**Title:** Post-Implementation Review of the 2014

flexible working regulations

PIR No: BEIS037(PIR)-21-LM

Original IA/RPC No: BIS0281

Lead department or agency: BEIS

Other departments or agencies:

Click here to enter text.

### Post Implementation Review

Date: 06/09/2021

Type of regulation: Domestic

Type of review: Statutory

Date measure came into force:

30/06/2014

**Recommendation: Keep** 

**RPC Opinion: Green** 

### 1. What were the policy objectives of the measure? (Maximum 5 lines)

The Right to Request Flexible Working was extended in 2014 to all employees with 26 weeks continuous service, before this the right was available to parents and carers only. The aims of the extension were to provide more employees with access to contractual flexible working, to help employees to better reconcile their work and non-work lives and help employers to secure the business benefits of flexible working. It was anticipated that by extending these rights beyond parents and carers, wider take-up and demand would be encouraged, whilst ensuring businesses have the flexibility to refuse requests on business grounds.

### 2. What evidence has informed the PIR? (Maximum 5 lines)

An evidence review on flexible working practices since the regulatory extension has informed this Post-Implementation Review. Primary survey data was collected from the British Social Attitudes survey, the Employee Rights survey and the Management and Wellbeing Practices survey on attitudes and behaviours towards flexible working as well as trends in employer perceptions of the effects of flexible working. Qualitative research among employees and employers took place to understand enablers and barriers to flexible working; accommodating requests; and perceived effects in workplaces. Secondary analysis of survey data and official statistics on labour market participation was undertaken, as well as on disputes and discrimination complaints. Discussions with stakeholders took place to explore attitudes and any unintended consequences of the legislation.

### 3. To what extent have the policy objectives been achieved? (Maximum 5 lines)

The policy objectives have been achieved to some extent. More employees have choice over their working patterns since the regulatory extension which provided all eligible employees with the same access to flexible working as was available to parents and carers, whilst ensuring that businesses have the flexibility to refuse requests on business grounds.

The majority of employees report availability of flexible working, however there is variation in availability and flexible working take-up has remained consistent overall since the flexible working regulations were extended to all employees with 26 weeks continuous service. The original impact assessment noted that it could take 10 years to achieve cultural change in this area.

I have read the PIR and I am satisfied that it represents a fair and proportionate assessment of the impact of the measure.

Date: 03/09/2021

Signed:

PAUL SCULLY MP

Parliamentary Under Secretary of State Department for Business, Energy and Industrial Strategy

### **Further information sheet**

Please provide additional evidence in subsequent sheets, as required.

### 4. What were the original assumptions?

It was anticipated that the extension of the legislation would lead to increased labour market participation. Some procedural costs in terms of administration and making adjustments to working patterns among employers were assumed. Employers were expected to benefit from direct savings from moving to a statutory code of practice. Other monetised benefits (indirect) include higher productivity, lower labour turnover and reduced absenteeism. It was assumed the extension would lead to increases in requests to work flexibly. Employees were expected to benefit from improved work-life balance.

### 5. Were there any unintended consequences?

The 26-week qualifying period for the right to request flexible working, designed to allow the employer to make an assessment of the individual's capability to work flexibly, means that up to 2.2 million employees do not have access to the entitlement. Some existing employees working flexibly may be deterred from changing employer as a result of the qualifying period as they risk losing these benefits.

## 6. Has the evidence identified any opportunities for reducing the burden on business?

As the 2014 regulatory extension of the right to request flexible working introduced a code of practice designed to make the procedure for processing requests more efficient, no further opportunities for reducing burden on business were identified.

Discussions with stakeholders have identified some potential opportunities for making the request process more flexible and efficient for employees and employers. These relate to the 26-week qualifying period, the business reasons for refusing a request, the limit on the number of requests that can be made per year and the length of time within which employers are required to respond to requests.

7. For EU measures, how does the UK's implementation compare with that in other	r:
EU member states in terms of costs to business?	

N/A

### 1. Introduction

The extension of the right to request flexible working aimed to provide all employees with the same access to flexible working as parents and carers, to increase the availability of arrangements, and encourage wider take-up and demand. The original impact assessment committed to reviewing the extent to which the aims of the policy are being met.1 Although it was believed the legislation would need to run for 10 years to achieve its aims, the impact assessment proposed the review of the policy would take place up to 7 years from implementation.

This document first discusses the policy background surrounding the right to request flexible working extension and sets out the methodology for reviewing the measure in terms of meeting its policy aims.

The subsequent sections detail the findings of this Post-Implementation Review, informed by an evidence review, survey research using the British Social Attitudes Survey, Management and Wellbeing Practices Survey, qualitative research with employees and employers; and further analysis of survey and administrative data. We also interviewed some employer representative organisations using semistructured interview questions to explore perspectives on the 2014 extension of the right to request flexible working.

We are grateful to all the participants in this study and colleagues for their comments and suggestions on this Post-Implementation Review.

### Policy Background

Flexible working has been defined as, "changes to standard working arrangements...used in a broad sense to include arrangements whereby employees have some discretion to vary their place of work, the timing of their working hours (including carrying out their contractual hours in a fewer number of days than is normal for their workplace) and the number of hours they are contracted to work."2

The right to request a contractual change to accommodate flexible working was first introduced by section 47 of the Employment Act 2002, giving the right to parents of children under six or disabled children under 18 from 6th April 2003. Under the original legislation, a qualifying employee who had been employed continuously for

<sup>&</sup>lt;sup>1</sup> HMG (2012) Modern workplaces consultation – Government Response on flexible working: impact assessment, Department for Business, Innovation and Skills, Available: https://www.gov.uk/government/uploads/system/uploads/attachment data/file/82794/12-1270-modern-

workplaces-response-flexible-working-impact.pdf

2 de Menezes, L. M. and Kelliher, C. (2011), "Flexible Working and Performance: A Systematic Review of the Evidence for a Business Case", *International Journal of Management Reviews*, Vol. 13, Issue 4; pp 452–474. http://openaccess.city.ac.uk/8671/1/IJMR%200680%20Feb2011%20LdMCK.pdf

26 weeks could apply to their employer requesting a change in hours, times or location of work as between their home and employer's place of business.<sup>3</sup>

Since then, successive Governments have extended the right to request flexible working to wider categories of employees, including employees who care for dependant adults (from 6<sup>th</sup> April 2007) and employees with parental responsibility for children under 17 (from 6th April 2009).

The original aim of the right to request procedure in the early 2000s was to enable parents and carers to reconcile their work and family responsibilities. As originally framed, the right applied only to these limited categories of employees.<sup>4</sup> Widening access to this right to all employees was intended to tackle the perception that flexible working is only for those with caring responsibilities, encourage more employees to apply and enable more businesses to recognise the benefits.

In 2010 the Coalition Agreement made the commitment to, "extend the right to request flexible working to all employees, consulting with business on how best to do so." The Children and Families Act 2014 extended the right to all employees with 26 weeks' continuous employment.

It was envisaged that the extension of the right to request flexible working would prompt both employees and employers to review current working practices and consider alternative ways of working to find mutually beneficial solutions. The original impact assessment made clear that the legislation would need around 10 years to achieve aims of the policy.

What were the policy objectives and the intended effects?

Under provisions set out in the Employment Rights Act 1996 and regulations made under it, from June 2014 all employees would have a statutory right to ask their employer for a change to their contractual terms and conditions of employment to work flexibly provided they have worked for their employer for 26 weeks continuously at the date the application is made. An employee would be able to make one statutory request in any 12-month period.

A statutory application under the right to request legislation involves the following steps:

- 1. The employee writes to the employer.
- 2. The employer considers the request and makes a decision within 3 months or longer if agreed with the employee.
- 3. If the employer agrees to the request, they must change the terms and conditions in the employee's contract.

<sup>&</sup>lt;sup>3</sup> Pyper, D (2015) Flexible Working: Briefing Paper, House of Commons Briefing Paper Number 01086. Available:

http://researchbriefings.files.parliament.uk/documents/SN01086/SN01086.pdf

<sup>&</sup>lt;sup>5</sup> HMG (2010) *The Coalition: Our programme for Government*, HM Government. Available: https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/78977/coalition\_programme\_for\_g overnment.pdf

4. If the employer disagrees, they must write to the employee giving the business reasons for the refusal. The employee may be able to complain to an employment tribunal.<sup>6</sup>

The legislation also replaced the statutory process for considering requests with a statutory code of practice requiring employers to give "reasonable" consideration to requests.

The policy objectives of this extension to the right to request were as follows:

- To increase the availability and take-up of flexible working to enable individuals to manage their work alongside other commitments and to help employers realise the benefits flexible working can have on their business;
- To provide all employees with the same access to flexible working as are available to parents and carers, whilst ensuring that businesses have the flexibility to refuse requests on business grounds;
- To remove the cultural expectation that flexible working only has benefits for parents and carers, encouraging wider take-up and demand; and
- To improve the functioning of the labour market through a more diverse provision of working patterns.

The extension was intended to prompt both employees and employers to review current working practices and exchange information about what working arrangements might be possible. It was perceived that because employers would be required, under the legislation, to seriously consider requests, employees would be more confident to approach their employer. As a result, it was foreseen that the flow of information between parties would be improved, leading to better-informed decisions and enhanced outcomes for both employees and employers.

### 2. Methodology

The review articulates the rationale for the regulatory extension, the policy objectives (as above) and intended outcomes. It tests any unintended consequences alongside the assumptions underpinning the impact assessment through literature review, analysis of existing data and primary data collection. The review also puts forward evidence to measure outcomes before and after the legislation, consistent with a non-attributional review.<sup>7</sup>

The expected scale of the impact of the removal of the regulations

<sup>&</sup>lt;sup>6</sup> https://www.gov.uk/flexible-working/applying-for-flexible-working

<sup>&</sup>lt;sup>7</sup> Non-attributional means that the review is not supportive of any causal claim but assessing the level of the indicators against other benchmarks.

Coglianese, C. (2012) *Measuring Regulatory Performance: Evaluating the impact of regulation and regulatory policy*, Organisation for Economic Cooperation and Development, pp. 15. Available: <a href="https://www.oecd.org/gov/regulatory-policy/1">https://www.oecd.org/gov/regulatory-policy/1</a> coglianese%20web.pdf

Table 2.1 shows the cost-benefit analysis from the original impact assessment. The present value of the differences between costs and benefits (the net benefit) is £116.66 million, to be accrued over 10 years.

Table 2.1: Cost-benefit analysis from the original Impact Assessment

	2014-15
	(£, million)
Costs	
Employer Costs	
One-off familiarisation with the changes in legislation (year 1 only)	15.3
Annual procedural costs to employers Annual costs to employers of accommodating flexible working requests where accepted	24
addopted	15.8
Exchequer costs Annual ongoing costs as a result of an increase in employment tribunal claims	0.045
Benefits	0.043
Employer benefits Annual ongoing benefits of reduced vacancy costs and increased labour	
retention	8.4
Annual ongoing benefits of increased productivity and profits	36.8
Annual ongoing benefits of reduced absenteeism	1.4
Annual ongoing savings from moving to a statutory code of practice	
	9.1

The extension of the right to request flexible working was anticipated to double the number of employees eligible to make a request to over 20 million. The impacts shown in Table 1 are based on estimates that the legislation would lead to a further 81,000 requests a year, leading to approximately 64,000 new working arrangements a year. The extension was expected to lead to between 0.75 and 1.25 percentage point increase in additional requests, depending on gender and the extent of caring responsibilities.<sup>8</sup>

The first set of assumptions made are around employer costs associated with familiarisation with the legislation, handling requests and accommodating new working patterns. The second set of assumptions are around employer benefits derived from improved labour retention, reduced absenteeism and productivity gains as a result of more employees working flexibly. Other assumptions relate to reduced administrative burden from moving to a statutory code of practice and Exchequer costs associated with an increase in Employment Tribunal claims.

<sup>&</sup>lt;sup>8</sup> HMG (2012) *Modern workplaces consultation – Government Response on flexible working: impact assessment*, Department for Business, Innovation and Skills, pp. 17-19. Available: <a href="https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/82794/12-1270-modern-workplaces-response-flexible-working-impact.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/82794/12-1270-modern-workplaces-response-flexible-working-impact.pdf</a>

This Review will test the validity of the assumptions made in the economic appraisal and whether anticipated outcomes were achieved.

### Policy Objectives and Intended Outcomes: testing the assumptions

The extension of the right to request flexible working to employees with 26 weeks' continuous employment was intended to address economic and equity issues that were a priority for the Coalition Government. This included changing the social norms and behaviours around work and caring responsibilities and encouraging more diverse patterns of working arrangements in the labour market.

Figure 2.1 outlines the analytical framework for the review of the 2014 extension to the right to request flexible working. It articulates in more detail the logic underpinning the policy and outlines what will be tested during the course of the review; both intended and unintended consequences.

It was envisaged that extending the right to request flexible working would help tackle the perception that flexible working only has benefits for parents and carers and is therefore a working arrangement relevant only to this group. It would encourage a new group of employees to have conversations with their employers about the possibility of adopting flexible working arrangements; thereby increasing take-up and the diversity of employees working this way. At an aggregate level, the labour market would have a more diverse range of working patterns available. As more individuals were able to reconcile work and other commitments, and as the stigma sometimes attached to flexible working was addressed, there would be positive effects on the nature and extent of labour market participation.

This would lead in turn to greater employee satisfaction with working arrangements and improved health and wellbeing. Employers would see benefits such as improved staff engagement and commitment, retention rates, and individual effectiveness. It was suggested that absenteeism rates would fall as greater flexibility would enable employees to better manage their commitments outside of work. There would be productivity benefits for employers as a result. Further, employers were expected to make savings as the statutory procedure for considering requests was replaced with a statutory code of practice.

As these benefits were realised, fewer employers would refuse requests as attitudes towards flexible working arrangements improved.

### Unintended Consequences

Potential unintended consequences of the extension could be as follows:

- The 26-week qualifying period for the right to request flexible working, designed to allow the employer to make an assessment of the individual's capability to work flexibly, means that up to 2.2 million employees do not have access to the entitlement. Some existing employees working flexibly may be deterred from changing employer as a result of the qualifying period as they risk losing these benefits.

- there are negative attitudes to those who work flexibly, resulting in negative consequences (e.g. worsened promotion prospects), and that, rather than tackling this stigma and addressing negative perceptions, the extension increases the number of individuals experiencing this prejudice.
- the extension of the right places an unreasonable burden on business, both in terms of the impact of flexible working, and the administration associated with processing extra requests.
- Complaints and use of employment tribunals increase.

# Figure 2.1: Analytical framework for the right to request flexible working 2014 extension

Impact	- Improved health and wellbeing reported among employees using flexible working as a result of improved work-life balance;  -Increased labour market has a more diverse provision of working patterns;  - The increased diversity of working patterns is not concentrated in low-pay or low-skill occupations/sectors, thereby not adversely affecting employment and pay gaps; - Self-reported productivity improvements for employers as a result of new working practices.
Outcomes	At an aggregate level, employees using flexible working are more satisfied with their working arrangements;  Employee perceptions of their work-life balance improve as they use flexible working arrangements.  -Employees using flexible working are more committed and engaged; retention rates and individual effectiveness rise, and absenteeism falls among participating employers;  - Employee, employer and coworker attitudes towards flexible working arrangements improve, and perceptions of negative consequences are reduced;  - Employers make savings from reduced wage bills and accommodation costs.
Outputs	More employees and employers are aware of the right to request, and who is eligible;  More diverse flexible working arrangements are made available to employees;  The take-up rate of flexible working amongst employees increases, particularly amongst those who didn't previously have the right;  A more diverse group of employees are making use of flexible working arrangements;  Employers are more likely to accept employee requests, particularly among nonparents and carers.
Activities	The right to request encourages employees, particularly those who didn't previously have the right, to have conversations with their employers about working flexibly;  Employees refer to the right to request in conversations with employers about flexible working;  Reducing administrative burdens on business.
Resources /Inputs	Extending the right to request flexible working to all employees with 26 weeks continuous service;  Replacing the statutory procedure for considering requests with a statutory code of practice requiring employers to give 'reasonable' consideration to requests.

### Aims of the review

The aims of this review are to assess the effectiveness of the extension of the right to request flexible working in achieving its policy aims, as stated on pp. 6.

The review also explores the extent to which the costs and benefits stated in the original impact assessment have been realised, as well as any unintended consequences resulting from the legislation.

Objectives of the review

The objectives of the review are:

- To help measure the effects of the policy and whether the extension of the regulation has made a difference:
- To explore the extent to which the costs and benefits stated in the original impact assessment have been realised, including any unintended consequences resulting from the legislation;
- To look at the implementation of the regulation in practice to learn what works;
- To inform future policy-making.

We have gathered evidence to articulate the rationale for the regulatory extension, the policy objectives (as above) and intended outcomes. Information has been sourced from a literature review of evidence on flexible working in Britain since the regulatory extension, primary survey data, qualitative research as well as analysis of secondary data.

The review also measures outcomes before and after the legislation primarily by surveying employers and employees and making comparisons with survey data collected prior to the extension of the regulation. The surveys of employers and employees use random probability sampling methods and findings are representative of all employers (over 5 staff) and employees in Britain.

Quantitative data is supplemented with qualitative interviews and case studies to understand how employers and employees are engaging with the right to request flexible working and how the policy is being implemented. We identified any barriers to working flexibly and explore how they can be overcome. The review also sought to understand best practice in relation to flexible working practices and benefits derived from their implementation.

Finally, the review also tested unintended consequences alongside the assumptions underpinning the impact assessment through literature review, analysis of existing data and primary data collection.

Data collection methods

The various strands of the review comprise:

Stage 1: An in-house rapid evidence review on flexible working patterns and arrangements since the extension of the right to request. The evidence review established what

evidence already exists in relation to flexible working and its impact on individuals and businesses, the right to request, procedure and potential and actual impact of its introduction.

- Stage 2: Collecting primary data through existing surveys, for example from the British Social Attitudes Survey series: on perspectives of flexible working among employees and economically inactive in Great Britain. We investigate attitudes and behaviour towards flexible working among individuals and change over time.
- Stage 3: Collecting primary data using standalone surveys and analysing secondary data to capture:
  - A. Trends in the availability and take-up of flexible working in British workplaces. Availability of flexible working, use of the statutory right to request and whether there is more diversity in the types of flexible working patterns, as reported among employees. Whether there is less of a perception that flexible working is only for parents and carers.
  - B. Changing attitudes and practices of employers and employees in relation to flexible working.
  - C. Trends in employer perceptions of the impact of flexible working, e.g. on HR metrics such as staff engagement or absenteeism, and on sales, profitability and performance.
  - D. Whether employees report improvements to perceptions of their work-life balance, as well as health and wellbeing, commitment and motivation measures as a result of working flexibly.
  - E. Any unintended effects of the 26-week qualifying period, or availability of flexible working across sectors and occupations. Any unintended effects or perceived consequences of working flexibly will be explored among employees and employers.

