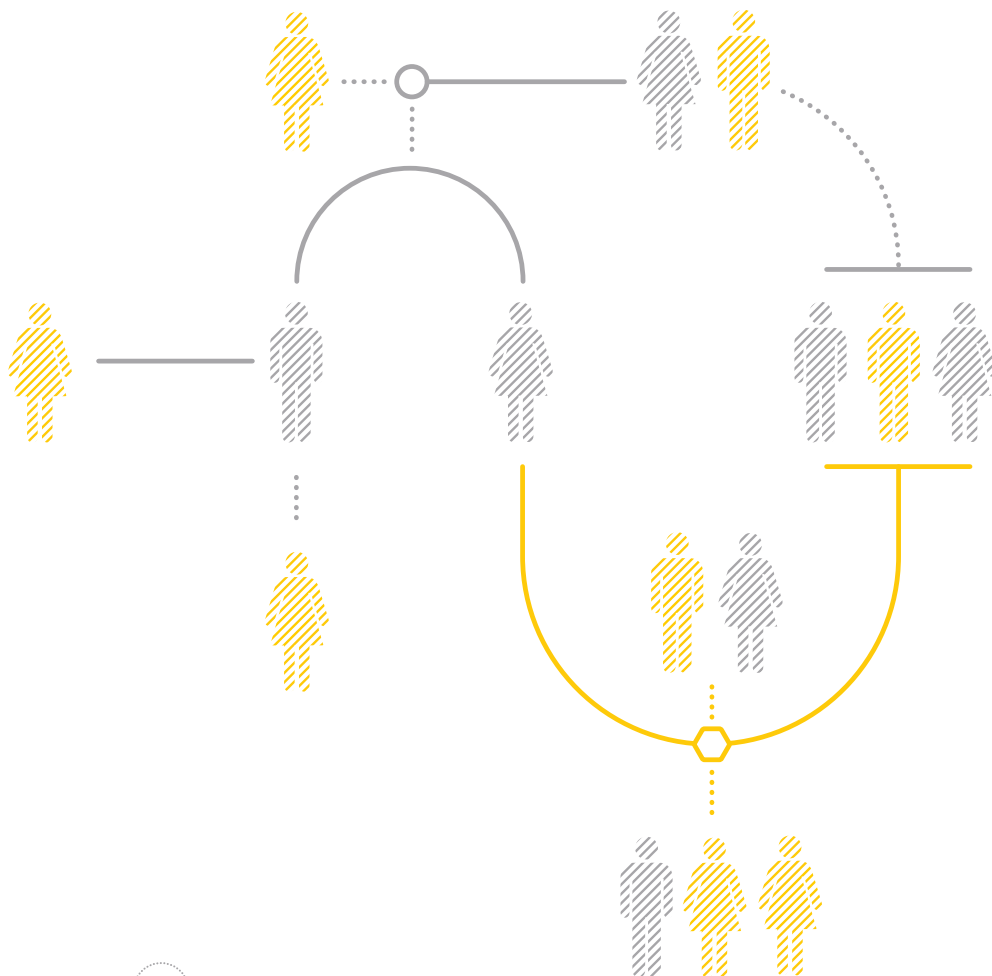


# Workplace flexibility strategy

A guide to building an organisation-wide approach to implementing and managing workplace flexibility



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# Section 1: Introduction

Adopting a strategic approach to flexibility ensures it is viewed as an important organisational issue. When issues are seen as organisational, rather than individual, there is an understanding that they need to be dealt with comprehensively, taking into account every part of the organisation.

## A strategic approach to flexibility

Due to the increasing imperative for organisations to improve their flexibility capability, flexibility is no longer confined to the working relationship between an employee and their manager. It involves many parts of the organisation working together to create a successful transformation.

Whether it be creating new processes and systems around work; requiring managers and employees to change the way they work; or implementing new infrastructure and technology, organisations need to create a holistic, integrated approach that involves all key stakeholders.

Leaders also need to play a role in supporting flexibility, whether it be via resourcing, modelling flexibility themselves or creating accountability for the transformation.

The strategic approach enables internal decision makers to make choices that support the overall business direction. This is the role of a flexibility strategy, to enable decision making, as well as support implementation more broadly.

## The change process

The change to organisation-wide flexibility requires a comprehensive strategy that includes an ongoing learning process, which enables the organisation to handle the complexity.

In the past, flexibility has been seen as a benefit to employees, with little focus on the potential benefits to the organisation. As a result, the focus is usually on individuals and their managers with many organisations yet to develop the capabilities needed for effective, productive flexibility.

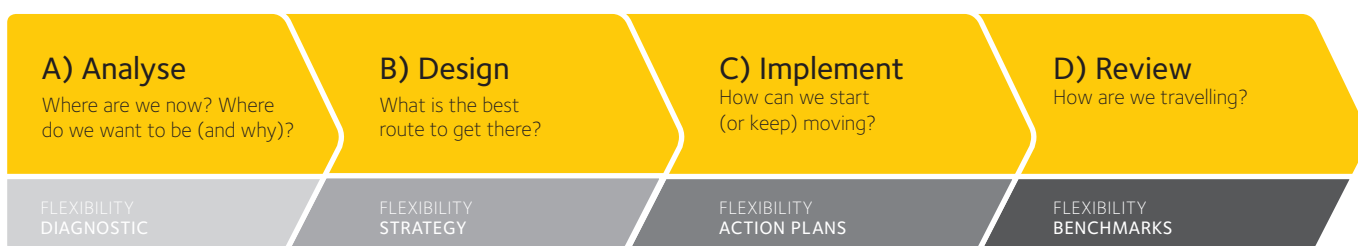
Often within organisations, flexibility begins with one trusted, valued employee adopting a flexible working arrangement with minimal imposition on operations. While this is an important first step, it is not sufficient to enable an organisation to deal with the important areas of change that facilitate organisation-wide flexibility. An organisation's experience of flexible work with isolated individuals may reinforce, rather than challenge, existing misunderstandings about flexibility.

## Developing a flexibility strategy

This toolkit is designed to assist you with the design, implementation and review of a flexibility strategy and change journey. Prior to developing your workplace flexibility strategy, it is recommended that you undertake a readiness assessment using the WGEA readiness assessment available from the 'Strategic approach to flexibility' section of the Agency's website.

There are many different models and proprietary tools for managing organisation-wide change. Diagram 1 shows the typical steps involved in change.

Figure 1: The step change process



## Why mainstream flexible working arrangements?

### The opportunity

Research shows that workplace flexibility is a key driver of employment decisions and job performance for both women and men. For organisations across Australia, there is an immediate opportunity to improve an organisation's overall position by offering flexible working arrangements:

- **Flexibility has significant potential to improve attraction and retention.** In a recent global study, 43% of respondents indicated they would prefer flexibility over a pay rise (UnifyCo, 2014)<sup>1</sup>, while research from Diversity Council Australia<sup>2</sup> shows that flexibility is one of the top five employment drivers for men.
- **Flexibility can significantly improve productivity.** Flexibility has been shown to contribute to improved work performance, improved organisational performance, reduced absenteeism and reduced turnover. In a recent study by Stanford University<sup>3</sup>, people working from home achieved a 13% productivity improvement over their office-based counterparts.
- **Flexibility can result in cost base reduction.** Deloitte and Google found that large organisations can save \$350,000 per annum on hiring costs alone through a flexible workplace technology policy (Deloitte, 2013)<sup>4</sup>. Other cost benefits may be achieved by reduced workspace requirements.

