



WALES AUDIT OFFICE  
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The Good Practice Exchange  
Y Gyfnewidfa Arfer Da

# Smarter Ways of Working

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Tools, policy and guidance

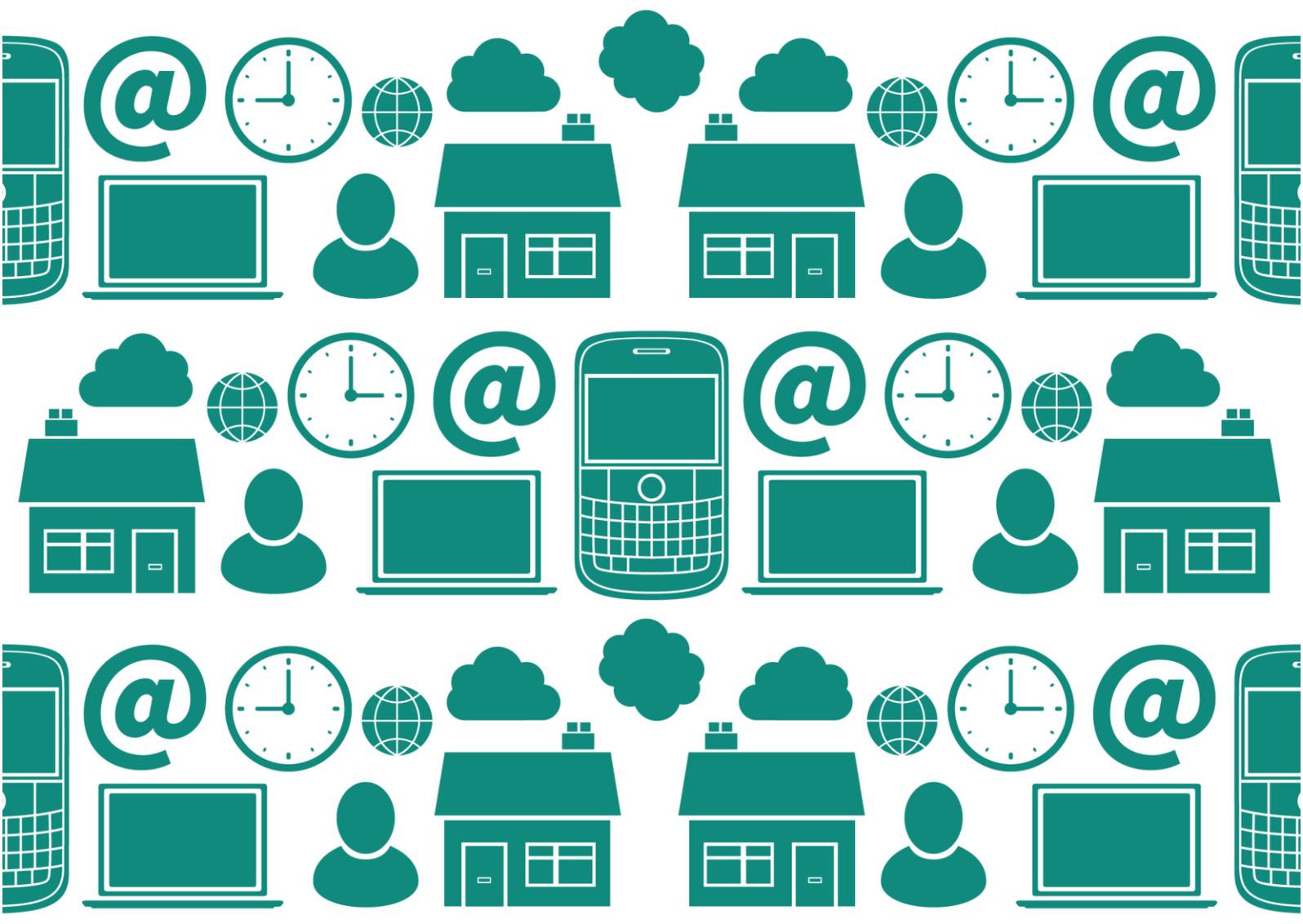
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# About this guide



