



PELORUS

Six Winning Ways To Inspire Your Employees in the Workplace: The Way-Out Webmart Story

A White Paper for CEOs, Senior Management and Business Owners

“We’re a business whose core motivation is to do good and help those around us while doing business. We’ve developed our own business philosophy of Marxist-capitalism whereby we use capitalism to generate income and Marxism to distribute value created back to the Webmartees and beyond.”

Simon Biltcliffe, CEO, Webmart

Executive Summary

Webmart is a shining example of a company that understands intrinsic vs. extrinsic motivation to motivate its employees to engage with their work.

Intrinsic motivation is the opposite of extrinsic motivation. Extrinsic motivation is about the stimulus that comes from external influences, such as money or other types of rewards, while intrinsic motivation comes from internal factors such as your value system or desire to develop professionally. While these two motivational stimuli are often seen as separate, reality is often more blurred. But used right in the workplace, understanding intrinsic and extrinsic motivation is a powerful way to drive employee engagement, energy and happiness to the benefit of everyone in a company.

Pelorus (www.pelorusconsulting.com) is an independent Organisational Development Consultancy working on individual, team and organisational behaviour and culture-change projects. We undertook a cross-company study of Webmart to understand the unconventional processes of intrinsic and extrinsic motivation at use at this organisation.

Main Findings

Six key motivational factors were identified:

- 1. Communication – a clear philosophy is understood company-wide**
- 2. Use of effective leadership at all levels**
- 3. Expression of clear inter-company values and trust**
- 4. Established rituals and routines for personal productivity**
- 5. Smart measurement of Key Performance Indicators**
- 6. Recruitment and development of staff whose values align with those of the business**

Background

Winner of the UK Institute of Directors' Director of the Year award, 2016 Oxfordshire Business Person of the Year, and 2016 finalist in UK Private Business CEO of the Year Award, Simon Biltcliffe founded Webmart in Bicester, Oxfordshire, in 1996.

Across the last two decades, the business has developed exponentially into a solid brand that specialises in print procurement and the use of transparent trading methods.

It describes itself as the “best value supplier of print in the UK” and provides high-quality print solutions, enabling clients to meet tight deadlines with reduced costs.

With regional offices in Glasgow and Barnsley, its client list includes major global and UK brands, among them Microsoft, Bacardi, London City Airport, DC Thomson Ltd and Electronic Arts.

The business has a distinctive culture and atypical style that one staff member summed up as “vibrant, dynamic and a little bit crazy ... you either love it or you leave”.

With a fast-moving sales focus, it employs circa 50 people. “We live or die on the speed, quality and price of the job,” says one operations team member.

The company has expanded year on year. Its success is directly linked to its ability to attract and retain talented people whose intrinsic and extrinsic motivational values align with those of the business.

Key Motivation Factors

Our case study sought to answer the question: How does Webmart motivate its team members so effectively? Our research singled out six key factors that drive both the success of the business and the development of its happy, results-driven workplace.

1) Communication

A Clear Philosophy is Understood Company-wide

Webmart's purpose is not defined by a goal, measure or mission but by a way of being. There is a clear philosophy at its heart. This purpose is defined in relation to the company's advancement in three areas: financial, emotional and intellectual.

The purpose is also aligned with a philanthropic ethos. Webmart is not, in any sense, an anti-business or anti-profit company. It is a hard-nosed, commercial organisation. CEO Simon Biltcliffe explains: "I feel ours is more of a journey than a focus on a destination. It is Capitalism on the top line and Marxism on the bottom line." The Senior Team supports this idea and takes a hands-on approach to demonstrating it.

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Business as a force for good

Webmart articulates its belief in a necessary balance between wealth creation, wealth sharing and returning wealth to the local community. This resonates with the ethos of the expanding BCorp movement (www.bcorporation.net). This is a growing community of more than 2000 Certified B Corps from 42 countries and over 120 industries working together toward one unifying goal: to redefine success in business. Active in the UK since 2013, its key message is: "Business as a force for good". It is a mantra that Webmart evidently shares.

