



# People Power

Why employee engagement and L&D go hand in hand

# Contents

<p><b>3</b> Introduction Page 4</p>	<p><b>4</b> What is engagement?</p>	<p><b>6</b> Why does it matter?</p>
<p><b>9</b> A word from Hayley Spurling</p>	<p><b>10</b> What does this have to do with L&amp;D?</p>	<p><b>12</b> A word from Perry Timms</p>
<p><b>14</b> Inspiration: The Sofology story</p>	<p><b>18</b> 7 ways L&amp;D can foster employee engagement</p>	
<p><b>24</b> Inspiration: The Vodafone story</p>	<p><b>26</b> Three common L&amp;D areas that can make a big difference to engagement</p>	

# Introduction

Employee engagement (EE) is good for people and good for business. Organisations that engage their employees thrive; valued, motivated, involved employees drive productivity, growth and innovation.

Learning and development is vital for driving EE. It's seen by employees as a major indicator of how much a business cares and is willing to invest in them. And, of course, it's about helping unlock employees' potential, so they can bring more value and feel more valued in what they do.

But while L&D has the potential to make a huge difference to engagement and add real value, it has to be done right. Engagement is not a commodity that can be bought or gained by token gestures. In fact, get your L&D strategy wrong and it will have a negative impact on

engagement and could negatively affect business outcomes.

A sprinkling of gamification? A shiny new social learning platform? These are not the places to start. EE is a mindset and it needs a culture of openness, collaboration and empowerment, supporting real needs and personal development.

In this guide we've gathered advice from employee engagement and business growth experts. We hope it'll give you a little inspiration for how your L&D team can help foster engagement and tap into people power.

**“Learning opportunities are among the largest drivers of employee engagement and strong workplace culture – they are part of the entire employee value proposition, not merely a way to build skills.”**

Deloitte Global Human Capital Trends 2016

What is engagement?

# What is engagement?

So what exactly is employee engagement? As you may imagine, it's multi-faceted and differs across regions, industries and individuals. In their 2016 Global Human Capital Trends guide, Deloitte states:

**“Culture describes ‘the way things work around here.’ Engagement, in contrast, describes ‘how people feel about the way things work around here.’”**

Sylvia Vorhauser-Smith

As with all things that come from the heart (as well as the head), the emotional connection and commitment someone may have with their employer is complex. Looking across recent research papers and reports, employees who feel engaged cite collaboration, meaningful work and being involved as key factors. But it's also about feeling empowered, informed, valued, nurtured, consulted, supported and involved.

EMPOWERED



INFORMED



VALUED



CONSULTED



NURTURED



EMPLOYEE  
ENGAGEMENT  
IS ABOUT  
*feeling...*



SUPPORTED



INVOLVED



# Why does it matter?



## Happy people make happy business

Let's face it – engaged, more satisfied employees make for happier, friendlier places to work. And who wouldn't want that?

But we know that when it comes to convincing business leaders to adopt new strategies, altruism is not usually the number one reason – there needs to be a difference to the bottom line.

The good news is that businesses that engage employees are more profitable, productive, innovative and have happier customers. Need more? They also retain employees for longer.

Kevin Kruse, author of *Employee Engagement 2.0*, describes the effect as an Engagement-Profit chain. Because they care more, employees are more productive, give better service, and stay in their jobs longer. All of that leads to happier customers, who stay loyal and drive more sales and profits. In terms of stats, businesses that engage and involve employees see 10% higher

customer satisfaction and 22% higher profits, according to *Brand Learning in Growth Drivers*, an investigative report that uncovers the hallmarks of successful business growth.

While engaging employees drives these key stats up, un-engaged employees make these core KPIs nose-dive. So businesses simply can't afford not to do something about it.



## Retention

Take retention, for example. Employees with lower engagement are four times more likely to leave their jobs than those who are highly engaged (Corporate Leadership Council). The costs are eye-wateringly high – losing employees in the first year costs \$42 billion a year to UK businesses alone, according to PwC.



### Talent shortages

Read any recent business report from Forbes, McKinsey, Deloitte and more, and you'll be flooded with reports of key talent shortages and the drying up of leadership pipelines. Attracting, retaining and developing individuals is vital for the future survival of many businesses, never mind growth.

