

A new “flexibility” normal? The case for work redesign

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Executive Summary

Something unexpected happened in Australia during the 2008/2009 Global Economic Downturn (GED) which has implications for the Australian workplace of the future. This “something” was the use of “flexible work practices”, namely the increased use of part-time work, a reduction in hours worked by full-timers, the use of purchased leave, and video-conferencing as an alternative to travel, all to manage the downturn in the volume of work and revenue.

This essay considers the evidence for new way of working arising from the GED and the features of work redesign which would hardwire those changes into the workplace. Further this essay considers whether and how this new “flexibility normal” might contribute to creating a workplace which fosters genuine equality and flexibility for both women and men. The “evidence” includes interviews with fifteen decision-makers in a diverse range of industries (including manufacturing, professional services, retail and IT)¹, a small survey² and a literature review. By way of comparison and contrast this essay also includes research and opinions from country experts in the United Kingdom, the United States of America and Europe. In essence, data from France, Germany and the Netherlands suggests that Australia’s experience of workplace flexibility during the GED is part of a more global shift amongst selected countries.

¹ Interviews were conducted confidentially and unless permission was given to disclose details we refer to them as follows: (i) Professional Services, global, medium size: Head of HR, (ii) Manufacturing, large: HR Specialist; (iii) Professional services, medium: HR Director; (iv) Advertising, small business: CEO; (v) Professional services, medium: Organisational Development Manager; (vi) Transportation: large, global, Manager Workforce Development, Performance and Culture; (vii) Communications: small business, Director; (viii) Retail, large: HR Director; (ix) Financial Services, large: GM, HR; (x) Financial Services, large: GM HR; (xi) Medical products, large, global: HR Director; (xii) IT, global: Director, HR; (xiii) Financial Services, large: Senior Manager (operations); (xiv) Professional Services, medium; HR manager; (xv) Retail, large: Board Member.

² The survey was initiated and administered by Aequus Partners and not commissioned by the Federal Government. The data are included in this paper as adding value to the focus of the research.

The essay concludes that in Australia the GED generated different and new work practices in relation to workplace flexibility, but these were not widespread and rarely did they entail significant work redesign. At its best, some organisations rose to the surface as market leaders by embracing new forms of flexibility for a broader group of employees, for example, as explored in this essay, BlueScope Steel introduced extended purchased leave options; KPMG reduced commuting needs by introducing state-of-the-art teleconferencing facilities; and the ADagency introduced a four-day week for all staff. For these organisations, demonstrable positive business outcomes (complemented by employee buy-in) will ensure that their experimentation continues as “business as usual”.

To take this story further this essay argues that Australian decision-makers (both employers and policy-makers) need to think about flexibility more broadly in terms of work redesign. This implies thinking not only about accommodation of flexibility within an individual job (the particular tasks and responsibilities carried out by an individual), but also the job context, (namely the broader social and organisational context within which a job is conducted, and including the interdependence between jobs and the social interactions necessary to complete a job). This essay is intended to start a new conversation about gender equity and job redesign by describing the next part of the flexibility journey – one which incorporates a focus on full-time hours, flexible work practices and work redesign.

Introduction

Something unexpected happened in Australia during the 2008/2009 Global Economic Downturn (GED) which has implications for the Australian workplace of the future. This “something” was the use of “flexible work practices”, namely the increased use of part-time work, a reduction in hours worked by full-timers, the use of purchased leave, and video-conferencing as an alternative to travel, all to manage the downturn in the volume of work and revenue. It was unexpected both because the recessions of the 1980s and 1990s had been “managed” by large scale redundancies³, and because the concept of “flexible work practices” has been dominantly (and narrowly) interpreted as referring to women returning from maternity leave on a part-time basis. More particularly, “flexible work practices” have been associated with an *employer’s accommodation* of an

³ ABS (2010) *Australian Social Trends March 2010*, Cat No. 4102.0, ABS, Canberra, p. 1.

employee's caring responsibilities, rather than an *employer initiated* work practice within a “win-win” framework (ie good for business and good for the employee), and have been less connected to men, or practices such as purchased leave, telecommuting and managing long hours. In essence, flexible work practices were not seen as a strategic business initiative, with multiple elements, and relevant to a broad group of employees, including those working full-time.

The size of this “something” is reflected in the 2010 Australian Bureau of Statistics (ABS) data in relation to part-time work, leave-taking and average hours. Namely between August 2008 and August 2009 part-time hours increased significantly for both men and women (by 5,299,400 (7.99 per cent) and 3,770,300 hours (2.39 per cent) respectively⁴) and the proportion of full-time employees working below 35 hours per week during the period September 2008 to May 2009 (which included the Australian summer holiday period), for reasons such as leave taking, grew by 3 per cent.⁵ In addition, during this period “*aggregate monthly hours fell 2.8 per cent, the equivalent of roughly 270,000 effective full-time jobs*” suggesting that the length of the work week declined, even for those working full-time⁶.

What do these data and experiences signify? Media headlines heralded a wholesale reconstruction of work with “*Workers Embrace the 9-day fortnight*”⁷ and “*Get ready for the four-day week*”⁸, and to a lesser extent, others suggested that the GED's inspired “*slowdown*” had created a space for men to engage more deeply in family life: “*Men yearn for work-life balance too*”⁹ and “*GFC¹⁰ is giving Aussies a chance to relax*”¹¹.

This is not to suggest that Australia can claim its reach for the flexibility solution as part of an overarching strategic response to the GED, or to promote gender equity, it was in fact more of a reaction to the scarcity of labour immediately prior to the GED (and a desire to avoid a repeat performance), and perhaps a greater degree of familiarity with the concept and use of flexibility.

⁴ ABS (2010) *Labour Force Australia February 2010* Cat No. 6202.0, Table 19, ABS, Canberra.

⁵ Van Wanrooy, B., Wright, A., Buchanan, J., Baldwin, S., and Wilson, S., (2009) *Australia at work: In a changing world*, Workplace Research Centre, The University of Sydney, November, p. 47.

⁶ Van Wanrooy, B. *et al.* (2009), *ibid* p. 47.

⁷ Lamperd R., *Workers Embrace the 9-day fortnight*, news.com.au, 19 October 2009.

⁸ Macken D., *Get ready for the four day week*, The Australian Financial Review, 18 April 2009.

⁹ Chester, R., *Men yearn for a work-life balance too*, The Courier Mail, 21 November 2009.

¹⁰ The “GFC” refers to Global Economic Crisis, a term coined by the Australian media to refer to the GED.

¹¹ AAP, *The GFC is giving Aussies a chance to relax*, The Australian, 24 September 2009.

Nevertheless, now that this “something” has happened, the question is, what does it mean for Australia’s future workplace? Prior to the GED it appeared that women were the dominant voice articulating the need for flexible work practices per se, and particularly at senior levels, and the more equitable sharing of caring responsibilities¹². Moreover it was argued that greater take-up by men of flexible work practices would render such practices mainstream, and thus help enable women to work flexibly without disadvantage. Finally, a long work hours culture seemed entrenched, with no inbuilt check points to halt the ever increasing length and intensification of the work week¹³. Has the GED changed our thinking about workplace flexibility, making it more part of “business as usual”, and thus indirectly contributing to gender equity? Has there been a paradigm shift such that flexibility is more integrated into workforce planning, and are managers more actively engaged in facilitating flexibility for a broader range of employees and at more senior levels? Further, did we undertake any actual work redesign or work reorganisation to embed these changes in the structure of work, or were they superficial and perhaps narrow experiences that will wither on the vine?

This essay considers the evidence for a different way of working arising from the GED and the features of work redesign which would foster genuine equality and flexibility for both women and men in the workplace. The “evidence” includes interviews with fifteen decision-makers or knowledge specialists in a diverse range of industries (including manufacturing, professional services, retail and IT)¹⁴, a small survey¹⁵ and a literature review. By way of contrast and comparison this essay also includes research and opinions from country experts in the United Kingdom, the United States of America and Europe to help identify whether Australia’s experience is isolated or part of an overall shift in developed countries.

¹² For example the Australian Sex Discrimination Commissioner per the Human Rights and Equal Opportunity Commission (2005), *Striking the Balance: Women, men, work and family, Discussion paper 2005*, Human Rights and Equal Opportunity Commission, Sydney, NSW and Human Rights and Equal Opportunity Commission (2007) *It’s about time: Women, men, work and family. Final Paper 2007*, Human Rights and Equal Opportunity Commission, Sydney, NSW.

¹³ Between 1985 and 2005 the proportion of full-time employees working a standard working week (defined as 35-40 hours per week) fell from 48% to 42%: ABS (2006) *Australian Social Trends 2006, Trends in hours worked* Cat 4102.0 ABS, Canberra.

¹⁴ Interviews were conducted confidentially and unless permission was given to disclose details we refer to them as follows: (i) Professional Services, global, medium size: Head of HR, (ii) Manufacturing, large: HR Specialist; (iii) Professional services, medium: HR Director; (iv) Advertising, small business: CEO; (v) Professional services, medium: Organisational Development Manager; (vi) Transportation: large, global, Manager Workforce Development, Performance and Culture; (vii) Communications: small business, Director; (viii) Retail, large: HR Director; (ix) Financial Services, large: GM, HR; (x) Financial Services, large: GM HR; (xi) Medical products, large, global: HR Director; (xii) IT, global: Director, HR; (xiii) Financial Services, large: Senior Manager (operations); (xiv) Professional Services, medium: HR manager; (xv) Retail, large: Board Member.

¹⁵ This survey was independently initiated and administered by Aequus Partners and not commissioned by the Federal Government.

