

## Flexible Working: The Xero Way

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Since 2016 there's been a 78% increase in job posts on LinkedIn that mention [work flexibility](#), signalling a shift in expectations – flexible working is no longer a benefit, it is an expectation. Flexibility is now one of the top reasons employees join a company, leaving those who aren't offering it at a distinct competitive disadvantage.

But before you decide to revamp your policies to make your workplace more flexible than a Russian gymnast, there are a few things you need to get in place first.

**Ryan Ghisi is GM of People Programs at Xero.** He is going to be sharing the secrets to mastering a flexible workplace at [HR Innovation & Tech Fest](#) in Auckland, 29-30 July 2019. Here he tells us how they approach flexible working at Xero, and why they have stayed away from permanent working from home arrangements.

### Xero's 4 Areas of Flexibility at Work

When we talk flexibility at Xero, it really falls under four categories.

**1. When:** Traditionally, this was adjusted start and finish times, part-time hours, compressed weeks etc. Xero's approach is around casual arrangements around flexi-time (where working hours regularly vary) and informal time-in-lieu. I typically get into work early and leave early, so I can beat the traffic and pick up my kids, but this varies regularly depending on what work or personal priorities I have on at the time.

**2. Where:** Traditionally, this was primarily either permanently office based or working from home. Xero's approach supports casual arrangements to working from home (ad-hoc and frequently), working from another office or from anywhere remotely. Our offices enable activity based working, so employees can transition easily and quickly between traditional desks, quiet areas, collaborative areas and meeting rooms. Every Thursday I work from home, so that I can pick up my kids and take them to their extracurricular activities. It also saves me an hour in travel time and being at home, I'm able to focus on some deep thinking work without distractions.

**3. How:** Traditionally, this was via a work laptop with specific software loaded or a VPN / key token. Xero is focused on single sign-on and the cloud – providing software that employees can use on any device, from anywhere in the world, including your mobile phone. Every employee gets a laptop updated every two years (which they can use as personal device). We're able to work collaboratively across geographies, whether it be via simple video conferencing that is enabled in every meeting room, in every office or via Google's G Suite cloud tools. Xero's technology really enables me to work anywhere, anytime, on any device, reducing the need to be in the office for set hours to achieve my priorities.

**4. What:** Traditionally, employees worked long stints, in vertical career paths, often at one or a small number of companies. Everyone retired at 65...Xero invests heavily in cross functional development, secondments and relocations (domestically and internationally), phased retirement, phased return to work, career breaks or sabbaticals. One of my team recently moved from Auckland to our Toronto office and another from Auckland to our London office. They were both high performers and had I not supported them, they would have left Xero and moved anyway. The arrangements are working really well and being a global team, having them based in their locations is actually allowing us to better support the northern hemisphere.

Overall, It's about recognising that each employee has different styles and preferences, has different personal circumstances, and that organisations need to adopt a one-size-fits-one approach.

### **Snooze and Bounce: Xero's Flexible Working Programs**

Here are six programs we have implemented at Xero to encourage flexible working:

**'Xero Snooze':** This allows Xeros within our Customer Experience (CX) department to start up to 60 minutes before or after their dedicated start time, resulting in an earlier or later finish time. This means they can hit snooze a couple more times in the morning, or come in a bit earlier if they have an event in the evening. It can be really difficult to offer flexibility in a support environment when we need to provide our customers with 24/7 world class support, but with approximately 400 Xeros in our CX, the EGM recognised the importance of being able to balance meeting our business requirements while still providing flexibility to these teams. We're currently looking to increase this to 2 hours.

**'Xero Bounce':** Another flexibility initiative for the Xero CX team. If people wake up feeling unwell but think more rest will help them feel better, they can 'bounce' for a few hours to see if they can shake it. If the extra sleep didn't help then they stay home for the day. We've developed an awesome app they can use to let us know where they are.

In the last 6 months we've had over 500 'snoozes' through the app and almost 400 people 'bounce'. The number of people utilising this flexibility program is much higher in practice as not everyone chooses to use the app. We've had feedback from our employees that they value and appreciate the flexibility as it enables them to have a better work-life balance. The next step is considering how we can allow them to work from home occasionally.

