# **HAYS JOURNAL**

GLOBAL INSIGHT FOR EXPERTS IN THE WORLD OF WORK



# COVER IMAGE: HIT AND RUN

# HAYS JOURNAL



WHILE WE CAN'T PREDICT the future, we should always strive to take steps to prepare for it. In technology, for example, it is important to understand the principles of new developments and to consider possible applications that could benefit your organisation. The effect that blockchain technology will have on the world of work is still uncertain, but it is clear that its potential is huge. Discover how it might soon transform the world of HR on page 34.

And while some new developments bring opportunity, others bring challenges. Many businesses will suffer reputational damage at some point, be it on a large or small scale. Our article on page 38 considers how planning ahead can limit potential harm to an organisation.

Some organisations find themselves protected in these instances by employees defending the company against criticism, but how can this kind of loyalty be built? Increasingly, we're seeing businesses move away from a focus on engagement to a more holistic model, known as employee experience. You can find out how they're going about it on page 18.

Another way some companies are engaging better with their workforce and customer base is by using millennial mentors. By encouraging young, junior staff members to mentor senior executives, organisations are hoping both groups will gain a greater understanding of their business. You can find out how this is working on page 42.

Blurring the lines between senior and junior staff is becoming increasingly common more generally. Collaborative, flexible and agile approaches to work have been growing in popularity for a while. We've looked at how some organisations are now using design thinking to build these models into their structure on page 10.

For this issue's profile, we've spoken with Jody Kohner, Senior Vice President of Employee Marketing & Engagement at Salesforce. From page 26, Jody talks about how the company uses detailed metrics to boost engagement, inclusivity and fairness across their business.

Elsewhere, we've explored how companies are changing the way their employees learn (page 48), found out why the tragic events of 9/11 inspired one man to start a charity that brings underprivileged young people into the business world (page 9) and on page 50, entrepreneur, chef and musician Levi Roots discusses why it's important to balance business with other passions.

I hope you enjoy reading this issue. We'll be back later in the year with more thought-provoking articles on the world of work.

ALISTAIR COX, CEO, HAYS



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For the latest views on the world of work, read our corporate blog, *Viewpoint*, at social.hays.com

# **TOP STORIES**

What's changing in the world of work?

# US COURT RULES THAT SEX DISCRIMINATION LAW COVERS TRANSGENDER WORKERS

A FUNERAL HOME that fired a worker after she revealed she planned to transition to female from male has been told by a court that the sacking was unlawful.

The 6th US Circuit Court of Appeals said RG & GR Harris Funeral Homes Inc in Detroit discriminated against Aimee Stephens, formerly known as Anthony Stephens, based on her sex. The court rejected the defence put forward by funeral home owner Thomas Rost that keeping Stephens on the company payroll would impinge on his religious rights as a devout Christian.

Several federal appeals courts have previously said that discriminating against transgender workers is a form of unlawful sex bias, but the 6th Circuit is the first to consider a religious defence in such a case.

Rost had claimed that he viewed his work as a religious service for grieving families, and that employing a transgender woman would distract customers. But Circuit Judge Karen Nelson Moore said Rost could not use his customers' "presumed biases" as an excuse for firing Stephens.

Rost also said that because his company



pays for employees' work clothes, he would be forced to violate his religious beliefs by paying for Stephens to wear women's clothing. But the court said he was not legally required to pay for the clothes, so it would not burden his religious practice. In a statement, Stephens' lawyers at the American Civil Liberties Union called the decision an important victory for transgender workers.

### THINGS YOU SHOULD KNOW...



**BRAZIL'S ESTIMATED** 1.8 per cent growth in gross domestic product could rise to as much as 4.4 per cent if the country can boost productivity. That's according to research from the **World Bank**.

"This [productivity increase] does not mean making people work longer hours, but [using] resources more efficiently," explained World Bank Chief Economist Mark Dutz.

According to the report, the average Brazilian worker is only 17 per cent more productive today than they were 20 years ago.

By comparison, the average worker in countries with robust economies is 34 per cent more productive than 20 years ago.

### CHINA FACES SHRINKING POPULATION CHALLENGE

**CHINA'S WORKING-AGE** population fell to its lowest level since 2009 last year and below a billion for the first time since 2010.

Slowing population growth and a shrinking pool of workers challenge China's economic growth and state pension programme.

China's total working-age population was 998.3 million last year, compared with 1.0026 billion at the end of 2016, data from the **National Bureau of Statistics** showed.

It is the biggest decline since the workingage population began falling in 2014.

### MOST STRESSED UK WORKERS REVEALED

A WORK STRESS 'heat map' of the UK has been published, showing the parts of the country that suffer the most.

Research as part of the 2018 UK Workplace Stress Report identifies the most stressed worker in the UK as being a Cardiff man, aged 25 to 34, working in a finance business with 250+ employees.

While those working in finance are most stressed (69 per cent), the sector is closely followed by local and national government (68 per cent) and healthcare (66 per cent).

According to a study of 3,000 UK workers carried out by **Perkbox**, work was significantly more likely to cause stress and emotional strain than any other aspects of their lives – with 46 per cent experiencing stress relating to loved ones and family life, 45 per cent relating to money and finances, 38 per cent relating to their own health and well-being and 35 per cent due to romantic relationships.

The professional services and education sectors (both 65 per cent) and those in hospitality (64 per cent)

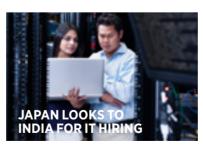


completed the top five most stressful sectors in the UK.

Chieu Cao, CMO and co-founder at Perkbox, said: "Those aged 25 to 34 are often not only in a particularly pressured time in their careers as they fight their way up the ladder – perhaps even taking on more work or responsibility in order to prove themselves – but quite often they'll also be saving to buy a house, organising weddings or even starting a family.

"It's also interesting to see the gender divide – it seems women are less likely with report feeling stressed at work compared to men, 38 per cent versus 50 per cent respectively."





A "DEARTH" OF well-qualified and trained IT professionals has prompted Japan to find recruits in India.

Shigeki Maeda, Executive Vice President at **Japan External Trade Organisation**,

said the country is looking to bring in around 200,000 IT professionals to cope with a shortfall in skills.

Talking at an event jointly organised by **Bangalore Chamber of Industry and Commerce**, Maeda said that India could help to bridge the skills gap, adding Japan had eased the rules for issuing visas to Indian citizens.

He said Japan needs to address "a dearth of well-qualified and trained IT professionals" so that it could "enhance its competitiveness, particularly in the areas of life-science, finance, services and agriculture".

# GERMAN MANAGERS NOT PROVIDING FOR WORKERS' 'EMOTIONAL NEEDS'

GALLUP'S MOST RECENT State of the Global Workplace report found that just 15 per cent of German workers described themselves as engaged at work – a state of affairs that costs the German economy between €80.3 billion and €105.1 billion per year in lost productivity.

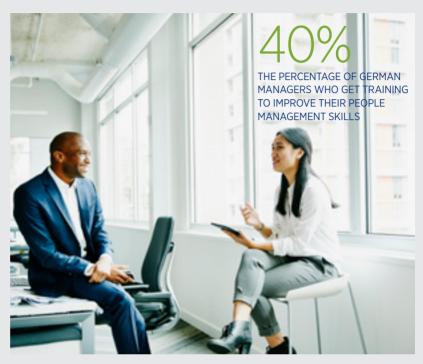
The study found that company leadership teams don't seem to have the emotional needs of their workers on their radar.

Delving deeper, the fact that German workers want great managers, but just don't get them, seems to be a root cause of low engagement levels.

**Gallup**'s research suggests company bosses simply pick the wrong people to be managers. While existing managers have proven expertise for operational management, not enough have real talent for managing people and leading teams.

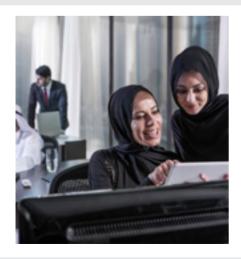
Barriers to changing this include just 40 per cent of managers participating in a training programme to improve their people management skills, and management key performance indicators failing to incorporate the quality of people management, instead focusing almost exclusively on financial and operational numbers.

The positive effects of engagement can be seen in greater profitability, productivity and discretionary diligence. Humans' emotional needs include factors like praise



and recognition, constructive feedback and opportunities for development.

Those German companies that have worked on engagement have achieved significantly higher levels of it: Gallup's analysis reveals that the engagement rates of these companies (43 per cent engaged, 45 per cent not engaged and 12 per cent actively disengaged) are much better than the national average (15 per cent engaged, 70 per cent not engaged and 15 per cent actively disengaged).



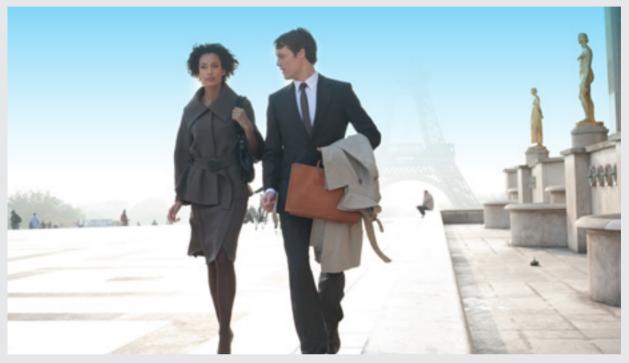
30%

THE TARGET SET BY SAUDI ARABIA'S CROWN PRINCE MOHAMMED BIN SALMAN FOR FEMALE PARTICIPATION IN THE COUNTRY'S WORKFORCE IN 2030, UP FROM THE PRESENT TOTAL OF 22 PER CENT "I'D URGE WOMEN NOT TO CUT OFF THEIR CAREER BRANCHES TOO EARLY. DON'T STEP AWAY FROM YOUR CAREER BASED ON WHAT 'MIGHT' HAPPEN."

**GM**'S CEO, MARY BARRA, OFFERS HER ADVICE TO WORKING WOMEN



STOCK



### STOCK

### FRANCE BUOYED BY JOBS BOOST

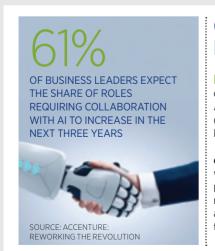
**FRENCH POLITICIANS** are hailing positive job news as proof that economic confidence has returned to the country.

France's unemployment rate fell below 9 per cent at the end of last year and data

published in March showed that private sector payrolls increased 0.4 per cent in the final quarter of 2017.

Delighted Finance Minister Bruno Le Maire chose to spotlight the improving fortunes of the country's industrial sector, which he said had "exceptional technologies, know-how and competencies". President Emmanuel Macron is pushing ahead with an ambitious reform agenda, overhauling the labour market and lowering taxation.

And there was more good news as technology giant **Amazon** announced it will create 2,000 permanent jobs in the country this year in its distribution and sorting centres and delivery service chain.



# CANADA COULD LOSE 91,000 JOBS IF FREE TRADE DEAL WITH US IS AXED

**IF US PRESIDENT** Donald Trump delivers on his threat to end the North American Free Trade Agreement (NAFTA), Canada's economy could lose 91,000 jobs over a two-year span.

A report from the **Conference Board of Canada** estimates NAFTA's demise would shave at least half a percentage point off Canada's economic growth and result in 85,000 lost jobs in the first year after termination, with job losses rising to 91,000 by the second year.

The Conference Board adds that axing

NAFTA - which applies to Canada, the United States and Mexico - would mean

in the longer term that Canada would have a "reduced ability to attract investment related to securing access to the US market".

This could result in an "even bigger economic impact in future years".



### **CROSSROADS**

### LEVELLING THE PLAYING FIELD

IN EACH ISSUE, WE INVITE PEOPLE TO DISCUSS A MOMENT IN THEIR LIFE THAT CHANGED EVERYTHING. DAVID PINCHIN, FOUNDER OF **LEADERSHIP THROUGH SPORT & BUSINESS**, SPENT MUCH OF HIS CAREER WORKING IN FINANCE, IN BOTH THE UK AND THE US. HE DISCUSSES HOW THE EVENTS OF 9/11 INSPIRED HIM TO FIND WAYS TO HELP DISADVANTAGED YOUNG PEOPLE



My social mobility charity, Leadership Through Sport & Business (LTSB), recruits bright young people from disadvantaged backgrounds, with an additional focus on diversity and gender equality.

