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### **FOREWORD**

Tiger has been working with outstanding candidates and clients for close to two decades, pairing exceptional support staff with companies of all sizes. Over this time, we have watched the modern workplace transform, affected by developments in technology, a transition to a knowledge-based economy and the concept of work-life blend.

This e-book aims to provide a comprehensive overview of the world of work in 2019 and beyond, exploring present-day hot topics as well as upcoming trends. We've spoken to key thought leaders around the world who are facilitating change in companies like Deloitte, BT, Atlassian and British Land, while also providing real-life examples of transformational success through case studies.

We hope the chapters within this e-book provide guidance for your organisational policies or, at the very least, get you thinking about how your organisation is responding to wider shifts in the workplace. In the fight for fantastic talent, it is essential that businesses do all that they can to stay ahead of the pack.

As always, should you have any questions about the world of work, please don't hesitate to get in touch with our team. We're always happy to help.

Regards,

#### David Morel

CEO and Founder, Tiger Recruitment



# EMBRACING NEW WAYS OF WORKING: WORK-LIFE BLEND AND BEYOND

When Dolly Parton sang 'Working 9 to 5, what a way to make a living, barely getting by, it's all taking and no giving' in 1980, she shone a spotlight on the negative working practices that dominated the corporate world. Nearly 40 years down the line, the modern workplace is still haunted by the idea of 'showing up', with many businesses dictating the hours in which employees need to be at their desk. But as Bob Dylan sang, 'times, they are a-changin'.

## "TARDINESS AND ABSENTEEISM ARE ARTEFACTS OF THE OLD CURRENCY OF WORK THAT REWARDS TIME AND PLACE OVER RESULTS."

The transition away from presenteeism into objective-based working has been especially pronounced in the last two decades, encouraged by an emphasis on increased work-life blend and a realisation that the 9-5 mould doesn't necessarily fit all working styles.

Jody Thompson was one of the first to recognise that something wasn't working: "The workplace as an institution is fundamentally broken and flexible work practices – which have been around for decades – are not a viable solution for the challenges faced in the contemporary workplace."

Back in 2005, as a senior leader at American retail company, Best Buy, Jody partnered with Cali Ressler to create the **Results-Only Work**Environment™ (ROWE™), a management system that puts the employee in the driver's seat.

"Each person is 100% autonomous (self-governing and independent) and 100% accountable (answerable to agreed-upon

measurable results). Managers manage work, not people," explains Jody.

It differs from flexi-working in that it relinquishes a manager's control over an employee's time and, as such, the labels 'remote worker' or 'flextime worker' don't apply.

"If your job requires you to be at a certain place at a certain time and you don't show up, it's a performance issue," says Jody.

"Tardiness and absenteeism are artefacts of the old currency of work that rewards time and place over results."

#### Re-writing the rule book

At its most basic, a ROWE allows employees and employers to establish measurable outcomes and work to achieve results, regardless of hours worked. It encourages continuous performance conversations, removing the need for a formal annual review and removes the idea of a 40-or 37.5-hour working week, with increased employee accountability and responsibility.

While it may sound too good to be true, the concept has been adopted by an evergrowing number of companies across a variety of sectors, including manufacturing, retail, accounting, insurance, banking, law, healthcare and advertising.

For those looking to move into this way of working, but perhaps more gradually, there are other options. At the less-extreme level sits a new way of thinking that dismisses work-life balance for a concept called work-life blend.

#### A shift in thinking

Anna Rasmussen is the CEO and founder of **Open Blend**, a software company that facilitates this concept for businesses. Whilst working as a leadership coach, Anna was struck by how negative it felt to talk about work-life balance.

"Eight years ago, I started hearing repeatedly over and over again this notion of work-life balance and how it was in fact holding people back," she explains. "It was creating a really negative mindset as people found they were trying to balance two opposing sides of their life but couldn't reach their potential."

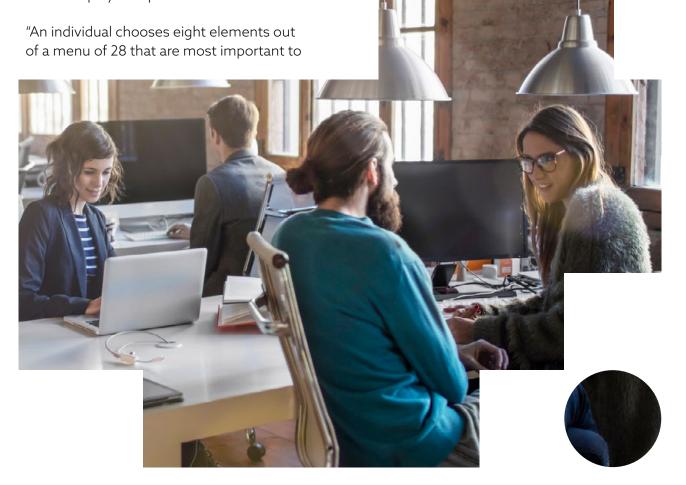
Off the back of this discovery, Anna made it her mission to create an alternative way of approaching this. She asked her clients to populate an eight-part circle with the things that were most important to them. She called this their Blend, and the concept transformed the conversation.

"Quite simply, the difference between the two concepts is that one is an empowering mindset and the other is a limiting mindset," Anna says.

"Blend implies that you can have a number of different things that you're focusing on in your life and you can focus on them all at the same time to some degree, whereas balance is two sides, and they are opposing, so when one goes up the other one goes down."

She believes this transition from balance to blend is due to the changing nature of society as a whole: "The world that we live in has changed. With the rise of technology, we now live in this 24/7 culture, where there is an expectation that you are 'on' the whole time. But the reality is that everybody in the workplace now has a blend, everyone has additional responsibilities."

At its most basic, Open Blend facilitates coaching-led one-to-ones between a manager and their direct report. These take place on a regular and ongoing basis, but do not need to be long, official performance review meetings. The areas of focus are wellbeing, work-life blend and performance, encapsulating the entire employee experience.



# "YOU'VE GOT A MODERN WORKFORCE THAT ARE DEMANDING CULTURES THAT ACKNOWLEDGE BLEND AND ARE DEMANDING EMPLOYMENT AT BUSINESSES THAT ENABLE THEM TO BRING THEIR WHOLE SELVES TO WORK."

them across work and life. It can be things like effective teams, career progression, making a difference at work, health and exercise or quality time with the kids," explains Anna.

"They then have to score how fulfilled they are right now versus where they need to be in order to reach their potential on each one. It creates a gap. The tool then supports the manager and the talent to have a conversation about what needs to happen to close that gap."

Depending on the needs of the individual, this may include increased flexible working, additional professional development or an opportunity to receive a performance-focused bonus, for example.

#### Recognising culture fit

While both ROWE™ and Open Blend continue to increase in popularity, both Jody and Anna agree that businesses have a while to go in being culture-ready.

"The biggest challenge lies in the shift in mindset and practice from manager to Results Coach," explains Jody.

"ROWE requires a complete shift in mindset – the mindset of each individual in the organisation, along with the adoption of new behaviours that do not align in any way to the current institution (culture)."

Anna believes culture is incredibly important to the success of a system like Open Blend: "It is important to support people to leave their comfort zone and start to have conversations about the whole person."

"Some organisations aren't quite ready for concepts like Open Blend. They don't yet recognise the importance of being a true 'people business' and supporting the whole person. In our opinion, something like 30% of the UK market is actually culture-ready and ready to innovate their working practices, meaning there's a long way to go."

However, as employees continue to demand more from their employers, Anna expects this to change: "The modern workforce are demanding cultures that acknowledge blend and are demanding employment at businesses that enable them to bring their whole selves to work."

"Businesses that don't acknowledge it now, absolutely will do. With attrition at an all-time high, employers need to be doing more to retain and support their talent. In essence, they are not going to attract the best talent and they aren't going to hold onto them because the talent will go to an organisation where they can bring themselves to work."

#### On the way out

It appears the days Dolly sang about are coming to an end. From integrating a system like Open Blend, to revamping organisational structure through  $ROWE^{m}$ , businesses looking to win the war for talent must now consider alternative means of management. lacktriangle



It's 11am on a Tuesday, your office's three meeting rooms are all booked out for the next four hours. With a very important team meeting just hours away, you've found yourself with no venue and no time.

For the next 30 minutes, your PA is frantically Googling 'cafes you can have meetings in' and eventually finds something a 15-minute walk

away. By the time you've had the meeting, you and your PA have wasted over an hour.

It's these types of situations that emphasise the importance of office design in modern workplaces. With most people spending eight (or more) hours of their day in their working environment, there's no denying its effect on their productivity and wellbeing. In fact, 2015 research by Steelcase revealed a direct correlation between employee engagement and a working environment<sup>1</sup>, with those happy with their overall surroundings stating they had a higher level of engagement. What's more, a study carried out by architecture firm, HASSELL

Photo: trifle\*

Studio, found that when combined, workplace culture and facilities outweigh the influence of salary in the attractiveness of a job.<sup>2</sup>

Emma Morley is the founder of commercial interior design consultancy **trifle\***. She's noted a significant change in attitudes to work since establishing the business: "The last 10 years has seen so much change in the way we work and the world of work and therefore the spaces in which we work."

"When you start to think about how big of a part work plays in our lives, it makes complete and utter sense to us that you would want to have the environment designed to support you, the way you work and the business as a whole," she explains.

As part of their service, Emma and her team thoroughly interrogate the way in which their clients work in order to make sure they have the right tools to work as efficiently as possible.

While each business may require specific elements, there are common threads that flow through each unique space: "As far as we're concerned, every office should have a range of different spaces to suit different modes of working, good amenities, proper facilities, be functional, have good air and good light," notes Emma.

#### **Getting social**

For Matt Webster, Head of Wellbeing and Futureproofing at **British Land**, creating opportunities for social interaction through office design also has a direct correlation to wellbeing.

"Designing in social spaces and social interaction is really important. Part of that is about active design - we spend 90% of our time indoors and most of that is sitting down, either at your workspace or on the sofa at home," he said.

