

Innovation in Flexible Working

Asda

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EFA Overview

Asda has been working over the last ten years towards an inclusive and engaging workplace that reflects the local communities in which it operates. It has removed the retirement age, age bands for pay and age information from applications. And in 2001 the company opened a store with 50% of staff aged over 50 in a bid to understand the myths and barriers to recruiting older workers. All of these actions have seen a significant broadening in its age profile. It has a Diversity Forum of senior managers, sponsored by an Executive Director, which co-ordinates a programme of activities. It has successfully relaunched and simplified its flexible working schemes to cater for all staff regardless of age or caring responsibilities and relaunched an innovative scheme for temporary staff.

Initiative

Asda used a massive publicity and information campaign to launch both its new flexible working programme and Seasonal Colleagues scheme to replace temporary workers early in 2008.

Aims of initiative

Asda understood that colleagues of different ages needed flexible working arrangements that would adapt and suit them at different stages in their lives. Its challenge was to balance business needs with personal ones to help colleagues achieve a flexible approach to work and home life. It wanted to simplify its existing flexible working scheme and to raise awareness and promote the benefits of working flexibly to people of all ages.

Approach taken

Asda had been adding to its portfolio of flexible working schemes over many years which led to a portfolio of options with 26 schemes such as Benidorm leave (allowing January to March leave), Study leave, Parental leave and Carers leave. This had led to confusion with colleagues and managers who were unaware of the criteria and even the existence of many schemes. The schemes were complicated with the many different criteria and had become biased towards parents and were not age neutral.

Asda set out to simplify the schemes and ensure that they were open to people of all ages. It held a series of listening groups to understand the views of colleagues, managers and people managers from around the business. It also carried out benchmarking work within the retail sector and across wider industry to find best practice.

A major element of the change was relaunching the concept of a **Seasonal Colleague** to replace temporary workers recruited to deal with peaks and troughs in trade. Asda found this suited students and the retired as they could work for a period that suited them and then take a break from work. The scheme, which puts people on a permanent contract to work at certain times of year, reduces the need for temporary workers, retains skilled and experienced staff, and offers benefits such as access to the pension scheme.

At the same time Asda refreshed its part-time working, job share and weekenders contracts across the whole business and simplified the various flexible working options into six broad schemes. Asda includes fertility treatment leave, time off for religious festivals and a child's first day at

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school within the options. It has also introduced paid time off for donating blood and bone marrow and up to three months paid leave to donate an organ.

Asda Flex was launched in Spring 2008 and was promoted through posters, table-talkers, screensavers, the in-house magazine, messages on pay-slips, the company's weekly 'huddles' and 'monthly movies'.

It also produced a booklet for every colleague in the business featuring case studies of colleagues from teenagers to the over 60s, who are working flexibly. The booklet reflects the company's diverse workforce and highlights all areas of the business. Information on criteria, eligibility and effect on terms and conditions is also available on the Wire – the company's intranet system.

Challenges

Managers were initially concerned about the **Seasonal Colleagues** concept, particularly regarding the benefits of offering permanent contracts and the potential burden on costs.

The updated and extended leave schemes with all age barriers removed to reflect the needs of people at the different stages in their lives also caused some concerns with managers. They had traditionally seen these types of schemes as unsuitable for management colleagues.

Asda worked hard to overcome these concerns by engaging and listening to managers' views, helping them to understand and champion the benefits of flexible working.

Outcomes and benefits of the initiative

The flexible working project raised awareness and take up of flexible working. There are now 8,000 Seasonal Colleagues within Asda and over 80% of the workforce takes advantage of flexible working arrangements. The company has continued to improve its age diversity with 21% aged over 50 and 24% under 25.

Asda had a positive response to the new flexible working arrangements. Its survey of employee attitudes reflects the value that is placed on the concept and every monthly survey since the launch in May 2008 has put flexible working in the top three reasons for working at Asda.

Leavers' surveys have also shown flexible working as the top answer for the best things about working at Asda and new starter surveys have reflected this as a reason to join the company.

Impact on the organisation

Labour turnover and absence rates have fallen since the scheme's introduction, with company labour turnover now at 21% and absence at 3.1%. These rates are significantly lower than retail averages and are down from 28% and 4.1% two years ago.

Creating a flexible approach to supporting colleagues with their individual needs underpins the company's stated family values. Mutual flexibility and co-operation makes great sense and the company feels that its range of flexible schemes illustrates its commitment to its colleagues.

Asda has seen a 5% rise in its We're Listening survey which measures morale and motivation. Flexible working is repeatedly cited as the number one reason for Asda being a great place to work.



Lessons learned

Asda says that the relaunch has been a great success and a major learning point is that it is important to keep messages simple and not to allow a plethora of schemes to build on top of each other in this way again.

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