



★ 12 WAYS TO FOSTER ★

# AMAZING EMPLOYEE ENGAGEMENT

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**WE ALL KNOW** what an engaged workforce looks and feels like. It's in the air. You pick up its distinctive hum from the moment you enter the office, factory or workspace. It's in the way you're greeted on the telephone, or receive a delivery, or have a query answered. There's a crackle of commitment and enjoyment. Pride in the organisation is evident.

Dig further and actually talk to people, and you'll find that an engaged workforce is not just loyal but also full of great advocates: everyone knows their organisation's mission, what it's trying to do and how well it's doing. You hear inspiring stories about employees going the extra mile for colleagues and customers. You hear about improvements across a slew of key performance indicators. And you leave feeling that you could work there.

It's not just the sense of job satisfaction, or the organisational commitment, or the sense of empowerment – it's a heady combination of all three.

But this is not alchemy. And it's not a state that can only be achieved by other organisations.

Employee engagement can be measured; it can be correlated with performance; and it varies from poor to great. You can't force people to engage. But you can create an environment that makes people want to engage.

## 1 Do your homework

If you think your employees aren't truly engaged, you're not alone. A recent survey of more than 12,000 individuals, commissioned by Steelcase and conducted by Ipsos, found that over a third of workers in 17 of the world's most important economies were disengaged. Another third were somewhere in the middle, "not working against their companies but not driving better business results either". In other words, a truly engaged workforce will be a source of real advantage.

The business case for employee engagement was set out in the *Macleod Report*, published in 2009. It remains a bedrock document. Picked up by David Cameron early in his premiership, it led to the formation of a task force to raise awareness and shine a light on good practice, and to the 'Engage for Success' website, which contains a wealth of resources related to engagement.

## 2 Employee engagement starts – and finishes – with culture

A healthy corporate culture is the breeding ground for high engagement. Take London-based digital-marketing firm MVF, founded in 2009 by five men in a basement. Today, it employs more than 300 people and has opened an office in Austin, Texas. This high-growth business uses proprietary technology, analytics and in-house digital-marketing smarts to generate leads and source new customers for top consumer and business brands.

From the get-go, the founders obsessed about culture and values. "In a startup, the culture is inherent in the way the founding group talk to each other, how they interact, and how they deal with their customers. It's an innate set of values – it's how the founders are," says CEO and co-founder Titus Sharpe (pictured below, front and centre). "As you grow, you have got to work out those values. When you are not all sitting in one room together, you have to codify them as a set.



“We looked at several people in MVF and what they did differently to make them successful,” he continues. “We then distilled those findings to come up with our seven values. It’s absolutely central that everyone is clear about these core values – how they can embody them, and how these values contribute to our overall vision. We now hold to them for our hiring and promotion decisions. We award ‘employee of the month’ by values not deliverables. I talk about our values at every single town-hall meeting.”

### 3 Make the work matter

Organisations that operate at the pinnacle of their profession will have highly engaged staff. Being the best at something – whether making high-performance engines or teaching receptive students – can’t fail to be exciting.

But what matters most is whether there’s a purpose – there has to be a cause. “If you want people to be engaged, be worth engaging with,” says Nigel Girling, a key member of the Engage for Success movement.

The work doesn’t need to be visionary. It can be mending drains. HomeServe, which provides home-assistance and repair services, faced an existential crisis in the wake of a mis-selling scandal that emerged in 2011. It was a crisis that the company did not let go to waste.



Awaydays and fitness clubs are key ingredients for high engagement among MVF’s tight-knit, young workforce



From that low point, when many staff simply couldn’t say what HomeServe did, a real sense of mission has been enshrined. Today, 95% of HomeServe employees say that what they do matters to people’s lives. “We had to create an environment where people knew what to do and why they were doing it,” recalls chief marketing officer Greg Reed. “We involved our people in creating our customer and people values, meaning they have ownership of what we are trying to achieve.”

### 4 Be visible in your leadership

“You don’t need to have a charismatic leader,” says Girling. “You just need someone who can articulate what the organisation is trying to achieve.”

And stay close. Don’t build barriers, physical or otherwise. HomeServe Membership CEO Martin Bennett was identified as one of the highest-rated CEOs in the UK, after receiving a 95% approval rating on careers website Glassdoor, based on anonymous and voluntary reviews posted by current and former employees. He sits in the company contact centre and goes on customer calls with HomeServe engineers every month.

### 5 Talk – a lot

Open, honest communication is the fuel of highly engaged companies. “You can never communicate too much,” says Reed. Highly engaged companies communicate all they can, whenever they can, through whatever channels they have. And they create new channels: last year HomeServe launched an internal TV show, *Big Red Sofa*, which is broadcast live every two weeks. HomeServe takes the time to give regular updates on the business strategy and the company’s values.

“Engaged staff tend to work in organisations that support two-way communication,” says the Steelcase survey. “Real-time information about the company is available and people are able to freely express their ideas.”

### 6 Be part of an honest conversation

Websites such as Glassdoor cannot be ignored. But it’s easy to get hung up on negative reviews. Company founders, in particular, can take comments very personally. They shouldn’t.

“An engaged company will listen and understand,” says Joe Wiggins, Glassdoor’s head of communications. “We are seeing reputation levels rise dramatically among those companies that are active users.”

At HomeServe, Greg Reed says that the company encourages its staff to use Glassdoor. He goes so far as to include recent Glassdoor reviews in his weekly communications. “When issues appear in Glassdoor comments, we can act on them,” he says. “For



it to work, you have to ask your people to go on it. People do Google your company before they decide whether to apply for a job. The site is now our digital recruitment front door.”

