

# IDS HR Studies

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HR best practice and benchmarking

## Flexible working

### ANALYSIS

#### Working flexibly

Advantages of flexible working • A summary of the current legal position • Flexible working in practice • Submitting a formal request • Measuring the impact

### CASE STUDIES

- Accenture
- Ashurst
- Atkins
- Dell
- Virgin Media

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## Flexible working

*IDS HR Studies provides detailed commentary and authoritative analysis on all major HR topics. It features in-depth case studies of best practice at named UK employers, and comprehensive benchmarking data on a wide range of employee benefits and allowances.*

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## Dell

Dell trialled a formal remote working scheme following an increase in informal homeworking at its Bracknell head office in 2009. The trial was so successful that employees now have an opportunity to apply to work remotely unless there is a need for an individual to be on site. Staff are able to book desk space whenever they come into the office and are encouraged to meet with colleagues face-to-face on a regular basis. Dell has won numerous awards for its approach to remote working in the UK and is now rolling out its remote working initiative on a global basis.

### Informal remote working

The move towards a more flexible workforce came about largely by chance for Dell. Increasing numbers of employees had started working remotely and this was becoming more apparent by a rise in the number of empty desks around the UK head office. However, as Dell had no formal policy or guidelines in place, flexible working was being arranged on an ad hoc basis, dependent on individual line managers' discretion.

'Following a desk monitoring exercise, we discovered that more and more employees were working out of the office, either at home, on the road, or at client sites,' says Shirley Creed, Company Secretary. 'We have a lot of sales staff, as well as people working in legal, finance and tax, and these types of knowledge roles lend themselves to remote working. However, without a policy in place, there was no real consistency as to how it operated in practice.'

### Considering a formal scheme

The company could see that there were significant benefits that could come from having a formal policy enabling staff to agree permanent homeworking arrangements. Given that many employees were working away from the office, there were already a lot of empty desks. The company calculated that it could make substantial cost savings by reducing its square footage. 'There are many OpEx savings to be made by shutting down floors or sectioning off areas that are no longer in use – in terms of heating, lighting, general wear and tear and maintenance,' says Creed. 'These are not short-term cuts like freezing recruitment but long-term savings that can be reinvested into the business.'

Before the move towards more flexible working, some managers were more willing to accept requests than others. This usually depended on the employee's role and whether his or her job involved travel. The company wanted to formalise the process to make it fairer and give all employees the same opportunity to make requests to work away from the office.

'What was happening was that although there was the odd person on a flexible working contract, unless your

job involved travel, you weren't necessarily given the same opportunities to work from home as other members of staff,' says Creed. 'The issue of flexible working had been raised by employees in our TellDell engagement survey, so we realised that this could potentially improve employee morale, particularly among those staff who were not currently being given the opportunity to work from home on a regular basis.'

## Formalising remote working

### Piloting the scheme

Dell decided to trial a formal remote working programme at its Bracknell head office in 2009, involving a small number of staff initially. The plan was to roll remote working out to the rest of the workforce once any teething problems had been resolved.

The pilot was rolled out by a cross-functional team, comprising employees from HR, legal, finance, IT and facilities departments. There was also input from the company's Women's Network, and advice from its sales staff, who already had expertise in working remotely. 'It was a real joint, hands-on effort,' says Dan Grant, HR Manager. 'The team met as needed, more frequently in the beginning and less as time progressed. The collaboration of the various functions ebbed and flowed as needed.'

According to Grant, the pilot was a huge success and has resulted in flexible working becoming common across Dell's UK business. 'Based on our engagement feedback, we had anticipated a positive response, but we were delighted with the level of engagement and uptake of the programme,' he says.

#### Dell

#### Profile

Dell is a multinational computer technology company that develops, sells and supports computers and related products and services. The company is one of the largest technological corporations in the world, employing more than 100,000 staff. Dell's UK head office is in Bracknell, and the company also has employees based at its London, Nottingham, Edinburgh and Glasgow offices.

Questions for Dell employees to consider when assessing their own suitability for remote working