Emma agrees: "What we call engineering collision points, or hubs, huddles - those points where people can connect - are really important. It's the classic photocopier/water cooler moment but actually enforcing those."

Matt's suggestions for businesses include "anything from centralising your photocopiers or water to putting in staircases, making stairs really accessible and easy to use, to more technological-based things such as providing people with Fitbits and other wearables."

#### Working from the outside in

For Matt, addressing wellbeing in the workplace is about more than the actual office itself: "When I think about wellbeing in the workplace, there's two areas.

There's the internal environment, which

is about workplace design, and the external environment," he notes.

"So that's the location of the office – does it give you access to local amenities, does it give you access to nature, does it give you respite from work, an opportunity to get out at lunchtime or engage in after-work social activities?"

The internal environment also requires a multi-faceted approach: "There are three fundamental elements of a really good wellbeing strategy – your HR where you've got the right policies and frameworks in place, the cultural element, and then the physical foundation for wellbeing, which is office design," he said.

"A really good culture plus a really good workspace equals a great place to work."

#### Clear the air

When considering designing new premises, both Emma and Matt agree that air quality should be a key focus area.

"Air quality can have such an awful impact if it's not done properly. Buildings are often designed for a certain amount of people, but then a few more are added here and there and the air quality is compromised, especially in spaces where windows don't open," Emma explains.

"A REALLY GOOD CULTURE PLUS A REALLY GOOD WORKSPACE EQUALS A GREAT PLACE TO WORK." Matt adds, "We know that cognitive performance is impacted as carbon dioxide levels rise, so we're less accurate, we're less likely to spot mistakes - that's not a good environment to make good decisions in."

He also recommends bringing the outside in: "Don't underestimate the importance of

greenery and internal landscaping.

Photo: British Land

Our innate connection to nature as human beings means we are supposed to flourish in natural environments".

"Even a view out of a window of a green space can lead to up to 25% increase in productivity."

#### One size doesn't fit all

On a larger scale, the most important thing employers can do is consider how they are using their space: "It's really important to have a landscape of settings," notes Emma.

"If you are limited on space in your office, then you have to trust people to work from a cafe or home when they need to," she continues.

Matt agrees, noting that having the choice over where you work and where you undertake your tasks is essential: "How your day looks and how you might be feeling in terms of productivity during the day changes so much, so you need different environments to suit those situations."

As the nature of work continues to shift, so has the office space. As companies work to attract the best talent, having workspaces that reflect the company's brand, culture and tasks is set to be more important than ever. •

- 1. https://facilityexecutive.com/2016/05/employee-engagementlinked-to-workplace-satisfaction/
- 2. https://www.hassellstudio.com/docs/20141218\_research\_ workplaceattaction\_webversion\_lr.pdf



# GETTING FLEXIBLE: IS THIS THE END OF 9-5?

With fluid hours, working from home and general adaptability in the workplace on the rise, there's no doubt that flexible working is well and truly part of modern business. Conditions like coming into the office late or leaving early to do the school run, unlimited holiday allowances and remote working are becoming increasingly stock standard in benefits packages and, when hiring, can often make a huge difference.

Recent research by Timewise found 63% of full-time employees work flexibly in some way, while 37% have no flexibility in their working lives. The same study found that the most common forms are flexible working hours (29%), working from home (26%) and favourable shift patterns (21%).

However, it's one thing to offer flexible working and another to actually see it implemented. Research by PowWowNow found that 58% of workers have the opportunity for flexible working but, of that, 24% don't use it while 47% of full-time employees don't have flexible working encouraged.<sup>2</sup> To ensure you can retain the best talent, consider implementing these strategies into your operations.

#### Top-down approach

If the leadership team appear chained to their desks, their direct reports will follow by example. When managers and senior leaders are seen to be embracing company policy, employees will feel more comfortable taking advantage of working from home, taking their holiday or changing their hours to fit around family or personal commitments.







#### Consider the self-employed

15% of the UK's population work for themselves – around 4.8 million people. These independent professionals are often specialists who can supply high-quality expertise in specific areas, as well as fulfilling additional staffing requirements as needed. By supplementing your workforce with these types of employees, it will be much easier to implement and maintain a cultural change – making flexible working the new norm.

#### **Generational adaptations**

As with any benefit, when it comes to flexible working, there isn't a one-size fits all approach. Millennials and Gen Y-ers are most likely to work flexibly, with 92% of 18-34 year olds enjoying or wanting the option; while 88% of 35-54 year olds and 72% of those aged 55+ feel the same.¹ Therefore, consider what would be of most benefit to each employee. For example, younger workers may be more



interested in compressed hours so they have a three-day weekend, while those with families could appreciate reduced daily hours. By tailoring your offering to the needs of the employee, they are much more likely to take advantage.

#### **Encourage passion projects**

One way to improve employee wellbeing is to encourage the adoption of passion projects, side-hustles that inspire or engage the side of the brain your employees aren't using day-to-day. Learning a new skill, such as a language or musical instrument, or starting a blog, photography course or new type of exercise could inspire new ideas that employees can bring to the workplace. Being open to accommodating these projects within the working week (with the reflected pay) could result in improved productivity and creativity while at the desk.

- 1. https://timewise.co.uk/wp-content/uploads/2017/09/Flexible\_working\_Talent\_-Imperative.pdf
- $2.\ https://www.powwownow.co.uk/smarter-working/flexible-working-statistics-2017$

#### O&A

## BREAKING DOWN FLEXIBLE WORKING: POWWOWNOW

PowWowNow is one of the UK's leading communication software companies, helping businesses to grow, transform and become more productive using collaboration tools and technology.

As flexible working has grown in popularity, the PowWowNow team has conducted comprehensive research into this new trend, producing resources for both employers and employees to encourage successful flexible working practices. We sat down with Marketing Director, Simon Prince, to find out why flexible working should be on every company's agenda.

## TR: How would you define flexible working?

**SP:** Flexible working is a way of working that suits an employee's

needs - they can work at any location or time that best fits their lifestyle. Even though it is often associated with just parents and carers, all employees who have worked for the same organisation for at least 26 weeks have the right to request flexible working.

## TR: What different forms does it take?

SP: There are many different forms it could take! For example, flexible start and finish times, remote working (at home or in a café), parttime work and job sharing are just a few of the options businesses can implement. Everyone's needs will differ, so it's always worth having a frank and open conversation with your employer or employees about the options that will work best.

## TR: Why do you think flexible working has risen in popularity over the last decade?

**SP:** There are quite a few reasons for this but ultimately it comes down to changes in the way we now work. There are more working parents than ever before and as we're living longer, we're also working longer too. As an example, the proportion of working mothers has increased by almost 50% in four decades. Employees and their employers are beginning to realise that to increase productivity, it's not about working harder, it's actually about working smarter. Presenteeism is detrimental to office productivity and is an even bigger problem than absenteeism. Firms and their employees are realising this now and are adopting flexible working to help encourage a healthier work-life balance for all.

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# TR: What are the benefits of offering flexible working for both employees and employers?

**SP:** There's a huge range of benefits for both parties. Some of our recent research found that the option to work flexibly makes a job more attractive to three quarters of employees in the UK, and almost a third of workers would prefer the option to work flexibly over a pay rise. By offering smarter working options, businesses are giving themselves a competitive edge when it comes to staff onboarding and retention. Crucially, office productivity also increases when flexible working options are offered because not only are staff motivated, they are also able to maintain a positive work-life balance.



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employees who work flexibly, fearing they will slack off instead of completing actions. This leads to micromanagement, for example. So, one of the key challenges is to educate and make sure employers and their employees know the best ways to implement flexible working.

TR: Your research has found that 56% of people believe managers need to adapt their skills to manage a remote workforce. How do you think managers can do this?

**SP:** The biggest pitfall many managers make when managing a remote workforce is to micromanage and focus too much on employees being present online rather than their output. Setting a plan for communication, such as a morning conference or video call to discuss all actions for

the day and what is expected from each team member is a positive way of ensuring that managers don't fall into the trap of micromanaging. During the day, using instant messaging platforms helps to keep the channels of communication open – providing the perfect forum for employees to ask quick, informal questions that would usually be asked over a desk or by the kettle in a typical office environment.

TR: One of the challenges we hear about a lot (and experience ourselves) is balancing the need to be contactable during operational hours and also being flexible. How would you suggest businesses do this?

**SP:** Setting clear details about how you work. Even if you work flexibly you can still define

roughly how and when you work. Most businesses have core hours (10am - 4pm) and this helps with having meetings and knowing when and how to contact people, but if you define the hours you do or where you work, people will know how and when to contact you.

TR: One of your publications notes that women are more nervous about asking for flexible working. How does gender play into flexible working uptake?

SP: Generally speaking, there is a confidence gap between men and women in the workplace. Men are more likely to push for a promotion, negotiate a higher salary and are more confident when it comes to requesting benefits. However, even though there

are disparities, flexible working is marginally more popular among females than males. Interestingly, the main reason women choose to work flexibly is to spend time with their children, while for men the top reason is to spend less time in traffic.

## TR: What tools can businesses use to embrace and encourage flexible working?

SP: From conference calling, instant messaging and online document sharing, technology has developed rapidly over the past few years, making it easier than ever before to work flexibly with ease. Tools such as video conferencing platforms like iMeet and Slack are useful for sharing your screen with participants and Google Drive is a fantastic tool for sharing documents online in real time.



TR: PowWowNow has conducted numerous studies into flexible working. Have any findings ever surprised you?

**SP:** The simple fact that not more people are requesting to work flexibly is what surprises

me the most! It seems ludicrous that people spend thousands on travelling to and from work, hours away from the things they love, to sit in an office when they could actually be completing

their actions anywhere. As flexible working becomes more common and senior managers adjust to this way of working, I hope the stigma attached to flexible working will disappear.



## FROM ENGAGEMENT TO EXPERIENCE: HOW EMPLOYEE ENGAGEMENT IS SHIFTING

As organisations look for ways to attract and retain the best talent in this ongoing candidate-led market, hiring managers are increasingly examining the importance of employee engagement in the modern workplace. However, just as the world of work continues to shift and transform, what it means to engage staff is also evolving, as companies look to the entire employee experience.

