All change

Employee engagement is changing. Major social and economic forces are transforming the global business environment. And they’re reshaping what employees want and need from their employers to perform at their best.

So what will a changing world mean for your organization? And do you have the right people strategies in place to respond?

Our Engaging hearts and minds report highlights five key challenges you’ll need to get to grips with, and why an engaged and enabled workforce will be critical to success:

1. Transparency
2. Agility
3. Collaboration
4. Innovation
5. Productivity

We’ve combined our world-leading research and expertise on employee engagement, with input from senior business leaders from across the globe. Read on to find out how you can prepare your workforce today to help your business succeed tomorrow.
Engaging hearts and minds explores:

- why an engaged and enabled workforce will be vital to addressing the challenges
- how ready organizations currently are to deal with them
- how you can personally influence change and prepare your workforce – and your company – for the future
- what you can learn from organizations with future focussed engagement strategies in place

This summary outlines the business challenges on the horizon, and what they mean for employee engagement. Download the full report to get the full findings, advice on how to address the challenges at hand, and examples of what organizations around the world are already doing to respond.

“As the world changes, we need to stay on the front foot to sustain success. We have to keep reinvigorating our people.”

Gareth Powell
Head of HR, First Gulf Bank

Learning from the best

We wanted to understand what the five challenges mean in practice. So we spoke to senior leaders responsible for engagement, HR, recruitment, talent, organizational development and internal communications at the following leading organizations:

- Aegon
- Arup
- Aujan Coca-Cola
- Banco Santander
- Carlsberg UK
- CPFL Energia
- First Gulf Bank
- Kimberly-Clark
- Luck Companies
- Mubadala
- Rentokil Initial
- Saudi Stock Exchange
- Skylark Restaurants
- Standard Life
- Telefonica
- Teva
- UBS Investment Bank
- Whitbread and Premier Inn

“Adapting to change is the responsibility of the whole business. HR’s role is to hold a mirror up to the organization, make the case for change and share vital information.”

Ruth Jackson
Head of engagement and communications, Whitbread and Premier Inn
The five challenges

1. **Living in a goldfish bowl: the transparent organization**

   We live in a digital age – one in which people increasingly choose to live their lives in public. They readily share their locations, activities and opinions on social media – from Facebook, Twitter and LinkedIn, to Instagram and Flickr, chat forums, online communities and review sites.

   For organizations, this transparency has two key effects.

   Firstly, it destroys the boundaries between our personal and professional lives. And secondly, it turns brands into public property. Employees can find out whatever they want to know about your company online, sometimes before they hear it internally. And people can publicly endorse or criticize your brand at the click of a mouse.

   The upshot is that you’re now more accountable to your workforce, and must be more responsive to them, than ever. In this climate, frequent, open and honest internal communication will be crucial to keeping your people engaged.

   **Why engaging and enabling your workforce will be critical**

   Engaged workers are less likely to air complaints about your company online. You’ll need to think hard about how your firm’s strategies, policies and decisions will be received by your staff.

   You’ll also need to deliver what you promise. Failure to live up to your commitments to employees will be quickly – and publicly – called to account. Companies will need to act with impeccable integrity, and reflect their values in everything they do.

   Communication will be vital. Your employees will need to understand the direction of their firm, division and team, and the role they play in the success of the business. And your senior managers must be ready to deliver and manage messages, and respond to concerns, in a 24/7 communication culture.

2. **Survival of the nimblest: enabling agility**

   The most agile companies will be best placed to cope with change.

   As such, you’ll need your employees to solve problems and make quick decisions in unexpected and ambiguous situations. But a fluid environment presents a major engagement challenge. As with change comes uncertainty: people are likely to feel more insecure as the goalposts constantly shift.

   This can be harmful to motivation and morale – especially if employees’ demands for information outpaces what your managers can provide. That will only intensify uncertainty, damaging confidence in the organization’s direction and leadership.