This essay concludes that the GED did generate different work practices in relation to workplace flexibility, but these were not widespread and rarely did they entail significant work redesign. At its best, some organisations rose to the surface as market leaders by embracing new forms of flexibility for a broader group of employees, for example BlueScope Steel introduced extended purchased leave options; KPMG reduced commuting needs by introducing state-of-the-art teleconferencing facilities; and the ADagency introduced a four-day week for all staff. For these organisations, demonstrable positive business outcomes (complemented by employee buy-in) will ensure that their experimentation continues as “business as usual”.

In essence, the GED created a space for some organisations to experiment with flexibility, either broadly or by just dipping their toe in the water, so to speak. This experimentation helped develop a measure of confidence in managers’ ability to remould work, and to invite take-up of flexibility by men (and women) at all levels. None of the interviewees or country experts suggested that the GED generated a paradigm shift for flexible work practices, but a consistent view (in Australia) was that the experience was “*transformational*” as it normalised the “*concept and experience*” of flexibility¹⁶. Rather than looking for a paradigm shift, a more realistic perspective is that the GED wrote a new chapter in the evolving flexibility/gender equity story. As one male CEO interviewee opined: “*You can see there is an opening for a change of attitude (for men) but it is not quite there yet. Men are in many ways starting to look at flexibility that women have had with a little bit of envy – a piece of that action would be good*”¹⁷.

To take this story further this essay argues that Australian decision-makers (both employers and policy-makers) need to think about flexibility more broadly in terms of work redesign. This implies thinking not only about accommodation of flexibility within an individual job (the particular tasks and responsibilities carried out by an individual), but also the job context, namely the broader social and organisational context within which a job is conducted, and including the interdependence between jobs and the social interactions necessary to complete a job). This essay is intended to start a new conversation about gender equity and job redesign by describing the next part of the flexibility journey – one which incorporates a focus on full-time hours, flexible work practices and work redesign.

¹⁶ Interviewee (iii): Professional Services, medium: HR Director.

¹⁷ Interviewee (iv): Advertising: small business (CEO).

1. What is the impetus for flexible work practices and work redesign?

Prior to the GED the burning platform for flexible work practices could be conceptualised as comprising three elements – all of them employee-centred. The first element focussed on attracting and retaining women as a critical source of labour, the second on the quality of family life arising from work/family conflict, and the third on the unmet need for flexibility in relation to employee groups beyond women with children.

Firstly, in relation to the attraction and retention of women it was argued that flexible work practices enabled women to integrate their work and caring responsibilities, and in particular that part-time work enabled mothers to care for young children and continue paid work. The force of this argument is reflected in the significant drop in full-time labour force participation rates for women aged 25-34 years, corresponding to the years of early child-rearing, and an increase in part-time work¹⁸. However as a result of women accessing part-time work in increasing numbers (as at November 2008, 45 per cent of employed women worked on a part-time basis¹⁹), it became clear that there were hidden disadvantages. These disadvantages included a lack of quality part-time work²⁰ and limited access to managerial roles on a part-time basis²¹.

These negative outcomes reflect an underlying paradigm in which the norm or mainstream mode of work continued to be full-time (only 15 per cent of men worked on a part-time basis as at August 2008²²) and an unwritten workplace culture that expected employees to work beyond full-time hours (the Australia Institute estimated that in 2009 full-time employees worked an additional 70 minutes

¹⁸ ABS (2005) *Australian Labour Market Statistics July 2005*, Cat No. 6105.0, ABS Canberra. As at 2003, 53.3 per cent of mothers did not work when their youngest child was aged between 0-2 years, 15.1 per cent worked full-time and 31.6 per cent worked part-time, whereas by the time the youngest child is at school those data are 30.6 per cent not employed, 26.1 per cent full-time and 43.3 per cent part-time, and by the time the youngest child is at high school, those data are 24.4 per cent not employed, 37.6 per cent full-time and 38 per cent part-time: ABS (2004) *Australia. 2003 Family Characteristics, Australia*, Cat No. 4442.0, ABS, Canberra.

¹⁹ ABS (2009) *Australian Labour Market Statistics January 2009*, Cat No. 6105.0, Canberra ABS.

²⁰ See for example the *Quality Part-Time Work Project* initiated by the Victorian Government: http://www.business.vic.gov.au/BUSVIC/STANDARD.HTML/PC_60956.html.

²¹ Bourke, J., (2000) *Children, Careers and Workplace Culture*, Monograph 15, Industrial Relations Research Centre, University of New South Wales.

For additional information on women's employment and flexible work practices, see: Barns, A., Jefferson, T. & Preston A. (2009) *Women's employment in the context of the economic downturn*. Women in Social & Economic Research, Australian Human Rights Commission, Sydney.

²² ABS (2009) *Labour Force Australia August 2009, Labour Force status (aged 15 years & over): Trend*. Cat No. 6206.0, ABS, Canberra.

of unpaid overtime each day²³). In summary, this first line of argument posited that work redesign was necessary to enable women to participate in a full range of quality work, including work that is performed on a part-time basis.

A second element of the burning platform for job redesign focussed on the quality of the work/family or work/life paradigm for men and women, arguing that the current design of work was more conducive to work/family or work/life conflict than harmony. As noted above, the Australia Institute has observed an increase in unpaid overtime, and this is consistent with an (apparently) ever increasing length of the work week. In particular over a twenty year period the proportion of men working very long hours (defined as 50 hours+ per week) increased from 22 per cent (in 1985) to 30 per cent (in 2005), whilst for women the proportion increased from 9 per cent to 16 per cent²⁴. Given this trend it was not surprising that as at 2007 the Australian Bureau of Statistics also found that “*in 82per cent of couple families with children under 15 where both parents were employed, one or both parents always or often felt rushed or pressed for time. Partners in couple families where there were no children under 15 and both people were working were less likely to feel rushed or pressed for time (one or both partners always or often felt rushed or pressed for time in 67per cent of cases)*”²⁵.

Further detail is added to this picture by a 2008 survey conducted by the Centre for Work+Life at the University of South Australia of 2,831 employees which found that “*work continues to interfere with the rest of life for a large proportion of workers: over half of all employees felt that work sometimes, often or almost always interferes with activities outside work. A fifth of respondents agree that it interferes often or almost always. The most common type of work-life interference is restriction of time*”²⁶. Unsurprisingly those respondents working on a part-time basis reported less work/life interference than those excessive hours (in this survey defined as 48 hours+ per week), and overall respondents suggested that the ideal work week comprised 35 hours. Critically however, respondents identified flexibility and control over working time as the key to improving the work/life interaction, and this finding was consistent across men and women, occupations, and full-time and part-time employees²⁶.

²³ Fear, J., and Denniss, R., (2009) *Something for nothing. Unpaid overtime in Australia*, Policy Brief No. 7, The Australia Institute, Canberra, p 2.

²⁴ ABS (2006) *Australian Social Trends*, *op cit*.

²⁵ ABS (2009) *Australian Social Trends Work, Family, Life and Family Balance September 2009*, Cat No. 4102.0, ABS, Canberra.

²⁶ Skinner, N., and Pocock, B., (2008) *Work, Life and Workplace Culture: The Australian Work and Life Index 2008*. South Australia: Centre for Work+Life, University of South Australia.

Focusing on those working very long hours, the case for control of the ever lengthening work week is stronger, although not universal. In particular, of those working very long hours (ie defined by the ABS as 50 hours+ per week), as at 2003, 59 per cent preferred to work fewer hours, whilst 39 per cent preferred no change. In contrast 71 per cent of those working a standard full-time week indicated that they were satisfied with the hours they had worked that week²⁷.

In summary this second line of argument posited that work redesign was necessary to enable men and women to achieve work/family or work/life balance, with a focus on control over working hours, as well as the length of the working week.

A third and final element of the burning platform for work redesign focussed on the unmet need for flexibility for employees beyond women with children, and in terms of the nature of the “flexibility” offering. The data for unmet needs arises in two ways, firstly via research on reduced levels of labour force participation (ie those who are under-employed or under-used), as well as those who are unemployed, and secondly via research on dissatisfaction with current working conditions (or at least an aspiration to work differently at some future date). By way of definition, we use “under-employed” to refer to those employees, in the main, who work on a part-time basis and would prefer more hours²⁸, and “under-used” to refer to employees who are working below their skill level.

As at 2007 the ABS estimated that 4.4 per cent of the workforce were unemployed and 5 per cent were under-employed²⁹. In terms of the demographic characteristics of these groups, gender did not mark a major difference between the unemployed (as at 2008 4.3 per cent men and 4.8 per cent women were unemployed³⁰), however a clear difference arose in relation to under-employment. In particular as at 2008, 65 per cent of under-employed workers (working part-time) were women, and the “unsuitability” of additional hours ranked as a barrier for 13 per cent of women, compared with 6 per cent of men³¹. Moreover a clear difference arises for both groups (unemployed and under-

²⁷ ABS (2006) *Australian Social Trends*, *op cit*.

²⁸ The ABS also refers to full-time employees as “under-employed” if they normally work full-time, but in the survey reference week worked reduced hours because of being stood down or having insufficient work. As a whole, part-time workers seeking additional hours comprise 93 per cent of “under-employed” and full-time workers who are temporarily under-employed are a minority”: ABS, 2008 *Underemployed Workers September 2008*, Cat No. 6265.00 ABS, Canberra.

²⁹ ABS (2008) *Australian Labour Market Statistics January 2008, Labour Force Participation Across Australia*, Cat No. 4102.0, ABS, Canberra.

³⁰ ABS (2008) *Year Book Australia 2008, Labour Market Statistics*, Cat No. 1301.00, ABS Canberra, p. 222.

³¹ ABS (2008) *Underemployed Workers op cit*. p. 8.

employed) in terms of whether the employee also had caring responsibilities, namely carers, aged 15-64 years, were less likely to be employed (61 per cent) compared with non-carers (74 per cent), and if they were working, it was less likely to be on a full-time basis (62 per cent) compared with non-carers (72 per cent)³².

