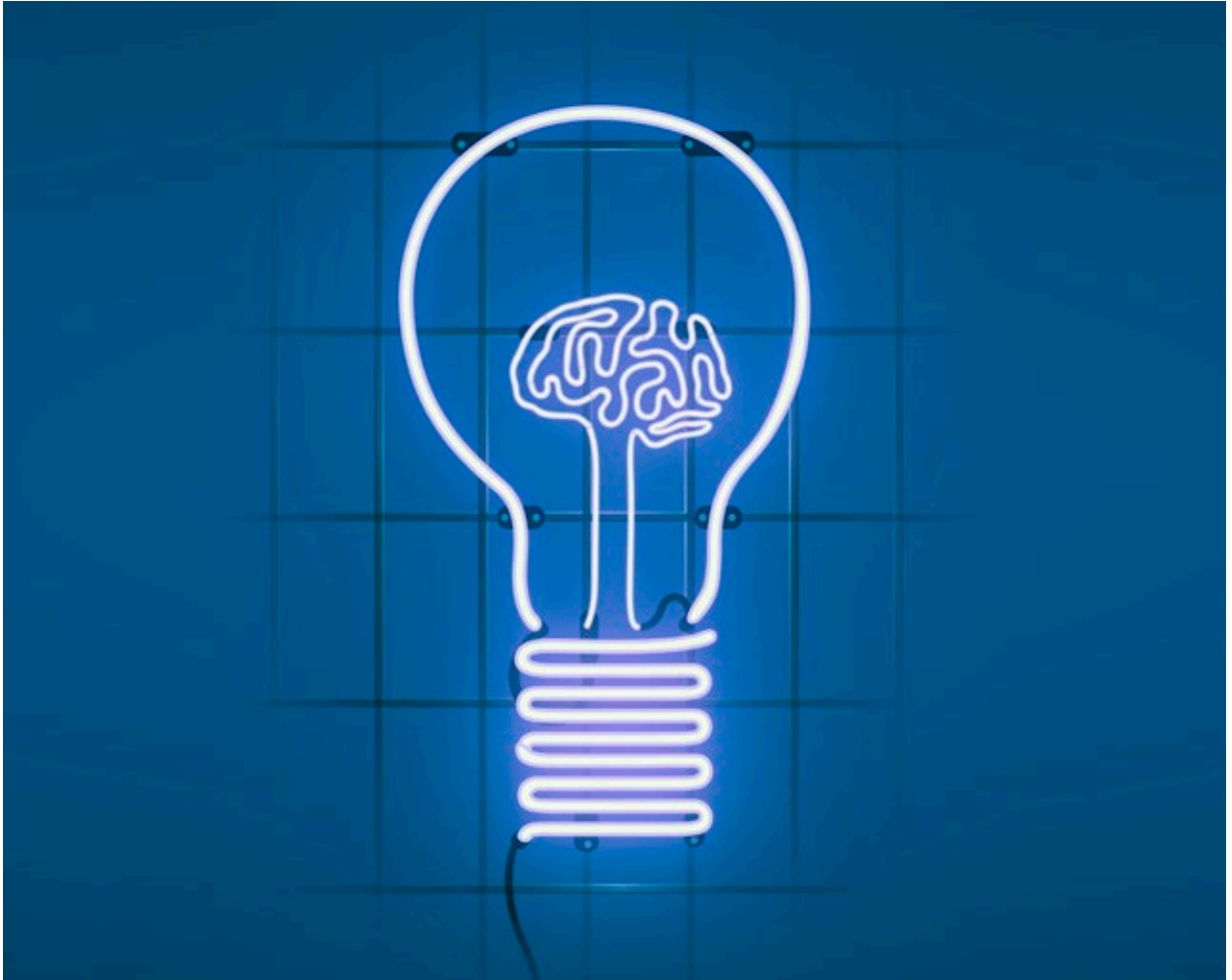


HAYS JOURNAL

ISSUE 12 2016

GLOBAL INSIGHT FOR EXPERTS
IN THE WORLD OF WORK



ENCOURAGING INNOVATION

HOW CAN BUSINESSES NURTURE AN ENTREPRENEURIAL SPIRIT?

EMPLOYEE ENGAGEMENT: WHY IT'S ESSENTIAL TO INSTIL A SENSE OF PURPOSE

THE RISE OF THE FREELANCER: AN OPPORTUNITY TO FLEX THE WORKFORCE

DATA ANALYSIS: WHAT INSIGHTS CAN COMPANIES EXTRACT FROM HR DATA?

CULTURAL INTELLIGENCE: AN IMPORTANT QUALITY IN THE MODERN WORKPLACE

HAYS JOURNAL



EVERYONE NEEDS A sense of purpose – a reason to get out of bed in the morning. While some employees will naturally have a strong sense of the importance of their job, there is plenty that companies can do to foster a feeling of working together towards a common goal. If they succeed, they are likely to see benefits in performance and retention, and ultimately in the success of the business. On page 18, we examine this crucial aspect of employee engagement.

Another way of fostering employee engagement is to encourage staff to contribute to innovation within the business. The first recorded use of the term ‘intrapreneurship’ dates back to 1978, but it’s a concept that has really come into its own in the 21st century as established companies have been forced to recognise the competition coming from nimble, innovative start-ups. On page 10, we look at some of the ways of fostering an entrepreneurial spirit at all levels of a company.

Where once the idea of the office ‘temp’ was looked down on, increasing numbers of professionals are now opting for freelance working, attracted by the flexibility it gives them. As our article on page 34 explains, smart businesses are also benefiting from that flexibility – for instance, by employing fewer full-time staff and using freelancers to fill in the gaps.

In making those decisions about the make-up of the workforce, many companies will use the wealth of data that is available to them. A recent survey found that the predicted boom in data-driven insights for HR has largely failed to materialise, but there are organisations that are using the power of analytics to inform recruitment and HR management. On page 42, we speak to some of them and look at the opportunities that are available for those who are prepared to invest in them.

In an increasingly globalised world where people from different nations and cultures work side by side, the importance of cultural intelligence is growing. Managers with a high cultural quotient (CQ) find it easier to encourage collaboration and, equally, to avoid conflict. On page 39, we explain why CQ is an essential part of people management in the modern workplace.

As Global Chief People Officer at McDonald’s, David Fairhurst knows all about managing workers from different cultures; he oversees human resources for the world’s second-largest corporate employer. On page 26, he explains how, despite the scale of the business, it manages to keep decision-making agile, maintaining a balance between centralised decision-making and autonomy at the local level.

ALISTAIR COX, CEO, HAYS

HAYS Recruiting experts worldwide

CONTRIBUTORS

Alison Coleman writes for titles including the *Financial Times*, *Director and Employee Benefits*

Jo Faragher is a regular contributor to *Personnel Today* and the *Financial Times*

Steve Hemsley is former Editor of *Recruitment Matters* and regular contributor to the *Financial Times*

Nick Martindale writes for titles including *The Times*, *The Telegraph* and *Economia*

Hays Journal is published on behalf of Hays by Wardour. www.wardour.co.uk
Managing Editor **Gareth Francis**
Art Director **Daniel Coupe**
Account Manager **Coralie Fernando**
Account Director **David Poulton**

© Copyright Hays plc 2016. HAYS, the Corporate and Sector H devices, Recruiting experts worldwide, the HAYS Recruiting experts worldwide logo and Powering the World of Work are trademarks of Hays plc. The Corporate and Sector H devices are original designs protected by registration in many countries. All rights are reserved. The reproduction or transmission of all or part of this work, whether by photocopying or storing in any medium by electronic means or otherwise, without the written permission of the owner, is restricted. The commission of any unauthorised act in relation to the work may result in civil and/or criminal action.

COVER IMAGE: GETTY IMAGES

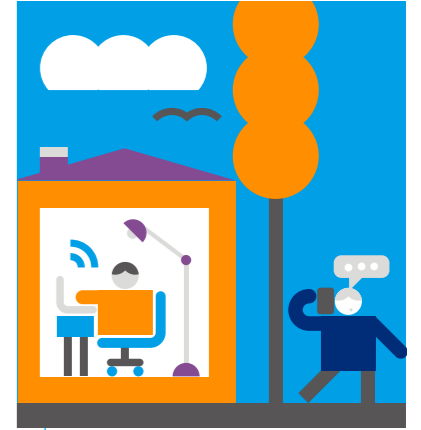
CONTENTS



18 **DO BUSINESSES NOW NEED TO OFFER STAFF MORE THAN GREAT COMPENSATION AND BENEFITS?**



26 **MEET DAVID FAIRHURST, MCDONALD'S GLOBAL CHIEF PEOPLE OFFICER**



34 **ARE COMPANIES READY TO TAKE ADVANTAGE OF THE RISING FREELANCER ECONOMY?**

04 TOP STORIES

A digest of the world of work, including China's falling female employment rate; rising mental health issues in the workplace; and how the use of social media to profile potential hires is making employees unhappy

10 FOCUS

Encouraging intrapreneurship
How can companies nurture an entrepreneurial spirit in staff to compete with disruption in the market?

16 STATISTICAL SNAPSHOT

More organisations are hiring forensic data analytics specialists, but what skills are needed?

18 THE BIG IDEA

A sense of purpose
Great benefits and wages are no longer enough. Businesses need to provide staff with a collective purpose

24 OPINION

Breaking the disability glass ceiling
Kate Nash, CEO of PurpleSpace, explains how companies can create more opportunity for disabled staff

26 LEADERSHIP PROFILE

Fresh approach
David Fairhurst, Global Chief People Officer of McDonald's, explains how HR can balance business results and employee satisfaction

31 VIEWPOINT

Global insight from Hays, including: digital transformation; mid-management retention; and encouraging inclusive leadership in your organisation

34 ANALYSIS

The rise of the freelancer economy
Why more people than ever are choosing freelance careers and how organisations can use this trend effectively

39 TRICKS OF THE TRADE

A different kind of intelligence
Why an increasingly connected world demands greater understanding of cultural differences

42 IN THE WORKPLACE

Power in numbers
Has the expected data-driven revolution materialised in the world of work?

45 REGIONAL SNAPSHOT

Bouncing back
While Australia's mining boom is over, the country still has plenty of reasons to be positive

48 RISING TO THE CHALLENGE

Prevention is better than cure
The skills demanded in cyber security experts are changing, but is the talent needed available?

50 LAST WORD

Catherine Mallyon, Executive Director of the Royal Shakespeare Company, discusses the diversity challenges faced by the arts industry

CONTACT US

To contribute, provide feedback or comment on any of the articles in this publication, please email haysjournal@hays.com or join our *HR Insights with Hays* group on LinkedIn.

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

Back issues of the *Hays Journal* are available on request to haysjournal@hays.com

TOP STORIES

What's changing in the world of work?

FEMALE EMPLOYMENT RATES IN CHINA STEADILY DECREASING

IN THE LATE 1970S, a decade after Chairman Mao was quoted as saying that “women hold up half the sky”, approximately 90 per cent of working-age women in China's cities were participating in the workforce.

However, according to the latest data from the **International Labour Organization**, the work participation rate of women dropped nine percentage points, from 73 per cent in 1990 to 64 per cent in 2014.

The change is partly explained by China's economic transformation over the past two decades. As the country has moved away from labour-intensive employment towards consumer goods and services employment, women's participation in the workforce has dropped. In addition to this, social pressures have also played a role in the downward trend seen.

However, China's female employment figures are still roughly equivalent to – and sometimes higher than – those in many developed countries. For example, in 2014, Norway's female employment participation rate was 61.2 per cent and the rate for the US was 56 per cent.



“PROFILED JOB APPLICANTS WERE TWICE AS LIKELY TO BE UNSUCCESSFUL AS SUCCESSFUL”

an employer who had used online information to influence a hiring decision. When the outcome of the hiring decision was known, profiled job applicants were twice as likely to be unsuccessful as successful.

Most employees (70 per cent) indicated that they spent some time managing their online presence with their current and/or future employer in mind.

Although employees and prospective employees are, in theory, protected by discrimination laws in the country in which they work, claims of discrimination because of online profiling are rare. This is because it is difficult to make an effective claim if the profiling was done in secret.

The survey revealed that job applicants are rarely told they have been profiled, or why they were screened. The results demonstrated that participants usually only became aware that they had been profiled once they had been successfully employed.

EMPLOYEES UNCOMFORTABLE WITH ONLINE PROFILING

EMPLOYEES ARE UNHAPPY

that online information, taken from social media, is being used by companies to make hiring decisions, a new study has revealed.

The survey of 2,000 employees across different industry sectors in Australia and the UK, published in *Human*

Resource Management Journal, found that most are uncomfortable with the practice, known as online profiling. More than 60 per cent believe they have a right to a private online identity that employers should not access.

Approximately 27 per cent said they had witnessed or heard about

THINGS YOU SHOULD KNOW...



“WE LOOK FOR PEOPLE WHO ARE PASSIONATE ABOUT SOMETHING. IN A WAY, IT ALMOST DOESN'T MATTER WHAT YOU'RE PASSIONATE ABOUT”

MARK ZUCKERBERG, CHAIRMAN AND CO-FOUNDER OF FACEBOOK, ON WHAT THE COMPANY LOOKS FOR IN NEW RECRUITS

AMAZON TO TRIAL FOUR-DAY WEEK

Multinational online retailer **Amazon** is to trial a four-day working week to find out how teams working 30 hours every week would benefit.

A small number of employees will take part in the pilot scheme and receive the same benefits as traditional 40-hour workers, but will get only 75 per cent of the pay that full-time workers earn.

The teams will work on technical products within the human resources division, working Monday to Thursday, 10am–2pm, with additional flexible hours.

Amazon does not currently plan to alter the 40-hour working week on a company-wide level.

56%

THE PERCENTAGE OF DEAF OR HARD-OF-HEARING EMPLOYEES WHO TOLD A SURVEY IN THE UK THAT THEY HAD EXPERIENCED DISCRIMINATION DURING THEIR CAREER



TALLER PEOPLE EARN MORE

New findings from Indonesia's **National Bureau of Economic Research** have shown that taller people are expected to earn more in the workplace.

Researchers tracked the fortunes of more than 5,000 Indonesian men over seven years. They found that taller people tended to earn higher wages. An extra 15cm in height, for instance, resulted in around an additional 1,000 Indonesian rupiah (about 5 pence) in hourly earnings.

The study concentrated on men working in a variety of roles, from farming to office work.

THE FIGHT AGAINST HACKERS CONTINUES

7%

THE PROJECTED ANNUAL GROWTH IN SPENDING ON SECURITY SOFTWARE



PRIVATE SECTOR COMPANIES

globally spent more than US\$75 billion on security software in 2015 to protect their systems and data, including information about employees.

Furthermore, American IT research company **Gartner**, which calculated that figure, says spending is expected to grow about 7 per cent annually. The figures don't include investment by banks on anti-fraud measures, which is thought to add up to many more billions each year.

Despite the money spent, companies can't afford to think that sensitive information about their staff is safe, because the smartest hackers – who have huge financial incentives to resell employees' personal information – have found ways around some existing security software. The growth of cloud computing has contributed to making private data vulnerable.

However, companies often don't want to talk publicly about having been hacked for fear of losing customers or investors. Analysts believe that there are many more data breaches against companies than are being publicly reported.

Attacks that did become widely known include the Sony Pictures hack and the data breach of US retailer Target. In the latter example, malware was used to steal credit and debit card information on more than 70 million customers.

“EVERYONE EXPERIENCES TOUGH TIMES; IT IS A MEASURE OF YOUR DETERMINATION AND DEDICATION HOW YOU DEAL WITH THEM AND HOW YOU CAN COME THROUGH THEM”

LAKSHMI MITTAL, CHAIRMAN AND CEO OF ARCELORMITTAL

SINGAPORE PUBLIC SECTOR LIMITS WEB ACCESS AT WORK

PUBLIC SECTOR WORKERS

in Singapore will be blocked from accessing the internet on work computers from May 2017 to stop potential leaks “amid heightened security threats”.

Although still unusual in Singapore, limited web access

is already the policy of some employers, including banks and other financial services companies. File sharing or software downloads are more commonly restricted, as employees may accidentally download malware from websites or share sensitive information online.

