

Wilsons



# The future of work

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**Where? When? Why? How? Four fundamental questions that employers have to (re) address to align the (changing) expectations of employees with the requirements of the company and the (increasing) demands of the customer.**

**Essential to get right, because profit is achieved by creativity, innovation, productivity, and great service delivery, all of which relies on an engaged and motivated workforce.**

## **Attitude shift also due to family dynamic**

“The art for a company is to provide a degree of flexibility, open and honest dialogue, but to still apply rules and regulations. That’s because employees know their rights and if anything, that can exaggerate a sense of entitlement.” Michael Brooksbank is managing director of Advantage Resourcing UK. He observes: “All too many graduates cannot get the jobs they were hoping for, so they take something to fill their time and to pay for the rent, and their lifestyle. They just see it as work, not a step on the first rung of their career. We need to encourage them to think about the longer term, which is important for continuity in business.”

But he says it isn’t just the new generation which has caused a shift in attitude. “A lot of it comes down to a change in the family dynamic,” Brooksbank suggests. “Schools used to provide career guidance, and not so long ago, most parents would be thinking about

what their children will be doing say ten years after they start work, in other words, about their prospects. Previously they would have spent more time talking about what their children want to do in life, and see what influence they could bring to help get from there. In the emerging economies, and especially in China and India, parents still take a real lead in encouraging the next generation to do better than they have done.”

There’s a reason why Brooksbank doesn’t sound over enamoured with the output from higher education. “Even vocational courses can be so general that we have to run training courses on their degree subject just to bring graduates up to speed,” he explains. “The skills coming out of university still aren’t generally synchronised with the requirements of companies.” There are exceptions and he points to Bombardier’s links with Queen’s University, Belfast as an example.

The fourth largest recruitment company in the world, Advantage Resourcing intend to be the biggest by 2020. The average length of tenure of their own staff in the UK is 6.9 years - the industry average is twelve months. That’s in no small part because of the company’s ‘tool kit’ approach. In addition to vocational training, and this is but one example, their recruitment consultants were provided with a course on manufacturing design. “Why? So they could talk to clients with a greater degree of understanding,” explains Brooksbank. “So not only are they seen as an expert in recruitment but someone who can talk about the future of the client’s sector and can provide input to strategy. People stay with us because while their role is transactional, it’s based on advisory rather than simply being a placement or a sale.”

What really concerns Brooksbank is that he senses that technology has almost destroyed a fundamental skill - the ability to talk and discuss something face-to-face. “Technology,” he says, “can be a blocker to getting close to the client. We can’t go back and un-invent things like email, and we wouldn’t want to,

but we need to harness IT rather than being beholden to it.

“So I take the view that Facebook is a private thing, not something for the company. But if something is put out there by an individual which could damage a company’s reputation, then the employer has to make it clear that will have an impact on their continued employment. My concern is that social media highlights the British characteristic of complaining rather than doing something about it.”

And doing something right is what companies have to demonstrate to align attracting talent and then keeping it. “It used to be that people only really wanted to work for key brands, but today only a handful of companies are finding that high quality candidates are flocking to their doors,” Brooksbank says. “The new generation of employees no longer see itself as having to be committed in terms of timeframe to a particular employer - it’s up to the employer to change that and make it happen. And it takes a sizeable investment in money and time to do that.

“I wouldn’t want to employ someone who is moving from a job for money, simply because it’s simply a matter of time before they’ll leave you for that precise reason. It needs to be because they have seen a glass ceiling, and we can demonstrate how we can get them through it.”

Over sixty per cent of the workforce at Advantage Resourcing UK are women. “They have always had to juggle family and work, and have a real sense of responsibility and work ethic,” Brooksbank says. “Other than me and the finance director, our other four directors are women. Of our six senior managers, five are women.”

Before taking anyone on as an apprentice, Advance Resource test for key attributes such as listening skills. The first twelve months of the three-year scheme are spent learning the rudiments of recruitment, but at the end of year one, they are paying for themselves,” Brooksbank explains. “We are teaching them ground up in our way of working. Last year’s intake was an increase of 100%. Because they

are learning a career, they sense the company is investing in them and can see a career in front of them. After the first few months we can see who really gets it. Of course at the end, they then have skills which they can take elsewhere, but they can’t apply our culture elsewhere. Our feedback is that when someone leaves to go to another company, they have an immediate sense of not being as valued.”

What Brooksbank has identified is that those with ‘in demand’ skills are still becoming contractors, but sooner rather than later. “In the technical field, once someone has real portable knowledge, they become a contractor, typically after maybe a couple of years. Before that wouldn’t have happened until they were in their late forties,” he explains. “Now it’s happening in their late twenties, because they know there is a large pool of work out there and employers can’t find the right full-time staff to do it.

“We have got a contractor who has been in their current role for fifteen years, because the company brings them in and then finds it expedient just to let the arrangement roll on. The cost implication is higher compared to an employee, but it’s factored into the price of the product or service. But what those companies haven’t grasped yet is that they are living on borrowed time: twenty per cent of the technical workforce are contractors, and competition for skills is still increasing. The combination of an older workforce of employees and a burgeoning cost of younger contractors is not a healthy cocktail for business. And I am surprised at how many major projects are actually in the hands of contractors.”



Crescens George

## Qualified to set up own college

“Sometimes I wonder,” says Crescens George, “if we’re really an insurance broker or if we’re a college.”

The director of (HR) Learning & Organisational Development at insurance broker Be Wiser has good reason to ponder the point, having been instrumental in developing the UK’s first-ever BA (Hons) degree in Insurance, which started in September 2016.

He had long believed that a profession as long-established as insurance deserved its own degree qualification. “This industry is nearly 500 years old; it’s shameful that it didn’t have a degree like other professions such as law and accountancy,” he says.

Be Wiser employs 600 people across five offices. Those on the degree course work four days a week full-time and spend the other at college. The big attraction for students, George says, is that they can gain a degree without having to go away to university and run up big debts. This course itself costs £3000 a year (compared with the £9000 for many other degrees) and when students graduate the company refunds their fees when they take up a suitable placement within Be Wiser.

George worked with Chichester University and Peter Symonds sixth form college in Winchester to develop the course. Be Wiser own 80% of its intellectual property, which stands the company in good stead for George’s

ambition for it to establish a college in its own right. It already has a training centre, the Wiser Academy, which was set up to meet the learning needs of the financial services sector. And it falls within the regulatory framework of Ofsted through its apprenticeship scheme.

The BA Hons is expected to slowly replace the existing study scheme which Be Wiser supports and leads to chartered insurance institute qualifications. Those already on that path have the choice of transferring to the degree course.

The degree option is one of several development options for staff. There’s the Be Wiser’s Future Skills Programme, a “talent pipeline” programme for the financial services sector, which produces qualified chartered insurance professionals out of school and college leavers. There are separate courses for graduates, school leavers with at least five GCSEs, and school leavers with fewer GCSEs. “There were people applying who demonstrated good attitude and commitment but did not have very good GCSE grades for various reasons,” George explains.