There is also a clear link to caring responsibilities and the “under-use” of labour, meaning employee’s working below their capability. A 2007 national survey by the Taskforce on Care Costs (TOCC) found that nearly half (44 per cent) of carers (of the aged and/or people with a disability) had selected a role at work which was below their skill level because it gave them the flexibility they needed to balance their work and caring responsibilities. Further, two-thirds (67 per cent) would refuse a job or promotion if it meant that they could not fulfil their caring responsibilities. TOCC concluded that “*carers represent an under-utilised workforce resource*”, both in terms of the current workforce and the workforce of the future. Whilst workplace flexibility was not the entire solution advocated by carers to maximise their labour force participation, it was ranked as one of their top three priorities (the other two were “improved access to services” and “improved quality of services”)³³.

Taking this one step further and thinking about caring responsibilities and the workforce of the future, TOCC also conducted a national random sample of employees (working full or part-time) and found 1 in 4 (26 per cent) expected to provide care in the next five years for a person who is aged and/or has a disability or a chronic health condition. Critically survey respondents identified “workplace flexibility” as their key work/care management strategy, and in particular 70 per cent anticipated working more flexible hours, 54 per cent reducing their work hours, 50 per cent taking leave, and 41 per cent working from home³⁴.

Finally, recent research has identified the emerging and unmet need for flexibility amongst mature age workers. Whilst previous generations might have assumed that retirement resulted in the complete cessation of paid work and a move to leisure activities (and perhaps volunteer work), research conducted by the ABS has identified a desire for workplace flexibility as a new feature of

³² ABS (2009) *Australian Social Trends September 2009, Carers and Employment*, Cat No. 4102.0, ABS, Canberra, p. 11.

³³ Taskforce on Care Costs (2007) *The hidden face of care: Combining work and caring responsibilities for the aged and people with a disability*, www.tocc.org.au, p. 22-23.

³⁴ Taskforce on Care Costs (2007) *ibid* p. 24.

the mature age worker group. In particular an ABS survey conducted in 2007 found that 41 per cent of mature age workers working full-time intended to work part-time before retiring³⁵. By way of additional detail, a 2007 survey³⁶ specifically examining flexibility and mature age workers (aged 45 and over), found that (for those currently employed) the “ideal job at retirement” comprised flexible start and finish times (85 per cent), limited travel (74 per cent), part-time (73 per cent) and working from home opportunities (67 per cent). No significant differences appear in relation to gender, with the exception of the desire to work part-time (which is more pronounced for women, at 80 per cent, compared with 67 per cent men) and, in reverse, working from home (which is more pronounced for men, at 77 per cent, compared with 61 per cent women)³⁷. In terms of identifying unmet needs a further 97 per cent of those currently not employed indicated that having a job with flexibility (including in relation to hours of work) would be either “important” or “very important” in terms of influencing their decision³⁸.

In summary, the burning platform for “flexible work practices” pre the GED agitated for work redesign to enable women to access quality part-time work at senior levels, to enable men and women to achieve work/family or work/life balance, and to meet the unmet needs of a broad group of employees (eg mature age workers). Barriers to achieving these outcomes reflected the marginalisation of flexible work practices, namely as concessional arrangements for “special” groups of employees, the silent escalation of the work week, and an unwillingness (or perhaps inability) for employers to engage in work redesign. As noted above, a work redesign approach implies identification and reconsideration of a “job” itself as well as its work context.

The next section will consider whether workplace conditions changed during the GED in relation to flexibility. In particular it will discuss the shift in emphasis during the GED to flexibility as a strategy to contain and reduce overheads (ie creating a different business imperative) take-up by new demographic groups (including senior men), and the expansion of the flexibility offering.

³⁵ ABS (2009) *Australian Social Trends Retirement and Retirement Intentions* Cat No. 4102.0 March, ABS, Canberra.

³⁶ Diversity Council of Australia (2007) “Grey Matters: Engaging Mature Age Workers”, Diversity Council of Australia.

³⁷ Diversity Council of Australia (2007) *ibid* with additional analyses of the data provided by Dr Graeme Russell (report author) March 2010.

³⁸ Diversity Council of Australia (2007) *ibid* p. 9.

2. What happened to the workplace during the GED?

Our examination of the macro and micro workplace experiences which occurred during the GED is drawn from two main sources, firstly a literature and media review of articles published during the GED, and secondly interviews and a small survey conducted as we move into recovery. By way of definition, our reference to “during the GED” in Australia refers to the period from Quarter 4, 2008 to Quarter 4, 2009, and the “recovery” as commencing in Quarter 1, 2010. These are not precise periods, and particular industries (eg retail) or companies (eg those headquartered in the USA) might argue for a continued downturn in Quarter 1, 2010, however these appear to be the exception to the general experience in Australia.

2.1 Workplace experiences during the GED

Looking back on the workplace literature published during the GED, a major theme was uncertainty. Uncertainty as to the length of the downturn as well as the depth of the downturn and whether it would morph into a recession (defined as two quarters of negative growth). Contributing to this uncertainty was the publication of reports and media articles during the GED (ie when the dust had not yet settled) with apparently conflicting opinions about the impact of the GED on specific demographic groups, for example that women were hit hardest by the GED³⁹ and that men were the hardest hit⁴⁰. It appears that the need for certainty compelled commentators to make definitive statements, and to do that they referenced previous analyses of recessions. For example, given that the 1980s and 1990s had witnessed unemployment levels reach 10.3 per cent (up from 5.6 per cent) and 10.7 per cent (up from 5.7 per cent) respectively in Australia⁴¹, it was predicted that unemployment would climb to 8.5 per cent⁴² (from 4.2 per cent in August 2008⁴³) during the GED. No-one predicted that workplace flexibility would rise to the surface as Australian business’ alternative to large scale redundancies, and, caught by surprise, commentators were unsure what this

³⁹ Richardson, D., (2009) *The Hidden Impact of the GFC*, August, The Australia Institute, Canberra; Jones G. and Lewis, S., *Mums cast aside as job losses worsen in Global Financial Crisis*, The Daily Telegraph, 1 June 2009; and AAP *Women work longer to combat downturn*, The Age, 30 August 2009.

⁴⁰ International Labour Organisation (2009) *Global Employment Trends for Women*, March ILO, Geneva; S., O’Brien *Tears of a family man* The Herald Sun, 10 March 2009, Martin, P., *Female workers come into their own*, The Sydney Morning Herald, 10 July 2009; and Macken, D., *Women ready to take over: But are men ready to be mum?* Australian Financial Review, 1 August 2009, p. 19.

⁴¹ ABS (2010) *Australian Social Trends The labour market during recent economic downturns*, Cat No. 4102.0, March, ABS Canberra.

⁴² Hall, A., *Unemployment Forecast Slashed*, Radio National, PM, 2 November 2009.

⁴³ ABS (2009) *Labour Force Australia August 2008 Principal Labour Force Series Trend Estimates*, Cat No. 6206.0, ABS, Canberra.

new approach signified for the future: “*Part-time could be the remedy for economic pain*”⁴⁴ and “*Crisis sires more part-timers*”⁴⁵. Further, commentators and workplace analysts failed to make the connection between the apparent increase in business experience with workplace flexibility, take-up of flexibility by men within organisations, and a workplace that might be more family-friendly and equitable.

As we move into recovery, it has become clearer that Australia’s flexibility response to the GED marked out this recession as different to those of the 1980s and 1990s. Perhaps reflecting a trend evident from the mild economic downturn of 2000-2001, namely the use of part-time work to offset unemployment rates per se⁴⁶, the GED flexibility story was sufficiently large to create an aggregate impression on ABS labour force data for 2009 in relation to part-time work. In particular between August 2008 and August 2009, the percentage of employees working part-time increased by 4.7 per cent (representing 150,600 jobs), whilst full-time employment decreased by 2 per cent (representing 176,300 jobs)⁴⁷. As Van Wanrooy *et al.* (2009) have identified, the situation is more complex than simply a wholesale conversion of full-time jobs to part-time jobs⁴⁸, however it does signify an appetite for part-time work per se, and in particular for men (the overall increase in part-time work representing a proportionate increase of 9 per cent for men, and 2.8 per cent for women⁴⁹). Moreover, as noted above in the introduction, a second feature of the GED was employers’ desire to retain labour during the GED in anticipation of the recovery, and this reflected an experience of labour scarcity immediately prior to the GED. Hence notwithstanding a reduction in revenue and the volume of work to be performed by employees, employers were loath to make full-time employees redundant. This antipathy is reflected in the less than expected unemployment rate (at its highest settling at 5.8 per cent⁵⁰) as well as the reduction in aggregate monthly hours (by 2.5 per cent during the period August 2008 to August 2009), representing, once again a gendered story with a decline of 3 per cent for men and 1.8 per cent for women⁵¹.

⁴⁴ Fox, C., *Part-time work could be the remedy for economic pain* Australian Financial Review, 14 July 2009.

⁴⁵ Berkovic, N., *Crisis sires more part-timers* The Australian, 5 November 2009.

⁴⁶ The 2000-2001 downturn has been described by the ABS as “*relatively mild*” with unemployment rising by only 1 percentage point (to 7 per cent), with “half of the decline in full-time employment” being offset by the increase in the proportion of people employed part-time: ABS (2010) *ibid* p. 1.

⁴⁷ ABS (2009) *Labour Force Australia August 2009 Labour Force Status Table 1*, Cat No. 6202.0, ABS, Canberra, p. 6.

⁴⁸ Arguing that “*Where shifts to part-time work are occurring, these are much more likely to be at the point of job transition than within a continuous position of employment*”: Van Wanrooy, B., *et al.* (2009) *ibid* p. 45.

