

Flexible working: the new normal



Our research: why now?

In 2014 The Institute of Leadership & Management undertook research (Institute of Leadership & Management, 2014) to predict how the work of leaders and managers would change by 2020. When 2020 arrived we decided to revisit some of our predictions from 2014 and explore how leadership and management might continue to evolve to respond to the changing business environment.

We had predicted an increase in flexible working, working from home being one example of this. At the time of this research, as a result of the Covid-19 pandemic, working from home has become much more common. According to YouGov, during May 2020 some 38% of the UK workforce was working at home, a substantial increase from 7% pre-Covid-19.

But working from home is only one example of flexible working, in this report we compare current practice with our predictions from 2014 and also ask what other sorts of flexibility are likely to become normal. The opportunity to work flexibly is a non-financial benefit that many find attractive but it is not the only benefit and this report looks at how it stacks up against other expectations.

Research highlights

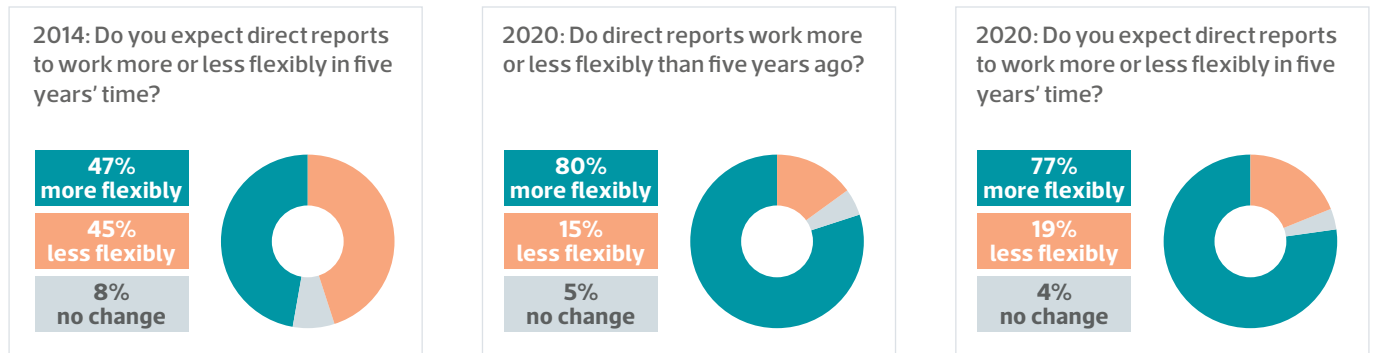
- Flexible working has increased significantly since 2014, a trend that is expected to continue to increase
- In 2014, organisations with shareholders were most likely to predict increased flexible working practices but this has now expanded to other organisations
- The most common form of flexible working is the choice to work from home/work remotely
- Although flexible working is expected to increase overall, reductions in some forms of flexible working are predicted
- The most sought after employee benefit is flexible work hours (47%), followed by training paid for by the employer (36%) and a flexible work location (32%)

Commonality of flexible working

Flexible working is more common than it was predicted to be in 2014; some 47% predicted work would be more flexible for people they line manage, however 80%

report that people they line manage are working more flexibly, and 77% believe that work will become more flexible for people they line manage in the next five years.

Figure 1: How flexible is working compared to five years ago and what you expect in the future?

