

Top Employers for Working Families

Benchmark Report

2016

Top Employers for Working Families **Benchmark Report 2016**

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Foreword



Sarah Jackson
Chief Executive
Working Families

This is the seventh year of the Working Families' Top Employers Benchmark, and there's no doubt about the extent to which flexibility has come up the business agenda in that time: more than half of the Working Families' members who took part in this year's benchmark include creating a flexible and family friendly workplace in their values or mission statement.

In more than nine out of ten organisations, senior leaders champion flexibility – and many members have formally included flexibility in their strategic business planning. But I'm concerned about what happens beyond this headline commitment. Our members have recognised the crucial role that line managers play in delivering flexibility, yet skills development and training for those managers remains optional rather than compulsory and so is often under-utilised. There's a real risk that this means flexibility ends up positioned as doing the employee a favour – rather than enhancing ways of working. This is a good example of how practice needs to follow the warm words we often see in organisational policies – a recurring theme in the Benchmark.

A third of members told us they assess all jobs to see whether they can be done flexibly before they're advertised. But many also told us that jobs that weren't advertised flexibly at the outset ended up being carried out flexibly. Hiding options that might be on the table only serves to restrict the talent pool that employers can recruit from, and potentially perpetuates poor job design. An explicit mechanism in the recruitment process, such as the increasingly popular Happy to Talk Flexible Working strapline, would overcome these artificial barriers.

The million dollar questions around the business benefits of flexibility still persist – and we published a tool earlier this year to bring together the hard evidence base on how flexibility supports more effective working, better performance, improved retention and financial savings on property and travel. The challenge for those employers who really want to be at the forefront of this agenda is to deliver a triple agenda for work-life integration – where flexibility results in benefits for employees, benefits for businesses, and helps to deliver a fairer society.

I look forward to continuing the journey.

Sponsors



Julian Foster
Managing Director
Computershare



Some crucially important developments have had a significant impact on many working parents over the last year. More and more senior leaders are now convinced of the benefits of flexible working. By improving the options available to those they employ, they are benefiting their employees – and helping their organisations grow, succeed and profit. Workers themselves are also increasingly aware of the arguments and are more likely to request that their working practices accommodate their responsibilities at home. We've also seen a far greater understanding of the benefits that technology can bring to organisations that want to cater for staff members with caring responsibilities, and increasingly sophisticated and easy to use employee benefit and HR systems are fundamentally changing the way in which organisations interact with and reward their teams.

It's an exciting time to be involved in the campaign for better employment rights for those with families, and Computershare is very proud to again sponsor the Working Families' benchmark so we can together give recognition to some really inspiring examples of excellent practice.

There is, however, still a long way to go. Too many families are adversely affected by poor conditions in the workplace – and too many employees are unfairly penalised simply because of their status as parents or carers. As well as continuing to empower the thousands of parents and carers that Computershare employs across the UK, we hope also to engage with working families and others across the country to improve the rights and opportunities of families and workers.



Mark Ursell
CEO
MindMover Consumer Insight



MindMover's mission is to drive business success through consumer and employee insight. We combine multiple data sources to bring a continuous flow of consumer and employee insight to solve day-to-day challenges at every level. We have all the capability under one roof combining expert knowledge with bespoke technology to ensure the insight is actionable and delivers to the needs of the business. We know that even small changes in consumer or employee sentiment can have a major impact on business success. Therefore we invest in long term relationships with our clients to partner them along their journey and make sure insight is at the centre of their thinking.

About the Benchmark

The Working Families' Top Employers Benchmark measures the full range of flexible working and work-life balance practices used by Working Families' employer members, and how these are integrated into the organisation's values, policies and culture.

The benchmark also asks organisations about the effects and impacts. Organisations report on policies and practices that may cross departmental boundaries, or be known by different names within and between organisations. The benchmark includes practices that may variously be called: family friendly working; flexible working; work-life balance; agile working; wellbeing; or effective working. Many employers have in fact rolled these activities together to create their own internal brands that represent these strands, and more. In this summary report none of the terms used to refer to flexible working are intended to exclude any others. For preference, the term flexible working is used to cover all aspects of work-life integration facilitated by reduced and flexible working times, place or other arrangements.

Over 120 organisations have now completed the benchmark, representing well over one million employees and covering a wide range of sectors. Thirty seven per cent of our members have completed it this year; we have reset it in 2016, because we have made some important and necessary changes to the sections on measurement and practice. The data set for this report does not, therefore, go back beyond this year. We look forward to further developing and building up from this 2016 benchmark.