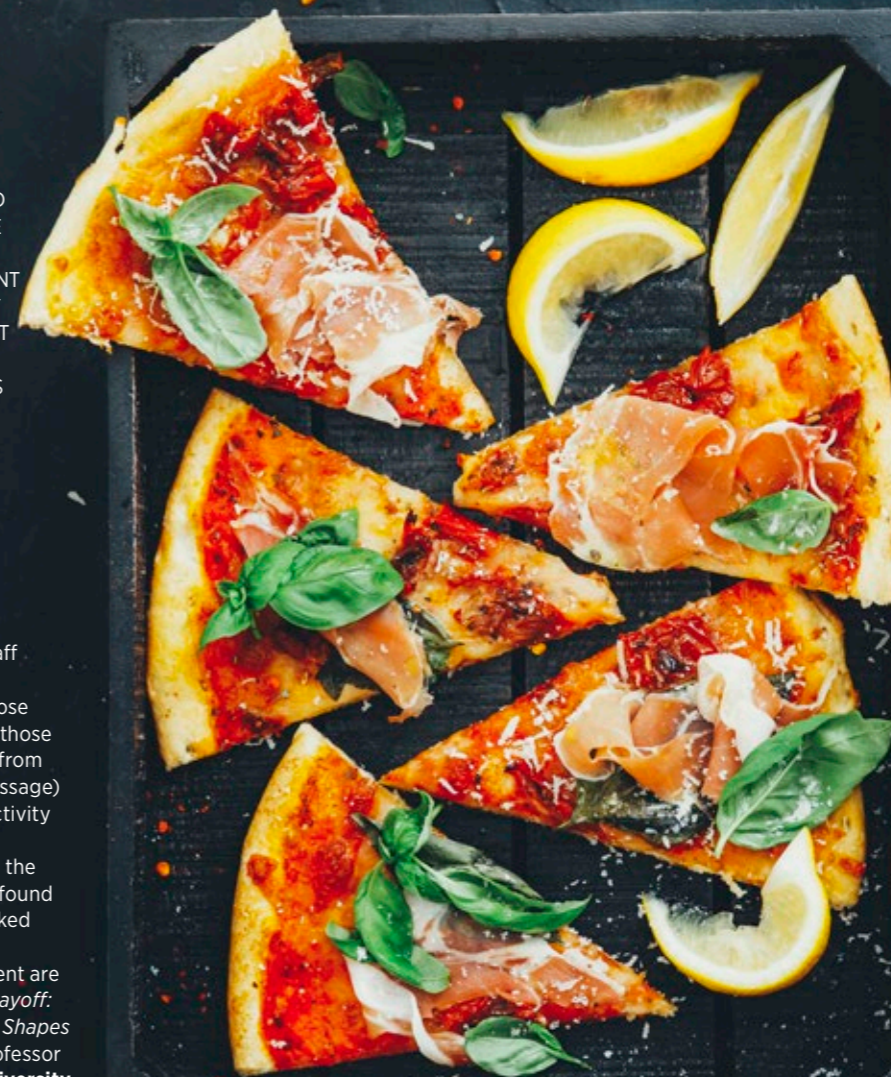


6.7%

THE RISE IN PRODUCTIVITY WHEN STAFF WERE OFFERED A VOUCHER FOR FREE PIZZA ON THE FIRST DAY OF AN EXPERIMENT AT AN INTEL FACTORY IN ISRAEL TO FIND OUT THE BEST WAY TO MOTIVATE EMPLOYEES

The productivity of staff offered a cash bonus (approximately £20) rose by **4.9 per cent**, while those offered a compliment from their boss (via text message) increased their productivity by **6.6 per cent**.

However, extending the experiment to a week found that compliments worked better than pizza. The details of the experiment are revealed in the book *Payoff: The Hidden Logic That Shapes Our Motivations* by Professor Dan Ariely of **Duke University** in North Carolina, US.



GETTY IMAGES

MENTAL HEALTH ISSUES AT WORK ON THE INCREASE

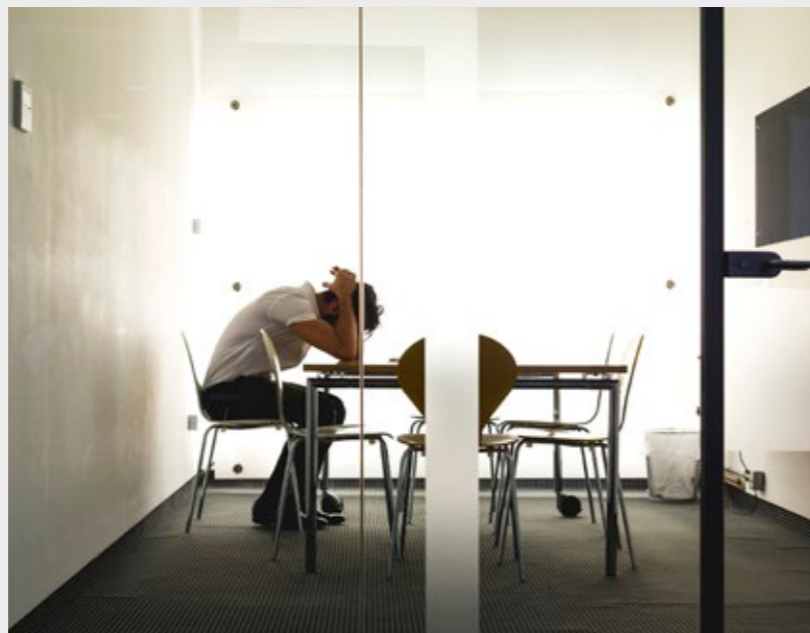
THE NUMBER OF PEOPLE who say they have experienced mental health issues at some point in their working life has increased from 26 per cent to 31 per cent over the past five years, according to a survey by the **Chartered Institute of Personnel and Development (CIPD)**.

The poll of more than 2,000 people also found that, of those who had experienced poor mental health at work, 42 per cent had experienced a problem in the past 12 months to the extent that it had affected their health and wellbeing.

Moreover, the majority did not feel that their employer was supporting them well enough, with only 46 per cent saying that they had been supported 'very well' or 'fairly well'. This is an improvement on the equivalent figure of 37 per cent from the similar survey carried out by the CIPD in 2011, but does suggest that many employers are still not offering sufficient support to their staff.

In response, the CIPD is calling on organisations to take a more preventative approach to employees' mental wellbeing, encouraging a culture of openness in their workplace, while also training line managers to provide and signpost support for employees.

Rachel Suff, the CIPD's Employment Relations Adviser, commented: "This agenda needs to be championed from



the very top by business leaders and senior staff – either through role-modelling or open conversations about their own experiences. There is also a clear role for HR professionals and line managers to ensure that employees are getting the support they need and feel they can speak up."

46%

THE PERCENTAGE OF STAFF EXPERIENCING MENTAL HEALTH ISSUES WHO FELT THEIR EMPLOYERS HAD SUPPORTED THEM WELL



AUS\$12 million

THE AMOUNT A TASMANIAN FARMER HAD TO PAY IN COMPENSATION TO AN EMPLOYEE WHO WAS INJURED WHILE RIDING A QUAD BIKE. TWO THIRDS OF DEATHS ON FARMS IN AUSTRALIA INVOLVE QUAD BIKES

THE DESK OF THE FUTURE

ARUP DIGITAL IS experimenting with innovative desks fabricated using an 'Open Making' approach. The desks can be prototyped using laser cutting and 3D printing technologies, allowing the design to be improved and refined. When the design is complete, it is sent to a local manufacturer, where the constituent parts are made to size and sent back to the office for assembly.

The desks – part of **Arup's** 'It's All About the Desk' research project – are designed to be adaptable, customisable and flexible to fit a range of users, purposes and locations. A key part of the design is a modular service zone that can incorporate docking stations, wireless chargers, temperature controls, sensors and other items.



A WOODEN LOOM FOR MAKING HANDWOVEN TEXTILES

265,000

The number of manufacturing jobs brought back to the US from overseas between January 2010 and July 2016. A report from the Reshoring Initiative found the reasons for coming back to the US included government incentives, proximity to customers, a more skilled workforce and the high freight costs of manufacturing abroad.

GETTY IMAGES



“IT NEEDS TO BE EMBEDDED IN THE CULTURE OF THE ORGANISATION FROM THE TOP DOWN”

— JOHN HOLDEN, ONLINE BUSINESS SCHOOL

ENCOURAGING INTRAPRENEURSHIP

TO COMPETE WITH MARKET DISRUPTIONS, TECHNOLOGY INNOVATIONS, AND THE IMPACT OF DIGITAL, MANY BUSINESSES ARE TRYING TO IMPROVE INTERNAL INNOVATION. HOW CAN THEY NURTURE THE ENTREPRENEURIAL SPIRIT OF THEIR STAFF?

ON THE FACE of it, entrepreneurial zeal would appear to be the polar opposite of the steady-state corporate world, both at an individual level and also in terms of the broader culture of most larger enterprises. Yet the advent of nimbler start-ups – particularly in the technology sector – that are capable of disrupting entire industries has changed that. Established companies have been forced to wake up to the need to develop new business lines and models, along with a growing realisation that such ideas might just emanate from staff themselves rather than being dreamt up across the boardroom table.

It is this situation that has given rise to the concept of ‘intrapreneurship’ – the idea that individuals can, in some form, be encouraged to explore their own business ideas alongside their day jobs.

Dr Norbert Morawetz, Programme Director and Lecturer at the Centre for Entrepreneurship at **Henley Business School**, says there has been a recent boom in trying to create more of an entrepreneurial feel in organisations. “A lot of this relates to the growth in awareness of company culture and what the desired effect of a corporate culture looks like, and the key ingredient is typically that employees would be a bit more entrepreneurial and innovative,” he says. There are a number of reasons why intrapreneurship makes sense for both society and individual organisations.

“From an economic welfare perspective, intrapreneurship is important because the failure rate of start-up entrepreneurship is notoriously high,” says Kenny Ching, Assistant Professor of Strategy at **UCL School of Management**. “Yet entrepreneurship is undeniably a key driver of

economic growth. Intrapreneurship can potentially fill that gap in alleviating some of the risks of start-up entrepreneurship.” At a company level, the concept can enable businesses to identify new areas of growth, as well as create an environment where innovation can thrive.

ENGAGING OPPORTUNITIES

There are obvious benefits from a people perspective, too. Individuals given the freedom to explore their own ideas without having to leave a business are more likely to remain as employees, and to become more engaged with their employers as a result. But there’s also a strong benefit around recruiting people to the organisation in the first place, which can be hugely significant in sectors where talent is in demand. “When a company is able to demonstrate that innovation and intrapreneurship is part of its DNA, it increases the chances of attracting the talent it needs, and of keeping it on board,” says Gérard de Maupeou, Affiliate Professor at **HEC Paris Executive Education**.

How an organisation approaches intrapreneurship can vary. Ching suggests there are three main methods: to formally incorporate intrapreneurial activities as part of performance-review schemes; to employ more flexible schemes that allow would-be intrapreneurs to spend substantial time away to develop ideas; and developing an informal culture that allows ideas to be safely discussed, with no repercussions on performance. “This could include idea competitions, anonymous forums and informal workshops,” he says.

Central to any arrangement, however, is the need for a genuinely entrepreneurial culture. This is something ▶

► **Deloitte Touche Tohmatsu** in Australia has worked hard to create as part of its 2020 Strategy, which has seen the establishment of innovation committees to give individuals an outlet to explore their ideas. “These have been set up to really empower everyone, from graduates right the way through to partners, to have an idea, to think outside the box, to challenge and then present the idea,” says Donna McLeod, Talent Acquisition Lead.

She’s used the concept herself – in fact, the whole entrepreneurial culture was a reason why she decided to join from a competitor a year ago – to push the idea of an app for mobility and business travel. “There is an initial grant to go away and prototype the idea and then, once that is done, you present to the board – the executive committee – and, if successful, then there is further funding to progress, develop and launch a product,” she says. The app is currently at the innovation and prototyping stage, having received initial funding.

The culture that now exists at Deloitte is something McLeod has factored in to her day job when hiring. “We want those people who have a true passion for something,” she says. “We’re really comfortable interviewing the person in audit who tells us they have a passion for drones and at some point might like to create a business; that’s fantastic.”

Senior management support is essential to the success of such initiatives, though, says John Holden, Managing Director of **Online Business School**. “It needs to be embedded in the culture of the organisation from the top down and needs to be committed to as an end in itself,” he says. “Specific platforms can be put in place to encourage and develop it, such as working groups, brainstorming, focus groups or internal incentive schemes. It will not work without corporate backing and cultural encouragement.”

INNOVATIVE SYSTEMS

Global IT services provider **HCL Technologies** is one organisation that actively encourages staff to come forward with initiatives, creating a ‘value portal’ to record, facilitate and share customer-focused innovations. “The basic concept took shape when we realised that day-to-day work teams were adding value by innovating and sharing ideas with customers,” says Prithvi Shergill, Chief HR Officer. “HCL-ites post their ideas on the portal to get them reviewed and enhanced

“IT’S ABOUT EQUIPPING PEOPLE WITH THE SKILLS THEY NEED SO THEY CAN TAKE THE REINS”

— NATALIE RIDDICK, EXPLORE LEARNING

by senior leaders, and showcased to customers.” Each year it also holds a ‘Make a Difference Jamboree’, known as MAD JAM, to recognise the best innovation that has emerged from employees.

Not every scheme needs to be a formal process, however. At UK tuition provider **Explore Learning**, the business has focused on giving its senior staff more autonomy to run their facilities as their own businesses. “We want our centre directors and assistant directors to become masters of their own centre or region,” says Natalie Riddick, Head of HR. “What works well in one centre is not always going to work the same in another and that’s where the intrapreneurial spirit comes in. It’s about equipping people with the skills they need so they can take the reins themselves and add value to their – and our – business.”

Sometimes initiatives can even stem from individuals, as long as there is a reasonably open culture in an organisation, if not an official intrapreneurship policy. Marianne Constans’ job title is now Diversity and Inclusion Intrapreneur at **Imperial Brands**, having successfully developed and implemented a diversity and inclusion initiative within the business, outside her previous role in learning and development.

Her journey began when she attended an online course on being an entrepreneur, which then led her to join an intrapreneur programme in France. “I didn’t tell my employer at the time but it was a programme to help people lead a project, which was not an official project at the time, and to make it part of the agenda for the business,” she says. “That helped me define the skills I needed in terms of the business plan, stakeholder management, influencing, defining customer needs and working out how I was going to provide that service,” she ►

CASE STUDY

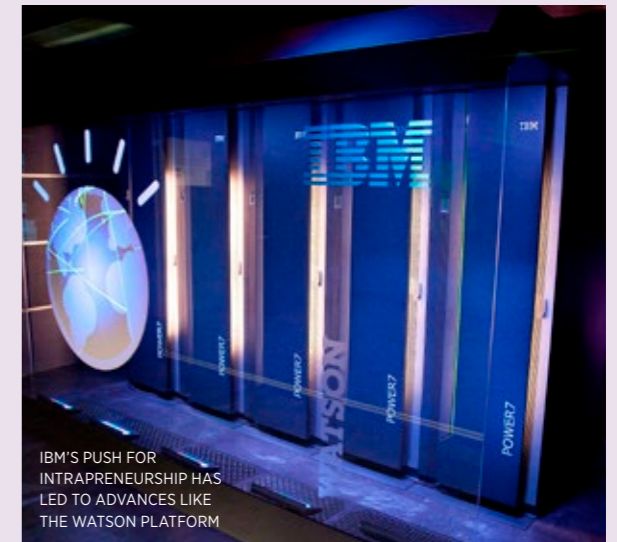
INTRAPRENEURSHIP IN ACTION

PHIL WESTCOTT is the Director of Strategic Partnerships within **IBM’s** Watson Internet of Things business. The partnerships leverage IBM Watson technology, a Cognitive Computing solution IBM unveiled to the world in 2012 and has since been applied across a number of business applications.

