



DIVERSITY
COUNCIL
AUSTRALIA

SYNOPSIS REPORT



Future-Flex

Mainstreaming Flexibility by Design

Redesigning work to make flexibility standard
business practice in Australian retail workplaces.

PLATINUM SPONSOR



RETAILCOUNCIL

GOLD SPONSOR



SILVER SPONSORS



Allens > Linklaters



Written by Dr Graeme Russell, Dr Jane O'Leary, Jo Tilly and Cathy Brown

This Guide has been developed under the joint authorship of Dr Graeme Russell and DCA. DCA would like to thank Graeme for his significant contribution and to acknowledge that this *Future-Flex* Guide draws heavily on his long-standing expertise and work in the area of workplace flexibility and job and work design.

This document embargoed until 4.00am AEST 14th September 2016

This is a synopsis of the Report. An electronic copy of the full report can be found on the DCA website at <http://www.dca.org.au/dca-research.html>



About Diversity Council Australia

Diversity Council Australia (DCA) is the only independent, not-for-profit workplace diversity advisor to business in Australia. We offer a unique knowledge bank of research, practice and expertise across diversity dimensions developed over 30 years of operation. In partnership with our members, our mission is to: lead debate on diversity in the public arena; develop and promote the latest diversity research, thinking and practice; and deliver innovative diversity practice resources and services to enable our members to drive business improvement. DCA works in partnership with members to generate ground breaking high impact diversity research that drives business improvement through providing evidence-based guidance on how to fully leverage the benefits of a diverse talent pool.

Diversity Council Australia Limited
Level 1, 225 George St, Sydney, NSW 2000
Phone: 02 9322 5197
www.dca.org.au

Materials contained in this document are © Diversity Council Australia 2016

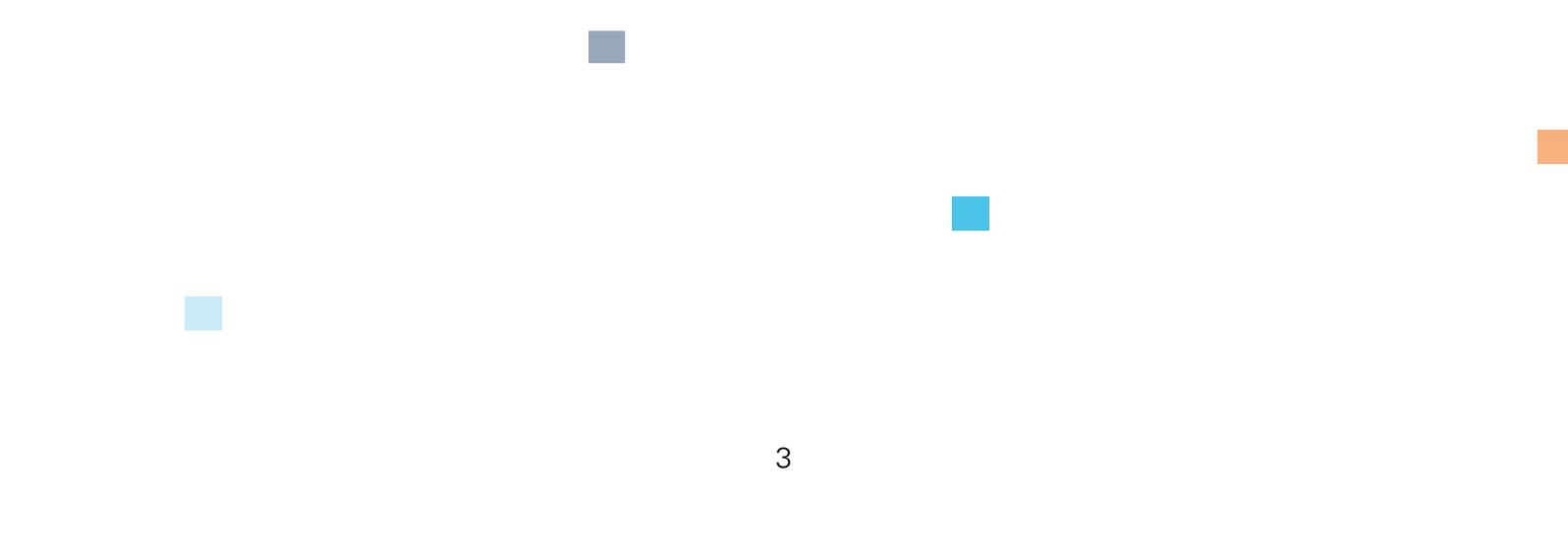
If you wish to use any of the materials contained herein, please contact DCA Ltd at the address above for consent and direction on appropriate acknowledgment.