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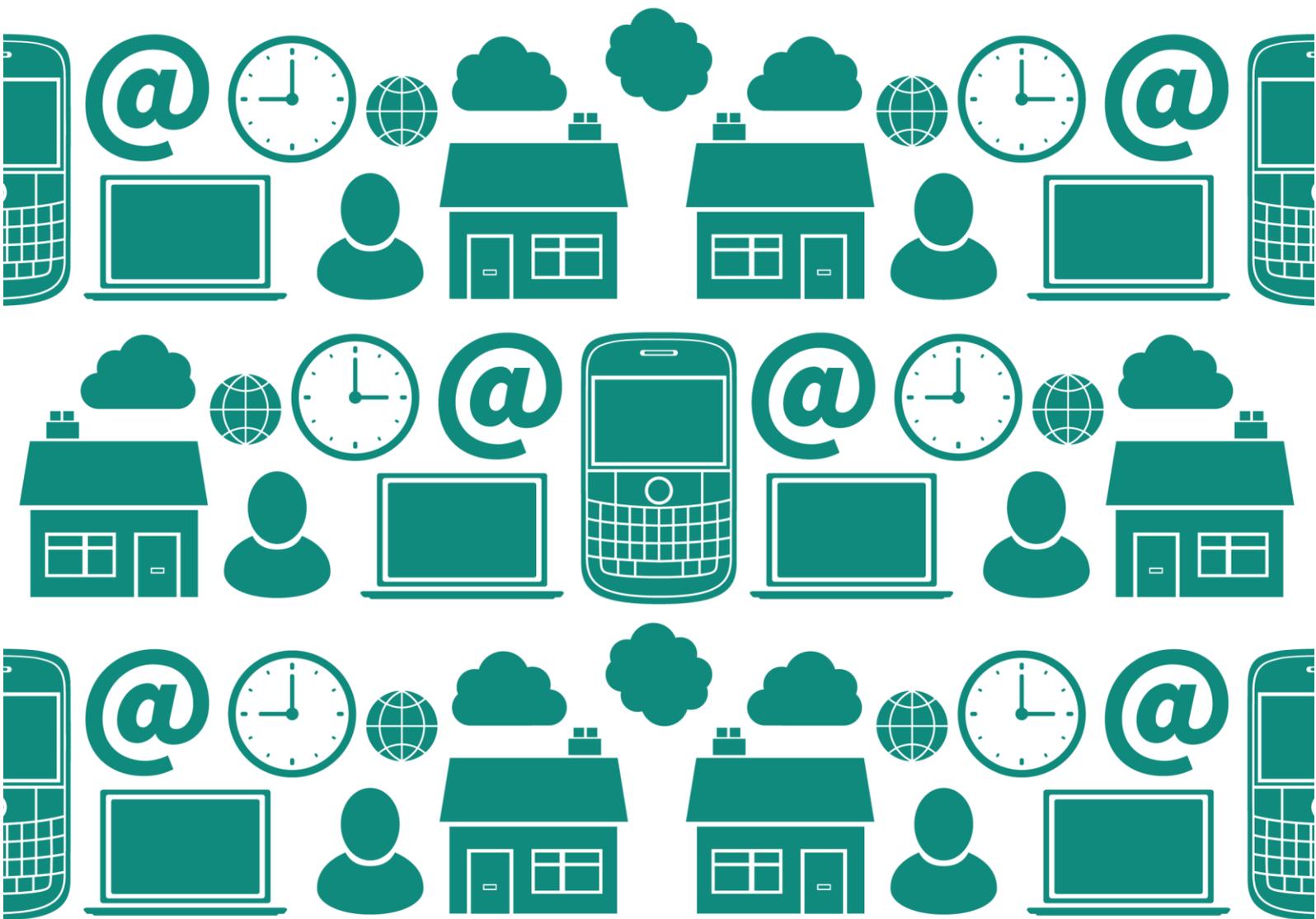
## About this guide

The 'Smarter Ways of Working' good practice guide aims to provide a convenient stimulus for innovation and creative thinking in gearing the organisation of work - and the people who deliver it - to more flexible patterns. It aims to support an overall organisational strategy of improvement, generating benefits in relation to cost control, sustainability, and employee engagement. At the heart of smarter ways of working is citizen-centred service design.

This guide inevitably focuses on the application of specific practices, and of course these are worthy in their own right - but the larger message is that good practice is about innovation more than standardisation. This guide illustrates that it is possible to make changes, and that these changes can have multiple benefits.

Innovation is the key to meeting growing public expectations and financial pressures.

# Homeworking



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## Homeworking

In many jobs it can be attractive to use a working environment free from the interruptions and noise associated with the traditional workplace. Reduced travel time and cost and the ability to interact by email and telephone when contact is necessary, all make homeworking attractive.

The following high-level factors should be considered.

- Is the **nature of the job** compatible with homeworking? Those interruptions and that noise may be essential for service delivery.
- **Trust.** Many managers faced with a request from a team member to work from home react negatively. They wonder: *'If I can't see him, how do I know he is working?'*

This reaction may be more of a comment on the Manager than the employee. The Manager's sense of control may be based only on presenteeism, the jacket on the chair, rather than a commitment to service delivery through clearly defined standards and outputs monitored through effective performance management.

But, not every job/role is suited to homeworking; for example, where there is a high level of face-to-face interaction or where access to specific equipment is required.

- The **home environment.** It is wrong to assume that everyone lives in a leafy suburb of detached villas with spare rooms available to create an office, and it may be that there are likely to be more interruptions in the home environment than at work. The employer's duty of care for staff exists regardless of the location of their work.
- **Organisation policies** should provide clear enabling guidance. They should not be so compliance orientated that busy line managers are likely to be put off.

## *Nature of the Job*

### **Push the boundaries**

Virtual Private Network (VPN) systems deliver secure remote IT connections to enable access to intranet, document exchanges. It is possible already for many roles to be carried out remotely that were formerly deskbound because of access-requirements.

See:

[http://www.cisco.com/web/UK/products/products\\_home.html](http://www.cisco.com/web/UK/products/products_home.html)

<http://citrix.co.uk/lang/English/ps2/segments/index.asp>

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## Think positively

Of course there are many occupations where remote working is largely incompatible with core aspects of work. But, how much time do those people spend on email? It may be possible to vary travel-to-work patterns to enable some homeworking.

## Different patterns of homeworking

It is possible to work occasionally from home, on an ad hoc basis, to meet a deadline, to undertake research, or to save travel time to a client. This pattern is most frequently used by senior figures and is then the most frequently criticised by the other staff who cannot enjoy the same privilege. People notice if the pattern tends to favour Fridays, or the morning after the conference. Senior managers may be well advised to adopt patterns that cannot add to cynicism amongst staff, and always to ensure that they are available to take telephone calls. This arrangement tends not to require the employer's support for a home office.

Regular split patterns of partial homeworking can be arranged - so that the individual is routinely in the office on certain days, and working remotely on others.

Mobile working has similar implications: the job role requires the employee to spend significant time out and about. Rather than having to return to base to collect paper instructions or to deliver completion reports, the documents can be worked on by remote access, via a laptop computer or handheld device.

Full homeworking is the pattern where the individual no longer has a dedicated workspace in the office, and the normal expectation is that s/he works at home.