Data was collected among employers using the Management and Wellbeing Practices survey (2018-19), a telephone survey carried out among a representative sample of 2,489 workplaces with five or more employees in Great Britain. The Employee Rights survey (2020) used random probability sampling and achieved 5,541 quantitative interviews among employees via a push-to-web approach.

- Stage 4: Qualitative research, namely interviews and case studies using a semi-structured approach with employers and employees to better understand thoughts, feelings and motivations around working flexibly. In-depth investigation with participants will include enablers and barriers to participation; accommodating requests among managers and employers; how conversations around flexible working are managed during recruitment; and the perceived effects of flexible working within workplaces. Qualitative case studies within workplaces helps capture the dynamic of the employment relationship allowing us to compare and contrast the perspectives of both employers and employees.
- Stage 6: Semi-structured interviews with employer representative organisations capturing attitudes towards the legislation.

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<sup>&</sup>lt;sup>9</sup> This builds on previous evidence on flexible working collected via BSAS in 2012 to provide updated time-series.

### Research Questions

The research questions included in the review are as follows.

Section 3 of this PIR – effect of the regulations among employees:

- 1. To what extent are employees aware of the 2014 right to request extension to all employees?
- 2. Are more employees, and a more diverse group of employees, reporting availability and taking up flexible working arrangements since the right to request extension?
- 3. To what extent are employees making use of the statutory right to request procedure compared with informal flexible working arrangements with their employer since June 2014? Are fewer employees' requests to work flexibly being refused since the extension of the right to request procedure?
- 4. Are more employees encouraged to make a request to their employer to work flexibly?
- 5. From an employee perspective, what are the barriers and enablers of working flexibly?
- 6. Are employees using flexible working more satisfied with their working arrangements since the right to request extension? To what extent are employee perceptions of their work-life balance improved since the right to request extension?
- 7. Are more employees reporting improved wellbeing outcomes?
- 8. Whether employees experience and perceive flexible working to have consequences for career prospects and promotion prospects within workplaces? If so, do these perceptions affect motivations for take-up among staff who are not currently working flexibly?
- 9. To what extent are diverse working patterns available across a range of occupations and sectors in the labour market?
- 10. To what extent has the right to request flexible working extension influenced employees' decisions to stay in work? Has labour market participation increased since the extension of the right to request flexible working?
- 11. What implications, if any, could access to flexible working arrangements (or lack of) have on Gender Employment/Pay Gaps?

### Section 4 – among employers:

- 12. Are employers aware of the right to request extension of flexible working to all employees?
- 13. Are employers making flexible working arrangements available to their staff since the right to request extension? Are more employers reporting take-up among staff? Have employers perceived a change in working patterns among employees since the extension?

- 14. To what extent are employers providing organisational policies and taking steps to promote flexible working at their workplace?
- 15. What are the barriers and enablers of accommodating flexible working in workplaces? How does this vary among workplaces?
- 16. Are more employers receiving requests from employees to work flexibly since the right to request extension?
- 17. Are requests to work flexibly granted?
- 18. To what extent are employees making use of the statutory right to request procedure to work flexibly since June 2014?
- 19. Have employer attitudes towards flexible working arrangements changed since the widening of eligibility for the right to request in 2014? Do employers perceive flexible workers differently to other staff in terms of commitment, career and promotion prospects?
- 20. To what extent are employers experiencing improvements at their workplace as a result of employees working flexibly?
- 21. Do administrative costs from the adoption of flexible working arrangements represent any unreasonable burden on business since the right was extended?

### Section 5 - Exchequer:

22. Are individuals lodging complaints with Acas and/or the Employment Tribunal in relation to a flexible working request since the extension to all employees in 2014?

### Section 6 - Economic review:

This review will assess whether the assumptions underpinning the original impact assessment have been realised.

- 23. Have employers experienced lower labour turnover and reduced vacancy costs since the extension of the right to request flexible working?
- 24. Are employers reporting reduced absenteeism rates as a result of the extension of the right to request flexible working?
- 25. Have employers experienced cost savings through reduced administration since the code of practice was introduced?
- 26. Have there been any costs associated with making adjustments to working patterns since introduction?
- 27. To what extent do employers report a positive impact of flexible working arrangements on productivity, as measured by percentage estimates of output gain?

- 28. To what extent are employers making savings from accommodating flexible working arrangements among its workforce? For example are wage bills or accommodation costs affected?
- 29. Are there wider societal benefits experienced as a result of greater flexible working practices?

### Identifying a counterfactual

In order to robustly estimate the impact of a regulation, where possible a comparison of the 'counterfactual' can be made, looking at outcomes following the legislation compared with what would have occurred in the absence of the policy being introduced.

The right to request flexible working was granted to all employees with 26 weeks continuous service across the UK. It is therefore difficult to construct a counterfactual group because the policy is universal. It is also problematic to compare around the qualifying period (26 week) threshold. Employees with less than 26 weeks continuous service or workers are not suitable control groups as they have slightly different (and newer) relationships with their employers. These varied characteristics would therefore mean that we would not be sufficiently controlling for other factors in the analysis, or comparing 'like with like.' These differences would have an effect on the outcomes of interest such as job satisfaction and work-life balance.

It is unlikely that outcomes in other countries could be used to construct a reliable counterfactual for the UK, given complex differences in the operation of employment law between countries. It would be difficult to compare outcomes and reliably attribute them to the right to request flexible working legislation.

The review therefore puts forward the rationale for the measure, tests the assumptions underpinning the analysis and reviews these assumptions and the outcomes (in 2019) that were anticipated, relative to the 'before' state (prior to June 2014). This would be consistent with a 'non-attributional review.'<sup>10</sup>

Collecting robust survey data over time on perspectives of flexible working, and why these attitudes might have changed, nevertheless helps us disentangle some of the effects of the extension of the right to request flexible working from other factors affecting the anticipated outcomes.

Similarly, gathering qualitative evidence from stakeholders enables us to gain insights into how the extension of the right to request flexible working might have had an effect on use of flexible working arrangements, barriers and enablers to participation and perceived consequences of working flexibly.

### Analysis and reporting

This report draws on findings from academic and policy literature, secondary analysis of survey

<sup>&</sup>lt;sup>10</sup> Coglianese, C. (2012) *Measuring Regulatory Performance: Evaluating the impact of regulation and regulatory policy*, Organisation for Economic Cooperation and Development, pp. 15. Available: <a href="https://www.oecd.org/gov/regulatory-policy/1">https://www.oecd.org/gov/regulatory-policy/1</a> coglianese%20web.pdf

data and Employment Tribunal statistics, as well as qualitative interviews with employers, employees and stakeholders. Where survey data has been analysed and comparisons have been made, the results have been tested for statistical significance at the 5 per cent level. We can therefore be confident that the estimates represent true differences in the population.

Figures marked with an asterisk \* are indicative findings based on fewer than 50 responses; figures reported with double asterisk \*\* are suppressed as the unweighted counts are fewer than 25.

The report is structured as follows:

Section 3 explores the effects of the extension of the 2014 flexible working regulations on employees;

Section 4 reviews the effects of the regulatory change on employers;

Section 5 discusses the effects of the extension on the Excheguer;

Section 6 explores the assumptions underpinning the original impact assessment;

Section 7 provides a conclusion based on the evidence, covering to what extent the measure has achieved its original objectives; whether there have been any unintended consequences; whether assumptions underpinning the original impact assessment been realised; whether the objectives are still valid and if the measure is still required.

# 3. The effects of the extension to the 2014 flexible working regulations on employees

1. To what extent are employees aware of the 2014 right to request extension to all employees?

In terms of awareness of the right to request flexible working and eligibility among employees, the majority of employees in Britain (79%) reported in 2018 that employee carers have the right to request flexible working (see Table 3.1). There was no statistically significant difference found by gender. Just under three quarters (74%) said that employees with children under the age of 17 have the legal right to request flexible working. Female employees (78%) were more likely to be aware of the legal right for employee parents to request flexible working than male employees (71%).

Table 3.1: Awareness of eligibility for the right to request flexible working among employees, 2018

	2018
Whether employees with children under the age of 17 currently	74%
have the legal right	
Whether employees who need to care for a family member with	79%
long term condition currently have the legal right	
Whether any employee, regardless of their circumstance,	57%
currently has the legal right	

Base: all employees in Great Britain, 865.

Source: NatCen Social Research's British Social Attitudes survey, 2018

Fewer employees (57%) were aware that any employee, regardless of their circumstance (with 26 weeks continuous service) has the legal right to request a flexible working arrangement. Again, female employees (60%) were more likely to be aware of the legal right to request flexible working among employees compared with male employees (55%), although this is not statistically significant.

The original right to request was introduced in 2002 with limited eligibility (for parents of children under 6 or children with disabilities under 18) and was subsequently extended in 2009 to employees who care for dependent adults.<sup>11</sup> Lower awareness of eligibility among all employees (2014 extension) compared with parents and carers could therefore be partly explained by the longevity of the original right to request policy.

Awareness of the 2014 extension of the right to request to all employees was greater among those with higher levels of education and income. Awareness was lower among employees working in smaller organisations of fewer than 50 staff. There were no significant differences in awareness by gender. 12

Qualitative research carried out among fathers (in Scotland) and older workers (in Britain) found that options for flexible working were not widely publicised within some workplaces and that requests were dealt with if the employee proactively approached their manager. A consequence of this could be that some employees are prevented from making requests because they are unsure of their entitlements. 131415 Employers and HR departments could raise awareness of the right to request flexible working and provide information on the legislation to staff and line managers to promote awareness, particularly among fathers as well as older workers.

### Summary

Overall, a majority of employees are aware the right to request flexible working was extended to all employees (with 26 weeks continuous service). Higher awareness of eligibility among parents and carers is likely to be reflective of historic eligibility requirements of the right to request policy since the early 2000s. Some individuals have reported a lack of information on flexible working options available to them in organisations. In these cases, better communication and provision of information on flexible working can help raise awareness among staff of their rights in this area.

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/584448/employer-experiences-of-recruiting-

<sup>&</sup>lt;sup>11</sup> Pyper, D (2015) Flexible Working: Briefing Paper, House of Commons Briefing Paper Number 01086. Available: http://researchbriefings.files.parliament.uk/documents/SN01086/SN01086.pdf

<sup>&</sup>lt;sup>12</sup> Jones, H., Nancy, K., Rantanen, K. (2019). 'Women and work' in Curtice, J., Clery, E., Perry, J., Phillips M. and Rahim, N. (eds.) (2019), British Social Attitudes: The 36th Report [online], London: The National Centre for Social Research. Available at: www.bsa.natcen.ac.uk/media/39297/4 bsa36 women-and-work.pdf

<sup>&</sup>lt;sup>13</sup> IFF research (2017) Employer experiences of recruiting, retaining and retraining older workers: Qualitative research, Department for Work and Pensions, available:

retaining-and-retraining-older-workers.pdf

14 Kadar-Satat, G., Koslowski, A. (2015) Fathers in the early years: How do they balance their work and family life? Research Report, Scottish Government. Available: http://www.gov.scot/Resource/0047/00477645.pdf

<sup>&</sup>lt;sup>15</sup> Radcliffe, L., Cassell, C. (2014) Work-to-Family Conflict and the Maternal Gatekeeping of Dual-Earner Mothers with Young Children Journal of Family and Economic Issues, 35(2) June 2014

2. Are more employees, and a more diverse group of employees, reporting taking up flexible working arrangements since the right to request extension?

Understanding Society survey series asks employees in Britain about take-up of flexible working arrangements over time. In June 2020, a follow-up web-based survey was conducted asking about employment during Covid-19 restrictions, including some questions on flexible working. Authors have discussed mode effects in changing from face-to-face to online completion.<sup>16</sup> In 2020, around six in ten employees (62%) reported using at least one flexible working arrangement where flexible working was available. Use of types of flexible working arrangements overall among employees, excluding homeworking, has not changed significantly since 2012-14 (59%), prior to the extension of the right to request legislation.

This finding was also confirmed by NatCen's British Social Attitudes survey which looked at take-up between 2012 and 2018.<sup>17</sup> The authors found that the share of female employees working flexibly declined, whilst the proportion of men working flexibly increased slightly since the extension of the right to request flexible working to all employees with continuous service.

By type of flexible working, Table 3.2 reports little change over time, except for working from home regularly which doubled during the Covid-19 national restrictions from 9% in 2016-18 to 18% in June 2020.

Table 3.2: Take-up of flexible working arrangements among employees where reported available

	2012-14	2016-8	June 2020
Part-time working	34%	34%	27%
Term-time only	7%	7%	5%
Jobshare	2%	1%	1%*
Flexitime	14%	14%	16%
Compressed week	2%	2%	3%
Annualised hours	1%	1%	1%
Working from home on a regular basis	8%	9%	18%
Other	6%	5%	6%
None of the above	41%	39%	35%

Source: BEIS analysis of Understanding Society

Unweighted base, all employees where flexible working arrangements available at workplace (excluding refusals and don't knows) 2012-14 15,907; 2016-8 13,945; 2020 5,188.

Question excludes directly asking about temporary reduced hours and homeworking.

<sup>16</sup> University of Essex, Institute for Social and Economic Research. (2020). *Understanding Society: Waves 1-9, 2009-2018 and Harmonised BHPS: Waves 1-18, 1991-2009.* [data collection]. *12th Edition.* UK Data Service. SN:

6614, <a href="http://doi.org/10.5255/UKDA-SN-6614-13">http://doi.org/10.5255/UKDA-SN-6614-13</a>; University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020. [data collection]. 4th Edition. UK Data Service. SN:

8644, http://doi.org/10.5255/UKDA-SN-8644-4

Mixed modes were introduced at wave 8 (2016-18) and analysis showed little difference in findings on flexible working between face-to-face ('ringfenced CAPI') and web modes.

https://www.understandingsociety.ac.uk/sites/default/files/downloads/documentation/user-guides/mainstage/mixed mode effect advice.docx; https://www.understandingsociety.ac.uk/documentation/covid-19;

<sup>&</sup>lt;sup>17</sup> Jones, H., Nancy, K., Rantanen, K. (2019). 'Women and work' in Curtice, J., Clery, E., Perry, J., Phillips M. and Rahim, N. (eds.) (2019), British Social Attitudes: The 36th Report [online], London: The National Centre for Social Research. Available at: www.bsa.natcen.ac.uk/media/39297/4 bsa36 women-and-work.pdf

This is consistent with recent findings among workers reporting in Understanding Society that they worked exclusively at home (increasing from 6% of workers in January/February 2020 to 43% in April 2020 and, 37% in June 2020).<sup>18</sup>

Reductions in part-time working can also be seen over time in Table 3.2. These figures could be viewed alongside the increasing trend in employees working full-time. Overall full-time working increased by around 3 percentage points for female employees in the UK, from 59% or 7.4 million to 62% or 8.3 million full-timers between Jan-Mar 2014 and Jan-Mar 2019; similarly, full-time working among male employees increased by 3 percentage points (from 85% or 11.5 million to 88% or 12.26 million over the period.<sup>19</sup>

NatCen report that the gap in rates of flexible working take-up between men and women appears to have narrowed somewhat over time, suggesting that the flexible working policy is "moving in the right direction" by reducing the gender gap in take-up.<sup>20</sup>

Nevertheless, most recent estimates (2020) by gender show that female employees are more likely to take-up any flexible working (64%) than male employees (54%).<sup>21</sup> Take-up by parents (64%) and carers (63%) are slightly higher than among employees overall (59%).

A persistent discrepancy in take-up of flexible working among men and women could continue to reinforce gender 'divides' in the workplace, around presenteeism, gender pay and career outcomes.<sup>22</sup> Encouraging men to take-up flexible working for the purposes of balancing work and caring responsibilities may reduce any stigma associated with flexible working and improve progression prospects for women.<sup>23</sup>

There are little differences in take-up of flexible working overall by employee age group (none that are statistically significant). By type of flexible working, part-time working was more commonly reported among employees aged 65 and older (31%) and younger (30%) staff aged 16-24 years.

Employees of Asian/Asian British ethnicity were more likely to report any flexible working (66%) than employees of White/White British ethnicity (58%). There were no statistically significant differences in the take-up of part-time working or regularly working from home by ethnicity.

There is little variation in take-up of any flexible working among employees reporting a physical or mental health condition (no statistically significant differences).

<sup>&</sup>lt;sup>18</sup> Felstead, A and Reuschke, D (2020) 'Homeworking in the UK: before and during the 2020 lockdown', *WISERD Report*, Cardiff: Wales Institute of Social and Economic Research. Available for download from: https://wiserd.ac.uk/publications/homeworking-uk-and-during-2020-lockdown

<sup>&</sup>lt;sup>19</sup> ONS (2019) Labour Market Statistics Time Series data, Office for National Statistics. Available: <a href="https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/e

<sup>&</sup>lt;sup>20</sup> Jones, H., Nancy, K., Rantanen, K. (2019). 'Women and work' in Curtice, J., Clery, E., Perry, J., Phillips M. and Rahim, N. (eds.) (2019), British Social Attitudes: The 36th Report [online], London: The National Centre for Social Research. Available at: www.bsa.natcen.ac.uk/media/39297/4 bsa36 women-and-work.pdf

<sup>&</sup>lt;sup>21</sup> BEIS (forthcoming) Employee Rights Survey 2020, Department for Business, Energy and Industrial Strategy. Types of flexible working include working from home, homeworking, part-time, flexitime, job share, working school term-time, compressed hours, reduced hours for a limited time and annualised hours.

<sup>&</sup>lt;sup>22</sup> Mercer, M. (2017) Flexible working for parents returning to work: maintaining career development, Acas research paper. Available:

http://m.acas.org.uk/media/pdf/k/7/Flexible-working-for-parents-returning-to-work-maintaining-career-development.pdf

23 Jones, L (2019) Women's Progression in the Workplace, Government Equalities Office. Available:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf

Take-up of flexible working was more likely to be reported among employees in London and the South East (62 per cent respectively) than the economy average (59 per cent). In contrast, the employees in the East Midlands were less likely to report any flexible working (51 per cent).