Designed by McGill Design Group (02) 9555 5090



TABLE OF CONTENTS

What is <i>Future-Flex</i> ?	4
A <i>Future-Flex</i> definition of workplace flexibility	7
<i>Future-Flex</i> Tools for work design	8
<i>Future-Flex</i> Tool 1: Flexible teams by design	10
<i>Future-Flex</i> Tool 2: Flexible jobs by design	12
<i>Future-Flex</i> Tool 3: Flexible organisations by design	14
Getting creative: Types of flexible work	16
The business case	18
Methodology	19



WHAT IS *FUTURE-FLEX*?

***Future-Flex* is a new way of thinking about workplace flexibility. *Future-Flex* is about more than just accommodating an individual's needs – it is about re-designing work at a team or organisation level to maximise performance and wellbeing.**

This project is a partnership initiative between Diversity Council Australia ('DCA'), the Retail Council, National Australia Bank, Allens, IBM, BAE Systems Australia and IAG, which aimed to generate practical guidance for managers, teams, and individuals on how to implement and mainstream workplace flexibility through work design. This Guide has a particular focus on the retail environment including retail organisations (both corporate offices and retail outlets) and organisations which have a retail network (such as banks).

The project extends and deepens DCA's ground-breaking *Get Flexible! Mainstreaming Flexible Work in Australian Business* research report released in 2012, which demonstrated how flexibility can be used as a business tool to improve individual, team, and organisational productivity.

FIVE FEATURES OF *FUTURE-FLEX* PRACTICE:



A NEW MINDSET.

Future-Flex is a new way of thinking about workplace flexibility.



STARTS WITH THE TEAM.

Future-Flex is about more than just accommodating an individual's needs. *Future-Flex* is about re-designing work at a team or whole of organisation level. Employees are key partners in developing team-based flexibility solutions that work.



TREATS FLEXIBILITY AS A BUSINESS-TOOL.

Future-Flex emphasises the goals of both the organisation and its employees. It focuses on flexible work that boosts the performance and wellbeing of organisations, teams, and individuals. Meeting business goals in areas such as customer service, innovation, growth and efficiency is central to *Future-Flex*.



CONSIDERS CULTURE.

Future-Flex recognises that organisational and team cultures are critical to the success of workplaces where employees can access flexibility for all roles and for any reason, and can have successful engaged careers.



CHALLENGES BIAS.

Shifting to a *Future-Flex* mindset involves being aware of our own biases – conscious and unconscious. Many people make assumptions about what it means to be a flexible worker (e.g. about people's career aspirations, interest in training and development, levels of commitment to the organisation etc.) *Future-Flex* tools explore and challenge these biases.

FROM INDIVIDUAL ACCOMMODATION TO WORK RE-DESIGN

Future-Flex requires shifting from a traditional ‘individual accommodation’ mindset about work and flexibility to a ‘work design’ mindset.

While design often starts with an individual requesting greater flexibility, if job design is to be successful for both an individual and their organisation, it must involve their team.