Trainees spend several months in each department of the company, working, for example, in sales, customer services, business retention, compliance, audit, claims validation or back office functions in the first year. In the second year they learn management development skills, which they put into practice by taking turns to lead the team they are in, and in the third year they specialise in their core area of preference.

One of the benefits of this is that salespeople, for example, can get experience of customer services. “Historically we recruited for specific areas but this gives people a broader opportunity to get a feel for every area of the business,” explains George. “Now they really understand how everything works.”

For George, taking youngsters straight from school is a far better way of developing talent than having a graduate training scheme. He doesn’t believe that graduates necessarily add value, other than skills in critical thinking

(which will be taught anyway as part of the new degree course).

Non-graduates can bring some very useful ways of thinking, he says. “For example, when we started bringing our website and search engine optimisation in-house, one of the 17-year-olds suggested making dummy pages with search terms spelled incorrectly so that people who type their search term wrongly still get directed to Be Wiser. That kind of simple but effective idea is the sort of input school leavers are providing.”

George has a particular interest in apprenticeships and has been to dozens of schools and colleges in his role as an apprenticeship ambassador, talking to pupils about opportunities in insurance and how apprenticeships could add value for them. “I estimate I have reached out to more than 2000 students,” he says.

Be Wisers are one of fewer than 100 employers in the UK that has direct grant status from the government, meaning it can draw down public funding to train and develop its staff through apprenticeships. This, says George, gives freedom and ownership in shaping a more bespoke and more relevant training programme. And it has helped Be Wisers position themselves as the insurance advisers with the most apprentices - and the winner of the National Apprenticeships Award Employer of the Year.

All this will help address recruitment and retention, which are always challenges in an area of low unemployment. “I agree with something Sir Richard Branson said,” George maintains. “Train your people well enough that they can leave and look after them even better, so they don’t want to.”

That said, George is aware that trainees might well go through the free training programmes, which have cost millions of pounds to develop, and then leave, taking their new skills with them to another employer. But, as he points out: “If we can’t create a meaningful job for somebody who completes this programme, we would want them to leave.”

And anyway, the chances are they would end up working for other companies in the insurance sector, thus promoting Be Wisers to potential partners. “We have lost people to places like Lloyd’s and Zurich,” he says. “But there’s a club mentality in the insurance world. In fifteen years’ time they could be at decision-making level in those companies so when we want to create a new insurance scheme, we can knock on an insurer’s door, and look who will be sitting there in the office! The longterm return will be based on legacy. There’s a bottom line in all these things and we are very keen on that.”

Talking about Be Wisers’ decision to take so many school leavers, George explains: “Other companies will say to us ‘are you sure? School leaders are a handful’. Yes, they’re challenging, but you do need to understand that generation. If you approach them with a critical-parent attitude you can expect a rebellious attitude.”

It’s the graduates who are more challenging, he adds. “They come with a mindset that they are special but arrive with no practical experience. We had a history graduate who was telling us how to run a training course. So we gave him a brief to design one of his own. He went straight to a creative fancy PowerPoint presentation and missed out the basics. I remember another graduate who really thought he should be my boss simply because he thought I didn’t have a degree; actually I have got an MBA but I don’t show off about it.”

George is proud of what Be Wisers have done in terms of training and development, areas that he believes some big insurer brokers and companies just pay lip service to. He can encapsulate the difference in a single sentence. “I will say to a candidate, you think you have applied for a call centre job but in fact you have applied to be a financial services professional.”

He goes on: “If you ask the average business what they do to create staff engagement, they will say Christmas parties with chocolate fountains. For me, those are non value-adding activities. What’s value adding, if you want

people to fulfil their goals and maximise their engagement, is training, autonomy, freedom and empowerment.” For example students are about to present marketing ideas for a scheme to develop specialist bicycle insurance.

Every member of staff has nominated mentors from George’s thirty-five strong HR team. That’s a good way of getting feedback from the staff, he says, as well as supporting employees.

There was a spike in people leaving after about a year with the company, he says, as they felt confident enough to move elsewhere in the industry. To address this issue, Be Wiser have started providing career coaching to find out what people’s aspirations are and to prepare them for the next move. That’s worked really well, says George. “Staff are given the opportunity to say what roles they would really like to do and then as positions come up we know we have ready-made candidates for them.”

George believes it’s important to develop not only what he calls current skills but also “skills in progress” and “future skills.” He says: “Most call centre staff could not explain how telematics work on driverless cars, for example. If we can prepare knowledge like this in anticipation of what will be needed, that will be a real value enabler.”

Knowledge is not power, he says, referencing the popular saying. “Knowledge is potential power. What we do with it is what matters; we want our people to think, then to be creative, and then to innovative.”

For example, he says, on a leadership programme staff were asked what they would change in the business and then they presented their ideas to the chairman. “And you see those trophies?” adds George, pointing out awards that the company has won. “In all those cases it was not the chief executive who presented to the judges, it was sixteen and seventeen-year-olds. That was as good as any presentation skills workshop.”

## Real test of an employer brand

The title of people and culture director already existed when Francoise Woodward joined AIM-listed Good Energy in 2014. Which was just as well, since she would have been very unhappy about being called human resources director. “The term human resources has connotations that people are something to be used,” she says. “It comes from a 1980s school of thinking, and is completely illogical for our brand, which is about doing business in a better way, always remembering our customers are people.”

And a desire to do business a better way has to extend beyond the product. Good Energy generates, buys and sells only 100% renewable electricity from UK sources, including independent wind and solar projects, as well as ‘green gas’ which contains 6% biomethane (produced from organic waste). The company also owns solar and wind sites in Cornwall, Dorset and Yorkshire, and has invested in the planned tidal lagoon in Swansea Bay to further diversify its sources of renewable energy.

“We recently did research among customers, and what was really interesting was that while they were drawn to us principally because we are all about 100% renewable energy, another reason was our broader ethical way of doing business,” says Woodward. “I think there’s a good reason why that ethical approach has to extend to employment. It’s pretty difficult to reach award-winning levels in customer service without treating employees as if they are customers as well, because they also have a choice of whether they want to be with us.”

That means, says Woodward, that the company’s ability to attract new customers has a link to its ability to attract new staff. And that’s crucial, since staff numbers have doubled to 320 since Woodward joined. As the business grows (turnover is north of £90million), she says the focus is on investing in the kind of talent “which has the ability to develop and adapt as the business grows, taking us five years on.”

The company gets a lot of speculative approaches from potential staff - which Woodward says is the acid test of having a good employer brand. Notably, they get 100 applications for every job in R&D, reflecting the growing interest in the environment and in related degree courses. "There is a huge talent pool," says Woodward. "The issue is the industry's inability to provide roles for enough of them. More government support for research into renewables and future energy networks is needed to ensure this talent pool is not wasted."

As a significant player in the renewable energy market, Good Energy have had to challenge the status quo of an electricity system built around fossil fuels, which, says Woodward, has taken significant determination, adaptability and resilience from their people. "We have always been a natural magnet for those who are interested in the environment and who want to work somewhere entrepreneurial," she explains. "A business like ours will want to hire people who are creatively inclined and able to think differently, who are change ready rather than change resistant."