A 2018 report by Cascade, an HR and payroll software supplier, found that 44% of HR directors said their biggest challenge for the year ahead would be engagement.<sup>1</sup> The concern is warranted – a 2016 report revealed that there is a direct correlation between performance and engagement, with the highest performing employees of an organisation being three times more engaged than the lowest performing.<sup>2</sup>

"A motivated employee is not only happier, healthier and more fulfilled at work, but they are also more productive," says Jonny Gifford, a senior research advisor at the **Chartered Institute of Personnel and Development** (CIPD).

"Research has shown a number of relationships between the way people are managed, their attitudes and behaviour and business performance. Organisations can expect to witness greater profit, revenue growth, innovation, staff retention and customer satisfaction as a result of motivation and other aspects of employee engagement."

As it stands, just over half (58%) of the UK's employees feel engaged at work.<sup>2</sup> So how can companies bridge the gap? The first step is acknowledging the difference between engagement and experience – and how they translate practically into the workplace.

#### **Engagement v experience**

"Employee engagement is the connection to the organisation or the brand, the connection to leadership and management and the connection you have with the job itself," says Niall Ryan, employee experience consultant and former Head of Employee Engagement at **Harrods**.

"But the employee experience is how the organisation works internally for the employees who work there, encompassing the experiences they have with the leadership and their manager, all the way through to 'how do I do my job'?" he continues.

"It's experiences that shape how engaged people are."

The end result should be employees that not only want to go the extra mile, but "generally demonstrate a high level of awareness surrounding the wider business context of an organisation, and carry out their work with these in mind," says Jonny.

#### Going back to basics

However, before even considering how you implement these connections, it's essential to consider how you are responding to employee needs at a basic level.

"Maslow's hierarchy of needs applies to engagement - are you taking care of your "A MOTIVATED EMPLOYEE IS NOT ONLY HAPPIER, HEALTHIER AND MORE FULFILLED AT WORK, BUT THEY ARE ALSO MORE PRODUCTIVE." "IT'S A FALLACY TO ENGAGE 100% OF YOUR WORKFORCE. IT'S NOT POSSIBLE AND I DON'T THINK YOU SHOULD PUT YOUR EFFORTS INTO DOING THAT."

employees' hygienic needs, covering the basics such as good food in the canteen, the right tools to the job and clear guidance from managers? Even the basics of recognition – is anyone saying thank you?" asks Niall.

"When you take care of the hygienic needs, the security of a job, more capable management, you can then start to look at forums for two-way dialogue, where people feel like they are listened to, they feel like they can change things, they are contributing," he concludes.

#### **Creating connections**

It is at this point that the brand, leadership and role start to come into play. But just how do you make sure that every employee is connected with your brand, their leaders/managers and their role? You don't.

"It's a fallacy to engage 100% of your workforce. It's not possible and I don't think you should put your efforts into doing that," says Niall.

"There are people who are fully engaged, people who are disengaged and then there are people in the middle who are passive. The passives – or the swing vote, as I like to call them – are the ones to focus on," he reveals.

"Passives aren't ineffective people by any means. They are probably the backbone of your organisation. But they are the people you need to be mindful of, because they are not as immersed in their roles as you would like."

In order to ensure your passive staff members don't disengage, consider facilitating relationships between them and your fully engaged employees – engagement ambassadors – those who are enthusiastic about every element of your business. It will get these employees thinking more productively about the role they can play in the organisation, all while contributing to a positive employee experience. That said, while the passive workforce should be your focus, "we can't forget those who are fully engaged – it is still important to show them how valued they are in the organisation," Niall notes.

#### **Measuring success**

A strong engagement strategy is well and good, but with no way to measure it, there's no way of figuring out if it works. Prior to implementing any new initiatives, you need to capture a clear picture of where your employees are at, where you want to get to and how will you know you've reached your goals.

"A barrier to engagement can be a lack of knowledge surrounding what motivates employees," says Jonny.



"Evidence-based people management is vital if employers are to understand what factors are de-motivating their employees and therefore, make good decisions on which engagement initiatives to employ. The data will often highlight things like poor line management or frustrating HR systems."

The aforementioned data is traditionally collected through annual employee surveys. Getting this method right is crucial.

"Measuring engagement with composite scores carries a serious risk of over-simplification. It is easy to fall into the trap of combining a range of distinct factors into an unhelpful single metric," explains Jonny.

"A better approach is to measure distinct components – for example, motivation, organisational commitment, organisational citizenship, shared values, autonomy, and employee voice."

For Niall, the problem lies in the frequency: "Annual employee surveys are falling out of favour quite rapidly, and we are now shifting into pulse surveys."

"Your business asks the customer in real time what they think about your brand, so it's an oddity to only ask your employees once a year. The pulse survey process allows organisations to be agile in its listening and agile in its response," he continues.

#### **Shifting strategies**

As the world of work shifts, your business needs to shift with it. Taking a pulse approach, with bite-sized changes, can make huge differences to your overall engagement strategy.

"The most powerful thing to exist in my career is communications. Whatever you do, you need a core foundation of communicating whatever you're doing as an organisation that's both meaningful and relevant for your employees," says Niall.

This means building and maintaining a robust communications framework within your business that fosters two-way dialogue and leadership visibility and accessibility, keeping employees connected to the brand, purpose, strategy, their leaders and managers and each other.

Managerial recognition is a well-established element of engagement, but where businesses can find additional value is at a peer to peer level: "The strongest relationships in an organisation are often team relationships, so you need to create an opportunity to

support and strengthen those relationships and communities," says Niall.

"Recognition isn't just about the company doing top-down stuff, it's about creating opportunities for people to recognise each other."

At the crux of the matter is an emphasis on the employee voice.

"It's essential to give employees throughout the organisation a meaningful voice, to challenge or reinforce organisational policies and procedures," says Jonny.

"Involving employees in these decisions is key."

Niall agrees, noting it all comes back to the employee experience: "When things aren't quite working right, identify a group of people who are passionate about helping the organisation and let them be agents of change."

"By facilitating a cross-functional group of people – doesn't matter what level – that all have a common focus, you're offering the wider organisation a chance to really help and get involved."

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<sup>1.</sup> https://www.cascadehr.co.uk/hr-landscape-2018/

 $<sup>2.\</sup> https://orcinternational.com/thank-you/global-perspectives-2016-makes-winning-workplace/$ 

#### **CASE STUDY**

### ENGINEERING ENGAGEMENT: WUNDERMAN

Wunderman UK is a leading global digital agency and a WPP company that combines creative, data and tech to inspire customers. With global headquarters in New York and a further 200 offices around the world, they are committed to creating an environment where people come to do the best work of their careers. One of the ways they achieve this is through a multi-faceted employee engagement programme.

"To me, employee engagement is about people wanting to go the extra mile," says Colleen Lutz, Wunderman UK's Senior HR Business Partner. "It's also about people being proud to work here and, more importantly, being proud of what they do."

The company, led by CEO Pip Hulbert, recognises the

dividends that an engaged workforce brings. "An engaged workforce cares. They want to be involved in wider agency initiatives, steer where the agency is going and ultimately deliver great work and service to clients. We believe, however, that the people who get the most from working here are those who throw themselves into creating the culture," Colleen says.

But there's an element of reality that in every large business, some people will inevitably grow, develop and move on to new things. How does their engagement strategy encourage people to stay?

"One of our mission statements is that - should people decide to leave - then we want them

to leave better than when they joined," Colleen says.

"This means ensuring that their time is well spent, doing the work that will stretch them with people that they want to work with. We also ensure that everyone has access to industry partners and training throughout their career with us."

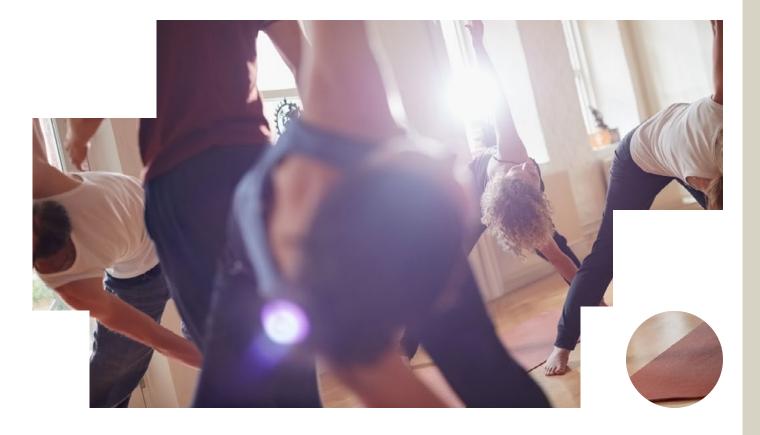
At the end of the day, for the Wunderman UK team, putting quality work and projects at the centre of the business, for their staff as well as clients, is key.

Colleen expands: "It's through having this wider lens that many choose to stay. Our team's engagement strategy is simply there to support and help maximise the work, by ensuring that people feel happy, connected and are making a difference." "AN ENGAGED
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AND SERVICE."

Wunderman has one of the highest retention rates in the industry: the industry average is 30%, yet they are on track to be at 17% in 2018. Their success comes down to a number of factors.

"It's about empowering people to take charge. A lot of our internal initiatives are run by volunteers in the agency; things such as lunchtime lessons, culture clubs, wellness and environmental teams and LGBT+ education groups," explains Colleen.

"Programmes are often set up by individuals and supported 100% by the Talent Team and wider management. We think it's testament to people's quality of work-life balance that they're so willing to



support these programmes on behalf of the whole business."

The global business has a mantra to 'bring your whole self to work'. This ensures that people feel that they can be authentically themselves in the workplace, bringing their unique views, passions and ideas with them to work. "We don't want people to simply fit into a culture, we want people to create it organically and they can only do that if they feel that they can be exactly who they are," Colleen adds.

#### Collecting the data

Wunderman's main source of talent engagement data is their

annual survey, which gives the team a good idea of what's working and where to focus more attention. This is mapped against verbal feedback from the agency, which comes from sixweek check-ins for new joiners, monthly management meetings, YOU Time (the company's personal development

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programme) conversations as well as questionnaires.