Flexibility is not only a benefit to businesses, it also benefits employees who can experience reduced stress, improved job satisfaction and better health outcomes through access to flexible working arrangements. However this cannot be achieved if the systems, structures and culture of a workplace don't adequately support flexibility.

### Flexibility and gender equality

Access to flexibility at all levels enables greater access to roles and leadership positions across an organisation for both women and men, particularly as lack of flexibility has been shown as one of the primary barriers to greater workforce participation of women.

Currently women are more likely to utilise part-time work, parental leave and other non-standard working patterns, resulting in increased gender inequality in access to quality work and promotions. Further, there are fewer opportunities for combining flexible work (especially part-time work) with management and supervisory positions, which are traditionally dominated by men. The challenge facing employers is to develop flexible working arrangements that do not condemn employees to low quality jobs and leave women with limited career opportunities but rather ensure flexibility is part of the work mainstream.

### Legal requirements

There is also now a legislative imperative to offer flexibility under certain circumstances. The National Employment Standards that are part of the *Fair Work Act 2009* require all employers to consider employees' requests for flexibility. The *Fair Work Act 2009* also prohibits discrimination in the workplace on the basis of factors such as family or carer's responsibilities, among other things, and makes provision for 'individual flexibility arrangements'.

### The challenge

The present challenge for organisations is to improve their flexibility capacity so they can take advantage of the opportunities flexibility provides and achieve better business and employee outcomes. In 2014, approximately half (47.7%) of Australian employers had a flexibility policy but only 13.6% had a flexibility strategy. This gap indicates that on the whole flexibility is not treated as a strategic tool that can achieve business benefit, so for many organisations the challenge is real.

## About this toolkit

This toolkit aims to support a strategic approach to flexibility. Specifically, the aims of this toolkit are to:

- ensure alignment between an organisation's workplace flexibility strategy, gender equality strategy and broader business strategy
- enable organisations to design a comprehensive workplace flexibility strategy
- enable organisations to develop and implement an organisation-wide approach for improving flexibility capability.

<sup>1</sup> <http://www.unify.com/us/news/2846D70A-ACA6-4146-9B00-955E6114038E/>

<sup>2</sup> Diversity Council Australia (2012), Men get flexible! Mainstreaming flexible work in Australian business, DCA: Sydney.

<sup>3</sup> REFERENCE TO BE ADDED – BEN I will provide this in round 1 comments

<sup>4</sup> <http://www2.deloitte.com/au/en/pages/economics/articles/the-connected-workplace.html>

# Section 2: Flexibility roadmap, capabilities and key terms

Prior to developing your flexibility strategy it is important to conduct a readiness assessment to understand where you are now, determine your flexibility vision and identify key priorities. This section provides a summary of the key concepts of the flexibility roadmap.

## The flexibility roadmap

The flexibility roadmap has been developed to help organisations think about the flexibility journey and their overall position. Does the organisation view flexibility as a compliance or programmatic issue, in the sense that flexible working arrangements are offered in a limited way, or does the organisation view flexibility in a more holistic way, where flexibility is part of the organisation's strategy and factored into the way work is done? Or does the organisation lie somewhere in between?

Figure 2: Flexibility roadmap



The flexibility roadmap has been simplified into three distinct stages: 'limited', 'basic' and 'embedded', which are aligned to the six broad phases outlined in the gender strategy toolkit. You can use your assessment against the capability framework to plot your position on the roadmap and determine where you want to go. Each phase is outlined below.

No	Stage	Description / characteristics
1.	Limited	<ul style="list-style-type: none"> <li>➔ This is consistent with the 'avoidance' or 'compliance approach' on the gender equality roadmap.</li> <li>➔ No recognition of how effective flexible work and family-friendly policies / practices can promote gender equality and diversity.</li> <li>➔ Flexible work and family-friendly policies / practices only exist to the extent they are required by legislation or regulation.</li> </ul>
2.	Basic	<ul style="list-style-type: none"> <li>➔ This is consistent with the 'programmatic' approach on the gender equality roadmap.</li> <li>➔ Flexible work and family-friendly policies / practices are provided to meet the needs of specific groups or individuals.</li> <li>➔ Typically flexibility is seen as a human resource function only.</li> </ul>
3.	Embedded	<ul style="list-style-type: none"> <li>➔ This is consistent with the 'strategic', 'integrated' and 'sustainable' approach on the gender equality roadmap.</li> <li>➔ Enabling progression as flexibility becomes strategic in the mindset, systems and culture.</li> <li>➔ Flexible work and family-friendly policies / practices are designed and accessible to benefit all employees; the flexibility business case is established.</li> <li>➔ Flexible work and family-friendly policies / practices are leveraged as a business enabler; no value judgements are made about flexibility needs.</li> <li>➔ Flexible, family-friendly working is expected, normalised and equitably accessible; it is integral to all business and people practices (e.g. workforce planning).</li> <li>➔ The flexibility strategy is aligned to the business strategy and the organisation is moving towards the workplace of the future.</li> </ul>

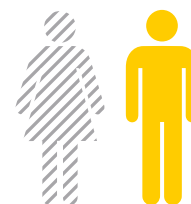
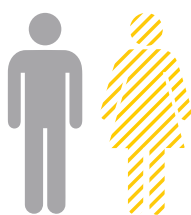
## Flexibility capability framework

In order to achieve powerful, effective flexibility, core capabilities are needed in a number of areas. The strategic approach sees flexibility capability as an important organisational issue. When issues are seen as organisational, rather than individual, there is often a parallel realisation that they need to be dealt with comprehensively, taking into account every part of the organisation.

There are 10 flexibility capability areas illustrated in Figure 3. The Agency's flexibility readiness assessment provides a description of each of the 10 capabilities and provides an assessment tool to assist organisations diagnose their current status on each capability (as either limited, basic or embedded).



Figure 3: Flexibility capability framework



## Different types of flexibility

In developing your organisation's workplace flexibility vision, it is useful to consider what is meant by workplace flexibility, the types of workplace flexibility that are most suitable for your organisation's context, and how your organisation develops the 'way of work'.

The table below sets out a range of flexible work options that cover most scenarios.