Job requirements	Yes	No
My job has tasks and responsibilities that can be done away from my primary work site.		
I can provide others with information they need while I am teleworking.		
I have adequate technology/equipment to perform the essential functions of my job away from my primary work site.		
I have the training and support I need to perform my job while teleworking.		
I will have access to the materials I need while teleworking.		
<b>Work style and personal characteristics</b>		
I can be focused and disciplined whether I'm working at home or in the office		
I can perform as well or better working independently.		
I am able to work with limited or no face-to-face supervision.		
I have excellent organizational, time-management and planning skills.		
I have communication skills strong enough to keep others aware of my schedule and work progress.		
I consistently accomplish work assignments and meet deadlines.		
I have strong team-building and team-maintenance skills.		
I am adaptable and flexible.		
<b>Personal Requirements and Tradeoffs</b>		
I can provide an efficient teleworking workspace free from background noise, household interruptions and distractions.		
I understand that business requirements may necessitate my coming to a Dell office on a teleworking day.		
If I have dependent care responsibilities, my dependent care options will remain in place during my teleworking hours.		
I will be creative and systematic in maintaining my visibility.		
I am capable of maintaining time boundaries as a teleworker – neither getting distracted from work nor ending up working all the time.		
I realize that working from home can be isolating and feel that I can make adjustments to stay in touch with my colleagues and manager.		
I believe that health and safety in the working environment is important.		
I am comfortable communicating via telephone and email.		
I am able and confident using technology.		
<b>Business Impact on Others</b>		
I can provide quality service to clients while teleworking.		
I will take all reasonable steps to be accessible to colleagues and clients, including having a voicemail message telling them how to reach me.		
I can be reachable when I am not at my primary work site.		
I will take responsibility to communicate my strategy to clients, colleagues and others as appropriate.		

### Flexible working intranet page

Prior to the pilot, Dell set up a dedicated flexible working page on its staff intranet. This gave employees easy access to all the relevant information on the pilot to help answer any questions they had on the new policy and procedures. The page also now includes a toolkit for employees and managers, and links to part-time working policies and other flexible working opportunities, such as condensed hours.

The web page features a picture of the company's founder – Michael Dell. Creed believes that this helps reinforce the message that flexible working is endorsed right from the very top of the organisation. 'Having Michael Dell's image there sends the right message to people. I think you need buy-in from senior management downwards for flexible working to be a success,' she says. 'People need to know it won't impact on their career opportunities and that flexible working is accepted.'

### Applying to work remotely

#### The application form

Any employee who wants to work remotely is encouraged to speak to his or her manager in the first instance. If an individual then decides to put in a formal request, he or she must complete a 'request to work remotely form', which is accessed from the staff intranet. The purpose of the form is to ascertain whether a person's role is suitable for remote working in terms of safety and home environment. The form also includes a checklist designed to prompt employees to consider whether working away from the office on a regular basis would suit their personality and lifestyle. The self-assessment checklist includes the following items:

- my job has tasks and responsibilities that can be done away from my primary work site
- I can be focused and disciplined whether I'm working at home or in the office
- I can provide an efficient teleworking workspace free from background noise, household interruptions and distractions.

'Managers discuss the checklist with their employee when having the initial discussion about remote working to help evaluate their suitability for remote working,' says Grant.

The full checklist is reproduced in the box on page 23.

#### Face-to-face discussion

The request to work remotely form is then sent to the line manager, who must arrange a meeting with the

employee within two working weeks to discuss the request. After a full and detailed discussion, the manager has a further two weeks to formally respond to the employee's application.

#### Considering an applicant's request

Employees do not necessarily have to provide a 'good reason' to work remotely; rather managers have to find a good reason not to accept a request. Reasons for rejecting an application might be to do with a job not being suitable – for example, a receptionist's role cannot be done remotely. However, flexible working is encouraged where possible and managers are expected to consider various criteria before making a decision. These include (but are not limited to) the following:

- can the employee's role be undertaken remotely?
- is the employee likely to successfully perform his or her role when working remotely?
- does the employee have a suitable remote work area? If not, can an area be made suitable with reasonable assistance from Dell?
- does the remote working area meet health and safety requirements? If not, can necessary adjustments be made with reasonable assistance from Dell to meet requirements?

Any refused applications are referred to the HR team to consider before a final decision is agreed. If the application is not supported, the manager is required to write to the employee within two weeks outlining the reasons for refusing the request, and providing details of the appeals process. 'But our aim is to work with employees to try and enable remote working if it is their wish, and minimal applications are refused,' says Grant. 'If they have a concern, we will try and help them resolve it.'

#### Change of contract

As a condition of remote working, those who are successful in their application are issued with an amended contract showing a change in working location from, for example, 'Bracknell' to 'remote'. The contract states that the employee has permission from Dell to work from home for one to five days per week, and includes a clause that states employees must come into the office 'when required'. As part of this arrangement, employees are no longer allocated a desk at the office but are able to work from the office by using hotdesking facilities.

There is no probationary period that employees must pass. However, if an employee wants to try out remote working to ensure it is suitable, a trial period can be agreed between the member of staff and his or her line manager for a period of two to four months. Any

individual deciding to revert back to office working can do so at any time.