IBM Watson enables vast quantities of unstructured data to be analysed, allowing medical practitioners and business leaders to make more informed decisions. But Westcott has also developed the concept for social issues through his interest in international development. Working as an intrapreneur, he developed a new offering that uses the technology to help developing nations and donors make the most effective use of aid and funding.

“The third sector has access to huge amounts of data, a lot of it is unstructured,” he says. “For example, reports from decades of development projects, research and expert opinion on the impact of a development programme, such as gender equality, educational facilities and political reform. The key problem for the industry is that it’s very difficult to measure the effectiveness of any given aid into the community, particularly when measuring multiple programmes working in tandem.”

Initially, he focused on the project as a sideline, but after gaining interest from the **UK Department for International Development** and **United States Agency for International Development**, it built up a momentum to the point that it



IBM’S PUSH FOR INTRAPRENEURSHIP HAS LED TO ADVANCES LIKE THE WATSON PLATFORM

became embedded within an IBM business unit and took on a life of its own.

Westcott still plays an active role in advocating and enhancing the approach, and being able to see his vision take root in a company the size of IBM has helped him to scratch an entrepreneurial itch without abandoning his corporate career. “I’ve always been the entrepreneurial type but preferred operating in the corporate world,” he says. “But through the scale of large global organisations you can have a greater impact than you can on your own. If you can make a good business case, it’s possible to line up a huge number of people and resources.” There are several formal programmes in IBM that give employees the opportunity to pitch new business ideas to senior management, although this wasn’t a route he took. “I don’t think you can formalise the early stages of it,” he says. “You need to let natural entrepreneurs and intrapreneurs incubate their ideas before you get them into a formal programme. If you try and force it you’ll make it business as usual, and you won’t get the really good ideas. You’ll also get overwhelmed with the whimsical ideas.”

Westcott can testify to the impact it can have on employee engagement. “It’s not just me but the people who have also rallied around this,” he says. “It’s also been good from a career point of view because it gave me great visibility and has helped to create a culture within IBM which shows this is something we value.”



GETTY IMAGES



► adds. “I used all that to get diversity and inclusion as part of our agenda.”

She’s seen first-hand just what a difference it can make in terms of personal engagement as a result of being given both time to work on a project but also the trust that comes with that. “It’s really empowering to be told to go for it and see how it can work for the business as well,” she says.

Yet some organisations will inevitably struggle to allow an intrapreneurship culture to truly thrive. Ching suggests a number of reasons why this can run into difficulty. “First, large corporations are generally designed around efficiency and exploitation of discovered and established market opportunities, so intrapreneurship runs in conflict with that,” he says.

“Second, larger organisations tend to be hierarchical and top-down, while intrapreneurial initiatives should be bottom-up in nature. Third, intrapreneurship is also

very difficult for employees to embrace as it often entails them having to challenge existing corporate culture or activities within the organisation.” It is only by having genuine leadership commitment and the backing of other stakeholders that such a culture can develop, he adds.

In some cases, such an environment could be damaging, believes Holden. “Creating mavericks or free-thinkers can cause internal frictions,” he warns. “Perhaps their thinking does not align with corporate strategy or direction of travel. Sometimes the conflict arises between two thinkers with opposing views. Intrapreneurship is not necessarily a good corporate fit.”

MANAGEMENT CHALLENGES

Morawetz, meanwhile, points out that while intrapreneurship can suit both parties initially, it can prove harder to keep everyone happy as business ideas take off. “Someone who is genuinely entrepreneurially minded might be happy to put in a lot of extra hours and maybe even forgo some salary, but with a view that whatever they are building up will be worth a lot of money,” he points out. “If you try to do that from within a company, it is a lot more difficult.”

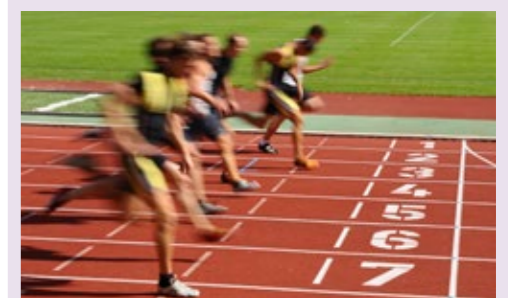
HR might have to think about how they would cope with people who have encountered failure in such ventures too, given the number of new business ideas that don’t work. “You need to take the person that’s bruised from a lack of succeeding, despite their innovative efforts, and support them,” says Dr Mark Kennedy, Associate Professor of Strategy and Organisational Behaviour, and Director of the KPMG Centre for Advanced Business Analytics, at **Imperial College Business School**. “HR needs to think

“YOU NEED TO LET ENTREPRENEURS AND INTRAPRENEURS INCUBATE THEIR IDEAS”

— PHIL WESTCOTT, IBM WATSON

about how to manage the person’s transition between their everyday job role and their work on new ideas, and coach them on how to deal with failure and not to be downcast. Intrapreneurship is more likely to be successful when these strategies are in place.”

But more forward-looking companies will have no choice but to consider any means of encouraging innovation in the future, believes de Maupeou. “Tomorrow’s companies will have to be agile, creative, open to the world and friendly to their environment,” he says. “People working for these companies will no longer be employees, but ‘innovative intrapreneurs’. This will become the new normal; today’s companies should get prepared for this.” ■



CASE STUDY

PAYING OFF

OVER THE YEARS, global consulting business **PA Group** has developed a number of spin-off ventures that stemmed from innovative ideas cooked up by employees.

In 1999, it founded **UbiNetics**, a 3G technology business which was funded through the proceeds of testing other organisations’ mobile phone technology. The company was sold in 2005 for a total of £74 million. In 2001, the group also created **Meridica**, which went on to develop the Xcelovair dry powder inhaler for pharmaceuticals, and was sold in November 2004 to **Pfizer** for US\$125 million.

Other examples include specialist HR consultancy **Cubiks**, which was subject to a management buyout, and **Aegate**, a drug authentication technology business designed to fight against counterfeit medicines, in which PA Group invested £15 million in 2005. The business was sold to venture capital company **IPEX capital** in 2008.

Today, PA Group runs an annual competition that challenges schoolchildren, students and programmers to use a Raspberry Pi “to help make the world a better place”.

The 2016 event revolved around innovation in sport and leisure. The winning entries included a competitive game designed to improve people’s reflexes and reaction speeds, as well as a device to accurately record race times and capture photo finishes.

LEARNING TO INNOVATE

Managers at Italian multinational corporation the **Prismian Group** who come up with new technological innovations can help develop them into new business lines.

Through the organisation’s School of Management, managers have the opportunity to write a

white paper around new products and ways of working, which are then assessed by senior management, says Fabrizio Rutschmann, Chief HR Officer.

To date, the most successful example has been the development of Prismian Electronics, a start-up

venture which assesses the health of customers’ power grids, which stemmed from a technological innovation developed by an employee, and which complements the more traditional cable and systems business.

“We use a very innovative

product which is able to collect and cache information to understand and prevent possible failures,” says Rutschmann.

“This is a totally new business line, which was created through an incubator company. We’re now starting to win business through this.”

THE WORLD OF WORK IN NUMBERS

STATISTICAL SNAPSHOT

AN URGENT NEED FOR CYBER SECURITY SPECIALISTS

IN TODAY'S DIGITAL world, there are many opportunities for innovation and growth. Unfortunately, these new opportunities have also brought new fraud risks. According to **EY's Global Forensic Data Analytics Survey 2016**, "the mission-critical nature of information and the ease of digital access make companies particularly vulnerable to cyber criminals and malicious insiders."

Fortunately, advanced data analytics tools are becoming mainstream. New technologies and monitoring techniques are constantly being developed to help companies manage both current and emerging fraud risks, and there is growing awareness of the benefits of forensic data analytics (FDA) at board level.

As a result, the number of respondents to the EY survey who conduct all their FDA in-house has increased from 45 per cent in the equivalent survey in 2014 to 67 per cent in 2016. However, many companies seek outside help with FDA, either on a project-by-project basis or through managed service arrangements; 24 per cent are already outsourcing FDA and another 9 per cent are considering it.

Whichever route companies take, those hiring FDA specialists are looking for people with three distinct skill sets:

- Technical skills – to understand the company's systems and advise on any additional technology required
- Domain knowledge – familiarity

with the relevant risk areas in the business and the ability to interpret analytics results in the context of that business

- Data analytics (eg data science) expertise – mathematical, computer science and business intelligence techniques, such as pattern recognition, statistical analysis, query design and data visualisation

Unsurprisingly, few of the companies surveyed have all of these skills in place. Although more than 80 per cent of respondents said their companies had sufficient domain knowledge, about one third lacked data analytics expertise and almost 40 per cent lacked technical skills. One CFO interviewed for the survey, from a transport company

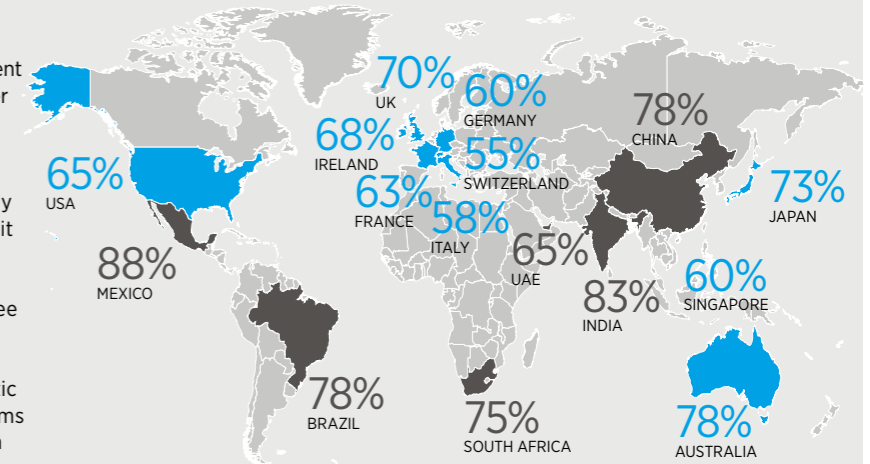
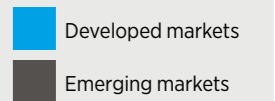
in Singapore, said: "We need a new IT team – analytics is a different area, and our operational staff are not analytics people. It is a different skill set."

It's clear, then, that an essential element in realising the full value of FDA is proper training and expertise. To develop a comprehensive and effective FDA programme, companies need to tie all three skill sets together, and this typically involves compliance, legal, internal audit and IT teams working together.

According to **Gartner**, the need for data scientists is growing at about three times the demand for statisticians and business intelligence analysts, and it anticipates a global shortage of analytic talent of 100,000-plus by 2020. It seems that the battle against cybercrime is in urgent need of new recruits.

Greater sense of urgency in emerging markets

78% of respondents from emerging markets agree with the statement: "We need to do more to improve our current anti-fraud procedures, including the use of FDA tools", compared with 65% of those in developed markets



Perceived risk of cyber breach or insider threat by industry

Financial services	74%
Consumer products, retail and wholesale	64%
Life sciences	63%
Oil and gas	61%
Power and utilities	56%
Technology, communications and entertainment	55%
Mining	52%
Manufacturing	48%
Transportation	46%

The need to take action

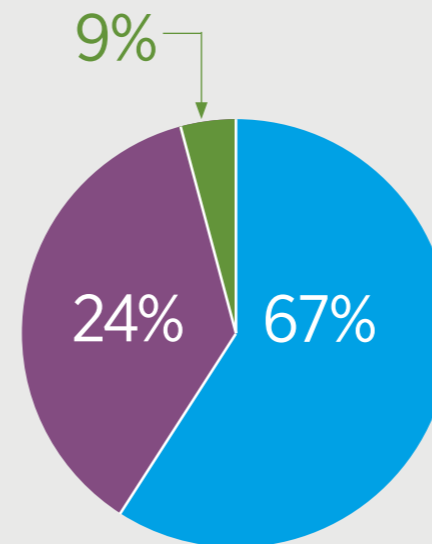
"We need to do more to improve our current anti-fraud procedures, including the use of FDA tools"



74% of C-suite respondents agree with this statement

How companies address FDA

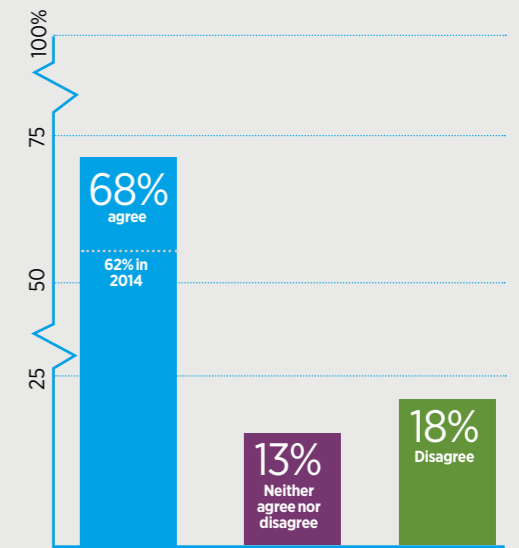
- We do this completely in-house and plan to continue doing so
- We do this completely in-house but we are considering outsourcing it
- Outsource either on a project-by-project basis or via a managed service agreement



The growing need for management awareness

"We need to improve management's awareness of the benefits of FDA in the company's anti-fraud programme"

NB: chart doesn't include the 'Don't know' percentage



A SENSE OF PURPOSE

THE QUESTION OF what motivates people at work isn't new. In the 19th and much of the 20th century, the view was quite paternalistic: provide great benefits and care and employees will respond with hard work and loyalty. However, with greater choice in the modern workplace, loyalty to the corporation has been called into question, and organisations have had to rethink how to address engagement issues.

Helen Rosethorn, Partner at global brand consultancy **Prophet**, says: "Employees now see certain aspects of the workplace 'deal', such as benefits, as foundational, and care more about what their employer stands for and the culture of the organisation they are going to be working within. Crucial to this is purpose and, in particular, values; two key drivers of culture."

A study by **Deloitte** found that organisations that have developed a culture of purpose,

focusing their energies beyond pure profit, do better than those that have not, but it also revealed that most executives and employees think that businesses are not doing enough to create this kind of culture.

Professor Mark Smith, Director of the Doctoral School at **Grenoble Ecole de Management**, says: "Workplace culture exists in all organisations whether it is managed or not. When it is managed, culture can help channel the efforts of employees towards a common cause for the organisation, acting as a kind of soft rule book so that employees know what is expected of them and what they should do. Linking culture to the purpose of the organisation, giving great service, innovating new

solutions and raising funds for a good cause, can reinforce this link."

Does this mean that employees who understand what they are working towards also feel a greater sense of purpose? "I think we all need a sense of purpose in our day-to-day lives," says Smith. "This is what makes us get up in the morning. If an organisation can harness that and link that commitment to its role, then it can benefit, whether it is in the form of improved citizenship behaviour or reduced intentions to quit and greater job satisfaction."

CROSS-GENERATIONAL FOCUS

There has been a trend to think that meaning at work and an organisational sense of purpose is something that has arrived with the millennial generation. But that is not the case. The janitor sweeping the floor at **NASA** decades ago, who told the visiting President ▶

EMPLOYEE ENGAGEMENT IS A CORNERSTONE OF ORGANISATIONAL SUCCESS, TRADITIONALLY DRIVEN BY COMPETITIVE PAY AND ATTRACTIVE PERKS, BUT INCREASINGLY INFLUENCED BY THE ABILITY OF EMPLOYEES TO EXPERIENCE AND SHARE A COMPANY-WIDE CULTURE OF PURPOSE



“EMPLOYEES NOW CARE MORE ABOUT WHAT THEIR EMPLOYER STANDS FOR”
— HELEN ROSETHORN, PROPHET



OUTREACH PROGRAMMES CAN HELP STAFF FEEL THEY ARE MAKING A DIFFERENCE TO THE WORLD

► Kennedy that he was there to put men on the moon, is often quoted as an example of engagement through a sense of purpose. Research completed a few years ago by cultural academic duo Rob Goffee and Gareth Jones talked about how a key aspect of building a high-performing organisation was to give employees meaning through purpose. Their research covered multiple generations in the workplace.