After an intensive boot camp designed to prepare them for the workplace, we provide accountancy apprenticeships in major firms.

I set up LTSB in 2012, and we're now placing our sixth intake of 100 young people in London, Birmingham, Liverpool and Manchester. However, it's not the sort of thing that just appears overnight!

I began to realise there was a need of this kind of thing back in the 1990s. I was living in the US and working as CEO of inter-dealer brokers, **Tradition Financial Services**.

While the US was leading the world in many things at the time, plenty still needed to be done in the interim in creating opportunities for inner-city young people. I'd had some contact with representatives at the State Department about putting together some data and helping get this message out, but nothing materialised. They seemed to think they had it in hand.

A major influence on my thinking, and on my life, was 9/11. Tradition had offices near the World Trade Center, and like many in the finance world I lost many friends and colleagues in the attack. After the initial horror of the attack fades, you begin to think about what motivates people to do something like this, and you realise society's responsibility to engage young people.

Whether it's radicalisation or more everyday threats of drugs and crime, nurturing ambitions and providing meaningful work are our best defences against the vulnerable being turned towards violence, or just having their abilities wasted. I love sport, which has long been used as a distraction from bad choices, and I wondered whether we could combine the appeal of sport with the worth of paid, meaningful work. It was important that this intervention was targeted – and I was clear on what type of young people could use this help most.

There's a politically invisible class of young people. They aren't going to jail, and are unlikely to become benefit-dependent. They're bright, talented, but trapped in Uber-ised, gig-economy underemployment. No sick pay, no holiday pay, no guarantee of hours, no ability to plan for the future. These young people don't represent a cost to society in the way it's traditionally, easily measured – the pounds they draw in benefits, or that are spent on imprisonment. But the cost in wasted potential, in lost engagement with society, and in the resentment of a system that does not value every member – that cost is huge.

# "I WAS CLEAR ON WHAT TYPE OF YOUNG PEOPLE COULD USE THIS HELP MOST"

So I started looking around, knowing I was going to escape the city. I met with **Premier League** football clubs and realised their foundations were the best mechanism to deliver sports leadership skills. I began partnerships with further education colleges to deliver Association of Accounting Technicians qualifications. Then it suddenly became real. My friends (now Lord) Jim O'Neill at Goldman Sachs and Michael Spencer of ICAP match-funded my start-up. We had an extraordinarily successful pilot with the **Tottenham Hotspur Foundation** and the College of Haringey, Enfield and North East **London**, which proved the concept. Then growth: to **West** Ham and Chelsea in London, and Aston Villa, Manchester City and Liverpool nationally. In six years we've gone from just me, working the phone and persuading my network to employ our young people, to a staff of 11 who have worked with over 300 young people and profoundly changed their lives for the better.

At which point - how can you stop?
■

LTSB can only transform lives with the support of firms committed to social mobility. If you'd like to get involved, contact Cat Wyard (cat.wyard@leadershipthroughsport.org) for more details



 how to attract talent, induction for new employees, learning and development and leadership.

But why break something if it doesn't need to be fixed? While businesses elsewhere may not be working on global hackathons as big as Cisco's, there is a growing trend towards reshaping processes and structures to better fit those who will be at the front end of them, whether they are customers, employees or people who use your systems.

### **PEELING BACK LAYERS**

There is a significant side effect of this way of thinking, too, in that management boundaries become more

## WHAT IS DESIGN THINKING?

Design thinking is a methodology used by anyone shaping processes to find the most desirable solution for their customer. In the HR sphere, this 'customer' could also be an employee, an end-user of an HR system or a potential candidate for a role – the key is that their experience of the process and system should be the core concern in how it is designed. According to Josh Bersin from **Deloitte**. this will affect HR in six key ways:

- How the organisation is designed for example, incorporating design thinking when restructuring roles
- Building employee engagement if work is made easier, people are more efficient and it is more rewarding
- Putting user experience at the heart of how employees learn
- Using analytics to recommend better solutions for employees
- Improving HR's understanding of digital systems design – for example, mobile applications and machine learning
- Helping HR to build new digital tools that can make work easier and better for employees

blurred and traditional hierarchical structures begin to dissolve. In response to this, some businesses are going so far as to remove layers of management completely, so decision-making is more autonomous and they can react more quickly.

US online shoe retailer **Zappos**, for example, adopted 'holacracy' principles, where employees 'self-manage' and their roles are defined around the work they do. Business guru and author Gary Hamel also famously suggested that companies "fire all the managers" because they were expensive and made businesses less responsive. And in his book *Work Rules!*, **Google**'s former Head of People Operations, Laszlo Bock, describes how the search engine giant tried a similar experiment, but it was short-lived and managers were reinstated in six weeks.

Clearly, operating completely without hierarchy won't work for every organisation, as these examples show. "The only way the move to a flatter organisation will work is if the people at the top themselves move away from a more hierarchical way of working," says Gary Miles, Programme Director at **London Business School**. "They need to abandon their territorial mentality, be role models and own the change themselves and almost put themselves out of a job in the long run."

Part of the problem is that traditional hierarchies have become so ingrained that turning this culture around is a monumental challenge. Miles adds: "It has to come from bottom up. There tends to be a silo mentality at the top, which is cascaded down. A real mindset change needs to take place for something different to happen. There's too much vested interest and prestige in maintaining the status quo."

### **ADDING VALUES**

For HR, the removal of management layers is daunting to say the least, even if it means an organisation functions in a more fluid way. Dave Ulrich is co-founder of leadership consultancy **The RBL Group**. His HR model, which has been widely deployed across organisations globally, argues HR's role in a world where decisions are made more autonomously is to foster an environment in which people feel comfortable making those decisions. "When businesses become flatter, so must HR," he says. "The primary purpose of any operating model is to govern or control how work is done. Flatter, less hierarchical businesses often govern work through shared values more than managerial oversight. So, HR's job is to help shape strong and shared values that govern how people think and act."



### "HR SHOULD SHAPE STRONG AND SHARED VALUES THAT GOVERN HOW PEOPLE ACT"

- DAVE ULRICH, RBL GROUP

Robert Bolton, Partner in **KPMG**'s Global HR Center of Excellence, believes this will require a shift in thinking. "For HR, it requires them to retune to a new mindset where there is not rigid demarcation of roles," he explains. "We'll move away from tightly defined jobs to managing flows of people around career paths and roles that may not even exist yet, but where we need to build capability now. HR will operate in a world of scenarios, rather than serving organisations as they currently do."

One of the currents HR has to fight against is an appetite for rules and regulations, much of it created in response to the economic downturn of 2008. "The global financial crisis shocked us to the core of trust," says Kirsty Bashforth, Founder of organisational culture consultancy **Quayfive**. A former senior executive at **BP**, she led cultural change at the company following the Deepwater Horizon oil spill.

"Lots of companies ended up with policies focused on the one person who might cause issues, rather than the 99 per cent of people who are fine. This has reduced risk, but slows organisations down." At the same time, though, there has been a "generational shift in attitude", according to Miles, and millennials are beginning to influence the management styles of the future.

Bashforth agrees: "Generation X is the last generation to assume that hierarchy is the way things are done. There are more of us who don't want to run a company for power, but for influence, where leaders become more like air traffic controllers than the boss with the big stick. Young people are less deferential to seniority than previous generations," she says.

A recent piece of research by **American Express Global Payments** bears this out. It reveals that, while more than half of millennials think a C-suite role would be attractive, 75 per cent believe that businesses of the future will see management look beyond the usual models of doing business. "In the millennial-led business," it says, "cultural or collegial leadership works better than authority or position-based leadership. Millennials focus more on who you are, what you do, and how you behave, than on your title or place in the hierarchy."

### PRACTICAL APPLICATION

A business does not have to rid itself of management and hierarchy altogether to reap the benefits of a less rigid structure, however. At **Metro Bank**, the first new high street bank to launch in the UK for 150 years when it arrived on the scene in 2010, there has been a concerted effort not to add unnecessary layers of management as the company has grown.

Danny Harmer, **Metro Bank**'s Chief People Officer, explains: "An organisation chart doesn't tell you how a business runs. It's the culture that shows whether

b the layers are a hindrance or a help to how people get business done. As our store network has grown we've only added one layer of management and we tend to be fluid about roles, so if someone has too many people reporting to them or if we need more technical expertise, we will ask, can we split a role into two, for example."

Reporting lines are dictated by customer needs, and a prime example of this is the role of Regional Director. While most banks segment customers into sectors such as retail, small business and commercial banking, served by different divisions, in Metro Bank Regional Directors look after all customers regardless of segment. "This is a pivotal role because it means there's someone who's thinking about all of our customers at the same time, rather than putting them in silos," says Harmer.

Even the layout of the office reflects this collaborative approach – there are slightly fewer desks than there are people and employees sit in 'team zones' rather than allocated desks so they can have different conversations and interact with other people in the business.

When it comes to career progression, there are 'job families', but none of the alphanumeric grading systems that you might find in a more traditional financial services business.

### **GETTING STARTED**

Implementing design thinking may seem daunting, but here are three ways you can get started:

### THINK ABOUT ROLE DESIGN

Have you introduced job titles or layers where you don't need them? Do these additional roles help or hinder your business goals?

### **START WITH THE CUSTOMER IN MIND**

Work backwards from how your customer experiences your brand. How can your management structure and processes complement this experience?

### ■ IT DOESN'T HAVE TO BE RADICAL

Adopting a more agile, design thinking-led business does not mean you have to fire all your managers. Incremental changes such as more team involvement in decision-making or reducing sign-offs can all help your organisation become leaner and less hierarchical.

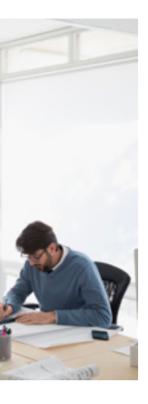


Harmer adds: "We review jobs as we go, checking job profiles are still relevant. One of the dangers of rapid growth is that you give someone a level or title they aren't ready for and that can be a mistake as you don't want to take things away from people. A more fluid structure means you need to be able to look forward to what the organisation will be in the future and build accordingly."

Of course, most start-up companies begin life with a flatter structure anyway – the challenge is maintaining this fluid set-up once they grow. Miles advocates embracing a model of 'distributed leadership', where decisions are devolved as much as possible to those across the business and leadership is more of a social process than a leader/follower way of doing things. For smaller businesses, this could be a means of remaining efficient and effective without adding unnecessary management layers.

Ulrich agrees that some layers of management can help to add value to the business rather than stop things in their tracks, particularly line managers and HR professionals. "I think we need both HR managers and line managers," he says. "Line managers are the owners of business decisions, ultimately accountable and responsible for the integration of multiple systems (such as finance, marketing, HR and IT) to win in the marketplace. HR professionals are architects, facilitators, coaches, and designers of talent, leadership and culture. In building a house, architects provide insights, but owners ultimately make the final decision about how to adapt those insights. Both are necessary."

Ulrich believes that we'll move away from hierarchical control to 'organisation governance systems' where



# "LEADERS BECOME MORE LIKE AIR TRAFFIC CONTROLLERS THAN THE BOSS WITH THE BIG STICK"

- KIRSTY BASHFORTH, QUAYFIVE

employees act according to shared values rather than being ordered what to do. "Governance through shared values enables large spans of control, remote work and individual autonomy," he says. "It also requires a different leadership style, moving from 'command and control' to 'coach and communicate'. Leaders in both settings hold employees accountable for the right thoughts and actions, but in management by mindset, instead of objectives, the leader focuses on creating and reinforcing the right cultural norms."

### **DESIGN THINKING MEETS DESIGN**

The physical nature of workplaces supports this transition to a less hierarchical model – Mark Zuckerberg of **Facebook** famously works in an open-plan office alongside his less senior colleagues, for example.