This benchmark was originally devised by Working Families with the Institute for Employment Studies.

Top Employers 2016

In alphabetical order

Top 10

American Express
Citi
Deloitte
DWF LLP
EY
Lloyds Banking Group
Ministry of Justice
National Assembly for Wales
Royal Bank of Scotland
Southdown Housing Association

11-30

Aimia
 Allen & Overy
 Chelsea & Westminster Hospital
 NHS Foundation Trust
 Crown Prosecution Service
 Hogan Lovells International LLP
 Imperial College London
 KPMG LLP
 Mayer Brown
 Pinsent Masons
 Royal Bank of Canada
 Royal Mail Group
 Santander UK
 Scottish Government
 Simmons and Simmons
 UBS AG
 University of Lincoln
 University of Portsmouth
 University of Suffolk
 Wales & West Housing
 Westfield Europe Limited

Summary of findings 2016

Integration and embedding a flexible culture

Integration of flexible working examines how well organisations are translating their work-life balance policies into practice, and whether the underlying culture supports the development of a flexible workplace. Organisations are asked about their values around flexibility, how they communicate these, how flexible workers and different types of work arrangements are perceived, and how flexible working is managed and promoted by senior leaders. Integration or 'embeddedness' is a crucial factor, both for employees looking for the right work-life fit and for organisations to realise the business benefits of family friendly working. Two organisations with very similar policy provisions may have very different flexible working practices and outcomes, shaped by their underlying culture.

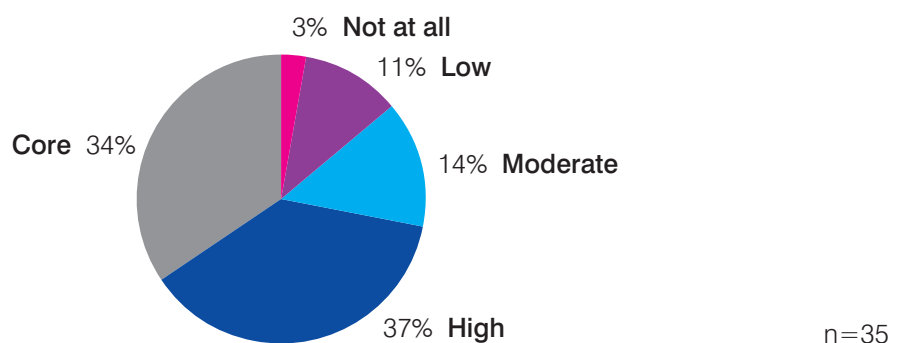
The 2016 benchmark found that organisations have largely positive attitudes towards flexibility and flexible workers. More than half (57 per cent) explicitly state their desire to create a flexible and family friendly workplace in their values or mission statement, and 94 per cent have the support of senior leaders who champion flexibility.

In terms of working arrangements, members reported little belief in the value of long hours working, or presenteeism. There were also positive attitudes towards the effectiveness of part time workers, and no indication that parents were thought of as less valuable than employees without caring responsibilities. Different types of flexible working were commonly available in all organisations.

Fully embedding flexibility involves moving to a point of view where this is viewed as 'business as usual' and is positively integrated into the strategic plans of the organisation. The benchmark shows that there is still some ground to cover here.

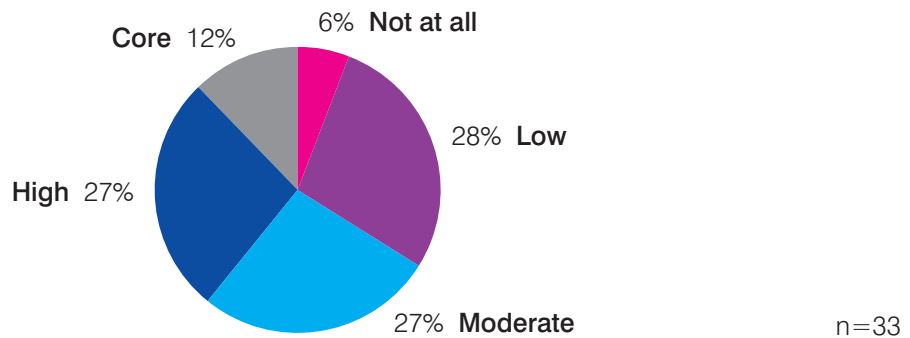
Although the majority believe that flexible working improves operational effectiveness (Figure 1), just under a third of organisations show some scepticism.

