



2022 update

# How has employee loyalty towards the workplace developed since 2019?

## About the report

At Netigate, we set out to investigate how employee loyalty towards the workplace has developed since 2019. To do this, we gathered data from **274 different companies** that use the Netigate platform and have measured their employee Net Promoter Score during 2019, 2020, and 2021. The companies are spread across Sweden, Norway, Germany, UK, Netherlands, Finland, Austria and Switzerland.

The **employee Net Promotor Score (eNPS)** is a popular metric used to investigate employee loyalty. The metric consists of just one question: 'On a scale from 0-10, how likely are you to recommend your employer to others?'. From the total employee responses, a final eNPS is calculated.

The data behind this report consists of over **200,000 eNPS answers**. The employee Net Promoter Score is measured on a company level, not an individual level. This means that only one score per year is recorded for each company. If, for example, Company X measured their eNPS eight times during 2019, 2020 and 2021, an average is calculated for each year.

The data presented in this updated 2022 version of the report consists of responses given up until the end of 2021.

Only companies who received **at least 50 answers per year** to their eNPS survey(s) are included in the report.

The companies who supplied data for this report span the following industries: Automobiles & components, banking, capital goods, commercial & professional services, consumer durables & apparel, consumer services, diversified financials, energy, food & staples retailing, food, beverage & tobacco, government and public sector, health care equipment & services, household & personal products, insurance, materials, media, member organizations and charity, pharmaceuticals, biotechnology & life sciences, real estate, retailing, software & services, technology hardware & equipment, telecommunication services, transportation and utilities.

## Summary

### The impact of COVID-19 on employee loyalty

The arrival of the Coronavirus crisis in 2020 led to an uncertain and unstable job market. During this time, our research indicates that **employee loyalty towards the workplace increased** on the previous year. At the beginning of 2021, our data showed that eNPS scores had remained stable. Now that we have data for the whole year, however, we can see that employee loyalty towards the workplace began to decrease slightly as 2021 progressed. This indicates that **the continuing pandemic may have had an impact on employee loyalty**. This slight drop coincides with global discussions about a 'Great Resignation' towards the ends of 2021 and moving into 2022., with high numbers of workers across the world considering changing employer.

### The drivers of employee loyalty

Quality of **leadership, work tasks, personal development and clarity regarding the vision and goals of the company** are important drivers of employee loyalty. Employees also want to feel that their thoughts and ideas for improving the organization are welcomed and valued by their employers. **Immediate managers** appear to have a significant impact on scores provided by employees, with managers who are good role models and motivators positively impacting the final eNPS.

### Employee surveys

Companies that measure employee loyalty on a regular basis tend to have a higher employee Net Promoter score than companies that do not. The use of employee surveys can be **a meaningful way to communicate with employees**, and thereby **increase employee loyalty**.

## What is employee loyalty and why is it important?

**Loyal employees are the cornerstone of a business.** They are brand ambassadors who are engaged and satisfied at work and will actively promote the business through positive word of mouth. This fuels growth both internally and externally, for employees and customers alike.

**There is a link between employee loyalty and customer loyalty.** A loyal employee is engaged and enthusiastic about their work and their company, and this will positively impact other colleagues and customers. Businesses that regularly report high customer Net promoter Scores also often rank highly when it comes to employee Net Promoter Scores.

In terms of other benefits to business, engaged and loyal employees are more productive, creative, and lead to reduced costs (Reichheld). High levels of loyalty and engagement can also result in improved financial performance for businesses, even in times of turbulence (Aon Hewitt).

### Employee loyalty success story

Technology giant Apple uses the employee Net Promoter Score metric to measure employee loyalty and track engagement across nearly 500 of their stores. Apple employees have been praised for the ability to form genuine connections with customers, making interactions feel less like sales transactions and more like personalized technology recommendations. Employees are devoted to making Apple stores better for customers, and this engagement likely has a significant role to play in the company boasting the highest sales per square foot in retail. A result is that competitors are taking note, rethinking their employee experience and value proposition.

