

Top Employers for Working Families

Benchmark Report

2014

Top Employers for Working Families **Benchmark Report 2014**

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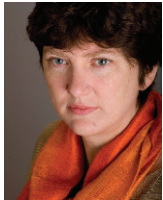
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Welcome



Sarah Jackson
CEO
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The Working Families Benchmark continues, in 2014, to be the tool of choice for organisations that want to understand and measure the progress and success of their flexible, high performance working initiatives, policies and practices. The benchmark attracts employers of all sizes from a wide range of sectors. Many are at different places in their flexibility ‘journey’: some have long established histories of over 20 years working on flexibility, while others are developing a supportive worklife culture for the first time. What unifies them is the recognition that building a truly flexible organisation that delivers high performance isn’t simply a matter of policy, but also of the interplay between practice, skills, management and commitment.

In 2014 organisations are demonstrating an ever more comprehensive approach to collecting metrics and data that will help them obtain a clear view of policy effectiveness. Policy provisions are wide and deep, with employees supported well in all of the lifecycle stages. As organisations mature, new challenges arise. One of these is, paradoxically, a result of organisations’ success in building flexible cultures. Some employers have noted that the widespread take up of informal flexibility makes it hard to accurately measure working patterns and arrangements; whilst others are developing mechanisms to allow them to capture informal arrangements. It is an issue that more and more employers at the forefront of flexibility will encounter, and the benchmark will, in subsequent years, reflect this development.

Employers participating in the 2014 benchmark are well placed to deal with the extension of the Right to Request Flexible Working: many adopted it as a matter of policy some years ago. The effects of the forthcoming Shared Parental Leave (SPL) changes are less discernible at this stage; as employers define their policies in preparation, existing maternity and paternity provision remains relatively unchanged from 2013. Next year’s benchmark will look in more detail at the SPL arrangements that different employers will be putting into place.

Supporting line managers to manage a flexible workforce is a challenge that is reflected every year in the benchmark. We continue to encourage employers to train managers, and while we recognise budgets for this might be constrained, the benefits of a truly flexible, agile workforce will be harder to achieve without consistent, supportive line management. For many employers this is the final push needed to achieve really great results.

As always, we are grateful to organisations who support and participate in the benchmark and we hope that the addition of examples from our Top Employer Award winners in this report will give extra encouragement to those needing a bit of inspiration for 2015 and beyond.

Sponsors



Julian Foster
Managing Director
Computershare Voucher Services

Proudly supported by
 **Computershare**
Voucher Services

There has never been a more important time for employers to adopt flexible work practices. Flexible working offers real benefits to employers and employees alike. Employers can retain a skilled and happier workforce and busy parents can more easily meet their commitments.

It's not just about enhancing a company's reputation. Organisations who subscribe to family-friendly policies see a bottom line benefit through higher levels of employee attraction and retention. It is this belief that underpins the partnership between Computershare Voucher Services and Working Families. Working Families has dedicated more than 35 years to helping employers adopt family-friendly work practices. Computershare Voucher Services is proud to support Working Families in the 'Top Employers for Working Families Benchmark and Awards' initiative. These awards aim to recognise excellence in organisations that go the extra mile to deliver these positive working environments.

For 15 years, our childcare vouchers have helped to make childcare more affordable for thousands of working parents. Today we provide vouchers to over 130,000 parents. More than 16,000 employers currently rely on us for an easy and convenient method of adopting family-friendly working practices.

Families are at the heart of what we do. We look forward to hearing about the good work going on in organisations who share our enthusiasm for supporting working families.



Mark Ursell
Managing Director
Tpoll



Tpoll is a leader in online market research specialising in cost-effective, consumer and employee insight.

Tpoll combines the latest research techniques with powerful IT systems to put insight at the centre of day to day business operations. Tpoll's approach leverages the use of the internet in everyday life to bring management teams a continuous flow of consumer and employee insight. Combined with expert research methods the insight flows through the business driving success at every level.

About the Benchmark

The Top Employers Benchmark is now in its fifth year, and continues to provide participating employers with the most comprehensive and detailed insights into their flexible working and worklife integration policies and practices, affording them the opportunity to see how they measure up against other organisations.

