



Macfarlane White Paper:

Six Tips for Effective Flexible Working

(Working from Home)

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1. Introduction

Over the last decade, many UK organisations have introduced flexible working and homeworking. For some, it has been a great success. For others, it has met with limited success.

This White Paper examines why organisations should consider flexible working, looks at the challenges it presents, and details what advanced contact centre technologies are available today to drive successful flexible working.

Macfarlane Telesystems also puts forward Six Tips for Flexible Working success. And we detail the achievements of Canterbury City Council – a shining example of how flexible working can deliver real and sustainable benefits.

2. Why consider flexible working?

In April 2003, the UK Government introduced an employment law that gave parents of children under 6, or parents of disabled children under 18, the right to request a flexible working arrangement. Employers now have a statutory duty to consider such applications seriously.

The new law has boosted the flexible working industry, leading to a sharp rise in organisations implementing flexible working and home working.

However, it's not the only reason organisations are considering flexible working. Here are a few other business drivers:

a. A better work-life balance

According to the DTI's Second Flexible Working Employee Survey (2005), the key reasons that workers request flexible working are:

	% of all requests
To meet childcare needs	35
To have more free time	10
To take part in education and learning	10
To spend more time with their families	9
To make life easier	8
Because of health problems	6

b. Improved performance, efficiency and productivity

With workers better able to balance their work and non-work commitments, many organisations have seen dramatic improvements in performance. Canterbury City Council, for example, has seen a 15% - 20% improvement in staff performance and productivity within its customer service operation following the introduction of flexible working, with a 30% improvement in call handling. (For further details, see case

study). According to BT, up to 60% increases in productivity are possible by employing homeworking.

There are significant costs advantages too. According to IDC, once overheads and training are taken into account, a contact centre worker costs \$31 an hour while a home-based agent costs just \$21 - a saving of 32%.

c. A broader recruitment pool

Flexible working can open up job opportunities to people who could not otherwise work for your organisation. For example, people (including specialists) who live too far away from the office to travel in on a regular basis, people for whom it is not economically feasible to travel to and from the office every day, and people who work split shifts for whom travelling two or three times a day is infeasible.

According to BT, “homeworking offers the possibility of accessing an increasingly diverse, location agnostic workforce including over 55s, returning mothers, disabled people and carers who may not want to work in centralised contact centres and want to work more flexible, family friendly hours. This in turn reduces recruitment costs and locks in valuable experience whilst improving work-life balance for the individual.”

In the experience of many US homeshoring operators, while traditional agents are more often than not young and lack previous sales experience; home-based agents are mature, educated and qualified individuals with many years' customer services experience. Interaction management software company Exony claims that the typical home agent in the US is: 38-41 years old with around 15 years' work experience. Over 80% of US home agents are college educated.

d. Less absence and attrition

Flexible working can also help retain skilled staff, and reduce daily absenteeism. BT claims that retention in a 'homeshored' model is reduced from around the 26% per annum currently experienced to around 10%. Additionally, BT states that the costs of absenteeism can be significantly impacted with reductions of over 60% on sickness levels reported. On average, says BT, sick days can be reduced from 8.4 days per annum to 3.1.

e. Improved customer service

A happier and more fulfilled workforce can produce knock-on benefits in terms higher service standards, leading to greater customer satisfaction and ultimately enhanced customer loyalty.

f. Less wasted travel time

Working from home can reduce the amount of time managers and workers spend travelling to and from work. Research sponsored by the Department for Transport has shown that people working from home for 1-2 days per week can typically reduce their need to travel by 1200 to 3500 miles/year www.virtual-mobility.com. Online collaboration, such as audio and videoconferencing, can reduce travel time even further.

g. Increased travelling distances

As property prices have risen, so workforces have often been driven further and further from the workplace – making travelling to work more difficult, costly and expensive. Often, it's the employer that ends up paying for this in terms of higher wages and a more inflexible workforce. Home working is therefore an increasingly attractive option for both employers and employees.

h. Corporate Social Responsibility

Homeworking can be of great benefit to businesses pursuing a green agenda. www.carbonfootprint.com estimates that if the world's 6.5 million contact centre agents (source: Datamonitor) each undertake a 20 mile return trip to work in a small family car then they will produce over nine million tonnes of CO2 a year. Working from home also significantly reduces traffic congestion.

i. More efficient use of office space

According to the UK Total Office Costs Survey, the average cost of an office workstation is around £8000 - yet workstation occupancy of less than 50% is commonplace in office space audits. Flexible working can play a major part in optimising an organisation's use of office space.

3. Flexible working challenges

For employees, flexible working can clearly improve work/life balance, enable more effective methods and processes, and allow individuals to work smarter. For employers, it can bring greater efficiency and effectiveness without the need to increase resources.

However, implementing flexible working successfully isn't a walk in the park.