Of course, if there's one key principle about employee engagement, it's not to put people in boxes. So while there's plenty of talk about 'flighty' millennials and attracting first-jobbers, the need to feel respected, developed, heard and valued goes well beyond that slice of the working population. When it comes to engagement, everyone seeks it.



### The challenge

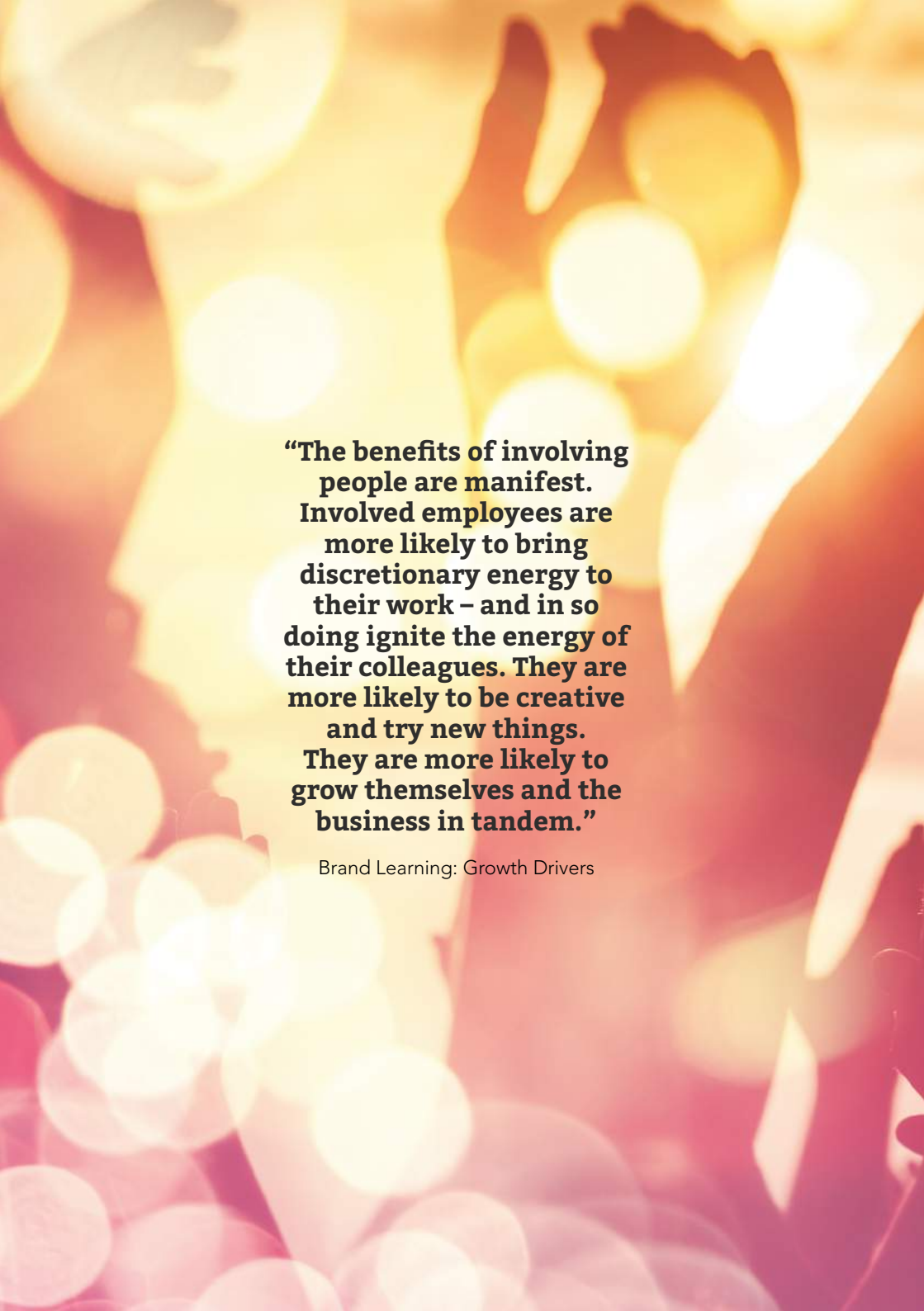
So employee engagement makes sense on all kinds of levels. The challenge is that it's not easy to magic it out of thin air.