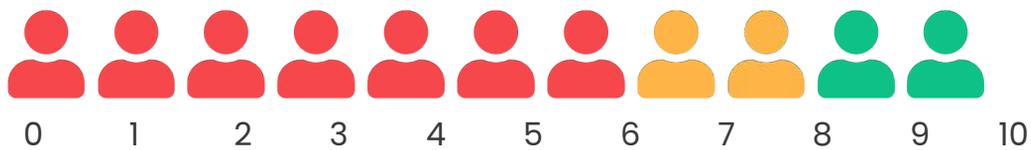
<https://www.netpromotersystem.com/about/employee-nps/>

## Measuring employee loyalty with the employee Net Promoter Score (eNPS)

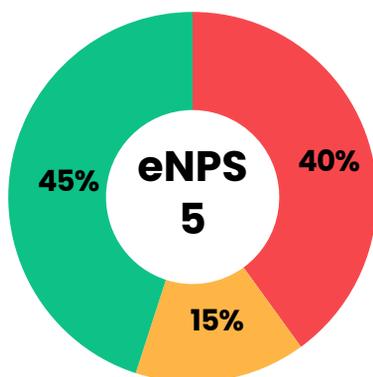
The eNPS metric is based on the Net Promoter Score (NPS), which was developed by Fred Reichheld, Bain & Co and Satmetrix to measure customer loyalty. Like the NPS, the eNPS allows employers to use a simple metric to measure their employee loyalty and satisfaction over time.

The eNPS is assessed using one simple question: **“On a scale from 0 to 10, how likely are you to recommend your employer to others?”** An overall eNPS is then calculated by subtracting the percentage of detractors from the percentage of promoters. Passive voters are not included in the calculation. Employee Net Promoter Scores can range from -100 to 100.

**Promoters (%) – Detractors (%) = eNPS score**



Example



■ Detractors   ■ Passives   ■ Promoters

**9-10 = Promoters**  
 Are loyal and like working with your company. Fuel viral growth through word of mouth.

**7-8 = Passives**  
 Are receptive to competing offers from other employers. Are left out of the eNPS calculation.

**0-6 = Detractors**  
 Are not particularly satisfied with you as an employer and their work. Danger of spreading negative word of mouth.

## Driver analysis: What drives employee loyalty?

In 2019, Netigate developed and launched a new employee engagement model consisting of 29 drivers of employee engagement. This validated model can also provide interesting insights on the most important drivers for eNPS, since employee engagement and loyalty are known to be strongly linked.

In 2019 and 2020, a panel survey was conducted with over 3000 Swedish employees who answered the 29 engagement driver questions in combination with the eNPS question. Analysis of the results shows that business elements concerning **leadership, work tasks, personal development** and **clarity regarding the organizational visions and goals** are closely related to employee loyalty. The graph below summarises the six statements that were identified as the most important potential drivers of engagement.



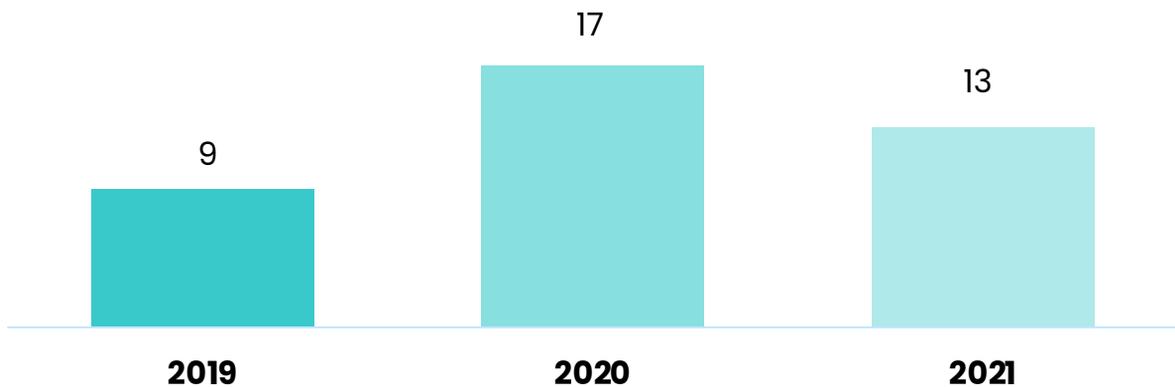


**Professor Stefan Tengblad**  
**University of Gothenburg**

“In my opinion, employers have become more focused on the organizational inner life, and less focused on what kind of other changes could have contributed to this. Employees have experienced the opportunity to work from home as something positive. It decreases their risk of becoming infected and frees up additional time, therefore making life less stressful. Another possible explanation for the result is that employees now have increased autonomy in their working lives, and this may have contributed towards an increase in engagement and motivation.”