Organisations trying to embrace a less hierarchical approach often have clusters of workstations which encourages greater team interaction, compared with the old idea of status being attached to a manager with their own office, or indeed an executive team that occupied its own floor.

Flexible and remote working is encouraged, and there is trust that the job gets done. London Business School's Miles cites the example of **Innocent Drinks**: "This is a good example of an innovative organisation that has worked hard to create an open culture where ideas are shared collaboratively at all levels. Fruit Towers, the HQ, is spread over four open-plan floors, but all seating, including for senior management, is allocated randomly.

"That way, everyone gets maximum visibility and interacts with people from different functions. They get a broader understanding of different roles and how Innocent works as a whole."

Arguably, the type of management model an organisation will embrace may depend on its geography. Miles adds: "The UK corporate model can still be quite parent-child focused, while in some other European countries, particularly the Scandinavian ones, there may

well be a greater degree of openness and less reliance on hierarchy." Different countries' systems support organisational structures in different ways: in Germany, for example, there is a strong emphasis on worker representation on boards. While this concept has been mooted in the UK, it is yet to become common practice.

But alongside the physical, digital transformation will also accelerate the flattening of traditional management layers, believes KPMG's Bolton.

"We'll start to see more boundary-less functions – so those subdivisions you might typically have seen in finance or HR will no longer exist," he says. "In HR, for example, boundaries between centres of excellence and HR business partners break down. If you're using the same insight to make decisions, there's less of a need to specifically construct roles that do marginally different things with little added value." In time, he adds, this will spread out across organisations so there is less demarcation between functions themselves.

"Armed with artificial intelligence and data insight to augment and support them, there will be less difference between, for example, HR and finance. They both look after forms of capital or resources, and there will be less of a distinction."

Most importantly, design thinking and how it affects organisational design is not an end state – it's something that evolves over time. "Too few companies are approaching this as something ongoing rather than something that happens in reaction to a disruption – say a new CEO or a crisis in the market. Just because you state you want a certain culture doesn't mean you have it," insists QuayFive's Bashforth. The first step is for leaders to listen to their business, rather than trying to impose something on it that does not fit.

She concludes: "Leaders need to listen to their organisation – problems with culture are often put down to 'our workers do X or Y', when in fact the leadership is setting the wrong tone. Put a mirror up to the leadership and ask, what message are they sending out?"

## **DIVERSITY AND INCLUSION** IN BUSINESSES AROUND THE WORLD

There is a global correlation between diversity in the leadership of large companies and financial performance, according to McKinsey & Company's 2018 report Delivering Through Diversity. The data, which profiled 1.000 companies in 12 countries, shows that inclusion and diversity can be key enablers of growth.

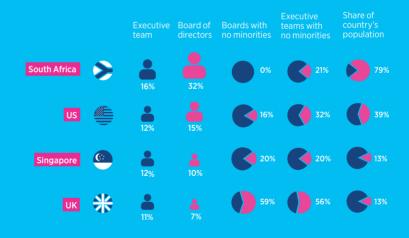
1%

Since the 2015 report, the 346 UK and US companies have increased ethnic and cultural diversity on senior management teams by 1 per cent

Companies in the top quartile for ethnic and cultural diversity on senior management teams were a third more likely to have industry-leading profitability

Companies in the top quartile for gender diversity on senior management teams were 21 per cent more likely to outperform on profitability

**BOARD-LEVEL REPRESENTATION OF CULTURAL MINORITIES IN DIFFERENT COUNTRIES** 







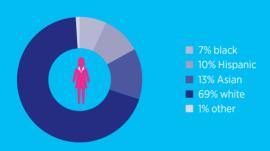
In the US sample, black female executives are more than twice as likely to be in back office

Ethnically and culturally teams are 33 per cent more

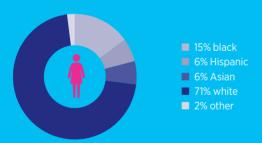
Companies with the most ethnically and culturally diverse boards globally are 43 per cent more likely to experience higher profits

## RACE REPRESENTATION AMONG FEMALE EXECUTIVES

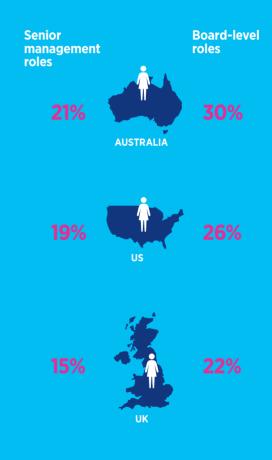
Of the 341 companies surveyed in the US, women represented in **senior management frontline roles** (such as production and sales) are:



For **senior management back office roles** (such as HR and public relations) the breakdown is:



### **WOMEN AROUND THE WORLD**



### **GRADUAL PROGRESS FOR GRADUATES?**



10%

of US graduates are black Americans, but just 4 per cent hold senior management positions 8%

of US graduates are Latino or Hispanic, but only 4 per cent hold senior

**22**%

of UK university students identify as Black and Minority Ethnic. Only 8 per cent of senior managers share this identity



AFTER A PUSH TOWARDS STRONGER EMPLOYEE ENGAGEMENT, SOME ORGANISATIONS ARE LOOKING TO GO FURTHER. CAN A MORE HOLISTIC VIEW BE TAKEN BY FOCUSING ON THE OVERALL EMPLOYEE EXPERIENCE?

### MANY BUSINESSES HAVE SPENT HUGE

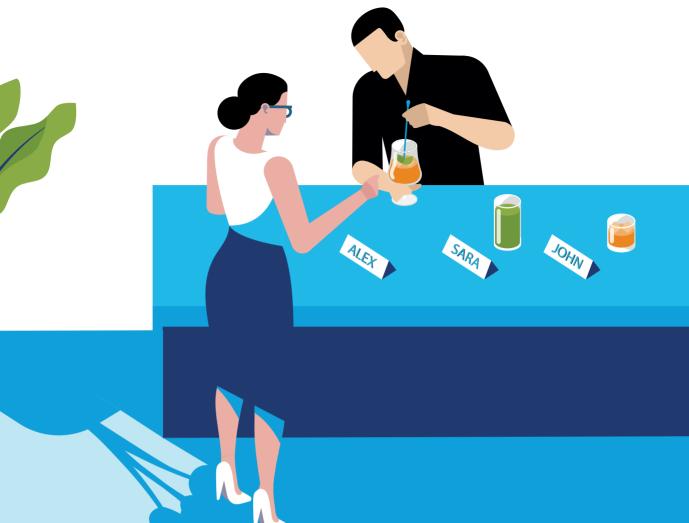
amounts of time and money trying to build a high level of engagement among staff. And while its importance should not be underplayed – **Deloitte**'s 2017 Global Human Capital Trends report found it remained a top priority for businesses over the next year – companies are increasingly finding that this is just one step towards a greater goal to get the most out of their staff. The report found that 80 per cent of executives believe that focusing on 'employee experience' is very important, or important. This new, more holistic approach will still include engagement at its core but will also cover culture and performance management. But how can this more comprehensive strategy be put in place?

Whether it's surprising staff with the sight of a pot

of Plasticine on their desks (complete with instructions about how to craft a model of themselves and put it up to share on the firm's **Instagram** account), or ditching annual appraisals in favour of It's You Time (managers having constant conversations with staff), it's fair to say the experience of working at leading digital agency **Wunderman** is very different from the norm.

In fact, anything that used to be a dull HR policy is now very much an activity. The deal for staff when they take training, for example, is that they promise to deliver on the firm's 30:60 rule: applying what they learned within 30 days, then sharing what they learned with at least one other person within 60.

For CEO Pip Hulbert, far from this being HR gimmickry, she's simply giving staff what they want – which is for work to be as much of an 'experience' as



possible. "Experience is a highly important term," she says. "It's a company philosophy. Work is such a big proportion of people's lives; our view is that work has to be enjoyable. Work can no longer be somewhere people just 'go' to. It has to be something they feel."

### **REAL DEAL?**

For HRDs who have spent years convincing top leadership of the need to take staff engagement seriously, the arrival of this new e-initialed axiom might feel like a new challenge. But while engagement always seemed like an inconclusive 'catch-all', there is a growing consensus that the concept of employee experience is more honed and more useful, and that 2018 will be the year when more firms should shift from one to the other.

"Experience still is a buzzword," argues Yves Duhaldeborde, Director, Talent and Rewards, Willis Towers Watson, "but it also marks a point of evolution. Its new-found currency reflects the fact it's even harder to attract and retain talent, and that employers now need to offer 'something else' that's distinctive and inspiring." He adds: "While experience has always been there, it was not always needed to be purposely thought of. Now it does."

Experience arguably arrived in 2015 when, to great media fanfare, **Airbnb** announced it had appointed its own Global Head Of Employee Experience. According to research by Charles Rogel, Senior Consultant, VP Product Development at **DecisionWise**, by November 2016, there were 1.850 people on **LinkedIn** with the phrase 'employee experience' in their job title, with a further 2,222 jobs advertised with the same term. Firms with employee experience roles in their HR structures now include the likes of Adidas, Facebook. GE, L'Oréal, LinkedIn, Nationwide, Ralph Lauren and Sky. Even at the world's most famous store - Harrods - where experience is usually a customer feeling, Niall Ryan Jones is now Head of Employee Experience. But this in many ways sums up the change. Staff require the same experiences internally as customers do of a brand.

Olga Aristova is HR Director, Russia for cosmetics company **Oriflame**. They have embraced this approach of thinking of their employees like customers, even in terms of how they measure successful engagement.

"We've just introduced Net Promoter Scores for employees to see if they would recommend us as a place to work," explains Aristova. "We're asking



 different questions to measure those results to find any areas where they aren't happy.

"Well-being is part of our business strategy. We want our clients to improve their well-being with our products, therefore it's important that our employees are able to promote the benefits of being part of our brand outside the company."

Presenting a holistic experience, from the moment an employee arrives (or even before that) to the moment they leave, can be more complex. "Experience is a sum of all interactions – but connected interactions, which means organisations have to be more thoughtful about how they set up their workplaces," argues Ben Whitter, Founder of the **World Employee** 

### **Experience Institute.**

"Although it borrows familiar HR concepts – like the extent to which people feel proud to work at a business, or how meaningful they feel their work is – firms haven't been getting it right. One in four employees will suffer a mental health issue at some point – which proves this point." He adds: "The key is that experience has to start by firms focusing on the individual first, rather than them being the last port of call, but this is easier said than done."

The problem, argues Whitter, is that experience isn't really something companies can dip their toes into. "It requires jumping in with both feet – even if that means some push-back from staff who may think their particular firm isn't being authentic, or doing it from the heart," he says.

Alexey Kolchin is Vice President and General Manager, Brazil, at global pharmaceutical company **GSK**. He is in no doubt of the positive effect the approach can have. "In my experience this concept is unbelievably powerful. Last year, Brazil was going

through an enormous financial crisis. It was made worse because in the previous 10 to 15 years it hadn't experienced the same crisis felt in the West.

"When I arrived here I saw enormous frustration in people. Moving our focus at GSK from what we do at work to why we do it made such a difference. Stressing the importance of our values and giving people reason to believe they could be successful by giving examples of success is enormously powerful.

"By focusing on the overall engagement, our global employee survey showed that, in Brazil, 96 per cent of responders were proud to work for our company."

It's no surprise empowerment and 'fit' are often chosen to solidify experience. **Hays**' own *What Workers Want* report in 2017 found culture fit was so important to employees' experience of work that 62 per cent of respondents said they would be prepared to take a pay cut to achieve this. Some 31 per cent will always consider an organisation's diversity policy, while 85 per cent rate getting on well with their colleagues.

### **BEGIN AGAIN**

According to Jackie Jones, Living Business Design Director at **Fjord**, the **Accenture**-owned innovation consultancy that advises on creating customer and employee experiences, firms really must start from scratch to redefine all their processes. "Most companies have policies that now seem very clunky," she says. "Given employees now demand greater personalisation – where employees expect companies to know about 'them' and what their skills path needs to be – it's easy to see that an end-to-end approach is needed."

