

**“ I LOVE THESE IDEAS. I LOVE THIS BOOK.
MAKE SURE YOU READ IT. ”**

HENRY STEWART, CHIEF HAPPINESS OFFICER, HAPPY
AND AUTHOR OF THE HAPPY MANIFESTO

SUPER ENGAGED

**HOW TO TRANSFORM BUSINESS PERFORMANCE
BY PUTTING PEOPLE AND PURPOSE FIRST**

NIKKI GATENBY

IS THIS THE BOOK FOR YOU?

Do you want to make life better for yourself and the people you work with? Are you held back by the thought that putting people first could harm your bottom line?

SUPERENGAGED is an honest, in-depth and upbeat look at the value of having values and the power of being people focused, packed with tips and guidance to help you transform your business' performance. Written by the MD of an SME, it's for CEOs and COOs, HR directors and finance directors, entrepreneurs, business owners and anyone who's on their way up.

Whatever your company's size, shape or sector, SUPERENGAGED will help you turn your people into your biggest ambassadors, whilst learning from our successes and swerving our epic fails. So, if you'd like to know how to engage your people and live out your values whilst driving a healthy profit, then yes, this is the book for you.

**A PROPELLERNET BUSINESS PLAYBOOK
FROM THE TEAM THAT BROUGHT YOU**



We hope you enjoy this sneak peek at the preamble to our book. It's still a work in progress, but we are very excited, and we would really love your feedback.

Drop us a line, and follow us on social media for news and release dates.



@Propellernet



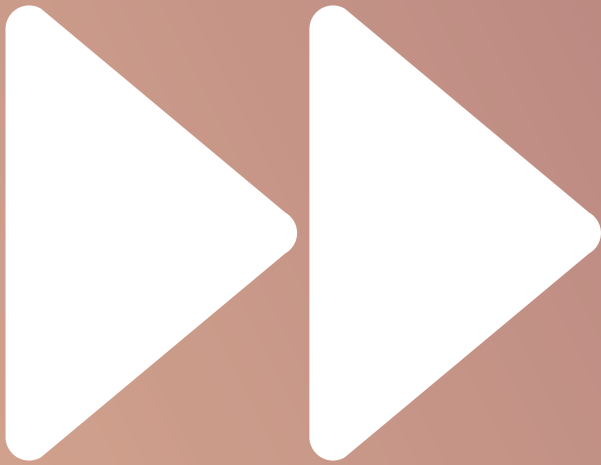
superengaged@propellernet.co.uk

Section 1

UPFRONT

*(and why you should
read this book)*

FOREWORD



Hello.

Welcome to our not-too-rough guide to building a successful, profitable, purposeful business which is also a brilliant place to work. It's the true story of how we've created genuine business success by putting people first and propelling them forward, both personally and professionally.

This book is for anyone who wants to know how to create and maintain a company culture that manages to drive performance, boost enthusiasm, reach world-class engagement levels, and generally make life better all round, all at the same time. That's some juggling act – but we're doing it, and now we want to help you do it too.

Back in 2003, when we started our marketing agency, we didn't have it all worked out. We just knew we wanted to attract some great people and enable them to do great work for great clients. 15 years later, despite a huge amount of social, economic and political turbulence, we've achieved all that and more, and managed to make a healthy profit while we were at it.

Along the way, we've taken brave decisions, implementing ideas that have caused a few raised eyebrows or indeed, led people to question our sanity.

Like letting our people have a say in the clients we work with, or the way the business is run. Or like trying to say "*Let's give it a try*" more often than we say "*No*". Madness, say some; quite the opposite, we reply – and our staff retention rates back us up.

EMBRACING CHANGE TO MAKE LIFE BETTER

In the intervening years, things have changed more than any of us could have expected. When we started in 2003, there was no Facebook, no Twitter, no YouTube even. The iPhone was four years away, and the iPad seven years. Bonkers, but true.

And these changes in technology have underpinned fundamental disruption to the status quo. WikiLeaks, fake news, the sharing economy, the gig economy, the growing number of jobs being lost to robots and the increasing amount of people demanding to work flexibly... the list goes on too long to keep your attention, but you get the idea.

As Mark Stephenson, an entrepreneur, author, broadcaster, expert on global trends and all round clever bloke, once said:

"Technology is accelerating five times faster than management."