**Global Mobility:** We have recently updated our global mobility policy, processes and introduced a mobility platform. We want to improve the employee experience for relocations and be more transparent around opportunities to relocate or transfer. Also, we have connected talent mapping with global mobility so that we're supporting more of our Xero crew to experience other locations. Over the past 12 months, over 50 employees have relocated internationally.

**Leave:** Like most corporates, Xero has an 'unofficial' shutdown between Christmas and New Year and the vast majority of employees had to take leave during that period. We recognised that not only was leave very important to employees, but they also wanted flexibility around when they use their leave. And so we introduced **holiday leave**, which gives every employee an additional 3 days paid annual leave. The default is that it is used during the Christmas – New Year period, but if employees wish to work, they can use it within 3 months.

We also recognised that mental wellbeing was an area we needed to improve in. In order to de-stigmatise mental health and start creating a culture of transparency and acceptance, we

rebranded sick leave as wellbeing leave. In doing so, we gave 'permission' to employees to use that leave for a number of reasons, including needing to be at home for family or simply needing to take time out for their mental health. We are also introducing the ability for employees to purchase up to two weeks of additional annual leave. Nothing revolutionary, but something employees had been asking us for.

**Community Connect:** Xero introduced community connect as a way to support its employees in giving back. Every employee gets a day's paid leave each year to volunteer for a not-for-profit. We encourage them to do this as a team and partner with an online provider who specifically publishes skills-based volunteering opportunities (NZ). We track involvement and have had over 240 employees volunteer (over 25% in NZ).

**Transport:** We are trialing a number of initiatives in our Parnell (AKL) office. Each year we hold a public transport expo, where Auckland Transport come in to educate employees on public transport and cycling routes. They also provide pre-loaded AT-Hop cards for employees to trial public transport. We are supporting and promoting AT's car pooling app Smart Travel and have set aside a number of free car parks for those employees who car pool. We are purchasing some eBikes and allowing employees to use them during the day and trial them as a means to get to and from work. We are also going to trial a shuttle during rush hour, between Britomart and our Parnell office to reduce travel times and increase public transport usage.

## **Flexibility is not for Everyone**

Working flexibly can present new scenarios for managers and can be challenging for those not experienced with it. There may also be inherent requirements of roles that might have specifics around scheduled hours or having to be in the office.

A common challenge when introducing flexibility at Xero is manager reluctance – the perception that if they aren't in the office or at their desk, they aren't working. If they are part time, they can't get through the work, if they aren't with the team they won't be effective. Unless managers are on board and bought into flexibility, your program is not going to work.

Our Xero senior leaders 'walk the talk' in both supporting and promoting flexibility – i.e. they don't send emails at 8pm on a Sat night, they aren't in the office all day, every day for long hours, and they openly discuss the opportunities for flexibility and its benefits. I think PepsiCo's [Leave Loudly](#) directive is fantastic.

You must also consider how flexible working will affect your culture if employees are working different hours and many working remotely. Xero has stayed away from permanent working from home arrangements for this very reason.

## **Be Flexible about Flexible Working**

For those looking to make a start towards a more flexible workplace, here are my top tips:

- First find out what's really important to your employees. Structure a survey that will give you great data around what they want to see and/or what flexibility means to them. Ensure your board and executive are committed to introducing changes first, because you want to go back to employees and say 'you told us, we listened' and be able to implement positive changes.
- Always start from a place of support, and ask 'if not, why not?' rather than looking for reasons to block it.

- Be flexible about flexible working: At Xero, requests are considered on a case by case basis which takes into account the need for flexibility, the impact on the team and individual, performance vs. potential, balancing the person's role and business needs, and thinking about what needs to be in place to make it successful.
- Focus on communication and change management: We have managers' guidelines on the intranet, we are continually promoting and educating on flexibility via social channels and lunchtime sessions, as well as highlighting success stories.
- Measure, update and convey the benefits: We track use of flexibility, survey its success, engagement and satisfaction, and review what benefits it's bringing to the individual, the team and performance. We then report back to the business.
- Make sure everyone is accountable for success: This includes employees and their people leader. It's important to set clear expectations, how it will work, track and review it, provide feedback – what's working, not working, and what needs to change.

If you're serious about flexible working you have to make a cultural shift and really get leaders on board and 'walking the talk'.

***Hear more from Ryan Ghisi and Xero's flexible working strategy at [HR Innovation & Tech Fest](#) in Auckland on 29-30 July 2019.***