Staff employed in larger firms (250 or more staff) were more likely to report taking up flexible working (64%) and medium-sized workplaces (55%). Nearly three in five (58%) of staff in smaller firms of 1-49 employees reported any flexible working.

By occupation, employees working in Managerial, Senior Directors (64%), Professional (69%) and Associate Professional and Technical (65%) were more likely to report take-up of flexible working in 2020 than staff working in Skilled Trades (36%) and Process, Plant and Machine operatives (25%).

By sector, Figure 3.1 shows that employees in Business and Professional Services (70%), and Public Administration and Health (64%) are more likely to report taking up flexible working than employees working in Construction (43%) and Transport (34%) sectors.<sup>24</sup> Without making any direct comparisons, the take-up of many forms of flexible working was also more common among public sector employees than sectors such as Manufacturing and Construction in 2011 according to the Work-life Balance survey.<sup>25</sup>

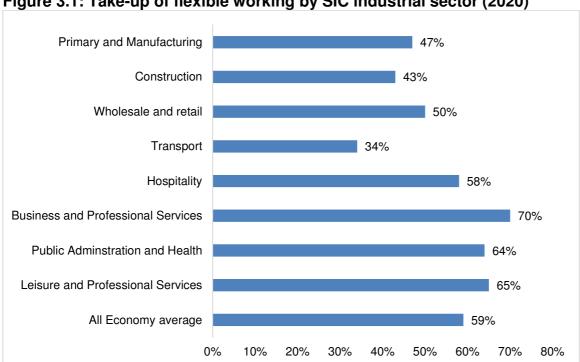


Figure 3.1: Take-up of flexible working by SIC industrial sector (2020)

Source: Employee Rights Survey 2020 Unweighted base: all employees 5,291

The right to request has a 26-week qualifying period, which is intended to provide certainty for business at recruitment stage. There are an estimated 2.2 million employees in Britain that are excluded from accessing flexible working via the legislation.<sup>26</sup>

<sup>&</sup>lt;sup>24</sup> Differences in take-up reported by Understanding Society and the Employee Rights Survey can be explained by the different methodologies employed.

<sup>&</sup>lt;sup>25</sup> BIS (2012) *The Fourth Work-Life Balance Employee Survey*, Department for Business, Innovation and Skills. Available: https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/32153/12-p151-fourth-work-life-balanceemployee-survey.pdf

<sup>&</sup>lt;sup>26</sup> ONS (2019) Labour Force Survey 2019, BEIS estimates

### Summary

Overall, take-up of flexible working arrangements as traditionally defined has changed little over time. However there have been recent increases reported in working from home regularly and working exclusively at home since the Covid-19 restrictions were implemented. Female employees are more likely to make use of flexible working than male employees. Some slight increases in male employees using flexible working can be seen since 2012, prior to the extension of the right to request legislation. Differences in take-up have been reported among employees by sector and occupation as well as size of workplace. Efforts to improve take-up among a wider group of employees could potentially reduce any stigma associated with flexible working.

3. To what extent are employees making use of the statutory right to request procedure compared with informal flexible working arrangements with their employer since June 2014? Are fewer employees' requests to work flexibly being refused since the extension of the right to request procedure?

NatCen's British Social Attitudes survey series asks flexible workers whether their working pattern was requested. In 2018, 42% of employees working flexibly said that they had requested their working pattern. Around 28% of employees reported that their employer had requested their flexible working arrangement and a further 14% of employees said that the working pattern was mutually agreed.

Fewer than one in ten employees (8%) reported applying to their employer in writing to work flexibly in the two years preceding the survey (of which 7% said they applied once; 1% applied multiple times). More female (11%) than male respondents (6%) said they applied in writing, however this is not a statistically significant difference. For employees applying once to their employer in writing in the last 2 years, 58%\* said their request was accepted in writing. Of the small number of employees applying more than once, indicative results suggest they were more likely to report their request was approved.

Around 4% of employees a year make a request for flexible working in writing which generates a statutory request.

Of the respondents working flexibly in 2018, 15% reported that their job was advertised in this way (with the flexible working arrangement). This shows that some employers are considering how to offer roles that can be done flexibly, alongside the legislative framework. To enable people to make more informed decisions about job opportunities, more employers might consider increasing the external transparency of their flexible working policies.

### Summary

Around 4% of employees in Britain request a flexible working arrangement in writing a year, using the statutory right to request. Among employees working flexibly, 15% reported their position was advertised in this way. This shows some employers are considering how to offer roles that can be done flexibly alongside the legislative framework.

4. Are more employees encouraged to make a request to their employer to work flexibly?

As employees with 26-weeks continuous service are entitled to the right to request flexible working in Britain, employers have the opportunity to reject a request for a working pattern on business grounds as prescribed by Acas.<sup>27</sup> Access to flexible working in Britain therefore relies on supportive workplace cultures.<sup>28</sup>

NatCen Social Research's British Social Attitudes survey asked employees working flexibly how comfortable they would feel asking their employer if they needed to move to a new flexible working arrangement.

In 2018, the majority of employees already working flexibly (71%) said that they would feel comfortable approaching their employer (of which 34% said they would be very comfortable doing so). One in seven (14%) said that they would feel neither comfortable nor uncomfortable and a further 15% of employees working flexibly said that they would feel uncomfortable asking their employer for a new arrangement.

Table 3.3: Among employees working flexibly: How comfortable would you feel asking your employer for a new flexible working arrangement?

<u>, , , , , , , , , , , , , , , , , , , </u>	
	2018
Comfortable	71%
Neither comfortable nor uncomfortable	14%*
Uncomfortable	15%
Don't know	**

Base: all employees working flexibly in the last 12 months, 350

\*Between 30-50 counts, please treat result with caution.

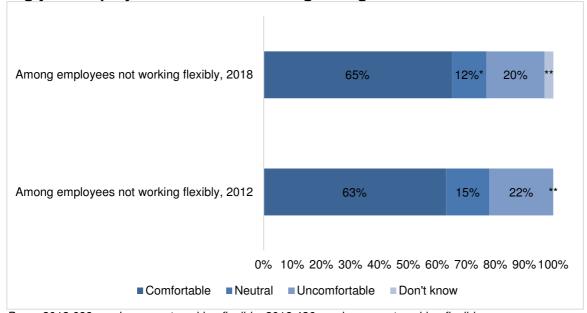
Source: NatCen Social Research's British Social Attitudes survey, 2018

The survey also asked employees who were not working flexibly how comfortable they would feel asking their employer for a flexible working arrangement in 2012 and in 2018. Figure 3.2 shows that there has been a slight (although not statistically significant) increase in the proportion of employees not working flexibly who would feel comfortable approaching their employer for a flexible working arrangement, from 63% in 2012 prior to the extension of the legislation to nearly two thirds of employees not working flexibly (65%) in 2018. Similarly, slightly fewer employees without a flexible working pattern said that they would feel uncomfortable asking their employer for a flexible working arrangement, decreasing from 22% in 2012 prior to the regulatory extension to 20% in 2018. This is also not statistically significant.

<sup>&</sup>lt;sup>27</sup> http://www.acas.org.uk/index.aspx?articleid=1616

<sup>&</sup>lt;sup>28</sup> Mascherini, M., Bisello, M., Leston, I (2016) *The gender employment gap: Challenges and solutions*, Eurofound. Available: <a href="https://www.eurofound.europa.eu/sites/default/files/ef">https://www.eurofound.europa.eu/sites/default/files/ef</a> publication/field ef document/ef1638en 1.pdf

Figure 3.2: Among employees not working flexibly: How comfortable would you feel asking your employer for a flexible working arrangement? 2012-2018

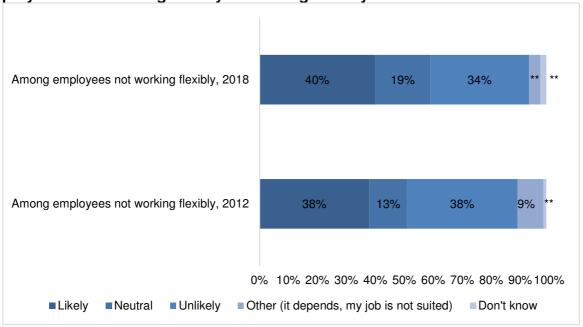


Base: 2012 698 employees not working flexibly; 2018 426 employees not working flexibly. \*Between 30-50 responses, please treat result with caution. \*\*Fewer than 25 responses. Source: NatCen Social Research's British Social Attitudes survey, 2012; 2018.

Figure 3.3 shows that four in ten employees who do not currently have a flexible working arrangement (40%) in 2018 think that it is likely that their employer would agree to them working flexibly. This has remained largely unchanged since 2012 (38%), prior to the right to request being extended to all employees with 26 weeks continuous service.

There has been a decrease in the proportion of employees without a flexible working arrangement that think it is unlikely that their employer would agree to them working flexibly, from 38% in 2012 prior to the regulatory extension, to 34% in 2018.

Figure 3.3: Among employees not working flexibly: How likely do you think your employer would be to agree to you working flexibly? 2012-2018



Base: 2012 698 employees not working flexibly; 2018 426 employees not working flexibly

\*\*Fewer than 25 responses.

Source: BEIS analysis, NatCen Social Research's British Social Attitudes survey, 2012; 2018.

Figures for 2018 show a perceived difference in the likelihood of their employer agreeing to working flexibly by gender. A greater share of male employees not currently working flexibly in 2018 (38%) thought it unlikely their employer would agree to them working flexibly compared to their female counterparts (28%). This is not a statistically significant difference, however.

Further international evidence cites over a quarter of UK individuals under 65 who have / had flexible work arrangements in their company (27%) agreed that it is easier for women than men to make use of such flexible working arrangements. By gender, women (29%) were slightly more likely to report this than men (27%).<sup>29</sup>

A small number of workplaces with staff working flexibly were interviewed for this review. Employees found the process of making a formal request straightforward and easy. Employees felt that their requests were taken seriously and considered carefully by the manager in question. Respondents described feeling comfortable making formal flexible working requests because of the supportive atmosphere at their workplace. In addition, employees readily took advantage of informal flexible working practices because they were embedded into the culture at their workplaces. Staff at these workplaces reported feeling that extending the right to request to all employees worked towards removing stigma surrounding flexible working that it could be perceived as a 'concession' just for parents and carers.

### Summary

The majority of flexible workers feel comfortable asking their employer for a new flexible working arrangement. However, there has been little improvement in perceptions of feeling comfortable asking for and the likelihood of employers agreeing to flexible working requests. There are differences by flexible working status and gender in terms of likelihood of flexible working arrangements being approved and perceived ease of using them. Some employees report that the legislative extension has contributed towards removing stigma around working flexibly.

5. From an employee perspective, what are the barriers and enablers of working flexibly?

The flexible working legislative framework places obligation on employees to make a case for working flexibly to their employer. The extent to which requests are successful partially depends upon the ability of staff to set out their application.<sup>30</sup>

Qualitative interviews with employees carried out for this review show several factors underpinning employees' decision to make a flexible working request: work-life balance, job performance, personal finances, and workplace impacts.

<sup>&</sup>lt;sup>29</sup> Kantar (2018) *Flash Eurobarometer 470: Work-Life Balance*, European Commission, pp. 35-36 <a href="https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/84205">https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/84205</a>

<sup>&</sup>lt;sup>30</sup> Parry, J. (2017) *Employers, the right to request flexible working and older workers: Research Briefing*, Centre for Research on Ageing, University of Southampton

Work-life balance was a motivator for participating employees, regardless of the type of flexible working request made by employees. Job performance was also a factor in deciding to work flexibly. For example, one male employee interviewed worked full-time hours but used flexitime to work at a time when he felt most productive. When participating employees were on lower incomes, they also considered finances. For example, employees calculated overall net income based on total hours worked per week accounting for other income sources such as Working Tax Credits.

Employees also reported considering the potential impacts of their flexible working requests and arrangements on their workplace and colleagues. Although there was consensus among employees at both workplaces that managers and colleagues were supportive, it was important that they did not inconvenience them in return. For example, a female employee who was a single parent had made multiple flexible working requests as her childcare arrangements changed. When making a new request she would first have informal conversations with colleagues before deciding whether to put the request to management:

"I would usually chat with my colleagues as well, just to see what's going on with their hours and if they had anything planned. Just so that we all know what's going on with the other ones really. We're very close here." (Female employee, part-time hours five days a week, small employer, male-dominated, wholesale and retail).

Factors cited in the literature that enable flexible working include support for staff submitting formal requests; the use of champions to help advise others and disseminate best practice; and supervisory support for staff including family supportive behaviours to help with managing work-life reconciliation.<sup>31</sup>

### Summary

Employees tend to consider many factors when deciding to work flexibly, such as work-life balance, job performance, their finances and any effects of their working pattern on their colleagues. Best practice suggests that employees would benefit from support when making formal requests to their employer to work flexibly using the right to request. Further support from colleagues, particularly managers that have been trained on family-supportive behaviours could also facilitate more flexible working.

6. Are employees more satisfied with their working arrangements since the right to request extension? To what extent are employee perceptions of their work-life balance improved since the right to request extension?

The Skills and Employment survey series asks employees in Britain about satisfaction with their working hours and their job overall. It is important to note that it remains problematic to attribute reported any differences in satisfaction with working arrangements over time to the flexible working legislation. In 2017, just under eight in 10 (79%) employees reported satisfaction with their working hours (at least fairly satisfied) (see Table 3.4). This has remained consistently high since 2012 (77%).

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<sup>31</sup> Ihid

Kelly, E. L., Moen, P., Oakes, J.M., Fan, W., Okechukwu, D. (2014) Changing work and work-family conflict: Evidence from the Work, Family and Health Network. *American Sociological Review*.

Table 3.4: Employee satisfaction with working hours in Britain, 2012 and 2017

	2012	2017
Completely satisfied	15%	15%
Very satisfied	27%	30%
Fairly satisfied	35%	34%
Neither satisfied nor dissatisfied	13%	11%
Fairly dissatisfied	7%	7%
Very dissatisfied	2%	2%
Completely dissatisfied	1%	1%

Unweighted base: employees in Britain 2012 – 2,735; 2017 – 2,811.

Table 3.5 reports overall job satisfaction among employees in Britain over time. The proportion of employees reporting they were at least fairly satisfied with their job increased from 81% in 2012 to 87% in 2017.

Table 3.5: Overall satisfaction with job among employees in Britain, 2012 and 2017

	2012	2017
Completely satisfied	11%	14%
Very satisfied	36%	39%
Fairly satisfied	34%	34%
Neither satisfied nor dissatisfied	8%	6%
Fairly dissatisfied	5%	4%
Very dissatisfied	3%	2%
Completely dissatisfied	2%	1%

Unweighted base: employees in Britain 2012 – 2,735; 2017 – 2,811.

In a separate paper Felstead et. al (2019) point out, however, that a focus on subjective measures such as job satisfaction without considering objective dimensions of a job may fall short as a proxy measure for job quality. This is because some workers may not be aware of risk factors their job may pose to their health and wellbeing.<sup>32</sup>

Data collected across countries in 2014 and 2018 indicates that trends in satisfaction with work-life balance in the UK has remained consistently high, with eight in ten reporting satisfaction with their balance between work and personal life in 2018; a 2014 snapshot reports work-life balance satisfaction was 77% in 2014.<sup>33</sup>

Over half of employees (55%) working flexibly in the 2020 Employee Rights Survey said that a positive consequence of these arrangements was a better work-life balance.

<sup>32</sup> Felstead, A., Gallie, D., Green, F., Henseke, G. (2019) Conceiving, designing and trailing a short-form measure of job quality: a proof-of concept study, *Industrial Relations Journal* 50:1, 2–19

<sup>&</sup>lt;sup>33</sup> European Commission (2014 and 2018) *Flash Eurobarometer surveys 398 and 470*, European Commission, Data: <a href="https://data.europa.eu/euodp/en/data/dataset/S2044">https://data.europa.eu/euodp/en/data/dataset/S2044</a> 398/resource/60e60442-286b-4400-9828-1fb9ae3806e9; <a href="https://data.europa.eu/euodp/en/data/dataset/S2185">https://data.europa.eu/euodp/en/data/dataset/S2185</a> 470 ENG/resource/0c7925b8-2013-4987-beba-77812e686bb0

### Summary

The majority of employees report positive satisfaction with their working hours, work-life balance and overall job satisfaction. Using satisfaction measures alone as a proxy for job quality is not recommended, however. Over half of employees report better work-life balance as a result of working flexibly. It remains problematic to attribute any improvements in employee satisfaction rates to the right to request regulatory changes.

### 7. Are more employees reporting improved wellbeing outcomes?

Despite mixed evidence on the extent to which flexible working arrangements improve work-life balance and health and wellbeing outcomes<sup>34</sup>, it is widely acknowledged that working flexibly more generally plays an important part in employee work-life balance outcomes.<sup>35</sup> Attributing any changes in employee wellbeing outcomes to the extension of the right to request is problematic, however.

Work stress has been shown to decrease with employees' perceptions of the number of flexible working arrangements available to them.<sup>36</sup>

Through being offered flexible working arrangements, employees perceive that their employer is concerned for their wellbeing which improves engagement and satisfaction at work.<sup>3738</sup> In offering flexible working options that meet parents' work situation preferences, employers may reduce stress and improve psychological wellbeing.<sup>39</sup>

According to some literature, work intensity or discretionary work effort increases in receipt of the opportunity to work flexibly.<sup>40</sup> One paper concludes that on balance, perceived value of flexible working arrangements can compensate for any negative consequences of extra effort or work intensity.<sup>41</sup>

<sup>32</sup> 

<sup>&</sup>lt;sup>34</sup> Clarke, S., Holdsworth, L. (2017) Flexibility in the workplace: Implications of flexible work arrangements for individuals, teams and organisations, ACAS.

<sup>&</sup>lt;sup>35</sup> Cazes, S., A. Hijzen and A. Saint-Martin (2016), "Measuring and assessing job quality: The OECD job quality framework", *OECD Social, Employment and Migration Working Papers* No. 174, http://dx.doi.org/10.1787/5jrp02kjw1mr-en

<sup>&</sup>lt;sup>36</sup> Nadeem, S. and Metcalf, H. (2007) Work-life policies in Great Britain: What works, where and how? Employment relations research series number 77, Department for Business, Enterprise and Regulatory Reform. Available: <a href="https://webarchive.nationalarchives.gov.uk/20071104161446/http://www.berr.gov.uk/files/file40753.pdf">https://webarchive.nationalarchives.gov.uk/20071104161446/http://www.berr.gov.uk/files/file40753.pdf</a>
<sup>37</sup> Bal, P.M., and De Lange, A.H. (2014) 'From flexibility human resource management to employee engagement and perceived

<sup>&</sup>lt;sup>37</sup> Bal, P.M., and De Lange, A.H. (2014) 'From flexibility human resource management to employee engagement and perceived job performance across the lifespan: A multi-sample study' *Journal of Occupational and Organisational Psychology*, Vol 88, Issue 1: pp 126–154.

