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Introduction

We Brits are known for our stoicism. We could go as far as to say we consider it a virtue. A badge of honour, even. That might help to explain why we seem so accepting of high employee turnover, the cost of replacing lost staff and the fact that, at last count, just 8% of the UK workforce was engaged at work.¹ Are we for real?

The evidence of this acceptance of the status quo is plain to see in Gallagher's latest Benefits Strategy & Benchmarking Survey. The very things that could help build a better workplace culture – and, with that, employee trust, engagement and productivity – are being somewhat neglected. To give an example, despite over two-thirds (67%) of employers saying they face challenges appealing to a diverse workforce, the majority still seem to favour a one-size-fits-all approach: 78% offer no flexible benefits, 63% provide no voluntary benefits, 83% offer no savings beyond retirement savings, and 56% lack a pre-defined benefit communications budget.

At the same time, the UK seems to be hanging on by its fingernails to competitive edge.

The UK average employee turnover rate is approximately 15% a year, but this varies hugely region to region and across industries, reaching levels as high as 31% in sales and marketing, according to XpertHR.² Meanwhile, it costs about £30,000 per person³ each time someone leaves. That excludes salary – it can take five to six months for people to simply become profitable.

But it's not just the direct cost to the business of employee turnover that packs a punch. There are various other factors to consider that could arguably do much more damage long term, such as a drop in morale and engagement, plus a perception amongst customers, shareholders and potential employees that something is fundamentally amiss in your organisation.

Something has to change. The traditional top-down approach – people strategy dictated by the C-suite with zero input from your employees – needs to be turned on its head. It's telling that nearly three in five (57%) don't survey their employees about benefits and wellbeing, according to our benchmarking survey. How can you hope to tap into your employees' psyche, understand what makes them tick, what motivates them to come to work and what will help ensure they stick around if you don't take the trouble to actually speak with them? So important is this aspect that a totally new role has emerged in some big organisations: that of the listening officer, a role entirely dedicated to helping organisations get to know their people. And, in turn, informing decisions at board level.



In short, those businesses that work better are bottom-up.

This necessitates a focus on organisational wellbeing: a holistic approach to physical, emotional, career and financial wellbeing that we call Gallagher Better Works.[™] We focus on helping corporate clients make working life a better experience for all their people, improving the employer-employee relationship, boosting morale, engagement and, ultimately, productivity.

Research from the Social Market Foundation⁴ states that happy and engaged employees are up to 20% more productive, and further research from Gallup⁵ reveals that engaged employees can increase sales by up to 20%.

Don't get me wrong; there's a lot to be said for stoicism. But the same goes for knowing when to make a change. Better business depends on it.

¹ Weak workplace cultures help explain UK's productivity woes, Gallup blog, October 2017, <https://news.gallup.com/opinion/gallup/219947/weak-workplace-cultures-help-explain-productivity-woes.aspx>.

² Labour turnover rates: XpertHR survey 2019, XpertHR, June 2019, <https://www.xperthr.co.uk/survey-analysis/labour-turnover-rates-xperthr-survey-2019/164515/>.

³ Replacing an employee costs £30,000, report says, Acas, accessed October 2019, <https://www.acas.org.uk/index.aspx?articleid=4857>.

⁴ Working well: How employers can improve the wellbeing and productivity of their workforce, Social Market Foundation, 2016, <http://www.smf.co.uk/wp-content/uploads/2016/01/Working-Well-How-employers-can-improve-the-wellbeing-and-productivity-of-their-workforce.pdf>.

⁵ Five ways to improve employee engagement now, Gallup, Accessed October 2019, <https://www.gallup.com/workplace/231581/five-ways-improve-employee-engagement.aspx>.

“Work has become overwhelming to the point of stifling creativity and productivity.”

“Something needs to be done to help your people rediscover the joy of work.”

Stop. Recharge. Revitalise.

Improving engagement involves fixing the trust issue between employer and employee. This necessitates giving employees the space and tools to be happier and more satisfied at work.

