

# HRINSIGHT

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INVESTED IN HR CAREERS

**E**mployee disengagement costs the UK economy £340 billion a year in lost productivity (Gallup Workforce Study 2017) and has huge implications for business profitability.

It's no surprise then that employee engagement continues to be one of the top concerns for HR departments this year. In this issue we explore why employee engagement matters and some of the ways employers are driving staff engagement. We are also thrilled to have Macmillan Davies' previous CEO Helen Rosethorn, Employee Engagement Specialist and Partner at Prophet, sharing her experience and insight with us on pages 10 & 11.

We are excited to be hosting a legal breakfast briefing 'HR Horrors...and how to deal with them', in partnership with employment law firm Goodman Derrick LLP this quarter and we have Katee Dias from Goodman Derrick sharing some insight on some of the latest trends in employee benefits and key considerations for employers.

Gallup's 2016 report 'How Millennials Want to Work and Live' found that only 40% of millennial employees

surveyed felt strongly connected to their company's mission. Seeing value in work through a company's vision and core values can play a significant role in supporting levels of staff engagement. Earlier this year, we began the process of reviewing and re-evaluating our company mission, vision and core values, resulting in an invigorated set of principles and mission statement that defines our culture and how we work together as we continue to grow and evolve as a business.

We hope you enjoy our Q3 issue and we are always keen to hear about future topics that you would like to see covered. Similarly, if you have something to share within the industry and would like to feature in our next edition, then we would love to hear from you.



**DARREN HAYMAN & ANGELA FRANKS**

## UPCOMING BREAKFAST EVENTS



### WHAT GDPR MEANS FOR HR - LONDON



We are delighted to be partnering with Constantine Law and Kemp IT Law to host a breakfast seminar on The General Data Protection Regulation (GDPR) and its impact on HR.

For more details or to reserve your place, please contact contact Kate Fisher at [KFisher@mdhr.co.uk](mailto:KFisher@mdhr.co.uk) or call 0203 587 7064 for more details.

### GAMIFICATION IN RECRUITMENT... GIMMICK OR GAME-CHANGER? LONDON



We are thrilled to be partnering with Robert Newry, MD and Co-Founder of Arctic Shores, to present a breakfast seminar on Gamification in Recruitment...gimmick or game-changer?

For more details or to reserve your place, please contact contact Kate Fisher at [KFisher@mdhr.co.uk](mailto:KFisher@mdhr.co.uk) or call 0203 587 7064 for more details.

# GLOBAL MARKET TRENDS



## UK

As we enter the final quarter of 2017 we are still seeing an increase in overall time-to-hire, in part due to the summer holidays causing a lag in the hiring process, with key decision makers away. This has occasionally resulted in clients missing out on preferred candidates who have received multiple offers and accepted positions elsewhere. Brexit continues to cause disruption to our client's hiring plans.

The number of new vacancies overall remains steady from last quarter and we are seeing higher levels of recruitment activity for specialist roles across all sectors. As organisations continue to go through group wide change there has been a resurgence in specialist change & communications positions. Similarly, we have seen an increase of in-house recruitment roles across all sectors, mostly paying under £50,000. With the changing political landscape, businesses are continuing to remain cautious and we are seeing the continuation of the 'try

before you buy' approach to hiring, with many clients opting to hire on an interim basis initially, or extending current contracts before turning perm.

As businesses look to cut costs and create a leaner HR function, demand for professionals with diverse experience is on the rise. This is particularly evident in the public and third sector with growing demand for HR generalists who are skilled in delivering on specialist projects such as change and reward.

Towards the senior end of the market, there's been a slowdown in hiring, particularly within Financial Services which remains very client driven as suitable candidates outnumber advertised roles. Improvement & implementation of HR technology such as workday & the increase of succession planning has meant that a lot of senior roles are being filled internally, with clients instead hiring externally for junior to mid level positions.

