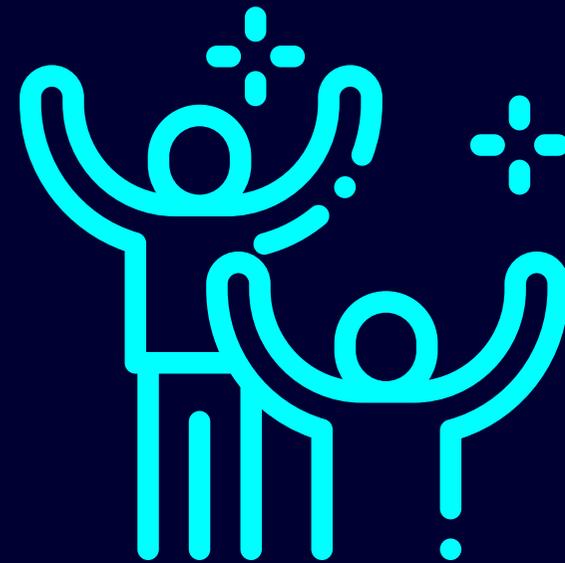


A bit more fire in their belly

be the
business

Employee motivation tips
for higher productivity
and a happier workplace

A practical guide for SMEs



What's in this guide?

Part 1

Why is employee motivation so crucial for SMEs?

Part 2

Meet the team in this guide

Part 3

What gets your staff out of bed in the morning?

Part 4

How six SMEs tackle a motivation problem

Part 5

What can we learn from big business?

Part 6

So what next?

Who is this guide *for*?

If you're a big business with a big budget and a big HR department, this guide is not for you.

This guide is for business owners who care about their employees but don't have deep pockets or layers of management to throw at things. We created it for anyone interested in simple, practical and cost-effective ways to get the best out of their workforce – whether you've got a dozen people on the payroll, or a few hundred.

Who is this guide *from*?

Be the Business is a small, not-for-profit organisation dedicated to boosting productivity among UK businesses.

We're doing it by helping leaders in small and medium-sized firms do what you do best: improve, innovate and inspire.

We aren't selling you anything.

Our content doesn't carry ads or sponsors and most of our programmes are completely free.

There's no catch.

Enjoy the guide.

Employee motivation: the gas in your tank



Motivation is a business skill, not just a people skill.

Imagine your business as a car. Your strategy is your steering wheel: setting your direction, pursuing your vision.

Your skills, knowledge and training are your engine: converting energy into motion. The fuel? That's motivation. Motivation is the gas in your tank. Literally the energy we release when our core motivators are triggered. Often it's emotional, invisible or sub-conscious, but nevertheless it's one of the most valuable assets you have.

Why is employee motivation more important for smaller businesses?

Because you can't afford to carry passengers. One poorly motivated person in your business has a disproportionate effect on the morale, performance and productivity of the whole business. It's important that leaders in firms with fewer staff know what motivates them and how to provide it. For you, motivation is a business skill, not just a people skill.

Why is employee motivation harder for smaller businesses?

SME leaders have a results-driven mentality and a customer-first focus. It means you get stuff done. You're also busy, stressed, over-stretched and probably quite tired. You take the most direct possible route to an end result, often bypassing processes that bigger business might indulge themselves in. But getting the best out of your staff, and linking it to productivity, needs a little time and a little preparation.

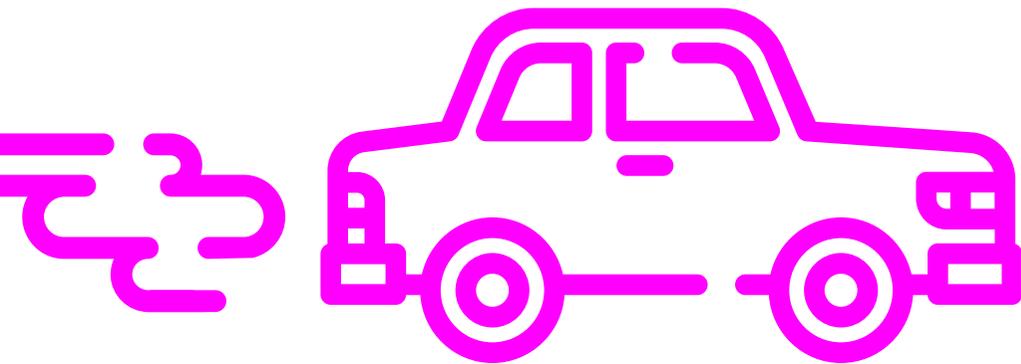
What makes employee motivation a bit easier for smaller businesses?

