



# Unlocking britain's potential

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2012 Report findings

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An initiative from:

**Adecco** Group  
UK & Ireland

Partners:

**Deloitte.** 



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## Unlocking Britain's Potential - the time has come to act



**Peter Searle**  
CEO UK & Ireland  
Adecco Group

Twelve months ago we embarked upon an ambitious project to identify what actions UK business might take to unlock the potential of its workforce.

Driven by ongoing economic uncertainty, inspired by the promise of a diverse and inclusive Olympic and Paralympic Games, and spurred on by the unrelenting rise of economic superpowers such as China and Russia, we felt it was imperative to develop a blueprint for future business success and competitiveness.

As we developed our thinking and spoke to more and more business leaders, organisations and other stakeholders, it became increasingly obvious that we had chosen to tackle a highly complex, yet urgent, set of issues.

We have been particularly struck by the strength of feeling from some employers who are obliged to provide wake up texts for their young recruits in order to get them into work on time; complain that levels of literacy and numeracy are way below par; and bemoan the lack of basic workplace skills, such as teamwork, communication and personal presentation.

While it would be an overstatement to say that the British labour market is 'broken', we have an undeniable number of substantial, interrelated issues that will severely hamper our ability to compete in the global markets of the future, and will create an ongoing burden on the nation's already strapped reserves.

### Education is failing employers and employees

Education is failing to equip the future workforce effectively. Many believe that the role of education should be to focus more on 'employability' skills in young people, and less on qualifications. As a nation, we place insufficient value on the basic tools of employability, such as behaviour, attitude and communication; not just in the classroom and the workplace, but in the home too.

Equally, many have challenged the perception that university should be an automatic choice for many young people when vocational training would be more appropriate. While the lack of take up of STEM subjects means employers are concerned that they will not have access to a sufficiently skilled workforce in the future.

### We are failing our youth and creating a 'lost workforce'

A significant number of people have told us that we are on the road to creating a 'lost workforce' excluded, possibly permanently, from employment. While this has been exacerbated by the current economic conditions and high levels of youth unemployment, the feeling is that we have done very little as a nation to tackle the issue. We lack a co-ordinated, concerted effort to identify potential 'lost workers' at an early stage, and to turn them around.

Access to labour aside, the existence of a 'lost workforce' is likely to place a substantial burden on the nation's resources through escalating benefits claims.

An initiative from:

## A call to government...

### Too few employers manage to create an ongoing, engaging environment

Employers are investing in educating and training their workforce, often to make up for the shortcomings in formal education. Many have admirable approaches to diversity, inclusion and engaging with traditionally difficult to reach sections of society, such as ex-offenders; but many also lack a strategic approach to the sort of ongoing employee engagement strategy that recognises the needs of a diverse workforce.

### Forget 'big society' – 'small societies' are the norm

Remedial action around education, well meaning as it is, is delivered by a vast array of bodies. There appears to be little or no real regional or national accountability or responsibility, nor any attempt to co-ordinate effort. Far from being a 'big society' approach, what we have seen is a series of 'small societies' struggling to make an impact through well-meaning yet uncoordinated activity.

### The time has come to act

Let's not pretend that the issues we have identified are straightforward, or the solutions immediately apparent. Yet they are certainly real and pressing.

We call upon the coalition government to take immediate action to focus on finding long-term solutions. The debate needs to focus on the following key areas, but the list is not exhaustive:

- 1 **Collaboration** – there needs to be structured collaboration between employers, education, government and other stakeholders to define precisely what we need our education sector to deliver and how we will measure success. In particular, education – from primary through secondary and tertiary – needs to focus more on the quality of learning and employability and less on the attainment of qualifications. We would welcome valued added measurements of the effectiveness of educational establishments in alumni employment.
- 2 Employers need to be more **engaged in education**, helping schools, colleges and universities to deliver against an 'employability' agenda. Employer engagement should not be restricted to major employers – there is an equally important role for SMEs, particularly those that reflect the diversity of the local economy.
- 3 Wider **support and training** needs to be given to teachers in understanding the needs of employers and the norms of the workplace. Regular secondments into business would be a logical step forward, as well as regular employer engagement in the classroom.
- 4 **Work experience** in schools needs to be formalised and combined with careers advice to create an 'employment experience' programme. Tailored to individual needs and aptitude, and with the full collaboration of employers, employment experience needs to be less dependent on parental networks than the current approach and should engender a better understanding of what it means to be a successful employee. Consideration should also be given to how we engage parents in this programme.
- 5 We need to design a programme to identify and address issues around potential **'lost workers'** at an early stage. This may well involve greater engagement with parents; it will certainly involve engagement with employers.
- 6 Employers need clear approaches to **engagement**. These approaches need to reflect the diverse nature of the workforce and cannot operate on a 'one size fits all' approach.

Partners:



## Foreword: Julie Mercer - Partner, Deloitte



Julie Mercer  
Partner & Head of Education Consulting  
Deloitte



**The UK education system still doesn't have enough young people leaving academia with the skills, attitudes and behaviours that employers demand**

Deloitte is delighted to be supporting research into the role of education in supporting UK economic growth.

Whether you are an employer or an employee, a parent or a student, the role of education in creating opportunity for individuals, and ensuring economic growth for companies and countries, is undisputed. The research in this report highlights that despite the record of reform and investment by successive governments, the UK education system still doesn't have enough young people leaving academia with the skills, attitudes and behaviours that employers demand. A sharp divide between the agendas in schools and universities and the expectations of employers is widening; the result is a disproportionate number of young people finding themselves unemployed and unable to find work.

As a major UK employer, and one of the largest professional services firms in the world, we've seen from our own experience – and that of our clients in every corner of the economy – the continued disconnect between education and employment. We also recognise that this is nothing new, and that consecutive UK governments, business leaders and education professionals have worked hard to close the gap; but without absolute success.

A new relationship and new ways of working between government, educators and business is now needed. We have a great history in the UK of thriving on innovation and creating economic value. We need to draw on this heritage if we are to confront the growing challenge of youth unemployment and the

need to renew our workforce to compete in a fast moving and competitive global economy.

This report represents a starting point in addressing some of the key challenges that face us now, and underlines the need to bring employers and educators together for a common cause. Unlocking Britain's potential through the medium of education requires young people to be introduced to the world of work much earlier, and offered the sort of experiences that will set expectations and develop the attitudes and behaviours needed to succeed in the modern workplace. We need to rethink the role of careers advice and how we can structure work experience to make it more compelling; in all, how we deliver a longer term, relationship driven route to employability and employment.

Employers such as Deloitte recognise that education doesn't stop at our front door. We need to reach out into our local communities, engage schools, colleges and universities, and continue to develop our people throughout their time with us. Each year we train over 1000 graduates and 100 school leavers on our graduate programmes and Bright Start initiative. We work with colleges across the UK to deliver the Deloitte Employability Programme and have helped over 25,000 young people gain the skills they need to secure and stay in employment. Current government policy is looking to engage businesses more directly with education through free schools and UTCs, apprenticeships and applied research in STEM subjects. This approach could act as a catalyst for the development of a fundamentally new relationship between institutions and employers. This research highlights just how important it is to work together to unlock Britain's potential.

An initiative from:



## Foreword: Phil Smith - CEO, Cisco UK & Ireland



Phil Smith  
CEO  
Cisco UK & Ireland

# 49%

of those surveyed believed that the Olympic Games could help the UK overall\*

# 51%

thought that the Games could help boost patriotism and morale in Britain\*

# 40%

were already in agreement that London 2012 will play an important role in building a better Britain in the long term\*

There is little doubt in my mind that the London 2012 Olympic and Paralympic Games this summer provide the greatest opportunity for British business in a generation, if not longer.

The 'Greatest Show on Earth' is coming to London and for several weeks the eyes of the world will turn to the UK. The opportunity to make the most of this in the short term and benefit from the influx of visitors and activities is clear, but longer term gains and the opportunity to implement a lasting legacy is the bigger prize at stake. This extends beyond just a commercial perspective as we have a unique chance to boost morale, new skills, innovation and economic growth. Making the 2012 Games a long term success is a challenge that spans all communities and demographics. Government and business leaders of course have a role to play, but it is a collaborative effort and it is essential that the public and the British workforce believe in what can be achieved and are prepared, inspired and well equipped to succeed in their own personal roles.