Table 1: types of flexibility

Type	Description
Flexible hours of work	This is where you may vary your start and finish times.
Compressed working weeks	You may work the same number of weekly (or fortnightly or monthly) working hours, compressed into a shorter period. For example, a forty-hour week may be worked at the rate of ten hours per day for four days instead of eight hours a day for five days. Changes to salary are not required.
Time-in-lieu	You may work approved overtime and be compensated by time in lieu. It can include 'flexitime' arrangements where an employee can work extra time over several days or weeks and then reclaim those hours as time off.
Telecommuting	You may work at a location other than the official place of work. A wide range of terms refer to working at different locations, including 'mobile working', 'distributed work', 'virtual teams' and 'telework'. These are referred to collectively as 'telecommuting' in this toolkit.  Note that telecommuting is generally most effective when there is a relatively even split between time spent in the office and working elsewhere. This lessens the sense of isolation that can come from working away from the office.
Part-time work	A regular work pattern where you work less than full-time and are paid on a pro-rata basis for that work. Not all part-time work is necessarily flexible in nature, but it offers flexibility to workers who have other commitments or lifestyle choices that are not compatible with full-time work.
Job sharing	A full-time job role is divided into multiple job roles to be undertaken by two or more employees who are paid on a pro-rata basis for the part of the job each completes.
Purchased leave	A period of leave without pay, usually available after annual leave allocation is finished. Employers typically deduct the amount of unpaid leave from the worker's salary, and this can be done as a lump sum or averaged over the year.
Unplanned leave	Informal access to leave for unanticipated or unplanned events.
Flexible careers	You are able to enter, exit and re-enter employment with the same organisation, or to increase or decrease your workload or career pace to suit different life stages. This may be particularly relevant for employees transitioning to retirement. It can also include employees who are able to take a 'gap year' early in their careers and return to work for the same employer afterwards.
Other choices about hours, patterns and locations of work	Other options about when, where and how work is done, e.g. overtime and having autonomy to decide when to take breaks during the working day.



# Section 3: Building a workplace flexibility strategy

Improving flexibility is a significant, multidisciplinary change that extends across the whole organisation and involves a range of professionals working together collaboratively.

Moving to strategic flexibility involves a complex, unknown future state for an organisation. Although certain core characteristics are needed to become strategic, the detail of the final structures and systems is usually unknown and many elements need to be adjusted to suit individual organisations.

Strategic flexibility requires leaders, managers and employees to change not only their skills and behaviours, but also their mindset, values and beliefs, which tend to be more intransigent. Without these important personal changes, organisations seeking to improve flexibility can expect a low return on their investment in the change process. For these reasons, the move to flexibility is best understood as transformational change.

## Creating your strategy

Your organisation's workplace flexibility strategy and change program needs to include several core elements, including a clear vision, executive support, a clear action plan, defined timelines and responsibility for change.

Essentially this stage is about answering the questions 'where are we going?' And 'how will we get there?'

## Step 1: Envision the end point

A clear vision of what the organisation looks like with improved flexibility capability serves to motivate leaders, managers and employees at all levels, and can be referred to as your organisation's 'flexibility vision'. As well as inspiration, it provides the basis for cascading goals and planning for change throughout the stages that follow. While this is one of the core functions of leadership, other roles can be involved in establishing the organisation's vision for flexibility, including executives of the human resource, technology and infrastructure areas, as well as a selection of executives across delivery areas.

The business case provides a strong framework for establishing your organisation's change vision and could focus on the benefits your organisation seeks to capture. Your vision should also be informed by the results of your organisation's flexibility readiness assessment (available from the Agency's website), as a clear understanding of the status quo will provide an idea of where the organisation is now and where it wants to go.

Your organisation may choose to involve its executive team in developing a compelling vision, particularly as it is important to confirm executive-level support and resolve.

Figure 4: Flexibility roadmap



## Goals on the flexibility roadmap

Understanding where you currently are on the flexibility roadmap can also help set a clear vision and specific objectives. For example, your target could be to move from 'limited' to 'basic' flexibility within one year, and 'embedded' flexibility within three years. The vision could also refer to your organisation's position as an Employer of Choice for Gender Equality in a competitive market, outline cutting edge innovations in the workplace, or highlight the values consistent with flexibility, such as improving service delivery.

## Defining flexibility in your organisation

While developing your workplace flexibility vision, it is important to consider how your organisation defines a flexible workplace and the range of flexible working options that will be available. This will also help to determine your strategy and key priorities.

## Step 2: Leadership commitment

Once a clear vision for change has been established, it is important to garner support from the executive team. Given the transformational nature of the change, executives may need to have a significant degree of resolve to see it through.

It is useful to run an executive workshop at this stage. The results of the flexibility capability assessment will need to feed into this process so executives understand the current state of the organisation. Likewise, the business case needs to be considered as it outlines the drivers for change and establishes clear mandates for flexibility.

Executives will also need to be involved in establishing initiatives and key performance indicators for each capability, and specific executives will be required to take responsibility for delivering the capability (or capabilities) most relevant to their role.

Executives will also need an opportunity to air their concerns about issues in their own functional areas and these issues should be taken note of to feed into the transformational roadmap. Failure to achieve an agreed set of drivers to proceed with improving flexibility can significantly jeopardise any future success.

The executive workshop can be used to make the executive team aware of their crucial role in modelling flexibility. As such, they can anticipate that the flexibility strategy will establish goals for developing their leadership capability and as such will cascade goals 'up the line'.

## Step 3: Develop specific goals and actions for each capability area

Conducting a readiness assessment against the 10 capability areas will provide your organisation with an understanding of your current strengths and areas for development. It is important to understand at an overall level what the priority capabilities are.

For each of the capability areas, determine the timelines and resources required for change. Section 4 provides a series of possible initiatives and key performance indicators for each capability.

Typically these goals and actions, along with the vision, should be approved by the organisation's executive team and/or board.

## Step 4: Create an implementation plan

Once specific goals and actions have been developed, responsibility for change in the functional areas relevant to each capability will need to be established. An implementation plan becomes an important communication and project management tool and, together with the change vision, acts as a reference point for progress.

It is important to note here that Section 4 provides specific details to assist with creating your action and implementation plan for each capability. It also includes an outline of the important results or outcomes needed from the change process for each capability, as well as a list of the key individuals involved in implementation for each capability, and tips for avoiding roadblocks within each area.

## Assess change capacity

Trying to do too much too soon is one of the prime reasons for failure of transformational change journeys. Several important factors need to be taken into account: what resources are available to support the change program, in terms of time, funding and staff capacity? What is the capacity of the organisation to adjust to the flexibility strategy? What are the organisation's current resources in each area of capability?

### **Cascade the goals in each capability**

Once any significant issues with change capacity have been established, the vision and issues map can be cascaded into capability goals. These goals should address the known issues established in the flexibility capability assessment and be framed relevant to the change vision.

Responsibility for delivering change in each of the capability areas should have been allocated at the executive workshop. Once the capability goals are established, these should be communicated to the responsible executive for sign off, who will then have responsibility to manage change within that capability.

One of the capabilities that may require development is leadership. It is likely when an organisation is inexperienced with flexibility, leadership will need some development.

