

Informing & Consulting your Workforce: B&Q - Listening to the Grass Roots

This case study reviews the evolution of the multi-tiered "Grass Roots" information and consultation framework within the home improvement retail chain, B&Q. The Grass Roots process dates back to 1998. Revised arrangements introduced in 2002 included formal elections for employee representatives and a consultative role in respect of planned business changes.

The company

The first B&Q store was opened in Southampton in 1969. Since then the company has developed into the UK's best known DIY retail chain with some 320 stores throughout the country employing more than 33,000 people. During the 1980s, B&Q grew rapidly, acquiring the Scottish DIY chain Dodge City and becoming part of the Kingfisher Group. In 1999 B&Q acquired the mail order company Screwfix Direct. Internationally, B&Q opened its first store outside the UK in 1996 - in Taiwan. In 1998 B&Q merged with France's leading DIY retailer, Castorama, becoming the largest DIY retailer in Europe. International expansion continued with the opening of a B&Q store in China in 1999 and one in Ireland in 2002. The company continues to expand domestically.

Industrial relations background

B&Q do not recognise a trade union. Pay and terms and

conditions of employment are determined on a national basis by senior management and signed off by the board. The company regards its pay and benefits package as "advantageous" and consistent with its aim of being an "employer of choice". Head office HR staff report that the company has occasionally received approaches from one or other of the main retail unions for recognition either on a nation-wide basis or at particular stores but that such requests have been declined.

Although a non-union company, B&Q accepts that some employees elected as Grass Roots representatives may be trade union members. In the "rules regarding being a Grass Roots representative", posted on the company intranet, the answer to the question "Does it make any difference if I am a trade union member?" is "No. We respect people's personal, private rights to belong to political groups or trade unions. It is, however, inappropriate for a Grass Roots rep to use their position to canvass interest in or put forward any third party's opinion." At least one of the six (non-management) employee representatives on the national Grass Roots forum belongs to a trade union.

According to head office HR staff, employee involvement arrangements have existed within B&Q "pretty much from the outset". Prior to the introduction of the "Grass Roots" initiative in

1998, the existence of store-level consultative committees, with the possibility of pursuing unresolved issues to divisional office level, provided a vehicle for some information and consultation activity. However, this was reportedly very much of the "tea and toilets" variety and dependent on local management attitudes to the process. The introduction of Grass Roots was intended to give more structure and scope to B&Q's employee consultation arrangements, and ensure its company-wide coverage and relevance through the establishment of a multi-tiered consultation framework operating at store, regional, divisional (in geographic terms) and national level.

As well as the Grass Roots structure there is a National health and safety committee, which meets every two months and is chaired by a member of the main board. Although issues with health and safety implications are inevitably raised via the Grass Roots structure, they are referred to the health and safety committee for action. B&Q employees are also represented on the Kingfisher Group European Works Council, but there is no direct link between the EWC and the Grass Roots national forum. At present, the B&Q representative on the EWC is elected by means of a UK-wide election, not indirectly by the employee members of the national Grass Roots forum. However, given the growing

Box 1 - B&Q's Grass Roots framework

First introduced in 1998, Grass Roots is a company-wide process for communication and consultation within B&Q. It operates through a series of quarterly meetings involving management and employee representatives at:

- store level;
- regional level;
- divisional level; and
- national level.

Grass Roots also operates within head office departments and head office overall.

international dimension to B&Q's activities, B&Q's head office management are currently considering the possibility of introducing a B&Q-specific transnational consultation forum.

The company operates a separate grievance procedure, but if an issue is not resolved with line managers at store, regional or divisional level there is provision for it to be referred to the national Grass Roots forum for consideration.

Alongside Grass Roots, B&Q operates a range of other means of employee communications. These include regular, day-to-day team briefings at store level; the use of focus groups to look at particular company issues; a monthly information bulletin, *In the Loop*, circulated to all employees; and *Talking Shop*, the company magazine. B&Q also carries out an employee feedback survey every six months, which is seen by senior management as an important barometer of shop-floor perceptions of the company as an employer.