Over 100 organisations have now completed the benchmark, representing well over one million employees and covering a wide range of sectors. Engagement with the benchmark remains high; with a number of new companies participating for the first time in 2014, and many others returning to it again as they seek to refine and improve their worklife strategies and activities, and establish their reputation as the employer of choice to work. Some organisations benchmark annually, others are working to a longer business cycle, benchmarking every two or three years; they are still able to qualify for the Top 30 this year if they achieved a sufficiently high score in 2013.

The Small and Medium Employers Benchmark is now in its second year, attracting high-quality entrants, and demonstrating that good practice and innovation are flourishing in this sector.

The objective of the Small and Medium Employers Benchmark is to help these companies to not only understand how well they are doing, but also to develop consistent and fair processes around worklife and family-friendly activities. It also encourages small employers to think about how they can observe the effects of a worklife approach on their business, and how to capture and measure those impacts.

Results of the Small and Medium Employers Benchmark have been published in a separate report.

Top Employers 2014

Top 10

In alphabetical order:

American Express	Deloitte	Southdown Housing Association
Barclays plc	EY	The London School of Economics
Centrica	KPMG LLP	and Political Science
Citi	Northern Trust	

Ranking 11-30

In alphabetical order:

Baker & McKenzie LLP	iCrossing	Royal Mail
Bank of England	Lloyds Banking Group	Santander
Capital One	Ministry of Justice	Simmons & Simmons
Chelsea & Westminster	National Assembly for Wales	State Street
Hospital NHS Foundation Trust	National Grid	UBS
DWF	Olswang	University of Portsmouth
Hogan Lovells International LLP	RBS	Wales & West Housing

Key Themes

The benchmark in 2014 showed many employers steadily building on an already solid policy base to support and spread flexible and high performance working throughout their organisations.

While there is some variability in what employers make available at the policy level, policy coverage across workforces is now widespread. Parents and carers enjoy good support; and so, increasingly, do other workers. No doubt the extension of the Right to Request Flexible Working has driven some of this expansion, but it looks as if employers have largely been adopting this approach anyway. Policy, for many of them, appears to be moving in a direction that encourages supporting people while managing work requirements. But as many employers know, having the same policy provision does not guarantee employees will experience similar outcomes. Culture, attitude and skills all affect the implementation and uptake of flexibility.

Attitude and support

Most organisations report high-level sponsorship for the development of a high performance and flexible culture, with 85 per cent deriving support from their main board. Senior commitment is therefore strong, although the senior supporters are still often drawn from HR. However, fewer than half of organisations are combining senior support with explicitly stating their commitment in their values. Values, mission statements and organisational visions do not reflect the level of internal support that flexible and family-friendly working has. 92 per cent of organisations report that their internal senior support is proactive, but if organisations are hesitant about incorporating this support explicitly into their values and vision, it may be perceived by employees as a lack of real endorsement of flexibility. The importance of aligning values to reinforce policy is vital, if organisations are serious about driving flexible behaviours.

Support is particularly crucial for line managers, who implement and manage formal policy and also agree the informal arrangements that are widespread. But nearly half (48 per cent) of organisations identified lack of line manager skills and knowledge as a barrier to flexible and high performance working in 2014, and 28 per cent also reported a lack of support among line managers for flexible working.

This is a significant issue, and points to a disconnect between the efforts and activities coming from the top in terms of sponsorship and advocacy, and the actual reality on the ground. Without training and support, line managers will remain uncertain of their skills to manage flexible workers effectively, and will struggle to build high-performing flexible teams. Training for line managers is uneven. More than 20 per cent of organisations do not train their managers in managing flexible and high performance teams, and only 50 per cent of organisations that do provide training make it compulsory. Addressing the acknowledged barrier of lack of line manager skills through more and improved training is something that employers need to seriously consider. The following excerpt illustrates a successful approach.

Line manager training at Centrica

Winner, The National Grid Best for Flexible Working Award 2014

Centrica has a decade of experience of flexible working, but is striving to embed flexibility right across its business. A Policy Steering Group has therefore been established with senior sponsorship to examine how flexible working can be shown to have tangible business benefits, and not just viewed as an employee benefit.

Line manager workshops were developed to support the flexibility required by employees with caring responsibilities. The workshops included: an introduction to an evidence-based toolkit to identify the flexible options in any role, top tips for leading high-performing flexible teams, demonstrating how engaging carers and a flexible approach to work maximise engagement, drive performance, optimise assets and increase innovation and customer service.