### **Establish where, when and how disciplines will need to integrate**

The strategy is the key document that supports integration of the change process across the organisation. One of its crucial functions is to establish when, where and how disciplines may need to integrate. Section 4 provides more information about which roles and functions within the organisation are required when developing each capability. People in these roles will also need to review the capability goals and issues map to determine where they need involvement from another area within the organisation. These needs can then be coordinated by either the change management team or at a collaborative workshop.

### **Step 5: Evaluate through an established learning cycle**

The learning cycle is incredibly important for a successful start with flexibility and its ongoing success. The learning cycle should be established as an integral part of the transformation, rather than an afterthought, as important solutions can arise when a learning process maintains ongoing observations. Similarly, an established learning cycle enables effective risk management.

The learning cycle should incorporate five initial phases: pilot, testing, learning, adjustment and re-testing. Once the rollout has taken place an ongoing cycle of learning and adjustment should occur. These phases provide a controlled method of exploration so that tailored solutions can be generated and risks can be managed appropriately. Organisations new to flexibility can find it difficult to establish their flexibility program, and if they adopt another organisation's approach there is a chance of failure as the factors that contribute to a successful flexibility strategy are unique to each organisation. As a result, these five phases and the establishment of an ongoing learning cycle are essential.

Learning should be managed as an ongoing cycle, not a linear process with a fixed start and end. The reason for this is twofold: firstly, it is highly likely that not all issues and their relevant solutions will be known at the outset. Secondly, it can't be assumed that an organisation's flexibility capability will remain strong as the organisation changes over time. Changes in any of the specific capabilities outlined in this toolkit can result in an overall decrease (or increase) in flexibility capability so organisations should not assume that their learning around flexibility capability will end completely.

The learning cycle needs to lead the organisation through transformation by providing frequent observations across all levels. These observations should provide information about any issues, responses being tried, adjustments being made and whether or not success is being experienced. Information should be gathered within business areas, between colleagues and at the individual level, with issues and effective solutions fed back into the flexibility strategy. In this way your organisation has a mechanism to quickly learn what works and what doesn't. Further, the learning cycle can enable the organisation to better handle emerging issues, by cross-fertilising solutions across areas.

# Section 4: Achieving change in each capability

It is important to provide specific guidance on achieving change within each specific capability. This guidance includes examples of initiatives that could be developed within each capability.

## Establishing your detailed strategy and action plan

Now that we have looked at the capability framework, and an overview of the change process, we can see that:

- flexibility is organisation-wide and is enabled by a range of specific capabilities
- change is complex and transformational and requires a unique approach, including establishing a learning cycle that enables the organisation to create tailored solutions that improve over time.

It is now important to look at each capability in more detail to help your organisation establish a detailed strategy and action plan. In the following pages you will find:

- examples of initiatives that organisations could set within each capability
- specific roadblocks and roundabouts for each capability
- clarity around the key individuals who should be involved in the change process for each capability.

### **Specific capability initiatives**

Initiatives are suggested for each of the capabilities, based on an organisation's overall position on the flexibility capability assessment. Organisations at the 'limited' end may choose to identify initiatives within the 'basic' band. For organisations already in the 'basic' band, it would be most appropriate to identify relevant initiatives within the 'strategic' band. Each organisation will need to make its own decisions regarding which of the suggested initiatives to adopt.

As outlined above, it is important that organisations not yet at the 'embedded' flexibility phase engage in a trial of flexibility. This trial lowers risk by enabling the organisation to learn how to adjust, before rolling flexibility out more broadly across the organisation. As such, many of the suggested initiatives propose that the characteristics of 'embedded' flexibility be established first in a trial business area.

**Note:** percentages outlined in the initiatives tables are indicative examples only. Organisations should select percentages that are appropriate for their individual circumstances.

### Roadblocks

Where possible or likely hurdles can be anticipated, these will need to be considered in your organisation's strategy and action plan.

The roadblocks provided in this toolkit are known hurdles that may or may not occur, and provide your organisation with a greater awareness of the possibilities. Given the diverse nature of organisations, hurdles may arise that are not listed as roadblocks here. In addition, some organisations may not experience the typical roadblocks.

### Roundabouts

In this toolkit, roundabouts are suggested ways to overcome roadblocks. These suggestions may not always be the most appropriate for your organisation. They are provided to support your planning with options.

# Leadership

Leaders play an important role in the transformation journey towards strategic flexibility. Strong executive leadership commitment and involvement is essential for a successful move to strategic flexibility.

## Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<ul style="list-style-type: none"><li>➤ Accountability is established for the change program's outcomes.</li><li>➤ Over 15% of the organisation's leadership team works flexibly.</li><li>➤ The leadership team has communicated its commitment to flexibility to the business areas involved in flexibility trial.</li><li>➤ Sufficient resources are allocated to the capability areas involved in the transformation to flexibility.</li><li>➤ The business areas involved in the flexibility trial have a flexibility champion.</li></ul>	<ul style="list-style-type: none"><li>➤ Accountability is established for the change program's outcomes.</li><li>➤ Over 35% of the organisation's leadership team works flexibly.</li><li>➤ The leadership team has made several strong, consistent statements about the organisation's commitment to flexibility across the whole business.</li><li>➤ Sufficient resources are allocated to the capability areas involved in the transformation to flexibility.</li><li>➤ All business areas have a flexibility champion.</li></ul>

### Roadblock

**Lack of permission to advise leaders:** In designing the organisation's flexibility strategy and through the flexibility capability assessment, you may notice a gap in the organisation's leadership capability.

**Myths and misunderstandings:** There are several misunderstandings about flexible work that can have a strong impact on leadership commitment. Leaders can be concerned that flexibility is primarily a benefit to employees. A related belief is the myth that flexible workers are less committed to their organisation, although it has been well established by research and experience that the opposite is the case. A further misunderstanding is the belief that performance will suffer, when in fact individual productivity can rise significantly. Lastly, some leaders believe that flexible work can threaten the whole organisation's cultural foundations whereas many effective communication methods and tools exist that enable organisations to effectively eliminate this risk.

**Values and beliefs can inhibit flexibility:** Flexibility can challenge people's values and beliefs, which tend to be intransigent. For example, some leaders (and managers) hold a view that they 'need' to see their staff members to know that they are working or that they 'need' to have their staff members in the office to gauge the quality of their performance. These deeply held views can be based on years of experience.

**Concerns about implementation can be significant:** Leaders can have many valid concerns about implementation, which will need to be resolved through the transformation process. Concerns are usually about maintaining effective management strategies, fostering great performance, implementing technology and maintaining legal compliance.

### Roundabouts

**Permit the change team to advise leaders:** It is important that change managers are given permission and a communication channel to advise the organisation's leadership team on how they will need to improve.

**Correct myths and misunderstandings:** It is important that myths are corrected early on so that leadership support can be maximised. Provide examples where flexibility works effectively and evidence that contradicts the myths. The suggested executive workshop is an appropriate forum to dispel myths, for example the myth that flexibility is primarily a benefit to the organisation's employees can be dispelled by clearly outlining the organisation's positive business case for flexibility. Evidence can be presented from the research mentioned earlier in this toolkit about the improved commitment, performance and productivity of flexible workers. Communication methods and tools that enable the organisations to eliminate the risk of negative cultural drift can also be outlined.