⁴⁹ ABS (2009) *Labour Force Australia August 2009*. Cat No. 6202.0, ABS, Canberra, p. 6.

⁵⁰ ABS (2010) *Australian Social Trends, op cit.* p. 1.

⁵¹ ABS (2009) *Labour Force Australia August 2009*. Cat No. 6202.0, ABS, Canberra, p. 23.

In essence, employers found additional creative alternatives to redundancies during the GED (ie building on the use of part-time work evident in the 2000-2001 downturn), including the use of purchased and extended leave (leveraging the fact that the GED took place during the Australian Summer of 2008/2009) and a reduction in full-time hours. This is not to suggest that the narrative was uniform across industry, indeed the aggregate data show marked differences between industries such as manufacturing, retail and financial services compared with essential services (eg health, education and administration⁵²). Even businesses within industries experienced variation, as did men and women, and those working full-time and part-time. Table 1 below shows employment variations across industries, for men and women, and for those working part-time and full-time in terms of hours worked. Note, for example, that between Quarter 3, 2008 and Quarter 3, 2009, whilst overall the average hours worked declined in the construction, manufacturing and financial services sector (see grey highlights), women working part-time time in construction increased their hours (from 15.7 to 18.1 per week), women working full-time in manufacturing experienced no change (38 hours per week), and women working full-time in the financial services sector experienced no change (37.7 hours per week) or an increase if they were working part-time (20 to 20.5 hours per week). Intriguingly men working part-time in the construction and wholesale trade industries increased their hours of work (see grey highlights), whilst women working part-time in these industries decreased theirs. In addition, there was a significant decrease in the number of hours of work for men working part-time in mining (from 27 to 14.5) and finance (from 18.3 to 14).

⁵² “Large reductions in employment numbers have been experienced in sectors such as manufacturing (down 77,000); retail trade (down 17,000); and financial and insurance services (down 16,000). On the other hand, there have been increases in numbers of employed persons in public administration and safety (up 65,000) and health care and social assistance (up 81,000)”: Van Wanrooy, B. *et al.* (2009) *op cit.*

Table 1: Average weekly hours worked by industry, gender, and labour status (2008-2009)⁵³

Total persons

Industry	Full-time		Percentage change	Part-time		Percentage change
	2008	2009		2008	2009	
Mining	44.5	44.1	-0.91%	18.8	16.1	-16.77%
Manufacturing	40.7	39.7	-2.52%	19.3	17.8	-8.43%
Construction	41.1	41.9	1.91%	16.2	17.4	6.90%
Wholesale trade	42.4	41.9	-1.19%	19.2	18.5	-3.78%
Retail trade	42.4	41.9	-1.19%	15.0	15.4	2.60%
Financial and insurance services	39.4	39.3	-0.25%	19.6	19.1	-2.62%

Men

Industry	Full-time		Percentage change	Part-time		Percentage change
	2008	2009		2008	2009	
Mining	45.0	44.7	-0.67%	27.0	14.5	-86.21%
Manufacturing	41.4	40.2	-2.99%	20.3	18.8	-7.98%
Construction	41.2	42.1	2.14%	18.0	20.1	10.45%
Wholesale trade	43.1	42.4	-1.65%	19.3	20.1	3.98%
Retail trade	43.7	43.8	0.23%	13.8	14.5	4.83%
Financial and insurance services	40.9	40.7	-0.49%	18.3	14.0	-30.71%

Women

Industry	Full-time		Percentage change	Part-time		Percentage change
	2008	2009		2008	2009	
Mining	40.6	39.5	-2.78%	15.7	18.1	13.26%
Manufacturing	38.0	38.0	0%	18.7	17.3	-8.09%
Construction	39.2	39.4	0.51%	14.4	13.2	-9.09%
Wholesale trade	40.2	40.4	0.50%	19.0	17.8	-6.74%
Retail trade	40.1	39.3	-2.04%	15.5	15.8	1.90%
Financial and insurance services	37.7	37.7	0.00%	20.0	20.5	2.44%

⁵³ Data drawn from ABS (2008), *Labour Market Statistics October 2008*, Cat No. 610 5.0, ABS, Canberra, p. 48 and ABS (2009) *Labour Market Statistics October 2009*, Cat No. 610 5.0, ABS, Canberra, p. 45.

These intriguing and seemingly inconsistent data beg a more sophisticated analysis which requires an examination by individual company experience, and this is provided below in relation to a sample of companies in some of these industries.

2.2 The workplace experience in detail: GED to recovery

Our micro level analysis of the GED workplace experience is based upon a survey of forty-one knowledge specialists or decision-makers⁵⁴, and in-depth one-on-one interviews with fifteen decision-makers⁵⁵ in Quarter 1, 2010. Survey organisations covered 20 different industry sectors, with 24 per cent being listed on the ASX. Respondents were more likely to be women (80 per cent), HR professionals (49 per cent) and in management positions (49 per cent). Findings from the survey relevant to this analysis are summarised below. These data are not presented as broadly representative of Australian employers, however they provide insight and detail about the “flexibility” story.

The level of detail provided by the interviewees across diverse businesses, from large, medium and small enterprises, enables a case study analysis of an individual organisation’s journey from pre-GED, during the GED to recovery. Whilst survey respondents reflected a large group of organisations, interviewees were drawn from the following industries which were, as noted above, disproportionately affected by the GED: major Australian Financial Institutions (three), major Australian manufacturer (one), major Australian retailer (two), major Global Transportation company (one), major Global IT provider (one); medium size Australian and Global professional services firms (four), large Global Medical products (one) small Australian businesses (two).

We analysed the combined survey and case study data, firstly, to identify any common themes in relation to the GED, flexibility, gender equity and job redesign. In summary we observed the following common themes arising from the combined data: (i) the business impact of the GED was

⁵⁴ These forty knowledge specialists (using holding roles in HR or diversity) subscribe to an open Australian website focussed on flexibility (www.workplaceflexibility.com.au) and responded to an on-line survey designed and administered in March 2010 by Aequus Partners (an independent management consultancy).

⁵⁵ Interviewees were selected by Aequus Partners on the basis that they represented industry sectors most directly impacted by the GED, their capacity to represent the views of their industry sector (ie that they recognised as amongst the leaders of that industry sector – eg representatives from two of Australia’s top four banks were interviewed), and at a personal level they were either decision-makers or knowledge gate-keepers (ie from Human Resources) within their organisation.

diverse (and not uniform); (ii) flexibility was a business focus; (iii) flexibility utilisation patterns shifted; (iv) work redesign emerged; and there was a (v) very limited focus on long work hours, gender equity or caring responsibilities. Secondly we analysed the data in terms of a typology of organisational responses, and these appeared to reflect a continuum, from “best practice” to “business as usual”.

2.2.1 Combined themes

(i) The business impact of the GED was varied

Both survey and case study data show that the business impact of the GED was not uniform across organisations. Whilst the majority (94 per cent) of the survey organisations engaged in cost efficiencies, only 47 per cent reduced head count, whilst 30 per cent increased headcount. For the majority of case studies the GED had a negative impact on sales, revenue and profits, however, consistent with the survey data on increasing headcount, this experience was not universal. Two organisations experienced business growth during this period (Financial Services and IT) and for another (Retail Sector) the impact was “*cushioned and delayed*” by the Government’s retail stimulus package. For some too, business changes implemented immediately prior to the GED (eg a business restructure necessitating a reduction in headcount) were exacerbated by the GED.

(ii) Flexibility was a business focus

Survey data indicated that there was an increased emphasis (60 per cent of organisations) on employees taking leave (taking previously accrued leave, purchased leave, annualised reduced hours and leave without pay). A relatively small number (9 per cent), however, indicated that they increased their offerings of flexible work practices. Further, 22 per cent indicated they increased the promotion of already existing flexible work practices.

As Australia had experienced a talent shortage immediately prior to the GED, a key issue for the case study interviewees was the retention of talent. Hence for the majority of the interviewees a significant response to the GED involved an increased emphasis on what have been traditionally defined as flexible work arrangements, including leave, for permanent staff. For some, these were new initiatives implemented as a result of the GED. Interviewees indicated the following became a focus:

- a) Using previously accrued annual and long service leave;
- b) Purchasing annual leave;
- c) Extended leave with the retention of some of the benefits;
- d) Reduced hours (eg, a four day week);
- e) Career breaks;
- f) A renewed focus or energy on promoting the existing flexible work arrangements; and
- g) An increased focus on video-conferencing (rather than face-to-face meetings requiring travel).

(iii) There was some evidence that flexibility utilisation patterns shifted

Increased utilisation of flexible work practices during the GED were reported by survey respondents as having occurred for both men (20 per cent) and women (17 per cent), for both men (18 per cent) and women (27 per cent) with caring responsibilities, and for those in more senior positions (18 per cent). A positive impact during the GED recovery phase was reported on: utilisation of flexible work practices by both women (35 per cent) and men (29 per cent) and those with caring responsibilities (29 per cent), and on the acceptance of flexible work practices (33 per cent).

Case study data provided additional evidence that more men, and more people at senior levels, accessed flexible work arrangements during the GED and that these patterns have continued in the period post the GED. The evidence for women was of a continuation of usage of flexible work arrangements, rather than new uptake.

(iv) An emergence of work redesign that is likely to be sustained

Both survey and case study data support the proposition that there has been a small, but significant, impact of the GED on business models and work design. There are several data elements that support this proposition:

- (a) *Experimentation*: Some organisations experimented with different flexibility options and, as they were found to work, these practices are now embedded as part of the offerings going forward. This was also reported by 33 per cent of survey respondents. As one interviewee commented: “The GFC provided us with the opportunity to trial different policies within an entirely different framework for the reasons for doing something” (Professional Services).

