



**How SMEs can
successfully manage
people, processes
and performance
post-pandemic**

Introduction

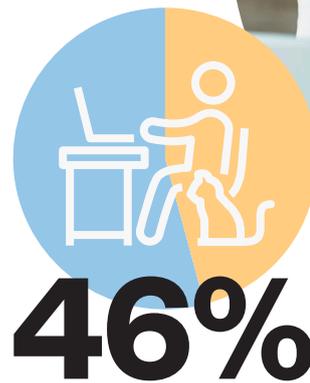
You have to be careful what you wish for. As we returned to work after the Christmas break, many of us must have wished that we could switch our daily commute for an extra hour in bed and a leisurely breakfast with our family, before settling down with our laptop at the kitchen table for a day of concentrated work. A few short weeks later, on 23 March to be exact, many of us found ourselves forced to work from home, not one or two days a week, but every day, as a result of the coronavirus pandemic lockdown. But one of the lessons we have learned over the past few months is that working from home all the time is not the nirvana we may have fantasised about as we braved the trains, tubes and traffic jams on our way to our workplaces back in January.

According to the Chartered Institute of Personnel and Development (CIPD), before Covid-19 one in three of us worked from home at least one day a week. In July this figure was 60%, with 46%, nearly half the working population, working from home five days a week. But while many people enjoyed 'stepping off the hamster wheel', spending more time with their families and watching their gardens grow, the healthier work-life balance that the lockdown promised proved short-lived.

It's not surprising. The most extensive and rapid shift in working patterns since 1939 compelled millions of UK workers to adjust, almost overnight, to a variety of unfamiliar communication platforms, to balancing work with home schooling and care of elderly relatives, and to greater isolation from family, friends and work colleagues – while at the same time trying to stay productive and focused as recession loomed.

Small businesses were disproportionately affected by the lockdown, lacking as they do the financial and human resources of their larger peers. Furloughed staff from SMEs were more worried than most that when recovery eventually came, they might not have a job to go back to.

Unsurprisingly, mental health, particularly among smaller-company employees, has taken a nosedive over the past few months. The Centre for Mental Health forecasts that around half a million more people will experience a mental health difficulty over the coming year as a result of the pandemic – and that's in addition to the one in six workers who, according to Mental Health First Aid (MHFA) England, are experiencing mental ill health at any one time.



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But declining mental health is not the only workforce trend that has been accelerated by the pandemic. And some of the developments have been more positive. For example, technology adoption has been turbocharged by the need to keep home workers connected and productive, and the ubiquity of home working has helped to dispel many employers' fears that 'working from home' means 'shirking from home'. According to the CIPD, 28% of employers report a rise in productivity as a result of the increase in home working; 37% say it has had no effect; and only 28% report a decrease.

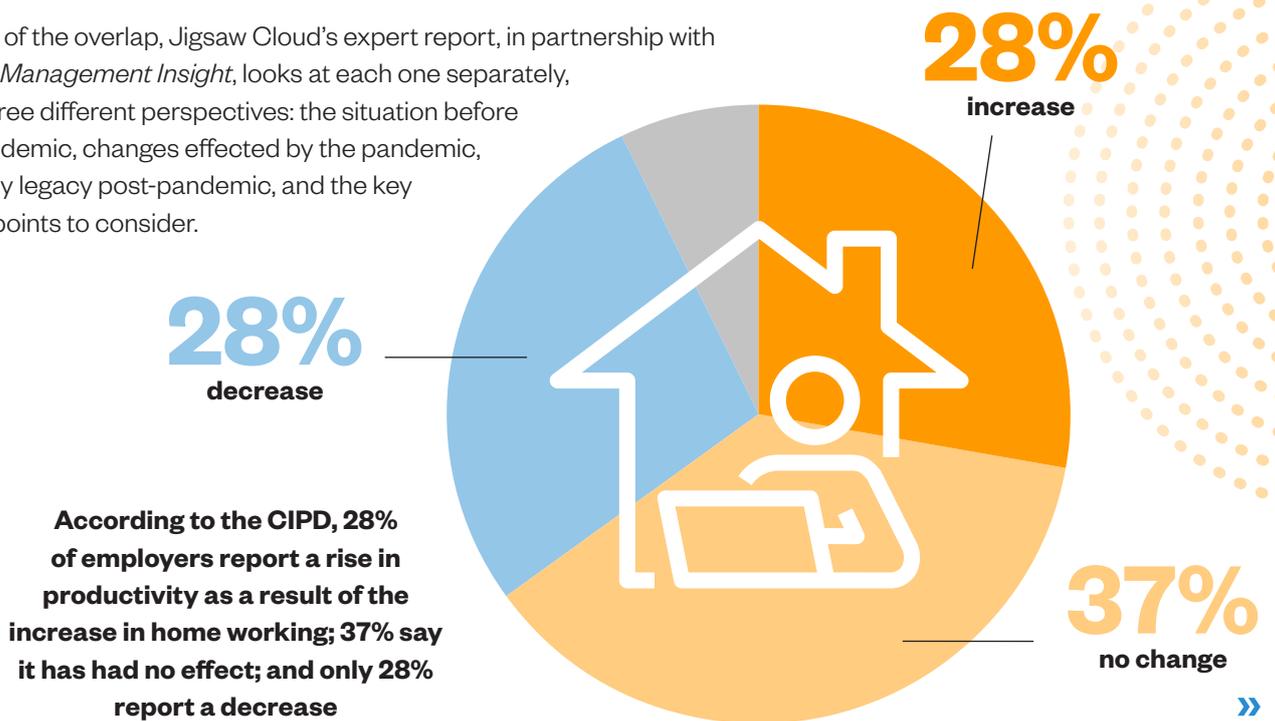
But while wellbeing and mental health is a critical pressure point in all companies, and one that needs close and careful attention as the pandemic plays out, companies have been forced to adopt leading-edge working practices that they may have only toyed with in the past. Rob McCargow, director of AI at professional services firm PwC, says: "There's been more progress on many fronts in the past six months than there's been in the past six years, because it's been a matter of 'survive or die'."

