

Employee engagement in transportation and logistics

Moving your engagement strategy in the right direction



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Introduction

Thanks for downloading this eBook from WorkBuzz on employee engagement in the transportation and logistics industry. We know HR professionals in this sector have unique challenges – from how to engage a deskless workforce to a serious lack of properly qualified candidates – and we want to help.

We'll cover how to go about fixing these problems, how to effectively reach and engage your deskless employees, and a few ideas for how to improve employee engagement at your organisation.

We'll also hear from LKQ Euro Car Parts, a leading distributor of car and light commercial vehicle parts across the UK and Ireland, on how they smashed their employee engagement targets in their first year with WorkBuzz.

If you're interested in talking to us about how we can get your employee engagement strategy moving along the road to success, don't hesitate to get in touch.

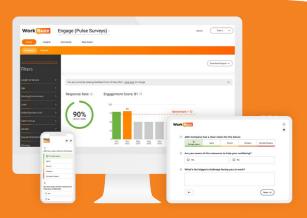


About WorkBuzz

The simple, flexible, customisable way to reach your everyday heroes.

Our employee engagement surveys give you regular, real-time feedback from all your people – wherever they are, and whatever they do.

Listen to your unsung heroes. Understand their concerns. Act on areas of improvement. Build a culture all your people can thrive in.



3 key people challenges in the transportation and logistics industry – and how to fix them



The transportation and logistics industry is facing a number of daunting challenges that need to be solved if organisations are to remain competitive. While the wider organisation attempts to tackle the rising cost of, well, everything, HR and people teams have their own issues to deal with.

The most common are:

- A shortage of properly qualified candidates when recruiting
- Keeping hold of existing employees
- · The rising cost of labour

For organisations in this space to successfully address these problems, it's important to understand their root causes and come up with innovative solutions. In this article we'll look at each of these challenges in turn, and how HR leaders might start to fix them.

A shortage of properly qualified candidates when recruiting

The transportation and logistics industry is experiencing a severe shortage of qualified talent. Many potential job seekers are simply not aware of the opportunities available in this space, or don't feel they have the

necessary skills to take up such roles – which means, despite a relatively large pool of potential employees, many of them aren't even applying for roles in the first place.

The issue has been exacerbated by 'the great resignation' triggered by the pandemic – as discussed in our eBook on how to keep employee engagement high in challenging times. Scores of people who lost their jobs or were furloughed have since moved on to other roles in different industries, or have decided to leave the working world for good, leaving a gaping hole in the talent pool.

To fix this issue, HR leaders should review how their recruitment process works – to ensure they're attracting candidates who are better suited for the role. If you're confident you're offering competitive compensation in line with industry standards, what else could be affecting the quantity and quality of candidates applying?

Are your job descriptions accurately reflecting the skills and qualifications necessary for the job? Are you being specific about the required education, certifications, and experience?

There are also ways to help you reach a wider pool of candidates. Use technology – such as social media, job boards, and other digital channels – to promote job openings and connect with potential candidates, or partner with educational institutions such as trade schools, community colleges, and universities, to recruit graduates who have completed transportation and logistics courses.

The rising cost of labour

The transportation and logistics sector is facing increasing labour costs for a wide range of reasons – including high employee turnover and the associated recruitment costs, wage increases, and the rising cost of benefits.

There's not much we can do about wages and benefits increasing in cost, although we can try to maximise the return on investment (ROI) of these costs by focusing on improving employee productivity and efficiency.

When it comes to employee turnover, however, HR leaders can make a big impact – helping reduce the costs that come with replacing and backfilling roles. Employee retention is a major issue in the transportation and logistics industry, as we'll look at in the next section.

Keeping hold of existing employees

According to a report by Gallup, the transportation and logistics industry has one of the lowest employee engagement levels – with only 28% of employees reporting feeling engaged at work. Gallup also found that 18% of employees are actively disengaged, meaning they're unhappy, unproductive, likely to be looking for a job somewhere else, and may even negatively affect their colleagues.

Organisations in the transportation and logistics sector may also have diverse workforces, with employees from different cultures and backgrounds. This can create challenges related to communication, cultural differences, and managing expectations – which can further impact engagement levels.

Employee engagement is clearly linked to recruitment, and should be the number one focus for HR leaders who want to keep hold of current employees.



How to reach and engage deskless employees in the transportation and logistics industry ▶▶▶▶

There are unique employee engagement challenges for the transportation and logistics industry, not least due to the large number of difficult-to-reach, deskless employees. Organisations in this sector must use innovative strategies to ensure their workforce is engaged, motivated, and productive.