"An emphasis on data is essential to our strategy. For example, we look at how people are feeling on a department-by-department basis via monthly management meetings, and take part in regular partner surveys," Colleen says.

"The recent Creative Equals survey showed that we were the best performing agency out of those surveyed, but it also showed our areas for improvement, which will become the foundation of 2019's plan."

#### **YOU Time**

One of Wunderman's key drivers of engagement is a career management strategy called YOU Time, which is designed to encourage employees to achieve their broader professional goals.

"The premise is, the business needs you to do a specific role, but what can the business do for you in terms of additional skills, experiences and overall wellbeing?" says Colleen.

"It allows people to have open, honest and meaningful conversations with their bosses to say, 'here's what I'm achieving day to day but longer term, I'd love to gain this. How can Wunderman help?'" she explains.

## Conquering the challenges and embracing the lessons

"The biggest challenge is delivering everything we need to deliver as an agency, which is now 300 people strong, and still growing growing, while also ensuring we meet the needs of our employees. We need to combine growth with a strategy that ensures everyone can join the business on its journey," notes Colleen.

While their employee engagement journey has thrown up its fair share of lessons on attracting and retaining great talent, there is one insight that will continue to influence their strategy: the culture of the agency is not driven by HR or senior management – but is something that everyone owns.

Colleen concludes: "At the end of the day, engaging employees regularly and acting on the feedback shows that a business genuinely cares. If we care, people care. It's a genuine two-way conversation and commitment."

NOW WHAT? CLOSING THE GENDER PAY GAP POST-PAY REPORTING

In April 2017, MP Justine Greening declared that from April 2018, gender pay gap reporting would be mandatory for businesses with over 250 employees, throwing a very bright light on the disparity between male and female salaries. 18 months later and businesses are still reeling from the results – of those that reported their figures, 78% pay men more than women, 14% pay women more and just 8% had no pay gap. According to the Fawcett Society, the UK's leading charity campaigning for gender equality and women's rights, it will take over 100 years to close the gap.<sup>1</sup>

While this challenge is by no means new, it has experienced a renaissance of sorts over the last 10 years, gripping society's imagination as reports on the issue shifted from the business pages to the front pages of newspapers.



Independent research, such as the Hampton-Alexander review, has endeavoured to increase the number of women on FTSE boards and improve representation in senior leadership, while corporate campaigns such as The 30% Club are working towards 30% female representation on FTSE 350 boards by 2020 and 30% female representation in senior management within FTSE 100 companies by 2020.

#### Bonuses, not base

Pavita Cooper is a leading talent and diversity expert and Steering Committee Member of **The 30% Club**. She notes the complexity of the pay gap lies beyond the base salary: "The bigger gap we see, particularly in financial services, is the bonus, because it's more subjective and allows for unconscious bias," she explains.

"You hear bias in people's conversations. It's quite loaded – 'here's a family man with three kids and here's a young single woman'. When bonuses are being handed out, those decisions filter into people's thinking and decision-making."

What's more, in the bonus discussions, men are more likely to negotiate, meaning they will walk away with bigger numbers: "Most young girls get less pocket money than their brothers, so girls don't learn to negotiate," explains Pavita.

"Many women will say 'I feel uncomfortable about pay, I trust my boss will do the right

thing', whereas men won't do that, they'll go into a bonus meeting with a number in their head that they've already discussed with their boss," she continues.

"Women will often find out in the room when the envelope is handed over."

#### Addressing talent shortages

For Bal Gill, UK Lead for Active Inclusion at **Capgemini**, and Laura Gardner, a member of Capgemini's UK's Active Inclusion team, the challenge remains in creating a pipeline for senior roles.

"Our gender pay gap is caused by having fewer women in senior grades and highly paid technical roles, rather than pay for equal or similar work, so we are working on improving this through a focus on the talent pipeline," says Bal.

"We have focused on ensuring our development programmes have a diverse range of candidates and take gender into consideration when succession planning for all key leadership roles. We have rolled out inclusion education for our vice presidents, hiring managers, recruitment and HR teams and showcased our female role models internally and externally," Laura adds.

As one of the biggest global consulting and technology services companies in the

"THE BIGGER GAP WE SEE,
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world, it's not just the senior roles Capgemini are conscious of. In 2015, the company announced a new target – increasing the proportion of female graduates and apprentice hires to 40% by 2017. They achieved this target by adapting their recruitment approach.

"We revised our recruitment processes, trained our hiring managers and recruitment teams in unconscious bias, and ensured gender-diverse assessment panels," says Bal.

"We also made several changes designed to attract and recruit from different talent pools, especially women who may not have thought of a career in technology."

#### The role of recruitment

The role of the hiring manager in achieving equality has not been lost on Pavita: "Language is really important. When a line manager is briefing on a job, using words like 'he/she', being gender neutral and not using loaded skillsets is ideal," she explains.

In the context of support staff recruitment, where the complication lies in encouraging more men to embrace an EA or PA position, language is also a huge barrier to attracting the right talent.

"When you talk to people describing PAs, they say 'someone who is going to look after me', but that's very nurturing language, it sounds like you're talking about their mother. Whereas if you talk about someone who has outstanding organisation skills, who is fast, has a strong attention to detail and can think ahead, then you start to think 'who do I know who could do that?', not 'which woman do I know who could do that?'" says Pavita.

For Bal and Laura, it's essential that every part of the recruitment process encourages diversity: "Recruitment is a key factor – it's absolutely critical to attract diverse talent. We have refreshed our processes to ensure an inclusive approach to hiring, and our recruitment suppliers signed a Diversity &

Inclusion charter to ensure we are provided with diverse candidates," explains Laura.

"We also introduced Return@Capgemini, a 'returnships' programme that supports women to return to work after longer-term career breaks. With over 90 potential candidates at the launch event, followed by 150 applications within two weeks, we are on track to achieve our target of hiring 30 Returners in 2018," she continues.

#### Looking at the bigger picture

The Capgemini team is also looking beyond the immediate hire to long-term solutions: "The continuing war for talent is our biggest challenge. We're investing in our schools and universities outreach programme to excite young women about technology, but this is a long-term project and a sustained commitment," says Bal.

This holistic approach has also resulted in ongoing success for The 30% Club: "We looked at multiple perspectives from which we could make change happen, so we talked to the media about how they cover women and we worked with universities to look at the pipeline," explains Pavita.

"We also started cross-company mentoring – we know women need support from senior leaders, but having someone in their own organisation isn't necessarily helpful. But if you give them exposure to a senior person from another industry, it can really accelerate their learning."

#### What now?

For businesses that have reported a gap, Bal and Laura suggest approaching it with an open mind: "Take the time to understand your gap, don't be afraid of the subject. Once you know the gap, you know the size of the challenge, can understand the reasons why and can put an action plan in place to close it," advises Bal.

Pavita suggests a similar approach: "Businesses need to establish a narrative, both internally and externally, about what's happening, why it's emerged and what they're doing about it."

"For example, if it's because there are no women at senior levels, what is the business doing about that? How are they looking at flexible working policies? How are they looking at retaining women post-career breaks? If women are dropping off really early into entry-level roles, why is that?" she queries.

While organisations must ask the right questions as a first step, Pavita concludes: "I don't think it matters how big the pay gap is – the issue now is what companies do about it. How organisations regroup, respond, refocus and take action, that's what really matters."

"WE KNOW WOMEN NEED SUPPORT FROM SENIOR LEADERS, BUT HAVING SOMEONE IN THEIR OWN ORGANISATION [TO SUPPORT THEM] ISN'T NECESSARILY HELPFUL."

<sup>1.</sup> https://www.fawcettsociety.org.uk/close-gender-pay-gap



RE-DESIGNING
DIVERSITY: FROM
SHORTFALLS
TO SUCCESS

In the modern world of work, diversity continues to be one of the most salient issues for hiring managers and leadership teams. With very little empirical evidence to suggest a series of best practices, it is a challenge that requires serious investment, with ongoing research, experimentation and feedback.

The current state of play shows there is still plenty to be done. When it comes to gender

diversity, women make up 9.7% of executives in FTSE 100 companies, and only 16% of executive committees at FTSE 350 companies a figure that hasn't changed since 2016. In the same year, the Hampton-Alexander review set a target for a third of UK-based board positions to be held by women by 2020. As it currently stands, companies would need to appoint women to 40% of board positions over the next two years to meet this.

Percentage of female executives in FTSE 100 companies (as of 2018)



The picture isn't much clearer for black, Asian and minority (BAME) diversity. The McGregor-Smith Review, released in 2017, found that one in eight of the working age population had a BAME background, but these individuals made up just 10% of the workforce and only 6% of top management positions.<sup>3</sup> Meanwhile, the Parker Review, a government-commissioned report into ethnic diversity of UK boards, found more than half of FTSE 100 companies has no ethnic minorities on the board, and only six had someone of an ethnic minority in the position of chairman or CEO.

The benefits of establishing a diverse workplace are undisputed – in addition to boosting the UK economy by £24 billion a year, a multi-faceted workforce has also been shown to improve engagement and productivity, encourage creativity and lead to a more innovative working environment. With so many positive outcomes, why is diversity still such a huge challenge for modern workplaces?

#### Keeping it (too) simple

The first complication lies in the simplification of the concept.

"It's not enough to want diversity. Every team, office and business needs to decide why diversity is going to help them improve and go from there," says Simon Fanshawe OBE, cofounder of **Diversity by Design**.

For Aubrey Blanche, Global Head of Diversity and Belonging at software giant **Atlassian**, the term doesn't do enough to represent the issue as a whole.

"I'm actually not a fan of the word 'diversity'. According to Atlassian's research, people associate the word 'diversity' with people who come from underrepresented backgrounds, rather than being about everyone," she says.

"Our 2018 State of Global Diversity & Inclusion Report found 68% of tech workers in the U.K. identify women as an important part of the diversity discussion, but the drop off is steep for other groups."

This unintended exclusion of certain identities from the conversation is a key contributor to a lack of progress in representation: "Businesses should strive to create teams with a balance of perspectives – which is strongly influenced by our identities and life experience," says Aubrey.

