

MAKING FLEXIBLE WORKING WORK

MAY 2010



ABOUT THE AUTHOR

The Original Creative Co-op B.V., [OCCo](#), is an international consulting firm and consortium of independent consultants dedicated to the advancement of knowledge and understanding of *people place and work*.

Our goal is to provide a portal for collaborative work through strategic consultancy services and research initiatives within client organisations, academic research and the community as a whole.

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FOREWORD

Is flexible working simply about cost savings from introducing desk-sharing and saving space? Or is it actually about working flexible hours and introducing alternative work strategies? What is driving flexible working – is it technology, changing work patterns, or meeting government legislation on sustainability and work–life balance?

One thing that is becoming clear is that governments, employers and employees are all beginning to see clear advantages in flexible working. This document seeks to get everyone ‘on the same page’ and guide you through the complexities of flexible working. It is a practical guide, acting as a checklist to aid all constituents involved in programmes to adopt flexible working.

There can be considerable confusion surrounding the definition of flexible working and the different names and iterations. Unfortunately, primarily as a residual of ‘hot-desking’ in the 1980s and 1990s, it has assumed a bad connotation, with many employees thinking of it as merely a way of saving costs. The reality is that introducing flexible working is a valuable step towards the workplace of the future. Nonetheless, there remain serious barriers to successful introduction at every level.

When examined in more detail from the perspectives of the principal stakeholders, definitions become clearer, and we see that the three active constituents in enabling it, human resources (HR), information technology (IT) and corporate real estate (CRE), are connected to the mindsets of how it is interpreted. Technological advances now enable us, in a way that was never before achievable, to adopt the ‘work anywhere/anytime’ scenario. Yet, in the context of success or failure, technology is primarily an enabler and not a driver. The barriers to successful introduction of flexible working revolve around the ‘management of change’, combined with a clear lack of detailed knowledge surrounding the subject in general.

The objective of this document is to clarify the definitions and terminology, to describe what the benefits are, and to give guidance on the change management process and legal aspects that will enable flexible working programmes to be successful. Finally, the aim is to uncover the hidden costs behind flexible working and what the strategy should be for managing it in the long term.

INTRODUCTION

In a 2007 report by the Equal Opportunities Commission (EOC), evidence was accumulated stating that there is an unmet growing demand for flexible working in the UK. At the present time, nearly three years on, there is still a wide gap between mainland Europe, where 90% of employees are offered flexi-time compared with 48% in the UK, this is in spite of UK legislation being broadened in 2007 and again in 2009. Taking into consideration today's economic climate, it makes even more sense to introduce flexible working now than it did in 2007.

The benefits of flexibility are a two-way street. Some pioneering employers are leading the way using technology and better management to make a difference. They have changed their work culture and report better staff engagement and increased productivity as a result. But it's crucial for both our economic survival and individual well being that more follow their lead and embrace a new approach.

Jenny Watson, Chair EOC, 2007

The EOC sets its report in both the social and business context, highlighting the urgency with which society is driving this. They state that the key drivers are:

Social context:

- more women are working
- men are more likely to be active fathers
- the extension of the state retirement age
- the government's target of getting 50% of young people into higher education by 2010 means even more young people will need to combine work and study
- the number of people having caring responsibility for older relatives (estimated 10 million in 2010).

Business context:

- reducing property costs
- reducing absenteeism
- retaining staff
- reducing stress and increasing well-being
- improving customer service and satisfaction.

Although many employees are demanding the right to work flexibly because they can see a clear advantage for improving their work-life balance, many others are fearful that it will decrease their chances of career advancement, or that they will become disconnected from their organisation's community.

The issues surrounding the introduction of a flexible working programme are much broader than connectivity. Different organisational cultures will be more or less amenable to the idea of flexible working. This will determine the nature and level of the involvement of managers and staff in this process. Staff will react differently to the changes, and their behaviour and expectations will need to be managed so that the organisation remains effective during the introductory period, and is able to move forward, making proper use of the flexible opportunities provided.

One of the hardest adjustments to flexible work is the concept of 'work to results', as opposed to time in the office. Managers require training in result management prior to and during the change process. Flexible workers need a clear understanding of what is expected of them and how it will influence their performance review. The age demographics will have an influence on the ease of adapting to a flexible workstyle. Typically, younger workers will easily gravitate to flexibility, while older workers may struggle with the freedom flexible work allows.

The key success factors for implementing a flexible working programme are:

Understand the requirement

- Determine the business drivers for introducing flexible working. If it is simply about saving space and money then there are other alternatives, such as increasing space density or relocation.
- Explore the work patterns and understand the needs of the organisation and end-user to help develop a vision for the future. Once the vision is established, then drive it and stick to it. Diluting the vision will jeopardise the project.



- Develop a positive approach to flexible working. This has to be part of the company culture and not just a response to changing legislation.

Identify client champions and partners

- Flexible working requires management support at the highest level. Strong leadership is required, not only to set the vision, but also to lead by example. It is difficult to take away ownership of desks when the managers all sit in large underutilised offices.
- Seek out the early adopters and use them as project champions. Tackle the resisters/saboteurs head on, and convert them.
- A joined-up team, including CRE, HR, IT and facilities management (FM), is likely to have more success than disparate groups focusing on their own agenda.

Change management programme

- The Change Programme is a primary key to the success of flexible-working initiatives. This involves communication, consultation and lobbying of the staff at all levels.
- Change management is not just one-way communication. Involve the staff and give them

ownership of deliverables so that they buy into and have part ownership of the project.

- Consider the various methods that can be used to convince the staff, including site visits, piloting and a guidance document or welcome pack.
- Train line-managers to manage flexible workers, and train flexible workers how to self-motivate and manage themselves.

Use the optimum solution

- Flexible working practices are just that – flexible. They will vary from organisation to organisation and will continue to change over time.
- Consider where the organisation is currently and where it wants to go. Put it in the context of the key drivers and constraints.
- Challenge the vision, but be realistic so that a project can be implemented successfully. This can require a phased approach rather than a ‘big bang’.

This report is an introduction to flexible working to be used as a guideline, taking you through the practicalities and key learnings of introducing a flexible working programme.

DEFINING FLEXIBLE WORKING

DEFINITIONS AND TERMINOLOGY

There are many terms used to describe different types of flexible working, but in essence flexible working is 'offering the choice of where, when and how to work'. It incorporates non-standard working patterns, remote connectivity (within and outside the office), access to and sharing of alternative work settings, and the non-ownership of space, particularly offices and workstations.

Figure 1 illustrates how we have clustered the terminology in order to define three basic categories of commonality in the definitions of terms: remote working, office-building based and non-standard hours. In general usage, these terms are sometimes confused and interchangeable. In the UK, flexible working is often interpreted as meaning flexible working hours (e.g. flexitime), as opposed to remote working or sharing space.

All the terms used in Figure 1 describe flexible working; some of the key definitions are as follows:

Alternative work strategies, largely an American term, and **agile working**, developed for BT, are two terms used to describe the options revolving around all three concepts – remote working, non-dedicated space in office buildings and non-standard hours.

Alternative work settings are collaborative and individual work settings within which activity-based work occurs.

Free address refers to the ability of a flexible worker to choose any empty desk or workspace when in the office.

Home-working initially started as 'teleworking' or 'telecommuting', and was generally working from home at least one day a week in a PC-based 'home office'. With the migration from PCs to laptops and the advent of wireless technology, it has adopted a much broader context of 'working from home', but it should be noted there are still regulations surrounding a company's responsibilities for official 'home-workers'.