And just because it brings business benefits, the risk is that organisations begin to think of it too much in their own terms, as merely a commodity or a means to an end. They may invest in token gestures that try to 'buy' engagement.

Fundamentally, EE is about people and how they feel about the workplace. Naturally, then, it's multi-faceted, complex, and emotionally charged. To wade in with token gesture offerings is likely to result in an engagement backfire.

There's no magic bullet to engaging employees – it takes more than one intervention, and needs to be driven through systematically and culturally. This might be why Deloitte asserts: "The mission of the HR leader is evolving from that of 'chief talent executive' to 'chief employee experience officer'".

To make EE happen, it needs all teams behind it – HR, leaders, managers and L&D.



**“The benefits of involving people are manifest. Involved employees are more likely to bring discretionary energy to their work – and in so doing ignite the energy of their colleagues. They are more likely to be creative and try new things. They are more likely to grow themselves and the business in tandem.”**

Brand Learning: Growth Drivers



# Hayley Spurling

Group Client & Brand VP  
*Brand Learning*



## **How would you describe employee engagement?**

Employee engagement is about releasing the energy of the people that work in your company, to help it meet its growth goals. It's about involving them in the achievement of the company's vision and goals – so that they understand, shape and are motivated, by the role they can play.

## **What's the secret to EE?**

It's all about creating a strong mesh of relationships. People need to feel respected, to trust the people around them, and to want to be part of your company and its purpose. You can't achieve that through top-down communications. You need to rely on the reinforcing set of relationships between everyone in the company. And of course, building the capabilities of line managers, which is sometimes overlooked, is key. In our Growth Drivers Study – a global study of more than 900 business leaders across industries – we identify employee involvement as a vital part of the Growth Code. No company can achieve its growth ambitions without this.

**“It's all about creating a strong mesh of relationships.”**

## **Why is employee involvement so important for growth?**

There is a distinction between employee engagement, which can be seen as ensuring employees are informed, happy and their motivation levels surveyed regularly, and employee involvement, which includes, and goes beyond that – to ensure employees have space to shape the direction of the business and what it does. It goes hand-in-hand with the demand for empowerment, but only works once people are already engaged. Ask a disengaged member of the team for ideas to shape the future of their business unit, and you won't get the high-quality contribution you are looking for.

# What does this have to do with L&D?

While there is no single magic bullet to EE, it's clear that L&D has a big part to play.

L&D is about investing in people. To employees, L&D is a major indicator of how much an organisation cares and values them. But it's also about supporting and developing individuals and bringing out their potential. Doing a good job and adding value helps people feel valued. Done right, L&D can bring out the feel-good factor with relevant development experiences that genuinely let employees grow and make a difference.

## **L&D and EE hand in hand**

There's clearly some shared turf between L&D and EE. L&D teams are under pressure to deliver and prove real business value, especially as learners are increasingly taking their performance development into their own hands – accessing and consuming what they want, when they want, wherever they want it. Learning content has a lot to compete with.

To get aligned with the business and prove real commercial value, L&D initiatives need to deliver on core KPIs such as:

- productivity
- sales
- retention
- safety
- profitability
- customer service ratings

These are the very measures that engaged employees help to bring about.

So it makes sense that for L&D teams to really drive long-term value and performance impact, they make employee engagement part of their remit.



**“Learning opportunities are among the largest drivers of employee engagement and strong workplace culture – they are part of the entire employee value proposition, not merely a way to build skills.”**

Deloitte Global Human Capital Trends 2016



## But how can L&D teams ‘engage’?

L&D initiatives need to attract employees and learning content needs to compete with the plethora of digital resources available to them. But engagement for L&D teams doesn’t just mean extra shiny design or throwing in some on-trend social media.

As Kineo’s instructional design guru Cammy Bean says, “don’t mistake ‘clicky-clicky bling-bling’ for engagement! Once you unwrap the sparkle, sadly, all you’re left with is a load of elearning junk”.

Winning L&D strategies will create an engagement (and learning) ripple that genuinely involves employees, inspires change and empowers and respects people – meeting their needs and supporting personal development.