### Office supplies/equipment

All remote workers are eligible for office equipment, such as a headset, docking station, monitor or laptop riser, keyboard, and mouse, supplied by Dell. This is in addition to the individual's laptop, which all employees at the company are issued with as standard.

Employees are also provided with an amount towards the purchase of office equipment from a preferred supplier. The allowance can be used to buy the following equipment:

- ergonomic chair
- ergonomic desk
- footrest, wrist rest, desk light (if required for health and safety reasons)
- first aid kit
- cross-cut shredder
- lockable desk drawer, cupboard or filing cabinet
- surge protector.

Homeworkers are paid a yearly allowance towards the operational costs of running a remote office, which is paid to them through payroll on a monthly basis. This allowance is a contribution towards additional utility costs that may be incurred when working remotely for electricity, water, heating and lighting, for example. These costs can be reimbursed by the company without the deduction of income tax and NICs.

Dell also pays remote workers a further amount to cover additional costs that are incurred when working from home. These are subject to tax and NICs as appropriate. Some examples of items that this allowance is intended to cover include:

- additional home and/or contents insurance imposed by an insurance company due to an employee working from home
- the costs of a new broadband subscription incurred due to working at home
- the increased costs of a broadband subscription imposed due to an increased download limit or download speed required over and above what would normally be paid for a broadband subscription.

### Hotel-style hot desks

Dell dedicated some of the office space that was freed up as a result of the trial to incorporate a permanent bank of 'hotel-style' hot desks for remote workers to

### Training on homeworking for all employees

According to Shirley Creed, Dell's Corporate Secretary, one of the main challenges of moving to a more remote, flexible workforce is to change people's mindsets. As part of its flexible working pilot, all employees were invited to half-day training sessions run by the HR team to help educate the workforce about the benefits of homeworking.

There were around ten staff sessions that took place over a number of weeks so that as many employees could attend as possible. The sessions covered what remote working is and what it is not; the resources available to staff (ie the checklists and the technology); and the company's philosophy on remote working. 'We recognised that remote working would not be of interest to everyone, and that some people might have concerns about losing their desks, so we had lots of FAQs in the sessions – and these fed into the development of the FAQs on our intranet,' says Creed.

Managers were also asked to attend a similar training session, but one tailored towards how to approach remote working from a manager's perspective. The training included how to ensure homeworkers are allocated appropriate work; kept up to date with work developments; and helped to feel part of the team and company. One of the key messages was that managers should focus on output rather than hours worked. All employees are now required to agree performance management objectives each year that they are expected to achieve – wherever they happen to be working.

In addition to the training, the company has produced a set of guidelines – available on its flexible working staff intranet to help managers support their employees who work remotely more effectively.

use when in the office. These desks are bookable in advance through the company's staff receptionist so that employees have space for their laptops and a guaranteed place to work. There are deliberately no drawers or shelves to discourage staff from leaving personal belongings.

The company also offers hotdesking, although these desks are non-bookable and are available on a first-come, first-served basis. 'As the whole building and equipment are wi-fi enabled, we don't generally have a problem with availability,' says Creed.

### Moving office staff closer together

When the pilot began, permanent office-based employees' desks were moved together to help maintain a sense of community. The company feared that feeling isolated and surrounded by empty desks could have an impact on morale in the office. 'As the company gets bigger, we can expand back into that space, but it made sense to move people closer together to try to avoid parts of the head office resembling a ghost town,' says Creed. 'We've had to work really hard to maintain team spirit for office-based employees, but it is difficult. For example, we used to do an Easter egg desk drop, but we can't really do that now as it's not fair on those working from home.'

### Creating informal 'break out' spaces

Dell has created a number of 'break out' spaces in the office to encourage as much informal face-to-face collaboration as possible. The areas include sofas, tables and chairs, as well as refreshments and table football. During the pilot, the company experimented with a number of different layouts, and employees were asked to vote on the ones they preferred the best. 'We arranged an area of the office in numerous ways and invited staff along to vote for their favourite so we could replicate it around the office,' says Grant. 'This is a good example of how we involved employees within the process to encourage staff buy-in.'

### Mid-week networking

The company has established several social groups to provide an opportunity for employees to get involved and connect with like-minded people within the business. These events, which take place at head office on a regular basis, tend to be held on Wednesdays, one of the most popular days for employees to come into the office. 'We organise things like speed networking to help people build their contacts, which is so important whether you work remotely or not,' says Creed. 'If you organise events on a Wednesday, you're likely to get a better turnout than on Mondays and Fridays, which are our quietest days in the office.'

### Encouraging collaborative working

#### Using instant messenger technology

The company is keen to encourage collaborative working and avoid employees becoming isolated from their teams. To help address this concern, the organisation has invested in technology – including the implementation of a unified communications platform, Lync – to ensure all employees can stay in touch no matter where they are.

