

Toshiba Medical Systems

The pressure of delivering fast growth meant it was essential Toshiba Medical Systems improved operational efficiency. **Matthew Stork**, managing director, explains how the sharing of solutions and increased dialogue through face-to-face meetings helped achieve this

Toshiba Medical Systems UK is a leading supplier of diagnostic imaging equipment to NHS and private sector hospitals in the UK. Back in 2007, our organisation was in a period of rapid expansion. With revenue increasing at a high double-digit rate, a broadening range of cutting-edge products and employee numbers also rising (albeit at a slower pace), the pressure on the company to improve operational efficiency and maintain a superior standard of

customer care was intense. In a competitive market, retaining the 'small company feel' was seen as an essential recruitment and retention tool, yet at the same time internal processes had to be formalised to deliver consistency across quite a fragmented, national workforce.

In the context of all this change, we engaged QCG to work with the organisation on its reward strategy to ensure employees were recognised and rewarded in a way that would

help maintain the existing levels of motivation through this period of growth. With their help, it soon became clear, that the best way to deliver challenging growth targets with limited resource would be through harnessing the skills and enthusiasm of our employees more actively. Sales in our market are driven in large part by relationships, so this, together with the need to share information and respond quickly to customers, meant that high levels of individual

engagement would be fundamental to productivity and long-term success. Yet balancing the tensions of commitments to customers with a manageable work/life balance for employees was challenging. Working out how to get the best from people would require a better understanding of how they were feeling about working for the organisation at the moment.

The first step was to conduct an independent assessment of the current engagement climate across the business. A key part of this was a bespoke engagement survey that was able to take account of Toshiba Medical Systems' unique culture, as well as test satisfaction with the overall 'deal' the organisation offered its employees. With the introduction of a new performance management process, feedback on how employees felt they were being recognised was also important. To maximise participation from a workforce with significant work and travel commitments, an online survey was designed that required no more than 10 minutes to complete. It focused on two main dimensions: the issues that were important to employees and how well they felt the organisation was doing against each one. This survey process was also supported with a number of focus groups designed to test engagement levels more deeply and gather more qualitative data on the engagement climate.

Response to the online survey was very positive with 72 per cent of employees taking part despite a particularly busy period. The results from this and the focus groups showed engagement with Toshiba Medical Systems' overall purpose was extremely high, with values such as customer service and making a difference to the end-user appearing in the top 10 motivational factors.

Yet it also showed quite clearly that the business tensions of growth versus quality customer service were

mirrored by tensions in engagement levels. Belief in the products and commitment to the organisation's values was evident and clearly underpinned the sales figures but with demand expanding faster than headcount, engagement in the brand needed to be translated more clearly into individual responsibility for smarter working. In an organisation where empowerment and autonomy had been historically valued, mutual recognition, cross-team communication and a focus on business-critical work would be essential in taking organisational growth to the next level.

So how did we look to improve employee's engagement in change, particularly with a driven, day-to-day operational focus? One key initiative turned out to be roadshows. These involved the senior team travelling around the country to meet employees, talking with a cross-functional group and shared social time over dinner. The aim was to bring people together to share the engagement research findings and work out what improvements could be made locally (in addition to national initiatives) to address concerns. They were also used to share more details on business planning and performance (an important part of the feedback).

The whole senior team made a real investment of their time in these events, and worked hard to listen to and involve employees in working out what could be done. The roadshows became an important way of building trust and understanding across organisational boundaries, and of generating joint energy for improvement.

One further, more specific engagement issue, was related to first line managers. The feedback gathered had highlighted a group that was feeling increasingly hemmed in on all sides. Still operationally hands-on, the additional responsibility for their own

team, particularly in the context of significant growth, was for many feeling like more of a burden and distraction than a focus. Distance management and a lack of time to come together in their roles as managers increased a sense of isolation and heavy workload.

To address this, QCG suggested investment in the softer skills for this group to help them bridge the gap from operational team member to line manager. This would be particularly important if the organisation was to effectively balance the 'small company feel' prized by so many, while at the same time deliver the necessary productivity and consistent standards of customer care.