**Become aware of values and beliefs that inhibit flexibility:** Your organisation may choose to address long-held negative views of flexibility with information or opportunities for personal exploration e.g. an opportunity to participate in the organisation's flexibility trial.

**Identify and address concerns about implementation:** Identifying leadership concerns is an important step in establishing your organisation's flexibility strategy, which provides a detailed view of the organisation's issues. It is also important for establishing ongoing leadership support as leaders are more likely to be engaged if they know their issues have been noted and are being addressed. The learning cycle should capture these ongoing concerns and feed them back into the flexibility strategy.

### Other important strategies

**Establish responsibility for leadership capability with the CEO:** The suggested executive workshop should establish responsibility for the leadership capability with one of the senior executive team. It is important that this senior executive has the capacity to influence and enable the leadership team. As such it may be that the organisation's CEO is the right person to take responsibility for the leadership capability.

#### Key roles

- change management project team
- c-suite
- senior executive team.

## Business case

A clear business case is an essential prerequisite for building commitment to a flexibility strategy that leads to improved organisational performance.

### Initiatives and key performance indicators (KPIs)

#### Basic flexibility

- ➔ A business case is established that clearly articulates the organisation's likely return on investment in flexibility *in the trial business area*. The business case is compelling and demonstrates the contribution of flexibility to business performance, having looked at both costs and benefits.
- ➔ Measurement may include cost savings associated with floor space reduction and improvements in employee engagement.

#### Embedded flexibility

- ➔ A business case is established that clearly articulates the organisation's likely return on investment in flexibility *across the whole organisation*. The business case is compelling and demonstrates the contribution of flexibility to business performance, having looked at both costs and benefits.
- ➔ Measurement may include cost savings associated with floor space reduction, improvements in employee engagement, productivity, client feedback, pulse surveys, reduction in staff turnover, and number of women in leadership roles and talent pipeline.

### Roadblock

#### **Implementation issues can overshadow strategy:**

Organisations establishing their business case may find the process at risk of being derailed by the concerns of senior managers, managers or employees. Until the organisation's business case is established it is generally not in a position to adequately answer these concerns about implementation because it has not committed to the allocation of resources let alone begun the learning cycle that will address implementation issues. At this stage it will be important to refer to some of the successful strategies used by other organisations, which can provide clues to how implementation issues may be addressed.

### Roundabouts

**Engage a discrete group of senior staff:** Given that strategic flexibility has a lot to offer an organisation, it is important that these benefits are not lost through concerns about implementation. A discrete group of senior staff may be the appropriate team to develop the organisation's business case for flexibility.

#### **Key roles**

- ➔ change management project team
- ➔ senior executive team
- ➔ finance.

## Flexibility vision, strategy and policy

An ideal flexibility vision, strategy and policy provide a wide range of options for flexible work. It enables individuals and their managers to create tailored options and establishes a low bar with regards to eligibility and suitability, with ideally all roles across the organisation and all individuals having the option to discuss flexible work with their manager. Importantly, the flexibility policy will also acknowledge that each individual's flexible working arrangement may need to change over time, for example in response to either learning gained during a trial period or changing operational requirements.

### Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<ul style="list-style-type: none"><li>➤ 'More involved' types of flexible work are offered to a test area of the organisation.</li><li>➤ A broader range of acceptable reasons for requesting flexible work is established in the test area.</li><li>➤ Flexible working arrangements, including previously ad hoc arrangements, are consistently documented in the test area.</li><li>➤ The organisation's flexibility policy establishes a positive stance to flexibility for all staff.</li><li>➤ Managers within the test area have full flexibility to tailor individual arrangements to create an ideal scenario.</li><li>➤ The organisation's flexibility policy outlines the organisation's steps to meet its legal obligations.</li></ul>	<ul style="list-style-type: none"><li>➤ 'More involved' types of flexible work are offered across the organisation.</li><li>➤ Flexible work can be requested for any reason without limitations.</li><li>➤ Flexible working arrangements, including previously ad hoc arrangements, are consistently documented.</li><li>➤ The organisation's flexibility policy establishes a positive stance to flexibility for all staff.</li><li>➤ The organisation's policies and approach give managers and employees full flexibility to tailor individual arrangements to create an ideal scenario.</li><li>➤ The organisation's flexibility policy outlines the organisation's steps to meet and exceed its legal obligations.</li><li>➤ The flexibility vision, strategy and policy are available.</li><li>➤ Measures may include the number of times the policy is accessed and the number of employees on formal flexible working arrangements.</li></ul>

### Roadblock

**Finalising your flexibility policy too early:** Due to a large degree of variability between organisations, teams and individuals, as well as the potential of change involved in a flexibility transformation program, it is misguided to establish a flexibility policy prior to implementing a transformation program, as it can lock an organisation into an approach that still needs refinement based on experience.

### Roundabouts

**Establish a working draft flexibility policy:** Instead of finalising your flexibility policy too early, the policy should be considered a draft prior to and during the organisation's flexibility pilot. It should be adjusted in response to learnings gained during the flexibility pilot and should be finalised only after several months of monitoring the rollout phase.

#### Key roles

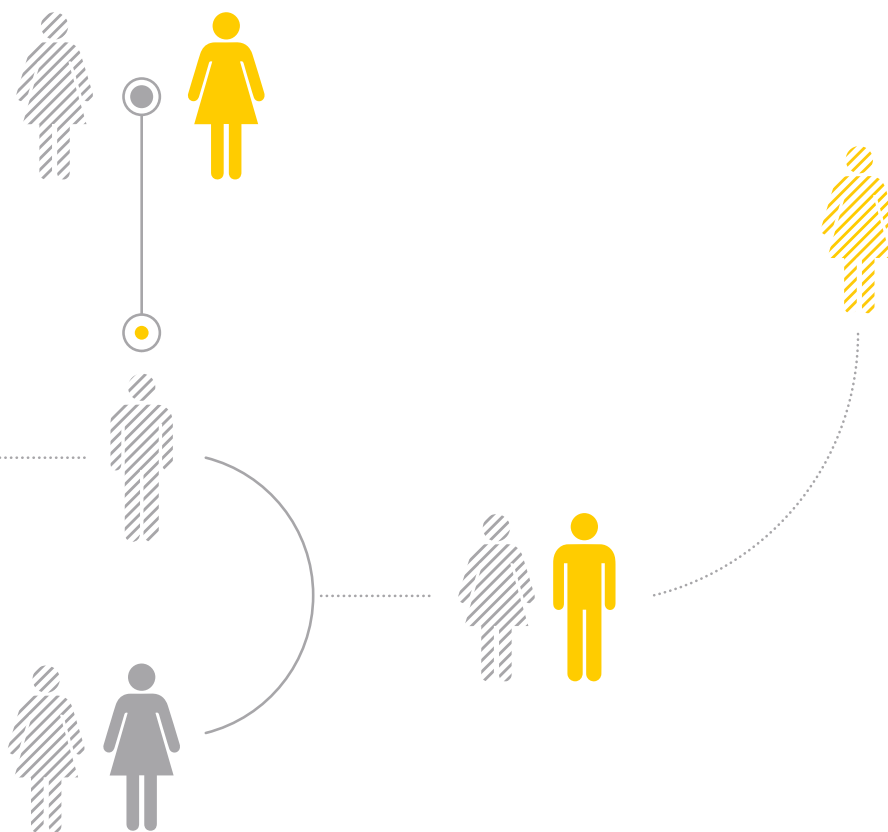
- change management project team
- human resources policy team.