Simon agrees, noting that organisations need to value the difference people can bring: "Research says high-performing teams work because they have an ability to encompass and embrace difference and set new norms of ways of working," he says.

In fact, it is these situations that positive diversity results, or diversity dividends, come

about. Scott E. Page, a University of Michigan professor in complex systems and political science argues that "when solving problems, diversity may matter as much, or even more than, individual ability."

#### Dividends over deficit

With this in mind, diversity initiatives need to go beyond quotas and broad policies.

"Good intentions are not enough. Leaders have to see the value in the process, but research tells us we can't re-educate, but need to re-design processes," Simon says.

"Creating a new norm is fundamentally important to the ways we change our behaviours."

At Atlassian, the concept is ingrained into their mission, with each employee expected to contribute. Taking a data-informed approach, they measure, experiment, learn and iterate, and where possible, share these findings globally, recognising that it's an industry-level problem that requires ongoing solutions.

"We've pioneered a team-level approach to measuring workforce diversity, and have used those insights to drive a greater sense of belonging amongst our global workforce," says Aubrey.

One particular win was a growth in technical female hires in entry-level graduate roles to

57% in two years, as well as an increase of overall hiring of women in technical roles to 18%. To do this, Aubrey and her team deployed a number of strategies.

"First, we created branding that appealed to a broader variety of candidates. Our Talent Brand Team updated our careers site to include a more balanced set of Atlassians. Having a diverse workforce boosts the UK economy by

£24M



## "THE MAJORITY OF WOMEN WON'T APPLY FOR JOBS UNLESS THEY THINK THEY MEET ALL THE CRITERIA POSTED."

and highlighted a more inclusive set of perks and benefits that appealed to people at different points in their life, like career growth opportunities, comprehensive healthcare, and emergency backup childcare," says Aubrey.

"These changes made most people coming to the site feel like they recognised not only themselves, but the type of activities, social occasions, and work settings they wanted to work in." she continues.

#### Reducing barriers to entry

The second element was to re-examine the requirements of a role.

"According to Hewlett Packard, the majority of women won't apply for jobs unless they think they meet all the criteria posted. However, most men will apply even if they only meet 60% of listed requirements," says Aubrey.

"We now write job advertisements with requirements as the lowest barrier to entry, instead of a wish list for a magical unicorn."

For Simon, re-designing the recruitment process away from requirements is essential to encouraging diverse mindsets.

"Most diversity work that goes on doesn't involve enough re-design. When hiring or promoting, businesses need to think very hard about what the team or group is trying to achieve," he says.

"From there, they need to establish the criteria they want to hire against and question these rigorously. They also need to consider why they are wanting to diversify and what kind of diversity would make their ability to achieve that goal better."

This process will ensure that potential candidates are chosen on essential criteria alone, rather than any unconscious bias.

One of the other ways businesses can eliminate this bias is through artificial intelligence (AI). Atlassian has found success with Textio, an augmented writing platform that helps them identify the highest-impact language in their job ads and highlights subtly gendered words within their copy.

#### **Moving forward**

With all this in mind, where do businesses go from here? For Simon, it's not about shifting thinking, but acknowledging that unconscious bias exists and creating new norms that remove the need to make decisions that encourage bias.

"Research tells us we can't re-educate out of these decisions but we have to re-design processes," he says.

He encourages businesses to reject the idea of culture fit and instead bank on individualities: "The new norms come from a combination of difference and that's where you get the dividends from diversity."

"The most interesting thing about other people is how they are different from you, not how they are the same," Simon finishes.

For Aubrey, the objective is simple: "The ultimate goal is to build a balanced team, in terms of skill and ability, as well as varied life experiences and knowledge."

- 1. https://www.market-inspector.co.uk/blog/2017/05/workplace-diversity-in-the-uk
- 2. https://economia.icaew.com/news/july-2018/women-on-ftse-350-executive-committees-sees-no-change
- 3. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/594336/race-in-workplace-mcgregor-smith-review.pdf
- $4. \ https://medium.com/@adblanche/diversity-101-the-value-of-diversity-fadddf088bc$



## APPROACHING MENTAL HEALTH IN THE WORKPLACE

If someone ever hobbled into the office on crutches, leg wrapped in a cast, no-one would hesitate to ask, 'are you okay?'. However, if a colleague started to act out of the ordinary, perhaps becoming more tearful, irritable or angry, or their productivity started to drop, would you ask the same question?

With the stigma around mental health continuing to impede on the implementation of successful strategies in modern workplaces, it continues to be an important issue for hiring managers and senior leadership teams.

#### What's the state of play?

As it stands, negative mental health costs UK employers £34.9 billion each year. <sup>1</sup> 2018 research conducted by the Chartered Institute of Personnel and Development (CIPD) and

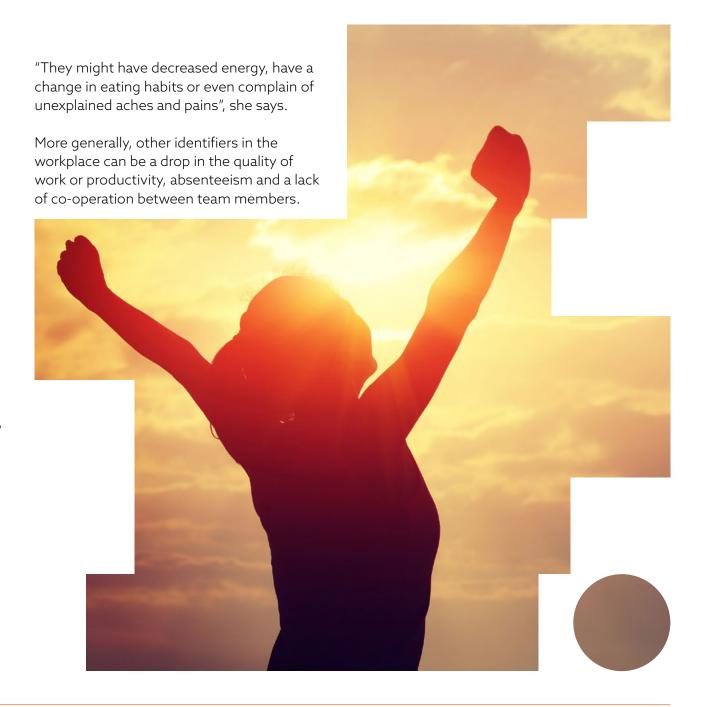
SimplyHealth found that mental health is the highest cause of long-term absence in workplaces, while reported cases of mental health conditions have increased from 41% to 55% over the last 12 months.<sup>2</sup>

In addition, research conducted by mental health charity MIND found that 30% of staff surveyed disagreed with the statement 'I would feel able to talk openly with my line manager if I was feeling stressed' and 56% of employers noted they would like to do more to improve staff wellbeing but don't think they have the right training.<sup>3</sup>

#### What should I be looking for?

Ruth Cooper-Dickson is the founder of **Champs Consulting**, a wellbeing and inclusion consultancy service that offers a range of services to public and private sector businesses, including mental health first aid training and bespoke stress-free living workshops. These are all designed to elevate mental health to the same treatment level as physical health. She notes there are plenty of signs that someone is struggling with their mental health.

"Essentially, it's anything that's out of the ordinary for the individual. They may be more tearful, or more irritable or angry, or more withdrawn. Often, they will put a mask on, so an introvert will become an extrovert, or the other way around."



# "FIRST AIDERS ARE THERE TO HAVE A CHAT – AND WHILE THEY AREN'T THERAPISTS OR COUNSELLORS – THEY CAN OFFER SIGNPOSTS AND FNCOURAGE YOU TO SEEK PROFESSIONAL SUPPORT."

#### What can I do?

Mental health needs to be an essential part of any business' wellbeing policy, with initiatives treated with the same respect as subsidised gym memberships, healthy eating and health insurance.

One way to do this is through the services that Champs and other consultancies offer. Ruth explains how initiatives like mental health first aid offer an alternative support source for stressed employees: "It's having that point of contact if you don't want to go to a line manager or HR manager. First aiders are there to have a chat – and while they aren't therapists or counsellors – they can offer signposts and encourage you to seek professional support and develop self-care strategies."

Ruth and her team of mental health first aid instructors offer a half-day, full-day or two-day course that educates employees to spot symptoms of stress, anxiety, depression, suicide, self-harm, eating disorders and psychosis; offer help; guide colleagues

towards the appropriate support and if necessary, respond to a mental health crisis.

Outside of accredited training, Ruth also notes there is plenty employers can do to address negative mental health.

"Breakout spaces are really important, as they offer relaxed areas where employees can read, play a game, or do another activity that's away from their screen," she says.

"Other features like areas to store gym kits and providing healthy snacks for catered meetings will make a big difference in promoting general wellbeing".

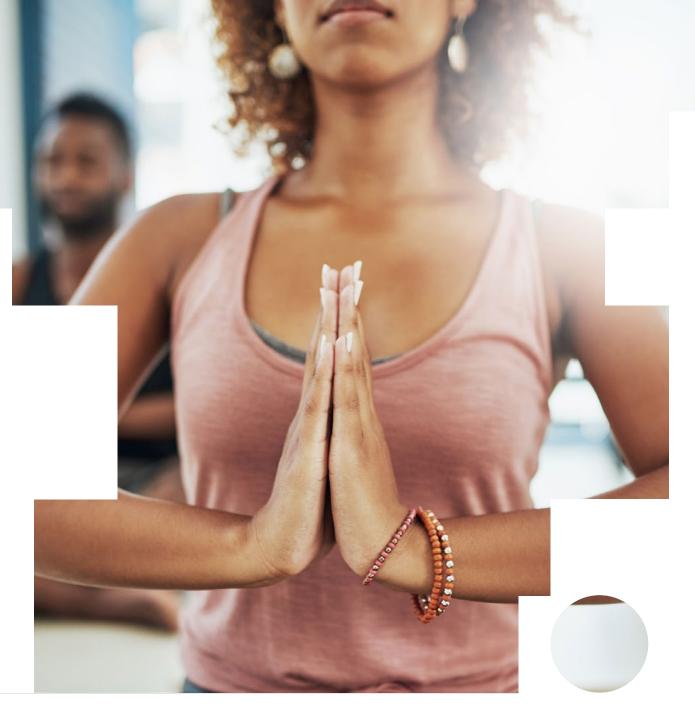
One of the major challenges for organisations who perhaps already have a policy in place is the employee uptake. Business leaders must encourage a top-down approach – if employees don't see managers participating in offered initiatives, they are less likely to take it up. What's more, many don't realise they have access to such offerings.