## 7 Tell good stories

Stories create emotional connections. “A story should be the living embodiment of the purpose and promise underpinning the company, one that grows over time but fundamentally never strays too far from the founding principles,” says Michael Hayman, co-founder of the Seven Hills PR agency and co-author of *Mission: How the Best in Business Break Through*. “It is the manifestation and articulation of the purpose that binds employees and consumers alike to a successful brand. Without narrative, customer loyalty, financial drive and employee motivation are all at risk.”

The classic storyteller is Richard Branson. He is the story of Virgin. He embodies the culture and approach of the company. Of course, few can match him for colour, flamboyance or longevity, but every organisation needs narratives like those offered by Branson, and they must be told and retold.

For the avoidance of doubt, ‘increasing shareholder returns’ is not a story.

## 8 Know and trust your staff

Engagement and empowerment are inextricably bound. “You must have leaders who trust their people and let them know that they are trusted,” says Girling. “Leaders must enable, rather than prevent.”

At HomeServe’s nadir in 2011, only 22% of staff trusted the senior managers, recalls Reed. Today, that figure stands at over 90%. As trust has increased, so too has the quality of work. HomeServe conducts 75,000 repairs per month; in 2010, it received 86 Trading Standards complaints per month, but now it is four or fewer. And this is not the result of a complete change in personnel – 80% of today’s HomeServe workforce were there in the dark days. The philosophy is simple: HomeServe believes that, if its people are happy, they will take care of their customers and the rest will take care



of itself. Today, the business is back in growth, with 2.2 million customers, and it is the ‘most improved company in the UK for customer satisfaction in the services sector’, according to the Institute of Customer Service. HomeServe’s latest staff survey also shows a 28% uplift in engagement, to 84%, up from 56% during the crisis.

There’s another aspect to knowing your staff. MVF’s Titus Sharpe has a background in artificial intelligence. He’s fascinated by the application of data to recruitment. “We’re an incredibly data-driven company. To scale, we need to build data around every single process in HR to give us great people analytics. We’ll be using technology to tell us which people are more likely to be successful hires, and who will be the next to resign.” So the algorithms of engagement are in place, if you want to use them.

## 9 Wage constant war against silos

“As our business scales, we have to come up with more ideas to break down silos or prevent them developing,” says Sharpe. This has become even more important since the company moved its office to a Victorian piano factory with several floors, thick walls and mighty iron doors. It’s a beautiful conversion but it would be easy for



← HomeServe's Greg Reed (bottom) says open, frank communication helps to keep staff engaged, from engineers to those in the call centre. It's this philosophy that underpins the *Big Red Sofa* broadcasts

people in one department never to see those in another.

So Sharpe and his team are relentless in finding ways to keep internal engagement levels high. "If someone wants to do anything – a tournament, a club, an event – that involves a group of people from across the business, we'll fund it," he says.

**10 Use technology imaginatively**  
"The vast majority" of participants in Steelcase's survey said their companies provided "twice as much fixed technology versus mobile options for work". In other words, staff are tethered. Some jobs require people to be at their desk most of the time, but, given the changes in how people work, it's worth considering whether your workplace and technology strategies are aligned.

For the new generation of digitally native companies, the enterprise social network Slack is the platform of choice to enable employees to chat about work, share projects and store conversations. It provides a glue that holds employees together. "As a technology solution, it has been phenomenal," says Sharpe. "We've used it for 18 months now and it has been game-changing for us. It's a brilliant way to share knowledge in real time."

**11 Don't let the system rule**  
"Discretionary effort does not happen unless people have freedom to think and act," observes Girling. Too often, that freedom is sacrificed on the altar of process and consistency. An engaged business creates the culture and the systems that enable individual employees to respond flexibly and imaginatively, rather than simply going by the rules.

Every day, HomeServe engineers and call-centre representatives find themselves dealing with the highly personal circumstances of their customers.



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"There was a young engineer who came to fix the drains of a house occupied by a 95-year-old man," recalls Reed. "During his visit, the engineer learned that the hot water had not been functioning for years. The kitchen kettle had been his only source of hot water. What should our engineer do? Simply do the work as set out by our terms and conditions and then leave?"

HomeServe's answer is Customer First, a forum held every morning via videoconference. Anybody can participate. Funds are available to help solve the customer issues brought to the forum. In this case, HomeServe bought the necessary equipment for the pensioner and the young engineer installed it voluntarily on a weekend. "Customer First is now part of the fabric of our business and it allows our people to really own the customer experience," says Reed. "It means that our people can take other courses of action when 'computer says no'. This is now such an integral part of HomeServe that it has become 'just what we do' here."

**12 Do have fun**  
When Jess Laporte and her MVF colleagues first saw fitness trainer Rory James working out in a nearby park, they thought it would be good to get him involved as a personal trainer for the company. She put together her case, which was assessed on how it would build engagement and benefit the business. James was soon running two classes per week. The target was to "get fit for Ibiza" – the whole company was due to travel there as a result of hitting key annual targets. MVF is packed full of twenty- and thirty-somethings, working principally from a single site. As perks, having a range of sports clubs and providing free breakfasts fits the culture. HomeServe, however, prefers to bring its people together for music festivals and Halloween celebrations.

### And just one more thing...

Engagement is measurable, but measurement is not enough. Too many firms, says Girling, simply look for upticks in their engagement scores. "You can get better at asking questions but that doesn't lead to an improvement in engagement," he says. Worse, he adds, the engagement score becomes a simple metric. "Greater engagement creates significant and sustainable improvement in performance. It can't be reduced to sickness and absence."

There is no single model for amazing employee engagement. You must build your own. But you have to start with a real belief that it is your staff who are central to your business' success. If workers are viewed chiefly as a cost on the balance sheet, all the perks, benefits and newsletters in the world will not genuinely engage them. □