However, according to Dr Chia-Huei Wu, Assistant Professor of Management at the **London School of Economics'** Department of Management, there may be a generational trend behind this heightened sense of purpose, facilitated by the modern flexible workplace and smart technology.

He says: "The younger generation has had more opportunity to explore and create an environment to support their ideas compared to their predecessors, because the business environment has become more flexible. Advancements in technology have also

“PEOPLE ALWAYS WANT TO FEEL VALUED FOR THE JOB THEY ARE DOING”

— LAURENCE HALABUT, TOYOTA FINANCIAL SERVICES

empowered people's capability to find a place, either virtually or physically, to support their values and interests."

SETTING GOALS

For all employees, the first step in knowing what they are working towards, what that shared sense of purpose is, lies in understanding and identifying the

reasons behind their specific work activities, which can be internal or external.

Dr Wu says: "Employees may find strong external reasons for their efforts such as monetary rewards, or strong internal reasons such as believing in the cause behind their work. They are more likely to experience a higher sense of purpose when they possess internal reasons to do their jobs because those reasons are not easily replaced or transferred elsewhere, and are central to how employees view and define themselves both inside and outside of the workplace."

Toyota Financial Services in Australia (part of a global network that offers Toyota customers services including car loans, insurance and roadside assistance solutions) is one organisation that has benefited from having a clearly defined and authentic sense of purpose, driven by its relationship with the community. Over the last three years it has seen employee engagement increase by 5 per cent per annum, with a current level of 85 per cent; according to Head of Human Resources Laurence Halabut, an outstanding result for a financial services company.

He says: "What's really important when you are talking about a sense of purpose is that people are aligned with not only what we are doing in the marketplace, but what we are actually doing for the community as well. So, given the increase in engagement levels, we are on the right track.

"People always want to feel valued for the job they are doing. That's important. If they don't, they're going to look for another organisation. But what I've seen over the last couple of years is that social responsibility and community engagement are also really important. Outside the financial services arena, we are doing a lot around supporting charities here in Australia, and bringing it back down to our own culture, and that shared sense of purpose. Our people get to pick the charities that we get behind. We dollar match, offer volunteering opportunities and run community grant programmes. That's our purpose, looking after the community, and our employees are very much part of that."

But he also points out that, as important as that sense of purpose is to engagement and productivity, it is not a standalone objective, but a component part of everything the company does. ►

REX FEATURES

CASE STUDY

HOW THOMSON REUTERS GIVES GLOBAL STAFF PURPOSE

MAINTAINING A SENSE of purpose on a global scale is a challenge of epic proportions, but one that multinational media and information giant **Thomson Reuters** has successfully overcome through a new initiative. Connect Day is a series of events designed to engage and unite the company's 50,000 employees working in more than 100 countries in a shared business purpose on one day.

The idea for Connect Day emerged from the company's annual employee engagement survey, when feedback highlighted a strong desire for more interaction with senior leaders and a clearer insight into the global business strategy.

Head of HR at Thomson Reuters Poland Operational Centre, Agata Witzczak, says: "This year was our second event, and around 75% of the company's global population was involved in at least one of the events, which was a great response. Individually, these events show how we contribute locally, join the dots, and translate all of this at a very high level into day-to-day work.



"The feedback has been very promising. Employees appreciated the fact that senior leaders were very keen to attend Connect Day events, which included action focus groups, discussions, games and quizzes. Some employees took the opportunity to spend a day doing the work of one of their colleagues from a different team, people they've never met before, and gain a tremendous insight into the concepts of a job that other colleagues are doing.

"We invited a well-known Polish psychologist to our last HR conference, who said there are a lot of interesting articles about driving engagement. But basically, deep down, it is about understanding and finding the purpose of a meaningful job, and finding a way for people to contribute to the success of a company in a small way, and leave their legacy to its success. Connect Day is an opportunity for our people to connect and share that sense of purpose and engagement with the organisation."



“THE BEST DECISIONS ARE MADE BY PEOPLE WHO ARE BEING THEMSELVES”
 — LEE CARTWRIGHT, MAZARS

“Over the last two years, we’ve refreshed our behaviours, done a lot of work around the benefits offering and gender diversity, the things that people are holding onto now. Toyota is one of the most admired companies in Australia, and that’s something people really want to be a part of. And our goal is to keep on getting better and better, because you cannot afford to rest on your laurels.”

A KEY ENGAGEMENT DRIVER

Purpose itself is nothing new, yet some organisations will be tempted to see it as something that can simply be incorporated into the mission statement. Framing words, though, is not the answer. The real impact on engagement is felt when it is part of other key elements in the organisational DNA, like the values that directly affect the employee experience.

Lee Cartwright, Managing Partner at accountancy firm **Mazars LLP**, has strong views on how a sense of purpose should manifest itself at a much more fundamental level of the company culture.

“Firstly, don’t refer to people as ‘staff,’” he says. “It’s a word that implies disempowerment, that they do as they are told. I call them colleagues, because the members of my team are my colleagues who work alongside me to deliver something, whether a strategy, a project; whatever it may be.”

He also believes that, as part of their sense of purpose, people should be able to be themselves. “The best decisions are made by people who are being themselves, and not by people who are trying to think and behave how they perceive someone else wants them to think and behave,” he says. “Encourage your colleagues to be themselves and think for themselves, and they are likely to find a better solution than you alone.”

Empowering people to feel that they can influence and change is arguably the most powerful way to instil a sense of purpose within an organisation. As Cartwright points out, seniority in an organisation may be an indicator of talent and ability, but it is not an absolute measure of either.

“Seniority is often a measure of one’s ability to effect change, which means you have a responsibility to hear the voices of those who do not have the power to make change that you have,” he says. “Take people through your decision-making process, set out the issues and the options; be consultative yet

GETTY IMAGES

CASE STUDY

HOW KPMG BOOSTED ENGAGEMENT

ONE COMPANY THAT

has achieved higher levels of engagement among its employees by redefining the meaning and purpose of their work is **KPMG**.

Having enjoyed high staff morale for many years, the firm was keen to understand what was behind this trend. Feedback from its annual employee survey had flagged up one particularly strong driver – a sense that people saw their job as having special meaning rather than simply being a job.

The company had previously reminded staff of its hand in historical events, such as monitoring the clean-up after 9/11 or certifying the election of Nelson Mandela in South Africa. This time, a more individual approach was taken. Through their firm-wide Higher Purpose initiative KPMG set out to explore the value of purpose-driven work and to recognise and celebrate the various ways that individual members of staff make a difference to communities, people’s lives, and to society in general.

Stories were collected from everyone, highlighting examples of inspirational work already being done. They included individuals who, when



asked what they do at KPMG, proffered a range of responses that included having helped fight cybercrime, driven ethical sourcing standards in fashion, provided financial support for the farming industry, and coordinated literacy programmes for low-income families.

Six months after Higher Purpose was introduced, the number of KPMG employees stating that the firm was a great place to work had risen to 85%, up from the previous year’s 82%. A year on, this figure had risen to 89%.

People are inspired by a sense of purpose at work, which not only heightens employee engagement and loyalty, but also fosters a personal sense of pride in their job and their organisation.

decisive. And remember that everyone has bad days, when work gets in the way of life’s other challenges. Never expect more from people than giving their best, accept that sometimes it might not be exactly what you want. Allow people to be human.”

Encouraging a shared sense of purpose is a powerful driver of engagement. Employees who understand the purpose of their company through its culture, vision and values will experience a higher sense of shared purpose, an alignment that will drive up motivation, performance and retention, and have a positive impact on productivity and the long-term success of the business. ■

BREAKING THE DISABILITY GLASS CEILING

KATE NASH IS CREATOR AND CEO OF PURPLESPACE, THE UK'S ONLY LEADERSHIP DEVELOPMENT AND NETWORKING HUB FOR DISABLED EMPLOYEE NETWORK LEADERS AND EMPLOYEES



I've spent most of my career supporting employers to remove the barriers that exist to enable people to get in, and get on, at work.

We hear a lot about how employers can become 'disability confident', and in

July 2013 the UK Government launched its Disability Confident campaign to engage with employers who want to champion the skills of disabled employees.

We know there are macro barriers to disabled people getting on at work – though we also know there are many things that an organisation can do to help these individuals to smash through the glass ceiling.

The simplest and most effective way of supporting disabled talent is to ensure there is an easy-to-find workplace adjustment policy in the business. This means that anyone who might be in the onboarding process with a pre-existing condition, or those who have acquired a disability or health condition, would know where to go and who to speak to about securing an adjustment in how they do their job. This second step is important. In the UK, 86 per cent of disabled people will have acquired their condition through the course of their adult working life.

At **PurpleSpace**, our clients understand that the best way to maximise the investment in your hires is to invest in them as well, particularly those who might acquire a health condition or disability while at work. Make adjustments in how they might do their job. These may often be simple alterations: changing the working hours for someone who finds it hard to travel in the rush hour because of pain; purchasing an ergonomic mouse for someone who has developed rheumatoid arthritis; or allowing time off to experience talking therapy if someone has developed a mental health condition.

The second easy way to substantially improve the way disabled talent can break through the glass ceiling is to create techniques and avenues whereby you can learn directly from your own disabled people. Government data tells us that in the UK, any company will have around 10 per cent disabled people in their workforce. Having your own disabled employees 'audit' your policies, practices and procedures provides rich data to learn from. **Barclays** recently scored 98 per cent in the Disability Standard benchmark. One of the key reasons for this was that the bank genuinely and consistently

consulted, and learnt from, their own people.

At PurpleSpace, we've noticed that many individuals feel the need to build inner confidence and resilience, especially those who are newly diagnosed with a health condition or disability. What does individual confidence mean to us? How do we brand and share our best brilliant selves at interview? How do we stay confident at work? How do we ask for the adjustments we need? How can networking help? Answers to these questions can seem so far away for someone who has had their world turned upside down when they have experienced a disability or health condition they would prefer not to have. Life takes on a new twist when you acquire a disability or if you have sustained a life-changing accident or injury, and nothing can prepare us for it. It takes a period of adjustment – it can take years to learn how to be your new self.

“HAVE YOUR DISABLED EMPLOYEES ‘AUDIT’ YOUR POLICIES AND PRACTICES”

The fastest-growing method of helping people to crack the glass ceiling is to stimulate conversations and networking across disability networks – or to set up a network from scratch if you don't have one. We see again and again how employers reap the rewards of investing in the establishment of networks. Some of the most successful networks include those at **Fujitsu, Shell, Transport for London, Barclays Bank, Lloyds Banking Group** and **EY**. Nearly all have gone on to create internal campaigns that support their people to bring their authentic selves to work. Barclays pioneered the 'This Is Me' campaign, Fujitsu created 'Be Completely You', Shell created 'Be Yourself' – all designed to help people be who they are and feel confident and comfortable in asking for adjustments (if, of course, they need them at all).

When I look back to my early twenties, I recall how hard it was to bring my authentic self to work – I developed juvenile chronic arthritis at 15. At PurpleSpace, we actively encourage networking and sharing ideas to help others build confidence and resilience and to do that faster and smarter. Building disability confidence from the inside out becomes a win-win for employee and employer. ■



10 million

The number of new jobs the Indian Government hopes to create by 2020 through a US\$60 billion investment in its Sagarmala project, which will establish new seaports and modernise old ones. Nitin Gadkari, India's Road Transport, Highways and Shipping Minister, says that, when completed, the work will not only create the new jobs, but also increase India's coastal shipping volumes fivefold.

GETTY IMAGES

FRESH APPROACH

DAVID FAIRHURST, GLOBAL CHIEF PEOPLE OFFICER AT MCDONALD'S, DISCUSSES HOW THE HR FUNCTION CAN HELP BALANCE BUSINESS RESULTS WITH EMPLOYEE SATISFACTION

THE TWO BIGGEST influences that drove David Fairhurst, Global Chief People Officer of **McDonald's**, into the world of HR were an early exposure to retail and a close connection with the church. While these might seem like an unlikely combination, he says that both offered him insight into caring for people's needs.

"My grandfather, Thomas Ogden, was a born entrepreneur who, when he left the Army, invested his savings in a grocery business called Ogden's Empire Stores. He taught me early on the value of hard work and the customer obsession that's essential to run a successful retail business. Most importantly, he taught me that creating a positive customer experience starts with people."

The church, on the other hand, gave him the opportunity as a teenager to support people in the community who had found themselves in difficult circumstances. "That taught me about the danger of labels - disabled, unemployed,

CV

DAVID FAIRHURST AT A GLANCE

- Personnel Officer, Lucas, 1989-1992
- Group HR Manager, HJHeinz, 1993-1996
- Director Recruitment & Leadership Planning, SmithKline Beecham, 1997-2000
- Corporate HR Director, Tesco Stores, 2000-2005
- VP People, McDonald's UK, 2005-2007
- SVP People, McDonald's Northern Europe, 2007-2011
- SVP Chief People Officer, McDonald's Europe, 2011-2015
- SVP, International HR & Strategy, McDonald's Corporation, April 2015-September 2015
- EVP, Chief People Officer, McDonald's Corporation, October 2015 to Present



“WE HAVE AN UNPARALLELED RECORD OF ENABLING PEOPLE TO ACHIEVE THEIR POTENTIAL”

► migrant – and how, if we look past those, there’s an individual who often simply wants the chance to prove themselves,” Fairhurst adds.

Initially, he trained for a career in the church. However, at a time when little was being done in most organisations to improve the wellbeing of their staff, he felt he could facilitate greater change in the world of work. “Making that difference – to the business, its people, and the communities in which businesses operate – has been my key personal driver,” he says. “At McDonald’s] we are all about creating a positive customer experience that starts with our people – in many businesses, people are often the last resource to be optimised. We have an unparalleled track record of enabling people to achieve their potential, often with life-changing results.”

CONNECTING FUNCTIONS

Fairhurst began his career as a Personnel Officer at Lucas in 1989, moving on to stints with Heinz, GlaxoSmithKline and Tesco before joining McDonald’s in 2005. In the three decades since his career began, a lot has changed in HR – not least the scope of the function. In fact, Fairhurst has experienced plenty of change at McDonald’s in the last decade alone. He says his global title can still draw wry smiles from some, but he believes it reflects HR’s widening influence and the increasing importance businesses are placing on their people.

He explains: “Until recently at McDonald’s, HR and Learning & Development at a global level were

separate functions reporting into two different members of the senior leadership team.” Today, they are unified along with other people and community-focused functions. They are partnering closely with teams and functions that they had little or no involvement with as recently as three years ago, such as Investor Relations and the Sustainability team. “This is helping cement the People function right at the heart of organisational strategy,” he adds.

This joined-up approach suits Fairhurst’s philosophy. He says his main satisfaction is seeing business results improve as opportunities are given to employees.

“It’s that balance of being able to drive business performance through our People practices, at the same time as we’re enabling our people to achieve their potential, with results that affect individuals, families and communities. McDonald’s cares about its people. We believe that, if we can create an employment experience our people value, they, in turn, will create an outstanding customer experience.”

The company tries to cater for the different needs of staff. Although professional opportunities are there, others may want access to other resources. “As an entrepreneurial business, we believe in opportunity – we’re committed to providing good people with the skills and experience they need to succeed within McDonald’s and in the larger world. We help people further their education and achieve their dreams.” Archways to Opportunity is a programme designed to help employees at any

point on their education journey – whether that’s improving English-language skills, getting a high school diploma, or moving on to an Associate’s or Bachelor’s degree.

“At McDonald’s Hamburger University, participants have the opportunity to earn college credits while following a comprehensive management curriculum,” adds Fairhurst. “Classes at Hamburger University are taught in more than 20 languages globally. Last year, we had more than 68,000 people participating in these training sessions around the world. For many, these programmes are life-changing.”