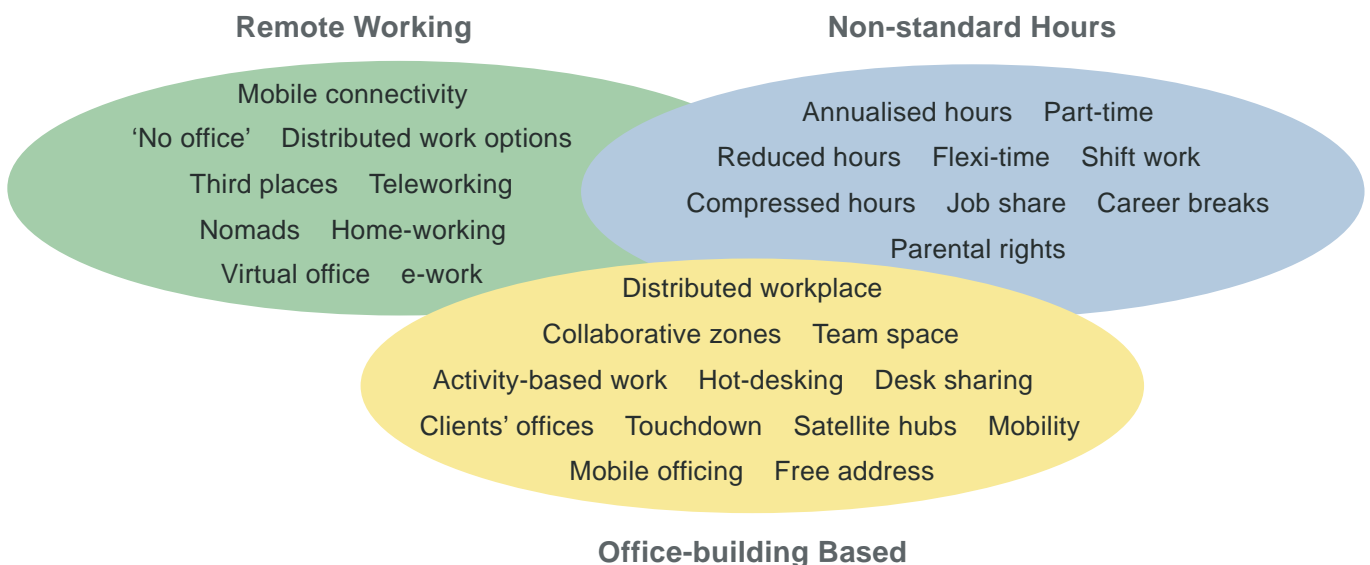


Figure 1 The three basic categories of commonality

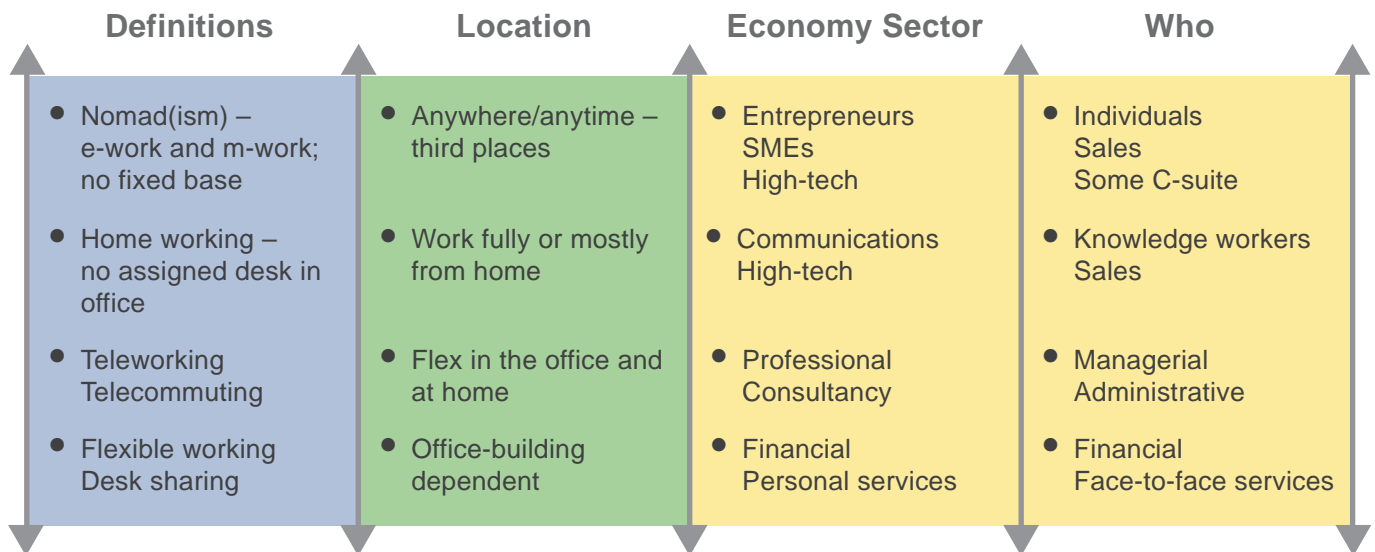


Figure 2 How flexible models are being adopted: most flexible (top) to recent adopters (bottom)

Mobile officing, mobility or move to mobility are terms used for unassigned workplaces in office buildings. These are often used in the USA in place of flexible working.

Nomadic working or nomadism generally refers to working in non-purpose-built 'third places', such as hotels, cars, trains, home or planes. It is closest to the concept 'work anywhere/anytime'.

Satellite hubs tend to be around the outskirts of large cities, and are different from suburban branches because of the provision of flexible/non-assigned space only – often booked on a 'hotelling' basis.

Serviced offices are a range of solutions, from use of non-occupied space in other companies' office buildings, to serviced office suites with shared meeting rooms and public spaces.

Third places, drop-ins or third spaces are non-traditional flexible work locations not including the office or home, and are part of the new mix of physical settings. Examples are libraries or coffee shops, but there is also a concept emerging for buildings designed specifically for mixed use.

Virtual office or no office is a reference to the concept that one's office is actually wherever you access your technology.

Some of the confusion surrounding terminology exists because there are few companies that have adopted a straightforward model embracing all forms of flexibility. Neither is it easy to draw a road map to lead from a traditional office environment to a totally virtual one, but there is evidence that some industry types, especially those that require the least security of information, are more advanced in using multiple concepts of flexibility. In trying to form a matrix to assess who uses what type of flexible working, it gets more complicated when classifying the type of employee against the industry/flexible model, as many companies are testing it on only a limited segment of their population. Figure 2 gives a broad overview of how flexible models are being adopted, starting with most flexible at the top, down to recent adopters. It is not intended for benchmarking, and none of the categories are mutually exclusive.

DEFINING THE ROLES

Choosing the appropriate model for your business requires careful analysis of your organisation, its business, and a strategy for long-term implementation.

The interpretation of flexible working must also be overlaid with the different perspectives of the groups enabling the programme. Broadly, to HR the definition

of flexible working is about flexi-time, legal compliance and employee welfare and retention; to CRE and FM it is about shared spaces and saving costs; and to IT it is about data security and the type of technology required for remote working.

To the real-estate team, the focus for implementing flexible working is space saving, and the starting point is a study of how well the workstations, offices and meeting rooms are used over time. The utilisation can be surveyed using hourly observations of all work settings over a 1 to 2 week period, or by using security-pass data or automated systems such as PIR (passive infrared motion) sensors. Three key occupational states are generally noted: (i) occupied, someone present; (ii) unoccupied, no signs of use; and (iii) temporarily unoccupied, no one present but signs of use such as a jacket or documents. The more automated systems may only recognise the occupied and unoccupied states, whereas some utilisation experts may also record the different activities taking place in the work settings (e.g. using computer, on telephone, in meeting). The utilisation rate is calculated as:

$$\text{Percentage utilisation} = \frac{\text{Total number desks occupied at any one hour across the working week}}{\text{Total number of desks} \times \text{Hours observed}} \times 100$$

This equation is used so that utilisation can be expressed as a percentage. The utilisation figure is then used to calculate the 'desk-share ratio' and the corresponding number of desks required to meet a target utilisation figure, typically set at 80% to allow some contingency.

$$\text{Desks required} = \frac{\text{Number of desks observed} \times \text{Observed percentage utilisation}}{\text{Target percentage utilisation}}$$

Note: Some utilisation experts include the occupied desk and temporarily unoccupied in the utilisation equation. Guidance on how to measure utilisation and other space metrics are provided in the British Council of

Offices Guide to Post-Occupancy Evaluation (BCO, 2007) More recently, the *Occupier Density Study* (BCO, 2009) introduced the concept of 'effective density', which is a function of workplace density and utilisation (workplace density divided by the maximum utilisation of workplaces, expressed as a percentage) and reflects actual space usage and the demand of the space on the building services.