Organisations report positive cultural attitudes towards flexibility, worklife balance and family-friendly working practices, but they need to be sure that the underlying reality matches intention and aspiration. 60 per cent say that the economic climate is a real barrier, and more than a third say lack of resources is a problem. The business case is now well established in terms both of performance and the benefits of agility that flexibility brings. But there remains a reality gap between the positive beliefs about family-friendly working and the persistent financial barriers that are inhibiting the development of further flexibility. The benefits of worklife integration working methods should be positioned as a way to help resolve organisational economic challenges.

Building in flexibility

The majority of organisations (86 per cent) offer employees access to the Right to Request Flexible Working from day one. They are ahead of legislation in this regard, and it is a very positive indication that for many organisations flexibility is not viewed as a privilege to be earned but a business-as-usual option. Those organisations that continue to insist on a minimum period of service risk looking anachronistic.

However, the Right to Request still operates at an individual level, and usually involves an employee changing from 'standard' to 'non-standard' working patterns. It also reinforces the 'employee need' perception, where flexibility is primarily an employee issue resolved on a case-by-case basis. Driving flexible working arrangements (and building agility) depends on removing barriers to all kinds of working arrangements, and on a basis that is more than responsive. There are a couple of opportunities here for employers. Firstly, they can look at how employees join the workforce, and whether they expand their recruitment activities to incorporate more upfront flexibility. 57 per cent of employers say that they show their commitment to flexible and family-friendly working in their recruitment campaigns, and this is welcome. However, fewer actually specify that a role can be worked flexibly on a job-by-job basis, and even before this stage only slightly more than a third routinely analyse a job for the potential for flexibility before advertising it. A quarter of employers ask a hiring manager to justify a full-time working pattern for vacancies.

Work design, an integral component of an effective workplace, is yet to gain real purchase. This is confirmed by the findings around job advertising. Only 21 per cent of employers always identify how flexible a position could be (hours, location and time) to their own workforce in internal adverts; for external adverts, the figure falls to 18 per cent. Details of the Working Families strapline, 'Happy to Talk Flexible Working', that employers can use to signal their openness to talking about flexible working at the recruitment stage are at the end of this report.

With the expansion of the Right to Request Flexible Working, the concept is more mainstream than ever. The pool of workers who would like to work flexibly is large and is predicted to grow as a result of social and demographic change. But the way that jobs are configured and offered does not meet this demand, despite the advantages for recruitment a flexible approach confers. Signalling a willingness to discuss different potential arrangements does not compel an employer to offer all jobs on a flexible basis; but it does begin the conversation in an adult-adult way about how work might be done. Advocates of this approach point to the high quality of candidates that a flexible offer attracts, and many employers can attest to the benefits when it comes to retention and talent pipelines. Employers might want to think about setting targets for the proportion of jobs for which they would consider flexible working when recruiting, and look for an annual percentage increase here. Two successful approaches are highlighted below.

Flexibility in internal jobs at the Scottish Government

Winner, The DTCC Best for Innovation Award 2014

A key initiative has been the development of 'location neutral', a policy that brings with it a substantial change in culture. Applicants for advertised internal posts can be based in a location remote from the business office and still fulfil the duties of the role. This policy can also apply where business restructuring is taking place and the work is moving from one location to another.

Another approach taken by some organisations is to build into the process of recruitment and induction a formal discussion about different ways of working, and how this might play out over an employee's lifecycle. This does two things: it demonstrates a commitment to supporting employees through changing circumstances; and it promotes the idea that working flexibly is just one way of working within the organisation.

A day one approach at Barclays plc

Winner, The Citymothers Best for All Stages of Motherhood Award 2014

Barclays offers flexible working opportunities from day one, with all roles eligible for flexible working (for both current and prospective employees). Barclays' own careers site showcases the variety of locations, environments and job styles on offer. Resourcing teams proactively engage with their external recruitment partners to ensure they fully understand the inclusive ethos and act as they would expect when sourcing candidates, enabling the bank to recruit from an expanded pool.

