Case Study

Fortune 50 Retailer Uses TextBI® to Drive Bottom Line through Employee Engagement

It’s no secret that happy employees yield happy customers. In fact, according to the Russell Investment Group, publicly traded companies in the Fortune 100 Best Companies to Work For list have gained an average 10.8% a year since 1998. However, employee attrition in high turnover industries such as retail can be devastating. According to Bloomberg, turnover in retail averages 5% a month, so a company following the national average loses roughly 60% of their hourly staff per year. Such turnover results in massive expense in hiring and training new employees, placing customer satisfaction at risk. When tasked with reducing employee turnover through engagement, a Fortune 50 retailer turned to social media and the emergence of communities to create a safe, internal site for employee feedback. The ultimate goal of this initiative was to give each of its 300,000+ employees a voice, and to make this huge company feel small in the most important way.

By 2009, the Community was rolled out to over 2000 stores nationwide, and in the first year yielded 3500 employee conversations. The early days were the ‘Wild West’. A small group of employees were tasked and overwhelmed with reading every single employee comment, determining the topic and positivity or negativity, and then routing the information manually to the right department for disposition and response. In order to communicate important findings to management, endless reports were manually created. The response time, analysis and reporting was a slow and tedious process. However, this superstore continued to see the benefit of employee engagement and turned to technology to lessen the analytical and reporting burden.

In 2015, they sought the cutting edge text and sentiment analysis capabilities of EpiAnalytic’s TextBI® solution. The TextBI® platform collects and analyzes all employee feedback in real-time using text and sentiment analysis to determine the comment’s topic and sentiment. These findings are then automatically delivered to all appropriate levels and departments within the organization through standardized alerts and reports.

By 2015, the superstore’s employee community had gone mainstream and grown to 285,000 employee conversations. With the use of TextBI®, the organization had quickly found insight in all areas of operations from tracking the success of new employee programs to pricing and operations issues all while boosting engagement and morale.

Sample alert on a tablet

EMPLOYEE ENGAGEMENT

• According to Gallup, companies with highly engaged employees outperform their competitors by 147%

“We selected EpiAnalytics for our social listening platform because it allows us to not only actively listen to conversations, but also determine the most discussed topics and sentiment across our community.”
The community strives to engage and empower its associates to speak up, especially when things seem off. In one particular month each store was to receive four specific big ticket items. A number of associates quickly realized they received forty. The employees reported it through their Community, TextBI® detected the issue and alerted management. In a matter of hours, the company saved close to $800,000 by addressing the issue. According to the Community Manager, similar issues are identified and quickly resolved every few weeks.

In addition to empowering its 300,000+ employees to report costly errors saving the company millions annually, the Community also gives them a safe place to voice concerns that inevitably impact many. One of the biggest barriers to the retention of hourly retail employees is scheduling. Recently, this Fortune 50 Company rolled out a program around consistent scheduling which aims to give its hourly employees predictable days off. And while this sounded great in practice, communication lapses were immediately identified during the roll out when the Community Manager received thousands of negative posts about schedules. The efficient reporting and sentiment analysis of this issue enabled management quickly identify the root cause and better roll-out this important program.

Expedient solutions to company-wide scheduling and pricing issues are imperative, but sometimes general sentiment about Standard Operating Procedures is not as obvious. In late 2015, this superstore issued a new dress code policy which allowed associates to wear shorts in the summer months. And while this policy seemed appropriate for the majority of the company, associates in locations such as Hawaii and Florida started a conversation. As the topic gained popularity across the company, the team responsible for dress code realized that many associates in both warm and cooler climates preferred wearing shorts all year due to the active nature of their jobs. TextBI® alerted the organization to the topic and negative sentiment allowing the company to make a relatively simple and cost effective change that had a huge impact on employee morale.

Another way TextBI® is able to assist our superstore is during emergency situations such as hurricanes, snowstorms, and earthquakes where power outages are prevalent. Because associates can access the community on their phones, they can communicate with headquarters and TextBI® can alert and report on major issues.

Employees are the eyes and ears to a business and providing them an opportunity to provide feedback is critical in addressing operational and morale challenges. In the short time since implementing TextBI® into their social listening platform, this retailer has seen significant cost savings, increased analytic efficiency all while improving morale and decreasing turnover. When combined with an engaged associate population, TextBI® empowered this organization to continue to meet customer demands while being an employer of choice.

(CVENT) A CAP study found it costs, on average, $3,328 to find, hire and train a replace a $10/hour retail employee.

Customer retention rates are 18% higher on average when employees are highly engaged.