For smaller companies, not only has necessity been the mother of invention, but they are also often better positioned than bigger companies to respond to change, because, unburdened by systems, processes and bureaucracy, they are more agile and adaptable.

Performance management, technology and mental health are closely linked among employees – and now more than ever. People need the right technology to do their jobs effectively, and to give them the autonomy over how and when they work that is known to be so important to good mental health.

Mindful of the overlap, Jigsaw Cloud's expert report, in partnership with *People Management Insight*, looks at each one separately, from three different perspectives: the situation before the pandemic, changes effected by the pandemic, the likely legacy post-pandemic, and the key action points to consider.

“Performance management, technology and mental health are closely linked among employees – and now more than ever”



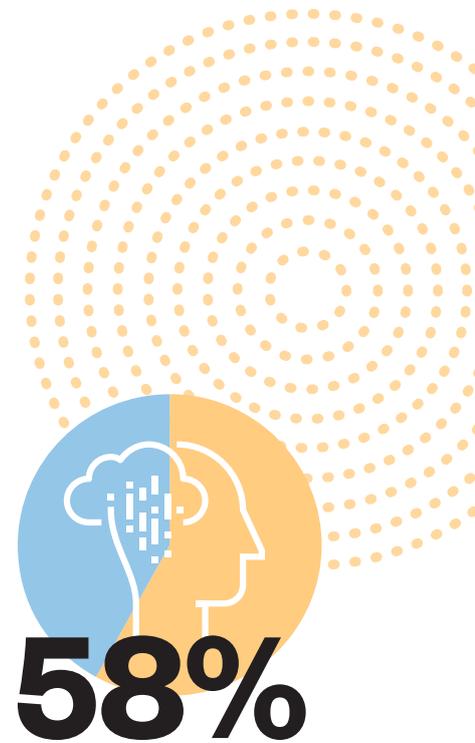


1 Mental health

Pre pandemic

Even before Covid-19 hit, research from the CIPD showed there were red flags about the impact work was having on wellbeing. The CIPD's annual Good Work Index report, based on a survey of more than 6,000 workers, found the number of people saying work has a positive impact on their mental health fell this year from 44% to 35%. It also revealed that 22% of people said they were always or often exhausted at work, 21% that they were always or often under excessive pressure, and 11% always or often miserable. Just under one-third (32%) said their workload was too much in a normal week, and 24% said they find it hard to relax in their personal time because of work pressure. Some 69% of those who had experienced anxiety in the previous year, and 58% of those who'd experienced depression, said their job was a contributing factor.

Jonny Gifford, senior advisor for organisational behaviour at the CIPD, says: "Work has become steadily less healthy over the past few years. It seems this is because of pressure to do more with less, and a drop in autonomy or empowerment."



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“We found a really strong correlation between poor physical and poor mental health”

Stephen Bevan, IES

What’s more, adds Simon Blake, CEO at MHFA England: “Small-business leaders and employees face a unique set of challenges that can affect their mental health, such as undertaking business-related activities after hours, feeling isolated due to working with a small and extremely busy cohort of staff, fulfilling more than one job role, and managing ongoing cashflow and financial issues.”