"The biggest thing for employees is that, sometimes, they don't hear the communication and don't know they actually have mental health first aid, because it's hidden in the Intranet," Ruth explains.

"Managers should also be assessing their processes, so that in 1:1s, they are asking if their employee is okay at the start and not rushing through at the end."

Whether it's making small managerial changes, or investing in ongoing training, there's undoubtedly plenty more room for improved mental health strategies in the workplace. With programs like mental health first aid, asking 'are you okay?' is set to become more common than ever.

- 1. https://mhfaengland.org/organisations/workplace/
- $2.\ https://www.cipd.co.uk/Images/health-and-well-being-at-work\_tcm18-40863.pdf$
- 3. https://www.mind.org.uk/workplace/mental-health-at-work/taking-care-of-your-staff/



# SOFT BENEFITS: A WEAPON IN THE WAR ON TALENT

With the number of Britons in the workforce at its highest level since the 1970s, the competition for great talent only continues to heat up. No longer can companies rely on a competitive salary; these days, workforce expectations have shifted to include discussions about unlimited holiday allowances, enhanced maternity and paternity leave, flexible working, discount schemes and free lunches on Fridays, just to name a few.

These perks, otherwise called soft benefits, encompass any workplace benefits other than a salary (inclusive of base, bonuses and commissions) and statutory pensions, paid holidays and sick pay. Both financial and nonfinancial benefits are often intangible, but they can make a huge difference to a company's ability to attract and retain talent, particularly when they affect the culture of a company,

"THE RIGHT KIND OF BENEFIT CAN HELP INCREASE EMPLOYEE SATISFACTION AND ENGAGEMENT AND CAN BE A TOP CONSIDERATION FOR CANDIDATES WHEN DECIDING WHETHER TO WORK FOR YOU OR ONE OF YOUR COMPETITORS."

make an employee's everyday life easier or incentivise performance.

This idea is by no means new; juggernauts such as Google have been pioneering the idea for years, while a quick internet search of 'companies with best benefits' reveals list upon list from the likes of Forbes, Fast Company and The Independent. However, they have been thrust into the spotlight over the last 12 months as highly skilled talent becomes harder to come by and employers start to lose employees to competitors' offers.

"The right kind of benefit can help increase employee satisfaction and engagement and can be a top consideration for candidates when deciding whether to work for you or one of your competitors," says Debra Corey, Group Reward Director at **Reward Gateway** and co-author of *Build It: The Rebel Playbook for World-Class Employee Engagement*.

"However, benefits programmes are not — and should never be — a one-size-fits-all approach," she continues

# **Embracing flexibility**

It's this approach that informs **Hyde Housing**'s benefits strategy.

"We've got quite a large suite of benefits and the reason is we want to give people the choice – if they've got a partner or family, they may want to look at some of the insurance benefits, or some of the younger generation might be looking more at the lifestyle benefits, like discounted gym or buying more holiday," says Laurie Davis, Reward Specialist at Hyde.

"We've found with the flexible benefits, our employees can choose what works for them and they can change it as their lifestyles change."

The housing association has 1100 staff across 15 main offices, spread around London, the south-east of England and Peterborough. With such a diverse workforce, choosing which benefits to offer requires an ongoing dialogue with staff: "When we first launched, we ran roadshows to gauge which benefits employees would want and find beneficial," says Laurie.

"These days, we ask a specific question in our staff surveys as to how satisfied people are with their benefits, so we make sure we're monitoring that and it stays at a high level."

# Making the right call

When choosing which benefits to offer, Debra advises checking they align with your business strategy, meet your HR objectives and reflect the workplace culture you're trying to maintain.

"Part of getting it right is getting what I'd call the 'right fit' for your company and your employees. My suggestion is to challenge yourself and your leadership team to develop benefit objectives or principles that align with all aspects of your business, as well as your company values," she explains.

"Introduce benefits and perks that work alongside existing programmes, reflect what makes your organisation and your people special and are available to your entire workforce, from the CEO to the people who clean your office space."

However, the process doesn't end once you've finalised your offering: "Your new benefits may be amazing, but no one will use them if they don't know about them. So get out there and make sure you're communicating with your workforce, making sure they understand, appreciate and engage with them," explains Debra.

# **Getting the word out**

Laurie believes Hyde Housing's high engagement with their offering is due to the effort they put into communications.

"We make sure that our benefits are communicated on our careers website, as well as being mentioned in our induction for new starters and included with the contract pack. We do quite a lot of communications in the window that employees can choose their benefits, including email reminders and Intranet notifications," she explains.

"Leading up to the window, we'll have staff emails going out, giveaways, desk drops, change the desktops on everyone's screens and promote it through our Intranet. Once the window is open, we'll do letters home and the reward team goes around to every office and does drop-in sessions," she continues.

They also make sure that engagement is monitored on their platform: "We measure



staff engagement with the site and we can see increases – more people logging in, more people selecting their benefits," Laurie says.

Debra agrees, noting that it's essential you are constantly evaluating the effectiveness of each benefit.

"It's important to continually monitor how your benefits are performing individually and collectively. Are you offering the right balance, are you ultimately achieving your objectives?"

"One way to track your progress is with a KPI (key performance indicator) report. So, for example, if you are measuring the effectiveness of your discounts platform, KPIs may be participation (how many employees have registered for the benefit) and utilisation (how much have employees saved through the discount platform). These will help you determine if/how this benefit fits into your overall benefits package, as well as how it's met your objectives," she continues.

"The end goal is to make sure we don't have 'empty benefits' that are only taking up space."

Find out how your benefits stack up by downloading Tiger Recruitment's 2019 Salary and Benefits Review here:

tiger-recruitment.co.uk/salary-benefits-review

#### **CASE STUDY**

# THE BENEFITS OF BENEFITS: TRANSFERWISE

TransferWise is a financial company for people that travel, live and work internationally. Starting out as an online international money transfer platform, it has now expanded to include e-money accounts, a debit card and a business platform that allow people to make payments and send money abroad easily, quickly and cheaply.

Founded seven years ago, the global company now has over 1200 employees across 11 offices in four continents, including North America, Asia, Australasia and Europe. With a wide range of employees across several different professions, creating a salary package that attracts and retains talent can be a challenge. "We want our people to be proud of the impact



Photo: TransferWise

they have at TransferWise and make the most of the career opportunity. But we understand that everyone needs a little something different to help them do their best work," says Rose Stott, TransferWise's People Operations Director.

"We listened to what our employees wanted from us as an employer and tailored our benefits package around them. This varies slightly by office location, depending on the size of the team and the things that are most important to them."

# One for all, all for one

To ensure consistency throughout the business, their package follows a common thread: "Underpinning this is a core set of principles that we use to make sure every employee is getting a fair deal, no matter where they're based," says Rose.

"We really value work-life balance, so we have generous holiday and family leave entitlements. We also believe in autonomy and close cross-team collaboration, so we encourage travel between our offices and we allow our people to decide where they'll work from. This could be at

one of our offices, at home, or somewhere else entirely," she continues.

This results in a UK benefits package that includes:

- 25 days' holiday (excluding bank holidays)
- Private healthcare
- Enhanced pension 4% contribution by TransferWise, 2% by employee, due to rise in 2019 to 5% by TransferWise, 3% by employee
- Flexi-time working policy
- Generous maternity leave
   26 weeks at full pay, then
   13 weeks at £145.18 p/w and
   an additional 13 weeks unpaid
- Three weeks paternity leave at full pay
- Shared parental leave
- Stock option package
- After four years in service, option to take six-week

- paid sabbatical, plus £1000 spending money
- Annual all-company trip to Estonia
- Free breakfast every day, plus free lunch on Fridays
- Company funding for team events, including sporting and cultural clubs

## **Communicating culture**

However, it wasn't just the employees' opinions that were taken into account: "Every element of our benefits package is carefully selected to support and reinforce our culture and mission," explains Rose.

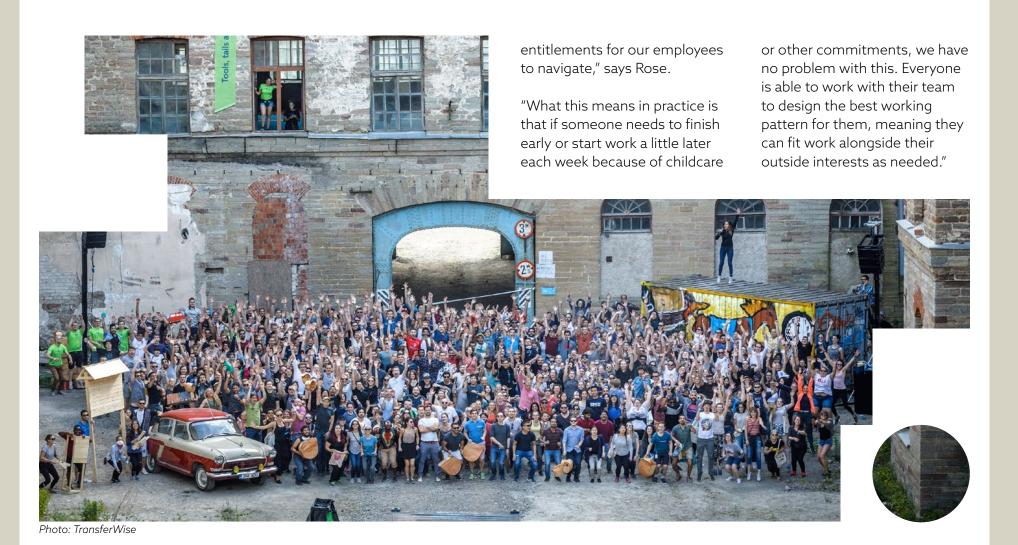
"Doing this helps us to articulate what we stand for to potential and new employees, helps new joiners integrate more quickly and helps make sure we're all working together to achieve our mission."