A lucky minority do what we love when it comes to work. But that doesn't mean we can't learn to love what we do. Work has become overwhelming to the point of stifling creativity and productivity. Better businesses are realising the benefits of injecting the human touch back into the workplace, creating a culture that enables its people to get back to basics. This is an environment that nurtures the simple things like a break from work, the ability to build social relationships and, quite simply, having a little fun.

Bruce Daisley's 5 key ways to help employees love work

1. Understand how we think

We need time and space to take a break. To let our minds wander. Our brain's daydreaming *default* mode is when most of our creative thinking happens.

2. Understand how we team

All the evidence suggests that humans derive joy from being in synchrony with those around us. When we feel connected to others, it's transformative and energising.

3. Understand how we relax

Research on call centre workers found that those who went on a 15-minute shared break were 19% less stressed and had a 23% performance increase.

4. Understand how we settle in

The onboarding process matters hugely. Get it right and it can have a positive impact on employee happiness and retention.

5. Understand how we belong

A feeling of belonging among the people with whom we spend five days a week is essential to workplace happiness.

It's still a given—amongst the baby boomer generation, at least—that if you're not seen to be doing, you might as well not bother turning up. It's laughable when you think about it now. And yet something that is still deeply ingrained in many organisations. It's driven by the work hard, play hard mentality of that generation. And it's further cemented by the traditional top-down, target-driven mentality of leaders. Digital and mobile technologies, as discussed elsewhere in this edition of Your People | InFocus, have also played a large part in the always-on, overwhelming nature of work and life over the last decade or so.

The light's on but no-one's home.

All of this has contributed in no small part to the massive problem of not only absence (mental health-related or otherwise) but also presenteeism—huge swathes of employees there in body but not in spirit. When you also factor in the issue of high employee turnover, it's clear that something needs to be done to help your people rediscover the joy of work. This represented the focus of a presentation at Gallagher's recent breakfast briefing by guest speaker Bruce Daisley, EMEA vice president of Twitter and best-selling author of *The Joy of Work*.

Overload represents the biggest challenge facing all of us, said Bruce. According to *Harvard Business Review*, the average executive—or manager—spends 23 hours a week in meetings. The average office worker spends closer to 16 hours. That's between two and three days a week in meetings.

When we try to make progress at work, it's the emails and meetings that get in the way. We need to find a way to get these things out of our team's way, he added.

Better business requires a totally different way of thinking. The key is organisational wellbeing: the bringing together of the physical, emotional and social to help businesses make working life a better experience for all their people.

Communications are a key component of organisational wellbeing. Capability in internal comms, business comms and benefits comms will drive change within businesses. That's why the Gallagher Better Works™ approach starts with communications: understanding what your people want and need. This is about taking a holistic approach and ensuring that whatever's going on in your business, you humanise it.

Encouraging humanity in the workplace—or, as Professor of Management Sigal Barsade describes it, *companionate love*—will help both employees and the bottom line, explained Bruce during his presentation. Barsade's own research (involving 3,200 employees across seven different industrial sectors) suggests that *companionate love* is accompanied by greater job satisfaction, greater commitment to the organisation and also greater accountability.¹

¹ <https://hbr.org/2014/01/employees-who-feel-love-perform-better>.





Data: From a Stream to a Tsunami

Digital and mobile technologies give, but they also take away. Better organisations are creating a more employee-focused work environment, one that genuinely enables work-life balance rather than squeezing the life out of it, says Matt Frost, Business Development Director, Employee Communications, Gallagher.

Digital and mobile technologies promised us a new world of connectivity and productivity. And this was achieved in spades: in the short term, at least. But what of the long-term impact? The pace is relentless. And it's now having the opposite effect. The countless number of addictive personal and professional digital channels that constantly interfere with our thought processes and workflow blur the boundaries between work and life. This leads to cognitive overload, diminished employee performance, poor wellbeing and, ultimately, work and life dissatisfaction. Sometimes even unmanageable stress and depression. A grim picture.

