

ENGAGING FRONTLINE EMPLOYEE VOICE

A tool for human resources, DEIB and
operations leaders



Table of Contents

Why Frontline Employee Voice Matters2

The Value of Employee Voice2

Business Benefits of Engaging Frontline Employee Voice3

Enabling Conditions for Change4

Enabling Conditions in Action.....7

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About Talent Rewire

Talent Rewire, an initiative of FSG, envisions a future where every individual in the U.S. can realize their full potential through a humanity-and economy-boosting job that provides equitable economic opportunity, stability, and mobility. Simply put, we envision a world in which the hopes and dreams of frontline employees are seen and achieved –where they feel empowered and listened to, and where their work is fulfilling and purposeful.

We seek to increase the economic mobility of frontline employees –particularly people of color and women –through: 1) innovating new research, programs, and tools to drive employer systems transformation; and 2) scaling our learnings to build the capacity of the broader workforce field. To learn more, please visit www.talentrewire.org.

About FSG

FSG is a global, mission-driven consulting firm that partners with foundations and corporations to create equitable systems change. Through customized consulting services, innovative thought leadership, and learning communities, we’re working to create a world where everyone can realize their full potential. To learn more, please visit www.fsg.org.

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Why Frontline Employee Voice Matters

We embarked on this research hoping to highlight actionable ways in which employers can engage employee voice. What we found was that a lot has already been written on ways to collect employee voice and that companies already have some type of system in place to collect voice informally or formally. Much has also been written about the importance of employee voice and employee engagement, but mostly for white-collar employees. We found that these principles are not always applied to hourly, low-wage employees who are disproportionately people of color and women.

In speaking with frontline employees, academics, workforce experts, and companies, what we found was that what is just as important is ensuring that the conditions are in place for authentic and honest engagement of employees. The main takeaway from our research is that taking steps to build trust and relationships is the most important action employers can take to engage employee voice.

Employee Voice

The opportunity for employees to express concerns about policies in the workplace and offer ideas about how to improve conditions in the workplace. Informal employee voice is defined as the ability for employees to provide feedback and discuss concerns on a daily basis. Formal employee voice is defined as structured communication channels provided by the employer, including systems to file grievances and employee surveys.

The Value of Employee Voice

Today's corporate human resources, DEIB and operations leaders know that while signing bonuses and increased pay can help get employees in the door, it won't necessarily keep them there. Prioritizing employee voice, both the mechanisms through which it travels and the cultural conditions that let it thrive, can help you address your talent and business concerns while better supporting your frontline. By enabling and listening to employee voice, you can unlock efficiency, productivity, and innovation across your organization.

“Worker voice is critical. We believe the best improvements come from people doing work. If we can make the transition to employee empowerment, whether through open-book management, employee ownership or something else, we can get people to think consciously about how to do their job more effectively to create efficiency and productivity beyond what can get done with top-down approaches. Some business leaders are afraid to empower team members, to let go of the reins, but doing so can unlock a lot of potential.”

Rick Plympton, CEO – Optimax

David Madland from the Center for American Progress explained that, “Worker voice can boost productivity through retention but also could be through improved internal processes. Workers can have insights into how jobs are structured that no one else has.” To tap into true expertise and unlock valuable insights, companies need to shift how they engage worker voice. In this time of reckoning and re-imagination of a better future, will your company rise to the occasion?

Business Benefits of Engaging Frontline Employee Voice

Increased business productivity and efficiency

Employees can provide valuable insights to their employers across a range of business issues, from improvements in products and services to increased efficiencies in business practices, to better of alignment of benefits with employee needs. Employees can report problems and solutions to managers before they affect production, serve as links to communities and customers, help companies deliver on DEI and racial equity efforts, and offer different perspectives from executives¹. As one employer shared, “the people who are actually doing the jobs will create the best solutions for the challenges in their roles. Solutions are more real, more relevant, and more meaningful when they come from frontline workers.” In an increasingly complex world, companies with strong listening mechanisms and a culture of employee voice are better able to sense trends and adapt to rapid changes.

Additionally, the process itself of seeking employee voice can increase productivity, because employees who feel empowered and valued are more productive².

Higher employee retention and satisfaction

HR professionals understand, and research supports, the business value of retaining employees and improving employee satisfaction. The total cost of turnover can reach as high as 90–200% of the employee's annual salary³. Satisfied employees are more productive, adjust more easily to changes at work, and are more loyal to their employer, all of which have a positive impact on the business' bottom line⁴.