## Management capability

Management capability can either make or break the success of a strategic flexibility strategy. Managers of flexible workers should receive specific learning and development opportunities that enable them to develop strong capabilities in communication, results management and the use of technology for flexible work.

### Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<ul style="list-style-type: none"> <li>➤ Managers in the trial business area are aware of the benefits of flexibility to the organisation and their teams.</li> <li>➤ Managers in the trial business area are aware of the systems being adopted to enable flexibility.</li> <li>➤ Managers in the trial business area are given the opportunity to raise any issues with flexibility.</li> <li>➤ Managers in the trial business area are offered learning and development opportunities that specifically provide them with the skills required for effective flexible work management.</li> <li>➤ Flexible work management skills continue to be monitored.</li> <li>➤ An effective system is in place to monitor work intensification for managers in the trial area.</li> </ul>	<ul style="list-style-type: none"> <li>➤ All managers are aware of the benefits of flexibility to the organisation and their teams.</li> <li>➤ All managers are aware of the systems being adopted to enable flexibility.</li> <li>➤ All managers are given the opportunity to raise any issues with flexibility.</li> <li>➤ All managers are offered learning and development opportunities that specifically provide them with the skills required for effective flexible work management.</li> <li>➤ Flexible work management skills continue to be monitored.</li> <li>➤ An effective system is in place to monitor work intensification for managers across the organisation.</li> </ul>





## Roadblock

**Myths and misunderstandings:** There are several misunderstandings about flexible work that can have an impact on management commitment. Managers can be concerned that flexibility is primarily a benefit to the organisation's employees. A related belief is the myth that flexible workers are less committed to their organisation, although it is well established by research and experience that the opposite is the case. A further misunderstanding is the belief that performance will suffer, when in fact individual productivity can rise significantly. Lastly, some managers believe that flexible work can threaten their team's culture.

**Values and beliefs can inhibit flexibility:** Flexibility can challenge people's values and beliefs, which tend to be intransigent. Like leaders, some managers hold a view that they 'need' to see their staff members to know that they are working or that they 'need' to have their staff members in the office to gauge the quality of their performance. These deeply held views can be based on years of experience.

**Concerns about implementation can be significant:** Managers can be concerned that flexibility places a significant burden on them, particularly around additional communication and monitoring requirements, together with additional challenges allocating resources.

## Roundabouts

**Correct myths and misunderstandings:** It is important that myths are corrected early on so that management support can be maximised. Provide examples where flexibility has worked effectively and evidence that contradicts the myths. Manager training is an appropriate forum to dispel myths and evidence can be presented from the research mentioned earlier in this toolkit about the improved commitment, performance and productivity of flexible workers. Communication methods and tools that enable the organisation to eliminate the risk of negative cultural drift can be outlined.

**Become aware of values and beliefs that inhibit flexibility:** The organisation needs to become aware of values and beliefs that can inhibit flexibility, so that they can be addressed. Your organisation may choose to address these long-held views with information or opportunities for personal exploration e.g. an opportunity to participate in the organisation's flexibility trial.

**Identify and address concerns about implementation:** Identifying management concerns is important for establishing ongoing management support as managers are more likely to be engaged if they know their issues have been noted and are being addressed. These concerns need to be addressed in the organisation's transformation map. The learning cycle should capture these ongoing concerns.

## Other important strategies

**Communicate the organisation's business case clearly:** It is important to communicate to managers that the organisation has a mandate or positive business case for flexibility, which is driving the change. Significant effort is required on the part of managers to make flexibility work effectively. Without a clear understanding of the organisation's mandate for flexibility, managers cannot be expected to become fully engaged with the strategy.

**Communicate the opportunities for managers:** Managers have the potential to benefit significantly from flexible work, both in their role as manager and as employees of an organisation with strategic flexibility. Managers can look forward to a team that is less stressed and more productive.

**Ensure adequate support for managers:** Managers have responsibility in a number of areas when it comes to flexibility capability. It is crucial that managers are provided with adequate support for their own transition to flexible work management, including appropriate learning and development opportunities.

**Raise manager attention to the risks of flexibility:** Managers play a key role in removing the risks of flexibility to individuals within the team, both the flexible worker and their colleagues. They also ensure that employees don't become isolated or subject to stigma. Importantly, they play a leading role in ensuring smooth team communication and task or project management.

## **Key roles**

- ➔ managers
- ➔ change management project team
- ➔ learning and development team.

## Employee experience

Employee experience is important in two ways. Firstly, as a litmus test of whether flexibility capability is fully developed and secondly, because employees partner with their manager to make flexibility effective. Consequently, organisations that are strategic about flexibility tend to monitor the experience of employees and provide support so they can continue to develop their competency with flexibility.

### Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<ul style="list-style-type: none"><li>➤ At least 15% of employees within the organisation take up flexible work options.</li><li>➤ At least 15% of employees at each level take up flexible work options within the trial area.</li><li>➤ An effective system is in place to monitor work intensification and other risks associated with flexibility, in the trial area.</li><li>➤ Employees in the trial area have access to support to develop their flexibility competence.</li></ul>	<ul style="list-style-type: none"><li>➤ At least 35% of employees within the organisation take up flexible work options.</li><li>➤ At least 35% of employees at each level within the organisation take up flexible work options.</li><li>➤ An effective system is in place to monitor work intensification and other risks associated with flexibility, across the organisation.</li><li>➤ Employees in the trial area have access to support to develop their flexibility competence.</li></ul>

### Roadblock

**Limited team acceptance of flexibility:** A flexible worker's teammates have a significant impact on the success of a flexible working arrangement. They can also be significantly impacted by a flexible working arrangement, whether positively or negatively.

### Roundabouts

**Monitor team acceptance of flexibility:** Just like it is important to monitor the experience of employees working flexibly, it is equally important to monitor team acceptance of flexibility and any issues that may arise. Monitoring could be conducted via anonymous research tools, focus groups or through manager feedback. Importance needs to be placed on getting reliable and valid information.

### Other important strategies

**Monitor issues impacting uptake:** The issues employees express about flexibility, which may prevent them from taking up flexibility options, can be important information to capture. This information helps establish a view on whether the organisation is operating at the level of strategic flexibility.

**Understand individuals as individuals:** Look at trends but keep in mind that individuals within a single organisation can have vastly different experiences of flexibility because the success of flexibility is influenced by many factors. If your organisation looks only at the trends, individual scenarios that go against the grain can be missed. For those people involved in situations where flexibility is burdensome, the impact can be great.

