The background of the entire page is a blurred, warm-toned photograph of several people in business attire. They appear to be in a meeting or collaborative work environment, with some individuals looking towards the camera and others looking away. The lighting is soft and golden, creating a professional yet approachable atmosphere.

THE FUTURE OF

# Employee Engagement

This e-book explores the future of employee engagement and aims to unearth the shape of things to come for people in business.

Osney  
HR

e-book



...the thin line  
[soon to be a blur]  
that divides an  
employee's home  
and work life

## SEVEN QUESTIONS FOR THE NEXT FIVE YEARS

### The future of employee engagement

The last five years haven't been easy. The economic climate has seen businesses worldwide being forced to make tough decisions in terms of staff cutbacks, and economising on salaries and benefits. As a result, and according to a recent report 'The Forgotten Workforce', only one in four workers is satisfied in their current job.

So, what does that mean for those working in employee engagement? And what do the next five years hold? Perhaps it means ditching the old strategies and bringing in the new, thinking long and hard about what today's worker expects from their working environment, and adapting corporate strategies accordingly.

The biggest change to HR practice over the last five years has been the fast-moving pace of technology – for many involved in constructing and adapting communication and engagement programmes this has meant struggling with how to tap into the undoubted benefits that can be had from opening up a social media strategy – while at the same time controlling the corporate and brand message sent to the outside world.

But it won't stop there – the next five years are likely to see even more significant change than we've seen in the last five. This increase in social technology and being able to access information anywhere and anyhow is all part of the package of what today's employees expect – and ties in with the thin line (soon to be a blur) that divides an employee's home and work life.

Flexible working, crowdsourcing, and adapting the necessary leadership capabilities to meet future demands in the workplace are all some of the challenges that lie ahead for those working within the engagement arena.

We have enlisted seven experts in HR, employee engagement and employee communications to offer their experience and opinion on what the next five years holds for them. We hope their insight and wisdom helps you navigate the issues in question to help you build a resilient and effective engagement agenda for the future. Read on to meet our panel of experts...

# MEET OUR PANEL OF EXPERTS



## **GARY KILDARE**

**CHRO & Global Vice President, Global Technology Services, IBM**

Gary Kildare is a progressive business leader who has worked around the world and has over 30 years of international and global experience. He joined the IBM Corporation in the UK. He has deep experience of transformation, acquisitions, change management, leadership and enterprise risk management.

Having spent many years outside the UK – he returned in 2005 as VP and CHRO for Global Business Services for Europe (IBM's fastest growing consulting services organisation); in 2008 he became Global Vice President of HR for Americas, EMEA and Asia Pacific with accountability for over 430,000 employees worldwide. In February 2012 he was appointed as VP and CHRO for Global Technology Services Division, based in New York. Gary is a Chartered Fellow of the Institute of Personnel and Development, a Fellow of the Royal Society of Arts, a GlobalScot and sits on the Criticaleye Advisory Board.

He has served as a Non-Executive Director of Education Scotland, a Non-Executive Director of the National Skills Academy (Financial Services), a Non-Executive advisor to Her Majesty's Revenue and Customs (HMRC) and a member of the People Committee and the Pay Review Committee; a member of the CBI business council for Scotland. He received an honorary doctorate from Edinburgh Napier University in June 2012.



## **CAROL MULDOON**

**Vice President of Partner Resources EMEA, Starbucks**

Carol Muldoon is passionate about developing people and engaging them to seek ways for continuous improvement. Now the vice president for partner resources EMEA, she joined Starbucks in December 2011 as the director of partner resources for Starbucks UK and Ireland. She moved into the EMEA vice president role in May 2013 and now has direct responsibility for our company owned store portfolio. She also plays an integral role in our business alliances and channel development for the region.

During her time in the EMEA role Carol led a reorganisation of the region that has removed layers and positioned leaders far closer to the partners and the customers, making us more efficient and effective. She has also created a streamlined HR structure that is enabling a one-way approach across the region building more capability, boosting engagement and improving performance management.

In her UK and Ireland role, she completed a re-organisation of the UK support centre (head office), reducing headcount and driving service and efficiency. Holding overall responsibility for the partner resources function she led the team that launched our acclaimed apprenticeship programme. She also drove forward a full review of partners terms and conditions in the UK and played a key role in the transition of the Republic of Ireland stores to a licensee.

Carol has extensive experience in retail HR, having spent many years at Sainsbury's, most recently with their Convenience Division, where she was responsible for 12,500 people. While in that role she led a 3 year HR Transformation programme to support the divisions vigorous growth agenda. Carol is also qualified in coaching and psychometric facilitation and analysis.



### **INGRID ERAS**

**VP People Development & Staffing EAME, Starwood Hotels & Resorts**

Ingrid Eras is a Senior Human Resource Leader with extensive experience directing HR functions as well as special integration and work stream projects in support of major acquisitions. Her areas of expertise are: HR strategy and alignment – transition management – due diligence – quality improvement – staffing and recruitment – policy development – severance management – mergers and acquisitions – training and people development – psychometric testing and assessment – Emotional Intelligence – mentoring and coaching.

