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**eNPS AS AN EFFECTIVE TOOL FOR INCREASING STAFF LOYALTY AND BUSINESS EFFICIENCY**

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Nowadays Ukrainian business works under extremely harsh conditions. According to the Kyiv School of Economics, at the end of June 2023, the total amount of direct documented damage caused to the infrastructure of Ukraine as a result of a full-scale Russian invasion was estimated at \$150.5 billion (at replacement cost) and the loss of business assets at \$11.4 billion. At least 426 large and medium-sized private enterprises and state-owned companies were damaged or destroyed [1]. However, according to Forbes Ukraine, almost 41,000 new companies and 318,000 private entrepreneurs appeared in Ukraine in 15 months [2].

Under the conditions of continuous terrorist attacks by the enemy, relocation of businesses, disruption of logistical connections, mass forced migration of the population, deterioration of the moral and psychological state of employees, domestic employers face severe challenges, including the need to ensure employee loyalty, which directly affects business efficiency in general. One of the requirements of successful business management is the systematic use of innovative methods and modern creative solutions in staff management.

The objective of the work is to investigate the feasibility of using the eNPS indicator for improving the motivation system and increasing the efficiency of the company's staff management.

The eNPS (Employee Net Promoter Score) is a derivative of the NPS (Net Promoter Score), which was developed by Fred Reichheld and first generally introduced in 2003 in the article "The One Number You Need to Grow" in Harvard Business Review [3]. NPS represents the level of customer satisfaction with the company's work. Later, Apple improved the method and started using this indicator to assess employee loyalty. Over time, other companies (Sony, Philips, Procter&Gamble, American Express, Microsoft) also used this experience.

The essence, importance and methodological tools of staff loyalty assessment have been studied in a number of scientific works. In particular, S. Firsova and T. Bilorys suggest evaluating the level of employee loyalty to the company's HR brand by two components of loyalty (behavioral and emotional) and with the help of a questionnaire using the semantic differential method for this purpose [4]. The impact of loyal employees on the development of the organization and the principles of conducting a survey to determine the level of staff loyalty are highlighted in the publication of Kh. B. Stambulska and Kh. S. Peredalo, and eNPS estimation is supposed to be conducted using a questionnaire containing four questions [5]. A. Nykonenko studied the essence of the concept of "staff loyalty", classified factors of loyalty, determined the main types of staff loyalty depending on the causes of occurrence (cognitive, affective, motivational, behavioral, forced), level (demonstrative disloyalty, hidden disloyalty, quasi-loyalty, ability-level loyalty, beliefs-level loyalty, identity-level loyalty) and the object (workplace, workforce, management and enterprise). He suggested his own methodology for loyalty assessment, which includes all three classifications and the questionnaire contains 28 questions [6]. Thus, we can see that there are radically different approaches to assessing the level of staff loyalty: from very simple ones that

do not provide enough information to improve the company's staff motivation system and increase the efficiency of its activities, to overcomplicated ones that require a lot of effort and time for estimations.

In our opinion, the main purpose of using the eNPS index is not just to assess the level of loyalty, but to determine the main motivators, demotivators of staff and their involvement. Properly formulated questions and profound analysis of the results can help to predict the outflow of staff, identify gaps in the processes of the staff management system and areas that require improvement.

The evaluation of the eNPS level and the use of research results to improve the motivation system and increase the efficiency of staff management were implemented by the author at Technoline Trade LLC, which operates in the field of brand retail and has 30 boutiques in different regions of Ukraine. Study period: 2021-2023.

Proprietary questionnaire was designed in Technoline Trade LLC to assess the level of eNPS. It includes 24 close-ended questions which can be roughly divided into blocks (satisfaction with working conditions in general and safety in particular, salary level, training and career growth opportunities, team, manager and the company as a whole) and 8 open questions that clarify the answers to close-ended questions and help the management to determine directions for improving the company's work. The survey was conducted using a Google form.

The eNPS level was calculated as the difference between the percentage of supporters (employees who rated the answer to the question "I am ready to recommend my employer to acquaintances and friends" at 9-10 points out of a possible 10) and the percentage of critics (from 0 to 6 points).

The management analyses the opinion of people from the "critics" group in detail. This gives an understanding of what requires to be improved in the first place.

