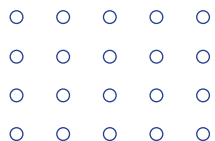


A LISTENING GUIDE

# Listen to Lead: Raise Retention and Boost Business



How to convert employee  
insights into growth

[ListenToEmployees.org](https://ListenToEmployees.org)

# Executive Summary

The most underutilized corporate strategy is **listening**.

Today's employers face unprecedented challenges recruiting and retaining the diverse, talented staff they need. Seismic changes in the employment landscape, from the rapid deployment of advanced technology to the shift toward the gig economy, have reimagined the value proposition on work for many employees, especially among the Millennials and Gen Z employees entering the workforce.

For many organizations, frontline workers—a category that expanded during the pandemic to include food service, hospitality, transportation, and other work that deals directly with the public—are an essential part of doing business. However, a large portion of the job churn since March 2020 has been concentrated in frontline services. In addition, women, people of color, migrant workers, and people with disabilities are disproportionately affected by recent workplace changes, further exacerbating problems in employee retention, performance and churn.<sup>1</sup>

The sobering impact of a multi-year pandemic has only made workers of all backgrounds less tied to unsatisfactory jobs, with historic resignations signaling a new commitment to finding meaning and balance in work.

As Luigi Zingales describes in a landmark 2000 study, long accepted tenets of business – that capital is king, and assets rule the corporate landscape – have gradually given way with the dawning of the digital age<sup>2</sup>. More recently, corporations have shifted to a customer-focused model that prioritizes an ever-growing customer base over all else<sup>3</sup>. But today, to take advantage of growth opportunities, businesses must turn toward human capital to achieve the competitive advantage and bottom-line opportunities the market demands.

To recruit and retain a vibrant, cutting-edge workforce in these new conditions, employers need more than playful perks. The value proposition today's employee is seeking in the workforce is no longer – solely – about material benefits. Instead, it

“ Humans are not a resource, they are the creative engine of innovation and change that companies urgently need. ”

-**Hubert Joly**, former Chairman and Chief Executive Officer, Best Buy and Senior Lecturer at the Harvard Business School.

hinges on meaningful engagement, and the most successful employers know that engaging employees is an organization-wide, systematic endeavor that centers on the simple, powerful act of listening.

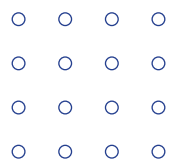
Through months of deep research, a coalition of partners has designed a framework to support companies on a learning journey toward understanding and valuing employee voice as critical to resilient, sustainable, and successful business operations in any economy.

#### **The LAB (Listen, Act, Be Accountable)**

**Framework** – an evidence-based approach to listening to and incorporating employee voice in internal operations – will help companies reduce high costs incurred from turnover and disengagement<sup>4</sup>, increase productivity<sup>5</sup>, and ultimately grow revenue and shareholder value.<sup>6</sup>

Forward-looking organizations harness employee insights through integrating egalitarian listening, proactive interventions, and authentic accountability into their human capital management strategies. The Business Case for Listening, guidance for leaders seeking to attract and retain talent while gaining a competitive edge, highlights tools, case studies, and resources that demonstrate how employers can capture employee expertise from every corner of their organizations in a way that leads to competitive and financial gains.

According to the dictionary, **employees** means ‘a person who works for another in return for financial or other compensation; by ‘employees’ we are referring to all workers, including those who work hourly and on contract.



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# Harnessing employee voice to improve retention, engagement and business value

Researchers studying the impact of intangible factors like high employee satisfaction and engagement on corporate performance have found that companies with satisfied employees consistently perform better than their peers.<sup>7,89</sup> The idea isn't new, according to a 2008 study by Alex Edmans investigating how organizations integrated the findings of Fortune's annual "100 Best Companies to Work For" list.<sup>10</sup> In fact, recent research from Gallup shows that employee engagement leads to an 81% decrease in absenteeism, an 18% increase in productivity, and a 23% increase in profitability<sup>11</sup>.

But Edmans found little industry interest in Fortune's findings about how the most successful corporations were making – and keeping – their employees happy. Bernstein and Beeferman suggest this may be because businesses aren't sure how to quantify intangibles or connect them back to the human capital management practices that can move the needle on employee satisfaction –

but businesses that crack the code reap big benefits.<sup>12</sup>

Human capital management strategies, including training and HR policies, are directly linked to financial performance, and companies that attend to those metrics can see returns on equity, investment, and profit margins, as research by Alex Edmans and others has shown<sup>13</sup>. Effective human capital management strategies that successfully engage employees can not only mitigate risks related to productivity, reputation, strategy execution, and operations but also positively impact corporate performance.

**Human capital management:** the process of hiring the right people, managing workforces effectively, and optimizing productivity.

-ADP

A 2017 analysis by the Harvard Business Review found that companies including Walmart, McDonald's, GAP, and Aetna were taking note of intangibles relating to employee engagement, having realized that engaged workers are more productive, provide better service, and are less likely to leave their organizations — an especially crucial insight in the retail and restaurant industries, where turnover in 2016 averaged 65% and 73% respectively<sup>14</sup>. This universal recognition that a company's workforce is crucial to business longevity, reputation, and success is prompting organizations of all sizes to rethink how they engage talent.

These benefits are especially robust when businesses are intentional about listening to all employees, especially those who are most often overlooked. As the Harvard Business Review reported in 2022, businesses tend to mismanage their hourly workers, misunderstanding their needs and motivations<sup>15</sup>. The elitist assumption that so-called “low-skilled” workers can easily be replaced has long been disproven – today, companies are losing millions to labor shortages caused by their inability to recruit and retain the frontline workers who are so critical to executing business strategy. But as a study from MIT showed, frontline workers need authentic solutions that take their holistic experiences into account – experiences that can't be understood without robust employee engagement.

<sup>16</sup>

As boards, investors, management, and employees navigate a new frontier, there is a unique opportunity to advance business innovation by tapping into employee voice. **Employee voice**, the experience, expertise, ideas, concerns, and perspectives of employees authentically – holds the key to significant financial, cultural, and consumer insight that drive business value.

We define “**employee voice**” as the perspectives, interests, and needs of the workforce, encompassing a wide range of employees, such as full-time, part-time, and contract. -

**Yie-Hsin Hung**

Chief Executive Officer,  
State Street Global Advisors

**Darren Walker**

President,  
Ford Foundation

**Constantine Alexandrakis**

Chief Executive Officer,  
Russell Reynolds Associates

For example, JUST Capital's broad-based JUST Index shows companies that engage workers gain a competitive advantage in the market, as their improved reputation is more likely to appeal to job seekers, consumers, shareholders, and investors alike.<sup>17</sup>

In Russell Reynold's 2022 annual Global Leadership Monitor, surveying 1,590 global board directors, CEOs, C-suite leaders, and next generation leaders across industries, more than half (51%) of global executives identified employees as a "top three" stakeholder group, an increase from 41% in 2021.<sup>18</sup>

"Those in JUST Capital's broad-based JUST Index (JULCD) and the JUST 100 Index (JUONETR) have outperformed the benchmark Russell 1000 index by 7.5% and 8%, respectively, since their inception dates. The top 10% of companies in JUST's rankings outperformed the bottom 10% by almost 5,000 basis points (50%) since January 2018. In each case, workforce-related criteria are by far the highest weighted factors and the key driver of performance."

**Snippet from,** Fortune article, Americans know what they want from companies. It's time to listen

Even so, employee churn – short-term employee turnover at a business establishment – persists, and the cost to businesses is significant. As a 2019 Gallup study reported, a conservative estimate of the cost of replacing an individual employee places it at between one-half and two times the employee's annual salary<sup>19</sup>.