To do this, Jones says firms need to take a 'vitality audit' – to understand all the things that affect the

# "IT'S MORE AND MORE CRITICAL TO HAVE EVERYONE WORKING TOGETHER"

- ALEXEY KOLCHIN, GSK

personality of a business. "Then you need to be realistic about what you change to create what impact," she adds. "You can't suddenly become a **Google** if your business's vital signs show this isn't possible."

Packaging solutions business **DS Smith**, which employs 27,000 staff across 37 countries, defines experience as the 'ongoing and holistic view about how employees feel about their work'. According to Louisa Mellor, Head of Engagement and Culture, experience now forms the basis of its OWN IT! programme – which is specifically focused on empowering its dispersed local teams.

She says: "We feel employee experience moves us beyond a world of engagement campaigns to a deeper and embedded cultural view of all HR policies and practices." She continues: "OWN IT! was developed on the principle that employees should have a voice to raise ideas and be involved in implementing any changes. It's about saying all colleagues can make a difference, regardless of their role or level." She adds: "OWN IT! supports a range of activities, from on-boarding, communications and idea generation to performance management and recognition. As a result, personal empowerment and accountability enhance the employee experience through varied and valued work."

Mathew Paine is Director of Human Resources at the **International Convention Centre Sydney** (ICC Sydney). The convention, exhibition and entertainment venue opened in 2016, allowing Paine and his team to define employee experience from the start, focusing on three main elements – culture, engagement and performance management. He agrees that putting responsibility on team members allows businesses to better match employee expectations of growth.

"Our feedback programme is designed to set all permanent team members up for success, and is made up of two elements – Check-Ins and 'Go' Catch Ups. ICC Sydney Leaders are required to arrange four formal Check-Ins to discuss Key Result Areas and Key Performance Indicators per year. While these are arranged by the leader, they are driven by the team member.

"In addition to Check-Ins, team members are invited to arrange 'Go' Catch Ups with their leader to talk about Goals and Opportunities (GO). These are also driven by the team member and only take place when they request them."

On top of individual development, Kolchin believes

a focus on team building could help organisations improve experience further.

"It's more and more critical to have everyone working together. You could have a high performing individual, but collectively you will fail if people can't work together," he says. "You can offer basic team building, but I think there is something beyond it where you can focus this development further and that will give businesses an enormous competitive advantage.

"GSK is built on a team mentality. People have a better experience and are less likely to leave because they enjoy working together."

#### **MATCHING LIFE**

For some firms, seemingly simple measures make a big difference. Last year, Scottish craft beer producer **BrewDog** dominated the press with its intriguing 'pawternity' leave policy. "We didn't want staff to eat into their holiday, so have decided to offer all staff a week's paid 'puppy leave' to help staff settle their new dog at home," says Allison Green, its People Director. "The only direct cost to us is the time off, but we know it makes our people less stressed."

Behind these headlines is the fact that this is just one of a suite of perks that, in combination, reflect that the firm has a strong and well mapped out view of what it wants to be. It also offers sabbaticals, while 10 per cent of its profits are split equally amongst staff too.

Janelle Reiko Sasaki, Executive Director, Diversity & Inclusion Services, **EY Advisory & Consulting** says that in Japan a shrinking, ageing population and a low birth rate means that focusing on employee experience is a must if they wish to attract and retain talent. She says that trying to offer a more individual experience to each employee is key.

"One size doesn't fit all in the employee experience. You can't manage everybody the same, so it's important to customise each experience to each person. Find out what motivates them and what challenges them. When you are clear about those two things you'll have an engaged employee. They have to find that out themselves as well, but once you know, the sky is the limit."

But as well as reinforcing the fact that HR can't just pick a policy and think it's got experience covered, some say examples like these also reveal why experience can't solely be HR's responsibility. "HR is just one leader of experience," argues Whitter. "It's not just HR's thing. All departments and all managers must



be held accountable to ensure a holistic vision for the business is consistent everywhere. One business I know has 40 experience officers – and they're all charged with maintaining a common experience for all."

Making everyone responsible allows for what Simon Fanshawe, co-founder, **Diversity By Design**, calls the 'experience deficits' in businesses to be addressed – everything from what people feel are blockers to advancement to how staff feel. The only way to do it, he says, is to directly ask staff what they want (something he says remarkably few businesses actually do).

"Asking sounds basic, but how staff respond to this can reveal how processes often militate against the culture and experience a company is trying to create," he argues. Findings revealed by his firm's Insight tool include staff perceptions that new role openings are simply 'jobs for the boys', and that there is underlying sexism. "Listening raises questions about things that could be done better, in a no-finger-pointing way," he adds.

### **START TO FINISH**

Ultimately, commentators appear to agree that what experience really means is a change of mindset – of a full-lifetime approach to employees' careers. But this doesn't mean 'giving in' to millennial desires.

"To me, experience is also about creating better conversations with employees," says Duhaldeborde, "where people's sense of empowerment and trust in others constantly confirms that where they work is the right place for them. In this sense, it's more about creating a kinship – where all the 'moments that matter' across the employment life cycle are productive, authentic, engaging and joined up."

He adds: "Technology may be a part of this - from

offering pre-joining and on-boarding web-based learning to empowering staff with apps to choose their benefits, or providing secure technology to work flexibly. I think when experience is understood in these terms, staff themselves see their own responsibility in creating that experience too, and in engaging their colleagues to do the same."

Sasaki adds that to be successful, all levels of an organisation must be on board: "At my last organisation we had an innovation campaign that went really well. We had an internal social media platform to share perspective on how we could improve as an organisation through HR and leadership. In addition to that, we really encouraged intrapreneurship.

"Leaders have to listen to their employees, but there needs to be a level of engagement from employees too. You also need processes and policies in place that allow change to happen. Employee experience needs to be looked at on every level of your organisation.

The key, says Marianna Karagiannakis, Founder of boutique people and culture consultancy **flowcultura**, is not to 'do' experience. It has to be felt. She says: "Lots of organisations try to 'deploy' experience, but it lands flat. Experience is really about how an organisation ensures people's day-to-day lives reflect what they say it should be. In other words, does reality reflect what the brochures and posters on the wall say? It isn't rocket science, but neither is it always done well, especially as traditional HR is still transactional in nature."

Karagiannakis should know what she's talking about. In 2012 she was appointed Head of Employee Experience at insurance firm **Direct Line Group** – way before Airbnb was grabbing the headlines. Direct Line Group is famous for its customer experience credentials and wanted the same attention to



experience internally as it did externally. Karagiannakis says: "We did a piece of research to understand the current employee experience and then partnered with the Head of Customer Experience to share insights. The findings were indisputable. There was a direct link between what employees were saying about their experience and what customers were saying. The two are inextricably linked, which is just another reason why employee experience is so important."

What's significant is that, according to Karagiannakis, there was no sudden transformation – "it was slow-drip stuff," she says. "Research around understanding how employees felt flowed into the work we did on our culture, and this in turn influenced how we started to understand the employee journey," she adds. "Over time this then started to impact all our strategic conversations. We would start to ask how x or y policy would impact the employee experience."

It's this, arguably more honest, depiction of the true speed at which experience often gains traction, which should give others more comfort. "We were probably a thorn in people's sides for a bit," she admits. But she believes initial reluctance really is the only hurdle because, after that, the benefits of thinking about experience at every turn are easy to see. "Today, most employees won't stick around in a place they don't feel good at," she says. "It's when people truly 'feel' their company is experience-centric, that companies will reap the benefits." She adds: "To me, experience is now a very rational, sound business decision."

### A HOLISTIC VIEW

Chai Ping Chua is HRD of Experian in Malaysia. She explains how they consider the contributions employees are making aside from the role they were hired for.

"Here at **Experian**, we take a more holistic view of our people. We don't just look at their performance day to day, but also their contribution to the company, whether that's through CSR, engagement or project work. Those who are high performers, or with high potential, are given stretch assignments to ensure that they become great contributors in the organisation. These can be in the form of shortterm assignments (three to six months in a different global location), job shadowing or working on regional projects. We also utilise our Experian Way culture, the how of what we do at Experian, in our performance management. The Experian Way looks at five key behaviours - Delight Customers, Innovate to Grow, Collaborate to Win, Safeguard our Future and Value Each Other. These key behaviours relate to how our people work within their teams, work with other people, and contribute to the business and society in their region. This helps the people get a true feel of the business, and where its priorities lie. It also benefits Experian, as our people tend to stay longer, and be better contributors."





## NO HALF MEASURES JODY KOHNER IS SENIOR VICE PRESIDENT OF **EMPLOYEE MARKETING & ENGAGEMENT AT CUSTOMER** RELATIONSHIP MANAGEMENT SOFTWARE BUSINESS SALESFORCE. SHE DISCUSSES HOW THE COMPANY COMBINES VALUES AND METRICS TO CREATE A UNIQUE AND AWARD-WINNING CULTURE HAVE YOU EVER GOT READY TO COMPLETE A TASK. only to find it's already been done? While it can be a nice realisation when it comes to something mundane like a household chore, you might find it slightly more worrying if it was the role you had been hired by an organisation to do. For Jody Kohner, Salesforce's Senior Vice President of Employee Marketing & Engagement, however, it was a source of inspiration. "I started at Salesforce seven years ago in a product marketing role, heading up our competitive team," she explains. "In that capacity, my job was to train the sales team to differentiate our product from everyone else "What was interesting to me was how passionate our people were about our brand. Salesforce pumped through their veins. They didn't need help to be competitive because when they sat at a table with a customer, their passion and sense of belief in our company mission virtually made our competitors null and void. Customers didn't really care who else was out there, they wanted the energy of our people brought to their company."



In a climate where some jobs are simply ceasing to exist, you could be forgiven for seeing this as a cause for concern. Kohner, however, saw it as an opportunity to grow that passion throughout the entire organisation. It led her to wonder: while it's always important as a business to keep improving, developing and scaling up products, can engagement and passion among employees be scaled up in the same way?

"I thought that if you could build an army of people who love to sing from the tops of the mountains about how fabulous your company is and the opportunity that it is providing to your customers, that would be a far more attractive and magnetic thing to customers."

This led her to move into her first engagement role in 2014 before she took on her current role last year. But how do you go about creating a culture that breeds impassioned and positive employees? Kohner approached it by looking at employees in a different way.

### **DEFINING PURPOSE**

'The customer is always right' is a mantra that many businesses still live by. But applying it outside of customer-facing roles can be challenging. For Kohner, finding a way to do so was second nature.

"Coming from a marketing background, the first thing I asked was: 'Who is my customer?' The answer was Salesforce employees," she explains.

"My next question was: 'How can I build a great

experience for them at every stage of their journey?' For example, someone who is interviewing for the company should have a totally different experience to someone who has been here 15 years.

"That's how we started to build the strategy of the team, by mapping out the full employee life cycle before building out the programmes, teams and metrics to be sure we are providing an incredible experience at every stage of the cycle."

Kohner believes this starts with a great employer brand that can attract the best talent. While many people may know Salesforce as a leading technology company, it is as important for people to also see employees as a community they would like to join. This expectation is then reflected in the candidate experience, followed by a solid on-boarding process. Kohner believes it's vital to get things right first time during both processes.

"From there, we consider what we are doing to engage employees and drive their success, whether that comes from internal communications, programmes that drive more meaning into their world or driving our values that allow them to become more involved and to give more back to their communities. If we get that combination right, you find yourself back at the start of the cycle and find employees are your biggest advocates."

The company is clearly behind this vision too.



# "DATA IS THE LANGUAGE OF BUSINESS AND THAT HAS TO TRANSLATE INTO HR"

In three years, Kohner's team has grown into a global team and an important pillar of the HR organisation. "We have dedicated groups thinking about each of these stages. I love that when I have a new hire, the on-boarding processes we have set up are what they are going through. That's immediate feedback for my team!"

### **METRICS MATTER**

When you consider that many of the products and services Salesforce creates allow other companies to track success rates with customers, it's unsurprising that measurement is important inside the business as well. Luckily, it's an attitude shared by Kohner.

