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AUSTRALIA



# Myth Busting Flexibility

USING EVIDENCE TO DEBUNK  
COMMON MYTHS AND ASSUMPTIONS



# WORKPLACE FLEXIBILITY: A TOOL FOR THE FUTURE

**The future of work demands flexibility in the way individuals, teams, and organisations work.<sup>1</sup>**

**Yet many Australian organisations have struggled to respond to this challenge – workplace flexibility is yet to be standard business practice in most workplaces.<sup>2</sup>**

One critical stumbling block has been the myths about workplace flexibility that abound. These discourage organisations and individuals from engaging in flexible work – they keep flexible work and flexible careers on the margins rather than mainstream.

In this guide, we therefore draw on research to debunk some of the more common myths and inaccurate assumptions about workplace flexibility.

# FLEXIBILITY MYTHS



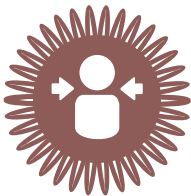
## MYTH 1:

Flexibility is just an HR tool to help staff balance work-life



## MYTH 2:

The ideal worker is full-time 'face-time'



## MYTH 3:

Flexibility is just about accommodating an individual's personal circumstances



## MYTH 4:

Flexibility is just for new mums



## MYTH 5:

Flexibility is just another word for part-time work



## MYTH 6:

Flexible workers are less ambitious



## MYTH 7:

Flexibility doesn't work in our backyard



## MYTH #1



**MYTH:** Flexibility is just an HR tool to help staff balance work-life

**REALITY:** Flexibility is a business tool to drive performance and wellbeing

In your organisation is flexible work mainly provided to help individuals with their work-life balance or are there also other more business-focused reasons? Unfortunately, workplace flexibility is often viewed narrowly as just a human resource management policy which assists individuals reduce their work-life conflict.

Yet this view misses the mountain of evidence showing that workplace flexibility is actually a powerful business tool which maximises the performance and wellbeing of organisations, teams, and individuals.

We know from research that workplace flexibility is a key tool for meeting business goals in areas such as customer service, growth and efficiency.



### PROFIT AND PERFORMANCE

- Bank 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.<sup>3</sup>
- A work design project in a U.S. information technology company had a positive return on investment (ROI) of 1.68 – for every dollar spent on the project, average organisational costs fell by \$1.68.<sup>4</sup>
- Hewlett Packard introduced a compressed working week which resulted in 200% increase in the number of transactions conducted on a daily basis and a 50% reduction in overtime, nearly doubling productivity.<sup>5</sup>
- A call centre found that telecommuting led to a 13% increase in staff performance and the job attrition rate fell by 50%.<sup>6</sup>



## SUSTAINABILITY

- Flexible work has 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.<sup>7</sup>
- IAG introduced Work from Home to its Customer Sales & Service teams and created a more scalable workforce planning model with benefits for both the business and staff. Not only were more staff available to take calls, they also increased their demand for overtime work. So when grades of service required additional support, those working from home could be placed on-call to jump on the phones and provide additional support where needed.<sup>8</sup>



## EMPLOYER BRANDING

- Research shows that employees who use flexible work options are stronger advocates for the organisation.<sup>9</sup>
- Organisations that do flexibility well are more successful at attracting and retaining employees, even if the employees don't use the policies.<sup>10</sup>



## WELLBEING

- Employees participating in a work redesign model called Predictability, Teaming and Open Communication (PTO), were significantly more likely than other employees 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.<sup>11</sup>
- The most effective way to prevent psychological harm at work is through good work design – even though health promotion and awareness, counselling and resilience training are often more commonly implemented.<sup>12</sup>



## ENGAGEMENT

- Employees with the flexibility they need have 55% higher engagement, 55% less stress, and 45% lower turnover intention than employees who do not.<sup>13</sup>