For HR, ensuring that employees' terms and conditions of employment reflect any flexible working arrangements will be a primary focus. HR will also be responsible for ensuring that any concomitant legality, such as health and safety guidelines, are conveyed and complied with. As important, is the management of employee motivation and behaviour. HR must be involved in terms of heightening awareness at management level, and providing tools and techniques to facilitate the differing role of managers under these changing circumstances. They should also be involved in helping to plan the internal communications programme in order to ensure that a sufficient variety of methods is used to reach all employees, bearing in mind things like demographics (e.g. the different approaches required for different generations). HR are also likely to be knowledgeable about the organisational culture, ensuring that change should be sympathetic to that culture, and are generally more aware of the level of change that might be required.

For IT, the primary internal focus is likely to be the protection of the organisation's information and knowledge systems. If people are working remotely, how does IT ensure security of information when messages and information are being sent via various means outside the normal internal infrastructure? IT will need to know how to support people remotely, as well as locally, using the same numbers of staff. Will there be any additional knowledge that they as a department or team will need to acquire in order to support the flexible working plan?

CREATING THE BUSINESS CASE

The key drivers for flexible working, at both the organisational and national level, are summarised in Figure 3. The government’s initiative on the ‘right to flexible working’ is predominantly aimed at reducing

carbon emissions and improving work–life balance, whereas the property industry tends to focus on reducing costs, but there is a range of other clear drivers and benefits.

BENEFITS ANALYSIS

The first step to making any significant change is to present the business case, including a cost–benefit analysis, sometimes called ‘return on investment’ (ROI), justifying the proposed change. This also applies to implementing flexible working. A business case for flexible working that aligns with the organisational goals is likely to be more successful than one that stands separately. Consider how flexible working can support different organisational goals, such as

improved team-working, efficiency in terms of space, cost and performance, or the merging of cultures.

The benefits of flexible working are well documented, and are usually classed as the tangible (hard) financial and less tangible (soft) benefits, which can be further subdivided into organisational and personal benefits. However, at the business-case stage, the benefits also fall into those that are fairly predictable and those that are

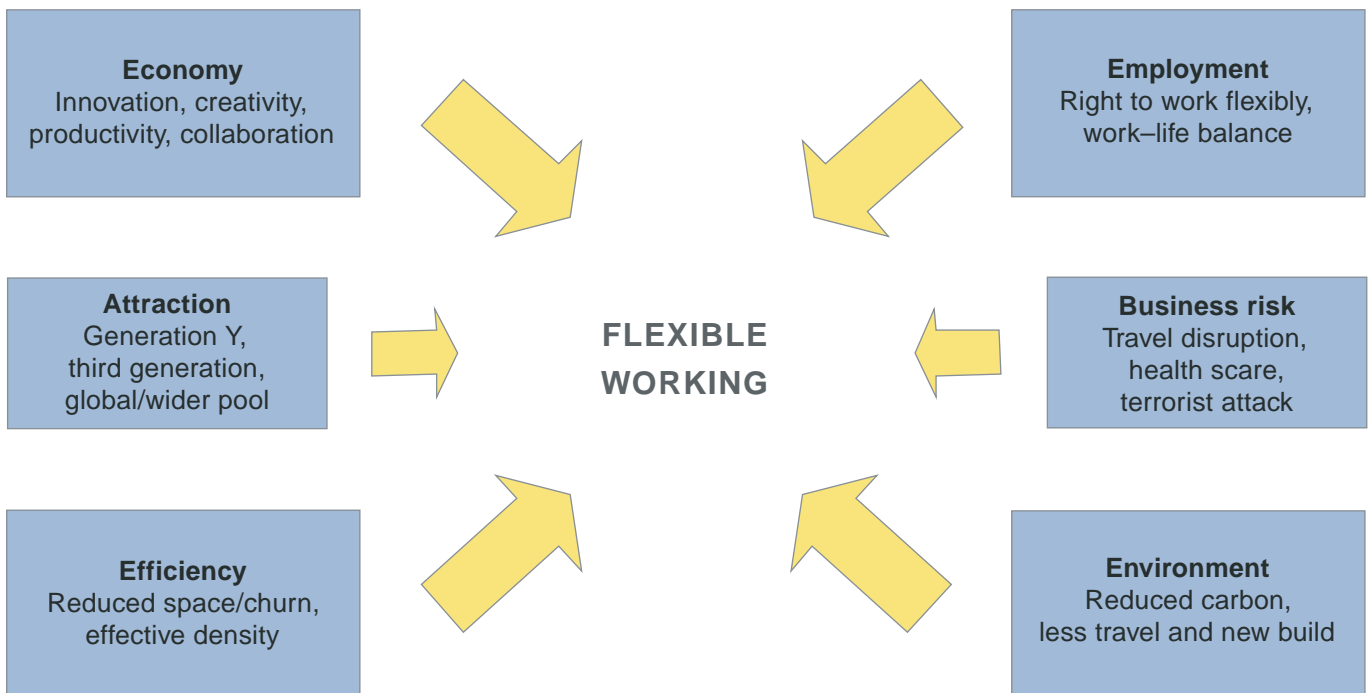


Figure 3 The key drivers for flexible working

potential. Increasing the number of predictable benefits will depend on collating good data from previous examples of flexible working, preferably within the same organisation. It is important that organisations do not simply focus on cost cutting, but are cognisant of the importance of a good-quality workplace, attracting the best staff, supporting interaction, collaboration and innovation.

Organisational benefits

Reduced property costs. The starting point for most flexible working initiatives is to understand how the office space is utilised over time. Typically, the utilisation for most offices is around 50%, indicating that space saving can be gained by introducing desk sharing (BCO, Occupier Density Study, 2007). As the ratio of staff to desks (i.e. desk-share ratio) increases, the space required to accommodate the workforce reduces, and therefore savings can be made on property-related costs. Property costs not only cover rent and rates, but also the total cost of occupancy, which includes service charges, utilities (heating, cooling, water, waste), insurance and facilities management, such as reception, security, cleaning, catering, etc. There will also be reduced fit-out costs but, generally speaking, flexible working is associated with better quality workspace and a wider range of work settings. In addition, in return for non-ownership of a desk, more amenities should be introduced. The saving in property costs is, therefore, not simply correlated to the reduction in desks, but is also associated with significant and predictable savings.

Reduced churn. The cost of and disruption due to churn will reduce after implementing flexible working. In team environments, the expansion and contraction of teams can be accommodated through manipulation of desk-share ratios, rather than having to move teams around as would be the case in a traditional workplace. In free-address environments, teams can choose to sit together in different locations, rather than have a designated zone. Flexible working environments usually have less dedicated private offices, reducing the number of partition moves needed to meet any organisational restructuring. As the desks in a flexible workplace tend to be similar and non-personalised, moves become a matter of moving people rather than furniture, equipment and partitions. The workplace is therefore more responsive to organisational change. The facilities management team will already have records of the level of churn, and flexible working will prove to reduce this considerably.

Smaller carbon footprint. If flexible working results in requiring less space then, theoretically, fewer buildings will need to be built, heated/cooled and maintained. If home-working is introduced, there will be reduced travel as a result. Mobile workers who need to meet face to face may choose to meet at a location that is more convenient to them than the office, again saving on travel. The carbon saving can be calculated based on the reduced space requirements and reduced travel. According to Hood and Tompkin (CoreNet, 2004), in case studies carried out by Hewlett Packard (HP) and Sun Microsystems, flexible working (mobility) projected a 65% lower carbon footprint and a 37% reduction in cost per person over time. Sustainability, the 'triple bottom line', has become one of the key drivers for organisations to introduce flexible working.