STAYING AGILE

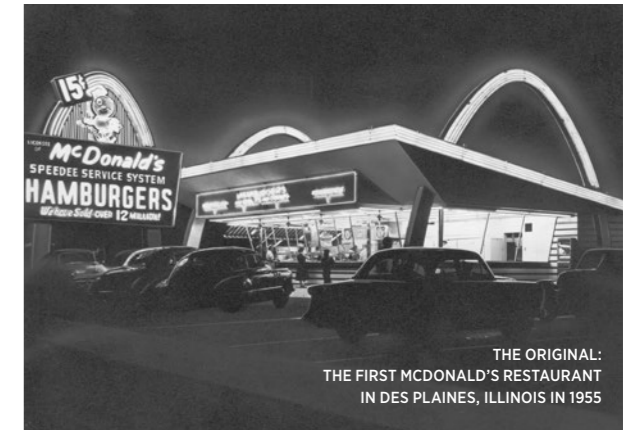
The fact that so many staff participate in these training programmes gives some sense of the scale of the business. McDonald’s is the second largest corporate employer on the planet, with staff numbering around 1.9 million. With an employee base roughly the same size as the population of Latvia, it might seem hard to imagine that decision-making can be kept agile.

“The key is to avoid trying to impose global solutions on the business from the centre,” Fairhurst explains. “We focus instead on the creation of an ongoing dialogue with the People teams in our markets, and directly with employees, franchisees and customers.”

McDonald’s achieves this communication by using social media and an employee portal called ourlounge. It also collects and analyses labour market and employee data, using this information in annual planning. These plans are then driven at market level by People teams, ensuring quick implementation.

It is clear that, even with a well-planned and agile approach to implementation of new strategies and practices, not all plans will be applicable in all geographies. To account for this, autonomy is also built into the approach taken by McDonald’s, says Fairhurst: “We’re proud to be both a global corporation and a local business. And because customers’ tastes and needs are unique to where they live, our markets have the freedom to adapt a global framework to connect with customers at the local level.”

He explains that the company is aware of what has made it successful, but is also prepared to adapt where necessary. “Consistency is the hallmark of our brand,” says Fairhurst. “You can count on McDonald’s for your favourite foods, no matter



THE ORIGINAL:
THE FIRST MCDONALD’S RESTAURANT
IN DES PLAINES, ILLINOIS IN 1955



GOING GLOBAL:
CHINA’S FIRST BRANCH
OF MCDONALD’S, OPENED
IN BEIJING IN 1992

“IF WE CAN CREATE AN EMPLOYMENT EXPERIENCE OUR PEOPLE VALUE, THEY WILL CREATE AN OUTSTANDING CUSTOMER EXPERIENCE”

PHOTOGRAPHY: BILLY DELFS, GETTY IMAGES



“WE HAVE A LEGACY OF INTERNAL PROMOTION AND SUCCESSION”

► where you are. The McDonald's core menu – which includes items like our Big Mac, Quarter Pounder, Chicken McNuggets, World Famous Fries and Egg McMuffin – is nearly identical in every country.” However, local feedback is registered and reacted to, helping to achieve a balance. “Our markets and countries have latitude when it comes to marketing, community involvement and local business management,” he says.

KEEPING WHAT WORKS

While many things have changed for Fairhurst since he joined McDonald's in 2005, the company has been careful not to turn its back on what works. One of his first assignments after joining was to answer two questions.

The first was: what does the business need from its people? Their research was condensed down to the ‘3Cs’ that drive organisational performance – Commitment, Competence and Confidence. To

this day, these are the cornerstones of the award-winning training offered by McDonald's. “Training is part of our DNA and we have been rightly recognised for decades as excellent in this,” says Fairhurst. “This training and support builds the 3Cs required to deliver an outstanding customer experience. These are qualities that last a lifetime.”

The second question looked at characteristics of the business that were important to staff. It asked: what do employees value about working for McDonald's? Again, research revealed the answer to be threefold; Family, Flexibility and Future. Staff required an enjoyable environment where they would feel part of a team; challenging and varied roles that offered flexibility to accommodate a busy lifestyle; and the opportunity to grow and progress, learning skills that were applicable in and out of work. Fairhurst says that the business has built on an existing culture of recognition, which means many staff stay on with the company, progressing into management roles: “We also have a legacy of internal promotion and succession. Over half of Restaurant Managers in the US and International Lead Markets started as Crew, and many of our Senior Leaders and Franchisees started their careers in our restaurants.

“The major breakthrough came when we realised that, by bringing the answers to these two questions together, McDonald's had the potential to make the very act of delivering what the business needs something that simultaneously creates value for the people who were doing that delivery,” Fairhurst adds.

He gives the example of a business needing a cohesive, focused team, while its employees value a sense of belonging. He explains: “This is what became known as the Fusion Strategy and it has informed the creation of a whole range of progressive People initiatives for the past decade.”

While great progress has no doubt been made, unsurprisingly, Fairhurst still thinks the business can go further to improve People strategy. He also knows he is in the perfect position to help create change: “In many ways, we have only just begun to leverage the true potential of this business, both commercially and in terms of the social value we can create,” he says. “Having a leadership role in a business that's profitable and making a difference is something I find very exciting.” ■

FOR MORE INFORMATION

To take part in HR discussions with other HR leaders, join the *HR Insights with Hays* group on LinkedIn



VIEWPOINT

GLOBAL EXPERTISE, ALL IN ONE PLACE. SEE THE FULL STORY AT [SOCIAL.HAYS.COM](https://social.hays.com)



DIRK HAHN
CHIEF OPERATING
OFFICER, HAYS GERMANY

WHY DIGITAL TRANSFORMATION IS NOT JUST AN IT ISSUE

There are several ways that companies can ensure they keep evolving digitally as time goes by. Recruitment processes should focus on candidates with a digital background, or at least a firm understanding of how their particular discipline can benefit from being digitally minded. Similarly, firms will find that with digital projects, many of the invisible barriers we often experience between departments need to come down in order to implement changes effectively. This can actually turn out to be a very positive consequence of digital transformation, with departments developing a greater empathy for each other's responsibilities, as well as an understanding of the overall business model.

It is a given that an investment of some degree in training and development will probably be made by most organisations, and again, the responsibility will likely fall on the leaders to determine the direction and relay the importance of training, and in many cases carry it out themselves.



MATTHEW DICKASON
GLOBAL MANAGING DIRECTOR,
HAYS TALENT SOLUTIONS

TO PROMOTE INTERNALLY
OR HIRE EXTERNALLY?

“Rewarding high-performing employees from within your business demonstrates that you care about their career progression and that there are many more rungs on the career ladder within the business for them to aspire to. They are, as a result, likely to remain loyal to the business for a while yet. In fact, a recent study has found that those promoted externally are 21 per cent more likely to leave the business compared to the more loyal, internal hires.”



NIGEL HEAP,
MANAGING DIRECTOR,
UK & IRELAND, HAYS

HOW TO STOP THE MID-MANAGEMENT EXODUS

Communication and transparency are vital to build trust: don't be afraid to share company information and set aside time to discuss the wider business strategy with your middle managers. There is often a massive gap among millennials between expectation and reality. Help them to understand how their activity fits into the bigger picture and why you are asking them to do it.



VIEWPOINT

GLOBAL EXPERTISE, ALL IN ONE PLACE. SEE THE FULL STORY AT SOCIAL.HAYS.COM



ROSEMARY LEMON
GROUP HEAD OF REWARD, HAYS

ARE YOU A GLOBAL CITIZEN?

“How can you manage a multinational company, deal with international clients and understand customer needs if you have never really experienced life outside your own location? It takes far more than an exotic holiday to appreciate doing business, general life and the diverse, rich cultural heritages in these locations.”



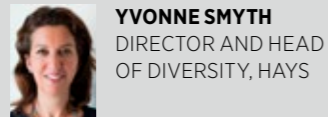
MATTHEW DICKASON
GLOBAL MANAGING DIRECTOR, HAYS TALENT SOLUTIONS

PRIORITISING PERSONALITY IN YOUR HIRING PROCESS

Too often, it's the candidate with the longest list of accolades and widest array of qualifications that gets the job, without any consideration for how this individual might fit into a team. However, I believe that skills can be taught and mastered, while personality and character often cannot.

The big risk with focusing so heavily on someone's achievements is that you often overlook their attitude. In one study of 20,000 new employees, nearly half (46 per cent) had failed at their job within the first year and a half. Nearly 90 per cent of the time, this was because of the wrong outlook, rather than a lack of skills. The right personality fit is often the hardest thing to find in a new hire.

Whether recruiting one hire or a whole new team, it's important that you're always aware of the overall team dynamic. You might be hiring the best person for each specific role, but without team cohesion there's no guarantee of success.



YVONNE SMYTH
DIRECTOR AND HEAD OF DIVERSITY, HAYS



HOW TO ENCOURAGE 'INCLUSIVE LEADERSHIP' IN YOUR ORGANISATION

Here are the four most common qualities that identify inclusive leaders, taken from Catalyst's *Inclusive Leadership: The View from Six Countries* report:

- **Empowerment** – enabling direct reports to develop and excel.
- **Humility** – admitting mistakes. Learning from criticism and different points of view. Acknowledging and seeking contributions of others to overcome one's limitations.
- **Courage** – putting personal interests aside to achieve what needs to be done. Acting on convictions and principles, even when it requires personal risk-taking.
- **Accountability** – demonstrating confidence in direct reports by holding them responsible for performance they can control.

HAYS GLOBAL SKILLS INDEX 2016

THE LATEST EDITION OF OUR REPORT REVEALS THAT GLOBAL LABOUR MARKETS ARE APPROACHING CRISIS POINT AS THE SUPPLY OF SKILLED WORKERS STRUGGLES TO KEEP PACE WITH DEMAND



“As the global economy slowly recovers, businesses are struggling to find the talent they need”

ALISTAIR COX,
CEO, Hays

THE HAYS GLOBAL SKILLS INDEX helps to identify where there are skills shortages, or too great a skill pool for the jobs available, and also looks at the effect this has on wages. The report, produced in conjunction with **Oxford Economics**, analyses how the global skilled labour market has changed over the previous year, but as this is our fifth year, we have also looked back to the report's initial year of 2012 to take a longer-term view of developments across the global labour market.

Across the 33 countries in which Hays operates, there is evidence that the skilled labour market has tightened further since 2015, while the overall average Index score has also increased slightly.

At the global level, the tightening in skilled labour markets was brought about by a strengthening in the demand for skilled labour, as the global economy continued its slow recovery. This has increased talent mismatch and wage pressures. The indicators for skilled labour supply, such as labour market and education flexibility, remained unchanged over the past year.

REGIONAL TRENDS

By region, the increase in the overall Index score reflects more pressured skilled labour market conditions in Europe and the Middle East, which has more than offset a slight easing in demand in the Americas and Asia Pacific.

Global labour markets continue to be placed under pressure as they are affected by ongoing economic uncertainty. The continued challenge to find skills in key areas is not unique to one country and businesses are struggling to manage their talent pipelines. There is still a lot more that policy-makers, business leaders and educational institutes can be doing to tackle the issue.

FOR MORE INFORMATION

To find out more visit hays-index.com

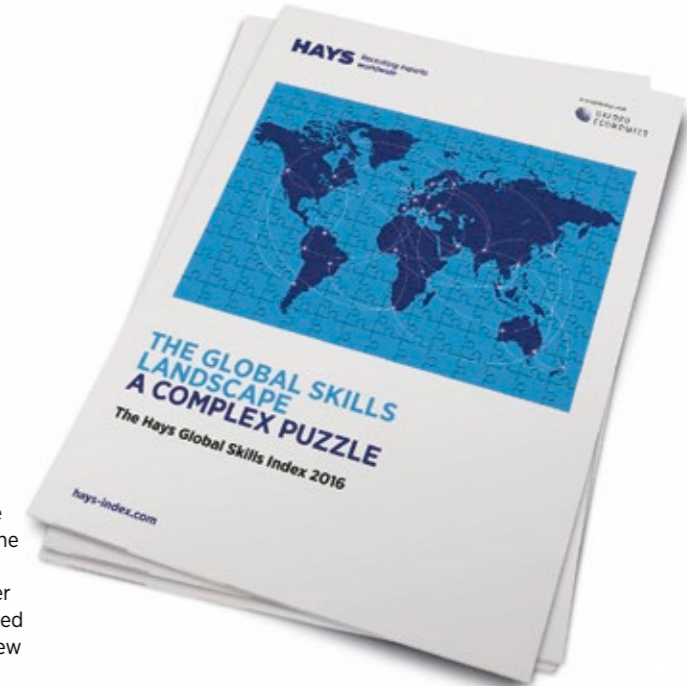




ILLUSTRATION: ALBERTO ANTONIAZZI

THE RISE OF THE FREELANCER ECONOMY

MORE PROFESSIONALS THAN EVER ARE CHOOSING FREELANCE CAREERS OVER PERMANENT ROLES. HOW CAN ORGANISATIONS USE THIS INFLUX IN THE MARKET EFFECTIVELY?

FOR MANY PEOPLE, freelancing is the ultimate career goal. Choosing one's own assignments, workload and working hours can seem like a dream livelihood. And it would appear that increasing numbers of professionals are stepping away from permanent employment.

According to the UK's **Office for National Statistics**, the number of self-employed people in the country rose from 2.7 million in 1984 to 4.8 million in May 2016, representing about 15.2 per cent of the UK workforce. This compares with 24.7 per cent of workers in Italy, 14.6 per cent in Belgium, 11.5 per cent in France, 11 per cent in Germany and 8.9 per cent in Denmark, according to **The World Bank**. Likewise, a 2015 study commissioned by the **Freelancers Union** in the US showed that freelancers now make up 34 per cent of

the nation's workforce, with this figure predicted to rise to 40 per cent in 2020. But what factors have seen more people take the freelance plunge?

MUTUAL BENEFITS

Julia Kermode, CEO of the **Freelancer & Contractor Services Association**, believes the UK is developing a freelance economy partly because of its flexible working conditions and entrepreneurial culture. She says that for many people, choosing freelancing over permanent career routes is a "fantastic life choice", but warns it is not for everyone. "It is hugely positive if people have the talents to work as a freelancer and companies can upskill when they need to," she says. "But it's not for everyone. You need to be a self-starter, a go-getter looking for your next assignment even whilst busy with your current clients. Your income may fluctuate so you need to plan for that."

There can be advantages for businesses. In many countries the growth in freelancing is being fuelled by an increase in project-based work. This is certainly true in the media, construction, secretarial and engineering industries, which have a long tradition of using freelancers and contractors. There have also been significant increases in the number of companies and workers in creative and cultural industries. Professor Andrew Burke is Dean of **Trinity Business School** in Dublin and Chairman of

"USING CONTRACTORS ENABLES ANY ORGANISATION TO BUDGET ON A PROJECT-BY-PROJECT BASIS"

— HELENA SANTOS, INTERNATIONAL BACCALAUREATE IN SINGAPORE

the London-based think tank on freelancing, the **Centre for Research on Self-Employment**. He says this growth in innovation-driven economies, as well as an increase in employers requiring flexible access to key skills, is behind the global rise in freelancing. "From construction to the film industry, we are seeing organisations in very different sectors tap into the specialist expertise they need when they require it."

