Exploring the shift in employee expectations
Major advances in technology have transformed the workplace forever. They’ve dramatically impacted the way we go about work and the skills we need as employees to be effective. At the same time, they’ve also massively accelerated productivity and an organisation’s potential for growth.

On a larger scale, legislation such as the minimum wage, paternity leave and the extension to maternity leave, have transformed living conditions.

In parallel, employees now demand much more of their employer. Not only do they want to be treated fairly and with respect; they expect to be fulfilled, to be empowered and to work flexibly. The social and legal contract between employer and employee has changed.

We’re experiencing great changes in the economic climate, too. In 2007 the UK economy reached a historic peak. Now we’re feeling the effects of a hard recession and economic turbulence. And since our manufacturing base has all but been replaced by a service industry, our economic lifeline is now all about people.

This means that for most organisations, retaining the best employees is central to their success. Eight in ten senior business managers describe having the very best people as not just desirable, but critical.

The purpose of Vodafone’s Perspective series is to help organisations find better ways of working. The guiding principle throughout the series is to strike a healthy balance between opinion and fact, theory and practice, observation and advice.

This first report sees things from the employee’s perspective, and is a must for any organisation serious about talent management. Drawing upon the findings from a survey of 1,366 employees and managers across UK business of all sizes and sectors, we map the current state of the ‘talent-scape’ and identify different strategies for attracting, motivating and retaining the best employees in the current environment.
The evolving shape of the workplace

The Perspective series explores the changing shape of public and private sector organisations in the UK. The reports form part of Vodafone’s Better Business initiative which recognises that organisations are under increasing pressure to develop new ideas and to find better ways to get things done. Perspective reports are required reading for those with a strategic remit or interest in the evolution of the workplace.

This inaugural report focuses on the heart of the organisation: employees. It answers questions such as:

- how are employer attitudes towards talent management changing?
- what truly motivates and retains today’s employee?
- how does flexible working impact employee satisfaction and productivity?

Vodafone commissioned two primary research surveys, which form the core of this report. Conducted by Circle Research in October 2011, the first of these canvassed the opinion of 505 senior managers within UK businesses and public sector bodies with 100 or more employees. The second gathered the view of 861 ‘white collar’ employees working for small (10 – 99 employees), medium (100 – 499) and large (500+) organisations.

The findings are further complemented with secondary research and statistics, practical case studies and commentary from some of the UK’s leading employment experts, including the Chartered Management Institute and Ashridge Business School.

We hope you find the report valuable and that you take a moment to explore the wealth of other material available at www.vodafone.co.uk/perspective
Executive summary

Our research has broadly highlighted three core areas:

• despite unemployment being at a 15 year high, a talent blockage exists in today's employment market
• organisations need to embrace more flexible, collaborative and better ways of working
• there are hidden secrets to retaining talent; pay is secondary

A talent blockage
Attracting the best talent is critical but now harder than ever. Despite sky-high unemployment, the UK economy seems to be suffering a 'talent blockage', where people are reluctant to change jobs.

Our research shows that only one in five of the workforce is likely to seriously consider a job move in the next twelve months. The Office of National Statistics (ONS) figures further reveal that just 2.4% of the workforce put this intention into practice and left their job in 2011; in 1998 twice as many did so.

This is because: the effort invested in applying for a role is less likely to be rewarded; negotiating a deal is difficult, and job security, as a new entrant is more difficult.

Management are responding by:

• better managing the employer brand
• escalating talent management up the corporate agenda
• becoming more proactive in their recruitment activities
• recognising the need for a more flexible approach to employment

The flexible workplace
Three-fifths of organisations now equip the majority of employees with remote working solutions. Flexible working is felt to boost employee satisfaction, create a more productive organisation, develop a more flexible workforce and lower costs due to property rationalisation.
Like anything worthwhile though, flexible working is not without challenges. Those who have already deployed flexible working have faced three major challenges: overcoming fears that productivity would actually decline, addressing concerns that teamwork would suffer and blurring the home/work boundary.