Figure 1: Flexible working is a means of improving operational effectiveness



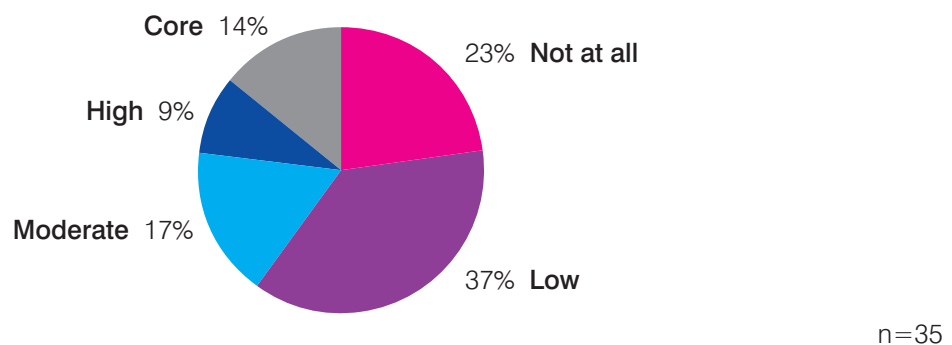
This may be linked to a lack of firm evidence about the benefits of flexibility, with fewer than half (44 per cent) of organisations able to quantify the impact of flexibility on their organisation (see Figure 12 on page 14). Linked to this is a persistent perception of flexible working as being a deviation from a 'normal' model of work rather than flexibility being seen as the standard way of working, with only 39 per cent seeing flexibility as default or normal. (Figure 2).

Figure 2: Working flexibly is considered the 'default' way of working, with minimal support required



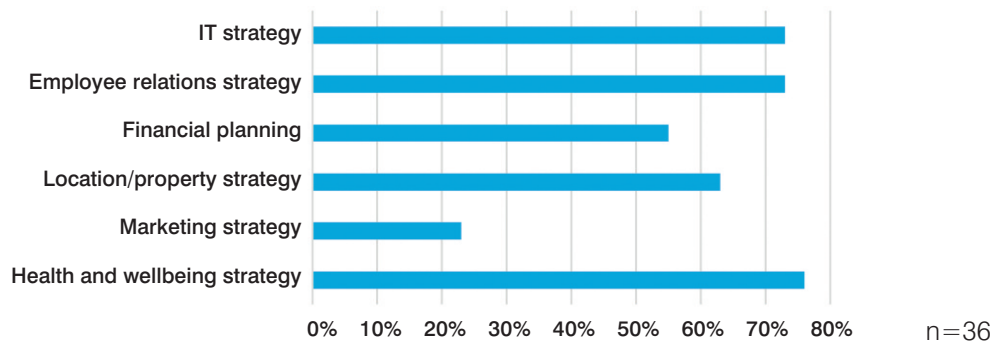
Where flexibility is deeply embedded and integrated with strategic and operational objectives, it is less likely to be seen as different, or an accommodation. In contrast, individualising flexible working arrangements, where work-life fit is seen as an issue for an employee to resolve rather than something that is simply achieved as a result of a flexible culture demonstrates two things: firstly, that if line managers push the responsibility for work-life matters back onto the employee, organisational support for flexibility is undermined; secondly, that flexibility is viewed as 'exceptional' in a negative way and not truly a part of the culture. Figure 3 shows that there is still a substantial number (40 per cent) of organisations where flexibility is individualised. It should be remembered that individualisation does not equal control of working life.

Figure 3: Work-life balance is an individual issue that line managers need to work around