We heard from our Frontline Advisors about the relationship between employee voice and turnover. As one Frontline Advisor explained, “Listening to workers keeps morale and productivity high. If you're not meeting the needs of your employees, you'll get high turnover and low engagement, which waters down your mission as a business.” And employees are eager to offer their perspectives – as one Frontline Advisor said, “We want to make our companies better places to work at. Listening to workers is not just about increased sales or productivity but also about us giving feedback on how we can work together as a team, how the corporate structure is working for us.” In this way, employee voice is an essential asset for you to improve the workplace experience in order to retain and attract talent, which can boost productivity and lower costs for employers⁵.

Delivering on equity and inclusion commitments

The business case for diversity, equity, and inclusion (DEI) is stronger than ever. Despite a huge wave of corporate DEI commitments⁶ and public statements in the last two years, employees do not feel as if their employers have fulfilled their promises to address racial inequity⁷. Frontline employees tend to be more racially and ethnically diverse⁸ than other parts of the company, but most DEI initiatives fall short of creating meaningful change for frontline employees and often center whiteness in their approach⁹.

Engaging with the voice of frontline employees gives you an opportunity to understand persistent DEI challenges both within the company and externally in the market, and identify actions to improve the experience of employees of color on the job. Improving the experience of frontline employees of color can lead to increased retention and advancement of employees of color, creating a more diverse and inclusive leadership and managerial pipeline and reducing income inequality.

Improved brand and reputational benefits

Over the last decade, we have seen how corporate behavior can shift because of public pressure, transparency, and broad campaigning on topics like sustainability and labor. JUST Capital's survey research indicates that the US public believes "putting workers at the heart of business practices" is one of the top seven imperatives for businesses in the US, and that the crises of the past two years offer companies the opportunity to reset and refocus their priorities¹⁰.

And it's not just consumers – a broad range of stakeholders, including investors, employees, and policymakers, believe that companies have an important civic and moral duty to support their employees, and thus society. Prominent business leaders^{11 12} are signaling a shift away from shareholder primacy in service of economic and social equity, and public sentiment indicates a demand for companies to play a bigger role in addressing societal problems¹³.

Enabling Conditions for Change



Engaging and prioritizing employee voice is an important way to address your talent and business concerns while better supporting your frontline employees but doing so authentically and effectively goes beyond regularly hosting town halls or collecting survey data.

Drawing on our research and reflecting on our work with employers and frontline employees, we see five conditions that can enable a culture where employee voice can thrive.



Shift narratives about frontline employees while valuing and respecting their contributions to the business

Valuing the knowledge and expertise of frontline employees is essential to the ongoing success of a company.

Frontline Employees:

- Know their job best and as the group closest to on-the-ground operations can quickly identify problems and areas for improvement
- Act as the face of the company interacting with customers on a daily basis
- Keep the business functioning day in and day out



Invest in training employees at all levels to create psychological safety

Providing appropriate leadership and feedback training for employees at all levels is an important tool to shift behaviors.

Leadership feedback and training for frontline employees and supervisors:

- Builds employees' ability to communicate and collaborate with one another to improve their work, and to share their perspectives with supervisors and business leaders
- Enables employees to see themselves as leaders within the frontline and the company at large
- Encourages employee buy-in to business



Ensure there is authentic buy-in at all levels of the company

Frontline supervisors are often in a challenging position when it comes to employee voice and additional training is needed to empower them.

Frontline supervisors:

- Are expected to both represent the perspectives of the frontline and communicate the policies of the company back to the frontline.
- May not have the tools to engage with their team's perspectives or the resources to act on their feedback.

Partnership with and in support of frontline supervisors will unlock voice of frontline employees.



Listen for understanding, communicate transparently and remain open to feedback

Building a culture of transparent communication and intentional listening is essential to enabling employee voice.

Transparent information and communication:

- Informs employees at all levels about key business indicators, not just those in leadership, and contributes to all employees connecting with the company's success and purpose
- Enables frontline workers employees to better understand how their role connects to overall business operations and profitability
- Creates a culture of trust that allows for communication to flow from top to bottom and bottom to top



Follow through on commitments and/or share when action is not possible

It is not enough to ask for input and feedback – there must be systems and mechanisms to respond to those inputs.