Ingrid Eras has been Vice President, People Development & Staffing at Starwood Hotels, EAME Divisional Office Brussels since May 2006. Prior to her appointment as VP, Ingrid was leading the Global HR Integration of Le Meridien.

Ingrid Eras has a Bachelor of Administration (Hotel School Den Haag, Institute of Hospitality Management), holds a Diploma in Clinical Organizational Psychology and Professional Certification (18month program at INSEAD), as well as TS1, TS2, TS3, TS4 Train the Trainer Certificates. She also is a certified MBTI, EQ-I, Hogan's, PPA, and Firo B practitioner.

Ingrid Eras speaks Dutch, English, German and has notions of French, Portuguese and Polish.



### **RALF LARSSON**

**Director, Employee Engagement, Electrolux**

Ralf Larsson works in Corporate Communications as Director Employee Online Engagement. He is involved in several ongoing initiatives to improve the leadership and employee engagement online. As the business owner for the Electrolux Intranet he is driving the Intranet strategy, concept, and development in close cooperation with Communications, HR and IT. In 2013 Electrolux was awarded being a global social business leader by the US magazine Information week.



### **KATHARINA AUER**

**Global Head of Employee Communications,  
Zurich Insurance Group**

Katharina is an internationally recognised business communicator with proven delivery of effective global communication strategies and programmes, and has Lean Sigma qualifications for process and performance improvement.

Previous roles include Head of Internal Communications at Rio Tinto, Head of Global Internal and Management Communications at Shell, Head of Global Internal Communications at AstraZeneca, Corporate Communications Lead at GE Capital EEF and Corporate Communications Manager at Orange/Boehringer Mannheim. Katharina has worked in Nigeria, Hong Kong, the UK, the Netherlands, and is currently based in Zurich, Switzerland.

Her main areas of expertise are in employee communications strategy and execution, strengthening employee engagement through effective communication practices and linking communication and engagement to business outcomes. Other areas of expertise cover change communication; global employee surveys; metrics and business performance scorecards; global, multi-cultural communications; internalisation of brand campaigns or company rebranding; communications skills training for managers; communications skills training for communicators. Her experience also includes corporate communications, product and corporate public relations.



**MINNA TORNIKOSKI**  
VP HR, Talent & Leadership Development, Tieto

Minna Tornikoski is a senior HR leader at Tieto with experience and passion in driving transitions and changes in international business environment. Minna graduated with MSc in Engineering and has worked in telecommunications, banking and finance, consulting and IT industries in HR, sales, consulting and business development roles. Minna's source of motivation is to work with and for people.



**SERGE PEETERS**  
Vice President HR Enterprise Business Unit & HR Operations, Belgacom

Currently holding the position of Vice President Employee & Support, Serge Peeters has seen Belgacom evolve from a state owned "administration" towards a stock listed Telco company. He took part and has lead some of the mayor transformation programs in the company. Before being appointed in his current function, he held the position of Vice President HR of the professional business unit and has a long career in Compensation & Benefits.



**KATRI HEIKKILÄ**  
HR Director, Global Supply Chain, Fiskars

Katri is a business-driven HR professional with strong track-record on leadership and organizational development and business HR in branded consumer goods, retail and forest industry. She is extremely results oriented and focused, yet innovative in her ways of working. She quickly see's the essential of complex things, engages key stakeholders and makes things happen. Leveraging these capabilities in seamless cooperation with management, employees and external partners has continuously led to superior results. Katri has been working with Fiskars the leading metal and consumer brands company for over 5 years, where she has been driving the overall HRD at Fiskars globally. Before being appointed in her current function, Katri held the position of Director, Global HRD & Business Transformation Support.



**MURIEL PINEAU**  
Head of global internal communications & external social media, APM Terminals

Muriel is Head of global internal communications & external social media in APM Terminals – one of the main business units of Maersk Group – employing 25000 staff in 64 different locations around the world. Her most recent challenges are related to change communications: from rebranding the company to changing the hearts and minds on Safety in operations – in the space of 2 years. Currently she brings her focus on coaching functions and projects -in HQ and globally – to create strategic content. Experienced communications professional, her strengths are in steering and shaping strategic communications clearly linked to corporate and business priorities. Her overall approach to communication is about ensuring a total overall value based on impact and sustainability of message. Her key words: big picture, strength of simplicity, segmentation, measurement.

Prior to her current role Muriel worked for Shell in both corporate and business functions where communicating change also was a significant part of her activities.

Currently based in The Hague, NL, Muriel has lived in eight different countries and raised three children while pursuing her career.



# YOUR OPINION ON EMPLOYEE ENGAGEMENT

## Our trends & opinion survey results

Before addressing the specific issues with our panel, we surveyed a cross-section of key players currently working in the employee engagement arena\*, to ascertain the levels of engagement in today's businesses.

Response was positive: over three-quarters (82%) felt employee engagement was a key priority. This is backed up by one of our panellists (Minna Tornikoski at Tieto) who said "It will be one of the key areas of focus for all business owners/leaders and as important as financial reporting, environmental and social responsibility are today."