Dell has introduced the software, branded 'Chatter', that combines elements of Facebook, Twitter and YouTube. The platform allows employees to create profiles and join communities, as well as to 'follow' colleagues. This can be useful for work and social purposes. 'There are Chatter sites to share news and others for functional groups to share information,' says Creed. 'Some groups are "open" for all to join and some are "closed", for project teams or departmental teams only.'

'You can't be successful without the right technology,' Creed continues. 'Different media work for different people. Some people prefer picking up the phone or talking face-to-face, and others prefer instant messenger or Chatter. Offering a range of technology and resources helps colleagues become successful and more connected in the workplace.'

### Arranging face-to-face meetings where possible

Although Dell has no set rules about how often employees should come into the office, staff are encouraged to speak with their managers regularly, and – where possible – meet face-to-face, particularly when it comes to performance reviews. The company has used some of its free space to build more meeting rooms so that employees have space to meet with colleagues and clients onsite. However, it accepts that this is not always possible. 'We have "all staff" meetings every quarter, which we try and arrange with good notice so that employees can plan around them and schedule meetings with colleagues at the same time,' says Creed. 'However, sometimes it's just not possible to meet up on a regular basis, even when it comes to performance reviews. For example, my manager is based in Denmark.'

### Measuring success

Remote working across Dell's UK business is now considered the norm. More than 1,400 employees work from home between one and five days a week on a permanent basis. This equates to approximately 65 per cent of Dell's UK workforce. The company has even changed its recruitment process so that now jobs are offered on a remote working basis by default. Managers have to untick a box if they want a job to be advertised as an office-based role. 'It's amazing how we've managed to change the culture of the organisation in such a short space of time,' says Creed.

### Business benefits

#### External recognition

Since Dell extended its remote working scheme to its entire UK business, it has received a significant amount of external recognition. It was named as one of the 'Top Employers for Working Families in the UK in 2011', and was included by 'The Times' as one of its 'Top 50 Employers for Women in the UK'. It also recently won the '2012 Opportunity Now Excellence in Practice Award' in the category 'Agile Organisation'. 'We are really excited about these great acknowledgements, which will help raise the profile of the company when it comes to attracting new talent,' says Grant.

#### Improved retention

As well as making the organisation more attractive to potential recruits, Dell also believes that flexible working is helping it to retain employees. 'Not only do people report having a better work-life balance but they're saving on commuting costs as well, which are all factors that help improve retention,' says Creed. 'Most people used to live within a 30-minute commute

from the office, but there are several employees who have now moved much further afield who've been able to remain with the company because of remote working. The postcode reach has certainly expanded.'

Furthermore, improved retention has had a knock-on effect on reducing Dell's other HR costs, such as recruitment and training. 'There are a lot of advantages to remote working which aren't immediately obvious but that the company has definitely benefited from,' says Creed.

### High engagement scores

Creed believes engagement scores, which are measured by the company's annual 'TellDell' staff survey, have also increased because of remote working. 'Our questions on engagement address the issue of remote working, and we can cut the data by site, functional groups and by managers who have over five employees, so it's a really useful tool in gauging the success of the scheme,' she says. 'We are really pleased with the increase in engagement in this area. One of the reasons for this increase is that employees feel empowered by the trust given to them by the company to work more autonomously.'

### Positive Informal feedback

In addition to high engagement, Creed has received a lot of informal positive feedback from managers about increased goodwill in the workforce. 'Flexible working allows employees to take their kids to school in the morning; come back and work; go to the gym when it's quiet in the afternoon; and then work again into the evening,' she says. 'The focus is on "output" and

what is achieved rather than being at your desk from nine to five, and this seems to be really valued by staff.'

### Reduced carbon footprint

Another less direct, but nevertheless important, impact of increased flexible working relates to the company's pledge to reduce its carbon footprint as part of its corporate social responsibility programme. More remote working means less commuting into the office. This can help conserve natural resources and energy, reduce transportation-related pollution, promote public safety, and lessen the strain on transportation systems.

## *Plans for the future*

### Extending the scheme worldwide

Following the success of flexible working in the UK, Dell is currently undergoing a global roll-out of the scheme. Entitled the 'Connected Workplace', the purpose of the programme – as in the UK – is to create a highly mobile, collaborative and agile working environment. The company hopes that this will help increase job satisfaction and innovation across its workforce, and give team members more flexibility to better manage their work-life balance.

'By allowing our team members to decide how they work, we believe we can foster a happier workforce, which is more engaged and better able to serve our customers and stakeholders,' says Creed. 'It also helps us to attract and retain the best global talent, so it's a win-win situation.'