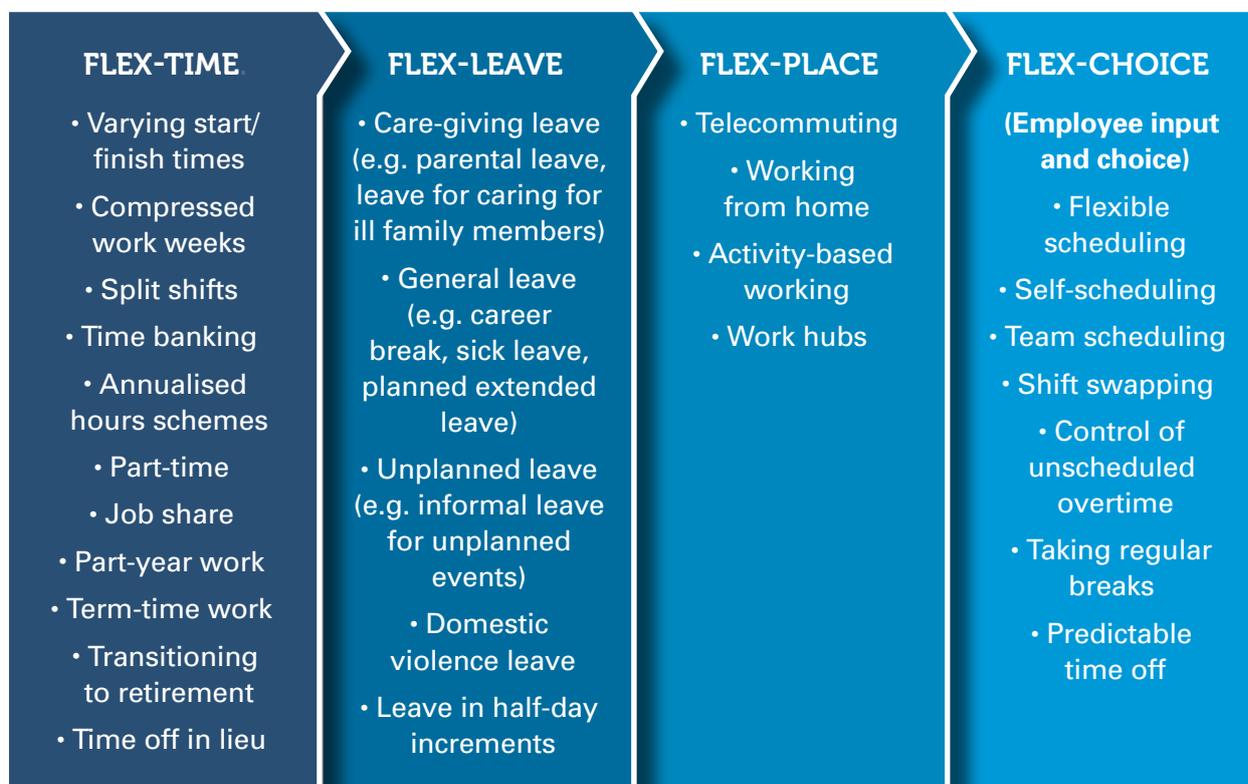
Future-Flex is not just about accommodating individual requests for flexible work. It is also about re-organising all team members’ work and jobs to maximise performance and wellbeing.

CURRENT MINDSET		FUTURE-FLEX MINDSET
INDIVIDUAL ACCOMMODATION		WORK DESIGN
How can we accommodate individual requests for flexible work so work-life conflict is minimised?	FOCUS	How can we organise team members’ work and jobs to maximise the performance and wellbeing of our organisation, teams, and individuals?
Improve work-life balance	OBJECTIVE	Improve work itself
Individual employee	CHANGE INITIATED BY	Managers and/or team
Individual and manager	INVOLVES	Extended team and manager
Individual’s work arrangement	SCOPE OF CHANGE	Organisational and team culture (workplace norms and assumptions)
Improve individual’s work-life situation	DESIRED OUTCOMES	Improve the performance and wellbeing of our organisation, teams, and individuals

Source: Adapted from Clayman Institute for Gender Research’s Design Toolkit: Principles, Tools & Starting Points

A *FUTURE-FLEX* DEFINITION OF WORKPLACE FLEXIBILITY

Future-Flex creates organisations in which employees can access flexibility across all roles, for any reason, and can have successful engaged careers. This involves flexibility in *time*, *leave*, *place* and *choice*, which improves the performance and wellbeing of organisations, teams, and individuals.



Source: Adapted from Families & Work Institute

FUTURE-FLEX TOOLS FOR WORK DESIGN

Do you or your team want to explore what flexibility options are possible in your work area and how these can be introduced?

Do you or one of your employees want to work more flexibly?

Does your organisation want to improve organisational, team, and individual performance and wellbeing through flexible working?

FUTURE-FLEX TOOL 1



FLEXIBLE TEAMS
BY DESIGN

FUTURE-FLEX TOOL 2



FLEXIBLE JOBS
BY DESIGN

FUTURE-FLEX TOOL 3



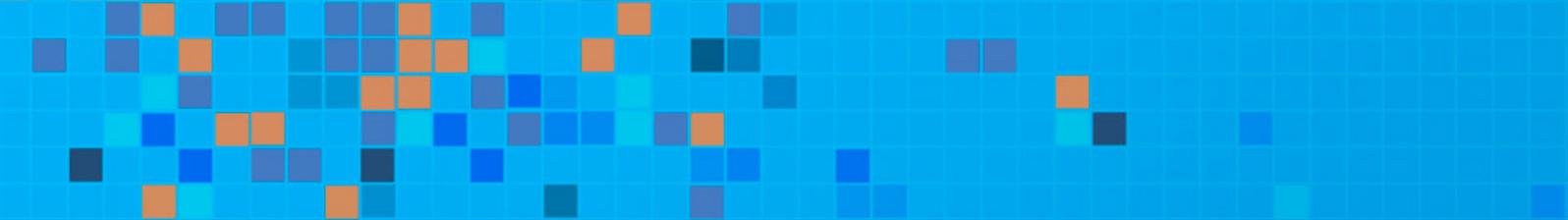
FLEXIBLE
ORGANISATIONS
BY DESIGN

The three *Future-Flex* Tools listed above can be used to address these challenges.

