

wiser

CULTURE
& INCLUSION
REVIEW
**HIGH-LEVEL
FINDINGS**



THE CONTEXT



IN JUNE 2021 A GROUP OF BREWD OG'S EX-EMPLOYEES ('SIGNATORIES') SIGNED AN OPEN LETTER TO THE COMPANY. THEY SHARED IT ON TWITTER AND OTHER SOCIAL MEDIA PLATFORMS.

OUR METHODOLOGY

CURRENT EMPLOYEES

Survey distributed to the whole organisation (c.1,800 people) with 953 responses (52%), 816 completed surveys (45%). 1:1 interviews with 320 people and 10 focus groups were arranged.

FORMER EMPLOYEES

A survey was sent to all former employees from the past 18 months who were willing to participate (182 people). 1:1 interviews were agreed to by 94. 67 attended interviews.

SIGNATORIES

Engaging with former employees behind the open letter and inviting them to 1:1 interviews to understand their views and perspectives. 15 signatories attended an interview.

DATA ANALYSED FROM

998**SURVEY RESPONSES AND
INTERVIEWS.****402****INDIVIDUAL**

UNDERSTANDING THE ERAS OF BREWDOG.

There have been very few business journeys quite like BrewDog's – its inception in a shed behind the Needle Exchange in Fraserburgh led to unprecedented growth, a fiercely passionate following and wide-reaching influence both within and outside its sector.

In its short time, BrewDog has traversed several different 'eras' each affecting the business and its employees in different ways. Each era has witnessed stark changes in its culture, structure and decision-making.

To get the full picture of the company through its eras, our review sets out to gather perspectives from throughout BrewDog's full history.



FOUNDER-LED AND FOUNDER-JUDGED.

The founders, James Watt and Martin Dickie, have grown up as leaders in the limelight. By their own admission they are still learning – and that hasn't delivered a consistent and stable people experience.

THE PEOPLE IN CRAFT BEER ARE FIERCELY PASSIONATE.

BrewDog's purpose: 'to make people as passionate about craft beer as we are,' is both unifying and divisive. BrewDog started out at the heart of craft, but its success has challenged the values and beliefs surrounding the industry... For some, the 'punk' has sold out. The disruptor has become the system.

EXPECTATIONS ARE SET HIGH.

BrewDog has publicly set out to become the best company to work for.. This sets a high expectation for anyone joining the business. And no organisation can realistically be everything to everyone.

HR HAS BEEN AND GONE THROUGH THE ERAS.

The effectiveness of HR within an organisation is a good predictor of the overall people experience. Brewdog has evolved with such rapid pace, but the changing faces of HR have lead to inconsistencies with the support employees have experienced. The current team hasn't had the investment it needs and is small compared to the industry average, leaving people feeling they don't have the support they need.

THE REALITY IS MAGNIFIED BY THE POWER OF SOCIAL MEDIA

BrewDog is renowned for its bold marketing campaigns. Social media has enabled the company to disrupt the market and build an exceptional brand. But when the messages have been challenged or the hyperbole overplayed, people have lost faith and started to challenge Brewdog's leaders.



THE WISER CULTURE & INCLUSION INDEX

CULTURAL

C1 LEADERSHIP
AND MANAGEMENT

C2 TEAMWORK

C3 PURPOSE
AND VALUES

C4 WELLBEING
AND BELONGING

C5 PSYCHOLOGICAL
SAFETY

C6 AUTONOMY
AND FLEXIBILITY

STRUCTURAL

S1 ATTRACTION

S2 RECRUITMENT
AND SELECTION

S3 PERFORMANCE
MANAGEMENT

S4 PROGRESSION
AND DEVELOPMENT

S5 PAY AND REWARD

S6 POLICIES, DATA
AND HR SUPPORT

UNDERSTANDING THE DIFFERENTIALS



EMPLOYEE EXPECTATION SCORE

Employees were asked what they expected when they joined BrewDog, on factors where they could reasonably have an opinion. For some of the structural factors, such as Attraction, Recruitment and Performance Management people cannot have a valid expectation of the experience from outside the business.



EMPLOYEE REALITY SCORE

The current reality that people experience at BrewDog across all factors. Noting that for some factors there are more questions than others, due to the importance of the factor and the ability to carry out a desktop review of practices and procedures.

THE DIFFERENTIAL

If there is more than 0.5 difference between the Employee Expectation Score and the Employee Reality Score, this indicates that BrewDog is not meeting their people's expectations and indicates an area for investment and change.

< -0.5

BELOW EXPECTATIONS

-0.5 - +0.5

MEETING EXPECTATIONS

> +0.5

EXCEEDING EXPECTATIONS

WHAT DOES THE DATA MEAN?