## GENDER EQUALITY

- Flex options are linked to greater career aspirations amongst female (and male) employees. A global survey of high potential talent found that 83% of women aspired for senior executive roles in 'flexible' organisations (i.e. those with flexible work options) versus only 54% in 'inflexible' organisations.<sup>14</sup>



## TALENT MANAGEMENT

- The Gap Inc. conducted a pilot work redesign initiative with a team with high worklife conflict and burn out levels. Six months after implementation staff turnover in that team was down by 50%, productivity was up 21% and engagement up 7%.<sup>15</sup>
- Flexible scheduling at Chubb reduced unscheduled time off by 50% each month and overtime by 40% per employee.<sup>16</sup>
- Almost one in five Australian workers (18%) has considered resigning in the last six months due to lack of flexibility.<sup>17</sup>



## MYTH #2



**MYTH:** The ideal worker is full-time 'face-time'

**REALITY:** Flexible workers are as productive, if not more, than their non-flexible colleagues

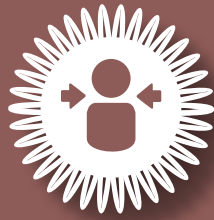
Do leaders in your organisation still hold to the myth that the best workers are those with few personal responsibilities who can be on-site all day every day, and are always available to meet business needs? If so, research shows they are not alone.

We know now though that the traditional 'full-time face-time' approach to working doesn't improve productivity.

**In the 21st Century, the most productive way of working is not a one-size-fits-all approach** based on workers with no personal commitments that may affect their availability, working full-time in the same physical location.<sup>18</sup>

- **Women working flexibly.** Women in flexible roles have been identified as the most productive employees, and having 71 female flexible workers in your organisation equates to a productivity bonus of one extra full-time employee.<sup>19</sup>
- **Men working flexibly.** Men with high commitment to work but who create some boundaries between work and home (e.g. being home at night to have family meals, not working weekends) out-perform their 'ideal worker' colleagues.<sup>20</sup>
- **Managers with care-giving responsibilities.** Managers with care-giving responsibilities are rated by their staff as better managers and have more satisfied staff than managers with no responsibilities.<sup>21</sup>





## MYTH #3



**MYTH:** Flexibility is just about accommodating an individual's personal circumstances

**REALITY:** Flexibility works best when it's designed with the team in mind

It's common for workplaces to design flexible work in response to an individual requesting greater flexibility. This involves reviewing all team members' jobs (e.g. tasks, responsibilities, work relationships, location, timing), rather than the job of just one individual employee, and having employees and managers work together to create team-based flexibility solutions, rather than managers doing this on their own or with just one employee.<sup>22</sup>

**But if job design is to be successful for an individual and their organisation, it must involve their team.**

Research shows that starting with the team delivers better business outcomes:

- While it may initially require more time, a team-based approach empowers employees to solve problems, increases teamwork, reciprocity and ownership of the solution<sup>23</sup>, reduces management time, and speeds decision-making.
- Work design projects actually 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.<sup>24</sup>





## MYTH #4



**MYTH: Flexibility is just for new mums**

**REALITY: Flexibility is for all workers for any reason**

Workplace flexibility is commonly viewed as being relevant just to women for childcare reasons.<sup>25</sup>