But because L&D is such an important indicator of how much a business care and is willing to invest, getting it wrong has the potential to drastically disengage employees. It’s a fine balancing act.

# Perry Timms

Founder, People & Transformation HR,  
public speaker on the future of work



## **What's the secret to EE?**

The secret is openness. Transparency, involvement, co-determination about the company people work for/with. So the secret is being open about the reason engagement matters, the tools used to assess what matters, the deductions derived from contributions, views and opinions expressed, the direction that is set from the responses and a line of accountability the company takes in response to comments from its people.

## **What's the link between workplace learning and engagement?**

L&D has a huge impact on how engaged people feel towards their employer. Development is a key lever and influencer in how much a company believes in its people, how much it invests in people, how much time and opportunity are afforded to develop people so they have a sense of belonging and progress in their work or their career. L&D also has a role to bring skills necessary to participate in open and regular communication and influence in shaping the way the company heads in the future.

## **What's needed to get L&D (& HR) more in tune with employees?**

A mindset shift is needed. There is still suspicion about being traced through anonymous comments and that too much out-of-line feedback is opening people up to some form of disadvantage. Generally, the periodic nature and the often seen lack of action disillusion people with the process. So HR and L&D need to: listen more; provide more feedback to the rest of the organisation; hold leaders more accountable to what happens, be more transparent in communication on engagement elements and have a more regular flow of ideas, suggestions, feedback, comments and narrative that means something to people and therefore needs to be considered.

## **How should L&D teams be looking to unlock the power of people – for learning and engagement?**

The power of people could be truly unlocked with more self-determination about learning. People need to be better themselves, to be part of better teams and have better leadership, to

enable them to do their best at all times. L&D teams can do this through giving people the chance to learn more about how they craft their own learning journeys: how they can use the range of interpersonal, communication and influencing tools to help them be more participative in the company's future direction; and how they can move themselves towards more productive dialogue even with the most senior people in organisations to help them

make the right decisions. Democracy at work, in other words.

Social networks give huge clues about what's important to people, how trends, themes and temperature checks can be conducted on the organisation and provide a free-flowing forum for insight at all times – not just once, or twice a year. Customer insight is mined from social networks externally, so it should be for employee insight internally.

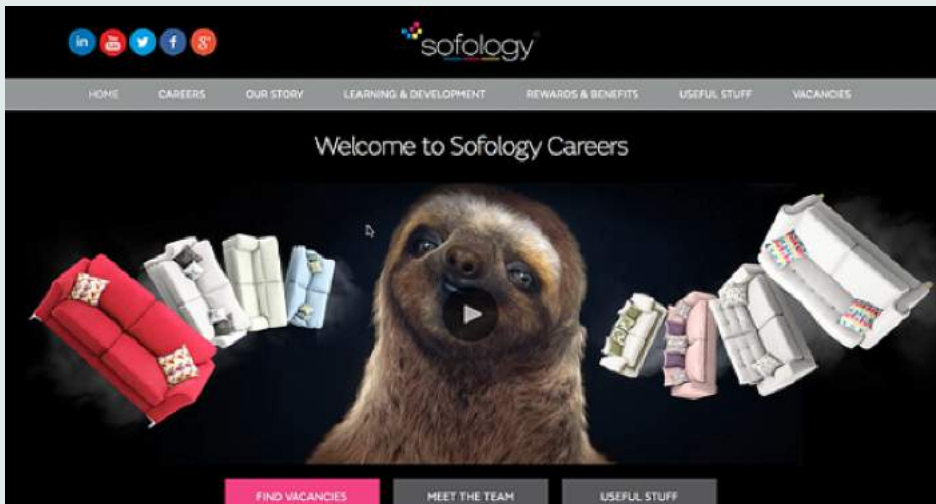


**“The power of people could be truly unlocked with more self determination about learning. L&D teams can do this through giving people the chance to learn more about how they craft their own learning journeys.”**

Perry Timms

# The Sofology story - the power of brand and reward

We were so impressed by Alyson Fadil's Sofology story, we asked if we could share it with you. UK sofa retailer, Sofology, used the power of brand to take customers and employees on a journey, and created a whole new company experience, inside and out.