The bottom line of a workplace strategy that demands highly utilised space is a significant reduction in the property footprint. Recalling that the greenest buildings are the ones you don't have, it is easy to understand that returning office space to the available global space pool lessens the need for more workplaces to be built and places the emphasis where it is most beneficial, making the best societal use of what we already have. This is a win for the environment, can be a huge fiscal benefit for individual organizations, not only in terms of cost structure and reduced carbon footprint, but also through the rethinking of work itself which tends to be an organisational by-product of such initiatives.

Chris Hood, Program Manager
The HP Workplace, Hewlett Packard

Reduced absenteeism. Flexible workers with the option to occasionally work from home have been found to take less time off sick. For example, staff may feel too ill to travel into work or too ill to work at the office (or not want to spread germs) but they may be willing to work for a few hours or more at home. Whilst a reduced absenteeism is a valid part of the business case, the benefit is difficult to calculate without good longitudinal data from previous implementations of flexible working. The level of sick leave varies by job function and seniority, but the national average is around 7 days per annum, or 3% of the work year. This appears small on first glance, but will add up to a significant saving for a large workforce.

Reduced staff attrition. Case studies have shown that the attrition rate decreases after implementing flexible working. The average cost of recruitment and training varies between organisations, but the CIPD (Chartered Institute of Personnel and Development) puts the average recruitment cost of filling a vacancy per employee at £4,333, increasing to £7,750 when organisations are also calculating the associated labour turnover costs, such as vacancy cover, redundancy costs, recruitment/selection, training and induction costs. This figure rises to £11,000 for senior managers and directors (CIPD, 2007). The cost of time spent in getting new employees up to speed and operating at full capacity should also be considered. The attrition rate (percentage rate at which something is lost, or is reduced by, over a period of time) is 18% on average, but again varies between sectors and organisations. The data from case studies and previous projects can be used to calculate the savings due to reduced attrition. Knowledgeable staff considering retiring early may also be more willing to stay on and work for a couple of days per week or work from home.

Increased staff attraction. Surveys have shown that the latest generation of workers are more independent, work differently, are more environmentally aware and place more value on a flexible working environment. Therefore offering flexible working can help the organisation to become an employer of choice. Offering flexible working to staff also widens the recruitment pool to those living further away who may be unwilling to relocate their family and to those whose family commitments make it more difficult to work full time. This in itself attracts a more diverse level of expertise, and can help reduce salary costs.

Longer work period. There is much anecdotal evidence which indicates that, contrary to popular belief, flexible workers tend to work longer hours. It is believed that flexible workers who save time on travel work for some of the time that would have been spent travelling. If they can work from anywhere and at any time, more diligent workers are also more likely to come back to finishing a task at home or after other personal commitments. Supporting work on the move (particularly remote connectivity) also means less downtime when travelling. Hours can be monitored through timesheets, allowing the increase in hours after implementing flexible working to be calculated.

Extended business hours. If staff in the same department start and finish at different times outside of core hours, then the operating hours will be longer; this could be

planned with shift patterns, or a more informal arrangement. Staff working from home may be more willing to work outside of the normal operating hours. This is particularly beneficial to support services, or those with customers in different time zones. Calls and sales figures could be used as an indicator of the business benefit associated with longer hours.

Improved team-working. Flexible working environments help maintain the co-location of teams over time. With a properly designed flexible environment they also offer more space for interaction, collaboration, innovation and cross-selling between teams, as space previously allocated to desks can, in part, be given over to collaborative space (EOC, 2007).

The approach to innovative flexible and connected working practices focuses on remapping business priorities to create a new physical model, understanding and responding to the ways in which people work collaboratively, in teams, individually, privately and socially.

The principles of choice, sharing and inherent flexibility are key to PwC's lifestyle as 'Best place to Work'. The success of flexible working is implicit on the regime of the FM in continually monitoring and effectively managing the space to meet both the needs and aspirations of the mobile worker.

Paul Harrington, Real Estate Director,
PricewaterhouseCoopers

Better business continuity. Experienced staff who might wish to leave for personal reasons can be offered hours they can manage. This is particularly true of the 'ageing workforce', who often have no choice but early retirement as an alternative to full-time working in the office. It is also believed that offering flexible working can lead to more commitment and loyalty to the organisation. The ability to work outside of the office can also improve resilience in the case of disaster, and reduce down-time due to travel, security and weather disruptions.

Improved staff performance. Flexible working should offer better work-life balance, improving staff motivation, morale and satisfaction, and reducing stress in the workplace. Staff satisfaction is correlated with performance, and reduced stress can help enhance creativity and productivity.

The above organisational benefits can be input into the business case. However, for flexible working to

be successful it also needs to be attractive to the organisation's employees. Although personal benefits do not necessarily form part of the business case, it is important that they are communicated as part of the change management process.

Personal benefits

Improved work–life balance. The ability to work at different hours and in different locations gives employees the chance to fit in other commitments and activities around work and make better use of their free time. Flexible working is particularly helpful for employees who have dependants, such as young children, the disabled or elderly parents. Flexible working means that employees do not have to lose time and pay if waiting in for deliveries or if they have personal appointments in the traditional work time.

Improved control of workload. The ability to choose where and when to work and not be 'tethered to the desk' helps staff feel more in control of their workload and allows them to find the best place to complete their work duties (e.g. at home or another quiet space for carrying out work requiring focus and concentration). The ability to choose is a sign of trust between the employee and management, and should motivate or engender loyalty.

Reduced travel time and cost. Staggered working hours can help avoid the stress of commuting at peak times and paying peak fares. Occasional home-working allows staff to reduce their weekly commuting time. With less unnecessary travel, personal travel expenses are reduced.

Better office environment. Flexible office environments tend to have a wider variety of work settings, including more meeting space. Some of the property savings can be allocated towards creating a higher quality and more attractive work space, offering the employee more flexibility in matching the work activity to the setting. Furthermore, the number of private offices tends to be minimised and the workstations similar in size and style, thus creating a more egalitarian and equitable work space.

For flexible working to succeed you need to have the right office environment in place first; you need to invest to reap the future property cost savings. Our staff feared the worst but the POE shows that they are much happier working in the new environment and management believe this is being reflected in increased productivity. Our people now want to move into the flexible working environment rather than the old style.

Peter Hawkins, Facilities Manager
CRE Programme Delivery, HSBC

COSTS ANALYSIS

In addition to benefits analysis, the costs also need to be presented in the business case. The cost of implementing flexible working is more complex than it first appears, and includes 'hidden' ongoing operational costs in addition to the initial capital outlay. Whereas, flexible working can lead to savings for the property team, it is likely to increase costs for the IT and FM teams. Quite often in flexible working projects, there is a debate about who will carry the additional capital and operating costs associated with the project.

Technology infrastructure. Flexible working is fully dependent on an up-to-date and flexible IT infrastructure. It requires the ability to work outside the office, including remote access to information, and remote or mobile technology, such as a laptop, virtual PC or hand-held device. Telephony will also need to support mobility, in the form of dial-in and 'follow-me' phones. As flexible

workers become more mobile, their preference is to use electronic storage rather than hard-copy filing, and more files need to be shared by workers who may not meet regularly face to face. A good document management system is therefore advisable. Investing in an on-line booking system, for desks and meeting spaces, offers comfort to those travelling to the office and nervous about finding the appropriate space available. Remote working generally means that IT security protocols have to be changed and/or enhanced. New and emerging technologies based on Web 2.0 applications have already permeated the public domain, and are now being adopted by some companies to facilitate internal communication and collaboration, as well as for external marketing purposes. These combined factors can be especially challenging for those in companies who put a premium on data security.

BT Property very quickly realised the benefits of flexible working and rolling out home working to its staff. The key challenge was to ensure that the IT infrastructure supported working seamlessly from home, on the move and in the office. Our key offices have wireless networks and many staff are enabled with Softphone so that even when in the office they are not chained to the desk and can work in various work settings including breakout spaces, the deli/restaurant areas and informal meeting spaces. They can easily access printers and other resources so are fully supported. We are continuing to push the Agility agenda and are setting aggressive desk utilisation targets going forward.