"Metrics are something I'm pretty passionate about. When I was trying to decide if I would focus on culture, I spoke with my boss at the time. His caution to me was that I would not have any metrics and that if I didn't create them, I wouldn't be successful.

"That advice was a real gift. Data is the language of business and that has to translate into HR. If you don't have the data-backed validation, everything you do becomes a soft, fuzzy 'nice-to-have'."

For Kohner, the answer is aligning individual and company goals. She is very clear that it's not her or the wider HR team who own the culture. "It's owned by our 30,000 employees who live our values every day, but in order to make those values work, you have to put goals out there and ensure everyone is aligned to them."

To make this happen, the overarching goals of Salesforce are extremely transparent using a business

plan they call V2MOM, which stands for Vision, Values, Methods, Obstacles and Metrics. A company V2MOM is set by CEO Marc Benioff and the executive management for the year, which in turn influences the goals set by all staff.

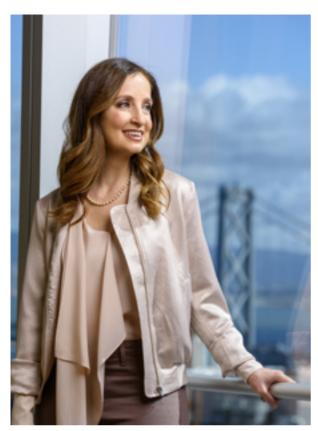
"Every single employee has one," explains Kohner. "Vision is the aspirational thing you want to do that year, the values underline that vision, the methods are hard actions that the employee will take to drive that vision, the obstacles are the areas you know you'll need help from colleagues on and the metrics are there to show when they have been successful. Not only does everyone have one, it's public. Any employee can see another's goals and see what percentage of completion they have reached."

And while numbers measure success, culture is earmarked as the most important method for reaching all goals at Salesforce. The company refers to this as Ohana, a Hawaiian word meaning family.

"Choosing that as the first method by which we reach our goals changed everything," says Kohner. "Every manager knew their first priority was to their people, their teams and the experience we're creating."

She says it was this formalised push to put culture first that allowed her and her team to really measure their engagement. While a lot of companies will run an employee survey, Salesforce performs two a year. The data is uploaded to their Waves Analytics app, which allows every single employee across the globe to see the results and check the scores within their team.

"Each manager is accountable for them and if scores are low, they work collaboratively with their teams and



# HR to turn them around," Kohner explains. "They need to do that, firstly, because it's on their V2MOM and they will be held accountable for it.

"Secondly, because they need to retain their people. If you work here, you get calls from recruiters all day long. Managers need to make sure that the job of their life is here.

"Thirdly, we want to attract talent from elsewhere in the company. If they see your scores and see people aren't happy, that will influence a manager's ability to grow their team.

"You can't game culture. You can't make it up. Sites like **Glassdoor**, along with social media platforms, make this a transparent world. If you're not really intentional in your culture, working in an aligned fashion and in an authentic way, people will know."

### **ALL INCLUSIVE**

The idea of Ohana is one of the most important in Salesforce, and Kohner says the ties it creates throughout the community that makes up the company are what allow staff to progress.

"Enabling everyone is so important," she says.
"Our founders have been very intentional about the culture they wanted to create and the products they wanted to build.

"There are a lot of Hawaiian roots in this company but Ohana has really stuck. It means family, but it's more than your blood relations. It's really about the

# "IT GIVES ME SO MUCH PRIDE TO KNOW THE COMPANY HAS MY BACK"

people that you are locking arms and taking the hill with. The people you are bound to and that are moving towards the same place.

"When we think about Ohana, our employees are the centre of that, but so are our customers, partners and the communities we live in and give back to. They're all stakeholders."

Giving back to communities is a huge priority for the company. Every employee is given 56 hours a year to give back to an organisation of their choice, explains Kohner.

"I do a lot of work in my kids' schools, other people might go to Costa Rica and clean a beach for a week. What's important is that we track milestones using an app and celebrate them as a company.

"We make it easy for staff to find a volunteer activity in an area and sign up to it and log hours through this app. We count all the hours globally, and last year we hit 2 million hours. We celebrated in Salesforce fashion by giving everyone a new shirt for when they're next volunteering.

"The technology brings the value of giving back to life and the data allows us to celebrate it and make it real and meaningful for employees."

### **RIGHT RESULTS**

However you look it, the Salesforce approach seems to be working. The company was named Best Company to Work For by *Fortune* this year, and Kohner says avoiding complacency is key.

"The secret to our success is being intentional about our culture. We don't take it for granted. We write it down, we prioritise it, measure it and hold ourselves accountable for it. We've found if everyone is aligned, we have 30,000 champions of this culture and it fuels itself."

Equality, a core value for Salesforce, has also been embedded throughout the company. Kohner lists her current boss, Chief People Officer Cindy Robbins, as one of her biggest inspirations, in part because of her active role in achieving pay equality across the business.

"She was at the helm of equal pay efforts at Salesforce and we've made tremendous leaps forward both for our industry and for the world at



large to take notice of and see how we do that. Equal pay is now part of our DNA.

"That journey started back in 2015 when Cindy and Leyla Seka raised the issue to our CEO. That conversation led to an all-company equal pay assessment. We spent \$3million to eliminate statistical differences in pay. That action was mind-blowing, but we didn't stop there.

"The next year we had record growth, acquiring 14 new companies, adding 7,000 staff to our workforce. As we brought them in we completed another equal pay assessment to bridge differences in pay. To date we have spent \$6million ensuring everyone is paid equally.

"Actions speak louder than words and it gives me so much pride to know the company has my back that way."

Furthermore, Kohner believes these efforts affect more than her own colleagues. She believes that making a difference to the lives of your employees has a far-reaching impact that should not be underestimated.

"If you love your job and fundamentally enjoy coming into a workplace where you feel like you are growing, learning and inspired to do better, at the end of the day you go home happy.

"I really believe that has a profound impact on our communities at large. When people who love their jobs in this company go home, they are better parents, better spouses and are more involved in their communities. They go to work and are inspired and energised. "To me that's an incredibly rewarding mission; to try to make 30,000 people do the best work of their lives and love coming in every day. I sleep very well at night knowing I am contributing to make this world the place I want it to be."

### **JODY KOHNER AT A GLANCE...**

**WHAT WAS YOUR FIRST EVER JOB?** I was a camp counsellor.

### WHAT HAS BEEN YOUR BEST WORK MOMENT?

I adore presenting. Every time I get the chance to passionately speak about this company and the work we're doing, it gives me a rush.

**WHO'S YOUR HERO?** My grandmothers, my mom, my mother-in-law. Each of these amazing women had to overcome incredible adversity in their lives – but each came through wiser and with more empathy for the world around them.

WHAT'S YOUR BIGGEST PASSION? My family. Salesforce is my second job. My real job is being a wife and mom. I have a boy who is eight and a girl who is four. They are amazing balls of energy!

### WHAT'S YOUR FAVOURITE BIT OF YOUR DAY?

I get up early every day to exercise. It's the one time of day that's just for me. I know that I've started each day looking after my health. Like many people here, I have a V2MOM for my personal life. Good health is my #1 Method.

# VIEWPOINT

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### CHRIS KENT STATE REGIONAL DIRECTOR AT HAYS

Staff retention can feel like a real challenge to some SME leaders. This is especially true if they are competing for top talent with larger corporates whose brand names look great on a CV and who are potentially able to offer a tempting salary and benefits package. So, how can you leverage this, and other factors, to keep hold of your top talent?

### Create a more communicative culture

Remember, people tend to leave managers, not organisations. Make sure you have the best people managers within your SME, those who communicate frequently with their employees as opposed to solely in an annual review, who motivate their team and who care about their progression.

### Help your employees to upskill and develop

Developing your staff is a key retention tool that also helps to overcome skills gaps, an issue which 49 per cent of SMEs are facing. Look at the areas in which skills shortages exist within your business, and cross-reference these with the goals of your employees and the demands of the wider market.

### Promote and encourage a good work-life balance

Work-life balance stems from the culture of the organisation. If your management

team never switch off, this can trickle down to every member of their team, creating a culture of presenteeism, whereby employees feel they should be seen to be either virtually or physically present, even during downtime.

### Hire for cultural fit

On the subject of company culture, cultural fit is particularly important within an SME. Employees who don't fit in with the company culture can have a hugely negative impact on other employees. In addition, some studies have found that cultural fit is one of the main reasons people leave a company. Therefore, getting your recruiting strategy on point, hiring for cultural fit and personality, as well as skills, is just another cost-efficient way to optimise staff retention.

# LET'S END ISOLATION AT WORK



**GORDON TINLINE**BUSINESS
PSYCHOLOGIST



Over the last three decades, I have worked with a wide range of organisations and encountered many people who feel isolated at work. At their best, workplaces should be a source of positive social relationships and support, but unfortunately this is not always the case, which can lead to isolation of employees.

Isolation at work has been found to be particularly damaging. Canadian researchers found that being isolated or ostracised at work may be more harmful than being harassed.

### Who is more vulnerable to feeling isolated at work?

Isolation at work can often happen to people who are already experiencing mental health problems. There can be a tendency to steer clear of people whom we think might be in a fragile state mentally. We are afraid we might say something that exacerbates any problems they may be experiencing, or we feel we don't know what to say.

If isolation occurs more frequently to individuals from minority groups in your organisation, you have a diversity problem. This is quite likely to be born of ignorance and if this is the case there may be the need for broad diversity training, which can be beneficial when well

designed and properly integrated into the organisational climate.

### Are you guilty of 'bystander apathy?'

If you believe that one of your colleagues might be feeling isolated, have you thought about intervening? Abbate's research on the concept of 'bystander apathy' might be relevant here. This suggests that the larger the organisation or office environment, the less likely it is that someone will intervene to support a troubled colleague.

### How to reach out to the people who

Just ask how they are doing and listen, you don't need to tie yourself in knots preparing a speech! However, be ready to say that you are a bit worried about them and why. They may just say they are fine but not mean it, so stick with it until you are confident your concerns are misplaced. You might feel that you can offer to talk to someone on their behalf (eg their line manager or HR), if they don't feel able to do this themselves. You don't need to get too drawn in. but perhaps your intervention is the start of helping someone move into a much healthier and happier state. Why wouldn't you do that?

"IF ISOLATION
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FROM MINORITY
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HAVE A DIVERSITY
PROBLEM"

- GORDON TINLINE,
BUSINESS PSYCHOLOGIST

### **GET IN TOUCH**

To contribute to *Viewpoint* email: socialmedia@hays.com

# SHAPING OUR FUTURE

BLOCKCHAIN TECHNOLOGY HAS ALREADY HAD A HUGE IMPACT ON THE WORLD OF FINANCE. BUT IT MIGHT NOT BE LONG BEFORE ITS INFLUENCE IS FELT IN HR AS WELL

**EVEN THE MOST** ardent technophobe would be hard pressed not to have heard of Bitcoin, given the amount of coverage the cryptocurrency has attracted in recent years. But, while blockchain, the technology through which Bitcoin transactions are recorded, garners fewer headlines, it is this system that will have a far greater impact on how we live, and work, in years to come.

Writing on *Unleash News* earlier this year, Andrew Spence, HR Transformation Director at **Glass Bead Consulting** said: "Of all the emerging technologies, blockchain is the least exciting as a technology, but potentially the most impactful on society.

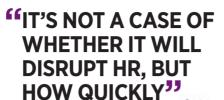
"Blockchain doesn't converse with you, it won't 3D print your house or cut out your kidney stones with precision while the surgeon has a cup of tea. In terms of technology, it is about as exciting as relational databases."

Blockchain is essentially a means of recording transactional information, creating a distributed, decentralised and digitised public ledger of all records, says Seth Robinson, Senior Director, Technology Analysis, at US IT body **CompTIA**. "For a given activity, a copy of the full ledger with all transactions is kept on each node in a distributing network," he explains.

"At least 51 per cent of the other parties on the blockchain verify the transactions that occur across it, meaning it is nearly impossible to change, and is therefore secure. Everyone owns a part of the blockchain, enabling trust by consensus."

