

Innovation in Flexible Working

Centrica

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EFA Overview

Flexible working is well established for certain groups of employees at Centrica with its 8,500 engineers all home workers, using laptop and wireless technology to deliver service to customers. A range of flexible working patterns are used across the business including changes to the hours or times employees work, flexible start and finish times, shift work, job sharing, staggered hours, part-time and compressed hours. In 2005, the company began a major change programme for its London office based staff where the business case for flexible working was built on the idea of significant commercial property savings, attracting and retaining a diverse workforce and promoting Centrica as an employer of choice.

Initiative

Centrica's **work:wise** programme was designed to offer individuals, irrespective of grade or statutory requirements, greater control over their work-life balance, while achieving a more efficient use of office space.

Aims of initiative

Mergers and acquisitions led to Centrica managing a large property portfolio, with high running costs, particularly in West London. The company decided to exit from three of its eight buildings and at the same time promote flexible working to accommodate the workforce. It set out to make best use of technology to allow home and mobile working. The company saw this as a unique opportunity to drive, in parallel, a culture change in ways of working, by identifying and implementing new working practices. It also wanted to use flexible working patterns to attract and retain talent from an increasingly diverse labour pool. The programme, branded **work:wise**, was not intended to be a one off initiative, but something that formed part of the business strategy embedded into Centrica's culture and processes.

Approach taken

The focus of the project was to help employees balance their commitments in and out of the workplace and to make better use of office space. **Work:wise** evolved into a culture change programme with teams deciding how flexible they could be while giving the same, if not better, service to their customers.

An engagement programme was designed to give both managers and individuals the information and confidence to decide how they could change the way they operated within short timescales. These included:

- Roadshows on every site, outlining Centrica's vision of flexible working.
- Coaching to prepare managers for the consultation process with their teams.
- Team building workshops to enable each team to decide together how they could function successfully as a group working flexibly.
- Personal surveys to detail how each employee works now and what special technical and practical requirements they may have for flexible working.
- One-to-one consultations where managers agree with each member of their team whether they will work as an office, home or mobile worker.
- Technical training on how to use new personal equipment.

Case Study

Challenges

The speed and scale of the change presented a range of challenges to successfully implementing the **work:wise** programme.

- Managers were concerned over loss of control and coaching sessions were run to promote the benefits of flexible working as well as how to manage a remote workforce, performance management, team cohesion, trust and communication.
- Up-to-date information was vital in taking teams through the programme in very tight timescales so accurate organisation charts and details of working patterns were essential.
- Robust information on employees' technical equipment had to be gathered.
- All facilities needed to be rethought. Flexible working meant more people were based at one site and this had a knock-on effect on parking, access cards, restaurant opening times, and security procedures.
- A dedicated helpdesk for remote workers was introduced to mitigate frustrations with faulty equipment.
- Productivity often increases with flexibility but Centrica did not want the programme to be a way of extending working hours. Teams set their own expectations and parameters of how and when they would work together.

Outcomes and benefits of the initiative

The programme delivered a property saving of £10 million a year for the business and Centrica has been able to improve the working environment for a large number of employees. Over 4,000 employees are working more flexibly through the **work:wise** programme. Centrica says **work:wise** has been a great success in creating a culture of freedom and discretion, and driving greater accountability for work outcomes.

Impact on the organisation

Over 60% of Centrica's 29,000 UK based employees have some form of flexible working arrangements in place. In 2008 independent research by Cranfield University looked at the impact of flexible working on performance at Centrica as part of a wider study. It found:

- 75% of employees feel flexible working is embedded in Centrica's culture.
- Over 50% of flexible workers, managers and co-workers of flexible workers felt flexible working had a positive effect on performance.
- Flexible workers scored significantly higher on indirect performance related aspects such as commitment, empowerment, job satisfaction, job fulfilment and work-life balance.

Lessons learned

Centrica's experiences show that flexible working requires a change in attitude and approach from the whole organisation. It cannot be seen as a one off initiative but needs to be integrated into the business strategy. It is important to create a compelling business case for flexible working and ensure it is supported by senior leaders. A flexible working champion should be established in each business area. This should be a senior person who is a flexible working enthusiast and can ensure that business strategy makes the most effective use of flexible working patterns, and publicise positive case studies.