

HRMT5502 People Analytics

Assessment 2: Team Report:

Analysis of NCB employee performance

Team-8

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Introduction

National Choice Bank (NCB) has always been determined to provide value-enhancing and need-satisfying services to its customers. It firmly believes that the delivery of its products and services are dependent on its sincere and hard-working employees. To develop effective workforce management strategies, employee and customer surveys were conducted across NCB branches. The analysis of the survey data will assist the bank in shaping its organizational development activities. Given the lack of enough factors in the survey data to predict NCB's overall productivity and customer satisfaction, the analysis has been focused on the key drivers influencing employee performance.

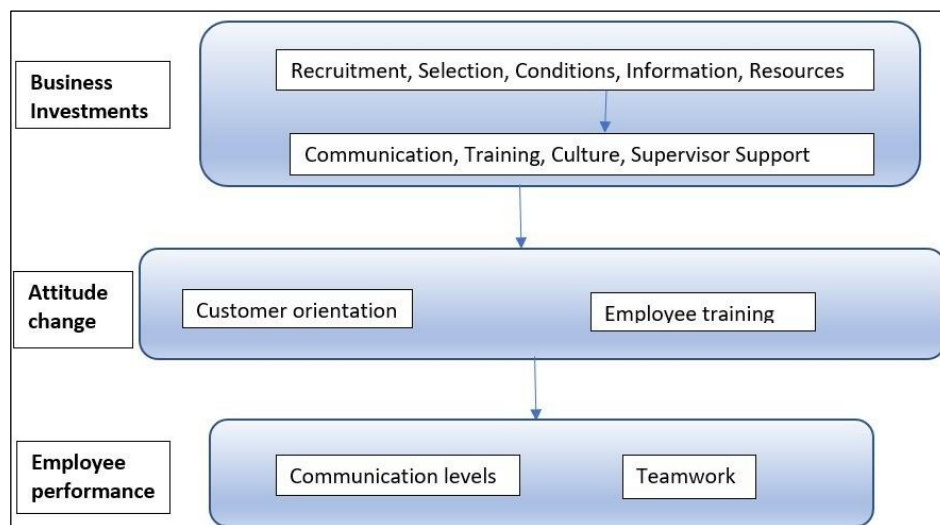


Figure 1

Based on the various factors considered in the survey, a logic model has been developed as shown in *Figure 1*. The model suggests NCB's investments in recruitment, selection, information, and resources will lead to better communication, quality training, exceptional workplace culture and improved support from supervisors. This in turn will help in developing a customer-oriented mindset amongst employees wherein customer service is given top priority.

The business investments will also facilitate effective employee training which enhances their job performance. This will bring a change in the overall attitude of the workforce. In addition, this change will enable enhanced communication as senior management will be able to explain its vision to employees through training sessions and help them develop a customer-oriented mindset. Further, attitude change will also bring about effective collaboration amongst employees which will help in higher quality delivery of services to customers. These strategic changes will improve employee performance throughout NCB. The objective of this report is to quantify the impact of the drivers of employee performance and suggest how NCB can improve the performance of its employees.

Looking at NCB data and demographics

NCB has 128 branches located in mid-western United States. It can be observed in *Figure 2* that the branches in Metropolitan areas are approximately double the number of branches in non-metropolitan areas. Further, as shown in *Figure 3*, out of the 85 metropolitan branches the frequency of customer interaction was higher only in 37 branches. Similarly, out of the 43 non-metropolitan branches, 27 branches had greater customer contact.

The employee opinion survey was administered in all 128 branches. Of the 2884 employees, only 2230 returned useful surveys. The survey evaluated employee opinion on specific elements of their work environment such as customer orientation, employee training, communication, and teamwork. Employees responded to the survey using five-point scales ranging from 1 (Strongly disagree) to 5 (Strongly agree). The survey data was then aggregated at branch level for analysis.

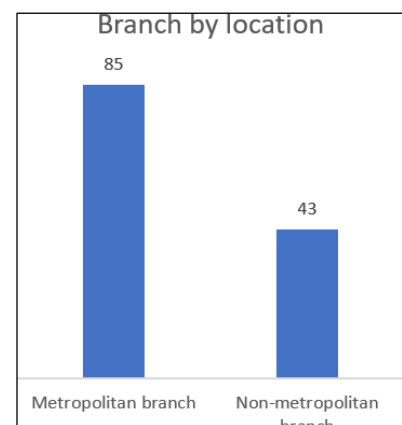


Figure 2

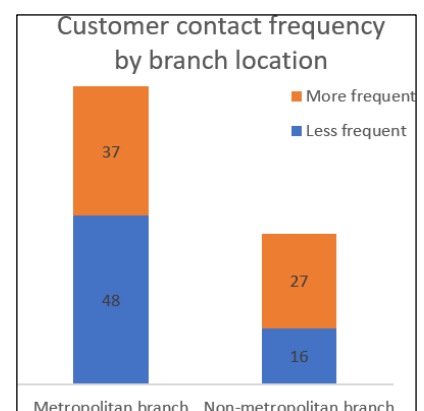


Figure 3

Exploratory data analysis

Based on the survey, the average score of employee opinion on the extent of customer orientation across all branches was 3.76 which indicates that, on average employees of a branch agreed that the bank puts the needs of the customers first. The standard deviation of 0.32 as shown in *Figure 4* suggests that most branches rated employee opinion on the extent of customer orientation between 3.44 and 4.08.