### Key roles

- employees
- change management project team
- managers.

## Results management

The results management capability involves establishing an effective management approach that incorporates the outcomes, goals, aims or results important in each person's work. A results management system establishes a contract of agreed expectations between an employee and their manager.

### Initiatives and key performance indicators (KPIs)

#### Basic flexibility

- ➔ The organisation has a results management framework in place for each position in the trial area, regardless of whether the person works flexibly.

#### Embedded flexibility

- ➔ The organisation has a results management framework in place for each position in the organisation, regardless of whether the person works flexibly.

### Roadblock

**A skeleton or incomplete framework:** The results management framework should form a comprehensive basis for the ongoing working relationship between an employee and their manager. This is a central plank in the effective management of flexibility, but some organisations will be inexperienced in establishing a results management system.

### Roundabouts

**Conduct a results management workshop:** It is useful to review the organisation's value chain i.e. the process by which the organisation delivers value to its clients or stakeholders. This involves establishing the outcomes, goals, aims or results that a particular business area is responsible for, that is the outcomes a particular area contributes to the organisation's overall delivery. The workshop should look at each 'piece' that is delivered and should determine who in the team is involved in its delivery and how that piece is measured, whether by quantity, timing, quality or other area of impact, such as its effect. It is also useful to establish what information is needed to deliver each piece and who provides this information.

#### Key roles

- ➔ change management project team
- ➔ managers
- ➔ employees.

# Technology and infrastructure

Organisations use technology to establish effective collaboration between people who work together but don't share the same timing or location of work. An organisation's particular technology needs will depend on its goals for flexibility, the nature of the work and the prevalence of flexible work that occurs across timeframes and locations.

The location of work can be a key enabler of flexibility, enabling work to be done in a variety of locations or places can provide for a wide range of flexible work options. When the place of work suits the work activity, organisations have the potential to further improve productivity. Similarly, an organisation's processes create structures that people work within and these can have a significant positive or negative impact on flexibility.

## Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<p><b>Technology</b></p> <ul style="list-style-type: none"><li>Managers in the trial area use a variety of communication tools to communicate with flexible workers. Together these tools enable a high-quality communication experience.</li><li>Capability and performance of these technologies is supported and maintained in line with their critical functions.</li><li>Flexible workers and their colleagues within the trial area are trained on any new communication or project management technologies.</li></ul> <p><b>Infrastructure</b></p> <ul style="list-style-type: none"><li>Flexible workers in the pilot area are able to access equipment and technology that effectively supports their flexible work arrangement.</li><li>The pilot area has effective knowledge management systems that ensure smooth transfer of knowledge.</li><li>Methods of work allocation in the pilot area are adjusted to suit flexible work.</li><li>Any process infrastructures or systems that could impact flexibility on the trial area are identified.</li></ul>	<p><b>Technology</b></p> <ul style="list-style-type: none"><li>The organisation uses a range of collaborative platforms that enable employees to communicate effectively with their team members and managers. These technologies include collaborative project management platforms and video conferencing.</li><li>Capability and performance of these technologies is supported and maintained in line with their critical functions.</li><li>Flexible workers and their colleagues across the organisation are trained on any new communication or project management technologies.</li></ul> <p><b>Infrastructure</b></p> <ul style="list-style-type: none"><li>The organisation's main office environment has spaces that are highly suited to the spectrum of various work activities.</li><li>Flexible workers are able to access equipment and technology that effectively support their flexible working arrangement.</li><li>The organisation has effective knowledge management systems that ensure smooth transfer of knowledge.</li><li>Methods of work allocation across the organisation are adjusted to suit flexible work.</li><li>Process infrastructures and systems are re-organised to support flexibility.</li></ul>

## Roadblock

**Lack of technology resourcing:** Organisations often fail to provide sufficient collaborative technologies to support managers and flexible workers. Infrastructure involves not only hard aspects but also integral processes that contribute to an organisation's functioning. Changing these processes can take time and involve many people. This unfortunate failure can be caused by a lack of experience with appropriate technologies, funding issues or implementation problems.

## Roundabouts

**Explore collaborative technologies:** While none of the issues associated with the implementation of collaborative technologies are resolved simply, organisations do need to invest in exploring the possibility of using the correct technologies that will meet their organisation's flexibility goals.

**Overblown focus on 'hard' infrastructure:** As noted elsewhere in this toolkit, organisations can easily make the mistake of focusing on hard aspects like the office set up, desk arrangements and technology, to the detriment of other important aspects of the transformation. It is important to use this toolkit in full, to avoid that mistake.

**Resource infrastructure appropriately:** The extent of resources required to change infrastructure shouldn't be underestimated. Allow for the possibility that more time, resources and funding than originally planned may be necessary.

## Key Roles

- change management project team
- information and technology team
- facilities or accommodation team
- managers
- employees.

# Client and supplier experience

Varying client or customer expectations may impact an organisation’s approach to flexibility as client expectations regarding meeting tight timeframes for deliverables may be high and some clients or customers may provide short lead times.

## Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<ul style="list-style-type: none"><li>➤ Flexible working arrangements are considered when assembling client and customer.</li><li>➤ The organisation’s procurement policy includes reference to working with suppliers to acknowledge workplace flexibility and / or gender equality.</li></ul>	<ul style="list-style-type: none"><li>➤ Strategic planning and conversations are held with clients regarding the culture of workplace flexibility and maximising the value for both the organisation and the client.</li><li>➤ Managers challenge assumptions made about the inclusion of flexible working arrangements on client teams.</li><li>➤ Gender equality or flexible work practices are embedded within procurement criteria. Strategic conversations are held with suppliers on driving a culture of workplace flexibility through the supply chain.</li></ul>

### Roadblock

**Push back from managers, suppliers and clients:** There are several misunderstandings about flexible work that can have a strong impact on management commitment.

### Roundabouts

**Communications with suppliers and clients:** It is important to openly communicate with suppliers and clients the potential opportunities of working with flexible teams. Discuss the best way to manage flexible working arrangements with clients and suppliers and openly communicate the working hours of team members working flexibly and provide alternative contacts. This could potentially be achieved by providing contact details at the end of emails and auto-replies.

**Communication with managers:** Communicate with managers around the benefits of strategic conversations with clients and suppliers around workplace flexibility.

**Ensure appropriate resourcing across the team:** It is important to ensure that clients and suppliers have continuous contact with the organisation, so ensure that sufficient processes are in place for knowledge transfer between team members working flexibility.

### Key Roles

- change management project team
- managers
- employees
- clients
- suppliers.

# Learning cycle

A strong and appropriate learning cycle is the key to successful management of the complex transformation to flexibility and its ongoing maintenance. The learning cycle enables an organisation to handle problems as they emerge and create tailored solutions that improve over time.

## Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<ul style="list-style-type: none"><li>➤ The learning cycle is established as an integral part of the organisation's flexibility strategy.</li><li>➤ A learning cycle is established within the trial business area and their teams, which monitors success and failure, captures learning and creates tailored solutions to an individual, team or area level as needed.</li><li>➤ A business area is identified as a pilot area that will participate in the trial phases.</li><li>➤ The trial period learning cycle involves frequent reviews (e.g. monthly) of flexible working arrangements, which involve the individual, team, manager and business area.</li><li>➤ Regular monitoring for issues and solutions is a standard business practice in the pilot area.</li></ul>	<ul style="list-style-type: none"><li>➤ The learning cycle is established as an integral part of the organisation's flexibility strategy.</li><li>➤ A learning cycle is established across the organisation and within teams, which monitors success and failure, captures learning and creates tailored solutions to an individual, team or area level as needed.</li><li>➤ The ongoing learning cycle involves frequent reviews (e.g. every three months) of flexible working arrangements, which involve the individual, team, manager and business area.</li><li>➤ Regular monitoring for issues and solutions is a standard business practice across the organisation.</li></ul>

### Roadblock

**Failing to understand the importance of an iterative learning cycle:** Organisations are often more comfortable with a linear, planned approach that establishes a limited set of activities that will lead to a known outcome. While this approach is appropriate for other types of change, such as transitional and developmental change, it is not appropriate for transformational change.

**Prescribing solutions:** For an organisation to amplify what is working, people need to be empowered to make adjustments that work for their situation. A prescriptive approach sets limits on his opportunity. Organisations will vary in their overall approach, from a prescriptive approach to an organic one. Organisations with a very traditional approach and hierarchical structure are more likely to work in a top-down mindset, where solutions are generated by the leadership team and the rest of the organisation is informed of their benefit and instructed to adopt it. Organisations with a more agile approach and a flat or changing structure are more likely to work from a bottom-up perspective, where solutions are generated at the grassroots level and then communicated more broadly. Traditional and hierarchical organisations may tend to set prescriptive approaches that limit the organisation's ability to adapt quickly.

### Roundabouts

**Value grassroots solutions:** Organisations need to value grassroots solutions if they want to amplify successful strategies simply because there are generally more employees and managers than leaders in an organisation. This can be achieved through focus groups, interviews with employees and managers or an email survey that asks what is working and what isn't for that person at that point. Where something is identified as working, the survey could be followed up with a short interview to get more information. With respect for privacy issues, the change management team could make a regular habit of communicating successful solutions more broadly across the pilot group or the whole organisation.

### Other important strategies

**Include assessment of business outcomes in the flexibility strategy:** The learning cycle should support the organisation's transformation with accurate information about the achievement of business outcomes. This supports the transformation in the presence of factors that could otherwise derail it, such as changes in leadership or in the marketplace. As such, it is important an organisation collects data on flexibility's contribution to its business goals. These goals for flexibility should have been established in the business case, while the results management workshop will have established the framework to be used to assess these business goals.

### Key Roles

- change management project team
- managers
- employees.

# Change management resourcing

A successful move to strategic, productive flexibility results in an organisation that has a new culture of work, one where new norms are established and where the systems, symbols and behaviours within the organisation reinforce the value that is placed on flexibility. This cannot be achieved without a tailored change management program that appreciates the unique nature of the move to strategic flexibility and is adequately resourced and supported.

## Initiatives and key performance indicators (KPIs)

Basic flexibility	Embedded flexibility
<ul style="list-style-type: none"><li>➤ The organisation's change management team is adequately resourced for transformational change in the trial business area.</li><li>➤ A flexibility champion is identified, supported and active in the pilot business area.</li></ul>	<ul style="list-style-type: none"><li>➤ The organisation's change management team is adequately resourced for transformational change across the organisation.</li><li>➤ Flexibility champions are identified, supported and active across the organisation.</li><li>➤ A detailed communications plan is developed and aligned with the organisation's communications channels.</li></ul>

## Roadblock

**Lack of familiarity leads to poor implementation:** Some of the concepts outlined in this toolkit make it clear that the move to improved flexibility could pose a significant challenge for many change teams tasked with an organisation's transformation. A lack of familiarity could result in an organisation's change team falling back to familiar methods, rather than fully implementing the strategies outlined in this toolkit.

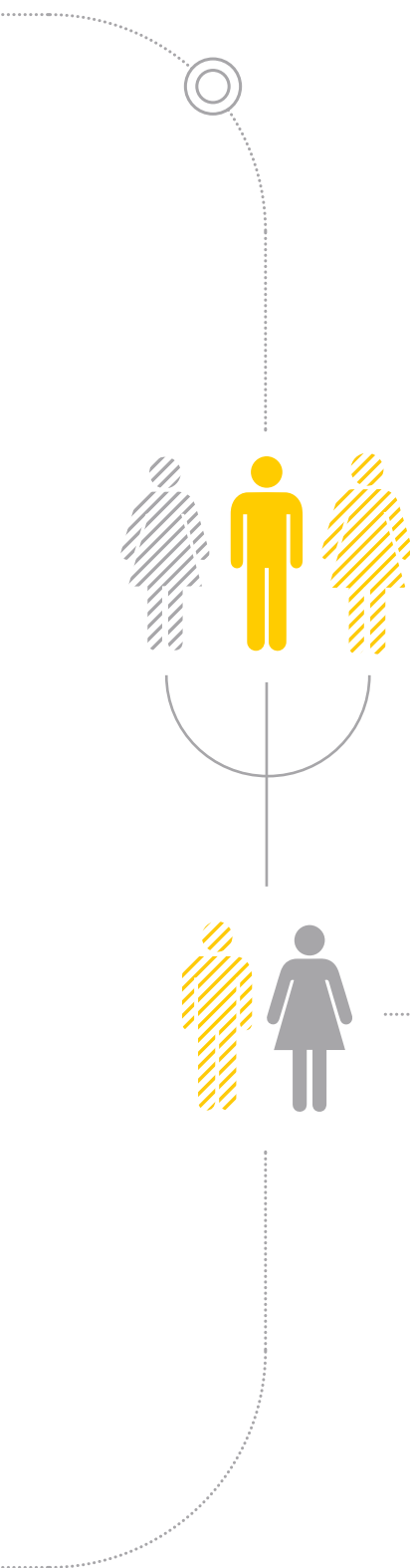
## Roundabouts

**Overcome lack of familiarity with experimentation and education:** One of the best ways for an organisation's change team to become familiar with the new, transformational approach is to become educated about the difference between transformational change and other more familiar change processes. Another important strategy is to actively experiment with the principles outlined in this toolkit.

**Garner early wins during the trial at the individual and team level:** Early wins are more likely to be experienced by individuals and teams than at the higher level of capabilities. These wins should be communicated across the organisation and may include the business area/team achieving (or improving on) its business goals for the week, improved customer service or evidence of cost savings. Note that these wins refer to the organisation's business goals for flexibility, rather than the employee's goals, reinforcing the view that flexibility capability is driven by a mandate to improve the organisation's business outcomes, not just the employee experience.

## Key Roles

- senior leadership team
- change management project team.



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# Advice and assistance

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