1.0 - 3.0	3.1 - 4.0	4.1 - 5.0
DETRACTORS	PASSIVES	PROMOTERS

LET'S COMPARE A SUMMARY OF PEOPLE'S EXPECTATIONS VS REALITY.



CULTURAL EXPECTATION VS REALITY

		EMPLOYEE EXPECTATION	EMPLOYEE REALITY SCORE	DIFFERENTIAL
C1	LEADERSHIP & MANAGEMENT	3.55	2.91	-0.64
C2	TEAMWORK	4.03	3.93	-0.10
C3	PURPOSE & VALUES	3.95	3.26	-0.69
C4	WELLBEING & BELONGING	3.84	3.06	-0.78
C5	PSYCHOLOGICAL SAFETY	3.88	3.31	-0.57
C6	AUTONOMY & FLEXIBILITY	3.73	3.34	-0.39

WHEN CONSIDERING THESE DIFFERENTIALS:

< -.05 = below expectations -0.5 - +0.5 = meeting expectations > +0.5 = exceeding expectations

STRUCTURAL: EXPECTATION VS REALITY

		EXPECTATION	REALITY	DIFFERENTIAL
S1	ATTRACTION	N/A	3.24	N/A
S2	RECRUITMENT & SELECTION	N/A	3.80	N/A
S3	PERFORMANCE MANAGEMENT	N/A	3.17	N/A
S4	PROGRESSION & DEVELOPMENT	3.72	2.69	-1.03
S5	PAY & REWARD	3.74	3.35	-0.39
S6	DATA & POLICIES	3.75	3.63	-0.12

WHEN CONSIDERING THESE DIFFERENTIALS:

< -.05 = below expectations -0.5 - +0.5 = meeting expectations > +0.5 = exceeding expectations

KEY DIFFERENCES FORMER VS CURRENT



HOW DID PEOPLE FEEL OVERALL?

The scores for inclusion and engagement (whether they would recommend BrewDog to a friend) for both former and current employees can be compared to gain an understanding of the differentials between the two groups.

	I would recommend BrewDog to friends or family	I feel BrewDog has an inclusive culture
CURRENT	3.44	3.59
FORMER	2.57	2.85
DIFFERENTIAL	+0.87	+0.74

CULTURAL: OVERALL DIFFERENTIALS

		FORMER	CURRENT	DIFFERENTIAL
C1	LEADERSHIP & MANAGEMENT	2.30	2.91	+0.61
C2	TEAMWORK	3.43	3.93	+0.50
C3	PURPOSE & VALUES	2.79	3.26	+0.47
C4	WELLBEING & BELONGING	2.44	3.06	+0.62
C5	PSYCHOLOGICAL SAFETY	2.82	3.31	+0.49
C6	AUTONOMY & FLEXIBILITY	2.55	3.34	+0.79

WHEN CONSIDERING THESE DIFFERENTIALS:

< -.05 = negative differential -.05 - +0.5 = neutral > +0.5 = positive differential

STRUCTURAL: OVERALL DIFFERENTIALS

		FORMER	CURRENT	DIFFERENTIAL
S1	ATTRACTION	3.02	3.24	+0.22
S2	RECRUITMENT & SELECTION	3.63	3.80	+0.17
S3	PERFORMANCE MANAGEMENT	2.61	3.17	+0.56
S4	PROGRESSION & DEVELOPMENT	2.40	2.69	+0.29
S5	PAY & REWARD	3.04	3.35	+0.31
S6	POLICIES, DATA & HR SUPPORT	3.34	3.63	+0.29

WHEN CONSIDERING THESE DIFFERENTIALS:

< -.05 = negative differential -.05 - +0.5 = neutral > +0.5 = positive differential

WHAT HAS CHANGED THE MOST ACROSS THE ERAS?

C1 - LEADERSHIP & MANAGEMENT (+0.61)	Former employees were very critical of managers at all levels of BrewDog.	Current employees spoke highly of their direct managers, but some shared frustrations with leadership.
C2 - TEAMWORK (+0.50)	Former employees felt less connected to their teams overall.	Current employees shared a sense of unity, likely due to care individual managers take and improvement in leadership.
C4 - WELLBEING & BELONGING (+0.62)	Issues with perceived 'toxic' management drove old employees away.	Current employees experienced demanding workloads, but they felt part of a more inclusive BrewDog overall.
C6 - AUTONOMY & FLEXIBILITY (+0.79)	Former employees faced a lot of bureaucracy in their day to day roles.	Command and control culture still came up with current employees, overall they felt a stronger sense of freedom and autonomy.
S3 - PERFORMANCE MANAGEMENT (+0.56)	Former employees faced a lack of structure and feedback about their own performance.	Current employees felt able to get feedback by driving their own conversations about performance.