<sup>&</sup>lt;sup>38</sup> Galea, C., Houkes, I., De Rijk, A. (2014) An insider's point of view: how a system of flexible working hours helps employees to strike a proper balance between work and personal life, *International Journal of Human Resource Management* 25 (8):1090-1111.

<sup>&</sup>lt;sup>39</sup> Holmes E K, Erickson J J, and Hill E J (2012) Doing what she thinks is best: Maternal psychological wellbeing and attaining desired work situations, *Human Relations* 65(4): 501-522

<sup>&</sup>lt;sup>40</sup> de Menezes, L. M. and Kelliher, C. (2011), "Flexible Working and Performance: A Systematic Review of the Evidence for a Business Case", *International Journal of Management Reviews*, Vol. 13, Issue 4; pp 452–474.

<sup>&</sup>lt;sup>41</sup> Clarke, S., Holdsworth, L. (2017) Flexibility in the workplace: Implications of flexible work arrangements for individuals, teams and organisations, ACAS.

Using reduced hours working arrangements has also been associated with lower chronic stress among women caring for two or more children aged under 15.<sup>42</sup>

Reconciling work and personal life is, however, entirely dependent upon organisational context.<sup>43</sup>

One study among employees reporting high levels of work-to-family conflict provided intervention by training managers and supervisors on family-supportive behaviours. Their employees showed higher levels of job satisfaction, physical health and lower turnover intentions than among employees whose supervisors did not receive the training intervention.<sup>44</sup> Similarly, support and regular opportunities for face-to-face contact appeared important for reducing any isolation experienced among flexible workers when working from home or teleworking.<sup>45</sup>

### Summary

Flexible working arrangements more generally make an important contribution in achieving work-life balance. Any changes in wellbeing outcomes cannot be attributed to the right to request legislation, however. The perception of flexible working opportunities available within workplaces improves employee engagement and reduces work stress, which can improve psychological wellbeing.

8. Whether employees experience and perceive flexible working to have consequences for career prospects and promotion prospects within workplaces? If so, do these perceptions affect motivations for take-up among staff who are not currently working flexibly?

There is discussion in the literature on the extent to which workers with working patterns that are outside of the traditional full-time arrangements experience barriers to career progression. This phenomenon is not UK-specific.<sup>46</sup> <sup>47</sup> <sup>48</sup> <sup>49</sup>

In 2018, a third of employees working flexibly (33%) said their working arrangement had a positive impact on their employer's perception of them as an employee. This compares with a fifth of employees asked who did not have a flexible working arrangement in place with their employer. A minority of employees working flexibly (13%\*) reported a negative effect of their

<sup>42</sup> Chandola, T., Booker, C., Kumari, M., Benzeval, M. (2019) Are Flexible Work Arrangements Associated with Lower Levels of Chronic Stress-Related Biomarkers? A Study of 6025 Employees in the UK Household Longitudinal Study. *Sociology*, 1–21. https://doi.org/10.1177/0038038519826014

<sup>&</sup>lt;sup>43</sup> Bessa, I., Tomlinson, J (2017) Established, accelerated and emergent themes in flexible work research, *Journal of Industrial Relations*, 59 (2): 153-169

Hammer, L., Kossek, E., Anger, W., Bodner, T., Zimmerman, K (2011) Clarifying work-family intervention processes: the roles of work-family conflict and family supportive supervisor behaviours, *Journal of Applied Psychology*, Jan; 96 (1), pp. 134-150
 Bentley, T.A., Teo, S.T.T., McLeod, L., Tana, F., Bosua, R. and Gloet, M. (2016) 'The role of organisational support in homeworker well-being: A socio- technical systems approach', *Applied Ergonomics*, Vol.52: pp.207-215.

<sup>&</sup>lt;sup>46</sup> Bessa, I., Tomlinson, J (2017) Established, accelerated and emergent themes in flexible work research, *Journal of Industrial Relations*, 59 (2): 153-169

<sup>&</sup>lt;sup>47</sup> Chung, H. (2020). Gender, flexibility stigma, and the perceived negative consequences of flexible working in the UK. *Social Indicators Research – Special Issue on Flexible working, work-life balance and gender equality,* **151**, 521–545(2020) *DOI:* 10.1007/s11205-018-2036-7.

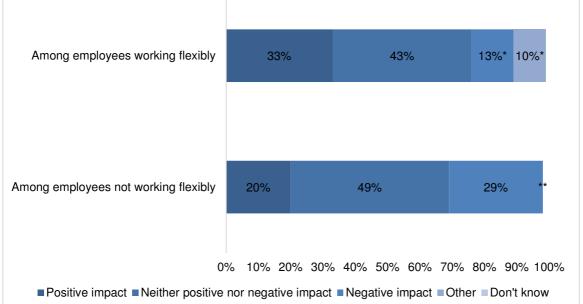
<sup>&</sup>lt;sup>48</sup> Mascherini, M., Bisello, M., Leston, I (2016) *The gender employment gap: Challenges and solutions*, Eurofound. Available: <a href="https://www.eurofound.europa.eu/sites/default/files/ef-publication/field-ef-document/ef1638en-1.pdf">https://www.eurofound.europa.eu/sites/default/files/ef-publication/field-ef-document/ef1638en-1.pdf</a>

<sup>&</sup>lt;sup>49</sup> Jones, L (2019) Women's Progression in the Workplace, Government Equalities Office. Available: <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf</a>

working pattern on their employer's perception of them as an employee; employees without such an arrangement were over twice as likely (29%) to think that a flexible working arrangement would have a negative impact on their employer's perception of them as an employee. This suggests that perceived managerial attitudes towards flexible workers may be preventing some employees from submitting a request. Findings are not statistically significant over time.

Figure 3.4: Employee perceptions on whether working flexibly has or would have an impact on their employer's perception of them as an employee, 2018

Among employees working flexibly 33% 43% 13%\* 10%\*



Base: all employees working flexibly in the 12 months preceding the survey 350; all employees not working flexibly 426.

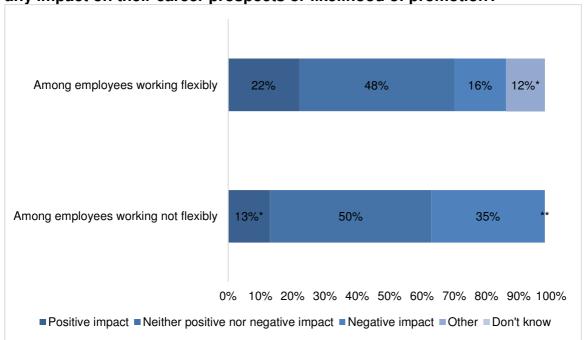
\*\* Don't know responses and \* between 30-50 responses. Please treat with caution.

Source: NatCen Social Research's British Social Attitudes survey, 2018.

NatCen's British Social Attitudes survey also asks employees about their perspectives on whether working flexibly has had or will have any impact on their career prospects or likelihood of promotion. Among employees working flexibly, just over a fifth (22%) of respondents felt that flexible working had a positive impact on their career or promotion prospects. A lower proportion of employees without a flexible working arrangement (13%\*) thought that flexible working will have a positive effect, however.

Similarly, a small proportion of employees working flexibly (16%) reported a negative effect of their working pattern on their career and promotion prospects; employees without such an arrangement were over twice as likely (35%) to think that a flexible working arrangement would have a negative impact on their career or promotion prospects. A low share of flexible workers spontaneously said, "neither positive nor negative effect as everybody works flexibly." Findings are not statistically significant over time.

Figure 3.5: Employee perceptions on whether working flexibly has had, or will have, any impact on their career prospects or likelihood of promotion?



Base: all employees working flexibly in the 12 months preceding the survey 350; all employees not working flexibly 426.

\*\* Don't know responses and \* between 30-50 responses. Please treat with caution.

Source: NatCen Social Research's British Social Attitudes survey, 2018.

By gender, results are indicative only due to a low number of responses (25-50). They are also not statistically significant differences. Male employees working flexibly (25%)\* were more likely to say that flexible working had a positive impact on their career or promotion prospects than female employees (19%)\*. Male employees (11%)\* were almost half as likely to say that working flexibly had a negative impact on their career or likelihood of promotion compared with female employees (21%)\*.

Perceptions of negative consequences of flexible working persist among a minority of employees. However, the evidence suggests that the extension of the right to request legislation has not increased negative perceptions among employees.

Flexibility stigma refers to the perception that workers who use flexible working arrangements for *caring or childcare* commitments are less productive and less committed to the workplace.<sup>50</sup>
This can be associated with prevailing attitudes towards gender division of labour, whereby mothers take on the majority of care work.<sup>52</sup> 53 54

<sup>&</sup>lt;sup>50</sup> Chung, H. (2020). Gender, flexibility stigma, and the perceived negative consequences of flexible working in the UK. *Social Indicators Research – Special Issue on Flexible working, work-life balance and gender equality,* **151**, 521–545(2020) *DOI:* 10.1007/s11205-018-2036-7.

<sup>&</sup>lt;sup>51</sup> Glass, J., 2004. Blessing or Curse?: Work-Family Policies and Mother's Wage Growth Over Time. Work and Occupations 31, 367–394. https://doi.org/10.1177/0730888404266364
<sup>52</sup> Ibid:

<sup>53</sup> ONS (2017) Families in the labour market, England: 2017, Office for National Statistics: <a href="https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/familiesandthelabourmarketengland/2017">https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/familiesandthelabourmarketengland/2017</a>

<sup>&</sup>lt;sup>54</sup> Curtice J., Clery, E., Perry, J., Philips, M., Rahim, N. (2019) *British Social Attitudes Survey: 36*, NatCen, pp. 89: <a href="https://bsa.natcen.ac.uk/latest-report/british-social-attitudes-36/women-and-work.aspx">https://bsa.natcen.ac.uk/latest-report/british-social-attitudes-36/women-and-work.aspx</a>

Some employers perceive different motivations for men and women making use of flexible working opportunities. When employers associate different reasons for flexible working use by gender (work orientation or family-related reasons), this can lead to discriminatory practices.<sup>55</sup>

A literature review and case studies presented findings of a belief among some managers that it was difficult for employees, particularly more senior employees, to work flexibly.<sup>56</sup>

Work-redesign initiatives offering supervisory training on family-supportive behaviours, work practices to increase autonomy and support for measuring performance by results have also been shown to improve work-life reconciliation.<sup>57</sup> Training on family-supportive behaviours has been associated with higher job satisfaction, higher levels of physical health and lower turnover intentions among staff.<sup>58</sup>

More recently, some employees have reported experiencing improvements in managerial support for staff working from home following Covid-19 restrictions. This informal survey also noted a slight reduction in perceived negative career consequences among employees working from home and fewer respondents perceived any impact of working from home on colleagues since the Covid-19 restrictions first came into effect.<sup>59</sup>

Qualitative research suggests that there is demand among some fathers to work flexibly and that more guidance and mentoring on options would be beneficial, to help develop a 'learning culture' on work-life balance policies within workplaces.<sup>60</sup>

My Family Care argue that in creating supportive workplace cultures where flexible working is visible and senior leaders show support for flexible working and work-life balance considerations, employers can help lower the level of stigma or perceived consequences reported among British employees.<sup>61</sup>

The Department for Business, Energy & Industrial Strategy (BEIS) has ownership of flexible working policy and the Government's manifesto commitment to "encourage flexible working and consult on making it the default unless employers have good reasons not to." Considering the perception of flexible working among employees and employers is part of the policy work being taken forwards to deliver this commitment.

<sup>&</sup>lt;sup>55</sup> Jones, L (2019) *Women's Progression in the Workplace*, Government Equalities Office. Available: <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf</a>

<sup>&</sup>lt;sup>56</sup> Clarke, S., Holdsworth, L. (2017) Flexibility in the workplace: Implications of flexible work arrangements for individuals, teams and organisations, ACAS.

<sup>&</sup>lt;sup>57</sup> Kelly, E. L., Moen, P., Oakes, J.M., Fan, W., Okechukwu, D. (2014) Changing work and work-family conflict: Evidence from the Work, Family and Health Network. *American Sociological Review*.

Hammer, L., Kossek, E., Anger, W., Bodner, T., Zimmerman, K (2011) Clarifying work-family intervention processes: the roles of work-family conflict and family supportive supervisor behaviours, *Journal of Applied Psychology*, Jan; 96 (1), pp. 134-150
 Chung, H., Seo, H., Forbes, S., Birkett, H. (2020) Working from home during the Covid-19 lockdown: Changing preferences and the future of work, Canterbury, University of Kent: <a href="https://kar.kent.ac.uk/83896/1/Working">https://kar.kent.ac.uk/83896/1/Working</a> from home COVID lockdown.pdf

<sup>&</sup>lt;sup>60</sup> Kadar-Satat, G., Koslowski, A. (2015) *Fathers in the early years: How do they balance their work and family life? Research Report*, Scottish Government. Available: <a href="http://www.gov.scot/Resource/0047/00477645.pdf">http://www.gov.scot/Resource/0047/00477645.pdf</a>

<sup>&</sup>lt;sup>61</sup> My Family Care (2016) *The competitive advantage of flexible and family-friendly working* report, published by My Family Care and Hydrogen in October 2016.

### Summary

Since the extension of the right to request legislation, a minority of employees report negative perceptions of flexible working on career consequences and promotion prospects. Employees already working flexibly are more likely to report positive effects of their working arrangements on their employer's perception of them than employees with no experience of flexible working. Non-flexible working employees are also less likely to perceive flexible working to have a positive impact on their career prospects or likelihood of promotion. This perception may lead to some employees being discouraged from seeking a flexible working arrangement. Since the introduction of Covid-19 restrictions, early informal research indicates fewer employees may perceive negative career consequences among those working from home. Supportive workplace cultures where flexible working is visible and senior leaders show their backing can help reduce perceived negative consequences reported among employees. Considering perceptions of flexible working forms an important part of the work being carried out by BEIS to encourage flexible working.

9. To what extent are diverse working patterns available across a range of occupations and sectors in the labour market?

Survey data collected online in 2020 show that eight out of ten employees reported availability of any flexible working arrangements at their workplace in Britain. Availability of flexible working varies by industrial sector, as shown in Figure 3.6. Flexible working is more likely to be available in Business and professional services (87%) and Public admin, health and education (87%). Reporting of any flexible working was less common in Construction (57%), Transport (66%) and Primary and manufacturing industries (68%).

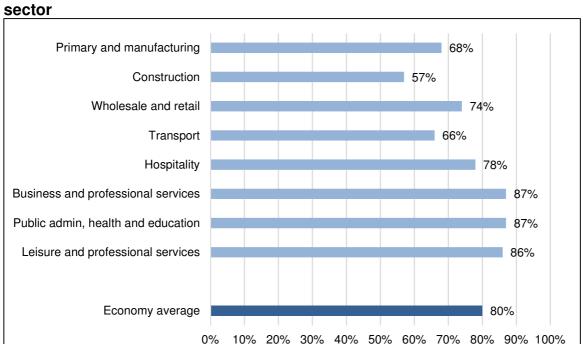


Figure 3.6: Employee-reported availability of any flexible working arrangements by SIC

Source: Employee Rights Survey (2020) Unweighted base: all employees, 5,291.

We cannot make direct comparisons with the Work-life balance employee survey series (due to differences in methodologies), however in 2011 the availability of many forms of flexible working was most commonly reported by employees in public administration, education and health and those within banking, insurance, professional and support services compared with employees in manufacturing and construction.

The Employee Rights Survey (2020) shows that by type of flexible working, part-time working is most commonly reported available by employees in Public admin, health and education (64%) and Leisure and professional services (61%) than the economy average (51%). Part-time working was less likely to be reported available among Construction sector employees (21%), Primary and Manufacturing (37%) and Transport (38%).

At the time of fieldwork, Covid-19 restrictions were in place. Working from home on a regular basis was more likely to be reported available among employees in Business and professional services (56%), than across the economy as a whole (30%). Transport (11%) and Hospitality (8%) sector employees were less likely to report being able to work from home regularly.

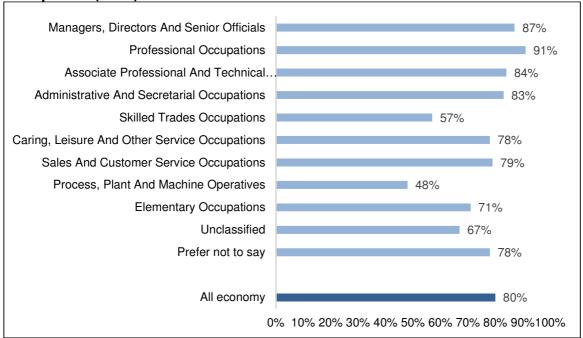
During this time, a fifth of employees in Britain reported the availability of home-based working (20%). Home-based working is more likely available among Business and professional services employees (37%) than among Hospitality (5%), Transport (7%), Construction (11%) and Wholesale and retail (11%) employees.

By workplace size, larger employers of 250 or more staff (87%) are more likely to report availability of flexible working than smaller employers of 1-49 employees (76%).

Figure 3.7 shows availability of flexible working by occupation (as reported by employees). Employees working in Professional (91%), Managers and Senior Directors and Officials (87%) and Associate Professional and Technical occupations (84%) are more likely to report

availability of any flexible working arrangements than Process, Plant and Machine operatives (48%) and Skilled Trades occupations (57%).

