

EMPLOYEE RESILIENCE IN TIMES OF CHANGE: PARTICIPATION AND WELL-BEING DURING MERGERS AND RESTRUCTURING

CASE STUDY: GLAXOSMITHKLINE (GSK)

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GSK, one of the world's leading research-based pharmaceutical and healthcare companies, acknowledges that competitiveness based on innovation involves a healthy, committed workforce, placing employees central to the company's growth. Linking the mental health and wellbeing of employees to the corporate objectives it devised a structured continuous innovative process of engaging and encouraging all employees to 'do more, feel better, live longer' which, as the company mission statement, is applied to both customers and employees. GSK is a continual story of acquisitions, mergers and growth which as a part of every day working life demands high energy and resilience from its employees in an increasingly volatile working environment.

Drivers for change

With 105,000 employees in 116 countries with 47,000 employees in Europe GSK is also now expanding in the US and Asia. Producing pharmaceutical, consumer healthcare, oral care and smoking cessation products, GSK faces immense challenges in the next few years as an unprecedented number of pharmaceutical products lose patent protection. This will be set against a backdrop of purchasers searching for ever more cost-effective healthcare and escalating patient demand for new and better medicines. Therefore the CEO of GlaxoSmithKline has set out three new strategic priorities in 2008 that aim to grow a diversified global business, reduce risk by simplifying GSK's operating models and improve its long-term financial performance by delivering more products of value.

GSK recognised that such significant change and growth across all its divisions needed co-ordinating worldwide. In Belgium GSK Biologicals has experienced many different challenges from its mergers, changing and expanding from a 'Belgian company' with 'Belgian people and skills' and a 'Belgian mentality' to becoming a global organisation. Founded in 1945 as a pioneer in antibiotic production and subsequently in 1960's in vaccine production, research and development, GSK Biologicals (2000) has undergone successive mergers and acquisitions. Although a division of GSK Pharmaceuticals, GSK Biologicals has separate production facilities, a commercial business unit, and research and development units, employing approximately 6,000 people across its ten sites across the world. The three Belgium sites including Wavre form the heart of its research, development and production activities and employ four fifths of its global workforce.

GSK Biologicals produces vaccines for both prophylactic and therapeutic use. Expanding worldwide it aims to achieve 25% of global vaccine sales - currently 10%, together with the growth of new and existing products. Huge investment is needed in this sector as it takes 10 to 20 years to develop a new vaccine. Of the 6000 employees in Belgium, more than 1600 are scientists. New facilities have to be created to cope with expanding numbers of employees and growing demand and production of new vaccines, so consequently there is a massive building project underway at the site at Wavre.

In 2006 GSK Biologicals employed 1,000 newcomers in one year alone. The level of growth creates integration problems, capacity and space issues. It also challenges a traditional culture which sought to increase the level of 'global' functions within Belgium. The age profile suggests a young and diverse company with an average age of 36 years, an equal gender profile and 40 different nationalities. The average length managers have been in post is just 6-7 years and the management of retention of employees and their knowledge and skills is a key target. Similarly absentee data indicates a 3-4% rate (but some areas have had poor reporting), which links with reports on work related mental health issues. Care and support with high level and proactive management in teams is a priority for the 4% sickness absenteeism towards returning to work.

Data received from one of the regular employee surveys was not entirely positive reflecting the volatility from the continual change, with some employees reporting work stress and mental overload, insufficient communication, a weakness in newcomers induction and a lack of recognition. In response, action plans and processes were implemented including the establishment of interdisciplinary working groups throughout the company with the goal of defining a global and integrated approach to wellbeing at work. This was led by Human Resource managers, Environment, Health and Safety leads (EHS) and line managers.

The Characteristics and Process of Change

Over a period of time key dimensions to the way GSK have approached the drivers of change have developed through its *People Strategy*. At GSK Biologicals production is 24 hour, 7 days a week and requires flexibility to meet seasonal and shift changes. This demands flexibility and agility in work organisation with an expectation that employees should be ready to do more than the basic minimum. In return they are encouraged to maintain their skills through development and training, to 'bloom' and feel enriched at work, and to enhance their employability. Employees are supported in their future development in the company, through recognition of their contribution and in their ability to cope physically and mentally with responsibility, with the aim of maintaining a good work life balance to enable them to feel good at work.

In this highly unionised arena negotiations are required with all three unions to 'defend the interests of the employees'. Representatives are elected by formal social election every 4 years. Two levels of negotiations are held: the Council which incorporates union representatives, and CPPT which monitors the safety health and environment including well being. Belgian companies, as with those elsewhere in Europe, have a legal requirement to conform with an EU Directive relating to wellbeing targets. The '*Energy and Resilience Strategy*' data driven opinion survey (every 2 years) was developed with and well received by the trade unions and European Works Council who advocate and communicate information relating to the programmes.

Collective approach to well-being at work

Well-being is considered the responsibility of each individual worker and manager within GSK, supported by a proactive Occupational Health and Medical service, the impartiality of the Social Service and with liaison with TU.

Human Resource Management

GSK Biological's culture is high pressure and highly competitive with a continually changing environment due to the periodic acquisition of smaller companies and competing in the war for talent. HRM is given high priority with HR Business Partners linked to all management teams and incorporate a consultancy approach to health within an overall focus on business success and keeping the best talents in the company. Close attention is paid to health and wellbeing as part of employee development, recognising that resilience is vital to their individual and collective success.