- (b) *Flow-on effects:* Successful experimentation provides a platform for re-engaging in flexibility debates in the future. These successes will no doubt become part of the corporate story: “*We did it before, it worked, we can do it again*”. (Professional Services)”
- (c) *Confidence:* Managers became more confident in their approach to flexibility and more accepting that flexibility is an opportunity for a business. Again, this was supported by data from the survey: 18 per cent reported an increase in management confidence and 27 per cent, an increase in managers’ acceptance of flexible work practices, and from the case studies. As one interviewee observed: “*Employers have been forced down a road of flexible work options and they got more confident that this is possible. This is one of the few benefits to come out of the GFC (Global Financial Crisis) and there’s not many*” (Financial Services).
- (d) *Work redesign:* 42 per cent of survey respondents indicated that there was a GED-related increased focus on job or work redesign and 92 per cent indicated that they planned to engage in redesign in the future (although only 13 per cent said that there was a high level of management capability in their organisation to deliver this). A common theme in interviews was that job, work and business redesign is an issue for the future and that managers need to have the required skills to engage in these processes. For example interviewees commented “*Job redesign is the only way to manage it in a recovery. You can’t operate in terms of thinking this is how we did it last year, this is how we do it going forward*” (Manufacturing) and “*Job redesign has to be about outputs. We don’t think in terms of outputs. What happens to a branch? It’s so rigid. What do jobs look like? Skills such as job design in leaders are not evident now and we would need to grow those*” (Financial Services).
- (v) **Little evidence of a focus on reducing long work hours cultures, gender equity or on people with caring responsibilities**

Although many survey respondents indicated that during the recovery phase greater emphasis was being placed on work-life balance by both managers (24 per cent) and employees (40 per cent), the majority (85 per cent) of the organisations which said that they had a long work hours culture prior to the GED (61 per cent of the entire sample) indicated that this culture did not change during the

GED. Of the 15 per cent who did indicate a change, 7.5 per cent indicated an increase in the long work hours culture and 7.5 per cent indicated a decrease.

Approaches adopted during the GED were rated as having had little impact on gender equity (3 per cent reported a positive impact) and employment opportunities for women (8 per cent reported a positive impact). The positive impact on employment opportunities for those with caring responsibilities was somewhat higher (23 per cent), but could not be said to be a prime focus.

Whilst two case study interviewees drew a logical connection between the “normalisation” of flexibility during the GED, its take up by men and gender equity outcomes, this was more a matter of assumption and expectation than evidence. In contrast to these positive projections, two interviewees from Professional Services firms argued that access to flexible work practices had become stricter during the GED, promotional opportunities for those working flexibly even more difficult to achieve, and the pressure to work longer hours had increased. One of these interviewees suggested that these trends are likely to have a detrimental effect on women and employees with caring responsibilities. Finally, the negative projections in relation to women were underscored by a fifth interviewee who commented: *‘It’s drawing a long bow to say there’s longstanding benefits to women because of what’s happened. It put back our ability to spend money on women’s initiatives’.* (Financial Services)

2.2.2 Typology of organisational responses

Our organisational review of the interviewees revealed four group segmentations, that could be categorised on a continuum of “flexibility” responses to the GED – from a significant shift to business as usual. We explore these groups below, and add further detail by profiling three individual case studies in relation to “flexibility” market leaders: BlueScope Steel, the ADagency and KPMG.

(i) A significant flexibility shift occurred for some

In a quarter of the organisations interviewed (27 per cent) (Professional Services, Manufacturing, Professional Services, Small Business) there was a significant GED-related flexibility shift that was reflected in the following five themes:

- a) the introduction of new or expanded flexible work options: *“There was a realisation for employers that you can do things without mucking up the business model.” (Financial Services);*
- b) the framing of flexibility changed from work/family to flexibility per se: *“We always had a flexibility programme, and we were always careful to ensure that flexibility was for everyone – but it was part of ‘family support’ and we lifted it out of that” (Professional Services);* and *“A new normal? I think there could be something in it” (Advertising small business);*
- c) utilisation of flexible work options by new demographic groups, eg men and those in more senior positions: *“The availability and usefulness of FWA (Flexible Work Arrangements) were communicated across the business. The intent was to encourage a broader group of people to take up these options and to break down assumptions that they were for women with children; and to extend ideas about what are the reasons for taking up FWA (eg reduced hours)” (Professional Services);* *“There’s more, and there is a shift in how many (men) are starting to view part-time as an option, and also how it is being viewed in the company – that is an acceptance about men working part-time” (Manufacturing);* and *“If you work part-time you’re not that flexible in your days of work. I didn’t see a huge number of women do it, they already were. Older blokes – there are a lot of them who want part-time. That’s the opportunity” (Financial Services);*
- d) increased engagement by managers, and their acceptance of flexible work options as being business critical: . *“(In relation to leave) I think there is a lot of catastrophising – the old paradigm for a manager was about control, the new paradigm is adaptiveness” (Professional Services);* and
- e) a high expectation that these GED-related changes will be sustainable during and beyond the recovery phase, and that they will provide the impetus for further changes in the design of work: *“The fact that organisations (like us) lifted up their flexibility programme and communicated it widely got plenty of men taking up the options and this was a big step forward for women and it is there for the future. Flexibility is about rethinking how we do our work – how roles can be carried out. I am not sure we would have moved as far and as fast without the GFC” (Professional Services).*

In relation to this group of companies, three individual company profiles (namely for BlueScope Steel, the ADagency and KPMG) are included below to provide detailed information on the nature of the flexibility initiative(s) introduced during the GED, namely purchased leave, reduced hours, and reduced travel/video-conferencing respectively, and the outcomes.

BlueScope Steel

A large industrial manufacturing company with 22,000 employees across Australia, the USA, New Zealand, China and ASEAN.

Flexibility initiative(s): Flexi-leave

From November 2008 employees were offered a variety of ways to take leave, namely by (i) reducing working hours to a part-time load (eg 6 hours a day or 3 or 4 days); (ii) taking accrued annual leave at half pay; (iii) taking accrued long service leave at half pay; or (iv) purchasing additional leave of between 1 and 4 weeks.

Outcomes

The flexi-leave options provided a viable alternative to redundancies, with approximately 665 employees (from the 9,000 Australian workforce) taking up one of the four options between 1 January and 31 December 2009. It is estimated that 50 employees (in addition to those already working part-time) reduced their load to part-time, 487 took annual leave at half pay; 58 took long service leave at half pay; and 60 purchased additional leave. Notably different options appealed to different demographic groups, eg for mature age employees the long service leave option was preferred, whereas women preferred to purchase additional leave. Further, for the first time, more senior men took up the reduced hours option.

The future

Three of the four flexi-leave options will be continued, the exception being long service leave at half pay given difficulties with back-filling positions for lengthy periods.

Comments

“BlueScope’s P&L is much better off as a consequence of the focussed leave reduction plans undertaken by our employees” (Ian Cummins, EGM – People & Organisation Performance). “The other benefit is that managers have now seen that flex isn’t always about helping the employees, in some circumstances it helps the business even more and as it did in this case” (Daryl Kilby, Team Leader, Rewards & Performance).

The ADagency

A small advertising and design company with 13 employees.

Flexibility initiative: 4 day week

Fridays were removed as a day of work, and Thursday became the new Friday. The doors were shut and the phones are not answered. All clients were informed of this new arrangement, and only in exceptional circumstances will a client's need for Friday contact be met.

Outcomes

From December 2008 all staff (including the CEO) transitioned to four days per week, with reduced budgets. The primary outcome was maintenance of the business during the downturn, with no loss of business (ie no clients have been lost) and an increase in planning and communication: *"I am really proud that the ship steadied and we sailed forward"* David Kavanagh CEO. Further, the "3 day weekend" every week has resulted in increased creativity, focus and energy, factors which are particularly critical in a highly creative and competitive industry.

The future

As at March 2009 all staff have continued to work on this basis with two exceptions who work on Fridays but still with the office doors closed to clients (one for reasons related to workload, and one for personal reasons).

Comment

"People love it – a creative place that they can balance their life. It's really positive" (David Kavanagh CEO).

KPMG

A large professional services firm (Accounting), it comprises over 135,000 people in member firms in more than 140 countries. In Australia, KPMG has more than 4,500 employees.

Flexibility initiative(s): Reduced commuting/increased video-conferencing

From July 2008 KPMG introduced a number of flexibility related initiatives including (i) restrictions on travel, namely employees were asked to minimise travel and manager approval was needed; (ii) video-conferencing and meeting technology was upgraded; and (iii) extended leave was promoted and Voluntary Part Paid Leave introduced (VPPL was introduced in early 2009 and enabled staff to take 4 to 12 weeks leave at 30 per cent pay).

Outcomes

In relation to the travel restrictions, KPMG experienced a 35 per cent reduction in flights from 2008 to 2009, and a corresponding increase in meeting technology usage. In relation to purchased leave, KPMG experienced a 163 per cent increase in the number of applications for purchased leave from 409 in FY07 to 1,076 in FY09, and 328 employees took VPPL, with a split of 197 female:131 male which is broadly consistent with the gender split in the divisions that participated in the program. Anecdotally the feedback has been very positive.

The future

The current plan is for all flexibility options to be continued.

Comments

“People get used to a way of working – there was an expectation you get on a plane and meet face to face – (the GED) meant that people looked for alternatives and thought through ‘is there another way of doing this?’” (Heather Maree Thompson, Head of People, Performance & Culture).

(ii) A flexibility toe was put in the water

In three organisations (Transportation, Professional Services and a small business) specific GED-related flexible leave policies were introduced as a way of both reducing costs and retaining valuable employees. For one, this involved purchased leave (a policy that had been resisted in the past), for another it involved extended special leave (12-18 months) with the retention of some of the job-related benefits, and for the third it involved the introduction of reduced hours (part-time). For none of these organisations, however, did this result in a fundamental shift in approach to flexibility, although for one, it has resulted in the retention of the new policy. One interviewee put it this way: *“The sky didn’t fall in. We have decided to retain the purchased annual leave policy despite the fact that we couldn’t get this agreed to before the GFC. It is now accepted as good for the business and good for our brand.”* (Professional Services).