The evolution of Grass Roots

B&Q first introduced Grass Roots in 1998 as a "bottom-up" communication process. It operated primarily through store-based forums at which employees could raise issues of concern to them. Issues not dealt with locally could be passed up to Grass Roots forums established at regional, divisional and national level.

Following a review of the system initiated by B&Q management in 2001, Grass Roots underwent a "revamp" in the summer of 2002. Although the expected adoption of the EU information and consultation Directive was a factor in the decision to undertake the review, so too was feedback from the company's employees. B&Q's six-monthly employee feedback surveys suggested that the operation of the Grass Roots process had not resulted in significant improvement in the number of employees who felt their opinions counted. Discussions with employees, particularly those involved in Grass Roots, revealed a perception that issues raised via the Grass Roots process were sometimes not being dealt with quickly or thoroughly enough, and that there were inconsistencies in the way in which Grass Roots operated between different stores and different regions.

Such concerns were reflected in a question raised by the Supercentre Central division at the national Grass Roots forum meeting in February 2002. This stated that "the Grass Roots forum seems to be losing its credibility and impact, especially at national level. We need consistency of representatives at national level, commitment from senior managers to give quality, timely responses and rationale as to why we decide not to progress issues" (*Grass Roots News*).

Pressure for changes in the Grass Roots system also reportedly reflected employee dissatisfaction over the 2000-01 review of the

customer adviser pay structure and the fact that this was not the subject of consultation.

The review paved the way for an enhanced role for Grass Roots, embracing more formalised consultation on planned business changes as well its existing role as a channel for employee views, suggestions and questions, and a more clearly defined role for employee reps as part of a more consistent and robust company-wide framework. Under the changes introduced in the summer of 2002, there are now more Grass Roots reps at store level (see below). They are now formally elected by secret ballot, whereas previously there was no single, consistent approach, with employee reps often being volunteers or asked to take on the role by management. In addition, training has been introduced for employee reps, as has agreed time during working hours to carry out their Grass Roots duties, and the reps will stay in post for three years to ensure greater continuity. This package of changes to Grass Roots was seen by B&Q's head office management as an evolutionary approach to strengthening the company's existing information and consultation arrangements, rather than something driven primarily by the Directive.

Current arrangements

Grass Roots operates through a regular sequence of meetings at store, regional, divisional and

Divisional-level meetings

Each regional Grass Roots forum chooses one of its employee representatives to attend one of six divisional forums - three covering Supercentres (Supercentre North, Supercentre Central and Supercentre South), and three covering Warehouses (Warehouse North, Warehouse West and Warehouse East). In addition, the divisional forums include one management representative from the division. The meetings are chaired by the directors of each division, supported by the divisional HR manager. A typical agenda for the quarterly meetings will include:

- training as required;
- an update on the company's and the division's performance;
- discussion of issues unresolved at regional level;
- discussion of divisional issues; and
- consultation on key company changes or initiatives.

Again, the divisional forum will identify any issues to be referred to the national Grass Roots meeting. Key outcomes of divisional meetings are the subject of updates on the intranet, which should be monitored by store representatives and fed back by them to colleagues.

National-level meetings

The national Grass Roots forum is made up of one employee representative from each of the six divisional forums plus two management reps (one representing Supercentres and one Warehouses). The quarterly one-day meetings are chaired in rotation by the managing directors for Supercentres and Warehouses respectively, supported by head office HR staff. The agenda includes:

- an update on company performance;
- discussion of issues and questions referred from divisional meetings; and

- consultation on key company changes or initiatives.

Initially, the approach adopted for dealing with questions forwarded from the divisional Grass Roots meetings was to discuss them at the national meeting and then send them to the appropriate head office staff for written responses. However, the result was that responses to issues raised were slow to materialise, causing some frustration amongst employee reps at lower levels. Following a change in practice, draft answers to questions are now sought ahead of the meeting so that the national Grass Roots representatives are able to discuss the answers rather than the questions and issues can be dealt with more quickly. The answers are subsequently published in *Grass Roots News - Your Questions Answered*, a printed pamphlet that is circulated to staff at their home addresses following each national Grass Roots meeting. Where the national Grass Roots meeting considers an answer to be unclear or otherwise unsatisfactory, it can be referred back to the manager concerned for further work. Feedback on the outcome of national Grass Roots meetings is also provided through team briefings at store level and the posting of action points on the company intranet.