Wealth sharing at Webmart takes place along the same lines as the John Lewis Partnership or Grant Thornton's Shared Enterprise concept. Profits are distributed among those who have helped to create them. Webmart operates a Senior Executive Incentive Scheme (SEXi), open to all company staff with two years' employment and above. Their profits-related bonus is calculated as a percentage of base salary in recognition of the contribution they make to generate value through the value chain. In 2014/15, it was 43.7% of eligible team members' salaries. "Here everyone receives a percentage share of the profit," says one operations team member.

A charitable business model

Webmart also incentivises team members to get involved in charitable giving, with a 50%-75% subsidy depending on charity and years at Webmart. In 2014-15, charitable donations totalled £26,768. Over £519,191 has been awarded to charity since 1996. "Everyone here spends some work time with a charity. Yes, sure we make a profit here, but it's not just about profit," says an operations team member.

Each member of staff is actively encouraged to spend work time on their own business idea or project, in a similar approach to Google's "20% time". Rather than distracting from the business, staff report this encourages innovation and entrepreneurial behaviour. "It's like having our own mini MBA within Webmart. What people learn outside they share and bring back to their work here," says Lisa Bowen, PA to CEO Simon Biltcliffe.

Biltcliffe's own altruistic beliefs were formed as a child in Barnsley, Yorkshire in the 1980s. The backdrop to his youth was the shadow of the miners' strike.



Simon Biltcliffe, CEO, Webmart

His mother, who volunteered for the local Samaritans for over 20 years, brought him up looking out for the least well-off in society. These experiences, and the impact the strike had on his community, shaped his business views. It is why a broader definition of success – one that measures its environmental and social impact – is the DNA of Webmart. “Money is not good or bad. It’s what you do with it that makes a difference,” says Biltcliffe. “If you can help people through life, you should. They will return the favour four-fold over - but crucially that is not why you do it.”

Research into motivational theory by organisations such as Harvard and Henley Business Schools¹ emphasises the importance of having a clear purpose at the core of your business. As Victor Frankl pointed out, if people have and believe in the “Why” – they are always going to get on with the “How” and give of their best.

2) Use of Effective Leadership at All Levels

CEO Biltcliffe is a stereotypical high-achiever. Staff variously described him as a “northerner”, “abrasive”, “abrupt”, “straight”, “honest”, “driven” and “a load of fun and energy”. It is obvious that his leadership style drives the business culture. “We are pulled along from the front by Simon. He does not like to think he is at the centre, but he is,” says a sales team member.

“Simon wants us to succeed, more for other people than himself. It is not just for himself. He is not driven by ego. He is driven by opportunities. He is a classic entrepreneur,” says another. PA Lisa Bowen adds: “Simon inspires people by his actions. He can be demanding because he’s always three steps ahead. That makes him exciting to work with.”

Biltcliffe is also Webmart’s most effective sales person, as is often the case within entrepreneurial-led middle market firms, even if the balance between working in the business and working on the business, he admits, is a challenge.

Supportive Senior Team

However there’s no leadership cult at Webmart. The Senior Team is focused and energetic and has complementary leadership styles to the CEO. CFO Jacques Hauwaert has extensive international experience: “We have strong ideas about our journey. We also have ideas about developing our international markets. It’s a direction and our intention.” The management style of the Senior Team is demanding, while also being encouraging and supportive. They believe they achieve this balance. According to an IT team member, they do: “The bosses here, they know that things will go wrong. You make a mistake once and they expect you to learn from that. They are firm yet fair.”

Tough empathy is how we summarised the leadership style at Webmart. A balance is achieved between setting high performance standards and supporting and enabling people. It’s an effective approach.

