

Background

Orange, the telecommunications company, reviewed its employee consultation arrangements early in 2003. The driving force for change was a desire to build on a successful internal communications strategy and to further embed within the company Orange's brand values of honesty and straightforwardness. The principle of informing and consulting employees fitted well with existing long-established arrangements in other parts of the France Telecom group, its parent company. Up until then, employee consultation within Orange had largely been ad hoc, as and when a restructuring or change initiative required it. The executive management team agreed that something new was needed, and was keen to make sure it suited Orange's culture. The new structure it set up is called "Econ".

Information & Consultation practices ("Econ")

With 13,000 UK employees spread across the UK at over 35 sites, as well as some 280 shops, a major challenge was how to ensure the workforce as a whole could feel involved in the process. It was decided therefore to establish a local consultative forum for each of the company's 10 functional areas, and for those to appoint members to a national forum. The forum in customer services, the largest division, was in turn made up of representatives appointed by 7 sub-forums, broadly based on each of Orange's customer contact centres. Local management is responsible for organising and chairing the local forums, while the Executive Vice President for Orange UK chairs the national forum.

Employee representatives: Local forums typically have around 8 to 10 representatives, giving a total of 130 across the company. All representatives are directly elected to the local forums which in turn appoint members to the 13-strong national forum. Each representative has a clearly defined constituency comprising between 30 and 160 fellow employees, and normally serves for a 3 year period. Interest in serving as a representative has grown significantly since the first local forum was set up, as the profile and status of the consultative process has been raised. Initially there was rarely more than one candidate for a post. Now there can be as many as 12.

Orange has put a lot of effort into training representatives. There is an introductory 2-day session for new reps covering the role of Econ and its members, the process of consultation, as well as "soft" skills such as effective communication, questioning, and taking the emotion out of a topic. Follow-up training covers employment issues such as contracts, TUPE and diversity. In addition, representatives on the national forum can at any time use an independent coach to help them improve their effectiveness. This opportunity for coaching is seen as an important development in the provision of effective training and support for representatives.

The employee representative role has steadily evolved over the last three years. Employee reps now take an active part in supporting employees at disciplinary and grievance hearings. Reps also play an active part in the organisations national employee engagement programme and consult with senior management on employment policy including workforce plans and compensation and benefits policy development.

Meetings: The national forum normally meets every 6 months, and is supplemented by a teleconference at approximately 6 week intervals. Senior management and the ER team meet with the representatives the day before meetings to cover issues they have raised that are too detailed and technical for the main meeting. The remit is to deal with matters affecting the company as a whole or a majority of the local forums. The agenda is agreed between the chairman and the lead employee representative.

Business benefits

Orange needed to make some significant changes to the reward arrangements for staff in its customer contact centres. Before consulting formally it set up a number of working groups with its 15 customer service reps to consult on its blueprint proposals. Representatives had to treat the discussions in strict confidence for a period of 6 months. A number of fundamental changes were made to the blueprint, including the way sickness absence was treated, before statutory consultation began, and further modifications were made at that stage. As a result there was 99% take up on the part of customer services employees, and though the process took longer than the law required, management say they would repeat the process because of its success.

What makes it work

Orange pinpoints the commitment and enthusiasm of senior management as the most important factor in making Econ work effectively, particularly managers that are responsible for running the local forums. The quality of representatives is also an essential factor of course, and Orange believes that the training provided, and especially the coaching for individual reps, plays a vital role here. As Econ has developed and grown, Orange believes it has genuinely become "just something that we do naturally around here". Orange's strong belief remains that listening to the voice of its people, and considering issues and suggestions made, is an integral part of how it prefers to manage change and can best achieve overall and lasting business success.

The future

Orange believes that the Econ process is providing an effective vehicle for employee voice and has played a significant role in enhancing the organisations agility and readiness for change. An important requirement if Orange is to continue to be successful.