The importance of listening to your employees

Employee surveys are a great way for organisations in the transportation and logistics industry to understand employee sentiment and motivation, as well as to identify employee engagement issues.

Surveys can be used to gain feedback on policies, job satisfaction, employee recognition programs, and much more. They can also provide invaluable insights into employee morale and engagement levels.

Organisations should strive to regularly run employee surveys to ensure they're staying ahead of employee engagement issues and providing a positive work environment. Making employee engagement programmes more accessible to deskless workers

Having a great employee engagement programme is a waste of time if your employees can't take part. It's important to make employee surveys accessible for deskless employees in the transportation and logistics industry.

Many of these workers are unable to access employee engagement tools due to them being inaccessible or difficult to use on a smartphone or tablet – and many won't have access to a corporate email address.

To ensure employee engagement is successful, organisations should provide mobile-friendly resources and leverage platforms like WorkBuzz, which offers a 'kiosk' mode and unique entry code so employees can access surveys from their own device.

This approach should also extend to your wider communication strategy. How do you better connect head office, leadership and the deskless workforce?

What you need to know to better connect with a deskless workforce:



- Who your deskless employees are
 Build a picture using demographics, role descriptions and the challenges they face.
- Why you need to talk to them
 What information will you need to share?



- When you'll communicate
 Take into consideration different shift patterns and time zones.
- How you'll communicate



Choosing the right channel is essential – specifically designed apps, internal communications tools (like Slack or SharePoint), kiosk stations, printed materials, bulletin boards, in-person conversations, texts and calls are all options.

What you'll say





Make it a two-way conversation

Ensure your strategy includes methods for employee feedback, either through regular pulse surveys or on an ad-hoc basis.

Digital platforms like **WorkBuzz** can be powerful tools for improving employee engagement in the transportation and logistics industry. Organisations should look to leverage these platforms to listen to their employees, understand their needs, and act on their feedback.

6 ways to improve employee engagement in the transportation and logistics industry ▶▶▶▶▶



Employee engagement is a critical factor in the success of any organisation, and especially so for those in the transportation and logistics industry. With research from Gallup suggesting the transportation and logistics industry has one of the lowest employee engagement levels – with only 28% of employees reporting they feel engaged at work – employers must take active steps to boost these numbers.

Fortunately, there are several practical strategies that can be implemented by employers in the transportation and logistics industry to solve employee engagement challenges. From offering flexible working hours to introducing employee surveys and employee engagement platforms, here are six ways to help increase employee motivation, satisfaction, and engagement.

1. Offer flexible working hours and schedules

Providing employees with flexibility when it comes to working hours and schedules is key for employee engagement. Employees in the transportation and logistics industry often have unpredictable schedules, so

offering flexible working hours can help them manage their work-life balance better.

2. Provide recognition for employees' efforts

Acknowledging employee performance with recognition can go a long way in boosting employee engagement. Regularly recognizing employee efforts and successes can increase motivation, morale, and engagement levels.

And that doesn't have to only mean paying them more money. Show them they're valued in other ways by creating moments that matter throughout their employee journey.

These moments impact affect how your employees engage with you as an employer. They cover every stage of the employee lifecycle – from initial attraction and onboarding right through to exit – but, as every employee has unique circumstances, it's important to properly measure, rather than assume, what these moments are.

3. Implement career development programmes

Investing in employee development is one of the best ways employers in the transportation and logistics industry can improve employee engagement. Providing employees with training opportunities, access to mentorships, or continuing education courses can help them build on their skills and helps foster a long-term emotional connection with your organisation.

4. Build strong relationships with employees

Creating a culture of open communication between employers and employees is essential in improving employee engagement. Listening to employee feedback and responding to employee concerns can help employers better understand what motivates team members, leading to higher engagement levels.

An open, honest culture helps build employee engagement, improves retention, helps attract the best talent, and has a positive impact on the bottom line. And, while building this culture is challenging, it's far from impossible.

There's no quick fix, but enabling a connection between deskless employees and their line managers will help build a better working environment and culture for all.

5. Create a positive work environment

A positive work environment that values employee contributions is key for employee engagement. Employers should also focus on creating a workplace culture of collaboration and respect, where employees feel valued and appreciated.

In the transportation and logistics industry, much of that positive environment comes from employees feeling physically and emotionally safe.

Talent shortages, combined with increasing service demands, mean that many employees are experiencing tougher schedules and increased pressures from the customers they serve – which can lead to burnout.

