



REPORT

INVISIBLE EMPLOYEE SYNDROME

Many UK mid-market organizations are suffering from 'Invisible Employee Syndrome'. This is reducing productivity, sapping innovation, undermining competitiveness and fueling attrition. This report describes the symptoms, causes and business impact of this modern workforce ailment.

In a recent survey of predominantly UK-based HR professionals across a diverse range of private industry sectors, Fairsail and HR Grapevine set out to examine how the modern workforce is managed in organizations with 250-10,000 employees. They discovered that many businesses are putting customers at the heart of what they do and, in the process, losing sight of a vital business asset: their people.

It suggests that a previously unrecognized malaise, Invisible Employee Syndrome, is afflicting many UK organizations. This occurs when employees 'go dark', disappear off the performance and talent radar, and intentionally or unintentionally become invisible to their employers.

The survey brings to light a range of contributory factors in the rise of Invisible Employee Syndrome, including inadequate workforce engagement, poor workforce communications, a lack of workforce insights and broken HR processes and systems.

77%

of respondents felt their employees were poorly or partly engaged

86%

of respondents believed that their organization spent more time focusing on customers over employees

>90%

of respondents felt it was important to combine workforce data and processes with company and HR communications

Inadequate Workforce Engagement

Workforce engagement is critical. The HR industry's professional body the CIPD defines it as an internal state of being – physical, mental and emotional – that brings together work effort, organizational commitment and job satisfaction. Despite this criticality, an independent survey by ORC International conducted in 2014 showed the UK near the bottom of global employee engagement rankings.

The results from the 2015 Fairsail and HR Grapevine survey suggest that little appears to have changed a year later:

- 77% of respondents felt their employees were poorly or partly engaged and had only a limited or inconsistent understanding of what was going on in the business
- 86% of respondents believed that their organization spent less than 50% of the time focusing on employees over customers, with 46% of these companies spending less than 25% of their time on employee-related matters

Poor Workforce Communications

Communication is something we do reflexively – like breathing. At home and in social settings poor communication can lead to arguments. In the workplace, the repercussions can be far more serious: poor productivity, unmotivated employees and an inability to innovate.

To get the best out of a workforce organizations must connect employees in real-time to the content, people and apps they need to be successful anywhere, from any device. This enhances the workforce experience, making accessing information and completing tasks as quick and as easy as it is in their personal lives.



40%

found it hard to get a consistent and accurate view of global employee information

54%

of HR professionals reported that they had inadequate systems

52%

found it hard to produce reports, workforce dashboards or management insights

The importance of this is backed up by the research:

- Over 90% of respondents felt it was important to combine workforce data and processes with company and HR communications

There is no doubt that employees are more engaged when information flows freely and they understand the relevance of activities and management decisions that affect their jobs. This in turn promotes better performance, employee retention and well-being.

Previous surveys have shown that only around one in ten employees feels fully informed about what is happening in their organization, yet in spite of this:

- 62% of HR professionals stated their HR applications don't integrate with the organization's communications tools

It seems evident that organizations are failing to combine core HR processes with important internal communications, resulting in sub-optimal processes. This, when combined with a number of other factors described in this report, is highly likely to be contributing to the poor levels of workforce engagement being experienced in UK mid-market organizations. It can leave employees feeling overwhelmed by information overload, or frustrated if they can't find important company information quickly.

Workforce Insights

Over the last 15 years there has been a huge amount of focus on knowing your customers. While this has successfully rectified previous neglect and put customers at the heart of corporate strategy, there has been much less focus on people and workforce systems.

But the world has changed. We are in a new growth period. The global skills crisis, high attrition and the 'war for talent' are demanding that companies understand, motivate, develop and retain their people just as much, if not more, than their customers. Despite these changes, the survey revealed:

- 40% found it hard to get a consistent and accurate view of global employee information

Providing insight into an organization's workforce can inform leaders' plans for developing and improving recruiting methods. It can guide general and specific hiring decisions, and keep the best workers with the company. It should help inform talent pipelines, identify high performers, determine skills gaps and development needs, and assist in resourcing and succession planning.