The young generation of employees in particular is well aligned to that attitude. "The 'why?', the 'what is the company's purpose?' is really important to them," says Woodward. "They want to work for something that is making a difference. My generation, GenX, is seen as out for themselves, at least in theory, but young people have a desire for meaningful work. They don't necessarily want to progress upwards for the sake of it, but they do want to acquire skills which allow them to have a real influence on their world."

Because the current generation is very technology enabled, businesses face the challenge of having on board the technology that at least matches what employees access personally, says Woodward. "At the very least, they must have started the process of going from rusty to cutting edge, and use those who are tech savvy to help the change process," says Woodward.

She says Good Energy spend a lot of time building company values, "from the bottom up and the top down. They're not just stuck on the wall. We really use them at every touch point."

Part of her role is "heavy stewardship" of the internal communications function to ensure these values are "drilled in." The internal communications function works closely with marketing and external communications, but reports to her so that internal comms can be aligned with what's going on externally with the brand. "With every change a company makes it has to communicate, communicate, communicate," she says.

In the recruitment process, Good Energy look for evidence that applicants are aligned with the company's values. "Because we look for determined people who are genuinely motivated by our purpose," says Woodward, "we ask candidates what they might have done in their lives that shows some resilience in the pursuit of something they are passionate about, so they will enjoy working in an environment where those attributes are fostered."

The company uses social media in "everything we do," largely for marketing and generating brand awareness. On Twitter, the company is the second most followed energy company behind British Gas, with 36,000 followers. It has 25,000 followers on Facebook and nearly 7000 followers on LinkedIn, which Woodward says is "massive" relative to the size of the business. A "large and growing percentage" of recruitment is done directly through LinkedIn and the company website.

When Good Energy use recruitment agencies they try to treat them as an extension of the business. "We recently had them in for drinks and a presentation of our strategy and to meet our senior people," says Woodward. "They said that was something they hadn't come across before. But we believe in working in partnership with other organisations and we prefer to use local suppliers where we can. It's greener and we build on the value of locality."

Applicants are put through work-based assessments, meaning they might be asked to do things at interview that they would undertake in their appointed role. The process might include role play that is carried out twice to measure the 'before' and 'after'; people who can learn and change are considered to be a safer bet.

"It's important not to hire just for what they will do when they join us but for when the role gets bigger," says Woodward, who heads a thirteen-strong people team. "So we're looking for people with potential. People with potential already know what they're good at and not so good at, and that self awareness is something that we're looking for."

There's some psychometric testing, "with care," more to validate hiring decisions than as a decision-maker in its own right.

Good Energy are a living wage employer, accredited by the Living Wage Foundation, and their staff packages include healthcare, life assurance, sports and social activities, a cycle to work scheme, share save initiative, and a green car scheme. It all means that turnover of staff is much lower than the UK average, according to Woodward.

Leadership development programmes aim to encourage the determined, change-ready mindset that she is looking for. One exercise involved asking staff to address various dilemmas with the values of the company in mind. "One example was that they are joining a new team and can see ways to improve it but the team leader doesn't see any need to change," says Woodward. "How would they approach that scenario?"

"Relatively simple exercises like that can be very useful in developing skills. We want to cut out the management-speak theory and get to what works. I try to keep it simple and pragmatic and related to what people are doing in their jobs. That kind of tool-kit gives a framework for kind of one-to-one conversations that we know are likely to occur."

And the intention is to re-develop the appraisal system to encourage a more collaborative approach among staff. "What we know from the science is that if you hook

reward too closely to performance ratings it will lessen honesty," says Woodward. "So we are trying to pull these apart. We've been largely driven by collective success anyway but bonuses are likely to become more collective, which will make people more honest about their own performance."

Regular surveys show that the business has an 82% staff engagement rating, which Woodward is delighted with, as the target is 80%. "I have never seen the like of some of our scores in any business I have worked at."

The gender split at Good Energy is about 50/50 and, unusually, that's all the way up to the top including the board. "This really started by us having a female CEO who is genuinely committed to the benefits of a balanced and inclusive work place," says Woodward. "Hiring senior women has a huge and positive effect on the gender balance throughout the whole workforce as it demonstrates, better than any words on a page, that we are an employer where everyone can contribute and play a part."

According to Woodward, the more balanced and diverse the leadership, the less likely that there will be unconscious bias in selection and promotion decisions throughout a business. "We think it's also important that benefits like flexible working are encouraged for everyone and not just seen to be a particular benefit for women," she says. "One of the broader reasons in the UK that there may not be enough women at senior levels is that men can't get flexibility at work, so caring for dependents falls more heavily on women," she points out.

## Key question for directors to ask

"What happens in ten years' time when we are not here? It's a valid conversation for a director to have because of the age demographic," according to Grant Jamieson, managing director of Winkworth Machinery. A key

challenge is the ageing workforce. For example, half of the sales team are in their sixties and one machine operator is seventy-two. That presents Jamieson with the challenges of knowledge extraction and succession planning.

“It’s really difficult to find production management of the right competence,” he muses. “A lot of mature people are good at administration but that’s not the same as being of the right calibre for management.”

The company is the largest and best-known UK industrial mixer manufacturer, employing fifty staff, plus contract people during busy periods. Its machines are used to mix ingredients used in industries including pharmaceuticals, cosmetics and food.

Jamieson joined as MD in 2008 as part of a BIMBO (buy-in management buyout) and in 2014 the remaining Winkworth family-owned shares were acquired. The focus of the business is increasingly towards making often bespoke machines, a shift away from the historical activities of buying and selling used machinery - and that has implications for staffing.

Before, they needed skilled manual workers who could take apart and refurbish product; now the requirement is increasingly for a high level of knowledge of machine design engineering.

“On paper,” says Jamieson, “existing staff in their mid-forties can use the design software but they’ve just not been the calibre we need. When we built a machine they have designed, design flaws came to life. We found little time bombs all the time.” So a process of re-education is needed. “The design office need to understand why they are designing something. That was not the case in the past as only half of the business involved designing. There is more emphasis now on getting them to understand why they’re doing things, so they can ask the question ‘should we be doing this?’”

That situation has led to an increase in administration and project meetings. “But that means they are being pulled in two directions,” says Jamieson ruefully. “We need

to disassociate the sales applications guys from project work so they can be out there selling, and that is really difficult.”

Jamieson is encouraged by the current interest in science, technical, engineering and manufacturing subjects among students, but feels there is a gap in the age group twenty-two to forty-five.

Young people also present a challenge in several regards, he says. “Young people’s expectations are high - they often think they can walk straight into a £25,000 a year job, then they all want promotion, but they are not prepared to wait for it. They don’t seem to have the same sense of structure and planning towards their careers, the sense that there is a journey. I think employers are a bit frightened of losing people and that is driving up wages, and so the cost of the business. Meanwhile, older people get tired of training younger people who are coming in at a higher hourly rate and then getting pay rises every year and reducing the pay for experience gap.”