So successfully deploying flexible working is about winning hearts and minds as much as it is about technology. In reality these fears typically turn out to be unfounded. Three quarters of those equipped to work remotely say it has boosted their job satisfaction and a similar proportion report that it has actually improved their work-life balance.

**The secrets of employee motivation and loyalty**

A motivated, productive and loyal workforce requires more than flexibility.

When senior managers in UK organisations rank the most important determinants of employee satisfaction, first by a significant margin is salary. Two further ‘soft’ elements – ensuring employees feel valued and their work-life balance – are also felt to have an important role. Ask employees and they broadly agree.

However, by isolating those who are exceptionally satisfied and looking for correlations between this and high ratings on specific attributes of their workplace, we have statistically derived what really creates a motivated, happy workforce.

In this analysis, two other elements have a far more pronounced impact on employee motivation and loyalty:

- **fulfilment**: the degree to which the job and environment is enjoyable and stimulating
- **tribalism**: the degree to which employees feel valued and in tune with the employer’s vision

On the whole, employers show considerable room for improvement in these areas.

How do you think your organisation would fare?
If you’re involved in staff recruitment or retention then the chances are you’re having a tough time. Despite high levels of unemployment, our research highlights the difficulties employers are facing in finding high-calibre staff. Eight in ten say they need to work harder than ever to attract the cream.

And with 84% of organisations telling us that having the very best people is critical to their success, it’s a serious issue. As a service economy, the UK will only thrive if it continues to attract and retain the best talent. Given 8.3% of the economically-active population are currently unemployed it feels counter-intuitive to highlight problems like these. But in fact 68% of employers feel that high unemployment makes no difference to their ability to attract the best talent. The pool of potential recruits may be deeper, but this simply means that those on the hunt for talent need to spend considerably longer identifying the very best.

It’s also becoming more of a challenge to entice candidates away from their existing employer. 80% of employers believe that today’s turbulent economic environment means their employees are less likely to jump ship to a more uncertain option. Employees agree. When asked, only one in five of the workforce advises they are likely to seriously consider moving employer in the next twelve months. ONS figures further reveal that just 2.4% of the workforce put this intention into practice and left their job in 2011; in 1998 twice as many 4.5% did so.

Within these statistics are some important demographic differences that can help management target loyalty measures at the most vulnerable sections of the workforce. Particular focus should be given to two groups:

- **younger employees**: 37% of those aged 18-34 report that they are seriously thinking about moving job in the next twelve months. This is in stark contrast to just 14% of those aged 45-54 who seem much more settled and loyal
- **mid-tenure employees**: an employee’s loyalty also seems to be linked to their length of tenure. During the first two years of employment, 30% are likely to be on the lookout for a new job, rising to 43% of employees who have been employed for four to five years. Beyond this point though, loyalty rockets. Only 11% of those with a decade or more service are likely to be on the job hunt
What's at the core of this talent blockage? Well, at its heart are three key concerns all of which relate to current economic uncertainty:

- 94% of employees feel competition for jobs is higher because of high unemployment. The considerable effort invested in applying for a role is less likely to be rewarded
- 78% feel the balance of power has moved in the employer’s favour. As an employee, they feel their ability to negotiate a better deal is reduced
- 91% believe that organisations will remain leaner for the foreseeable future. Job security, especially as a new entrant, is hard to come by

So stagnation is a key feature of the current talent-scape. In such conditions our research shows that employers recognise the need to adapt. But how?