Cisco's research\* conducted amongst the UK workforce last year shows that attitudes are mixed towards the impact which the 2012 Games will have on business and society. Now that the Olympic year is upon us, it is timely that Adecco Group has chosen to create this report and undertake the Unlocking Britain's Potential (UBP) initiative. The round-table discussions and research elements of UBP present some fascinating insights into the current UK workforce. Adecco Group's research is well placed

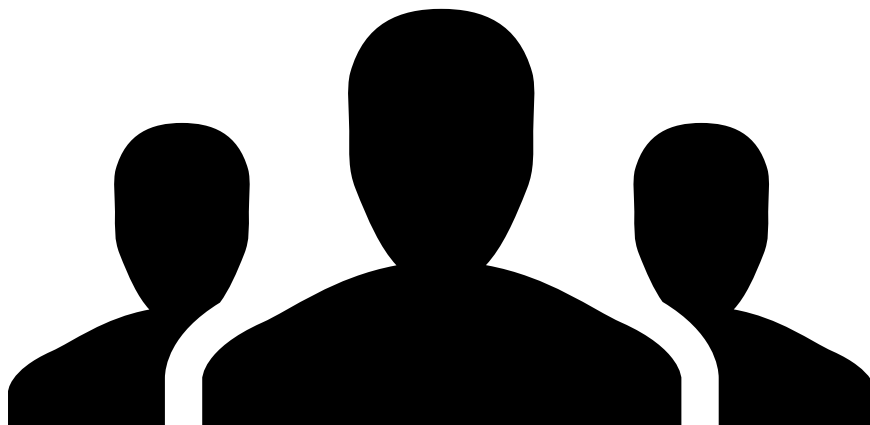
to explore and explain the underlying issue of 'employability' and how today's employees, and indeed the next generation of employees, can be best equipped with the tools and knowledge needed for their jobs. Training and skills development is certainly crucial and technology will increasingly play a part in delivering this. Technology will also be essential to providing workers with the modern 'connected' working environment which the consumerisation of IT is demanding.

Finally, the UBP project goes a long way to understanding the hurdles employees, employers, senior business figures and the government need to overcome to ensure our workforce is well-placed to deliver their best for the good of the UK economy. It is clear in the research that Adecco Group has uncovered that everyone has a role to play in unlocking Britain's potential and the findings highlight that diversity and inclusion, educating for employment, technology in the workplace and employee engagement across the organisation are key elements of promoting a collaborative approach to nurturing new talent.

Cisco fully supports Adecco Group's work and as fellow partner in the London 2012 Olympic and Paralympic Games, we look forward to addressing these challenges and delivering on our own promise of building a brilliant future for the UK - both in this Olympic year and beyond.

Partners:

Key highlights of our research include:



67%

of employers think there needs to be a collaborative effort between government, employers, parents, individuals and the education system to ensure that those entering the workforce have the skills required by potential employers.

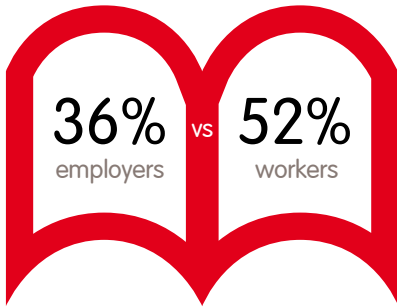


ACCESS TO TALENT/ACCESS TO EMPLOYMENT

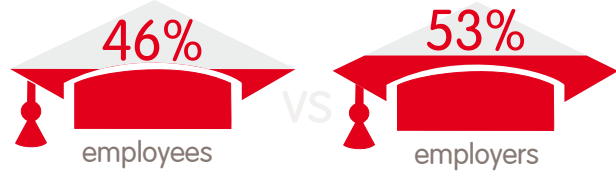


of employers think that companies with a diverse workforce are best placed to succeed

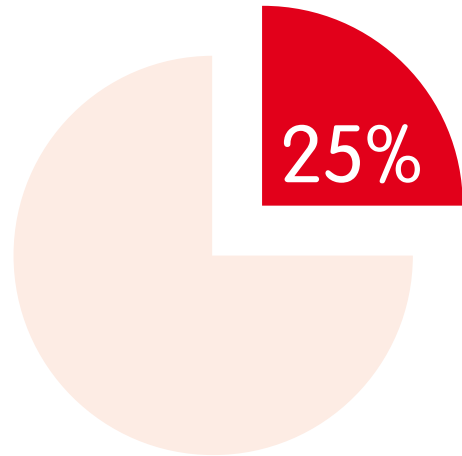
SKILLS, ATTITUDES AND BEHAVIOURS OF EMPLOYEES AND EMPLOYERS



Employers think the education system is failing to meet the needs of employers today

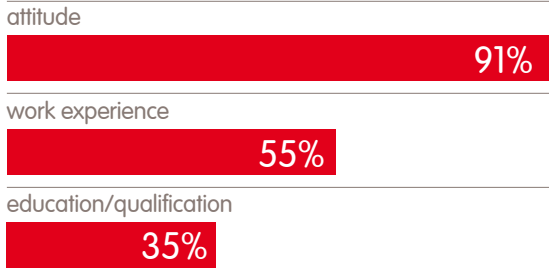


% of respondents who say university does not equip graduates with the right skills for the workplace



% of employers who say basic numeracy and literacy is lacking

On what do employers rate future potential?



ENGAGEMENT AND PRODUCTIVITY



of employers see engaging/motivating staff as a key business challenge in 2011



of workers think 'support' (the quality of line management) is a key element in bringing out the best in people

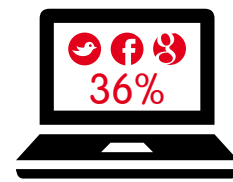


of organisations don't focus on engaging their non-directly employed or temporary workforce

Access to social media at work is impacting on productivity



employers



workers



# Unlocking britain's potential

## Research findings Educating for employment



### 53%

of employers say that university graduates have unrealistic expectations of working life

### 1 in 3

employers (36%) think the education system is failing to meet the needs of employers today

### 91%

of employers rate attitude and personality as more important than education and qualifications

- 1 in 3 employers (36%) think the education system is failing to meet the needs of employers today
- Over half (53%) of employers say that university graduates have unrealistic expectations of working life – although just 18% think school leavers are generally better employees than graduates
- Over half (52%) of workers think the education system has failed to equip young people with the right skills for work – 46% of graduate workers think that university does not equip them with the right skills to do their job
- In assessing future potential, employers rate attitude/ personality (91%) as more important than education/ qualifications (35%) and work experience (55%)
- Over 1 in 7 workers has never been given any training at work
- The skills that employers feel are most lacking in newcomers are interpersonal skills (41%) and IT skills (41%) – 25% also report a lack of basic skills
- Over two-fifths of employers (43%) claim to already have an “apprenticeship” programme in place, and these are considered to provide a cost effective resource by 51% of employers, to fill a skills gap (50%), and to better align employees to the organisational culture (46%).

An initiative from:

## Research findings

### Breaking down the diversity barriers



# 69%

of employers think that companies with diverse workforces are best placed to succeed

# 1 in 4

employers think most diversity programmes are aimed at gaining good publicity

# 29%

of employers say there is a certain "type" of person they tend to recruit

- Over four-fifths (86%) of employers say that diversity and inclusion are important to their organisation, and 69% think that companies with diverse workforces are best placed to succeed
- Almost half of employees say they are more attracted to a company with a diverse workforce
- The key benefits to employers of having a diverse and inclusive workforce are seen to be improved company culture (70%) and improved relationships with customers (54%)
- 1 in 4 (27%) employers think most diversity programmes are aimed at gaining good publicity rather than truly changing company culture – almost half (47%) of workers hold this view
- Over a quarter (29%) of employers say there is a certain "type" of person they tend to recruit
- Over half (55%) of employers see no barriers to achieving a diverse workforce. The key barriers reported are industry sectors not appealing to certain sections of society (18%), and difficulties accessing certain sectors of society (17%)
- The actions taken to build a sense of inclusion are not widely recognised by workers themselves.