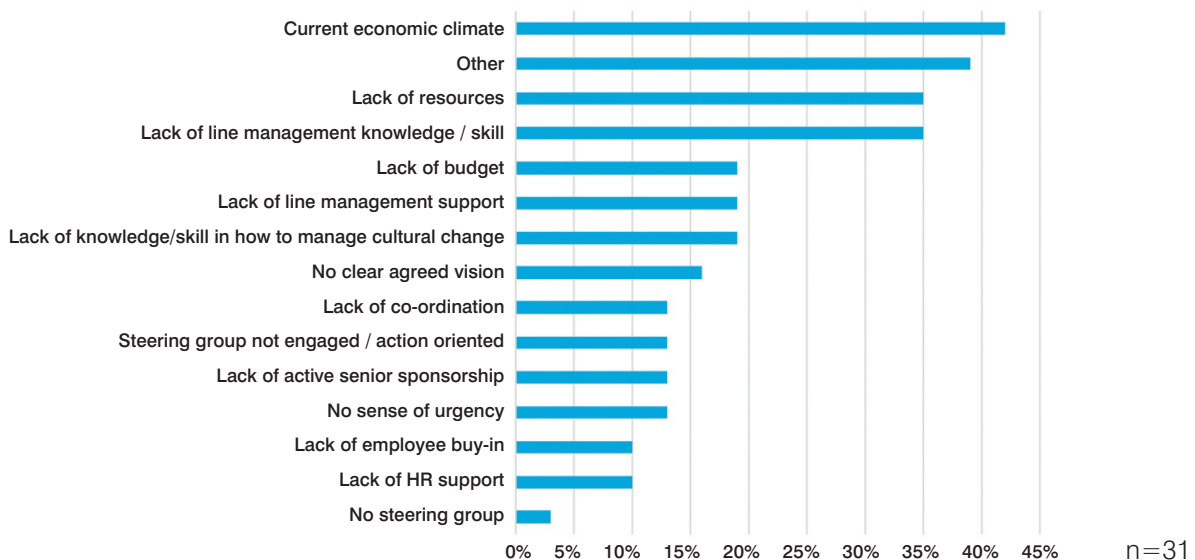
Members have formally incorporated flexible working into their strategic plans across a range of business and operational areas (Figure 4), showing the importance of flexibility with most organisations. It is important that these significant levels of flexibility incorporated into planning are supported by a skilled cadre of managers who know how to manage and optimise flexibility, and understand the strategic importance of doing so.

Figure 4: Where does your work create a flexible, family-friendly culture feature in your strategic plans?



Examining the challenges and opportunities for flexible and family friendly working in the year ahead, a familiar pattern emerged. As in previous benchmarks, financial pressures were identified as the most challenging, both from the current economic climate and lack of resources (Figure 5).

Figure 5: What, if any, are the barriers which you face in 2016?



However, there is still a gap between positive beliefs about flexibility and flexible working and persistent resourcing barriers to further developing flexibility as a business-enhancing way of working. The benefits need to be communicated as a way to help resolve organisational economic challenges.

Line managers

As noted, line managers are seen by employers as key personnel in both the practical administration of day-to-day flexible working, and also in the development of an organisation's culture around flexibility and family friendliness. More than nine out of ten members (94 per cent) identified the line manager as responsible for promoting flexible working. To be able to do this effectively line managers need skills and training, and, where flexibility is a strategic organisational priority, this skillset should be a core competency.

The majority of organisations (89 per cent) do provide training for their line managers in the knowledge, skills and behaviour needed to manage flexible workers. However, in fewer than half of organisations is this training compulsory, and only just over a third (36 per cent) have trained more than half their managers. Just over half (53 per cent) of organisations have assessed what training their managers need around flexibility, and of these 72 per cent have trained more than half their managers.

It is important to note that line manager skill and line manager support were both identified as barriers to flexibility (Figure 5). A mixed picture around line managers currently exists. They are seen as crucial players in building a flexible working culture, and promoting flexibility, which is deemed strategically important in most organisations. Yet skills and training remain under-utilised and are often an elective rather than compulsory competency. Turning line managers from a barrier into an asset requires two things: ensuring they understand the strategic rationale and benefits of flexible working; and providing them with the right skills and tools to enable them to manage well.

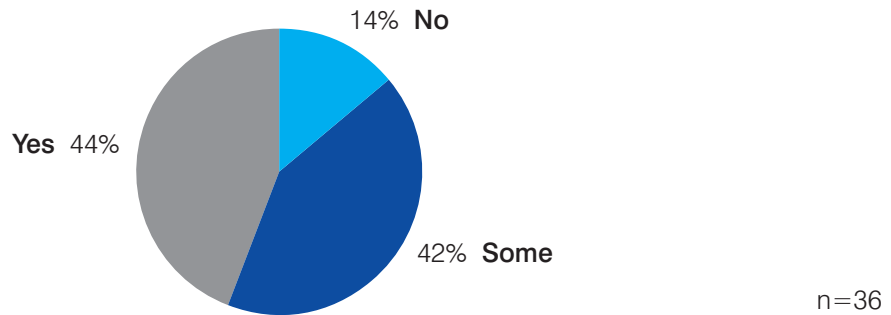
Recruitment and flexible working

Building flexible working into the recruitment process is increasingly common, and the benchmark shows that many members are putting their flexible offer on the table in at least some of their internal and external vacancies right from the start. Flexible recruitment provides a spur to think about job design, work organisation and effective working and offers a wider pool of potential candidates. It also delivers social objectives, providing an opportunity to attract people for whom full time or inflexible work is a barrier to getting back into work.