- by taking a more holistic approach to their corporate image. Traditional approaches to reputation management have focused on the need to manage corporate reputation amongst a set of stakeholders which typically includes customers, prospects, opinion-formers and investors. There is increasing recognition though that just as much attention needs to be given to managing the employer brand. 90% of organisations report that they are more conscious of their reputation as a potential employer nowadays
- by escalating talent management up the corporate agenda. Recruiting and retaining the best is no longer the preserve of HR alone. It can’t be. If the employer brand is to be managed effectively, all touch-points need to be co-ordinated. If talent is to be truly at the centre of organisational success it needs to be the concern of all. And for half of employers it is; 55% describe talent management as a significant focus for the entire management team
- by becoming more proactive and innovative in their recruitment activities. The advent of social networks such as LinkedIn have already had a marked impact on the recruitment landscape. Employers can now proactively approach the best qualified prospects and many, especially larger corporates, are embracing this trend. 54% report that social media currently has some role in their recruitment activity. Looking ahead, 60% expect social media to play a more important role in future recruitment activity. Make sure you don’t get left behind
- by recognising the need for a more flexible approach to employment. 85% of managers believe that employees now expect greater flexibility from their employer

The latter of these trends is so transformational that it deserves a fuller exploration in its own right. Welcome to the flexible workplace...
The UK employment landscape

Our economy is an eco-system:
A significant proportion of the UK population is economically inactive or unemployed. But employers say they’re having to work harder than ever to attract the best. Why? Quite simply, those they want to employ already have jobs, and in the current economic climate are reluctant to move. To attract and retain talent when employment fluidity returns, employers need to focus on two core motivational levers: ‘fulfilment’ and ‘tribalism’.

And so the cycle continues...

UK population

Economically active population

51% are economically active

ECONOMICALLY ACTIVE

TOTAL

31,745,000

62,262,000

Employment

2011

BY REGION

UNEMPLOYMENT

2011

BY SECTOR

BY REGION

LOWEST

HIGHEST

AUG – OCT 2011

8.3%

AUG – OCT 2001

5.1%

65.1%

74.2%

Unemployment

AUG – OCT 2011

AUG – OCT 2011

5.1%

AUG – OCT 2001

AUG – OCT 2001

31,745,000

62,262,000

VOLUNTARY JOB MOVEMENTS

Employee Churn

Private Sector

2011 1.8%

2002 3.1%

Public Sector

2011 1%

2002 1.5%

Voluntary job movements

Full-time wage

Average weekly full-time wage

£546

2011

£404

2001

HOURS WORKED

JUL – SEP 2011

31.5

JUL – SEP 2001

32.7

Employee motivation

FULFILMENT

• Stimulating and enjoyable role

CONDITIONS

• Base salary

TRIBALISM

• Feel valued, pride and support vision

SOURCE: ONS 2011 & CIRCLE RESEARCH 2011
Parents and carers have a legal right to request flexible working and unless there are good business reasons not to, they should be given the means to work flexibly. But the expectation to work flexibly extends beyond those with dependents. Three quarters of employees say that they expect much more flexibility from their employer nowadays. Employers are not blind to this – the clear majority (85%) acknowledge this desire in their workforce.

Central to creating a flexible workplace is the adoption of remote working technologies, which provide employees with the same IT and communications tools they would have in the office regardless of their location. Unsurprisingly then, almost nine in ten employers are experiencing demand from employees for technologies like these. One third describe this demand as ‘significant’. Alongside employee pull, employers themselves see two very good reasons to push the deployment of flexible working.

It is seen as a valuable weapon in the war for talent. When asked to rank the perceived benefits of flexible working, improved employee satisfaction and retention top the list. Almost three quarters name this as one of the five most compelling benefits; one fifth cite it as the single most attractive benefit. Allied to this, one half feel that offering flexible working options makes them a more attractive potential employer.

Employers also recognise the impact of flexible working on organisational performance and the bottom line. Such practices are felt to create a more productive organisation (57% cite it as a top five benefit), a more flexible workforce (50%) and reduce costs by decreasing the requirements for office space (54%). The second of these benefits – a more flexible workforce – is especially valued by larger SMEs (59% of those employing 100 – 499 name this as a top five benefit versus 49% in corporates employing 500+). For corporates, saving costs is key (56% versus 44% in large SMEs).