Not only does this mean that information can be accessed by anyone with the required permissions, it also means such data can be verified. "The security of information that you really care about is kept by a community, where the cryptography used to put that information into the ledger is done in such a way that makes it practically impossible to change it in the longer term," explains Dr Mark Kennedy, Associate Professor at Imperial College London.





- JACKY CARTER, HAYS



While blockchain's implications for the finance industry are well-known, there are also a number of potential uses for the technology in all workplaces. Perhaps the most obvious and attainable is to verify individuals' identities, qualifications, credentials and experiences, with potentially significant implications for the recruitment process. "Currently, if a person applies for a job, they have details about their education and their prior job and all the information you would generally see on LinkedIn." adds Kennedy.

"But there's always a question when you look at that; most people are honourable, but some will oversell themselves and say things that are half-true or even completely wrong. If you have a process for testing the authenticity of what people are doing and can lock it into a format that makes it impossible for people to alter or subvert that process, that then takes a whole lot of the cost of recruiting and contracting away." This doesn't just mean the cost of the recruitment processes, says Kennedy, but also the costs of making the wrong hire and having to replace them further down the line.

This could also overturn the concept of referencing, believes Jacky Carter, Group Digital Engagement Director at **Hays**. "Referencing as we know it today will probably disappear because blockchain will replace the need for that kind of verification of employment history and qualifications," she says. "Once someone has done a degree, they will just put their certificate in blockchain and it never needs to be verified again. It's not a case of whether it will disrupt HR, but how quickly it will happen."

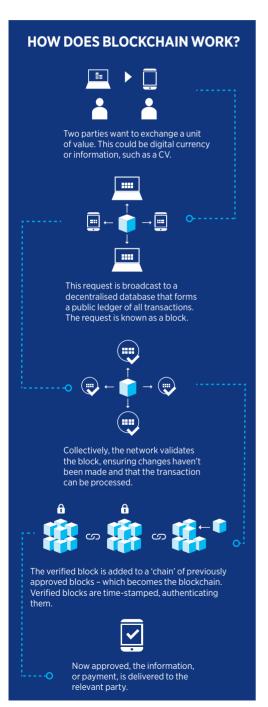
Spence believes this model could have significant ramifications for candidates, as well as employers. "I can see us owning our own background qualifications, such as university degrees, having them verified on blockchain systems that are encrypted and can't be changed, building up our profile of work history and then being able to monetise our profile with recruiters," he says. "These peer-to-peer, decentralised network platforms turn the model on its head."

Already, there have been attempts by companies to develop platforms which can verify work history and qualifications, including Appii and Indorse, while 51 per cent of early adopters of blockchain currently use it to verify digital identities, according to research by CompTIA.

### **UNLOCKING POTENTIAL**

Blockchain also offers the potential for those in HR and recruitment to more accurately identify potential candidates, whether internal or external, for particular roles, believes Raj Mody, Partner in **PwC**'s HR consulting business. "At the moment it's quite complex to match up talent with where it needs to be in an organisation, and even more so to do it in a verified way," he says. "Time might not be a luxury you have because speed of delivery might be the only thing that gives you a competitive advantage. If that's the case, then being able to use blockchain to really understand the power of your workforce could come into its own. You could label it as part of your resourcing, but I feel that doesn't do it justice; it's more about talent."

This is likely to become more important as organisations make more use of the gig economy, and as it becomes more common for individuals to have freelance careers. "Companies could use extremely specific criteria to find the person they want. They could query for verified credentials, experience,



availability and even personality types.," suggests Kyle Kemper, Executive Director of the **Blockchain Association of Canada**. "Candidates that match would then receive a push notification and choose to accept or reject the offering."

Using artificial intelligence tools could simplify this further, he adds, with machines suggesting contractors who are available for assignment, while their credentials are verified using blockchain.

A logical extension of this would then be to use blockchain technology to underpin the contracts themselves, using so-called "smart contracts". "Why would you have bits of paper and manual delivery of contracts, where it requires a human being to decide if that contract has been fulfilled or not?" asks Mody. "You could make contracts programmatic so there are certain actions based on whether certain conditions have been fulfilled, so you might pay your employees' bonuses based on the operation of smart contracts."

This could prove to be the most revolutionary area, believes Gareth Brown, Senior Manager in **Deloitte's** human capital consulting business, who is based in the Netherlands. "The ability to switch on and off a contract with any individual employer, and to be able to define upfront the terms you're working with, might be quite appealing to people but also to employers, because they're not having to bring them into payroll systems and go through protracted procurement processes," he points out.

### **PROCESS REVOLUTION**

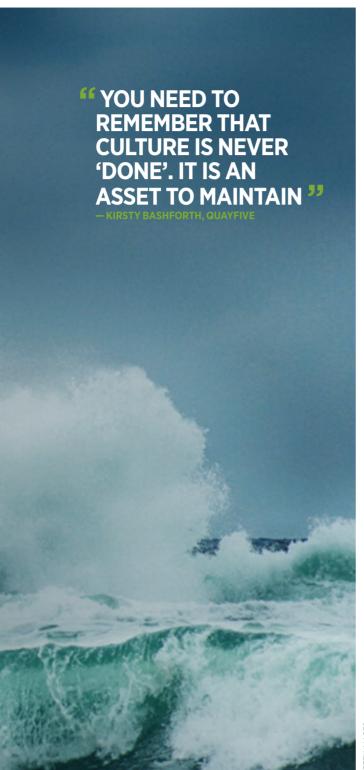
But the potential to disrupt HR extends beyond recruitment. Mody believes it could be used as the basis for recording all employee information, from before they join the business to when they leave. "How we think about blockchain is through a lifecycle approach," he says. "Before you even get a job offer, you have to go through a series of interviews and some form of qualification and validation process, and that in itself may require input from third parties.

"You then get on-boarded and there may be additional tasks you need to complete, whether it's training records or compliance questionnaires, and that information would be collated. You then get on with your job and go through performance assessments, further training, career and job changes, and you have objectives and measures over different periods.

"That whole process and data requires many different parties to interact, and this all carries on until







"If HR tries to own reputation management, the dial can get moved too far towards the internal audience, rather than looking at the impact externally on reputational damage. They can forget the fire storm that might be raging outside in the media."

#### **SCALE OF CHALLENGES**

The **United Airlines** PR disaster on 7 April last year sticks in Anderson's mind as an example of why HR and communications must be aligned when it comes to managing reputation. Kentucky doctor David Dao was dragged off a flight after refusing to give up his seat to employees of a partner airline. A video of his forced removal went viral and the airline's reputation went south very quickly.

"There was a crisis of communication following the incident. Then there was a crisis of morale among the staff, as the company's reputation as a good place to work took a hit," Anderson says.

According to data from reputation insights business **BrandWatch**, days before the incident more than 91 per cent of all sentiment-categorised mentions registered on social media about United Airlines were positive. By 10 April, the day after the story hit the world's media, 69 per cent of mentions were negative and the company's value dropped by around \$1 billion.

Employees and customers alike need to believe that an organisation cares when something has gone wrong and has taken action to ensure a problem does not happen again. They expect to see authenticity. This may mean demonstrating real and sincere regret about what has happened, explaining why it occurred and then offering firm examples of what has been done to remedy the situation.

However, companies can also tackle these setbacks in other ways. Earlier this year, **KFC**'s chicken delievery crisis was a perfect example.

A change in its distribution network resulted in a shortage of chicken for many of its restaurants in the UK. While this was certainly an operational disaster, PR damage was limited. The brand apologised, accepted its customers were unhappy and kept to the facts about why things had gone wrong.

The level of media coverage, coupled with the fact so many people were unhappy, emphasised the power of the KFC brand. It won over virtually all its critics, however, by publishing full-page tongue-in-cheek advertisements, swapping its initials to read FCK.

Ultimately, this response comes down to whether or not customers and employees alike trust the brand during a time of difficulty. If a company can retain trust, then reputational damage can be limited, as KFC demonstrated. When faced with an issue that was likely to be a one-off, the company offered a measured response. Confident that its previous consistent



 service would protect it from a short-term challenge, KFC faced up to it, apologised, and avoided being too defensive. This trust, however, must be built ahead of a crisis occurring.

#### **CULTURAL PROTECTION**

It's worth noting that smaller incidents can also cause reputational problems. Employees can damage a company's image on social media even without realising it. They might share confidential information, breach customer privacy or post comments that could be regarded as bullying.

But while staff may sometimes be the cause of damage, they can also act as a robust suit of armour when their employer's reputation is under threat. If company culture is strong, employees can be the most trusted source of information when it comes to protecting and enhancing an organisation's reputation. They can be great ambassadors in a crisis because they are often perceived as more credible than the leadership.

Employees can help to spread the word via social media and word of mouth that action is being taken to solve a problem. It is important the leadership effectively communicates internally what is happening. This could be through open meetings or electronic media. Of course, staff can be ambassadors at other times too. Claire Jones, Associate Director of Employee Engagement at global PR firm **Weber Shandwick**, says that a strong employer brand that staff can get behind can offer protection.

"Back in 2015, a journalist's exposé of **Amazon** revealed the organisation to have an aggressive, insensitive and bullying working environment.

However, it was an Amazonian's post on **LinkedIn** the following day, published without coercion of any kind, that went viral and helped to redeem the company as a great place to work," she says.

She warns businesses not to simply expect employees to show their support when a crisis happens. "Organisations need to build up trust and loyalty over the long term to help its people become the brand advocates it will need them to be when things do go wrong."

Jones says HR, communications, marketing and operations must work in unity to review the current employee experience to discover how staff view the brand. Managers should have an open-door policy to hear staff worries before, during and after a crisis and they need to feel confident enough to post positive stories on social media.

She says the easiest way to review your employee experience is to ask people what they think. "We work with clients using a mix of qualitative and quantitative research, inviting employees to share their views through traditional surveys, which would provide the themes to explore further in smaller focus groups and online discussion forums," says Jones.

"We would usually complement this data with additional in-depth interviews with a select group of colleagues, including members of the leadership team and other key stakeholders."

Kirsty Bashforth is CEO of culture consultancy **QuayFive.** She agrees with Jones.

"If the leadership style, employer values, diversity, decision-making and ambitions are weak, an organisation will have a poor reputation as a place to work. Today people will post negative opinions

on social media and on review websites such as **Glassdoor**.

"When leaders have a reputation issue, they quickly realise that it's often the culture which is to blame," she says. "Companies must create an ethos where people do not fear speaking out."

Bashforth, who spent 24 years at energy giant **BP**, including a role as Group Head of Organisational Effectiveness, says that strong culture can also protect businesses from the outset.

However, she warns that if an organisation finds that its culture is not right, nothing can improve unless the CEO and wider leadership team is committed to change.

"To protect your reputation you need to remember that culture is never 'done'. It is an asset to maintain, like owning a car. You need to be able to spot any warning signs that could cause a bigger problem."

She cites work by **John Lewis** and **First Direct** as examples of where culture is part of the business model and strategy. It is central to how they run the company every day rather than something they address now and again. "This comes through in customer satisfaction and trust scores," says Bashforth. "One of First Direct's values is Right First Time, so staff are incentivised and rewarded to work that way."

She has some practical advice for other companies. This includes ensuring senior management seek feedback on culture; applying core values at every stage of the employee life cycle, including recruitment; regular performance management; and staff development and celebrating the culture through annual awards.

As with many challenges, immediate and longer-term action is key. A crisis management plan must be in place, as well as a clear social media policy.

When the media is banging on your door demanding answers, and employees and customers are concerned about the future and morale is low, it can be easy to act with haste, yet sometimes a considered response by leaders is the best approach.

The communications team should issue an initial holding statement, but HR must work with the wider organisation to step back and work out exactly what problems need fixing and, if it wants to avoid long-term reputational damage, the best way to demonstrate this to customers and employees alike.

#### CASE STUDY

#### **OPEN COMMUNICATION**

At international market researcher **YouGov**, Global HR Director Natalie Smith says HR's role in managing the business's reputation is more important than ever.