Figure 3.7: Employee-reported availability of any flexible working arrangements by occupation (SOC)



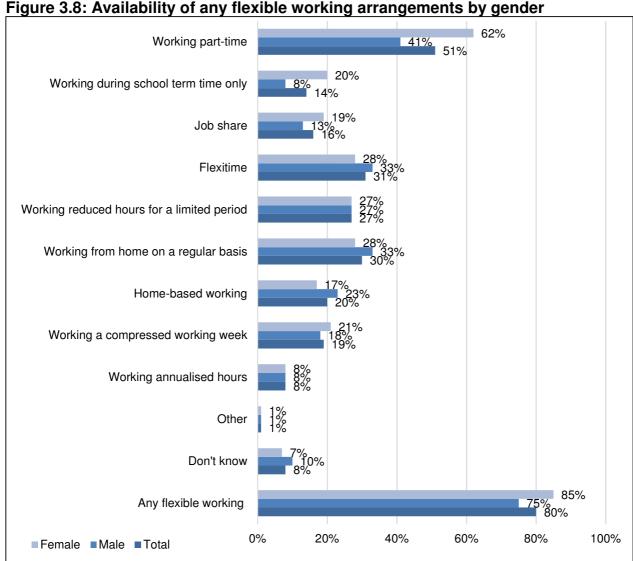
Source: Employee Rights Survey (2020) Unweighted base: all employees, 5,291.

When looking at specific types of flexible working such as part-time working, Sales and Customer Service (62%), Administrative and Secretarial (61%), Managers, Directors and Senior Officials (59%) and Professionals (57%) were more likely to report availability of part-time working than the economy average (51%). By comparison, Skilled Trades (19%) and Process, Plant and Machine Operatives (26%) were least likely to report part-time working available at their workplace.

Availability of working from home on a regular basis was more common among Managers, Directors and Senior Directors (50%), Associate Professional and Technical (49%) and Professional occupations (44%) than the economy average (30%). Similarly, home-based working was more prevalent among the top three occupational categories, reported by around 30% of employees in these groups compared with a fifth of employees (20%) across the economy overall in Britain.

Working from home on a regular basis was less likely to be reported available among Elementary staff (2%), Process plant and machine operatives (4%) and Caring, leisure and other services (6%). Fewer employees in Caring, leisure and other services (3%), Process plant and machine operatives (4%) and Elementary occupations (5%) home-based working to be available to them.

As shown in Figure 3.8, female employees (85%) are more likely to report availability of any flexible working arrangements than male employees (75%). Part-time working availability is greater among female (62%) than male (41%) employees. However, availability of flexitime, working from home on a regular basis and homeworking were slightly more likely to be reported among male employees than female employees.



Source: Employee Rights Survey (2020) Unweighted base: all employees, 5,291.

There are some differences in the availability of flexible working arrangements by age. Older employees aged 65 and over (69%) are less likely to report availability of any flexible working arrangements than employees overall (80%). Fewer younger employees aged 16-24 (13%) said that they had access to working from home on a regular basis than employees on average (30%). Home-based working is also less likely to be made available to younger employees, with 12% of 16-24-year-olds reporting access compared with 20% of employees overall.

Staff with higher household incomes of £40,000 or more report greater availability of any flexible working (85%) than average (80%). Access to working from home increases with household income, from 6% among those with incomes of £10,000 or less, rising to 43% of employees having access to working from home on household incomes of £40,000 or more.

### Summary

In 2020, the majority (80%) of employees reported availability of any flexible working arrangements at their workplace. Availability of flexible working arrangements varied considerably by industry sector and occupation. Some variations in the offer of flexible working to staff across the economy have persisted since the right to request was extended in 2014. Working from home was most commonly reported to be available in Business and Professional services sector and among Managers, Directors and Senior Officials and Professional occupational categories than across the economy as a whole.

Flexible working availability is more likely to be reported by female employees than male employees. There are some differences by type of flexible working, with male employees more likely to say flexitime and working from home were available than female employees. Further exploration is required where some sectors and occupations find it challenging to make flexible working available to their staff, to help support and improve the offer to the workforce.

10. To what extent has the right to request flexible working extension influenced employees' decisions to stay in work? Has labour market participation increased since the extension of the right to request flexible working?

An informal study carried out prior to the Covid-19 pandemic made reference to the untapped productive potential in the economy whereby segments of the population could be enabled to work more productively (full-timers), work more hours (part-timers) or could be more willing to work (unemployed/inactive) if provided the opportunity to 'work from anywhere' regularly.<sup>62</sup>

Flexible working opportunities also have the potential to help parents return to work following birth of their child. Around half of mothers returning to work after maternity leave changed their working patterns, such as their working hours (32%) or agreed new working arrangements (24%). Of the mothers that changed jobs since returning from maternity leave, around two fifths did so because they wanted a flexible working arrangement (including 27% said part-time working; 11%\* flexitime).<sup>63</sup>

The majority of fathers (93%) returning to work after the birth of their child did not change their working hours or agree new working arrangements. Of the fathers that changed jobs since returning from parental leave, around a third did so because they wanted a flexible working arrangement (of which 17% said flexitime arrangements).

These findings indicate demand for flexible working among parents returning to work following the birth of their child. For employers, offering new arrangements has the potential to improve staff retention among parents returning from parental leave.

<sup>&</sup>lt;sup>62</sup> CEBR (2014) The productive value of the untapped workforce: A study into the potential economic impacts of a flexible working culture, Centre for Economic and Business Research

<sup>&</sup>lt;sup>63</sup> HMG (forthcoming) *Parental Rights Survey 2019*, Department for Business, Energy and Industrial Strategy and Government Equalities Office.

Prior to the Covid-19 pandemic, the number of people aged 16 and over in employment increased from 29.6 million January to March 2014 to 31.8 million January to March 2019 in Britain. The increase seen during the review period formed part of a continuing trend. By gender, employment increased among males from 65% January-March 2014 to 66% January-March 2019. Female employment rates also rose from 54% in 2014 to 57% in 2019.

Table 3.6: Employment rates and levels in Britain by gender, January 2014-January 2019

(millions)

	January 2014	January 2019
Employment level	29.7	31.9
Employment rate (aged 16-64)	72.5%	76.3%
Male employment level	15.8	16.9
Male employment rate (aged 16-64)	77.5%	80.7%
Female employment level	13.9	14.99
Female employment rate (aged 16-64)	67.6%	71.9%

Source: ONS Labour Force Survey<sup>64</sup>

The ONS point out that increases seen in the employment rate for women in the late 2010s may be explained in part due to changes to the State Pension age for women.<sup>65</sup> Increases in female participation has formed part of a longer-term trend over the past 40 years. Full-time employment has risen since the mid-1980s. The paper also notes that over time, new mothers are less likely to leave employment after the birth of their first child. <sup>66</sup>

Since 2014, total hours worked by women have increased slightly, from an average of 29.3 hours in 2014 to 29.5 hours in 2019 (provisional estimates).<sup>67</sup>

Whether it is working from home or changing or reducing hours to accommodate other responsibilities outside of work, Covid-19 has demanded a large uptick in the extent of 'flexible' working. Given that these ways of working have largely been imposed out of necessity in response to public health measures, however, they do not constitute flexible working in its true form. Nevertheless, many workers have been able to continue in employment by working remotely whilst maintaining social distancing. The ability to work flexibly may be considered as vital support for some groups in the labour market, for example as a reasonable adjustment for those considered vulnerable and carers.

https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/yckb/lms https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/ycmb/lms https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/yclb/lms https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/yclb/lms https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/yclo/lms

<sup>&</sup>lt;sup>65</sup> ONS (2019) Employment in the UK: September 2019, Office for National Statistics, <a href="https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/september2019">https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/september2019</a>

Roantree, B. Virra, K. (2018) *The rise and rise of women's employment in the UK: IFS Briefing note BN234*, Institute for Fiscal Studies DOI 10.1920/BN.IFS.2019.BN0234 https://www.ifs.org.uk/publications/12951

<sup>&</sup>lt;sup>67</sup> Total paid hours worked: ONS (2019) *Annual Survey of hours and earnings, Earnings and hours worked*, Office for National Statistics:

https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/allemployeesashetable1

#### Summary

Recent evidence from new mothers shows high demand for flexible working on return from maternity leave and employers offering such working arrangements may benefit from improved staff retention rates among new parents.

Prior to the Covid-19 pandemic, employment rates had been rising to levels not seen since records began. However, isolating employment rate increases to the extension of the right to request flexible working is problematic. Other factors, such as changes to the state pension age may have had a greater effect on trends in female labour market participation.

Since the Covid-19 pandemic, remote working has provided opportunities for individuals to remain in work whilst maintaining social distancing.

11. What implications, if any, could access to flexible working arrangements (or lack of) have on gender employment/pay gaps?

The latest ONS figures on the Gender Pay Gap show a slight reduction among all employees, from 17.4% in 2019 to 15.5% in 2020. The ONS note that the Gender Pay Gap is almost zero among employees aged under 40.<sup>68</sup>

The challenges of balancing work and family life is widely acknowledged to be one of the complex causes of the gender pay gap.<sup>69</sup> It is anticipated access to flexible working can lead to increases in female labour market participation by enabling workers to better balance work and other commitments.<sup>70</sup> As Lyonette et. al note, the effects of flexible working on the gender pay gap may not be direct or easy to measure.<sup>71</sup> However, in providing the opportunity for mothers to remain in work, flexible working arrangements can be seen to help reduce the gender employment and gender wage gaps.<sup>72</sup>

One study described the Right to Request Flexible Working as a policy likely to improve the quality of part-time employment through enabling opportunities for negotiating working

<sup>&</sup>lt;sup>68</sup> ONS (2020) Gender Pay Gap in the UK: 2020, Office for National Statistics. Available:

https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/20 20

<sup>&</sup>lt;sup>69</sup> Mascherini, M., Bisello, M., Leston, I (2016) *The gender employment gap: Challenges and solutions*, Eurofound. Available: <a href="https://www.eurofound.europa.eu/sites/default/files/ef\_publication/field\_ef\_document/ef1638en\_1.pdf">https://www.eurofound.europa.eu/sites/default/files/ef\_publication/field\_ef\_document/ef1638en\_1.pdf</a>
<sup>70</sup> Ibid.

<sup>&</sup>lt;sup>71</sup> Lyonette, C., Baldauf, B. (2019) Family friendly working policies and practices: Motivations, influences and impacts for employers, Government Equalitites Office. Available:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840061/Warwick\_Final\_Report\_1610.pdf

<sup>&</sup>lt;sup>72</sup> IPPR (2015) Who's breadwinning in Europe? A comparative analysis of maternal breadwinning in Great Britain and Germany, IPPR. Available: <a href="http://www.ippr.org/files/publications/pdf/whos-breadwinning-in-europe-oct2015.pdf?noredirect=1">http://www.ippr.org/files/publications/pdf/whos-breadwinning-in-europe-oct2015.pdf?noredirect=1</a>

patterns.<sup>73</sup> Being able to stay in the same or similar job on return to work following birth and negotiate working hours is important in reducing the gender pay gap.<sup>74</sup>

The extent to which flexible working arrangements are available across the economy plays an important part in reducing the gender pay gap. Evidence collated from a Rapid Evidence Assessment reported that access to quality part-time work is still restricted.<sup>75</sup>

Women are almost three times as likely to work part-time than men (there were 6.3 million women working part time in the UK in the three months to January 2019, compared with 2.28 million men).<sup>76</sup> Mothers tend to reduce their hours after childbirth and work fewer hours over an extended period of time.<sup>77</sup> Fewer years of full-time work and more years of unpaid care work in females' work history was found to be the largest driver of the gender pay gap.<sup>78</sup>

Where flexible working is not available, individuals are said to opt for flexible but low-quality jobs as an 'adaptive preference' to fit the prevailing requirement for part-time hours to reconcile work and wider commitments.79

Women are overrepresented in part-time jobs in low-paying sectors of the economy.80 Quarterly data from the Annual Population survey shows that part-time staff in Caring leisure and other service, Sales and Customer service and Elementary occupations is predominately female, making up around 3.7 million part-time employees. There are also around 940,000 female employees working part-time in professional occupations. Female employees account for over 80% of all part-time employees in Caring, Professional and Administrative and secretarial occupations. Overall, women make up around 5.4 million of the 6.9 million employees working part-time in Britain.

Figure 3.9 shows that between July 2019 and June 2020, almost two fifths (39%) of female employees (around 5.4 million) were reported to work part-time. Women are over-represented in low-earning occupations such as Elementary (68%), Sales and Customer service (59%) and Caring, Leisure and other service (45%) compared with the economy overall (39%). By contrast, females working as part-time employees are almost half as likely (20%) to be employed in the highest-earning occupational category (Managers, Directors and senior officials).

<sup>&</sup>lt;sup>74</sup> IPPR (2015) Who's breadwinning in Europe? A comparative analysis of maternal breadwinning in Great Britain and Germany, IPPR. Available: http://www.ippr.org/files/publications/pdf/whos-breadwinning-in-europe-oct2015.pdf?noredirect=1

<sup>&</sup>lt;sup>75</sup> Jones, L (2019) *Women's Progression in the Workplace*, Government Equalities Office. Available: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.p

<sup>&</sup>lt;sup>76</sup> ONS (2019) UK Labour Market, March 2019 statistical bulletin, Office for National Statistics. Available: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/ma

<sup>77</sup> Miani, C and Hoorens, S. (2014) Parents at work: men and women participating in the labour force. Short statistical report No.2 Prepared for the European Commission Directorate General-Justice and Fundamental Rights. RAND Europe. <sup>78</sup> Olsen, W., Gash, V., Sook, K., Zhang, M. (2018) The Gender Pay Gap in the UK: evidence from the UKHLS, Government

Equalities Office. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment data/file/706030/Gender pay gap in

the UK evidence from the UKHLS.pdf <sup>79</sup> Bessa, I., Tomlinson, J (2017) Established, accelerated and emergent themes in flexible work research, *Journal of Industrial* Relations, 59 (2): 153-169

<sup>&</sup>lt;sup>80</sup> Mascherini, M., Bisello, M., Leston, I (2016) *The gender employment gap: Challenges and solutions*, Eurofound. Available: https://www.eurofound.europa.eu/sites/default/files/ef publication/field ef document/ef1638en 1.pdf

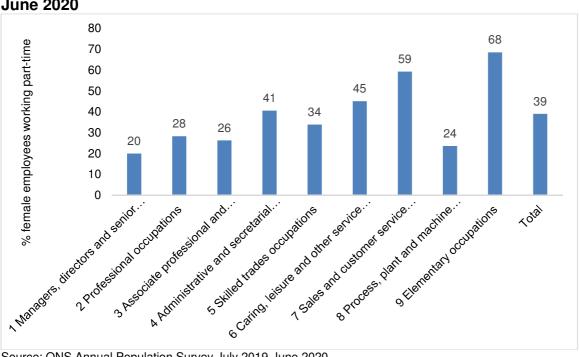


Figure 3.9: Proportion of female employees working part-time by occupation July 2019-June 2020

Source: ONS Annual Population Survey July 2019-June 2020.

https://www.nomisweb.co.uk/datasets/aps210/reports/employment-by-status-and-occupation?compare=K02000001

Part-time employment among females with children aged 18 and under has remained relatively stable over the past two decades, rising from 2.34 million in 1997 to 2.5 million in 2017. The number of females with children aged 18 and under who are in full-time employment, however, increased by around 860,000 over the past two decades (from 1.4 million in 1997 to 2.29 million in 2017).81

In some jobs, a so-called 'pay penalty' is demanded when individuals want fewer hours or more flexibility in their hours. Workers are offered an effective 'pay premium' when they are willing to work continuously or are available at certain times of the day. Jobs where work can be substituted across employees tend to have more flexibility and represent greater gender equality.<sup>82</sup> When work can be coordinated among teams and employers are not dependent on one individual employee to get the work done, employees can work more flexibly.83 Ways to achieve this include increasing teamwork and convincing clients they can rely on other members of the team, encouraging mentoring and using technology to share and coordinate work.84

<sup>81</sup> ONS (2019) Families and the labour market, series dataset, Office for National Statistics:

https://www.ons.gov.uk/file?uri=%2femploymentandlabourmarket%2fpeopleinwork%2femploymentandemployeetypes%2fdatase ts%2ffamiliesandthelabourmarketenglandlfstimeseriesdatasets%2f1996to2018/familiesandthelabourmarkettimeseriesdataset.xls

<sup>82</sup> Goldin, C. (2014) A Grand Gender Convergence: Its Last Chapter, American Economic Review 2014, 104(4): 1091-1119 https://scholar.harvard.edu/files/goldin/files/goldin aeapress 2014 1.pdf

<sup>83</sup> Behson, S. (2014) Increase workplace flexibility and boost performance, Harvard Business Review, March 2014; 2-4. Available: https://hbr.org/2014/03/increase-workplace-flexibility-and-boost-performance

<sup>&</sup>lt;sup>84</sup> Behson, S. (2014) Increase workplace flexibility and boost performance, *Harvard Business Review*, March 2014; 2-4. Available:

https://hbr.org/2014/03/increase-workplace-flexibility-and-boost-performance

Flexible working is described in the literature as a policy which supports the retention of women at work, enabling mothers to return to employment at a similar occupational level. For example, already senior women negotiating a reduction in working hours.

Flexible working policies are successful when employers perceive flexibility as valuable and provide a supportive workplace culture, responding to changing needs for flexible working over the course of individual's working lives.<sup>85</sup>

Flexible working policies may be more limited in driving progression in the workplace, however.<sup>86</sup> It is likely that some stigma persists around flexibility in workplaces and that in many cases this may be gendered. Encouraging a more diverse group of individuals to work flexibly will help improve gender equality and reduce gender stereotypes and traditional gender norms.

Encouraging all employees to work flexibly can lead to reducing workplace stigma among those working flexibly specifically for family-related purposes. Thus work culture ultimately shifts away from the 'ideal worker,' expected to be present in the office, working long hours with no other commitments outside work.<sup>87</sup> <sup>88</sup>One study reports a lack of evidence in this area.<sup>89</sup> Understanding the extent to which the Covid-19 restrictions and 'work from home' guidance has affected perceptions of career consequences and challenged 'presenteeism' cultures in workplaces will be important in building upon progress made since the 2014 regulatory extension.

#### Summary

Access to flexible working arrangements has the potential to reduce employment and pay gaps among groups at risk of exclusion from the labour market by helping employees balance work and other commitments outside work. The right to request legislation is seen as an important policy in enabling individuals to negotiate their working hours with their employer and access new working arrangements. Access to high quality, part-time work is more limited, however, with disproportionately large volumes of females employed in part-time occupations that are low-skilled and low-paid. Opening-up more occupations to flexible working opportunities could go some way to preventing individuals from 'trading in' skilled jobs for work that pay less but offers greater flexibility. Developing a better understanding of how to encourage employers to create environments where flexible working can be accommodated and to reduce perceived stigma of working flexibly is crucial in effecting cultural change.