He points out that experienced staff are far more productive than new personnel. And they have far more knowledge. “For example they will know the solutions to problems they might not have had for ten years. For somebody new it would just be a problem. That’s something we try to address by encouraging ideas about correcting and preventing problems, which is particularly useful if someone is copying a design from the past for the future.”

Jamieson is concerned that the education system places too little emphasis on engineering as a potential career. “It’s difficult to find someone coming out of education now who can operate a lathe, because they’ve never been shown how to make anything; woodwork and metalwork aren’t on the curriculum any more. There is also a lack of understanding in schools. It is assumed that if a student is good at maths they could make a good engineer but mathematics doesn’t explore the physical and technological aspect of engineering. If a student is good at football or a core subject like mathematics, they get praised at school but they’re never applauded

for their ability to construct something with their hands.”

He goes on: “Too many people think engineering means getting their hands dirty. But engineering is not just making things; there are a lot of dimensions in the business. We need marketers, people to do purchasing, production control, project management, scheduling, administration. None of these are taught in the education system and most children don’t even know there are opportunities like this.”

Jamieson, who is vice-chair of an industry trade association whose charity works with schools to promote engineering as a career, tries to address this by encouraging schools to host talks from engineers to generate interest in this line of work.

In addition to apprenticeships, Jamieson is keen on on-the-job training. “For example, we have a chap who came from the stores onto the shop floor. He had a great attitude so we gave him the opportunity and people were happy to teach him because of his attitude.”

What Jamieson is seeing is that de-skilling is not always the consequence of technology; up-skilling can be required. Having 3D skills in house is becoming increasingly important, he explains. “But the problem is that young graduates who can do 3D don’t have the related engineering knowledge. An engineering design graduate wrote to me asking to be a designer. The problem was he knew the software but didn’t have the hands-on engineering experience. So I said work on the shop floor for six months or so, we will give you a chance to get to a certain standard with 3D, and if everything falls into place we will move you across. That strategy of bringing someone in and giving them a chance worked a treat; he is now a major contributor to the design process.”

Another recent recruit joined after being made redundant from elsewhere. “They can be the best people,” observes Jamieson. “They have done nothing wrong but there’s been a corporate decision which has led to them losing their jobs. I would rather take them on than someone who’s been two years

here and two years there - there’s usually a reason why they change jobs regularly.”

The problem with training people up, he goes on, is that you make them attractive to the competition, and that means more upwards pressures on wages. “The nature of the industry is that people will talk about what they get paid. One young lad we trained is the real deal now so I have to make sure he doesn’t feel unloved financially. Like a lot of design engineers he’s quite introverted and not very pushy, so it isn’t likely he would even ask for a pay rise. But that’s not a reason for failing to improve his remuneration. You have to nurture people and reflect on what’s happening in the market.”

Winkworth have taken on undergraduates on paid internships, though Jamieson complains that the universities are not very proactive in passing on information about these opportunities to their students.

What does have to be on the agenda for every company, says Jamieson, is employee engagement. “It’s not just something that corporates need to worry about,” he suggests. Such is his desire to retain staff that Jamieson ensured the company consulted the workforce when it became necessary to move from previous premises about fifteen miles away. “We didn’t want to lose anyone so I looked at the map to see where people lived and then drew circles around them until we found somewhere that fitted the brief.

“We engaged our staff about the move and about the layout of the new factory and we got a lot of involvement from that. There were worries about increased travel costs, so we agreed a one-off payment for the inconvenience.”

The company also introduced new hours to better suit what the workforce wanted - for example, the shop floor staff said they would prefer to work seven until four and then finish at midday on Fridays. “

“Managing people does require more time,” says Jamieson. “People do seem to want more from their employer. We have several staff who only want to work three or four days a

week, and in the old days of autocratic management, no-one would never even have dared to ask to go part-time!”

He has introduced a new, cross-functional and non-hierarchical discussion forum that gives staff some ‘ownership’ over decision-making. Ironically, comments Jamieson, a lot of long-serving people rather liked the simplicity associated with the old style of the business under previous ownership. “Some people prefer being told what to do. If you just do what you are told - even if it doesn’t make sense - you know you can’t go wrong.”

Regulation and compliance is another issue which takes up more time - sometimes to the point of exasperation. “When was the last time you had driving retraining, apart from speed awareness courses?” asks Jamieson rhetorically. “We’ve got three guys today being retrained on the same forklift they have been driving for years. Similarly, health and safety means we have to update a machine that has been used for thirty years by the same people. That doesn’t re-inforce the right message about health and safety.”

## Challenges are at every level

You could say that addressing the issue of recruitment and retention in an industry where around half of new employees leave within a year is something of a challenge, says Noel Pope, managing director of Merityre Specialists, the independent tyre distributor and retailer.

Founded in 1961, the family-owned business employs about 233 people at twenty-four sites around the south. Despite the alarming statistic about new employees, about half of the staff are long serving - for example, three retired last year having clocked up seventy years service between them.

The company was co-started by Pope’s father and he and his brother are majority shareholders. There’s still very much a family

feel, he says. On so many different levels. At one centre, the original manager’s son is now the manager and his grandson also works there.

It’s among the younger tyre fitters that there’s the churn. “Many of them regard it as a job rather than looking at it as a career,” explains Pope. “At that age they don’t necessarily know what they want and so they are quite prepared to leave and try something else.”

Traditionally the company took on sixteen-year-olds straight out of school but that has become difficult due to the requirement to stay in full-time education until the age of eighteen. “Not being able to take them on in sufficient numbers and train them ourselves has been a big challenge,” muses Pope. “We tried an apprenticeship scheme in conjunction with the local college, but that proved desperately time consuming and resource heavy. Working with a motor trade apprenticeship provider wasn’t ideal either. It was all about assessment; they didn’t teach the apprentices anything. We don’t want to send them off to be assessed; we wanted them to be taught.”

The problem, he says, is that government grants have gone to the providers of training, rather than to the employer to carry out their own training. “I think 99% of the time, training should be done in the place of work,” Pope maintains. “I think employers are better at sorting things out than we are given credit for. One training provider was sending our apprentices to a centre seventy miles away for two days. There were logistics in getting them there in the first place and then there were sixteen-year-olds loose in a hotel - and we were responsible for them! This is what the government hasn’t thought through.”

He hopes the situation will resolve itself thanks to joining an industry-specific scheme spearheaded by Kwikfit, under which Merityre will commit to taking on ten apprentices. Of those, Pope would expect about half to go on to become permanent staff, but those would be the good ones.

When he says he believes the standard of schooling has got worse over the years, he isn't indulging in tabloid pontificating. He simply points to the fact that maths and English are compulsory parts of what apprentices are being taught. "You wouldn't think they would need more formal learning in those subjects after six years of secondary education," says Pope. He also has an issue with the apprenticeship levy, which will account for 1% of their wage bill in 2017. But the challenge isn't just about youngsters; it's harder to find people at more senior levels too. "Most managers are home-grown talent who used to be tyre fitters themselves," says Pope. "From time to time there's a gap, but recruiting from competitors can mean taking on people who are ingrained with a different approach."