Many organisations are attracted by both the speed of hire, and the speed at which work can be completed when the right skills are employed. Helena Santos is Senior HR Manager Asia Pacific and Global HRBP for the IT and Finance Division of the **International Baccalaureate** in Singapore. She says IT contractors are being hired in large numbers where assignments have to be completed to tight deadlines. ▶

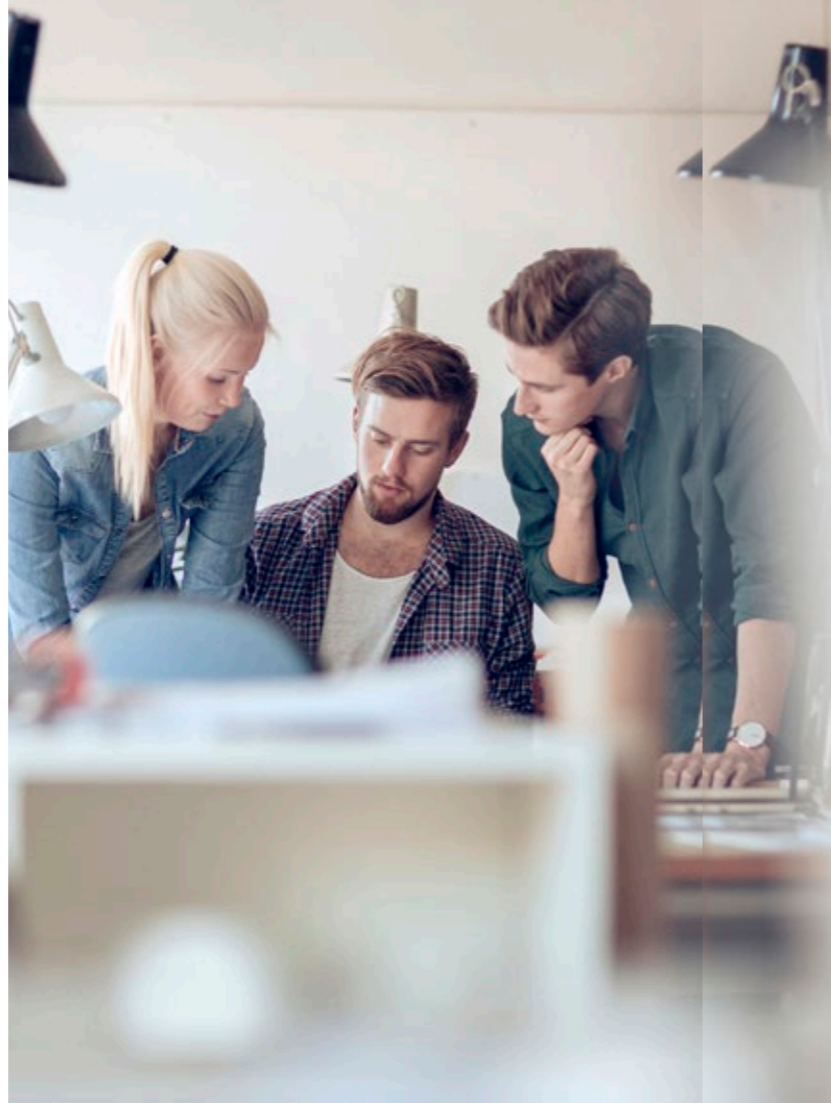
► “I have contractors working on new IT platforms and applications around areas of business intelligence,” she says. “Using contractors enables any organisation to budget on a project-by-project basis and only bring in the skills they need for as long as they need them, which is very important when you are looking to control IT costs.” She adds that, although companies are under pressure to control their permanent headcount, they still need people with the skills to complete projects and support new business wins when there is not enough time to recruit permanent members of staff.

Burke says that, while recruitment and internal resource costs can be reduced with the use of freelancers, their daily rates will likely be higher on a day-to-day basis than permanent staff. However, savings can still be made: “This is not about getting people on the cheap, but saving money by not having people on the wage bill when they are not needed.” Costs can be cut further by allowing off-site working, and technology’s role in the rise of freelancers cannot be underestimated. Anyone can work from anywhere these days, while social media has become an important tool for finding new clients and for employers needing freelancers at short notice.

FITNESS TEST

Some freelancers may decide they want to return to permanent work after a time of self-employment, but the route back is not always straightforward. Sometimes, those with a long history of freelancing will have to convince an employer they would be loyal and that they really do want to work for that organisation. In other instances, initial employment on a freelance basis can be a good opportunity to test fit within a business for both the employer and employee.

Home Group is a UK social enterprise and a charity with an annual turnover of more than £325 million. Some 10 per cent of its national workforce is made up of freelancers and the organisation has to balance social and commercial pressures. Many people who start as freelancers end up in permanent posts. “It creates a talent pipeline for HR and is a kind of ‘try before you buy’. We get to see someone’s capabilities and the value they bring,” says Director of HR and Development Susan Coulson. She is a former Head of Learning at **Barclaycard** and National Learning



“FREELANCERS IN MANY SECTORS ARE ALSO RECRUITED TO HELP CREATE AND TRIAL NEW PRODUCTS”

— ANDREW BURKE, TRINITY BUSINESS SCHOOL

and Development Manager at **T Mobile** and says it is important that freelancers fit in with the culture of the organisation. “Cultural fit is vital, but we have to compromise on that if specific technical skills are needed,” she says. “We need people with specialist IT knowledge and housing sector skills and we use freelancers and agency contractors to fill frontline and back office roles on different projects.”

A DIFFERENT DYNAMIC

Hiring freelancers is not without risk. It can be harder to guarantee the standard of work you will get, which can mean an element of micro-management is necessary. Freelancers are unlikely to be as engaged with your company brand and culture as a permanent member of staff.

There are administration issues too. For smaller businesses, setting up back office processes such as an accounts payable system can be a headache. All freelancers should be asked to sign a contract to protect intellectual property and stop them approaching a client directly. Employers must also understand their legal obligations towards the freelance contractors they use. These can include health and safety responsibilities, wherever they are working.

While the legal responsibilities to freelancers will vary from region to region, management of freelancers in order to form a positive relationship should transfer across countries. “I deal with everyone in the office in the same way, whether they are permanent or freelance, because everyone is representing our brand, so you need to try and engage contractors in what you are trying to achieve,” says Santos. “There should not be any differentiation in HR policy, although we are aware of how tax and employment legislation varies in different countries when hiring freelancers.”

This also means careful management of the permanent staff who work alongside them. “A lot of contractors like being able to choose their hours, so whenever a full-time member of staff asks to work more flexibly, we try and say yes as much as possible,” says Coulson. “We do have to remind people sometimes that the freelancers do not enjoy the same paid holiday and sick pay as members of the permanent workforce who can be jealous of others’ flexibility.”

Burke says an organisation’s freelance recruitment strategy works best when the people brought into an organisation have skills that complement the talents that already exist within internal teams. “There are many short-term projects where employers do not want to distract permanent employees from their core activity,” says Burke. “Freelancers in many sectors are also recruited to help create and trial new products. If a launch goes well and the new product or service has proven itself then usually freelance workers are replaced by employees as the innovation becomes integrated into the core of the business. The freelance market can be cyclical; everyone seems to want to be a freelancer during boom times, but in an economic slump, people prefer to remain as a permanent employee for the perceived extra security.”

Santos adds that there can also be changes in availability in different generations. She expects many young people in Singapore to choose permanent jobs rather than a freelance career over the next few years. She says many Millennials want a stable income, but they do want to work for companies that offer a good work-life balance. “People in Singapore tend to want permanent jobs, although this is slightly different when it comes to IT because the earnings are so good.”

The market for freelancers has changed hugely in the last 50 years and many self-employed workers today are in a very strong bargaining position with employers. “In the 1960s, freelancers were people who really wanted to be employees, while employers often did not want to be seen to be using freelancers,” says Burke. “Today, both sides appreciate the benefits and most freelancers prefer this way of working. For them, it is not all about the money, but about feeling more fulfilled in a project-based world.”

Santos concludes that in future, organisations will aim to get more of a balance between permanent staff and freelancers. Core functions within a business, such as those that rely on people to think strategically and lead the operations, will be permanent, while many other roles will be filled by employees working on a freelance basis. But she adds that different personality types will allow this balance between the two sides. “[With freelancing] you are in charge of your own career destiny, but you do need an entrepreneurial spirit and to understand that the value you bring is the work you do and not the hours you work,” she says. ■



585,000

The number of new jobs created in Italy since Prime Minister Matteo Renzi took office in February 2014. Renzi attributes the increase to his Jobs Act, a labour reform law that eased firing restrictions for large firms and offered temporary tax breaks for companies that hire workers on permanent contracts.

GETTY IMAGES



A DIFFERENT KIND OF INTELLIGENCE

IN AN INCREASINGLY CONNECTED WORLD, WHERE EMPLOYEES FROM DIFFERENT COUNTRIES MIX FREELY, THERE IS A GROWING FOCUS ON THE IMPORTANCE OF CULTURAL INTELLIGENCE

STARBUCKS CEO HOWARD SCHULTZ once said that the only competitive advantage the coffee shop chain had was its culture and values.

This observation could apply to most businesses, especially as cultural and brand values are increasingly merging and employees tend to perform better in organisations where the working environment suits their own attitudes and beliefs.

According to the report *Global Human Capital Trends 2015 - Leading in the new world of work*, published by **Deloitte Consulting**, culture and employee engagement are two of the biggest issues companies face. The **American Psychological Association**, meanwhile, estimates that more than US\$500 billion is lost from the US economy every year because of workplace stress, something that can be reduced if the working culture accommodates all employees' philosophies.

Technology is making it easier for people from different cultures to move around the world to work, but employers face a massive challenge. How do they integrate a diverse workforce within the confines of what

is often a well-defined and historical corporate culture?

Organisations need managers who can lead teams comprising talented people from different backgrounds, both nationally and internationally. All employees need to feel comfortable at work if they are to be productive, collaborative and loyal.

Ultimately, this requires people to have a good level of cultural intelligence or a high cultural quotient (CQ).

CQ is closely related to emotional intelligence (EI). However, whereas EI is the ability to identify your own emotions and those of others at work, CQ is about being aware of the behaviours of people from different countries or backgrounds and interpreting them in the same way their compatriots would.

THE MAGIC INGREDIENT

Employees who can demonstrate strong EI and CQ skills often make fantastic leaders, partly because they are less likely to act impulsively.

According to Jorn Fokkens, behavioral change consultant at **IBM**, culture is the magic ingredient in any ▶

GETTY IMAGES

► organisation. IBM is a global business, so employees from different backgrounds are regularly asked to collaborate effectively within what Fokkens admits can be a bureaucratic culture.

“There can be friction with cultural differences internally, and when we outsource projects to partners in other countries, their workers can have specific ways of doing things,” he says.

Fokkens, who is based in the Netherlands, cites the example of outsourcing to companies in low-wage economies such as India, where there is a culture among IBM’s partners to always agree to take on work because they want to please such a large and valued client. “It becomes harder to meet our customers’ expectations, and client relationships can suffer if quality, budget or timelines are then not met,” he says.

IBM is working hard to avoid frustrations, both internally and externally, by investing in soft skills training, which includes a focus on cultural intelligence, to help all employees understand the importance of each other’s culture.

CULTURAL DIMENSIONS

The business uses Hofstede’s cultural dimensions theory (see panel, opposite) as a framework for cross-cultural communication. This tool, developed by Professor Geert Hofstede (a Dutch social psychologist and former IBM employee), reveals how someone’s cultural values can affect their behaviour at work.

Hofstede has also developed a survey tool called the Culture Compass to make individuals aware of potential cultural pitfalls. It can help someone work more effectively with local workers, whether as a subordinate, a colleague, a superior, a negotiator, as a person transferring knowledge or as a long-term visitor, such as a contractor.

The survey measures someone’s personal preferences and compares them to the average value pattern of the particular country of interest. The compass helps someone to understand the impact their own cultural values and potential behaviour might have when working with people from other countries. Of course, such tools can be quite general because they are based on countries rather than individuals.

One of the most difficult areas for companies to get right around culture is recruitment. It is difficult to know at the hiring stage whether a candidate is right for the organisation, even if they have the appropriate skills and experience.

“Not enough attention is paid to cultural differences when hiring,” says Fokkens. “Some people who have the right CV will simply not fit into IBM’s traditional command and control culture and would feel



A CULTURE OF COLLABORATION: CQ HELPS TO BREAK DOWN BARRIERS BETWEEN CULTURES AND AVOID CONFLICT

“NOT ENOUGH ATTENTION IS PAID TO CULTURAL DIFFERENCES WHEN HIRING”

— JORN FOKKENS, IBM

constrained, get impatient and leave. It has been a very successful structure, but even I can get frustrated sometimes, and I’ve been here 10 years.”

ROBUST RECRUITMENT

Cultural intelligence is high on the agenda of Stephen Pierce, Chief HR Officer at **Hitachi Europe**. This is a Japanese company with 106 years of heritage and thousands of workers around the world.

Pierce believes that culture says everything about the way Hitachi operates as a company, so the recruitment process must be robust. “It is hard to know if someone you hire will fit into your culture and whether they will appreciate the way your company does things,” he says. “We ensure the candidate meets as many of the people they are likely to be working with as possible. We have structured interviews to discover if someone can work in a team and collaborate effectively.”

Like Fokkens at IBM, Pierce says organisations need an understanding of how national culture and corporate

culture affect employee behaviour. “The key to success for Hitachi is to take the best of Japanese culture and the best of European culture and blend them together to create an organisation that is truly effective at growing and developing the business,” he says. “The Japanese are great on innovation and delivery, for example, while the Europeans have expertise in local markets and building relationships with local customers.”

Pierce explains that Europeans and North Americans working for Hitachi have to get used to the Japanese way of decision-making.

“The Japanese prefer to spend more time circulating information and discussing ideas, to encourage collaboration. Then all the thinking is brought together and discussed before a final decision is made,” he says. “In the West, the person who sits at the head of the table or is the most assertive can often get his or her way, but in Japan everyone feels they have a say. It might take longer to make decisions – which can frustrate Europeans and might mean the company is not as agile as it could be – but the company usually comes to the right decision.”

Pierce also agrees that cultural and emotional intelligence are intrinsically linked, particularly when teams comprise people from different nationalities. “It is crucial that, as a manager, you can read a room. The Japanese will not always vocalise what they are feeling or articulate a point in the way a European or US worker might.”

HOFSTEDE’S CULTURAL DIMENSIONS THEORY

Professor Geert Hofstede studied how culture influences the workplace in more than 70 countries and devised six dimensions along which cultural values at work could be analysed. These are:

- Individualism and collectivism. Do people prefer to look after themselves at work or be part of a group?
- How do workers tolerate uncertainty and ambiguity? Do they perform well in unstructured situations?
- How do people view superior/subordinate relationships?
- Masculinity-femininity traits. Does a culture prefer achievement and assertiveness over modesty and cooperation?
- Long-term/short-term orientation. Are workers focused on the future ahead of short-term success and emotional gratification? Or do they consider the present or past more important? People with short-term orientation tend to favour tradition, for instance.
- Indulgence versus restraint. Does society allow relatively free gratification to enjoy life and have fun, or does a culture have strict social norms that are reflected in the workplace?

Hitachi carries out training to help Japanese expats coming to Europe to be better managers and leaders. It runs a ‘Working with Westerners’ course, while Europeans receive cultural awareness support.

CONFLICT MANAGEMENT

One area where national and corporate cultural differences can differ and have an impact on productivity and business success is around conflict management.

“We know that, in some cultures, people are less keen on conflict in the workplace, but you cannot avoid it or avoid managing it,” says Pierce. “Japanese managers can try to evade clashes, so it is the job of the HR team to support those working in Europe. A problem won’t go away.”

Jeffrey Sanchez-Burks is a professor of management and organisations at **Michigan University** in the US and says that how conflict is handled in the workplace says a lot about an organisation’s culture and how employees thrive or drown in it.

His research talks a lot about direct and indirect confrontation. Direct confrontation is the explicit, and often assertive, communication between two parties without affecting others who are not immediately involved. Indirect confrontation, whether spoken or non-verbal, relies more on cues, such as a subtle expression of anger that leaves one side to notice and decide what to do. It might also involve a third party.

“You cannot choose just one method, but a team should be honest and authentic and discuss between them what the best approach should be if anyone has a problem. Employees working in your culture might prefer a different way depending on whether they are extroverts or introverts, and on their own cultural background,” says Sanchez-Burks.

He runs courses for employees to help them settle into companies overseas where the corporate culture is alien to them. He makes people search out stereotypes that other employees might have of them. “There will be negative views that surprise them, so I ask them to consider which stereotypes they feel are wrong and which might have a grain of truth in them.”

He adds: “People also have to realise that if they are working in China, for example, Chinese employees will interact with other Chinese workers differently to how they interact with you, because of the stereotypes they have of you and your culture.”

Globalisation has brought a more complex and competitive business environment. With it has come a need for employees to demonstrate and use cultural intelligence skills to encourage collaboration, handle workplace conflict and, ultimately, boost the bottom line. ■

POWER IN NUMBERS

IS DATA DRIVING HR INSIGHT FOR BUSINESSES?

IN THE EARLY 2000S, FOLLOWING A BOOST IN COMPUTING POWER, MANY PEOPLE PREDICTED A DATA REVOLUTION FOR HR. WHILE ADVANCES HAVE CERTAINLY BEEN MADE, HOW MUCH INSIGHT IS REALLY BEING DRAWN TO IMPROVE THE WORLD OF WORK?

