

management focus

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Welcome to Management Focus

... and welcome to the May/June issue.

Flexible working is growing rapidly in many organizations, thanks partly to legislation, such as that in the UK, which gives employees the right to request flexible working from their employer. However, it is all too often being introduced as a reaction to an employee request or in response to an operational issue and not as an integral part of human resource strategy.

There is now clear evidence that organizations that have embraced new working patterns have benefited from increased productivity, lower employee turnover and lower absenteeism. Find out more in our featured article.

As one of the nation's leading experts on the art of maximizing human potential, former Entertainment Attorney, Marshawn Evans, is Founder of ME Unlimited (Marshawn Evans Unlimited), a corporate life-enrichment consulting firm focusing on peak performance, diversity, women's empowerment and leadership.

Read our interview with Marshawn to find out about her book *SKIRTS in the Boardroom: A Woman's Survival Guide to Success in Business & Life*.

In today's hypercompetitive world, and a world of heightened choice and savvy consumers, is there really such a thing as "brand loyalty"? John Gerzema and Ed Lebar – authors of *The Brand Bubble* – have uncovered a pattern of decline in the levels of awareness, trust, esteem and loyalty in thousands of brands. Discover more in this issue of *Management Matters*.

To expand on the topics highlighted in *Management Focus*, log on to our website at <http://first.emeraldinsight.com> where you will find an extensive collection of articles, interviews and executive summaries.

Best wishes,

Debbie Hepton

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The business benefits of flexible working

Flexible working is growing rapidly in many organizations, thanks partly to legislation, such as that in the UK, which gives employees the right to request flexible working from their employer.

However, it is all too often being introduced as a reaction to an employee request or in response to an operational issue and not as an integral part of human resource (HR) strategy. Yet there is now clear evidence that organizations that have embraced new working patterns have benefited from increased productivity, lower employee turnover and lower absenteeism.

One reason why flexible working is not viewed strategically is that it is often seen as an employee benefit and is included in "family-friendly" policies designed to help employees with their work/life balance. Legislation, such as that in the UK, reinforces this message by giving the right to request flexible working to parents of young children and carers of disabled and elderly relatives.

This right is not automatically extended to other employees, so if employers simply follow the legislation they are effectively discriminating against people

without children and even some people with children if they are aged over six.

If, however, HR directors were to take a strategic view of flexible working they would see that it is likely to be a major contributor to business success and should be introduced across the whole organization and not just for a section of employees. While flexible working in its various forms is an employee benefit, it is primarily a business tool to enable organizations to get better value for money from their human assets.

UK public sector unit turns to flexible working

The rate of return on well-founded and planned flexible working projects can be very high leading to improved business performance on service delivery and customer satisfaction, efficiency savings and reduced recruitment and retention costs. There are also environmental benefits and improvements in employee morale, productivity and loyalty.

One good example that illustrates the business benefits of flexible working is East Riding of Yorkshire in the UK. East Riding of Yorkshire was created in April 1996 and became the largest unitary authority in the country. It was brought together from five different councils, with the intention of saving millions of pounds, which it did. The back office was centralized in Beverley, moving people from Goole or Bridlington, both 25 miles away.

The Revenue Services division, responsible for collecting taxes and assessing housing and benefit claims, etc., employed 270 staff. By 1999-2000, employee turnover was running at 35 per cent per annum. There were 7,800 claims waiting to be handled by Revenue Services and it was taking 103 days to assess a new claim (government guidelines are 36 days). Because of this, there were 1,000 face-to-face enquiries every week. So, when a new head of service was appointed in March 2000, a fundamental service review was conducted to identify the issues. The key capacity constraint was identified as failing to retain capable staff.

Poor staff retention was directly linked to the working practices and the introduction of flexible working was identified as a potential solution.

Finding the right balance

In November 2000, the first home workers were established with five people on a pilot. To keep up the momentum other initiatives were also introduced, including compressed working. This proved really successful, even at managerial level, and seemed to result in more commitment from workers. However, there was still the issue of dragging people in on a 50-mile round trip. So, two processing

centres were opened in 2001, one in Bridlington and one in Goole, using accommodation that the council still owned.

By 2003 there were 21 staff working at home, representing almost 10 per cent of the staff. Once the telephony had been resolved, so that people could take customer calls at home, there were plans to accommodate another 15 to 20 people who wanted to work at home. In total, 15 mobile staff work on a touchdown basis and 25 staff at the two processing centres. There are ten occasional home workers, and 65 per cent of all staff now work compressed hours.

The results of the pilot showed that productivity increased on average by 20 per cent, compared directly with previous work performed in the office. Sickness absence reduced by 50 per cent and employee turnover dropped from 35 per cent per annum to 8 per cent. The project was sold to Council members and the chief executive on the basis that "for every four home workers the increase in performance is equivalent to one job."

