Flexible working
Helping exit the recession
Flexible working

Introduction

Flexible working has continued to grow over the past decade. This article considers the pros and cons for employers and employees as we (hopefully) exit the recession.

Both the Conservatives and the Liberal Democrats pledged to provide more family friendly ways of working in their manifestos and these translated to a joint commitment to, "encourage shared parenting from the earliest stages of pregnancy".

Whilst it is not yet clear what this might mean in practice, before the general election the Conservatives and Liberal Democrats made pledges to:

- allow parents to share maternity and paternity leave;
- extend parental leave for up to 18 months in certain circumstances; and
- give fathers the right to have time off for ante-natal appointments.

Employees with children under 17, or disabled children under 18, are able to make a request to their employer to work more flexibly by:

- changing working hours;
- becoming a part-time worker; or
- working from home when child care issues arise.

This right applies to adoptive parents and partners of a parent. The only qualifications are 26 weeks prior employment, and there are certain rules and procedures which an employee must follow when making the request.

An employer is not obliged to agree and there are certain defences or principles which will allow an employer some leeway to reject a request. For example, an employer may not agree if the change will have a detrimental impact on quality or performance or the ability to meet customer demand. Additional expense may also be a reason to deny a request to work flexibly.

Additionally, parents of children under 5 (or under 18 if disabled children) are currently entitled to 13 weeks' parental leave. By March 2012 the government will have to enact an extension of this period to 4 months to fall into line with EU law.

What are the benefits?

By and large the evidence appears to demonstrate that there are positive benefits for both employer and employee.

A recent workplace employee relations survey demonstrated that the numbers of organisations offering flexible working has more than doubled in the past 10 years. More interestingly, according to a report from Cranfield University, there appears to be a clear relationship between flexible working and improved performance. The researchers spoke to a number of managers and colleagues of
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Flexible workers as well as the workers, and the survey found that flexible working is perceived by many workers to have a positive impact on the quality and quantity of work, which means that employers should be seriously looking at this as an asset not a nuisance.

Further research has shown additional benefits such as reduced absenteeism, greater corporate commitment to the organisation and generally higher levels of motivation. Perhaps this might be explained partly by the fact that the majority of flexible work agreements are arranged informally, rather than being imposed by the employer.

Recruitment and retention of staff is a key area given the costs to an organisation and again flexible working appears to pay dividends here too since employers are fishing in a larger pool, and those employers who do not adopt flexibility will increasingly be at a disadvantage compared to those who do.

Counter arguments

Does flexible working breed resentment with colleagues in a team? It is possible but perception and reality can be different matters. However, certain professions do have a culture of long hours and being seen at the desk until late may be a career move in certain organisations (the legal and banking professions spring to mind here).

In 2007, the Equal Opportunity Commission published "Enter the Timelords: Transforming work to meet the future" which pointed the way forward recognising that one size does not fit all, and worked with employers to develop 4 models of flexible working it believed could work for all 29 million of the UK's workforce.

This included:

- **Timelords** - workers who largely control their hours and location, such as writers and researchers;

- **Shift-shapers** - workers with set hours but who can change shift patterns, such as shop workers and nurses;

- **Time-stretchers** - who have a set work place but control their hours, such as travel agents;

- **Remote-controllers** - who have set hours but control where they work, such as call centre employees.

The report also considers extending the statutory right to request flexible working to all employees and looked at changes to Britain's transport system, technology, and planning and housing policy which could all be hindrances to flexibility at work. It made suggestions for improving the situation, including tax incentives for small businesses, reform of transport and housing policies, and flexible childcare services.

Recessionary impact

A Leaders in London Survey in 2008 demonstrated that companies reacted to the recession by offering flexible hours as opposed to pay rises in order to assist in staff retention. This was a far more
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attractive option than pension and pay reductions, reduced working weeks and benefit freezes all of which were in vogue. Part time work and sabbaticals are now increasingly common in the legal and other professions.

As we emerge from the recession, flexibility will also be of benefit as employers seek to increase capacity without necessarily immediately increasing headcount. Overall, the evidence increasingly shows that flexible working may assist businesses in exiting the recession, especially where work loads justify such a sea change.

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