WHEN RBS BEGAN a major restructure in 2008 in the wake of the financial crisis, one of its key responses was to focus on “evidence-based HR that supports leaders to make informed people decisions”, according to Greig Aitken, Head of People Strategy & Insight at the bank. Data- and insight-driven decisions have been central to its HR strategy since 2000, but the seismic changes caused by the financial crisis meant it needed to redouble its efforts to support leaders across the bank.

“We were one of the first companies in the UK to have an employee engagement measure, and one of the first to have an engagement index,” says Aitken. Now the company meshes all of this data together with customer service metrics and financial performance data to create insights on everything from whether more engaged employees answer more calls in the service centre, to how a manager’s leadership capability has an impact on a department’s performance. It’s now also looking at external benchmarking data and predictive analysis based on behaviour data and feeding this into how it recruits and assesses new staff.

STARTING SMALL

Not every organisation has come as far on its journey in analytics, however. A recent survey by **Deloitte** declared that few organisations were actively implementing HR analytics’ capabilities to address business needs; they were “stuck in neutral”. Three-quarters of the organisations involved in the study felt that using analytics was important, yet only 8 per cent felt they



“IT’S BEEN CHALLENGING FOR HR TO GET ON THE ANALYTICS JOURNEY”

— KAREN MINICOZZI, WORKDAY

had strong capabilities in this area. Steven Toft, an HR consultant specialising in change management, says this is because HR professionals often feel overwhelmed by the array of tools available or the vastness of the data they’ll be dealing with.

“People hear about **Walmart** having a team of 70 statisticians and think ‘Help’, but in fact, a lot of companies aren’t even off first base. Or they want to run before they can walk; for example, introducing

REX FEATURES

predictive analytics before they even have accurate headcount data,” explains Toft.

That’s not to say that innovation in HR analytics isn’t happening. Deloitte highlights how **Google** uses analytics to gain insights on the impact of every interview and **BP** uses analytics to evaluate its training. So what’s stopping other HR functions getting off the starting block? “It’s been challenging for HR to get on the analytics journey because technology changes so

fast, so it can be hard to work out what capabilities you need,” explains Karen Minicozzi, Vice President of HCM Product Strategy at software company **Workday**.

The key is to start small and simple, says Aitken. “Lots of organisations get stuck on striving to get a system where all their data is integrated, all-inclusive and organisation-wide. We’ll all have retired by the time that arrives. Join up the data you have and turn it into insight,” he advises.

At **CDK Global**, which makes and supports software for car dealerships, HR did this by working with finance to create an agreed set of people metrics, cutting the 2,000 people data points used across the global business to 120 people metrics for use in business reports. “It was important for us to work off the same set of information, rather than it being ‘HR data’ or ‘finance data’,” explains Kevin Ball, Vice President of Human Resources.

“One of the elements of this exercise involved taking the result of the annual employee engagement survey and combining this with other results across the organisation to examine the link between happy staff and better business performance,” he says. “We now know our employees in a way we were never able to before.”

On a practical level, CDK Global has done this by building a bespoke data warehouse on top of its SuccessFactors HR system, which it can then query on metrics such as cost per hire and time to hire, how long it takes a new hire to become productive, or the characteristics of a productive employee so it can apply this to future recruitment activities. Another important metric is attrition, and how this maps against levels of engagement.

A STEP AHEAD

Once those basics are in place, how are organisations pushing their data capabilities further? Minicozzi sees the analytics journey in three stages. “HR is looking at doing something descriptive with data analysis – how many people do we have in this department; then predictive – when do people leave and are there trends; and finally action, such as, can I step in with a career opportunity if someone is thinking about leaving?”

Actions based on these data-driven insights are what’s pushing businesses ahead with analytics, argues Paget Miles, **IBM Worldwide** Leader for People Analytics. He says: “Once organisations have explored their data, made some predictions or cross-referenced it with other data models, they can do the visualisation and storytelling.” Dashboards and infographics can help managers to articulate their story – **RBS** did this by overlaying turnover statistics onto engagement scores, revealing that, among the individuals delivering the bottom 10 per cent of customer service, there were also ▶

▶ significantly higher levels of turnover, presenting a major cost to the business in terms of re-recruitment.

More and more companies are now also beginning to explore machine learning and artificial intelligence, where sophisticated algorithms interrogate the data and present patterns, but adapt as the data changes or parameters move. An example of this is IBM's Watson, a supercomputer that can process both structured and unstructured data and present statistically relevant patterns in data – do employees who use certain terms or language on the company intranet tend to stay longer at the company, for example?

In the meantime, an ever-growing number of apps are becoming available to use alongside core HR systems that can provide different insights. HR applications, and that includes analytics, have become increasingly consumerised, often functioning as tools for employees first, and then HR. **The Commonwealth Bank of Australia**, for example, implemented a mobile HR management system that has been downloaded by more than 10,000 employees. Not only has it reduced HR administration, it also produces vast amounts of data that HR can analyse and act upon.

Woolworths Food Group in Australia is exploring a number of apps that add power to its core **SuccessFactors** HR system, according to former HR Director Ian Cormack. "Our core HR system is the plumbing and wiring but not the magic in itself. That happens above these systems," he says. It is implementing a learning app created by Canadian developers **Axonify**, which will transform the way people learn about its core business of food, retailing and customer service. It is based on brain science, is 'gamified' and has very rich reporting, supported by recognition and performance diagnostics.

Woolworths can see what people know, where gaps exist, who is learning, and at what pace. They also know whether learning is driving business results. The system is driven by questions not content. "It might ask a colleague a question such as 'When is stone fruit season?' and then ask 'How confident are you about that answer?'; and managers can drill down into the data it produces to see how much their staff know. Learning content can then be added if there are gaps," adds Cormack.

In the last year, Hays has been exploring the use of advanced machine learning techniques to better manage relevant data, says David Pardoe, Group Head of Data Science. "Data has been collected about many aspects of our business and Hays has developed algorithms and models to process this data, helping identify key development opportunities. The expectation is that this will be of value to both Hays and its clients."



“WE KNOW OUR EMPLOYEES IN A WAY WE WERE NEVER ABLE TO BEFORE”

— KEVIN BALL, CDK GLOBAL

WHERE NEXT?

As the sophistication and availability of analytics tools increases, so will the breadth of data used to generate these insights. Employees themselves will also take more ownership of the data, argues Minicozzi at Workday, accessing dashboards and updating systems as their own circumstances change. On top of this, a more fragmented workforce where ever more employees are freelance or have portfolio careers means that the data the business produces will change all the time.

What will remain constant, though, is the strategic influence data-driven insights can offer HR in driving real business change. "We can add data to decisions we used to make intuitively, and intuition to decisions we used to make based on data," says Ball from CDK Global. Cormack agrees: "HR is going through a revolution – it used to be about records and risk. This will go out of the window and be replaced by behavioural interventions. If my boss tells me I should offer someone more money because he might leave, I can tell him that this will not work 94 per cent of the time, based on data. Before, he would have just said 'That's your opinion.'"

So while the research shows that HR may still be 'stuck in neutral' right now, it shouldn't be long before its analytics capability gains speed and takes off. ■

BOUNCING BACK



AUSTRALIA'S MINING BOOM IS OVER, BUT THERE ARE PLENTY OF REASONS TO BE OPTIMISTIC ABOUT THE COUNTRY'S LABOUR MARKET

AUSTRALIA'S MINING BOOM saw it come through the global financial crisis relatively unscathed as the rest of the world hit the economic doldrums. The country enjoyed a boost in prosperity and positive economic indicators such as falling unemployment. However, by 2015, the mining sector had all but collapsed. The Australian economy has entered a period of transition, as the real estate and services sectors begin to make larger contributions to GDP.

Despite this period of uncertainty, the unemployment rate has hovered at around 5 per cent, with the labour market showing remarkable resilience. Figures by the Australian Bureau of Statistics show that around 74,000 new jobs have been created since the start of 2016, and the general hiring outlook is positive. "Around 40 per cent of employers from across all industries say they'll be increasing their permanent headcount over the next year," says Nick Deligiannis, Managing Director, **Hays Australia & New Zealand**. Furthermore, 21 per cent

expect their temporary and contract staffing levels to increase over the coming 12 months.

THE COASTAL SPLIT

While Western Australia, Queensland and South Australia have seen many redundancies due to the mining downturn, this trend has been countered elsewhere by growing economic confidence and buoyant activity in other sectors.

Growth in construction, property and the professional services show that the labour market is undergoing structural shift. A growing number of urban regeneration and commercial construction projects, along with company tax relief for small and medium-sized businesses are helping drive jobs growth on the east coast, particularly in Melbourne and Sydney. This has created greater demand for construction professionals at all stages – from architects, engineers and project managers, to labourers and builders. ▶

AUSTRALIA



“WE’RE STARTING TO SEE WAGE PRESSURE COME THROUGH IN SOME AREAS, BUT IT’S IN SPECIALISED ONES”

— NICK DELIGIANNIS,
HAYS AUSTRALIA & NEW ZEALAND

- ▶ The growth of the property sector and its impact on jobs is something Deborah Coakley, Executive General Manager, Customer and Marketing at commercial property owner and manager **DEXUS**, can attest to. Projects in Melbourne and Brisbane mean these cities are becoming larger centres of employment for the group. “Brisbane has been a big growth area as we’ve acquired, as well as built, some new assets,” she says. “In Melbourne, hiring has been about adding value to the customer service proposition.” Innovation in customer service has become increasingly important in enabling **DEXUS** to differentiate itself from other property groups and provide solutions to the problems its customers face.
In the professional services such as accounting, law and finance, New South Wales, Victoria and the Australian Capital Territory continue to be the main hubs for jobs. “Sydney and Melbourne are still hot talent markets and the competition is pretty fierce,” says James Elliott, General Manager, Talent Strategy and Acquisition at one of Australia’s biggest banks, the **Commonwealth Bank**. “If you’re good, you’re in demand.”

SKILLS SHORTAGES

Across the professional services, skills shortages have driven demand for roles such as accounts payable, assistant accountants, finance managers and financial controllers. Deligiannis also points to healthcare as a sector experiencing greater demand, thanks to a number of factors, including Australia’s ageing population and the ongoing creation of new facilities. “We’re seeing enormous demand,” he says, “whether it be social workers or psychologists, physios, programme managers, medical care coordinators and nurses.” The National Disability Insurance Scheme has also contributed to recruitment activity, although the transition of some services from public to private sector has resulted in redundancies in some states.

Employee churn is also a large contributor to recruitment activity. With staff turnover rising in 29 per cent of organisations, Deligiannis predicts that candidates will become more willing to make job moves over the coming 12 months. “More employees will seek a role elsewhere, and issues of retention will become more prominent for organisations,” he says.

THE DATA REVOLUTION

The most significant demand, however, is in IT, where the need for technical skills covers a wide range of sectors. As trends around automation, cybersecurity, big data and new technological platforms become established, companies want candidates with excellent analytical skills and the ability to work with data. An example in the property sector is the recent creation of two new roles at **DEXUS**: Head of Customer Initiatives and Manager, Customer Insight.

“Understanding the needs and problems that our customers face and being able to provide solutions is very important,” says Coakley. “When you look at areas of energy consumption, waste management, and wellbeing, these are a key part of innovation in the sector.”

At the Commonwealth Bank, the growth of automation within banking has influenced what skill set the bank values. Those able to work at the intersection of data, analytics and creative insight, and apply these to the bank’s increasingly customer-centric approach, are in high demand. “Even in our more traditional areas, the need to be tech-savvy and understand how to look at the whole digital ecosystem when thinking about serving customer needs has really changed the capability set that we need in the business,” says Elliott. The ability to go beyond technical know-how, drive a culture of innovation and influence senior leaders in the business is also key. Lucy Sharp, Marketing Director, Hays Australia & New Zealand



REBUILDING CONFIDENCE:
GROWTH IN PROPERTY
AND CONSTRUCTION
IS HELPING TO BOOST
THE LABOUR MARKET

agrees: “Those in IT leadership roles must have high-level stakeholder management skills as well as excellent communication, planning and people management skills.”

It’s a similar story for **Qantas**, where technology, says Charlotte Abbott, Chief HR Officer, is increasingly paramount. “The speed of technological development means we need those who have cutting-edge skills and the ability to innovate in areas such as IT,” she says. “But those people don’t see themselves working for an airline; they see themselves in tech, rather than the corporate environment.”

ROUTES TO TALENT

Attracting the right talent is a key consideration in any region. However, Australia has a more limited candidate pool, and has traditionally relied on skilled migration to fill skills gaps in the working population. Here, finding employees with the right set of skills can prove a much harder task than in other regions. This is especially true when it comes to filling highly specialised roles.

Candidates looking for the sky-high salaries of mining’s heyday will be disappointed, however. Despite positive sentiment about future headcounts, employers remain cost-conscious, with wage growth hitting an 18-year low in May. “We’re starting to see wage pressure come through in some areas, but it’s in really specialised areas,” says Deligiannis. Rather than increasing salaries, employers are considering other routes in a bid to attract the best.

The Commonwealth Bank is one of Australia’s biggest employers of technology talent. However, the desire for data scientists, people with analytics capabilities, and those with a strong grounding in digital design means

Elliott and his team must cast their net wider than the traditional channels. “Our competitors for that sort of talent are in any number of industries, whether it’s fast moving consumer goods, retail or technology. We’re having to look to a much broader pool,” he says. As a result, the bank increasingly considers graduates with non-traditional finance backgrounds, such as those with social sciences or creative arts degrees.

When hiring senior leadership or highly specialised roles, this also means looking to the global talent pool. “We are transforming our organisation, and this creates a very high expectation on our leaders,” says Elliott. “We’re looking hard in Silicon Valley and Europe for digital talent and there’s a great deal of talent in New Zealand and South Africa.” Abbott notes that **Qantas** has found difficulty in attracting the right calibre of people to work in the digital space. “We are keen to develop and retain Australian talent. However, we do source overseas for highly specialised roles or where there is a significant skills shortage here,” she says.

THE NUMBERS

40%

THE PERCENTAGE OF COMPANIES THAT SAY THEY WILL INCREASE THEIR HEADCOUNT OVER THE NEXT YEAR

74,000

THE NUMBER OF NEW JOBS CREATED SINCE THE START OF 2016

21%

OF BUSINESSES EXPECT THEIR TEMPORARY STAFFING LEVELS TO RISE IN THE NEXT 12 MONTHS

EMBRACING DIVERSITY

Among Australian businesses, diversity is a growing priority. “We’re seeing more clients who want diversity in their shortlists,” says Deligiannis. At **Qantas**, Abbott sees greater job flexibility as key to facilitating diversity, while at the Commonwealth Bank, it has become a “significant” focus, viewed through the lens of culture as well as gender. “If we have people looking at key problems with different perspectives, we get a much better outcome,” says Elliott. **DEXUS** is also committed to addressing diversity, and has been measuring its performance since 2013. “Our recruitment of recent times is demonstrating a true commitment to diversity and, from a gender perspective, the diversity on shortlists has increased year-on-year,” Coakley says.

The mining downturn may have seen Australia’s employment prospects hit a rocky patch. But, together with a buoyant economic outlook, the employment landscape is undergoing a structural shift that is starting to see it get back on track. ■

FOR MORE INFORMATION

To read more about Hays in Australia, visit hays.com.au

PREVENTION IS BETTER THAN CURE

THE SKILLS NEEDED IN CYBER SECURITY ARE CHANGING, AND FINDING THE RIGHT TALENT IS A CHALLENGE



THE CYBER HORSE: THIS SCULPTURE, MADE UP OF COMPONENTS INFECTED WITH MALWARE, WAS DISPLAYED AT THE CYBER WEEK CONFERENCE IN TEL AVIV, ISRAEL IN JUNE 2016

FOR MANY BUSINESSES, tackling cyber crime has become one of the most important challenges they face. According to **Symantec's 2016 Internet Security Threat Report**, the company discovered 430 million new pieces of malware last year alone. In the UK, two thirds of big businesses have experienced cyber attacks in the same time frame. New types of attack are being dreamt up with increasing degrees of sophistication, and organisations are particularly worried about ransomware – malicious software that locks or encrypts documents on a computer and demands a ransom to unlock or decrypt it.

