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# Flexible working could thrive post-recession

**I**n recent times we have seen renewed interest in the use of flexible working by employers. Companies such as KPMG and British Airways have made the news headlines for asking staff to consider flexible working options to reduce costs and to help avoid downsizing. These flexible working options have included reducing hours; working remotely or at different times; and taking periods of reduced pay and/or unpaid leave.

Such interest in flexible working has been encouraged by the need to cut costs and work more efficiently during the recession.

Some companies have reported that utilising flexible working arrangements will help them retain staff. This brings the added benefit that when business does start to improve; they still have high calibre, experienced staff in post; avoiding the need to start re-hiring again to meet customer demand.



We also found that organisational commitment and job satisfaction were positively affected by flexible working. When we compared the scores of flexible workers and non-flexible workers in each organisation in the study, we found that flexible workers had higher levels of organisational commitment. Additionally, in four of the organisations, they recorded higher levels of job satisfaction too. This would suggest that there are real benefits to be gained by organisations who offer flexible working to their employees.

Employers may think first and foremost about the tangible benefits: the likely reduction in salary costs and the savings made through the reduced need for office space. Flexible working also gives organisations the ability to operate longer hours without incurring the costs of overtime or anti-social hours supplements. However, it is important for employers not to forget the other less tangible benefits such as employee commitment and job satisfaction which can result in longer term benefits to the organisation.

### Policy alone is not enough

We would not want to suggest that all of these benefits come about simply by putting together and introducing a flexible working policy. To gain real benefits, organisations need to think carefully about how flexible working is implemented. Consideration needs to be given to the implications for other areas of human resource policy when introducing flexible working; as well as what might be some of the impediments to different ways of working.

Introducing a flexible working policy on its own is not enough. Employees need to believe that flexible working is genuinely available to them. An environment needs to be created where employees believe that a change to their working arrangements is a practical option for them as individuals.

The thrust of recent government policy supporting flexible working has been about accommodating the needs of working parents and carers. However, research that we have carried out in conjunction with the charity, Working Families, has demonstrated that there are many other benefits to be gained by employers. Here, we will outline some of the real, business benefits to be gained from offering flexible working options to all employees which go beyond fulfilling social and legal obligations.

The research was sponsored by seven blue chip companies (who also acted as host sites for the research). The research project involved a series of focus groups and more than 110 interviews with the co-workers and managers of flexible workers; as well as the flexible workers themselves. A survey was sent to all employees in the organisations involved to compare the responses of those who work flexibly with those who have a more traditional working pattern.

Our research revealed some surprising results. Although all of the participating organisations had extensive flexible working policies in place; we found in almost all cases that informal flexible working arrangements were much more prevalent than formal ones.

For some companies this finding was quite a revelation since HR departments tend to count formal applications made and approved, rather than the informal and ad hoc arrangements agreed between an employee and their line manager which operate in practice. This also means that it is likely to be hard to measure the impact of flexible working when an organisation is unclear about how much and where flexible working is taking place.

We found that when informal arrangements and forms of flexible working such as remote working (frequently from home) and flexi-time were taken into account, men were as likely as women to take advantage of flexible working options. This challenges notions that flexible working is just for women with children.

### Positive effects

Contrary to some commonly cited views, we found that flexible working did not impact negatively on employee performance. Many employees reported that there was a positive effect on both the quantity and quality of their work as a result of working flexibly. Less predictably, managers of flexible workers also reported either a positive relationship, or no effect on the performance of their staff that were using a variety of flexible working patterns.

Employees might think that working flexibly was not open to them because of the job they do. Despite wanting to work flexibly, some might perceive that it does not meet an established view of what is acceptable, including the prevailing view in their department.

Clearly some jobs are not amenable to all types of flexible working. For example there may be limitations on the availability of remote working and flexitime for a research scientist. It is likely that they will need to work in a laboratory and at a time when other support or collaborating staff are present. Although it may be perfectly possible for them to work remotely or at different times when writing up the results of their work. Equally someone in IT or customer support need to work at times when support is required. However, for global companies which operate across time zones, there may be few times when support is not needed.

Our research highlighted a common perception amongst employees in which they felt that the prevailing culture in their department may prevent them from taking advantage of flexible working. A 'long hours' or 'presenteeism' culture may obstruct opportunities for flexible working. However, interestingly the current economic climate is serving to challenge some of these closely held assumptions. When organisations wish to support flexible working as a means of cost reduction this may assist 'thinking outside the box' when it comes to how jobs can be done. We have also found that in the current climate some companies have encouraged senior personnel to reduce their load in order to demonstrate what can be done.

Previously some cultures have discouraged employees from requesting flexible working because of their reasons for wanting to change the way they do their work.

If the culture is such that justifiable reasons are really only seen to be those of caring responsibilities, then employees who want to change their working arrangements to train for a sporting event or simply because they would like to avoid a long or stressful commute, are less likely to pursue this avenue. Again we see the current climate changing some of these patterns, whereby organisations are encouraging the uptake of flexible working and are less interested in whether the employee has a 'legitimate reason'.

Our research also demonstrated the need for organisations to examine existing people management policies and practices to ensure that they do not inadvertently disadvantage those working flexibly as they have often been designed with a traditional working pattern in mind. A frequent culprit was the performance management system which might have implications for employee progression and reward. Some managers talked about visibility in the organisation influencing the judgment of employees' performance. In other words those with high visibility may be perceived as having greater commitment and achieving more. Almost by definition, flexible workers have less 'face-time' in the workplace or at the very least face-time when their colleagues and superiors are present. Performance management systems where consideration for advancement are based on more objective criteria and employee achievements avoid this problem.

Since flexible working can produce positive attitudinal responses, it would seem counter-productive to negate this advantage by managing employees in a way which simultaneously generates negative feelings.

The considerable benefits which can result from successful implementation of flexible working policies are even more important in the current climate and organisations should ensure that the means of implementing them do not cancel out such potential benefits. Our research findings have generated considerable interest in the media and beyond. Our work was cited as evidence by the Walsh Review (which recommended the extension of the 'right to request' legislation), the Chartered Institute of Personnel and Development and the Equality and Human Rights Commission. The full research report, *Flexible Working and Performance*, can be obtained from [www.workingfamilies.org.uk](http://www.workingfamilies.org.uk).

We intend to launch a second round of this research, focusing in particular on how organisations can attempt to match their needs for flexibility with the preferences of employees for different working arrangements. If your organisation would be interested in participating in this research, please contact us. [MF](mailto:clare.kelliher@cranfield.ac.uk)

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