Average score of employee opinion on the training they received was 3.26 which shows us that on average employees in a branch were neutral about the amount of training they received from the bank. The standard deviation of 0.25 indicates that most branches' scores were between 3.01 and 3.51.

Similarly, the average score of employee opinion on communication levels of a branch was 3.24, which implies that, on average, employees were neutral about the level of communication within the bank. The standard deviation of 0.28 suggests that most branches' scores were between 2.96 and 3.52.

The average score of employee opinion on teamwork of a branch was 3.54, which demonstrates that an average branch agreed that management encourages teamwork. The standard deviation of 0.28 indicates that most branches rated employee opinion on teamwork between 3.26 and 3.82.

Further, as shown in *Figure 5*, it was also observed that the employee opinion on the extent of customer orientation and communication levels have a positive relationship.

Employee opinion on	Avg	Std dev
Customer orientation	3.76	0.32
Training	3.26	0.25
Communication Levels	3.24	0.28
Teamwork	3.54	0.28

Figure 4

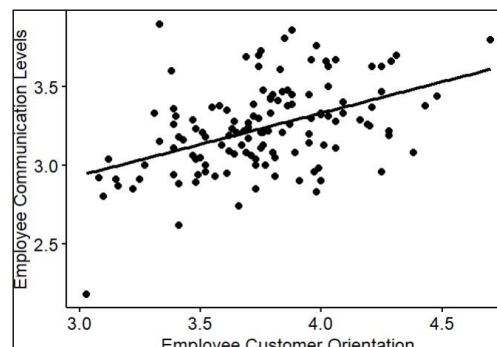


Figure 5

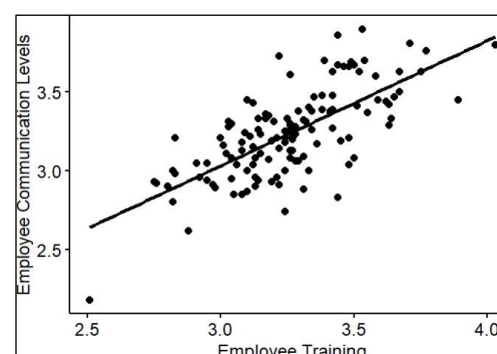


Figure 6

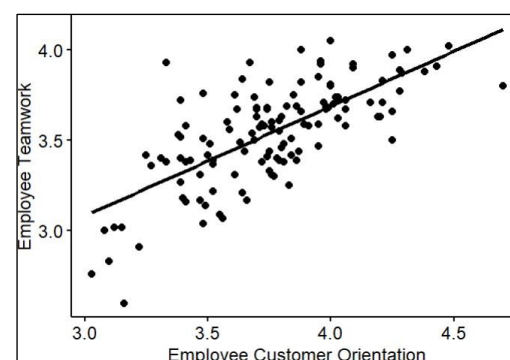


Figure 7

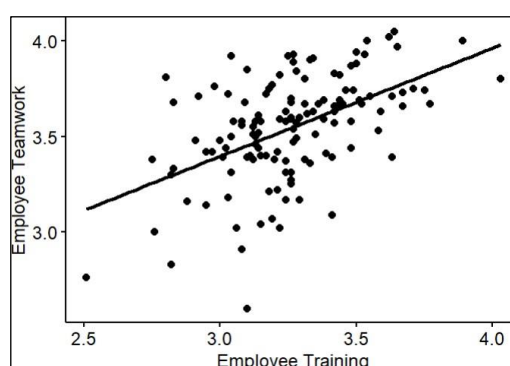


Figure 8

Similarly, in *Figure 6*, it was also noted that employee opinions on communication and training have a positive relationship.

In *Figure 7*, it was observed that employee opinion on the extent of customer orientation and teamwork have a strong positive relationship.

Similarly, as shown in *Figure 8*, employee opinion on training and teamwork are positively related to each other.

Results of analysis

As defined in the logic model, employee opinion on the extent of customer orientation and employee opinion on the training they receive were used as the key drivers for predicting the outcomes which are employee opinion on communication levels and teamwork. Before conducting the analysis, it was checked that its assumptions were met. Further, it was ensured there were no overlapping key drivers while predicting the outcomes.