A variation is working from home, where the nature of the work requires frequent travel to visit clients, so that the home is the base but the individual actually spends most time out and about.

Partial and full homeworking are likely to require the employer to ensure that the physical arrangements are satisfactory in relation to workstation ergonomics.

## *Trust*

While most employees are diligent and committed to their work, there will always be some who will seek to abuse homeworking arrangements, just as these individuals would abuse any other arrangement. Just because a person is sitting in an office gazing intently at a computer screen, it does not mean they are necessarily contributing to service delivery.

Good HR practice is to establish fair and reasonable performance management routines that apply to everyone. The output of work is openly discussed and reviewed with each member of staff. Everyone's commitment to service delivery priorities is gained, including those who

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work at home. Targets and standards are agreed and people know what is expected of them.

The human is a social animal, and there are risks arising from loneliness. In a workplace environment, we all react to words spoken; gestures, smiles, and the absence of these can lead to reduced confidence or even depression. People who are absent from work for extended periods often report these symptoms. Thus the particular challenge for supervisors of lone and homeworkers, is to make specific arrangements to provide supportive feedback. Supervisors can do this directly or through other team members, perhaps by creating a buddy system. But the feedback needs to be more frequent than would be the case when there is informal contact at work.

## *The home environment*

There must be proper sensitivity about the privacy of a person's home, but at the same time, the employer has responsibility under the duty of care to be concerned for the health and safety of the employee. That responsibility may be satisfied through the completion of a checklist by the employee, or, if the employer is providing a complete workstation, by ensuring it is installed by a competent person who verifies that it is adequate.

The employee is responsible for any issues associated with agreements with landlords, mortgage lenders, insurers, and for ensuring that they can actually concentrate on their work at home.

Lone working also carries particular risks which the employer should consider if the work involves travelling alone to visit clients. When the base is a shared office, colleagues know where others are going and when they are expected to return. If the employee is on their own, there is a risk that some harm may befall them and no one would know. It is good practice to use mobile telephones to report the planned journey and the completion of it, and to ensure that a system is in place to activate a response in the event that no closure call is received.

## *Policies*

The range of work that may be carried out remotely is expanding as technology increases, and more managers, including many who may not have dealt with the issue before, are facing requests to support remote working.

The scope of homeworking policies must be comprehensive. This creates a risk that the volume of material becomes unmanageable, and the manager finds it easier simply to say 'No'. Managers may wish to avoid the chore of handling the procedural issues. Fear that specialists will make the processes too complex may also be a deterrent.

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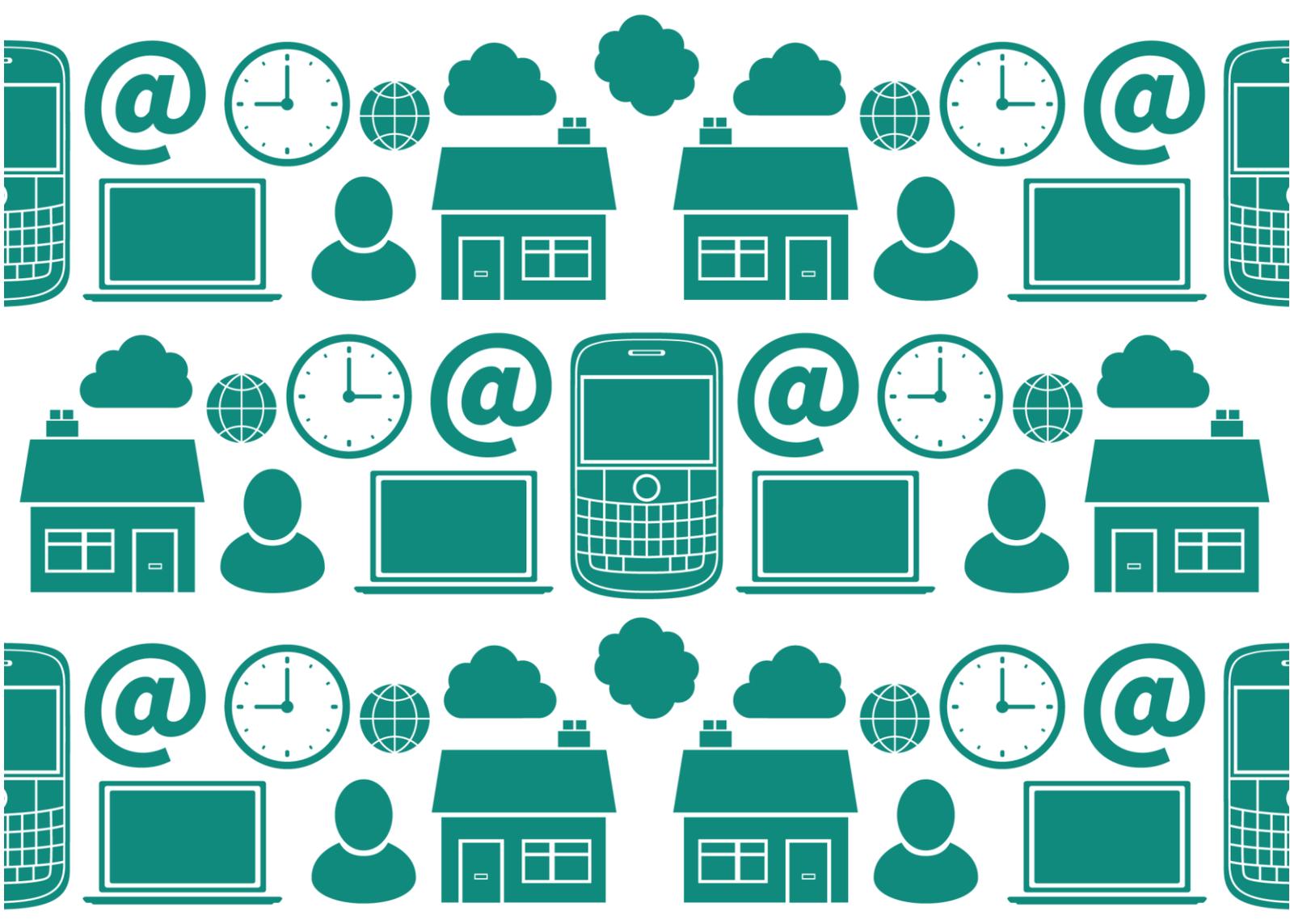
The HSE provide comprehensive guidance on safety and homeworking, which is simple to follow and designed to be used, rather than rewritten within an internal document.