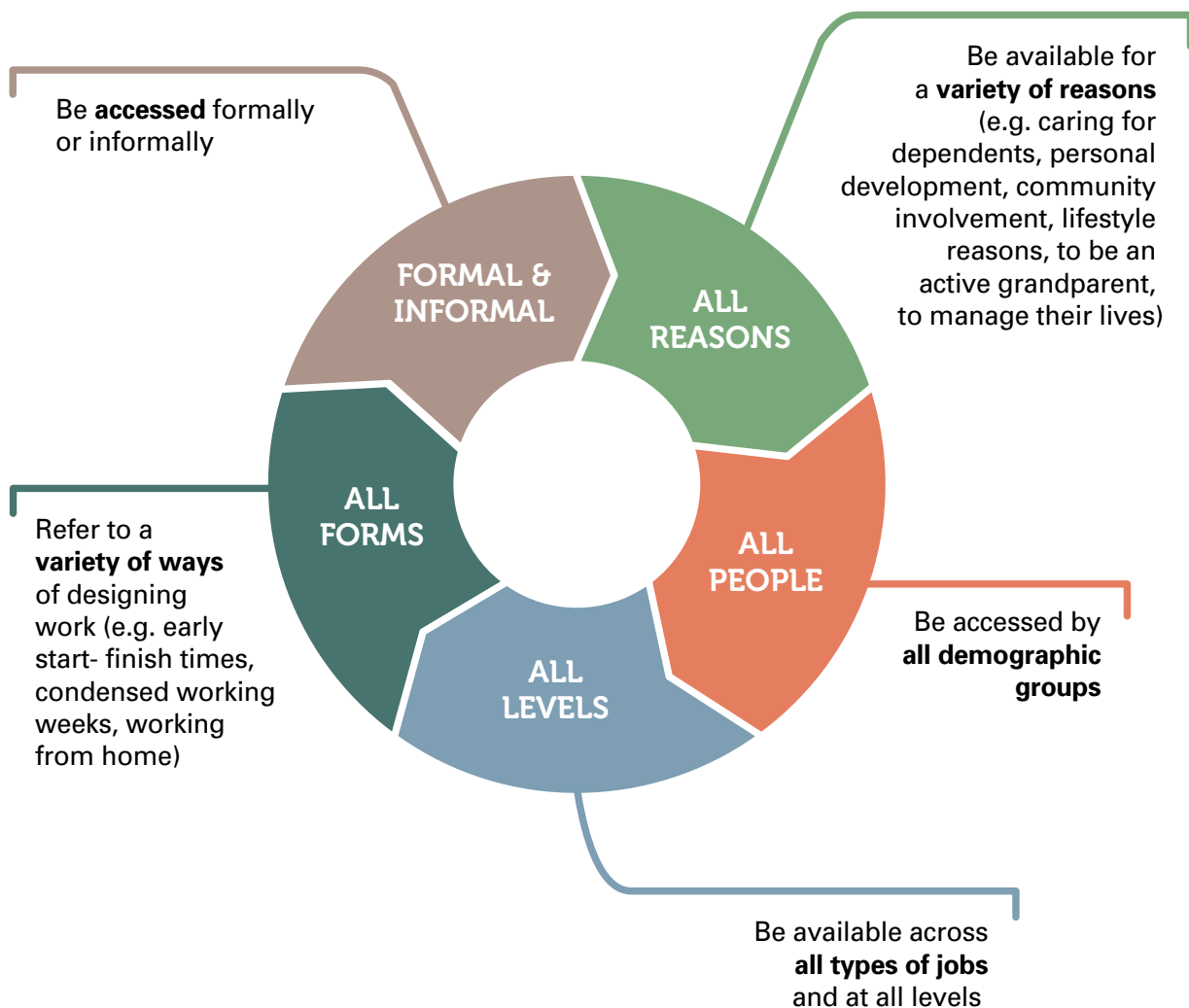
Yet with more and more employees wanting to access flexible work, it makes sense to provide flexibility for a broad range of reasons, such as caring for dependents, personal development, community involvement, lifestyle reasons, to be an active grandparent, and so on. That means if someone wants to vary their start and finish times to go for a surf before work, consider it.