Yet, despite this radical shake-up that we've all been living through, too many businesses haven't moved with the times. They're still wedded to old-school ways of squeezing as many hours as possible out of their employees, who they see as 'assets to be sweated' (urgh). It's no wonder so many employees feel so disengaged.

The daft thing is, there's a whole bunch of evidence to suggest that engagement pays. For example, research has shown that, in the context of engagement, the top

25% of companies enjoy 200% more annual profit than the lowest 25%. And businesses that ignore this evidence, that put profit before people, with managers who aren't equipped to adapt and innovate to the changing world, are increasingly getting left behind.

PUTTING PEOPLE AND PURPOSE FIRST

We were always determined that we weren't going to become one of those; and we've stuck to our word, fronting up to changes and challenges as our business has grown and developed.

We've created a clear purpose, backed up by living and breathing values, to guide us on the right way to succeed. We've put the freedom and democracy of our team at the heart of what we do. And we've taken the best available technology and used it to give our clients and their customers what they want, before they even knew they wanted it.

So, the question you're no doubt asking yourself is, did it work?

Luckily (otherwise this book would be a bit on the short side), the answer is yes.

Our people-first approach has led us to deliver award-winning work with massive revenue and profit growth for our clients, whilst earning double-digit margins. And the combination of this approach with our technological insight has allowed us to create a profitable software company, CoverageBook, and a free app, AnswerThePublic, used by hundreds of thousands of people around the world.

We've also been celebrated as a UK Best Workplace™ by the Great Place to Work® Institute, with a place in the top 15 for five years running. And we've triggered the creation of a whole new category in Then Somehow's *Culture Catalyst* engagement surveyⁱⁱ – Superengaged – just for us.

We've had some bright ideas, some rubbish ideas, some totally madcap ideas. Some have led us to make fantastic decisions and taken our business to a new level. Others, frankly, have stunk.

But even the ones that didn't work out have helped get us to where we are now. And we've got a bucketload of other ideas about how to make life better, currently being nurtured in our beachside hub in Brighton, ready to launch on an unsuspecting world.

NICK OUR IDEAS AND LEARN FROM OUR MISTAKES

In the meantime, lots of people have asked us about our journey and what we've learnt along the way. And lots more have asked us why we haven't written a book about it. So, we thought it was about time we did just that.

What follows is our story. We've set it out in bite-sized chunks, with examples, ideas and tools for you to try, rather than a story to read from beginning to end. So feel free to start wherever you want (we did).

But however you approach it, we hope you'll get stuck in and enjoy reading about what we've got up to. And we also hope you'll feel inspired to nick some of our ideas, learn from our successes and avoid some of our mistakes.

We'd love to know what you think, what you agree and disagree with, and what you might use to propel your people and your business forward.

We'd also love to hear what else you've been up to, so feel free to get in touch and share your ideas with us, by emailing the team behind this book at superengaged@propellernet.co.uk

You might not believe everything we say. In fact, we're often asked, *"Where's the catch?"*

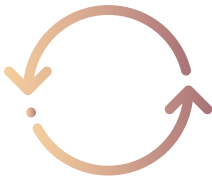
There isn't one. That's a promise.

Welcome to Propellernet.



Nikki Gatenby, Co-Owner and Managing Director, Propellernet, 2018

SUPERENGAGED IN NUMBERS



Our staff turnover rate is just 7% (sector average: 30%).ⁱⁱⁱ



They average just 1 day off sick a year (sector average: 5 days).^{iv}



90% of them are ranked as fully engaged^v (global average 30%).^{vi}
(yes, really!)



98% of them would recommend working here.



In 10 years, we've tripled our margin, quadrupled our revenue, and generated 10 times more profit.



We love our people, they love us, and we all do better as a result.