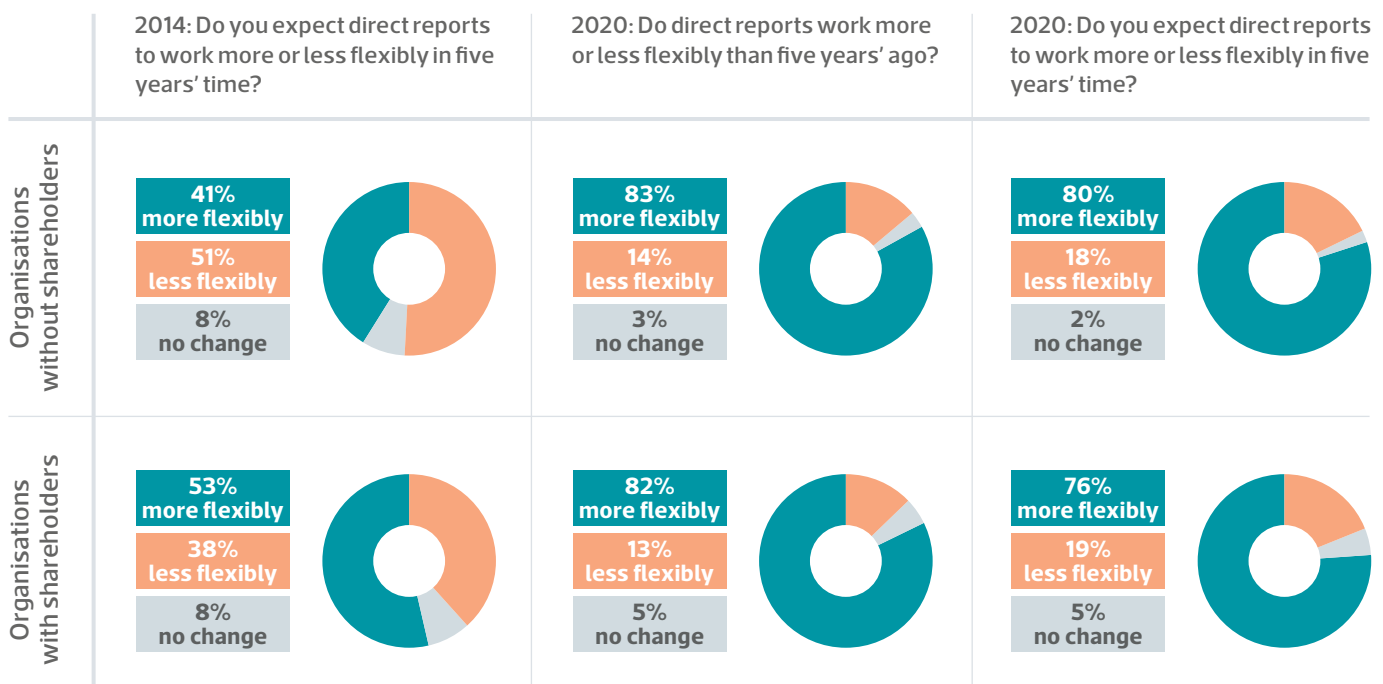


Who is encouraging flexible working?

While all organisations offer even more flexible working opportunities than predicted in 2014, previously, leaders and managers in shareholder owned organisations expected to have greater levels of flexible working than those in organisations without shareholders. In this latest research, we find that leaders and managers

in organisations without shareholders have actually increased levels of flexibility slightly more than those in organisations with shareholders. This trend is predicted to increase even more in non-shareholder organisations over the next five years.

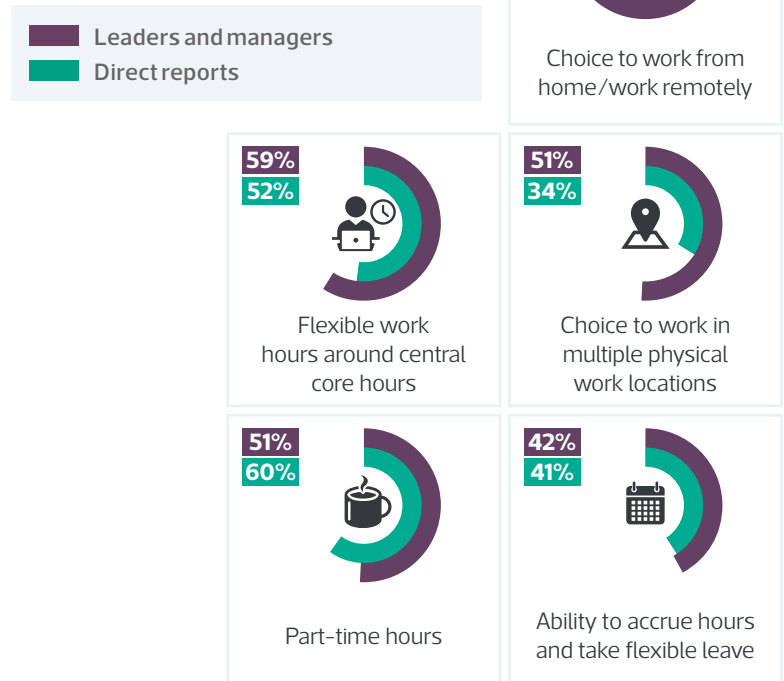
Figure 2: A comparison between organisations with and without shareholders on the question; how flexible is working today compared to five years ago, and what you expect in the future?