- **All workers.** A 2017 global survey of 14,000 workers found that 38% of workers in 19 countries consider flexibility a major career motivator.<sup>26</sup> Closer to home, seven out of 10 Australian employees would take another job if it offered more flexible hours, and while 44% of workers report having access to flexible work, 72% indicate they actually want it.<sup>27</sup> In fact, 51% of Australian workers would forgo a portion of their pay in exchange for significant flexibility.<sup>28</sup>
- **Aboriginal and/or Torres Strait Islander peoples.** DCA research found that many Indigenous Australians cite inflexible work hours and leave arrangements as a major reason they do not stay in employment. In fact, many Indigenous workers view the public sector as a preferred employer as they consider this sector more responsive to employees' needs in relation to family and community responsibilities.<sup>29</sup>
- **Men.** Bain & Co research found that 60% of Australian men want flexible working hours, but are twice as likely as women to have requests for flexible work hours rejected.<sup>30</sup> Not surprising then to find 37% of working fathers have seriously considered leaving their organisation because of a lack of flexibility.<sup>31</sup>
- **Older workers.** In all, 73% of older Australian workers would work more hours and stay in the workforce longer if flexible work was available to them.<sup>32</sup>
- **Younger workers.** Deloitte's 2016 Millennial Survey found that work-life balance and flexibility is among the strongest differentiators of candidate choice, making genuine flexibility critical to attracting and retaining Millennial talent.<sup>33</sup>



## DEFINE FLEXIBILITY BROADLY

DCA's *Get Flexible!* research found that it is only when flexibility is defined broadly that flexible work will move from the margins to the mainstream in Australian workplaces. For flexibility to become standard business practice and the default 'way we do things around here' it needs to:





## MYTH #5



**MYTH:** Flexibility is just another word for part-time work

**REALITY:** Flexibility is about all types of work

Do people in your organisation think flexibility refers just to part-time work or perhaps work from home? This is a very common misconception.

Yet if flexible work is to deliver on its promise to drive business performance, it needs to be defined broadly to include not just flexibility in time, but also in leave, place and choice (see figure below). Research shows that making a range of flexible work options available<sup>34</sup> and providing employees with opportunities for input and choice about these options is what drives performance and wellbeing.<sup>35</sup>

### FLEXIBLE WORK

Flexibility in when, where, and how work is conducted



### FLEXIBLE CAREERS

Employees can enter, exit, and re-enter workforce, or increase or decrease their workload or career pace at different life stages i.e. 'ramp up' or 'ramp down' their career

#### FLEX-TIME

- Varying start/finish times
- Compressed work weeks
- Split shifts
- Time banking
  - Annualised hours schemes
  - Part-time
  - Job share
- Part-year work
- Term-time work
  - Transitioning to retirement
- Time off in lieu

#### FLEX-LEAVE

- Care-giving leave (e.g. parental leave, leave for caring for ill family members)
- General leave (e.g. career break, sick leave, planned extended leave)
- Cultural leave
- Unplanned leave (e.g. informal leave for unplanned events)
- Domestic violence leave
- Leave in half-day increments

#### FLEX-PLACE

- Telecommuting
  - Working from home
- Activity-based working
- Work hubs

#### FLEX-CHOICE (Employee input and choice)

- Flexible scheduling
- Self-scheduling
- Team scheduling
- Shift swapping
  - Control of unscheduled overtime
- Taking regular breaks
- Predictable time off

## THERE ARE SO MANY WAYS OF WORKING FLEXIBLY SO GET CREATIVE WHEN DESIGNING ROLES IN YOUR ORGANISATION!

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
<b>Advance notice</b>	Employees have advance notice of regular work schedules and of schedule changes (e.g. one month in advance)
<b>Adjusted shifts</b>	Modifying the start, stop and break times for shifts to align with common employee schedule requests (e.g. school drop off and pick up)
<b>Break flexibility</b>	Employee input into break arrangements, including employees arranging break trades and informing their managers
<b>Compressed working weeks</b>	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
<b>Cross trained relief pool</b>	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
<b>Flexible careers</b>	You are able to enter, exit and re-enter employment with the same organisation, or to increase or decrease your workload or career pace to suit different life stages. E.g. transitioning to retirement; early career 'gap years'; sabbaticals
<b>Flexible hours</b>	Varying start and finish times
<b>'Floating' staff</b>	Employees who are on-site and act as backup to cover breaks/fill in as needed
<b>Guaranteed shifts</b>	Employees have certain guaranteed shifts or guaranteed days, even if the entire week is not guaranteed
<b>Incremental reductions</b>	Employees work a percentage of full-time for the same percentage of wages and benefits