<http://www.hse.gov.uk/pubns/indg226.pdf>

A homeworking policy should cover:

- Ownership: ensuring that a proper register is maintained and signed logging all equipment, including desks, chairs, and IT. This is to avoid argument when the employment ends.
- Responsibilities: specifying who is responsible for security, physical and electronic, and insurance; ensuring any confidential material is protected and making arrangements for statutory testing of electronic equipment.
- Supervision: identifying the special issues arising from homeworking, such as sickness reporting, lone-working risks, training, keeping in touch, targets and standards; and clarifying expectations about working hours. If the homeworking is output based with no requirement as to the exact times of availability, this should be included as a contractual variation.
- Financial issues: specifying what provision is made, if any, to support home costs (these may be offset by reduced travel costs), telephone, internet charges, etc.
- Hotdesk provision for those times when the employee works at the office.
- Periodic review. It may be prudent to set up the arrangement on a 'trial' basis and to review its operation, from all points of view, from time to time.

# Flexible hours and contracts



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## Flexible hours and contracts

### Flexible hours and contracts

There are 24 hours in a day, seven days in a week, and 52 weeks in a year - and there are many organisations which have to provide their services throughout that time.

There was a time when supermarkets were busiest on Thursday evening, and banks closed at 3.30 pm. Change driven by service user demand has called for greater flexibility in the arrangement of work, and this trend will continue.

The beauty of flexible work patterns is that if they are developed in partnership with the staff concerned, they can deliver the win/win of mutual gain - improved service delivery and enhanced employee engagement.

Several organisations in Wales participated in a project co-ordinated by Chwarae Teg in 2002-2005 which promoted work-life balance. <http://www.chwaraeteg.com/>

Employee engagement, which is higher commitment to the organisation's goals, is generally enhanced through open dialogue between staff and their line managers. It is not uncommon for the staff who are responsible for service delivery to know how those services could be improved. Few people actually enjoy dealing with long queues or slow services, and involving staff in gauging service user preferences can generate very positive results.

There is overlap between smarter ways of working and work-life balance campaigns. The main distinction is that smarter ways of working begin with the objective of service improvement, which of course improves staff enjoyment of their work. The benefits of smarter ways of working often also include improvement in the working lives of the staff concerned.

### Contractual variation

An employer has statutory obligations to conduct meaningful consultations before undertaking change which involves alterations to contracts. The pattern of working time is covered by these obligations. However, it is good practice to discuss such changes with staff and their representatives, so the statutory obligations may provide a starting point rather than an obstacle.

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## Employer obligation

There are statutory requirements to give 'reasonable consideration' to any request for flexible working made by parents of young children and organisations may have made further policy commitments in this respect, but it is alright to say no.

Cardiff University defines the factors to be taken into account in considering any request as:

- the requirements of the current project or work;
- the ability to recruit additional staff and any additional costs to the work area;
- the impact on quality and performance and the effect on the ability to meet customer demand;
- the level of work during the periods the employee proposes to work / be absent;
- insufficient work; and
- the ability to reorganise work amongst existing employees and the level of planned structural change necessary to accommodate the request.