   **Why engaging and enabling your workforce will be critical**

   An engaged workforce is your first line of defense for coping with change. You’ll need your people to act independently, but in line with business objectives. This will mean making sure they understand and support the company’s aims, and that decision-making processes are fast and effective.

   You’ll also need to instil a customer-first mentality, by which people are determined to go all-out to meet customers’ demands.

   Learning and development will play a vital role. People will need the skills to respond to new and unknown challenges, and leaders must learn to push decisions downwards.

   But making your senior managers comfortable with delegation may call for more than a few training courses. It can require a fundamental change of culture. This must be driven by your leadership team, through their actions and behaviors.

3. **Better together: big collaboration**

   Whole new levels – and forms – of collaboration will be needed to keep pace with change.

   ‘Big’ collaboration will bring together teams, functions, organizations and even competitors, as companies seek answers to the challenges they’re facing. This will demand the culture, skills, platforms and processes to enable your people to cooperate with colleagues from across the business and – beyond.

   But just as it becomes more critical than ever, collaboration will be harder to make happen. In the digital era, people will increasingly expect to work remotely. And collaboration will be complicated by the aging workforce phenomenon. Your managers will need to instil cohesion in teams made up of four generations.

   **Why engaging and enabling your workforce will be critical**

   Collaboration is an engagement driver in itself. Many people are motivated by the opportunity to co-operate with others.

   And in a changing world, they’ll need to work with colleagues from other divisions, territories and organizations to get the job done. If you fail to enable collaboration, your employees will grow quickly frustrated.
4 **Placing your bets: the innovation imperative**

Coasting along won’t be an option in the new world. You’ll need to continually demand initiative and ideas from your people, for two reasons: to keep pace with change, and to exploit the opportunities it will create.

Innovation will need to be part of your organization’s DNA. This will require new, more effective ways of working, collaborating and problem-solving. It will require an innovation mindset at all levels of the company. And it will call for a customer-first mentality.

**Why engaging and enabling your workforce will be critical**

The best people want to work for organizations that offer good prospects. Demonstrating that you're driving innovation for long-term success will help keep talent motivated.

This will mean engaging your people to be inventive. To foster a culture of innovation, you’ll need to broaden their horizons. Rather than just thinking about getting the job done, they’ll need to take responsibility for the company’s ongoing success.

Making this happen will mean giving them opportunities to get involved with innovative projects, and empowering them to find ways to improve the business. You’ll need to create flexible working environments that allow ideas to flourish; and provide training to help people learn to be more creative.

5 **Smarter solutions: maintaining productivity**

Businesses will face conflicting priorities: the demand for innovation, and the need to maintain operational excellence. But they won’t have the luxury of choosing between the two. While making innovation part of the day job, they mustn’t take their eye off the day job itself.

Striking this balance between innovation and day-to-day execution is something the world’s Best Companies for Leadership (BCL) excel at. Our research shows that BCL leaders continually flex how they use their authority, influence and leadership styles, as they move between operational issues and innovation challenges. They’re the bridge between the core business and new opportunities.

**Why engaging and enabling your workforce will be critical**

Sustaining engagement will be a challenge as your employees juggle the contradictory demands on them. The dual focus on innovation and execution will put greater pressure on individuals, as it will bring about longer hours, changing objectives and the need to do more with less.

Supporting employees as their work-life balance comes under strain will mean helping them to work smarter as well as harder. Promoting a more enabling work environment will help them complete tasks more efficiently, leaving them more time for their personal lives – and making the business more productive.

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**The future starts now**

Engagement and enablement will look very different in the future – and will be harder than ever to achieve and maintain. You need to start thinking now about the challenges on the horizon, and how to sustain the performance of your workforce in response.

There are practical steps you can take now to prepare. HR has a vital role to play in promoting awareness of the need for change, and driving the strategies, actions and behaviors that will keep people motivated.

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**Further information**

Find out more about the five challenges, how they’ll impact your organization, and what you can do about them. To download the full *Engaging hearts and minds* report, and to discuss how we can help you prepare your workforce for the future visit: www.haygroup.com/en/engaging-minds