## The rise— and fall?— of employee loyalty

Among the companies involved in the research, we saw that employee loyalty increased across the board from 2019 to 2020. At the beginning of 2021, a year into the pandemic, scores appeared to be holding steady on 2020. By the end of 2021, however, we saw a slight drop in the average eNPS score, with a decrease from 17 to 13.



**70 % of the companies that measured employee loyalty in both 2019 and 2020 saw a positive increase in their employee Net Promoter Score.**

“The eNPS increase from 2019–2020 may be explained by how some firms continued to show loyalty to employees during the first stages of the pandemic by not laying them off.”

**Professor Graeme Martin, University of Dundee**



“I believe that during a time where everyone now knows someone who has lost their job as a result of the crisis, you begin to appreciate your own workplace more than ever before.”

**Kristin Wiik, HR Manager, NEAS**



## **Lena Bjurner**

### **The Swedish Association of HRM**

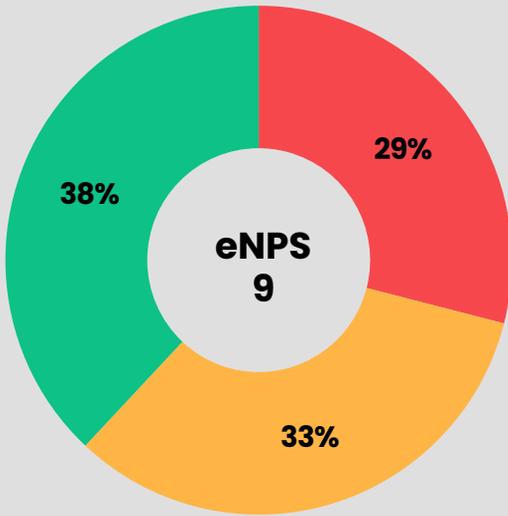
"I believe that the increase to eNPS scores during the past year has multiple causes, but I think the key reason is the change in leadership and culture that has been forced because of the sudden, new circumstances we find ourselves in.

In a crisis, organizations must become clear about their goals and purpose. What do we need to achieve to survive—and thrive—when the pandemic is over? We know that a clear goal and higher purpose is key to engagement.

Given the situation, leaders need to put a lot of trust in their employees to find a way towards achieving agreed goals. As many employees work from home, leaders have had to relinquish control of where and when employees do their work, and instead trust in their accomplishments. Furthermore, unexpected situations can happen so suddenly in the workplace that leading with trust has become the successful model for continuing to meet new challenges and keep up the pace.

While being testing, crises can foster a culture of innovation and learning, making employees' ideas even more relevant. Employees are being tested to a higher degree in the current crisis, and they need to be able to act with less fear of mistakes and in an environment that is open to new ways of working. Working together in this way increases successful collaboration across the entire company.

Another aspect of leadership that has evolved during the crisis is that leaders have become more vulnerable and are leading with increased empathy. The dialogue between leader and employee is focusing not only on work matters but also personal topics such as how we feel, and about our own health and that of the people we care for. We can see that communication has increased during the crisis. This strengthens the relationship between leaders and employees, as well as the loyalty to the organization. This, together with all learning and development that we have naturally experienced, has led to higher engagement."

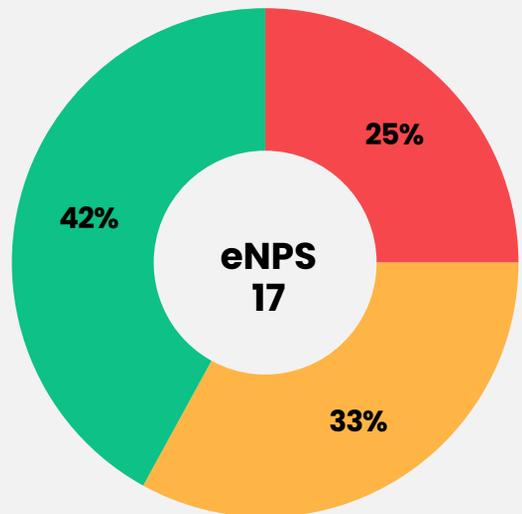


## 2019

In 2019 we see an average eNPS of **9**, with a fairly even spread of promoters, passives and detractors across all companies.