Engadget reports that Amazon's astonishing employee churn – widely known to be a persistent problem for the retail giant – reportedly costs Amazon and its shareholders \$8 billion annually<sup>20</sup>. A significant percentage of that churn is among lower wage frontline workers, including warehouse and delivery workers, who have notoriously labored under acutely challenging conditions. Make no mistake: among the ranks of churned Amazon workers there have been untold lost opportunities for Amazon's management to gain insight into possible efficiencies – and powerful improvements to employee working conditions.

Savvy business leaders know the cost of ineffective human capital management is rising. Listening to and engaging employees reduces the high cost of churn while simultaneously increasing labor productivity and growing revenue.

**employee churn:**  
short-term employee  
turnover at a business  
establishment

The three-part framework detailed in this guide demonstrates how an effective human capital management strategy can start simply with engaging employee voice:

**Listen — Act — Be Accountable**



# The Barriers to Listening to Employees

“Leaders often forget the power and importance of a simple coffee, a simple question, and just listening before we make assumptions about our team members. Listening not only helps to retain existing employees, but also helps with onboarding new employees. Finding the time to commit to listening strengthens company culture by showing that you care.”

-**Dr. Rachel Pacheco**, PhD, management author and professor at Georgetown University McDonough School of Business

Like their employees, companies are facing economic challenges that make today's fierce competition for talent<sup>21</sup> even more pressing.

According to a Workday study in partnership with Financial Times company, Longitude, a majority of senior executives surveyed across healthcare, hospitality, manufacturing, and retail (56%) said they're grappling with frontline employee turnover that's higher than the historical average, and 49% believe this historic rate of frontline employee turnover will be greater in the coming year, even amid fears of higher inflation or a recession.<sup>22</sup>

With employees leveraging opportunities for the best salary and benefit packages and employers racing to fill open positions and fulfill their promises to investors and stakeholders, authentic engagement

can fall to the wayside. But as the Harvard Business Review has found, the business risk that employers face from the loss of frontline workers can be mitigated. Frontline workers who are offered effective employee engagement strategies that take their career development into account usually want to stay and grow<sup>23</sup>.

When companies lack the organizational capabilities to listen to and act on their employees' insights, they lose out on opportunities to reduce employee churn and attract and retain the workforce needed to drive short- and long-term organizational success. Some of the organizational barriers to employee listening include:

- Lack of leadership buy-in
- Fear of criticism
- Limited time and resources

- Limited communication channels
- Lack of trust in management
- Limited understanding of processes
- Lack of goal alignment among leadership and employees
- Resistance to change

Organizations seeking to attract and retain highly talented staff need to strike a balance between delivering short-term gains to shareholders and getting long-term buy-in for the listening culture that will pay lasting dividends for employees, businesses, and investors. The recognition that a company's workforce is crucial to business longevity, reputation, and success can help reshape the barriers that stand in the way of authentic employee engagement.

From a retention standpoint, there's no time to lose. Modern employees expect more from their jobs, seeking better practices in:

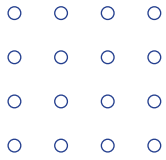
- Wages, compensation and economic mobility
- Health and safety
- Culture and benefits
- Diversity, equity, inclusion
- Job quality

No matter the economic conditions, many companies recognize that providing good quality jobs – roles that make them an employer of choice – creates a clear competitive advantage. That's why introducing effective human capital management strategies like the LAB framework can be the key to tapping into that advantage and building on it year over year

“ Companies are paying close attention to the enormous cost of “quiet quitting” and unmotivated employees, particularly in hybrid or remote working environments. Key causes for this are a lack of purpose and engagement. Our [Frontline Worker Well-Being in a Time of Crisis](#) report found business leaders can help cultivate individual and collective purpose. They can do so by prioritizing employee's health and safety, strengthening connections with the local community, and supporting innovation on the job. ”



**-Daryl Brewster,**  
CEO, Chief Executives for Corporate Purpose (CECP)



# The LAB Framework



## Listen

Develop strategies and activities that capture relevant input from employees at all levels to improve company retention, culture, and profitability goals.



## Act

Analyze insights captured from listening activities into digestible, presentable data. Then, translate this data into measurable actions.



## Be Accountable

At all levels, create shared ownership and responsibility to employee feedback.

A 2010 examination of employee retention at 2,000 publicly-traded companies over ten years by the McBassi Company found that companies with better employee retention saw cumulative stock returns that were 25 percent higher or 2.8 percent annualized than those with the lowest retention<sup>24</sup>. The report's findings also showed a predictive association between a YoY increase in employee retention and positive alpha generation in the subsequent year.

More recently, JUST Capital has reported on efforts by the private equity firm KKR to harness what partner Pete Stavros calls the “scale of opportunity” for employees and stakeholders. By investing in strategies that benefit employees long term, KKR helped Ingersoll-Rand reduce its quit rate by 90% over ten years<sup>25</sup>. Employees respond to investment in human capital management. Workers at the organizations featured in Fortune’s “100 Best Companies to Work For” were responsible for a 7% gain in revenue per employee YoY, compared with the 2022 average of 4%<sup>26</sup>.

But how can businesses achieve that coveted retention status and the attendant revenue benefits? Employee voice is the key, enabling leadership to understand the priorities, motivations, and expectations of a company’s whole workforce, and allowing employees to feel heard and included. Ultimately, this drives a positive culture and increased retention.

“ In 2023, there is a heightened level of communication and transparency expected from corporations when it comes to their employees. And both consumers and investors increasingly want to know that employers are paying fair wages, providing healthcare and paid leave, and ensuring safety in the workplace, so that they attract and retain the best talent. To compete successfully today, maintaining leadership in employee engagement is critical. This starts with listening, and it continues with action. ”

**-Martin Whittaker**, CEO, JUST Capital

By practicing all three parts of the LAB framework, leaders will gain insights from their employees, find untapped potential in their business operations, and build a culture of listening that has both short-term and long-term benefits.

Various partners curated the tools in the LAB Framework sections to address economic mobility, health and safety, racial equity, job quality, and other barriers modern employees face. These tools can directly improve working conditions for employees and consequently increase bottomline growth.

“ In order to be the most effective at advancing the business case of investing in the worker, we must take a data-driven approach to measuring job quality, and clearly demonstrate that workforce investments can lead to positive business and financial outcomes. Creating tools and instruments to quantitatively measure job quality that are voice-of-the-worker informed and focused on what employees want - good jobs - and not what companies want - greater productivity - will further help strengthen the case. We believe that good jobs aren't just good for society, they are good business. ”

**-Warren Valdmanis**, Partner, Two Sigma Impact

## The LAB Framework





# Listen

Develop strategies and activities that capture ethical input from employees to improve company retention, culture, and profitability goals.

Smart business leaders use data to drive high-impact business decisions, but many leave one of the greatest sources of ready insight available to them completely untapped: **employees.**

In fact, according to a Russell Reynolds Associates upcoming Global Leadership Monitor report, while the majority of [board] directors say they are frequently reviewing data on employee turnover (75%) and engagement (69%), notably fewer (59%) say they have a strong understanding of the day-to-day experience of the employee base, and only 40% have direct exposure to frontline and junior employees. Yet employees hold insights that can lead to improving vital business functions relating to customers, markets, and competitors; internal operations; and culture and organizational transformation.

Employees' observations are often lost in layers of operational friction, which can cause workers frustration that lead to serious business disruptions. The disconnect between employees and leadership makes businesses less competitive across the economy.