97.4% of those surveyed said their organisation will be investing in improving employee engagement levels over the next 12–18 months, and a majority of respondents felt their company's employee engagement levels have improved as a direct result of their organisation's commitment and investment overall.

Interestingly, *all* those surveyed felt their CEO was involved in engagement initiatives (with 20.5% saying their CEO was instrumental in those initiatives). This is backed up by Chartered Management Institute research published earlier this year which found that CEOs will adopt a "worker-centric" approach in 2014 to maximise future growth. The study showed the number one priority for business leaders this year is a reshaping of workplace culture, with employee engagement and better leadership at the core of the plans.

As Gary Cattermole, director of The Survey Initiative recently told *HR Zone* "If the CEO doesn't listen, react and reach out to employees why would staff members ever bother to put more effort into their roles? Of course if the CEO makes the time and effort to support it, so will all middle management too, and before long the effects will snowball throughout the organisation."

With 87% of our respondents who are currently working in employee engagement feeling they were well supported by their own boss, it appears that progress is undoubtedly being made in this area.

Looking ahead, however, just under a half of our respondents (48.7%) indicated that employee engagement will still be a big challenge for HR in 5 years' time, and as one of our key panellists Fiskar's Katri Heikkila intimated: "Times will continue to be challenging... Building engagement does not happen via tricks or treats, it's about shared vision, challenging goals and being given the appropriate tools to achieve."



\* from 39 global companies including PwC, Siemens, Philips, Zurich Insurance, ING, The Co-operative Group, ABN AMRO, BT, Orange

## question1



“Leaders need to look for ways to ‘hear’ their employees outside of the traditional surveys...”

GARY KILDARE // IBM

## WHO WILL BE THE FUTURE DRIVERS OF EMPLOYEE ENGAGEMENT? WILL IT COME FROM HR OR IS IT DOWN TO THE LINE MANAGER TO CREATE A CULTURE WHERE THEIR TEAMS, OR INDIVIDUAL STAFF, FEEL VALUED AND HEARD?

**CAROL MULDOON:** Absolutely the line managers. HR should always work in partnership supporting them to be their very best and be great leaders. As with all things in life sometimes great ways of working are obvious to some – for others they don’t come quite as naturally! So we need to share solutions to benefit everyone. Our role is quite often to come up with the framework or toolkit – but it is rarely a one size fits all solution. Engaging others is very much about us all using our authentic personalities as opposed to approaching it as a tick list. Sometimes it is also about pulling those back that march ahead too quickly, or stalling those that think the only way you engage people is through financial incentives!

**INGRID ERAS-MAGDALENA:** Employee engagement will be driven by a multitude of factors and companies will need to view it from a holistic perspective. Engagement will be driven by the working conditions (do they suit their workforce, are they flexible enough?). They will also be driven by internal policies and the leadership (style) of the direct manager. It is the overall, total picture that will drive engagement, not just one sub-factor.

**GARY KILDARE:** Engagement needs to be positioned jointly from the business and HR – a united communication plan will ensure the message is consistent and positioned to maximise impact. In addition, each employee needs to have a role in employee engagement and this should be made clear to them. New hires can have a direct impact on employee engagement and, in particular, graduate hires. Leaders need to look for ways to ‘hear’ their employees outside of the traditional surveys and this links to the question below on flexible working – where teams today are more dispersed than ever before and it is easy for them to feel isolated.

**RALF LARSSON:** Its both. Line managers have to be in the driver seat when it comes to change and be able to connect with their employees. But HR has to run the overall strategy in terms of measurement and showing best practice among leaders. HR should also be seen to provide the framework for their company’s leadership model.

**MINNA TORNIKOSKI:** Employee engagement will become more business driven and will be the critical business success factor in the future for all companies, due to war of talent & fierce competition to certain competencies and expertise. Business success will be the key driver for

“...the essence of engagement in the future is to create a culture where both individuals and teams feel valued and empowered.”

**KATRI HEIKKILA // FISKARS**

employee engagement, with HR supporting this success by providing the right approaches, and working methods. Employee engagement is already, and in the future, will be increasingly on the board's agenda. This will require radical change in the leadership capabilities at all levels. The whole organisation needs to focus on driving employee engagement as a key part of this agenda.

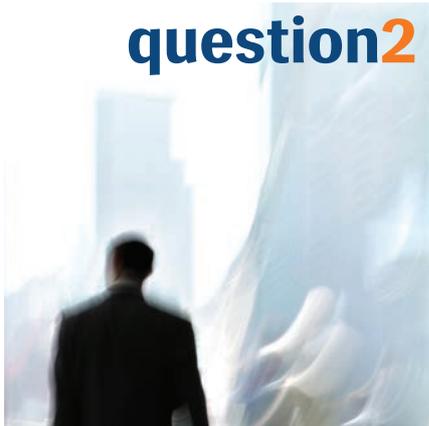
**MURIEL PINEAU:** Drivers of employee engagement are generated by motivation and entitlement. So, at some level, the manager can trigger or support such a culture where their team feel valued and heard – but it would be wrong to assume that either HR or line managers should create that environment. This culture is created by the employees themselves, supported by leaders who walk the talk, and by HR who foster this culture with the right tools – from learning to rewards. However, the role of Communication to foster an engagement drive should not be underestimated. From internal employee engagement strategy to the brand value, communication has a huge role to play.