"We realised that public perception of YouGov starts from within," she says. "To get a more consistent approach we partner with the comms team to manage risk by creating a good place to work, so people will not want to put negative comments on social media."

One example is when the company knows it will be in the news. Briefings are held for the whole organisation, with content tailored for each team (sales, client services and research) so they know how to respond in case of customer queries.

Smith adds that HR teams are particularly important when it comes to reducing harm to the employer brand. New channels have been introduced internally to allow people to complain.

This includes a monthly HR drop-in clinic where employees can chat to a team member about anything people related or ongoing HR initiatives.

Smith concludes that whatever the outcome of complaints, it's important that as a business they understand what went wrong.

"If an employee did abuse their position [by making negative comments in public], we would try and support them and find out why they felt the need to do so," she says. "We must remember the human element to what we do."

#### FIGHTING FIRES

lain Anderson, CEO of **Cicero Group**, suggests five actions that organisations should take before and when a crisis hits:

- Have a crisis plan and test it often
- 'Be human' don't respond like a robot or a lawyer
- Get your CEO out there and in front of the actual situation
- Have messages for staff as well as media and roll them out together
- Use media to support your internal communications

# MENTORING REVERSED

INCREASINGLY, ORGANISATIONS ARE TURNING TO YOUNGER MEMBERS OF THE WORKFORCE TO MENTOR THEIR OLDER AND MORE SENIOR COLLEAGUES. IMPLEMENTING THESE SCHEMES HOWEVER, CAN BE A CHALLENGE, PARTICULARLY IN SOME GEOGRAPHIES. HOW CAN BUSINESSES MAKE THIS RELATIONSHIP WORK?

IN THE LAST DECADE or so, the traditional image of the mentor has been radically turned on its head. In the corporate world, many organisations are encouraging reverse mentoring, where senior-level executives are coached by millennials and young recruits. This is part of a growing movement to create a more diverse workforce and a more inclusive employment model. It reflects the hugely varied demographic many employers are facing, with the workforce now spanning three or four generations, from age 18 to 80.

The trend of reverse mentoring is, according to Inga Beale, CEO of **Lloyd's of London**, a response to the VUCA (volatility, uncertainty, complexity and ambiguity) climate we are now living in.

Beale, who meets regularly with a 19-year-old mentor from the insurance firm's apprentice scheme, says it is about creating a workforce that reflects the world around us. "We need to be reminded of what's happening in the world and how the new generation thinks and behaves and wants different things," she says. "I take ideas and inspiration from all the young people I work with. This helps me to think about how we can do things differently and appeal to that generation."

#### **NEW VIEWS**

Learning how to think differently is, says Beale, essential in a fast-changing and increasingly complex

world. "It is more important at a time like this, when many people are losing faith in the world's political and economic systems, to come up with the answers to the challenges people face."

Many people feel as though their societal and economic concerns, such as globalisation, equality and eroding social values, are being ignored, say Beale. "We have to try to remedy this. And the decisions we make on hiring a diverse workforce have the power to shape the society we live in."

Beale believes that reverse mentoring is about learning from the people around you and fostering a more open and inclusive culture. And her views are echoed by numerous other innovative employers.

Diane Herbert, the former HR Director of **Channel 4** and Director of consultancy **Mindshift**, says: "The thing I like about reverse mentoring is that it sends a really clear message that learning and developing is a life-long process and not related to one's age or the amount of years' experience a person has." It signals, Herbert adds, that a company values ideas and perspectives, regardless of where they come from.

Kathy Poole, Interim Group HR Director at **Air Partner**, says it helps put senior executives in touch with the future. "Youngsters often come with fresh perspectives, open minds and, most importantly, an intuitive approach to new technology and ideas. Reverse mentoring schemes help organisations tap into this huge resource to the benefit of all."



Richard Daniel Curtis, CEO of **The Mentoring School**, says it has seen a significant surge in demand for reverse mentoring training in the last few years. "I think many companies are interested because it gives them a unique insight into how the younger generations view their products, processes or the use of technology," he notes. "We expect this to result in increased engagement and satisfaction for young people, and better insight for the company employing them."

Sophie Robson is Founder of the **Millennial Matters** blog, which looks at how financial services and other employers can engage with the next generation. A millennial herself, she believes that they want to feel engaged and fulfilled in their work, but that they also have a great deal to bring to employers.

"We're the last generation to remember the predigital age, but we're also young enough to take digital innovation in our stride, so millennials are uniquely placed to advise on how we blend modern technology and thinking with the old-world hierarchy," she notes.

#### **VALUED BY ALL**

Donna Miller, European HR Director at **Enterprise Rent-A-Car**, says their reverse mentoring programme developed almost by accident from a top-down mentoring initiative that began about six years ago.

"This involved our mostly baby boomer top-level leaders mentoring primarily millennial junior to middle manager females," she explains. "When we started the

programme, we used it as a high-potential programme with a specific objective of identifying junior to midlevel women for next-level promotion opportunities."

Today, all women are eligible to apply for the programme. She explains: "Our senior directors quickly realised the value of spending time with younger team members (generally an hour a month), who were at the operational coalface and brought insights from different life experiences as well as different ways of working, particularly around innovative ways to communicate more effectively using technology." The scheme was so successful that it was extended across the business to all regional general managers and the executive head office team.

So how do millennials view these programmes? Hayley Smith is owner of **Boxed Out PR** and a millennial mentor at the **Central Research Laboratory**, a start-up co-working space. She believes that millennials are changing the landscape for working and that reverse mentoring programmes let them share their knowledge. They are, according to Smith, less risk averse than previous generations. "We have foresight and an entrepreneurial mindset. We see things that older generations will miss, meaning we can create better opportunities."

#### **BALANCING NEEDS**

There are also challenges to these programmes, especially in certain geographies. In some cultures,

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such as China and India, where age is revered, reverse mentoring might pose some sensitive issues around seniority. In such cases, the programmes may have to be tweaked or adjusted accordingly.

Emily Cosgrove, co-founder of the **Conversation Space**, explains: "During our experience rolling out the global mentoring programme at jewellery firm Swarovski, we were mindful and aware of the nuances and impact of cultural contexts."

At their first session in Asia Pacific, for example, they had to focus the mentees on considering how they would engage with their mentor in more of an equal 'adult-to-adult' conversation, rather than a 'parent-child' type relationship. In practical terms, this meant noticing language and paying attention to power differences, Cosgrove says.

She also recommends meeting in and actively creating a safe, neutral space for both participants, where their hierarchical roles are easier to overcome. She adds that it can also be a great equaliser, capable of shifting perspectives.

"The wider the generation gap, the bigger the impact," says Cosgrove. "It's about putting yourself in someone else's shoes. What does it feel like to be, for example, in an ethnic minority and not see anyone else more senior in your organisation like you? Unless you ask the question, you won't ever really know."

Miller agrees, adding: "Generations are fluid. Mentoring and reverse mentoring between age groups is an effective way to increase understanding and thereby collaboration and teamwork." She notes at Enterprise Rent-A-Car, while there may have been some concerns that the more senior-level, longstanding staff may have taken umbrage at being mentored by someone who wasn't yet born when they were applying for a mortgage, some of the oldest employees have benefited most.

"Many of our older employees have been with the business for a long time and started working in a branch many years previously, while our younger, generally millennial, employees are now closest to our customers at the branch," she notes. "Their experiences and insights are invaluable in informing the business strategy, and this is an enormous benefit of having reverse mentoring."



#### A BOOST TO DIVERSITY

**PwC** launched its reverse mentoring programme in 2014 as part of its diversity and inclusion drive. Kalee Talvitie-Brown, Head of People at PwC Consulting, says: "Diversity is something we value at PwC and it is also really valued by the younger generation. We wanted to empower them, to make them feel that their viewpoint was valid and look at different perspectives."

The programme is open to female and BAME staff who are higher apprentices, associates, senior associates or managers. They currently have 122 millennials mentoring 200 partners and directors. The mentors meet with their mentees once a month, while mentors meet quarterly to discuss any issues.

Talvitie-Brown says one of the best things about the reverse mentoring scheme is that it's given the partners a better insight into the different challenges faced by young women and BAME employees in the workplace, such as settling back into work after maternity leave.

"The partners gained insights into the challenges of returning from parental leave and we have since set up Parental Pals, a buddy group in the business, to give better support to parent returners," she notes.

#### STAYING IN TOUCH

PwC also runs a training programme for the mentors every January which looks at the dynamics between different generations, what their role will entail and hierarchical boundaries. It's important that age or seniority does not dictate who leads this type of relationship.

"The relationship between the mentee and the mentor should be led by the mentor, rather than the senior-level executive," says Talvitie-Brown. "We want the mentors to feel as though they can ask challenging questions to the partners and to be clear about their purpose."

Krystal Allen is a millennial mentor and Manager at PwC. She says: "What I have enjoyed most is the ability to share my experience as a woman within the firm to challenge the partners' views and ways of working, in a safe environment.

"We want to help shape our partners to appreciate and recognise differences, and the reverse mentoring programme gives you the space and ability to do just that."

#### **BELGIUM**

# **CANDIDATES IN CONTROL**



BELGIUM IS FACING A SHORTAGE OF CANDIDATES AS ORGANISATIONS SEEK MORE SPECIALISED ROLES. HOW CAN BUSINESSES OVERCOME THESE CHALLENGES?

#### **CANDIDATES ARE WELL AND TRULY** in the

driving seat when it comes to recruitment in Belgium. The number of vacant jobs has never been so high and unemployment is at a historical low of 6.7 per cent.

Robby Vanuxem, Managing Director, **Hays** Belgium, says that in the face of a candidates' market, it has been vital for Hays to adapt the way it finds them: "Times are changing, so it's important that we and the companies we work with go to the candidates, instead of waiting for them to come to us."

Jaron Knockaert, Consultant IT, agrees: "The power has shifted towards candidates. They get bombarded with jobs, there is no need for them to take the time to look themselves. They're actively recruited and all their requirements need to be met for them to move jobs."

Dries Serré is Hays Belgium's Team Manager, Purchasing & Logistics (P&L). He says that his sector has also created a candidate-driven market.

"When I started working at Hays, we first had to find clients and P&L jobs to work on," he explains. "Now it is the opposite. There is more than enough work in the broad logistics sector, but candidates are harder to find. Even when identified, they have a broader spectrum of jobs to choose from."

To add to the complexity, businesses are also

requesting more specific talent demographics. Vanuxem explains: "Companies are eager for high potentials, because they are most flexible in terms of time, desired role and range of skills, have a good educational background, are often multilingual and can be 'formed'."

To accommodate this, Hays has strengthened its relationships with universities, allowing both graduate candidates and recruiters to get to know each other better. Hays has also made efforts to connect with those looking for a career change.

"It's valuable to work with universities, to get to know graduates and let them get to know Hays," Vanuxem says. "Hays Belgium works with VDAB [a Flemish government agency that helps people find work] to contact people who are training to change industries and offer them internships at clients. If those people choose to stay at those companies, Hays gets the contract, the client gets an employee after 'testing' them and the candidate has a new job."

#### SPEED AND CONVENIENCE

Lore Temmerman is a Regional Manager for Hays and focuses on marketing. She says that the use of video interview is increasingly sought after by candidates and clients. While its use was previously not unusual for

#### **BELGIUM**



 interviews with candidates based abroad, she is now seeing it become common for domestic candidates.

"Pressure is increasing to find the right match for a job and time is money, for Hays, for the candidate and for the client. By using video technology, we are able to screen candidates via video chat during lunch breaks or just after working hours. We are more flexible.

"In a fast-moving world, video conferencing will be more embedded in our recruitment processes, although the personal element in our business is still crucial. It's a tool not a goal.

"The same goes for clients of course. They can more easily get a first impression of a candidate and the candidate doesn't have to take a day off to interview.

"However, this also means that we need to help candidates to develop their digital skills. Applying via an online tool is different to a face-to-face interview."

This need for convenience is continuing at the hiring stage says Knockaert. "In order to retain and attract good candidates, organisations need to offer flexible hours," he explains. "A lot of businesses already provide laptops or company cars, but the option of working at home will attract a lot more candidates.