In 2021, 140,000 employees walked out of work<sup>27</sup> in the United States, many of

“Listening is a core competency for leadership. Listening drives insights and innovation. Listening builds trust and is foundational to better culture, better teams, and better performance.”

-**Jay Coen Gilbert**, CEO, Imperative 21

them low wage and frontline workers, citing healthcare and safety demands. In total, there were 265 work stoppages, according to researchers at Cornell University's School of Industrial and Labor Relations, who created the ILR Labor Action Tracker to record and examine strikes and other labor actions around the United States<sup>28</sup>. Cumulatively, that means there were about 3.27 million strike days in 2021 — which the researchers define as how long strikes lasted, multiplied by the number of strikers. With every strike, the divide between business leaders and the employees on the frontlines grew wider.

Nearly two years later, the cycle continues. Labor negotiations are underway across the U.S. airline industry, with unions seeking higher pay and better working conditions after carriers attempted to ramp up flying capacity as the Covid crisis eased strained staff and crews<sup>29</sup>. Airlines are under pressure to combat a pilot shortage. Railroad employees have long sought scheduling flexibility, time off and adequate staffing, and nearly went on strike in 2022 for an ongoing dispute surrounding working conditions<sup>30</sup>. In Minnesota, thousands of nurses have spoken up about staffing and retention strains from the pandemic and the need for wage increases associated with mounting safety concerns<sup>31</sup>.

These walkouts and work stoppages are workers' last resorts – clear evidence of the displacement of employee agency in the workplace. Employees are no longer willing to accept subpar conditions, and employers have been handed a mandate: it is time to give employee voice its place in shaping the future of business.



“ [Fifty-five percent] of employees feel more empowered [in 2022] to share feedback than they did a year ago. Previously, they might have stayed quiet because they thought their feedback wasn't a big enough deal to report, or maybe they felt leadership didn't want to hear what they had to say, ”  
**-Forbes.**

Forty-two percent of board directors surveyed in the Russell Reynolds Global Leadership Monitor said they would benefit from increased exposure to human resources. In addition, when asked about which functions their board needs more exposure to be more effective, directors' number one response was human resources.

By creating deliberate systems to capture and listen to employees' perspectives, board directors and leaders can tap into employee expertise, learn what employees need to succeed day-to-day and identify complex problems as a first step in understanding how to prioritize. Along the way, employees will feel heard, included and valued.

“Listening is so important in these fast-changing times. I just finished a Siemens digital learning module that offers leaders techniques for eliciting employee input and LISTENING! It’s how we learn where our employees are thriving, and how we can best support them.”

**-Barbara Humpton**, CEO, Siemens USA

“ At Cisco, we communicate very honestly, openly, transparently, and authentically and we talk to our employees about any of the issues that they want to talk about.

During our check-in sessions, leaders share information about employee relations concerns, and workers give feedback on what’s working—and what’s not. That’s really important today because employees want to work for human beings.

We’ve always been honest, but we also recognize that the number of things in the world that CEOs are expected to speak on has changed very dramatically. It’s this open communication that has earned Cisco No. 1 on Fortune’s Best Companies to Work For list for the third straight year.<sup>32</sup> ”

*-[Fortune](#), Chuck Robbins, CEO, Cisco*

From, [“Cisco’s CEO says communication is key to leading the ‘Best Company’ through the ‘worst thing.’”](#)



Creating mechanisms for capturing employee voice can also be an important input for an effective human capital management strategy. To start, integrate employees who are essential to the business and often furthest from the ear of leadership: frontline workers, those working part time and on contract.

Consider a wide range of data sources and formats to gather feedback: individually, in groups, or in cross-team collaboration through surveys, interviews, and more. Implement appropriate channels to reach employees who might fear retaliation from providing honest feedback, including anonymous surveys. Ensure any barriers to providing feedback are removed, including providing translation or interpretation, ensuring feedback is requested during paid time and that breaks from tasks are provided to give feedback.

Then, create an ongoing internal structure and framework for employee feedback loops.



## Case Studies

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LISTEN

## CASE STUDY

# Chipotle: Eddy's Story

[From the JUST Capital Worker Financial Wellness Initiative](#)

### THE BRIEF

Chipotle is a founding member of the Worker Financial Wellness Initiative. Created by JUST Capital and PayPal, in collaboration with the Financial Health Network and the Good Jobs Institute, the Initiative aims to make workers' financial security and health a C-suite and investor priority and cohort companies collectively represent nearly 1 million American workers.



### THE APPROACH

After Eddy migrated from the Dominican Republic, he found a job as a line cook at Chipotle. His manager took time from his day to personally show Eddy how to apply and become a United States Citizen which led to a drastic change in his personal life.

Eddy continued on to work at Chipotle for twelve years because of its collaborative, helpful and caring environment. He began as a crew manager and after three years grew into a general manager – going from \$15 per hour to over \$100,000 a year.

### THE PROGRESS

Chipotle's investments in training and advancement helped their employee, Eddy, grow from crew member to general manager to field leader earning over \$100,000 a year. In fact over 90% of restaurant management roles at Chipotle were internal promotions in 2022.

Eddy attributes this success to listening to employees and investing in people. Now, Eddy continues to pay it forward, developing his teammates which contributes to Chipotle's overall success.

“

It's real simple, at the end of the day, the company will only be as strong or as effective as the people within it. It all comes down to people, and the quality of those individuals that are inside your organization.

Investing in our people pays massive dividends with increased retention rates and lower turnover as development from within is a key component where we keep people growing in their career. We don't have to source talent from outside the enterprise, which as you know, can get very costly. Then you have institutional knowledge running deep in the organization, and when you think about scalability of a company like ours, that knowledge lays a clear foundation that allows us to achieve our growth targets long term.

We're working to drive a culture where we reach down and pull people up. Each one of us in this organization had someone along the way in our career journey that really helped mold us, guide us, and develop us into the people that we are today. We have a distinct responsibility to do the same or give the same effort for every single person that makes the choice to join our brand.

”

**-Scott Boatwright**, Chipotle's Chief Operating Officer

## CASE STUDY

# What Not To Do: When Listening Threatens Health & Safety

Snippet from Center for Democracy & Technology, [Warning: Bossware May Be Hazardous To Your Health](#)

Bossware, an apt term popularized by a 2020 report by the Electronic Frontier Foundation, refers to systems that closely monitor and, in many cases, actively manage employees' activities and performance.

Thanks to the proliferation of mobile and portable devices with increasingly sophisticated sensors, employers today can track employees' activities continuously and with a previously unattainable level of detail.

This is true regardless of whether a worker is based in a traditional worksite such as a factory, warehouse, or commercial office, or in remote workplaces such as delivery vehicles or home offices. Examples of modern worker monitoring technologies include:

- Handheld scanners that track each item a warehouse worker scans;
- Software installed on laptops and smartphones that capture some or all activities performed on the device;
- Trackers that use GPS to monitor employees' current location; and
- Sensors and cameras that track employees' physical movements



These advances in worker tracking have been accompanied by equally transformative advances in algorithmic management. Companies can feed the data collected by worker surveillance and monitoring systems into algorithms that assign, optimize, and evaluate employees. Companies that operate gig economy platforms such as Uber, Lyft, and TaskRabbit pioneered many of these techniques.

(cont.)...The COVID-driven work-from-home boom has done little to slow the worker tracking trend. There is a burgeoning industry of companies that develop and sell software that can track every click and keystroke that remote employees make, take periodic screenshots of employees' computer screens, and even use attached webcams and microphones to monitor employees' physical movements and activities. These technologies can capture every password a worker enters, every email a worker opens, and every webpage a worker visits.

