

## **INTERNATIONAL AND NATIONAL PERSPECTIVES ON BEST PRACTICE TRENDS IN WORKPLACE FLEXIBILITY**

Presentation to the Flexible Working Arrangements information session for managers at Sydney University on 21 October 2010. Alexandra Heron, Research Associate of the Women and Work Research Group, University of Sydney.

### **INTRODUCTION**

Thank you very much for inviting me to participate in this session: it's wonderful to see such a great turnout, especially as so much of the literature about the successful implementation of flexible working arrangements highlights the role of line managers.

They - or I should say you – have the difficult role of implementing the university's strategy on this issue, making it benefit your work unit and meeting employee expectations of the new policies.

When I was preparing this talk I thought back to the workplace where I was employed in London less than two years ago – in the UK a statutory right to request flexible working exists similar to that in the Fair Work Act 2009 but effectively encompasses all carers. It was the central office for a federation of legal advice services, with about 200 staff.

- It offered (& had take up of) every imaginable FW practice as far as I could tell.
- employees were highly engaged and highly performing in all sorts of different positions, and
- it was clear from annual staff surveys that FW contributed to employee commitment.

But it was agreed - the VITAL precondition for getting the most from FW was that it was available to all employees - & that precondition exists here too at the University.<sup>1</sup>

## **INTERNATIONAL DEVELOPMENTS**

In the past 10 years we've seen a huge increase in the attention paid to flexible working – by the European Union and the Organisation for Economic Co-operation and Development (the OECD) and the ILO. They have emphasised its economic benefits – having the potential to draw more people into the workforce and keep them there.

## **WORKPLACE EFFECTS**

At the workplace level, the debate has been about whether introducing FW helps companies' bottom line i.e. is there a 'business case' e.g. does flexible working :

- reduce staff turnover and thus recruitment and training costs,
- decrease absenteeism;
- promote employee commitment & engagement at work,
- reduce worklife conflict and
- increase productivity?

It can be hard to disentangle cause and effect, but there are a large and growing number of studies & surveys which demonstrate the benefits of FW

Looking at recent large scale surveys of British workplaces, employers predominantly report positive or neutral impacts of FW on performance and productivity and only a small minority report negative ones <sup>2</sup>

---

<sup>1</sup> This is because flexible working will then become FW will become **mainstreamed into how managers organise jobs**

- **resentments** between employees on the basis of who can and cannot access it will be avoided especially if policies are applied consistently

- it will enable men - & managers themselves - to work flexibly

<sup>2</sup> Hegewisch, A. (2009). *Flexible working policies: a comparative review*, Equality and Human Rights Commission, London.

I'll briefly outline a couple of studies on individual organisations and the business benefits they obtained from flexible working.

A study of 4 large UK employers in 2004 indicated they had extended FW to all employees,<sup>3</sup> - for the reasons I mentioned earlier.

Drivers included staff shortages – and the large bank studied calculated improved retention rates resulting from the change. The large retailer in the study also used FW to attract more job applicants.

The software company had developed a range of practices to attract people from a bigger geographical area such as remote working and compressed working weeks. From their internal staff surveys were able to see a dramatic increase in morale and commitment – also evidenced in retention.

And in return they received a degree of hours flexibility from their employees.

The telecommunications company had an extraordinary 7000 home-based workers so they had saved quite a bit on accommodation costs! And their internal measures suggested that since the introduction of flexible working, productivity had increased very significantly and sickness absences decreased.

In a later study of working in three large multinationals in the UK, examining 37 employees' individual experience of reduced hours or remote working striking evidence was found that employee responses to flexible working resulted in (i) their exerting extra effort on their work and (ii) showing enhanced levels of organisational commitment and (iii) demonstrating a need to reciprocate what

---

<sup>3</sup> Croucher, R. and C. Kelliher (2005), *The Right to Request Flexible Working in Britain: the Law and Organisational Realities*, International Journal of Comparative Labour Law and Industrial Relations, Vol. 21(3): 503-520.

was seen as a valuable work benefit – e.g. remote workers working the time saved by not having to commute.<sup>4</sup>

This reflects US research by well-known scholars in the field<sup>5</sup> who looked at family friendly practices in high-performance workplaces and found they were seen as a strategy which garnered higher levels of organisational commitment and therefore were likely to improve productivity from workers.