That isn't Merityre being precious. "We're in it for the long-term," explains Pope. "So if the customer comes in and we find they don't actually need anything replaced we will tell them. Some other companies tend to oversell and will tell them they need two new tyres right away."

What Merityre have put in place is a defined career structure that shows new recruits exactly what knowledge they have to acquire to get to the next level. And a 'stars of the future' programme has been introduced. Typical career progression starts with basic induction for junior fitters, who then progress to tyre specialist, tyre technician, workshop supervisor, to assistant manager, then manager.

So what happens when someone reaches the top of that career ladder? "That's a problem in a relatively small company," cedes Pope, saying that the challenge is how to provide an ongoing career structure for more senior people. "We had one become a regional manager so there is movement but it's a slower process and that can be frustrating."

The danger is that managers stay put in their jobs perhaps longer than they should do. "They can then become reluctant to accept change without a mixture of carrot and stick," Pope says. "I draw a military comparison: a tyre depot is like a platoon of soldiers, with the

branch manager being the lieutenant. If they get on well, the knowledge spreads and they help each other, that's the key to productivity."

Something that Pope has noticed is that many staff are less prepared to travel for work. "Anything more than half an hour is seen as too far," he observes. "There have even been examples where someone has turned down promotion if it means commuting."

And in the twelve years since Merityre first appointed their dedicated HR manager, the function has grown to the extent that a second manager has had to be appointed for the health and safety functions.

## The basis of real engagement

Lyn Pascoe waits for the right moment to introduce into the conversation what she believes is pivotal for the well-being of the relationship between a company and its staff. "Businesses need to recognise the importance of having an environment where staff interact with the company, are prepared and comfortable to ask questions, and take an interest in the whole process, not just their own task," explains the human resources manager of Rygor, the largest dedicated dealer group for Mercedes-Benz commercial vehicles in the UK. "Then there is recognition, which is essential for engagement and retention."

"If people know they can challenge you as well as you challenge them, then that's a basis of real engagement. And you can tell if someone is engaged, that they are involved in what they're doing because it will show on their face."

An example of Rygor's approach can be found with the new digital hub they have introduced for colleague-to-colleague feedback. "It's not just about highlighting the exceptional," says Pascoe. "The site enables us to shine the spotlight on the team members who are always

smiling, always wanting to help, so we can recognise that they are doing a good job. We are also introducing a new online HR system which will help us to show employees how they can progress, so that someone doing a particular task can not only aspire to do something else, but understand what it is they have to do to make the step up.”

And Pascoe makes the point that the continuing growth of a company gives the opportunity for career development. “Otherwise progression is on a ‘dead man’s shoes’ basis,” she suggests. “Growth means good people will stay with the company because there are more opportunities to progress, more roles, a wider career path.”

She doesn’t think that managing people has to become more complex if a company’s basic ethos is openness and honesty. “We have policies that everyone signs up to, but if there is the need for any clarification, whether it’s a manager or someone on the shop floor, anyone can phone me - and they do. I also think it’s important that the directors of a business are visible - if I mention a surname to our MD, he’d know the person’s first name.”

Openness is a pre-requisite if a bonus structure is to achieve its objectives, says Pascoe. “Ours is based on KPI’s, so it’s completely black and white and easily understandable.” When one of the eleven branches of Rygor Commercial achieves its targets, everyone there gets a bonus. Then there are individual bonuses worked out after each role was analysed, and admin and shop floor staff are included as well as sales.

Last year Rygor decided to take recruitment in house. “We found that because of skill shortages, some recruitment agencies were moving people around from company to company,” Pascoe explains. The new arrangement would appear to be working on every level. The company saved 40% in fees in the first half year, and the staff turnover rate has halved.

A new induction scheme for recruits has been introduced rather than the focus all being on workplace familiarisation. New team members

spend a day at headquarters to meet and observe all the support functions. A welcome video from the directors talks about the culture of the company, the customer journey, and where the recruits fit into the company in terms of their role. All of the recruits take part, whether they’re a technician or going into the finance department. And at the end, the company goes through all the HR information and gives out the company handbook. “The new generation is keener to know their rights, if only because the information is easily available on the internet,” suggests Pascoe. While the new recruits are in their probation period, they will have all the details of what training they will need so it is clear to them that they will have the skills required to undertake their role. In the first year, the in-house recruiter speaks to new members of staff every quarter to see how they are getting on. “When someone has a concern, it can develop into an eruption unless a company pro-actively gives employees that opportunity,” Pascoe suggests.

Once probation has been completed, Rygor pay for staff to join Perkbox, which provides a 20% discount off purchases from some High Street retailers as well as half price cinema tickets. That’s in addition to nursery vouchers for example, and a cycle to work initiative. “These are lifestyle related benefits, and the new generation loves it”, says Pascoe.

The company’s three-year apprenticeship scheme is described by Pascoe as “helping to upskill the country.” She’s making the point that Rygor are enabling people to gain portable skills which they could take to any company with a Mercedes-Benz connection.

But ‘grass might be greener’ syndrome isn’t a reason why someone completing their apprenticeship might want to edge towards the exit. “They can be at an age when they want to do what would be the equivalent of a gap year,” observes Pascoe. “So we keep the door open for them, providing a kind of sabbatical. Being supportive, keeping in touch to demonstrate that we want them to come back, meant we had twenty-three returners last year,

from shop floor to managers. It's all part of making people feel valued.

"It might be in the future that a company will encourage staff to go somewhere for a year, to gain more experience, to come back with a better ability to be able to see the wood for trees."

## Who is responsible for setting the tone?

Who should be responsible for human resource management? Ultimately it should be the chief executive, says James Sprint, CEO at Wilton Carpet Factory. One, because they're intrinsic to the company culture, and secondly, because any leader should be genuinely interested in people.

"The chief executive will set the style and tone of the business and the HR function supports that," he suggests. His more "directly involved" approach will help as he seeks to reinvigorate the brand, partly to attract new members of staff. The business can trace its roots back to the original weavers who developed and patented the 'Wilton weave' technique in 1741. Today, it sells carpet and other flooring products to commercial and domestic clients worldwide, products manufactured by other companies as well as its own production.

"We're an employer with a long heritage who can offer secure work. Our clients have included the House of Lords, and the United Nations. Some people really get that what they're making could be walked on by the Queen but for many young people, it's just a factory, and we compete with local white collar jobs for staff, so we needed to raise awareness in order to be able to engage with them."

Which is why Wilton Carpet Factory have been investing in its local community from which their staff are drawn, including the sponsoring of sports teams and supporting

local charities, things that will be perceived as positive, especially among those in the younger age groups.

The company has 100 staff, with seventy employed in manufacturing. Turnover is £17million and rising. "The business will grow by 50% over the next five years so we will need more people and specifically we need to make sure that local people are going to be more likely to apply to us for jobs," says Sprint. He is aware of the importance that social media has in recruitment, not just product marketing. "Do you know what UX stands for?" he goes on. "It stands for user experience," he says, answering his own question, "and for there to be a positive outcome the distinction between marketing and human resource management functions are going to become more blurred. For a company, social media has to be about communicating with the workforce as well as the customer."