Gary Wingrove
Head of Construction Programme Management
BT Group Property

Support services. Desk-sharing environments are dependent on a clear-desk policy, which needs to be managed. A concierge or helpdesk service may be offered to provide a one-stop-shop for workers on the move or working from home, including dealing with booking, IT, health and safety, travel and storage problems. Hygiene is another issue for flexible workers, and they expect the shared furniture, keyboards and phones to be cleaned more regularly.

Operating hours. If flexible hours are offered, then the building, or parts of it, may be required to open for longer. This can increase costs in terms of security, utilities and catering.

Home-working. If the flexible worker's normal place of work is their home, the organisation is responsible for the health and safety of the employee and may need to provide furniture and technology. Depending on the employee terms and conditions, they may also need to contribute to utilities. Home-workers will always need to be offered IT and sometimes other support.

Office furniture. The furniture in a flexible working environment does not differ significantly from a traditional space, but there are some differences (e.g. filing and lockers will generally be remote from the deskings). Staff with specialist equipment and furniture will need to be supported, and this may mean additional furniture to ensure that desk sharing can take place.

Summary: cost–benefit analysis

There are several means of presenting a cost–benefit analysis.

- The simplest method is to present the financial data showing only the year-on-year property savings (and other quantified benefits) against the implementation and operational costs for each proposed option. The payback period may be calculated and used as a key metric when comparing the options.
- The next step is to include the less-tangible benefits in the analysis. Each costed option may be given a score reflecting how it is perceived to support the other benefits. If two or more options show similar financial savings then the benefits score can be used to inform the selection of the best option.
- A more structured alternative is to apply a percentage weighting to a series of financial and non-financial benefits, where the total weighting equals 100%. For example, the financial savings may account for 50% of the weighting, reduced absenteeism for 10%, increased staff performance for 20%, and staff attraction and attrition for 20%.
- A final method is to actually estimate the financial benefit of the so-called 'non-tangible benefits'. As an example, estimate the percentage reduction in absenteeism, or the additional hours worked, and convert them to the equivalent in salary costs or revenue generation.

Regardless of the type of cost–benefit analysis used, when dealing with property it is standard practice to use discounted cash flow (DCF) when comparing investments. DCF is a method used to evaluate the attractiveness of an investment opportunity. It takes into account the time value of money. Because cash can be invested (or needs to be borrowed), the value today of a sum received in the future is reduced. DCF analysis uses future cash flow projections and discounts them to arrive at a present value, which is then used to evaluate the potential for investment. The discount rate used can either be the simple cost of capital or a higher rate that reflects the risk inherent in the investment. Results can be expressed as the net present value (NPV) of the income from the future or as the internal rate of return (IRR).

UNDERSTANDING AND PREPARING FOR FLEXIBLE WORKING

LEGISLATION

Flexible working legislation was introduced in England in 2003, and extended in 2007 and 2009. It is highly likely that this legislation will be extended further over the coming years. The legislation is focused on the government's view of flexible working, including changes to the number of hours or times an employee is required to work and where the employee is required to work (at home or a place of business of the employer).

There are many common misconceptions about the right to flexible working. The most common misconception is that there is a 'right' to flexible working, but in fact the right is to request to work flexibly. Furthermore, that right is not legally offered to all employees, but only to those who have certain parental or caring responsibilities.

The latest explanation of the right to request to work flexibly is given below:

- Parents of children aged 16 years or under, or of disabled children aged under 18 years, and carers of adults, have the right to apply to work flexibly. There is a length of service requirement of 26 weeks to have this right. An application to work flexibly can only be made once every 12 months. If the request is denied, no further application can be made within a 12-month timeframe. *Note:* The right to request does not extend to agency workers.



- It is up to the applicant to write the request to work flexibly. They should also outline the change they wish to make to their hours, and/or to the times they are required to work or to work from home. They have to note the effect on their work they believe these changes will make, why they are making the application, and the date upon which they wish the changes to be made.
- The change forms a permanent change to terms and conditions of employment. The individual cannot request changes every month and keep changing backward and forward at will.
- Within 28 days of the request, a meeting should be arranged with the individual's manager/director to discuss the request. A written confirmation of acceptance or refusal will be given within 14 days of the meeting. The applicant can appeal against refusal.

The company can refuse to grant the request to work flexibly, but it is notable that four-fifths of requests in 2007 were granted. Refusal should be based on business reasons only. Specifically, accepted grounds for refusal are:

- planned structural changes
- the burden of additional costs
- a detrimental impact on quality
- the inability to recruit additional staff
- a detrimental impact on performance
- the inability to reorganise work among existing staff
- a detrimental effect on ability to meet customer demand
- lack of work during the periods the employee proposes to work.

Staff with children may express a desire to work during term-time only. As mentioned, an employer has a duty to consider a flexible working application, but can refuse it if there is a legitimate business reason. As a general



rule, it is good practice to ensure employees are treated fairly and consistently, but the solution should not have a detrimental effect on the business. Thus, if a number of employees wish to work term-time only, it is likely that there will not be enough cover for work all year round. In this instance, it is acceptable to consider how many requests for term-time working the business can sustain without affecting business needs. Other flexible working options can be offered to avoid disappointing individuals who are refused.

A common issue that companies face today is whether to offer the right to request to work flexibly to all staff regardless of their parental or caring responsibilities. It is true that this broadening of the policy to encompass all employees is greeted positively. An employer who approaches flexible working in this way will be deemed more attractive than one who is restrictive and dismissive in their approach to what is, after all, an increasing trend.

HEALTH AND SAFETY

Health and safety guidelines apply to flexible workers, in particular those using laptops or working from home, just as they do in the traditional workplace. There is no specific number of hours above which these rules apply, and it should be assumed that your responsibilities as an employer for those working remotely are the same as those required for those working in your office. However, if the employee chooses to work from home occasionally, independent of the workplace strategy, it is their choice and the onus then shifts to them to ensure they have created a safe working environment. There

is an ongoing debate as to where the demarcation line is between the responsibility of the employer and the home-worker. If the home is used as a primary place of work, the following five steps must be taken to ensure you are following the proper home-work health and safety procedures:

1. **Identify hazards.** Consider the risks involved with home-working. For example, will the home-worker need to use substances harmful to children or pets, and is electrical equipment properly connected?

2. **Decide who might be harmed and how.** Give due consideration to who, other than the employee, will be in the home during the day and how might they be harmed.
3. **Assess risks and take measures to remove or reduce them.** If hazards are identified, they need to be reduced or eliminated.
4. **Record findings.** This only applies to organisations with five or more employees. However, it is good practice to record any health and safety risks that are discovered.
5. **Continue to check risks and identify.** Continue to monitor the workstation, equipment and general working environment, and rectify any new risks that may come to light.

The following health and safety issues are applicable to the home-worker as well as the office worker:

Handling loads. The probability of someone working from home having to lift their computer screen or printer is probably higher than in the workplace where IT professionals are likely to be present to assist. The employer has a duty of care towards their employee, so they should ensure that basic manual-handling techniques have been passed on, whether in the form of an advice sheet or some training.

Providing equipment. It is common for employers to provide equipment for employees who will be working from home. A policy stating what equipment will be provided should be prepared, but typically this will

include computer equipment and broadband. Again, the employer needs to ensure that any equipment provided is appropriate, regularly checked and any necessary training given in the use of the equipment.

Workstation inspection. The employer's health and safety representative should visit the home of each home-worker to carry out an inspection of the workplace. If this is not possible, the employee can take a photograph of their home workstation and any other area needed to carry out their duties and submit it to the employer for inspection.

Ergonomics. Employers have a responsibility to ensure that their staff comply with display screen equipment (DSE) regulations. Commonly, they will supply guidelines and training to fulfil this requirement. The mobile worker may need to use a laptop on occasion or prefer it as their home workstation. Laptops are built more for convenience than comfort, so it is important that staff receive training in how to set up and use a laptop and ensure that they take sufficient breaks. Prolonged laptop use should be supported with full-size keyboards and a raised screen – this does not necessarily need to be a full docking station, as less expensive interfaces exist. Many companies are now opting to use a virtual PC system (e.g. CITRIX), which connects an office and a home desktop computer.