When interpreting the results of the eNPS level, any positive result is considered normal because it means that the company has more "supporters" than "critics". However, the higher the value of the indicator, the better. A negative value of the eNPS indicator shows significant problems with the involvement of staff in the company's affairs.

The company's management necessarily informs the staff about the results of the survey, identified problems and solutions for their elimination. We emphasize that conducting a survey without feedback will inevitably lead to a decrease in staff loyalty and demotivation.

The first survey was conducted in September 2021. At that time, the number of respondents was 189 employees. Additionally, the level of staff turnover was recorded. The results of the survey for individual regions are shown in Table 1.

*Table 1*

**Dynamics of the eNPS level in Technoline Trade LLC for regions**

Region	2021, September			2023, June		
	ENPS	NPS	Personal turnover	ENPS	NPS	Personal turnover
Kyiv / Northern region	11	82	31,72	38	89	20,33
Southern region	-11	85		74	88	
Western region	55	82		63	86	
Eastern region	10	83		70	84	

Source: Designed by the author

As the table shows, only the western unit had a satisfactory eNPS indicator in September 2021. The northern and eastern regions had a rather low indicator. Special attention was paid to the southern unit because the eNPS index was negative. The reason for this was the recent dismissal of the regional manager and two line managers, which significantly affected the quality of management during the transition period and the motivation of employees.

The analysis of respondents' answers to questions made it possible to determine the main motivators and demotivators of employees and the predicted level of staff turnover: 25%.

The main demotivators included:

- low salaries;
- employees' overload;
- insufficient attention of the manager to the problems of employees;
- lack of understanding of the KPI system by employees;
- unsatisfactory work schedule;
- lack of management response to proposals;
- feeling of uselessness;
- insufficient informing of the staff about current organizational issues.

After a detailed study of the report, following was suggested:

- to implement systematic weekly team meetings and feedback sessions;
- to update the concept of the work of managers on the ground and to allocate the areas of responsibility of all employees in retail outlets, including managers and their deputies;
  - to develop and distribute documents/instructions detailing the KPI system, including the methodology for goals calculating;
  - to implement the practice of involving employees in activities to optimize business processes;
  - to develop and implement a system for calculating the number of staff in a shift.

The development of new approaches and their integration into work processes was supposed to last from one month to a year, since the optimization affected many processes of the management system, however, the full-scale invasion of the Russian Federation into Ukraine in February 2022 made adjustments to the timings of the project.

It should be mentioned that the company's management has created a telegram channel, which is used to inform the staff about the results of the study, identified problems, conclusions and decisions regarding changes according to the opinion of the majority.

After implementing the necessary changes in the company's work, a repeated survey was conducted in June 2023, in which 152 respondents took part. The results of the survey are presented in fig. 1 and in table 1.

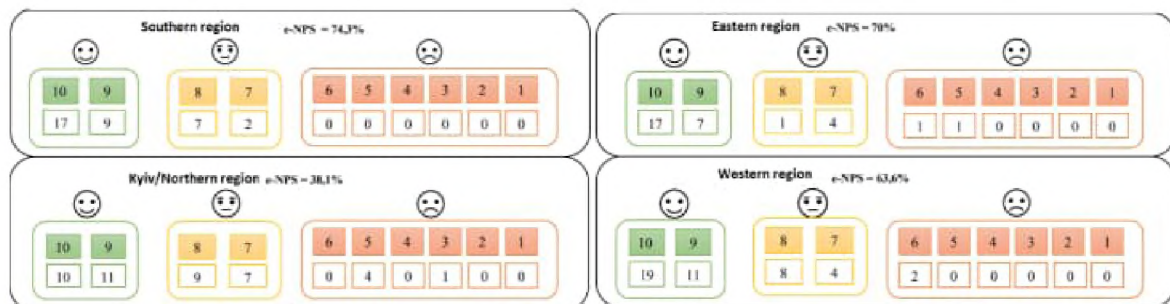


Fig. 1. Estimation of the eNPS indicator for regions, June 2023.