Topics discussed via Grass Roots

B&Q sees Grass Roots as "a process for communication and consultation in the business". It "[provides] the opportunity to discuss substantial issues that are impacting on groups of staff or affecting the way we do business", and for a "two-way exchange of information and ideas" (company literature).

Topics raised by employees

In terms of the "bottom-up" aspects of the process, Grass Roots enables B&Q employees to

pursue a wide range of questions and concerns including: ideas for operational improvements and requests for the development, explanation or clarification of company policy. There are few "no go areas". The guidelines on Grass Roots meetings on the B&Q intranet state that "it is expected that personal issues are resolved directly with line managers so that Grass Roots meetings do not get clogged up with minor issues", and that "some issues always remain outside of the consultation process, i.e. pay, terms and conditions decisions, individual disciplinary matters, etc".

Issues specific to particular stores, regions and divisions are dealt with at that level. Where appropriate, store, regional and divisional-level Grass Roots forums may decide to refer issues to the next level for consideration. These must have general applicability at the higher level, but it is in the nature of B&Q's business that questions relating to many aspects of, say, customer service, operational procedures, HR policy or equipment provision will inevitably be relevant to most B&Q stores and employees.

A review of the four most recent editions of *Grass Roots News* shows that employee questions on a wide range of issues have been answered by appropriate head office staff up to and including board-level management. Each issue includes answers to between 20 and 60 questions forwarded from divisional Grass Roots forums. These relate to:

- employee "gripes" or suggestions for improvements concerning in-store equipment, uniform, working practices, customer service issues etc;
- queries about terms and conditions (e.g. pay allowances, maternity benefits, pension provision); and
- health and safety concerns.

Less frequently there are questions

growth, very few redundancy issues tend to arise within B&Q, and where the TUPE requirements have applied this has been in relation to stores taken over from other companies.

Key operational issues

Training

As Matt Tyson points out, an enhanced consultation role for Grass Roots means that it is important to have properly trained employee representatives, who have good communication skills and are capable of obtaining and collating feedback on key proposals. The lack of training for employee reps was also something that came through strongly in the feedback received during the review of Grass Roots ahead of its relaunch. The emphasis on training also links with the new three-year mandate for employee reps. The company points out that, as well as ensuring better continuity, this means that "maximum benefit will be gained from the training of each representative" (company literature).

Training is now available in a number of ways:

- an e-learning module on Grass Roots meetings provided by the B&Q University;

- the inclusion of short training activities during Grass Roots meetings at all levels; and
- specific training events for higher-level Grass Roots reps.

For example, the day before the March 2003 national Grass Roots meeting, representatives underwent a training session on presentation skills. Further training events will focus on influencing skills, self-awareness and understanding the business. The company has also issued a handbook containing guidance for employee representatives on their role and the Grass Roots process.

A question discussed at the March 2003 national meeting asked whether it was necessary to include a training activity during store-level Grass Roots meetings as it was difficult to find sufficient time to undertake this as well as discussing important issues. The head office management view is that, given the developments in Grass Roots and the topics employee representatives may be consulted on in the future, it is necessary to develop representatives' ability to undertake their role. However, management is seeking recommendations from the national reps as to the necessity and effectiveness of the training exercises currently being conducted at store level.

Facilities for employee reps

Under the new arrangements, Grass Roots reps are allowed time during their working hours to carry out their Grass Roots activities, by agreement with their general or store manager. Employee representatives also requested Grass Roots-specific e-mail facilities to ensure a better flow of communication. These have since been set up.