This heightened strain often results in more health and safety incidents, many of which go unreported and could be avoided if communications channels were more open and effective.

Running regular pulse surveys can help your frontline workers become more confident in speaking up about safety standards and wellbeing concerns. They can also help your organisation identify areas of the business that may be experiencing increased risk, not just from a physical health perspective, but from a mental health, resourcing and inclusivity perspective too.

6. Take action

Failing to act on feedback can have a negative impact on employee engagement, retention figures and overall customer experience. Employee surveys help deskless workers to be heard, but this should be more than just a box ticking exercise.

Surveys should be used as a means for gathering insights and data over time – and these insights should be aligned to your organisation's KPIs, providing detail on key issues and highlighting opportunities for

change and innovation.

Tailoring your surveys to your deskless workforce – as covered earlier in this eBook – means you'll get better response rates and more actionable insights that can ensure fair and inclusive decisions for all your workforce, regardless of their schedules and locations.

Engaging your deskless workforce is essential if you want your transportation and logistics organisation to provide the best customer experience. To build better engagement, employee listening needs to be a constant activity within organisations, it helps leaders to identify what is – or isn't – working, to respond to sources of disengagement, and to nurture a healthy culture.



How LKQ Euro Car Parts improved every single employee engagement metric



Improved every single employee engagement metric from the first survey



Number of people believing the organisation would act on survey results increased from 45% to 60%



Number of people who are proud to work for the organisation increased from 69% to 76%



Response rate increased from 81% to 88%

LKQ Euro Car Parts is the leading distributor of car and light commercial vehicle parts across the UK and Ireland. The company has over 9,000 employees across over 280 branches, and stocks more than 130,000 different vehicle parts.





In 2019 LKQ Euro Car Parts had a new management team, who had the challenge of turning the business around – and part of that challenge was around embedding a new culture and improving employee engagement. The organisation therefore needed to better understand employee sentiment and how their experience at work could be improved.

The organisation partnered with WorkBuzz to run its first employee engagement survey in 2021 following the restructure, and has since turned those insights into action – achieving significant uplift in engagement metrics across the board.

- Improved every single employee engagement metric from the first survey
- Number of people believing the organisation would act on survey results increased from 45% to 60%
- Number of people who are proud to work for the organisation increased from 69% to 76%
- Response rate increased from 81% to 88%

The problem

Between 2019 and 2021, LKQ Euro Car Parts consolidated a number of businesses. But bringing a 9,000-strong workforce together, with all the different ways of working each team was used to, brought significant challenges when it came to employee engagement.

And, of course, right in the middle of that transition, the pandemic hit. At the height of the lockdown, more than a third of LKQ Euro Car Parts' employees were furloughed.

How could the organisation build a new, unified culture that all staff could buy into? How could they establish values and behaviours? And how could they get all employees pulling in the same direction to support customers?

As Donna Fearnley, Group HR Director for the UK & Ireland, puts it: "We were coming through that really difficult period, and trying to promote a people-centric, customer-centric culture – but we didn't really know whether that was embedded throughout the organisation.

"We wanted to become an employer of choice in the UK and Ireland. We wanted an inclusive environment where it's healthy, it's safe – from a wellness perspective as well as a physical one - and where all individuals are welcome and have equal opportunities."

The solution

WorkBuzz was one of several options considered, but LKQ Euro Car Parts was particularly impressed by our Customer Success team, the platform itself, and our account management - giving the organisation the confidence it would get the insights it needed.

Its first survey with WorkBuzz launched in April 2021.

"We were still in lockdown. We were at the tail end of it but still had colleagues on

furlough and our head office wasn't even in hybrid working at that point – we were still working from home," Donna continues.

"We had started to make those cultural changes, and it was against that backdrop that we ran our survey. We didn't push people into it, but we stressed the fact that we needed them to tell us what they think because we couldn't make the right changes otherwise."

The response rate was strong for a first survey, with 81% of employees taking part, but there were challenges when it came to people believing that the business would take action based on the findings. Just 45% of respondents had confidence they would.

"It's not that uncommon in a first survey, but it was absolutely a challenge to me and to the leadership team," says Donna. "We also asked about things like harassment and exclusion, and found that people weren't confident in coming forward and didn't like to have their voices heard. Those weren't great results, and we knew we had their trust to either lose, or to gain."

Based on the feedback from that first survey, and with insights from WorkBuzz's People Science consultants. Donna and her team launched an internal campaign – called 'Your Voice Matters - you said, we did' and introduced a sprawling range of new initiatives to improve employee engagement.