**Darren Hayman & Angela Franks - Macmillan Davies**

## ASIA

Despite a promising start to the year, hiring in Asia has been relatively slow in both Hong Kong and Singapore. That said, the China market has been buoyant for the last two quarters and shows no sign of slowing down. Roles in financial services have been sporadic although the insurance sector has continued to hire across a range of roles and levels. The retail market has continued to be cautious but we have seen a marked increase for roles within pharmaceuticals and healthcare (particularly in China).

Talent Management and other specialist roles such as Rewards

and HR Operations have been in demand and we predict further interest in technical areas such as HR Analytics.

Interestingly we have seen an overall rise in vacancies in the last month, and with a shortage of strong talent at the more senior end of the market, it will be interesting to see who is prepared to buy potential bonuses out and compete for some of the top talent as we go into the last quarter of the year.

**Amanda Clarke - Profile Search & Selection**

## AUSTRALIA

As we come towards the end of Q1 of the Australian Financial Year, the HR recruitment market has remained robust with growth occurring in all major states. Even the Resource rich states of Queensland and Western Australia, which experienced a prolonged downturn for a number of years, have shown encouraging growth in the last 12 months. Opportunities have surged by 33% in QLD, and 24% in WA over the last 12 months. As previously reported, both of these growth figures are from a low comparison base, but in QLD there are now talent shortages in the junior to mid-career market.

The larger economies of NSW and Victoria have both also continued to grow well in the last year, with 13% and 12% growth respectively, which combined with the other states bring the overall national growth in advertised roles to 16%.

The interesting feature of this growth has been the bias towards contract opportunities versus permanent roles. Whilst growth in permanent opportunities has been consistent, contract role growth is accelerating as organisations manage their headcount needs and supplement that with specialist or temporary support.

The industry sectors that continue to see outstanding growth in opportunities for HR professionals are healthcare (+49% YoY) and professional services (+29%). Professional Services in the Australian market, also includes the engineering and infrastructure consulting firms, which have seen major growth with the boom in infrastructure spending in NSW and Victoria, a phenomenon that will soon occur also in QLD with ambitious infrastructure projects about to commence and run for the next 5 years.

Within the individual occupation groups, both generalists and specialists have been in demand. The senior market in NSW, Victoria, and to a lesser extent QLD, have been active, and there has been strong demand across the mid and junior markets. The changes made by the government to the Class 457 long term business visa, has made it harder for businesses to bring in international talent below the most senior levels, an issue that is hitting the Recruitment specialism the hardest, as the UK and other countries was a significant source of talent.

**John Baker - The Next Step**





# WHY ENGAGEMENT MATTERS



Employee disengagement costs the UK economy £340 billion a year in lost productivity