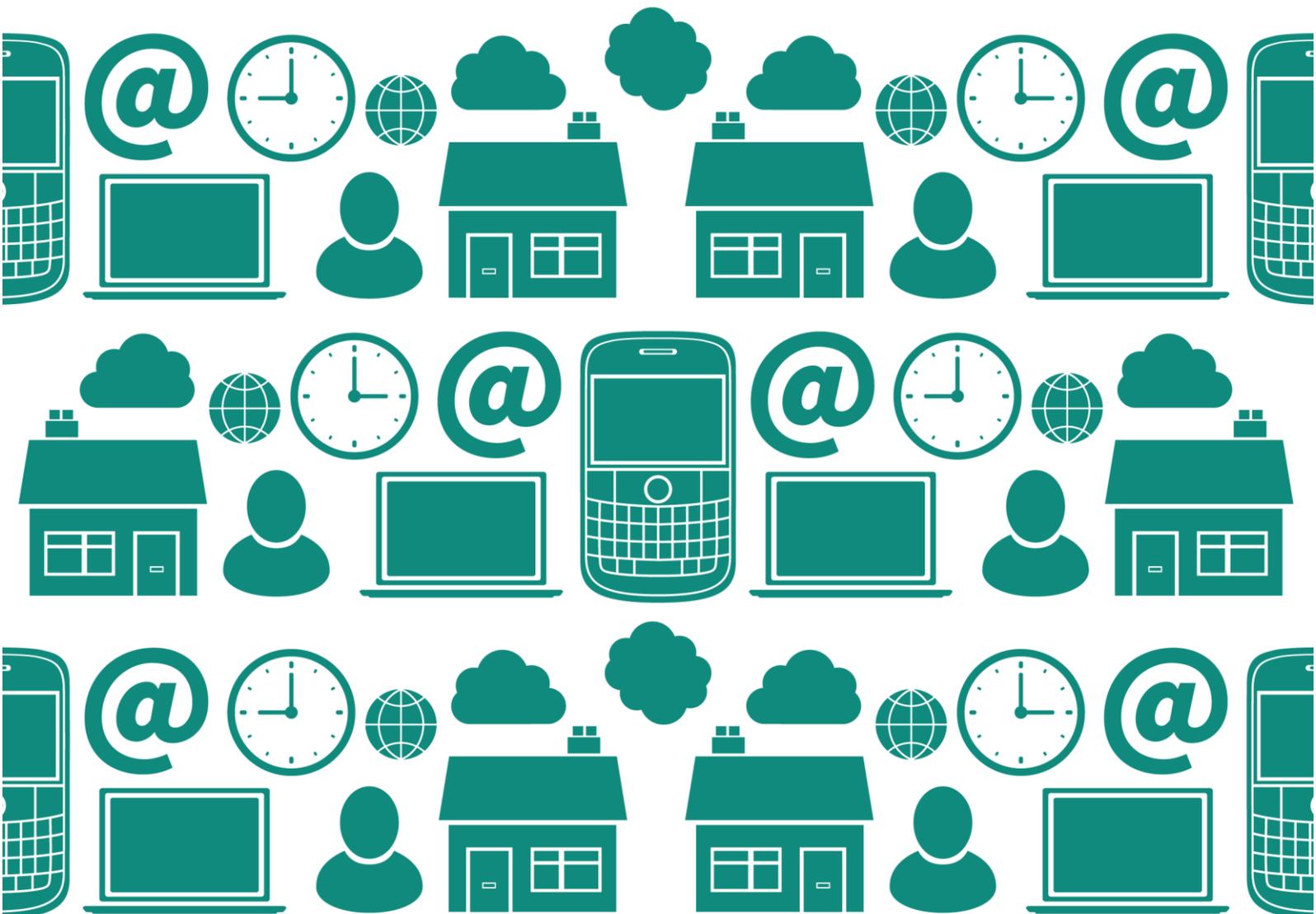
The University also uses a 12-week trial period wherever possible.

*Source: 'Working Flexibly at Cardiff University'*

Clearly, not every job/role is suited to a 'flexible' pattern. Where face-to-face interaction with others is important or where equipment/technology is important, the role may not be suitable. But such roles may lend themselves to a more 'ad hoc' occasional variation, or even an agreed plan which does not involve the same hours away each week.

If the manager is always absent at a particular time, there is a risk that this time quickly becomes a 'rest period' for all concerned.

# Workforce planning



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## Workforce Planning

### Who is going to work for you?

Smarter ways of working involves strategic integration of service improvements, better use of assets, sustainability, and employee engagement.

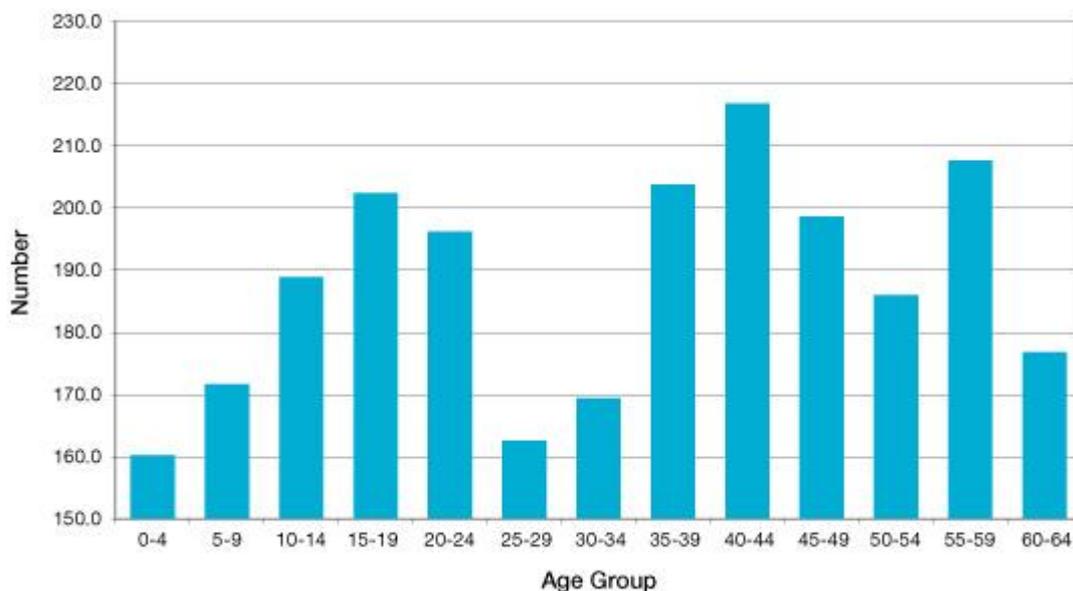
The flexible working portfolio is attractive to staff but has implications for human capital management and workforce planning, important strands of overall business planning. It is no longer appropriate to think about jobs only in terms of the traditional nine-to-five, 'HQ' - based stereotype. Planning should be geared to the flexible needs of the service users; balanced with the flexible needs of the potential workforce and delivered in flexible patterns.

### Demographic change

The real 'baby boom' in the UK was between 1961 and 1971. In 2008, people born in that period would be aged between 37 and 47.