Confidentiality

Both management and employee representatives report that, to date, the protection of confidential company information has not proved to be a significant issue in practice. At present, it is merely noted in the intranet guidance on Grass Roots procedures that employee reps will "be required to keep sensitive information confidential", and occasionally the discussion of a particular issue may be identified as being confidential, primarily at national Grass Roots meetings. However, head office staff are aware that, as more company initiatives are put onto the agenda for consultation, confidentiality issues are more likely to arise. It may be, for example, that the discussion of some sensitive issues will be restricted to the national forum, and that more detailed

Box 4 - Agenda covered by March 2003 national Grass Roots meeting

- business update: presentation and discussion of Kingfisher/B&Q annual results
- consideration of draft replies to 40 questions submitted by divisional Grass Roots forums. Issues raised included:
 - safety problems associated with in-store machinery
 - suggested improvements to working practices
 - appropriateness of existing e-learning modules to staff needs
 - linking long service awards to additional holiday entitlement
 - requests for information about new statutory entitlements to parental leave/pay
 - in-store music system playlist
 - pay allowances
 - future prospects of Kingfisher pension scheme
- identification of key issues to report to B&Q board and to health and safety committee
- discussion of operational issues relating to Grass Roots (training requirements, etc)

confidentiality requirements may need to be introduced.

Top management commitment

B&Q head office staff believe that the fact that the national Grass Roots forum is chaired by a main board director - and that the company's CEO, Bill Whiting, has attended a number of its meetings - illustrates high-level management commitment to the process, and that this in turn has helped raise the profile and impact of Grass Roots. In particular, as discussed in further detail below, key issues emerging from the Grass Roots process which require decisions at board level can be taken directly to the next weekly board meeting. B&Q's senior management recognises that this enables the employee reps to report concrete results to their colleagues at the lower level forums, and demonstrates to the workforce more generally that "the Grass Roots process is working - that management is listening and action is being taken."

Head office staff also point out that the roll-out of the changes to Grass Roots was accompanied by a major management push to raise awareness of the Grass Roots process. An extensive promotional campaign was carried out by the company to explain the new Grass Roots arrangements and their enhanced role within the company, encourage good-quality representatives to come forward, and launch the reconstituted forums effectively. This involved a significant investment of time and money, and was carried out through a range of channels, including in-store team briefings, posters, material on the company intranet, and a pamphlet (*Grass Roots is growing up*) circulated to employees. In addition, to try to ensure that the first forum meetings in the new cycle got off to a good start, B&Q's head office provided a structured agenda designed to encourage

representatives to get to know each other better, and to talk about their reasons for becoming involved. According to Crystal Richards, B&Q's Great Place to Work manager who co-ordinates the Grass Roots process, this proved particularly valuable at regional and divisional levels, where - unlike the store forums - people might not know each another but were being asked to choose someone to represent them at the next tier of the Grass Roots structure.

Impact of the changes

Matt Tyson, managing director for B&Q Supercentres, believes that the new arrangements are already producing better results than the old Grass Roots system. He cites the positive outcome of discussions on two issues raised recently via Grass Roots:

- Employee concerns about safety problems associated with the use of extensions on delivery trolleys have been raised at all levels of the Grass Roots process and were considered at the January 2003 national meeting. As a direct result, the next meeting of the B&Q board sanctioned a change in practice - the discontinuation of the delivery of trolleys with extensions - at a cost of an extra £250,000 in distribution costs.
- Similarly, requests from employees for more e-learning facilities and for these to be made available on store PCs are reported to have contributed to a decision by the board to approve a £480,000 programme of investment in new PCs, most of which will have the capability to be used for e-learning purposes.

In his view, it is important to reach early conclusions on key issues raised via Grass Roots in order to demonstrate the credibility of the Grass Roots process and generate momentum for its future development. Thus, the national

Grass Roots meetings need to be "more proactive" in chasing prompt and thorough answers from head office management on the questions raised. He also stressed the importance of Grass Roots engaging effectively with management decision-making. To this end, he has introduced the practice at the end of national Grass Roots meetings of identifying three or four specific issues needing management action which he then draws attention to in his subsequent report to the board. For example, at the national Grass Roots meeting held in March 2003, questions highlighting the need for transparency on pensions developments and calling for a review of the appropriateness of existing e-learning modules to staff needs were among those earmarked for drawing to the board's attention.