Organisations that want to do better—to perform better—are calling a timeout, for the sake of their people and their business.

“Organisations that want to do better—to perform better—are calling a time out.”

“We give you the tools to inject some humanity back into the workplace.”

“Ultimately, the issue goes beyond work-life balance—it’s about reframing the whole fabric of the organisation.”

To help make working life a better experience for all their people, organisations have to create a workplace culture that encourages and enables work-life balance. It's incumbent on the individual to embrace this opportunity because work-life balance is inherently personal.

Culture is key. It really is the be-all and end-all. It was nearly a decade ago that management consultant Peter Drucker coined the now infamous phrase ‘culture eats strategy for breakfast’.¹ At the time, HR leaders up and down the land nodded vigorously with a loud resounding ‘yes, that’s it!’ But, arguably, nothing really changed.

Digital detox: Simple actions employers can encourage

- Don't look at your phone until you arrive at work. Shut it off when you leave.
- Unsubscribe from all unwanted emails and unfollow anyone you don't know on social media.
- Move any mobile apps you haven't used in the last month into a folder to cut down clutter.
- Turn off push notifications on social media.

So, what's new?

Things have to change now. Organisations no longer have a choice. Why? Because various economic downturns have impacted the stability of younger generations. At the same time, low unemployment and high turnover is driving a short-termist attitude to jobs. Expectations of work are much different.

Gone are the days of a regular (and steadily increasing) pay cheque, a defined benefit pension and a job for life. The employee is now the consumer and the job is the product. Your people demand better working practices, an enticing work environment, opportunities for progression. Work is no longer just about being paid.

Ensuring that work-life balance is part of the organisation's cultural DNA relies on leaders and managers who both trust and respect their employees, and champion an environment of wellbeing.

The past few years have seen some welcome developments, such as flexible hours, job shares, sabbaticals, shared parental leave, paid time off in lieu of traditional paid sick leave, personal leave and holidays.

There's also been an increased focus on employee wellbeing, including mental health.

And what's the same.

In spite of all of this, though, Gallagher's 2019 Benefits Strategy & Benchmarking Survey results show that while more employers this year were open to the idea of their people taking sabbatical leave, less are prepared to pay for it. Just 9% now provide paid sabbatical leave, down from 17%.

This could be detrimental to employees' financial wellbeing and only serve to discourage such leave. Fortunately, the survey revealed that there's more substance to employers' flexible working promises: 77% now offer flexible working hours, up from 69% last year. And 3 in 5 employees are able to work from home, up from 1 in 2. Other areas, though, such as agile working and job share, show much more room for improvement.

In short, though, momentum in this area remains slow. Many employers are struggling to create a more inclusive and employee-focused work environment.

Ultimately, the issue goes beyond work-life balance — it's about reframing the whole fabric of the organisation. Turning business on its head and focusing first and foremost on how you treat your people. We call this approach Gallagher Better Works.TM We bring together experts in communications, rewards and benefits to help make your people and your organisation simply work better together.

We give you the tools to inject some humanity back into the workplace. We help you make better use of digital and mobile technologies in a way that supports — rather than overwhelms — human-focused working practices.

Technology is meant to be a help, not a hindrance. And as anyone who's ever watched Netflix's fantastic *Black Mirror* series will know, if we don't take control of it, it might ride roughshod over us!

¹ https://www.supplychain247.com/article/organizational_culture_eats_strategy_for_breakfast_lunch_and_dinner/legacy_supply_chain_services.





If you'd like to find out more, or learn how we can help your business bring out its better, please schedule a meeting with your Gallagher consultant or email sayhello@ajg.com.

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Gallagher has been designing solutions to meet our clients' unique needs for more than 90 years. We pioneered many of the innovations in risk management used by businesses in all industries today. We believe that the best environment for learning and growing is one that remembers the past and invents the future.

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