Social scientists say humans can only maintain relationships with around 150 people at a time. Beyond that we start to lose track. That means most small business leaders stand a chance of "knowing" their staff personally, giving you a unique lever for developing rapport and trust. The smaller the business, the greater the family feel and the more responsive or supportive you can be when motivation problems arise.

How does this guide help?

By talking to small and mid-sized businesses who've tackled employee motivation problems, we've found a range of ideas you can try – and some you might want to avoid. We've also asked two professionals to help us look at why different methods work or fail – and how they translate across sectors, sizes and geographies. Things you can make work for your teams without a huge investment of time or money.

That's not to say we've made a difficult thing easy. We're just helping you start.



Meet the team

In this guide, we're exploring the subject of employee motivation through six mini case studies.

We'll go through them alongside two professionals who will pull out key themes, tips and principles as well as practical steps you can use to translate these learnings and tackle motivation challenges in your own business. We'll also look at what we can learn from big business when it comes to employee motivation.



**The tutor:
Evan Davidge**

Evan is an independent reward consultant. He was previously head of reward for a global engineering firm where he developed an award-winning wellbeing programme. He has since adapted that model for several small and mid-sized businesses where he delivers positive health outcomes and real-world savings. Evan is a Chartered Member of the CIPD where he is a specialist reward adviser and tutor.



**The researcher:
James Sale**

James has helped hundreds of small and medium-sized business leaders boost performance and increase profits. He's had four books published on the subject, looking at how employee motivation correlates with productivity and performance. He developed the nine motivators model we've included in this guide (on the next page); it's used to understand and respond to employees' inner drivers.



**The practitioner:
Jane Davies**

Jane is head of business partnering & recruitment at Anglian Water, who just knocked Google off the top spot in Glassdoor's 50 Best Places to Work. Her experience retaining and rewarding a 5,000-strong diverse workforce helps us understand the universal aspects of motivation, regardless of business size or sector. We look to Anglian Water for points of inspiration and ideas that work at scale.

What gets your staff out of bed?

You might already have a pretty good idea of people's motivators – but if not, this might spark some ideas for you.

We've taken the framework on the right as a simple and interesting way to get started. Even if you don't use this exact one, it's a useful way to see that there's no single motivator at play in a diverse workforce. You'll find several.

The other thing to note is that people are rarely motivated by just one thing – there's always a mix of drivers at play. The trick is to identify the main ones and then to test a range of rewards, benefits and programmes that resonate.

This is taken from James Sale's work on employee motivation.

Relationship Motivators



The Defender

Seeks security, predictability, stability



The Friend

Seeks belonging, friendship, fulfilling relationships



The Star

Seeks recognition, respect, social esteem

Achievement Motivators



The Director

Seeks power, influence, control of people or resources



The Builder

Seeks money, material satisfaction, above average living



The Expert

Seeks knowledge, mastery, specialisation

Growth Motivators



The Creator

Seeks innovation, identification with new, expressing creative potential



The Spirit

Seeks freedom, independence, making own decisions



The Searcher

Seeks meaning, making a difference, providing worthwhile things

Relationship Motivators



The Defender

People who feel motivated by **The Defender**, need security and reassurance to function at their best. They need to believe that what they are doing is contributing to a solid and predictable future. Safety and risk-aversion are prime considerations, and being given accurate information frequently is highly motivating. Here are some simple ways to nurture them:

- Allow an hour a week for people to tidy their space. This creates a sense of order and security.
- Use reviews to plan a future together. Where will you both be in one, five and ten years' time?
- Reward loyalty, dedication and faithful service.



The Friend

Employees in **The Friend** zone need you to create a sense of belonging. They want social relationships at work and to be part of a community. Work is not competitive but collaborative. Loyalty and continuity are key values. They may not like a task but will stick it out if they like the people. A good social life is motivating for them:

- Organise social events. Make sure the activities feel natural not forced.
- Support colleagues having a hard time – be sensitive to confidentiality issues and personal information.
- Encourage listening skills. Listening shows care and respect – and builds trust.



The Star

If you have anyone driven by **The Star** motivator they're looking for recognition, respect and social esteem. They'll respond well to visible perks that link to their position, clear hierarchical structures, job titles and the opportunity to shine. Motivate them with awards and status.