Such insight is clearly a valuable strategic asset, yet the survey revealed:

- 52% found it hard to produce reports, workforce dashboards or management insights, stating it can take several hours or days to collate and gather accurate data
- 50% of respondents still relied on spreadsheets for workforce reporting and metrics

Broken HR Processes and Systems

IT is a vital enabler of workforce engagement. However, the survey revealed that there is still a long way to go in the transition of HR technology from dependence on spreadsheets to systems of record and on to systems of engagement. Indeed, many organizations have yet to implement even the most basic systems of record, as the survey discovered:

- 54% of the HR professionals had inadequate systems, with no single employee system of record in their organizations
- 39% of HR teams spent more than 50% of their week on administrative tasks
- 39% believed at least 25-49% of time was spent on clerical work
- 41% felt HR was relied on to make changes to employee data due to HR systems that didn't have self service capabilities
- 70% were unable to provide their managers with the capability to approve HR-related requests outside of the office



Curing the Invisible Employee Syndrome

Invisible Employee Syndrome appears to be endemic in many UK mid-market organizations. Employers lack workforce insights and are spending insufficient time with employees. This is not helped by HR teams being bogged down in mundane, manual, clerical and administrative work when they could be spending more time working with the business. Poor communications exacerbate this situation, with employees unclear as to business vision, strategy and purpose. Many people cannot see where they fit in the organization or the value of their work.

These can all contribute to a demotivated workforce. Some employees may react by selectively choosing to disengage. In essence they intentionally go dark, do not contribute fully and begin to disappear from company performance and talent radars.

Symptoms may include people keeping their heads down and doing just enough so that they don't draw attention to themselves. They turn up at meetings

but do not participate fully; they may be the last to arrive and the first to leave. Their performance is adequate but not outstanding, and they have a lethargic outlook whereby it is simply not worth going the extra mile.

As a result, productivity suffers and other knock-on issues surface, such as challenges in finding internal talent for succession planning, or issues with retention.

With little investment in modern systems of engagement, many employers have poor workforce visibility (40% find it hard to get a consistent and accurate view of global employee information). They are unable to gain insights quickly about their employees and, in a surprising number of cases, may not even know how many people they have working in their organizations. By not appearing on the appropriate HR or finance spreadsheet, people can inadvertently become digitally invisible and their talent is easily overlooked. At a time when many CEOs are scrambling to find talent and are concerned about access to key skills, this is a disturbing reality inside UK organizations.

In today's global, 24-7 business climate, HR systems can no longer be simply administrative systems of record. Instead, they have the potential to drive workforce engagement in a way that will have an impact that's far wider than on HR processes alone. These systems will be central to the workplace, the workforce, workforce intelligence, the company brand and company communications.

About The Research

The findings are part of a joint 'Modern Workforce' survey from Fairsail, provider of global cloud HRMS to mid-size organizations, and HR Grapevine, the European network for HR business leaders and influencers. Over a six-week period in early 2015, a respondent base of more than 250 HR manager/directors from a range of sectors in organizations with 250-10,000 employees answered questions about the challenges they face in managing their workforce.

Six steps for managing Invisible Employee Syndrome

Discover how modern HR systems, in combination with senior leadership commitment, workforce insights and process integration, can help to stem the rising tide of Invisible Employee Syndrome. Download and use our six-point plan of action to help manage and alleviate this workforce malaise. [Visit www.fairsail.com](http://www.fairsail.com)

About Fairsail

Fairsail enables mid-size, multinational companies to manage modern workforces through its global cloud HRMS, transforming how organizations acquire, engage, manage and develop their people. Implemented quickly and simple to use, the system

increases company productivity, reduces operational costs and provides better experiences across the entire workforce. Fairsail's customer portfolio includes Antea Group, Betfair, Cobalt International Energy, Cooper Gay, Monitise, Roto-Rooter, SDL and SolarWinds.

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