CHANGING NATURE

Most businesses are well aware of the evolving nature of attacks, but even the lexicon has changed. It seems everyone is now talking about cyber crime, yet it's not that long ago that the focus was on IT security. This may seem like a subtle change, but Siân John, EMEA Chief Strategist at Symantec, says it is a reflection of the growing expertise on both sides of the fight.

"You can see in the explosion of malware, as well as the targeted attacks, that we've witnessed the 'professionalisation' of cyber crime. You have extremely sophisticated nation-scale attacks at one end, but you've also got the mass-market, mass-money-producing criminals taking out smaller companies at the other end," she explains.

Meanwhile, for businesses, conversations around this type of security have reached a much higher level. "In the last three or four years, people have been seriously talking about the need to step up. They talk to the board and treat it as a business conversation around risk," John adds.

These conversations are leading to changes in the way businesses tackle cyber attacks. Previously, they would fight them off as they occurred. Now, the battle against cyber crime revolves around preventing attacks in the first place. Kok Yew Toh, Senior Manager – IT Security and Assurance, **Prudential**, says this means that businesses are trying to action behavioural changes in staff to decrease the likelihood of attacks to start with.

"Hacking technology and methods have advanced, so simply looking at locks is no longer safe," he says. "Security has gone from a process of monitoring and detecting to preempting responses. Cyber security has changed in terms of speed and mentality and has become more about cultural changes."

In practice, this means that educating staff about cyber security risks may need to involve the HR function as well as the IT team. Ideally, the two should work together to identify the key threats and then

develop internal training programmes to ensure that all staff understand the risks and how to avoid them.

CHALLENGING HIRES

The changing approach to cyber security has driven an appetite for those who can manage and assess risk, as much as build ways to combat it. Toh says industry needs strategic thinkers more than coders.

"Right now, we are not looking for cyber security engineers, we are looking for cyber security professionals. There is a big difference," he says. "Engineers will look to fulfil the baseline requirements for the industry: professionals will look at the baseline and ask if it is appropriate for their own business processes. If it isn't, they will ask if they can make another baseline for their processes. We're not looking for firemen any more, we're looking for people who can anticipate how the fire will happen."

He adds there have been big challenges in this area, with many unable to take a long-term strategic view of security, and fewer still able to then communicate it. For John, however, the tide is beginning to turn: "In the last year, speaking with heads of security, I am seeing more who are good communicators," she says. "That need has been spoken about for a while, but the reason it is becoming a more professional and mature industry is that we're seeing those good communicators appointed to those roles."

ACUMEN OVER ACHIEVEMENT

While things may be looking up, many businesses still do not know where to start looking in the first place. Toh recommends looking at those in compliance or audit roles, as many of their strategic skills will translate over to cyber security, while the technical skills can be learnt. "Because of their interaction with the C-Suite they have a clear understanding of the business," he says. "What they can do is get themselves updated with technology to come up with strategy to defend against this kind of crime."

John recommends going further still, and says that the right attitude will see the raw skills develop naturally. "You don't need a degree in cyber security, which is what many businesses ask for. You can get people from the general IT department or people with history degrees or people who have been engineering apprentices, and give them on-the-job training."

She concurs that cultural changes will improve security generally, but says they can also be used to spot talent. "Having Security Champions helps. It can be something as informal as making sure anyone doing that role is offered extra information and mentoring to give them the opportunity to move into cyber security. Quite

"WE'RE NOT LOOKING FOR FIREMEN ANY MORE, WE'RE LOOKING FOR PEOPLE WHO CAN ANTICIPATE HOW THE FIRE WILL HAPPEN"

— KOK YEW TOH, PRUDENTIAL

often they progress very quickly, because they have that attitude to do it as well as the interest."

When professionals with a strategic view are found, it is important to deploy them as effectively as possible immediately. One way to do so is to get them 'on the ground' as part of their role. Working with cyber security engineers regularly will ensure a better connection between the technical challenges and the first line of defence, and overall strategy.

Another challenge is understanding which forms of defence are most relevant to your business. To put it simply, you don't need a rocket to win a foot race.

"There is a lack of knowledge when looking at the cyber security market," says Toh. "Some look at implementing the most advanced system in the market to protect their network. Sometimes it isn't about spending or buying the best technology; it's about looking at the business and coming up with the most appropriate way of doing things."

DATA WITH DESTINY

The necessary skills continue to evolve. Many businesses, particularly in the financial services sector, have a huge number of security systems, producing vast numbers of reports. The new challenges come from organising teams to analyse these pieces of information as one, and then acting on them accordingly. Toh says the cyber security professional of the future will need to find ways to combine team skills and form strategy accordingly.

"This is one of the biggest issues for cyber security right now. Engineers can't do that because they're looking at the details, the ones and zeroes. The management person can't do that because they aren't familiar with the technology. That's why management should have the skills to leverage the people working for them to come up with methods to correlate this information, so that managers have a more holistic picture of the state of the company's security." ■

PLAY ON

CATHERINE MALLYON IS EXECUTIVE DIRECTOR OF THE ROYAL SHAKESPEARE COMPANY (RSC). SHE DISCUSSES HOW THE COMPANY IS RESPONDING TO THE DIVERSITY CHALLENGES FACED BY THE ARTS INDUSTRY



Q WHAT IS YOUR FIRST MEMORY OF A SHAKESPEARE PLAY?

Going to see *Macbeth* – the famous RSC production with Judi Dench and Ian McKellen; a completely wonderful production which led to my working in the arts. My favourite is *The Tempest* for its beautiful poetry, love, magic, humour and theatricality.

Q WHY DID YOU WANT TO JOIN THE RSC? WHAT DO YOU ENJOY MOST ABOUT YOUR ROLE?

I applied for my role because the RSC is one of the best theatre companies in the world, and the job is really interesting. A lot of my enjoyment comes from the variety of the work; I get to cover a whole range of things, and to do that within the context of everything the RSC does as a company.

Our staged productions, our education work and our events and exhibitions are all excellent, and it's great to be part of making all that possible. We also work in many locations, which adds to the interest and variety: we have bases in London and Stratford, and we tour nationally and internationally.

Q DIVERSITY IN THE ARTS HAS BEEN SOMEWHAT UNDER THE SPOTLIGHT RECENTLY. HOW IS THE RSC TACKLING THE ISSUE?

We have many initiatives and are trying to do a lot to increase diversity. We have a long history of having inclusive and diverse casts at the RSC, and that's very much part of how we work. We are also working across the whole organisation to make sure our staff and company reflect the communities in which we work.

We have a variety of specific programmes, such as Creative Access, which works with BAME young people to offer opportunities across creative industries. We also have an initiative in the Midlands called Backstage Pass, which gives opportunities for work experience to young people who, in the past, may not have had the chance to come here.

This year, for the first time in many years, we've held regional auditions for actors. Auditions can often become very focused on London, but we have worked alongside our national tour of *A Midsummer Night's*

Dream to find new talent across the country.

We also support employees through a range of internal training programmes. Like many large organisations, we have to work hard to ensure people realise the range of opportunities we have available.

Q HOW IS INCLUSION COVERED FROM A STRATEGIC POINT OF VIEW?

We have an Equality Action Plan covering inclusive policies that aim to ensure that our employees come from the communities in which we operate. Specific actions cover recruitment, for example, and we take an active approach to instil this throughout the company culture. For many years we have had diverse people on our stages, and this culture naturally permeates throughout the company.

Q HOW DO RECRUITMENT PROCESSES COMPARE BETWEEN THE ARTISTIC SIDE OF THE RSC AND ITS MORE OFFICE-BASED FUNCTIONS?

We have three main recruitment routes. Our HR team are involved in all of these to ensure consistent processes and to share their knowledge.

Our producers are responsible for recruiting creative teams, such as the directors, composers and designers who are going to create each production; our casting department draws up lists of actors to audition and works with directors on the auditioning process, which of course is quite different to our recruitment of, for example, administrative staff; and heads of department are responsible for recruiting their own staff, supported by HR specialist expertise.

For all these routes, we look at different ways of reaching people. Years ago, you might have only put an advert in *The Stage*, but nowadays there is a wide range of digital channels and media that we use to get a good pool of applicants.

Q WHO IS YOUR FAVOURITE SHAKESPEARE CHARACTER? WHY?

I don't have one! I find that I engage with different characters at different times, and depending on which play I am watching.

THE ROYAL SHAKESPEARE COMPANY, FOUNDED IN 1961, EMPLOYS 700 STAFF. A REGISTERED CHARITY, IT STAGES AROUND 20 PRODUCTIONS A YEAR AT ITS BASE IN STRATFORD-UPON-AVON, AROUND THE UK AND ABROAD

DIRECTORY

THE BREADTH OF HAYS' EXPERTISE WORLDWIDE

LISTED BELOW ARE THE MAIN OFFICES FOR EACH OF OUR COUNTRIES OF OPERATION. TO FIND YOUR LOCAL OFFICE, PLEASE VISIT HAYSPLC.COM

Abu Dhabi

T: +971 (0)4 559 5818
F: +971 (0)4 368 6794
15th Floor, Al Khazner Tower
Najdah Street
Abu Dhabi
clientmiddleeast@hays.com
hays.ae

Australia

T: +61 (0)2 8226 9600
F: +61 (0)2 9233 1110
Level 11, Chifley Tower
2 Chifley Square
Sydney NSW 2000
info@hays.com.au
hays.com.au

Austria

T: +43 1 535 34 43 0
F: +43 1 535 34 43 299
Europaplatz 3/5
1150 Vienna
info@hays.at
hays.at

Belgium

T: +32 (0)56 653600
F: +32 (0)56 228761
Brugsesteenweg 255 b2
B-8500 Kortrijk
info@hays.be
hays.be

Brazil

T: +55 11 3046 9800
F: +55 11 3046 9820
Rua Pequetita
215 - 13º andar
São Paulo, SP
04552-060
comunicacao@hays.com
hays.com.br

Canada

T: +1 416 367 4297
F: +1 416 203 1923
6 Adelaide Street East
Suite 600, Toronto, Ontario
M5C 1H6
recruit@hays.com
hays.ca

Chile

T: +56 (2) 2 2449 1340
F: +56 (2) 2 2449 1340
Cerro El Plomo 5630
Of. 1701
PO 7560742, Las Condes
Santiago
chile@hays.cl
hays.cl

China

T: +86 (0)21 2322 9600
F: +86 (0)21 5382 4947
Unit 3001
Wheelock Square
No. 1717
West Nan Jing Road
Shanghai 200040
shanghai@hays.cn
hays.cn

Colombia

T: +57 (1) 742 25 02
F: +57 (1) 742 00 28
Paralelo 108
Autopista Norte # 108-27
Torre 2 - Oficina 1105
Bogotá D.C.
colombia@hays.com.co
hays.com.co

Czech Republic

T: +420 225 001 711
F: +420 225 001 723
Olivova 4/2096
110 00 Praha 1
prague@hays.cz
hays.cz

Denmark

T: +45 33 38 32 00
F: +45 33 38 32 99
Kongens Nytorv 8
DK-1050 København K
info@hays.dk
hays.dk

France

T: +33 (0)1 42 99 16 99
F: +33 (0)1 42 99 16 93
147 Boulevard Haussmann
75008 Paris
paris@hays.fr
hays.fr

Germany

T: +49 (0)621 1788 0
F: +49 (0)621 1788 1299
Willy-Brandt-Platz 1-3
68161 Mannheim
info@hays.de
hays.de

Hong Kong

T: +852 2521 8884
F: +852 2521 8499
Unit 6604-6606, 66/F
ICC, 1 Austin Road
West Kowloon, Hong Kong
hongkong@hays.com.hk
hays.com.hk

Hungary

T: +36 1 501 2400
F: +36 1 501 2402
Bank Center
1054 Budapest
Szabadság tér 7.
Gránit torony 10. emelet
hungary@hays.hu
hays.hu

India

T: +91 124 475 2500
11th Floor, Building 9b
DLF Cyber City
Gurgaon 122002
hays.com

Ireland

T: +353 (0)1 897 2481
F: +353 (0)1 670 4738
2 Dawson Street
Dublin 2
info@hays.ie
hays.ie

Italy

T: +39 (0)2 888 931
F: +39 (0)2 888 93 41
Corso Italia, 13
20122 Milano
milano@hays.it
hays.it

Japan

T: +81-3-3560-1188
F: +81-3-3560-1189
Izumi Garden Tower 28F
1-6-1 Roppongi, Minato-ku,
Tokyo 106-6028 Japan
info@hays.co.jp
hays.co.jp

Luxembourg

T: +352 268 654
F: +352 268 654 10
65, Avenue de la Gare
L-1611 Luxembourg
luxembourg@hays.com
hays.lu

Malaysia

T: +603 2786 8600
F: +603 2786 8601
Level 23
Menara 3 Petronas
KLCC
50088, Kuala Lumpur
kualalumpur@hays.com.my
hays.com.my

Mexico

T: +52 (55) 5249 2500
F: +52 (55) 5202 7607
Torre Óptima 1
Paseo de las Palmas 405
Piso 10
Col. Lomas de Chapultepec
C.P. 11000, México D.F.
mexico@hays.com.mx
hays.com.mx

The Netherlands

T: +31 (0)20 3630 310
F: +31 (0)20 3630 316
H.J.E. Wenckebachweg 210
1096 AS Amsterdam
marcom@hays.com
hays.nl

New Zealand

T: +64 (0)9 377 4774
F: +64 (0)9 377 5855
Level 12, PWC Tower
188 Quay Street
Auckland 1010
info@hays.net.nz
hays.net.nz

Poland

T: +48 (0)22 584 56 50
F: +48 (0)22 584 56 51
Lumen Złote Tarasy
Ul. Złota 59
00-120 Warszawa
info@hays.pl
hays.pl

Portugal

T: +351 21 782 6560
F: +351 21 782 6566
Avenida da República,
nº 90, Galeria
Fracção 4
16000-206 Lisboa
lisboa@hays.pt
hays.pt

Russia

T: +7 495 228 2208
F: +7 495 228 2500
Citydel Business Center
9, Zemlyanoy Val
105 064 Moscow
moscow@hays.ru
hays.ru

Singapore

T: +65 6223 4535
F: +65 6223 6235
80 Raffles Place
#27-20, UOB Plaza 2
Singapore 048624
singapore@hays.com.sg
hays.com.sg

Spain

T: +34 91 456 69 98
F: +34 91 443 0770
Plaza de Colón 2
Torre 2, Planta 3
28046 Madrid
madrid@hays.es
hays.es

Sweden

T: +46 (0)8 588 043 00
F: +46 (0)8 588 043 99
Stureplan 4C
11435 Stockholm
stockholm@hays.com
hays.se

Switzerland

T: +41 (0)44 225 50 00
F: +41 (0)44 225 52 99
Nüscherstr. 32
8001 Zürich
info@hays.ch
hays.ch

United Arab Emirates

T: +971 (0)4 559 5800
F: +971 (0)4 368 6794
Block 19, 1st Floor
Office F-02
Knowledge Village
P.O. Box 500340, Dubai
clientmiddleeast@hays.com
hays.ae

United Kingdom

T: +44 (0)20 3465 0021
4th Floor
107 Cheapside
London
EC2V 6DB
customerservice@hays.com
hays.co.uk

USA

T: +1 813 936-7004
F: +1 416 203-1931
4300 West Cypress Street
Suite 900
Tampa FL 33607 USA
recruit-us@hays.com
hays-us.com

INTELLIGENT _{n.}

1.1 Having or showing intelligence, especially of a high level.

1.2 Able to vary its state or action in response to varying situations and past experience.

RESOURCING _{v.}

1.1 A stock or supply of money, materials, staff, and other assets that can be drawn on by a person or organisation in order to function effectively.

**It's more than a line on a logo.
It's what we do.**

**See how we can add intelligence
to your resourcing needs.**

haystalentsolutions.com

