

Committee for Finance and Personnel

OFFICIAL REPORT (Hansard)

Inquiry into Flexible Working in the Public Sector in Northern Ireland: Women Like Us Briefing

27 February 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Daithí McKay (Chairperson)
Mr Dominic Bradley (Deputy Chairperson)
Mrs Judith Cochrane
Mr Leslie Cree
Mr Paul Girvan
Mr Mitchel McLaughlin
Mr Adrian McQuillan

Witnesses:

Mrs Emma Stewart Women Like Us

The Chairperson: I welcome our next witness to the meeting via telephone. Mrs Emma Stewart is the director of Women Like Us. We have a very nice photograph of Emma on the screen.

Mrs Emma Stewart (Women Like Us): Thank you very much for having me; I apologise that I cannot be there in person.

The Chairperson: Emma, please feel free to make an opening statement, after which members will take the opportunity to ask questions.

Mrs Stewart: Women Like Us warmly welcomes the Committee's inquiry. We are particularly interested in your focus on recruitment practices and their effect on flexible working. The way in which the public sector and the private sector evolve their working practices on that is the issue we think needs most attention.

Women Like Us has recruited for just under 2,000 businesses in the UK, predominantly in London, and we have about 40,000 candidates on our books. We have a wealth of experience of what can influence and affect an employer's approach to flexibility in the workplace in their employment and recruitment practices. Our whole ambition is to evolve and develop a more flexible, quality labour market.

The Chairperson: Thank you, Emma. We are keen to examine the challenges, barriers and risks to the introduction of flexible working. How can those be managed and mitigated appropriately?

Mrs Stewart: We carried out a piece of research last year for which we interviewed 1,000 employers about their attitude to flexibility in the workplace, and particularly their attitude to recruiting people into more flexible, quality part-time roles.

A number of findings emerged from that research. First, there is a huge perception issue as to whether it is good or not good for business practices when it comes to productivity, efficiency, and so forth.

Secondly, there are significant operational barriers that businesses need to overcome. There is an issue around a lack of understanding of job design and how line managers and recruitment teams shape roles to meet the outputs that need to be delivered while moving away from a nine-to-five model.

Thirdly, there is concern among employers that, if they were to offer more flexible and/or part-time roles at a higher level, they do not know where to find the candidates. That is quite ironic because, as I am sure you will be aware, a significant number of people want to work in that way.

Those were the three key findings of our research. There are several ways to overcome those difficulties. First, there needs to be a far greater focus on promoting the business case for flexibility and at the point of hire. There is a lot of work that can be done with small businesses. For larger businesses, the efficiency case is important, but we know that it also drives higher retention rates and enables businesses to recruit from a wider talent pool. It increases employee engagement and increases productivity. The evidence is there, but it needs to be articulated in a clearer way to businesses, using practical case studies and examples that they can relate to. We need more role models in business to step up and explain how they work and how that benefits their business.

Secondly, recruitment practices need to really engage with the job design process. When an in-house recruiter or a line manager is looking at hiring, how they shape that role and how job design is addressed is significant. A lot of businesses need support in that.

Thirdly, on access to candidates, if employers are really going to engage in this agenda, at the point of hire, they need to put in their adverts that they are open to flexible candidates and that they are open to flexibility within roles. Not all roles can be done within reduced hours, but flexibility can be based on hours, location or on the nature of a contract. Unless employers create more visibility about their interest to acquire candidates in that way, they will not attract the candidates because our experience is that people are very unlikely to apply for a role if they think that they will have to be the one to negotiate flexibility at the point of hire.

Mr Mitchel McLaughlin: Good afternoon. Thank you for your assistance. In examining the potential for flexible working in an organisation such as the Assembly, with its oversight of 11 Departments, what does experience tell us about flexible working arrangements in the workplace as opposed to home working arrangements? Does one have any particular advantage over the other?

Mrs Stewart: In our experience, it very much depends on the individual Department. You need to have flexibility within flexibility, so home working can work if you have a role that is not client facing or that does not have to operate in a very dynamic team culture. In other Departments, flexibility in hours could be of greater benefit. For instance, in financial services, we know that there are peaks and troughs over the course of the year, and doing annualised compressed hours lends itself quite well to those roles. It is a big question, and the answer is that it is very much about getting under the skin of what are the business drivers for the various Departments and divisions that you oversee and what will be the most effective process for them. It is about having a raft of options and being open to exploring all of them.

Mr Mitchel McLaughlin: Does working in the business location have an inherent advantage over home working?

Mrs Stewart: The evidence shows that there are pros and cons with either. Home working can be quite isolating for some individuals. It can disconnect them from the way that a business operates, but, equally, it can save on travel time, and it can open up opportunities for experienced and talented candidates who might otherwise be limited in the amount of time that they can spend in a physical environment. In the workplace, as I said, if you are working in a very dynamic team culture or if you have a client-facing role, there is a need to be in the office. Ultimately, the pros and cons for the

individual and the business come down to how efficiently that role can be managed. Both options are viable, but I do not think that there is distinct evidence that points to one option or the other.