Each Tool steps you through a process of designing work, jobs, and organisations for flexibility. They are based on a 'work design' mindset about flexibility.

In these Tools the word 'design' is used as a short-cut for both design and re-design. The Tools enable:

- New teams and roles to be designed for flexibility, and
- Existing teams and roles to be re-designed.



HOW TO USE THE FUTURE-FLEX TOOLS

Future-Flex Tools recognise that for success, flexibility must meet the needs of both the organisation and its employees. *Future-Flex* Tools focus on flexible work that boosts the performance and wellbeing of organisations, teams, and individuals.

USE SEPARATELY OR TOGETHER

The *Future-Flex* Tools can be used separately or together. For example:

- One of your team members may need flexibility so you want to re-design work for the whole team (*Future-Flex* Tool 1)
- You may be interested in re-designing just one individual role (*Future-Flex* Tool 2)
- You want to engage in a comprehensive change process in which you design a team's work and ensure your organisational context supports this design (all three *Future-Flex* Tools).

START WITH THE TEAM

We strongly recommend that you focus on your team (*Future-Flex* 1), even if the impetus for thinking about flexible design was an individual job (*Future-Flex* 2).

While design often starts with an individual requesting greater flexibility, if job design is to be successful for both an individual and their organisation, it must involve their team.

For organisations already working on flexibility, a critical next step is assessing how well your organisation supports and enables flexible work design (*Future-Flex* 3).

But you could also reverse the process, and begin by considering the organisational context (*Future-Flex* 3), before turning to re-design team work (*Future-Flex* 1), and individual jobs (*Future-Flex* 2).

COLLABORATE AND CREATE

A critical element of the *Future-Flex* Tools is that employees are centrally involved in the design process themselves.

Future-Flex Tools recognise that staff at all levels have the expertise about the everyday activities of their roles and what is really going on in their organisation. Employees can offer their organisations insights and skills that contribute to re-designing their jobs and work in a way that improves the performance and wellbeing of their organisation, their team, and themselves.

COMMUNICATE – CLEARLY AND OFTEN

Remember to communicate with key stakeholders – early on in the process and at regular periods throughout the re-design. This could involve your direct manager, your team members, customers or clients, suppliers, contractors, or stakeholders from key organisational areas such as human resource management, corporate affairs, marketing, learning and development, or information technology.

WHO CAN USE THESE FUTURE-FLEX TOOLS?

These Tools can be used by any individual or team, including employees, managers, and human resource professionals.

Depending on your experience with workplace flexibility and group facilitation, you may wish to work with colleagues, other managers, human resource professionals, or an external facilitator who brings greater flexibility expertise. This may be relevant just for the early planning stages or throughout the entire process.

Keep in mind that the more you do it, the greater confidence and capabilities you will develop.



FUTURE-FLEX TOOL 1: **FLEXIBLE TEAMS BY DESIGN**

Do you or your team want to explore what flexibility options are possible in your work area and how these can be introduced? This tool can enable you to address this challenge. It uses a 'work design' mindset to step you through a process of (re)designing your team's work to enable flexible work.

ABOUT WORK TEAM DESIGN

Work design involves structuring a team's work to enable flexibility. This involves reviewing the parts of all team members' jobs (e.g. tasks, duties, responsibilities, location, timing), rather than just one individual employee's.

While the trigger for design may be an individual's request (e.g. for flexible start and finish times), to make sure flexibility works for everyone, the design of their job is best done by taking into account the rest of the team.

In these Tools the word 'design' is used as a short-cut for both design and re-design.

The Tools enable:

- New teams to be designed for flexibility, and
- Existing teams to be re-designed.

USING FUTURE-FLEX TOOL 1

This Tool takes individuals through five steps to design their team's work to enable flexible work.

The Tool can be used by any individual or team, including employees, managers, and human resource professionals. Depending on your experience with workplace flexibility and group facilitation, you may wish to work with colleagues, other managers, human resource professionals, or an external facilitator who can bring greater flexibility expertise. This may be relevant just for the early planning stages or throughout the entire process.

Keep in mind that the more you do it, the greater confidence and capabilities you will develop.

USING FUTURE-FLEX TOOL 1:

STEP 1: IDENTIFY PEOPLE INVOLVED

Identify all people with a stake in the team design (this is the responsibility of the relevant manager).

