

Valuing our people

Our commitment to making Pearson a special place to work is led by a Group-wide director for people, a title chosen by the first person to fill the role – a clear indicator of our intention to work with people, not with ‘human resources’.

We will soon be looking at changing the words we use from ‘human resources’ to ‘people’ wherever they appear across Pearson. Our people are instrumental in defining the company that Pearson aspires to be today: commercially successful, intellectually courageous and socially responsible. And the business really is their own business – through participating in our employee share plans, more than half of our people are shareholders in Pearson, working to build the value of their company by helping our customers to live and learn.

We have a Group level [health and safety policy](#), with numerous awareness days and other good practice examples across our offices, and we offer a variety of programmes to enable people to find the balance we encourage between their personal and professional lives. We also know the best ideas often come from our own people, so each operating company continues to ask its people for ideas, suggestions and constructive criticism to improve the way we work.

[We want to be the best possible company to work for and we endeavour to provide salaries, benefits, incentive plans and opportunities that rival those offered by our competitors.](#)

Valuing our people continued

Building our community

We aim to attract, take on and promote the most talented people, irrespective of race, gender, age, physical ability, religion or belief, sexual orientation, marital/civil partnership status or any other criteria not specifically related to relevant aptitudes, potential, skills and abilities. Increasing our diversity isn't a cosmetic or a political exercise for us – we believe that as an international company, a workforce where differences are valued and respected is vital to our future, and we want minds and imaginations from as broad a base as possible right across the company. We know that maintaining excellent channels of communication is central to making all those voices heard, contributing in turn to the motivation, the pride and the sense of ownership people feel about their role at Pearson. It is also crucial for pulling the best potential Pearson people in and encouraging them to stay with us. We want to reflect the societies in which we operate: we don't set specific targets, but our continued goal is to have diversity at the heart of everything we do, and to be the best in our industry for diversity. We have dedicated Diversity Teams and Councils in both the US and the UK, a senior member of staff at each Pearson company who acts as a Diversity Champion, and a widely publicised set of initiatives communicated on internal intranets and through the Diversity website.⁷

Activity summary

- Over the past five years, the overall number of women in the US and UK workforce has remained consistently high, with females representing 60% and 56% of the total population at Pearson in the US and UK respectively. **More than half of Pearson managers are female** and women now comprise 32% and 20% of the US and UK senior management teams respectively.
- In the UK, **the segment of our workforce from a minority ethnic background has increased every year** to over 14% in 2008, up from 9% five years ago. In the US, that segment has grown from 15.7% in 2005 to 19.9% in 2008, with a 2% increase in minority managers, to 12% of the team. UK managers of minority backgrounds represent 11% of the team.

- In 2008, we launched our **WorldWide Save for Shares (WWSFS) plan in 63 countries**, translating our staff website and plan documents into 15 different languages, including Lithuanian, Polish, Portuguese, traditional and simplified Chinese, Japanese, Malay and Filipino. Modelled on the UK Save As You Earn scheme, we have offered Save For Shares to our UK people since the 1980s and to our international staff since 1998.



Snapshots

The pan-Pearson communications programme now includes informal social networking tools like [Yammer](#), [Facebook](#), [wiki groups](#), [Twitter](#) and [FriendFeed](#) to add to the various [blogs](#), internal company-specific intranets, regular newsletters and large-scale annual presentations from senior managers to staff around the world.



Our UK Diversity team relaunched their summer internships website in 2008, now featuring the newly-formed diversity partnership with The Economist (of which Pearson owns 50%).



Learn more at summerinternships.pearson.com

⁷ See Pearson's [Diversity website](#)

Valuing our people continued

Balancing life and work

We are a competitive company, committed to our commercial and publishing goals. But we also believe that people are most effective at work when they have the flexibility, tools and resources to manage their personal lives. We work hard to keep our people fulfilled in their roles, giving them opportunities to increase their skills, to take on international projects and move between businesses, and to ensure they are able to balance life and work. We believe that mobility should be an option wherever appropriate for both the company and the individual, and with businesses in 66 countries covering all of the world's regions, that's something we can offer our people. We follow a set of global principles to guide how we reward our people that go beyond the issue of salary. These principles include providing compelling health, welfare and retirement benefits for all our staff to help them make the right choices for themselves and their families, not only for today, but for tomorrow; providing locally competitive pay that recognises the relevant recruitment market, business sector and geographic region; using incentives to drive performance; and recognising the contribution of all our people. We know that our people are more likely to stay with our company if their role can evolve alongside any changes in their personal circumstances, and we will go out of our way to protect our most important assets.

Activity summary

- Each of our people has unique needs and we offer a variety of programmes and initiatives to complement these. Examples include **flexible work arrangements, telework assignments, employee assistance programmes, back-up care for children** and adult dependants, personal planning advice for elder care, sabbaticals, summer hours and convenience services.
- In 2008, we **took the difficult decision to award a 2009 pay increase to only those people who are currently earning less than \$50,000 a year**, a pre-emptive action against the uncertain climate to allow us to continue investing in the business and to protect as many jobs as we can.