Interestingly, once Wilton Carpet Factory can get staff, it tends to keep them, with a tradition of family members following each other into the factory to work, with staff turnover very low at less than 5%. Sprint intends to start the company's long service awards up again as a demonstrable means of thanking staff for their loyalty.

All the carpets are made in Salisbury, with the yarn sourced from a flock of sheep in New Zealand which was specially bred to produce the sort of long thin wool that is the company's trademark. The factory has been working at full capacity all year, twenty-four hours a day, six days a week, and capacity needs to be increased further. One of the things that Spirit has introduced are his weekly briefings for the staff about the company's performance.

He is conscious of the need to offer staff career progression which doesn't have to involve promotion per se. It could be achieved by allowing people to move into new areas of work.

"We realised the operator of a sample machine in the design studio had very good qualifications in maths so when we got a new piece of software for production planning, she

was given the opportunity to move into that area. And we had a guy who had an interest in robotics and he became an expert in a particular machine and so his role was extended to train other people to use it.”

Sprint is a big believer in offering flexible working to keep valuable staff. When he discovered that the production planner, who no longer wanted to work full-time, was about to be pensioned off, he stepped in saying that if he wanted to work only two days a week “that’s okay, we don’t want to lose him. Then there’s a guy who can identify what has gone wrong in a machine with 10,000 working parts who had been wanting to go part-time. Either we have to be prepared to make that adjustment or we are going to lose that experience.”

When Sprint was appointed chief executive, he duly instigated the departure of non-performers. “The first thing I did was to lose people who were in the canoe but not paddling,” he explains. “Whatever it costs, as a business leader you have to do that as quickly as possible. As soon as the team realises that the passengers are out and that those left have a large paddle and are putting their backs into it, the team starts being successful.”

## Different outlook on life in general

Nobody is doubting that the fusion of technology and the new generation with a different outlook on life in general and work in particular is resulting in sociological change. There’s going to be less regimentation, and people are going to feel more empowered. Which could result in a number of employers finding themselves on the back foot, says Jacqui Margolis, human resources director at Neal’s Yard Remedies, the organic skincare and natural remedies manufacturer and retailer.

“The emphasis has changed,” she believes. “Young people are coming into work for the first time looking for employment but not necessarily a career. But while they might only have a two-year horizon or less, but still they expect the company to train them and provide progression.”

As well as allowing them to take opportunities which aren’t business related. “Before,” says Margolis, “a gap year was something a student did between A-levels and university. Now employees of similar age will say they want to do the same. They have no shame about asking, and employers should pass no judgement. I’m not saying it’s right or wrong, only making the point that the new generation of employees feel free to actually say that is what they want to do.”

Indeed, this is a generation accessing information about their rights on the internet and changes to employment law have empowered them, Margolis believes. “Employers can become frightened to manage people because they don’t know if they are going to get pushed back. If a manager has to take issue with a member of staff, is an employee now more likely to instigate a grievance procedure as a consequence? Could performance management result in the bullying card being raised?

“Managers are trained but theory and practice are two different things. So as part of that training, managers need to be coached on how to react. It can be an idea to literally produce a script, not in a patronising way, but to ensure that managers don’t fall into any traps. It might be that the manager thinks they have had a constructive chat, but the employee doesn’t actually know the point which the manager thinks they have made. I always say - make sure your point is understood, and you can do this just by getting the person you’ve been talking to, to say what their understanding of it is.”

What is also evident, says Margolis, is that increasingly, potential employees are attracted to a brand because of its ethics and values. “That’s one of the first boxes that the new generation ticks. We want Neal’s Yard to be part of their life. Some will be motivated

by the standards the company is setting, with Soil Association accreditation and our eco-factory. Others will be attracted because they live less than a mile away

“Engagement used to be about nice-to-have benefits. Now it’s much more about involvement, being able to put forward ideas, and knowing you are being listened to and valued. We have an employee forum made up of one member of staff from HQ, four from manufacturing, one from the London office, and three from retail, which meets quarterly with terms of reference. It’s also important because when a company is growing at a rapid pace, it can’t just expect existing staff to be able to keep up unless they understand why change is happening.” The financial box for employees still needs to be ticked of course. Neal’s Yard work a thirty-five-hour week (unusual in retail), and the company provides a sick pay scheme and life assurance (also unusual).

There’s also a different approach to flexible working. Margolis explains: “We have a lot of part-time staff, and flexible working suited mothers with young children for example, but as the company has got bigger, it now makes more sense for there to be more job sharing schemes instead.”

## Why people moving up will add value

Promoting from within as often as possible helps with employee retention because it’s the clearest indication to staff that they have a real chance for career progression, says Chris Yoxon, chief executive of Ford dealers Foray Motor Group. “We try not to recruit from outside unless we have to.”

The current service director, for example, started as an apprentice, while Sarah Glasby started in payroll and did such a “cracking job” that she was promoted to HR manager after taking professional qualifications. Glasby, who reports to Yoxon and is part of the management

team, says: “People moving up means they have real knowledge of what goes on under them. They can say ‘there’s nothing you are being asked to do that I haven’t done before’.”

A reason, Yoxon suggests, why staff turnover is only around 6%. The company has 450 staff spread over ten sites across the south and west. Yoxon joined in 1997, when the company had just two sites. Funding from Ford enabled him to buy it from the founding family and expand. Turnover is now £130million.

Attitudes among staff have changed since he came on board, Yoxon says: “When I first came, some of the staff used to call family members Mr Tony and Mr Nigel. It was like being in the retail sitcom *Are You Being Served?* There even used to be a tea trolley.” Now, in terms of pendulum swings, employee attitudes are somewhat different. HR manager Glasby comments: “At interviews, whether it’s vocalised by candidates or not, their question is ‘what will this business do for me?’

A series of meetings was organised by Foray Motors to encourage employee engagement - not just with the company, but each other. “Van drivers, parts pickers and admin people don’t always talk to each other but they do rely on each other,” says Yoxon.

One of the things to come out of the meetings was that people expect regular appraisals and want to be thanked when they have really made additional effort. It isn’t just the sales staff who receive bonuses, but that wasn’t flagged up as being as important as the knowledge that what they have done has been recognised by the company, adds Yoxon. “When staff are engaged they do a better job, so a business can then aim to get a critical mass of people who are engaged because that will influence the company culture. There are times a department manager will say that doesn’t matter as long as people do a decent day’s work and I have to say ‘hang on, it does’. So, strangely, sometimes it’s about having to convince managers.”

The company has about thirty apprentices, but only about a third of the workshop apprentices go on to become full-time employees, says

Yoxon. “A lot of others struggle to transition from school to work. They don’t seem to realise that if they misbehave at work they won’t keep getting more chances like they did at school. We will say ‘clear off’ if we have to. We’ve had apprentices saying that they don’t want to do mundane work like sweeping the workshop.”