HOW INCLUSIVE IS BREWDOG?

3.59

INCLUSION SCORE

"I feel BrewDog has an inclusive culture."



FINAL SUMMARY



BREWDOG'S CURRENT EMPLOYEES ARE STRIVING FOR POSITIVE CHANGE.

BrewDog's employees are really passionate about the brand and want to take positive action towards changing the experience of working at BrewDog.

However, they feel that BrewDog's structure hasn't matured in line with the company's growth. More structured processes for recruitment, progression, communication and HR would make their lives at BrewDog much easier and more fulfilling.

Some current employees feel uncomfortable speaking up and challenging. This is partly related to James' previous demanding leadership style and the way decisions were made in previous eras.

It's clear that teamwork is strongly valued amongst BrewDog's current employees, and BrewDog needs to ensure this is reflected and lived in the Dogmas.

In addressing these shortfalls, BrewDog should champion a workforce that are included, engaged and empowered to do the best work they can do.

FORMER EMPLOYEES HAD MORE NEGATIVE PERCEPTIONS, BUT WANTED TO USE THEM FOR GOOD.

Some people have shared some sensitive and upsetting experiences. Although time has passed, their stories cannot be ignored or untold.

The letter has provoked strong reactions from many current employees – some recognised their own experiences within the letter and some didn't. However, one shared goal amongst all is to make BrewDog the best it can be and use these experiences to drive positive change.

Throughout this review process, there has been significant engagement from BrewDog's leadership team. A genuine commitment to change has been expressed, with dedication to make meaningful changes to BrewDog's culture and inclusion.

BrewDog should now look to the future and pledge to build a more positive and consistent people experience, changing the way people think about BrewDog and committing to making Brewdog a great place to work.

ACTION PLANNING



ACTION PLAN FOR CHANGE

PEOPLE

- Develop and implement a clear People Strategy and associated action plan to ensure that each of the measures score over 4 - carry out this review next year to monitor progress.
- Invest in strategic resource for the People Team and develop a clear structure.
- Deliver management development for all of those in management positions.
- Carry out leadership development training for leadership teams to enable them to lead collectively and consistently.
- Implement a 'punk' yet pragmatic performance management framework and review cycle.
- Develop a Recruitment Strategy and ensure consistency through processes.
- Integrate a HR system to enable quality data management and the development of people insights.
- Build an Early Talent Strategy to pipeline diverse talent through the business.
- Implement a clear Career Development Framework and associated tools to enable progression.
- Review the delegation of authority throughout the business.
- Continue to carry out independent exit interviews.

DIVERSITY AND INCLUSION

- Develop and implement a Diversity and Inclusion Strategy and associated action plan.
- Make a strong set of pledges to change the industry in the same vein as the Sustainability Objectives.
- Develop a diversity data set to drive the strategy and understand key areas for focus.
- Track diversity data throughout the recruitment process.
- Carry out Inclusive Decision Making training for all hiring managers in the first place and roll out throughout the business.

ACTION PLAN FOR CHANGE

INTERNAL COMMUNICATIONS

- Develop and implement an Internal Communications Strategy and associated action plan.
- Communicate the People Strategy within BrewDog and give regular updates.
- Tell the stories of your people within the business.
- Ensure everyone knows how to access benefits and make the best of what is available to them.
- Review the Dogmas and the supporting behavioural framework. Engage the business in the change and communicate the outputs consistently.

EMPLOYER BRAND

- Develop and implement an Employer Brand Strategy and associated action plan.
- Create honest and accurate external messaging that shows why someone would join and stay at BrewDog.
- Tell stories externally of positive change already happening inside BrewDog.
- Create a social media strategy focused around people rather than just consumers.
- Redesign the careers website to reflect the reality of BrewDog today.

ACTIONS ALREADY UNDERTAKEN

- A company-wide salary review which resulted in a 3% pay increase across the board
- The creation of new Employee Representative Groups to give crew members a direct say in the direction of the company
- Launch of an independently managed Ethics Hotline
- Appointment of new Head of Learning and Development and the introduction of leadership and management development training across the business
- Investment in HR resource under the leadership of Group People Director, including the aforementioned Head of L&D and a new Head of HR Operations for the retail estate
- Investment in mental health provision, including the appointment of Mental Health Ambassadors, mental health newsletter, among numerous other initiatives
- Internal project to support the mental well-being people at BrewDog
- Enhanced quarterly career development reviews which will also focus on wellbeing, combined with new career framework guidelines to make it easier to progress and build experience in different teams
- Structure Review, resulting in an increase in resource across the business, to ease resource bottlenecks globally
- Launch of maiden Workplace Code for all crew members