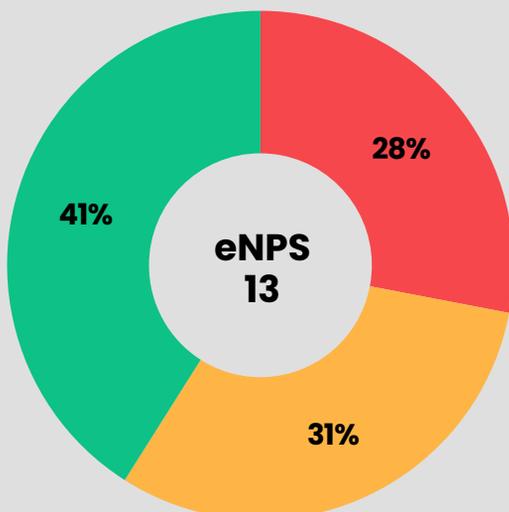
## 2020

In 2020, the year of the onset of the COVID-19 pandemic, the average eNPS increased from 9 to **17**. Almost half (42%) of the companies had a promoter majority during this year.



## 2021

In 2021, the average eNPS score saw a slight drop on the previous year, falling from 17 to **13**.



## Employee loyalty and the Great Resignation

In the original version of this report, we based our 2021 average eNPS score on responses provided between the 1<sup>st</sup> of January and 31<sup>st</sup> of May 2021. Based on this data, the average eNPS score was 18, which remained stable on the previous year.

Now that we can analyse responses from the whole of 2021, we see that the eNPS score has dropped slightly, going from 17 in 2020 to 13 in 2021. This is a reduction which, interestingly, coincides with reports of a 'Great Resignation' movement gaining traction in the second half of the year.

Predictions of a resignation surge began when the US Department of Labor reported that [more than four million people quit their jobs](#) in April 2021 alone. Microsoft were also an integral part of the conversation, with global survey results showing that [41% of workers are likely to consider leaving their job](#) within the year.

With the pandemic came the unavoidable rise of working from home, and employees experienced this collectively on a vast, global scale. Suddenly, people across the world began to gain back time, money and autonomy, which allowed them to thrive in both their personal and professional lives.

During the COVID crisis, working from home became a silver lining around an otherwise bleak situation for some people. As a result, how businesses manage working from home after the pandemic is a significant part of the Great Resignation discussion.

"Certain groups have come to expect and value flexible and remote working, while others do not value it so much. This may be caused by a divide in career stage or a generational divide. If people value something and come to expect it, then not living up to these valued expectations becomes a problem.."

**Professor Graeme Martin, University of Dundee**



## The remote working factor

The COVID-19 crisis has made people reevaluate what they want from life. On a personal level, government-imposed lockdowns and self-quarantine led to long periods where many people couldn't see family and friends. This has led to increased importance being placed on nurturing time and relationships outside of the office. For many, this has also meant a significant rethink of what it means to have a good work-life balance.

In 2020, Netigate conducted a study into [working from home during the COVID crisis](#). We found that 67% of people enjoyed working from home, and 81% stated that they still reached their business goals while doing so.

[Following up on the study in 2021](#), it was clear that attitudes towards remote work were still positive, with 70% of respondents saying that they were enjoying working remotely. When asked about the ideal balance between office-based and remote work, 73% voted for a combination of both. And it seems that this call for a hybrid workplace has been heard by companies, with McKinsey reporting that [90% of large businesses are indeed embracing a hybrid model](#) when it comes to managing the return to the office.

Now that people are venturing back into the physical workplace, employees wait with bated breath to see how remote work will be managed by their companies. For those people who have thrived while working from home, having an employer who accommodates working remotely is likely to be a [major deciding factor when choosing a place to work](#).

"The Great Resignation discussions that came out of 2021 are an indication that employees around the world want more from their employers. It seems that the pandemic has given people a new perspective on working life, and many are now looking for employment that meets their evolving needs. Is an employer open to remote working? How flexible is a company with regards to when and where people work? Can a good work-life balance be attained with this employer? These are some of the questions that people are now asking themselves, and businesses are going to need to adapt if they want to keep hold of their talent."