Significant performance improvements

It was calculated that in Revenue Services every 1 per cent reduction in sickness would increase full-time equivalents (FTE) by 1.8. Reducing staff turnover by 1 per cent would also result in an increase of 1.8 FTE. The actual results achieved meant that the 3 per cent reduction in sickness was equal to 5 FTE and the 27 per cent reduction in turnover was an increase of 48 FTE. That meant a total increase in capacity of 53 FTE, an increase of 29 per cent in the available workforce, which was a major contributor to turning round the performance of the division.

The change in performance of the Revenue Services division over the first three years of flexible working was dramatic. Benefit claims in progress went down from 7,800 to 300 and they were only those awaiting information. Every claim is now dealt with on the day when all the information is available and the time to assess new claims has reduced from 103 days down to 26. Face-to-face enquiries dropped from 1,000 per week to 300 and complaints dropped from 56 per month to six.

So flexible working was directly responsible for turning this department from a poor performer into an award-winning success.

Making it happen

The potential benefits of flexible working are high, but achieving them, as with any substantial organizational change, requires the change to be managed. There must be a clear objective aligned to corporate strategic

"The potential benefits of flexible working are high, but achieving them, as with any substantial organizational change, requires the change to be managed."

goals, a planned process, properly resourced implementation and a good communications plan.

The visible support of senior managers is critical, including a willingness to change their own management practices where necessary. It is important to train managers in how to lead a more flexible workforce so they can adapt their leadership style to suit the new environment. The change management process should include adequate provision for piloting the new working practices for a variety of employees and learning how best to introduce it for the rest of the organization.

With a successful implementation of flexible working the HR function can

take credit for improving the performance of the organization and contributing to the bottom line of the business. By taking a strategic approach to working practices they can lead this initiative and prove to their colleagues that they are true business partners and gain the respect they rightly deserve but rarely achieve.

This is a shortened version of "The business benefits of flexible working", which originally appeared in *Strategic HR Review*, Volume 7 Number 2, 2008.

The author is Peter Thomson.





As one of the nation's leading experts on the art of maximizing human potential, former Entertainment Attorney, Marshawn Evans, is Founder of ME Unlimited, a corporate life-enrichment consulting firm focusing on peak performance, diversity, women's empowerment and leadership.

ME Unlimited consults with *Fortune* 500 companies and HR departments on leading peak performance strategies, while offering insight from the world of professional sports, employment law principles, and competitive industries.

Recently named one of Atlanta's Power 30 Under 30, Marshawn has been featured by *Glamour Magazine*, *Upscale*, *Monarch*, *Diversity Business Magazine*, *USA Today*, *The Big Idea* with Donny Deutsch, ABC, Fox News, MTV and NBC.

Marshawn is author of *SKIRTS in the Boardroom: A Woman's Survival Guide to Success in Business & Life*.

DH: Hello, and welcome. Can you tell us about the inspiration behind writing *SKIRTS in the Boardroom*?

Marshawn Evans: Despite the impressive strides women have made, they still are not encouraged to go into business. As an admitted student at Georgetown University Law Center, I was discouraged by the administration from applying for a joint degree with the MBA programme. So, challenges remain. *SKIRTS in the Boardroom* was written to provide straightforward insight and inspiration for women who are serious about taking their careers (or their businesses) to the next level.

Over the years, most of my mentors have been men. I have learned that women working together and with one another in a way that is both strategic and sincere can be a tremendous business asset. SKIRTS is an acronym and the first 'S' stands for Sisterhood. I believe that if you want to go fast go alone, but if you want to go far go together. This is a fundamental premise of the book.

SKIRTS in the Boardroom: an interview with

Marshawn Evans

Interview by Debbie Hepton

DH: In your book, you say that “a woman's success is limited only by her unwillingness to adapt.” Can you elaborate on this?

Marshawn Evans: Versatility is an invaluable business asset. The only thing that is truly certain is the fact that change is inevitable. Being able to adapt to different people, places and changing circumstances in the marketplace is one of the keys to longevity in any industry. When times are tough, if you cannot adjust then you're most susceptible to being left behind. Today companies are forced to adapt to new market trends, consumer spending habits, and higher costs of doing business. As such, they have to streamline their workforce for purposes of efficiency. A woman's willingness and ability to adapt (better still – remain ahead of the curve) are what makes her indispensable.

DH: How far do you think your experience as an attorney has helped you in your current roles – dealing with brand management, public relations and consulting on peak performance strategies?

