



Small businesses back flexible working, says survey

Six out of ten smaller firms offer flexible working to their staff and over half of them believe it has a positive effect on employee relations, according to the biggest quarterly survey of UK small-to-medium sized enterprises (SMEs).

Simon Wainwright, Head of Small Business at HSBC Bank, which commissioned the report, said: “SMEs are clearly switched on to the benefits of enabling staff to choose when and where they work. Enabling people to work at home or share their job gives staff the freedom to spend more time with their families, or in leisure activities. Staff remain motivated and engaged, so it’s a win-win situation.”

The report, by the independent Small Business Research Trust (SBRT), defines flexible working as part-time working, forms of job sharing, flexitime, working from home and the provision of career breaks or sabbaticals. A random sample of 7,000 small firms across the UK, carried out by The University of Liverpool Management School, showed that 58% offer some form of flexible working to their employees. Fifty per cent of these firms felt that flexible working had a positive effect on employee relations, with only 8% saying it had a negative impact. However 42% cent considered it had no impact one way or the other on the business.

Flexible working is seen as most effective by employers in helping to motivate and retain staff, with over 50% supporting this view. It is regarded as least effective in controlling absenteeism, with 35% saying it helps and 7% saying the effect is negative. Forty seven per cent thought that flexible working increased productivity. However many employers felt that flexible working had little impact on staff recruitment, retention, motivation, absenteeism or productivity. But only a few firms (less than 10% in each category) thought the effects were negative.

While flexible working is on offer to many employees, the majority of firms do not have formal processes to allow this. The report concludes that this lack of formal procedures may suit smaller businesses, as it allows managers to be flexible, but may also restrict opportunities for some employees.

Brian Wolfe, chairman of the SBRT, said: “Our survey shows that the majority of small businesses have adapted well to the needs of today’s employees. But flexible employment works best for most small businesses when they agree ways of working that suit them and their employees, rather than having formal or legislative processes in place. And employees and politicians need to recognise that the nature of some smaller businesses and jobs can make flexible working impractical and uneconomical.”

Part-time working is the most common form of flexibility in employment. More than 50% of firms with flexible working practices had adopted part-time working. Twenty per cent of these offered it to all employees, and 80% to some.

About a quarter of the businesses with flexible working offer some or all of their workers the opportunity to work from home; and about a third offer flexitime to some or all of their employees. However, less than a quarter of firms offering either part-time working, flexitime or working from home, had formalised these offers.

The SBRT survey also included a number of businesses run by women. It found that, compared with other firms, a similar proportion operated flexible working practices. The report concluded that there was little evidence that firms led by women showed greater empathy with family-friendly working practices.

The Marketing Innovation Group in Cheshire, which develops products and services for digital marketing, is one firm that offers part-time working. Rob Bielby, a director, said that the company had always used part-time or “key time” workers. “The great thing about part-time people from my point of view is that it means you can have a wider spread of resource so that, when you need it, you’re able to extend the hours and meet fluctuating demand.”

Sameday plc, a Cheshire transport company, has two employees who share a job, alternatively working 3 and 2 days a week. The company also employs two part-timers. However Tracy Hoather, the company secretary, said that people often felt that they had a right to flexible working. “The more we raise people’s expectations, the more pressure it puts on small businesses.” She pointed out that “a lot of people want to tailor jobs to suit their own child care hours. We cannot accommodate that because the phones are still ringing at four o’clock and five o’clock at night.”

At one time the company had employed part-timers who worked morning or afternoon shifts. However, it was “always easier to get people in to do the morning shift but nobody wanted to do the afternoon shift.”

Note to Editors: The Small Business Research Trust (SBRT) survey was carried out during May and June: 1063 firms responded. Nine out of 10 of those surveyed employed fewer than 50 people and had a sales turnover of less than £5m per annum.

The SBRT is an independent research organisation that aims to educate and inform in order to increase understanding of issues affecting small businesses.

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