Partners:

## Research findings

### Technology in the workplace



# 62%

of employers think that the use of email is seriously impacting interpersonal communication

# 1 in 5

employers think they need to allow more flexibility with their social media and instant messaging policies

# 55%

of employers say the use of text speech in business communications presents a problem

- Employers see technology as having a positive impact on a range of areas within their organisations; most notably on communication/collaboration (82%), productivity/efficiency (76%), and innovation (73%). Public sector and the IT and telecoms sectors report more benefits than other sectors
- Workers are less able to comment on the positive impact, although communication (48%) and productivity (45%) did come out on top
- Close to two-thirds (62%) of employers think that the use of email is seriously impacting interpersonal communication. Only 49% of workers agree
- More than half (55%) of employers say the use of text speech in business communications presents a problem; yet only 49% of workers agree
- Well over half (59%) of employers see access to social media and instant messaging at work as impacting on productivity, although just 36% of workers think that is the case
- 1 in 5 (20%) employers think they need to allow more flexibility with their social media and instant messaging policies (36% of workers agree)
- Although 53% of employers think that 25 year olds and 40 year olds are equally adept at understanding how to use technology in innovative ways, 45% think 25 year olds are better, compared to just 2% who think that 40 year olds are.

## Research findings

### The importance of employee engagement



The key elements that employees think bring out the best in people are:

#### Belonging

Employees understanding and feeling part of the company's values and objectives (75%)

#### Support

Quality of line management/support (69%)

#### Voice

Ensuring employees feel heard (66%)

#### Trust

Nurturing trust between management and employees (58%)

- 1 in 4 employers see engaging/motivating staff (27%) as a key business challenge in 2011
- Just 10% of employers rate themselves as "excellent" at bringing out the best in their people
- Only 1 in 6 employees describes the majority of their peers at work as being "very engaged"
- Only 59% of companies claim to have an employee engagement strategy (44% in companies of less than 250 employees)
- Employers rate 'nurturing trust' between management and employees most highly (65%)
- Just 42% focus on engaging their non-directly employed or temporary workers
- Basic levels of pay (17%) are less important to employees than fairness of pay compared to peers (36%), senior management (13%), or other organisations (21%)
- Employers think that the worker who is paid less but has unstinting support/recognition from their manager (82%) is more engaged than the one paid more but with little support (18%)
- Over half (52%) of companies are concerned that some of their employees are too engaged.

Partners:



# Educating for employment

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## Summarising the challenges

- The education sector has different goals from employers
- There is insufficient linkage between educators and employers
- Young people don't emerge from education 'work ready'
- Education is the key to social mobility - but that door remains locked to too many
- We're still not focusing on the areas where there are skills shortages e.g. STEM subjects
- We are not nurturing the attitudes and behaviours that make people employable
- Too often training and development is given at the discretion of employers rather than as a right of employees.



# Unlocking britain's potential



Less importance has been placed on respect for perceived authority and self motivation

Lack of buy-in among both educators and pupils to the importance and benefit of STEM subjects

Our graduates are less prepared for working life than past generations

Our research suggests that education has lost touch with the demands of the workplace. On the one hand, we have a school system that teaches pupils to pass exams, creativity is hindered by bureaucracy, and the focus on league table placing has further weakened any existing links between educators and employers. On the other hand, the changing attitude of young people in this country has led to less importance being placed on respect for authority and self motivation, than by previous generations. The melding of such disparate changes has turned out a generation that is simply not ready for the world of work.

Education is the key to social mobility: with the right skills, attitude and behaviours nurtured at school – as well as the qualifications gained – the doors to employment can be opened. However, the narrow focus on exam success and the lack of buy-in from both educators and pupils around the importance and benefit of STEM subjects, is leading to too few young people heading for the workplace with an education package that will make a positive difference in the creative and technology industries; industries that will play an ever-increasing part in the UK's success in years to come.

Equally, it would seem, many of these young people are not ready for the rigours of university. The previous government's focus on getting 50% of school leavers at 18 into higher education appears to have weakened rather than strengthened the university cohort and very often, the first year of a student's university experience is spent learning how to study rather than moving that study forward. The focus of university teaching remains steadfastly on the narrow academic subject

and far too few employers involve themselves in changing this dynamic, until the last year of study when they sweep down from on high to Hoover up the best and brightest talent from a very select group of universities. Given that the demands of employers for punctual, well-presented, and eager to work graduates remains unchanged, we suggest the result is that our graduates are less prepared for working life than past generations, with unrealistic demands driven by an unwarranted sense of expectation. With unprecedented youth unemployment, it's time for a reality check at all levels.

This reality check must include the career-long learning that a development culture at work aims to foster. One in seven employees has never received any training, while employers report that around a quarter of employees require support in basic skills. Somewhere, the aspiration for a learning workforce, continually improving, has been lost.

The CIPD's Ben Willmott highlighted the issues reflected in many of the responses we received: "One issue that comes from our members time and again is that employers aren't happy with the quality of numeracy and literacy coming out of our schools and are even less happy with the lack of basic employability skills. That encompasses such things as effective communication skills in a business context, reliability, presentation, attendance and team working. We really need to build these back into the system – and perhaps the current debate around vocational skills will begin to address these issues."

An initiative from:



“ There are some soft skills that are pretty fundamental to the hard-core success of British industries, yet we're not building them in at school. ”

Dr. Neslyn Watson-Druée, MD,  
Beacon Organisational Development



The challenge is the lack of real-world experience across the education sector

The onus has to be on employers to get involved earlier

We have to foster the right attitude and behaviours that will help them to achieve their full potential

“We have to look at the root causes that are affecting employability, and one of the challenges we face is overcoming a school and university system focused on results set against a global economy that values imagination, creativity and the ability to think outside the box,” added eSkills' Colette Lux. “We see success where employers get involved with students right through their programme, presenting case studies or problems to work through with students on away days. They keep in touch over the internet, giving advice on CVs and so forth. It broadens the students' thinking – and makes the employers more aware of what students are really like.”

#### Collaboration is key

“To be fair, the UK's education system is broadly in line with what we need as employers,” commented Ian Foddering, Chief Technology Officer at Cisco UK & Ireland. “The challenge is the lack of real-world experience across the education sector which leads to institutionalised stereotyping of certain roles and sectors of industry. All engineers wear blue overalls and get their hands dirty, while all IT professionals sit in darkened rooms writing code all day, for instance. And, of course, both sectors are only open to men. Clearly, if you're looking to bring people into certain sectors, you need to break down the misperceptions. That means not only improving careers advice for pupils and students, but working with teachers and even parents to give a much more rounded and comprehensive view of the realities of careers that STEM subjects lead to.

“The onus has to be on employers to get involved at an earlier stage – and to a greater degree – with all three target groups; and to provide opportunities to open young people's

eyes to what it means to be employable. With the introduction of tuition fees, I expect to see more people going for science, engineering and technology jobs – because they see those as the areas where jobs will be. Humanities and social sciences may not look quite as attractive. But I also get a sense among many of the young people that I speak to, that they have a genuine interest in how things work. With the consumerisation of technology this is becoming more prevalent, and I expect it to lead to more of a take-up of technology-based work.

“What we need is a few more heroes – more Mark Zuckerbergs: preferably British, and it would be nice if they weren't all men!”

#### Fostering the right skills

For Julie Mercer at Deloitte, overcoming the employability challenge has to start at school level – probably earlier than engagement currently takes place. “Employers, schools, government and charities should be working together to create open channels for businesses to better engage with schools, to open up the world of work to young people. Young people are no less clever than they have ever been, but somehow we have to foster the right attitude and behaviours that will help them to achieve their full potential. It isn't fair to leave that solely to schools – employers have to take on some responsibility because if we don't take a different approach, nothing will ever change.” Dr. Neslyn Watson-Druée, MD of Beacon Organisational Development added: “Do we focus sufficiently on building the emotional intelligence with students? There's a tremendous amount of work done in primary education around self-awareness and building of confidence.

Partners:



# Unlocking britain's potential



Employers told us that they recruit on the basis of attitude and personality – it's what differentiates candidates who generally will have very similar qualifications

There's a strong onus too on those entering the world of work to maximise their attractiveness as potential employees

It's particularly hard to engage with school students around science and engineering – it's all a bit 'too hard and geeky'

"Yet, somehow in secondary education we don't pay sufficient attention. And research has actually demonstrated that the people who are more successful within their jobs are the people with high emotional intelligence. That's important because of self-awareness, confidence, and reliance – all the issues relating to relationship skills. At a higher level, when we look at the people who are asked to leave employment, often it's not because of their technical skills, but because of a relationship issue. There are some soft skills that are pretty fundamental to the hard-core success of British industries, yet we're not building them in at school."