Who is working flexibly?

People in leadership and management positions are more likely to have access to flexible working arrangements than the people who work for them. Remote working is the most likely form of flexible working that is available, with 72% of leaders and managers working remotely and 53% of their reports working remotely. This is followed by 59% of leaders and managers working flexible hours around a core set of hours, compared to 52% of people they manage. In joint third place, 51% of leaders and managers report working in multiple physical locations and working part-time hours. Part-time hours are the most likely flexible working arrangements for people who are managed, with 60% of leaders and managers reporting this is available to their direct reports.

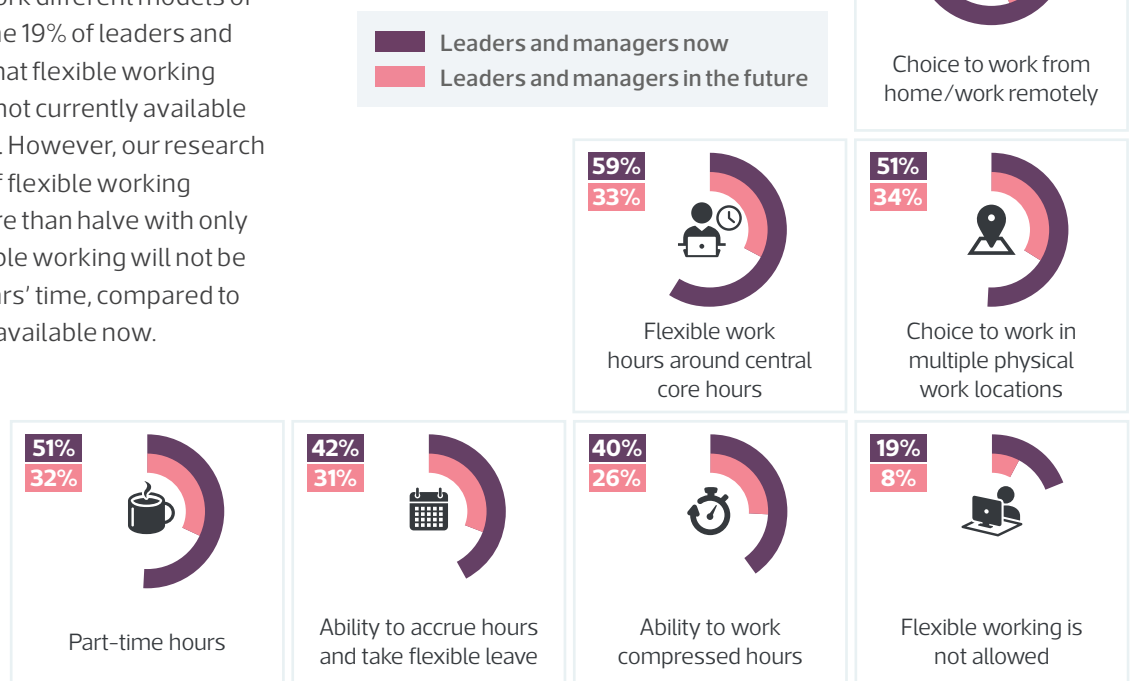
Figure 3: The five most popular flexible working arrangements (out of 14 available options) for leaders and managers and for people they manage



Predicted availability of flexible working approaches

Leaders and managers expect that over the next five years the availability of specific flexible working arrangements will drop significantly, especially the availability of home working and remote working locations and the ability to work different models of flexible hours. Some 19% of leaders and managers told us that flexible working arrangements are not currently available in their workplaces. However, our research predicts that lack of flexible working availability will more than halve with only 8% predicting flexible working will not be available in five years' time, compared to 19% saying it is not available now.

