

## SWISS REINSURANCE COMPANY



**This case study illustrates how a pilot project for alternating telework in the home office can enhance employees' satisfaction and productivity thanks to clear organisation, strong leadership and systematic evaluation as well as thanks to management's commitment even with multidisciplinary staff from strongly diverging backgrounds.**

### 1. **Company name and function**

SWISS REINSURANCE COMPANY (SWISS RE)

The company was founded in 1863 in Zurich and today belongs to the leading and financially strongest reinsurers worldwide. It is a global company with more than 70 locations in 30 countries and is, at the same time, the largest insurance company in the country. At the end of 1999 Swiss Re had 9,010 employees, 2,870 of them in Switzerland. Business activities comprise classic reinsurance cover for its clients and a wide range of additional services for extensive capital and risk management.

### 2. **Short description of the initiative**

The trigger for the initiative was a project in 1995, which resulted from increased client orientation by the IT section, and an internal survey which showed employees' increased desire for flexibility. Additional factors were a continuing cultural change in the company towards individualisation and globalisation, an interest in the use of modern office concepts (project "virtual office") and measures for the reduction of infrastructure costs. From the company's point of view the project attempted to take into account the many and diverse changes in the framework conditions of Human Resource Management – changes in employees' attitudes, in the labour market, in technology and in the economy. The potential workforce had to be increased, for example by an increased recruitment of women. The vision for the future was: Each employee should work where he/she is most successful, whether they are in the office, the home office or on the road.

A new working concept was introduced on 1 May 1999 and the "virtual office" was opened at the business site Zurich Wollishofen with a pilot team. Today,

at the company's head office in Zurich, around 5% of the total Swiss workforce take advantage of the new working model "Teleworking in the Home Office", which was officially introduced on 1 January 2000. Employees work at home for one or two days per week and undertake the same duties there as in the office. They mainly carry out professional activities which do not require contact with colleagues, but require high levels of concentration instead. Swiss Re's official clear definition of teleworking is "work with a notebook computer outside the business location with an ISDN link to the Swiss Re network". The home office is understood as "a private workroom in the employee's home which is equipped with a Swiss Re workstation". In general this workstation has the same configuration as in the Swiss Re office area, a Notebook as standard hardware and an ISDN modem and a digital or mobile phone for telecommunications.

Employees' rights and duties conform to the statutory requirements, to Swiss Re's "General Work Regulations" as well as special Information Circular on "Teleworking in the Home Office". The latter is a 15-page document, which describes and regulates the prerequisites, requirements and implementation of telework at Swiss Re.

### **3. Innovative aspects, benefits and barriers**

An interesting and so far rare occurrence in Switzerland is that management documents its official commitment to the new workforms with the preparation of labour law prerequisites, the provision of extensive guidance notes on teleworking. They also issued a specific employment contractual agreement with employees who carry out work at home, and a behaviour code with security, data protection and industrial safety regulations.

Swiss Re not only employs people from the banking and insurance sector but also from a variety of other disciplines, e.g. lawyers and economists, engineers and physicists, mathematicians and statisticians, chemists and IT experts, criminologists and toxicologists. The very varied backgrounds of employees turn the telework project into an extremely demanding task. However, those responsible note a generally increasing interest in the home office. Telework is regarded as an important factor in the company's performance. The project confirms the company's expertise, contributes to an improved company image on the labour market and facilitates the recruitment of new staff, in particular of University graduates. Furthermore, it has initiated a process of change in Swiss Re's work and leadership culture. In July/August 1999 a formal, detailed mail employee survey was carried out to measure and con-

trol the success of the project. Those alternating teleworkers surveyed see considerable positive changes in their working behaviour since the introduction of the home office, particularly with regard to productivity, dealing with pending work, motivation, satisfaction, flexibility and, but a little less significantly, with regard to quality of work, appointment keeping and identification with Swiss Re. However, new workplace models such as desk sharing are still used too infrequently in connection with teleworking, in future the related office space saving potential should be more fully utilised.