- **Culturally, management styles need to change.....** if organisations are to accommodate remote working and support virtual teams
- **Flexible working requires investment....** in the systems, processes and training required to make a success of flexible working
- **Security becomes a bigger issue** especially when homeworkers are expected to deal with confidential matters and documentation as part of their daily duties
- **Line of sight management becomes a thing of the past....** making employee work levels harder to monitor. When first introducing flexible working, many organisations find it difficult to trust homeworkers not to take three hour lunch breaks!
- **Effective communication can be a major challenge** with one-to-one support more difficult to provide, and team meetings more difficult to schedule. Alternative technology solutions (such as team briefings via email or through the intranet) often need to be found

Careful planning is essential. Not just from a management and HR perspective but also from an IT perspective to ensure that telecom and computing resources are up to the task of supporting a geographically-dispersed workforce.

4. Flexible Working Technology for the Contact Centre

IT and telecom solutions that support flexible working operations should not only help organisations deliver all of the benefits detailed in section 2 but also address the challenges highlighted in section 3. They should also deliver a good return on investment and be scaleable and extensible to meet future demands.

At the very least, home workers need a PC, a phone connection and a broadband connection. Via the PC, home workers must be able to access office applications – from email to client account information, product information and other databases – just as if they were sitting in the office. Home workers also need flexible communications solutions. With many organisations now opting to deliver phone and Internet services to homeworkers on a single Internet Protocol (IP) connection using Voice over IP (VoIP) technology, a new generation of IP-based telecoms and contact centre solutions is starting to emerge that combines communications flexibility with management control.

The new CallPlus IP Contact Centre is a good example. CallPlus IP is the latest evolution of Macfarlane Telesystems' technology – a contact centre system that combines 'next generation' IP functionality with Macfarlane's powerful and proven range of applications.

A key advantage of this new platform is its ability to support virtual contact centre working using home-based contact centre agents. When calls come in, CallPlus IP can route calls to any extension – regardless of whether they are inside or outside the office – at minimal cost, while enabling flexible workers to be accessible at all times. If they work from different locations at different times of the day, calls can be instantly re-routed to appropriate numbers as they move – or a single contact number provided. CallPlus also ensures homeworkers have access to similar information and technology resources wherever they are, ensuring quality standards are always consistent. Flexible workers can transfer calls to colleagues, divert calls to whoever they want, and set their phones – wherever they are and whichever handset they are using – as a simple extension of their office.

CallPlus IP truly takes contact centres into the Internet age. Local authorities and companies that are enjoying the benefits of IP infrastructure investments (such as reduced call costs, simplified network administration and richer communications services) can now benefit from state-of-the-art customer service features that deliver:

- More cost-effective home working (making it fast, simple and cheaper to set up contact centre agents at home)

- Greater choice in the way customers can contact an organisation. CallPlus IP manages customer contacts by phone, SMS, Instant Messaging, web forms, email and fax in a totally integrated manner – and will soon also support MMS and video interactions
- The ability to deploy contact centre technology either in-house or as a hosted network-based service
- Advanced functionality (CallPlus IP supports a range of advanced contact centre services from stereo call recording to web collaboration)

Another advantage for organisations deploying homeworkers is CallPlus IP's ability to provide detailed management reports and call recordings - mitigating against the possibility of homeworkers losing productivity in an unsupervised environment. Managers can create reports on how many calls are answered; call durations, missed calls, and on various aspects of call quality, including the recording of the call. Plus, with CallPlus IP, control of contact centre configuration remains in the hands of the Contact Centre Manager, without requiring IT support at all times.

Macfarlane offers existing users a flexible transition path to IP. Customers can either upgrade their CallPlus software to CallPlus IP, or integrate their CallPlus system to existing IP infrastructure.

As well as delivering advanced features, CallPlus IP can also cut calling costs - without the need to put in dedicated lines or additional bandwidth into workers' homes.

5. Six Tips for Effective Flexible Working

To get the most from investments in flexible working requires co-ordination – with departments responsible for IT, property, HR, facilities, training and internal communications needing to work together to ensure flexible working initiatives are focused and integrated.

Macfarlane offers the following six tips to organisations looking to introduce flexible working for the first time:

- 1. Understand the basics:** where staff work, what roles they perform, how individuals and teams within a department interact, how different departments interact, where people live and how they travel, when they need to be in the office, what they need to communicate and when. Understanding what tasks employees need to perform is essential in drawing conclusions about whether flexible working will work in the first place.
- 2. Determine the scope of your flexible working project:** i.e. what are you setting out to achieve? Who is involved, how will things change, will homeworking work for specific teams? How will property space be optimised? How will health and safety matters be addressed? What technologies will be deployed – and how will homeworkers be supported? What HR policies will be in place to ensure homeworkers aren't isolated? How will individual and team-based communications work? Multi-site working and homeworking aren't appropriate in every situation so it's important to carefully lay down the scope of projects from day one.
- 3. Build the business case for flexible working:** It is important that your organisation has a way of quantifying the benefits of flexible working projects – including cost reductions, productivity gains, service quality improvements, workforce scheduling advantages, employee and customer satisfaction improvements, travel cost reductions etc.
- 4. Ensure homeworkers feel they are part of a functional team:** Isolation can be a problem with geographically-dispersed teams. Ensure that communication with remote workers is regular and that homeworkers can share in team - as well as individual - successes. Setting up functional teams based on skills is also important from a management point of view to ensure calls can be answered by other team members if an individual is unavailable.
- 5. Strive for service consistency:** Give remote workers access to the same systems, knowledge bases and other resources as in-house workers and ensure call quality is

uniform and that service is not compromised when customers are routed to remote agents. Always attempt to route and manage calls according to a single set of business rules across your entire organisation/ contact centre operations wherever possible