3) Expression of Clear Inter-Company Values and Trust

Webmart’s values are not merely listed on the corporate website. They are held up by all. A strong community ethos encourages staff to take ownership and to be accountable for these values. This approach starts at the top. “The CEO never travels first class; he always books plane and train seats well in advance to save money. What you see is what you get here,” says an operations team member.

Emphasis is placed on personal relationships. Biltcliffe puts aside four to five hours per month to write personal notes to each employee on their pay slips. He does this to show to each person that they are valued. “Simon likes to put his personal touch on things; it’s the small touches that matter,” says PA Lisa Bowen.

The appreciation of people is also evident from the

the investment in employee facilities at Webmart, which are way beyond what you would expect in a company of its size. They include gym membership, ironing services and the use of the company Oxygen Farm & Eco Lodge in Scotland. “It is about creating an ecosystem based on help and support,” says a team member.

Making employees feel valued

This openness and appreciation builds trust. This is obvious as you walk through the various areas of the business. There are no locks on the beer shed door. In the canteen, people take snacks and leave the right money: “They always do!”



At company level, people are trusted to organise their own workload and cover (see buddy system below). Biltcliffe’s view on this is clear: “We need to trust each other. Treat people fairly and they will treat you fairly back.” There’s no corporate culture here, says a team member. Instead it’s a professional, friendly place, based on trust where everyone shares company values and finances. “I treat company money like my own money,” he adds. “If you see someone wasting money, you single it out. Some people join but they just don’t fit in, they don’t get us, our style or our values, so they don’t stay long. The special relationship here is all about trust.”

Trust is also reinforced through Webmart’s buddy system. This matches people skill-sets and ability to perform in the same role. Buddies plan their own work to ensure customer standards are maintained during holidays, training or sick cover. This builds strong accountability. “This is how we all work together, especially with our clients. We’re all close

and collaborative because being part of their team is important, not just part of Webmart.

It is the behaviour and actions of the Senior Team that lead the behaviour and actions of others. Effective leaders engage with employees in a manner more akin to an ordinary person-to-person conversation than commands from on high. Research clearly shows that when managers get this right, it is linked to the development of a challenging yet supportive culture that maximises people’s potential. When they fail to achieve this balance, employees closedown and performance diminishes. Webmart is a positive illustration of how this balance can be achieved.

4) Established Rituals and Routines for Personal Productivity

All three of the office locations, in Bicester, Barnsley and East Kilbride, are housed in bright-yellow-painted industrial units, called ‘Yellow Sheds’. They have the same, routines system and processes. Their physical environment has been designed to be quirky, uplifting and functional.



Themed rooms and fun spaces, as well as shared routines create the Webmart staff experience. A large modern communal kitchen is next to a staff eating area decked out like a US diner. This creates a fun, social space where people can relax, eat together, and celebrate special occasions. The Bicester Yellow Shed has a gym, a print style library,

an outdoor rock garden, a tiered seating cinema, a chill-out room and various other themed discovery rooms which visiting clients can also use. It all builds a feeling of cohesion and togetherness.

Every Monday morning, the CEO hosts a live video broadcast to the whole company. Breakfast is served to the staff to reinforce togetherness. “We all watch together and talk more about its content. It’s a whole team event over a bacon sarnie,” says a sales team member. “What we are about is enjoying the work we do. People here are more like friends, rather than just work colleagues.”

Company-wide tool for quantifying happiness



Employees are encouraged to express their feelings openly on the company’s ‘Happy Meters’. These yellow terminals, featuring smiley and less smiley responsive emoticons, are located throughout the building for people to express how they are feeling. The data from the terminals is pooled to produce a company-wide ‘happiness map’.

Communal fun events are regularly scheduled. At a recent ‘burrito day’, staff wore ponchos and enjoyed Mexican tortillas. Says one employee: “It was a really happy day!” Friday at 4pm is Webmart’s ‘beer o’clock time’. Staff stop work and converge on the beer garden (a themed loading bay) to share a drink and celebrate the highs and lows of their week.

