

SECTION 1:

Case Study:

People Management

Covid enabled Severn Trent to supercharge its strategy

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The water company was able to rethink and improve its long-term plans, despite initially being derailed by the global pandemic

Although it might be more synonymous with Ross Geller's futile attempts to get a sofa up a flight of stairs in that episode of Friends, the word 'pivot' also unexpectedly became a buzzword for Severn Trent in 2020, after it was forced to rethink on its plans to improve employee experience when the pandemic hit.

The water company's work had been in the offing since 2018, yet just a month before it was due to start delivering, Covid reached UK shores. Rather than waver or deviate from its plan, the firm instead worked to "supercharge" it and bolster support for its 7,000 employees.

"It really helped people during that time to know that, while everything outside was uncertain, when they came into work, we knew what we were doing," explains group HR director Neil Morrison, who said the company's approach remained steadfast: "This is the plan, no excuses. We're going to deliver this."

As a regulated company, Severn Trent presents a business plan every five years explaining how it will deliver for its customers and employees. For its HR department, the 2020-25 submission was focused on engaging colleagues and allowing them to feel like they own the company's targets.

Part of this planning process was its 'Bike on the Boat Tour', the concept of which was inspired by a New Zealand team that competed in the America's Cup race with bikes on their boat: lateral thinking which revolutionised its performance. "The whole point was to look at a problem in a different way, with creativity and innovation," Morrison says. "We wanted to ask all our colleagues how we should approach the way they think about the service we provide differently."

The firm's CEO hosted nearly 80 hour-and-a-half-long events over eight weeks, under the 'Bike on a Boat' project, speaking to employees about the innovation they wanted. Having set its KPIs and presented them to 1,000 senior management team members at an event held in an airport hangar, the company hosted another event to kick off the plan in 2020, only – mere weeks later – to be forced to "pivot" as lockdown measures were introduced.

With 40 per cent of staff unable to go into the workplace and the other 60 per cent deemed 'essential' workers, Morrison describes how this split the organisation into distinct groups – but that the company managed to make it work. "Very early on, we decided not to furlough anyone and not make any redundancies," he says. "We would still pay bonuses if we hit our

targets, and that was also really important because people's partners were being furloughed or losing their jobs."

As the pandemic developed, Severn Trent ran a regular CEO video blog, a cross-company news bulletin and communications distilling government messaging on restrictions. "We tried to create experiential learning and communications to help people process information in a way that made sense for them," Morrison explains. But because much of its staff are frontline workers who do not spend their working day in front of a computer, not everyone was able to receive the emails, so Severn Trent also introduced 'Comms Cells', an area on the walls with information employees needed to know.

During the first year of all its changes, despite the challenges of the pandemic, employee engagement increased 2.5 per cent, with an average employee rating of 8.3 out of 10, putting Severn Trent in the top 5 per cent of utility companies globally. According to Morrison, this achievement has continued steadily, remaining at this high level. The company's impressive work in this area also ensured it took home the trophy for 'Best employee experience' at the 2021 CIPD People Management Awards. "All of these measures indicate that people are enjoying what they're doing," Morrison says. "The quality of feedback shows staff are invested in making things better and helping to deliver which, to me, is a sign of success."

Prior to the pandemic, Severn Trent had also launched employee inclusion and diversity advisory groups for LGBTQ+, ethnic minority and disabled staff, and they too were "supercharged" after Covid's emergence, quickly becoming key to the firm's response. "We recognised that everyone was going through a different kind of experience in the workplace, so it was quite easy to take our 'lunch and learn' sessions or Black History Month celebrations virtual, for example," Morrison explains. "The groups created communities working together to talk about what was going on, so people could share things that matter to them, rather than us telling them what to do."

But when restrictions were lifted during the summer of 2020, Severn Trent was quick to bring as many people back to the workplace as possible. "Our performance is better when we are collaborating because of the nature of our business: a 24/7, 365-days-a-year essential service," he explains. "Having people together is really important to be able to solve problems."

So, what next for Severn Trent? Excitingly, the company will be contributing to the Commonwealth Games, hosted in the Midlands later this year. Employees will be volunteering during the event but also act as baton bearers in the run-up. "This is a major sporting event taking place on our doorstep that should be something we're all really proud of," Morrison says.

But despite impressive data and award wins, the firm isn't done pushing employee experience further. "We've had real co-creation with our colleagues and our communities, feeling very much connected to what we're doing, and I don't see that changing at all," Morrison says. "It's a fundamental part of our DNA."

END OF CASE STUDY