The implications of this research for the expanding use of bossware are alarming. Many forms of bossware produce exactly these risk factors for job strain, reducing employees' control over their work and increasing the physical and mental demands placed on them by ensuring that they are busy all the time.

These technologies allow employers to maximize productivity, and in some cases, eliminate even brief periods of worker downtime by continuously monitoring and enforcing a faster work pace. These practices exacerbate the job strain generated by other technology-driven employment decision systems, such as the use of scheduling algorithms that often produce erratic and precarious schedules that prevent employees from planning for other aspects of their lives.

The resulting work environment is a threat not merely to employees' privacy and autonomy, but to their health, safety, and well-being.



## CASE STUDY

# Putting People First

Snippet from Former Best Buy CEO Hubert Joly: [Empowering Workers to Create 'Magic'](#), Harvard Business Review

### THE BRIEF

When Hubert Joly took over Best Buy in 2012, the electronics retailer struggled to compete with Amazon, discount retailers like Walmart and a broad shift away from brick-and-mortar shopping. Sales and profits were lagging, and the stock price had cratered.

### THE APPROACH

While advised to lay people off to solve the company's problems, Joly took a different approach. During his first week, he spent his time in stores listening to front-line employees, addressing pain points and finding solutions that didn't threaten job security.

### THE PROGRESS

By the end of the fiscal year 2013, the strategy saved the company by increasing shareholder return by 335%, compared to 104% for the S&P 500.

“Admitting you don't have all the answers is a sign of strong leadership,” Joly argues, “and putting meaningful purpose at the heart of the business is the only way for companies to move forward in hard times. Humans are not a resource, they are the creative engine of innovation and change that companies urgently need.”

**Hubert Joly,**  
Former Best Buy CEO



Image from The Wall Street Journal

## CASE STUDY

# Seeing employees as guides

[How Sam's Club made good jobs for frontline employees](#)

### THE BRIEF

A few years ago, Sam's Club was suffering from high turnover and declining member satisfaction.



### THE APPROACH

John Furner had just taken on the president and CEO role for the membership-only retail warehouse chain, and he'd gone to the Lubbock location to ask the manager questions about operations. But when he asked for a tour, the manager brought over a dozen team leaders to serve as guides. As they walked around the club, the manager let the team leaders explain the ins and outs of daily operations.

"You could say 'Let me wait until the revenue gets better and then I'll invest in people.' Or 'let me invest in people, and then hopefully, the revenue follows,'" Furner said. "So we decided on the second choice, which was to invest in people at the same time we were investing in productivity tools."

They pursued a Good Jobs Journey starting by stabilizing work and stabilizing people: they reduced product variety, removed services like their photo center, increased wages by between \$5-\$7 for key roles, moved to block scheduling, and gave employees better tools to serve customers. As a result of these changes, Sam's Club increased revenue and membership and reduced employee turnover by up to 70%.

### THE PROGRESS

Furner says there's now an 'Ask Sam' tool where employees can send a voice or text message and ask any question they want to a team monitoring the app. If one of those team members can't answer it, they send it on to someone who can. The benefits of 'Ask Sam' include enabling managers to better track employee and store activity, resulting in them spending more face-to-face time with associates and customers. In addition, it allows employees to obtain immediate answers to questions, providing them more time to spend on customer-facing activities.



## Tools to Consider

---

LISTEN

## LISTEN

# Tools to Consider

This section of the LAB Framework holds partner tools and resources that are direct solutions to being accountable to employee expertise from every corner of an organization including frontline workers, frontline workers of color, contractors, and hourly employees in a way that leads to competitive and financial gains.

## Health & Safety

### LEARN MORE

[Warning: Bossware May Be Hazardous to Your Health](#)

[AI and Job Quality Insights from Frontline employees](#)

## Employee Experience, Culture & Benefits

### LEARN MORE

[24 Best Employee Engagement Tools](#)

[10 Best Employee Engagement Software for 2023](#)

### ACCESS

[Office Vibe](#)

[Culture Amp](#)

[All Voices](#)

[Open Space](#)

[15Five](#)

[Tiny Pulse](#)

### JOIN AN INITIATIVE

[Worker Financial Wellness Initiative](#)

[National Business Coalition for Child Care](#)

[Corporate Care Network](#)

LISTEN

# Tools to Consider

## Diversity, Equity & Inclusion

### LEARN MORE

[After the Offer: The Role of Attrition in AI's 'Diversity Problem'](#)

### ACCESS RESOURCES

[Making AI Inclusive: 4 Guiding Principles for Ethical Engagement](#)

[Racial Equity at Work](#)

## Job Quality

### ACCESS RESOURCES

[JUST Jobs Scorecard](#)

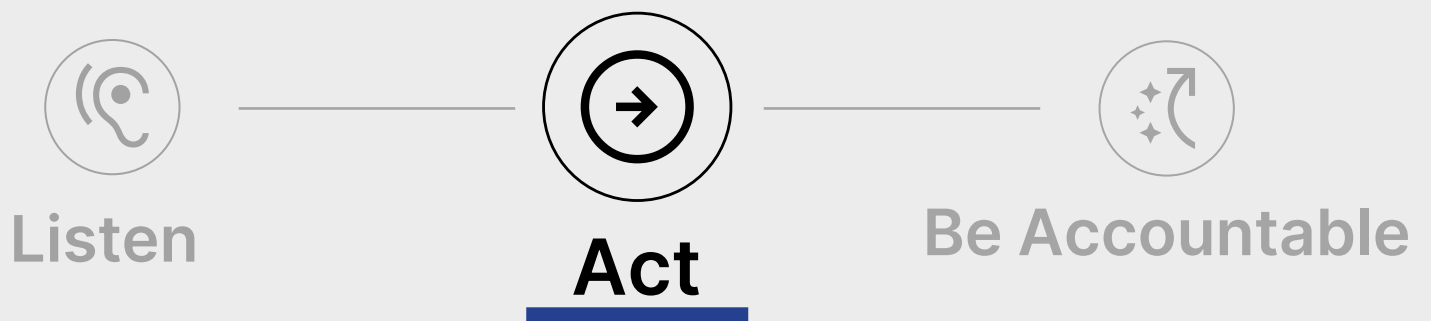
[AI and Shared Prosperity Initiative](#)

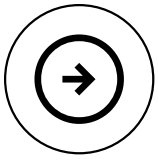
[Two Sigma Impact's Good Job Score Assessment Tool](#)





## The LAB Framework





# Act

Analyze insights captured from listening activities into digestible, presentable data. Then, translate this data into measurable actions.

Companies that do solicit employee input often don't succeed in operationalizing it, and this can have the opposite effect of effective employee listening. When feedback is solicited and not incorporated, it appears to compound workers' beliefs that they aren't valued and have little influence over their workplaces. This compounds the sense that individual contributors often have that their experiences are invisible to leadership, and leaves the insight and wisdom of low wage and frontline workers unutilized.