The conditions are ripe then for the widespread deployment of flexible working. And a very sizeable vanguard has already forged the way. Three fifths of organisations now equip the majority of employees with remote working solutions. Again there are notable differences between larger SMEs and corporates in this respect with just under one half of the former having deployed flexible working compared with almost two thirds in the latter.
However, many have still to embark on the journey – a significant minority (41%) enables only a small elite or none of their employees. Given the trend though, it’s likely that many of these organisations will look at deploying flexible working soon. When they do they can learn lessons from their predecessors. It seems the barriers are primarily human rather than technical.

Those who have already deployed flexible working faced three major challenges: overcoming fears that productivity would actually decline (56% name as a barrier to implementation), addressing concerns that teamwork would suffer (50%), and a reluctance to blur the home work boundary (40%).

In reality these fears typically turn out to be unfounded. The vast majority (70%) of employers with remote working solutions deployed have found them beneficial; one fifth go so far as to describe the impact as “highly beneficial”.

Speak directly with employees who are able to work remotely and they further dispel any pre-deployment angst. In their view it boosts productivity. Although one in ten (13%) report that they get less work done when working remotely, one half feel they are more productive. And more than that, it boosts morale. Three quarters say it boosted their job satisfaction and a similar proportion (72%) report that it has actually improved their work-life balance.

Of course it’s natural that having experienced the benefits, employees see the value. But organisations planning a deployment strategy need to bring their vision to life for the workforce. In doing so, particular efforts should be taken to bring two employee groups who seem less receptive to flexible working on the journey.

One third of employees aged over 55 who are not currently enabled with flexible working options, feel it would negatively impact their job satisfaction. Just 4% of the 18 – 34 age group report the same. It seems that flexible working is an inherently more attractive proposition to ‘digital natives’.

Part-time workers should also be a focus. One quarter of this group fear that flexible working would negatively impact their job satisfaction compared to only one in ten (14%) of their full-time colleagues. This is perhaps because part-time workers tend to value the personal relationships that work brings more highly and see flexible working as detrimental to this.

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**THE FLEXIBLE WORKPLACE**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
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<tbody>
<tr>
<td>72%</td>
<td>Of employees felt it improved their work-life balance</td>
</tr>
<tr>
<td>54%</td>
<td>Of employees felt they are more productive</td>
</tr>
<tr>
<td>75%</td>
<td>Of employees felt it has boosted job satisfaction</td>
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“In the future all sustainable companies will need to embrace this concept of remote, flexible, virtual working, but I don’t ever believe it will be complete. Organisations will still need to manage face-to-face relationships, they will still need people sitting at desks. Managers will need to be able to manage that as well as the flexible workforce.”

DR PATRICIA HIND, BUSINESS PSYCHOLOGIST AND MEMBER OF FACULTY AT ASHRIDGE BUSINESS SCHOOL
So when formulating a deployment plan, start by understanding the needs and perceptions of different groups within the workforce. Develop an approach that recognises these differences: for example through tailored training styles and content. Couple these activities with an internal marketing campaign which emphasises benefits, dispels any fears and outlines the support measures in place. Most important of all, ensure that the initiative is explicitly supported by senior management so they help foster widespread buy-in and lead by example.

Of course flexible working practices are important but are only part of the puzzle. To motivate employees in the modern world we need to know what makes them tick. What really drives them? What are their expectations for their development, their reward package and the way that they are managed? Ultimately, what makes them happy?

You might find the answers surprising...

“Companies worried about losing productivity and control if they create a flexible and remote workforce, are probably going to find that they are the losers in the future, because it is the way that the world of business is going. It’s critical that organisations respond and move proactively towards technological change.”

DR PATRICIA HIND, BUSINESS PSYCHOLOGIST AND MEMBER OF FACULTY AT ASHRIDGE BUSINESS SCHOOL

“With the current economic conditions there is a focus on controlling costs and improving efficiency, but this report provides a timely reminder of the benefits of investing in a more flexible, mobile and motivated workforce.”