Figure 4: The availability of flexible working now and anticipated five years into the future by leaders and managers.



What everyone wants: the most popular employee benefits

The most sought after employee benefits are flexible hours, desired by 47% of respondents, employer funded training (36%), flexible work location (32%), flexible hours that accrue for additional leave (23%) and medical insurance/access to private health care (19%).

The impact of gender

The top three benefits are consistent for both males and females, although fewer males prioritise flexible hours compared to females, and more males value medical insurance and private health care (22.7%) than females (16.3%). Male employees are more likely to value company shares than their female counterparts. In contrast, women rate study leave and time to work on creative projects more highly than men. It is also worth noting that “employee benefits are not important to me” comes in at ninth place for males.

Figure 5: The most wanted work benefits (respondents were asked to identify the top three benefits that they value from employers)

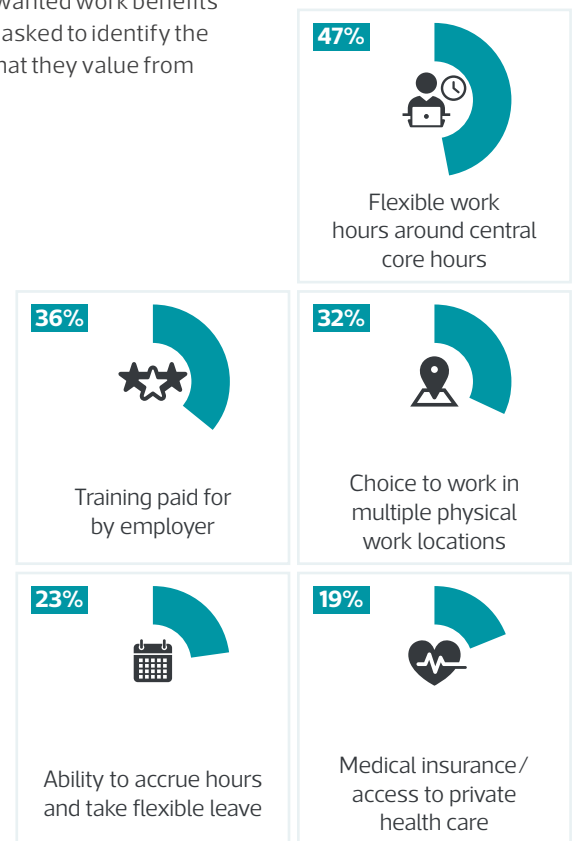
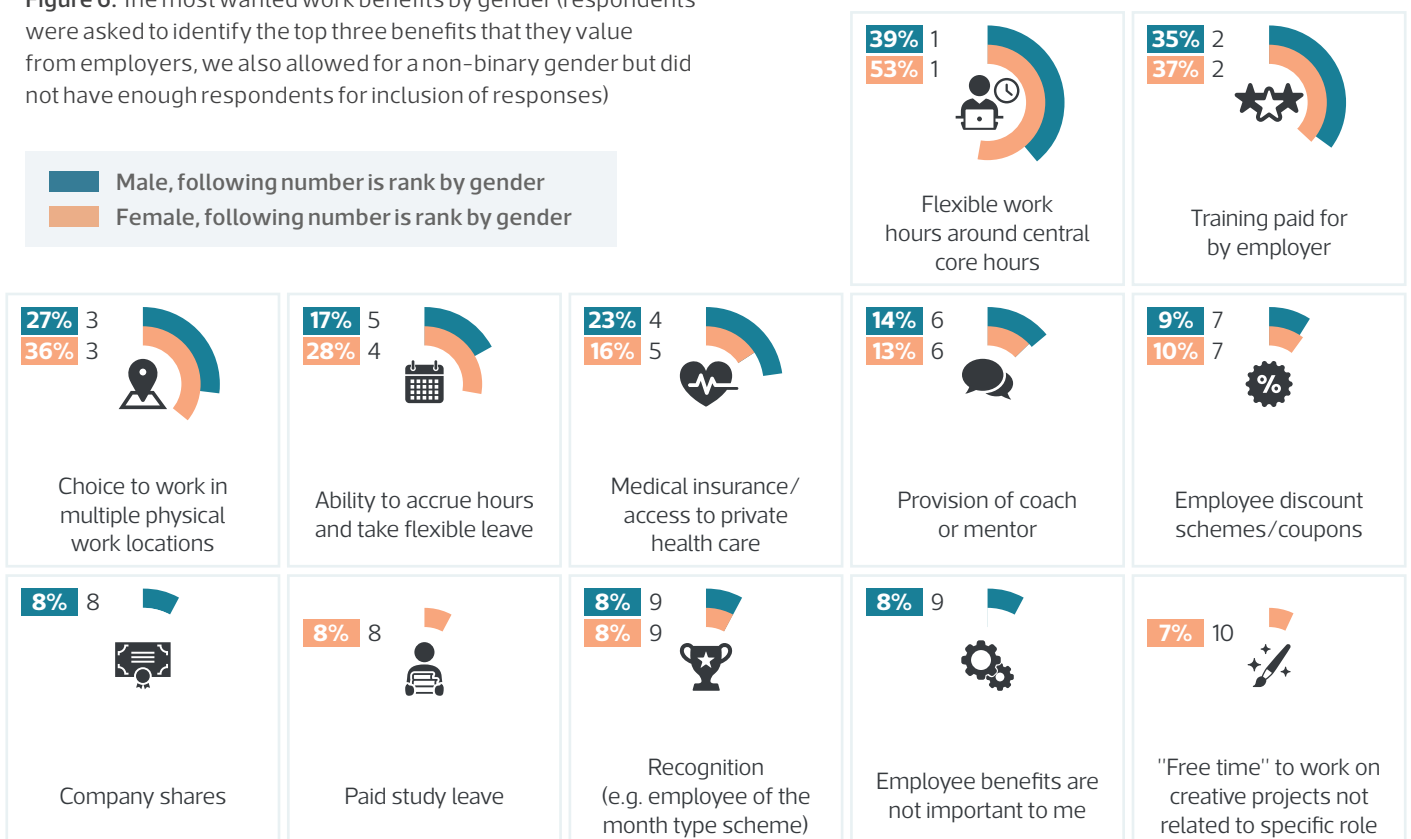


Figure 6: The most wanted work benefits by gender (respondents were asked to identify the top three benefits that they value from employers, we also allowed for a non-binary gender but did not have enough respondents for inclusion of responses)

Male, following number is rank by gender
Female, following number is rank by gender



The impact of age

Flexible work hours is the most popular employee benefit across all age groups. Employer funded training is also popular across all age groups with flexible location, flexible hours and medical insurance falling into positions three, four and five, with over 20% (more than one in five) in most age groups saying they value these employee benefits the most.

The provision of a coach or mentor is highly valued across all age groups ranging from one in seven to one in ten valuing this. Paid study leave, time for community service and, for younger age groups, access to gym or fitness club membership and discount schemes are also valued.