Further, these interviewees did not see these changes as having the potential to influence job design nor to improve the outcomes for women or those with caring responsibilities. Indeed, two organisations indicated that other GED related changes had resulted in either a greater focus on performance and hours worked, or because of a reduction in headcount, an increase in workload and responsibilities for those who were still with the organisation.

(iii) Business as usual: no significant flexibility response to the GED

In five organisations (Retail, Finance (two), Medical products and IT) there was no evidence of a flexibility or work design response to the GED. As the majority had experienced a significant downturn in business activity during the GED and there was a general emphasis on avoiding redundancies, this meant that there was more “space” and “resources” to focus on identifying business priorities. For most, this centred on cost reductions, eliminating waste, increasing business efficiencies, identifying what was business critical, redeploying staff to areas of anticipated growth, and preparing for the fully anticipated business upturn (and expected skill shortage). Interestingly while most organisations decided to reduce training during this period, one saw this as an opportunity to continue training for senior managers as part of their “pause and reflect” activities. This latter interviewee commented: *“If I think pre GFC businesses were working so fast to keep up with the growth and didn’t take a lot of time to look at efficiencies (and talent was short) and how we might do it better. That has been the benefit for me – to make sure we have the right people and right structure”* (Retail sector).

For two of these organisations their GED related response involved a reduction in casual and contract staff, as part of their general workforce planning strategy of having “workforce flexibility”. One commented: *“It has made us look at how we work smarter and more effectively. The reality is that in our store environment, the people most affected are casual staff. When you flex up and down the impact really affects those people more than anyone else” (Retail sector).*

Whilst the general “business as usual” trend for these organisations followed the overall preceding low level of interest in flexibility pre the GED, this was certainly not the case for one stand out global organisation which is known as an early adopter and leader of flexibility, and for which “business as usual” means “flexibility as usual”. How did the organisation fare during the GED? The interviewee for this organisation argued that they were able to respond differently, to keep employees connected to the business (partly through their Employee Value Proposition based on flexibility) and to be “nimble” about seeking new business opportunities (eg by tapping into discretionary effort, and by redeploying staff to identified areas of growth). The interviewee explained that the company has already engaged in two work-redesign initiatives linked both to flexibility, and to addressing the caring needs of employees. In this organisation 49 per cent have child care responsibilities and 28 per cent either care for, or expect to care for, a dependent adult. In terms of employment outcomes for women, 28 per cent of managers and 25 per cent of executives are women, and 34 per cent of women working part-time are in senior roles. There is a strong argument in relation to this organisation that because flexibility is “business as usual” and linked to work redesign (based on both business, individual and team needs), it has enabled employment outcomes in relation to gender equity and for those with caring responsibilities.

(iv) Flexibility went backwards

In two organisations (Finance and Professional Services) responses to the GED, compounded by other significant changes in structure or operations (eg increased efficiencies), resulted in an even greater emphasis on long-hours and performance (related to financial performance), and a reduced emphasis on flexibility. In one of these organisations there was evidence that these changes had a differential impact on people with caring responsibilities who either worked part-time or had taken leave (eg maternity leave) during the period of the GED, namely they went “backwards” (in the words of the interviewee).

2.3 International experiences of the GED, flexibility and recovery

How does Australia’s flexibility experience during the GED compare with similar developed countries? Could it be said that Australia’s experience reflected a general trend of experimentation with flexibility, or is it unique? Ian Cummin, Executive General Manager – People & Organisation Performance, BlueScope Steel has argued that “*the distinguishing attributes of workforce management, policy and strategy in Australia .. made significant contributions to both the avoidance of the worst effects of the GFC, and the capacity of our economy to productively respond to the improved domestic and export circumstances that are emerging*” and further that workforce management distinguished Australia response from the rest of the developed world⁵⁶. Is this opinion a matter of hyperbole? A literature review of research undertaken in the United States of America, the United Kingdom and Europe, together with our conversations with country experts suggests that whilst flexibility continues to be a topical issue in these jurisdictions, something different (and a little more positive) happened in Australia, with strong echoes in some European countries (namely Germany, France and the Netherlands).

In essence, from a base of 4.4 per cent in March 2007⁵⁷, the USA continues to experience a very high rate of unemployment, peaking at 10 per cent in December 2009, and holding at 9.7 per cent for Quarter 1 of 2010⁵⁸ - amounting to 15 million people (10 per cent adult men, 8 per cent adult women and 26 per cent teenagers). Under-employment has continued to rise and as at March 2010,

⁵⁶ Cummin, I. (2009) “*Managing through the GFC: HR strategies in BlueScope Steel*”, presentation to the Australian Human Resources Institute Melbourne, 19 October 2009, p 1.

⁵⁷ Bureau of Labor Statistics (2008) *Involuntary part-time work on the rise*, Issues in Labor Statistics, Summary 08, US Department of Labor, December 2008, p. 1.

⁵⁸ Bureau of Labor Statistics (2010) *The employment situation March 2010 News Release*, US Department of Labor, April 2010, p. 1.

9.1 million employees were described as “involuntary part-time workers” (defined as those who seeking additional hours),⁵⁹ up from 3.4 million in April 2006⁶⁰. The depth and breadth of the recession is reflected in large scale redundancies, the collapse of industries (eg car manufacturing) and closure of single large employers (eg Lehman Brothers, AIG and General Motors).

To a limited degree flexible working practices and “work-share” programs are being promoted in the USA, including by President Obama himself⁶¹, as part of a new approach to working and a GED recovery strategy. Resistance to involuntary reduced hours, however, has reportedly been high, not only for the obvious reasons associated with reduced income, but also because of the double penalty of losing employer sponsored health care benefits (which are contingent on full-time hours⁶²). After analysing the Current Population Survey data for November 2009, Professor Bob Drago, Penn State University, commented on the size and impact of the rise in part-time work in the USA: “*Involuntary part-time work, which accounts for over 5 per cent of the U.S. labor force, is distributed fairly equally by gender. The serious inequalities center around age, with 16-24 year olds around twice as likely to be involuntary part-time compared to individuals age 55 and over. The danger here is that many American youth are being scarred economically. Just as they are trying to enter the labor force, often for the first time, and with high school and university diplomas in hand, they discover a labor market with no jobs or poor jobs. Many of these individuals will not achieve their productive potential for years, if not decades.*”⁶³

By way of further detail in relation to flexible work practices, the Families and Work Institute conducted research with a random sample of organisations across the USA in May 2009 to provide a “snapshot” in time of work practices. Their report, *The Impact of the Recession on Employers*⁶⁴, found that the 77 per cent of the sample organisations in their survey had resorted to labour and

⁵⁹ Bureau of Labor Statistics (2010) *ibid.* p. 2.

⁶⁰ Bureau of Labor Statistics (2008) *op cit.* p. 1

⁶¹ Historically, on 31 March 2010 President Obama together with the First Lady, hosted a Flexibility Forum at the White House to discuss, in part, flexibility. The comments of both the President and First Lady suggest that flexible work practices are non-normative in the USA: <http://www.whitehouse.gov/the-press-office/remarks-president-workplace-flexibility-forum>: <http://www.whitehouse.gov/the-press-office/remarks-president-workplace-flexibility-forum>.

⁶² Holtzblatt, J., & Page, B. (2009) *Effects of Changes to the Health Insurance System on Labor Markets*, Economic and Budget Issue Brief, Congressional Budget Office, 13 July 2009.

⁶³ Personal communication with authors 26 March 2010.

⁶⁴ Galinsky, E. & Bond, J. (2009) *The Impact of the Recession on Employers* Families and Work Institute: New York <http://www.familiesandwork.org/site/research/reports/Recession2009.pdf>

operational cost-cutting measures in response to the GED⁶⁵. Of those whose revenues had declined, nine out of ten had decreased or eliminated bonuses, ceased salary increases, implemented redundancies or instituted hiring freezes.

In terms of labour cost-cutting measures relating to employment, unemployment and time spent at work, of the 77 per cent of organisations who had implemented cost-cutting strategies – flexibility came last in the list of activities:

- 64 per cent implemented redundancies;
- 61 per cent implemented a hiring freeze;
- 57 per cent eliminated all non-essential travel;
- 35 per cent froze promotions;
- 29 per cent used voluntary reductions in hours;
- 28 per cent used involuntary reductions in hours;
- 22 per cent increased the use of compressed workweeks;
- 13 per cent increased the use of flexible work arrangements;
- 12 per cent increased telecommuting to save on occupancy costs; and
- 7 per cent encouraged phased retirement plans.

Finally, an emerging legislative response suggests possible positive large scale experimentation in relation to job redesign and flexibility, namely it has been reported that legislation in 2010 will create work-share programs in at least seven US states including Colorado, Hawaii, Ohio, Oklahoma, New Hampshire, New Jersey and Pennsylvania⁶⁶. This legislation builds on existing legislation in 17 States which enables employers to reduce hours for all employees, rather than a segment, (say to 4 days a week) and access partial insurance benefits to make-up part of the 20 per cent pay loss⁶⁷. Insufficient information is available to identify whether the legislation would encourage a mutual sharing of work and work redesign, or is more focussed on enabling employers to avoid costs associated with layoffs.

⁶⁵ The sample for this research comprised 400 organisations of 50 employees or more. Telephone interviews were conducted with HRDs or those in a similar role in May, 2009.