**Mikkel Drucker, CEO at Netigate**



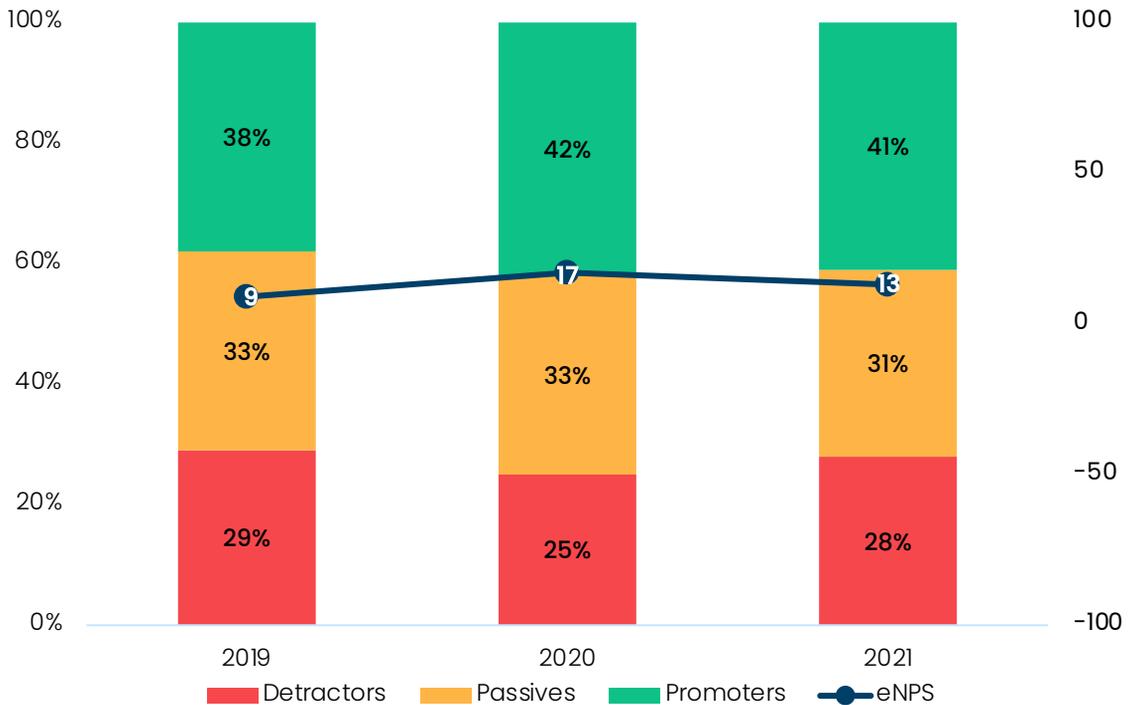


**Arne Johan Johnsen**  
**CEO Kristiansand Airport and Advisor in**  
**HR and Leadership at Høyskolen Kristiania**

Arne Johan Johnsen is the CEO of Kristiansand airport and an advisor on the subject of strategic HR and operational leadership at Høyskolen Kristiania in Oslo. With more than 30 years of experience within HR and leadership, Arne Johan has several interesting reflections about how the COVID-19 pandemic has affected the workplace and employee loyalty.

“I think that employees have become more grateful to have a job and more conscious of having a work community where you take care of each other. People are more generous towards their employer now. Concerning leadership, I believe that employees have gained increased trust from leaders when it comes to remote working, because we have seen that this works well. This increased trust can have a positive effect on employees, who in turn will show more engagement and loyalty towards their leaders and employers.”

## Employee Loyalty: Development from 2019 until today



- In 2019 the average eNPS was 9, with a fairly even spread of promoters, passives and detractors across all companies.
- In 2020, the year of the onset of the COVID-19 pandemic, the average score increased to 17. Employees became more loyal towards their workplace.
- In 2021, the average eNPS score dropped slightly to 13. This suggests that employees became less loyal to their workplace as the pandemic continues to progress. As we have considered earlier in this report, this drop coincides with a global discussion a resignation surge where many people were considering leaving their jobs.



## **Kristin Wiik, HR Manager, NEAS**

NEAS is a supplier of internet, TV and electricity for customers at Nordmøre in the northwest of Norway. The company has 130 employees and saw an increase in their eNPS score, with it rising from 21 in 2019 to 49 in 2020.