Nevertheless, ‘good’ work is generally agreed to be good for us: in addition to pay, it also provides a sense of purpose and social connections, both of which are critical factors in wellbeing. But for work to qualify as ‘good’, the CIPD says it needs seven critical components: the right pay and benefits, the right contracts, good work-life balance, good job design, healthy relationships at work, employee voice, and health and wellbeing.

Effects of the pandemic

The Covid-19 crisis has exacerbated mental health problems at work. A snapshot survey by the CIPD of around 1,000 employees found that 22% believed they were likely to lose their jobs in the next year, while 52% of those with a mental health condition, and 61% with anxiety, said it had got worse. Around half also said their social connections at work had weakened.

Five days into lockdown, the Institute for Employment Studies (IES) launched a ‘working from home wellbeing survey’ designed to gauge not just the physical and emotional health of participants (there were 729 respondents), but also to understand the practicalities of working from home, including the effect on hours worked, contact with line managers and colleagues, and equipment and other support provided. The findings revealed telling correlations. Nearly half (46%) said they were working between one and 10 hours more than their contracted hours every week, and 15% were doing at least 10 additional hours. Many were frustrated by inadequate office equipment, such as monitors, printers and office supplies, and only 24% said they’d had health and safety assessments of their home-working space, despite Health and Safety Executive guidance that employers should do this. Unsurprisingly, around half the respondents reported suffering from back and neck pain, eye strain and migraines – and, says Stephen Bevan, head of HR research development at the IES, “we found a really strong correlation between poor physical health and poor mental health.”

The survey canvassed people’s commitment to their organisation, sense of autonomy, work-life balance and job satisfaction, and “the higher people scored, the better their mental health – there was a very strong relationship here,” says Bevan.



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There was a similar correlation between mental health and the amount of contact people had with peers and line managers. “Those who felt cast adrift had very poor mental health,” says Bevan.

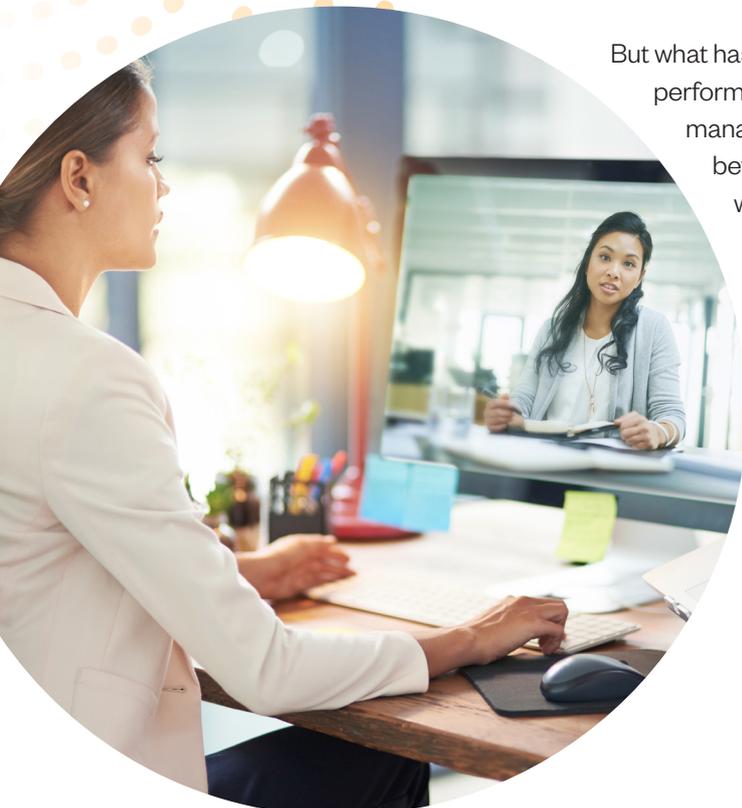
Bevan says that the thing that has had to change most for organisations under lockdown is the role of the manager. Line managers are often referred to as ‘the squeezed middle’ because they have to manage the expectations of both their teams and their bosses – and they’ve been squeezed even harder during the lockdown because the expectations from both sides are more acute. What’s more, having to communicate ‘virtually’ means they’ve been denied the ‘social cues’ they would normally rely on to gauge people’s mood.

“There’s a clear message here,” says Bevan. “The quality of leadership and management is magnified during lockdown. It’s ok to discuss targets and projects over Zoom, but it’s more difficult to discern signs that someone’s not coping. If you want to sustain performance and productivity you have to ask the right questions, know what to do with the answers, and be prepared to act on them. It’s about asking people how they really are.”