Others company rituals include ‘the dreams come true wheel’. Staff achieving sales or performance targets secure a tally on the wheel of chance to win £1000 to spend on their nominated dream. Staff like to share these ‘dreams’ with their team

members – further reinforcing the “in-it-together” mindset.

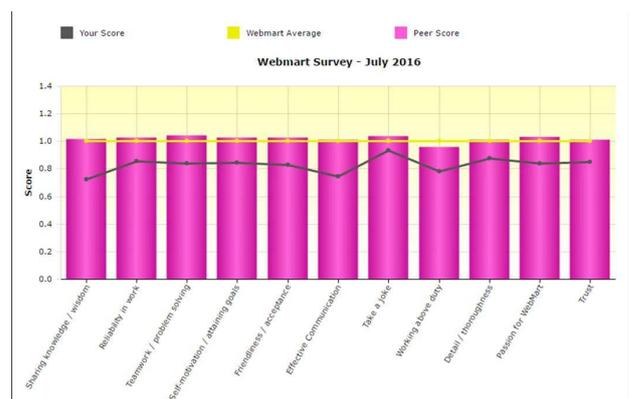
Routines and rituals are an effective means to anchor employees emotionally within an organisation. If this is achieved, they feel secure and able to look beyond their own position. (Schein E.)² Webmart really understands this concept and provides its people with multiple psychological anchor points through its rituals and patterns of supportive group behaviour.

5) Smart Measurement of Key Performance Indicators

Webmart uses smart technology to enable individuals and teams improve performance. Real-time themed dashboards on the walls and on staff computers show how each person and team is working towards achieving their sales and fulfilment targets.

These reflect Webmart’s high expectations and work-performance standards. “You have to prove that you deserve to be here,” says an operations team member. “It’s not an easy ride. But you are rewarded.” People receive individual feedback on their performance every six months. There are no forms to fill in however. The data is gathered electronically. Staff receive feedback on quantitative (ie sales/productivity targets) and qualitative measures (ie. interaction with colleagues/clients and work quality).

Webmart Performance Survey

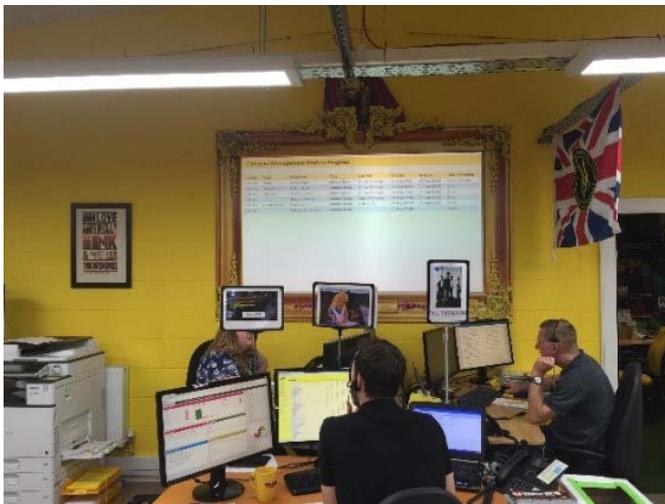


Business development staff member Jake explains: “It encourages people to think about how they’re doing and to talk about it with people. They talk about their work problems, which is good ... Interaction is important here. It’s all about connecting with people. This is one of our key performance measures.”

Having smart, easy-to-use processes and routines are vital to the company. These are recorded in a company manual dubbed the ‘bible’. It covers everything from how to book a meeting, to dealing with a complaint, to taking holiday or setting up and running a new client account.

Smart use of information technology provides real-time feedback on performance indicators and enables people to focus on adding value on a financial, intellectual and emotional level.