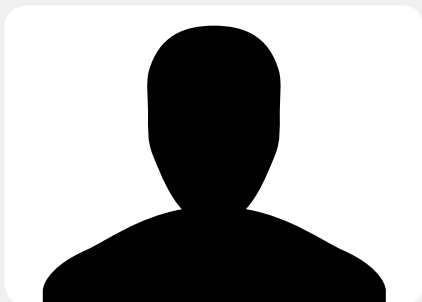
Employers told us that they recruit on the basis of attitude and personality – it's what differentiates candidates who generally will have very similar qualifications.

Competencies are tested and employers look for relevant experience, so there's a strong onus too on those entering the world of work to maximise their attractiveness as potential employees.

Louis Alcock, a first year History student at Brunel University, explained how he's already planning for life beyond the university library: "I'm converting to a sandwich degree to obtain some work experience prior to graduation. At the moment, I'm doing all I can to achieve high grades because although the first year does not count to the overall degree, it's the basis on which students will be judged during the application process for work experience. I've also started writing for the university newspaper and am attempting to find volunteer work and possibly minor work experience in order to be pro-active during my holiday periods."

Paul Deighton from LOCOG acknowledged the effort put in by students such as Louis, and pointed out the necessity of going beyond the narrow educational route. "We need to place a much greater focus on doing things together because that's generally how we solve issues and move forward at work. In education, we complete tests and assignments individually, so people need to learn the kind of team working and networking skills that give you the ability to operate in the workplace. We really need to give people the exposure to this kind of environment while they're still at school." People at school get some strange ideas about work and indeed particular kinds of work," added Ian Dewar, MD, Ergonomic Solutions. "It's particularly hard to engage with school students around science and engineering – it's all a bit 'too hard and geeky'. We know that there are skills gaps in our industry, but too little is being done to address this. But there are some great initiatives out there. I get involved with something called Team Tech which is all about dispelling the myths around science and engineering careers. It actually doesn't take very much to show young people that scientists and engineers aren't geeks but are normal people with interesting lives and fun jobs."

An initiative from:



## Case Study: Aaron Pett, 'celebrity hairdresser' of the future

Aaron Pett is 23 and was diagnosed with autism even before his schooling began. After a primary education in a special needs school he moved to a mainstream comprehensive in Kent as one of the first pupils in an autism unit.

Although he attended mainstream classes, he was singled out for verbal abuse and bullying throughout his senior school career. "It was very discriminatory and very hurtful," he recalled. "I was shy and quite sensitive, and all this did was knock my confidence even further."

After GCSEs, Aaron stayed at the school to study for a BTEC National in Art and Design. On leaving school he set out to find an apprenticeship in hairdressing but initially received knock-back after knock-back.

"Potential employers saw the autism first and me second," he explained. "Some simply weren't hiring, but others came up with excuses, mainly saying they didn't think I'd be able to cope with the pressure of a job."

At this point Aaron was introduced to The Prince's Trust. They helped him to get an apprenticeship with prestigious London hairdresser Daniel Galvin junior, himself an Ambassador for The Prince's Trust.

"I completed a two-year apprenticeship at the salon," Aaron explained. "At first it was hard to deal with clients and all my colleagues. I tend to take everything people say very literally so jokes and casual remarks can seem very personal and hurtful. But I got a lot of 1:1 mentoring both within the salon and from The

Prince's Trust, which helped me develop social strategies that boosted my confidence both in the job and in social situations – I even started DJ-ing for a while!"

Since completing his apprenticeship, Aaron has worked back in Kent, but is now planning to start working again in London. "My experience with Daniel Galvin junior has been invaluable, but now it's up to me to find my next great job. I'm very lucky in that I've had great support at home from my parents and grandparents. They made me very aware that you get nothing without effort in this life and that I can't afford to sit around on my backside waiting for something to happen.

"I know from the tough times when I couldn't get a job that you have to stay positive, be proactive and, most of all, be persistent. I have a goal one day to be a celebrity hairdresser and will use that celebrity status to raise awareness of autism and aspergers. My autism is a part of me but it doesn't define me. We all have the capability to achieve great things. But they don't just happen. They only come about through hard work. Perhaps that attitude doesn't get reinforced enough at school."

Aaron is now a Young Ambassador for The Prince's Trust and speaks to other young people about his achievements and how he has overcome barriers to reach the world of work.

Partners:



# Unlocking britain's potential



We need to dump lessons in how to turn on a PC and start thinking about 'Robot Wars'

Some employers focus on recruiting school leavers over graduates

Something happens in the process of further education which leads the individual to believe they are somehow elevated beyond their peer group

## Challenging perceptions

Citrix Development Director Andrew Halley bemoaned the way IT is taught in schools, and computer science at university. "IT at school is boring – the Government has admitted it and I'm glad Michael Gove is making changes. We have a generation who outstrip their teachers and the curriculum runs way behind their day to day experience. IT lessons appear to be trying to teach them how to use technology but even at primary level it lags behind their skillset. We need to dump lessons in how to turn on a PC and start thinking about 'Robot Wars'. We have a wonderfully maverick programming vitality in this country and we need to start harnessing that at a much younger age.

"This wrong-headedness in teaching is amplified at university level. Computer Science is teaching the kind of coding skills necessary for success a decade ago, rather than building the blend of business and technology skills necessary to succeed in organisations today. Organisations are outsourcing the kind of skills graduates arrive with today and inevitably, much of this development and support work is off-shored. It's frustrating, but we'll only overcome that frustration when employers and institutions start working much more closely together on curriculum development and ongoing projects. Of course it happens in patches, but it's far from the norm."

Fiona Andrews who heads HR and People Development at the Tower Gate Insurance Group noted that graduates sometimes have unfeasible expectations of the workplace: "We don't have a graduate recruitment scheme although we have many graduates working within the organisation. They're very

talented people contributing significantly, but we don't actively go and recruit graduates. That's because we find it very difficult to manage their expectations once they are with us. Something happens to them in the process of further education which leads the individual to believe that they are somehow elevated beyond their peer group when they come into an employment environment. And we struggle then to retain them because they don't necessarily secure the more senior roles that they have perhaps been led to expect to get earlier than anyone else.

"So we are quite active in securing really talented, good quality people who are coming through with GCSEs, A levels, further education, and work-based education because we just find that they are more predisposed to all the emotional intelligence elements – they just want to work, they want to get on, they want to really make a difference, and they flourish."

"The charity Career Academies UK is one example of an initiative that's bringing employers and students together in a longer-term and more meaningful relationship," explained Steven Kirkpatrick, MD, Adecco UK & Ireland. "Their six-week long paid internships provide a fantastic insight into what work's really like for 16-19 year olds, and the beauty is that they're based on matching the right student with the right potential employer, not the old patronage of 'who you know, not what you know'.

"Career Academies UK is part of the Deputy Prime Minister's Business Compact to ensure every individual is free to achieve, regardless of the circumstances of their birth. This initiative is a positive step towards enabling

An initiative from:

“Careers education in school tends not to be great and is failing to give young people a realistic view of what work actually demands.”

Andy Wilson,  
Principal,  
Westminster Kingsway College



FE colleges play a crucial role in vocational education

We will only get the best out of our people if we continue to invest in their development

greater social mobility – and it would be great to see many more employers involved.”

#### The Apprentice

Another alternative route to work is the apprenticeship scheme, although our research suggested it's both misunderstood and undervalued. “Apprenticeships allow employers to take a risk,” explained Andy Wilson, Principal at Westminster Kingsway College. “They can take relatively unformed workers and train them with formal support from FE colleges. They can develop the cultural needs they want from that person so that they can work within the organisation and have a major influence in shaping the future employee.

“FE colleges can play a crucial role in vocational education – what we do has to have a work focus and blend practical skills with the soft skills wanted by industry. Young people tend to come to us knowing the career they want, and put a great deal of effort into the practical side of the course. What they're less attuned to is the need to keep up other parts of the core curriculum – English and Maths for instance – which will really give them the opportunity of landing a working role.

“Careers education in school tends not to be great and is failing to give young people a realistic view of what work actually demands.”

“We highly value apprenticeships,” Ian Foddering added. “We started a formal apprenticeship scheme last year with school leavers and it has been enlightening – not least because our best and most motivated apprentices have been young women in what's still a male-dominated industry.