- Provide clear career progression and regularly reviewing their targets and goals.
- Give positive feedback when they achieve ambitious targets.
- Reward them in a visible way - involve them in high-profile projects.

Achievement Motivators



The Director

With a strong preference for power, influence and control, people with **The Director** as a key driver love management or leadership roles. This gives them a clear and visible responsibility for people and resources, and promotion.

- Give them a job title that reflects power – they will find this motivating.
- Find ways for them to deputise so they can stretch themselves.
- Training, mentoring or coaching can give them a boost too.



The Builder

The financially-driven motivator is **The Builder**. This drives people to seek money, material perks and an above-average standard of living. They like performance and reward to be strongly linked, are drawn to professions with above average pay and clear routes to promotion.

- Create a visible career path with regular progress reviews and increasing levels of responsibility.
- Set clear goals and link them to rewards, especially financial ones.
- Engage their competitive spirit with games or competitions.



The Expert

Staff members motivated largely by **The Expert** value knowledge, mastery and specialisation. They enjoy roles requiring specialist skill. Their motivational hot button is likely to be training and development, especially when it's linked to promotion.

- Invest in CPD or flexible e-learning packages they can do 24/7.
- Arrange mentoring from a more knowledgeable or skilled colleague.
- Allocate training days and encourage qualifications linked to appraisals.



The Creator

People motivated by **The Creator** seek innovation, creativity and change. They like problem solving in leading-edge, innovative firms or challenging environments. Involve them in coming up with ideas, giving them problems to solve and projects that need originality.

- Avoid putting them in routine roles for too long.
- Recognise their creativity by rewarding them for innovation.
- Shake up the office every now and then; dedicate a space for brainstorming.



The Spirit

People who are strongly motivated by **The Spirit** seek freedom and autonomy. They like roles where they control their own time, make their own decisions and use their discretion. You can motivate them by delegating responsibility and allowing them to work independently.

- Avoid micro-management but create clear boundaries that give them the freedom they need.
- Allocate an afternoon a week to allow people to work on their own projects which may benefit the organisation.
- Institute “dress down” days for people to wear casual clothes.



The Searcher

Employees who have **The Searcher** as their main driver seek meaning. They want to make a difference and prefer purposeful organisations. They are motivated by caring-orientated roles and projects, often with customer-facing time. Their top motivations are praise and regular feedback.

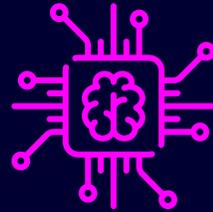
- Link their goals to the wider team or organisational goals.
- Give feedback on how they are making a difference.
- Give them significant work and variety – and help them see the bigger picture.

Part 4:

Six employee motivation success stories

We take our hats off to you

We know how tough it can be running a business. No one on the outside can know what it's really like. The last thing you need is criticism. Our contributors offer their advice and comments on these case studies in the knowledge that they show only a small part of a bigger picture. We have every respect and admiration for the businesses involved and thank them for sharing their story with us as a talking point.



Technology



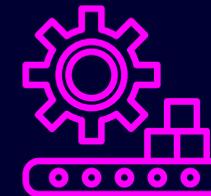
Business services



Online retail



Hospitality



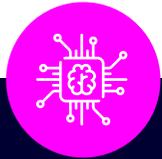
Manufacturing



Transport



Motivation beyond money



Sector

Technology

Develop software which runs AI-powered analysis over financial data to help businesses understand their cash flow and forecasting.

People

83

Location

Brighton

Challenge

Found it hard to retain employees as a young business in the technology market. With big competitors with larger budgets for salary and training, how do you attract and keep in-demand skillsets in this sector?

Steps taken:

- 1 Started regular anonymous “pulse” survey to gauge what employees felt were missing.
- 2 Implement a structured professional development programme, for regular and consistent training.
- 3 Made mentorship/mentoring opportunities available to staff, both internal and external.
- 4 Held dedicated management training sessions.
- 5 Set up a schedule of regular one-to-ones so managers know how people want to develop and can support them with it.

Results:



Doubled headcount



Achieved 46 per cent revenue growth



Visible development tracks within the organisation, both in terms of responsibility but also sideways into other areas of the business

James says...

What a great story. This business understands that learning and development are powerful motivators, particularly in the tech sector. This is The Expert motivator at play (from the nine motivator model).

It's important to foster a general learning culture as well as one for job-related skills. Expand professional development to personal development and that can be a strong motivator.