Marshawn Evans: The best thing (some would say it's the worst thing!) about being an attorney is that you learn how to analyse complex situations and think strategically. In representing brands and individuals, I have a methodical approach to brand maximization. At EDGE 3M, our firm will research a strategy before taking a step. We are going to think about the consequences (good and bad) of a particular method, and because of my legal background I know what questions to ask. I will also put extra safety measures in place that most agencies overlook.

For example, we not only manage a brand, we take into account the intellectual property issues that may arise in terms of copyrights, trade marks, and patents. When we negotiate a marketing contract, I'm making sure that the

auxiliary terms are most favourable to my client and that the loopholes are as narrow as possible. I enjoy being a lawyer. But I really love being able to combine creativity with risk management. At the end of the day, a lawyer's job is to provide reliable counsel and advice ... as a peak performance strategist I get to provide motivational insight and guidance on how to live your best life as well. There is nothing more rewarding than getting to provide inspiration and information at the same time!

DH: You were a contestant on the fourth season of NBC's *The Apprentice*. How did it feel to be the only woman during the season to lead an all-female team to a victory as the project manager? What do you think you did differently to ensure that you succeeded where the others failed?

Marshawn Evans: I stepped up to be the project manager in the second week of the show. It was an interesting time because everyone was still getting to know one another, and the women's team was coming off of a loss in week one. The task at hand was to develop an advertising campaign for Lamborghini. You would think that the men's team would have had an advantage on this one. However, I urged the team to go into the task without any preconceived notions.

In the end we were teachable. We listened to what the executives actually needed, not what we thought they wanted. I was able to create collective buy-in where everyone had a collective stake in the outcome. The executives at Lamborghini were very impressed and there was no question that our end product was superior. It felt very good, but there were some valuable lessons learned as well.

To read a longer version of this interview visit <http://first.emeraldinsight.com>

Management Matters

Incisive commentary on topical business issues



The Brand Bubble

Here's an incredible fact for you: the 250 most valuable global brands are worth \$2.197 trillion, which collectively exceeds the GDP of France!

Mind-blowing as this figure is, John Gerzema (pictured) and Ed Lebar – authors of *The Brand Bubble* – have uncovered a pattern of decline in the levels of awareness, trust, esteem and loyalty in thousands of brands. However, they also found that, when a brand builds what they term “energized

differentiation”, it can improve both its loyalty and pricing power. Those brands that continue to succeed aren't just different – they *keep being different*. This behaviour manifests itself in three ways:

1. *Vision* – The brand's purpose and aspirations, often originating from its leadership, convictions and reputation of the company behind the brand.
2. *Invention* – The most tangible dimension, demonstrating the brand's vision through product/service innovation, design, content and other tactile brand experiences.
3. *Dynamism* – How the brand expresses its vision in a dynamic way in the marketplace to create persona, emotion, advocacy and evangelism through its marketing and other forms of conversations with consumers.

Let's place these ideas alongside those of William McEwen, author of *Married to the Brand*. McEwen believes that, while consumers may not often volunteer that they seek a “passionate” or highly emotional connection with the brands they use, it's abundantly clear that they respond in powerful ways whenever they do. He also believes that inextricably linked to this is the concept of trust. Consumers want brands that they're convinced they can absolutely trust. But is this all it is hyped up to be,

or do organizations over-estimate the value and importance of their brands? In today's hypercompetitive world, and a world of heightened choice and savvy consumers, is there really such a thing as “brand loyalty”?

To his credit, McEwen is grounded in his thoughts. “In some ways, it's a self-fulfilling prophecy. Brand loyalty is, and will be, a thing of the past in areas where marketers have set forth on a path to ‘commodification.’ Where the main marketing ‘weapon’ is price and where the focus is on building transactions – as it is in a great many categories today – true loyalty will ebb, decline and may well disappear.”

Should marketers be fearful? The answer is a resounding “yes” if their companies aren't doing enough to earn loyalty. But it's not all bad news. “Brand loyalty may well have been disappearing in coffee marketing, but then along came Starbucks”, adds McEwen.

Brand experts will, however, be much more concerned about the warnings flagged up in *The Brand Bubble*. Gerzema and Lebar explain that, while customer surveys show that number of high-performance value-creating brands is diminishing across the board, at the same time financial markets keep raising brand valuations. Reminders of the dreaded dotcom crash won't be far away, and – if the authors are right – the bursting of the brand bubble “could erase large portions of intangible value in your company and send another shock wave through the global economy.” Food for thought indeed.

If you would like to know more about what John Gerzema has to say about *The Brand Bubble* and “energized differentiation” please visit <http://first.emeraldinsight.com/inter-views/gerzema.htm>



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“**Final thought ...**

People never quit a company; they quit a boss. If people don't believe you they'll leave as soon as it's convenient for them to do so.”

Pat Hassey, CEO Allegheny Technologies

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