**KATRI HEIKKILA:** Neither one of them alone. I believe that the essence of engagement in the future is to create a culture where both individuals and teams feel valued and empowered. This requires a joint agenda and state of will from management, HR and employees. Too often we see that the external and internal brand promise are not aligned. We, however, need to have employees feeling they are valued. Every single employee should be encouraged to be proactive, responsive and to take accountability of their workplace and team spirit. Line managers and/or HR cannot do it alone. I see the era of top-down activities in building an engaged workplace as being in the past.

**KATHARINA AUER:** HR is not and never was a driver of engagement. It's down to leaders, managers and peers.

**SERGE PEETERS:** For me, the key driver for engaged employees is the line manager. This will not change. The shadow of the leader is almost always reflected in the engagement of his or her team members. If the line manager is not up to the job as a people and business leader, than his or her employees won't go the extra mile either. HR can facilitate and actively support line managers in taking up this role by providing specific training programmes to line managers, and by measuring and following up on line managers performance, and giving feedback on their performance. HR is the facilitator in helping them become better people managers and better communicators.

## question2



“Engagement is a word that has been abused and misused – often confused with being a process when, in reality, engagement is a result.”

**MURIEL PINEAU //**  
**APM TERMINALS**

## WILL ‘ENGAGEMENT’ BECOME REPLACED WITH EMPOWERMENT OR ENABLEMENT?

**CAROL MULDOON:** Empowerment and enablement are both elements of how to really engage. Research tells us that people are often more motivated by worthwhile work than they are by financial reward. Empowerment is a very powerful way to not just motivate but also to solve problems and innovate. We can come up with many ways to make our customer experience fantastic, but if our partners are not fully on board with it we won’t reach our full potential. We hold regular roundtables with our partners across the globe. Quite often we ask them to come up with ways to make both their lives and the lives of our customers better. They have lots of ideas and you can see that they get a real buzz by being able to share them – and even more so if their ideas are then put into practice.

**INGRID ERAS-MAGDALENA:** Empowerment and enablement will drive engagement, not replace it.

**GARY KILDARE:** It should be enablement, since empowerment is around ‘permission to do something’ while enablement encourages you to take knowledge and use it to make you self-sufficient and confident. Enablement will give employees the impetus to better themselves and in turn make them enthusiastic and engaged for the company – which is far more reaching than empowerment!

**RALF LARSSON:** Maybe not replaced, but certainly enriched. If you enable the workforce and empower employees you will see a rise in engagement.

**MINNA TORNIKOSKI:** Empowerment and enablement are both elements that can drive engagement and engage employees. There are several specific areas that can lead to a highly engaged workforce at all levels: for example, empowerment, enablement, good leadership, opportunities to learn and grow. Engagement is the end result we are all focused on and working towards, other factors are more subsets of engagement or potential factors in creating engagement – but cannot replace it. The more engaged people are both emotionally and rationally, the more productive they are (in their willingness to contribute outside their role, and in going an extra mile) and the longer they will stay with us (rational engagement). Quite often we discuss these areas separately, but both are important to the long term success of any company.

**MURIEL PINEAU:** Engagement cannot be replaced: you are engaged in many different ways – either through empowerment or enablement, or other contributing factors. It all depends on the company’s DNA. Perhaps in a hierarchical model, empowerment would be key, or in a flat model,

enablement would be valued more highly. Engagement is a word that has been abused and misused – often confused with being a process when, in reality, engagement is a result. Achieving engagement has been compared to finding The Holy Grail. But actually it is simple: staff are engaged when they are motivated/ empowered / heard – take your pick.

**KATRI HEIKKILA:** These are strongly intertwined. There are many factors that play a significant role to a lesser or greater degree, and that all have an impact of the end result, right? It depends on the work context.

**KATHARINA AUER:** I look on engagement as an outcome: if I'm empowered and enabled to do my job, to collaborate, to have the relationships at work – then I'll be committed (rationally, emotionally) and therefore engaged.

**SERGE PEETERS:** No. In my view, empowerment and enablement both result in more engaged employees. Also, empowerment as a tool should be used wisely, as it can also have a negative impact on some employees. Almost all employees say they want more empowerment up until the moment you actually give it to them. With empowerment comes responsibility. Usually it is only the more skilled employees who feel really comfortable with this additional responsibility. Others experience difficulties in dealing with the freedom that also comes with empowerment. They see it as change, as uncertainty, and call out for a clear directive that narrows interpretation, responsibility and empowerment. They can become stressed when they are empowered, and engagement actually drops in some cases. Most of them will only admit this if they are actually confronted on it.