<sup>&</sup>lt;sup>85</sup> Mascherini, M., Bisello, M., Leston, I (2016) *The gender employment gap: Challenges and solutions*, Eurofound. Available: <a href="https://www.eurofound.europa.eu/sites/default/files/ef-publication/field-ef-document/ef1638en-1.pdf">https://www.eurofound.europa.eu/sites/default/files/ef-publication/field-ef-document/ef1638en-1.pdf</a>

<sup>&</sup>lt;sup>86</sup> Jones, L (2019) Women's Progression in the Workplace, Government Equalities Office. Available: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.p

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf

<sup>&</sup>lt;sup>87</sup> Cech, E. A., & Blair-Loy, M. (2014). Consequences of flexibility stigma among academic scientists and engineers. *Work and Occupations*, *41*(1), 86–110.

<sup>&</sup>lt;sup>88</sup> Williams, J., Blair-Loy, M., & Berdahl, J. L. (2013). Cultural schemas, social class, and the flexibility stigma. *Journal of Social Issues*, *69*(2), 209–234.

<sup>&</sup>lt;sup>89</sup> Jones, L (2019) Women's Progression in the Workplace, Government Equalities Office. Available: <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf</a>

# 4. The effects of extending the 2014 right to request flexible working on employers

12. Are employers aware of the right to request extension of flexible working to all employees?

Employer awareness is key to the success of the flexible working right to request legislation, so that they can advise staff of options available. Half of workplaces in 2018-19 were aware of the regulatory extension of the right to request flexible working to all employees with 26 weeks continuous service. When employers were asked about the 2009 extension to cover employees with dependents under 17 years, a similar proportion were aware of this change in 2013 (51%). Table 4.1 below shows that by size of workplace, larger employers of over 250 employees (87%) were more likely to report awareness of the legislative change, than organisations of between 5-49 staff (47%).

Table 4.1: Awareness of 2014 changes to flexible working legislation by employer size

	2018-19
Small (5-49 employees)	47%
Medium (50-249 employees)	73%
Large (250 or more employees)	87%
Economy average	50%

Source: Management and Wellbeing Practices survey, 2018-19. Base: all workplaces of 5 or more employees in Britain, 2,497.

Figure 4.1 shows variation by sector in awareness of the 2014 extension of the right to request flexible working. Employers in the Public administration and defence sector are more likely (70%) to be aware of the widening in eligibility of the right to all employees with 26 weeks than employers in Construction (34%)\*, Hotels and Restaurants (45%), and Manufacturing sector (46%).

<sup>90</sup> Lyonette, C., Baldauf, B. (2019) Family friendly working policies and practices: Motivations, influences and impacts for employers, Government Equalitites Office. Available: <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840061/Warwick\_Final\_Report\_1610.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840061/Warwick\_Final\_Report\_1610.pdf</a>

<sup>&</sup>lt;sup>91</sup> BIS (2013) *The Fourth Work-Life Balance Employer Survey*, Department for Business, Innovation and Skills. Available: <a href="https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/398557/bis-14-1027-fourth-work-life-balance-employer-survey-2013.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/398557/bis-14-1027-fourth-work-life-balance-employer-survey-2013.pdf</a>

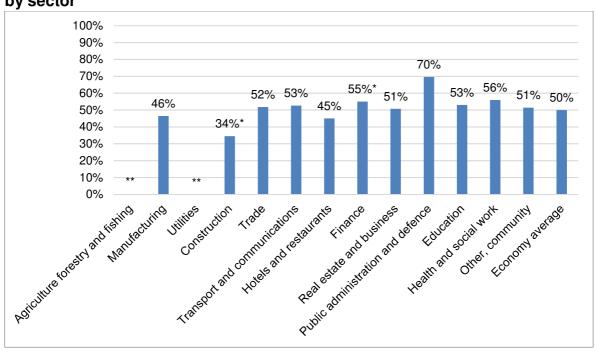


Figure 4.1: Employer awareness of flexible working 2014 extension to all employees by sector

Source: Management and Wellbeing Practices survey, 2018-19.

Base: all workplaces of 5 or more employees in Britain, 2,499.

Six in ten employers (60%) with union recognition reported awareness of the extension of the right to request flexible working to all employees.

Employers that reported any employees that were members of a trade union or independent staff association (60%) were more likely to be aware of the extension in eligibility of the right to request flexible working than employers that had no employees that were members of a union (39%).

#### Summary

Half of employers in Britain report awareness of changes to the flexible working legislation, namely the extension to all employees with 26 weeks continuous service. There is a marked variation in awareness of the flexible working regulations by workplace size and sector.

13. Are employers making flexible working arrangements available to their staff since the right to request extension? Are more employers reporting take-up among staff? Have employers perceived a change in working patterns among employees since the extension?

<sup>\*</sup>indicates unweighted response count of 30-50 employees. Please treat result with caution.

Access to flexible working is important for work-life balance.<sup>92</sup> The availability of workplace flexibility is positively related to employee engagement and self-reported job performance.<sup>93</sup> In being offered flexible working, employees perceive that employers care about their wellbeing which makes them feel satisfied at work.<sup>94</sup>

In 2018-19, most workplaces in Britain (96%) offered *at least one form* of flexible working arrangement. This question was changed slightly in the 2018-19 survey of employers which means that unfortunately the result cannot be directly compared with 2013, prior to the regulatory extension or by type of flexible working arrangement.<sup>95</sup>

Table 4.2 shows that larger employers of 250 or more staff were more likely to report flexible working available (100%) compared with smaller employers of 5-49 employees (95%).

Table 4.2: Availability of flexible working by employer size, 2018-19

	2018-19
Small (5-49 employees)	95%
Medium (50-249 employees)	99%
Large (250 or more employees)	100%
Economy average	96%

Source: Management and Wellbeing Practices survey, 2018. Base: all workplaces of 5 or more employees 2018 2,499

In 2018-19, almost all workplaces operating in the Public Administration and defence, Education and Hotels and Restaurants sectors report at least one flexible working arrangement available in 2018. Employers in the Construction (93%), Finance (91%\*) and Trade (93%) sectors are less likely to have at least one flexible working arrangement available than the economy average (96%), however.

<sup>&</sup>lt;sup>92</sup> IPPR (2015) Who's breadwinning in Europe? A comparative analysis of maternal breadwinning in Great Britain and Germany, IPPR. Available: <a href="http://www.ippr.org/files/publications/pdf/whos-breadwinning-in-europe-oct2015.pdf?noredirect=1">http://www.ippr.org/files/publications/pdf/whos-breadwinning-in-europe-oct2015.pdf?noredirect=1</a>

<sup>&</sup>lt;sup>93</sup> Bal, P.M., and De Lange, A.H. (2014) 'From flexibility human resource management to employee engagement and perceived job performance across the lifespan: A multi-sample study' *Journal of Occupational and Organisational Psychology*, Vol 88, Issue 1: pp 126–154.

<sup>&</sup>lt;sup>94</sup> Galea, C., Houkes, I., De Rijk, A. (2014) An insider's point of view: how a system of flexible working hours helps employees to strike a proper balance between work and personal life, *International Journal of Human Resource Management* 25 (8):1090-

<sup>&</sup>lt;sup>95</sup> Availability of flexible working question was changed in 2018 to ask if a practice was available among respondents saying 'no' or 'don't know' to any of the listed practices being used. In 2013, respondents were asked about availability of each practice not used.

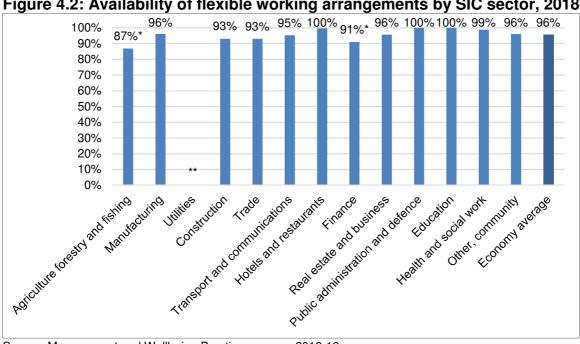


Figure 4.2: Availability of flexible working arrangements by SIC sector, 2018-19

Source: Management and Wellbeing Practices survey, 2018-19.

A small number of workplaces report flexible working arrangements were not offered to staff. Reasons given were that flexible working arrangements were 'not feasible/compatible' with the nature of the work and they 'did not fit with the culture of the business.'

In terms of take-up, a majority of employers in 2018-19 (86%) reported at least one staff member taking up a flexible working arrangement. Table 4.3 shows that there is variation in take-up of flexible working by workplace size. Smaller employers of 5-49 staff are less likely (85%) to report any staff taking up a flexible working arrangement compared with their larger counterparts (99% take-up among large workplaces).

Table 4.3: Take-up of flexible working by employer size

	2018-19
Small (5-49 employees)	85%
Medium (50-249 employees)	96%
Large (250 or more employees)	99%
Economy average	86%

Source: Management and Wellbeing Practices survey, 2018-19.

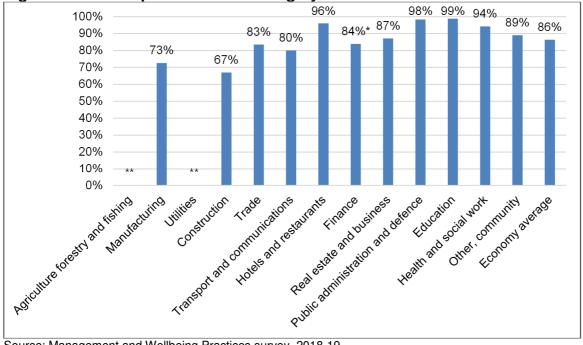
Base: all workplaces of 5 or more employees 2018 2,497

Figure 4.3 shows that there are differences in the take-up of flexible working arrangements by industrial sector. Employers in Education (99%), Public administration and defence (98%) and Hotels and restaurants (96%) sectors are more likely to report any staff taking up a flexible working arrangement than workplaces in the Construction (67%), Manufacturing (73%) and Transport and communications (80%) sectors.

Base: all workplaces of 5 or more employees in Britain, 2,499.

<sup>\*</sup>indicates unweighted response count of 30-50 employees. Please treat result with caution.

Figure 4.3: Take-up of flexible working by SIC sector



Source: Management and Wellbeing Practices survey, 2018-19.

Base: all workplaces of 5 or more employees 2,499

The low proportion of workplaces reporting any flexible working in Construction may be partially accounted for by a larger share of self-employed workers (who have the independence to set their own working arrangements) in the sector for April-June 2019 (40%) compared with the UK economy average (15%).96

Take-up of any flexible working arrangement other than part-time was more commonly reported among employers in London (76 per cent) and the East of England (67 per cent), compared with other regions in England and Scotland and Wales (where this ranged between 53 per cent and 61 per cent). However, if part-time work is included, less variation by region is apparent.

Take-up of flexible working was greater among workplaces with a recognised union (92%) than the economy overall (86%).

Table 4.4 shows changes over time in the take-up of flexible working according to employers, by type of arrangement. Most forms of flexible working have seen increases in take-up over time. Working a compressed week, reduced hours, flexitime and working from home all report increases between 2013 and 2018-19. All differences reported are statistically significant except for job sharing.

<sup>&</sup>lt;sup>96</sup> ONS (2019) *Employees and self-employed by industry*, Office for National Statistics. https://www.ons.gov.uk/file?uri=/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/employee sandselfemployedbyindustryemp14/current/emp14aug2019.xls

Table 4.4: Proportion of workplaces with at least one employee taking up of flexible working, 2013 and 2018-19

	2013	2018-19	+/-
Job-sharing	12%	11%	-1%
Flexitime	29%	34%	+5%
Compressed week	13%	19%	+6%
Working reduced hours	29%	34%	+5%
Working from home	14%	19%	+5%
School term-time	13%	16%	+3%
Annualised	6%	8%	+2%
Part-time	80%	75%	-5%

Source: Management and Wellbeing Practices Survey 2018-19 Base: all workplaces of over 5 staff 2013 2,011; 2018-19 2,499.

There were fewer workplaces reporting staff working part-time since the right to request was extended to all employees. This may reflect the increasing diversity in flexible working arrangements being taken up by employees over the time period.

In around a fifth of workplaces (22%), managers thought in 2018-19 the percentage of employees with flexible working arrangements had increased over the past 5 years, prior to the extension of the right to request flexible working to all employees.

Employer survey data from 2018-19 indicates that availability, awareness and take-up of flexible working is less common among smaller workplaces. One study notes that access to and use of flexible working can depend on differing organisational contexts.<sup>97</sup> Qualitative research among small IT firms in Canada suggests smaller workplaces tend to have more limited HR function and policies to arrange and encourage staff to take up flexible working opportunities. It may be necessary to approach the firm owner when asking for flexible working in smaller firms which could prove problematic for staff. Additionally, there may be some conditions placed on staff working flexibly to 'make up time' for time spent out of the office to help with providing cover.<sup>98</sup>

### Summary

The availability of at least one form of flexible working arrangement within workplaces is almost universal across the British economy, according to employers. Take-up of flexible working remains largely similar to figures reported in 2014, however some improvements have been seen among employers in terms of adopting some types of working patterns such as working a compressed week, flexitime and working from home. There are differences reported across the economy, with small employers less likely to have any staff members working flexibly.

14. To what extent are employers providing organisational policies and taking steps to promote flexible working at their workplace?

<sup>&</sup>lt;sup>97</sup> Bessa, I., Tomlinson, J (2017) Established, accelerated and emergent themes in flexible work research, *Journal of Industrial Relations*, 59 (2): 153-169

<sup>&</sup>lt;sup>98</sup> Gordon, C. (2014) Flexible Workplace Practices: Employees' Experiences in Small IT Firms. *Relations Industrielles / Industrial Relations*;69(4):766-784.

Gordon, C., McMullin, J., Adams, T (2015) Flexible small firms? Why some small firms facilitate the use of flexible workplace policies, *Canadian Journal of Sociology*, 40 (1):1-24

The existence of a dedicated HR policy on flexible working that is made available to staff can influence the extent to which flexible working is carried out within organisations.<sup>99</sup> Six in ten employers in Britain are providing written organisational policies on flexible working for their staff in 2018-19 (see Table 4.5). This has risen by nine percentage points since 2013, prior to the extension of the right to request flexible working to all employees in 2014.

Table 4.5: Proportion of workplaces covered by a written policy on flexible working

	2013	2018-19
Yes	52%	61%
No	37%	26%
Don't know	12%	12%

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces with at least 5 staff where flexible working available 2013 1,975; 2018 2,434

The vast majority (93%) of larger workplaces reported in 2018-19 that they had a written policy on flexible working practices, which is far greater than smaller counterparts (58% of establishments with 5-49 staff).

Table 4.6: Written policies on flexible working by organisational size, 2018-19

	2018-19
Small (5-49 employees)	58%
Medium (50-249 employees)	77%
Large (250 or more employees)	93%
Economy average	61%

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces of 5 or more employees reporting flexible working availability 2018-19, 2,432

Variations in the provision of written policies on flexible working can also be observed by industry sector, (Table 4.7). Written policies are more likely to be provided by employers in the Public administration and defence, Finance and Health and social work sectors. In contrast, Construction, Transport and communications and Manufacturing are less likely to have written policies on flexible working than the economy average (61%).

Table 4.7: Provision of written policies on flexible working by industry sector, 2018-19

	2018-19
Agriculture forestry and fishing	**
Manufacturing	54%
Utilities	**
Construction	44%*
Trade	59%
Transport and communications	50%
Hotels and restaurants	62%
Finance	80%*
Real estate and business	59%
Public administration and defence	88%
Education	58%
Health and social work	78%

<sup>&</sup>lt;sup>99</sup> Parry, J. (2017) *Employers, the right to request flexible working and older workers: Research Briefing*, Centre for Research on Ageing, University of Southampton

Other, community	64%
Economy average	61%

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces of 5 or more employees reporting flexible working availability 2018-19, 2,432

Lyonette (2019) notes the promotion of flexible working policies is critical to the success of flexible working in organisations. 100 There were just under a half of employers that said their managers actively promote flexible working and leave arrangements at the site. A greater share of workplaces in 2018-19 (48%) reported that their managers actively promote flexible working and leave arrangements than in 2013 (43%), prior to the extension of the right to request.

Table 4.8: Proportion of workplaces reporting their managers actively promote flexible

working and leave arrangements

	2013	2018-19
Yes	43%	48%
No	55%	47%
Don't know	1%	6%

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces with at least 5 staff where flexible working available 2013 1,975; 2018 2,434

Flexible working and leave arrangements are more likely to be promoted by larger workplaces of 250 or more staff than medium and smaller workplaces of fewer than 250 employees.

Table 4.9: Promotion of flexible working by organisational size, 2018-19

	2018-19
Small (5-49 employees)	47%
Medium (50-249 employees)	51%
Large (250 or more employees)	65%
Economy average	48%

Base: all workplaces of 5 or more employees reporting flexible working availability 2018-19, 2,432

Figure 4.4 shows that there are substantial differences in the promotion of flexible working opportunities as reported by employers, by industry sector. Public administration and defence sector clearly lead the way in this area, with over three quarters of employers (78%) actively promoting flexible working. On the other hand, less than a third of Manufacturing workplaces and four in ten Education and Transport and communications organisations report promotion activities.

<sup>&</sup>lt;sup>100</sup> Lyonette, C., Baldauf, B. (2019) Family friendly working policies and practices: Motivations, influences and impacts for employers, Government Equalitites Office.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840061/Warwick\_Final\_Repo rt 1610.pdf

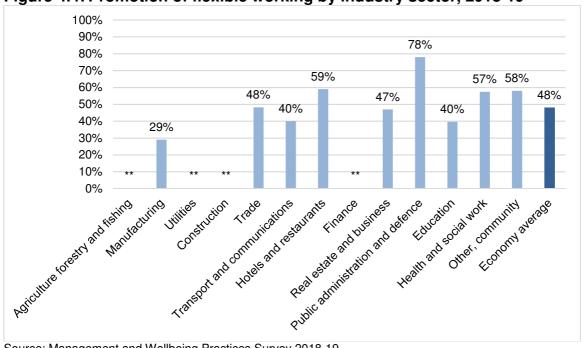


Figure 4.4: Promotion of flexible working by industry sector, 2018-19

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces of 5 or more employees reporting flexible working availability 2018, 2,432

#### Summary

More employers have written policies on flexible working for employees since the legislation was extended. Less than half of workplaces say their managers actively promote flexible working, although this has increased since the extension of the right to request to all employees.