Figure 7: The most wanted work benefits by age group (respondents were asked to identify the top three benefits that they value from employers)

	18-30	31-40	41-50	51-60	60+
1	Flexible work hours around central core hours				
	40%	47.9%	49.7%	45.4%	47.1%
2	Training paid for by employer			Flexible work location	
	36%	38.8%	39.2%	36.1%	32.9%
3	Flexible work hours that can accrue to additional leave	Flexible work location		Training paid for by employer	
	36%	31.4%	30.4%	33.5%	31.4%
4	Flexible work location	Flexible work hours that can accrue to additional leave			Medical insurance/ access to private health care
	26%	19.8%	26.5%	21.1%	22.9%
5	Medical insurance/access to private health care				Flexible work hours that can accrue to additional leave
	20%	17.4%	21%	17.0%	18.6%
6	Provision of coach or mentor	Employee discount schemes/coupons	Provision of coach or mentor	Not Applicable	Provision of coach or mentor
	14%	15.7%	13.3%	15.46%	15.7%
7	Gym/fitness club membership	Provision of coach or mentor	Paid study leave	Provision of coach or mentor	Recognition (e.g. employee of the month type scheme)
	12%	14.1%	11.6%	12.4%	11.4%
8	Employee discount schemes/coupons	Recognition (e.g. employee of the month type scheme)	Employee discount schemes/coupons	"Free time" to work on creative projects not related to specific role	Not Applicable
	10%	12.4%	10.5%	7.2%	10%
9	Recognition (e.g. employee of the month type scheme)	"Free time" to work on creative projects not related to specific role	Not Applicable	Recognition (e.g. employee of the month type scheme)	Time allowed for community service/ voluntary activities
	Time allowed for community service/ voluntary activities	9.9%	7.2%	5.7%	Employee discount schemes/coupons
10	Flexible work hours	Paid study leave	Company shares	Paid study leave	Employee benefits are not important to me
	Paid study leave	7.4%	6.1%	Time allowed for community service/ voluntary activities	8.6%
	8%			5.2%	

Closing thoughts

The world of work has significantly increased its ability to provide flexible work arrangements since 2014; the impact of a global pandemic has played a major role in forcing adaptations and rapid innovation in where and how people work. Overall, people expect increases in access to flexible working, although many predict that specific forms of flexible working will decrease in availability in the next five to ten years.

This research provides valuable insights for decision makers looking at benefits that may increase staff motivation and also enable better work-life balance. One third of leaders and managers told us they want training that is paid for by their employers and almost one third told us they value a flexible work location, with women valuing this more than men. When looking at work benefits for employees there is consensus about the five most popular benefits. However there are considerable differences in the popularity of the benefits that sit in positions six to ten. This highlights the importance of developing benefits packages that suit the particular culture of the workplace and local needs of employees.

Many workplaces were impacted by the Covid-19 pandemic; the associated lockdowns and physical distancing regulations has driven the need for flexible

working to sustain their operations. Flexible working comes in many forms, although for many it has suddenly come to mean home based. This research highlights the value people put on flexible working in many forms and that it appeals to all age groups. As our earlier research highlighted, the association with flexible working being attractive mainly to working mothers is receding (Institute of Leadership & Management, 2013, 2015). ONS (2018) statistics indicate an upward trend in the number of males working part-time, the numbers having reached 2.2 million in 2018 from just over 800,000 in 1995.

The attraction of flexible work to young people is a recurrent finding (Institute of Leadership & Management, 2011, 2015) Our forthcoming research (Institute of Leadership & Management, 2021) identifies concerns, specifically in the public sector, about the need to recruit Generation Z workers with their greater levels of IT literacy. This generation of young workers want greater variety in the work they do, flatter hierarchies with more opportunities to contribute and flexible working opportunities. One may conclude that it is the autonomy over one's working life that flexible working policies facilitate that is attractive and how they intersect with other non-working priorities important to the individuals concerned.

Methodology

During August 2020 The Institute undertook an online survey, with 625 respondents. We asked a series of closed response questions, including multiple choice, ranking and Likert item questions, as well as asking for free text responses to share personal experiences and perceptions. We analysed data by demographic groups relating to age, gender and organisation features. The survey was incentivised. Research was undertaken in line with Market Research Society (MRS) Code of conduct.

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