Only a quarter of employers thought that flexible working was a way of addressing structural social inequalities. At a time when worklife balance is becoming part of the diversity strategy in organisations, the positive effect that a flexible and family-friendly approach can have on gender equality, and, increasingly, on age is one that they reflect

in their policy activities. However, linking these directly to social responsibility outside of the organisation does not seem to have taken hold, as organisations generally focus inwards. Employers could perhaps address these inequalities by making more explicit the offer of good-quality, flexible work.

A noteworthy development has been in the public sector. Among the entries to the Top Employers Awards were organisations that showed that they were aligning their carers policies to support not only their internal staff, but those in the wider community who used their services. These examples of a joined-up approach to organising work in a way that benefits local people, including staff members, should encourage other employers (not just those in the public sector) to think about how they could adapt their work practices to support their local communities.

The case studies for Mid Yorkshire Hospitals NHS Trust (in 2013) and Islington Council (in 2014) both illustrate this approach, and are available at www.topemployersforworkingfamilies.org.uk.

Evidence and statistics

This year's benchmark has revealed a new focus on evidence and statistics from employers, with more employers able to provide more detailed reporting than in previous years. This is a welcome development and reflects the increasing importance of being able to demonstrate the benefits of the policies, practices and investments that organisations have made around flexible and family-friendly working. It is necessary to have an evidence base when explaining the benefits to the wider business. Although they do not tell the whole story, data and management information are vital components in shaping strategy and ensuring that positive attitudes towards flexible working are realised in tangible commitments.

American Express: a pilot approach to understanding formal and informal flex Winner, The E.ON Best for Engagement Award 2014

In January 2014, American Express reviewed its flexible working agreement process, which is open to all employees. Although a clear policy and process had been developed, it wanted to improve consistency across the organisation. A selected pilot group – one of the customer service centres, made up of 300 employees – was analysed to see what flexible working agreements were in place, both formally and informally. In particular, the study looked at how these flexible working agreements were benefiting both the employees and the organisation. The results showed that one third of employees in the pilot group had a flexible working arrangement, and of that number, 65 per cent had the arrangement in order to care for children or grandchildren, 11 per cent for adult dependent care and 24 per cent for medical and disability reasons. What was also apparent was how beneficial these flexible working arrangements were to the business, as well as to the employees – just under half of the employees were on shifts that enabled the business to operate more efficiently and successfully.

The 2014 benchmark has seen improvements in the recording of the various flexible patterns being worked, as well as their effects on aspects like retention and seniority. However, collecting information is not without issues

and a number of organisations pointed to factors that prevented them from supplying detailed measurements and statistics. The main issues raised by employers were, broadly: the organisation is too large and does not have systems that allow it to collect information; the organisation does not wish to jeopardise informal flexible working arrangements by recording them and sending the signal that they are formally monitored; and that the development of a flexible culture meant that flexible arrangements are the norm, are available to all, and so are not recorded. Paradoxically, the success of embedding flexible working practices within these organisations means that they are not scrutinised in detail.

This presents a challenge for all organisations who want to create a truly agile culture, and is something that the benchmark is bringing into sharper focus each year. Arguments in favour of measurements are that they can, as outlined above, help organisations develop their understanding of the benefits, what works best, and what the real gains are. If high performance is to be linked with flexible working practices, for example, then some evidence that connects the two is necessary. There is also the issue, especially for larger organisations, of identifying problems and hotspots. Is flexible working really distributed evenly throughout the organisation? Are some line managers better than others? How are high-performing teams working, precisely? And what about equality? Is flexible working hampering people's career prospects or performance assessments?

But mechanisms for measuring the spread and informal use of flexible and family-friendly working practices are not widespread yet. For those organisations that are measuring, the approach is varied. One approach is to survey staff about working arrangements; another is to capture this information at line manager or team leader level. There is scope for employers to make more use of their staff survey(s) to monitor the effects and use of informal practices, which may be a route for a light touch approach that addresses concerns about discouraging individual employees from working flexibly. The 2014 data shows that there are areas that are directly related to worklife and flexible working that are not commonly tested. For example, control of working life, a key indicator of wellbeing and worklife fit, is only considered by 39 per cent of organisations, and fewer (21 per cent) break this down by working arrangement. Organisations cite a culture of flexibility as a reason that they do not monitor informal arrangements, but only 25 per cent of organisations are measuring staff satisfaction with the workplace culture surrounding flexibility. Using staff surveys to measure outcomes of flexible working across a variety of arrangements is, as yet, an under used potentially beneficial resource.