Many members are now evaluating jobs before recruiting to see whether they might be offered on a flexible working basis (Figure 6). Thirty six per cent of organisations now require the hiring manager to justify a full time post. Whilst this does not preclude appointing someone on a full time basis if that is

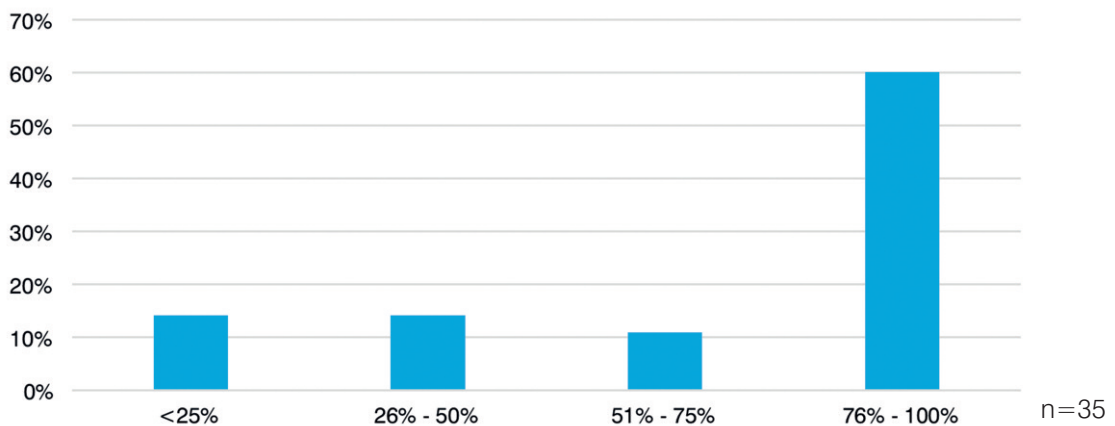
what the role really requires, it promotes an approach that considers work organisation and job design. Fewer managers (11 per cent) have to justify a flexible appointment, although this is still high and points to a culture where flexibility is still seen as an exception.

Figure 6: Is a job analysis carried out on each vacancy to determine the potential for flexible working prior to advertising?



Just under a third of respondents require jobs to be advertised with the potential for flexible working included. However, even where flexibility is not included, it is unlikely that all these jobs are full time or inflexible, as Figure 7 illustrates. This suggests that flexibility is on the table more often than is advertised. But employers may be missing an opportunity here: candidates may be discouraged from applying for roles that on the face of them appear to offer no flexibility, or may commence in roles working in a way that does not provide them with a good work-life fit. Interviewees are more likely to be discouraged from opening discussions about flexibility at interview, when they are unsure whether or not it is available. An explicit approach, such as the Working Families *Happy to Talk Flexible Working* recruitment strapline, would therefore benefit employers and potential employees¹.

Figure 7: How many positions advertised without an explicit statement were nevertheless open to flexible working?



¹ <http://www.workingfamilies.org.uk/campaigns/happy-to-talk-flexible-working/>

Policy support for fathers, mothers and carers

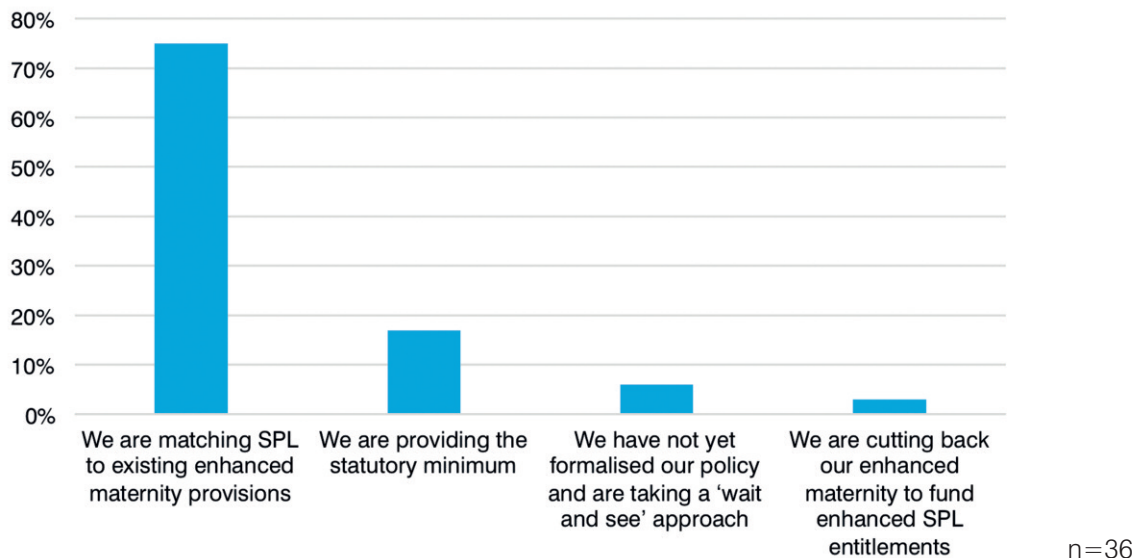
Many organisations in the benchmark have developed comprehensive policies around flexible and family friendly working, and over the course of the last five years benchmarking organisations have been able to see the policies of their peers, compare what they provide to the benchmarking average, and adjust their own accordingly. But policy provision is not the whole story: getting policy into practice is key.