"Companies in Brussels, for example, may have trouble finding good candidates because a lot of people don't want to go there because of things like traffic. If they're offered three days working from home, two days in the office, I think that would attract a lot of people."

#### **LANGUAGE BARRIERS**

Language is also a huge challenge for organisations recruiting in Belgium. With three official languages (Dutch, French and German), companies prefer candidates who speak at least two of these as well as English. And while

# "THE 'LANGUAGE BORDER' ALMOST ACTS AS A REAL BORDER"

- ROBBY VANUXEM, HAYS BELGIUM

the level of English speaking is good, many candidates only master one of the official languages.

"The disappointing knowledge of the official languages prevents people from moving around the country," explains Vanuxem. "The 'language border' almost acts as a real border."

He adds that this is resulting in low mobility across the Belgian workforce, with few seeking opportunities away from their own region, and that businesses may need to make changes if they wish to secure top talent. "Brussels attracts certain profiles because of certain institutions or businesses, but usually only for a short period of time. Unless companies offer flexibility and homeworking, very few candidates will choose another region than their own as a place to work."

#### **NEW ROLES**

Another challenge facing the country is the increasing number of new roles created by changes in technology.

"Many common jobs didn't exist a decade ago," explains Temmerman. "The rise of new digital media and channels created a place for multinationals, but also for SMEs to sell their products via **Instagram**, **Facebook** or other channels. Today we are recruiting SEO specialists, social media copywriters and online channel managers. All roles that would not have existed not so long ago."

This has meant that generalists are rarely sought after. "We've stopped looking for the all-round marketing coordinator or manager," Temmerman continues.

"This is something we particularly see in the bigger cities such as Brussels or in large company structures, but also in SMEs across the country. Even all-round marketers should already have specialist knowledge of SEO, for instance."

Knockaert says it is here that recruiters can add the most value for companies when looking to hire IT professionals: "It's sometimes difficult for people in HR to know enough about IT to get a feel for if a candidate is right or not. Some IT profiles are not the most extroverted. They might be a very good developer or analyst but struggle to show it."

## > OPPORTUNITY KNOCKS

We asked our experts what opportunities were available to organisations recruiting in Belgium in a challenging market. Here are their top tips:



**Robby Vanuxem**Managing Director

We have to open our labour market to foreigners, even for those who don't speak three languages fluently. Training can be provided, but we need investment in people who might be perfect candidates if given the time. Also, we must encourage candidates to practise more patience. Often they leave after three months without getting to know the company.



**Dries Serré**Team Manager,
Purchasing & Logistics

The profiles will be more specialised in the future and we'll see further automation. This will mean new profiles will be more specialised in new functions like logistics analyst and predictive analytics. Businesses can offer more flexible working hours as their ecommerce warehouses and distribution centres work 24 hours a day, seven days a week.



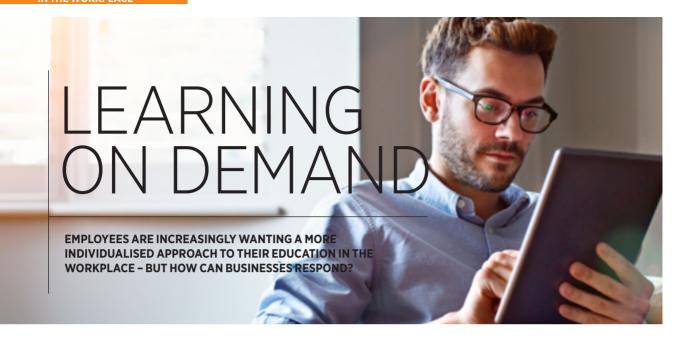
**Jaron Knockaert** Consultant, IT

Changing cultures to offer more flexibility and to be more employee focused is the first step. A lot of companies feel that candidates are privileged to be able to work for them. Candidates, however, have so many options available to them that they don't think that way, they think it's the other way around.



**Lore Temmerman** Regional Manager, Marketing

I expect to see more specialised recruitment, further focus on digital roles, increasing freelance positions and a faster recruitment process thanks to digital tools. We're helping our clients to write clearer job descriptions and to define 'the perfect match'.



#### IN THE MODERN WORKPLACE, traditional

learning models designed around structured programmes are giving way to a more flexible style of knowledge acquisition. These are based on self-directed, social and informal learning platforms that underpin life-long learning in a way that is continuous, consumable, relevant, and available on demand.

"Self-directed employee learning is not only the future, but is very much the here and now," says Michael Pye, Business Analyst at HR, payroll and analytics software firm **MHR**. "Whereas in the past, staff training was pushed from top to bottom, there is a growing desire for it be driven from the bottom up, by employees themselves."

Self-learning empowers staff to create a more personalised training journey – one that they find continually stimulating and motivating, compared with sitting in a classroom environment, which can be disengaging and often boring.

Kevin Lyons, Senior HR Manager at **Pearson**, says: "Longer courses that cover every conceivable area of management training and even longer sabbaticals are becoming less relevant to the modern age; they are not even proven to actually work. Today the focus really is on the bespoke tailoring of an individual's specific learning and development needs and on encouraging them to take more responsibility for it."

#### STAYING ACCESSIBLE

The trend towards self-led learning is driven in part by a new generation of workers – digital natives who have grown up never having known life without the internet. They are comfortable with online learning in a real-time, bite-sized format. One aspect of self-learning growing in popularity is microlearning, examples of

which include podcasts, video clips, apps and short text explanations.

They can be accessed via dedicated microlearning platforms, but equally can be found on social media platforms such as **LinkedIn** and **Twitter**. These bitesized pieces of learning can accommodate different learning styles and media preferences, enabling everyone in the workplace to learn quickly, easily and effectively.

At the same time, however, workplace demographics are changing. Because people are living longer, they are likely to stay in work longer and will almost certainly need to learn new skills. Will self-learning resonate with older employees as easily as it does with younger generations?

"These days everybody uses a smartphone," says Lyons. "Technology is an integral part of modern life and is not extraordinarily complicated to use. However, what employers can do is ensure that if they are providing this real-time, bite-sized content to their employees then guide them around it, and explain it to them well."

#### THE RIGHT ATTITUDE

Aware of the growing pressures on their employees to expand their knowledge and expertise on a near constant basis, organisations are recognising the benefits of a flexible approach that hands much of the responsibility for learning to the employee.

Leasing and business mobility company **Alphabet** employs people with a spectrum of skills and experience, who join the company at various stages of their lives and careers from very different backgrounds.

HR Director Adam Lupton says: "For us it is about finding people with the right attitude and mindset and

empowering them to develop themselves. By taking this approach people can develop their own skills and their careers in the ways that suit their needs and lifestyle. However, for employees who prefer not to go down the self-driven learning route, the company provides conventional opportunities for guidance and development as well as the on-demand options."

Through the company's PACE programme, which stands for Perfecting the Alphabet Customer Experience, managers and employees have access to an online and a physical toolkit of materials, including exercises, presentations, guides and online tools.

"Some people created their own learning programmes for themselves or their teams, while others drew on these resources on a purely on-demand basis," says Lupton.

"People are time-poor these days, so shorter, intensive, bite-sized face-to-face and online sessions equip people with the resources they need to develop further in their own time and at their own pace."

#### **TAKING STOCK**

Organisations are also allocating financial resources to support their employees' self-directed learning and personal development.

Customer generation specialist **MVF** employs 400 people, all of whom are offered a £1,000 training budget per year, an unlimited book allowance and twice-monthly 'lunch and learn' sessions. The company also runs department academies through which new starters can get the skills they need in a way that is best suited to their preferred learning style.

However, as Chief People Officer Andrea Pattico explains, the ability to accurately measure things like usage and outcomes of real-time learning is still in the early stages.

She says: "We are still learning but, ultimately, the results that count are whether the learning is being applied on the job, increasing productivity and hitting the bottom line, and that takes time to realise.

"However, practical applications, such as creating opportunities that allow team members to use their new skills or knowledge, asking the individual to pass the knowledge on to others, as well as frequent evaluation methods, are helpful."

Other companies may measure and benchmark self-learning outcomes through increased customer satisfaction and sales, but there is a longer-term and arguably more valuable measure of real learning.

"Empowering individuals to take control of their training content and supporting them in that endeavour fosters a learning culture built on trust, a foundation for higher levels of employee engagement

and motivation, and overall greater job satisfaction, which are essential for increasing attracting and retaining talent," adds Pye.

Ultimately, for self-directed learning to deliver maximum benefits for individuals and organisations, HR must not only take a lead role in supporting such a strategy, but also make learning and development (L&D) part of its core activities.

"The L&D department may provide the actual content and the training, but HR has a key role to play in bringing it into the business and making it relevant to employees," says Lyons. "You can roll out a development strategy based on real-time microlearning, with high-quality online content and targeted actions and interventions, but you have to put the onus on the employee to think about their own development and where they want it to go. HR can then support them by helping them to explore and select the learning content they will need."

#### THE PERSONAL TOUCH

By taking responsibility for their own learning, people will also think more about their personal brand: what excites them and what motivates them.

The result will be employees who are motivated by their own development – music to the ears of any HR professional.

While growing numbers of well-educated migrants have provided a flow of skilled labour across countries, the latest Hays Global Skills Index reveals that businesses around the world continue to struggle to find skilled professionals in a number of specialist roles and sectors.

With its flexible and tailored approach to skills and knowledge acquisition, real-time learning could potentially offer a solution that closes gaps in technical and sector-specific skills. It could also play a role in enhancing soft skills, such as communication, problem solving and teamwork.

For this reason, many experts expect to see traditional training programmes, lasting several days and covering many topics at the same time, give way to the embedding of bite-sized soft skills training. These will fit in with people's everyday work as an effective way of tackling skills shortages and helping employees to fulfil their true potential at work.

Lyons says: "If you approach people's personal development in a more bespoke and tailored way, you are going to be addressing particular skills and capabilities, and that has to have an impact on skills gaps. You are not simply taking a vanilla, one-size-fits-all approach, you are focusing on developing everyone as an individual."

**68**%

of employees prefer to learn at work

58% prefer to learn at

their own pace

49%

of employees prefer to learn at the point of need\*

\*SOURCE: LINKEDIN'S 2018 WORKPLACE LEARNING REPORT

# FINDING HARMONY

Levi Roots rose to fame on UK investment TV show *Dragon's Den*. His jerk barbecue sauce, Reggae Reggae Sauce, is one of the biggest success stories from the programme. He explains how he balances his business with his passions for food and music

#### Be patient

People just starting their business will have a plan and think they can conquer the world with that, but it is often the scenario that they are not prepared for business itself. The start of a business is when you need to be focused, so it's not always right to go out and enjoy yourself. It takes real, deep concentration in those early days. Later in life, you can often take your foot off the pedal a little bit, but the early days aren't always the right time for enjoyment. I've never worked as hard in my life as I did in those first stages to get the sauce business up and running. It was the hardest thing I've ever done, it was about eight years of real, intense work.

#### Plan for success

Use finding time for your passions as a motivator; it should be in your business plan. When I started working through my long-term plan, if I felt down in the early stages I'd look ahead to where I wanted to end up. I'd think about when I would have the money and more time and a TV show. That was all in my original plan. It's a great way to have a vision that looks further ahead because you can then take your time knowing you'll catch up on those things in the end. Your business plan should include your life plans.

#### Be true to your roots

Building links between the UK and Jamaica is something I'm very proud of. It's always been the way that if you lose your accent, you can no longer call yourself Jamaican. Because I'm about business, people have really gotten behind me. In Jamaica, we have a lot of people who can kick a ball well or run fast, but less representation in the world of business. I'm taken aback by the support I get there and in the UK. It's a responsibility and a massive one. I'm one of the only people out there on TV, working with chefs, who has to think about their community. I'm the only one with that weight on my back because everyone wants to see me do well.

#### When you reach your goal, take the time to enjoy yourself

Slow down. If you can't find time to replenish your soul by taking time out and giving back to yourself, things aren't the way they should be. You've got to feed yourself, and I'm not talking about food. You have to feed yourself with things that make you smile and to feel happy about yourself.



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