They have a more mature outlook and a real enthusiasm both for the work and for Cisco as an organisation.”

#### Continual training

Once within work, employees can find they're stuck in a particular groove and expected to do the same thing forever.

Andy continued: “We will only get the best out of our people – fully unlock their potential – if we continue to invest in their development. My experience is that I only get the best out of my own organisation if I give people a range of experiences that allow them to develop personally and as workers within the college. I'm trying to develop a culture where individuals take responsibility for their own development, but where everyone is responsible for everybody else's development too.”

Ian Dewar added: “Last year I came under pressure to cut our training budget, but I rejected all the cuts and tried to make sure I encouraged our managers to spend money on developing their teams. As soon as we stop developing our people, we go backwards. That's the last thing any organisation in the UK can afford to do.”

Partners:

Deloitte.





# Breaking down the diversity barriers

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## Summarising the challenges

- We are in danger of leaving a 'lost workforce' behind: both employers and employees agree that if we don't all change, there will be a permanent group whose attitude, behaviour, education and background will render them unemployable
- Inclusiveness is a great idea with real business benefits – but often in the 'too hard' box
- Legislation has brought us a long way in the last 20 years, but has also encouraged a 'tick box' attitude to diversity
- Many organisations are dumb, fat and happy – there's no intent to discriminate, but little effort made to unlock inclusiveness
- Overt diversity activity can build cynicism – the trick is meritocracy, sometimes delivered through 'diversity by stealth'
- Role models throughout the workforce – as long as they're not 'tokens' – are the best motivators for inclusiveness
- The focus must switch from diversity as an HR issue to the benefits of inclusiveness as a driver of business success.



# unlocking britain's potential



We need to understand why the long term unemployed and never employed have fallen through the cracks

Diversity is too often a 'tick the box' exercise in many organisations

Aside from the demands of regulation, what true inclusiveness is and feels like remains vague

The key issue to emerge from UBP to date is the rise of the 'lost workforce' – the hard to reach, hard to include and easy to ignore group that sits on the margins of employability. Whether it's through a cultural background of long-term family unemployment; the breakdown of family structure; failure to engage with education; long term illness; past criminality or peer culture, there's clear evidence of a growing number of people who currently sit outside the reach of employers. While some in this group clearly have no desire to work legitimately, that number is very small. Far many more would relish the opportunity to work, but simply don't know how.

"We know there are groups in society with whom it's very hard to engage and to draw into a work environment," commented Chris Moore from Adecco Group. "One of the immediate issues is the over-use of 'underclass' – a horribly pejorative term that hardly builds confidence in anyone associated with the term or, indeed, potential employers. We need to understand why the long term unemployed and never employed have fallen through the cracks and, as a society, work much harder to reverse the downward employment spiral for those who have no positive experience of work.

"We recognise NEETs\* as part of the lost workforce issue, and have to change the way we approach employer/education involvement to find a way to excite and inspire our young people, and to fire up their employability. At the moment, we don't place sufficient value, at home or in education, on the basic tools of employability – the attitude, collaborative spirit and personal responsibility that will deliver success. But fostering such a culture doesn't stop at the employer's door."

"We need a wider definition of diversity and inclusion to draw in the long term unemployed, ex-offenders, and even ex-service personnel. Employers need to focus as much attention on these sectors as on others," Emma Wordsworth, HR Director at Veolia Environmental Service Ltd told us. "There is some understandable concern among employers that these groups may prove difficult to attract, develop and retain. However, those that have worked in this area have been very pleasantly surprised. If we're prepared to make the effort to work with the excluded, the benefits can be exponential."

#### No more 'box ticking'

What emerged strongly from our research is that diversity is too often a 'tick the box' exercise in many organisations. Rather than creating inclusive cultures to drive effective working, there's an emphasis on meeting the demands of regulation. Thus diversity becomes an add-on, an HR process, rather than inclusiveness becoming a way of making business better. Employers see the value of an inclusive workforce, and employees want to work in organisations that are diverse. But aside from the demands of regulation, what true inclusiveness is and feels like, remains vague.

"Diversity is both a heart and head issue," said Val Stevenson, HR Director at Deloitte. "There's a moral imperative in considering diversity and inclusiveness in everything we do in the business, but it also makes sound business sense. Our clients are not all male, or middle class or middle aged, so why would they want to constantly meet identikit accountants? If our clients are talking about tax matters, they want to talk to someone who knows where they're coming from: someone who may reflect their background. In the last few years, we've certainly widened our recruitment strategy with

\*Not in education, employment or training

An initiative from:



# “Mental health is the biggest issue that people don't understand.”

**Peter Jones,**  
Senior Employer Relationship Manager,  
Job Centre Plus



A diverse range of backgrounds can bring different perspectives to problems

Employees are afraid to admit to the issue of mental health

The easiest thing when it comes to recruiting is to hire people 'just like us'

a focus on attracting more women and more potential recruits from the Afro-Caribbean community, and have specific programmes in place to get a wider spread of new entrants, both at graduate level and straight from school.”

Ben Willmott from the CIPD added: “Having a workforce that reflects your customer base certainly means you're more likely to have people who can respond most effectively to customer demand. A diverse range of backgrounds can bring different perspectives to problems – getting that mix of perspectives is powerful: in many cases leading to new ideas and innovation.”

If the UK is to maintain a leading position in the business world, such new perspectives – able to generate insight and innovation – will be essential.

The research showed that most employers still focus on diversity in terms of areas that are regulated – the 16 definitions encompassed within age, gender, disability, sexuality and race. But Peter Jones from Job Centre Plus highlighted perhaps the most insidious aspect of exclusion at work – mental health.

“Mental health is the biggest issue that people don't understand. It is a huge deterrent for job seekers – not least because very few employers do anything to advertise the fact that they have a culture, policies and people in place to help those with a mental health condition.”

The feeling from our roundtable was that employees are afraid to admit to the issue of mental health ; and if those within organisations are fearful of admitting to a mental illness, there's even less chance that

those outside the workforce who suffer from any mental illness will be drawn back into a workforce they perceive will reject them.

## Changing the status quo

Nikki Walker, Head of Diversion and Inclusivity at Cisco raised one of the most challenging issues for many employers – effectively being 'dumb, fat and happy'. “For a lot of organisations, the challenge is that outside the team specifically responsible for it – and most small organisations won't even have such a team – diversity isn't even on the agenda. If the organisation is doing reasonably well, the majority won't even be thinking about the value they might gain by working a little bit harder to bring in people outside the cultural norm. The easiest thing when it comes to recruiting is to hire people 'just like us'. Thus there's a challenge to switch the lights on among management to show them that we could be even better as a business by breaking the mould. But so often, that's just in the 'too hard' box – even though we recognise that more marginalised groups are now forming a sizeable minority in the population.

“One of the keys to challenging norms is to present the right kind of role models who clearly demonstrate the benefits of including a particular group, rather than the difficulties,” added David Halliwell from Digital Outreach UK. “It's not about celebrity endorsement or even the kind of disabled person who's presenting children's TV one minute and climbing a mountain the next. It's about being able to get people from a particular community who can connect with that community. If you're talking to builders about the danger of skin cancer, it's no good bringing in a research scientist. Find some common ground and build the link.”

Partners:



# Unlocking britain's potential



**An overt diversity  
agenda can cause  
cynicism**

**Employers would do well  
to focus on inclusion, not  
just diversity**

**There needs to be focus  
on industry stereotypes**

Tracey Abbott from the Employers' Forum on Disability offered a different insight on diversity. "In the end, it comes down to breaking down the barriers to employment: making your strategy from attraction to recruitment to retention open to all and based on skills, rather than on any past culture in the organisation."

Another issue raised in the research was the cynicism that an overt diversity agenda can raise. Alison Dalton from British Airways responded, saying: "I've worked in diversity for some time and have come across quite a lot of negativity and cynicism. People in the business see the issue as about being politically correct. We need to change that perception. I practice diversity by stealth; where we don't go in and actually say 'This is a diversity initiative', but just get on and do things that make it easier for everyone to work in the business. Then it's about working at presenting an image of BA to our staff that truly reflects just what a diverse organisation we are – a small example is using diverse images on our websites, something we probably wouldn't even have thought of a few years ago."