“ Deep listening practices with my team has helped me go beyond knowing what our workplace culture looks like. Now, I also understand better how it feels. Once you get a pulse on your internal culture, it's important to act on what you hear. By listening, I've acted on empowering my team with more decision-making. I already see examples of a more joyous and liberating work experience. We're on the road to creating a thriving culture that leads to better results. ”

**-Jorge Fontanez,**  
CEO, B Lab United States & Canada



A key finding of the Wakefield Research and Explorance study, a survey of 2,000 U.S. part- and full-time employed adults, revealed that companies' failure to act on employee feedback might even drive employee turnover. Nearly half (41%) of Millennials said they don't believe their feedback leads to meaningful organizational change.<sup>33</sup>

At all levels within the workplaces surveyed, respondents reported a lack of attention to employee feedback. Nearly half of respondents (45%) and 40% of executives don't believe feedback leads to meaningful change. In the Explorance study, 43% of respondents reported never seeing the results of company surveys and 56% of executives—those with the greatest ability to influence organizational change—say they never receive them either.

Yet, while amplifying employee voice, transparent communication between leaders and employees has come a long way, a clear majority didn't feel sure that those changes would result in positive shifts in workplace conditions.<sup>34</sup>

To build trust with employees, leadership needs to take clear steps to act on employee feedback, using workers' perspectives and insights to make meaningful changes that drive business and workplace change.

“ A culture where all belong and feel valued starts with authentically engaging and prioritizing employee voice. ”

**-Ted Castle,**  
Founder, Rhino Foods Inc.





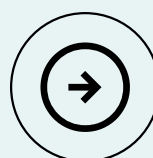
“ Our team members are key stakeholders. Their concerns matter as much as our clients’ concerns because they help drive if, when, and how we deliver mission impact. ”

**-Randell Leach,**  
CEO, Beneficial  
State Bank



Investing in responsive employee development is the foundation of a culture of adaptability.<sup>35</sup> Proactively following up with meaningful and appropriate action plans and sharing the results from feedback is an ongoing process. By turning insights into action, organizations foster engagement, trust and improvement throughout all business functions.

Acting on the wealth of knowledge gained from listening to employees closes the feedback loop, reasserts the value of employee contributions, prioritizes worker knowledge and needs, and lays the groundwork for stabilizing churn and fostering growth.



## Case Studies

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ACT

## CASE STUDY

# Verizon: Eddie's Story

[From the JUST Capital Worker Financial Wellness Initiative](#)

### THE BRIEF

Verizon is a founding member of the Worker Financial Wellness Initiative. Created by JUST Capital and PayPal, in collaboration with the Financial Health Network and the Good Jobs Institute, the Initiative aims to make workers' financial security and health a C-suite and investor priority and cohort companies collectively represent nearly 1 million American workers.

### THE APPROACH

Eddie started at Verizon in 2015, and has since held six roles. Through Verizon's investments in training and tuition assistance, Eddie has received her master's degree and multiple certification and rapidly advanced her career.

### THE PROGRESS

Eddie remains at Verizon not only for the benefits, but because Verizon makes her feel like a part of a community that is open and accepting. Verizon's investment makes her feel valued, appreciated, and cared for. In addition to buying a home, Eddie has been able to take her family on their first family vacation in decades – an invaluable impact.

"Verizon's investment in me with training and other benefits makes me feel valued. I feel appreciated. I feel that they care about what happens to me as I care about what happens to the company. It's a reciprocal relationship," Eddie states. "Nothing is impossible with my career at Verizon."

Through educational investments, Verizon helped Eddie achieve economic mobility and a competitive wage that creates impact for her family. She stays at Verizon because she is able to make tangible actions towards her goals.



“

We strive to attract top talent and to be an employer of choice. We want to offer a competitive total rewards package that cares for all aspects of employee needs across all dimensions of health and wellbeing. We need to make investments in our people to help them balance both the needs of our customers and the needs of their families.

What I've found to be really productive about the partnership and the relationship is, there's not one right path for every company. Every company needs to deliver on its commitments to its customers, its shareholders. There's lots of things that companies need to do right, but what the Worker Financial Wellness Initiative has helped us do is really chart our own path, get best practices from other companies, hear what's worked for them, hear areas that they've struggled with. And then collectively, it helps us all kind of amplify the top line message: In that, by creating good jobs and taking care of your employees, you can achieve business results that you need.

We've seen consistently high engagement through this process. We partner with Gallup, and we're in their top quartile of employers. It's about asking employees what's on their mind and then engaging in important dialogue with them about how we can make Verizon a better place to work for them. So it's really, there's a financial investment in your workers, but there's also an investment in connecting with them to understand what's on their minds. ”

**-Kevin Cammarata**, Vice President of Benefits at Verizon

## CASE STUDY

# The Financial Case for Good Retail Jobs

[From Good Jobs article Harvard Business Review Article, The Financial Case for Good Retail Jobs](#)

Many retailers have been operating in mediocrity for decades. Their focus on minimizing labor costs has led to bad jobs, high employee turnover, and unreliable attendance. This labor instability — combined with out-of-touch decisions from the silos at headquarters — leads to poorly run stores. There are too many products, pilots, tools, and changes. Employees have little to no empowerment. Store managers are too busy fighting fires to develop staff and really manage the business. Not surprisingly, stores are full of operational problems and deliver a poor customer experience. Everyone is frustrated. But if companies cannot quantify both the true costs of this mediocrity and the potential financial gains of building a better system, too few will be convinced they need to prioritize fixing what is broken. In this article, the authors describe a method for making this calculation....

As an example of how executives may quantify the upside, we created GroceryCo, a fictional 500-store grocery chain. It has \$9 billion in annual revenues and \$200 million in profits. It has industry-average performance in employee turnover (60%) and in operational execution (3.6% shrink, 4.0% stockouts, 0.5% abandoned transactions). (The abandoned transaction estimate comes from our work with companies. We did not calculate overtime and legal costs for GroceryCo because we do not have a good



estimate and we expect these costs to be small at many retailers).

For GroceryCo, a 25% improvement in employee turnover, shrink, stockouts, and abandoned transactions would amount to nearly \$120 million in operating income impact — nearly 60% of current total profits. This does not include higher sales due to increased customer satisfaction and loyalty from better service (e.g., helpful, knowledgeable employees,

clean stores with fully stocked shelves, and shorter checkout lines), which is often the biggest upside of a good jobs system. For example, a 1% increase in daily transactions and in transaction size would add \$45.2 million in gross profit per year. For context, a \$165 million bottom-line gain would be sufficient to offset a 20% wage increase for all hourly employees — raising the average hourly wage from \$13.50 to \$16.20. In addition, we estimate that with a good jobs system, GroceryCo could free up 7 million hours in redeployable labor each year.”

...In 2014, Mud Bay, a pet store chain with 45 stores in the northwestern United States, committed to a good jobs journey. By 2017, it had raised wages by about 30%, increased the percentage of employees working over 30 hours a week (and hence receiving benefits) from 65% to 82%, and had made many changes to its operations, from simplifying assortment to smoothing workload to standardizing processes. The results were impressive: Mud Bay reduced employee turnover by 35% and increased sales per square foot from \$317 to \$394, sales per employee hour from \$133 to \$149, and inventory turnover from 6.8X to 7.5X. From 2011 to 2013 — that is, before the good jobs effort — average annual same-store sales growth was 6.5%, but from 2015 to 2017, it was 9.3%.

Walmart is also on a good job journey. The company has been investing in people; for example, it raised starting wages by 50% over the past four years, improved schedules, and invested in more training. At the same time, it is trying to improve the associates’ work; for example, it has created new work standards (which it calls “one best way”), deployed technology to increase associate productivity, and simplified the assortment in parts of its stores. These efforts are bearing fruit: Walmart’s Q1 2019 same-store sales growth was the highest in nine years. As CEO Doug McMillon commented, ‘We have a stronger foundation in place with our stores.’



## CASE STUDY

# Designing Jobs During Technological Change

From [Worker Voice Design Lab](#)

### THE BRIEF

A port authority, a 101-year old organization, decided to undertake design projects that centered their employees in the design and testing of technology-related solutions. To bring these projects to life, the port authority convened a council of three to five frontline employees to meet regularly and drive the execution of the design work.

### THE PROGRESS

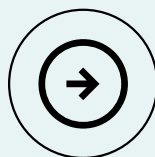
The byproduct of this new way of working resulted in gaining solutions that addressed key problems, building buy-in throughout the organization, achieving real impact and empowering, and engaging employees.

Two of the prototypes that the operations staff design council created (One Stop Data Shop and Maintenance Tracker) were selected for subsequent phases of piloting. This testing took place in the beginning of 2022 and will involve employees from other parts of the organization to provide their perspectives.

### THE APPROACH

Navigating an incredibly dynamic operational environment, the port authority sought solutions to improve the quality of its field operations and boost the ability for its staff to respond to issues in the moment. Specifically, leadership wanted to explore solutions that would allow operations staff to perform critical tasks on-the-go without having to be in front of a static computer terminal. The key factor: employees own the processes. The company decided that it was important to design with the users as opposed to for the users.

As a result, a team of operations staff formed a design council to decide what mobile technologies were most needed and how they could be best used. For instance, historically, bad customer reviews were coming through on social media. To mitigate public issues, the company consulted its staff who created a QR code solution to gathering customer feedback. While simple, the real power came from working with the staff to receive the information that they needed to act on what they needed to achieve. The council continued on to design, build, and test three digital products to help them in the field.



## Tools to Consider

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ACT

ACT

# Tools to Consider

This section of the LAB Framework holds partner tools and resources that are direct solutions to act on employee expertise from every corner of an organization in a way that leads to competitive and financial gains.

## Wages, Compensation & Economic Mobility

### LEARN MORE

[Living Wage Explainer](#)

### JOIN AN INITIATIVE

[Corporate Racial Equity Alliance](#)

[Worker Financial Wellness Initiative](#)

### ACCESS RESOURCES

[The Employer FinHealth Toolkit](#)

[The FinHealth Score® Toolkit](#)

[MIT Living Wage Calculator](#)

[PAI's Shared Prosperity Guidelines](#)

## Health & Safety

### ACCESS RESOURCES

[Framework for Promoting Workforce Well-being in the AI-Integrated Workplace](#)

## Employee Experience, Culture & Benefits

### LEARN MORE

[10 Best Employee Engagement Software for 2023](#)

### JOIN AN INITIATIVE

[Corporate Care Network](#)

[National Business Coalition for Child Care](#)

### ACCESS RESOURCES

[Office Vibe](#)

[Culture Amp](#)

[All Voices](#)

[Open Space](#)

ACT

# Tools to Consider

## Diversity, Equity & Inclusion

### LEARN MORE

[The 2023 Workplace Equity Trends Report](#)

[Workplace Equity Communications Playbook](#)

[Corporate Racial Equity Tracker](#)

[Equitable Enterprise Initiative](#)

### JOIN AN INITIATIVE

[Corporate Racial Equity Alliance](#)

### ACCESS RESOURCES

[Tech Equity: Responsible Contracting Standard](#)

[2021 CEO Blueprint for Racial Equity](#)

[Race and the Work of the Future: Advancing Workforce Equity in the United States](#)

[Racial Equity at Work](#)

[2021 CEO Blueprint for Racial Equity](#)

## Job Quality

### LEARN MORE

[AI and Job Quality](#)

### JOIN AN INITIATIVE

[Worker Financial Wellness Initiative](#)

### ACCESS RESOURCES

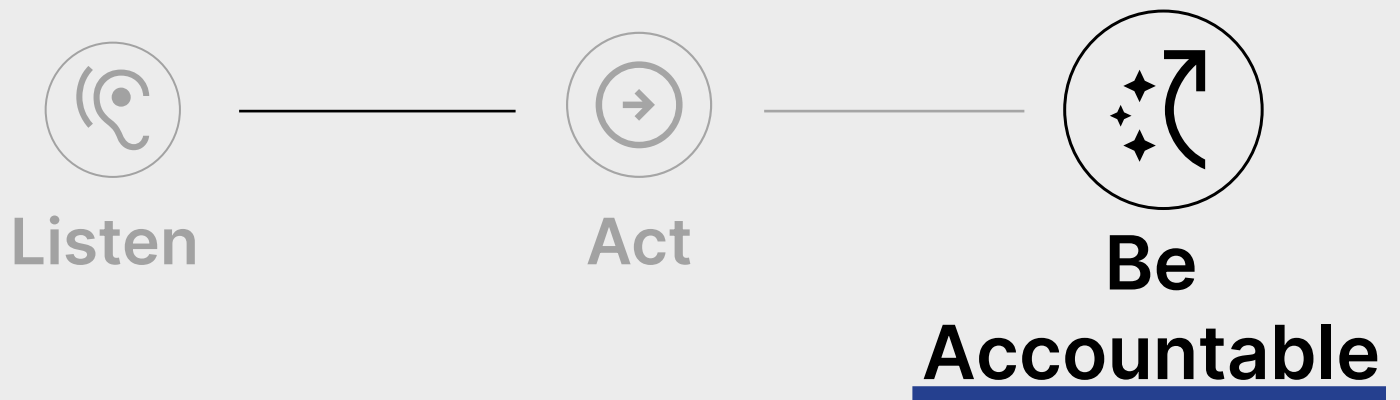
[Job Quality Tools Library](#)

[Good Jobs Institute Diagnostic](#)

[Good Jobs Calculator](#)

[JUST Jobs Scorecard](#)

## The LAB Framework





# Be Accountable

At all levels, create shared ownership and responsibility to employee feedback.

The corporate landscape is changing fast and innovation moves faster. In many cases, employees are calling for bold action, but big changes come with real risk and misunderstandings are inevitable along the way. Research shows that what matters most is how those mistakes are handled, but few businesses have a strong corporate culture around accountability.

The Partners in Leadership Workplace Accountability Study, the most comprehensive scientific study on workplace accountability, highlights a severe lack of clearly defined objectives and significant confusion surrounding the topic<sup>36</sup>. According to the study's authors, 85% of the 40,000 professionals surveyed lacked clarity on their company's key objectives and expected results. 93% were unable to align their work with those key objectives or describe the relationship between their work and its desired results. A sobering 84% blamed leaders' behavior as the single most crucial factor impacting individual responsibility in their organizations.

“ Creating a space for honest feedback from employees offers a true pulse check to the heart of the organization. Listening without judgment and modeling, and fostering transparency are skills I prioritize as a leader. Plus, it also helps me to understand where the team can remain accountable. ”

**-Alison Whritenour,**  
CEO, Seventh Generation



Accountability – when individuals are responsible for their commitments to one another and how they measure and report progress — creates shared ownership and responsibility. Without it, it is almost impossible to build a high-performing team.

As part of the LAB framework, accountability places the onus of implementing critical employee insights in the hands of those with institutional power at every level, with shared responsibility and transparency. Through accountability, companies can replace a culture of apathy with an invigorated culture of collaborative ownership.

Accountability creates aligned interests and engages a workforce around common purpose and strategy. It can also help increase the collective sense of fairness and equitable treatment, which is a core driver of retention.

In contrast, a lack of accountability on all levels in the workplace can lead to:

- Low team morale
- Unclear priorities across the team
- Decreased employee engagement
- Unmet team and individual goals
- Low levels of trust
- High turnover

The data are clear: a culture of shared goals and mutual responsibility through authentic accountability that starts with leadership may at first seem like an intangible, but its impacts are very quantifiable for organizations at every level of the economy.