STEP 2: CHALLENGE MINDSETS

Conduct an interactive workshop to challenge and change mindsets and assumptions about the nature of work, the 'ideal' worker, and what drives performance and productivity in your organisation.

STEP 3: DESIGN INDIVIDUAL JOBS

Ask team members to analyse their own jobs and possibilities for job and work design (to be then used in Step 4). They can conduct their job analysis using Steps 1 to 4 of *Future-Flex* Tool 2.

STEP 4: DESIGN TEAM'S WORK

Conduct a *Future-Flex* Work Design Challenge workshop to develop different team-based flexible working options using a creative problem-solving approach.

STEP 5: FINALISE PLAN

Create a smaller group of staff in the team/work area who are key stakeholders and most directly affected by the proposed changes. Meet to finalise the work design changes and create an implementation plan.

FLEXIBLE TEAMS BY DESIGN: AT SCENTRE GROUP

Scentre Group's 100-strong IT team have been undergoing a cultural transformation over the past year, with flexibility emerging as a key enabler to shifting mindsets and increasing engagement.

Recognising an opportunity to lead the business in how they've embraced flexible work, the team recently came together to share their diverse stories – different individuals in different roles are benefiting from Scentre Group's "*when someone asks for flexibility, we start from yes*" approach.

"I work from home once a fortnight so I can drop off / pick up my children at school. I have made a personal commitment to try to get to the major school events during the year and flex my hours around this. My kids love this and so do I!"

*"Coming to work later gives me an opportunity to look through issues, investigate, prepare for meetings later in the day. **This helps me to look after issues which pop up at the end of the day and provide appropriate support.**"*

"I work from home or from the nearest Westfield Centre. Sometimes I need to work after hours and can do this from home."

FLEXIBLE TEAMS BY DESIGN: AT SAINSBURY'S

In a Sainsbury store in the U.K. a bakery team developed a flexible system of two to three baking shifts a day.

The team agreed to rotate their hours each week so that no team member permanently worked a shift that did not suit them. After the change was made in 2007, **bakery sales increased by more than 65%** in the first year and **colleague engagement in the bakery has risen 10%**.



FUTURE-FLEX TOOL 2: **FLEXIBLE JOBS BY DESIGN**

Do you want to design a particular role to be more flexible? This tool can enable you to address this challenge. It uses a 'work design' mindset to step you through a process of (re)designing an individual's job for flexibility.

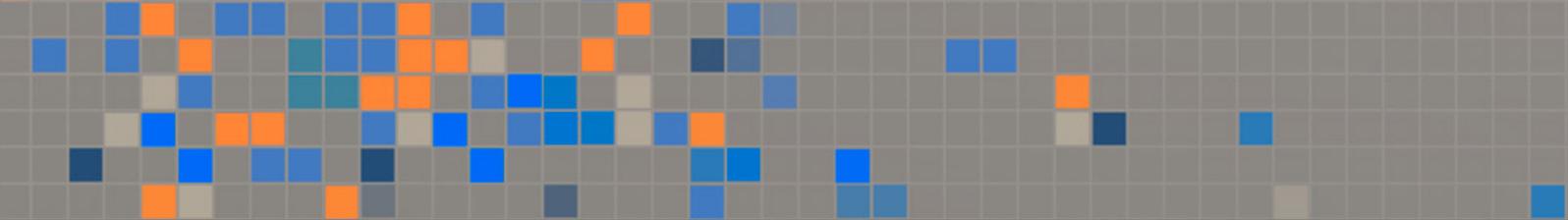
ABOUT JOB DESIGN

Job design means designing an individual's job to enable flexibility. This involves restructuring the parts of a particular job (e.g. tasks, duties, responsibilities, location, timing) to improve the performance and wellbeing of the organisation, the team, and individuals.

USING FUTURE-FLEX TOOL 2

This Tool takes individual employees through six steps to re-design their job. Steps 1 to 5 can be done by employees by themselves or with a team member if this is easier.

In the final Step 6, the employee discusses their job design proposal with a trusted team member (if they have not done this already) and then their manager.



USING *FUTURE-FLEX* TOOL 2:

STEP 1: WHAT ARE YOUR JOB CHARACTERISTICS?

Describe the main characteristics of your job. For example, your job title, key job/work outcomes, job location and timing, and the flexibility of your job, team and organisation.

STEP 2: WHAT ARE YOUR MAIN TASKS, RESPONSIBILITIES & CONNECTIONS?

List your main job tasks and responsibilities. Estimate the percentage of time and energy you give to each task. Rate how important each task is to achieving your job/work outcomes.

