

Flexible working provides a better work life balance, reduces environmental impact, cuts costs and improves customer focus

The BT Workstyle project has enabled the company and its people to become more agile and efficient, in order to meet increasingly demanding and varied customer expectations in a 24*7 market

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Sir Christopher Bland
Chairman
BT Group

Executive summary

Believed to be one of the largest flexible working projects in Europe, 70,000 BT employees are now involved in the BT Workstyle Project. By 2005, BT was saving €725 million-plus per annum through reductions in its office estate alone. Within that figure, BT's 11,600 home workers save the company €104 million a year in accommodation costs, and are on average 20 per cent more productive than their office-based colleagues. For customers this means that their issues are handled more immediately. Flexible working also allows BT people to be more project-based: teams across many disciplines can be pulled together quickly to solve a particular problem.

The starting point for the project was the recognition of a stark fact: in the digital networked economy true competitive advantage is conferred by the ability to anticipate and react quickly to change. BT saw that flexible working would be a key enabler of the required transformation. People-led and supported by the right technology platforms, enabling factors for the BT Workstyle Project included clear policies and careful measurement, leadership from the top, cultural and

behavioural change, and development of the right equipment and workspaces for people's jobs. A phased approach was taken, with focused projects followed by a broader rollout. Home working is just one of the work styles that BT has implemented in a spectrum that includes nomadic and in-building flexible working around the world.

Happier BT people are enjoying a better work life balance. BT home workers are taking 63 per cent less sick leave than their office-based colleagues. The retention rate following maternity leave stands at 99 per cent compared with a UK average of 47 per cent, saving BT an additional €7.4 million a year. In terms of Corporate Social Responsibility (CSR) BT is avoiding the purchase of approximately 12 million litres of fuel per year, resulting in 54,000 tonnes less CO₂ being generated in the UK. Teleconferencing has eliminated the annual need for over 300,000 face-to-face meetings, leading to savings of over €38.6 million a year. This has also removed the need for over 1.5 million return journeys – saving BT people the equivalent of 1,800 years commuting – with further environmental benefits.

Case study

BT Workstyle

“We have to satisfy demands for our products and services around the clock. There is no room for a traditional nine-to-five working day because that just can’t meet the demands placed upon us as a business.”

Caroline Waters
Director, People and Policy
BT Group

Marketplace

In a speech in May 2006, BT Chairman, Sir Christopher Bland, warned that western companies would be at the mercy of tiger economies such as China and India unless they adopted better working practices. He added that the Asian region is investing so heavily in technology and education that it would outstrip anything seen until now, both in terms of reduced costs and product differentiation.

Sir Christopher went on to say: “At BT, we are attempting nothing less than the complete transformation of the way in which the company runs, the way we communicate, and the way we work together. We are eliminating as much bureaucracy and unnecessary control as possible.”

That statement is recognition by BT that in the digital networked economy anticipating change, reacting quickly and positively to it, and providing products virtually on demand delivers true competitive advantage. BT itself is moving towards a zero touch, real time self-service environment for customers. Flexible working for its people is a key enabler of that aspiration.

Sir Christopher added: “At BT, flexible working is business as usual. Already seven out of 10 people work flexibly and nearly 10 per cent are home-based. It has saved the company millions in terms of increased productivity and cut costs. It has also motivated our people and released more potential.”

Business opportunity

Caroline Waters, BT Group Director of People and Policy, says: “We have to satisfy demands for our products and services around-the-clock. There is no room for a traditional nine-to-five working day because that just can’t meet the demands placed upon us as a business.”

Flexible working would provide BT people with the ability to effectively undertake their jobs wherever and whenever they needed to: aiming to achieve agreed outcomes, quality and timescales without rigid working patterns or locations. The ethos would support different modes of operation, such as home working.

Caroline Waters continues: “It’s about freeing our people. For customer-facing staff, the shift to flexible working would allow us to move from a very heavily process oriented environment to one where our people would be empowered to make real time decisions for the customer.”

There would be considerable cost advantages too. For example, BT’s office estate in 1993 was estimated at over 1.9 million square metres, costing the organisation over €1.8 billion a year to run. The company knew that flexible working would significantly reduce traditional office requirements and its associated overheads.