Turning to leave for parents, over a quarter of members (28 per cent) are offering 26 weeks of maternity leave at full pay. Most employers do not offer more than the statutory two weeks of ordinary paternity leave (only two employers went beyond this, to three and four weeks), and the majority (85 per cent) pay both weeks at full pay.

Shared parental leave (SPL) has been an area of considerable policy development for organisations over the last year, and the benchmark provides a first look at both how policies have been configured, and how SPL has been used so far.

Figure 8 shows how employers have chosen to implement SPL, with three quarters matching to enhanced maternity provisions².

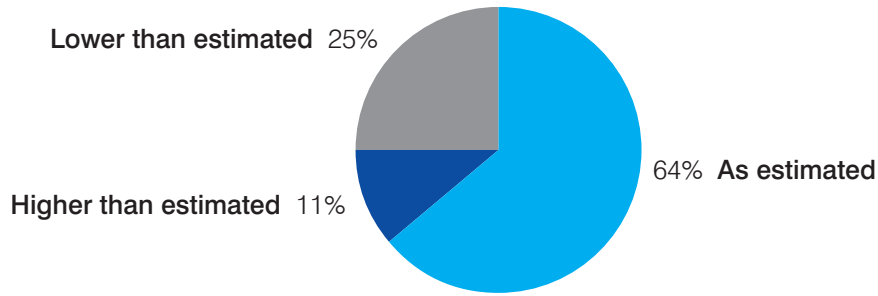
Figure 8: Implementation of Shared Parental Leave



² Employers can match shared parental leave and maternity leave provisions in a number of different ways. Encouragingly, the most popular option (41 per cent) has been for employers to choose individually matched and floating which offers the fewest constraints on employees in how and when they wish to take leave. There is more information about ways of matching shared parental leave in our November 2014 briefing paper <http://www.workingfamilies.org.uk/wp-content/uploads/2015/11/Shared-Parental-Leave-Briefing-November-2014.pdf>

Take up of SPL has been mixed. Thirty nine per cent of members report that they have not yet had any mothers or fathers taking SPL, some of whom expected this to be the case. A quarter of employers report that SPL take up has been below expectation, but the majority report that take up is in line with their expectations, including those who predicted that they wouldn't have had any take up yet (Figure 9).

Figure 9: Take up of Shared Parental Leave

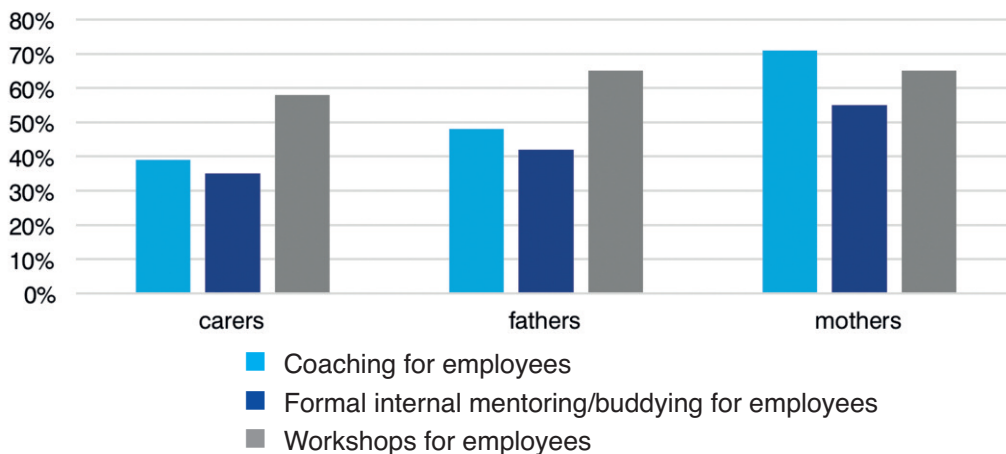


n=36

Support for fathers, mothers and carers

Although there has been progress over the lifetime of the benchmark, there still remains a gap between what is available for mothers and what is available for fathers and carers (Figure 10). This is particularly true for more intensive and resource-heavy activities such as coaching and mentoring. Whilst it is positive that mothers receive this support, other groups of employees would almost certainly benefit from similar levels of help and assistance. An additional benefit will also accrue if support is equalised, sending clear signals about organisational commitment to all employees combining work and caring roles.

