

Nationwide Building Society Case Study

Business Context

The Nationwide is, within the UK, the largest mutual building society with some xxx members, the fourth largest mortgage lender and the eighth largest retail banking, saving and lending organisation by asset size. The Nationwide offers a wide variety of financial products ranging from mortgages to savings accounts, current and credit card accounts and insurance services. These products are delivered through a variety of channels including online and telephone banking and an extensive branch network across the UK. The head office of the society, based in Swindon, provides a variety of central business support resources including ICT, personnel, product development and research and development, property portfolio management and financial asset/resources management.

Working Patterns

The variety of products offered, the distribution channels used, and the support services required mean that the Society has to provide a staffing level over and above the normal nine to five conventional working hours. For example, to deliver the required levels of customer service expected by members branches are open at lunchtime (09:00 until 17:00 Monday to Friday) and Saturday mornings (09:00 until 12:00) and the online and telephone banking facilities are provided 24 hours a day, seven days a week. Similarly the management of financial assets requires 24 hour working because of the 24-hour nature of the world's financial markets. Many of Nationwide's activities therefore require an appropriate mode of flexible working – part time, flexible hours, shift working, and mobile working to cover these variable working pattern requirements. Because of the distributed nature of the working environment – for example the branch network – it is also necessary for some employees to work remotely from their managers. The Nationwide has a number of formally recognised home workers as well as mobile workers such as financial consultants who go out and visit customers.

The Strategic View

The Nationwide sees a number of advantages, at corporate level, to flexible working:

- Better and more efficient use of existing office space and better asset utilisation;
- Ability to meet customers at a time and location best suited to them, for example in their own home in the evening;
- Improved employee productivity through less stress related to commuting and levels of higher motivation.

They also consider there are advantages at employee level as well, including:

- Better work / life balance – being able to structure working commitments around family, or other personal, commitments

Though no specific disadvantages were described, there were several issues associated with using flexible working, in all its forms:

- People have to be suitable to work from home – they have to be self-motivated, be able to use their own initiative, and be able to accept the reduced social interaction. Those individuals who perhaps need a lot of ‘stroking’ coaching and support are not considered suitable. With these requirements in mind, some applications for home working are rejected;
- Some managers find it difficult to cope with team members they cannot see which leads to issues around trust and the ability of the manager to operate in a more structured and planned way to make the best use of communications with the team member. Whilst there is no formal mechanism for providing support for managers who are uncomfortable with managing home workers, it was suggested that a number of practical steps could be taken by managers including organising

regular face-to-face meetings to engender a sense of belonging to the team and quantifying what they want individuals to deliver.

- There is a lack of immediacy when communicating with colleagues, as you cannot just pop next door. In a similar vein there can also be a sense of isolation.
- There is also a feeling of reluctance amongst some people in the office to contact those working at home because “you ... feel as if you’re intruding.”

Despite these views on advantages and disadvantages, no formal review or quantification of benefits has been carried out – though this is being reviewed.

The Nationwide has several key policies and procedures for dealing with home working:

- There is a policy on home working which covers such issues as data protection and risk, health and safety (working environment and equipment), security and dealing with confidential waste. A current acknowledged omission from the policy is the softer side of managing the home worker. This acknowledgement includes the idea that training should be provided for both manager and worker.
- There is a mechanism by which people can ask for home working and their requests – both in terms of the individual’s suitability (“matching the personality and so on is quite important”) and the appropriateness of the role itself. The process includes identifying personal and business benefits, the management of relationships with the rest of the team and how the manager will monitor the home workers work.
- There is a special contract for those working from home – this sometimes leads to difficulties if a home worker, through a change in job role, has to move back into the office.
- Have an approach to health and safety assessments at home and ensuring that the right equipment is provided for the home worker and that they have the right working environment.

In terms of drivers to move to flexible working, the Nationwide considers itself to be ahead of the legislative process and see the impetus coming from the business and employees rather than legislators. As a business they have offered career breaks, the ability to buy extra holiday entitlement and work from home over the last ten years or so – well in advance of current legislation. The business has reacted more to labour market forces, for example a change in social attitudes – a reluctance by employees to move location to meet the needs of their employer because the needs of partners and children are seen as of greater importance.

When discussing management competences considers that managers need to be:

- Good people managers – able to coach, motivate, communicate etc over the telephone;
- Very structured – telephone calls planned in advance;
- Clear about the outputs of the job;
- Keeping team members informed – a little bit more communication perhaps;
- A more consultative style of management.

Additional skills were also identified including:

- Greater flexibility, tolerance and open-mindedness about working patterns realising that flexible working means people were work at a time that suites them – agreeing and measuring outputs rather than when work is carried out.
- Trust.

A number of other interesting points we also raised:

- A recent annual staff survey had shown that people working from home were less satisfied. Whilst the survey did not seek to explore the reasons why someone may be satisfied or dissatisfied, it is possible that the reduced social aspects offered by home working may be the reason.

- It was also suggested that office politics and the need for the ambitious to have their “face seen around the place, you need to be hobnobbing with the right people have your ear to the ground...” acted as a blocker to the take up of home working, particularly at more senior levels in the organisation. The informal things picked up in the restaurant or coffee area are missing if you are remote from the office.
- Considers that employees don't receive sufficient informal feedback (outside the more conventional annual or bi-annual formal performance review) on their performance on a regular basis and that this is exacerbated when someone works from home.
- Another observation is that some managers can be too controlling of people working at home by monitoring connection periods to corporate systems. Conversely home workers feel that they have to be seen to be doing something and therefore send e-mails at times outside the conventional nine to five.
- Technologies such as the Blackberry are being piloted in the organisation and this is enabling people to work at any time and place. However it is considered that that this kind of working by managers puts team members under pressure