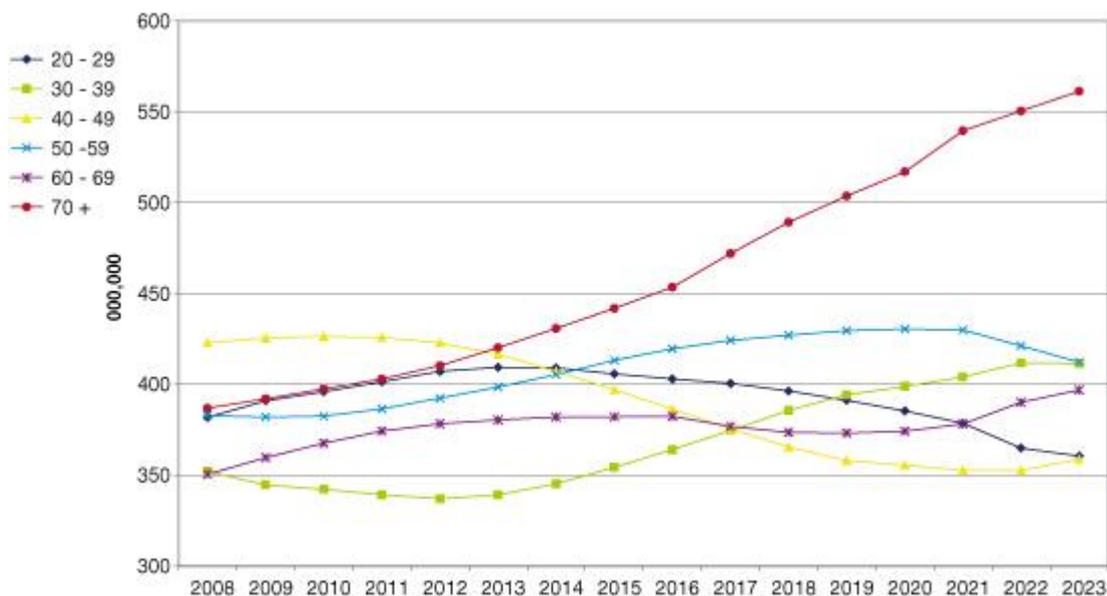
The population of Wales dips significantly for the age group 25 to 35.

Source: Stats Wales - Population Forecasts



*Note - these figures, prepared by StatsWales, take account of the forecast movement (migration) of people.*

**But, people are living longer. The number of people in Wales aged 70 and over is forecast to grow by 40 per cent between 2008 and 2023.**



People may well be interested in working longer - creating a recruitment pool of experienced and flexible staff.

It is unlikely that many people in this cohort will seek high-demand, full time work, but retaining their knowledge and commitment could be an important ingredient in an enlightened workforce strategy.

There are already good examples of flexible retirement schemes, enabling internal staff to apply for lower-graded and reduced-hours roles, see <http://www.tuc.org.uk/extras/flexibleretirementpolicyoct04.pdf> for one example, where an individual can choose to retire any time between age 60 and 70, and where staff wishing to 'downsize' their role as they approach retirement, are able to do so.

**Succession Planning** will be affected by these trends - if the experienced incumbent is still within the organisation, they may be able to take on a mentoring role. Open discussions about individual's retirement plans to inform their own decision-making about the flexible options can also inform the planning around their successor.

**Caring responsibilities** are likely to feature more in the future, increasing demand for consideration of flexible working options. Many employers have anticipated this demand by opening the policies which were designed to fulfil statutory compliance, to any employee.

See: <http://www.dti.gov.uk/employment/workandfamilies/flexible-working/index.html> for guidance on the current statutory requirements.

The **nature of work** is moving away from the rigid job-set towards project-based portfolio employment which utilises the competences of individual employees in several concurrent project teams.

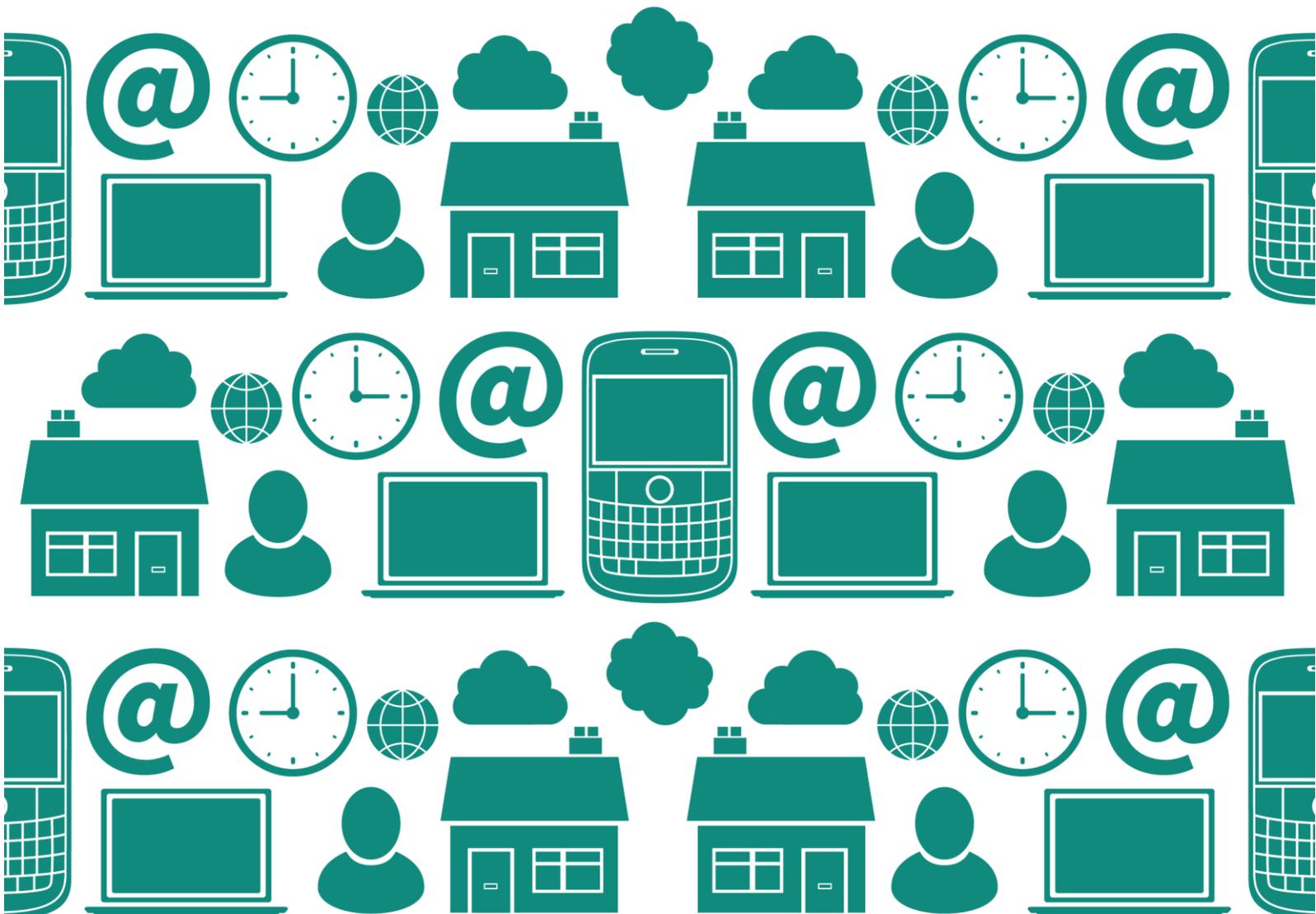
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This trend makes it increasingly feasible to use more flexible options suited to the availability of part time/occasional staff, which could include the partially retired.