With 54% of disengaged employees considering leaving their current jobs

While engaged staff are 44% more productive than satisfied staff

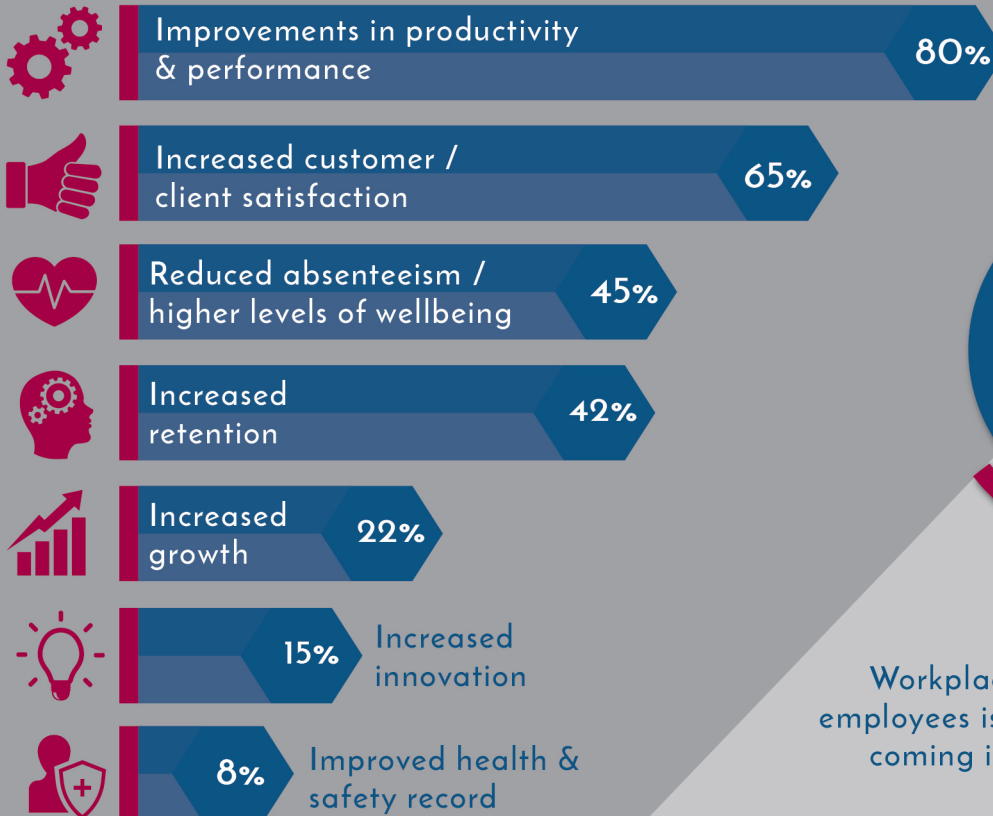
Source: Gallup Workforce Study 2017

## 67% OF WORKERS ARE NOT ENGAGED, RESULTING IN:



Source: Gallup Workforce Study 2017

## BENEFITS OF HIGHER LEVELS OF EMPLOYEE ENGAGEMENT Source: CBI 2015



Source: ORC International

Workplace engagement amongst UK employees is relatively poor, with the region coming in at 18th out of 20 countries surveyed.

A happy employee is a more productive employee whilst a disengaged workforce can wreak havoc on a company's bottom line. Since we spend an average of 35% of our waking hours at work, cultivating an optimum working environment can significantly boost employee engagement.

## OPEN PLAN AND STANDING DESKS

The latest trend of standing desks is much more than just a fad. There are many health benefits of using a standing desk instead of prolonged sitting. Enhancing movement and boosting blood flow it simultaneously boosts team health and engagement. Equally, open plan offices foster creativity and reinforce a positive workplace.

## MENTORING

To support new hires, employers are using mentorship programmes where employees are trained with a senior or more experienced individual, assigned to act as an advisor, providing support to and feedback. This enables new employees to progress faster whilst simultaneously providing both mentor and mentee with increased job satisfaction.

# WORKPLACE TRENDS TO BOOST ENGAGEMENT

## FLEXIBLE WORKING

Employers are rejecting the typical 9-5 with many employees measured on output rather than hours. New workplace technologies are facilitating flexible office hours, allowing employees to get work done while enjoying a greater sense of work life balance. It's estimated that 70% of UK organisations are likely to have adopted flexible working by 2020.

## PERFORMANCE REVIEWS

The days of biannual performance reviews are long gone with management instead focusing on weekly and monthly reviews via quick, easy to use surveys. Structuring feedback as regular conversions means that any issues are immediately picked up instead of waiting for an annual review, driving engagement and staff development.

## THERE'S AN APP FOR THAT!

The way we live and work is continually evolving and employers are having to adapt to meet the changing needs of the modern workforce. One way businesses are achieving improved employee engagement is through utilising a range of enterprise apps.

**Connecteam** - <https://connecteam.com>

An app for deskless employees, Connecteam is an all-in-one app for internal communications, enabling employees to stay updated with company news, updates, courses and surveys, enhancing engagement and improving productivity.