"We will make the breakthrough on diversity if we stop thinking about the different strands of diversity and focus on inclusion – making it as easy as possible to include the best people for our organisation within the organisation, irrespective of any particular diversity category that they may fit into," commented Simon Langley from the National Grid. "Much of the focus organisations place on this is at recruitment level – and many organisations have a wide mix of people at junior levels. But such inclusivity breaks down at more senior levels, and there's less of a push to encourage talent outside the norm to develop their careers up the management ladder. So, perhaps to

make diversity a non-issue in the future, we should invest more internally to develop our people, and focus on making sure that leaders and senior managers recognise that talent exists beyond white able bodied males.

"Look at almost any organisation and you'll see a 'bleaching effect' as you look up the management ladder. By the top few rungs it's generally male and all too often white. So, there's a need to demonstrate to those further down the ladder that the doors are open to them and to convince our leaders of the merit of not simply promoting in their own image."

Sarah Grice at Standard Chartered picked up the point, focusing on how particular industries have a 'stereotype' employee – using her own banking industry as an example of where employers need to change perceptions; both among diverse communities and among recruiting managers. "We have to challenge perceptions of what a 'banker' is. We need to educate much wider groups of potential recruits to make them feel comfortable that banking could be a great career for them. And we must break down the 'recruiting in your own likeness' syndrome among our managers. With limited resources and a conservative culture, that's hard."

For Ian Dewar, Ergonomic Solutions, that actually means taking diversity away from a stream in itself and making it part of everything the organisation does naturally. "It's a part of our value-set: the behaviours we live by. Nowhere will you see the word 'diversity', but our values are all about encouraging broader thinking and fairer play."

An initiative from:



## Case Study: Mental Health Champions at Deloitte

Deloitte is the UK's second largest professional services employer, with over 12,000 people across more than 20 offices. In recent years it has worked hard on its social mobility agenda, aiming to move from 'recruiting in our own image' to attracting new entries from groups who might never have seen the firm as a recruitment possibility before.

The strategy makes sound business sense: Deloitte aims to widen its demographic to mirror its client base. Equally, in recent years, the company has placed greater focus on looking after its people within the business, which enhances its attractiveness as an employer, reduces absenteeism, and boosts business performance.

"We launched our 'Well Now' programme in 2007 to harmonise the many initiatives we had in place to improve the wellbeing of our people," explained HR Director Val Stevenson. "This includes everything from an occupational health programme and free health checks, to an onsite gym and health suite, and a programme to build resilience across the different stages of a person's working life. One thing we've learned more and more is that health issues aren't always physical and that mental health is an issue for many people, but one that few are either willing to talk about or to invest in."

Deloitte is quite different: "In 2010, one of our partners, John Binns, came out very openly about his own experiences of depression and how he had been supported at the organisation. Indeed, when he came back to work he set up a Mental Health Champions Network, working with the charities Mind and Stand to Reason.

"The stipulation for the Network was that it had to be made up of partners within the firm who have made themselves available to talk to anybody who has a mental health condition or is managing somebody with one. The partners have to make a difference, acting as advocates and opening up doors for those who need help. They're not meant to replace medical experts – their strength is that they know Deloitte well and know where help is available. They get training from specialists and know when it's right to call in professional medical help.

"Thanks to John's courage in sticking his head above the parapet, we've removed that stigma of 'You can't talk about mental health'. Now, our network is very public and what we do is out there in the general domain. We hope that future recruits will be seeing that and listening to what we've said about Mental Health, and will see Deloitte as a place to work that has greater awareness around mental illness. We're proud signatories to the Mindful Employer's 'Charter for Employers who are positive about mental health'.\*

\* Some information for this case study was sourced from IDS HR Study 958 – Employee Health and Wellbeing

Partners:



# Technology in the workplace

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## Summarising the challenges

- Contributors were less worried about the development of technology than the use of it in the workplace
- The balance of freedom and control has yet to be reached in many organisations' use of social media
- The younger generations don't separate the technology they use outside work from their needs in their working life
- Technology is helping us break down the silos we work in - and will gain even more traction in doing so in the future.



# Unlocking britain's potential



**If an organisation can balance the benefit of social media with the security risk, it can become a very potent tool**

**There is a disconnect between the tools employees want to use and the organisation's need for security**

**The challenge is to get employees to use technology appropriately**

When we first asked people about technology's impact in the workplace, we expected a lot of talk about the automation of previously labour-intensive tasks, and even the impact of globalisation in offshoring many of the back office tasks previously undertaken in-house across the full spectrum of British organisations. Yet these issues were hardly touched on. Harnessing the power of technology through integrated systems and processes was not the foremost issue; what mattered more to employers and employees alike was the pluses and perils of social media in the workplace, the basics of access to productivity-enabling technology, and the ability of all to use the technology-driven workplace tools that are common across the UK's working environment today.

"Technology can be a major benefit in overcoming barriers to work for marginalised constituencies," commented Colette Lux. "Communication is vital in almost every job and written communication underpins many. Yet, for a dyslexic for instance, spelling can be a huge barrier to getting and keeping a job. The right technology is an immediate win for both employer and employee as it can overcome that barrier immediately. The focus has to be on understanding the issues employees may face and working with them to mitigate perceived problems."

"As a widely geographically spread company, we use technology to engage new starters," said Sarah Grice. "It's a supporting tool – so for instance, we have an intranet where people can look for answers to questions they're not confident of raising at team meetings. We also have lots of online e-learning that helps people navigate around the organisation, learn how to do things,

and be clear on what their role is. Essentially, these are tools to build confidence. They're not just for new starters, but they can have a big impact quickly.

Andy Wilson added: "The biggest technology challenge for employers is social media. It's not having the control over the message that we used to have; control of the image of our organisation that we project to our stakeholders. Everybody gains a little of that control and that tends to make management uneasy."

"There's a core disconnect between the tools and techniques that employees want to use and the organisation's need for security," commented Andrew Halley. "It's an issue few organisations have resolved, although if an organisation can balance the benefit of social media with the security risk, it can become a very potent tool in stakeholder engagement and competitive advantage."

"What we must face is that we have a generation of people coming through the education system and coming into work whose experience of technology is very different from that of previous generations," Julie Mercer stated. "They treat technology very differently and don't separate what they do in work from their life outside working hours. The problem is the tendency to use that technology – particularly social media platforms – inappropriately. Channelled effectively, their undoubted skills can make them tremendous ambassadors for their businesses. Unfortunately, what tends to make headlines are the photos, jokes, tweets and emails that they intend to share among friends, but that have a horrible tendency to go viral. These can tarnish corporate

An initiative from:

“Those who not only understand technology, but how it can benefit their organisation and wider society will be in greatest demand.”

Keiichi Nakata,  
Reader in Social Informatics,  
Henley Business School



We now have a generation of teachers and careers counsellors who have very limited exposure to the process industries

There has been a fall in those studying STEM subjects

The UK is falling behind through lack of understanding in how to develop tomorrow's technology

reputations – and lose jobs for otherwise good people. So, we need to educate people in the appropriate use of technology, and build up an understanding of workplace boundaries.”

“We can't write off the young for their failings though,” added Paul Deighton. “They're more adept at using new and existing technology more quickly than each preceding generation. They can take our businesses further much faster if we create an enabling environment. This means older workers giving up some of their cherished beliefs too – organisations are dynamic and evolve.”

“Let's not forget that technology is creating a whole slew of jobs that never existed before,” commented Jim Albert, MD, IT Engineering, Modis. “Who'd heard of an SEO Administrator a few years ago? Technology isn't just about helping us to do existing things better; it's about opening up whole new areas of opportunity where Gen Y and Gen Z will be at the forefront. Perhaps their key legacy will be to bring older workers along with them.”

One has only to look at organisations such as Atos to see how technology is evolving the way we work. CEO Thierry Breton claims that his planned ban on internal emails is aimed at enhancing the quality of working conditions for his 80,000 employees. The ban is part of Atos' 'Wellbeing At Work' initiative, which has already demonstrated that most of the firm's new joiners hardly used email, preferring instant messaging tools and social networks such as Facebook.

Breton has commented that his employees were spending too much time on internal emails and not enough time on

management. It turned out that Atos employees received an average of more than 100 emails per day – but only 15% of the messages were useful: the rest was lost time. The goal is to replace email with more appropriate internal tools – not reducing communication, but enhancing it.