A family business set-up in the 1970s, the sofa company, like many others, had a sales-focused culture with a traditional, hierarchical leadership model.

With the boom of online furniture retail, the organisation needed to modernise not only how it sold, but how it was seen in the market. They understood that to grow their business and set it apart from the competition, they needed a whole mindset shift.

Their external re-brand was a big shift – moving away from price-battles and introducing a Sloth named Neil. They then coined the brand name ‘Sofology’, focusing on the idea of

customers ‘feeling at home on a sofa they love’ and shopping with them was an experience to feel part of.

They made a big investment in the external brand change. But internally, they went further. Here’s how:

### The power of internal branding

The sloth brand wasn’t quite right for a company looking for go-getting, collaborative Sofologists (a word to describe its employees). They created an internal brand that fitted the desired new culture – friendly, approachable, team-based and diverse.

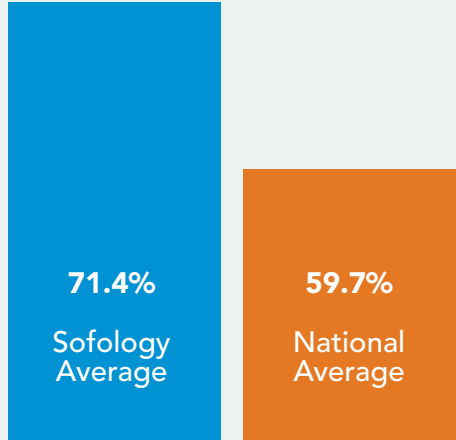
### Rewarding everyone

Bravely, the company changed the reward set-up so it was no longer just salespeople receiving commission. They found a way to connect every role to customer service, and formed a company-wide bonus scheme around customer net promoter scores.

### Going for diversity

To be a truly modern, agile company, they knew they had to have a diverse workforce. A traditionally male culture, Sofology used their re-brand to attract more female and part-time workers.

### How employees feel?





## Attracting talent by showing who they really are

Visit the Sofology website and you'll not only be able to browse their latest collections – They actively promote their 'Sofology' principles to proudly show who they are underneath. The Careers page is then a whole branded micro-site featuring the company

history, openly sharing the learning programmes and qualifications available, and includes details of the rewards packages. Smartly, they are looking for talent that fits with the culture they so openly wear on their sleeve.



**“The drivers differ region to region and person to person, but employee engagement is largely about social connections happening in organizations and aligning work experiences with employees’ cultural needs.”**

*Sylvia Vorhauser-Smith, Senior Vice President  
of Research at PageUp People*

# 7 ways L&D can foster employee engagement

## 1 Commit to a desired (learning) culture

Work out what learning culture you want to have in your business and work towards that goal.

Your learning culture should be in sync with business values and other employee engagement tactics. So, if the business wants to encourage engagement by fostering innovation from the ground-up, for instance, filter that into your learning culture with one that listens to, curates, and shares great ideas. If you want to empower employees to take control of their own development, you'll need to open up content and development pathways, and get managers and mentors on board to guide and support them.



2

**Make technology the enabler, not the starting point**

With clear cultural and behavioural goals in mind, you can work out your learning technology strategy, including your social learning strategy. Since meaningful work is important to employees – make sure you’re meaningful with your learning technology and design, and have long-term goals in mind. Jumping on badges, gamification, discussion forums or the launch of a whole new portal without first researching with your target audience may disengage them.

**“A strong employment brand that offers clarity on the organisation culture and what it stands for ensures that the right people are attracted to the organisation and the wrong people apply elsewhere.”**

Sylvia Vorhauser-Smith, Senior VP  
Research at PageUp People

3

**Put brand and values at the heart of what you do**

What exactly are you asking employees to engage with? Organisations need to provide a clear identity for people to connect with and feel part of. Work with business leaders to identify a clear internal brand and set of values that tell a story and that people can engage with. You can then build this ‘humanised’ brand and sense of ‘us’ into your learning materials.

But to genuinely engage employees with brand ‘us’, you need to go a lot further than the familiar story of creating values and ‘telling’ employees about them, over and over, through message-aligned learning materials. Consider how you can involve employees in the creation of the values through grassroots movements, social media involvement, curation or competitions; and then how you will keep these values alive and kicking as something that belongs to employees. If you value empowering and listening to employees – do it!

### 4 Get listening

Reach out to connect with your audiences and build their trust in L&D by listening to what they like, need, struggle with, and more. Do this by:

- getting out and asking questions and having some rich conversations: What are their points of pain? What do they use to help them? From apps to Google to formal content, how do they lean on others to help? What would help them more?
- using surveys and questionnaires
- tracking themes and trends on social media and other networks: what's commonly asked, uploaded, liked, shared, left unused?
- setting up templates and dashboards that enable you to do this needs check-in on a regular or constant basis

Then show you've listened.

Once you've got a good sense of pain points and what your audiences need and like, build your strategy around it, and, importantly, tell them about it. Modern technology enables you to be ultra-responsive to feedback, adapting your strategy on the fly to meet the needs of your audience.

### 5 Personalise and filter

Modern expectations for digital content are high – it needs to be relevant, meaningful, timely, and ultimately useful, fitting into a point of need right there and then. Content that delivers on these points with well-honed UX design, will do well in the learning marketplace, and go viral amongst social networks.

But L&D teams' role here isn't to put up a shop full of bitesize content for all to choose from – use what you know to help filter, recommend, personalise and focus the content around needs and preferences.

And while there are constant cries for shorter, quicker resources, don't forget you're there to help bring about longer-term development in people. Make sure you offer effective deep learning experiences too; interactive videos, simulations, scenarios, games (that can be short but challenging and more holistic). If they're good, you'll be thanked.



## 6 Invest in leaders and managers

Managers can make or break employee engagement and retention. The old saying goes that people leave their managers, not their job, after all. While you can't control whether there will be that magic spark between a manager and an employee, you can help support leaders and managers with performance and behavioural training.

But it's also about working with leaders and managers so they are invested and in-tune with the desired learning culture. How ready are they to embrace and support a culture of listening, empowerment, ground-up ideas, open development pathways or whatever else your desired culture may be about? Employee trust can break down if they sense inconsistency from leaders, so don't underestimate the investment needed here.



**“HR and L&D need to listen more; provide more feedback to the rest of the organisation; enable a more regular flow of ideas, suggestions, feedback, comments and narrative.”**

Perry Timms



### 7 Be social

To engage employees, organisations need to encourage more collaboration, involvement, consultation, and support. To L&D personnel, this screams out for social learning platforms; look to encourage peer-support and sharing where you can. But be careful. Like any social situation, there are rules and etiquette to take heed of, and you'll need to nurture a that culture of openness and honesty.


- Don't rock up to the party and try to make it your own. If there's a popular network already being used by employees to help each other, informally, don't break it by formalising it. In fact, if it works, perhaps leave it be or at least respect that it's an informal space.
- Don't try to steal the crowds just because you've made something new. If there's a popular network already being used for informal and formal learning, consider if it's best to ride the wave rather than start something.

- If you set up a new social venue, don't sit back and wait for the crowds. Consider a campaign to advertise and drive traffic to the virtual hang-out space, with some core champions showing how it can be done. Help get conversation going, at least at the start.

A major benefit of virtual social learning spaces for L&D is that you can keep track of what's hot and what's not, and use the insights to shape what you do next. It's also a chance for you to be open and share what you're trying, and why, and seek feedback.

Engaging employees across the board and creating a culture of empowerment, trust and collaboration is key to thriving as a business and keeping hold of talent. HR and L&D teams should work together to consider the 'experience' they can offer, embracing digital technologies as a key enabler of cultural change.





**“Today, contingent, contract, and part-time workers make up almost one-third of the workforce, yet many companies lack the HR practices, culture, or leadership support to manage this new workforce.”**

Deloitte

## TOP TIP

**How keyed in are you to different types of workers, and how their learning needs and time for learning may be?**

*Engagement is for all*

# The Vodafone story – engagement from push to pull

Vodafone Australia sought to refine its learning management system (LMS) to better support business needs. Among other objectives, they were keen to reduce staff churn – particularly in retail stores – by truly engaging employees. And to do that, they wanted to make sure employees felt valued, supported and able to do their jobs.

Crucially, they wanted to shift the delivery of learning from push (the business enrolls employees in learning) to pull (learners enrol themselves).