Figure 10: Support for fathers/mothers/carers



n=31

Measuring flexibility and its impact

In the 2014 benchmark we first noted that although organisations were better at monitoring and understanding formal flexible working, there was a knowledge gap around the more widespread informal use of flexibility. Subsequent conversations with employers revealed a complex picture around informal flexibility. Although used widely, there were often no systematic ways to capture the extent and impact of its use. Furthermore, there was a concern that if informal arrangements were more closely scrutinised then this would have a dampening effect on their use and development of flexible cultures would be impeded. The 2016 benchmark shows that members are now putting in place measures to help them understand their informal flexible cultures (Figure 11).

Figure 11: How do you measure informal flex take up?



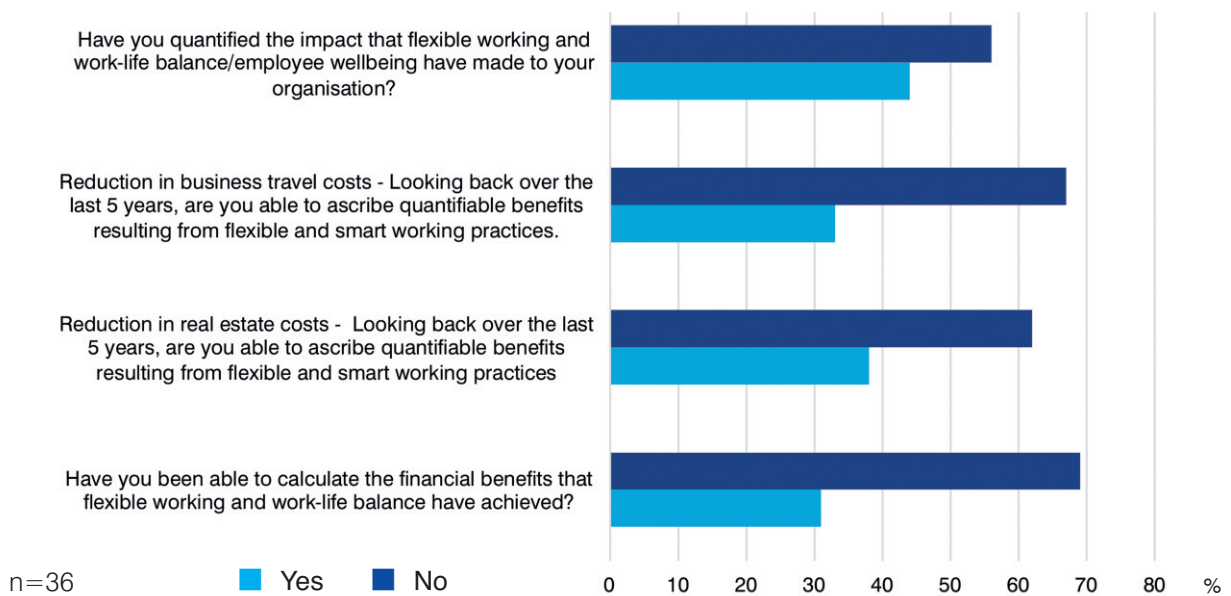
Many organisations use a portfolio of measures to try and capture some of the informal flexibility going on to help them understand the benefits, what works best, and what the real gains are. If high performance is to be linked with flexible working practices, for example, then some evidence that connects 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? And what about equality? Is flexible working hampering people’s career prospects or performance assessments?

In terms of quantifying the benefits of flexibility, the picture was again mixed. Although employers are able to measure the positive effects of flexibility in some ways, the benchmark shows that these are limited. Interest in, and demands within organisations for, a business case have remained a constant theme of flexible working and work-life balance over the last 25 years. Experienced HR and Diversity professionals will be familiar with the demand for a ‘bottom-line business case’, often from senior

leaders or boards; having some measures in place is therefore increasingly important. In response to this Working Families developed a business case toolkit to help employers build a case that suits their own organisational circumstances and needs³.