Julie Woods-Moss, VP of Marketing for BT Global Services, directs business marketing in 170 countries. A typical week finds Julie working from her Amsterdam home, spending a day in the UK, and a day or so in other countries. “I can operate equally effectively anywhere,” says Julie. “MobileXpress from BT gives me fast laptop access to BT’s systems. On the other hand my BlackBerry is the most empowering device I use, giving me voice and email connectivity wherever I am on the globe. I can literally respond to and resolve urgent issues in seconds.”

Case study

BT Workstyle

BT solution

The company's own realisation of flexible working was called the BT Workstyle Project. It incorporated the following key elements:

- Culture change
- Creation of a flexible estate
- Accommodation rationalisation
- A robust, scalable and flexible technology platform

David Dunbar, Head of BT Workstyle at BT Global Services, says: "Failure was not an option with flexible working. Success was all about quick wins and communicating the results and the benefits internally to motivate staff."

In fact, BT had been expanding home working for several years, refining its technology to ensure the products and services that people needed to do their jobs away from the formal workplace are in place and work first time. Learning from early mistakes, care was taken to ensure that the models were capable of being rolled out throughout the organisation. This ensured that the full calculated benefits would accrue when the implementation attained critical mass.

BT's Workstyle Technology Architecture provides platforms for normal flexible working employees, as well as for more specialised staff accessing corporate applications from home or other locations (see 'Technology Blueprint' below).

The company established a number of carefully designed buildings for BT employees around the world, equipped with hot desks and touchdown areas. Employees can now book rooms and facilities in over 170 buildings across the globe. In 2005, BT introduced flexible working in its Budapest office, with employees working an average of three days a week from home. The capacity of the building increased dramatically, from 40 people to 90 people. Relocating BT's Netherlands headquarters reduced office space from 43,000 square metres to 17,000 square metres – saving an estimated €1 million per annum. Adopting flexible working practices for its French headquarters in Paris helped BT reduce the amount of working space it actually needed, from eight floors to three.

The company's flagship headquarters building (BT Centre, adjacent to St Paul's in the City of London) was re-created as a workstyle building as part of an initiative that saw the closure of six major buildings in London. Now, a modest 1,600 workstations cater for 8,000-plus BT people who choose to visit the building every day to work when they are in the centre of London. The building now acts as a resource for the entire company, UK and international, rather than just as a base for a small employee elite.

The enabling factors covered a combination of cultural issues and best practice management considerations.

Leadership from the top

If a flexible working programme is introduced from the bottom up, the wrong signals are sent to the workforce as a whole. As a board-driven initiative, BT built a flexible working business case with clear milestones and return on investment calculations. Senior executives were then strongly encouraged to be early adopters to demonstrate management commitment.

Clear policies and careful measurement

Early on, a close working relationship was established between HR, estate management and IT. Clear policies and practices were defined and publicised. Mechanisms and processes were put in place to ensure that BT assiduously collected the data necessary to monitor and prove the flexible working business case. Metrics such as quality of service, productivity, staff retention, sick absence and accidents were employed. The focus shifted from rewarding people's attendance to rewarding their contribution to the business and its customers.

Cultural and behavioural change

BT took an end-to-end approach to flexible working and designed a fully inclusive programme of cultural change. The company was asking its managers and employees to behave in very different ways. Policies were established to enable people to work flexibly in a sustainable way, and significant time and resource was allocated to training. A key focus was on ensuring that managers had the decision making information to help them through the transition.

Disabled with a spinal injury when she was 17, the ability to operate flexibly has transformed Becky Mason's life. A full time employee in BT's People and Policy unit, she can commute to and from the office during off-peak hours as well as work at home. "With a rigid working pattern this wouldn't be possible and I might have had to work part time," says Becky. "Now BT gets a full working day out of me. I can work on the laptop and be in constant touch via a BT Blackberry."

Case study

BT Workstyle

“By taking a holistic approach across IT, Property and HR – and using robust and scalable processes – we delivered some impressive benefits. We also know that our approach is replicable, because right now we are helping other organisations to do precisely the same thing.”

David Dunbar
Head of BT Workstyle
BT Global Services

Appropriate equipment and workspace

Care was taken to ensure that BT people had access not just to corporate applications but also desks, chairs, monitors, keyboards and other peripherals to provide the right working environment away from the office.