PETRA WILTON, DIRECTOR OF POLICY AND RESEARCH, CHARTERED MANAGEMENT INSTITUTE
The challenge
Like all local councils, West Berkshire has one overarching aim: to provide the best possible service to residents in the most cost-effective way. But any strategy to drive efficiency and enhance services must take into account regional characteristics. West Berkshire is a predominantly rural area, so it’s not unusual for staff to travel up to 50 miles from their office to meet residents and representatives from partner organisations. Many staff roles centre on face-to-face meetings, but email contact and access to back-office applications are essential too.

In the past, employees relied on desktop computers to check emails and access systems, requiring them to travel to and from the office in between meetings. Plus, they were only contactable by email intermittently.

This also meant that desks – each costing up to £15,000 a year to maintain – were not occupied up to 70% of the time while staff worked remotely. The council wanted to make better use of this space, while bringing staff closer to the community through increased use of mobile technologies. A working culture that promoted a healthy work-life balance and job fulfilment was also crucial.

The solution
The Timelord Programme, as it became known, began with a feasibility study. Vodafone Business Services shadowed employees to establish ‘day-in-the-life’ scenarios. This helped the consultants understand working practices and processes, and identify cultural, technical and training needs. They then conducted interviews with employees. Using this information, Vodafone created user profiles and worked with the council to build a robust business case.

Three working styles were defined:

- **fixed**: for staff in customer-facing offices and helpdesk roles
- **home flex**: for staff who could work from home for a percentage of their working week
- **free**: for staff operating primarily in the field

Vodafone consultants also recommended technology packages for each group and ran workshops to help managers develop new methods for monitoring and supporting remote teams.

“Our vision was to use time and space more effectively, maximise the use of technology, and gain threefold benefits: for staff, the organisation and the people of West Berkshire.”

NICK CARTER, CHIEF EXECUTIVE, WEST BERKSHIRE COUNCIL
The roll-out started with the consolidation of two offices into one new building. This housed full-sized desks for fixed employees, and smaller desks for Home Flex and Free workers, who visited the office when they needed to.

Managers allocated a workstyle for each of the roles in their teams. Encouragingly 100% of staff in Phase 1 adopted the work style allocated to their role. The technology roll-out then followed, with each employee receiving the equipment most suited to their role. To ensure maximum return, staff received ‘just-in-time’ training in the use of their new equipment and ongoing support during and after the move. Flexible staff now access email and applications from homes and offices via a secure wireless network.

The benefits

- Property costs have fallen: the council is set to achieve its target of up to a 40% reduction in floor space, with a corresponding fall in running costs
- Travel time is reduced: commuter miles are expected to drop by approximately 30% with staff gaining up to one hour a day to spend with clients
- Staff are more accessible: staff reply to community messages sooner, now that they can pick up emails in real time from anywhere
- Flexible working meets community needs: employees can better adapt their time to fit the needs of clients
- Productivity rises: gaps between meetings are not wasted because employees can carry out administration work wherever they are
- Job satisfaction increases: employees find work more fulfilling and less stressful because they spend less time driving, and more time making a difference to the community
- Work-life balance has improved for staff and recruitment is boosted

“The aim is to have 85% of the council’s staff working flexibly, and the council will have reduced its office space by approximately 40%.”

NICK CARTER, CHIEF EXECUTIVE, WEST BERKSHIRE COUNCIL

“We are on the road to achieving the triple win we hoped for: better services for clients, delivered at a lower cost, by staff with increased job satisfaction.”

NICK CARTER, CHIEF EXECUTIVE, WEST BERKSHIRE COUNCIL
Flexible working: a win-win scenario for both employer and employee. For employees, boosting job satisfaction and providing a better work-life balance are key benefits. For employers, cost reduction and productivity are improved.