One particular example is the choice to offer stock options: "We know our mission of building money without borders will take some time, which is why we decided to offer all new employees stock options, rather than bonuses that drive short-term thinking and decisions," says Rose.

"Instead, we offer every single employee a share of the business so that we can all benefit from our success in the long term."

TransferWise also really values autonomy and offer a lot of flexibility to their employees in how and where they work.

"Our culture of flexible working and personal empowerment means that we don't have a lot of complicated policies and "EVERY ELEMENT
OF OUR BENEFITS
PACKAGE IS CAREFULLY
SELECTED TO SUPPORT
AND REINFORCE OUR
CULTURE AND MISSION."



# **Room for improvement**

In order to ensure ongoing employee engagement, Rose and her team regularly review the benefits they offer. They conduct an annual survey of all employees to receive formal feedback and gather informal feedback throughout the year through initiatives like Slack polls, group discussions, Ask Me Anythings (AMAs), all-team calls and local office surveys. The last internal survey revealed that employees were broadly very happy with the benefits on offer, but there were areas for further improvement so the People team set about making changes and adding in new elements according to what would have the biggest positive impact.

For other businesses looking to implement effective benefit strategies, Rose emphasises that surveys are only effective if you use them properly:
"If you're going to circulate a survey asking employees what they think about their benefits, be prepared to be fully transparent with the findings – and to make commitments about how you'll act on the feedback afterwards."

She explains that if a survey doesn't work for your business, then there are lots of alternative ways that you can gather feedback on what matters most, enabling you to make small changes that will have the biggest impact.

"We've found running regular, informal AMAs has provided a good forum for people to come forward with their ideas and suggestions. Asking new joiners in their first 30 days is

also a really valuable touchpoint – they'll let you know how your benefits stack up against their last business and other employers, as well as giving you a fresh perspective on the things that matter most and that align the most with your culture and business values."

#### The results are in

As a financial company looking to disrupt the old-world of money transfers, it makes sense that a company like TransferWise would also offer an innovative benefits strategy. By offering incentives like stock options, as well as welcoming employee feedback throughout the year, they aim to attract and hire people who are invested – quite literally! – in their mission, sharing the value of their success as one of Europe's fastest growing companies.

"IF YOU'RE GOING TO COMPLETE A SURVEY ASKING EMPLOYEES WHAT THEY THINK ABOUT THEIR BENEFITS, BE PREPARED TO BE FULLY TRANSPARENT WITH THE FINDINGS."



THE EVOLUTION
OF PERFORMANCE
MANAGEMENT

In the early nineteenth century, a British entrepreneur named Robert Owen introduced what could be identified as one of the earliest iterations of traditional performance management. In his textile factory in Scotland, supervisors assigned each factory worker a coloured block based on their performance that day. The idea was that high achievers were rewarded and those who needed to improve could do so.

While it has become more nuanced with time, the same traditional performance management exist in many modern workplaces today. We may have moved away from manual labour and into a knowledge-based society, but at its essence, performance of employees is still managed by their superiors, with high performers rewarded. This begs the question – if the modern world of work has changed, why hasn't the performance review?

In 2018, a survey commissioned by Ruddington-based HR firm, MHR, revealed that 39% of British workers believed the process was 'pointless' and 'time consuming'. What's more, research conducted by Deloitte found that 91% of companies still follow an annual – or less frequent – salary review system, but only 21% would suggest their programme to others.

With big names such as Adobe, Microsoft, Deloitte and Accenture scrapping the performance review altogether and corporate thought-leaders agreeing that there is something flawed with their operations, is it time for businesses to seriously consider what value their existing performance management processes bring?

# **Getting it right**

Social media management platform **Hootsuite** has nearly 1000 employees spread across 14 offices in 13 cities, including Vancouver, Toronto, San Francisco, London, Singapore and Bucharest. They scrapped the annual review two years ago, in favour of a programme called Cadence.

For Matt Handford, Senior Vice President of People at Hootsuite, scrapping the annual review was driven by a number of elements.

"We found it was hard to assign ROI to the amount of time being invested in performance management systems. There was a lot of bureaucracy and time spent getting 100% of our employees and leaders to look at themselves through a structure of forms and checklists, and eventually assign themselves a rating," he says.

"The rating tends to detract from hearing the feedback, and the ability to actually grow and build skill. So we essentially had a process that was taking up a lot of time and was hard to understand. Not only was it not additive, but it was also potentially distracting"

In looking to transform their processes, there were two areas in which Matt and his team identified the most value: "In our case, we chose to focus on conversation, connection and alignment, and development. Because we chose to focus on these areas, we didn't worry as much about evaluation, capability, long-term assessment and the types of things that allow bias to roll in."

"With the new process, we benefit from the cultural, connective and managerial dialogue that we were aiming for."

# Breaking it down

Hootsuite's Cadence programme can be broken into two parts: the first is to foster simple, employee-driven, 1:1 conversations with direct managers, and the second is to encourage an employee-led and employeedriven conversation on developing and "91% OF COMPANIES STILL FOLLOW AN ANNUAL - OR LESS FREQUENT - SALARY REVIEW SYSTEM, BUT ONLY 21% WOULD SUGGEST THEIR PROGRAMME TO OTHERS." growing capability, from short-term job-specific skill development to career mapping and planning.

"We're a fast technology business, built on innovation, with a demanding, highly educated, highly marketable workforce that moves at the speed of social media. Therefore, it's counter-productive to spend a ton of time trying to think about 8-12-month individual goals in the strictest sense," says Matt.

"What is most valuable is having what we call 'priorities'. Priorities are going to change, they are going to rock and roll, probably week-to-week in a business like ours," he continues.

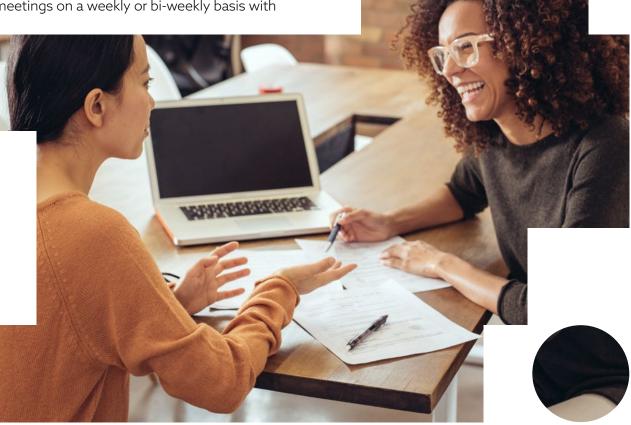
"So we provide a really simple framework, which the employee drives and owns and has the accountability to say 'here are my top five' for this week and then their manager just keeps checking in. That becomes the basis of that weekly conversation."

The second part of Cadence occurs as and when required – usually once a month or once every two months – and covers wider progression, growth and learning.

"The fundamentals in our culture that we see as encouraging success are all about the ability to build and develop capability at very high speed," explains Matt. "Our employees have high expectations of themselves, the organisation and how quickly they're going to move through learning and progression in their career, so our performance management system needs to reflect that."

#### The results are in

Two years into implementation, and the company is now scoring an 80% positive response on the question 'Are you having 1:1 meetings on a weekly or bi-weekly basis with



"OUR EMPLOYEES HAVE HIGH EXPECTATIONS OF THEMSELVES, THE ORGANISATION AND HOW QUICKLY THEY'RE GOING TO MOVE THROUGH LEARNING AND PROGRESSION IN THEIR CAREER, SO OUR PERFORMANCE MANAGEMENT SYSTEM NEEDS TO REFLECT THAT."

your leader?' in their annual employment survey. This emphasis on consistent conversations has seen employee alignment improve significantly.

"In our employee survey, one of the highest scores we receive is in response to the question 'I understand how my work connects to the ultimate goals of the organisation.' This question is one of our top 10 highest-rated questions, with 85% to 95% of people responding positively," says Matt.

The next challenge is making sure those conversations are as effective as possible.

"We want to make sure that the current conversations are as useful and valuable as they can be, so we're trying to build that skill in the organisation," explains Matt.

"It puts pressure on the leader in a different way and on the responsibilities of the employee in a different way, so there's a developmental muscle that needs to be nurtured." With the removal of ratings, the idea of consistency is also an ongoing challenge for the Hootsuite team.

"It's very difficult to ensure consistency in the way that people's performance is being reviewed. We're trying to create a rubric for a structure – how do we incorporate a uniform, unconscious-bias-proofed structure that allows the experience of the 1:1s and the Cadence programme to stay consistent?" Matt explains.

"For us, that's the holy grail for the next 12 months."

#### What now?

For those starting to move away from the traditional performance management processes, Matt suggests changing your thinking: "If people did the math, they'd see that usually performance management is up there in the top five investments you're making in your business, but we don't tend to think about it that way."

"So I would start by trying to think about the process cost and the drag on the organisation, as it frames the scale of a challenge."

Once you're clear on the opportunity cost implications, it's about finding simple solutions that make the process more efficient, and by proxy, adding business value. In doing this, Matt cautions against looking first to complex technology and instead analysing the business value drivers that you're trying to hit.

At the end of the day, modern performance management offers an opportunity to pull together a high-performing team in a meaningful way, creating community, alignment and dialogue. Whatever your end solution looks like, it is these drivers that should stay front of mind.

- 1. https://www.consultancy.uk/news/17726/uk-employees-losing-faith-in-annual-performance-management-cycles
- 2. https://www2.deloitte.com/insights/us/en/focus/human-capital-trends/2018/personalized-incentives-talent-management-strategies. html#endnote-sup-2

THE HEART OF BUSINESS:
INVESTING IN CORPORATE
SOCIAL RESPONSIBILITY

There's no doubting that millennials are influencing the modern working world more than any other generation. Between flexible working, a renewed employee experience, and diversity, workplaces are having to assess, re-design and enhance procedures and processes in order to cater for the ever-growing number of employable 22-37-year-olds.

