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KPMG



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Appeals to Hearts of Employees & Reaps the Rewards

By Jim Fickess, WorldatWork

Connecting with employees personally can boost motivation.

A Big Four accounting firm asked its employees to think with their hearts and not their heads when answering the question: “What do you do at KPMG?” Leaders at the audit, tax and advisory giant were overwhelmed by both the inspiring responses and the tangible business results they helped produce.

That question was the foundation for the company’s Higher Purpose campaign, which earned KPMG LLP the WorldatWork 2016 Innovative Excellence in Workforce Engagement Award.

“KPMG’s Higher Purpose campaign is an excellent example of how a company can connect with employees on a personal level,” said Anne C. Ruddy, CCP, CPCU, WorldatWork president and CEO, in announcing the award, which recognizes groundbreaking workplace programs and policies that raise the bar on the employee experience. “We congratulate KPMG on an innovative program that encourages employees to bring their authentic self to work and share why their work is meaningful to the company and its clients.”

How Higher Purpose Works

Higher Purpose's success exemplifies the importance of both top-down and bottom-up communication, said Bruce Pfau, KPMG's vice chairman of human resources and communications.

KPMG leaders realized that to improve employee engagement, they would need to go beyond the standard focus on rewards, resources, recognition and career opportunities. They appealed to employees' hearts by celebrating the meaning and positive impact of their work in an effort to strengthen the emotional connection between the company and its workers.

The answers from KPMG's 27,000-plus United States-based employees to the "What Do You Do at KPMG?" question were to be incorporated into a campaign called the "10,000 Stories Challenge."

But first, leaders laid the groundwork with a new purpose statement: Inspire Confidence. Empower Change.

To help employees relate, a "We Shape History" message was rolled out, with a video that showed the firm's almost-forgotten roles in key 20th century events, including: drafting the details of the Lend-Lease Act that financed Britain's fight against Nazi Germany before the U.S. entered World War II; resolving \$24 billion in conflicting claims that was key to the release of U.S. hostages in Iran in 1980; and certifying contested election results that led to Nelson Mandela becoming president of South Africa. It was reinforced with a poster campaign with messages such as "We Champion Democracy."

Managers also communicated the idea that KPMG professionals' work goes beyond tasks like executing audits to belonging to a profession that helps improve the accuracy of information upon which American families make investment decisions.

To encourage the bottom-up communication, KPMG initiated the 10,000 Stories effort in June 2014,



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promising two extra paid days off over the holidays if 10,000 entries were submitted by Thanksgiving.

"After we got our goal of 10,000 stories, more just kept coming in," Pfau recalled.

KPMG employees wound up more than quadrupling that goal, with more than 42,000 submissions. "That showed us that it was much more than the incentive of extra time off, there is an intrinsic motivation in people to tell you what they do and why it matters," he said.

That desire is not occupation-based, Pfau added. "People are people whether they are accountants, artists, truck drivers or software engineers. They want what they do all day to have a sense of good. There

is a pent-up appetite, which we saw in our response to the 10,000 Stories challenge."

It is essential to give people who want to share the platforms to do it, Pfau pointed out, saying social media played a key role in Higher Purpose's success. "While we had an outpouring of interest, we made it simple for them to do," he said.

Higher Inspiration

Some of those 42,000 stories were especially compelling. Pfau told of a team that works for a university hospital that submitted "We Mend Little Hearts." The team's poster explained how its work helped the hospital get grant funding for pediatric heart research.

Also inspiring was “The American Dream” video, which featured some of the 8,000 KPMG employees who are first-generation college graduates. “It’s from people who tell what it is like to be the first person in their family to have a white-collar job and what that has meant to their family. It makes you really proud to work for KPMG,” Pfau said.

Higher Numbers

KPMG research shows those feel-good stories have produced tangible business results.

Scores in an employment-engagement survey taken in October 2014, four months after the start of Higher Purpose, rose to best-ever levels with 85 percent saying KPMG is a great place to work, up 3 percentage points from the previous year. Sixty percent said the initiative strengthened their pride in KPMG and the work they do.

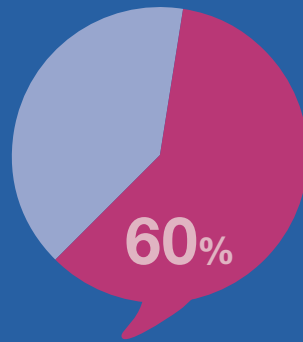
During this time, KPMG surged 17 spots on Fortune’s “100 Best Companies to Work For,” placing it No. 1 among the Big Four for the first time.