Changes included, for example, rewriting an old anti-harassment and bullying policy to address any symptoms sooner.

Donna adds: "The old policy was about 14 pages long and taken up mostly with discipline and grievance procedures for what to do when things have gone wrong - but we thought, 'shouldn't we be stopping it going wrong?'. We ripped it up and it became the Dignity and Respect Policy, with a whole set of workshops and manager guides."

Other initiatives included more familyfriendly policies – for both women and men – better maternity policies, and more standardised holiday allowances. The core message for employees was that the company was listening to concerns, and acting on them.

In tandem, LKQ Euro Car Parts launched a suite of new learning and development programmes, upskilling employees and giving them the tools and confidence to take the next steps in their careers. This included apprenticeships, management courses, and a wellness programme with trained mental health first-aiders.

The organisation also introduced a new "colleague promise"; a charter for how they wanted employees to feel about working at LKQ Euro Car Parts.

This covered culture and values, reward and recognition, the working environment, and the company's leadership style.

"One of the things that has really helped us drive this is that we have a leadership team that is doing this because they truly believe it's the right thing to do," says Donna. "Why would we not want to be the best employer? Why would we not want to have a fantastic workplace?"

This was all delivered to all employees as a small, physical card summarising the company's strategic pillars, its promise to colleagues, its values - and, crucially, how every member of staff contributes.



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Key initiatives LKQ Euro Car Parts implemented from their engagement insights.



The outcome

A year after its first insights, LKQ Euro Car Parts re-ran its annual engagement survey.

"The night before the results came in, I felt like an expectant parent all over again," says Donna. "Please let us see the right results, because if after all of that work we don't move the needle, I'm in the wrong job!"

Donna needn't have worried. Having so conscientiously analysed initial findings a year before – and then making significant changes throughout the organisation – the results were outstanding.

Company-wide, there was improvement in every single engagement category.

As well as response rate increasing to 88% and the organisation's overall engagement score climbing to 73, the metric previously identified as the most important – whether people thought the company would do anything about the results – had leapt from 45% in year one to 60%.

Donna adds: "That was the one I went to first. We've still got a long way to go – we're facing our difficult second album – but people now trust we'll do something."

In addition, 93% of people said they're clear of what's expected of them in their job, 92% understand how their work contributes to the success of the business, and 88% said their team always puts the customer first – vindicating the introduction of the new colleague promise.

The organisation also achieved notable improvements in results for statements including, "I'm proud to work for the business" (69% agreed in the first survey, 76% agreed the following year), "I'd recommend the business as a great place to work" (57% to 66%), "I see myself working here in 12 months, even if a comparable job was available elsewhere" (63% to 67%), and "I'm motivated to do my best work" (78% to 82%).

Now, Donna and her team are focused on ensuring all line managers across all branches are empowered to improve engagement and support organisational change.

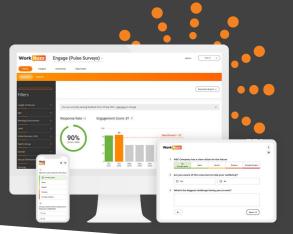
"Line managers are the ones that will really make the biggest difference and that can have the biggest impact on engagement," says Donna. "We want to give them the skills, the tools and the confidence to be the best leaders they can be."

To hear more of Donna's story, and how LKQ Euro Car Parts achieved such an incredible transformation in its first year with WorkBuzz, you can rewatch her session from our recent WorkBuzz Live! event on the WorkBuzz YouTube channel.



About WorkBuzz

Employee engagement surveys to reach everyday heroes in the transportation and logistics industry.



WorkBuzz helps you gather real-time feedback from your people, improve employee engagement and build a culture your team are proud to be part of – wherever they are, and whatever they do.



Listen to your employees at a frequency to suit your business – with annual surveys, pulse surveys and on-demand polls available as standard.



Understand key staff challenges around employee wellbeing, health and safety, diversity and inclusion, and employee retention. Use our best-practice question libraries or work with our team to create your own.



Act on feedback and implement positive change. Work with our team to understand what your data is telling you, and which actions you need to take. Benefit from an engaged, more productive workforce, and see an improvement in employee wellbeing, performance, and retention.

"Great service and easy to do business with. The WorkBuzz team are adaptive, attentive, professional and act as a true partner. Expertise within the team is also a big plus – providing useful insight into the wider world on what is/can impact on the employee experience."

Ronnie Calderwood-Duncan, EDI Manager, Highways England

Give your Everyday Heroes a voice get started with a demo of the <u>WorkBuzz platform</u>

