



Centrica plc

Centrica is a global integrated energy company with operations in North America, Europe and India. The majority of the workforce is UK based.

Centrica has a very diverse workforce that works on oil rigs, in power stations as well as being based in call centres and offices. The employees work in 50 locations throughout the UK with 8,000 engineering staff working from a 'home start'. The workforce is 70% male and 30% female.

Melanie Flogdell, the Head of Human Resource Policy, explained the rationale behind the development of the diversity programme: *"We reflected on our diverse customer base as we knew that understanding the needs of our customers would help us come up with ways to improve our service. The calibre and conduct of employees is clearly part of this but we also knew that the demographics were changing."*

In 2003 Centrica introduced the Work:wise programme which helps the company make the best use of flexible work patterns and manage the extensive property portfolio. This enabled all staff to make a request to work flexibly. Now 60% of staff work flexibly and over half of these are men. This high proportion reflects the large number of engineering staff that work from their home base but also demonstrates the commitment of the company. *"This was all quite a radical change in the way that we think about things. Essentially we were empowering people and trusting them to determine when and where they do the job."*

There have been a number of challenges. Some managers have been concerned about the loss of control and there have been impacts on team functioning. *"We have worked hard at this and have brought it all to life with robust policies. We have encouraged people to put forward their concerns so that they can be minimised and allayed."*

Centrica has also sought external scrutiny on the impact of flexible working on performance. A study by Cranfield University found that 75% of staff thought that flexible working is culturally embedded, 60% said they now have some form of flexibility in place, 41% had a formal arrangement and, crucially, flexible workers were more committed, empowered and fulfilled.

In 2007 Centrica re-launched their family leave policies including maternity, paternity and adoption leave and their career break and sabbatical policies. *"This pulled all the stands together. It was already a generous scheme but it was perceived as being rather complicated. We wanted to ensure that it also applied across all the Centrica business units."*

The Centrica focus on retaining talent is now embracing older workers. Several of our current apprentices are over the age of 50, including one employee who was 56 when he started his training! In addition, like most energy companies, Centrica is also engaging with the wider environmental agenda. *"Flexible working fits in with our corporate social responsibility and green agenda. It helps reduce the energy used in work related travel."*

Melanie Flogdell is clear that there is no turning back and that work on diversity at Centrica will continue. *"We are doing a lot of benchmarking to see where we are in the market and decide where we want to focus our efforts. We are looking at how we present information to employees at different stages of their lives. We want to develop more solutions to help and to retain them."*

Supporting Statement

Organisation: Centrica plc

Approximate number of employees: Approximately 28,000 people in the UK and 4,000 overseas

Sector: Private

Brief description of nature of business: Centrica is an international integrated energy organisation, headquartered in the UK; its brands include, British Gas, Dyno, Centrica Energy, Centrica Storage and Direct Energy

1. Why is your organisation a good place for parents to work today? We are looking for evidence (eg, maternity return rate, men working flexibly, extra support for carers, senior level diversity) as well as any programmes or initiatives which mark you out from your competitors.

Flexible working is available to all employees. 60% of employees work flexibly and 53% of flexible workers are male. Flexible working is found at all levels of the organisation. At junior grades it is 40%, at senior management it is 20%. All board members and directors are set up to work flexibly. 'Work:wise' champions ensure business strategy makes the most effective use of flexible working patterns. We regularly feature senior examples of flexible working, e.g. in our CR Report, to demonstrate our commitment and maintain visibility of role models.

Example

A maternity returner accepted a 'job swap' with a legal colleague from another business unit. "Flexibility in the workplace is actively encouraged at Centrica in order to promote a healthy work-life balance. So when I returned to work from maternity leave earlier this year, I was able to take full advantage of the company's family-friendly policies. I'm incredibly lucky to work for such a supportive and flexible employer. If I didn't work for such an inclusive company, either myself or my husband would definitely have been forced to look for alternative employment to meet the demands of our childcare routine."

Our **carers' network** was set up in 2004 by carers in the organisation as a source of support and advice about all aspects of combining caring and working. It now has around 100 members across the organisation.

We encourage employees with caring responsibilities to get involved with the network, share experiences and help shape our approach. In 2006, we continued our long-term partnership with Carers UK, supporting it in relation to its involvement in implementing the Work and Families Act by raising awareness of the social and business benefits of supporting carers. We also reviewed our **carers' policy** and expanded our definition of carers entitled to include paid leave to include carers of a close friend. We ensure that carers (40% of employees) are able to access flexible working and other support.

Quote

"As a carer for my son, I know first hand how important it is to have flexibility in the workplace and to have an understanding employer. Without the support of British Gas, I would have found it much harder to work. It gives me the lifeline I need to give my son the care he needs and to keep working."