In that employee-engagement survey, 76 percent of KPMG respondents said their “job had special meaning (not just a job),” six points higher than the average of its Big Four counterparts and a four-point jump from the previous year.

The program elicited such employee comments as, “I brought my poster home to show my family. It’s such a great way for me to tell my kids what I do at work and why it matters.”

The research also showed the importance of messaging from leaders, Pfau said. Among employees who said their leaders discussed Higher Purpose, 94 percent said KPMG is a great place to work and 94 percent also said they are proud of their work. Those percentages dropped to 66 and 68, respectively, for workers who said their leaders did not discuss the initiative.

Those whose leaders did not discuss Higher Purpose indicated they were



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three times more likely to seek work elsewhere than those whose leaders did (35 percent compared to 12 percent). The actual year-to-year turnover rate bore that out (9.1 percent versus 5.6 percent).

Also, workers whose leaders communicated the program were dramatically more motivated to strive for continuous improvement and high performance (91 percent versus 54 percent.)

A Multigenerational Higher Purpose

KPMG leaders were somewhat surprised by the similar participation in the 10,000 Stories from four age groups (under 30, 30-40, 41-50 and over 50). In all four groups, the percentage of participants mirrored, within a few percentage points the group’s percentage of the workforce.

“Going in, we assumed this would be big with Millennials but it was across the board,” Pfau said. “It was kind of counterintuitive.”

Higher Challenges

The successful campaign was not without its challenges. KPMG leaders addressed these three major hurdles:

■ Escaping an academic focus.

At first, KPMG leaders were pondering such things as the differences between vision, purpose and mission instead of thinking about the messages themselves.

“I like to use the example of the ‘Star-Spangled Banner,’” Pfau said.

“We wanted to elicit the feelings of pride and loyalty they feel after hearing it, not a treatise on the structure and objectives of national anthems.”

■ Breaking through message clutter.

Like most organizations, KPMG can flood its staff with messages. To create meaningful Higher Purpose communications that would catch workers’ attention, KPMG hired an agency that built the campaign around the question: “What do you do at KPMG?” It produced posters focusing on answers

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such as “I Power Innovation” and “We Champion Democracy,” followed by a to-the-point explanation. Each poster was concluded with the campaign’s theme: Inspire Confidence. Empower Change.

Overcoming risk aversion and conservatism. KPMG people are trained to be cautious and precise, so organizers worried that dramatic headlines like “We Shape History,” might be greeted with skepticism. However, those fears quickly dissipated when leaders saw the response to the early Higher Purpose messages, Pfau said.

Taking the Program Higher

Higher Purpose leaders aren’t letting the momentum fade away.

The campaign has been incorporated in both training and recruiting as well as being expanded. “You have to keep the conversation going,” Pfau said. “We’ve spent a lot of time weaving it into leadership development, talking with people about how to speak from the heart.”

In recruiting, KPMG has seen positive effects both on campuses and with experienced hires, which reinforces the intergenerational appeal of Higher Purpose, Pfau said.

KPMG also is installing “Legacy Walls” in its major-market offices. Employees are encouraged to “make their mark” by writing their name and hire date. The walls are designed to signify the strength and longevity of each employee and reinforce a sense of stewardship.

Program leaders also are looking for artifacts of KPMG history, dating back to the 1890s, which will tie into the company’s theme and purpose, Pfau said. One example is minutes from a partners meeting in the 1920s. “In that meeting, they were discussing

criteria to select KPMG employees,” Pfau said. “It is amazing to see the overlap in values from then to today.”

In addition, a “first-cousin” program, called Portraits of Purpose, has been established. “While the 10,000 Stories was about individuals and their teams, this is a shout out to someone you’ve seen making a difference, someone you admire,” Pfau said. To date, the program has gotten almost 10,000 portraits.

How to Create a Similar Program

While the Higher Purpose stories are inspiring, HR professionals who want to start a similar program should focus on the business case when selling it to the C-suite, Pfau advised, pointing to KPMG’s improved metrics.

“People want to talk about what they do,” Pfau said. “It is a very significant, often unexploited, asset. We are so used to appealing to people’s heads, we need to appeal to their hearts. It is fallow ground. There is so much to be gained. The ROI is tremendous,” he continued. “If engagement, discretionary effort and loyalty are important to a business, such a program will sell itself.” **WS**

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