Bear in mind that people who are motivated by money are often also motivated by competition. They like to be the best at what they do. A lot of great sales people are like this; internal fame and kudos for winning is a reward in itself.

A 46 per cent revenue uptick is fantastic. I hope their profitability has also gone up; the key is to balance the cost of training and development. They do say revenue is vanity, profit is sanity, and cash flow is king!

I'm interested to know if the leaders in this firm are also developing themselves as leaders or managers. That would set a great example.

Evan says...

They've backed up a staff development programme with mentoring, management training and one-to-ones. This'll help them find hidden demotivators and on-the-job frustrations.

There are non-financial ways to give staff a higher standard of living. If you have one use a great location like Brighton to tie in some lifestyle benefits for people in the target demographic.

Flexible working is often seen as only attractive to employees with young families but it's universal. If you can make it work for your business opening hours and delivery promises, think about benefits like no fixed start/finish times, and sabbaticals.

Pulse surveys are great for testing the mood in a fast-moving workplace. I might add in the odd staff focus group too, for depth.

This business is probably pretty good at using internal comms and social media platforms for motivation. It's easy to see those tools as time-wasters but they can be important for morale.



Keeping focus at a fast pace



Sector

Business services

Create digital experiences, tools and products using human-centred design and development principles.

People

51

Location

Birmingham

Challenge

Struggled to get staff to keep up with fast-paced projects, stay focused and to see them through. Instead employees immersed themselves in projects that tapped into either their passions or their comfort zone.

Steps taken:

- 1 The company founder spoke informally to staff to better understand motivations.
- 2 Established an ongoing process for incentives: budget and performance considerations, brainstorming ideas and communicating them with staff.
- 3 Started holding Friday drinks and movie nights to create an informal environment to share their ideas and needs.
- 4 Developed “learning breakfasts” as a peer-to-peer platform for staff to present ideas, share something they’ve learned or celebrate achievements and failures.
- 5 Launched a range of reward schemes including weekends away, training sessions and yoga.

Results:



Staff are more goal-oriented



Project completion rate is up

42

Net Promoter Score (NPS) went from 19 to 42, in two years

James says...

The first thing I notice is that it's the company founder who is driving the motivation efforts. This can be a good motivator in itself as it shows staff you really care.

Be transparent in your communications so new programmes are seen as beneficial for employees and the company. Don't be afraid to say you're trying to improve on a certain KPI (Key Performance Indicator).

This company has rightly recognised that personal motivators are constantly shifting. Rather than looking for one common staff incentive, they're offering a range. They also keep asking and keep reviewing it.

Those learning breakfasts are a great idea. Peer-to-peer motivation is important, especially in a creative industry like this one. It's an outlet for talents that might not be directly related to your job and for some people, to be seen as an expert in their workplace, is a strong motivator.

Evan says...

This sounds like a fun, informal environment where management are receptive to feedback. There's a nice range of informal and optional platforms that touch on social motivations or learning motivations.

I'd be interested to see if they're framing this in a wider HR strategy. Even if it's light touch, people can see your goals and growth targets, know what attributes feed into that. Then you're sure that your incentives are meeting your business goals.

Next they could start recruiting for attitude then training for skills. This might give the workforce the right balance of delivery focus and creativity you need in a project-driven environment.

I love the peer-to-peer showcase idea. A culture of appreciation is good for staff and it reinforces behaviours that lead to success. A virtual circle. This is a great effort, particularly as these business owners must be putting in some long working days to service clients.

“

Incentivising the right KPIs



Sector

Online retail

Sell protective safety clothing and equipment, focusing on quality, customer service and customer experience.

People

12

Location

Thornaby-on-Tees

Challenge

After several early periods of low/zero profitability, staff started to worry about costs. This led to a well-meant workforce obsession with efficiency and a drop in customer service metrics.

Steps taken:

- 1 The CEO renewed the customer-first focus, giving staff confidence that profitability would come if they maintained faith in long-term vision.
- 2 In staff meetings she celebrated examples of staff going out of their way to meet customers' needs, showing how it could pay off in order value over the next year.
- 3 She empowered them to make decisions more quickly, regardless of perceived cost – and not to be afraid of making mistakes.
- 4 To reinforce the message that high customer satisfaction was inextricably linked to growth and sales, she introduced a profit-share scheme.

Results:



Staff retention rate has improved



Sales increased 28 per cent in one year



James says...

