

KPMG (UK)

The company (in the UK)

Turnover	£1,066m in 2004
Pre-tax profit	£247m in 2004

The workforce

Number of employees	9,048 in the UK
Percentage women	48.5%
Percentage from ethnic minorities	9%
Percentage of women returning to work after maternity leave	86%

The challenges

KPMG recognised the importance of balance in the relationship between work and non-work life, and the potentially significant impact that this can have on team performance. Therefore the UK firm has made it easier for KPMG people to agree flexible working arrangements in the context of wider business issues.

Staff expect greater freedom, flexibility and co-operation from their employer than ever before. Therefore, the challenge for KPMG was to develop a flexible working strategy that helped meet the needs of its people whilst improving its competitiveness. The launch of enhanced flexible working options also provided a great opportunity to challenge dated perceptions of working patterns, particularly the notion that the number of hours worked by an individual or team is, itself, a fair reflection of their effectiveness.

The response

KPMG's policy has been formulated to take account of barriers to change and to address issues raised within the business. It seeks to recognise the need to balance the need for excellent client delivery whilst adopting industry preferred practice people management. This aims to provide not only measurable business benefits, but also a strategy driven by work-life balance.

In order for flexible working to be embedded in KPMG, all employees are eligible to apply for flexible working and have the right to appeal if their request is declined.

The firm's intranet hosts a policy document and has been developed for flexible working offerings, supported by comprehensive toolkits, checklists, guidelines, a flexible working calculator and real-life case studies. This is designed to help ensure that applicants achieve the right flexible working pattern for them and for the business.

Line managers in the business work together with HR to evaluate requests.

Requests to work flexibly are e-enabled, so that we can easily monitor applications received, accepted and declined and to help identify industry preferred practice.

Take up rates are reported in monthly Key Performance Indicators (KPIs) to the Board.

The following flexible working arrangements are available to KPMG employees in the UK:

- **Glide Time** – working core hours (10.00 am to 4.00 pm) but starting work between 8.00 and 10.00 am and finishing between 4.00 and 6.00 pm with a normal lunch break taken during core hours

- **Part-time working**
- **Job sharing**
- **Additional Holiday Purchase** – up to 35 days holiday per year may be bought in addition to existing holiday entitlement
- **Unpaid Leave** – up to three months unpaid leave may be taken once all outstanding holiday entitlement has been used
- **Career break** – an opportunity to take an unpaid break from work of between three months and three years to pursue other activities outside of work (for employees with at least 2 years' service)
- **Home working** – which includes installation of broadband internet access (where available).

KPMG also supports the right of employees to take time off work to deal with child care and family duties and has various policies and procedures in place to deal with such instances, e.g., parental leave, personal leave, paternity leave, maternity and adoption leave etc.

In the last 12 months 390 requests for flexible working were approved by the firm with only nine requests declined. This represents a 98 percent approval rate for flexible working requests.

Business benefits

By embedding flexibility into its organisational mindset, KPMG aims to support some of its strategic business objectives and aid retention, a key business priority. Flexible working at KPMG can impact the business as follows:

- Makes staff more loyal, motivated and productive
 - Reduces recruitment costs and improves staff retention
- Having a suite of flexible working options is one of the important factors in determining whether an organisation is an 'employer of choice' for future and current employees. Flexibility in working patterns can benefit a wide range of our staff at some point in their working lives at KPMG. Whether it be for changes in family patterns, long distance commuting, caring for a dependent/relative or pursuing community activities outside of work; the ability to cater for these requests can help improve employer and employee affinity, boosts morale, job satisfaction, performance and ultimately improves retention of talent.
- In particular, the flexible working options we offer can, we believe, make us more attractive to the best and brightest new graduates.
- Supports the firm in matching workforce deployment with fluctuating business demand and thereby improves overall performance and efficiency. Large parts of KPMG are subject to seasonal, predictable peaks in demand, and by using demand analysis and flexible working arrangements, staff supply can be synchronised with anticipated market requirements to help increase output, reduce response times and ensure a clear cost benefit during periods of lowered business activity.
 - Supports the aim of having a diverse workforce
- KPMG recognises the benefits of having a diverse workforce and sees this as a strategic business issue. At KPMG diversity is not just about physical differences it is also about a person's background, experience and diversity of thought. This difference is what makes our people work and think innovatively when providing strategies for clients' business problems.
- All KPMG's people are different. Empowering staff with choices in their working patterns helps enable individuals to balance their work with their

personal lifestyle and allows KPMG to recognise and promote such differences.