### **EMPLOYEE ENGAGEMENT SURVEYS ARE DEAD, LONG LIVE CROWDSOURCING – TRUE OR FALSE? HOW CAN COMPANIES LEVERAGE CROWDSOURCING TOOLS TO ACHIEVE A STRATEGY THAT IS BOTH COLLABORATIVE AND INCLUSIVE? WHAT OBSTACLES ARE WE SEEING BETWEEN HR AND COMMUNICATIONS IN FULLY EMBRACING SUCH TOOLS (AND INTRANETS GENERALLY) FOR SOCIAL COLLABORATION?**

**CAROL MULDOON:** Always balance! Engagement surveys, as long as they continually evolve and are relevant can be a very powerful starter for ten! I am not a big fan of surveys if I am honest, particularly when they are used in isolation and when they are not timely. I have seen situations where, by the time the survey results have been collated and shared, they are no longer relevant. Social collaboration is part of our DNA at Starbucks, we actively encourage our partners and our customers to share their experience

“... crowdsourcing is great to get a pulse as to what is working or not, but it is also a great way to innovate.”

CAROL MULDOON // STARBUCKS

and views with us and with each other. I think that crowdsourcing is great to get a pulse as to what is working or not, but it is also a great way to innovate. Obstacles show up when credibility is dented or trust is broken and confidence is lost. Sharing and asking such a wide audience can have its risks so the intent needs to be genuine on both parts.

**INGRID ERAS-MAGDALENA:** Crowdsourcing is a good way to give/receive immediate feedback on performance, but also on strategic and/or practical day-to-day issues. Web-based tools are great and enable instantaneous and direct feedback – something the younger generations long for. However face-to-face discussions will continue to be part of the process – in addition to web-based solutions. HR and Comm’s need to work together on this hand-in-hand. It is the future. It is worth remembering that someone has to manage and monitor the web-based tools, in terms of reviewing feedback, summarising content and presenting this content to the relevant parties.

**GARY KILDARE:** Surveys are dead if the company uses them as a tick-the-box exercise. Crowdsourcing can facilitate a dynamic and ongoing dialogue on a digital platform more suited to the 21st century. It provides a cost-efficient approach and a fast turn-around in terms of results. Crowdsourcing contributes to employee engagement by giving their employee a voice so they can share their views in real time. For crowdsourcing to be successful there has to be a good understanding of the company strategy. HR is only now coming to terms with embracing social collaboration in order to share information beyond the company walls, whereas communications have been in this arena for many years. The two groups need to work together to ensure the use of social media across the business is maximised for the good of both its employees and business results.

**RALF LARSSON:** HR and Communications need to work even closer today than before, to fully utilise social tools and social Intranet capabilities. We still need to measure how well (or badly) leaders engage with their employees. Leveraging leadership skills for using social tools as a complement to traditional communication is a shared task between HR and Communications.

**MINNA TORNIKOSKI:** There is room to facilitate both surveys and crowdsourcing. Crowdsourcing is extremely important not only as a tool but also as a wider approach to encourage employees to have a role in driving and shaping the company’s future. Engagement surveys will provide information on how the cultural transformation is evolving, by highlighting what areas and pockets of efficiency still need work. At some point in the future we may see these two areas merging together, but at the current time there is a need for both. In several companies (including ours) we still need to work on fully utilising crowdsourcing, so our annual employee survey is still



“HR is only now coming to terms with embracing social collaboration in order to share information beyond the company walls...”

GARY KILDARE // IBM

important, at least for the time being. Social collaboration tools inside any company are growing: our challenge is ensuring both digital natives, ie the younger generation, and the older generations are using the same toolsets.

**MURIEL PINEAU:** True and false. Both have different objectives, and are used to achieve different results. There is a lot of noise at the moment about surveys being old fashioned and a box-ticking exercise for management. This is true sometimes when they are part of a legacy, and carry the same questions year after year. But the truth is that the company (not just HR) need these results, so the key here is to make it relevant, by including, for example, specific items that link to the previous year’s results. Crowdsourcing is a great tool. Personally, I have been using it for some time, with employees directly contributing to building our communication campaigns. It has become a ritual our employees enthusiastically look forward to every year. The response has been so huge that it allows me to ‘recycle’ the input for other purposes, such as for our external social media campaign.

**KATRI HEIKKILA:** Both serve a purpose. Ideally I see them as being linked together. You need an engagement survey to have measurable results throughout the organisation. You can use crowdsourcing as a method to elaborate on the results, i.e. by involving employees and even customers. It allows us to leverage the strengths further and to improve weak spots. There are many examples of close collaboration across HR – for example, internal communication and our unions – which do not hinder us at all.

**KATHARINA AUER:** Employee surveys have their place, they are a snapshot in time. Crowdsourcing is valuable, but again it’s a snapshot in time and would need to be ongoing (or frequent) to add significant value.

**SERGE PEETERS:** I hope that the impact of crowdsourcing on company strategy is limited. I’m not saying that crowdsourcing tools can’t help or deliver valuable input for the strategy of a company, but expectations should be managed carefully. It’s like Steve Jobs said : “It’s really hard to design products by focus groups. A lot of times, people don’t know what they want until you show it to them”. What is true for customers is also true for employees. I am a bit afraid of the mediocrity of the masses and a strong believer on individuals making a difference. As far as strategy is concerned, I look at our executives to be these individuals: steering and driving a company and making a real difference – being the leaders we want them to be.