**Employee perspective**

**They want it**
- 86% Employers experience demand from employees for flexible working.

**Many have it**
- 59% Organisations now equip the majority of employees with remote working solutions.

**They love it**
- 75% Employees say it boosts their job satisfaction.
- 72% Employees report that it improves their work-life balance.
- 54% Say it makes them more productive.

**Employer perspective**

**Common misconceptions**
- 56% Fear productivity would decline.
- 50% Concern teamwork would suffer.
- 40% Worry about blurring home/work boundary.

**Reaping the benefits**
- 54% Expect lower costs due to reduced office space.
- 57% Anticipate a more productive organisation.
- 70% Predict a boost in employee satisfaction.

**It's worth it**
- 70% Of employers with flexible working solutions deployed, find them beneficial.

**SOURCE:** CIRCLE RESEARCH 2011
“What the workmen want from their employers beyond anything else”, wrote the father of scientific management Frederick Winslow Taylor in 1903, “are high wages, and what employers want from their workmen most of all is a low labour cost of manufacture”.

An outdated view, surely? Perhaps not. A century later it seems that Taylor’s view still holds true. To some extent.

We asked senior managers in UK organisations to rank what they felt were the most important factors determining employee satisfaction. 30% name salary as the single most important driver of employee satisfaction and 45% place it in the top three.

So it seems that, just as in Taylor’s day, management perceive high wages as having a direct impact on levels of employee satisfaction. Unlike Taylor though, the modern manager has tempered their view somewhat. They recognise that financial reward, whilst centre stage, isn’t the entire picture. Our research shows that managers also believe two further ‘soft’ elements have an important bearing on employee satisfaction. These are whether employees feel valued and to what extent they enjoy a good work-life balance.

But maybe Taylor was right. Perhaps the secret to a productive, motivated workforce is simply paying them more than competitors? Management clearly believe it’s key and it seems much of their workforce agrees. Ask employees what they feel most strongly impacts their job satisfaction and one fifth will name remuneration or their work-life balance as the single most important determinant.

As it might be expected, the relative importance of these factors differs between individuals. As employees get older, for example, salary becomes less important. Ask employees aged 18-34 what motivates them and 23% will name salary first. But when employees aged 35-44 are asked the same question, most rate work-life balance as the most important. Similarly, work-life balance is by far the most important driver for part-time employees with 20% placing it top of their list compared to just 10% doing so for salary.

So on this basis, motivating employees seems to be simple. Pay people well, don’t work them too hard and tweak the balance of these levers according to their personal circumstances. In reality the truth is more complex. Strange as it may sound, people don’t always know what really motivates them. Ask them and they’ll usually offer an answer in good faith; an answer which isolates an important driver but usually oversimplifies the situation, reflects what they believe should motivate them or rationalises the more emotional considerations at play. Probe deeper and something very interesting begins to emerge.
We asked employees to rate their current employment against a number of satisfaction measures. Next, we asked them to rate their overall satisfaction at work. By isolating those who are exceptionally satisfied overall and looking for correlations between this and high ratings on specific attributes of their workplace, we can derive what really creates a motivated, happy workforce.

The results of this exercise are revealing. Base salary and work-life balance actually have only a moderate correlation with job satisfaction. They, along with a handful of other factors related to working conditions, do matter, but in some ways they are just the basics. Two other features of employment have a far more pronounced impact on employee satisfaction and determine whether an employer stands apart from the crowd.

The first concerns the level of fulfilment the role offers – the degree to which it is enjoyable and stimulating. Outstanding employers provide an environment and roles which invigorate the workforce.

The second concerns the degree to which the employee feels valued by and a sense of pride in their employer. Allied to this are two further factors of slightly lower importance – the quality of leadership received and the extent to which the employer’s vision is supported. It seems that successful employers create a tribe; a group of individuals with a shared vision they passionately support, a belief that they’re part of something special and a feeling that they personally matter.

So this is the modern employee. Rather than an automaton driven solely by financial reward, they’re seeking something much deeper. They are motivated not just by their working conditions, but by a desire for fulfilment and sense of belonging.