**15Five** - <https://www.15five.com>

15Five is an employee engagement app that focuses on feedback, peer-to-peer recognition and employee to supervisor communication, featuring weekly check-ins and question management features.

**Slack** - <https://slack.com>

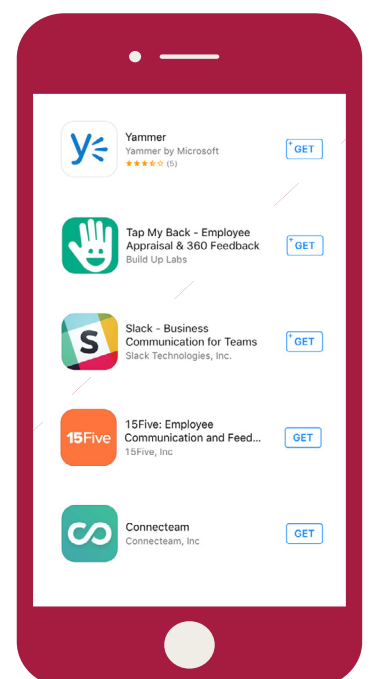
A platform that connects teams with the apps, services, and resources they need to get work done, Slack help teams consolidate their communications to one platform.

**Tap My Back** - <https://www.tapmyback.com>

An employee motivation and recognition tool, Tap My Back helps team members recognise each other in real time while allowing for team leaders to view useful information about the team as a whole, reflecting the idea that recognised and satisfied employees are the most productive.

**Yammer (on the go)** - <https://www.yammer.com>

Yammer (on the go) is the mobile app version of Microsoft owned Yammer, enabling users to stay on top of conversations, post updates and collaborate with teams no matter where in the world they are.



# Pawternity Leave, Egg Freezing and Wedding Costs...

## Just some of the benefits being offered to employees



**Katee Dias**

**+44 (0)207 404 0606**

**[kdias@gdlaw.co.uk](mailto:kdias@gdlaw.co.uk)**

**[www.gdlaw.co.uk](http://www.gdlaw.co.uk)**

Employers have been getting creative with the perks they offer to their employees. Some have introduced puppy parental leave, some are willing to contribute up to £16,000 to the employee's wedding budget and others have focused on family friendly initiatives, including paying for female staff to get their eggs frozen, couriering breast milk home and granting up to a year of parental leave.

However, when introducing employment related benefits, prior thought needs to be given by the employer, for example:

- Will it be a contractual entitlement? If so, it will be much more difficult for them to change or withdraw the benefit at a later date.
- Are any conditions attached? If so, care needs to be taken to ensure that such conditions are not discriminatory.
- What happens on termination? Clear parameters will be needed about whether the benefit is pro-rated or lost entirely.

Occupational Psychologist Cheryl Isaacs says that having generous employee perks can be a good way for a company to help ensure that it has a contented workforce, and that numerous studies have shown (perhaps unsurprisingly) that happy staff are more productive.<sup>a</sup>

One such recent report into the issue by the University of Warwick found that employee happiness boosted productivity by 12%, while unhappy workers were 10% less productive.

However, London-based Ms Isaacs cautions that the benefits should apply to most employees, and not just a few.

"A deeper question that each individual organisation needs to answer is: does the benefit bring ROI [return on investment]? Will it have any long-lasting benefits for the company?" she says.

**Goodman Derrick LLP is a leading commercial law firm in the City of London, recognised for providing high quality legal advice across a range of practice areas.**

**[www.gdlaw.co.uk](http://www.gdlaw.co.uk)**

## What employees want... *The best cost-effective benefits*



### FLEXIBILITY

With a third of employees prioritising work flexibility over a 3% pay rise (Investors in People 2016), and evidence that it boosts workforce productivity it's no surprise that more and more companies are embracing flexible working initiatives.



