

## OUR METHODOLOGY



We base our core employee surveys around a psychological outcome known as Employee Engagement (EE). This construct has proven to be the most thoroughly researched measure in modern workplace psychology. Most importantly, EE type metrics have been consistently linked to important behavioral and business outcomes such as profit, customer satisfaction and employee retention rates.

Employee  
Engagement is  
best thought of  
as an outcome

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There is convergence in the academic literature and organizational psychology practice that EE represents an important psychological outcome. By outcome we mean to distinguish EE as an overall psychological state that is the result of many other influencing factors. EE questions should be thought of as the very high level feelings, attitudes and behaviors that we'd ideally like our people to have or exhibit. A good EE survey will also measure a whole range of influencing factors as well (more on this below). We believe this is crucially important because in our research we are aiming to understand what has the biggest impact on EE. To do the best analysis of this we need to keep the overall outcome measures conceptually separate from the factors or things we think will impact that outcome.

An Employee  
Engagement  
outcome  
measure should  
use multiple  
questions

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Using multiple questions in an outcome index is akin to asking more than one interview question - it provides a more balanced view of the person. It is also a well validated principle in psychological measurement with research supporting the superior statistical properties of multiple item measures over single items measures (such as a single NPS style or 'Happiness' question). Using one question on a 1-5 scale will give us a score from 1-5, whereas combining five similar questions into an overall EE score we get scores ranging from 5-25 - a much finer grained measure. There are a lot of single item measures out there and many are great questions but you'll always get a better measure using an index of good questions.

## The Science Behind Culture Amp



### An Employee Engagement Index should capture important things but not everything

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We began by looking at what researchers have identified as some of the key components agreed upon across multiple sources. Based on this we then asked ourselves and clients what were the key five outcomes we wanted to start with as part of EE. Here are the five components we arrived at:

**Motivation** - We wanted to know if employees feel motivated by their company to put in extra effort

**Pride** - We wanted to know if employees felt proud to be connected with their company

**Recommendation** - We wanted to know if employees would recommend the company as a great place to work

**Present Commitment** - We wanted to know if employees were currently focused on staying with the company

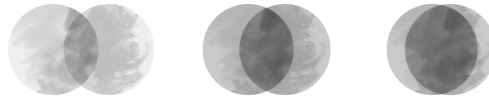
**Future Commitment** - We wanted to know if employees intended to stick with the company into the future

We don't make any claims that there are no other good EE questions that could be included. The important thing is that we have a good group of representative questions because this means that additional questions are likely to be highly related anyway. Adding highly related questions will not change things much from a statistical or practical point of view. We have adopted an open source academic approach which means we are model agnostic - we're not selling you our model but giving you a great foundation to work with and you'll also have access to our research and benchmarks.

### Some statistical background to our Engagement Index questions

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Over the past four years we have used our EE questions with millions of respondents and each year we pull all our data together for benchmark research as well as conducting case studies. Our EE Index typically has Cronbach Alpha reliability ranging between .80 to .90 and factor analyses have repeatedly shown the index to reflect a strong core construct underlying the questions. Our EE Index questions have also been externally validated through relationships with external metrics such as Glassdoor ratings and Mattermark Growth scores. The external validity of our EE questions and driver (or impact) questions (see below for more details on these) has also been demonstrated in numerous case studies with our clients via research linking these with other measures (e.g. retention rates).



### The Science and Approach Behind Our Driver Questions

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Separate to our EE questions we use around 45 questions that we sometimes call our driver or impact questions. This is because our EE questions don't tell us much about our specific workplace or culture and are thus very hard to act upon directly (existing inside people's hearts and minds). We therefore aim to also ask about a good range of more tangible aspects of our workplaces and cultures to help us understand where we might improve.

We developed our core question set by taking a very broad range of questions representing many identified factors (in both academic and IO Psychology practice). We then worked with clients collaboratively to refine those down to the most critical factors that consistently predicted EE (as well as other outcomes such as actual retention). We also include factors that do not often show up as drivers of EE but can occasionally be detrimental if they are done poorly (remunerations and work life blend factors for example).

Each year we gather all of our question data across hundreds of companies for our benchmark reports. This allows us to validate the relationships between our driver questions, EE questions and external metrics on a very large scale. For example, we can assess the validity of our leadership questions by reference to leadership ratings in other sources (e.g., Glassdoor ratings and other award based publications). We also use this research to identify potentially redundant questions that might over sample particular areas and can be replaced by questions that might address new emerging areas of interest.

In addition to this research we also encourage a balance of validated questions and new and unique questions with our clients. This is often a source of new questions or entire new survey templates we can use to validate any promising approaches. Our inbuilt analytics mean that we test our questions in every survey on our platform. At Culture Amp we believe science and research can go hand in hand with innovation.

# OUR DATA AND INSIGHTS TEAM



**Dr Jason McPherson,  
B.Psych(Honours), PhD**

Jason has been using, designing and analyzing surveys for over 15 years, and his research has been published in

the American Psychological Association's key methodology journals. Previously a founding member of the workplace survey team of Kenexa Australia and APAC Research Consultant for Towers Watson. Jason has a PhD in Psychology and has published research on cognitive assessments as well as survey statistics and methodologies.

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**Dr Buddhi Jayatilleke, PhD**

Buddhi brings in global experience (US, Norway, Sri Lanka) in applied research having designed and developed software for enterprise search,

e-commerce and mobile applications. Buddhi's academic research has covered intelligent software agents, text mining and predictive analytics. Prior to Culture Amp he was a Senior Research Fellow for a government funded big data project extracting information from twitter streams using advanced text analytics. Buddhi holds a PhD in Computer Science and a Master of Software Systems Engineering.

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**Dr David Ostberg, PhD**

Prior to Culture Amp, David was vice president, Workforce Science at Evolv (now Cornerstone OnDemand). David combines strong

experience in behavioral measurement with a pragmatic and strategic mindset on how individuals and organizations can benefit through the thoughtful integration of people, data, science, and technology. His people geekness extends to personnel selection, behavioral measurement, talent management, culture & organizational development, psychometrics, and artificial neural modeling.

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**Chloe Hamman**

Chloe brings a diverse range of consulting and in-house experience obtained across Australasia. She has over 8 years professional expertise in organizational behaviour,

individual differences, leadership development and workplace culture. She has redesigned engagement and leadership programmes and conducted one the largest studies on workplace values in New Zealand. Chloe has a very broad academic background including a Master of Science in I/O Psychology, Bachelor of Science (Hons Psych) and a Bachelor of Commerce (Human Resource Management).

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**Steven Huang**

Steven Huang is a Data & Insights Strategist who focuses on our fast growing client base in the United States. Steven commenced his working career as an

actuary with Towers Watson and private equity firm Vision Capital before moving across to the people analytics industry. Steven was the first HR analyst at Facebook in 2011, and then Square in 2014. His career ambition is larger than just engagement; he wants to fundamentally change the way we work by bringing data solutions to Human Resources.