Their culture is summed up in the behaviours that GSK expects all employees to embrace namely performance with integrity, an entrepreneurial spirit, a focus on innovation, having a sense of urgency and a passion for achievement. GSK claims that its mission and spirit help employees to deal with new challenges and maintain a clear focus. To be able to manage growth, GSK wanted to implement a structured way to approach the mental and physical well being of their employees. Global and local HR programs include change management initiatives incorporating new and improved work environments, a proactive approach for occupational health and an early sick leave intervention approach to attendance management. Their social service offers support for employees with long term disability or work related issues. A formal company presentism policy and approach is implemented when employees at work are not contributing optimally due to low self esteem and self value and when early warning signs such as fatigue and tiredness are recognised. Their approach supports individual energy and the team as a unit.

Managing risk

Belgium regulation requires organisations to monitor wellbeing at work at a minimum of every 5 years. In response to this GSK set up a dynamic system of a well being survey in co-operation with the Trade Unions. It is a participative survey led by the management with EHS support. Using a risk-prevention strategy, called SOBANE, the method includes screening (survey), observation, analysis and expertise (action). 18 questions are asked relating to work content, conditions and relations. Department representatives feed back to employees, and together with the TU global and local action plans are defined. Their aim is to make risk prevention faster, more cost effective, and more effective in coordinating the contributions of employees, their management, occupational health (OH) practitioners and medical officers. With a no blame culture for reporting of incidents, follow up and learning from reported workplace incidents is tracked on shared notice boards in work places.

Great emphasis is placed on the integration of newcomers to the organisation and policies, which GSK considers reaps long term benefits. This includes a mandatory *Welcome Day* covering HR and EH&S policies, information about the occupational health department and ergonomics, and training sessions over the first 2 to 6 weeks to ensure knowledge of new health and safety processes. Managers also hold a ½ day welcome and introduction session to explain work, training and knowledge of their work area.

Wellness Together Programme

The concept and idea of wellness was launched in 2006 to proactively and creatively manage the well being of their workforce. This is an interdisciplinary and integrated company project which is implemented in parallel with an expectation of employees

responsibility in both work and private life, to set up common mindset of well being as a driver for performance improvement - 'feel good improves work'.

This programme runs four themes through out the year – security, health, environment and communication. Activities include wellness meals – a balanced diet lunch every day, fitness, vaccinations, ergonomics, green issues, waste management, and energy consumption. Workshops are arranged on sleeping management, assertiveness, personal energy audit, stress management, self awareness. *Wellness Together* posters and stands disseminate the wellness message throughout the company.

The GSK energy and resilience portfolio

GSK has developed a 'top down' structured approach to resilience which is becoming accepted and embedded within the corporate culture. It is designed to permeate:

- Leadership behaviours of management
- Business excellence
- Technical expertise
- Self awareness
- Specific objectives around own individual needs as well as business needs

To support a move into the resilience and energy dimension GSK believe that the culmination of personal resilience, managing for resilience and reinforcement by senior leaders will lead to a resilient organisation, with the desired outcomes of enhanced focus, improved productivity, commitment, retention and recruitment.

Personal resilience

'To gain a sense of perspective, focus and direction'. While some people may appear to be innately more resilient than others, GSK promote that being resilient is a set of skills that can be learned and developed at any stage in life. Delivered by facilitators trained in resilience and energy management principles, the workshop examines and enhances the four dimensions of energy for employees:

- Physically energized – exercise, nutrition, sleep*
- Mentally focused – laser focused not multitasking*
- Emotionally connected – work life integration, reflection*
- Spiritually aligned – clear vision, beliefs and values*

The workshop provides tools and methods in how to create a positive, energized, resilient person and encourages each employee to devise their own personal action plan.

Team resilience to energise and improve performance

The assessment of a team is by survey to encourage identification of sources of pressure, obstacles to performance and wellbeing at work, identify actions and follow up. This is a team assessment regarding resilience and differs from the organisational 'climate survey' as it examines pressure and talks about relationships.

The assessment tool covers 6 research based pressures in work places:

- High work demands
- Management
- Organisation control / autonomy

- Relationships
- Leadership behaviour
- Technical expertise

Teams can self nominate or be identified through HR, Social or Medical departments. In these situations managers have no choice but to participate and work with a facilitator. The purpose is not to point blame but to improve. The whole team produce an action plan to ensure a real well being at work involving finding ways to solve problems, share feedback, team building, develop respect and improve communication. Line managers have responsibility for level of engagement and follow up of action plan and to repeat survey after one year.

The Team Resilience Programme is global but local people own and deliver training. It is a scientifically validated tool which was initially piloted with 'teams in trouble'. GSK are currently collating and using results as reference population. Responses include data on innovation, work-life balance and satisfaction summary, job security, pressure, and fatigue.

Within the GSK *People Strategy the 'Development Framework'* approach to resilience is also supported by several tools including the *Personal Resilience* training which is offered as a half day or 2½ day non mandatory programme where psychological issues, emotion, heart, mental focus and mind are identified; the *Leadership Health Coaching* process which focuses on self awareness and reflexive people in the organisation, in an effort to move away from being a rule based organisation; a *Stress Risk Appraisal* and a *Team Agility Survey* with the second half of the report concentrating on individual agility.

Key Lessons

GSK acknowledge that the buy-in of management is required to have integrated approach to wellbeing, as is a positive acceptance by all employees. Furthermore, as rules may be an obstacle to sustainability, the organisation is moving towards a process of reflection with the aim of identifying preventative measures before restructuring.

Future developments

GSK are planning wider deployment of their energy and resilience portfolio throughout the company in the future, supported by the CEO, HR and TU to proactively and creatively manage the wellbeing of their workforce. Global and local HR programmes and change management projects will engage new collaboration of both medical and HR input and new work environments and buildings with forum space are being designed with an emphasis on engagement and communication. There is an acknowledgement that it remains difficult to evaluate return of investment of these developments.