- In the second year of our NewDirections programme – an initiative set up to help Pearson people undertake a short-term assignment in a different part of the world – **we helped 102 people move between companies and countries**, up from 67 in 2007 and beating our target of 100 moves.

Snapshots

New Directions A video showing our international short-term mobility programme. The programme has just relaunched its website to make it more user-friendly, including details of the offices Pearson has all over the world.

 [Learn more at newdirections.pearson.com](http://newdirections.pearson.com)



Pearson Shared Services and facilities staff at our UK head office became the latest Pearson companies to participate in a disability training course developed by **Scope**, the disability rights organisation. Penguin UK also rolled out the course to their managers.

Valuing our people continued

Developing our talent

The people we hire are passionate about education, information and entertainment, and they tend to have ambition and aspirations to progress through or across our businesses. Pearson is fortunate to have a great deal of talented people at every level of our company and we strive to identify, nurture and promote them in a number of ways. We encourage people to have regular career discussions with their manager, we conduct annual performance reviews, we support internal and external training opportunities, and we promote mentoring, in addition to our own cross-Pearson initiatives to prepare future leaders and keep the current senior team fresh and switched on. Our talent management programme highlights where it may be beneficial to move people because of their job or skills, and we have the in-house expertise to help the transition go as smoothly as possible. Of our senior management group, around 20% have experience in at least two Pearson operating companies.

Activity summary

- We held our annual Forum in New York in 2008, bringing together over 100 of our most high potential managers from all over the world for a three-day session with the Pearson Management Committee and other senior managers. We are launching the Emerging Leaders Programme for Forum alumni in 2009, which will provide ongoing support for these potential future leaders.
- A small team of senior managers visited our new businesses in the United Arab Emirates, meeting with local government officials, education institutions, companies and authors to develop professional relationships and gain a better insight into this emerging market.
- As part of the annual talent review, Marjorie Scardino discussed with the head of each business and function across Pearson the groups of people who may one day lead a significant part of the company.

FAST FACTS

We've identified at least one 'ready-now' and one 'ready-soon' successor for each of the top roles across Pearson: although we may sometimes choose to look externally to get fresh eyes on an old problem or bring in specific skills, we know we always have people to step into the key Pearson roles if required.

Snapshots

FT e-learning zone The FT's new, interactive web-based learning and resource centre went live in 2008, featuring over 30 online courses exclusively for staff to use.

We invited submissions to the third year of our **Pearson Innovation Fund**, a fund available to assist Pearson companies around the world to invest in international projects that develop new technologies and new business models, with a particular focus on ones that use digital distribution channels. Projects partially or wholly funded in 2007/08 included Penguin's **wetellstories.com**, the FT Group's Chinese language FT Wealth magazine, **FT Rui**, and the design and piloting of a single digital platform for remediation in math and reading/study skills at Pearson Education, to help reduce time spent in developmental studies.



The **turnover of our movers and shakers** – a group of some of the most able people in the company – is much lower than the average turnover in the rest of Pearson and has consistently declined over the last three years.

Valuing our people continued

Focus on: INTER-COMPANY INITIATIVES



We have mentoring programmes across the company, some more formal than others, but we've found that mentoring is a highly effective way to connect people in different parts of the business. As with the short-term assignments we enable through our **NewDirections** programme, both sides of the partnership are able to gain insight into sometimes previously undiscovered parts of the organisation, growing each other's skills and raising aspirations. Two examples of these are below:

Mentoring: A number of successful relationships were formed across the finance teams of different operating companies in 2008. One such example involved a mentee presented with the prospect of redundancy and the need for redeployment. The mentor worked with the mentee throughout this time, providing information on the Pearson businesses and types of roles the mentee could consider, plus a network of contacts in the Finance department. The mentor offered support throughout the job search process and the mentee was successful in moving across the company to another suitable role.

NewDirections: A designer from Pearson Curriculum Chicago spent two weeks with Maskew Miller Longman in South Africa in March 2008. The purpose of the visit was to share best practice for product development and work with the design team in South Africa. This experience helped him to develop an operational network and understand the challenges and opportunities faced by MML in the South African market. A reciprocal visit is being considered for the future.

A few words from... Paulo Pisano

'When I joined Pearson in October 2008, I soon noticed some remarkable features about the culture.

One was that a lot of people seem to be studying for something or learning a new skill – perhaps a welcome side-effect of being surrounded by information. Another was that there is a healthy level of competition and cooperation between different parts of the business, which seems to drive our designers and sales people to really take note of what's happening in their part of the world and be the best in their field.

But I think the most striking distinction was that people here are genuinely aware of the power they have in their jobs to make the world a better place. I think that there's a real culture of valuing the contribution of each person at Pearson, and it has an effect on how our people view their own capacity to influence positive change. They know they are capable, innovative and valued people because we work hard to treat them as such, and that's why they are able to produce such fantastic results for Pearson.'



Paulo Pisano Director, Human Resources,
Pearson Education International