Another challenge is continuing to provide motivation and career progression when the business has a flat management structure. With all the managers home-grown, they’ve been through training courses run by the Institute of Leadership and Management. Glasby says: “One of the benefits of that was to get everyone in a room together to share ideas. It works fantastically and people have got to meet their peers and colleagues and build a tight-knit team among geographically diverse managers who might otherwise have felt isolated.”

What concerns Yoxon is the government’s propensity to engage in what he sees as social engineering at a company’s expense. “Pensions auto-enrolment has been a time-consuming nightmare,” he explains. “The government’s desire to get people to save for their old age is laudable, but it expects businesses to take on the organisational responsibility.”

The company is mitigating the extra time spent on pensions by upgrading the payroll and HR computer system so that ‘branch’ managers can handle their own holiday arrangements locally.

There’s another reason which underlines the need for good HR systems, adds Glasby. “If there is a conflict with an employee, I will make sure I do everything right, but the file is proof of it,” she says. “Systems have to be robust because they provide the only safeguard for a company in terms of demonstrating that it followed the correct procedures.”

Yoxon adds that if a dispute does get to the stage where a date is set for an employment tribunal, he wouldn’t settle out of court. “So many employers make a payout, not because they think they’re in the wrong, but because it’s easier and cheaper. But I will contest it if I feel we’re in the right, because not to would

cast doubt on our integrity and I think we would lose some respect from our employees.”



Chris Yoxon

## Knowing what’s behind shift in work attitude

Alastair Conway knows what’s behind the shift in attitude towards work as the younger generations enter employment. Says the chief executive of the retirement wealth planning platform James Hay Partnership: “They have always had more, and different stimuli around them. In our childhood we had a Lego set and a bike. It was fairly binary. But they have grown up with more going on around them: more information, more to look at, thousands of things to do.

“That’s a challenge as a lot of the jobs we’re asking them to do involve what they consider to be quite boring, back-office processing work. One of the things we have seen arising from that is that there is less tolerance of repetitive, on-going tasks. I think companies have been behind the curve in terms of getting a young workforce excited about being at work.”

Which is why James Hay have been working on streamlining manual processes to try to reduce the amount of mundane tasks. “It’s also important to demonstrate that there’s a ladder to more interesting work,” Conway points out.

He speculates that advanced robotics could be used for some processes. “You could argue

there will then be fewer jobs available,” he concedes, “but actually there is a supply problem. Robotics will allow us to up-skill people and take out the more menial tasks so we end up with a better paid, better qualified and happier workforce.”

Automation won’t necessarily reduce staffing numbers, he goes on. “Some people will move on if you change the way the business is shaped - and attrition is already higher than I’d like, at 14% - but in a perfect world, you keep your workforce at the level it is and grow the business on top of it. You raise the bar of the workforce’s experience and qualifications, which makes them stronger. The stock market loves headcount reduction but what they probably like more is if you are growing rapidly and need headcount to increase because of that.”

Training is important, but Conway says the word continuous has to be coupled with it. “The quicker we can get people in and train them up in broader skill sets, the quicker we enable them to break out of the monotonous work,” he says. “Then continuous training allows people to be more flexible and move across departments.”

Which is why James Hay have created an eight-level career structure to provide clarity about the opportunities to progress. “We introduced industry exams so that people can get promoted that way, but so far, not many have opted to take the exams,” Conway observes. “It might be they’re not here because they want to pursue a career in financial services.”

The challenge for the employer, Conway says, is to keep people “motivated and firing on all cylinders” and with that in mind the business has introduced a system to analyse how long each task takes. “That gives us a better understanding so we can allocate people to the right tasks. It means we don’t set them up to do boring jobs and then not do them well. Just knowing how long it takes someone to do specific things means we can identify the stars of the future, those who are excelling. And we can identify anyone who is

struggling and needs help - and that prevents the good ones being pulled back by them. And, if we use the data effectively, it will lead to improved productivity - and so profit.”

Engagement, he says, is essential and he is encouraging the senior managers to focus more on achieving it. “Our new chief operating officer, Julia [Warrack], has changed weekly updates to daily ‘huddles’. That’s quite subtle but it does create a burst of activity. Julia likes to get people together to solve a problem in small teams and that creates some real energy. There are the issues; let’s identify them from the bottom up, work out what we need to do, then go away and make it happen. Someone might say we are doing a particular task in three different ways, couldn’t we streamline it? One thing we looked at was how to reduce the use of paper; we had been scanning documents then printing them off to read them, which is self-defeating. Pro-actively asking your employees for ideas is a positive way of doing things better and people feel they are involved and progressing.

“It’s an art, not a science, but we are trying to create an energy beyond the training and pay, to engage people and make them feel they have a say. Whatever makes a job easier will lift morale.” Conway himself does floor walks and ‘town hall’ meetings. He observes: “The first time I did a floor walk my executive assistant said ‘they will believe it when they see you for the second and third times’. But eventually I was doing it every six weeks and people said that I was there too often! It is a fine balance. The challenge is that if you do it too often, staff say they are losing time and will have more work to do afterwards, but if you stop doing it they say you are not telling them anything.”

Which brings him on to the challenge of communication. “We have a programme called ‘Think Investor’, which is about understanding what it is we do and how it relates to customers; getting people to think of customers as more than just account numbers; to think about what real people are trying to do with the money. Staff have responded well to that; if you

understand why you're doing something, it makes it more interesting."

Currently on a "journey to evolve the brand," Conway is mulling over other views within the industry for the best way to drive an employer brand. "Our brand is the interaction people have when they contact us and how we communicate. Do we walk the walk and talk the talk? You have to be in sync if you are driving the internal outwards. At a personal finance conference the other day somebody used the phrase 'pushing your mediocrity out to customers', and this resonates. You have to consider that what you think looks good might not look great or relevant to customers. So work out what exactly you believe you do, and that helps inform what your brand internally needs to be."

The company's intranet was relaunched in 2016 and has made internal communications much more dynamic, as it now allows for comments and star ratings. "It's a good way of addressing the uncertainty that follows change. It enables you to keep communicating and telling people what you want to achieve," Conway observes.

This kind of engagement is vital as the industry evolves and the firm's 'journey' shifts course, says Conway. "One of our challenges is that in surveys we find we are a very reliable and trusted SIPP [Self-Invested Personal Pension] provider. We pioneered the development of the SIPP. That is what made us famous and why we make a profit. But the pensions industry has changed and become more complex and broad ranging than just SIPPs. Now we have to go on different journeys and consider what our future role in life might be. Otherwise we could become like a business that services Nokia phones - no longer really relevant."

Conway's challenge includes hiring good people at senior level, particularly in risk, compliance and sales. "We are a business that has work to do but we hope that will be seen as an interesting challenge," he says. "The pitch is that we are on a transformation and

that's an attractive story for senior people looking for change."

Indeed, change, exploring new ideas for doing things better, is as much a motivator for him as it can be for everyone else in the company, he points out. "Another challenge of leading a business like this is that you get moments of motivation where you see how another organisation does things and think 'wow, it would be good to be like them'. Then you come back and the treacle of the day-to-day issues slows you down as you walk through the building. And by the time you get back to your desk the motivation can be gone. So you need to stay energised by a constant flow of new ideas."

