

Ernst & Young case study

March 2013

Company name:
Ernst & Young UK

Point of contact for narrative:
Sally Bucknell
+44 161 333 2747

Business benefits realised:
Minimising cost

Business metrics demonstrating value:
£3.6mn real estate cost avoidance
£0.5mn travel cost saving

We believe there is a business case for changing the way we work

Flexible working enables companies like us to grow successfully by:

- ▶ Attracting and retaining high quality staff through a sustainable high performing culture.
- ▶ Creating high performing teams who deliver a better quality of service to clients.
- ▶ Improving the bottom line through cost savings on travel, reducing the need for additional real estate and ultimately, through improved technology use, reduced recruitment and improved productivity.

What's happening at Ernst & Young?

Ernst & Young already supports both informal and formal (reduced hours) flexible working arrangements. But we are now aiming to make it 'business as usual' rather than the exception.

We are giving our people more opportunity to choose when, where and how they work – while ensuring that clients take priority.

Ernst & Young has a vision for how to get our business to work more flexibly

Flexible working at Ernst & Young is being introduced through a structured change programme aligned to our vision:

To be the leaders in flexible working in professional services. We trust our people to create a sustainable, high performing environment for our clients, our people and our firm through being empowered to choose how, when and where they work.

"Flexibility isn't about working less or working more, but about having greater control over how to get your work done more effectively. Our aim, therefore, is to support teams in 'making it real', so that flexibility is a part of our working culture, enabled by the right policies, technology tools and effective use of space across all of our offices. This is a really important issue for our business because having a mobile and flexible workforce means that we can operate more effectively across time-zones and respond more quickly to client needs. And as individuals, it means that you have autonomy to perform in the most effective way that suits you best, whilst meeting the needs of your teams and your clients."

Robin Tye, Chief Operating Office, UK&I

We've developed a change management programme to better enable flexible working

A central team of change managers supported by our leadership team and partners have led the roll-out of a change management programme across the UK business, to make flexible working a reality for each team in the firm.

This work is supported by workforce training which identifies the desired behaviours required to be an effective flexible worker and to manage flexible teams. It is also going to become an integral part of our resourcing, recruitment, induction and counsellor training.

We have put a number of tools in place to support this programme, ranging from a new flexible working policy, to training, a dedicated intranet site with information on how to make it real and HR Helpline.

We've also adapted our workspaces and invested in new technology to support remote working, from new video conferencing facilities, to global messaging and collaboration tools.

Business case for making the investment

We believe that flexibility is a key business solution, which can help modern business unlock its full potential – benefitting both employers and workers.

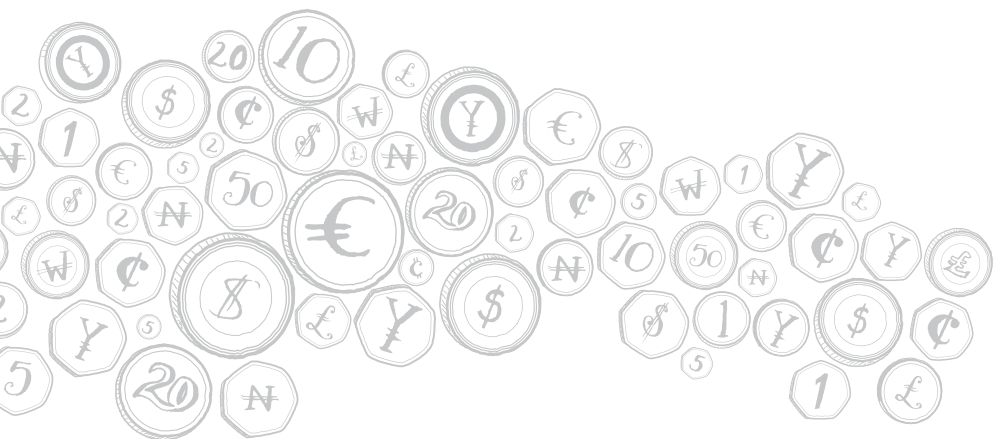
- ▶ We've seen a direct link between business performance and people engagement in our firm. There has been improved retention, higher revenue generation per person and greater brand awareness in our markets.
- ▶ The feedback that we have received from our people shows that having the ability to choose how their work is delivered makes them feel more engaged.
- ▶ Globally, more than 50% of our people are 'Generation Y', and 'Generation Z' will be joining us soon. This emerging generation has grown up with, and expects, more 'virtual working', greater collaborative space and increased flexibility. We need to be able to offer our new generation of future leaders that environment.
- ▶ It also suits the needs of conducting business in a global market, Jon Hughes, managing partner of our Transaction Advisory Services practice describes it best: "In my business, it would be ridiculous to have a nine to five environment because, commercially, that's not how it works. You need people who are capable of taking a phone call from the Americans at 9:00 p.m., or able to take a call from the Australians at 6:00 a.m. And that requires a degree of flexibility – on both sides."

The cost benefits just keep adding up

Already flexible working has reduced the amount of time our UK people spend travelling, reducing cost by £0.5mn and this financial year, in turn reducing our carbon footprint. We have also avoided real estate costs of £3.6mn, as we offset anticipated headcount growth against reduced demand for desks.

Empowered flexible workers are more productive and healthy employees. We are being very prudent with our productivity expectations – whereas other businesses have reported improvements of up to 20%, we are anticipating just 1-4% in the short-medium term.

All of which leads to increased profitability, which will continue to fund the investment needed to create a truly flexible working environment and culture.



Ernst & Young LLP

Assurance | Tax | Transactions | Advisory

About Ernst & Young

Ernst & Young is a global leader in assurance, tax, transaction and advisory services. Worldwide, our 167,000 people are united by our shared values and an unwavering commitment to quality. We make a difference by helping our people, our clients and our wider communities achieve their potential.

Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit www.ey.com.

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited.

Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

© Ernst & Young LLP 2013. Published in the UK. All Rights Reserved.



In line with Ernst & Young's commitment to minimise its impact on the environment, this document has been printed on paper with a high recycled content.

Information in this publication is intended to provide only a general outline of the subjects covered. It should neither be regarded as comprehensive nor sufficient for making decisions, nor should it be used in place of professional advice. Ernst & Young LLP accepts no responsibility for any loss arising from any action taken or not taken by anyone using this material.

www.ey.com/uk

1368509.indd (UK) 03/13.
Creative Services Group Design.

ED None