## question4



“...flexible working can isolate employees and breakdown employee engagement which means that a stronger emphasis has to be put on communication and ensuring the employee feels they belong.”

GARY KILDARE // IBM

## AS THE BOUNDARIES BETWEEN WORK-LIFE AND PERSONAL LIKE BECOME INCREASINGLY BLURRED, EXTENSIONS TO THE RIGHT TO REQUEST FLEXIBLE WORKING ARE COMING TO FRUITION. HOW WILL YOUR ORGANIZATION ADAPT TO A CULTURE OF FLEXIBLE WORKING?

**CAROL MULDOON:** We continually look at how relevant we are to changing social attitudes about work and we listen to what our partners need. Being aware of how we can balance their needs against our customer needs, we continually look at diversity and inclusion and flexible working as a great way to gain a rich mix of age, gender and culture in our workplaces. Flexible working needs are no longer about mums needing support, although this will always be a big part of it; requests are now about many things that range from dependents support to enriching lives by further education or voluntary work. Our role is to support our leaders to adapt. Being more flexible in our approach means that people will feel more fulfilled both in and out of the work place. In turn they will then bring more to it! Bringing leaders on board makes success a lot easier too.

**INGRID ERAS-MAGDALENA:** We are in the process of doing so; in a variety of our hotels and offices, we already have flexible working hours in place. The execution of this is dependent on the position and its associated practicality (e.g. a breakfast chef has to be there at a certain time, but a reservations clerk could work from home).

**GARY KILDARE:** We are fortunate in IBM to have a culture of flexible working. To enable this there has to be a culture of trust and an adaptation to communicate with colleagues, teams and managers in less traditional ways. Gone are the days of traditional conference calls. The challenge is that flexible working can isolate employees and breakdown employee engagement which means that a stronger emphasis has to be put on communication and ensuring the employee feels they belong.

**RALF LARSSON:** By having the right leadership built on trusting our employees. To achieve this is an HR task.

**MINNA TORNIKOSKI:** Flexible working and tools are available for all those that are in the type of roles and positions where a physical presence is not needed – or where their work contribution is not time dependent. We are currently working on creating an attractive office environment so that even those who could work from outside would prefer to come into the office. The key to flexible working is that it requires a high level of trust from the organisation, in addition to self-motivation on the part of the employee.

**MURIEL PINEAU:** There is an increasing blur between work-life and personal life. Where I work, flexible working is possible (working from home) to a certain extent (for white collar workers) whereas in Operations, flexible working is more limited. Blue collar employees do, however, use social media and I have started to use this channel as part of our brand awareness and engagement campaign. Engagement has grown at a rate of 2000% in 2 years through this channel, so our social media strategy has been widened – and is an essential tool to reach our 20000+ employees globally.

**KATRI HEIKKILA:** Until now we have developed a policy and practice for flexible working for salaried employees. This can be applied according to individual departments. Utilising flexible working obviously depends on the context of the work. I can see that in the future, for example, manufacturing and store employees could work longer hours during production or sale peaks and then take time off during low seasons. This naturally needs to be negotiated and agreed with union representatives.

**KATHARINA AUER:** All organisations will need to adapt to different expectations of people coming into their workforce. In today's world it really should not matter where you are working from, as long as you get your work done.

**SERGE PEETERS:** We launched a 'new way of working' programme in our company called 'FLEX', giving approximately 7,000 employees the possibility of working from home a couple of days each week. FLEX introduces some technologies such as Lync, mobile printing, smartphone's with push mail, internet connections, laptop's, a flexi-desk in the offices, and a mobility plan. The goal of the FLEX programme is to create a win-win situation for both employee and employer: increased work-life balance for employee, and a reduction in both office costs and absenteeism for the employer.



## HOW WILL EMPLOYEE ENGAGEMENT BE ENHANCED THROUGH COMMUNICATION CHANNELS IN THE FUTURE? DO YOU THINK THERE WILL BE A SEGMENTED APPROACH TO COMMUNICATIONS AND MESSAGING FOR A DIVERSE, MULTICULTURAL, MULTIGENERATIONAL AND CROSS-GEOGRAPHICAL WORKFORCE?

**CAROL MULDOON:** Again, this is not a one size fits all approach. It is great to have a communication channel that reaches across all boundaries and ideally one platform is a good starting point. Clearly digital opportunities present us with one platform that can be used in very different ways to reach different audiences across the world. The important trick is to not use any



**“It is crucial we do not become completely consumed with e-communication, but aim for uniqueness and reciprocity in our communications...”**

**KATRI HEIKKILA // FISKARS**

single medium in isolation and never allow it to take the place of pure face-to-face engagement. Line managers need to continue to take accountability for engagement, with us supporting them along the way. Other channels should enhance this experience but never replace it.

**INGRID ERAS-MAGDALENA:** I do not foresee an enhancement in employee engagement; I think communication channels will need to be adapted to maintain current engagement levels.