Responding to and acting on employee feedback:

- Builds accountability and trust between senior leadership and a company's frontline workforce
- Allows leaders to learn how to more effectively run their company for the benefit of employees and customers
- Improves workplace culture and has a positive effect on a unit's effectiveness
- Leads to employees feeling more comfortable and willing to share their honest experiences, challenges, and ideas for improvement

Enabling Conditions in Action

In Action: Dr. Bronner's



Dr. Bronner's is a California-based soap manufacturer and certified B Corporation that embodies its family-owned origins in how they treat its employees.

One of the company's core values, or "cosmic principles," is to treat employees like family, and that is upheld at every level of the company. Despite significant growth in recent years, the family owners are active in the business and still strive to know every employee by name, greeting them personally on the factory lines. *"We would be a hypocritical company without worker voice, because we purport that they guide what we do,"* said a senior leader at the company. *"You don't treat family members like silent bystanders and not care how they're doing. Every member shapes the family in some way – there may be a leader, but everyone has a role."*

In our interview with Dr. Bronner's, their team members explained that in difficult times, this family-oriented culture has helped hold the organization together for a common purpose. In this way, Dr. Bronner's embodies the first enabling condition for employee voice by actively **shifting narratives about frontline employees while valuing and respecting their contributions to the business.**

Through participation in Talent Rewire's Accelerator, Dr. Bronner's realized it needed to consult with frontline employees more. The company already had some employee voice approaches in place, such as their "Green Team," a cross-department **task force** that frontline employees can participate in to develop sustainability solutions. Dr. Bronner's realized they could be doing more, especially with upward mobility within the organization. In order to gain honest feedback from employees, leaders were intentional in **creating a safe and inviting environment for employee voice by centering employees' needs, protecting anonymity, and prohibiting retaliation.** Dr. Bronner's engaged with a community-based, third party facilitator to run **focus groups** to understand employees' views on upward mobility and current barriers to upward movement in the company. Leaders also made it clear that employees' responses would not be tied to performance and that leadership welcomed their authenticity. Dr. Bronner's hopes these results will help leadership understand if frontline employees want to move up in the organization and, if so, how the company can best support them in doing so. While the company already has low turnover, this would ensure more of Dr. Bronner's talent stays and grows within the organization.

In Action: Optimax



Optimax is a private, American precision optics manufacturing company based in Ontario, NY. Its CEO, Rick Plympton, started his career as a frontline employee. He highly values the contributions of his frontline employees at Optimax, embodying the first enabling condition to engage with employee voice: **shifting narratives about frontline employees while valuing and respecting their contributions to the business.** *“When I was 22, I was tapped on the shoulder to show up to a production meeting that department managers attended”, said Rick Plympton, CEO of Optimax. “I had received no training or coaching on what to do in that meeting and I was completely lost. When I came to Optimax, I was really adamant that we need to have leadership training to give them the framework for how we create value and the perspective of self, team, company and community. We should not give people more responsibility without giving them training.”*

One way Optimax communicates to employees that they are valued is through their profit sharing program, in which all fully vested (5 years of service) employees receive the same monthly profit share regardless of their title or level. Despite some initial concerns about financial viability, Optimax has continued its profit sharing program through its transition to an **Employee Ownership Trust (EOT)**.

Optimax’s EOT model has been successful in creating a highly engaged workforce that is invested in the company. This success is due to the way Optimax effectively **seeks employee voice proactively and authentically**. Before Optimax became an EOT, they sought employee input on which form of ownership would work best for them. The company found out that most employees preferred profit sharing because of the regional history of employees receiving company stock that plummeted in value, leaving many without stable retirements. Therefore, Optimax decided to restructure as an EOT with a Perpetual Purpose Trust that ensures 25% profit sharing with employees forever.

Optimax has always been employee centric and focused on involving employees in all aspects of the business. For example, Optimax hosts its Engineering Day, which usually about a third of its workforce attends. This **company-wide gathering** is a chance for employees to share their ideas for ways to innovate and improve Optimax’s products. While not all employees can physically attend because Optimax’s factory runs around the clock, the event is live streamed and recorded so that employees can access it later. In addition, Optimax utilizes open book management principles and is constantly finding new channels to communicate with employees. Moving forward, CEO Rick Plympton hopes to improve employee voice channels by **providing training on giving and receiving feedback, and building leadership capacity at all levels**. For more information on Optimax’s EOT model, please refer to [this piece](#) from Project Equity.

In Action: Meliora Cleaning Products



Meliora Cleaning Products is a certified B corporation and cleaning products company based in Chicago, IL. Meliora Cleaning Products' founders value transparency in everything they do, and it is integral to their success as a company. This includes being clear about salaries, cash flow, financials, and other aspects of the business. Meliora Cleaning Products is a great representation of the third enabling condition **listening for understanding, communicating transparently and remaining open to feedback**. For Meliora Cleaning Products, this transparency makes change management easier. *"Leaders have to be transparent about priorities, timeline, and factors involved in any change,"* said a leader at Meliora Cleaning Products. *"When employees are informed about the business, everyone knows that if the company cannot give them a raise it's not because leaders do not want to, but because there are competing priorities."*

In an interview with Madhura Ramakrishnan, a production manager at Meliora Cleaning Products, we discussed the **one on one check-ins** Ramakrishnan has with her team. She started with monthly check-ins with a third party translator available. This allowed Meliora Cleaning Products' Spanish-speaking employees to adequately express themselves in meetings and is an excellent example of **creating safe and inviting environments for employee voice by centering their needs, protecting anonymity, and prohibiting retaliation**. She noted that at first, employees did not bring much up during check-ins. However, after many months, employees became more comfortable setting the agenda and speaking up about concerns. As Meliora Cleaning Products grows, the team is considering how to maintain employee voice as a central part of the role of managers and the executive team. As Ramakrishnan put it, *"It is easy to get tied up in the numbers, financials, ROI, and profits, but that shouldn't be the leading factor in decision making. It is important to keep your eyes on what's happening on the floor with your people."*

In Action: Mascoma Bank



Mascoma Bank is a Certified B Corporation® with locations in New Hampshire, Vermont, and Maine. In recent years, Mascoma Bank focused on employee engagement and voice in the workplace. One way Mascoma Bank does this is through weekly or biweekly videos from senior leaders answering questions that employees submit anonymously. Mascoma Bank also holds quarterly town halls where leaders share information on the business and employees can ask more questions. In this way, Mascoma Bank has implemented the fourth enabling condition where **leadership and supervisors follow through on commitments and/or shares when action is not possible**. Mascoma Bank leaders have provided employees with multiple avenues to engage with leadership and ensure employees' voice always receives a response. In this way, employees can know leaders have processed and reflected on their feedback instead of soliciting voice to check a box.

Mascoma Bank has made significant effort to engage with employee voice and is evidence of how multiple approaches can be used to engage employee voice. The bank has **town halls, regular one on one check-ins**, and conducts **surveys**. These are all ways for Mascoma Bank to **seek employee voice proactively and authentically** which has allowed Mascoma Bank to receive better information on how to allocate resources. For example, Mascoma Bank has used surveys to uncover that employees would appreciate student loan repayment much more than the company's existing tuition reimbursement programs. Mascoma Bank also sets expectations for supervisors to engage with employee voice to ensure more feedback funnels up to leadership. Mascoma Bank embodies the idea that **providing training on giving and receiving feedback and building leadership capacity at all levels** can foster the trust needed to create an environment where employee voice can thrive. At Mascoma Bank, supervisors are encouraged to have proactive, regular conversations with employees and employees are expected to set the agenda for check-ins.

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In Action: MOD Pizza



MOD Pizza is a fast casual pizza chain founded in Seattle with over 500 locations in North America and thousands of employees. MOD was founded on inclusive hiring practices and has an explicit social impact vision, which they have supported with an intentional company culture. MOD Pizza leadership (before the COVID-19 pandemic) regularly visited stores in different markets to understand how they can best support their employees, and new central operations hires would all do a store shift to experience the frontline role. As they expand into new markets, they are intentional about bringing an established manager from another area to carry that culture, and regularly leverage “all-star” employees to train new employees and get them oriented to the company. All of these cultural elements, in addition to their equity-focused hiring practices, have created an inclusive and communicative company culture that **values frontline employees and the perspectives they bring to the table.**

What's Next

Leading employers know that elevating the voices and opinions of frontline employees is critical to business success, and can result in increased employee retention; lower turnover costs; better insights to improve the customer experience; greater employee satisfaction, mobility and loyalty; and better business profits.

And Talent Rewire knows that creating an environment and culture where employees can safely provide input is hard work and we are here to partner with you.

Whether you are an employer or an organization that provides support and training for employers and employees, our program offerings can be tailored to address your specific business needs, your geography, and your diversity, equity, inclusion and belonging goals. You can learn more about upcoming opportunities at www.talentrewire.org or by reaching out to us directly.

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