Source: Designed by the author

Comparing the indicators of 2021 and 2023 gives an opportunity to draw a conclusion about the impact of the eNPS level on staff turnover and NPS of brand stores. It should be mentioned that staff turnover negatively affects the efficiency of the enterprise as a whole. According to the results of research by the Strategic Human Resource Management (SHRM) professional association, on average, about 50–60% of an employee's annual compensation is spent on closing each new vacancy [7]. Thus, by reducing staff turnover, we reduce enterprise costs. Therefore, a decrease in the level of staff turnover indicates an increase in the economic efficiency of the enterprise. We also can see rather insignificant but still an increase in the NPS

indicator in each region (Fig. 2). An increase in the level of customer satisfaction with the company's work affects the demand for products and services.

Subsequently, we plan to conduct eNPS surveys systematically once a year. Simultaneously, local surveys are conducted if necessary, for example, the study of staff satisfaction with the level of security. According to the feedback of the company's employees, their involvement in the processes of optimizing existing business processes has increased, and interaction with managers has improved significantly. The predicted staff turnover has decreased to the level of 10%. Plenty of small problems were solved, which had a positive effect on the motivation of employees.

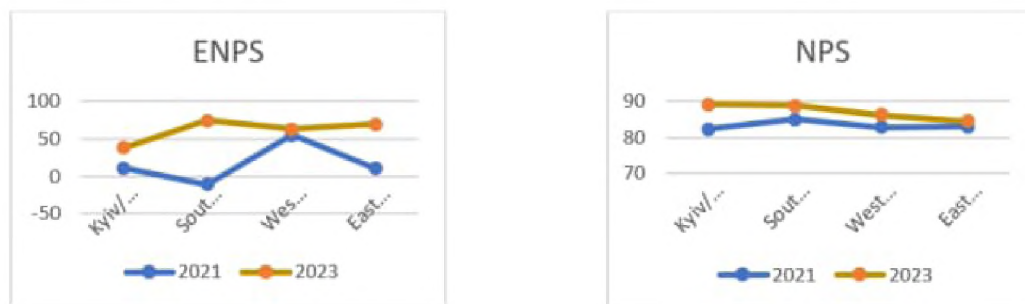


Fig. 2. Dynamics of eNPS and NPS indicators for regions

Source: Designed by the author using tab. 1.

Therefore, the results of the study indicate the feasibility of determining the level of eNPS to improve the employee motivation system, which, in turn, leads to a decrease in turnover and company expenses for the search, adaptation, and training of new employees, which means that it contributes to the improvement of the efficiency of the company as a whole. We believe that it is worth taking a very careful approach to the questionnaire. The questions must be clear to the staff; take into account all problems that the employee may face; filling out the questionnaire should not take too much time. On the other hand, the survey system should be as simple as possible, one that does not require complex calculations and extensive time to analyze the results. With the analysis of survey, it is important not only to identify demotivators and eliminate or at least reduce their impact on employees, but also to organize quality feedback. The experience of one company can serve as an example for other small and medium-sized business players and increase the level of staff motivation. An effective staff management system requires constant analytics. Business managers should integrate methods and tools of intangible motivation, which is quite underestimated among the community of domestic entrepreneurs.

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**ANALYSIS OF THE DEVELOPMENT OF GLOBAL E-COMMERCE AS A MODERN FORM OF INTERNATIONAL BUSINESS**

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The emergence of the Internet and the active digitalisation of modern life have led to e-commerce becoming an integral part of the economy. The COVID-19 pandemic and related quarantine restrictions have led to the active growth of e-commerce worldwide, as well as the development of forms and methods of its implementation. In 2019-2020, the number of sellers and buyers benefiting from online transactions increased significantly. Business processes in e-commerce are characterised by a high level of innovation, but also by risk and uncertainty. This makes it important to study trends, diagnose the state of the art, and determine strategic guidelines for global e-commerce.

According to the Digital 2022 report by We Are Social and Hootsuite, as of January 2022, the world's population stood at 7.91 billion, with an annual growth rate of 1% indicating that this figure will reach 8 billion sometime in late 2023. At the beginning of 2022, the number of Internet users worldwide increased to 4.95 billion, and the Internet penetration rate now stands at 62.5% of the world's total population [1]. Thus, the growth of online commerce is quite natural.

The dynamics of global retail e-commerce is shown in Figure 1.



\*forecast

**Fig. 1. E-retail sales, billion USD**

*Source: compiled according to [2]*