First, define what accountability means to your organization. Then, determine how you will measure, communicate, and track these goals. Involve your teams by sourcing diverse, internal groups that can share the voice of employees and grade leadership accountability.

Consider adding employees to an internal board to understand perspectives at the highest levels. Make business integrity, ethics, and compliance a regular topic of conversation to familiarize employees with these topics and give them practice discussing their implications.

Then, provide regular or quarterly reporting on progress and actions taken on goals set in the 'Act' stage.

Ask for feedback regularly from your peers and your team.



# Case Studies

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BE ACCOUNTABLE

## CASE STUDY

# Pearson Transforms Culture through Open Space

Quote from Thomas ap Simon, Managing Director of Virtual Schools, Pearson

When I became the Managing Director of the Virtual Schools business, our culture needed to change. While I didn't know the right strategy to bring them together, I knew that telling people what to do and how to behave was not the right approach. I knew the smartest people at the company are those who actually do the work, not the new executive with KPI's and revenue goals."

I had to listen, but how does one listen to 1500 people? Surveys give us information, but they never really go anywhere, and they don't inspire people to engage and collaborate. That's when we used a technique called Open Space Technology to host a crowdsourced event to surface the most pertinent issues and ideas on how to solve them. Everyone was authorized to speak and lead sessions.

It was a huge success. Everyone was energized and engaged. It was amazing to see people come together for the first time to forge relationships, share ideas and shape the culture. The energy was palpable. People voiced a lot of frustrations, which was actually far better than the mystery of silence. We left with an unwieldy couple hundred pages documenting the input...



They say success simply gets you to a higher quality problem, and with a list that big, that's what we had. So we formed a "culture crew" to parse through the data and break it up into themes, find the action items, and connect with leaders in the company to help with resources and accountability.

We had quick and inspiring wins that brought people together,

across departments. And (honestly), there was a lot of chaos. Some projects went nowhere. Certain key people didn't participate, and others came out of the woodwork and went far beyond their job descriptions.

Six months later we held a second Open Space, and rather than mass frustration, people were already in alignment this time. They calmly focused on moving projects across the finish line. We benchmarked our culture and ranked very highly across the overall company.

I won't lie. This was a risk. It took a real investment. And since we gave everyone freedom to speak their minds it could have gone completely off the rails. To any leader considering a listening strategy, I would say take time to understand who is struggling with the culture and consider how you should act on that. Then use a process that is highly engaging with real stakes. Don't just do an online survey that disappears a month later.

While I can't guarantee success, I can assure you that you will learn the truth. And that's the most important data for any leader.



## CASE STUDY

# The Board-employee voice maturity model

Snippet from [The Board's Oversight of Employee Voice](#), State Street Global Advisors, Russell Reynolds Associates, and the Ford Foundation<sup>37</sup>

“Based on insights from the directors interviewed, supplemented by existing research, we have developed a maturity model that shows the varied sophistication with which boards engage with employee voice.”

### REACTIVE

Mindset: Employee voice is a sounding board for talent management hygiene.

- Employee engagement discussed as needed
- Ad-hoc metrics

### PROACTIVE

Mindset: Employee voice improves operations and mitigates risk.

- Regular employee engagement survey with pulse surveys
- Annual board discussion on employee engagement and key metrics
- Systematic frontline interactions
- Focus on HR metrics

### INTEGRATED

Mindset: Employee voice elevates organizational health.

- Organization appropriately pivots strategies based on employee insights
- Employees understand the role of the board and leverages board interactions as needed
- Integrates people metrics and business/financial metrics to inform decision-making



## CASE STUDY

# GORE-TEX: the company others try and fail to imitate

[A peek into Gore's unconventional corporate structure in the Financial Times](#)

### THE BRIEF

Wilbert (Bill) and Genevieve (Vieve) Gore started GORE-TEX in the basement of their home. Since it's grown over \$3B in revenue with over 10,000 employees working across 25 countries, and it's consistently ranked on Fortune's "100 Best Companies to Work For" list, with an annual turnover rate of about 3% – which is 17% to 57% below the national average according to the Bureau of Labor Statistics (BLS).

### THE PROGRESS

When Gore founded the company, they wanted to create an organization where inventive people could "have fun and make money." Today, this vision continues.

Leadership opportunities are based on peer assessments, and associates are responsible for creating goals that support their teams. This culture of accountability fosters high-quality relationships between customers, vendors, suppliers, and its surrounding communities – in addition to creating shared ownership of the company vision.

### THE APPROACH

This can be attributed to the company's unique organizational structure and cultural values that support its philosophy of autonomy and creativity. Referred to as a team-based "lattice" organization, the company's organizational structure has no traditional organizational charts, chain of command or predetermined channels of communication and no more than 150 'pods' of employees.

Through this structure, anyone can talk to anyone and no one tells another what to do. Instead, new employees – all of whom become shareholders if they stay – are encouraged to navigate their own way through the business. Gore established a set of fundamental beliefs embedded into its desired culture, including believing in the individual, the power of small teams, and associates being part owners of the company.

## CASE STUDY

# Arby's secret ingredient: listening to employees

Snippet from: [How the CEO of Arby's Rescued His Company By Asking This 1 Question](#)

### THE BRIEF

After being an executive of Hilton Worldwide for years, the fact that Brown didn't have expertise in this field is actually what enabled him to develop his winning strategy.

### THE APPROACH

During a troubling time for Arby's, CEO, Paul Brown, turned to his teams working in restaurants to find out what they would do to save the company by asking one question: "What would you do if you were me?"

That single, simple question opened the floodgates about Arby's. He learned what was working, what was broken, and most importantly, what they thought the company should do to turn the business around. The proof of his success was apparent -- Arby's had its best year ever under Paul's management. Arby's gained a better understanding and perspective on the frontline experience and empowered their employees in the process. As a result, the company made changes to improve the customer experience.

### THE PROGRESS

Arby's continues to empower their teams and focus on the employee experience through various initiatives. Most recently, they introduced the [Arby's Brand Champ program](#), which aims to teach their teams how to engage more effectively with customers and to "better value and support Arby's employees."

Arby's not only seeks to build a culture and improve the guest experience, but to also inspire purpose in its employees.

Since launching the program, they have communicated to over 80,000 employees across 3,350 locations that if they "take the time to understand Arby's goals, Arby's will try to understand theirs as well".



## Tools to Consider

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BE ACCOUNTABLE

BE ACCOUNTABLE

# Tools to Consider

This section of the LAB Framework holds partner tools and resources that are direct solutions to being accountable to employee expertise from every corner of an organization in a way that leads to competitive and financial gains.