This business leader has a good clear focus on her customer-first strategy. She may have dropped the ball a bit on communicating it to staff – probably due to the sheer pressure of work – but she knew how to reinvigorate them because she was so clear on the vision and values herself. Perfect.

She might want to think about ways of making that mission ever-present and fresh in the minds of staff, so the onus isn't only on her to reinforce it all the time. Making it explicit come bonus time is also crucial.

In online businesses staff aren't face-to-face with customers, so they can miss that sense that they're "making a difference". That makes it easy to slip into a numbers game. To avoid this, make good use of customer feedback and verbatims so staff can see they're really helping people.

Going through tough times in a business is double-hard for leaders because you can't share your worries with everyone else. You have to exude confidence because insecurity is a major demotivator and will damage performance, not galvanise it. This business has done well.

Evan says...

This is clearly a small, lean operation with a tight team. Internal visibility is probably high, and that allows behaviours to spread. So when there's profit-only focus it sweeps through. Be sure to keep reminding people that *how* they make a sale is just as important as the sale itself.

In retail and other transaction-led businesses, intrinsic motivation (when people find their roles rewarding) might not be that high. So it's good that this business owner has made it as easy as possible for people to do their jobs well – removing possible frustrations and empowering them to make decisions fast.

She's also offered a good source of extrinsic motivation – a profit share scheme. You need to be careful in a lean enterprise to get the remuneration mix right between good rates of pay and profit-share. You don't want people to be over-reliant on bonuses to get by as it can lead to inappropriate behaviours.

If you think financial stress is a problem for some staff, practical advice and support could be part of your motivation efforts.

Making the workplace fun



Sector

Hospitality

Expanding chain of café-bars and restaurants serving coffee, food and cocktails to lively music.

People

245

Location

London

Challenge

In a hugely competitive market dominated by established high street names, they needed to recruit rapidly, building a place where people loved to work, not just another franchise. But how – with only a small management team and little resource?

Steps taken:

- 1 The management team invested a huge amount of time and energy into making jobs fun – from pay and uniform to management structure and working environment.
- 2 Custom-built their approach to hiring and onboarding. They focused on hiring through their Instagram account.
- 3 Focused on interior design and layout of their venues to make jobs as simple as possible, avoid minor process frustrations that can make life hard for busy baristas.
- 4 Installed the same coffee and cocktail-making equipment in every location, making it easier for staff to move between sites.

Results:



Now have 11 locations and plans for more franchises in airports



Developed an expanding retail arm selling coffee and accessories



Out of ten general managers, nine joined the company as a junior and worked their way up

James says...

It's good that this company are trying to build motivation "into their bones" rather than just gimmicks. Energy is another word for motivation and the hospitality trade understands this better than anyone. You need your staff to feel it and project it for you.

With a young workforce it's good to create a fun and playful environment, but remember that the initial positive effect will pass; people get used to ping-pong and pool tables very quickly as it becomes a hygiene factor. Hygiene factors can prevent employee dissatisfaction but cannot serve as a source of satisfaction or motivation.

When it comes to recreation ideas, take care not to alienate older demographics you might want to bring into your workforce in future.

They're using Instagram to recruit and that filters your applicants down to people who have an affinity with your brand. They can now profile their best motivated staff and recruit in an even more targeted way, based on that profile.

Evan says...

I'm really hopeful for motivation in this business! They're recruiting for fit and training for skills and they've thought about what value they're offering people.

They should keep using social media to onboard and connect their employees to each other as a community.

They've looked at job simplification in terms of motivation which is refreshing. Processes are often only looked at through an efficiency lens but here they're doing it to take away daily frustrations that can get workers down.

They're giving people variety by making it possible to work at different branches. Internal mobility is great for motivation if you can offer it.

Geographical expansion will make it harder to maintain a fun "family" feel. A strong layer of branch managers is going to be crucial for motivation.

In sectors like hospitality and retail, where staff are often earning the minimum wage, making work a happy and fun place is really important.



Fighting stagnation over multiple sites



Sector

Manufacturing

Design, manufacture and install conveyor systems for large manufacturing, logistics, food, drinks firms.

People

90

Location

Midlands

Challenge

Many employees had been with the company for more than a decade and the management team detected signs of stagnation. With staff split across several warehouses and offices it was difficult to monitor morale or motivation. How to reinvigorate a skilled workforce?