Mr Mitchel McLaughlin: Do flexible working arrangements, either in the business location or at home, provide any relief at all on the issue of the glass ceiling that female workers, in particular, experience? I am thinking about candidates for senior management appointments, which require attendance at headquarters, and so on, being unable to take up those opportunities because of home responsibilities.

Mrs Stewart: The issue of the glass ceiling is huge here. I will break down your question to a couple of levels. We have certainly seen that one of the major reasons why women do not progress and break through the glass ceiling is that there is a lack of flexibility for them, be it at home or in the office, to be able to adapt their work to fit it around family commitments. There is a huge stigma the higher you get up the career ladder — if you are working flexibly, you are seen to be lacking in commitment. We know that that is not true. The way to tackle that is to create role models. Our business last year published the UK's first top 50 power part-timers. It comprises chief executive officers, chief operating officers and a whole range of individuals who work absolutely at the top of their game — they are predominantly women — but do it in fewer than five days a week. That has already had a significant impact on business perception of that. If we want to get more women on board, we need to get a better pipeline of women in business. If we are to get a pipeline of women in business, we need to facilitate better flexibility in the way in which they are able to operate. That is not just about a concessionary element of flexibility in existing roles; it is about creating a more agile labour market in which they can move around and up and can progress to other roles.

Ultimately, the issue of home or office boils down to a question of trust. It is about how we judge performance. If we judge performance on output as opposed to physical location in the office, we can start to change that culture.

Mr Mitchel McLaughlin: Thank you very much. That was very helpful.

Mr Girvan: Good afternoon, Emma. I want to focus on the challenges and risks associated with introducing flexible working. How can those risks be mitigated and dealt with? Why are there risks? There is a fear among some that the introduction of flexible working could lead to additional skiving.

Mrs Stewart: There are huge misperceptions about the risks of flexible working. As part of the research that we did last year, we asked employers whether they had recruited people into more quality part-time flexible roles. The positive benefits were all based on those that had, and all the negativity was directly aligned to those that had not tried it. That highlighted to us that the employers that embrace this agenda are, in the main, predominantly positive about the benefit to the business. The majority of anxieties are from people who have not embraced it. There is an important message about challenging perceptions. There is still a lot of confusion among businesses. We asked employers to say what could be the benefit and what could be the risk. They gave the same answer for both: flexibility was seen as a benefit, because you could get access to your employer at a range of different times; and it was also seen as a risk, because that meant that you might not be able to get access when you needed it. There is a lot of misperception. It is about communication, and cultural and attitudinal change in teams. There needs to be a focus on line managers. We argue that training line managers in workforce development and flexibility is a key part of this.

Mr Girvan: Thank you, Emma. Has a body of work been undertaken to identify suitable jobs for flexible working to be introduced? We are having a little bit of a problem at the moment with cover at accident and emergency units by consultants. Some have deemed their work practice to be flexible. Have you done a body of work to identify the jobs that are suitable for flexible working?

Mrs Stewart: We have not done that ourselves. I am aware of a piece of research that was undertaken by an independent practitioner through an organisation called Working Families. I can send you details of that. It looked at the UK Civil Service's openness to flexibility with existing employees and the challenges that it faces at the point of hire in relation to certain roles. It identified a definite mismatch.

I am not aware of any sectoral approach or an approach to specific roles. We would argue that we need to establish a default position whereby all roles should be open to flexibility unless they are proven not to be suitable.

Mr D Bradley: Good afternoon, Emma. What are the elements that usually militate against flexibility?

Mrs Stewart: Again, I would say that it is often down to attitudinal anxieties among business managers or line managers. There are issues in the recruitment industry, in that there is no commercial driver for recruiters to embrace part-time alternatives when they work with employers because they are doing the same amount of work for half the commission. If businesses are using external brokers to find candidates, the recruitment industry as a whole is generally not likely to push back and ask them why they have not considered flexibility. That relationship needs to be looked at.

As I said, there are operational barriers as well. There are some very tangible issues. Many corporates that we deal with have said that they would be open at the point of hire to looking at people on reduced hours. However, they allocate budgets based on headcounts and, if they do not use up the budget, they lose it. So, again, there are some complex issues here that just need to be tackled quite carefully.

Mr D Bradley: Do you recruit people to work mainly in the traditional office setting, or is there room for people to work from home?

Mrs Stewart: We do both. I would say that 80% of the vacancies that we have dealt with over the years have been office based and 20% home based, but there is an element of flexibility across both types. Most of our work is focused on the professional part-time and flexible roles, which would obviously influence the fact that more of them are based in offices. However, a lot of flexibility is often negotiated further down the line.

Our argument is that there are a lot of part-time roles in non-professional industries such as care workers, cleaners, and so forth, that clearly need to be done in physical locations. However, the nature of the market dictates that only 3% of vacancies in the UK are part time and offer over £20,000 pro rata. There is a huge lack of opportunities in that sector. The professional industries are the areas on which we want to focus.

Mr D Bradley: I know that your organisation is called Women Like Us, but do you find that there is a demand among men for flexible working?