## Wages, Compensation & Economic Mobility

### ACCESS RESOURCES

- [The Employer FinHealth Toolkit](#)
- [The FinHealth Score® Toolkit](#)
- [MIT Living Wage Calculator](#)
- [2021 CEO Blueprint for Racial Equity](#)

### LEARN MORE

- [Living Wage Explainer](#)

### JOIN AN INITIATIVE

- [Corporate Racial Equity Alliance](#)

## Employee Experience, Culture & Benefits

### ACCESS RESOURCES

- [Office Vibe](#)
- [Culture Amp](#)
- [All Voices](#)
- [Open Space](#)
- [15Five](#)
- [Tiny Pulse](#)
- [2021 CEO Blueprint for Racial Equity](#)

### LEARN MORE

- [10 Best Employee Engagement Software for 2023](#)

### JOIN AN INITIATIVE

- [Corporate Care Network](#)
- [National Business Coalition for Child Care](#)

## Job Quality

### ACCESS RESOURCES

- [JUSTCapital JUST Jobs Program](#)
- [AI and Shared Prosperity Initiative](#)
- [2021 CEO Blueprint for Racial Equity](#)

### JOIN AN INITIATIVE

- [Corporate Racial Equity Alliance](#)
- [Worker Financial Wellness Initiative](#)

BE ACCOUNTABLE

# Tools to Consider

## Health & Safety

### LEARN MORE

[The 2023 Workplace Equity Trends Report](#)

[Workplace Equity Communications Playbook](#)

### ACCESS RESOURCES

[Tech Equity: Responsible Contracting Standard](#)

[2021 CEO Blueprint for Racial Equity](#)

### JOIN AN INITIATIVE

[Corporate Racial Equity Alliance](#)

## Diversity, Equity & Inclusion

### LEARN MORE

[The 2023 Workplace Equity Trends Report](#)

[Workplace Equity Communications Playbook](#)

### ACCESS RESOURCES

[Tech Equity: Responsible Contracting Standard](#)

[2021 CEO Blueprint for Racial Equity](#)

[Racial Equity at Work](#)

### JOIN AN INITIATIVE

[Corporate Racial Equity Alliance](#)

# Conclusions

As Gallup has reported, 52% of voluntarily exiting employees say their manager or organization could have done something to prevent them from leaving their job. Over half of existing employees (51%) say that in the three months before they left, neither their manager nor any other leader spoke with them about their job satisfaction or future with the organization. In three months, nobody asked them how they felt about their job. *No one listened, acted, or stayed accountable.*<sup>38</sup>

This new era of work goes beyond patching together short-term reactionary tactics to solve what is fast becoming a longer-term truth. As the point of contact with customers and vital systems, employees often know when, where, and why things don't work. As a result, they come up with powerful hacks and workarounds. Yet these insights and innovations rarely make it to leaders nor implemented into daily operations.

As executives, management consultants, and governments embrace the operational and financial benefits of employee voice, leaders are increasingly willing to break down existing barriers that inhibit a two-way dialogue on the best ways to improve business performance.

Disregarding employee voice costs companies trillions in replacement costs and severely affects employee priorities and needs. However, forward-looking organizations are listening, acting, and being accountable to employee insights as a human capital management strategy—critical to reducing the high costs incurred from turnover, increasing a company's labor productivity, and ultimately growing revenue and shareholder value.

As the workplace adapts to the accumulated effects of public health emergencies, economic downturns, rapid tech adoption, a rising gig economy, and more, the LAB framework provides leaders the tools to shape a future of work that starts with listening to employees.

“

Future generations are counting on us to shift corporate norms to allow all people and our shared planet to thrive. To successfully navigate today's workplace and societal challenges, we need brave and inclusive leaders, willing and able to listen to employees and other critical stakeholders and work with them to see and solve these challenges. When employees feel connected to the purpose of their company, they are more likely to stay and engage passionately in delivering the organizational goals. ”

**-Halla Tómasdóttir,**

CEO and Chief Change Catalyst, The B Team

# Listen to Lead: Raise Retention and Boost Business

Discover how employee expertise helps your company gain a competitive and financial edge.

## Listen

Develop strategies and activities that capture relevant input from employees at all levels to improve company retention, culture, and profitability goals.

- Creating mechanisms for capturing employee voice can also be an important input for an effective human capital management strategy.
- Consider a wide range of data sources and formats to gather feedback: individually, in groups, or in cross-team collaboration through surveys, interviews, and more.
- Then, create an ongoing internal structure and framework for employee feedback loops.

## Act

Analyze insights captured from listening activities into digestible, presentable data. Then, translate this data into measurable actions.

- Invest in responsive employee development as the foundation of a culture of adaptability.
- Proactively following up with meaningful and appropriate action plans and sharing the results from feedback is an ongoing process. By turning insights into action, organizations foster engagement, trust and improvement throughout all business functions.
- Act on the wealth of knowledge gained from listening to employees closes the feedback loop to reassert the value of employee contributions, prioritizes worker knowledge and needs, and lays the groundwork for stabilizing churn and fostering growth.

## Be Accountable

At all levels, create shared ownership and responsibility to employee feedback.

- First, define what accountability means to your organization.
- Then, determine how you will measure, communicate, and track these goals. Involve your teams by sourcing diverse, internal groups that can share the voice of employees and grade leadership accountability.
- Consider adding employees to an internal board to understand perspectives at the highest levels. Make business integrity, ethics, and compliance a regular topic of conversation to familiarize employees with these topics and give them practice discussing their implications.
- Then, provide regular or quarterly reporting on progress and actions taken on goals set in the 'Act' stage.
- Ask for feedback regularly from your peers and your team.

# Contributors

We thank the organizations below for their partnership in contributing to the (final name of the guide). Each organization is engaging corporations across today's most pressing challenges: economic mobility, health and safety, racial equity, job quality, and more. Together, they contributed to a resource that is the throughline to these challenges and business success. Each section of the LAB Framework uplifts tools and resources that are direct solutions to improving employee engagement, business operations and stakeholder value. Please see the organizations below to support and learn more:

## Partners

### **JUST Capital**

<https://justcapital.com>

JUST Capital leverages its research, rankings, and initiatives to catalyze corporate leadership to tackle society's most pressing challenges.



### **Partnership on AI**

<https://partnershiponai.org>

Partnership on AI (PAI) is a non-profit partnership of academic, civil society, industry, and media organizations creating solutions so that AI advances positive outcomes for people and society. By convening diverse, international stakeholders, we seek to pool collective wisdom to make change.



**PARTNERSHIP ON AI**

# Partners

## Rural Democracy Initiative

<https://ruraldemocracyinitiative.org>

Rural Democracy Initiative (RDI) supports rural people working to transform their lives and communities in service of shared prosperity and democracy. We invest in permanent civic engagement, issue advocacy, community organizing infrastructure, and sustainable urban-rural coalitions. In addition to grantmaking, RDI also supports rural leaders and organizations through convening, research, and communications.



## PolicyLink

<https://www.policylink.org>

PolicyLink is a national research and action institute advancing racial and economic equity by Lifting Up What Works®. Our mission is to ensure all people in America—particularly those who face the burdens of structural racism—can participate in a just society, live in a healthy community of opportunity, and prosper in an equitable economy. Our guiding ethos is Equity—the just and fair inclusion into a society in which all of us can participate, prosper, and reach our full potential.



## Good Jobs Institute

<https://goodjobsinstitute.org>

Good Jobs Institute serves leaders who want to improve the jobs and lives of their employees while boosting their company's performance



## Tech Equity Collaborative

<https://techequitycollaborative.org>

Mobilizing the tech community to address economic inequity at its roots



## Institute for the Future

<https://www.iftf.org>

Institute for the Future has spent over 50 years helping people prepare for what comes next.



# Corporate Partners



# Acknowledgments

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**Palak Shah**, National Domestic Workers Alliance  
**Saqib Rashid**, Inverness Capital Advisors  
**Dharmesh Patel**, Druva  
**Gautam Gulati**, The Well Home  
**Daniel Roth**, Jumpscale

# Endnotes

- 1 <https://cantwait.ideo.com/works/ford-foundation>
- 2 <https://www.arrunada.org/files/t/gom1/ZINGALES%20JoF%202000.pdf>
- 3 <https://fortune.com/2023/04/20/companies-say-they-value-employees-their-earnings-calls-say-they-value-customers-more/>
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