A year later, we re-ran the engagement survey and tested progress against the previous year's findings. We had a number of initiatives in place by now: the roadshows had become a regular part of business, a more formalised recognition process helped acknowledge and thank those that went the extra mile, and expectations around work/life balance had been clarified. As recommended, we were also investing in our line managers, by taking them through a management skills development process. As a result, the 2008 engagement survey demonstrated improvements – some considerable – in nine of the 10 most important motivating factors for employees. The importance of company values remained high, but some of the pressures on individuals had reduced, with work/life balance in particular felt to be less immediately critical.

We had also made further progress in terms of ownership of the engagement agenda. In the first year, the actions taken had been primarily driven by me and the senior management team. In 2008, however, we got each team to take responsibility for designing and implementing an action plan of their

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own. And to ensure these plans remained active and relevant, we kept progress alive through regular discussions in management meetings and team presentations over the year.

When 2009 arrived we tested the organisation's engagement climate, this time with an additional survey section designed to get feedback on specific initiatives the company had undertaken to address employee concerns.

For the second year running, the survey findings highlighted real progress on the engagement agenda, driven in part by a continued, careful involvement of all employees in developing and delivering an action plan geared specifically to the survey findings. The survey also highlighted the importance of sharing information on what was already taking place, as well as new initiatives. For example, feedback on learning and development showed that not all employees were aware of the breadth of training courses provided (over 80 each year), and a new policy of personal feedback on training and development plans has now been introduced to help employees think about the support they need and where they might find it.

Yet this year's findings also presented a new issue: in comparison to the previous year, first-line manager response rates to the engagement survey had dipped, and the profile of the issues highlighted now varied quite significantly from other sections of the organisation. I was concerned enough to provide the space for a follow-up dialogue with line managers to get underneath the concerns the survey had hinted at.

To maintain individual confidentiality and to generate shared ownership of the issues across the line management team, we ran an initial workshop with line managers alone to gain full clarity

on the issues at stake. This was followed up with a facilitated session that included the senior managers so that they could identify the best way to resolve their concerns as a team.

These face-to-face meetings with line managers proved a powerful catalyst to articulate and share the issues across the management team. The group also said the dedicated workshop had been an effective way of helping them give time and attention to their concerns outside their daily work activities, and ensure issues could be nipped in the bud before they became real problems.

But the really revealing aspect of the event was that the focus of concerns and the language used by the line managers was very different in 2009 compared with the focus groups of two years before. There were inevitably a number of detailed issues that needed addressing, but the overarching message was actually a very positive one. Whereas in 2007 the line management group were feeling the pressures of balancing their own operational delivery with their day-to-day management responsibilities, now the focus had changed. Among the ins and outs of the issues they wanted to fix was a clear message: 'You've invested in our management capability, and we would like more opportunity to exercise it.' The pressures of delivering fast growth with limited resource had not diminished, but some of the management procedures were outdated. They were equipped to lead their teams and were keen to exercise their leadership accountability more fully.

The focus of the second workshop with senior managers was therefore the boundaries of accountability between line managers and senior managers. We introduced a process to help build

consensus behind a 'Go/No Go' delegated decision-making agreement. Not only would this help the teams recognise and define the decisions line managers regularly looked for guidance on, but also identify whether this guidance was actually necessary, both from an audit and a skills perspective. As expected, the process was very effective at creating a sense of joint ownership of the problems as well as recognising where decision-making boundaries should lie in the future.

Overall, the two workshops were constructive, helping participants feel their concerns had been 'heard' and acted upon, and ensuring joint-ownership of the solution through improved dialogue that should help prevent further issues in the future.

As we look back over this journey, there are a number of interesting points for employee engagement more generally. First, engagement is a continuous journey, in this case from belief in organisational purpose, to growth in individual responsibility, to a deeper level of engagement in team support. Indeed, we see that journey continue and with it the focus on what really matters to the business and the sharing of solutions. Second, the power of getting employees together face-to-face cannot be underestimated. If you give them the space to talk, you can harness their energy to improve their work. I was also interested to see that a trusted third party can help facilitate truly open discussions.

Third, employee engagement really does deliver business benefits. Toshiba Medical Systems is a prime example of an organisation where its people truly are its competitive edge: maintaining a high level of engagement with the workforce has been fundamental to achieving increased productivity and challenging growth targets. ■