Steps taken:

- 1 The CEO decided to bring forward their venture into a new product area: automated solutions. Not only would this new division meet the rising demand for automation he'd spotted in the marketplace, he hoped it would also galvanise and stimulate his workforce, the opportunity to upskill in a new area.
- 2 They provided additional training to team members on electrical engineering, robotics, vision systems and new tooling processes.
- 3 To support the new division, they brought in fresh industry talent to inspire existing members of staff, help them think differently and open up new avenues of thought.

Results:



Significant growth – despite a highly competitive marketplace



23 new members of staff in the last year

James says...

Again this strategy is CEO-led, which is often good. This leader has made a big, brave strategic decision. I hope he had some support through that as he's the one who has to hand-hold his team through it. If he's encountered some cynicism that's going to make his job even tougher.

It sounds like these are highly skilled staff in a specialist part of the industry. I'm not sure they're at huge risk of leaving, they've just lost their mojo. The "fresh talent" he's brought in on the robotics side is a way to bring in energy. His heart is in the right place, but it could just as easily demotivate further, not inspire them.

I'd like to see this leader well-supported by his key managers – that might mean career coaching or leadership skills for them. This would allow them to have a say in their next step, assess their achievements and become aware of any problems or patterns they've fallen into.

This has been an opportunity to get long-standing staff to recommit to another productive ten or twenty years.

Evan says...

I feel that this CEO is in tune with his staff and cares a lot. It also feels like he has earned strong loyalty from them. Introducing a new product area and upskilling the workforce can be a good way to address the reasons behind the stagnation he noticed.

Pay and bonuses are not mentioned here – I wonder if salaries have been benchmarked so skills and competencies are being adequately rewarded?

For younger people, committing to a specialist sector, like conveyor belt manufacturing, can feel risky – like you might get stuck. Adding a new, exciting department like robotics could help with that.

Combining existing and new staff in a high-growth situation can be a difficult thing to manage. Growth looks fantastic so far.

For long-term recruitment this firm could look at apprenticeship schemes, to grow an organic talent pipeline as well as relying on external hires.

Improving team work



Sector

Transport

Haulage, distribution and logistics services. Stated USPs are advanced IT, motivated staff and high service levels.

People

41

Location

Dumfries

Challenge

Experienced haulage staff in the logistics sector are hard to find so they have to hire young staff and develop them from within. How do you get a new young workforce to acquire skills, care about the business and bond as a team?

Steps taken:

- 1 The company's MD set up an annual scheme that sees eight employees take part in an intensive two-week training programme. It includes team-based assault courses, marathons and go-kart racing.
- 2 The programme includes business insight sessions: how the business works, how they find customers, how prices are devised.
- 3 In mentoring-type sessions the senior staff share career learnings with younger staff, covering careers, good decisions, mistakes, etc.
- 4 Participation isn't automatic; employees have to go through an interview process as well as psychometric tests.

Results:

-  Higher levels of teamwork, analytical, creative and problem-solving skills
-  Turnover growth ten per cent each year
-  Many of the people who have been through the course have progressed to managerial positions
-  Retention is up – only two departures in five years

James says...

This sounds like an intensive annual effort which must take a lot of time to organise. I wonder how long the benefits last once everyone gets back to the office. I'd want all that effort to pay off for the CEO.

There are diversity and inclusion issues here; not all 48 people are going to enjoy this as a motivation driver. For some it may have the opposite effect.

Overall it feels a bit like a blunt hammer to fix something quite nuanced. They might have people motivated by The Spirit, The Creator or The Friend – this won't motivate them all.

Their results say this has encouraged people into management positions, but has it created any leaders or thinkers? It depends how the boss sees his succession strategy panning out, this might be exactly what he's working towards.

I'd like them to look outside the logistics sector to get fresh inspiration from fast-moving industries, like retail, on how they onboard new teams and get them up to speed quickly.

Evan says...

It can be really hard when your business feels like your family and your friends all rolled into one, but a bit of unconscious bias and discrimination is creeping into this choice of programme.

It's annual, top-driven, physically challenging and non-inclusive. I'd suggest this leader validates his thinking with an anonymous survey. It might be that he can easily put some other motivational options in front of people.

It's probably a male-dominated sector but that doesn't mean one-size-fits-all.

It might also be slightly over-engineered for such a small organisation, where employees have to go through an interview process and psychometric testing in order to be selected. This could be demotivating for some. Plus it must require a lot of effort on the part of management.

It generates money for charity but that might not be an important motivator for everyone.