- 6. Consider business continuity options:** Using modern platforms such as Macfarlane CallPlus IP, organisations can embed their technology resources in the network – providing significant business continuity and disaster recovery advantages. With a single site technology installation, if that site fails (for example in the event of a terrorist act or a power failure), then your technology services will fail too. By using 'hosted' technology services, this problem can be overcome - with the reassurance of guaranteed availability, 24/7.

6. Flexible Working Facts

a. Number of Flexible Workers

According to *Labour Market Trends October 2005*, a report from the Office of National Statistics, an estimated 3.1 million UK business people 'mainly' work in their own home - or use their home as a base. This represents approximately 11% of the UK workforce. Furthermore, the report revealed that around 2.4 million UK business people are now teleworking (i.e. occasionally working from a base other than their office).

	1997	2001	2005
Homeworkers	2.3 (9%)	2.6 (10%)	3.1 (11%)
Teleworkers	0.9 (4%)	1.5 (5%)	2.4 (8%)

These figures do not include less frequent/occasional homeworkers (i.e. people who work in the same grounds or building as their home), or mobile teleworkers (i.e. people who sometimes work at home but don't consider it their base).

b. Small Businesses

According to the Federation of Small Businesses, 39% of small businesses are home-based - and 41% of self-employed people are teleworkers.

c. Cities versus Rural areas

Home working is particularly evident in rural areas. According to the 2001 UK Census, 11.8% of all economically-active residents of rural England work mainly from home. This compares with 9.16% across England as a whole and 8.32% in urban areas outside London.

While 51% of home-based workers are self-employed in England as a whole, this rises to 58% in rural areas.

d. The 'Right to Request' Flexible Working

The Second Flexible Working Employee Survey, conducted in January 2005, was commissioned by the Department of Trade and Industry and conducted by British Market Research Bureau (BMRB) International amongst 3,222 employees in Great Britain.

69 per cent of employees in Scotland, 66 per cent of employees in Wales and 65 per cent of employees in England were found to be aware of the right to request flexible working. The research also reported that almost a quarter of employees who were eligible to make a request had done so in the past two years.

Awareness of the right to request flexible working was highest in the banking, finance and insurance industry (77 per cent), followed by the education, health and public administration sector (74 per cent) and was lowest in the energy and water industry (49 per cent).

Of those who had requested a change to their working pattern, 25 per cent had requested to change to part-time hours, 23 per cent had requested to work flexi-time, 16 per cent had requested to work reduced hours for a limited period and 7 per cent had requested to work a compressed working week.

e. Internet connections

According to a 2005 survey by Pipex, a UK provider of broadband services, 42% of UK employees are considering working from home in the future, as half of all homes are now connected to the internet.

Case study: Canterbury City Council

By implementing homeworking within its contact centre operations, Canterbury City Council has transformed service quality.

Initially set up on a six-month trial basis in January 2006, the aim of the home working initiative was to “improve service delivery through the most cost-effective method and to meet business, staff and customer needs”, with members of staff initially working from home one day a week through a rota system.

With output rapidly exceeding all expectations, however, the council quickly moved to make the pilot scheme permanent.

20 of the 47 staff in Canterbury’s customer service operations now regularly work from home with one staff member permanently working from home. The results have been spectacular. Homeworking has:

- improved staff performance and productivity by 15% - 20%
- increased the number of calls it handles by 30%
- Increased staff retention
- Increased staff motivation
- Expanded the number of services provided without an expensive building refurbishment
- Enhanced its ability to react quickly in emergency situations

Cllr Rosemary Doyle, said: "We've been looking closely at best practice in the private sector and could see that home working made sense. It offers flexibility to our staff and also benefits our customers because they receive a swift response. Staff who work from home can apply all their attention to the needs of the customer and everyone gains."

Technology has played an important role in the homeworking initiative.

Macfarlane CallPlus contact centre technology supports both Canterbury Council’s home and office-based Customer Service Officers, providing a range of advanced functions including intelligent call distribution, call recording and management information - and is tightly integrated with the Council’s Northgate Front Office CRM software. Macfarlane CallPlus contact centre software connects the Council’s home workers to CRM and other in-house IT systems and ensures that all calls to home workers are monitored and measured, enabling high standards to be maintained.

The Centre's 47 personnel handle Council Tax, Benefits, Housing, Planning, Refuse Collection and other queries. The Council plans to move other services including Environmental Services, Health, Parking Services and Electoral Registrations into the Centre in the near future.

In the next phase of the Council's homeworking initiative it is exploring the possibility of recruiting housebound people, at the possibility of partnership-working for call handling during extended hours of operation and at exploring video/web conferencing with home workers for meeting participation.