First aid. An employer should also ensure that any employee working from home has sufficient first-aid cover and is aware of what they need to do in certain circumstances.

TAX, INSURANCE AND OTHER FINANCIAL MATTERS

These matters are complex, and individual circumstances may result in different solutions. In instances where people are unsure, the best advice is available from the tax office. However, here are some basic principles that hold true:

- If the employee works for an organisation that has a registered address but they carry out work at home to a greater or lesser extent, they do not have to register their home as a work address, even if they hold meetings there.
- Employees may be able to claim a proportion of their utility bills that relate to their work activities (e.g. phone, electricity).
- Those who work from home may have to pay both business rates and council tax; they may also need to get premises insurance, because their domestic insurance will usually only cover residential use.
- Home-workers may also need to get contents, stock and materials insurance, even if work is already being done from home and there is already a home contents insurance policy.
- Those who own their property and work from home may be able to obtain some tax concessions, but should seek the advice of a tax expert.

CHANGE MANAGEMENT AND COMMUNICATIONS PROCESS

OVERVIEW OF CHANGE MANAGEMENT

Implementing a flexible workplace involves a change in work style, work patterns, management style and work culture. Change management is an essential component of a project, yet too often it becomes a separate entity, limited to surveys, focus groups and communication. True change management needs to look at the organisation as a whole, including goals of the specific project as well as goals of other concurrent initiatives.

Throughout the project, departmental, organisational and business goals need to be considered, and business continuity, corporate culture and employee morale must be incorporated in the process.

The change process has four key steps: visioning, assessment, preparation and implementation.

VISIONING PHASE

The purpose of visioning is to objectively understand the organisation prior to the introduction of flexible work and determine a realistic view of the desired change. Visioning can be accomplished in a meeting, workshop, through questionnaires and/or observation. The key focus is:

- What is the organisational structure?
- How are decisions made?
- Why is there a need for change?

There are several common reasons for change and implementing flexible working (see Understanding and Preparing for Flexible Working). Regardless of the drivers, the key question still remains: What should the organisation look like after the change?

At the onset of the visioning phase, preconceived ideas of the new types of flexible work programmes are examined. At the end of the visioning phase, the types of flexible work programmes are reviewed, with strategy and goals for alignment. The possible work styles and flexible working strategies are explored during the visioning phase. Visioning is the time to gain buy-in from the leadership team.

The visioning phase can last a week, a month or longer depending on the alignment of leadership goals, the size of the organisation, the type of change desired and

the availability of key employees to provide necessary information. It is recommended that an external consultant leads the visioning session and assists in the assessment, as members of the organisation are often too close to clearly evaluate the situation, which can be complicated by internal politics. A good consultant will require feedback from the organisation. If a key member of the visioning phase is unavailable it is better to wait than have them insert their point of view after the completion of the visioning process. It is important that, once the vision has been set, it is adhered to undiluted and promoted by senior management. Flexible working projects are prone to failure when the vision is not set and approved by management.

Change management must lie in the hands of people managers and should be considered a core management skill. It is at the heart of how organizations continuously need to reinvent themselves to stay ahead of the competition. At HP we invest our energy in trying to arm our managers with all the facts and figures which best support meaningful dialogue with their employees, most particularly 'Why are we doing this?'

Chris Hood, Program Manager
The HP Workplace, Hewlett Packard

ASSESSMENT (OF THE VISION)

The purpose of the assessment phase is to take the image of what the company will look like after the change and align the desired results with the reality of business operations. This is the time to examine every aspect of the organisation in order to determine how flexible work will affect both production and employees. The data collected during the assessment phase is used to create policies and procedures documents and training information.

The result of a successful assessment is a sharper and clearer view of what the organisation will look like after the change. When there is agreement between strategic goals and a clear view of the new organisation, then it is time to implement the change process. Without agreement it is necessary to review the strategic goals and examine other changes that could be incorporated in order to assist in creating a successful flexible work programme.

At this stage, the outside consultant will be responsible for asking the hard questions, reviewing the impact of the determined flexible work scenarios against operational requirements, assisting in the alignment of goals and operations, and developing an outline of action items for the change process.

Some key questions for consideration when developing the vision and strategy are:

Organisational factors

- Understanding current operations, product and/or service procedures:
 - What areas will be affected?
 - Where will the change be beneficial?
 - Which areas are of concern?
- Changes in the organisational structure:
 - How will existing work processes change?
 - Will the change shift the corporate culture?
 - What will the new culture look like?
 - How will this be positive for the organisation?
- Current workforce demographics and workforce requirements:
 - What part of the workforce will be receptive to the changes?
 - What is the current level of employee technological knowledge?
 - What part of the workforce will be resistant?
 - Is the resistance related to job requirements?

- Is the resistance related to job status?
- Is the resistance related to personal life?

Real estate and facilities

- Examine the real estate:
 - review the changes that are required
 - review possible restrictions on the proposed project.
- Assessment of likely costs:
 - What is the impact of new technology on existing infrastructure?
 - Will financial restrictions curtail proposed changes?

The assessment phase can last a week to 3 months. The typical results of the assessment are delivered in a report that includes:

- overview of corporate culture
- flexible work staff assignment overview
- flexible work policy overview
- current communication processes
- changes required and likely costs
- action items
- options.

The organisation may conduct the change process with internal staff, engage the consultant to train the trainer or hire the consultant to administer the change process.

As head of the space planning team, my typical approach was always to figure out how to make the space as efficient as possible. The most important lesson that I have learnt is the change of focus from space to people. By that I don't mean how many people can I fit into a space as opposed to desks, I mean what is the space that most suits individual, team and departmental work styles. Simply squeezing desks in does not give any opportunity to enhance business processes or staff satisfaction.

Nik Robotham
Vice President, Head of EMEA Strategic Planning
Morgan Stanley

PREPARATION OF CHANGE PROGRAMME

The purpose of the change process is to establish a programme to help the successful implementation and integration of flexible working to the existing organisation. The report developed during the assessment phase is used to create a map as an outline for the change management programme.

To begin implementing flexible working, knowledge of the changes in work patterns is essential. Employees should be informed of the vision, workplace strategy and how it directly affects them. The staff will ask many in-depth questions which need answers and documentation.

Typical questions include the following.

Work areas

- Will there be a reservation system?
- Are there different types, sizes or styles of work areas?
- Can anyone sign up for any of the work areas, or are there restrictions by position or department?
- Can an employee continually sign up for the same location?
- Where are the files of flexible workers kept?
- How do telephone extensions operate?
- Will employees be allowed to keep things at the desk for more than one day?
- How do employees work on ongoing projects?
- Where do staff have team meetings?
- How do managers know where employees are seated?

- Are there exceptions to the rules (i.e. senior executives, accounting or HR departments)?
- How do assistants and secretaries work with their managers?

Remote workers

- Does the organisation supply furniture and equipment or provide an allowance for the employee to purchase furniture and equipment when working at home?
- What IT support will be provided for flexible workers?
- Do remote workers need to come into the office for meetings?
- How is risk management (health and safety) assessed for the home worker?
- How do remote workers and managers communicate?
- Where do remote workers maintain their files and how do files get archived?
- Are home-workers reimbursed for utilities, copies, faxing?
- What are the protocols (e.g. security) for working in third places?
- May the employee rent equipment (teleconferencing equipment, projectors) to conduct a meeting in a third place?
- How secure is the organisation's wireless network?

Once the criteria are clearly defined, then policies and procedures need to be written or revised.



IMPLEMENTATION OF CHANGE PROGRAMME

During periods of change rumours begin to circulate before concrete decisions are made. In order to maintain productivity it is important to ensure that employees focus on their current situation without fear or speculation of what the future might hold. A preliminary communication plan should be established prior to discussing the situation with anyone outside of top management; this can occur as early as the assessment phase. It is recommended to use the organisation's standard mode of communication (town hall meeting, newsletter, website, intranet, lunchtime) to acknowledge that rumours are circulating and at this time no decisions have been made. Let all employees know that they will be informed as the decisions are being made and by which mode they should expect to receive the information. If they have specific concerns or questions they can speak to their manager, send an email, or log a question on the intranet site. It is important for employees to recognise that there is only one source of accurate information.