The Kineo Pacific team worked with Vodafone to create a solution that made clever use of gamification and social elements to get employees engaged.

## **Shared ownership**

One of the project's key aims was for employees to drive their own learning – seeking out opportunities to learn rather than waiting to be enrolled.

A new profile area with a calendar and learning pathway puts the learner in

control. And a central catalogue of courses, using tag-based categorisation, makes it easier for employees to search for and find relevant learning opportunities.

## **The social wave**

The LMS borrows ideas from social media to create a sense of community – there's a timeline showing colleagues' learning activity as well as your own. Not only does this help create a buzz around learning across the business, it also increases the likelihood of collaboration.

Features like the ability to comment, share, recommend and follow are





**“Learners are taking much more ownership of their own learning and we are able to better measure and demonstrate the value that learning adds to the business”**

Malcolm Reason, Head of Organisational Capability,  
Vodafone Hutchison Australia

familiar and easy for learners to get into – they copy language and functionality we all use in social media activity in daily life. So far the messaging feature has proved particularly popular with the Vodafone team.

### **Everybody's doing it**

The 'What's Happening' timeline lets you filter learning activity by team or by users you follow. Added to that, learners can display badges to show what they've achieved – nothing like a

bit of healthy competition to encourage engagement!

The intended message is simple yet effective: everyone is involved in learning, why not join in?

Course completions more than doubled in 2015 compared to the year before, and are set to increase even further in 2016. So far learners are engaged and interested - embracing the social elements of the platform in particular.

# Three common L&D areas that can make a big difference to engagement

## 1 Onboarding



First impressions count, and the same goes for starting a new job. With 22% of staff turnover happening in the first six weeks, onboarding is crucial for retaining that vital talent. Our Onboarding guide explains that those who do it well retain 91% of their employees. But the key is in the word 'well'. What makes someone feel excited and welcomed when they join? It's often people, and then experiences. So as with any L&D strategies, there's no place for sheep-dip

training. You've hired someone for their talents, their experience, their potential – so maximise it with personalised, highly empathetic onboarding programs. If you're committed to a certain learning culture – your onboarding is THE place to start. Be wise, and you can use core resources to attract the right talent in the first place, by openly sharing day-in-the-life videos, career and development pathways, and more.

## 2

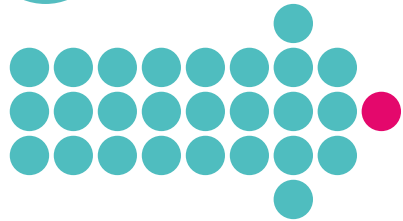
## Evaluation



We've been putting some extra focus on evaluation and its power to bring you closer to your audiences' needs, as well as business objectives. Rather than think of evaluation as something you (must) do after a course or expensive L&D initiative, think afresh and instead make evaluation something you do regularly across the whole learning landscape – including informal, social and other elements of learning that aren't 'provided' by L&D. That way, you'll get closer to real learning behaviour and trends, what works and what doesn't, and get to grips with real performance needs and what people reach out for. The trick is to combine data tracking, with surveys and lots of good ol' fashion conversation. Some of our clients are setting up evaluation dashboards to continually take a learning engagement temperature check.

## 3

## Leadership and management



Leadership and management is key to engagement and retention so it's an obvious place to invest to give EE a boost. It's also cited by Brand Learning as one of the three essential Growth Drivers.

Many invest in leadership programmes – but is it paying off? With 700,000 baby boomers set to retire, leadership pipelines are drying up. Are you hiring and investing in future leaders, and making leadership skills part and parcel of everyone's development pathways, at least at a basic level? For those who do invest in managers and leaders, great – but double check it's really driving changes back in the workplace. Many still invest in off-site workshops, when on-the-job performance support and development training would be more appropriate. Is what your managers learn ever making it back to the job? Make sure you're using engagement tactics to get in-tune with your leaders, then provide L&D that will make a difference to them and will help engage their team members.

# Contributors and References

## With thanks to our contributors:

### **Hayley Spurling**

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# Discover how we're shaping the future of learning

Everything we do at Kineo stems from a simple idea - if we design a better learning experience, together we'll get better results.

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