⁶⁶ Davidson, P. (2010) “*Work-share program that cuts hours vs. jobs could grow*,” USA Today, 25th February. http://www.usatoday.com/money/economy/employment/2010-02-25-workshare25_ST_N.htm

⁶⁷ Ridley, N., (2009) *Work sharing — An alternative to layoffs for tough times*, Centre for Law and Social Public Policy, 26 March 2009, <http://www.clasp.org/admin/site/publications/files/0481.pdf>.

In relation to the United Kingdom, the unemployment rate was 7.8 per cent as at March 2010 (amounting to 2.45 million people⁶⁸), representing the first quarterly fall in the unemployment rate since Quarter 1, 2008 (which had peaked in December 2009 with the highest point of household worklessness since 1999⁶⁹). The high number of those in part-time employment stabilised at 7.7 million, however the UK experienced an increase in involuntary part-time work (up 20,000 to 1.04 million people in Quarter 1, 2010). Whilst the double penalty associated with part-time work does not apply in the UK (ie loss of income and loss of health benefits), there is an evident tension in media commentary about the extent of flexible work practices in the UK promoted by the GED, and whether the use of reduced hours is a positive or negative solution to the economic downturn.

In terms of the extent of flexible work practices during the GED, according to the Confederation of British Industry (CBI)⁷⁰, in 2009 UK companies responded to the recession by making changes to pay, working arrangements, recruitment, training and relocation⁷¹. In particular the CBI survey⁷² found that 62 per cent of firms had made or were planning changes to their working patterns to reduce labour costs. Their preferred choice was to increase the use of flexible work arrangements, and whilst 24 per cent were planning this option, 45 per cent had already done so. This was followed by reducing paid overtime (43 per cent had done so, 12 per cent intending), reducing use of agency workers (33 per cent done and 11 per cent intending), and cutting shifts (26 per cent done and 6 per cent intending). In addition, 17 per cent of respondents had introduced short-time working⁷³. Short-term working was most likely to have been implemented in the manufacturing sector (38 per cent of respondents, with a further 11 per cent reported to be considering this measure).

⁶⁸ Office for National Statistics (2010) *Labour Market Statistics*, Statistical Bulletin, March 2010.

⁶⁹ Office for National Statistics (2009) *Highest worklessness household rate since 1999*, Labour Market, Social Trends, 4 December 2009.

⁷⁰ *Employment trends 2009: Work patterns in the recession*, 2009. Confederation of British Industry (CBI) and Harvey Nash, London.

⁷¹ Results are based on responses from 704 organisations, together employing around three million workers, in a range of sectors of the economy across the UK.

⁷² The survey was conducted in April and May 2009 with 704 respondent organisations who between them employ nearly three million people. The organisations cover all sectors of the economy, public and private. Respondents were HRDs, CEO, Chairman or Managing Director.

⁷³ Short-time working occurs when employees are laid off for a number of contractual days each week or for a number of hours each working day.

Does the CBI data reflect positive or negative activities and intentions? Using a positive lens, research conducted in December 2008 by Working Families⁷⁴, cited progressive examples of businesses using flexible work practices to meet employee and business needs (eg agility and competitiveness), and observed that a survey conducted of 1,200 business leaders found “*most bosses intend to offer flexible working hours rather than pay rises to help retain their staff during the current economic downturn*”⁷⁵. Using a negative lens, the Trades Union Congress (TUC)⁷⁶ has argued that the outcomes of flexibility are negative for both those working reduced hours and those “left behind” in the workplace. In particular the TUC opined that as at March 2010 almost 900,000 workers in the UK did “extreme” levels of unpaid overtime (10 hours or more per week) and that 34.6 per cent of all temporary workers wanted a permanent job, and 13.8 per cent of part-time workers, wanted a full-time job.⁷⁷

These apparently conflicting data have not gone unnoticed by researchers, prompting Professor Suzan Lewis at the Middlesex University Business School to plan research for mid to late 2010 to examine these data and commenting “*I do think that there is a discourse of using flexibility as a way of surviving the downturn while keeping the workforce on board but also that the reality is that many people are working even harder, sometimes for less money. So in a sense the contradictory information (cited) is all part of the bigger picture*”.⁷⁸ Similarly, Dr Dalia Ben-Galim, at the Institute for Public Policy Research, suggests that she has “*lots of questions about how these trends all work together - and then a whole set of new questions about how they relate to data from before the recession*”.⁷⁹ In essence current research makes definitive comment about the UK experience of flexibility during the GED difficult, and there is even less evidence to identify whether job redesign and gender equity were either direct or indirect outcomes.

In contrast to the GED reduced hours response of both the USA and UK, it appears that, as a broad generalisation, European countries preferred a strategy of maintaining full-time working hours

⁷⁴ Working Families, 2008, *Flexible Working in a Challenging Economic Climate*, November 2008.

http://www.workingfamilies.org.uk/asp/employer_zone/documents/FWrecession.pdf

⁷⁵ Leaders in London, *Flexible hours 'replace pay rises'* Channel 4 News, 11 August 2008.

http://www.channel4.com/news/articles/business_money/flexible+hours+replace+pay+rises/2392012

⁷⁶ Personnel Today, *Extreme' unpaid overtime on the increase during recession*, 26 February 2010.

<http://www.personneltoday.com/articles/2010/02/26/54430/extreme-unpaid-overtime-on-the-increase-during-recession.html>

⁷⁷ TUC, 2010, ‘*Recession Report*’ <http://www.tuc.org.uk/economy/tuc-17694-f0.cfm>

⁷⁸ Personal communication with authors 17 March 2010.

⁷⁹ Personal communication with authors 21 March 2010.

and using the reduction in work volume as an opportunity to increase training and skill development, although there is also evidence of flexibility. According to the European Commission's *2009 Employment in Europe Report*, by August 2009, the unemployment rate in the EU had increased to 9.1 per cent a rise of 2.4 percentage points compared to March/April 2008. Total unemployment rose to 21.9 million, an increase of 5.7 million (or more than a third) compared to March/April 2008.⁸⁰

The European Commission also found significant variability in the impact of the GED between industries. For example, the hardest hit groups were employees in manual and elementary occupations such as craft workers and machine operators. In particular employment levels declined by around 3.4-6.7 per cent between 2008 and 2009, largely accounted for by the manufacturing and construction sectors.⁸¹ However, the impact on the skilled service sector was less severe as occupations continued to experience growth. In particular, employment levels rose between Quarter 2, 2008 and Quarter 2, 2009 for legislators, senior officials, managers and professionals.⁸²

As a part of the European Economic Recovery Plan formulated by the European Union (EU) in December 2008 in response to the downturn, the criteria for European Social Fund (ESF) were simplified to allow member states to enable easier access to up to €1.8 million to more rapidly implement labour market activation schemes.⁸³ As a result, most EU Member States increased services in the area of job matching, counselling, training and up-skilling, and career guidance for workers seeking jobs and organisations seeking staff. In addition, countries implemented measures to more strongly support self-employment by funding business start-ups, reducing or deferring social security payments. Companies were also encouraged via initiatives to employ additional workers by reducing non-wage labour costs, providing wage subsidies and implementing non-financial incentives, for example, Cyprus established state prizes for Corporate Social Responsibility based on the hiring of unemployed individuals. In addition, re-training of unemployed persons was also encouraged, in particular, special target groups that were most heavily affected by the recession.

⁸⁰ European Commission, (2009) *Employment in Europe 2009*, European Communities, Brussels, p.32.

⁸¹ European Commission, (2009) *ibid.* p. 38.

⁸² European Commission, (2009) *ibid.*, chart 39, p. 38.

⁸³ Hadjivassiliou, K. (2010) The EU response to the economic crisis, *Employment Studies*, 11, (February 2010).
<http://www.employment-studies.co.uk/news/es11art3.php>

These included construction workers in Ireland, young persons in Finland, France and the Netherlands and temporary agency workers in Austria.⁸⁴

Other measures to maintain full-time employment included reducing or deferring employers' non-wage labour costs such as social security contributions. In Germany, for example, employers' contribution to unemployment insurance has been lowered from 4.2 per cent in 2008 to 2.8 per cent in 2009 and 2010.⁸⁵ Additionally, countries also cut income tax, for example Latvia cut the rate of personal income tax from 25 per cent to 23 per cent.⁸⁶

So where do flexible work practices fit into this mix of responses to the GED? By way of background the European Foundation for Living and Working Conditions Company Survey 2009 (ECS), which covered establishments with 10 or more employees in all sectors of the 27 EU Member States and Croatia, Macedonia and Turkey, found that 56 per cent of companies in Europe offered some form of flexi-time arrangements. More specifically, 67 per cent of the sample offered its employees part-time employment but this was more prevalent in the services sector and among largely female workforces. Additionally, workload peaks were managed by overtime work in 68 per cent of organisations and these were evenly spread across the different sectors of economic activity⁸⁷.

The European Commission 2009 report, referred to above, found that the promotion of reduced working time was fundamental to avoiding sharp rises in unemployment during the GED. Between Quarter 2, 2008 to Quarter 2, 2009, there were noticeable reductions in hours worked by full-time employees across most sectors, and several Member States (eg the Netherlands, Austria, Germany and France) enabled recourse to short-time working arrangements by providing government funds to partially supplement the pay gap⁸⁸. In terms of take-up, the Commission observed that in Germany, for example, by May 2009 1.5 million workers were covered by the short-time working

⁸⁴ Mandl, I & Salvatore, L., 2009. *Tackling the recession: Employment-related public initiatives in the EU Member States and Norway*. European Foundation for the Improvement of Living and Working Conditions, Denmark.

⁸⁵ European Commission in Mandl & Salvatore, 2009, *ibid.* pg 15

⁸⁶ 'The Latvian government cut personal income tax rate to 23%', Baltic Business Daily, in Mandl & Salvatore, 2009, *op cit.* p. 16.

⁸⁷ European Foundation for the Improvement of Living and Working Conditions, (2010) *European Foundation for Living and Working Conditions Company Survey 2009*. Office for Official Publications of the European Communities, Luxembourg.

⁸⁸ European Commission, (2009) *op cit.* p. 35.

scheme.⁸⁹ In Austria, as at March 2009, more than 33,000 workers in 165 companies were expected to be on short-time work, mainly in the automotive sector as well as in the metalworking, wood and plastics industries⁹⁰, and by mid-May these figures had increased to 250 companies and 60,000 workers⁹¹.

The Commission data, and identification of France, Austria, Germany and the Netherlands as having positive experiences in relation to reduced hours, is reflected in the comments made by European workplace experts on their GED experience. In relation to the Netherlands, Martijn de Wildt, Director of Qidos (a workplace advice firm) commented “*The short time compensation programs were a win-win-win: the government prevented larger number of employees using social security, employers could retain critical talent and employees stayed in the workforce. As education programs (the reduced hours had to be used for education) for employees were a boundary condition for the government compensation programs, the employability of employees increased*”⁹². In relation to the French experience, Associate Professor Ariane Ollier-Malaterre at the Management and Strategy Department, Rouen Business School) opined “*In France, the GED appears to legitimate in some ways the reduction in the number of weekly hours worked that had been initiated with the Aubry laws of 1998 and 2000 – the famous 35 hours workweek. At that time, already, fighting unemployment was amongst the prime motivators of these laws. Companies that had reverted to a 39 or 40 hours workweek have been observed to renew with the 35 hours workweek in order to maintain employment. Additionally, different forms of partially paid temporary leaves or partial unemployment have been experimented, including managers and professionals. These experiments are negotiated with the unions as mandated by French law*”⁹³. In summary, the European data on workplaces experiences during the GED and the comments by experts in the Netherlands and France, suggests a high level of similarity between the experiences of *some* European countries and some Australian workplaces in relation to the increased use of flexible work practices to manage the downturn and its positive legacy.

Our review of the GED experience in the USA, UK and Europe revealed hints, rather than comprehensive data, about the nature and use of flexible work practices. To some degree the use of flexible work practices (including reduced hours for full-time workers and shorter working weeks)

⁸⁹ European Commission, (2009) *ibid.* p35.

⁹⁰ WirtschaftsBlatt, cited Mandl & Salvatore, 2009, *op cit.* p.10.

⁹¹ Mandl, I & Salvatore, L., 2009. *op cit.* p.10.

⁹² Personal communication with authors 9 April 2010.

⁹³ Personal communication with authors 13 April 2010.

could be seen as a shared experience between these developed countries and Australia. Nevertheless, the available data revealed differences as well, for example we observed tensions in the USA and UK between voluntary and involuntary reduced hours, and a preference to support full-time work in Europe via economic stimulus measures. In summary, the global experience of flexibility might augur well for a greater acceptance of flexibility as we move into recovery, but the data does not provide any degree of certainty. Concentration on leveraging and progressing the positives in the Australian experience is preferable to looking for an international company of friends, although further investigation of the experience in the Netherlands, France and Germany might be of benefit.

3. Critical analysis: has the GED experience created a new normal? –

The findings discussed above do not support a proposition that GED-related experiences have created a widespread shift in either: (i) approaches to flexible work practices; (ii) the integration of “flexible working” into mainstream thinking about job and work redesign; (iii) gender equity outcomes; or (iv) employment outcomes for people with caring responsibilities. Taking both sets of Australian “experiential” data (case studies and survey), at most it could be argued that significant shifts occurred in approximately 30 per cent of organisations. The best indicators of these were a broadened focus on flexibility (a shift in the types of flexibility) and shifts in utilisation patterns, with more men and more people in senior positions accessing these options. There also appeared to be some evidence of a mindset shift to think more about flexible work options in terms of work design. This evidence should not be lightly dismissed. If it is assumed that this shift has occurred more broadly in 30 per cent of organisations, it does have the potential to influence the approaches of other organisations through the motivation to be an employer of choice and to compete for the limited talent pool. Certainly there was little evidence that the 30 per cent were about to turn back the clock to previous practices.

The survey data also suggest that, as a result of their GED experiences, many more organisations are likely to focus on job and work redesign in the future. There is a significant opportunity to influence this process to ensure that flexibility, gender equity and the needs of those with caring responsibilities are included. There is a significant opportunity to show how flexibility can enable work to be redesigned to improve: employee motivation, the quality of work and productivity; *and*

gender equity in paid and unpaid work and improving employment opportunities for those with caring responsibilities. Clearly now is the moment to capture these green shoots of change for, as one interviewee sagely observed “*what you do in a crisis is different to recovery. Managers have learnt to deal with people who are not at work – but how do you continue to deal with that when your workload is increasing?*”

How will we know when we have achieved systemic change – ie a paradigm shift? Credible data would need to demonstrate that: (i) Flexibility is widespread in terms of industry sectors; (ii) Take up rates for flexibility are high for both men and women, and for people in senior positions (thus, there would be more part-time management positions; (iii) Senior positions have a high representation of people with caring responsibilities (especially women); and (iv) There is greater gender equity in terms of paid and unpaid hours of work, and in workforce participation characteristics (eg., nature of jobs and level of seniority).

How will we achieve these outcomes – ie bridge the gap between current work practices, including fledging experiences of flexibility, and “flexibility as usual”? The factors that will enable these outcomes include: (i) Flexibility is integrated into business and workforce planning (particularly in relation to identifying key workforce demographics, gender, caring responsibilities etc); (ii) Flexibility is part of the employee value proposition, and recognised as a major contributor to high performance, employee retention, effective working relationships; (iii) Jobs and careers are designed with employee caring responsibilities in mind – this is an active rather than a reactive process (as it is at the moment); and (iv) Crafting jobs to deliver value to the business, meaning to the employee, interdependence between workers, and career opportunities over the longer term (with a 10 to 15 year time horizon) would also include the option that a diversity of people will take up these jobs – diverse in terms of needs for, and preference for, flexibility in how, when and where the job is completed. This would be considered a core characteristic of job and work design, rather than being ad hoc or seen as being idiosyncratic (as it is currently by work and job design researchers).

As one interviewee observed “*I think there is a real opportunity – I know how (the Sex Discrimination Commissioner) talks about job redesign but it’s hard to do*”. Some of those perceptual and skill barriers might have been ameliorated by the GED flexibility experience, but given the limited focus on job redesign this seems somewhat idealistic. Whilst there is significant value in promoting the case studies of KPMG, BlueScope Steel and the ADagency, to take this conversation further, the

promotion of job design demonstration projects, such as one recently undertaken in the US based Boston Consulting Group (a professional services firm), would be invaluable⁹⁴. This BCG work redesign experiments were conducted over four years (including pre and during the GED) in an environment characterised by a long-hours culture. Two experiments were conducted. The first involved imposing a requirement that everyone in a consulting team take one full day off a week. The second required that each consultant take one scheduled night off each week. For both experiments, consultants were not permitted to check or respond to e-mails or other messages during their forced time-off.

The experiments, carried out in a number of work sites, resulted in shifts in both: (i) the mindset that a 24/7 work ethic is necessary for getting ahead and for delivering to clients, and (ii) approaches to how work is done, with greater emphasis on work share between team members, and in identifying process improvements. Both experiments were highly successful (as measured by differences in ratings provided by those participating in the experiment versus peers who did not participate) in terms of delivering to clients, meeting performance goals, improving the quality of work and open communication in teams, and improving job and career satisfaction, learning and development opportunities and work/life balance for individuals. The experiments also resulted in ongoing improvements in team and work processes because the forced work redesign in terms of hours of work and time available, meant that consultants had to have more conversations about work processes and how to improve them.

4. The future: sustainability

Jobs have traditionally been designed on the basis of set, full-time hours (with varying standards being used), a fixed location for conducting the work, and the tasks and responsibilities have been crafted using established criteria (eg skill variety, degree of autonomy). Flexible work practices challenge some of the commonly held assumptions about jobs and the nature of work, especially through the emphasis on reduced and “non-standard” hours of work, conducting work at different locations and establishing different types of working relationships between individuals (eg job share). Much of the redesign of work linked to flexible work practices has been conducted on an ad hoc basis, with the primary goal often being “fitting” a person with individual needs (eg caring needs)

⁹⁴ Perlow, L. A., & Porter J. L., (2009) Making time off predictable and required, *Harvard Business Review*, October 2009.

into a full-time working framework. We argue that for flexibility to become truly mainstream and for flexibility to deliver improved outcomes in terms of gender equity and caring responsibilities (as indicated by access to promotion and development and jobs that lead to senior positions), flexibility (and the different needs and expectations of the demographically diverse workforce) needs to be integrated into organisational approaches to crafting or designing jobs.

Unexpectedly, a different conversation about flexibility – including strategies to reduce hours – was started in Australia during the GED, and apparently in France, Germany and the Netherlands as well. In Australia, it wasn't planned or even noticed, until the aggregate data demonstrated an increase in part-time hours, and a decrease in average full-time hours. This research has investigated the nature of this new conversation and what it means for the workplace of the future. Whilst it could not be said that the GED heralded the wholesale redesign of work, it stimulated green shoots of change, particularly in terms of changing the impetus for flexibility from employee driven to business driven, and in terms of developing managerial capability. A number of the interviewees for this research volunteered that this experience will play into managers' capability to implement recent legislative reforms which provide some employees with a right to request to flexibility⁹⁵. This legislative platform may turn out to be the fertile ground necessary to grow the flexibility experiences beyond the 30 per cent of organisations identified in our research as demonstrating more of a “flexibility as usual” approach.

⁹⁵ Section 65 *Fair Work Act 2009* (Cth).