On estimating the impact of employee opinion on the extent of customer orientation and training on employee opinion on communication, it was observed that 51.58% of the change in employee opinion on communication ratings was explained by employee opinion on the extent of customer orientation and training. Further, on average, the predictions of employee opinion on communication levels could vary by 0.20 points. Moreover, there is sufficient evidence that at least one of the key factors has a relationship with the outcome: employee opinion on communication levels. On further analysis it was observed that there is strong evidence that both employee opinion on the extent of customer orientation and training individually has an impact on employee communication levels.

It was noted that, keeping everything else constant, on average, a 1 unit increase in employee opinion on customer orientation score will increase the employee communication level ratings by 0.13. Similarly, keeping everything else constant, on average, a 1 unit increase in employee opinion on training score will increase the employee communication level ratings by 0.72. This can be represented as follows:

$$\diamond \text{ Employee opinion on communication level} = 0.42 + 0.12 * \text{Employee opinion on the extent of customer orientation} + 0.72 * \text{Employee opinion on training they receive}$$

It can be observed that out of the two key factors, employee opinion on training has a greater impact on employee communication level.

Based on our logic model, employee opinion on teamwork was also predicted using employee opinion on the extent of customer orientation and training. It was noted that employee opinion on the extent of customer orientation and training explained 53.28% of the change in employee opinion on teamwork ratings. It was also noticed that on average the predictions of employee opinion on teamwork could vary by 0.19 points. Further, there is strong evidence that a relationship exists between at least one of the two key levers and the outcome: employee opinion on communication. On further analysis, it was observed that there is sufficient evidence that both employee opinion on the extent of customer orientation and training individually has an impact on employee opinion on teamwork ratings.

It was observed that on holding everything else constant, on average, a 1 unit increase in employee opinion on the extent of customer orientation will lead employee opinion on teamwork to increase by 0.51. Similarly, on keeping everything else constant, on average, a 1 unit increase in employee opinion on training would increase the employee opinion on teamwork ratings by 0.25. This relationship can be represented in the form of the following equation:

$$\diamond \text{ Employee opinion on teamwork} = 0.81 + 0.51 * \text{Employee opinion on the extent of customer orientation} + 0.25 * \text{Employee opinion on training they receive}$$

Therefore, it can be observed that employee opinion on the extent of customer orientation has a greater impact on employee opinion on teamwork than employee opinion on training.

Conclusions and Recommendations:

Through the analysis of the available data, it has been identified that there is a meaningful relationship between the employee performance outcomes and its key levers employee opinion on the extent of customer orientation and training. Employee opinion on communication levels can be predicted using the above key factors. Similarly, the employee performance outcome: employee opinion on teamwork can also be predicted with the same key drivers. As such the following recommendations are suggested for the consideration by NCB for implementation:

1. Implementation of new training programs across the NCB employee cohort is strongly recommended. It is suggested that NCB builds their training programs to focus on the following key areas:

- ❖ improving active listening skills,
- ❖ undertaking 'role play' in the training environment to provide employees an opportunity to practise utilizing open and closed questions when interacting with each other and business stakeholders,
- ❖ developing 'plain English' writing workshops to simplify communication in written formats,
- ❖ implementing an internal communication 'code of conduct' protocol to ensure that all employees are treated with respect during all interactions with their colleagues (to align with existing internal NCB policies and protocols).

In addition, it is also recommended that NCB's current training programs are reviewed, and feedback sought from participants previously onboarded through the program to determine areas of improvement, identify what works well in existing programs and assemble a working group within NCB to regularly review training programs administered to staff members.

- 2.** Further collection of data across various stakeholder cohorts, i.e., customer base and employee cohort, to identify and analyze future trends influencing employee performance and, by extension, overall business outcomes. Collection of data on factors such as cultural diversity, education level and years of work experience may facilitate better prediction of employee performance outcomes. Moreover, outsourcing data collection and analysis to other firms such as Pymetrics, to enhance understanding of the workplace and employees will help to develop data driven strategies that balances employee needs with business objectives.
- 3.** It is also advised that a detailed customer survey should be undertaken which is more focused on customer satisfaction with the employees. The key factors in the current customer survey, such as customer satisfaction with the branch in general, can be broken down into parts that focus more on how customers perceive employees. This might include taking into consideration factors like- response time for individual employees to service/complaint calls, employee's knowledge about the subject issue, employee adaptability and behavior metrics. This will give a better grasp of employee performance and assist with developing the employee training programs.
- 4.** To be able to predict overall productivity of NCB and customer satisfaction level, NCB should collect data about employee opinion on work culture, mental health and wellbeing support from the bank and employee opinion on leadership quality.