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TYPE	DESCRIPTION
<b>Job sharing</b>	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
<b>Multiple locations</b>	Allowing employees to work at multiple employer locations if their usual amount of work hours cannot be met at just one location
<b>Part-time work</b>	A regular work pattern where you 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 workers who have commitments that are not compatible with full-time work
<b>Purchased leave</b>	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
<b>Shift swapping</b>	Employees arrange shift trades and inform their managers
<b>Split shifts</b>	Employees separate their shifts into two or more sections with breaks in between
<b>Team-scheduling</b>	The team suggests scheduling solutions to managers for their approval, rather than asking the manager to resolve the scheduling issue
<b>Telecommuting</b>	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'
<b>Time-in-lieu</b>	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
<b>Unplanned leave</b>	Informal access to leave for unanticipated or unplanned events
<b>Vacation increments</b>	Employees access vacation leave in half-day increments
<b>Variable part-year schedules</b>	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



## MYTH #6



**MYTH: Flexible workers are less ambitious**

**REALITY: Flexibility boosts workers' career ambition**

**A common myth is that flexible workers are less ambitious and less committed to their organisation.<sup>36</sup>**

**In fact, the reverse is actually the case. Research shows that employees' career aspirations are boosted when flexible work is provided.**

- Catalyst research found that 90% of high potentials who had access to flexible work reported aspiring to senior executive/CEO level compared to just 77% of those without access to flexible work. The difference was particularly stark for women – 83% of women with flexible work aspired to the C-Suite level versus just 54% of women without access.<sup>37</sup>
- Women who work flexibly are more serious and committed to reaching their full career potential than women who don't work flexibly – Bain & Co. found that 53% of surveyed women who worked flexibly aspired to be a senior business leader or executive, compared to just 43% of women who were not working flexibly.<sup>38</sup>

Flexible workers' ambition can and does drop but this is typically due to the dearth of career opportunities provided. Career aspirations and ambitions are bound to bottom out in the face of employees' work being limited to a series of dead-end, lower-paying jobs.<sup>39</sup>

- In fact, Bain & Co's survey of Australian workers found that the most important factor in improving (female and male) employees' experience with flexible work was proof that it was possible to work flexibly and still progress one's career.<sup>40</sup>



## MYTH #7



**MYTH: Flexibility doesn't work in our backyard**

**REALITY: Flexibility works in all industries and roles**

There's a huge body of research that shows that across all industries, job levels, and job types, flexibility drives financial performance and productivity, is linked to increased revenue, and impacts positively on client service.<sup>41</sup>

The secret to flexibility's success is not picking the right industry, organisation or role – the secret is simply good design and implementation.

- **Define flexibility broadly.** Different types of flexibility are relevant for different industries and types of work. For service workers flexible scheduling is highly relevant, while working from home is particularly relevant for office workers.
- **Start with the team.** Have managers and their staff work together to come up with team-based flexibility solutions that meet organisational, team, and individual needs (i.e. rather than managers doing this on their own or with just one employee). Involving all team members in designing their work ensures flexibility works – team members are experts about their work and what changes *are* and *are not* possible.
- **Set clear expectations.** From the start, have clear expectations about how flexible work will work in practice – flexible work options must work for the business *and* employees, and will be regularly reviewed with this in mind.
- **Communicate clearly and often.** Effective communication is even more important when team members use flexibility than when they all use the same work arrangement. Ensure all staff are informed about team member availability regardless of work arrangement (e.g. online calendars, computer-based staffing systems, central database, and/or instant messaging can be used to update daily productivity targets, deadlines and/or customer issues).
- **Be flexible about flexibility.** Flexible work should change with individual (e.g. at different life-stages) and business needs (e.g. the need to provide improved coverage for customers/clients). If a flexible work option is not having the expected positive impact, adapt it – often better communication and education can fix implementation problems.



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