**GARY KILDARE:** As mentioned in previous questions, communication channels will need to be opened up to reflect modern society – this means maximising social media and for sure this will grow and diversify over coming years. Organisational culture in terms of communication needs to run alongside the different pulls from diversity, culture and different generations which means that with the organisational culture there is generally something for everybody – the only real concern is cultural differences and ensuring that as an organisation we remain respectful of the differences.

**RALF LARSSON:** Yes, for sure. That’s why companies need to provide good internal social tools, that are integrated with the intranet and other forms of traditional communications.

**MINNA TORNIKOSKI:** The huge and ever increasing information flow will drive internal communications to be both more focused and more segmented so that people can access whatever type of information they need, as and when they need it. This will of course bring a new set of challenges to corporate level communications: specifically in how to ensure that future key messages are cascaded effectively, and how to support leaders at all levels to communicate more efficiently to their teams through virtual and diverse networks.

**MURIEL PINEAU:** My belief is that employee engagement will be driven by global knowledge sharing. As far as engagement is concerned, top down leadership communication will take a step back and will move towards a more lateral approach, fostered by the passion people have in their expertise. Maybe surveys could help us, as communicators, to assess this trend. Segmentation will still exist, with the risk, as always, that local translation of corporate messages fails.

With the external/internal social media channels, knowledge sharing can be a driving force led not by the management but by mid-management and their employees. The good news is that many companies are ready to support this trend – they all recognise a need for cultural change.

**KATRI HEIKKILA:** Even though social media, web, crowdsourcing etc. are increasingly evident, nothing can match the role human interaction and face-to-face communication plays. It is crucial we do not become completely consumed with e-communication, but aim for uniqueness and reciprocity in our communications – so that all voices across generations, professions, beliefs and cultures are heard.

**KATHARINA AUER:** Ideally the information should be there for people to select what they need for themselves – this is what people are used to. That said, some still expect to be provided with the necessary information.

**SERGE PEETERS:** The art of communication has become more and more difficult. As new ways of communication evolve, it is essential that both Communications and HR departments keep up to date with new communication channels. But it's important not to forget that, although communication from HR and Communications departments can impact engagement, I don't believe it is the main driver. The biggest impact is the way the line manager communicates with his/her employees. I hope he/she does not communicate with their team members by mail or twitter alone and has a good grasp of the personal characteristics of each individual. I don't believe a segmented approach is the best way to communicate a uniform message. Of course, we need to take into account the diversity of our employees when drafting a clear communication. But a segmented communication will only create misunderstandings, and end up in confusion.



## HOW ARE ORGANISATIONS EFFECTIVELY MEASURING THE ROI OF THEIR EMPLOYEE ENGAGEMENT AND EMPLOYEE COMMUNICATIONS STRATEGIES AND IT'S DIRECT IMPACT ON THE BUSINESS' BOTTOM-LINE PERFORMANCE? WITH SO MUCH BUZZ AROUND THE IMPORTANCE OF EMPLOYEE METRICS AND HR DATA, WHAT NEW METHODS CAN ENSURE THIS IS MEASURED CORRECTLY?

**CAROL MULDOON:** It is always good to tie engagement back to a financial metric but life is not always as easy as that. For me good measurement needs two things. The first is a belief that happy employees are motivated employees and they will deliver better experiences to each other and others either in or outside of their workplace. I see part of our role in HR as converting the 'non-believers' – this can only be done by demonstrating positive impact or results from changes in employee behaviour towards those they lead. The second is by tying engagement back to tangible results, this can be done in many ways; matching incentives to performance, setting hard targets such as turnover



“We are just introducing our ‘happiness survey’ where partners will be asked to tick one face each week; smiley, neutral or frowning, depending on how their week has gone.”

**CAROL MULDOON // STARBUCKS**

or stability or by using ad hoc tools. We are just introducing our ‘happiness survey’ where partners will be asked to tick one face each week; smiley, neutral or frowning, depending on how their week has gone. I have no doubt that this will tell an interesting story!

**INGRID ERAS-MAGDALENA:** Many organisations do have metrics in place, and have started to link those metrics to customer satisfaction. Metrics are needed: what does not get measured, does not get done. But metrics can also be mis-interpreted; it all depends which question you ask, and the response one gives to the results.

**GARY KILDARE:** Organisations today are using traditional ROI measurements such as employee turnover, days lost to sickness and absence, customer satisfaction, increase/decrease profitability and recruitment/training costs. However as the way to measure employee engagement broadens with social media so will the way we understand the impact on ROI and in addition the employees will have greater visibility to how the engagement of their colleagues is impacting the organisation.

**RALF LARSSON:** Socially-driven activities or campaigns that have a strong ROI will become important. Gamification is one important element built on crowdsourcing that will complement traditional measurements. It’s important that the results are assessed with HR and used to determine reward and recognition programmes.