Employee morale and business continuity are important for a successful change. Review client deadlines and internal business deadlines with the proposed project schedule. Accommodate business needs as often as possible, and provide contingency plans for employees to continue to work if there are schedule conflicts.

Employee morale is multifaceted. In every company there are resistors to change and champions. The champions are the ones who get behind the new idea and motivate others to become excited about a project or process or event. They are trusted and respected by their colleagues regardless of the position they have within the organisation. The resistors are happiest complaining, spreading rumours and inciting discontent. Depending on the corporate culture, it is advisable to recruit both champions and resistors to assist in activities around the change process. Getting their buy-in will substantially increase the success of the project. In order to gain buy-in, remember that all employees:

- want to know they will be able to successfully complete their work in the new environment
- are concerned with how the change will affect their daily work environment
- are concerned how the change will affect their life outside the office.

The ability to provide solutions so that individual employees believe they are being considered during

the process is paramount. Corporate culture plays a large role in how this is accomplished. Employees can be resentful if they believe they are asked to participate in committees or meetings that will have no impact on the decisions. For example, within an organisation where all decision-making comes from the executive suite, asking employees to participate in focus groups for a 'feel-good' experience is not as beneficial as asking a few key employees to fill out a questionnaire. Workshops, on-line tutorials, providing lunch, and training sessions can be incorporated in the change process. Providing a vehicle for individual employees to safely express their concerns during the process is a win-win for all involved. This can be done through HR, department managers, outside consultants or the internal change management team.

In large organisations it is often not practical for all employees to be canvassed for their views through questionnaires, or have large numbers of staff directly involved in the project and attend workshops and meetings. It is more practical that a champions group is established. Their role is to represent their colleagues at the workshops, raise their colleagues' concerns and communicate back any information.

There are always barriers to change, but especially in introducing flexible working. These fears and barriers will need to be addressed and overcome by managers and staff:

- fear of change and the unknown
- loss of personal space and personalisation
- loss of storage and privacy
- loss of desk equating with potential loss of job
- lack of available desks on arrival at the office
- no trust in the supporting infrastructure
- manager resistance and/or no appetite for change
- management style – lack of trust, 'presenteeism/visibility' – targets not time
- worry of longer hours and intrusion into home life
- potential social isolation, reduced team spirit
- inequality (e.g. some staff may be able to home-work and others not)
- complying with legislation (e.g. health and safety)
- lack of/or poor-quality alternative work settings
- share ratios too high, no transparency in team zones.

The key to overcoming the barriers is providing information and support through good communication and engagement. Listen to the staff's concerns, and provide answers to their concerns or offer to find the answers. For those less willing to adopt the new working environment, essential to the change process is the understanding of what will motivate staff to change. Ultimately, it may be necessary for the leadership team to promote and enforce the new workplace strategy, but it is better that the staff realise the benefits themselves and embrace the new workplace rather than have it forced upon them.

Typical communication vehicles for engaging staff are:

- email
- town hall presentation
- intranet
- bulletin board
- poster campaign
- meet the architects 'surgery', FAQ and guidance
- merchandise (mugs, mouse mats, t-shirts, etc.).

In addition to the communication process highlighted above, there are other tools for enhancing change:

Guidance and information sheets. When establishing a flexible working programme, employees need to be educated as to the work options available to them. They should be aware of the locations where they may work, the provisions and support they can expect from the locations and any restrictions imposed by the organisation. Employees should have contact information to ask questions about the new workplace for the first month. It is helpful for information sheets (or guidance documents) to be available at all locations. They can be web accessible and include: IT hotline and remote access instructions, telephone instructions, conference call information, desk- and room-booking systems, flexible-desk etiquette, filing/storage and archiving.

Pilot schemes. A pilot scheme is a 'test bed project' of flexible working practices on a small group of staff before roll-out through the rest or a larger part of the organisation. There is some debate over the benefit of pilot schemes. With a large investment or magnitude of change, pilot projects might be considered essential. However, pilot projects present their own set of change management issues, since only part of the company is transitioning to something new. Strong comparisons between old and new can create delay in adoption of the

new, or frustration for those not participating. There are many successful projects that do not begin with a pilot project. Sometimes the choice is dictated by schedule or budget; other times it is a strategic decision. When working with pilot projects, communicate clearly to those participating that their feedback is essential in creating a successful roll-out. Provide opportunities for feedback through a variety of methods to encourage responses. When rolling out a flexible workplace programme without a pilot project, the 'size of' and 'number of' locations of the roll-out will determine the schedule. If a building with multifloor occupancy is going to have a prolonged roll-out, then encourage employees from other floors to visit areas already completed.

Site visits. There are two key types of site visit: a visit to the new space and a trip to other organisations. Site visits are usually made by the project team or champion group. Visiting the proposed space during construction provides the visitors with an appreciation of the space they are moving to and generates a sense of involvement. A site visit to another organisation, or part of the same organisation that has undergone flexible working, allows the staff to see the outcome and also to speak first hand to those affected. Those undergoing change, particularly with regard to flexible working, can be convinced of the benefits by seeing that they are not the first (i.e. the guinea-pigs) and that others have successfully undergone change. A site visit is at its most useful at the envisioning stage of the project.

Other typical means of engagement are:

- interviews
- workshops
- questionnaire surveys
- mock-ups
- family days.



MANAGING FLEXIBLE ENVIRONMENTS

There are many considerations that need to be taken into account when implementing specific flexible working patterns. Working from home presents particular practical issues, because the work area is remote but nevertheless lies within the responsibility of the employer. Flexible working hours, including compressed hours,

job-share and term-time-only working, can lead to problems with availability and communication if not well managed. It is important to emphasise that the points mentioned below are mutual responsibilities, and require a commitment to ongoing monitoring and management.

REMOTE WORKERS

The operational issues that need to be considered for remote workers are as follows:

IT equipment and support. There may be no face-to-face IT support for remote workers, whether on the move or home-working, so it is vital that IT planning, infrastructure and installation is thorough. Consider what equipment will be required, including PC, printer, scanner, broadband, telephone and back-up. Agree whether remote workers can use their own equipment or company equipment only, and consider how equipment will be maintained and supported (e.g. through an IT helpdesk or hotline dedicated to remote workers). Check that the phone is fit for purpose, especially if workers need to be able to accept more than one call at a time or take part in conference calls. A headset may need to be provided and it must be established how calls are redirected from the office. Ensure you have the right to recover the equipment if an employee leaves the company or to recover the cost from any final pay if the employee wishes to retain the equipment when they leave.

Remote connectivity. It is essential that flexible workers have efficient and secure remote access to the company server for downloading and sharing confidential information. Lack of access may mean that key documents are not made available to team mates or that time is lost attempting to retrieve vital documents. Consider if regular back-ups will be made to the server and whose responsibility this is. If the company permits use of social media or is introducing it internally as part of the change to flexible working,

give clear written guidance and training on protocols, which applications the company approves and when it is not appropriate for transferral of company material.

Furniture and ergonomics. In the case of home-workers, ensure they have a suitable desk, chair and lighting that comply with current health and safety regulations. The employee will need to be trained in setting up their own workstation and other occupational health issues, such as the frequency of breaks. Similarly, more mobile flexible workers with laptops will need to understand the constraints around using laptops for long periods of time, and be provided with compliant equipment, such as full-size keyboards and an elevated screen. For home-workers, the employer will need to visit the home and conduct the same risk assessment as they would at the office (e.g. assess any possible fire hazards, ensure there is a clear runway to the exit, ensure the chair is adjusted correctly, the desk is at the right height and the monitor is at the correct distance).

Stationery and printing. Agree whether stationery will be bought by the employee, collected or sent from the office or dropped off by the supplier. Domestic printers are often unsuitable for large amounts of printing. Alternative arrangements may need to be made, such as printing from the office or an outsourced/specialist printing company. The nature of the employee's role will influence the choice of home printer and whether any additional equipment, such as a shredder, should be provided. The policy needs to include provision of printing supplies (e.g. cartridges), including recycling options.