There are differences in the percentage of workplaces with a written organisational policy and managers promoting flexible working by size and sector, suggesting varied practices and experiences in relation to the policy across the economy.

15. What are the barriers and enablers of accommodating flexible working in workplaces? How does this vary among workplaces?

When work culture accepts flexible methods of employment as part of an organisation's strategy, employees feel free to use them. 101 Employees that can manage their work-life balance well have been shown to perform better at work. 102 Research shows workplaces 'embracing' of flexible working demonstrated a higher frequency of supportive managers than in 'ambivalent' organisations. Supportive managers reported feeling empowered by senior management to adapt organisational systems and norms. Managers felt they had cultural

<sup>&</sup>lt;sup>101</sup> Galea, C., Houkes, I., De Rijk, A. (2014) An insider's point of view: how a system of flexible working hours helps employees to strike a proper balance between work and personal life, *International Journal of Human Resource Management* 25 (8):1090-1111.

<sup>&</sup>lt;sup>102</sup> Clarke, S., Holdsworth, L. (2017) Flexibility in the workplace: Implications of flexible work arrangements for individuals, teams and organisations, ACAS.

support to act and implement arrangements. There was also a shared belief that employees could be trusted to determine for themselves the best way to get the work done.<sup>103</sup>

The 2018-19 Management and Wellbeing Practices survey asked employers offering flexible working who at their workplace tended to make decisions on accepting requests. As per Table 4.10, in almost six in ten workplaces senior management make decisions regarding granting flexible working requests. In a further fifth of establishments (19%), a line manager or supervisor is responsible for decision-making relating to flexible working.

The wording of this question was updated in 2018-19 to make it easier for respondents. This question change therefore means that we cannot directly compare results over time.

Table 4.10: Staff making decisions on whether to accept a flexible working request

	2018-19
A Line Manager or Supervisor	19%
Someone with HR responsibilities	6%
Senior Management	57%
Or does it vary	14%
Other or don't know	4%

Source: Management and Wellbeing Practices survey 2018-19

Base: all workplaces of 5 or more employees with at least one form of flexible working available, 2013 1,975; 2018-19 2,434

On the one hand, a line Manager or Supervisor making decisions on accepting requests is more likely to be reported among larger workplaces of over 250 staff (52%) than smaller employers of 5-49 staff (18%). On the other hand, Senior Management tend to make decisions on accepting requests among smaller workplaces (59%), compared with their larger counterparts (20%).

The majority of employers say that decisions around flexible working in workplaces varies between teams or departments. Just under a quarter of workplaces use a set procedure that is specified for the site as a whole (Table 4.11). This question had some slight improvements to the wording which means direct comparisons to results over time is unfortunately not possible.

Table 4.11: How are decisions about flexible working made in workplaces

	2018-19
Using a set procedure that has been specified for the site as a whole	23%
Using procedures that vary between teams or departments	5%
Or does it vary depending on circumstances?	65%
Mixture, varies, other	1%
Don't know	6%

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces of 5 or more employees with at least one form of flexible working available, 2013 1,975; 2018-19 2,434

Larger establishments of more than 250 staff are three times as likely to report using a set procedure that has been specified for the site as a whole (61%) than smaller establishments of 5-49 staff (20%). Smaller employers are more than twice as likely to say that decisions about flexible working vary depending on circumstances (67%) than larger employers of more than 250 employees (31%). Variation in decision-making is also less commonly reported among employers in Public administration and defence (34%) than the economy average (65%).

 $<sup>^{103}</sup>$  Kossek, E.E., Ollier-Malaterre, A., Lee, M.D., Pichler, S., and Hall, D.T. (2016)

<sup>&#</sup>x27;Line managers' rationales for professionals' reduced-load work in embracing and Ambivalent organisations,' *Human Resource Management*, vol 55, issue 1. https://doi.org/10.1002/hrm.21722

In-depth workplace case studies carried out for this review found that employers were eager to approve flexible working requests as much as company finances, job role and staff resourcing allowed. Some senior managers interviewed supported flexible working because it helped attract and retain staff and enhanced job performance. However, senior managers also had to consider resourcing as they felt it was unfair to approve a request that would create a burden for another colleague(s). Accommodating flexible working could present challenges for resourcing, particularly among smaller workplaces. 104

Financial resources were also considered. Finally, senior managers felt certain job roles were unsuitable for flexible working. Working flexibly was determined by customer need and whether roles required a constant presence in the office.

Barriers to accommodating flexible working cited in the literature include structural reasons such as physically demanding or customer-facing roles. Roles with greater interaction with patients or clients and/or the immediacy of the tasks being performed can mean employers perceive greater physical barriers to accommodating flexibility, compared with office-based roles. 105 By type of flexible working, recent analysis has shown that there is variation across and within occupations and industries in terms of the share of tasks that can be done from home. 106

A BEIS qualitative study found a lack of awareness of flexible working in the Manufacturing sector, in terms of how it can work in practice in firms and low awareness of business benefits among senior management and staff.

Other qualitative research also showed line managers have considerable influence in the likelihood of employees changing their working arrangements in some workplaces. 107 In-depth interviews with fathers and mothers found some evidence access to flexible working in practice depended on whether line managers were supportive. 108 Some managers were reported to perceive that certain roles (at higher grades) required staff to work full-time. 109 In smaller organisations, one paper notes some bias in accommodating flexible working.'110

<sup>105</sup> Mercer, D., Russell, E., Arnold, K. (2014) Flexible Working Arrangements in Healthcare, *Journal of Nursing Administration*: 44(7/8) 411-416;

IFF research (2017) Employer experiences of recruiting, retaining and retraining older workers: Qualitative research, Department for Work and Pensions, available:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/584448/employer-experiences-of-recruiting-

retaining-and-retraining-older-workers.pdf

106 Adams-Prassl, A., Boneva, T., Golin, M. and Rauh, C. (2020) Work Tasks That Can Be Done From Home: Evidence on the Variation Within and Across Occupations and Industries WP Number: 2023

<sup>107</sup> IFF research (2017) Employer experiences of recruiting, retaining and retraining older workers: Qualitative research, Department for Work and Pensions, available:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/584448/employer-experiences-of-recruitingretaining-and-retraining-older-workers.pdf

Parry, J. (2017) Employers, the right to request flexible working and older workers: Research Briefing, Centre for Research on Ageing, University of Southampton

<sup>108</sup> Gatrell, C., Burnett, S., Cooper, C., Sparrow, P (2014) 'Parents, Perceptions and Belonging: Exploring Flexible Working among UK Fathers and Mothers,' British Journal of Management 25(3)

109 Clarke, S., Holdsworth, L. (2017) Flexibility in the workplace: Implications of flexible work arrangements for individuals, teams and organisations, ACAS.

110 Atkinson, C., Sandiford, P. (2016) 'An exploration of older worker flexible working arrangements in smaller firms', *Human* Resource Management Journal, Jan2016, Vol. 26 Issue 1, p12-28;

IFF research (2017) Employer experiences of recruiting, retaining and retraining older workers: Qualitative research, Department for Work and Pensions, available:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/584448/employer-experiences-of-recruitingretaining-and-retraining-older-workers.pdf;

Kossek, E.E., Ollier-Malaterre, A., Lee, M.D., Pichler, S., and Hall, D.T. (2016)

'Line managers' rationales for professionals' reduced-load work in embracing and

Manager training to prevent value judgements and unconscious bias can help improve consistency in flexible working implementation.<sup>111</sup>

# Summary

The majority of decisions made on flexible working requests are taken by senior management and vary depending on the circumstances. Developing consistency in approach and formalising decision-making when handling requests is important for transparency and fairness in access to flexible working opportunities. Some positions are more easily adapted to flexible working arrangements than others, depending on whether roles are customer facing, physically demanding or involve interdependent tasks within teams. Sharing best practice around job design and accommodating flexible working can help overcome barriers to access. Organisational leadership and the presence of supportive managers are crucial to developing a flexible working culture within workplaces.

16. Are more employers receiving requests from employees to work flexibly since the right to request extension?

The extension of the right to request was expected to lead to between 0.75 and 1.25 percentage point increase in additional requests.

In 2018-19, just under a third of all employers (30%) reported receiving any requests from staff to change their working pattern for 3 months or more in the 12 months prior to the survey. The mean number of requests received by employers in 2018-19 was 3.8. In 2013, the Worklife balance survey of employers reported a mean of 1 request per workplace. The mean staff of the survey of employers reported a mean of 1 request per workplace.

Figure 4.5 shows that, as to be expected, larger employers are understandably more than twice as likely to receive flexible working requests than smaller workplaces of 5-49 staff. By sector, flexible working requests are more common among employers in Education, Public administration and defence and Health and social work.

Ambivalent organisations, 'Human Resource Management, vol 55, issue 1. https://doi.org/10.1002/hrm.21722

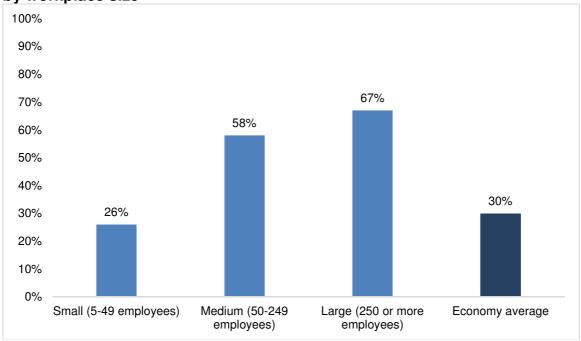
<sup>&</sup>lt;sup>111</sup> Mercer, M. (2017) Flexible working for parents returning to work: maintaining career development, Acas research paper. Available:

http://m.acas.org.uk/media/pdf/k/7/Flexible-working-for-parents-returning-to-work-maintaining-career-development.pdf

<sup>&</sup>lt;sup>112</sup> Unfortunately we cannot make a direct comparison over time, as in 2013, employers were only asked if they had received requests for practices which they had indicated were available, whereas in 2018 this question is asked of all employers with over 5 members of staff.

<sup>&</sup>lt;sup>113</sup> BIS (2013) *The Fourth Work-Life Balance Employer Survey*, Department for Business, Innovation and Skills. Available: <a href="https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/398557/bis-14-1027-fourth-work-life-balance-employer-survey-2013.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/398557/bis-14-1027-fourth-work-life-balance-employer-survey-2013.pdf</a>

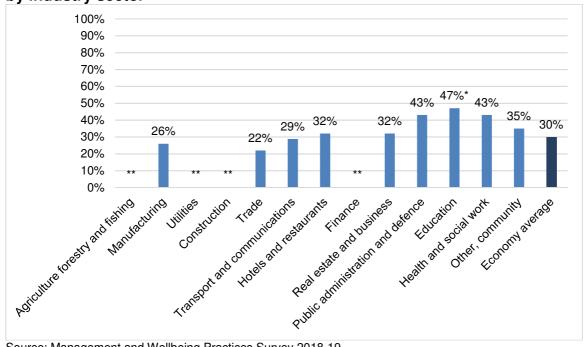
Figure 4.5: Employers receiving any requests from staff to change their working pattern by workplace size



Source: Management and Wellbeing Practices Survey 2018-19

Base: all employer with 5 or more staff, 2,487

Figure 4.6: Employers receiving any requests from staff to change their working pattern by industry sector



Source: Management and Wellbeing Practices Survey 2018-19

Base: all employers with five or more staff, 2,499

Table 4.12 shows the types of requests received by British workplaces and any changes since 2013, prior to the extension of the right to request flexible working to all employees with 26 weeks continuous service. The proportion of employers receiving flexible working requests increased since 2013 across most types of flexible working, particularly job sharing, working school term-time, working from home and annualised hours.

Table 4.12: Proportion of workplaces receiving requests by type of flexible working, 2013 and 2018-19

	2013	2018-19	+/- (%)
Work part-time	25%	23%	-2%
Job-sharing	6%	16%	+10%
Flexitime	21%	20%	-1%
Compressed week	17%	17%	
Working reduced hours	29%	36%	+7%
Working from home	22%	30%	+8%
School term-time	11%	20%	+9%
Annualised hours	5%	13%	+8%

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces with 5 or more employees where the specified flexible working arrangement is available.

#### Summary

Three in ten employers reported receiving any requests to work flexibly in 2018-19. Evidence suggests there has been an increase in the mean number of requests received by workplaces. There is variation in reported demand for flexible working by workplace size and sector. It is encouraging to see increases in employers receiving requests for different types of flexible working such as working from home, job-sharing and school term-time since the right to request legislation was extended to all eligible employees.

# 17. Are requests to work flexibly granted?

In the vast majority of workplaces (83%), where a request had been made the request was granted. Around one in ten employers reported turning down at least one flexible working request in 2018 and this has remained consistent over time, prior to the extension of flexible working right to request to all employees with continuous service.

Table 4.13: Proportion of employers turning down any requests, 2013-2018-19

2013	2018-19
9%	9%

Source: Management and Wellbeing Practices Survey 2018-19

Base: any employers receiving at least one request, 1,128 2013; 1,001 2018-19.

Larger employers of more than 250 staff were three times more likely (30%) to turn down a flexible working request than the economy average (9%). As mentioned previously, larger employers are more likely to receive any requests from staff. Education (15%), Public administration and defence (15%) and Manufacturing sector employers (14%) were also more likely to report turning down a flexible working request than workplaces overall (9%). Most common reasons given for refusal include operational reasons and disruption it would cause.

Table 4.14: reasons for turning down requests for flexible working, 2018-19

	2018-19
Business needs/operational reasons	30%
Disruption it would cause	23%

Unable to meet customer demand	11%*
Unable to re-organise work among	11%*
existing staff	1170

Source: Management and Wellbeing Practices Survey 2018-19 Base: any employers turning down requests for flexible working, 232.

# Summary

Less than one in ten employers have turned down a flexible working request in 2018-19 and this remains unchanged since the right to request legislation was extended to all employees with 26 weeks continuous service. Larger employers were three times as likely to report turning down a request than the economy average. Most common reasons given for refusal include operational reasons and disruption it would cause.

18. To what extent are employees making use of the statutory right to request procedure to work flexibly since June 2014?

In 2018-19, where workplaces had received at least one request, almost seven in ten (69%) received a request in writing. Over half (54%) of employers receiving requests reported that all requests for flexible working were made in writing. A quarter of employers receiving requests (25%) said that none of their requests for flexible working were made in writing. Larger workplaces of over 250 staff (84%) were more likely to report all requests being made in writing than smaller workplaces (48%). Smaller establishments (30%) were more likely to report receiving no requests in writing compared with the economy average (25%). Workplaces with a union presence were also more likely to report all requests being submitted in writing (76%) than employers without union recognition (48%).

In almost two fifths (38%) of workplaces where requests were received in writing, this led to a change in the terms and conditions to employee contracts. Larger workplaces of 250+ staff (32%) were less likely to report that all employee contracts were changed as a result of a written request than smaller and medium-sized establishments (38% respectively). A quarter of establishments (25%) reported that no changes were made to terms and conditions of employee contracts as a result of a written request. Smaller establishments of fewer than 50 employees were more likely to report no changes made to terms and conditions (27%) than their larger counterparts (12%).

#### Summary

Under four in ten employers (38%) receiving written requests using the statutory right reported that all requests led to a change in employment contract. Smaller employers were less likely to receive written requests or make changes to employment contracts than workplaces overall. A quarter of establishments receiving a written request reported no changes were made to terms and conditions of employee contracts.

19. Have employer attitudes towards flexible working arrangements changed since the widening of eligibility for the right to request in 2014? Do employers perceive flexible workers differently to other staff in terms of commitment, career and promotion prospects?

Over half of employers in 2018-19 are inclined to disagree with the statement that "it is not the employer's responsibility to help people balance their work with other aspects of their life," (as shown in Table 4.14).

Table 4.14: It's not the employer's responsibility to help people balance their work with

other aspects of their life

	2013	2018-19
Agree	25%	26%
Neutral	23%	17%
Disagree	52%	55%
Don't know	**	2%*

Source: Management and Wellbeing Practices Survey 2018-19

Unweighted base: all workplace with 5 or more employees 2013 2,011; 2018-19 2,499

Almost two thirds of employers (65%) agree that flexible working practices are not just for parents and carers. Fewer employers agree and more disagree that only parents and carers benefit from flexible working practices (see Table 4.15) since the right to request was extended in 2014, a statistically significant finding.

Table 4.15: It is really only parents and carers that benefit from flexible working practices

	2013	2018-19
Agree	25%	22%
Neutral	15%	11%
Disagree	59%	65%
Don't know	**	3%

Source: Management and Wellbeing Practices Survey 2018-19

Unweighted base: all workplace with 5 or more employees 2013 2,011; 2018-19 2,499

This finding would suggest that there has been a modest shift in attitudes among employers that flexible working has benefits for a more diverse group of individuals beyond parents and carers. Table 4.16 shows that although not statistically significant, in 2018-19 fewer employers agree and more employers disagree that employees working flexibly causes resentment among other employees than in 2013, since the right to request flexible working was extended to all employees with 26 weeks continuous service.

Table 4.16: When some employees take up flexible working practices, it causes resentment among other employees

	2013	2018-19
Agree	33%	31%
Neutral	21%	17%
Disagree	45%	48%
Don't know	**	5%*

Source: Management and Wellbeing Practices Survey 2018-19

Unweighted base: all workplace with 5 or more employees 2013 2,011; 2018-19 2,499

The majority of employers (73%) believe that there are no issues with commitment to work among staff working flexibly. There has unfortunately been little change recorded over time in the proportion of employers that think that those who request to work flexibly are less committed to their work, (see Table 4.17).

Table 4.17: Often those who request to work flexibly are those who are less committed to their work

	2013	2018-19
Agree	13%	12%
Neutral	15%	12%
Disagree	70%	73%
Don't know	**	3%

Source: Management and Wellbeing Practices Survey 2018-19

Unweighted base: all workplace with 5 or more employees 2013 2,011; 2018-19 2,499

The extent to which employers associate flexible working with reduced commitment to their work could result in negative consequences and perceived stigma around arranging alternative working patterns.

When asked about promotion prospects, over two thirds of employers agree that flexible workers are as likely to be promoted as those who do not. There was a slight decrease over time in the proportion of employers that agreed that people who work flexibly are just as likely to be promoted as those who do not. This reduction forms part of an existing trend since 2007, where fewer employers have reported flexible workers are likely to be promoted as those who do not.