Mrs Stewart: Absolutely. We are called Women Like Us because we run a range of careers guidance and employability programmes for women with children, but we also run two recruitment businesses: an agency and a job site, which is called Timewise. We do that explicitly because we recognise that this is not just a women's issue.

The majority of caring for young children in the home is still done by women and, therefore, they are predominantly the ones who are most affected. In fact, the social analysis of what needs to be done to improve living standards among low- to middle-income families shows that women's work is critical. However, just under a third of our 40,000-odd candidates are, in fact, now men. Particularly with younger-generation men, there is an ambition to work in a more agile way. Again, if you look at the creative industries or at certain tech areas, you see that the classic nine-to-five is rapidly becoming a thing of the past. It absolutely should not be seen just as a mothers' issue. It is an issue for all kinds of people. For businesses, it is an issue about enabling employers to have access to the best possible talent.

Mr D Bradley: Finally, what type of occupations do you deal with most? Is it professional, manual, or a mixture of both?

Mrs Stewart: We predominantly focus on the professional occupations. In the recruitment work that we do, we start advertising roles at about £18,000 pro rata, part-time and flexible, and we go up to about £120,000 or £140,000 pro rata. We do run engineering roles, other non-traditional roles and some manufacturing roles, but predominantly professional roles. We handle a lot of public sector roles as well. However, we are not a sector-based agency; we are an agency that specialises in flexibility and part-time work, so we are open to any industry.

Mr D Bradley: Thank you very much, Emma.

The Chairperson: Emma, can I ask you a question about the potential saving to the public purse? When you are working from home or are engaged in flexible working, there will perhaps be less need for office space and fewer mileage claims in some posts. I know that there are civil servants who work nine-to-five in Belfast and who come from further west and may be travelling four hours every day. Secondly, is there increased productivity? If you take that example, if those workers were working closer to home or at home, they would perhaps use some of that four-hour travel period to complete more work on a day-to-day basis.

Mrs Stewart: Yes; I agree with everything that you have just said. There are savings across the board, but I think it is important to look quite broadly at what those savings could be. They could be on office space or on travel claims, but, in a more holistic way, the evidence shows that businesses that enable people to work more flexibly and from home have a more productive and efficient staff, which, ultimately, creates far more savings. They also have a more engaged staff, so they make savings in higher retention rates. I think it was the Chartered Institute of Personnel and Development that estimated that the average turnover cost per employee is between £8,000 to £12,000 for senior managers and directors. If you are able to offer people flexibility that means that they can fit work with family life, the evidence shows that you are likely to retain your staff for longer. The other point I would make on savings is that it is not just about flexibility and working from home. It has got to be about looking at whether it is possible to design shorter-hour roles so that, if you have a team of 25 full-timers but somebody leaves and you identify that that role could possibly be done on a 21- or 24-hour basis, you would clearly be bringing efficiencies into your department by looking at job design more creatively.

The Chairperson: Obviously, aspects of the private sector are much more advanced than the public sector. Will you outline what private sector approaches will be applicable to the public sector?

Mrs Stewart: I would not necessarily say that it is more advanced. I think that is the perception, but the reality is often that the same perceptions exist across the two. There are benefits that can be mirrored. Large corporations face the same challenges as large public sector organisations in overcoming attitudinal change within individual teams. The challenge with the public sector is that what can work in your favour — namely the leverage you have in equality duties, social value, and the social drivers for embracing those approaches — can also sometimes prohibit quick, innovative change.

I think that the nature of a lot of work in the public sector lends itself to flexibility, and we know that the public sector is very good at enabling its workforce to be flexible. I think that the focus needs to be put on recruitment practices. That is where the private sector is beginning to open up and embrace a more flexible approach. A lot of the work that is being done in the UK at the moment by a group on flexible working, led by the head of Lloyds Banking Group, is really focusing on driving through this business case and looking at how recruitment practices can change. That group is made up of about 20 leading corporates in the UK. However, I think that everyone still has a long way to go.

I would like to make one other point, which is that the public sector has a significant role in influencing the private sector as a procurer. It is an employer, but it can also procure the services of lots of small businesses. If there is an ambition to open up and stimulate greater flexibility in the Northern Ireland workforce, there needs to be some focus on what leverage can be placed on your supply chain in the procurement processes that you undertake.

The Chairperson: Thank you, Emma. I have one final question. Do you ever foresee a day when MPs or MLAs will engage in more flexible working or working from home?

Mr Mitchel McLaughlin: Some people think that we do that already.

Mrs Stewart: I would like to see job shares. There is a bit of a drive for that at the moment. The obvious answer is that you just have to look at the shortage of women in Parliament here and even in the London Assembly to see that flexibility is a huge barrier. I think that you can job-share those roles. To be serious for a minute, at ministerial level, there is a genuine debate going on about whether working practices in Parliament should be changed. My experience of working with Ministers in London suggests that the working hours are incredibly prohibitive and not family friendly, but I think that, once voted in, there is definitely scope for job-sharing Ministers. I think that there is a difficulty to overcome about the population voting for two people who have one view. That is something that probably needs more thought.

The Chairperson: Emma, this has been absolutely fascinating. Thank you for your contribution. I wish you all the best.

Mrs Stewart: Thank you very much.