List your main job connections. Your job connections are the people you need to connect with (have on-going relationships with) to deliver your job/work outcomes. Rate how important each connection is to achieving your job/work outcomes.

STEP 3: WHAT ARE THE FLEXIBLE PARTS OF YOUR JOB?

Identify which job tasks, responsibilities, and/or connections could be changed to be more flexible. Try to be open-minded and creative about your job and possible changes. Remember, the aim is to make changes which maintain or improve performance and wellbeing – your own and that of your team and organisation. What type of flexibility would you like (e.g. greater control of shifts, working from more than one location)? See *Getting Creative* in this Guide for ideas. Keep this in mind to create ways to make your job tasks, responsibilities, and/or connections more flexible.

STEP 4: DESIGN YOUR JOB FOR FLEXIBILITY!

Create your re-designed job. Use your findings from the Step 3 to summarise your re-designed job. As part of this, redefine your job's characteristics and main tasks, responsibilities and/or connections (where relevant), and the job flexibility you propose.

STEP 5: WHAT ARE THE OPPORTUNITIES AND IMPLICATIONS?

Identify the positive impacts of your proposed re-design – for yourself, your team, and your organisation (e.g. Are there any financial savings such as better productivity or reduced office space?)

Identify and address any negative impacts – for yourself, your team and your organisation (e.g. Are there any costs relating to backfilling roles or providing new equipment?)

STEP 6: DISCUSS AND FINALISE YOUR NEW FLEXIBLE JOB DESIGN

Talk about your proposed design with a trusted team mate. Refine your proposed design based on the feedback provided by your team mate.

Talk about your proposed design with your immediate manager or your team (if you or your manager is keen to take a team-based approach to flexible work).



FUTURE-FLEX TOOL 3: **FLEXIBLE ORGANISATIONS BY DESIGN**

Does your organisation want to improve performance and wellbeing through flexible working? This tool can enable you to address this challenge. It uses a 'work design' mindset to step you through a process of (re)designing your organisation for flexibility.

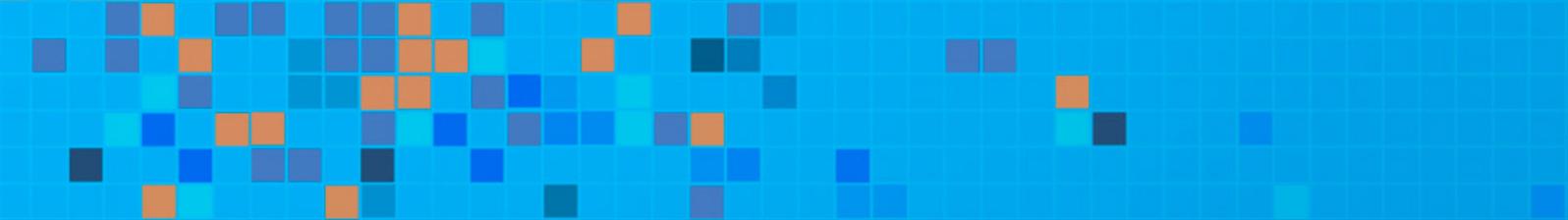
ABOUT DESIGNING FLEXIBLE ORGANISATIONS

Flexible work for individuals and teams is effective and sustainable when consideration is given to the organisation and how well flexibility is enabled at this level.

HOW TO USE *FUTURE-FLEX* TOOL 3

We have identified seven key steps to make sure that your organisation gets the most from flexible work design.

For greatest impact, we recommend an operational manager leads this review process, supported by a project team which includes staff from a diversity of demographic backgrounds and key stakeholder areas (e.g. human resource management, communications, corporate affairs, marketing, learning & development, and information technology).



USING *FUTURE-FLEX* TOOL 3:

STEP 1: GET STRATEGIC

Use workplace flexibility as a business performance tool.

STEP 2: GET LEADING

Actively involve leaders in your organisation's work and job design strategy.

STEP 3: GET RESOURCED – POLICIES, PRINCIPLES AND TOOLS

Establish a policy framework for flexible work and flexible careers across your organisation.

STEP 4: GET TECH-FOCUSED

Ensure information and communications technologies (ICT) are available to easily enable flexible work.

STEP 5: GET CAPABLE

Ensure employees and managers have the commitment and capability to support a *Future-Flex* model of work.

STEP 6: GET REWARDING

Reward employees and managers for actively supporting a *Future-Flex* model of work, and ensure those who work flexibly can advance their careers.