**MINNA TORNIKOSKI:** This is one of the most important and underestimated areas within HR and communications. There are few organisations that admit to having a state-of-the-art method for achieving employee metrics and ROI. Most organizations are still struggling to get the basics in place: to integrate their communication strategy, drive cultural transformation and introduce an effective social media campaign internally, allowing their employees to take ownership and responsibility for their future.

**MURIEL PINEAU:** The key here is to integrate different types of measurement: social media metrics, intranet metrics, feedback, behaviour changes (e.g. the sudden increase in use of an IT or compliance tool) and business results in areas where it is already agreed that Communications support their objectives (e.g. yearly business priorities). It is vital to assess the starting point and define desired outcome(s) and related KPIs.

**KATRI HEIKKILA:** I am not sure we need new metrics or tools. Comparing the engagement score development with turnover, sick-leaves, employee productivity and target setting achievement rate will show if (and when) there is a correlation in long-term perspective.

**KATHARINA AUER:** You can track engagement against business KPIs with correlation analysis. You just need to select the right/most appropriate KPI.

**SERGE PEETERS:** I feel that few companies (or HR departments) today have the tools or the means to measure this. As there is no 'direct' impact but only an 'indirect' impact, measuring the impact requires a combination of various strands of data and powerful software tools. In addition, engagement surveys are often executed by external providers, to ensure the privacy of the employees, which means that the company then needs to provide the external provider with a certain amount of 'confidential' additional data. We measure the ROI of engagement by linking it to the absenteeism rates (in the short-term). The results clearly showed us that the lower the short-term absenteeism rate was, the more engaged our employees were. As absenteeism represents 10 million euro productivity loss, it's clear that working on engagement can increase the productivity of a company and indirectly impact bottom line results.



**“The traditional engagement survey that runs every second year does not fully support the fast movement needed to drive a company into the new era.”**

**RALF LARSSON // ELECTROLUX**

## WHAT ARE YOUR PREDICTIONS FOR THE FUTURE OF EMPLOYEE ENGAGEMENT OVER THE NEXT 5 YEARS?

**CAROL MULDOON:** I believe that employees will be given more of a voice. Employers will be challenged more and understand that they need to listen to their employee and keep them on board to deliver and sustain results. The needle will move for many companies doing this because they think it is something they need to be seen to be doing: engaging with teams because they really want to as it adds such great challenge, ideas and value. The void between companies that do engage and do it well and those that don't will broaden and the former will be the ones that attract the best talent.

**INGRID ERAS-MAGDALENA:** Engagement will remain high if: companies go with the flow of the changing workforce; they keep the balance right between expectations of their associates, and are willing to invest in good work/life integration solutions. Awareness and implementation of diversity and inclusion is key, on a daily basis.

**GARY KILDARE:** The catalyst for change will continue to 'reinvent' the need to keep employee engagement strategies at the forefront of leader's agendas. The drivers for this will be the information economy, new generations in the workforce, new values, changing work environments and the global economy.

**RALF LARSSON:** The traditional engagement survey that runs every second year does not fully support the fast movement needed to drive a company into the new era. It needs to be complemented with other measures, and other reward and recognition programmes that offer a much faster 'measure and act' benefit, increasingly facilitated through crowdsourcing.



**“Employees are the company’s driving force, they are the engine of the company. And engaged employees make a company drive more smoothly.”**

**SERGE PEETERS // BELGACOM**

**MINNA TORNIKOSKI:** In five years time we will see employee engagement appear strongly on the board agenda. It will be one of the key areas to focus for all business owners/leaders and as important as financial reporting, environmental and social responsibility are today. Employee engagement will be a key driver for any organisation’s employer brand through social media and external networks and will be key to business success – and will be used as a means to predict future business performance.

**MURIEL PINEAU:** Employees expect to be heard and responded to. It’s not a union prerogative anymore, but a result of the way social media has shaped our environment and expectations. Your employees’ voice is therefore immensely powerful, and can also be a great channel to drive a company’s vision and strategy. There will also be more lateral communication, where changes (cultural or other) will be driven by knowledge sharing (people) framed by processes and leadership support. The shift from leadership driving the show, to leadership supporting the show will be interesting to see, but I am convinced it will happen.

**KATRI HEIKKILA:** Times will continue to be challenging. In the past a lot has been discussed about generation X and generation Y, etc. I think we need to break down the barriers between generations, functions, organizational layers – and even with customers and suppliers. We all need a compelling story to believe in, a journey where we can give and take, learn from each other and build a common future together. Building engagement does not happen via tricks or treats, its about shared vision, challenging goals and being given the tools to achieve.

**KATHARINA AUER:** Human nature won’t change significantly, but people have different expectations from their employers – such as work and personal life – so the drivers of engagement will adapt to this in the future.

**SERGE PEETERS:** Employees are the company’s driving force, they are the engine of the company. And engaged employees make a company drive more smoothly. HR, the ‘mechanic’, will need to find ways to monitor this engine better and to increase its performance. We need to professionalise the way we constantly monitor and try to improve engagement, and try to find ways to proactively detect problems. This way we can better inform any concerned stakeholders, line managers and executives. It still seems to be too centred around a yearly survey, action plans and then anxiously awaiting the outcome of the next survey ●



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