ideas of how to improve a process. Additionally, employees who are involved in decision-making are more motivated.
- **Raise awareness of the FSP’s goals.** Fundación Paraguaya believes in activating its employees agency and self-efficacy; if staff better understand the goals of the organization and the role they play in achieving them, it can lead to increased staff commitment, innovation, and productivity.
- **Emphasize the importance of employee feedback.** Sometimes employees are discouraged when policies are not immediately changed. It’s important for FSPs to continually emphasize the importance of employee feedback and to set realistic expectations. VisionFund Mexico noted that it cannot change everything at once and may only be able to change 2-3 things at a time.

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# TIPS FOR AN EFFECTIVE EMPLOYEE GRIEVANCE MECHANISM

- Have multiple possible communication channels for employees complaints: emails, calls, WhatsApp, flyers, internal app.
- Respond to complaints in a timely manner.
- Guarantee confidentiality of complaints.
- Establish an ethics point person or committee to whom employees can report incidents and who can manage whistleblowers.
- Analyze complaints and use results for decision-making. FSPs should implement continuous improvements based on complaints and reports.

## FIELD EXAMPLES

**VisionFund Mexico uses an annual survey, "Our Voice"** to evaluate employee satisfaction. The survey:

- Measures 10 categories, including alignment and understanding of the strategy and perception of local leadership, staff care, and engagement.
- Is conducted via smart phones
- Allows for open questions. VisionFund Mexico can then organize answers by key words and topics for easier analysis.

Results are shared in an open forum, and then discussed in cascade by managers with their teams. Additionally, VisionFund International conducts segmented analysis of the results to better understand the needs of each segment of its population and focus action plans to address those needs.

**Based on feedback gathered from its employees, Fundación Paraguaya provided relief to clients and staff in several ways during the COVID-19 pandemic.** This included:

- For employees:
  - An internal market where employees could advertise side businesses
  - Procedural changes
  - The ability to work from home
  - A vaccination campaign
- For clients:
  - Emotional support
  - Financial products based on clients' needs and preferences
  - New business in schools