Employee motivation at Anglian Water

Anglian Water recently came top in Glassdoor's Best Place to Work list. It's encouraging that a home-grown regional utility company has not only knocked Google off the top spot, but also ranked higher than mega-employers like SAP and Salesforce.

We interviewed Jane Davies, head of business partnerships & recruitment, to find out how they did it.



Our Glassdoor success is about commitment, care and communication

Anglian Water factfile



Sector

Utilities (water supply and recycling)



HQ

Huntingdon, Cambridgeshire



Customers

6 million



Employees

5,000

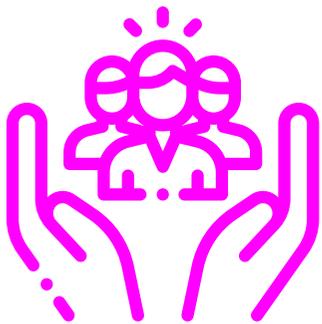
12%

Staff churn

12% (compared to UK average of 15% and contact centre average 26%)



It's more of an emotional investment. You just need to show you care about people.



Why do you think employees rate Anglian Water so highly?

If I had to choose the main reasons, I'd say it's sincerity and leadership. Our CEO (Peter Simpson, who incidentally, has topped the Glassdoor CEO chart for the last two years) truly cares about our people and it shows through everything he says and does. Like many of our senior managers, he started with the company as a graduate 20-odd years ago and has developed his whole career here.

What do you think leaders in smaller businesses can learn from this?

I think a lot of leaders in smaller businesses already have sincerity nailed. They're often very close to their staff. So I think the point for smaller businesses is an encouraging one: the most beneficial thing we've done for motivation isn't a formal programme or a financial investment. It's more of an emotional investment. You just need to show you care about people.

What other factors would you say are helping motivate your workforce?

An important element these days, is that, motivation comes from knowing you're making a difference, either in your company, in your community or in the world. In big organisations it can be quite hard for people to feel connected to something bigger. But as a water company we have a strong sustainability ethic, particularly in our very dry region of the UK. And because we are devoted to preserving a precious environmental resource our employees feel the work they're doing really matters.

What programmes have you put in place to increase motivation?

All our formal motivation and benefit programmes are designed to meet employee needs and serve a specific business benefit too. In particular we've really broadened out our approach to traditional "health and safety" to include a focus on mental health and safety – happiness and wellbeing.

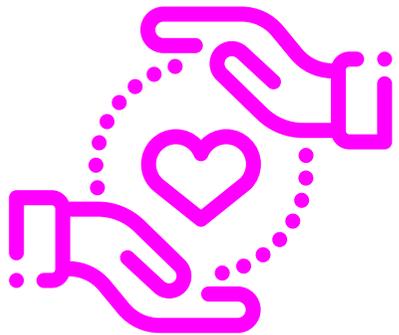
One of our commercial aims is to reduce stress-related absence so we carefully looked into the reasons behind stress-related sickness. We weren't expecting this, but we found that financial stress was a significant factor: people in debt and reliant on high-interest payday loans. Like mental health in general, this is a problem that's quite stigmatised and difficult to uncover.

How did you go about supporting employees under financial stress?

We piloted a subsidised workplace loan scheme which offered people fair rates and salary deduction repayments. The uptake has been astonishing. I think we've tapped into a genuine source of stress that you might not include in the usual range of employee benefits. We've tried to make all our benefits and programmes just as meaningful. Our private healthcare includes physiotherapy, and we provide a virtual GP service. We all know how difficult and disruptive it is to get an appointment with your doctor, so this makes it much easier for people to get the care they need. Again it's win-win.



All business owners will know that there are no magic bullets or quick fixes here.



Do you think financial or non-financial rewards are the biggest motivator?

You have to get salaries right. Our salaries are average for the utilities sector. They go up every year without fail and we offer a performance-related bonus. We also invest a lot in professional development. It's perhaps not easy for a smaller firm to emulate, but we encourage employees to take secondments in other parts of the organisation. It allows them to try something new and broaden their experience with the security of still having their job there when they come back.

This mobility gives people a sense of development and progress without them having to look elsewhere. Apart from retention and personal fulfilment, the benefit for the business is that people often return to their original roles with fresh energy and ideas. It could also come from something as simple as job-shadowing or job-swapping.

How do you measure employee motivation at Anglian Water?

You can calculate the cost of re-hiring and training quite easily so staff turnover would be easy to quantify. We don't actually have retention as a KPI because it's not a problem for us. We tend to focus on absence levels and aim to support people on the root causes of that. But with absenteeism-related KPIs you have to understand the whole story behind the numbers; people who are poorly but come to work anyway are not performing to the best of their ability so it's no good for anyone.