However, arguably the largest area in which millennials are making an impact is in corporate social responsibility (CSR). Emboldened by a sense of purpose and the opportunity to make a difference, young workers are increasingly expecting to work for companies that 'contribute to sustainable development by delivering economic, social and environmental benefit for all stakeholders'. They're 'voting' with their job choices, with research showing that



companies who ignore CSR do so at their own peril.

A 2018 report by Deloitte found that 88% of millennials want to work for a socially responsible company,<sup>2</sup> while a study by US-based Cone Communications revealed 64% consider a company's social and environmental commitments when deciding where to work.<sup>3</sup> Furthermore, the same study showed 64% won't take a job if a company doesn't have strong CSR values, with 83% saying they would be more loyal to a company that helps them contribute to social and environmental issues.

# Improving business, improving society

Heart of the City is a not-for-profit small business network that aims to make information about CSR easily accessible, encouraging the implementation of measures that can improve society. With over 800 members, they aim to help companies implement responsible business activities for the first time, taking them from concept to execution.

"We see corporate social responsibility as the opportunity for companies to bring to the core of their business a responsible approach to people, places and the planet. We believe that every business, whatever size, can be a force for good," says Grace Shotbolt, Communications and Marketing Officer at Heart of the City.

88% of millennials want to work for a socially responsible company 83%

of millenials say they would be more loyal to a company that helps them contribute to social and environmental issues

"People want to work for and buy from brands that have a social purpose, so doing the right things really can be good for your business and help you to make a profit."

For Niki Fuchs, Managing Director of **Office Space in Town** (OSIT), one of the UK's leading serviced office providers, their corporate social responsibility programme is intrinsically linked to the business' overall success.

"We believe that being good at business means doing good as a business. We hold ourselves accountable for the impact our business has on the environment and society," he says.

"We have guidelines for our people and the people we work with to ensure that our business supports charities, invests in staff development, and encourages sustainable and environmentally friendly buildings and operations."

#### What does CSR cover?

Responsible business spans social, economic and environmental issues, giving businesses a wide range to work with. However, deciding where to begin can be many companies' first hurdle.

"The key thing is to do what works for your business. In Heart of the City's 2018 Foundation Programme, we've covered topics ranging from developing an environmental programme, to introducing apprenticeships, engaging key stakeholders in responsible

business and how to use responsible business programmes to help recruit and retain staff," explains Grace.

"Activities that our members ran over the last year include an invention competition for school pupils, awareness-raising events to improve understanding of mental health in the workplace and involving all staff in the selection of a charity partner."

For the employees of OSIT, corporate social responsibility also translates to a wide range of initiatives: "Charity work forms a big part of our CSR strategy, which is why each year by collective vote, our management team chooses a charity that has a personal resonance to a member of the OSIT Team," says Niki.

"Our fundraising is varied and has seen our people involved in some fun, yet challenging situations. We've done everything from 'Tough Mudder' challenges, bake sales, quizzes and Open Mic nights to themed parties and gin tastings."

However, it's not just charitable works: "We encourage sustainable and environmentally friendly buildings and operations. This ranges from big items, like the recycling of paper, printer cartridges and batteries throughout our sites, through to the smaller details,



like serving fair trade tea and coffee and introducing reusable carry cups," explains Niki.

# **Establishing return on investment**

While it requires financial investment, a successful CSR scheme's ROI is about much more than the bottom line.

"A responsible business programme improves company culture and builds a cohesive workforce, it can help the company both save money (through efficiency and staff retention) and make money by building a highly attractive brand and winning tenders where this is a weighted element," says Grace.

Those who have enrolled in Heart of the City's Foundation Programme have experienced a number of benefits: "In 2017, 73% reported that our programme helped with staff development, 63% introduced waste reduction policies, 25% reported cost savings due to environmental initiatives alone and 38% saw an improvement in staff retention," explains Grace.

The team at OSIT have found particular value with their CSR programme with attracting and retaining staff: "We are a commercial business run with family values and we believe this resonates not only with people who want to come and work for us, but also why we have such excellent staff retention rates," says Niki.

However, as with any workplace scheme, introducing a CSR programme comes with its own set of challenges: "CSR is often something done by busy employees on the side so they can find it difficult to develop a comprehensive strategy," explains Grace.

"We know that getting support across the company can also be a challenge but putting in the effort early on in building senior leader support and a network of champions across the business pays dividends later on."

For those looking to go out on their own, Niki suggests making it a company-wide effort: "If you don't have a programme – establish one. Start small, work up to bigger things and involve everyone. People naturally support what they help to build and feel a sense of ownership for."

With the potential to not only enhance your bottom line but encourage staff retention and attraction, corporate social responsibility should be top of the list for businesses moving forward. With millennials set to make up 50% of the global workforce by 2020, those who ignore it will be left behind.

- $1. \ http://lexicon.ft.com/Term?term=corporate-social-responsibility-(CSR)\\$
- $2.\ https://www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html$
- 3. http://www.conecomm.com/research-blog/2016-millennial-employee-engagement-study



COLLABORATION AND CRITICAL THINKING: THE FUTURE OF WORK

30 years ago, a typical job for Angus Knowles-Cutler would be to look at the financial performance of the top 50 British companies over the last three years. To do this, he'd pop down to a library, pull out a couple of microfiche and spend the next 12 hours looking through a viewfinder to review the data. He would write the numbers into a big ledger and manually complete calculations. That evening, he'd prepare overhead slides of the data using acetate, cutting up cellophane to create graphs. It was a 12-hour task.

Five years ago, now Vice Chairman and Managing Partner at **Deloitte**'s London office, Angus asked his graduate colleague to do the exact same task. Thanks to technology, it took her 40 minutes.

It is examples like these that demonstrate just how far we've come in the world of work. With an increase in technological development and



an ever-evolving shift in attitudes to the office space, the future of work is set to transform at an even faster speed. So what can we expect from the workplace in 30 years' time?

# Tech takes charge

The largest, and arguably most pertinent changes, arise from the impact of technology. The transformation can be broken into two parts: widespread industry changes and shifts within individual roles.

"All jobs are fundamentally changing. No jobs are immune from change, whether they are jobs that are generally considered to be lower-skilled, or higher-skilled," says Angus, who has dedicated much of his recent research into the medium and long-term impact of technology and automation on London's employment market.

"Any job which has high human content will continue to grow, and jobs which machines can increasingly do, especially as things become more clever through Al and advanced robotics, will continue to be replaced," he continues.

This means industries like manufacturing, retail, transport and increasingly, call centres, are losing traditional jobs at huge rates, while other sectors are transforming based on business needs. For example, in retail, where 300,000 in-store jobs have disappeared in the last 15 years due to online shopping, there

is a renewed emphasis on customer service and assistance, rather than direct sales. In manufacturing, it is less about oiling or greasing a machine and more about robotics and supply chain project management.

#### Macro to micro

While particular sectors are experiencing seismic shifts, others are going through smaller, task-specific changes.

"Often when people think about automation,

robotics and tech in the workplace, they see it as binary – so it's either a human does a job or a machine does a job. The reality is, when

you look at the real world, it's more subtle than that," says Angus.

"It's actually tasks within jobs. If you have 15 tasks in the day, machines are replacing the more mundane, rote tasks, leaving the human

to do the more creative, human types of tasks so it's not a binary replacement one for the other, it's actually technology augmenting the human," he explains.

With this in mind, both individuals and businesses will stand out from the crowd by emphasising their 'human' elements: "Technology, when it's working well and well-deployed, is actually making humans more effective at what humans do best," Angus continues.

"We're good at creativity, we're good at complex problem solving, and we're good at dealing with other humans. All the research I've done indicates that in the future, we will need the three Cs – creativity, collaboration and critical thinking."

# The death of the office

Technology will also change where we work. Dr Nicola Millard, Head of Customer Insights and Futures at **BT**, notes that a movement towards on-the-go working will make workspecific physical spaces irrelevant: "As tech continues to shrink, employees of the future will become 'shoulder-bag workers', with their entire office fitting into a small bag," she says.

"We're seeing the death of the desk, with many asking why we need a desk. It's generally a place of distraction, so now we need to start



thinking about choices in the way we work, designing offices for agility."

However, this doesn't mean offices are completely dead. "It's a bit of a collaboration conundrum - we need to allow people to work anytime, anywhere, but also bring them together in a way," Nicola says.

Therefore, shared spaces like co-working offices, cafes and hotel lobbies will be more popular, allowing a diverse set of people to communicate and collaborate.

Angus agrees, noting that Deloitte's recent experiences in London have shown that these types of spaces, which Nicola calls 'coffices', are essential: "Collaborative space, especially for start-ups, is in short supply and we clearly understand we need more of it. Space where people can work together and go and have a coffee in the same space with the people next door that are working on quite a different start-up, but sharing common experiences seems to be a common thing."

More broadly, the move to these types of spaces indicates the need to develop skills around digital teamwork: "It's about people being able to work together digitally in a collaborative way. So it might be working with teams of people who are all around the world but you're still working in a collaborative way,

but in a digital world instead of a physical world," says Angus.

# **Moving forward**

For Nicola, it's using the opportunities that technology presents to reinvent the wheel, instead of digitising analogue processes.

"If you have a bad process in the first place, you'll end up with a bad result. So businesses need to look at reinvention, asking what they want to do, what talent they want and how they attract them," she says.

"Ultimately, digitisation is about productivity, so businesses need to ensure they are using the technology in the right way to improve employee productivity, instead of hindering it."

For Angus, future-proofed businesses are those who look beyond the next 12 months: "One of the big issues is most businesses are quite good at knowing what kind of people they need and what spaces they need in the next year or two. Forcing yourself to look 10-15 years down the road is much more difficult but really important," he says.

"Long-range workforce planning often falls to the HR team and that's fine if it's a year or two out but for 10-15 years down the track, you need to engage the most senior people in your business. It's a much broader decision that just HR."

"IN THE FUTURE, WE WILL NEED THE THREE CS -CREATIVITY, COLLABORATION AND CRITICAL THINKING." Please visit **tiger-recruitment.co.uk** to find an office near you.

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