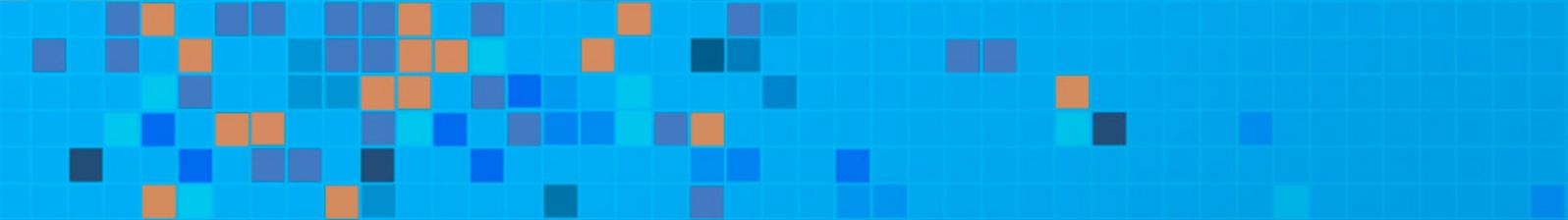
STEP 7: GET ROI

Monitor the impact of flexible work over time to ensure it contributes to the performance and wellbeing of the organisation, teams, and individuals.

GETTING CREATIVE: TYPES OF FLEXIBLE WORK

The following table is a glossary of some of the most common existing forms of flexible working. The options can be undertaken either on their own or in combinations.

TYPE	DESCRIPTION
Advance notice	Employees have advance notice of regular work schedules and of schedule changes (e.g. one month in advance)
Adjusted shifts	Modifying the start, stop and break times for shifts to align with common employee schedule requests (e.g. school drop off and pick up)
Break flexibility	Employee input into break arrangements, including employees arranging break trades and informing their managers
Compressed working weeks	An employee works the same number of weekly (or fortnightly or monthly) hours, compressed into a shorter period (e.g. a forty-hour week worked at the rate of ten hours per day over four days instead of eight hours a day for five days). Changes to salary are not required
Cross trained relief pool	A pool of employees who have been trained to undertake multiple types of work/positions, to assist with covering time off and so minimises overtime costs
Flexible careers	Employees are able to enter, exit and re-enter employment with the same organisation, or to increase or decrease their workload or career pace to suit different life stages. E.g. transitioning to retirement; early career 'gap years'; sabbaticals
Flexible hours	Varying start and finish times
'Floating' staff	Employees who are on-site and act as backup to cover breaks/fill in as needed
Guaranteed shifts	Employees have certain guaranteed shifts or guaranteed days, even if the entire week is not guaranteed
Incremental reductions	Employees work a percentage of full-time for the same percentage of wages and benefits
Job sharing	A full-time job role is divided into multiple job roles to be done by two or more employees who are paid pro-rata for the part of the job each completes

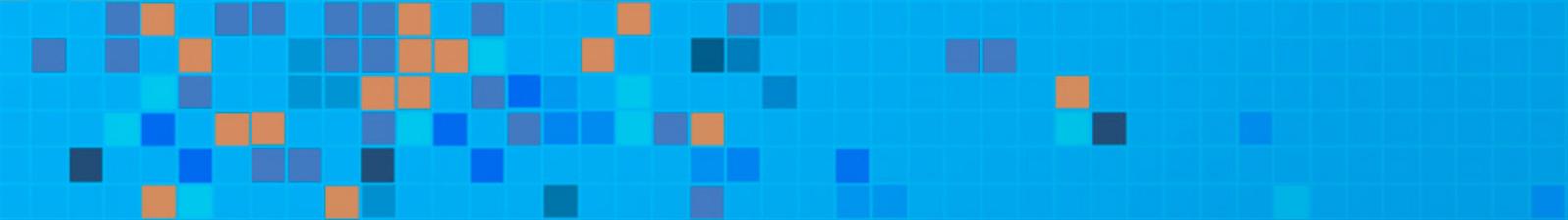


TYPE	DESCRIPTION
Multiple locations	Allowing employees to work at multiple employer locations if their usual amount of work hours cannot be met at just one location
Part-time work	A regular work pattern where employees work less than full-time and are paid on a pro-rata basis. Not all part-time work is necessarily flexible, but it can offer flexibility to employees who have commitments that are not compatible with full-time work
Purchased leave	A period of additional leave (without pay) where an employer deducts the amount of unpaid leave from the worker's salary, usually averaged over the year
Self-rostering	An employee proposes what times they would like to work and the times they would prefer not to work. Rosters are then formed that match individual preferences as closely as possible whilst still maintaining agreed levels of cover
Shift swapping	Employees arrange shift trades and inform their managers
Split shifts	Employees separate their shifts into two or more sections with breaks in between
Team-scheduling	The team suggests scheduling solutions to managers for their approval, rather than asking the manager to resolve the scheduling issue
Telecommuting	Working at a location other than the official place of work. Includes a variety of terms including 'remote working', 'mobile working', 'distributed work', 'virtual teams' and 'telework'
Time-in-lieu	An employee works approved overtime and is compensated by time-in-lieu. It can include 'flexitime' arrangements where an employee can work extra time over several days or weeks and then reclaim those hours as time off
Unplanned leave	Informal access to leave for unanticipated or unplanned events
Vacation increments	Employees access vacation leave in half day increments
Variable part-year schedules	Employees work a reduced schedule during slow periods and full-time the rest of the year