How would you describe the culture at Anglian Water – what are your values?

"Always exploring" is one of our values. We follow this through in all aspects from water conservation and technology to secondments and employee motivation. It's quite a humble value as it means we never presume we've got the answer, there's always another way, a better way. It means that we have to keep thinking up new ideas for motivating employees. After all, people are always changing, so the way we look after them should also change. Again this humility and curiosity comes from our CEO. He doesn't even like us talking about him being top of the CEO list – he always changes the subject and shines the light on the team instead!

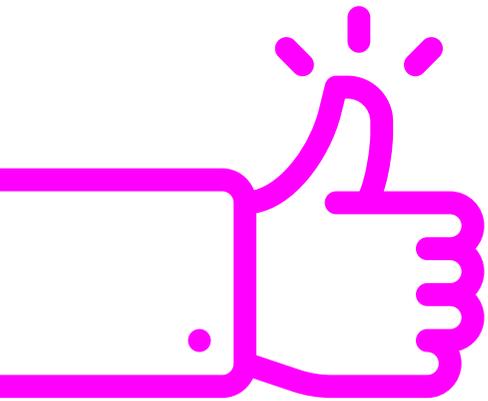
What would you say to SME businesses looking to put a bit of fire in the belly of their staff?

All business owners will know that there are no magic bullets or quick fixes here. It's tempting to do the easy things but those won't give you long-term results. They say that for every £1 you spend on wellness; you'll eventually see £8 in return. This isn't maths we actually do, but I'm pretty sure you'll see these kinds of results if you're in it for the long term. Ultimately though our Glassdoor success is about commitment, care and communication.

So what now?

Change doesn't need to be epic and sweeping, because that's disruptive. Aim for small touches and simple steps.

So in that spirit, here are four starting points for nudging motivation, performance and profit.



1 Ask yourself if you can make time for this

We've seen how the CEO of Anglian Water shows 5,000 staff he really cares. But as a SME leader, you're juggling your HR, marketing, finance and operations hats all at once. So your first step here might be delegation. Can you get enough support from someone in your team to free you up for a few hours? This would be enough to take a step forward (however small) on a new staff motivation push.

→ *Try to free up 2 hours in your diary this week to focus on employee motivation*

2 Ask yourself if you want to make time for this

You want to invest in motivation but it doesn't mean you're the one that has to do all the legwork. You might not even be a people person; not all great business leaders have to be. Or if business has been tough recently, you might feel like you're running short on care for now. If this is true for you, your first step might be to bring in a more people-oriented person to drive motivation efforts for you. A member of your team who would enjoy the responsibility.

→ *Talk to your team about who might be good at driving forward motivation efforts*

3 You don't have to do this alone

Most of the successful motivation schemes we've seen in this guide involve employees right from the beginning. By co-creating your motivation strategy you'll get more buy-in and you'll have less to do. Besides, businesses that implement schemes from on high struggle to make them work because employees don't engage or the scheme doesn't meet their needs.

→ *Create a mini-taskforce to gather input from employees and come up with a range of ideas*

4 Trust your instincts

We've seen that motivation is not an exact science so don't overthink it; start with a decent hunch. Choose one thing you think might work. Something to instil drive in a demotivated employee who's dragging down morale? Something to perk up a flagging sales team? Something that rewards performance against your most important KPI? It's not set in stone either; motivations change with age, events and life experience. So if something's not working, try something else.

→ *Choose one thing you think might boost motivation, try it out and review it in a couple of months*



If you don't get fire in the belly of your employees, just a spark will do for now.

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Be the Business is a small, not-for-profit organisation dedicated to boosting productivity among UK businesses.

We're doing it by helping leaders of small to mid-sized firms do what you do best: improve, innovate & inspire.

Businesses like yours don't have deep pockets or layers of management to throw at productivity. And quite frankly you're doing a superb job all on your own. Be the Business is just here to support you with relevant programmes and useful content that might help you nudge productivity in the right direction.

We believe that inside every business there's at least one Change Maker who's looking for tips and tools they can use. You might be the owner, you might be leading a marketing, HR or ops team – or you might be doing it all at the same time. Either way, you're pretty amazing at many things, but you could be facing challenges in areas like scaling up, efficiency, tech, staff retention, customer service, innovation or strategic planning.

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