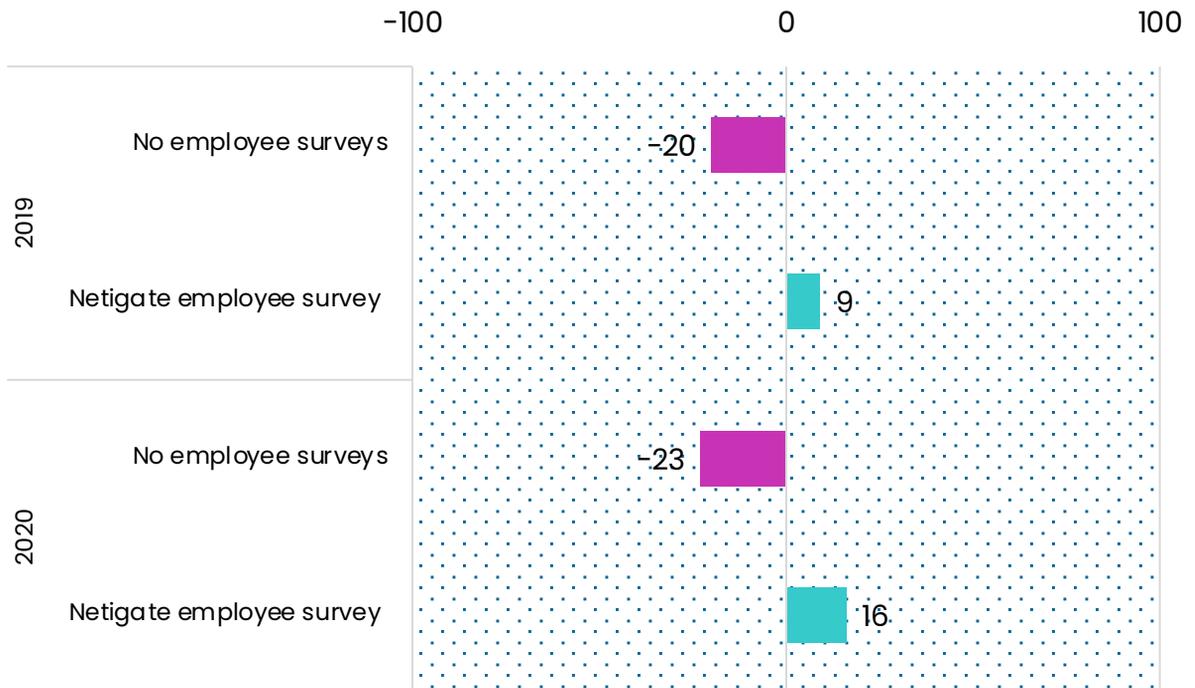
### **What is the secret behind this high increase in eNPS?**

“I think it has a lot to do with showing employees that they are being prioritized by, among other things, spending time and resources on them and listening to their feedback. During the COVID-19 pandemic we have focused on our employees needs and well-being and tried to show that we are a good employer also in demanding times.

With regards to specific actions, we have prepared for remote work by implementing a policy for purchasing tools that can support work and ergonomic needs.

To create positive employee experiences during the workday, participation and belonging is important to us. Netigate surveys have given us important insights into how to succeed with this. We have spent a lot of time on developing our information flows across platforms such as Workplace and Teams. We have a great working environment and strong team spirit here at NEAS. Employees are proud to work here. I think the value of feeling part of a team, has been especially important during this tough period. Also, I believe that during a time where everyone now knows someone who has lost their job as a result of the crisis, you begin to appreciate your own workplace more than ever before.”

## The impact of employee surveys on employee loyalty



- Employees in Sweden who did not participate in any type of employee survey in 2019 and 2020 have lower eNPS scores compared to those at companies that used the Netigate tool to conduct at least one employee survey during the same period.
- The companies that used the Netigate tool to create employee surveys have a higher number of promoters than the employers that conducted no employee surveys. Promoters are those eNPS respondents who have rated their company a 9 or 10. They are likely to have higher levels of loyalty and engagement.
- A significant part of conducting employee surveys is the handling of the feedback results and using the insights to make improvements. If a company fails to act on feedback, it can create frustration among employees, resulting in lower loyalty scores.

Source: Netigate's Employee Report 2019 and 2020



**Professor Graeme Martin**  
**University of Dundee**

“The eNPS increase from 2019–2020 may be explained by how some firms continued to show loyalty to employees during the first stages of the pandemic by not laying them off.

The drivers of employee loyalty and net promotion are pretty much as I would expect from previous research and align closely with some small-scale research, I have conducted in 2021.

I suspect that how firms deal with work design, flexible and remote working, especially in addressing different needs among employees, will be influential.

Certain groups have come to expect and value flexible and remote working, while others do not value it so much. This may be caused by a divide in career stage or a generational divide. If people value something and come to expect it, then not living up to these valued expectations becomes a problem.

Employee surveys signify to employees that they have a voice, even if only once a year. However, what is more important is for firms to use the data and to respond to it. Undertaking a survey and not doing anything about it is a trap that many companies fall into. The worst of all worlds.”

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## Contact



**Sophie Hedestad**

Data Expert



+46 732 012 498



[Sophie.hedestad@netigate.se](mailto:Sophie.hedestad@netigate.se)