Source: Adapted from Workplace Gender Equality Agency, 2015, *Briefing Note: About Workplace Flexibility*

THE BUSINESS CASE

Profit and Performance	<ul style="list-style-type: none"> • A U.S. Bank found that retail branches that were supportive of flexibility and people's personal lives had a 50% higher retention rate and a 7% increase in customer retention, resulting in a \$106 million profit increase. • Work design projects pay for themselves – a work design project in a U.S. information technology company demonstrated a positive return on investment (ROI) of 1.68 – for every dollar spent on the project, average organisational costs fell by \$1.68. • A call centre found telecommuting led to a 13% increase in staff performance: 9.5% was due to fewer sick days and breaks and working more minutes per shift; 3.5% was because they took more calls each minute due to the quieter work environment. Home workers' job attrition rate fell by 50%. The company saved approximately \$2,000 per employee.
Sustainability	<ul style="list-style-type: none"> • Flexible work practices have played a critical role in enabling companies to respond to the economic downturn. Companies including KPMG and Norton Rose, offered staff the option of working four days a week, taking a sabbatical on reduced pay, enabling them to avoid major staff cuts.
Employer Branding	<ul style="list-style-type: none"> • Research shows that employees who use flexible work options are stronger advocates for the organisation. • Organisations that do flexibility well are more successful at attracting and retaining employees, even if the employees don't use the policies.
Wellbeing	<ul style="list-style-type: none"> • Re-designed work in the retail sector has been shown to have significant positive impacts on employee health and wellbeing, including in relation to quitting and decreasing smoking. It also decreased the odds of excessive drinking and improved sleep adequacy and exercise frequency. • Employees participating in a work re-design model called Predictability, Teaming and Open Communication (PTO), were significantly more likely than other employees in their organisation to feel comfortable taking time off for personal life, to feel satisfied with their work-life balance, and to imagine themselves staying at the company for the long term.
Engagement	<ul style="list-style-type: none"> • Employees with the flexibility they need have 55% higher engagement, 55% less stress, and 45% lower turnover intention than employees who do not. • Australian workers who have a flexible work environment are significantly more likely to respond positively about team environment, workplace behaviour, employment conditions, intention to leave, management style, work-life satisfaction, job satisfaction, and health outcomes.
Gender Equality	<ul style="list-style-type: none"> • Flex options are linked to greater career aspirations amongst female (and male) employees. In a recent Bain & Co. survey, 83% of female employees aspired for senior executive roles in 'flexible' organisations (i.e. those with flexible work options) versus only 54% in 'inflexible' organisations.
Talent Management	<ul style="list-style-type: none"> • The Gap Inc. conducted a pilot work re-design initiative with one team with high levels of work-life conflict and burn out. Six months after implementation staff turnover in that team was down by 50%, productivity was up 21% and engagement up 7%.



OUR METHODOLOGY

To develop evidence-based guidelines we drew on three main data sources, these being:

- International and national industry and academic literature about workplace flexibility and the future of work including shifts in the nature of work, how work is done, and processes to analyse and design jobs, work and organisations
- Interviews and liaison with staff working in a retail environment including retail organisations (both corporate offices and retail outlets) and organisations which have a retail network (such as banks)
- Our own extensive experience working as practitioners and consultants in the area of diversity, inclusion and workplace flexibility, assisting workforces make flexible work and flexible careers standard business practice.

FIND OUT MORE

DCA members can access the full research report by logging into the Members Only area of the DCA website. The Full Report includes detailed information on:

- Each of the three *Future-Flex* Tools
- How to use the *Future-Flex* Tools in your own organisation
- The business case for *Future-Flex*, including all research references
- Case studies and practical example of *Future-Flex* leading practice



Diversity Council Australia Ltd

Level 9, 225 George Street, Sydney NSW 2000
Phone: (02) 9322 5197 Email: admin@dca.org.au
www.dca.org.au