Maternity and paternity leave

The 2014 benchmark is the penultimate one before the new Shared Parental Rules (SPL) come into place. Data submitted in the benchmark showed that maternity leave is, in 36 per cent of organisations, paid at full pay for 26 weeks. Only two organisations did not enhance to full pay for any period. Ordinary Paternity Leave (OPL) was enhanced to full pay in 79 per cent of respondents, but Additional Paternity Leave (APL) was enhanced (either to full or part pay) in just 16 per cent. Enhancement ranged from two weeks through to 16 weeks. It will be interesting to review, in future benchmarks, the impact of SPL on maternity and paternity pay and take up.

Additional Parental Leave at Citi

Commended, The Cityfathers Best for All Stages of Fatherhood Award 2014

When the government introduced APL, Citi reviewed the policy on enhanced discretionary pay. It has always offered enhanced pay for Ordinary Paternity Leave, while the Ordinary Maternity Leave (OML) period is paid at full pay for the first 26 weeks. When Citi introduced its own internal APL policy, it offered the same terms as for OML. As APL can start when the baby is 20 weeks old, Citi enhances to full pay for the remaining six weeks of the OML period. In 2013 seven fathers took APL, up from three fathers in 2012. Their experiences have been tracked carefully, through consultations with both employees and managers. Citi is keen to learn from fathers' experiences: of registering for APL, of their leave in terms of connectivity with work and at home, and of their return to work.

The approach by Citi is noteworthy in the close attention they are paying to the experience of fathers who have taken APL, and are gathering vital insights into what happens and how best to manage men taking extended leave for parental reasons. Organisations where provision is largely focussed on maternity need to start to think about how they will configure leave and pay for fathers and mothers from 2015. Discrepancies and flexibilities around paternity leave (both Ordinary and Additional) are, in 2014, closing: 61 per cent of organisations now allow additional flexibility in how OPL can be taken, and most organisations match the same phasing on return from APL as they do from maternity leave. International evidence suggests that for fathers to take up paternity leave for extended periods then it must be paid at near-salary replacement rates, and for organisations that are keen to increase their take up of paternal leave, pay and a supportive culture are crucial.

Paternity leave at the London School of Economics and Political Science (LSE)

Winner, The Cityfathers Best for All Stages of Fatherhood Award 2011)

A very strong suite of policies and support is available, and a major initiative is the commitment to pay fathers up to 16 weeks APL at full pay, providing a real incentive for couples to share time off. This commitment to full pay is key as it recognises that one of the main barriers to fathers taking extended periods of paternity leave is financial. This is part of the LSE's wider strategy, which aims to ensure that it treats fathers and mothers equally, deliberately building a reputation as a diverse, fair and flexible employer that attracts and retains the best people.

Are you **Happy to Talk Flexible Working?**

Try our new strapline for job adverts

The strapline is the result of work by the Promoting Flexible Working to Private Sector Employers Working Group (PSWG) for the Department for Work and Pensions (DWP). The group brought together Working Families, employer bodies, the TUC and recruiters to find practical ways of delivering culture change, outside of the legislative process.

The PSWG recognised that too few jobs are advertised flexibly, and that employers who only advertise their vacancies on a full-time basis may be fishing from a narrow talent pool. They wanted to encourage employers to think about job design before recruitment, and to give potential applicants the confidence to ask about alternative patterns of work.

The result is a strapline and a logo for employers to put on job adverts. And here it is (below). We hope you like it. We hope you'll use it. And if you do want to use it, please let us know.



We know putting a logo on an advert isn't the whole story. We've also produced some simple guidance about job design to help employers who are not yet flexible consider what the job really needs and what type of flexible working might work best. But being Happy to Talk is a great start!

For guidance to accompany using our strapline, including:

- **Designing a flexible job**
- **Writing a job advert with the strapline**
- **Handling the recruitment process**

Visit www.workingfamilies.org.uk/happytotalk

Need more help?

Employers who need more help in flexible job design and advertising can access:

Working Families Training and Consultancy on **020 7253 7243**
for a half-day training course in flexible job design.

Timewise's Flexible Job Design Helpdesk on **0800 781 1604**
or email: jobdesign@timewiserecruitment.co.uk



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