

Are purpose driven companies getting the most from their employees?



A report into employees and sustainability

Authored by:



In partnership with:



Insights from industry



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Uniting passionate people to improve our business

At T-Systems in the UK we set up a steering committee of volunteers to drive our "best company to work for" initiative. We wanted to unite passionate people and use their drive and ideas to improve our business. The committee meets monthly and brings together experts from across our business who also happen to be passionate about diversity, wellbeing, employee volunteering or zero impact. As the team is drawn from all parts of the business, they also act as champions and advocates for what we are doing and help to disseminate the initiatives we sponsor and get buy in from across the organisation.

In addition to the best company committee, our everywoman community has been running for 3 years and now boasts nearly one third of our workforce as members (including some men). The aim of the community is to identify initiatives that can help us improve how we operate, drive collaboration, and promote the contribution of the women in our business. T-Systems have a formal partnership with the Everywoman Network and have sponsored the annual "rising star" award which reflects our belief that closing the gender gap requires a long term commitment starting with encouraging girls to take STEM options in school and at university.

Both these communities are sponsored by the company but are employee led; there is no hierarchy in the structure - participants are linked by a sense of purpose and shared values and the collective passion generates its own momentum.

Jake Attfield, HR Director and Corporate Responsibility Manager, T-Systems UK



The importance of employee involvement

Considering the unique and vital role employees occupy within an organisation, it may come as a surprise to learn just how overlooked they remain as a Corporate Social Responsibility (CSR) or Sustainability stakeholder.

To put this into perspective, Whilst 83% of sustainability professionals agree that sustainability should be involved in setting a HR strategy^[1], studies show that just 13%^[2] - 31%^[3] of companies involve their employees in the undertaking of CSR activities and, consequently, just 58%^[4] of employees know if their company has a commitment to sustainability.

This represents a missed opportunity for purpose-driven organisations, summarised as:



The role employees play

Successful sustainable initiatives don't happen to employees, they happen because of employees. We believe that involving them is critical for two key reasons:

They are your most active stakeholder

They are ultimately responsible for implementing initiatives and possess unique insight into how successful they are in practice.

They are ideally placed to accurately measure and certify performance and success.

They are your most trusted communicator

When it comes to purpose and ethics, employees are more likely to be trusted than marketing claims or CEO commitments.

They are best placed to differentiate those who 'live' their values, from those that simply claim they do.

"Never doubt that a small group of thoughtful, committed, citizens can change the world. Indeed, it is the only thing that ever has."

Margaret Mead



How employee involvement benefits business

01

Increases levels of productivity and organisational behaviour

At companies that meet their employees' view of how a business should act within society, workers are 49% more likely to be engaged^[6] with the company.

This is critical as satisfied and engaged employees have been found to be 22% more productive^[7].

02

Increases loyalty and reduces staff turnover intentions

Providing opportunities for employees to contribute socially and environmentally increases employee satisfaction levels by a ratio of 2:1^[8]. Further, an enhanced CSR agenda has been found to lead to a 25-30% reduction in staff turnover^[9], offering substantial savings as it costs a year of a competent employee's salary to replace them^[10].

What it means for customer service

Edelman's (2016)^[14] trust barometer found that employees at companies engaged in CSR were:



22%

more likely to do the best job to serve the customer



25%

more likely to recommend products and services



22%

More motivated to perform



03

Attracts high quality employees and future proofs your business

94.4% of individuals claim they would be willing to accept a 5 - 25% salary cut to work for a company that they deemed more socially responsible^[8].

This is particularly true for higher educated employees and millennials, with 45% of students stating they would take a 15% pay cut to work for a company that makes an environmental or social impact^[11].

04

Increases trustworthiness of brand and messages

74% of the UK public agrees that they would believe the word of an employee over that of a company brochure or advert^[12] regarding a company's contribution to society and the environment, with employees 32% more likely to recommend their company to if they consider it environmentally responsible^[13].

Insights from industry – three reasons for driving employee advocacy:

"When it comes to forming opinions about companies, consumers view experts, peers and employees as the most trusted sources – even more so than the CEO. In fact, employees are the most trusted source on how businesses perform, operate, manage crises and treat their people. So there's massive, untapped potential in employees to advocate for the company."

"Raise brand awareness. If you're not already supporting your employees to be company spokespeople, you should be. Enabling employees to advocate and share stories externally with consumers, friends and family can heighten brand awareness and perception."

"Consumers care what your employees say. Ethical business practices are an area of importance and consumers will be more likely to trust your company and products if they hear from the most credible source of information about your business practices – the employees."

Nicole Linger, Associate Director, Edelman UK



How Obliquity can help

Differentiating those who *live* their values from those that *claim* they do

We believe employees are best placed to accurately capture and certify the degree to which an organisation's culture, values and ethos are embedded into everyday working practice.

Our assurance helps organisations measure, substantiate and enhance performance by putting employees at the heart of sustainability.

How we work

- **We adapt to your organisation** – our semi-standardised approach accounts for your specific corporate initiatives, structure, size, sector and ethical journey. It is 100% relevant to you
- **Deliver data-rich insights and recommendations** – we analyse your employees' value judgments to provide statistically supported insights that drive continual performance improvement, maximise engagement and enhance business efficiency.
- **We provide independent assurance and accreditation** – We provide independent assurance that certifies your business as one that empowers employees and helps you meet the growing employee and consumer demand for ethical business practices.

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Final thoughts from industry

Meeting the growing need for purpose beyond the job

Did you know that people like you and me spend around 35% of our waking hours at work? As an additional insight, salaries contribute to happiness only up to a certain point, and this is a surprisingly low threshold: around \$75,000 per household in Western countries.

This means that all employers can re-think their role by understanding the relationship between sustainability and employee satisfaction in the workplace.

Research shows that initiatives such as providing a more sustainable menu in office lunch areas, promoting active lifestyle opportunities, 'greening' travel policies and articulating a company purpose beyond profit correlate to higher employee satisfaction. This is especially true for employees who hold sustainability-oriented values in the first place.

At JLL, we are exploring how the broader experience at work, beyond just the job itself, can have a fundamental impact on employees' happiness – both for our own as well as our clients' employees. We recognize that sustainability may be one lever in which we, as an employer and an advisor, could better meet the ever-growing need for 'purpose beyond the job'. As a starting point, we engage our people through a company-wide sustainability leadership agenda called Building a Better Tomorrow. This progressive agenda leads to responsible investment decisions with healthier, safer, more engaged people and increased value for all of our stakeholders.

Sarah Nicholls, Head of Global Sustainability, JLL



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How to get involved
Our mission is to get more people more
involved in sustainability and we'd love to hear from you.



Organisations

Please contact us at info@obliquitygroup.com for more information
on how we can take your sustainability initiatives to the next level

Individuals

Sign up to our opinion polls or follow us on social media to get involved in our interactive
surveys. We want to know what you think about anything and all things 'sustainable'

Students

We know first-hand how research can advance sustainable business practices and are keen to
support with our time or network. Please drop us a note to tell us about your idea and what you'd require