## Different sectors but challenges the same

Companies might differ in their sector, their size, their stage of growth, their ambitions, the way they are structured and owned, the type of employees they employ.

But there are common issues they all have to address, not least the challenge of how to attract, motivate and retain people in an age where employee expectations have shifted, says Stephen Oxley, employment law partner at Wilsons solicitors. "There has been a culture change. The unasked question from candidates is no longer 'what can I do for you?'; it's more likely to be 'what are you going to do for me?'. And the answer to that is not just money. They want career progression, they want flexible working, and they are increasingly interested in issues like the employer's stance on ethics, doing 'the right thing', taking equality and diversity issues seriously, for example.

"The flexible working issue is interesting. Young recruits are not sold on the nine-to-five - or even less the first in, last out - culture; they don't want a dull job but neither do they necessarily aspire to working all the hours in order to reach the top of a perceived ladder.

The rewards for that are now often considered as being disproportionate to the stress involved. Today's workers expect to be able to leave early to see their child's school play or come in late because the boiler's being serviced. And technology enables a responsive employer to make that happen.

"But at the same time, they still crave social interaction and the opportunities that being in a team presents for collaborative problem solving. So the traditional office isn't going away any time soon. What we will see change is increasing mobility: hot desking, stand-up desks, break-out areas, even table tennis tables are likely to become more the rule than the exception.

"Previous generations never thought about any of this. It was a case of I need a job and I need to get paid and I want to get to the top of the tree. We never thought about whether the company was an equal opportunities employer or whether we could work from home on Fridays.

"So employers are looking now at teenagers and realising that they are going to be much more difficult to manage than the current generation. The increasing mobility of workforces is a particular challenge. Young people can't necessarily aspire to get on the housing ladder so they have less incentive to stick with a job they don't really enjoy because they are building up a deposit for a house. We are seeing the rise of the global nomad; the brightest and best will happily move about from job to job and even from country to country. Job security doesn't have the allure it had for previous generations; young people are making it clear that loyalty has to work both ways. The message is: give us a workplace that is supportive, flexible, interesting and fun - or we'll be off.

"Even in jobs that are process orientated or manual, young people want to enjoy themselves and learn new things and try different roles. Attracting them won't necessarily be about paying the most money. That is where significant change is coming. Other generations saw work as something they would do for fifty

years in return for the security of a good, regular salary and the chance to buy a house. Now there is a psychological difference. Young people question why they should stay with the same employer, especially if that employer offers only a pay packet and nothing else appealing.

"The advent of zero-hours contracts and the erosion of the value of company pensions hasn't helped to ensure loyalty and engagement, though most companies seem to want to continue to take on the burdens and responsibilities of being an employer, which is encouraging, and can only help them in the ongoing challenge of attracting the brightest and best.

"The attitude of employers on the whole is that while regulations can be onerous, we have to comply with them and we will, because actually it's in our commercial interests. They know they can only survive by attracting and retaining good people. There is too much risk in not being able to do so.

"I am encouraged by the fact that employers take their responsibilities in this regard incredibly seriously and want to provide good places to work. That is a sea change. Financial capital used to be the most important aspect of a business but it seems that human capital has become almost more important. The question then is how do you exploit your capital - I use the term loosely because it is not about exploitation of people, it is about getting the best out of them.

"I think that in ten years the employment landscape will look completely different. In particular, the emergence of robotics presents interesting implications.

Most employers recognise that artificial intelligence is inevitable and many process-driven jobs will disappear. But many of those may be replaced by new and better qualified jobs, enabling employers to create more interesting and meaningful roles for people. This in turn could help to address the issue of how to attract the young generation.

"There's a common perception or stereotype that young people are unskilled or lacking in

the three Rs: reading, writing and arithmetic. I haven't found much evidence of this. What really worries employers more is the education system's response to emerging technologies. Are we putting sufficient resources into creating the software developers and data processors of the future? The reality is that any deficiencies in reading, writing and traditional numeracy might not actually be as important as having sufficient technological skills. In this country, the onus is often on the employer to train people in those vital skills.

"A further theme is the concept of the employer brand. Some companies take this more seriously than others; indeed, some have not even thought about it. Those that have admit it is an ongoing challenge: how do you get the 'brand' - in other words how you'd like your identity to be perceived - to completely match the actual external perception of the company? If that conflicts there's a problem.

"For example, as an employer, Google are perceived as being second to none but they are constantly criticised for their ethics. That kind of conflict will undermine an employer brand. Then there's the situation with Uber. That brings home the need to be compliant. You can have a fantastic product but if you don't want to comply with regulation you can't ultimately operate successfully."

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Neal's Yard Remedies - [www.nealsyardremedies.com](http://www.nealsyardremedies.com)  
Rygor Group - [www.rygor.co.uk](http://www.rygor.co.uk)  
The Wilton Carpet Factory - [www.wiltoncarpets.com](http://www.wiltoncarpets.com)  
Wilsons Solicitors - [www.wilsonslp.com](http://www.wilsonslp.com)  
Winkworth Machinery - [www.mixer.co.uk](http://www.mixer.co.uk)

## The future of the employment lawyer

“The future role of the employment lawyer will be not so much litigation, digging employers out of holes they have created by breaching the rules, but advisory, helping them avoid falling into those holes in the first place.

“Our role will be assisting companies with their strategic challenge from a legal and regulatory point of view, making sure they have the right structure to adapt to the flexible working agenda, helping them manage difficult situations correctly and avoid exposing themselves to equality or whistle-blowing legislation.

“We are also mediators when difficult situations arise in the workplace from people’s life events - divorce and ill-health and so on that can affect employees’ performance. Then there is conflict between one employee and another. Such issues can be complicated to manage.

“Good employment lawyers are the ultimate risk managers, coming in as advisors and embedding ourselves in the client organisation to manage risk and give commercial advice.”



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## From the everyday to the unexpected

A business is only as successful as its people. Supporting your workforce while navigating your way through what can seem like an ever-shifting sea of rules, regulations and HR issues needs specialist, up-to-the-minute advice.

We know just how important it is to get things right at each and every stage of the employment cycle. From appointments and structural change to employee disputes and severance, our expert team can support you with all aspects of employee relations.

We build lasting relationships with our clients, most of whom come to us through personal recommendations, so we can provide holistic, specific guidance. Our flexible fee structures include hourly ‘pay as you go’ arrangements, as well as fixed costs and annual retainers.

## Ongoing support from specialists

Employment law continues to develop at a rapid pace. To help you keep up to speed with all the relevant legislative changes, trends and judgements that could impact your business, we send monthly e-alerts summarising our extensive research. We also hold free seminars and can provide in-house training sessions.

Clients include plcs, partnerships and owner-managed businesses of all sizes, charities, rural estates and schools and academies. So no matter what your business, whether you need help with contentious or non-contentious issues, our team of highly-regarded employment lawyers is always on hand.