As shown in the boxed texts, a key focus of the internal communications campaign was celebrating individuals who were working successfully and achieving the desired results in the new flexible working environment. “You can’t impose flexible working on individuals. It is effectively a state of mind. Unless employees co-operate willingly and enthusiastically, it won’t happen,” says David Dunbar.

The rollout of BT Broadband in the UK revolutionised the level of support that BT was able to provide to its remote employees. In particular, fast access to the BT corporate intranet was a crucial factor in cultural change. David Dunbar explains: “The intranet was critical not only in ensuring that people could keep in contact with colleagues but also in communicating with the heart of the business and reinforcing BT values, so that remote employees still felt part of the BT family.”

Flexible working is not just about technology, and a number of options are offered to help staff achieve greater flexibility. These include:

- **Job sharing** – Two or more people sharing one role
- **Home working** – The majority of time spent working at home
- **Occasional home working** – Some time spent working at home and the rest in a BT or customer building
- **Local working** – Relocating to BT premises nearer home
- **Flexitime** – Beginning and ending the day at different times, but with a set core attendance period matching business requirements

Managers are encouraged to agree flexible working requests. Support facilities are provided through the BT intranet where an ‘Achieving the Balance’ web site contains the complete portfolio of BT flexible working products and services, as well as working pattern alternatives, such as those described above. This way, BT people can find out more about flexible working before discussing it further with their line manager. The intranet site also contains practical advice for managers.

Lianne Derbyshire has recently returned to BT’s Repair Service Centre from maternity leave. Initially working from home two days per week, Lianne is now a full time home worker. “I’m doing exactly the same job, but not having to spend the time each day travelling into town. It makes life so much easier, especially when you have children,” says Lianne. “Less travel means more time in the workplace. You’re also in much better shape to face the day.”

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BT Workstyle

Results

BT Workstyle is believed to be one of the largest flexible working projects in Europe with some 70,000 BT employees now involved. By mid-2006, with flexible working available to virtually everyone in the organisation, approximately 50 employees were signing-up for home working every week in the UK alone.

Currently, BT's office estate has been reduced to 743,000 square metres, saving BT €725 million-plus per annum. Within that figure, BT's 11,600 home workers save the company €104 million a year in accommodation costs, and are on average 20 per cent more productive than their office-based colleagues. For example, home working BT call centre operators handle up to 20 per cent more calls, giving comparable or better quality response than their office-based colleagues.

Happier BT people are enjoying a better work life balance, leading to a more fulfilling existence in which they can more easily meet their developmental needs. BT home workers are taking 63 per cent less sick leave than their office-based counterparts. The retention rate following maternity leave stands at 99 per cent compared with a UK average of 47 per cent. For BT this means that of the 1,000 women taking maternity leave each year, BT retains an additional 500

compared to the average UK company. Estimates suggest that recruiting and inducting a replacement costs €14,800, so BT is saving an additional €7.4 million a year. Mothers like the flexibility; and BT retains their skills and their potential.

David Dunbar says: "By taking a holistic approach across IT, Property and HR – and using robust and scalable processes – we delivered some impressive benefits. We also know that our approach is portable, because right now we are helping other organisations to do precisely the same thing."

BT carefully considers the economic, social and environmental impact of its activities and takes Corporate Social Responsibility (CSR) very seriously. In a recent survey the company found over 60 per cent of its employees felt more proud to work for the company as a result of its CSR activities. Because BT flexible employees are travelling less, they are using less petrol. The company is not only saving their time but also avoiding the purchase of 12 million litres of fuel per year. This has resulted in 54,000 tonnes less CO2 being generated in the UK. In addition, BT can reach out to people for whom the traditional nine-to-five day has been a barrier – for geographical or other reasons – tapping skills in neglected or under-utilised communities.

"CSR is a major concern across the UK, and an area where we are particularly pleased with our record," says Sir Christopher Bland.

As part of the fabric of flexible working, the use of teleconferencing has been promoted. It is estimated that BT has eliminated the annual need for over 300,000 face-to-face meetings, leading to savings of over €38.6 million. This has also removed the need for over 1.5 million return journeys – saving BT people the equivalent of 1,800 years commuting – with environmental benefits too. For customers this means that their issues are handled more immediately. Problems are dealt with as they are raised, not delayed until people return to the office. Flexible working also allows BT people to be more project-based: virtual teams across many disciplines can be pulled together quickly to solve a particular problem.