But the message which is coming through from research is that it's not just introducing the policies which counts, but also commitment to implement them effectively. And this is where the literature on the critical importance of line managers is so interesting.

Recent Canadian research<sup>6</sup> comparing Australian and Canadian managers and professionals – who often find it particularly difficult to access FW, showed that where it is effectively implemented, and less worklife conflict is experienced, employees have

- higher engagement,
- significantly more job satisfaction and less likelihood of leaving and
- reduced absenteeism.

All these factors impact on employee productivity and performance.

---

<sup>4</sup> Kelliher, C and Anderson, D, (2010), 'Doing more with less? Flexible working practices and the intensification of work', *Human Relations*, Volume 63, pp83–106. Also, some reduced hours workers reported they brought more energy to their work because they were not full-time.

<sup>5</sup> Berg P., Kalleberg A. and E. Appelbaum (2003). 'Balancing Work and Family: The Role of High-Commitment Environments', *Industrial Relations* vol. 42 (2): 168-189. (HPWorkplaces promote task economy, employee participation in decisions, good promotion opportunities etc)

<sup>6</sup> Unpublished presentation in October 2010 in Melbourne by Professor *Linda Duxbury* - Sprott School of Business, Carleton University, Canada on 'Implementing Workplace Flexibility: Building Effective Workplaces,' see for more information: <http://sprott.carleton.ca/research/index.php?mode=Search&NumberOfAliases=1&lastname1=Duxbury&firstname1=L>.

So what does effective implementation like? This research found it involved:

- employees perceiving a real application of FW principles so they feel they have some control over when and where they work, and
- considering they have a supportive manager: people generally work for their manager rather than for the employing organisation

So the beneficial business or workplace outcomes of flexible working in terms of improved performance hinge on how well they are put into practice.

This reflects other recent Australian research<sup>7</sup> indicating that diversity practices of which FW is a subset, are really only effective if they are monitored and evaluated – which is of course about ensuring that they are put into practice. This makes sense – agreeing to FW unwillingly or in an unplanned way, is bound to detract from the way the employee using flexible working and Their colleagues react to it.

So how is effective implementation achieved?

Australian research by Sara Charlesworth demonstrates in the context of research on introducing part-time working in the Victorian police - how abandoned managers can feel without this support. The lack of training to introduce PT work in that organisation was graphically described when a sergeant said:

*'They threw part-time at us but they didn't throw the book to go with it.'*<sup>8</sup>

Basically its about training & supporting managers

US research<sup>9</sup> has shown dramatic benefits for managers of relatively short training in how to implement flexible working and how to be perceived positively

---

<sup>7</sup> INSERT

<sup>8</sup> Charlesworth, S and Whittenbury K, (2007), 'Part-time and Part committed? The Cultural Challenges of Part-time Work in Policing' *Journal of Industrial Relations*, Volume 23, Issue 1, pp31-47.

by employees when implementing it – that is as sympathetic to meeting their needs as far as is possible.

The UK organisations in the first research described above all supported line managers with TRAINING to undertake what is essentially a new way of managing: as the researchers put it *'The case that the organisations indicated the need for a change in the way people are managed. Command and control models needed abandoning in favour of one based on supporting and encouraging staff, and to moved output or achievement oriented forms diesel and performance management'*<sup>10</sup>

So this seminar is a first step in giving you this sort of help to implement flexible working which I'm sure many of you are already doing.

The benefits are real and waiting to be tapped:

- I'd say don't hesitate to ask for advice and help
- and ask your managers if you are being credited where FW is spreading successfully throughout your work unit!

---

<sup>9</sup> Kossek, E. and L. Hammer, (2008). 'Supervisor Work\_life Training gets results *Harvard Business Review*, accessed on 14 Oct. 2010 at: <http://hbr.harvardbusiness.org/2008/11/supervisor-work-life-training-gets-results/ar/1>

<sup>10</sup> See fn 3, at 517.

