

case study

3 engages its people to transform itself and the telecommunications industry

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**John Vickerman,
Director of
People and
Property, 3**

Background

When 3 launched in 2003 it was a new entrant into a highly competitive mobile market and within two years grew to 3.5 million customers with almost double the industry average spend.

3 was not only responsible for leading one of the biggest technological advances in decades but also creating a new industry. For the first time ever people would be able to access entertainment services, including music videos, games, TV and sports, on the move. Existing communication services would also be transformed with the introduction of mobile video calling and messaging. There were no rules for this new industry and 3 employees themselves would have to make daily decisions that would shape the future of what was set to become the future of telecommunications.

The future of 3G

A couple of years after launch, the company realised that if it was to successfully achieve its ambition to put its services into the hands of every UK consumer it had to transform itself from a technology pioneer to a mobile media company.

Bob Fuller, Chief Executive of 3 UK, explains, "We were at a significant moment in the history of communications and media – a point of inflection. The previous distinctions between the media, technology and communications industries had all but disappeared. An entirely new type of company was emerging that blurred the boundaries between all three."

It was no longer enough for 3 to stand out for its technological advancements. Instead it had to find new ways of bringing together information, communications and entertainment in a single mobile device. This required finding more and more innovative ways of enabling customers to send and receive information and entertainment.

After outsourcing responsibility for management of its network and IT infrastructure and 1,000 technical staff to Ericsson, to enable it to focus on its transformation into a media player, 3 recognised the importance of ensuring its workforce was behind the cultural change.

It also needed to reconsider its employment brand and what it could offer employees if it were to successfully fill the new employment opportunities it was creating. These exciting new roles required people from the creative industries to move into the telecommunications industry and deploy their skills in ways that hadn't been possible before.

Engaging Employees

Essential to successfully transforming the company once again was first taking time out to find out how employees felt about all the transitions that had taken place so far and how best to retain their enthusiasm for yet more change. John Vickerman, Director of People and Property, comments "We were a young company, leading the development of a brand new industry. The change we put our workforce through had been unprecedented. Our success is dependent on creating a working culture that enables people to thrive on the demands placed on them."

Going forward, 3 wanted to understand and formally capture what it was doing right when it came to its people so that it could strengthen its employment brand even further, "Our future success is dependent on retaining existing employees and being able to describe our culture in ways that will make people from the creative industries want to work for 3," says Vickerman.

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So, Getfeedback, a talent management consultancy that helps companies to meet their corporate objectives by better engaging their employees, was brought in to:

1. Assess how engaged 3's employees are with their role in driving the business forward
2. Build up a picture of what matters most to 3 employees
3. Gather data to inform future decision-making and people policies

To achieve this, Getfeedback worked with 3 to design a company-wide survey to enable 3 employees to voice their views on their organisation in total confidence. Within less than three weeks of launching the survey, over 80% of the people working at 3 (2,000 employees) had completed the survey. Such a positive response was testament to both the design of the survey and willingness of 3 employees to give a view on their organisation.

Understanding the Workforce

After gathering and compiling the findings, Getfeedback went on to not just present the overall results and scores but also to carry out some complex regression analysis to identify which topics had the greatest bearing on how engaged a 3 employee was.

Ali Gill, co-founding director, Getfeedback comments, "All too often, when it comes to analysing survey findings companies just look at the overall scores rather than analysing them properly to identify which areas have the greatest influence on what the business is trying to achieve."

"It's essential when looking at employee engagement to properly understand which issues matter most to the workforce before embarking on any plans to improve this. Only then can you get the best improvements in the quickest and most cost effective way. In any engagement survey one question will have a closer relationship to how engaged employees feel than any other. The difficult bit is identifying which one," Gill explains.

Getfeedback's analysis of 3's survey findings revealed the factors having the biggest influence on employee engagement, and most likely to influence their

willingness to undergo more change for the company, were:

- Confidence in 3's business prospect
- Clarity of direction
- Working with co-operative people
- Feeling challenged by their work
- A quality work environment
- A good work life balance
- Fair pay

Vickerman comments: "Our engagement survey revealed that our employees genuinely care about and are personally affected by how the business is performing and the direction it is going in. They are next most influenced by how co-operative their colleagues are, how challenging their work is – where challenge is considered a good thing - the quality of the environment they are in, work-life balance and pay."

"We had done lots of work to communicate our growth and improved financial prospects to the outside world but the engagement survey findings showed that internally employees wanted to know even more. In fact they considered knowing more about where the business is heading more important than pay when it came to making them feel connected with the company and happy in their roles," Vickerman adds.

Following the detailed analysis work, the executive team at 3 was able to understand which issues 3 should focus their attention on internally to increase employee engagement.

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Attracting New People

By understanding what made its existing workforce tick, 3 was able to build this into the job descriptions

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created to help it attract new and different people. Instead of just describing what the new jobs would

involve, the company was also able to describe what employees valued about its culture.

Again, focusing on the exciting new direction the company was going in, job adverts made it clear that employees would be given a chance to understand the new direction being set by the company and opportunities to help shape this themselves.

As a result, it has been able to attract highly skilled employees from outside of the telecommunications industry to fill exciting new strategy, product development, research and marketing roles.

"Not only are we shaping the future of the mobile industry but we're also making it an accessible and exciting profession for media professionals with no telecommunications experience to work in," says Vickerman.

The Results

Since successfully implementing the changes recommended as a result of its employee engagement survey, 3 has attracted another 500,000 'quality' customers and successfully transformed itself from technology pioneer to mobile media company firmly putting the pressure on the old networks to follow suit.

Whereas some of its competitors struggled with future strategy, 3 has done this with such success that it has significantly impacted other industries becoming a substantial influence on the music industry. Graeme Oxby 3's Marketing Director, says, "A few years ago no-one would have believed mobile could have had such an impact on the music market. These are exciting times for us. The market looks set to grow and grow as we provide UK consumers with more and more choice over where, when and how they buy their music."

Critical to 3's ability to operate as a media player, and influence consumer behaviour and spending patterns, is its ability to attract and retain a diverse and highly creative workforce.

"We are continuing to work with Getfeedback and will be shortly conducting another employee engagement survey to ensure we're doing everything we can to ensure our people are 110 per cent behind whatever direction 3 decides to take both the mobile and media industry in next," concludes Vickerman.