The good news is that there is a plethora of support available, not least through MHFA England, which has created guidance for everyone on supporting their mental health while working from home, as well as providing signposts to other helpful resources.

But what has the biggest impact on mental health, and, by extension, performance and productivity, is quality conversations between line managers and their team members. The CIPD produced a report before lockdown called *Developing Effective Virtual Teams*, which emphasises the need to build trust and social cohesion – things that, in the current climate, are harder to maintain and easier to undermine, points out Gifford. “It’s harder to manage people from home. It requires more attention and effort,” he says.

However, Bevan believes it is easier in small companies, where “it’s more likely that everyone knows each other, they are tighter knit, teams are smaller and there is greater connectedness and mutual support.”



Post pandemic

Having come through the first wave of the pandemic, and enjoyed relaxed restrictions over the summer, we are now experiencing a second wave, with winter approaching and only a speck of light at the end of the tunnel, hopefully by the spring. Furlough has been replaced by the Job Support Scheme, businesses are having to repay their bounce-back loans, and everyone is having to dig deep to find the resilience and resourcefulness to weather the next stage. The likely impact on mental health is clear.

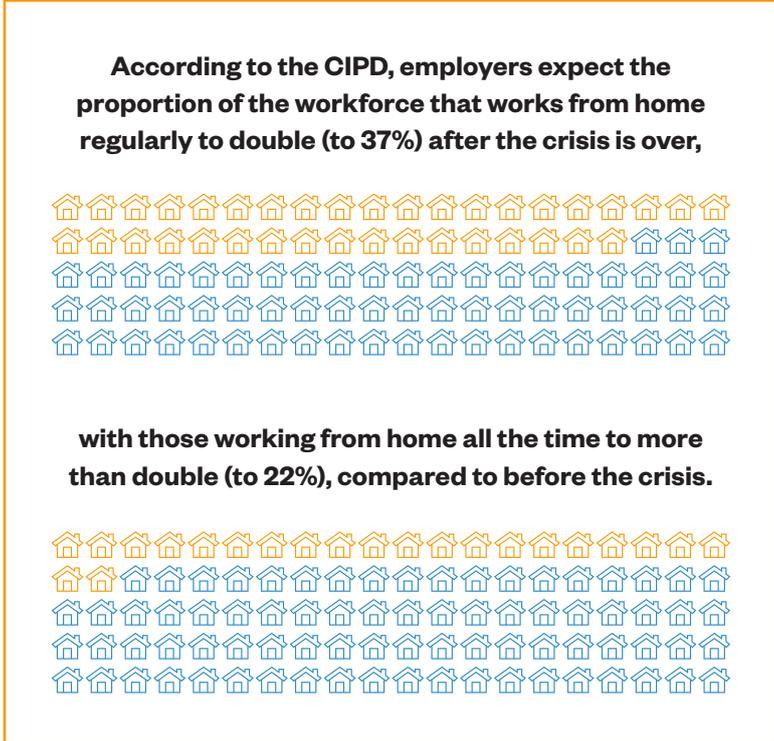
“We’ve learned a lot during the first wave, and some things have eased – for example, children are back at school, which makes it easier to manage the boundaries between work and home,” says Bevan. Nevertheless, he warns that with home working likely to remain the dominant paradigm for the foreseeable future, employers need to ensure their systems and processes are sufficiently robust to support the mental health of their staff permanently. According to the CIPD, employers expect the proportion of the workforce that works from home regularly to double (to 37%) after the crisis is over, with those working from home all the time to more than double (to 22%), compared to before the crisis.

Bevan believes it’s important for managers and leaders to maintain the ‘authenticity’ that has been a feature of virtual communications during the crisis: we’ve become used to seeing colleagues’ kitchens, bookshelves, children and dogs in the background, and he thinks this greater informality is beneficial to mental health.

“It’s almost as though you have ‘permission’ to be more authentic now,” he says. “Our director, at his weekly meetings, has had paint swatches on the wall, and he got lots of feedback on social media about which colours people preferred. I used to wear a collar and tie for video meetings, but I don’t any more. Some managers worried that this informality would undermine their authority, but actually, provided you manage the boundaries, a good manager can make a virtue of the informality.”

Blake, from MHFA England, believes the greater sense of authenticity at work is extremely positive. “We did some research earlier in the year, before the

“Employers need to ensure their systems and processes are sufficiently robust enough to support the mental health of their staff permanently”



pandemic struck, which revealed that almost one in five workers felt they couldn't be their 'whole self' at work," he says. "My instinct tells me that if we ran the same study now, we might get a different response: when you're working where you're living it's not easy to leave your whole self at the office door. But we have to maintain the momentum, because, more than ever, businesses need to create a healthy working culture built on respect and collaboration. Whether online or in person, bringing your whole self to work is a mindset that's better for mental wellbeing and better for business."

In March MHFA England launched a new campaign, My Whole Self, designed to encourage employers to adopt this culture of authenticity.

But the experts agree that additional support is required in the second wave, including more peer networks, as a way of replicating the social interactions and cohesion that home workers miss. "The more imaginative employers have already nudged the setting up of such networks," says Bevan, and they range from virtual coffee mornings where people can share their concerns about family, health and work, to forums for swapping pictures of pets.

It's also important to understand that younger people's mental health is being disproportionately adversely affected by the pandemic: they, more than any other group, miss the all-important social interaction of being in the workplace.

“Experts agree additional support is required in the second wave, including more peer networks, as a way of replicating the social interactions that home workers miss”



CALLS TO ACTION

- Have regular, quality conversations with team members, focusing on how they are feeling and what additional support they might need.
- Know where to refer them for extra help.
- Invest in relationships with employees, and encourage peer-to-peer networks and virtual social activities.
- Pay particular attention to the mental health of younger employees, who typically feel most dislocated by the crisis.

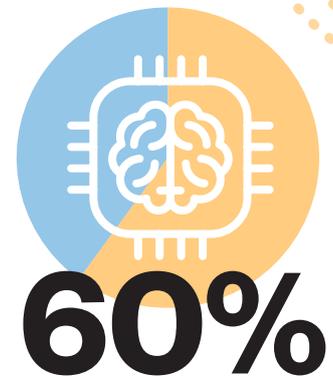


2 Automation technology & AI

Pre pandemic

A survey of artificial intelligence (AI) experts by the University of Oxford and Yale University in 2015 suggested that AI will be capable of doing any job imaginable by 2140. However, adoption by companies is low, largely because of ignorance, myths and misconceptions. Dave Coplin, founder of The Envisioners and an evangelist for improving people's relationship with technology, points out that AI tends to be pitched in the context of an adversarial battle between humans and machines – as portrayed in films like *The Terminator* or *2001: A Space Odyssey*. The reality is that AI is neither artificial nor intelligent, says Coplin: "It is just automation – the equivalent of the introduction of the Spinning Jenny 250 years ago."

One reason people are frightened of AI is because they see it as a threat to their jobs – but it is far more likely to replace tasks and augment jobs. As such, there are wellbeing and engagement gains, as well as productivity gains, to be made by companies that equip their teams with the skills to work with or alongside the technology. Yet, despite the fundamental, and potentially dramatic, impact of AI on people, a report from the CIPD last year, *People and Machines: From hype to*

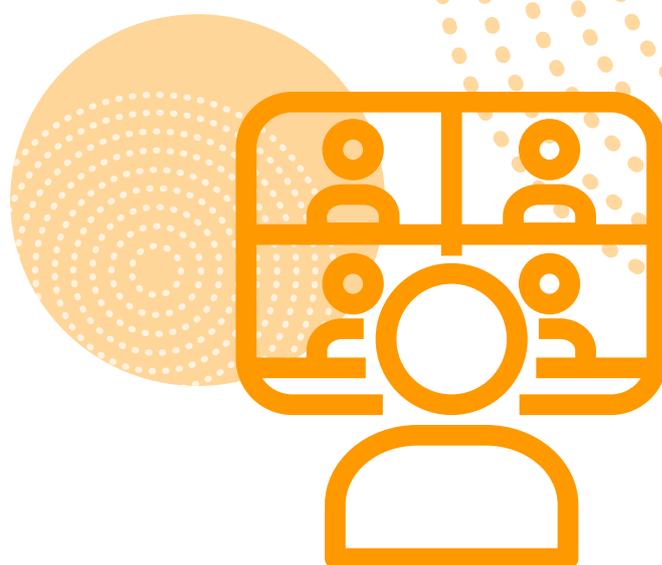


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reality, found that HR is less likely than any other organisational function to be involved in either strategic decisions to invest in AI or its implementation.

HR itself stands to gain: admin typically accounts for 60% of what HR does, and AI offers huge potential to remove this 'grunt work', says Andrew Spence, HR transformation director at Glass Bead Consulting. Obvious areas that might benefit include recruitment, where AI can sift CVs and help to reduce bias by focusing on experience and skills, and learning and talent management, where training can be tailored for individuals based on searches in the company's learning management system, knowledgebase or intranet.

The lack of engagement by people managers with new automation technologies means that where these are introduced in companies, led by IT, they often go wrong. "Poor outcomes," says PwC's McCargow, include problems such as bias and discrimination in systems, lack of fairness, and insecure data. Where new technologies don't work, he says, "it's because there was no HR representative in the room, to challenge the technologists, when the decisions were being made."



Effects of the pandemic

Access to technologies such as AI for SMEs has increased significantly over the past five years, says McCargow. "Whereas in the past it might have involved a multimillion-pound investment, cloud technology means it is now more within the grasp of SMEs – though many maybe don't yet realise that."

Whether or not AI is part of it, he has observed a rapid acceleration in digital transformation in companies large and small over the past six months – "through necessity rather than choice."

Nevertheless, as noted earlier, some companies haven't even reached first base: inadequate hardware and poor connectivity have been a major contributor to declining mental health in many homeworkers. And McCargow notes there were some unhealthy practices at the beginning of lockdown – such as company edicts that people have their computer's camera function switched on all the time. "It's exhausting to be in front of your computer doing meetings all day," he says. "It's perfectly possible to have a meeting while you're walking the dog." >>

“With any new technology communication and consultation is vital. You have to avoid any sense that you, the employer, are ‘doing this to’ employees”

Rob McCargow, PwC

He also points out that technology has a big effect on culture – and this can be negative or positive. “We’ve looked at this in our own meetings, and we’ve found that if there are four people in the same room, and one homeworker on a video call, there is an asymmetry of power,” he says. “Now when we do meetings, even when most people are in the office, we get them to log in on their own computer to level the playing field.”

PwC has also found that ‘social’ activities, such as using Google hangouts, or some other form of weekly check-in, are more consistent and better attended than similar initiatives in the office. “We’re also seeing more honesty: people seem more willing to share their feelings than they do face to face.”

PwC is also using technology proactively to assess the wellbeing of its people. It asked for 1,000 volunteers to trial wearable technology designed to monitor things like sleep patterns and heart-rate variability in order to identify early signs of stress or disengagement. Combined with cognitive testing to assess participants’ memory, ability to switch tasks and concentration levels, the technology gives individuals personal insights into their own mental health, while PwC gets aggregate data on which to base targeted interventions.

While such technology may be outside the grasp of the typical SME, the principle of the ‘value exchange’ is critical in persuading employees to embrace a new technology. Over 2,000 people volunteered, because they saw clear benefits to themselves.

“With any new technology, communication and consultation is vital,” says McCargow. “You have to avoid any sense that you, the employer, are ‘doing this to’ employees. That creates a negative culture.”



59%

of CEOs said the digital transformation of their core business operations and processes was a top-three priority



Post pandemic

With home working apparently here to stay, PwC research among chief financial officers (in smaller as well as larger companies) found that at least half plan to accelerate automation in their organisations so as to improve the remote working experience, no doubt heartened by the increased flexibility (cited by 75% of respondents), resilience and agility (cited by 65%) developed during the crisis, which, they believe, will make their companies stronger over the longer term. According to the Covid-19 CFO Pulse survey, published in June, digital transformation budgets look set to hold up, despite planned cost cutting in other areas.

These findings are echoed by PwC's UK CEO Panel Survey 2020. Some 86% of respondents feel the shift to remote working is permanent, 90% are conducting wellbeing initiatives, and 77% believe there will be an enduring shift to further automation. Some 59% of CEOs said the digital transformation of their core business operations and processes was a top-three priority – something that PwC believes puts them at least 10 years ahead of where they would have been without the pandemic. Crucially, CEOs are looking to 'join the dots': greater investment in automation will not only improve the efficiency of the workforce, but also deliver long-term benefits such as cost savings, greater employee wellbeing and an improved environmental impact.

The challenge for both large and small companies, and HR leaders in particular, is to ensure they equip their employees with the skills to take advantage of this investment – and, of course, technology creates many more opportunities for people to train remotely. "Training and development software really comes into its own in remote settings," concludes McCargow.



CALLS TO ACTION

- Before introducing any new technology, communicate and consult with employees.
- Be aware of the value exchange: what's in it for them?
- Don't put unrealistic demands on people: back-to-back Zoom meetings are exhausting.
- Give people the skills to take advantage of the technology.



3 Performance management

Pre pandemic

Performance management has been evolving for a decade or more, since traditional annual appraisals – which were time-consuming, retrospective, seen as punitive, and their links with pay awards frequently contentious – were recognised as having no discernible effect on performance. Since then there has been a shift towards continuous development dialogue between managers and teams, more frequent goal setting, and a clearer line of sight between individual and company objectives.

The new approaches are characterised by a number of features, such as coaching for managers and teams in how to have rich conversations, including giving and taking honest and constructive feedback. Competency frameworks support the process so that people can see how they are performing and what they need to do to progress, and employees are encouraged to take responsibility for their own development.