- To reinforce the firm's values and the 'KPMG Way'
One of KPMG's core values is "We respect the individual". By this we mean "We respect each individual for who they are and what they bring to, and add to the diversity of, our teams". This value is supported by example behaviours that make clear what the firm means by this:
 - Encouraging each other to continuously maintain and develop our individual strengths
 - Developing each other's skills and experience through coaching and mentoring
 - Recognising each other's need to balance our personal and professional aspirations.

These values are embedded in the firm's performance management process and form the framework for the way that things are done in the firm. Additionally, the Code of Conduct contains a clear statement of commitment to our people saying, "KPMG encourages a healthy balance between work and private life and will facilitate a flexible approach to working wherever possible."

- To reinforce our brand in the recruitment market place.
KPMG was recognised as one of the Top 10 large employers to work for in this year's Sunday Times "Best Companies to Work For" listing. In particular, the reviewing panel praised our record on flexible working. With the aspirations of candidates in the market place increasingly including the desire for a good balance between work and life, the recognition of our offering clearly helps us attract the high calibre staff our clients expect.

In practice

Baljit is a Director who has two children under the age of five. She has recently had to organise childcare for her children as her husband used to work predominantly from home but has just accepted a position in a City based firm. She and her husband agree that one of them will be responsible for taking their children to the nursery and that the other will collect them. Baljit needs the arrangement to be agreed on a fixed basis so that she can commit to dropping the children off at nursery on her way into work each day. She discusses the proposed working hours informally with her line manager, Michael and formally applies for the flexible working arrangement. Michael explores Baljit's client commitments and typical working pattern and they establish that, as she has few UK based clients, she tends to spend the mornings drafting proposals, responding to e-mails etc and the afternoons dealing with client queries. Given the nature of her work and the fact that her team could work around her proposed schedule and are willing to cover in her absence, Michael agrees that Baljit should change her hours to work 10:00am to 6:00pm.

Ben, a Manager in Audit, has worked for KPMG for seven years and requested a two-year career break to look after his newborn baby. When Ben's partner had a baby, both parents decided that one of them should stay at home with the baby during the first few years of its life. Financially, it was more sensible for Ben's partner to return to work, with Ben staying at home with the baby. Ben thought that he might need to leave KPMG for good, but, after checking the flexible working policy, thought that a career break might be an option and decided to formally apply. His line manager was keen to retain Ben's experience in the longer term and so authorised his request. Ben says: "I'm really pleased to be given this opportunity knowing that there is ability to return to work at the end of the career break."

Alistair, an Executive Consultant in the Business Advisory Services (BAS) team in Leeds has been with the firm for four years and has requested to take 30 days additional holiday to pursue charity work.

Having considered the flexible working options on the firm's intranet site Alistair requested to take an extra 30 days holiday (in addition to the five days available through KPMG's flexible benefit scheme) to help enable him to take approximately one day off every two weeks to pursue voluntary charity work for his community.

Alistair says: "I've always supported charities and gone out of my way to do voluntary work for them and now KPMG are helping me to do this."

Mark is finding the four hour commute every day from his home in Portsmouth to the London office where he is based really draining. However, he enjoys the work and his professional skills mean that there is a need for him to retain his London client base. Since Mark's job is predominately advisory and, as such, is often conducted over the telephone or via e-mail, he believes that there is scope to work from home one day a week and to schedule his client meetings for the four days he is in the office. Mark approaches his line manager, Sarah, and they establish that there are few cost implications involved as Mark already has the correct IT equipment and has a home office he can work comfortably from with few adjustments (if any) required. Sarah is happy that there would be little impact on members of team workloads if Mark does work from home one day a week. She has involved them in planning for work coverage and they are all supportive of Mark working remotely every Monday which tends to be the least busy day of the week. Mark is willing to be flexible on the per day a week he works from home so, if there are departmental meetings or client meetings which are scheduled on a day he would not normally be in the office, he would be prepared to come into the office for them. As Mark is a strong performer whom Sarah is keen to retain, she agrees to Mark working from home one day a week.

The future

KPMG evaluates its flexible working practices and processes. All the flexible workers and their line managers complete a short questionnaire and the feedback is used to make recommendations for the development of the flexible working offering.

In the future, KPMG expects to see more people requesting flexible working arrangements, in order to reflect the wider cultural shift in attitudes towards work and to embed these into the fabric of the firm.