

## CASE STUDY: KPMG



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## Living wage represents a clean sweep of benefits for KPMG

As an early proponent of the living wage, KPMG is reaping both the rewards of this ethical investment in its people.



With a 40% drop in staff turnover for the ISS team supporting its business, the quality of service has been enhanced through high calibre candidates and a loyal and motivated team committed to exceeding KPMG's expectations. Furthermore, the cost of delivering FM services across the contract is now lower than in 2006, when the wage was first introduced.

Head of Facilities at KPMG, Guy Stallard, attributes this to the strength of the partnership with ISS that began with security provision in 1999 and has expanded through cleaning across the company's regional offices. Innovative approaches to how these are delivered have been crucial not just to offset the additional investment in salaries, but to add significant value to the offering.

"I have been able to partner with a forward-thinking FM contractor that is positive about paying the living wage," said Guy. "And this joint thinking is key for the successful transition of this initiative." Innovations include a new cleaning delivery model from replacing desk side bins with a central recycling point, using more full time cleaners than part timers and empowering the front line teams to take greater responsibility which in turn has required less managerial supervision.

Cleaning supervisor Dawn Allen-Williamson sees the commitment to the living wage as a core element of a broader, holistic approach taken to staff well-being that has led to a team that is happy in its work. For her, the payment signifies a greater recognition of a role that is consistently demanding with high expectations. "Cleaning has always been low paid and for the majority doing it this has meant that a second income is necessary, but the living wage rate has made it much more attractive," she said.

"There isn't much turnover amongst the team compared to in the past and a lot of effort is made to keep everyone motivated. For me, the fact that people are aware they

are on a higher rate of pay than perhaps others doing the same job elsewhere is a big part of that."

And the repercussions are felt across the business more broadly. Security guard Fred Smith who has been at KPMG's Leeds office for 15 years, initially struggled to pay bills and had to sacrifice holidays to make ends meet before the living wage was introduced, which has had a truly transformative impact.

"It's just a lot less stressful. I can now afford a holiday as well as items such as new furniture and fittings. I feel much better in myself and actually look forward to going to work. My colleagues are more content as well and turnover is non-existent which I think says it all."

Managing Director ISS FS London, Ed Bolton added: "I'm extremely proud to be part of a progressive company that is passionate about the living wage.

"The positive repercussions this has had for our business and our people are extremely apparent and I'm committed to building on this approach for the future."



## CASE STUDY: TUBE LINES



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Cleaning Operative Costa Gbadepo.*

## A living wage keeps Tubelines on track

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As part of ISS' cleaning contract with Tubelines, the company responsible for the Jubilee, Picadilly and Northern lines, the London Living Wage was brought in two years ago and has been critical to meeting this challenge on one of the capital's most iconic public services.

From improved morale and retention rates to a creating a better quality of life in and out of the workplace for front line operatives, the positive impact has more than justified the investment at a time when costs were being tightly controlled.

Operations manager Sean Farrell recalls how the £4.50 hourly pay rate at the start of the contract nine years ago inevitably led to dissatisfied staff and high turnover.

The current rate of £8.55 represents a significant hike and is helping to attract a higher calibre employee as well as changing some of the perceptions around the role.

"It used to be that you would only have people from the direct vicinity applying to work here, but we are now getting people from further a field that are more experienced and better trained because the money is so much better," said Sean. "When I first started, we used to have 10% of the workforce leaving each year and now it's only 1.4% which has made a massive difference."

The improved productivity and morale is reflected in the KPIs and targets that are consistently exceeded, while issues around sickness and absenteeism have dramatically declined.

And for the frontline workforce, the repercussions go far beyond the daily parameters of the contract.

"I wasn't able to rent a two bedroom flat on the money I was being paid beforehand," said cleaning operative Costa Gbadepo.

"But now my wages mean I can concentrate on my work as I'm no longer on the lookout for another job to add to the one I'm doing. There is much more team spirit now as people value the job more."

These are sentiments echoed by John Wilson who no longer has to make some of the personal sacrifices that were necessary when he took home the minimum wage from food purchases to the amount he was able to travel. "It's really improved every aspect of my life, I'm now living so much better than before and feeling so much better in myself," he said.

Managing Director of ISS FS Transport Brian Raven added: To hear from our people first hand how their lives have improved since being paid the living wage is very heartening.

"This all proves that treating people in a responsible, ethical manner makes sense of every level."