### EXPERIENCES

72% of Millennials prioritise experiences over things (Harris Group 2016), which is great news for organisations looking to keep costs down while maximising staff engagement.

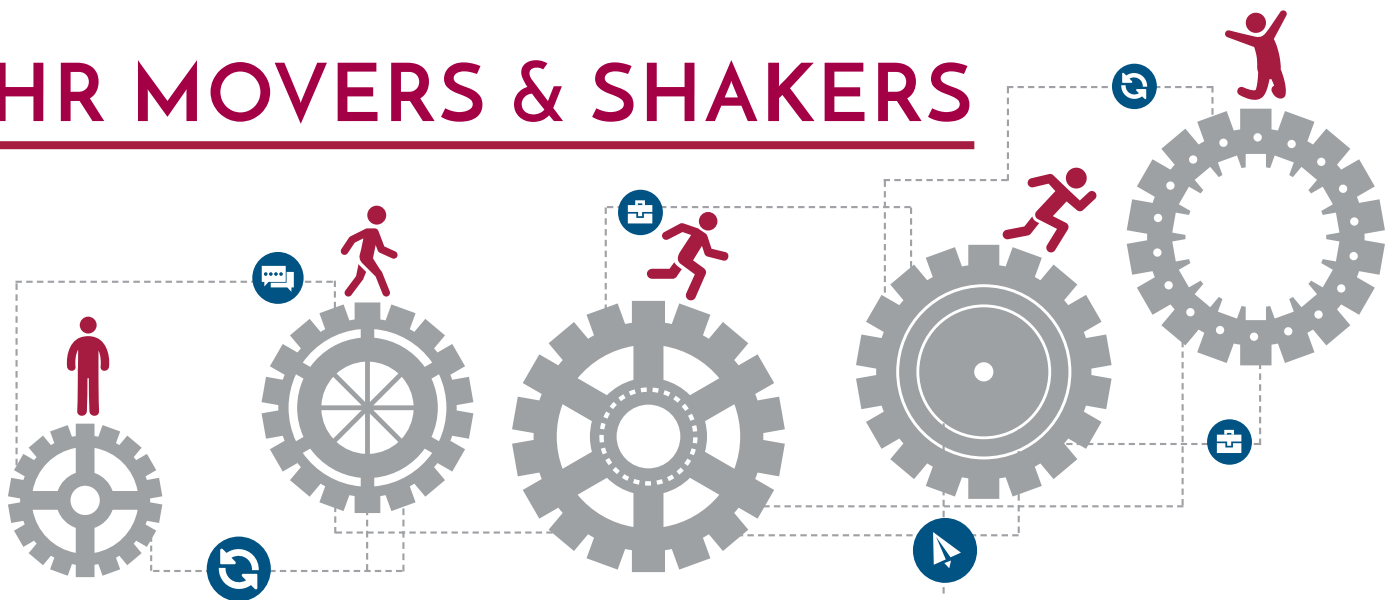


### FINANCIAL SUPPORT

There's a host of employee perks that don't cost much but result in effective staff buy-in. Pre-tax / tax-efficient benefits can be hugely attractive to many employees, particularly popular for staff is higher pension contribution by way of a salary sacrifice.



# HR MOVERS & SHAKERS



A round-up of hires, departures and promotions across the industry.

- Kathy Poole joins Air Partner PLC as Interim Group HR Director
- James Edgar joins MEC as EMEA People & Culture Director
- Ian Johnston joins Johnston Press as Group HRD
- Gideon Copeland joins Deloitte as Interim HR Director Tax,
- David Balls joins The Rank Group as Ground HR Director
- Ffion Griffith joins Efficio as HR Director
- Charles Lebeter joins Cushman & Wakefield as Head of UK and Ireland
- Katy Brecht joins Domestic & General as Head of HR International
- Carrie Barber joins Bravissimo as HR Director
- Nicola Turner joins GVA as HR Director
- Ailsa McLellan joins English Regions at BBC as Head of HR
- Julie Pugh joins Simply Health as Head of Talent Acquisition
- Mathew Norvall joins Syngenta as EAME Regional Recruitment Operations Lead

Congratulations and best wishes to all those embarking on new opportunities.

# CANDIDATE INTERVIEW GUIDE

Parts 3 & 4

## 3 INTERVIEW QUESTIONS

*Preparation is key to maximising your interview success. In parts 3 & 4 of our complete candidate interview guide we take a look at how to master interview questions and share some of the best interview questions to ask.*

### Tell me about yourself

This is often the opening question and as first impressions are key, one of the most important. This is your opportunity to talk about your qualifications, career history and your skill set, emphasising those most relevant to the job in question. Keep your answers work focussed, discussing your background and achievements along with your career aspirations, qualifying why you have chosen to follow your particular career path. You can follow the same structure as your CV.

### What are your strengths / what have your achievements been to date?

This is your opportunity to demonstrate why you are suitable for the role and the value you can bring to the organisation. Focus on a selection of the biggest attributes that correlate with the job, making sure you provide specific examples of how you have utilised these strengths in a work situation. Strengths to consider include technical proficiency; ability to learn quickly; determination to succeed; positive attitude; your ability to relate to people and achieve a common goal. You may be asked to give examples of the above so again, so be prepared to support your answer with specific examples.

### Give me an example of a task you found challenging

The real motive behind the question is to find out how you deal with challenging situations. Give an example of a challenge

### Make sure you...

- Listen carefully to the question & don't be afraid to ask again if you need clarification
- Take a second or two to compose your thoughts before you answer the question
- Speak succinctly and clearly, minimising jargon
- Try to phrase your responses in STARs (as detailed in part 2 of our guide)
- Try to vary your examples if you can to illustrate your competencies

you've faced in work previously and illustrate the actions you took to overcome the challenge and turn it into a positive situation.

### What are your weaknesses?

The interviewer is really asking about your self perception and level of self-awareness. It's best to mention a fairly minor weakness and then demonstrate how you overcome it.

### How do you handle difficult colleagues?

Here you should focus on examples of any difficult situations you have overcome based on a colleague's actions, how you may have acted diplomatically to alter the person's behaviour and get the team back on track.



## What are you looking for in a company?

This is another way of asking what needs are most important to you in your career, so make sure that you cover the same points for consistency. Examples could include a positive office environment, a challenging yet viable career path, structured and continuous training and the opportunity to push yourself against other successful professionals. Be careful not to put too much emphasis on benefits or holiday allowances for example as they shouldn't be perceived as of more value to you as the opportunity to progress your career.

# 4 QUESTIONS TO ASK

*Asking questions at the end of the interview is a great way to demonstrate your interest in the position being offered and reinforce your suitability as a candidate. Going into your interview armed with some great questions can also help to further highlight some of your qualities, skills and experience.*

If not already covered in the earlier part of the interview, consider asking the following questions:

- Why has the position become available?
- How would you describe this company's values?
- What is the culture of your organisation?
- What encouragement is given to undertake further training?
- What type of employee is historically successful in your company?
- What would I expect to be involved in during my first 3/6/12 months?
- What are biggest challenges of this job?

Make sure you are asking open questions e.g. beginning: How? What? Which? Where? Why? When?

## Why do you want to leave your current employer?

It's natural that you will dislike elements of previous jobs but employers really want to know how you deal with those dislikes to maintain good performance in the role whilst assessing whether the job on offer has responsibilities you will dislike or which will make you unsuitable.

### Hints...

- Avoid making vague statements that may sound good but provide no specific information about what you did, such as "the project team created a plan..."
- Avoid making theoretical statements such as "I would do..." or "I always..." as these provide no information about what you actually did.