Example

An engineer cares for his six year old daughter, who has Down's Syndrome. He organises his work around the customers. Early starts, allow him time off later in the day to be with his daughter. His colleague covers for him when he needs the time and they make it work between them. He also takes short notice holiday when required.

We offer practical support to help employees find a balance between family and working life through the **maternity and family leave policy**. A review in 2007 resulted in further company enhancements to maternity and paternity pay and brought adoption provisions in line with maternity enhancing our employee proposition and supporting our retention strategy. 90% of maternity leavers return to work and are still with us after one year. They have access to flexible working and other resources to support their career/return to work. In 2006 Centrica was eighth in the annual Female FTSE benchmarking report. Senior female representation is currently 25% against a company average of 30% female employees.

Our **career break and sabbatical policies** are available to all employees and are often taken up by employees to further extend their period of family or carers' leave.

Quote

"Centrica advocates that no-one should have to make a choice between family and career and it provides a diverse range of family-friendly policies to help employees maintain a healthy work-life balance. So when my wife and I discovered that we were expecting our first child later this year, I was able to agree a practical working solution that accommodated both my imminent childcare commitments and my career."

Childcare vouchers are available via salary sacrifice and a 'legacy' scheme, and are taken up by 5% of staff. 57% of employees sacrificing part of their salary for childcare vouchers are male.

Employee satisfaction survey results in 2008 included increased scores for:

- Work-life balance of 66% (from 63%);
- Overall commitment of 57% (from 53%) well in excess of UK benchmarks and above European and global benchmarks

2. Please describe up to three milestones, changes or initiatives which helped the organisation become the great place for working parents that it is today.

In 2003 Project "Martini" (later re-named **work:wise**) our innovative flexible working programme was designed to offer individuals, irrespective of grade or statutory requirements, greater control over their work-life balance, while achieving a more efficient use of office space. Proactively engaging and facilitating teams through change has meant flexible working is embedded as part of our culture. The engagement programme included roadshows, manager coaching, learning zones, technical training and team and individual consultations.

Employees felt work:wise was an excellent programme and liked working for a company at the cutting edge of working practices. Having tried flexible working, they would not want to revert back and would be reluctant to leave Centrica.

Immediate benefits in 2004:

- Property savings of £10million per annum
- On average, annual mileage saved was 90 miles travel saving per person each week
- Work-life balance improved by 38%
- 55% of mobile workers felt their productivity had increased
- Employee engagement improved by 3.9%

In 2007 Centrica was involved in a study, by Cranfield University in conjunction with Working Families, to examine the impact of flexible working on performance.

Key findings:

- 75% of employees felt flexible working was embedded in our culture
- 60% of employees work flexibly
- 41% of these employees have 'formal' working arrangements in place
- Over 50% of flexible workers, managers and co-workers of flexible workers felt flexible working had a positive effect on performance
- Flexible workers scored significantly higher on indirect performance related aspects such as: commitment; empowerment; job satisfaction; job fulfilment; and work-life balance (75%).

3. What was the driving force behind these initiative(s)? This might have been, for example, a particular business challenge, internal or external; leadership shown by an individual; employee demand for change, etc.

An ageing population, more women returning to work and an increased number of carers meant we needed to create a work culture that could attract and retain talent from an increasingly diverse labour pool. We also recognised the importance of work-life balance to our employees.

Mergers and acquisitions lead to Centrica managing a large property portfolio, with high running costs. This resulted in the decision in 2003 to exit from three buildings. To accommodate the employee population over a reduced number of sites a proactive approach to flexible working was required.

We took this opportunity to drive, in parallel, a culture change in ways of working, by identifying and implementing new working practices taking advantage of new/upgraded working facilities, including state of the art office facilities and investment in IT.

4. How do you think that your initiative(s) or practice, past or current, have influenced other employers?

Our Work:wise programme and family-friendly policies/practices have been showcased at various external HR conferences, including the 2008 CIPD Annual Conference, and case-studies featured in a number HR magazines.

We work with various partner organisations to share and promote best practice.

In 2006 Centrica was recognised as an 'Exemplar Employer' by Opportunity Now and in 2008 won the Personnel Today 'Diversity in the Workplace' Award for our family-friendly policies and our diversity recruitment strategy for engineers.

Centrica won the 2009 Employers Forum on Age Award for 'Innovation in Flexible Working' and was also highly commended for our flexible working policies at the Human Capital Management Awards in 2007.

In 2008 we took part in the Flexible Working Research Project with Cranfield University and shared the positive results at the Working Families 'Measuring Up' Conference.

We continue to support initiatives providing employment opportunities for people in under represented groups, e.g. carers and lone parents. We joined the UK's government flagship National Employment Partnership, working with Jobcentre Plus to speed up recruitment and boost on-the-job training.

British Gas was recently named, in the Sunday Times 100 Best Companies 2009, the UK's 17th best big company to work for, based largely on employees' views.