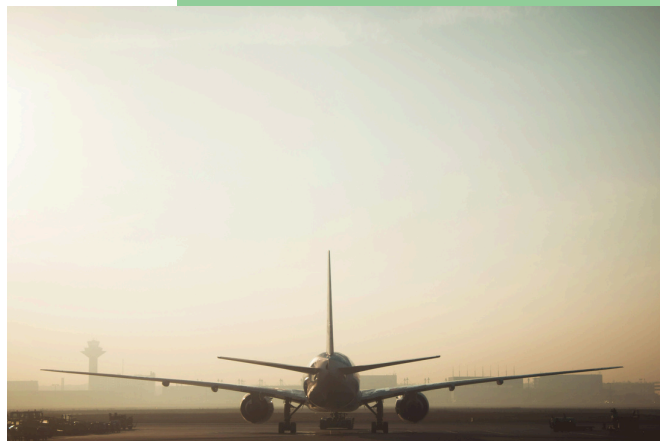


CASE STUDY: LINKING EMPLOYEE ENGAGEMENT TO PROFITABILITY



Introduction: JetBlue is a low-cost, award-winning airline founded in 2000 and based in New York. Known for its customer-friendly service, it has consistently earned high rankings in customer satisfaction

AT A GLANCE

Challenges

- Unknown correlation between high employee engagement and profitability.
- Lack of data on employee impact on customer loyalty.
- Unknown connection between manager performance and employee engagement

Outcomes

- Data validation that engaged employees boost customer loyalty.
- Substantiated that high-performing managers increase employee engagement.
- Determined that a possible 5% rise in employee NPS boosts revenue by as much as 1% or \$26M+.

OBJECTIVES

- **Increase Customer Satisfaction and Loyalty:** By improving employee engagement and NPS, JetBlue aimed to enhance customer loyalty and repeat business.
- **Boost Revenue and Profitability:** Improve workforce performance to directly increase revenue through better customer satisfaction and operational efficiency.

APPROACH

- LYTIQS consulting utilized workforce analytics to link employee engagement metrics to business outcomes like customer satisfaction, loyalty, and revenue.
- LYTIQS consulting deployed the Net Promoter Score (NPS) system to measure employee engagement and analyzed correlations between employee NPS, manager performance, and customer satisfaction.

SOLUTION DEPLOYMENT

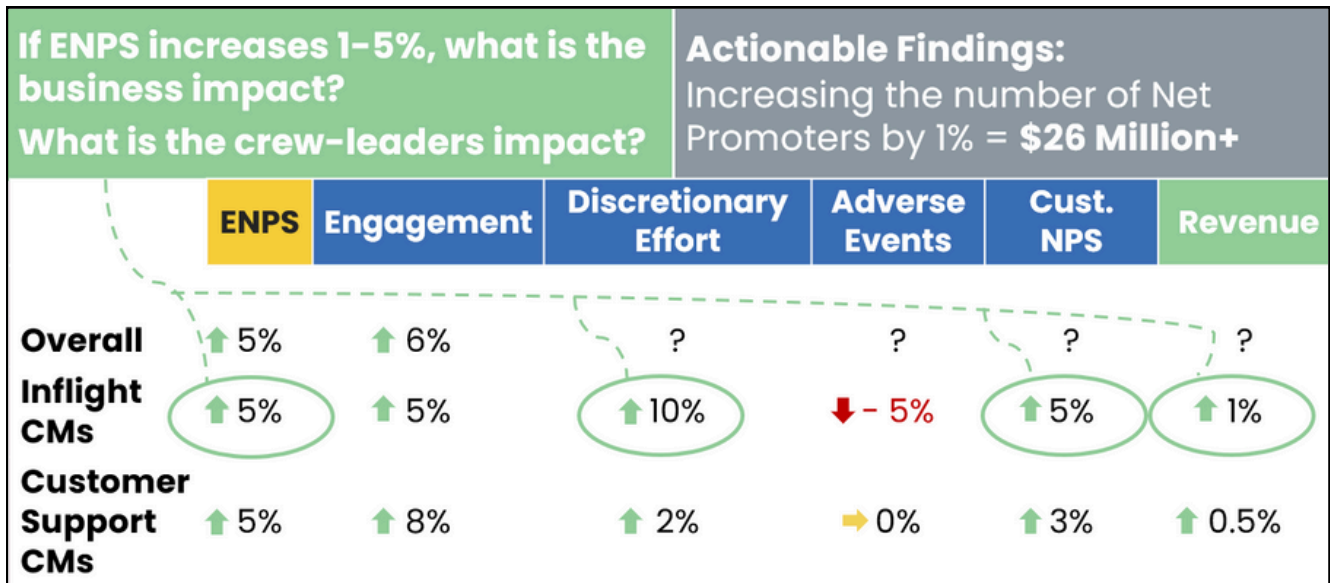
- **Data Integration and Scorecards:** LYTIQS consulting integrated data across multiple sources, measuring workforce and financial metrics (e.g., cost of workforce, turnover, customer satisfaction).
- **NPS Analysis:** The NPS methodology categorized employees into promoters, passives, and detractors based on their likelihood to recommend JetBlue as a workplace.
- **Workforce ROI Calculator:** LYTIQS consulting used the calculator to quantify financial impacts of workforce interventions, providing clear links between employee engagement and business outcomes.

ANALYSIS & INSIGHTS

- **Employee NPS as a Key Driver:** The data showed that employees who were net promoters had a direct impact on customer satisfaction, loyalty, and revenue.
- **Manager Impact:** Managers who were net promoters significantly increased their teams' engagement, while low-performing managers negatively affected employee NPS.
- **Correlation with Revenue:** A 5% increase in employee NPS translated to a substantial revenue increase, highlighting the financial benefits of workforce engagement.

RESULTS

- **Revenue Growth:** A 5% increase in employee NPS led to a 1% increase in revenue, equating to an additional \$26 to \$96 million.
- **Engaged Workforce Drives Results:** Locations with higher employee NPS saw better customer satisfaction, higher retention rates, and greater talent attraction.
- **Manager Stability:** Longer-tenured managers had higher employee engagement and NPS, emphasizing the importance of stable, engaged leadership.



N.B. Crew Members (CMs) are employees.

Through these insights, JetBlue **improved employee engagement**, which directly **boosted customer loyalty** and **significantly increased profitability**.