Guide - Employee Net Promoter Score

TeamEQ is a tool that gives a voice to employees and their opinions, helping the company make better decisions.

In addition to measuring the variables contained in the TeamBeat, quarterly TeamEQ produces an indicator that has become more widely recognised in recent years: the Net Promoter Score (NPS). Basically, NPS measures whether a consumer is willing to recommend the product or service offered by a company. However, TeamBeat does not measure the opinions of the clients but of the employees, so that all members of all teams registered in TeamEQ are able to vote for their level of eNPS (employee Net Promoter Score) on a quarterly basis.

In this Guide, we will explain what eNPS is, how it is measured, and why it is one of the most important indicators for an organization. We will also provide tips on how eNPS can be improved in companies.

What is the eNPS?

The Net Promoter Score (NPS) indicator has become much more widely recognised in recent years, largely thanks to recent advances in technology. Nowadays, it is easy to send a mass email to all of a company’s clients, or to ask a user to value an app from their own smartphone.

In the same way, the employee Net Promoter Score (eNPS) is one of the best indicators for measuring the level of loyalty that an employee feels for his team and the company he works for.

There is no other indicator like the measurement of employee satisfaction nor one that is unrelated to benefits, productivity or any traditional mathematical concept. Worker satisfaction indicators measure emotions, and the eNPS converts the emotions that the employee feels for his/her company into analysable data. The eNPS has become the gold standard indicator for measuring employee loyalty levels.

How is the eNPS measured?

To measure the eNPS, a question is used that, although simple, should make the employee reflect on various factors (satisfaction with the company’s culture, work environment, relationship with superiors, possibilities for job growth...). The employee has to answer the following question:

*On a scale of zero to ten, how likely is it you would recommend this company as a place to work?*

To measure the eNPS the same system is used as with the NPS. The answers are divided into three main blocks:

- **Detractors (1-6):** these employees may be unmotivated and disconnected from the organization. This greatly reduces their performance, and they can end up becoming "toxic" employees, which affect the morale of the rest of the team. If this happens, not only will they not speak well of the company, but may even look for occasions where they can express negative opinions about it.
• **Passives (7-8):** these employees are happy and satisfied with the company they work for. However, it is possible that these workers are not 100% involved. Often, an employee of this type is neither mediocre nor brilliant. Over time, if they sense that problems in the company are not being solved effectively, there is a risk that they may end up becoming detractors.

• **Promoters (9-10):** this group of employees is totally committed to the organization, and could exercise an ambassadorial role inside and outside the organization. Their commitment often goes beyond expectations and increases the productivity and morale of those around them. It is important to try to have a strong group of these promoters within the company since they themselves act as a kind of marketing campaign on behalf of the company.

\[ eNPS = \%PROMOTERS - \%DETRACTORS \]

The eNPS measures the proportion of the company or team's "promoters", compared to the "detractors". The number can range from -100 (all are detractors) to +100 (all are promoters).

**Why it’s important to measure eNPS?**

The eNPS allows us to know first hand what employees think about their own company. This will help reduce staff turnover, since the higher the eNPS, the less likely it is that employees will want to leave the organization.

The eNPS has some advantages that are important to take into account:

- It is an **easy metric to obtain**, to measure and to analyze.
- It is an indicator, which is **easy for everyone to understand**, so you do not need market research or Human Resources to handle it.
- It is **easy to send to all** employees, since the question can be attached to an e-mail, and answered from any device (computer, tablet, smartphone...).
- If **measured regularly**, it can become an indicator that reveals employee loyalty towards the company and prompt decisions to be taken if a significant decrease in this indicator was noted.

**How can we improve our eNPS?**
On the eNPS -100 +100 scale, everything that is positioned from 0 upwards is considered a positive result. From 0 to 50 is considered "GOOD", from 50 to 70 is considered "VERY GOOD", from 70 to 100 is defined as "EXCELLENT". When a result is less than 0 we need to investigate the causes and try to understand how to improve it.

Practically all companies try to create strategies to improve the perception that customers have of them, their products and the services they offer. This makes sense because the higher a company’s NPS, the greater the benefits.

Something similar happens with the eNPS: the prouder employees are of belonging to a company, the more they will strive to make it successful. They will also be more determined to ensure their customers are satisfied.

Since the eNPS and the NPS are related, it is clear that companies will have to work towards getting both indicators to develop positively over time. Therefore, from TeamEQ we want to give you some tips to help you achieve this:

1. **SHARE THE eNPS RESULTS**

   From the outset, it can be quite challenging to share eNPS results with the employees themselves, especially if the results were unexpected (which is something that can happen). They can still be used as a first step towards improvement and can help all of the workers, especially Promoters and Passives, to get involved in the process.

![Graph showing eNPS results over time](image)

2. **AVOID NEW DETRACTORS**

   Even though the company makes countless efforts to improve the working conditions of its employees, there will always be detractors who are impossible to convert, even to Passives.

   Instead of trying to reverse the opinion of these "unrecoverable" employees, the strategy can be focused on preventing the remaining employees, the Passives and the Promoters, from becoming Detractors in the future.

   To do this, it is essential to find out why the Detractors have given the company such a low score and try to avoid creating similar scenarios in the future. It is advisable to review the results obtained through TeamEQ a few weeks prior to the eNPS question. In this way, it will
be easier to contextualize what happened to know what issues employees were concerned about when giving their eNPS score.

3. ASK THE EMPLOYEES FOR HELP

The eNPS is a long-term indicator, and the score obtained is only the starting point. On its own, the eNPS might reflect the opinion, loyalty and satisfaction of employees, but it does not reflect the reasons that led to that assessment.

Therefore, it is important to find a way to investigate employees’ opinions more deeply and to establish the reasons behind why they give a specific score. It is possible that management will make decisions that affect the entire organization to try to improve this indicator. However, it is also true that each department, area or team may have its own reasons or motives for being a promoter, a passive or a detractor.

It is advisable therefore to try and put employees into sections in order to be able to focus better, since the needs of each team are likely to be specific and different to other areas of the company.

4. CREATE ACTION PLANS

Regardless of the results obtained in an eNPS survey, the perception of employees will not improve if the company obtains that information but does nothing with it. As with the results obtained from TeamEQ TeamBeat, data without action is useless.

Therefore, as we said before, the results of the eNPS are only the starting point. From there, various actions can be launched:

- Organize work groups within the company made up of employees from different departments, to try and find out what the most decisive factors in the final eNPS results were. Once these highlighted areas of action have been established, they must come up with some concrete ideas that the company can start to work with.
- Organise a Focus Group with the leaders of the different departments to share opinions and information. Each leader can go to the meeting with specific data from her/his team and share it with the others to see if there are any improvement areas that might be shared across teams.
- Regularly share with the entire company any actions taken to improve the eNPS and try to measure in future surveys the real impact of those actions.

In summary...

The eNPS is an indicator that allows companies to measure how employees are willing to recommend the company they are working for as a place to work to family and friends. The result allows to have some visibility about loyalty, satisfaction and engagement that the employees are feeling for the company.

The eNPS is measured through a simple question ("In a scale from 1 to 10, how likely would you recommend your company as a place to work to a family member or a friend?") and the answers are segmented in three different groups: Promoters, Passives and Detractors. The eNPS is measured by subtracting the percentage of Detractors to the percentage of Promoters.

Once the results are obtained, it's fundamental to take specific actions to improve the results in the future eNPS surveys, because this KPI will not improve just because it's been measured.