While resolving questions and problems put forward by employees continues to be a key role of the Grass Roots process, Matt Tyson emphasises that the value of Grass Roots to the company also lies in generating employee feedback on a wide range of business issues. Senior management therefore intend to be more systematic in their use of Grass Roots as a vehicle for consultation, presenting key company initiatives to Grass Roots reps ahead of communicating with the workforce as a whole, potentially extending to consultation over pay and reward issues and other terms and conditions of employment.

In the view of one of the employee representatives on the national Grass Roots forum, the changes introduced, particularly the formal election of employee representatives, have enhanced both the effectiveness of the Grass Roots process, in terms of prompting management to act on employee concerns, and its credibility among employees.

However, speaking after the March 2003 national meeting, the representative commented that there was still "room for improvement". Management "could use us much more" to consult on "meaty issues" in areas such as work organisation, store security and pay and conditions.

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Assessment and future prospects

Grass Roots is still a relatively new process. It has clearly established a successful track record as a channel for employee views, questions and ideas, eliciting management responses and prompting the company to act on particular employee concerns.

Moreover, in its current phase of development, following the changes introduced in 2002, it is evolving to take on an enhanced role. B&Q believe that the recent changes have contributed to raising the profile of Grass Roots within the business, both among management and the workforce, and that employee representatives are exhibiting a growing professionalism and effectiveness in the way they operate. Writing in *Grass Roots News*, Ian Morrice, managing director for B&Q's Warehouses, commented that the discussion at a recent national Grass Roots meeting he had chaired had been "very purposeful and constructive", and that "where investment has been needed . . . the board has been prepared to back your ideas with financial support."

However, the new phase of Grass Roots's development is still in its early stages. In particular, in the light of the requirements of the EU information and consultation Directive, a key question is how its

Box 5 - The benefits of Grass Roots

According to B&Q, the benefits of the Grass Roots process are as follows.

For staff:

- a channel for your views
- an opportunity to give us your great ideas
- you are kept up to date with changes the company is making

For Grass Roots reps:

- opportunity to develop new skills
- learn more about B&Q
- wider contacts in the business
- understanding that may help you in your future career
- you can demonstrate your ability to handle responsibility

For B&Q:

- more great ideas to run the business
- more involved and informed staff means a better deal for customers
- better quality decisions
- changes can be introduced quickly and smoothly, without unnecessary surprises

formal consultative role on employment, work organisation and contractual issues will develop. To date, management's use of the Grass Roots process to initiate consultation on upcoming business changes has been limited, with the consultation exercise on the new store team bonus being the principal example. But significant developments in terms of extending the consultative role of Grass Roots now seem to be underway. The main item on the agenda of the June 2003 national Grass Roots meeting was a forward plan identifying some 20 important business initiatives over the coming 18 months. Head office management intends to inform and/or consult the workforce via Grass Roots, and setting out the timetable for doing so in terms of the quarterly cycle of store-level, regional, divisional and national meetings. The duration of national Grass Roots meetings may need to be extended to one-and-a-half days as a result. "We'll be informing and consulting on key

operations as well as HR issues", Crystal Richards explains, including topics such as childcare support and the task and communication strategy for stores. "Very few are on the list because we'd be legally obliged to consult on them. Mostly it's a question of good practice."

Crystal Richards professes: "It has taken us by surprise how quickly Grass Roots is developing. We're on a steep learning curve, but we're determined to make the consultation process effective." For B&Q's top management, a key indicator of success will be whether the development of the Grass Roots process is reflected in increased levels of employee engagement, as measured by the company's six-monthly employee feedback survey, which in turn have a positive impact in terms of store and company performance.

This case study was researched and written by Mark Hall of the Industrial Relations Research Unit, Warwick Business School.

The views in this case study are those of the participants and may not reflect those of the IPA.



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 ISBN 1-902922-07-7