As Figure 12 demonstrates, there is work still to be done in describing the benefits of flexibility. This is an area where, in the challenging financial climate that many members identified as a barrier, an opportunity arises to position flexibility as a solution. More effective working, better performance, enhanced recruitment and retention and real estate and travel savings are just some of the benefits that accrue from flexibility. But to be able to make robust arguments in favour of flexibility means being able to bring evidence to bear. A good example of the business benefits of flexibility can be found in the 2008 recession where many companies successfully used flexible working arrangements to navigate through the economic turbulence: flexibility proved its business credentials and it continues to offer organisations a method of operation that carries inbuilt sustainability and agility.

Figure 12: Measuring the impact of flexibility



Organisations were able to describe other ways in which they quantify flexibility, and, if they don't, why not. Members mentioned using feedback from staff surveys, monitoring attendance and turnover in flexible teams, satisfaction with the physical working environment, and staff retention including following maternity leave. They also used space utilisation levels as an indicator of flexibility. Perhaps the most commonly cited method for understanding informal flexibility was in capturing engagement levels, linking access to flexibility with better performance.

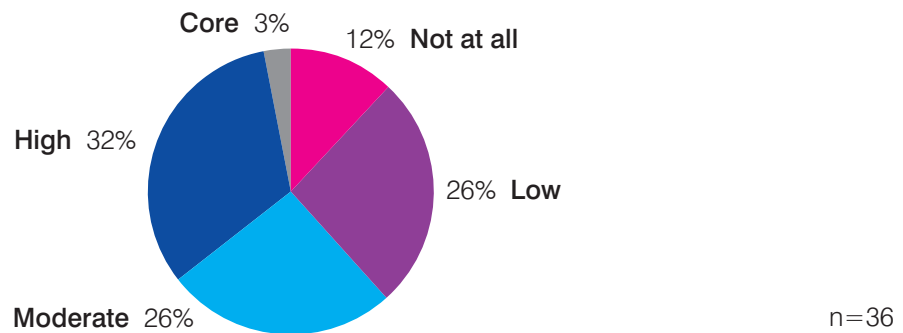
³ The full business case for flexible working is available to Working Families members. Sample pages can be viewed on our website

The triple agenda

The concept of the ‘triple agenda’⁴ is one that has been developed to suggest the next evolution in the development of work-life balance thinking and practice. Where the dual agenda can be characterised as a situation where a work-life balance approach and flexible working deliver benefits for employees and for employers, the triple agenda adds the dimension of fairness and social justice, through work-life activities and their flexible working practices. As flexible working matures, organisations will need to look beyond their immediate boundaries if they wish to develop a flexible approach. In other words, they will need to understand and support the ‘life’ part of work-life balance.

Although members generally associate flexible working with positive values, including building diverse organisations, the evidence from the benchmark suggests that the dual agenda (where employees and the organisation benefit from flexible working arrangements) is dominant. The triple agenda, is not yet common currency (Figure 13).

Figure 13: Flexible working is a means of addressing structural social inequalities



Members are advancing social justice and fairness through initiatives such as diversity activities, support for carers and parents, and wellbeing programmes. But they are generally not yet linked to a socially focussed strategic plan, and do not extend beyond localised initiatives. The triple agenda promotes the idea that organisations are purpose-driven and create value for all their stakeholders (including a fair and more equal society), not just shareholders. This is an idea that is gaining currency, where organisations look to find new ways of working that are conscious of their role in society and work to improve it.⁵ Flexible working is a unique way to deliver against some of these goals.

⁴ Work Life Balance in the Recession and Beyond <http://www.esrc-work-life-seminars.org/>

⁵ For more information see examples including bcorporation.uk/what-are-b-corps-uk
www.virgin.com/unite/B-Team
www.onpurpose.uk.com

Support for Employers

For nearly four decades, Working Families has been working with employers interested in increasing organisational performance by supporting employees through all life stages and leveraging the benefits of flexible working.

Our unique experience in this area has been gained by working on practical, real-world problems with three key groups: employees, government and employers. This has given us an unrivalled understanding of the complex interactions between organisational performance, individual motivation, team and project working, and parental and flexible working legislation.

Through employer membership, benchmarking, training and consultancy, we help employers develop an inclusive, flexible, engaged and high performing workforce, fit for the future.

“Working Families’ thought leadership has been critical to the evolution of both our practice and our strategy and they understand the commercial world and the challenges and opportunities it can bring in achieving these goals.” American Express

“Membership of Working Families has proven to be one of the best diversity budget spends to date. Not only do they provide a wealth of experience and solid evidence based support for our internal diversity programmes of work, Working Families also provides our employees with expert advice on all aspects of being a working parent and carer.” E-ON UK

To find out how we can support you, please contact:

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