Taking a macro view, Henley Business School's Keiichi Nakata said: “Technology is breaking down the silos of how we work, it's enabling us to move away from the fixed workplace 9-5 culture. This opens up the opportunity to tap into pools of talent who have been excluded by the office-based, fixed hours ways of working. But it also changes the kind of people we need most in business. Those who not only understand technology, but how it can benefit their organisation and wider society will be in greatest demand.”

#### Developing for the future

Understanding how to use existing technology is one thing: being able to create and develop tomorrow's technology that will give the UK's businesses a competitive edge is quite a different challenge; and it's one where the prospects at the moment for the UK are not good.

“There was a very significant fall in the number of 16 year olds choosing to study science, technology, engineering and maths at A level at the turn of the Millennium,” commented Jim Albert, Modis. “While the figures for some subjects, particularly Maths and Physics, are improving, they've only just returned to 2002 levels and the gender balance is still heavily in favour of boys. Part of the issue is that we now have a generation of teachers and careers counsellors who

Partners:



# Unlocking britain's potential



Employers need to  
be more engaged in  
schools

Schools need to teach  
more than how to use  
software

have very limited exposure to the process industries, IT, and even the new creative industries – such as gaming and CGI.

“Potential employers can’t just wring their hands and say that the talent isn’t coming through – they’ve got to work much more closely with those in education to inspire the next generation to take up the opportunities STE industries offer.”

“IT in schools does little more than teach people how to use Microsoft Office while Computer Science at university lags years behind the industry,” commented Andrew Halley, Director of R&D at Citrix. “We need to have much closer links between education and industry so that we’re providing useful skills to young people who can then hit the ground running in the industry. There are a number of small local initiatives across the UK but there’s no strategic symbiotic relationship benefiting both today’s organisations and tomorrow’s IT stars.”

Certainly our respondents highlighted some of these initiatives which included:

- School-employer partnerships offering regular student work experience, workshops and training for teachers
- Social development enterprises – professionalising school technology activities through industry involvement
- Joint industry/university commercial projects
- Commercially-designed undergraduate STEM courses.

““ We need to have much closer links between education and industry so that we’re providing useful skills to young people. ””

Andrew Halley,  
Director of R&D,  
Citrix

An initiative from:





## Case Study: Reverse mentoring at Cisco

Within the UK, Cisco employs more than 3,000 people – a strong presence within a global workforce of over 60,000 in 140 countries around the globe. Operating at the cutting edge of technology, the company also prides itself on its inclusiveness.

That active approach to involving everyone has led to a very open culture within the business where people are encouraged to speak their mind and push the boundaries. But a few years ago, analysis of the annual staff survey showed that some groups – especially Gen Y – felt that the company didn't understand them and that their voice wasn't being heard.

HR Director Charlie Johnston recalls that this was quite a shock for the company. "Clearly something wasn't working. However, rather than agonise over it, I thought the best way Cisco could respond would be to bring our younger employees and leaders much more closely together. But rather than adopt a traditional hierarchical mentoring initiative, we decided to take a more innovative route and reverse the process.

"Initially, we planned a one year small scale programme where our Gen Y group could mentor a senior executive – we set 10 relationships up where executives were paired with someone from elsewhere in the business. We got everyone together to set the ground rules and agree what role HR would play (essentially, designing the framework and facilitating the process). It was a challenge for both sides initially – mentoring a 40-something with wide business experience sitting a number of levels above you isn't for the faint hearted; while knowing how to respond to some

'honest' feedback from a 22 year old isn't easy either. But both sides soon appreciated the benefits and the scheme has grown and matured from its initial one-year pilot.

"We're improving the cross-generational awareness all the time. Our leaders have an increased awareness of how Gen Y think – and of course, increasingly, that's many of our customers – and how they adopt and use technology, and choose to send and receive information. It's a great learning experience for leaders who come from before the current generation of social media natives. Equally, our Gen Yers are learning good business habits, and what it takes to be a leader within a major organisation.

One Gen Y mentor concluded: "Before I joined the scheme, I had a view of what an executive cared about. It couldn't have been further from the truth. The reality is that they were keen to learn new techniques and to understand how we use the tools in our own social networks to get into our minds – learning to adapt to the needs of the younger people in their operations. I was really impressed by how much my mentee was willing to listen – and this really broke down the boundaries between us. I've learnt a lot and been inspired by the willingness of the company to try new approaches to develop our executive leaders' capabilities."

Partners:



# The importance of employee engagement

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## Summarising the challenges

- Few organisations truly know what it has done for their workforce to be engaged
- Engagement should be led from the top and driven by values and behaviour
- It's cultural - not a series of transactional tasks
- Engagement flourishes where the culture is based on honesty and mutual respect
- This isn't a 'nice to have' - it's crucial to bottom-line success.



This is no single definition of what engagement actually is

Engagement needs to be owned by everyone

Measuring advocacy can unlock how people really feel

The one aspect of employment that united all respondents was employee engagement. An engaged workforce is seen as the key means to unlock Britain's potential. The one issue though is that no-one can quite agree on what engagement actually is.

Nita Clarke, co-author of the Government's MacLeod Report 'Engaging for Success', noted: "We've yet to reach a definitive consensus on what engagement actually is. Organisations are still battling on whether people are part of the problem, or the solution to their problems. People are beginning to recognise that engagement is a core element of business culture and is driven by the attitude of the organisation. But our current Taskforce work suggests that different organisations are approaching what this means and how to create an engaged workforce in many different ways."

Both our roundtable and survey responses suggested that many organisations still regard engagement as a task that is delivered through transactional process by the HR or Communications functions – or a combination of both – under the direction of the Board. It's measured by an annual survey and rarely reaches a level deemed to be successful. Yet the approach of those organisations where the workforce is regarded as engaged appears much more holistic than transactional.

"It's all pervasive," Nita continued. "It is explicitly led from the top and is values and behaviour-driven. Engagement is owned by everyone in the organisation and understood by all. It's not a 'nice to have', but a key aspect of productivity which infuses every

aspect of the way the organisation does business, from attraction through recruitment to development and retention. We see those same four components recurring time and again – belonging, support, voice and trust – that all combine to unlock the kind of discretionary effort within teams that really does deliver competitive advantage."

"One way that we've made engagement less nebulous is by focusing on 'advocacy'," explained Laura Brockman from the Lloyds Banking Group. "Levels of engagement measured by surveys tend to track the performance of the business and the share price. Advocacy levels are quite different. When you ask people would they recommend their organisation to others as a great place to work, it tends to unlock how they really feel about things."

Many of our respondents had views on the challenges involved in building an engagement culture in today's organisations. "The biggest issue is creating the senior management time to talk and listen," acknowledged Ian Dewar. "We see our best employees as those who are prepared to listen, work as part of a team, and really care passionately about what they do. We have to mirror that at the top of the organisation. The passion and intent are definitely there – what makes the difference is creating the space to keep on sharing the vision, making it real and being open to listen to what your colleagues are telling you."

Ben Willmott, Senior Public Policy Advisor, CIPD championed the role of line managers: "Leaders have to create organisational cultures where management styles based on

An initiative from:

“ Leaders have to create organisational cultures where management styles based on honesty and mutual respect flourish. ”

**Ben Willmott,**  
Senior Public Policy Advisor,  
CIPD

## Sainsbury's

### Case Study: Engagement at Sainsbury's

Having an engaged workforce is nothing new for Sainsbury's. Creating a place where people love to work and shop has effectively been the mission of the business for over 140 years. For today, Sainsbury's engagement is simply woven throughout the culture. It starts at the top and underpins every aspect of the rhythm and routine of the business.

“Engagement is a core part of everything we do: it's part of our DNA,” explained Director of Colleague Engagement, Jacki Connor. “For us, it starts before a colleague even joins the business. It's about attracting people who ‘get’ our values and who support and identify with our way of working. Then, when colleagues first join us, we don't start them straight on the shop floor, but get them involved in the Sainsbury's story through their induction, so that they can start living our values right from day one.”

“Engagement for us isn't tactical: it's not about ‘engagement month’ or ‘communication week’; it's cultural. It starts with leadership, listening to colleagues and acting on what they've heard.

“Engagement doesn't just happen in any organisation – it has to be led and our leadership team recognise and value the fact that the bottom line will be boosted if colleagues understand what the business is trying to achieve and feel that they can play a full part in making it happen.