### Avoid "Me" Questions

"Me" questions are those that put yourself ahead of the employer. These include questions about salary, health insurance, holiday allowance, work hours per week, and other concessions. During an interview, you are trying to demonstrate to the employer how you can benefit the company, not the other way around. Once you are offered a position, you can begin to ask what the company can do for you.

### Ask One Question at a Time

Avoid multi-part questions; they will only overwhelm the employer. Each question should have one specific point.

### Avoid "Yes" or "No" Questions

Most questions with a "yes," "no," or other one-word answer could likely be answered by searching the company's website. Instead, stick to questions that will create a dialogue between yourself and the employer.

**WE WILL BE SHARING PARTS 5 & 6 IN OUR HR INSIGHT MAGAZINE ISSUE 4.**

## MEET THE FUTUREXEC TEAM



**Ellie Blair**  
+44 (0)203 587 7065  
eblair@mdhr.co.uk



**Gaynor Bramall**  
+44 (0) 161 416 6295  
gbramall@mdhr.co.uk



**Michael Boer**  
+44 (0)203 587 7069  
mboer@mdhr.co.uk



**Sonia Chopra**  
+44 (0) 121 651 1504  
schopra@mdhr.co.uk

# MACMILLAN DAVIES MEETS:

## HELEN ROSETHORN

PARTNER & AUTHOR OF 'THE EMPLOYER BRAND - KEEPING FAITH WITH THE DEAL'

## PROPHET

**Q. Can you tell us a little bit about yourself and your background?**

I am a Durham graduate who spent her early years in journalism and PR. To be honest I stumbled into the world of talent but I am glad I did. I was working for Hay-MSL now part of TMP and studying part-time for an MBA when I began to really appreciate the power of engagement in organisational performance and the importance of culture as a strategic lever. Just as I completed my MBA I was headhunted to join the original Macmillan Davies where I went on to be MD of Advertising following the acquisition of the business by Omnicom and merger with Bernard Hodes, and then CEO of the whole business from 2000. One aspect of my years as CEO that I am most proud of is establishing the HR consulting arm of the business and it was where I realised my passion lay - hence our pioneering work in the field of employer brand and engagement and the book we authored in 2009.

Now I am a partner with Prophet, a management consultancy specialising in growth and brand strategy. There are 400 of us around the world in 10 offices - our newest one being Shanghai which opened this year.

I run our global discipline in Culture, Capability and Engagement (CCE). It is one of the fastest growing areas of Prophet across our three platforms of brand and experience, growth acceleration and digital transformation. I had not anticipated another big job when I stepped out of the world of Omnicom in 2014 but here I am and having a ball!

**Q. What does your role at Prophet entail when partnering with companies to drive their business performance?**

Every piece of work we do for our clients here at Prophet brings



**"THE IMPORTANCE OF PURPOSE & MEANINGFUL WORK ITSELF IS COMING TO THE FORE AS WE ALL SEARCH FOR BEING PART OF ENTITIES AND INSTITUTIONS WE CAN BELIEVE IN AND TRUST."**

with it some aspect of internal engagement and change - although obviously some projects are more focused on this than others. The work we do within CCE is therefore very varied - whether it is doing a cultural diagnostic for a global bank, a change program in support of new digital customer moves for a telecoms client or defining and implementing the global employer brand for one of the world's most famous charities.

**Q. Why do you think engagement has become such a core focus for many companies right now?**

I think there are three primary reasons (1) evidence - there is finally a lot more data out there showing how organisations that are more employee experience centric outperform those who are not (2) the pressure on organisational performance post the financial markets melt down and an awakening by some leaders - sadly not all - that instead of looking at people as a cost, they are truly an asset to be managed for value (3) the changing world of work and as part of that a greater understanding of what the next generation entering the workforce is looking for from employers.

In many ways - and we have lots of research to support this - what millennials and now centennials are looking for is not massively different from their predecessors. However, in the context of a deeper desire for meaningful work, the new construct of careers as we all live and work longer plus the march of automation, responding to what it takes to motivate

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## “OFF THE SHELF EMPLOYEE ENGAGEMENT SURVEYS REALLY DO NOT OFFER THE INSIGHT NEEDED TO UNDERSTAND THE DYNAMICS OF ENGAGEMENT AND THEY CERTAINLY DO NOT GIVE A SERIOUSLY USEFUL ASSESSMENT OF CULTURE”

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the employees you need to join and stay with your organisation is more critical than ever.

### Q. How important do you think having a values based culture is for maintaining an engaged workforce?

Over the years of researching workplaces all over the world, the role of values has often been a big discussion point. Values are fundamental and I have seen organisations where candidates have joined only to be disappointed by aspects of reward and career development, yet the power of ethics and values has compensated for that in their “sense of the deal”. But a values based culture is not going to make up more fundamental short falls in the eyes of employees. And as I have already said, the importance of purpose and meaningful work itself is coming to the fore as we all search for being part of entities and institutions we can believe in and trust.

### Q. What would you consider to be some of the biggest challenges for businesses when approaching employee engagement / tackling staff disengagement?

For me there are three obstacles business leaders need to bear in mind:

(1) poor measurement of engagement - by this I mean that many “off the shelf” employee engagement surveys really do not offer the insight needed to understand the dynamics of engagement and they certainly do not give a seriously useful assessment of culture. I am working right now with an organisation who quite simply have said, “we don’t believe our engagement survey results any more - what they say and what we see are two different things.”

(2) the paradox of engagement - there is a growing body of research that shows people at all levels in an organisation, so don’t think just millennials, describe themselves as “satisfied” at work but can be actively considering leaving their employer. Work we have done at Prophet illustrates that what employers need to be far more attuned to is that engagement is not just about measuring how it feels in the workplace, but how it feels for my life overall.

(3) the pivotal role of anyone’s immediate manager - this is absolutely not a new challenge - but one that organisations again and again do not invest the time and effort to address. It is a combination of “too big and difficult” and the perennial issue that people are rarely promoted into managerial and leadership roles for their people engagement skills.

### Q. What are the biggest trends / predictions for employee engagement over the next few years?

I personally think - and hope - that the concept of employee engagement will get pulled apart and redefined - it needs to be! I have already mentioned the fact that people can be happy at work but considering leaving and that as a trend is only likely to continue in my view. So how do organisations behave faced with that dynamic? We also now have multiple generations in the workplace as people want and/or need to stay working longer. Again, this adds to the mix of considerations.

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## THERE IS A GROWING BODY OF RESEARCH THAT SHOWS PEOPLE AT ALL LEVELS IN AN ORGANISATION DESCRIBE THEMSELVES AS “SATISFIED” AT WORK BUT CAN BE ACTIVELY CONSIDERING LEAVING THEIR EMPLOYER.

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One thing however that many employers are poor on is the use of digital tools in strengthening the employee experience. And I don’t think employers appreciate how stark a contrast this is for employees who are consumers too and therefore used to running their lives through their mobile phone. This has to change and the employers who really embrace this in a super connected way will elevate their engagement and people performance.

**Prophet is a global consultancy fusing insights, brand strategy, design and digital to help businesses grow better brands. Experts in helping clients to harness the power of people in their organisations - from culture and values, purpose and brand to capability and engagement - whilst always bridging the gap between strategy and execution to drive impactful growth acceleration and digital transformation. Prophet has a global footprint, with 10 offices across Europe, United States and Asia.**

<https://www.prophet.com>

## BIRMINGHAM

20 COLMORE CIRCUS  
QUEENSWAY,  
BIRMINGHAM  
B4 6AT

## LONDON

14 AUSTIN FRIARS  
LONDON  
EC2N 2HE

## MANCHESTER

MANCHESTER BUSINESS  
PARK, 3000 AVIATOR WAY,  
MANCHESTER  
M22 5TG



MACMILLAN DAVIES