Security. Consider how hard copy and computer files should be stored in the home or on the move. Company information must not be able to be accessed by house occupants or visitors. Advise employees to use password protection and to lock documents away.

Insurance. If customers or clients need to visit the employee's household there will be insurance

implications; the best option is that all meetings take place in the office or a public space. Insurance may also be required for any company equipment provided, and some insurance companies may state that home contents insurance is invalid if company equipment is kept in the home.

MANAGING EFFECTIVELY

Although managers will not have daily face-to-face contact with their flexible workers it does not mean that they will not be able to manage their work effectively. The key managerial issues are as follows:

Working hours. An organisation will not be able to manage the working hours of their flexible workers directly. Although flexible workers will have more control over their working hours, they must continue to take adequate rest breaks and be advised by their company to work within the EC Time Directive (unless a company or individual consciously opts out).

Cover of workload. For those involved in process work or service provision, you will need to establish who will cover the employee's role when they are out of the office. Those covering for each other must establish regular communication procedures to ensure that they each have a good understanding of what needs to be done in the other's absence.

Reintroduction. When employees have taken a long period of time off work (e.g. school summer holidays, maternity leave), consider any changes that may have been made in their absence. Perhaps they will need



retraining or need to be debriefed on important meetings or organisational changes. This could be carried out over a few phasing-in days before their official restart date.

Task management. Managers will have to develop a relationship of trust with their staff. Rather than the more traditional management by 'presenteeism', where it is considered that if the employee is sitting at their desk then they must be working hard, the manager will need to consider outcomes and results as the determinant of success. Some tips to managing by results or objectives are:

- **Plan the day.** The employee may have been allowed to work flexibly because they have certain personal commitments; however, plan when they will be working, arrange suitable times to contact each other and agree deliverables and timescales.
- **Workload.** Flexible workers should keep a timesheet noting what is being done and when, as this will

enable managers to determine the effectiveness of their work via results and outcome.

- **Trial period.** Managers will not know whether a flexible working arrangement will work until their staff actually start doing it. Make the first few months a trial period, hold regular reviews and make adjustments where necessary.
- **Communication.** Managers need to keep in regular contact with their staff and let them know that they are available to talk over any issues if need be. Home-working can be quite isolating, and some people find it hard to motivate themselves. Managers need to be trained to spot potential problems and to offer guidance on how to overcome them. Home-workers need to be included in company communications and invited to events and meetings. Regular (weekly) team and one-to-one meetings should be held. This can be a tele- or video-conference rather than just face to face.

MAIN OFFICE OPERATIONS

The way in which the main office is operated for flexible workers also needs careful consideration. Operational changes include the following.

Storage. Flexible workers will not be in the office every day, and when in the office, may sit at different desks. Therefore, any storage cabinets for hard-copy filing will be located near to but not at the desk, and any personal storage will be in the form of lockers rather than pedestals at the desk. For the environment to run successfully, the staff need to be advised of the location of their storage units and issued with keys. The allocation of cabinets needs to be monitored so that cabinets are not left unused (and locked). It is customary to provide the staff with some form of caddy for transporting files and stationery items from the cabinets to desk. These can be quite sophisticated (e.g. with locks and the ability to hook on to the desk) or a simple box. Lockers should be adequately sized to hold a laptop and personal items.

Clear-desk policy. If desks are not left clear at the end of the evening they are less likely to be used the next day by other staff. It is therefore important that the clear-desk policy is enforced. There are a range of strategies for policing a clear-desk policy. Some organisations collect up items at the end of the evening and store them with

security or managers for collection. Other organisations have made not clearing the desk a disciplinary process, especially if the clear-desk policy forms part of their information security strategy. Other organisations are less stringent and leave it to the teams to self-police. The key is to determine a strategy that best fits the organisational culture but nevertheless ensures that desks are left clear each evening.

Booking systems. Booking systems are used to reserve desks and meeting rooms in advance. The systems can be sophisticated on-line systems, or bookings can be managed by the local administrative teams, a central helpdesk or using a simple paper-based system. The appropriate booking system will depend on the organisational culture, its size and the socio-demographics of the staff. Booking systems provide the comfort of knowing that a desk will be available on a visit to the office. However, a mismanaged system can cause logistical problems (e.g. if desks are block booked but then not used); some systems use a 'check-in' procedure to overcome this.

Whereabouts. One small issue with flexible working is how and where do you find colleagues if they are not sitting at the same desk each day? Key to solving this is telephony. Phones need to be of the log-on style and

redirectable to the employee's mobile phone, home phone or voicemail when not activated. Desk-booking systems are another means of tracking down the location of colleagues, and some smaller organisations use locator maps. Technological applications can be used, such as presence indicators, that show when colleagues are on-line or location trackers on smart phones can be used to indicate the location of colleagues.

Support. The systems for providing support for flexible workers while in the office must cover IT problems, HR issues and meeting-room bookings. Some organisations choose to create a central help desk or concierge for remote workers, whereas others manage with their existing systems. The key is to ensure that the various support teams are aware of the slightly different requirements for flexible workers. The IT team may not be prepared to make home visits, but they should have systems for offering good remote support and be prepared to arrange for any equipment to be returned and replaced quickly.

Occupational health. The importance of ensuring that flexible workers follow legal regulations has been mentioned. Some organisations choose to create an occupation health portal with on-line guidance and self-assessment. It may be necessary to provide a pool of special chairs, footrests and other specialist personal equipment for the staff to collect when they are in the office. Some staff may require higher or height-adjustable desking. Where possible, it is better to avoid leaving specialist equipment out at the desks; however, if the number of workers requiring specialist equipment is small then these workers may be allocated a specific desk.

Cleaning. If staff are sharing desks they will expect the desk to be left clean and tidy. This may mean increasing the cleaning regimen, especially for keyboards and telephone handsets. Surprisingly, the hygiene of telephones is often highlighted as a barrier to flexible working. Alternatives to increasing the cleaning regimen are to provide personal (removable) headsets or a pool of wipes and cleaning fluids.

Access. If staff will be working extended hours the building may need to be left open for longer during the week and at weekends. This may require additional security staff and heating, cooling and lighting. This should be taken into consideration before embarking on a flexible working plan within any specific building, particularly if the cost-benefit analysis and long-term sustainability analysis for that building are not favourable.

With the wide spread coverage of Swine Flu in the press, staff were concerned with hygiene matters, for example, sharing telephones and keyboards, which were resolved by providing headsets and hygiene wipes. I also found that staff were particularly willing to embrace new working practices and leverage the new spaces to improve business processes. I believe that this was due to staff seeing the potential to save space costs and contribute to increases in efficiency in a time where there is a huge focus on cost. Early reports show a 10–15% increase in efficiency.

Nik Robotham
Vice President, Head of EMEA Strategic Planning
Morgan Stanley

CONCLUSION

Although this document is specifically aimed at why and how companies should and can introduce a flexible working programme now, our conclusion is pointing to the future. Legislation is often slow, but flexible working continues to be high-profile news and the UK government is not ignoring it.

Flexible working is gaining momentum everywhere in the western world. The US mobile workforce is expected to grow to 73% of the total US workforce in 2011, and across the world people adopting flexible working patterns will grow to 30.4% by end of 2011 (IDC worldwide forecast).

It is predicted that the IT industry will lead us out of the present recession in 2010, with cloud computing maturing and offering a bridge between private and business applications. Rising energy costs, pressure

from the 2010 Climate Change Conference, more sophisticated electronic storage and the coming of age of mobile devices as strategic platforms for enterprise development will inevitably push the adoption of alternative ways of working further and at a quicker pace.

At present, only one in five UK firms give all staff the chance to work away from the office (BBC News Online):

The burden of proof should be on the employer to show why flexible working is not practical.

Harriet Harman, 2008

The transformation of business is not only underway, but is already happening. UK employers must face up to the challenge of changing work patterns in order to survive.



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