How do UK employers match up?

The research reveals a polarised picture. 18% of organisations fall into the ‘excellent’ group with their employees describing them as “one of the best places to work”. At the other extreme, 8% of employers are labelled as ‘poor’ by their workforce. The majority sit inbetween two uninspiring categories. 53% are labelled as “good but could be better” and 20% as ‘acceptable’.

Remarkably, when employers are asked to rate themselves based on what they expect their employees would say, the response is almost identical.

“It’s critical to create an environment for employees that is fulfilling and provides a real sense of belonging.”

PETRA WILTON, DIRECTOR OF POLICY AND RESEARCH, CHARTERED MANAGEMENT INSTITUTE

“It’s not just about the money. That is important, but people need to be valued, they need to be respected, they need to do work that they enjoy and they need to work for a company that they can respect.”

DR PATRICIA HIND, BUSINESS PSYCHOLOGIST AND MEMBER OF FACULTY AT ASHRIEGE BUSINESS SCHOOL
Look further and we see why. Employees were asked to rate their employer against various criteria. A rating of 10 meant they couldn’t be happier whereas a rating of 1 meant they were seriously disappointed. Plot influence against satisfaction and some important patterns emerge.

Employers, when considered as a whole, can only be said to perform well in three areas:

- building good working relationships between employees
- the work-life balance offered
- commutability

These are all important parts of the satisfaction mix. However, as we’ve seen they are far from being the most important.

When we look at the dimensions that really matter to employees, there is considerable room for improvement.

Employees typically give their employer a rating of 6.63 and 6.57 out of 10 for job role enjoyment and stimulation, respectively.

Satisfaction with the two core ‘tribalism’ dimensions – feeling proud and valued – is more disappointing. The average score given for ‘pride’ is 5.93 out of 10 whilst feeling ‘valued’ scores just 5.59.

So, in most cases it seems that employees are still desperately seeking their ideal employer. Maybe that’s you? Pose three questions at your next management meeting and the answer should become clear.

- how would employees rate you on the critical ‘fulfilment’ and ‘tribalism’ dimensions?
- would you make it into the elite described as “one of the best” by employees?
- if not, are you happy with adequate or do you want excellence?

“The psychological contract is critical. This is the implicit contract between a manager and a direct report about how they’re going to work together. It’s not written down, but is very, very important when it comes to retaining and recruiting talent.”

DR PATRICIA HIND, BUSINESS PSYCHOLOGIST AND MEMBER OF FACULTY AT ASHRIDGE BUSINESS SCHOOL
Let us leave you with one closing thought.

There's a central theme that runs throughout this exploration of the modern employee. Change.

We've seen some dramatic economic, social and technological shifts in recent years. Shifts which require organisations, regardless of their size or activity, to adapt to a new environment.

Key to this is the need to embrace a fresh approach to talent management and consider new, innovative working practices.

Successful organisations recognise that people are their most important resource. They also realise that this talent needs to be carefully nurtured. Gone is the mindset that all an employer needs to do is pay people well and not work them too hard. These things matter, of course, but in many respects they're mandatory. Perform poorly and staff turnover will rise, but performing well isn’t necessarily a differentiator in an increasingly competitive talent market. For an employer to nurture a loyal, motivated and productive workforce, they need to offer fulfilment. Job roles need to be enjoyable and stimulating. They also need to create a sense of belonging. Employees want to feel valued and well led; they want to have a sense of pride in their employer and support the vision.

The winners in this new age are also adapting to changing working patterns and employees’ demands for flexibility. Winning organisations give employees freedom in the way they work, the power to decide where they work and when they work. The motivations behind this aren't solely linked to fostering greater employee satisfaction. Smartly deployed flexible working practices create a more productive, responsive and agile organisation.

So maybe pause for a moment and reflect. What are the implications of these changes for your organisation? Can you envisage a better way of working?