Motivational research in areas such as job enrichment (Hackman and Oldman)³ emphasises the importance of autonomy with your work, knowing you are doing a good job and knowing that what you do adds value to the organisation. It’s clear that staff at Webmart are galvanised by regular and spontaneous performance feedback and that the use of smart performance measures meets motivational needs.



6) Recruitment and Development of Staff With Values Aligned to the Business

Recruitment: The company takes pride in finding the “right Webmart people”. Agencies are not used. Webmart runs its own social and local media recruitment campaigns. They conduct initial CV trawls to narrow the field, followed by Skype interviews to assess possible candidates. Further shortlisting is done, then candidates are asked to submit a piece to video, answering the question: “Why do you want to work here?”



Finalists are interviewed in a relaxed setting in the ‘airplane meeting’ room (a room fitted out like an airplane interior). An online personality psychometric questionnaire is also given to assess if finalists are likely to ‘fit’. Following a pre-employment HR screen for residency and security etc, finalists are taken on with a three-months period to determine if they want to and can add value.

A look at the longevity of current staff speaks for itself. Jake Chandler, a five-year Webmart employee, joined from school on an IT apprenticeship. “I wanted to come somewhere I could grow. It is a people-focused environment here,” he says. He has recently been promoted to a new role within Webmart’s customer services.

- Kim Harrison has been with Webmart for 10 years. She joined as a trainee salesperson, with a marketing degree. Now an account manager, her niche is designing and implementing innovative work practices into the business. “There are no limits here,” she says. “People are really brought on. I was also pushing myself and it was recognised. I was a self-starter, self-motivated and able to make the best of it.”
- Stephen Mojsak (Mo) is a new member of the sales team, responsible for new business: “Here you get a lot of freedom – you also get a lot to do – everyone here is cool – things do get to a bit weird sometimes – but they’re always interesting and different.” Mo says he likes the entrepreneurial style and “all the ideas that come from inside the business”. He adds that everyone is encouraged: “The bosses encourage ideas, innovation and openness. We make things happen.”
- Rebecca Lambrianou is a social media marketer and has been with the company 18 months. She first heard it was a “cool” company: “It’s not corporate. You are trusted here with the marketing. Teams tend to ‘own’ their part of the business and project creative energy and their own personal spirit – it’s great.” We practise what we preach here, she says, and we are always trying to make things more special and do better things for our clients.

Development: Webmart places a strong emphasis on training and development. Training budgets are ring-fenced and staff are encouraged to seek opportunities to grow and develop their skills and abilities. “Developing people is an investment,” says Biltcliffe. “It is about reciprocity. If you put in x, you’ll get x2 back. That is human nature”.

An example of this investment was the attendance by two members of the marketing team at the Festival of Global Media in Rome. The two marketers had fun but from a business point of view, it was a good investment. They returned fired up with new ideas and shared their experience with all staff via a video they made.



Self-actualisation was how Maslow in 1950s coined it⁴. Today, motivational researchers use words like ‘mastery’ to illustrate the need for people to feel they are growing, achieving their potential and acquiring and developing new capabilities. This is a strong people theme which runs throughout Webmart and one that is backed up by senior managers in what they say and do.

Conclusion

The blend of clear purpose and strong social values with challenging and supportive leadership at Webmart has created an unconventional and tight-knit culture that recognises and rewards good performance. Webmart encourages staff to share and generate ideas through strong, open, trusting relationships at individual, team and organisational levels. Its values underpin both what happens in this business and also how it happens.

To simplify, ‘Webmarters’ work hard, play hard and are kind to each other. It’s a refreshing and simple model that blends both intrinsic and extrinsic motivation. At Webmart, it works.

References

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If you would like to know more about how Pelorus can help you to develop your intrinsic and extrinsic motivational workplace factors, please contact: hayley@pelorusconsulting.com or speak to one of our team on 00 44 (0)1273 936619 and one of our consultants will arrange a call. Find out more at: www.pelorusconsulting.com