Caroline Waters concludes: "Flexibility is a continuing evolution. It gives you the opportunity to adapt the way you are working to provide the most effective way of delivering products and services to your customer."

Why BT?

- BT has implemented what is believed to be one of the largest flexible working projects in Europe
- BT manages flexible working for a wide range of organisations and provides property, cultural and process services
- BT can provide proven global flexible working technology covering both mobile and fixed location domains
- BT can provide advice on critical success factors, such as ubiquitous access and state-of-the-art security techniques

Case study

BT Workstyle

Technology blueprint

BT Workstyle is not only a set of policies and procedures, but also a complete technical architecture in itself. It is designed not only to give flexible workers access to all the facilities they would enjoy in their normal offices, from any virtual desk right across the globe, but also to enable more specialised staff to use corporate applications (such as repair service systems) from home or other fixed locations. In doing so, the architecture preserves the end-to-end security and integrity of customer and BT data.

To give mobile workers the widest choice of access technologies, ADSL, ISDN, PSTN, GPRS, 3G and Wi-Fi connections are all supported. A multi-layered security model is operated. BT's slogan is ubiquitous access, offering a level of security that is appropriate to the user's corporate needs. Traffic is carried end-to-end over secure internet access environments employing Advanced Encryption Standard (AES) and Triple Data Encryption Standard (3DES) technology. At selected network nodes, remote access servers with firewalls connect through to authentication servers, limiting the routes into the BT corporate network to a strictly manageable number.

For global laptop-style users in more than 150 countries, MobileXpress™ from BT is used as the access method of choice. It includes user-friendly front-end client software that simplifies the connection process to the BT network, creating an IPSec VPN connection and managing network permissions using randomly generated passwords. In addition, the BT-managed Blackberry GPRS handset, which works both as a mobile phone and real time email system, provides a convenient mini-office for people on the move. Laptops can also be backed up remotely using BT Datasure,

Offices worldwide

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which compresses data, and stores it daily in a secure offsite data vault. If data is lost, users dial into the Datasure server via a "clean" machine and choose an appropriate encrypted back-up download.

BT has installed touchdown facilities (where employees can plug their laptop into BT's corporate network or use wireless facilities) in a number of smart buildings located around the UK and worldwide, such as the US (New York), Belgium, Hungary, Australia (Sydney) and Hong Kong. These buildings have been designed from the bottom up to support flexible working, and are equipped with a converged IP voice and data network that supports Voice over IP (VoIP). To facilitate flexible working in other buildings, desk-sharing environments are provided for office-based people and other flexible working employees.

Home-based people connect into their work environments over the BT iDesk platform, which uses an ActivCard remote access token to access the BT intranet from a remote PC. The token authenticates the user's identity and gives permission to access specific corporate applications such as BT's multi-application Customer Service System or a modern call centre environment. An encrypted VPN link is set up using AES and 3DES. BT iDesk makes use of broadband speeds, and will offer a single route into BT's network for all BT people.

The BT Fusion fixed/mobile telephony service, where the same handset can be used to call over broadband or GSM networks, provides further convenience for home-based employees in the UK. They will also soon be using innovative visual environments to communicate and collaborate with each other. For example, BT Presence will run meetings and handle file and applications sharing between PCs using avatars, or digital images.

Main BT products and services

- BT Workstyle portfolio of consultancy and managed services takes the learning and systems that BT uses itself to manage all of the people, process and technology aspects of flexible working, directly supporting the business case
- BT ADSL, ISDN, PSTN, GPRS, 3G and Wi-Fi connectivity
- BT's multi-layered security model employs the Advanced Encryption Standard (AES) and Triple Data Encryption Standard (3DES)
- BT remote access servers, firewalls and authentication servers
- MobileXpress™ from BT global connectivity solution
- BT-managed Blackberry GPRS handset
- BT Datasure
- BT iDesk platform with ActivCard remote access token
- BT Fusion fixed/mobile telephony service in the UK
- BT Presence collaboration tools
- BT Conferencing
- BT Managed Mobile



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