“We simply don't regard engagement as a process or task. It's all encompassing here: it's about creating the right learning and development opportunities; supporting colleagues and being open and honest in the way we operate and communicate. It's making sure we all feel part of the same team. We all have name badges; mine simply says ‘Jacki’ and our CEO's says ‘Justin’ and none of our managers wear jackets on the shop floor.

“We have an engagement team that provides communication and feedback mechanisms such as ‘Tell Justin’ and our ‘LOVE’ recognition programme to support our Great Place to Work programme. But our line managers play the prime role in keeping colleagues engaged and involved. We provide them with regular updates to share with their teams, but they're responsible for the delivery. Each day they'll hold a huddle with their teams so that open, shared communication simply becomes part of the normal daily routine. We recognise that they have a challenging role and not all managers start as great communicators, so we work with them to give them the skills and confidence they need to succeed.

“We do use formal tools too, with quarterly engagement surveys and monthly pulse surveys to check on our progress and provide colleagues with routes so they can raise the issues that matter to them. For us, listening is the key to engagement – and then acting effectively on what we've heard.”

Partners:



# Unlocking britain's potential



**Line management  
capability is key**

**Short termism is the  
biggest barrier to  
engagement**

**Leaders need to create  
an environment where  
people want to stay**

honesty and mutual respect flourish. But this really has to take root at line management level. Line management capability is critical. What decides whether a person will go the extra mile for the organisation is how they're managed day-to-day."

"I agree with Ben. We have specific programmes in place to build great line managers as we see them as absolutely pivotal to engagement," added Sarah Grice. "However complex an issue can be, a great manager can cut through it to what really matters to their team. They can translate it and make it meaningful and sensible."

"I'd say the biggest barrier we face to engagement is 'short-termism'", remarked Andy Wilson. "Many organisations espouse their fairness, their work:life balance and their opportunities for flexible working, and then undercut all the stuff that sounds positive with a total focus on this month's bottom line – hitting short term targets, meeting short term plans. You can't talk the engagement game when the reality is very different.

"Organisations that think long-term are far more likely to think about the way that the culture needs to develop; the way they are going to motivate their workers to want to stay with them."

Julie Mercer said: "For me it comes down to leadership recognising that they need to make their organisation a great place to work. It means creating an environment which attracts great people and offers them something that makes them want to stay, rather than simply see it as a stepping-stone to another role. That environment needs to be underpinned by a vision that isn't the pursuit of the bottom line at all costs, but actually recognises that employees have to buy into what you're all about in order to contribute to a greater potential within the organisation."

An initiative from:



## Case Study: Inspiring engagement at Aviva

An engaged workforce doesn't just happen: engagement has to be nurtured and continually revisited. Organisations must listen and act on what they hear.

Leading insurer Aviva has a suite of tools to ensure it listens and responds appropriately. Chief among them is an anonymous, independently-delivered audit called the Employee Promise Survey (EPS). It's a sophisticated tool that can analyse employee views, expectations and concerns at great depth, and provides significant evidence for action in ensuring that Aviva retains an open, inclusive culture across the business.

"We're an 18,000-strong team in the UK, working across the life, general insurance and health businesses, and shared services; but we aim to recognise all our employees as individuals," explained UK HR Director Rupert McNeil. "It's the approach we take with our customers, so why should we treat staff any differently? They're our strongest advocates, and we've recognised for a long time that the business is far more effective when our people feel engaged and well-led.

"The EPS is not like a financial measure – it's not enough just to tick the box when we reach a certain level of engagement. Instead it's a much more granular examination of what it feels like to work together, and it gives us evidence of where we need to place more emphasis or tweak what we're doing.

"The EPS is a catalyst for lots of action from Board level through to line management, to keep us on our toes about what really matters to our people. It's supported by everything from regular town hall meetings, to all-employee calls. All are focused on

conversations: dialogue that's probably more about our leaders listening than talking. If our employees are disengaged they are far more likely to be uninvolved in the business. That's not what we want. So, we encourage individuals to lead themselves, teams and the organisation to build trust, honesty and authenticity across the business. Our engagement is built on behaviours, and these need to be continually reinforced. Giving people a voice is key in this process, and we're finding more and more that people at all levels in the organisation are prepared to speak up, and are confident enough to both challenge and put some great ideas forward.

"We use the EPS to measure what matters to the business – the way we manage risk for instance and how we interact with customers – and it has been great to see real improvement in these areas. We're now focused on employee-advocacy. In short, if our people think Aviva's a good employer that treats customers fairly and has great products, they're much more likely to recommend us to their family and circle of friends. This is the kind of area where we see a direct link between an engaged workforce and the bottom line. Engagement is much more than a 'nice to have' for us: it's an essential component of an effective business."

Partners:



## The time for action is now



Employability is key to  
future success

There is not a 'quick fix'  
solution but that's no  
reason not to act

Collaboration is  
essential

What became abundantly clear from the research was that there is no single causal effect for the UK failing to unlock its workforce potential. Employers, individuals, the education system and Government all have a role to play: but it's not being played to the full. However, one word emerged as the fundamental building block of future success – employability.

There is no agreed definition of employability, though we see it as having the skills, attitude and belief necessary to win a job, succeed in that role, and move on to an even more fulfilling role in the future. It's time to create an employability culture across the UK.

Equally, there's no quick fix to the challenges the UK faces in unlocking workforce potential. There are many good initiatives underway across the country, but they tend to be small and local. To achieve a significant difference, the best of these initiatives needs to be given a national airing: held up as examples that can be followed and built on nationally.

Everyone sees the benefit in working collaboratively to unlock Britain's potential, but no-one has yet made the first move.

An initiative from:



## So what does this mean?

- Employers need to have more say in what is taught in schools and need to be prepared to be more active in the classroom
- We would like to see work experience replaced by a broader programme of employability training that goes beyond a two week placement
- Equally, we need to get teachers better placed to understand the needs of the modern workplace. Secondments and 'work experience' for teachers would be a good way of achieving this.
- Activity needs to be co-ordinated and structured if it is to be successful
- We would like Government to listen and take notice of what employers and employees alike are saying and establish a taskforce to develop a workable solution.

Who are the right people to Unlock Britain's Potential? It starts with you and me.

In the coming weeks, the key stakeholders in Unlocking Britain's Potential will:

- Work with Rushanara Ali, MP for Bethnal Green and Bow, who is hosting a Parliamentary Breakfast on 1 March to discuss the issues raised in this report. The objective of the meeting is to galvanise support from government with a view to setting up a taskforce to create solutions.

Longer term, we intend to create a lasting legacy for our UBP work. Each Adecco business will facilitate a national conversation focused on turning the great ideas coming out of UBP into concrete action. For that to be a success, we need your input.

### Unlock Britain's Potential

If you want to take part in unlocking the potential of your workforce, register your interest on:

[www.unlockingbritainspotential.co.uk](http://www.unlockingbritainspotential.co.uk)

Act now – get involved.

Partners:

### About Adecco Group

Adecco is the global leader in employment services, connecting people to jobs through its network of 6,600 offices in more than 71 territories. In the UK, Adecco Group is the country's largest recruiter with over 350 offices and a client base of over 33,000 organisations from all areas of commerce and industry. Adecco retains over 35,000 temporary workers with around 250 permanent staff placed each week.

The Adecco Group, based in Zurich, Switzerland, is the world's leading provider of HR solutions. With over 28,000 FTE employees and more than 5,700 offices, in over 60 countries and territories around the world, Adecco Group offers a wide variety of services, connecting more than 500,000 colleagues with over 100,000 clients every day. The services offered fall into the broad categories of temporary staffing, permanent placement, outsourcing, consulting and outplacement. The Adecco Group is a Fortune Global 500 company.

### Credits

This report was produced for Adecco UK & Ireland by Mark Shanahan of Leapfrog Corporate Communications Ltd. The research survey and follow-up interviews were conducted by Loudhouse Research, with research managed by Suzy Timms, supported by Hailey MacDonald. Additional interviews were conducted by Mark Shanahan.

Our full research findings, plus details of the methodology are available on request. We are all immensely grateful for the time and candour of all the contributors to the report.

If you have any follow-up comments or queries on the report, please contact [victoria.golding@adecco.co.uk](mailto:victoria.golding@adecco.co.uk) and [honor.paddock@adecco.co.uk](mailto:honor.paddock@adecco.co.uk)

An initiative from:





