



The changing nature of work

Workforce productivity



Employee engagement and motivation in disruption

A diverse workforce of all ages, skill sets, cultures and expectations will be operating amid continual change and technology advancement. So how can organisations keep people involved, productive and positive along the way?

The future of work is digital, diverse and dispersed. Employees will be connected online, cross-generational, have vastly differently skills, and could be operating at different capacities from any corner of the world.

Tim Nice, Partner, Tax, KPMG, says in this agile space, teams will continually form and reform, and hierarchies will be upturned in favour of expertise.

"Multiple projects or short term projects with very specific objectives will rapidly spin off into another project team, where the same skill sets could be used in very different ways," he says.

With industries continually disrupted, technology automating jobs, skill requirements evolving, and management scarcely face-to-face with staff, new ways of thinking about employee engagement and motivation are essential to keep people productive and on board.

"Traditional assumptions around performance are being challenged – and should be challenged," Nice says.

Set and forget rewards won't work

Annual goal setting and rewards are the traditional way to increase employee engagement and motivation. However, with the pace of change and the increasingly diverse ways that people work, Nice says this set and forget approach will be "completely irrelevant"

"A pay-by-competence and pay-by-incentives focus won't meet the needs of organisations or employees in terms of what is important, what gets done, and helping employees to know their focus," he says.

Goals need more frequent revision, and rewards should be shared regularly – ideally comprising a mix of financial and value-driven opportunities, Nice explains.

"It is more than meeting once a year and getting a rating out of five, or saying 'we'll give you more money'. It's a complex proposition to craft – and the pressure for leaders to deliver on that is paramount," he says.

A 'bottom up' approach can help. Employees can tell leadership what sort of rewards appeal. It could be working on exciting projects, transferring to different locations, or collaborating with new people. As companies fight for talent while keeping costs in check, these value-oriented rewards offer an attraction.

"It reverses the top-down onus of goal and reward setting, to one where employees are looking for where they are going to add value," he says.

Values and purpose are key

Organisational values, purpose and culture can help employees and leaders to define these intrinsic rewards, explains Catia Davim, Partner, People & Change, KPMG.

"It's important to define the values for the organisation to live by, its vision for relationships, how it impacts the community and why it exists," Davim says.

Rather than traditional task-oriented goal setting, this bigger vision can give people a framework to operate within.

"It gives people a reason to work with purpose, and it can enable innovation to emerge, because you are clear about your purpose," Davim says.

Davim worked with a rail company that perceived its purpose was to move trains from one place to another – with time and cost its key measures of success. When she challenged the organisation to define a deeper purpose, it realised it was not about moving trains, but transporting people.

"This shift in mindset has a tremendous implication on the decisions that they make every day. If there is a train disruption, they now prioritise their customers to help them have a smooth journey. This clarification of purpose enables people to create new ways of working," she says.

Similarly, Nice helped a technology organisation define its purpose – which was to keep their customers ahead of technology innovation.

"So how does that translate for the employees?" Nice asks. "Instead of a traditional performance management process that rewards past actions – it became about rewarding people for the value they add."

Productivity needs a rethink

Increasing productivity is a key reason for goal setting and rewards. However, as technology automation changes roles, and more intrinsic goals and values are ingrained, a rethink of how productivity is defined is necessary.

"In the industrial revolution and until recently, performance was a function of productivity by units produced in an hour. It should now be measured by the level of innovation, or the number of breakthroughs in the market that actually create interest and lock in new clients and new opportunities," Davim says.

Davim adds that the common fixation on setting targets is "dangerous given that industries are so volatile".

"Employee wellbeing, a sense of purpose, what you are achieving as an organisation in the market – this is where you start seeing these things become significant," she says.

Employee purpose

It is clear that fostering motivated and engaged employees, growing productivity, and retaining talent through immense change means tapping into their sense of purpose.

"They need to feel they are involved in something for the greater good. As a collective, what are we achieving? What is your personal contribution to that? They need to be challenged and have an element of autonomy, with the power to make decisions," Davim says.

Nice says leadership should see this as an exciting opportunity to create an attractive organisation and to enable people to be their best.

"It is not daunting at all, it makes the whole relationship far more real and trusting, as there is an intrinsic motivation. If people have the right tools and are empowered, they will make the right decisions for the organisation. Leaders that get this will thrive in the new environment."

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