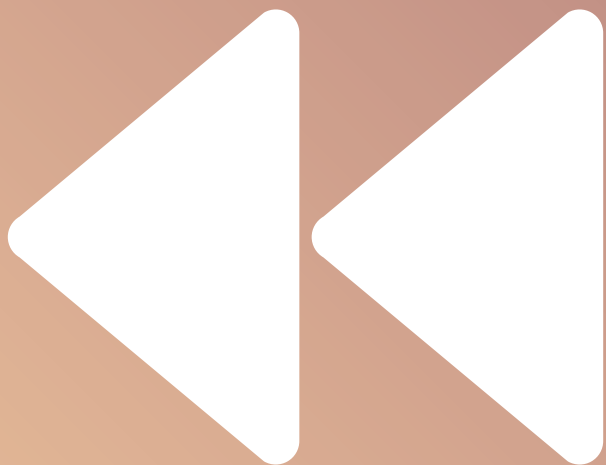
TEN OF THE IDEAS WE'RE GLAD WE DIDN'T SAY NO TO

- 1.** Putting people before profit and making wellbeing central to how we run the business, not external shareholder value (right from our bootstrapped start in a spare bedroom).
- 2.** Limiting our size to 60 people, to force innovation in growth.
- 3.** Being deadly serious about making dreams come true, including having our own Dreamball Machine and building our team's dreams into our business plan.
- 4.** Funding the development of new technology products such as coveragebook.com and answerthepublic.com (without a penny of external investment) which are currently making life better for the PR industry, globally.
- 5.** Having an outpost in the French Alps, so our team can enjoy an alpine experience whilst cooking up new ideas in our CEO's treehouse.



YES!

- 6.** Raising awareness and donations for charities, with a focus on helping Brighton Housing Trust achieve their mission of no one being street homeless.
- 7.** Putting fun on the agenda, getting our staff to try things like jet-skiing to work, learning to draw in caricature style, sculpting portraits and tuk tuk racing around Brighton.
- 8.** Starting a housing project that helped some of our team get onto the property ladder.
- 9.** Launching a band of renegade creative freedom fighters into the world to put on immersive theatrical events at Glastonbury and elsewhere – just for kicks.
- 10.** Encouraging our team to go on sabbatical and helping them act on the dreams and ideas they bring back (such as collaborating with a Namibian safari company to help preserve life).



REWIND

Now, that all sounds very jolly and uplifting, doesn't it? But you didn't buy this book to hear us bang on about how lovely life is.

We've promised you some epic fails, and we're going to stick to our promise, however uncomfortable that may be.

When founders Jack and Jim set up Propellernet, they were clear that they wanted it to be a brilliant place to work. Having worked with various captains of industry, and been disappointed each time, they wanted to create a company that was good for all the people who worked there, rather than for faceless shareholders or unapproachable bosses.

Businesses are created by people, after all; so why shouldn't the people benefit?





PROPELLERNET 1.0

However, this kind of ambition isn't easy to work towards, let alone achieve. So, despite their enthusiasm, Propellernet wasn't always a brilliant place to work. In the early days, if we're honest, it was all a bit chaotic.

We were a small, unremarkable, search marketing agency. Just 15 of us, with no real game plan apart from holding on to enough clients to make the next payroll run, and avoiding being swallowed up by unnecessary processes. The focus on people and purpose was there, but it was latent, rather than clearly defined; building the client base was our sole priority.


We pitched a lot, and we won a lot – but we didn't really have a strategy around who we wanted to work with. And while staff retention was high, largely because people were having too much fun to look elsewhere, recruitment was tough, as we had yet to make a mark on the industry (“Propeller-who?”). We could have disappeared, and no one would have cared.

It wasn't all bad, of course; in fact, in those early days, we came up with some of the core ideas that still drive the way we work today. Such as being the first agency in the world to add PR into our technical expertise, and so earning our clients their SEO visibility, rather than just bulk-buying links. We called it Authentic Search, and it was game-changing for us and our clients.

But the problem was, we weren't making consistent, sustainable profit. In fact, some months we weren't making any profit at all. And it wasn't until we got a proper handle on the commercials that we began to understand why.

FINANCIAL FAILS

It's fair to say that we let out a few juicy words when we (belatedly) worked out that only 30% of our time was being billed to clients. Based on the people we had in the building and the number of hours we were charging, we were only working on client projects for



one and a half days a week. No, we're not joking; it's not a laughing matter. One and a half days a week. *!?!%\$£*!

It's no wonder staff retention was high; we were having a smashing time filling the other three and a half days with brainstorming and blue sky thinking, which we either neglected to turn into client impact, or just gave away for free. In too many cases, our so-called brilliant ideas ended up resembling a firework display; each one sparking and kicking off with a bang, but failing to land, fizzing out as we moved on to the next one.