Those companies who fear losing control by adopting this new approach should bear in mind the comment of Stella Hegarty, HRD EMEA, Safety and Industrial Business at 3M, that “lots of ‘performance issues’ come from being in the wrong job, or bored.”



Effects of the pandemic

As they concentrate on survival, some smaller businesses might feel performance management is not a priority. They couldn't be more wrong, warns the CIPD's Gifford. "The survival instinct leads to a laser focus on performance. Surviving depends on nailing certain key performance indicators, cutting certain costs, and that brings the performance of teams into sharper relief than ever."

One of the obstacles to more remote working over recent years has been employers' lack of trust in employees to work productively from home. In the lockdown employers have had to trust their teams – and found, to the surprise of many, that performance has not just been sustained, despite challenges such as inadequate technology and higher anxiety, but actually improved.

"A big thing the pandemic is doing is getting managers to decide what they value most – inputs, like the number of hours they spend at their screens or the number of emails they send, or outputs, such as creativity, innovation, collaboration and quality of the work they produce," says Bevan.

The problem with traditional performance management is that it is "a process, to do with boxes and scores," says Bevan. "As such, it detracts from what's really required, which is good quality, authentic conversations." And the focus should be on the positive, rather than negative, he says. "I like the idea that even poor performers should walk out of the room after a performance management conversation feeling more motivated than when they walked in. It's about identifying opportunities to improve and working out how to support them to take advantage of those. Below-par performers tend to know they are below par, and can feel trapped and undermined. A good manager gives them a way out."

And while 'difficult' conversations may be even more difficult in a virtual environment, it's much easier in small companies than big ones to have the ongoing informal conversations that characterise modern performance management. "Everyone knows each other, rather than just being cogs in the wheel," points out Bevan.



He shares another tip: “In monthly informal one-to-ones with your direct reports, ask them two questions: what at work or outside work is giving you energy, and what at work or outside work is draining your energy? Those allow you to find out how people really are, rather than just going through the ‘how are you?’ and ‘I’m ok thanks’ routine,” he says. “People might tell you they have no access to a printer, or that they’re worried about their children going back to school, or that they’re not coping with the isolation, but those two questions open up conversations rather than stopping them. This kind of humane performance management helps you identify barriers to performance and give people strategies for overcoming them.”

HR experts are alarmed, however, by what they see as an insidious trend that is the direct opposite of this humane performance management: growing online surveillance of staff. Software is available that tracks workers’ hours, keystrokes, mouse movements and websites visited, and even takes screenshots so they can see what they are doing at any one time. While there might be situations where such surveillance is justifiable – to prevent insider trading, for example – on the whole it is counter-productive because it erodes the trust and sense of autonomy that are all-important to an employee’s engagement, motivation and, as a result, productivity.

“It’s much easier in small companies than big ones to have the ongoing informal conversations that characterise modern performance management”



Post pandemic

Modern performance management, characterised by greater informality, regular, ongoing dialogue, agile goals and forward-looking, positive reinforcement, has come into its own in our new virtual working world. But most organisations are going to have to recalibrate their approach further still in a climate where there are fewer people, doing more work, and the organisation is running harder, uphill, to regain ground lost over recent months. How do you make performance goals and bonuses fair, for example, when half the workforce might have been forced to twiddle its thumbs for six months?

Ben Wigert and Heather Barrett, who are, respectively, director of research and strategy, Workplace Management, and a senior consultant, at Gallup, point out in a paper published in August, *Performance Management Must Evolve to Survive Covid-19*, that “incentive structures that made sense before the pandemic can now seem cruel and needlessly painful.” In addition: “Goals need to be immediately adjusted [as work changes] to focus an aligned effort on business needs and how employees can best deliver value.” Strong working relationships are more important than ever, and “the only viable management style going forward will be ongoing coaching conversations that establish a rhythm of collaboration and create shared accountability for performance and development.”

The “worst possible strategy,” write Wigert and Barrett, is to avoid progress reviews and pay conversations altogether. “Gallup has found that when people have conversations with their manager about progress and pay, they are more engaged and feel better about the pay they receive – even if they don’t get a pay increase.”



CALLS TO ACTION

- See performance management as an ongoing development dialogue, with frequent goal setting, not as a one-off annual retrospective event.
- Focus on the positive, not the negative: even poor performers should ‘walk out of the room’ feeling more motivated than when they went in.
- People will perform if they are in the right job with the right support. Trust them.
- Avoid surveillance software, if at all possible. It is usually counterproductive, eroding trust, autonomy, engagement – and productivity.

Case study 1: TLA

How an online digital lead generation business is helping its employees cope with the ongoing challenges of lockdown and home working

Anton Hanley is CEO of TLA, an online lead generation company for the automotive industry. Since he established his business 18 years ago, it has become the biggest new-car-lead generation business in the UK. Headquartered in Liverpool, TLA has 70 employees. In April and May the business made just 5% of its budgeted revenue, due to the pandemic. In June that rose to 50%, in July and August it was 70%, and in September it was around 80% of budgeted revenue. "So we are still fighting to get back to where we expected to be," says Hanley. We think we'll end the year doing about 55% of what we budgeted for the year."

Mental health

Being a digital company, moving everyone to home working, quickly, wasn't too difficult. "But at the same time we also rolled out measures to deal with the 'human side' of what was happening," says Hanley. "We are committed to an engaged workforce, and sent out weekly 'pulses' from day one." In these company-wide video updates, which Hanley led, the directors shared everything, including just how much the company stood to lose. It communicated with the 60% of staff it had furloughed in exactly the same way as retained workers, who worked a four-day week. Staff salaries fell commensurately, by 20%, but directors cut their own salaries by 50% – information that they also shared with the workforce. "It was important to let them know that we were sharing their pain," says Hanley.

The company used the lockdown to, as Hanley puts it, "get our house as tidy as it could be, to put us in the best possible position to take advantage of the market opening up again," and the plan to do this was

rolled out early on to give people a focus. Nevertheless, people needed more hands-on support. "Very early on, one of our people needed

phone support at 11 o'clock at night because they were so disturbed by what was happening," recalls Hanley. "From that point on our head of people ensured that everyone was called on a regular basis, and we called them once a week or once a fortnight, depending on how much support they needed. The nature of those calls was, 'how are you, how are your family, what do you need, how can we help you?', to ensure that there were no unnecessary outcomes from all this. We wanted people to know that whatever they were going through, we could help."

This regular check-in was supplemented by what Hanley calls "lots of small initiatives." One Friday, for example, the business sent everyone some money so they could get a takeaway from themselves and their family. When revenue started to pick up, Hanley put £150 into everyone's account, as a thank you, so they could take the family out for a pizza. "I wanted everyone to understand the part they played in the recovery," he says.

The key to sustaining people's wellbeing and engagement is to communicate, and to be honest, however difficult the news, advises Hanley. He expects to maintain a work from home policy after the lockdown. "It will be optional, but I anticipate people will typically spend 20-40% of their time in the office, working on innovation, kicking off projects, meeting clients, and so on."



Case study 2: **Communicorp**

How a commercial radio group's innovative performance management strategy is working and adapting throughout the current global crisis

Grace Orr is director of people at commercial radio group Communicorp UK. Before lockdown, the company had around 140 employees working in radio stations across nine sites (Glasgow, Newcastle, Leeds, Manchester, Wrexham, Cardiff and Watford). At the beginning of April the business furloughed 60 staff, with the remainder working from home. The exceptions were some key workers – presenters and producers – who worked in protected spaces in the studios.

Performance management

Set up in 2014, the business built its culture from the ground up, and is justly proud of its innovative performance management programme, 'Personal Best'. "We wanted 'Personal Best' to be an 'experience' rather than a 'system'," says Orr.

"People have goals, which are really stretching because we want them to step out of their comfort zone, and objectives to achieve along the way. But the emphasis is not just on what they do, but also how they do it."

Employees are measured on how well they live the company's values of bravery, integrity and passion, and deliver on its mission 'To do ideas, relationships and results better than anyone else', both of which support the vision of 'Radio people who make a difference'.

Learning and development needs also feature in the performance dialogue, but Orr thinks the most exciting aspect of Personal Best is 'life goals and dreams', as she explains. "It's about the 'why' –

someone might want to take the family to Florida or run a half-marathon, for example – behind the 'what' – the business and learning goals. When managers check in with people, they ask them what progress they are making on this personal front too, and give them the same challenge and support as they do with their other objectives."



Linking business and personal objectives in this way helps drive motivation and engagement, she says, emphasising that "the power comes not from the process, but from the conversations. Our managers really understand how and what to dial up and/or down for every individual, depending on what aspect of performance they are talking about."

While the principles of Personal Best remain, including measuring performance against the company's value and mission, and giving people control over what they need and want to achieve, Orr says the relationship between performance and pay will have to change: "We've had 50% of people off for six months, and we now need to reconnect them to the business."

People's individual goals will need to change too, given many are no longer relevant. She, for example, is playing a key role in helping the business adapt to change: "I've spent more time on organisation and change management over the past six months than I had over the previous six years."

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