The NHS makes wide use of diverse patterns of employment. Over 80 per cent of the people it employs are female and over 40 per cent of the total work force works part time.

The smart organisation takes account of these changes in its workforce planning. It is no longer appropriate to think about jobs only in terms of the traditional nine-to-five, 'HQ' - based stereotype. Planning should be geared to the flexible needs of the service users; balanced with the flexible needs of the potential workforce and delivered in flexible patterns.

# Technology innovation



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## Technology Innovation

Investment in technological innovation can transform service delivery and working lives, improving user satisfaction and enhancing employee engagement. Examples of this are described below:

### Digital X-Ray transmission

"PACS" (Picture Archiving and Communication System) has transformed hospital services. Gone is the need to wait for the big brown envelope with the x-ray film. Today the original image is captured directly into PACS and is scrutinised on screen - wherever the patient is in the hospital, the image is accessible. Doctors can consult colleagues with everyone involved, even if they are in Australia, looking at the same image.

*The win-win* - Better patient service - no need to wait for the envelope to arrive, and no risk that it is someone else's. Better medical care through the involvement of specialists wherever they are.

Better staff satisfaction - no more frustration that the brown envelope is always in the wrong place, usually at the other end of the hospital. Better clarity of image, enabling more accurate diagnosis.

Better cost control - significant cost reductions reported by the early-implementer sites.

### The Virtual Conference Room

While many organisations have some familiarity with "video conferencing", not many have updated the technology - which is developing as quickly as that for mobile phones and television screens. The fuzzy projection onto the wall is a thing of the past, with modern flat-screen images that are so good, participants have been known to reach across to try to shake hands.

*The win-win* - Staff time travelling to attend meetings - how many hours in the car / train / plane? How much of a carbon footprint? *Is your journey really necessary?* As with telephones and televisions, teleconferencing costs are coming down.

### Digital Dictation

Dictating into a digital machine enables transmission of those words to any part of the world - including an office at another site in the same organisation - so that the dictation can be transcribed in the evening (flexible working) or morning instead of waiting in a pile.

*The win-win* - Better customer service through faster response. Better staff satisfaction through removing the frustrating delays. Better cost control.

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## **Mobile Working**

Many job roles involve coming in first thing in the morning in order to pick up the instructions for the day, or to pick up the paperwork that is going to be needed for the particular job. Now that paperwork, or those instructions, can be sent to the laptop computer or to a handheld device so that the member of staff can go straight to the assignment, without travelling to the office. Similarly, the 'output' from the visit, whether that be a report, or a Form or notes, can be transcribed on the same device and transmitted back without any travel.

*The win-win* - Better service to the client, by being on site at the start of the day rather than mid morning after going to pick up the papers then traveling to the location. Better staff satisfaction, from achieving more productive time each day rather than numerous trips back and forward to handle paperwork. Better environmental impact, with fewer unnecessary journeys.

*Don't forget* - Supervision has to be refocused, to concentrate on the quality of outcomes, and with specific plans implemented to ensure individual team members still/meet each other.

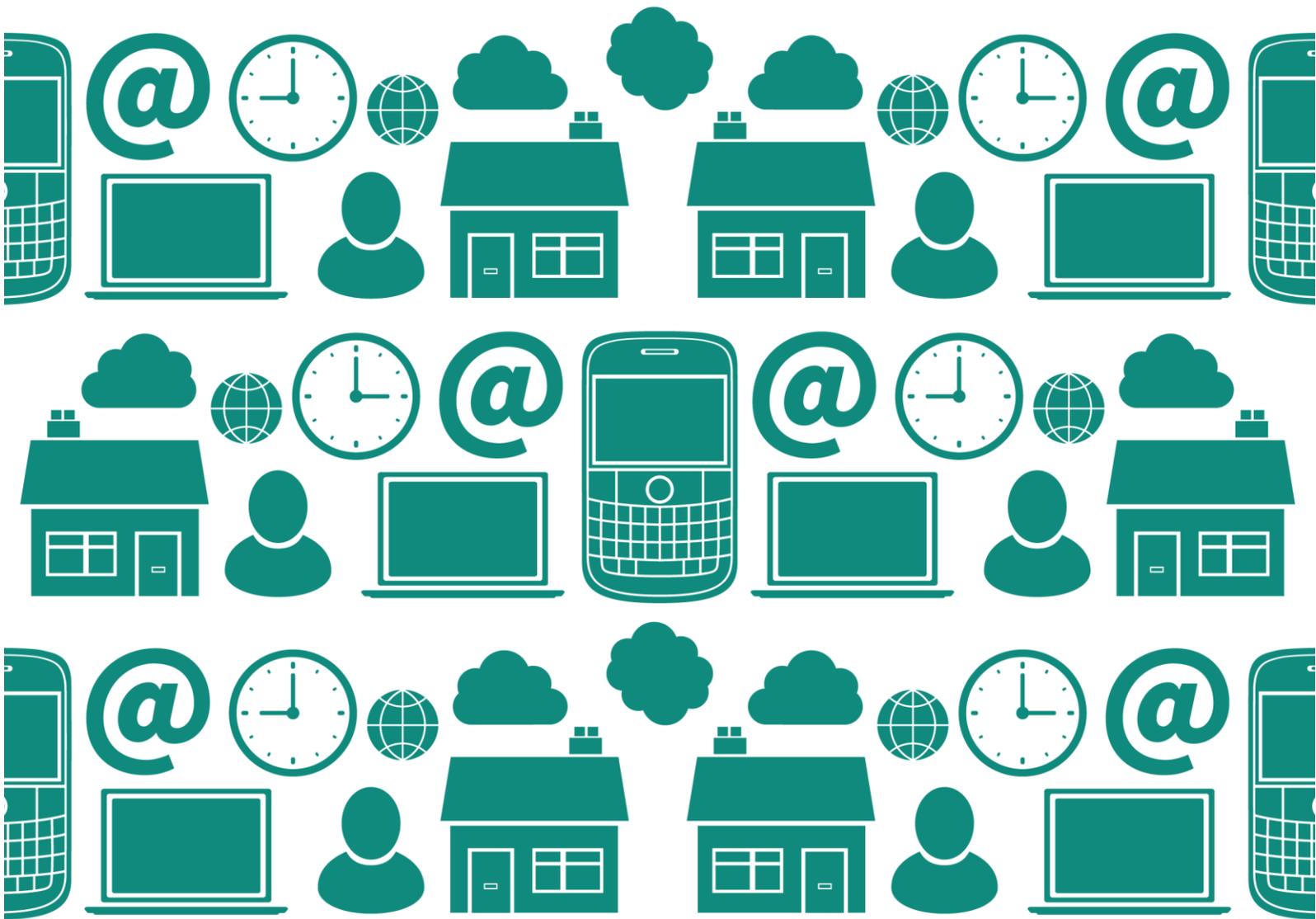
## **The Paperless Office**

Instead of everyone who may need to be involved in a specific issue keeping a paper copy of all the relevant documents, these are stored electronically and are made accessible to multiple concurrent users. One organisation which adopted this policy found they could accommodate 30 per cent more staff in the same office space, by clearing out everybody's filing cupboards.

*The win-win* - Better service to clients, as anyone who can access the computer can access the file, and can therefore give an informed answer. Better space efficiency, better cost control.

*Don't forget* - the implementation and ongoing management of electronic filing is a specialised function, requiring specialised staff.

# The business case



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## The Business Case

Anyone thinking of developing a Smarter Ways of Working strategy should consider the following issues:

### Cost

The cost of equipping a member of staff to work full time at home includes:

Desk	£300
Chair	£100
Computer	£300
Total	£700, allow depreciation over 5 years of £140 pa

Allowance*	£150 pa (for additional heat, power etc)
Internet	£240 pa
Telephone	£150 pa
Total	£680 per year

The cost of providing a workstation within an office also includes a desk, chair and computer, although the home-based requirements may be non-standard.

The question of space costs depends on the organisation's existing provision. There may be no saving if there is abundant office space freely available, but if there is a question of new provision, (buy or rent), then each employee is generally factored in with a need for 6 square metres (allowing for movement and facilities).

Thus if the organisation is planning to rent, with office accommodation @ £15 per square metre, there is a saving per head per year of £90.

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If new build is required, excluding the cost of land, the average cost is £1,500 per square metre, resulting in a saving of £9,000 per person.

### **Service improvement**

Innovation can range from high-tech solutions through to simple improvements in work organisation enabled by flexible attendance patterns.

[http://www2.bt.com/static/i/media/pdf/yorkshire\\_water\\_cs.pdf](http://www2.bt.com/static/i/media/pdf/yorkshire_water_cs.pdf)

The BT case study shows the progressions from 'call' centres to 'contact' centres to integrate service delivery with customer needs.

### **Employee engagement**

The 2004 Workplace Employment Relations Survey received some 22,000 responses. It confirms that part-time workers and those on flexible contracts are often more committed than other staff.

<http://www.wers2004.info/research/primaryanalysis.php>

Flexible working supports improved work-life balance, enhancing productivity and reducing turnover. Sixty-eight per cent of employers surveyed by the CIPD reported that the opportunity to work flexibly has had a positive effect on employee attitudes and morale.

The cost incurred through someone leaving the organisation includes:

1. Loss of service during the vacancy period, or the additional cost of supply/agency cover. (Note that this can be mitigated by creating your own bank of supply staff.)
2. The cost of advertising. At the lowest level of press advertising costs will be a minimum of £450 per post, although exclusive web-based recruitment can reduce this figure. The high-end cost can run to £10,000 if national Sunday papers are involved, or £30,000 for search consultants. A 'normal' cost is around £1,700 per post.
3. Loss of knowledge plus loss of time required to induct new employees, both of which have a negative impact on service.