In our desire to avoid being slaves to profit, we had created the opposite problem. We had some great people on board who wanted to do good work, but it was only happening in pockets. We were coasting, instead of focusing on driving the business forward.

And this relaxed approach to client hours and billability was working against us in terms of being sustainable. We were breaking

the golden rules of having three months' salary cover in the bank, and no client worth more than our profit margin. The whole company could quite easily have collapsed, if the perfect storm of cashflow hits had fallen against us. To be blunt, we were winging it.

STRATEGIC FAILS

But it wasn't just the finances that were in bad shape. We also didn't have sufficient clarity on what we were doing, where we were going or how we were going to get there.

Jack could sell anything, but he was the only person who could sell what we were offering, and the rest of us weren't entirely sure what that was. It was hard for us to create a unique offer that appealed to a strong base of clients, because we hadn't got it out of Jack's head and into a proposition that we could all understand.

On top of which, our client portfolio was unbalanced, and precarious to boot. Our new business approach was to play the volume game;

keeping the wolf from the door by pitching for everything we could, and taking on anyone who would have us. And while we did win a lot of new business, we ended up with a scattergun portfolio of small clients, underpinned by two massive ones.

The smaller ones were impossible to service properly, let alone nurture into long-term sustainable relationships; the large ones dominated our culture, and would have caused the business to fold if they had upped and left. Lots of agencies run on a knife edge, but ours was a bit too sharp; it felt as if we were one call away from catastrophe.

COMMUNICATION FAILS

Unfortunately, this lack of strategic vision was matched by a lack of internal communication. We had mapped out our values, and we felt they were strong, but they had never really made it off the PowerPoint and into people's hearts and minds.

Our teams didn't communicate as well as they should; people tended to be focused on their own parts of the business, without strategically connecting the dots, wasting hours replicating similar tasks.

And even our newest recruits were affected. Sometimes, a team member would arrive for their first day without most of us knowing who they were; their enthusiasm somewhat squashed by the lack of welcome, desk or consensus around what they should be doing.

What's more, the lack of clarity around the numbers meant that the people on the ground didn't know what they needed to do to keep the business afloat. We didn't have a revenue forecast; it was hard for team leaders to make decisions, because they didn't have the numbers to back them up.

And bear in mind, we were a small outfit at the time, which should have made communication easy. We needed to nail it if we wanted to grow; if you can't communicate as a start-up, you don't stand a chance when you scale up.

HOW WE TURNED IT AROUND

So, it's fair to say that we weren't the business we had set out to be.

The kick-bollock-scramble of getting anything through the front door felt like we were permanently in start-up mode.

The commercial pressures and lack of vision meant the founders were at odds, the consultants didn't have a strong direction to go in, and clients came and went.

Our unwillingness to be driven by process meant we didn't have time to be properly creative. We were exhausted just trying to keep up with ourselves, let alone articulate what we did, or do it properly.

But we knew we wanted to be something. We wanted to show the world that you can run a sustainable, people-first business, breaking the mould of how business can work and giving new ideas room to breathe. We had big dreams, but dreams don't come for free; if we wanted to bring them to life, we needed to bring in the money. And that meant getting some help to professionalise our business.

In short, we had some growing up to do. We just needed to knuckle down and get on with it.

What follows is how we grew up, on our journey from being unremarkable to superengaged, from mayhem to one of the best places to work in the UK. Our hope

is that by sharing our story, we can help you avoid some of our mistakes, and benefit from our experiences.

Some of it has been tough; we're not without our battle scars. And we have to admit that sharing our mistakes so openly, while good for the soul, isn't great for the ego. But if we can make your life, and that of your employees, better, it will have been worth it.

FAILS

TEN OF OUR ~~FAILS~~, WHICH WE HOPE YOU CAN LEARN FROM:

- 1. Lacking clarity on our foundations.** Not articulating our purpose clearly. Thinking that just having an ambition to be a brilliant place to work was enough to make it happen. Then getting frustrated that our team didn't think "this democracy thing" was working.
- 2. Putting the business at risk by failing to have a firm grasp of the numbers.** Such as not having a revenue forecast, nor knowing how much time we were billing to clients. And having two clients who were worth more than our margin and dominated our portfolio, without having the contingency of three months' worth of salaries in the bank. Doh!
- 3. Confusing chaos with creativity.** Foolishly thinking process is evil, rather than understanding that it unlocks quality thinking time, creates space for deep work and ultimately releases creativity.
- 4. Recruiting in haste, repenting at leisure.** Being more slapdash than strategic didn't really serve us well; neither did thinking the recruitment process stops as soon as someone accepts a job, or that anyone who had a few years of work under their belt would be a great manager.

- 5. Working with unreasonable people, just for the money.** The irony being, they were profit vampires who took way more of our time and attention than they were paying for, at the expense of our other clients and our people..
- 6. Missing what was right under our noses.** Deciding to spend time and money trying to grow the business internationally. Taking a madcap trip to Hong Kong to interview a potential Head of Propellernet Down Under. Then realising on the flight home that developing an innovative growth plan for the UK business was a much better idea.
- 7. Placing too much value on ideas, rather than execution.** An idea means nothing unless you can bring it to life, and too many ideas can paralyse you from creating that one amazing thing. Blue skies may look pretty, but you can't do much with them.
- 8. Giving up on potentially valuable new areas of our business too early.** Sometimes it's the timing or the dynamic that's wrong, not the concept. Even the most brilliant, well-planned projects don't always come up trumps first time; you need both expertise and tenacity to see them through.
- 9. Getting carried away with our focus on fun.** Such as deciding to throw a party to raise money for charity, in a house we'd bought to renovate, without checking in with the council. Which could have led to a hefty fine or even time in the clink. Ooops.
- 10. Being rubbish at difficult conversations.** Enough said.



FOREWORD NOTES

- i *Employee Engagement – The Evidence, Rayton Dodge and D’Analeze, 2012*
- ii *Culture Catalyst was designed by Then Somehow, who invent, pilot and help deploy tools and programmes that help organisations become better places to work. <http://www.thensomehow.com>*
- iii *IPA Census data <http://www.ipa.co.uk/news/ipa-2015-census-highlights-three-key-agency-employment-trends-#.WO3zmPnyubg>*
- iv *Personnel Today Occupational Health & Wellbeing Survey 2015 <http://www.personneltoday.com/hr/sickness-absence-rates-and-costs-revealed-in-uks-largest-survey/>*
- v *Taken from our most recent Culture Catalyst survey, designed by Then Somehow <http://www.thensomehow.com>*
- vi *Taken from a global survey quoted in The Happy Manifesto by Henry Stewart*

OTHER SECTIONS OF THE COMPLETE BOOK INCLUDE:



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HOW WE MAKE IT WORK

SECTION 8.

HOW WE WORK WITH CLIENTS

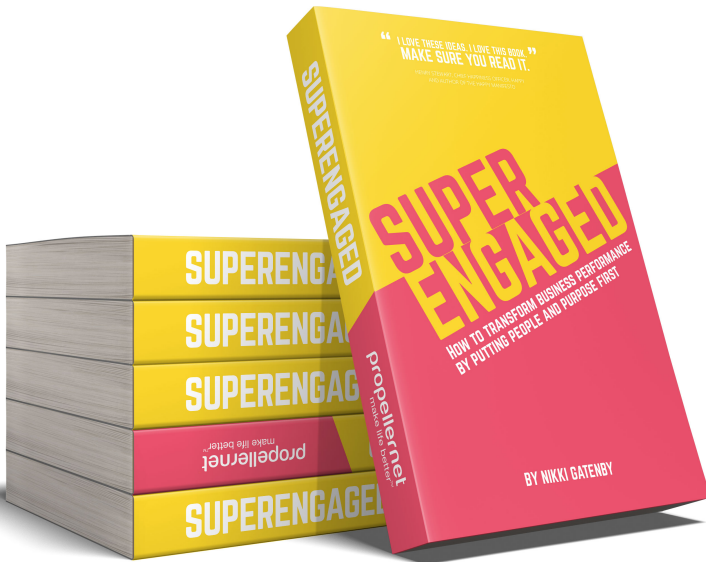
SECTION 9.

WHAT'S NEXT?

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KEEP ON DREAMING

ARE YOU SUPERENGAGED?



FIND OUT MORE OVER AT:

WWW.SUPERENGAGED.CO.UK