Table 4.18: People who work flexibly are just as likely to be promoted as those who do not

	2013	2018-19
Agree	73%	68%
Neutral	12%	12.7%
Disagree	13%	15.6%
Don't know	**	3.5%

Source: Management and Wellbeing Practices Survey 2018-19

Unweighted base: all workplace with 5 or more employees 2013 2,011; 2018-19 2,499

As observed earlier among some employees, a sizeable minority perceive negative consequences on their employer's perception of them as an employee and on their career and promotion prospects.

These findings suggest that there is more to be done to reduce perceptions of negative career consequences. One paper notes a lack of evidence on eliminating (perceived and actual) negative career consequences associated with flexible working or working part-time.<sup>114</sup> Creating workplace cultures supportive of flexible working is crucial to facilitate access to flexible working across the economy.<sup>115</sup>

115 Mascherini, M., Bisello, M., Leston, I (2016) *The gender employment gap: Challenges and solutions*, Eurofound.

<sup>114</sup> Jones, L (2019) Women's Progression in the Workplace, Government Equalities Office. Available: <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/840404/KCL\_Main\_Report.pdf</a>

# Summary

On the one hand, the majority of employers say they have a responsibility to help people achieve work-life balance. Since the right to request flexible working was extended to all eligible employees, more workplaces now agree that other employees, not just parents and carers benefit from flexible working since the right to request extension. Employers also tended to disagree that flexible workers are less committed to their work. On the other hand, a third of workplaces perceive flexible working results in resentment among other employees. The majority of employers agree that flexible workers are just as likely to be promoted. More research is needed on how to eliminate negative consequences of flexible working within workplaces.

20. To what extent are employers experiencing improvements at their workplace as a result of employees working flexibly?

A 2014 literature review of evidence suggests a significant and positive relationship between various flexible working practices and business performance.<sup>116</sup>

We asked employers the extent to which they perceive positive or negative effects in relation to flexible working practices at their workplace. Figure 4.7 shows that in 2018-19, more than six in ten employers report positive effects of flexible working on employee relations and staff motivation and commitment.

Just under half of workplaces perceive positive effects of flexible working practices on reducing absenteeism and productivity. A large minority of employers report positive effects on ease of recruitment, reducing labour turnover and customer service.

Fewer employers in 2018-19 note positive improvements to reducing labour turnover, reducing absenteeism and on employee relations more generally since 2013, prior to the extension of the right to request flexible working.

There were no statistically significant changes in the share of managers perceiving negative or no effects. There were typically small increases in the proportion of employers saying 'don't know.' It can be said the reduction in positive effects are driven by a rise in 'don't know' responses.

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/323290/bis-14-903-costs-and-benefits-to-business-of-adopting-work-life-balance-working-practices-a-literature-review.pdf

<sup>&</sup>lt;sup>116</sup> Smeaton, D (2014) Costs and benefits to business of adopting work-life balance working practices: a literature review, Department for Business, Innovation and Skills. Available:

100% <mark>4%</mark> 10% 10% 90% 3<mark>3%</mark>35% 80% 42%<sub>39%</sub> 36% 70% 39% 41% 60% 50% 12% 40% 68%63% 67%62 30% 5<mark>8%</mark>49% 49%48% 20% 10% Juling labout turnovet 2018 poyes leisuurs Lung John Motivation & confinition to 13 c A Motivation & commitment 2018 June dustritus disente dem 2018 Ease of recruitment 2013 Ediseaning to 1 Street of the Reducing about the rest of the second of the Fludoyes testing 5013 Reducing absenteeism 2013 0% Productivity 2018 Customer service 2018 Productivity 2013 ■ Positive effect ■Negative effect ■ No effect ■ Don't know/Not applicable

Figure 4.7: Perceived effects of flexible working among employers, 2013 and 2018-19

Source: Management and Wellbeing Practices Survey 2018-19

Base: all workplaces with 5 or more employees 2013 2,011; 2018-19 2,499.

Overall, the majority of evidence suggests a significant and positive relationship between various flexible working practices and business performance.<sup>117</sup>

Senior managers interviewed for this review observed the positive effect flexible working had on staff's work-life balance. They noted that improved work-life balance meant employees felt happier and, when employees were happy, their performance at work improved (both in terms of amount of work and quality of work produced).

As employees were able to achieve a work-life balance that suited them, senior managers felt that staff were loyal as they felt they were treated well. Senior managers also indicated that the offer of flexible working was an important tool in attracting new staff.

Flexible working arrangements have been significantly associated with reducing staff turnover, reducing it by around 5%. Some studies in the literature reported benefits of flexible working can include increases in productivity, profit and organisational performance associated with flexible working.

<sup>&</sup>lt;sup>117</sup> Smeaton, D (2014) Costs and benefits to business of adopting work-life balance working practices: a literature review, Department for Business, Innovation and Skills. Available:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/323290/bis-14-903-costs-and-benefits-to-business-of-adopting-work-life-balance-working-practices-a-literature-review.pdf

<sup>&</sup>lt;sup>118</sup> Stavrou, E. (2005) Flexible work bundles and organizational competitiveness: a cross-national study of the European work context. *Journal of Organisational Behaviour*, 26, 923–947;

Peretz, H., Fried, Y. and Levi, A. (2018) Flexible work arrangements, national culture, organisational characteristics, and organisational outcomes: A study across 21 countries. *Human Resource Management Journal*, 28(1): 182-200 

119 Shepard, E., Clifton, T. and Kruse, D. (1996) 'Flexible work hours and productivity: Some evidence from the pharmaceutical industry', *Industrial Relations*, Vol.35, Issue 1: pp.123-39 and Perry-Smith, J.E. and Blum, T.C. (2000) 'Work-life human resource bundles and perceived organisational performance', *Academy of Management Journal*, Vol.43, Issue 6: pp.1107-1117 cited in Clarke, S., Holdsworth, L. (2017) *Flexibility in the workplace: Implications of flexible work arrangements for individuals*, *teams and organisations*, ACAS, pp. 14.

It is important to note that the extent to which business improvements can be attributed to the 2014 extension of the flexible working regulations is problematic, however, particularly given wider economic conditions that play a part in driving firm performance and productivity.

# Summary

Overall, the majority of evidence suggests a significant and positive relationship between various flexible working practices and business performance. Employers have seen improvements in staff motivation and employee relations as a result of flexible working. Employees working flexibly are better able to combine work with other commitments and achieve a better work life balance, reporting higher levels of organisational commitment than non-flexible workers

Flexible working practices can have a positive effect on perceptions of the ability to recruit and lower sickness and absence rates. Just under half of employers note improvements on productivity and reducing absenteeism as a result of flexible working practices. Flexible hours arrangements have been significantly associated with annual staff turnover. This can in turn yield savings in finding and hiring replacement workers. A large minority of employers perceive positive effects on ease of recruitment and customer service. It remains difficult to isolate the effects of flexible working legislative changes to business performance and productivity.

21. Do administrative costs from the adoption of flexible working arrangements represent any unreasonable burden on business since the right was extended?

Annual procedural costs to business in the original impact assessment were estimated to be around £24 million a year. The extension of the legislation was expected to lead to 0.75-1.25 percentage point increases in additional requests.

As mentioned previously, the mean number of requests received by employers in 2018 was 3.8. In 2013, the Work-life balance survey of employers reported a mean of 1 request per workplace prior to the extension of the legislation. 120

Despite volumes of requests reported per workplace, with regards to the costs and burdens, senior managers we spoke to (albeit small in number) had not substantially changed their handling procedures following the right to request legislation, so they did not feel there were any changes in this regard. This suggests that costs or burdens of handling requests may have been offset by the fact that businesses have not had to change their processes.

Prior to the extension of the right to request flexible working, a literature review found that many employers do not experience burdens and very few costs are incurred in handling and accommodating flexible working requests.<sup>121</sup>

<sup>&</sup>lt;sup>120</sup> BIS (2013) *The Fourth Work-Life Balance Employer Survey*, Department for Business, Innovation and Skills, pp. 183. Available: <a href="https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/398557/bis-14-1027-fourth-work-life-balance-employer-survey-2013.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/398557/bis-14-1027-fourth-work-life-balance-employer-survey-2013.pdf</a>

<sup>&</sup>lt;sup>121</sup> Smeaton, D (2014) *Costs and benefits to business of adopting work-life balance working practices: a literature review*, Department for Business, Innovation and Skills.

Qualitative interviews carried out for this review found that some workplaces were already implementing flexible working prior to the extension of the request to all employees with continuous service. Many workplaces were already handling requests from parents and carers prior to the legislative change. During the course of this review no evidence has been found of unreasonable burdens on business since the right was extended.

#### Summary

This review has not found evidence of any unreasonable costs or administrative burdens on business resulting from the extension of the right to request flexible working to all employees with 26 weeks continuous service. Some employers recall making few changes, if any, to their working practices in relation to administering requests.

# 5. The effects of the 2014 extension of flexible working regulations on the Exchequer

22. Are individuals lodging complaints with Acas and/or the Employment Tribunal in relation to a flexible working request since the extension to all employees in 2014?

An employee can make a claim to an employment tribunal if their employer has breached procedural rules in relation to the flexible working legislation<sup>122</sup> or if the individual feels they have suffered a detriment or been unfairly dismissed because they asked for flexible working.

Annual ongoing Exchequer costs were predicted? to increase to £45,000 as a result of more employment tribunal claims in the impact assessment. It was estimated that the regulatory extension would lead to a small increase in claims, citing no significant increases in claims seen from the previous extensions of the legislation prior to 2014. Table 5.1 shows that the number of complaints to an employment tribunal in relation to the right to request flexible working has increased slightly (by nine percent) overall since 1st April 2014 prior to the regulatory extension. The number of cases falls below the assumptions made in the original Impact Assessment, (less than 150 additional complaints). The trends in complaints over time reflects similar trends seen across Employment Tribunal cases overall. Flexible working claims accounted for a small proportion (less than 1%) of all employment tribunal claims overall between 2014 and 2018.

Table 5.1: Employment Tribunal complaints in relation to flexible working regulations

Financial Year	Total Complaints	
2014-15	103	
2015-16	94	
2016-17	103	
2017-18	112	

Source: Ministry of Justice Official Statistics <u>Tribunal Statistics Quarterly.</u> Note: includes jurisdictional complaints received from both single and multiple claim applications received in the year.

<sup>122</sup> for example, where an employer has rejected an application on the basis of facts that are incorrect; ignored a request or treated it as withdrawn when they were not entitled to do so.

<sup>&</sup>lt;sup>123</sup> HMG (2012) *Modern Workplaces Consultation: Government response on flexible working impact assessment*, Department for Business, Innovation and Skills.

 $https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/82794/12-1270-modern-workplaces-response-flexible-working-impact.pdf\\$ 

Acas provide expert advice to employers and individuals in relation to a number of employment topics, including on implementing flexible working arrangements. Acas annual report outlines the number of meetings and telephone calls held where flexible working arrangements were discussed (see Table 5.2).

Table 5.2: Acas enquiries on implementing flexible working arrangements

	2014/15		2017-18	
	n	% of total	n	% of total
In-depth advisory meetings	77	5%	21	1%
In-depth advisory telephone calls	318	9%	150	4%

Source: Advisory, Conciliation and Arbitration Service: Annual Reports and Accounts <a href="https://www.acas.org.uk/index.aspx?articleid=5376">https://www.acas.org.uk/index.aspx?articleid=5376</a>

Both the number of meetings and telephone calls on the topic of flexible working have reduced since the right to request was extended to all employees. Contact with Acas in 2017-18 regarding implementing flexible working arrangements comprises a small proportion of the total amount of contact with Acas on employment topics overall. Given flexible working right to request legislation has been around in some form for nearly 20 years, a low level of enquiries may reflect experience gained in working with the legislation and that most employees and employers are able to negotiate arrangements without external support.

# Summary

Employment Tribunal claims on flexible working have seen modest increases and Acas enquiries on flexible working arrangements have reduced since the 2014 extension of the right to request to all employees with 26 weeks continuous service. The number of Employment Tribunal claims in relation to flexible working requests represent a small proportion of the overall total compared with other jurisdictional complaints received.

# 6. Have the assumptions underpinning the original impact assessment been realised?

23. Have employers experienced lower labour turnover and reduced vacancy costs since the extension of the right to request flexible working?

The econometric evidence shows that some flexible working practices are a benefit. Stavrou (2005) found that flexible hours arrangements were significantly associated with annual staff turnover, reducing it by around 5%. Case study evidence has shown cost savings in relation to staff turnover. 125

<sup>124</sup> Stavrou, E. (2005) Flexible work bundles and organizational competitiveness: a cross-national study of the European work context. *Journal of Organisational Behaviour*, 26, 923–947

<sup>&</sup>lt;sup>125</sup> Smeaton, D (2014) *Costs and benefits to business of adopting work-life balance working practices: a literature review*, Department for Business, Innovation and Skills. Available:

As seen previously, over four in ten employers (44%) reported that flexible working arrangements have a positive effect on labour turnover in 2018.

The original impact assessment assumed a saving of £8.4 million per year in reduced vacancy costs and increased labour retention. It was reported to cost around £6,315 to fill a post that becomes vacant (the cost of labour turnover per employee). Of this, £4,000 was the estimated cost of recruitment per employee based on 2009 estimates. In 2017, from the same source which we assume employed a similar methodology, the cost for hiring per employee was reported to be £2,000.  $^{127}$ 

Using the Annual Population Survey, it is possible to establish the proportion of employees in the economy who stay with the same employer from one year to the next. Exploring trends over time (see Table 6.1), employee retention rates have remained largely consistent since the extension of flexible working regulations to all employees. The share of employees overall in Britain staying with the same employer in the first reference period (66% 2012-13) and the second (64% 2017-18) is largely consistent.

Table 6.1: Employee retention rates in Britain, 2012-13 and 2017-18

	January-December 2012-	January-December 2017-18
	13	
Same employer-	66%	64%
percentage		

Source: ONS Annual Population Survey 2-year longitudinal dataset

Isolating changes in employee turnover to the right to request flexible working 2014 regulatory extension is problematic, however, given that there are many workplace factors affecting employee turnover at firm-level.

#### Summary

More than four in ten employers report positive effects of flexible working on staff turnover and evidence has demonstrated a significant association of flexible working on staff turnover. Indicative estimates from a membership survey suggest that employer costs of hiring workers may have reduced over time. Employee retention rates across the economy overall are relatively consistent over time, with just under two thirds of employees staying with the same employer from one year to the next. Attributing any changes in employee turnover to the legislative changes is difficult, however, given the numerous other factors that affect staff turnover.

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/323290/bis-14-903-costs-and-benefits-to-business-of-adopting-work-life-balance-working-practices-a-literature-review.pdf

<sup>&</sup>lt;sup>126</sup> HMG (2012) Modern Workplaces Consultation Government Response on Flexible Working: Impact Assessment, HM Government, pp. 65-66. Available:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/82794/12-1270-modern-workplaces-response-flexible-working-impact.pdf

<sup>&</sup>lt;sup>127</sup> Informal survey based on 1,068 responses. CIPD (2017) Resourcing and Talent Planning, Chartered Institute for Personnel Development. https://www.cipd.co.uk/lmages/resourcing-talent-planning 2017 tcm18-23747.pdf

24. Are employers reporting reduced absenteeism rates as a result of the extension of the right to request flexible working?

Absences may be reduced through flexible working either because of greater job engagement and commitment, or because the employee's ability to better balance competing pressures on time from home and work. The econometric evidence on flexible working and absenteeism is said to be mixed.<sup>128</sup>

The original impact assessment estimated that employers would benefit from reduced absenteeism as a result of widening the eligibility of the right to request (£1.4 million annually). As mentioned in section 4, just under half of employers (49%) reported reduced absenteeism as a result of flexible working. Fewer employers in 2018-19 reported positive improvements of flexible working on reducing absenteeism compared with 2013. However, the proportion of employers stating 'no effect' has increased over the period, from 4% in 2013 to 10% in 2018-19. The estimated benefits may therefore not have been realised by all employers reporting flexible working.

According to ONS data, sickness absence rates in the UK have remained consistent between 2013 and 2018 (2.0%). Employees took an average of 4.4 sickness absence days in 2018, consistent with 2013 (4.4 days),<sup>129</sup> prior to the extension of the right to request flexible working to all employees with continuous service.

# Summary

Around half of employers reported positive effects of flexible working on reducing absenteeism. The estimated benefits of flexible working on absenteeism may not have been realised across all employers reporting staff working flexibly in the economy. The econometric evidence on the association between flexible working and absenteeism is mixed. Sickness and absence rates have remained at relatively similar levels in the UK during the period of this review.

25. Have employers experienced cost savings through reduced administration since the code of practice was introduced?

Elements of the application process which make a flexible working request formal include:

- 1. The employee writes to the employer (only 1 request per year)
- 2. If the employer agrees to the request, they must change the terms and conditions in the employee's contract.

The prescribed process for handling requests has been replaced with a code of practice. The original impact assessment for the 2014 extension of the right to request assumed that 10% of requests would be formal under the new code of practice that was introduced. A move

<sup>&</sup>lt;sup>128</sup> Smeaton, D (2014) *Costs and benefits to business of adopting work-life balance working practices: a literature review*, Department for Business, Innovation and Skills. Available:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/323290/bis-14-903-costs-and-benefits-to-business-of-adopting-work-life-balance-working-practices-a-literature-review.pdf

<sup>129</sup> ONS (2019) Sickness absence in the UK Labour Market, Office for National Statistics. Available: <a href="https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/sicknessabsencein">https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/sicknessabsencein</a> thelabourmarket

to a new code of practice replacing a statutory process was expected to save employers £9.1 million a year.

Over half (54%) of employers reported that all requests for flexible working were made in writing. Almost four in ten employers (38%) receiving any written requests said that the request led to a change in employment contract in all cases.

The evidence suggests around 4% of employees make a statutory request to their employer per year. Of the requests received by employers, a greater proportion of written requests are received by workplaces than anticipated in the impact assessment prior to the legislative change. This is encouraging to see more formalised processes in place to allow for consistency and transparency in decision-making on flexible working.

The Government response to the consultation reported that over half of respondents were in favour of the code of practice replacing the statutory process. Reasons given were that the statutory process was unduly prescriptive and that the code of practice would increase flexibility for employers. A duty on employers was implemented to deal with requests in a 'reasonable' manner, and within a 'reasonable' period of time. The code of practice was deemed concise and easy to use for employers.

There has been no evidence to suggest that the code of practice has introduced any burdens on business. It is unlikely that employers have experienced any adverse effects on costs or administrative burden as a result of more formal requests, as there has been no change in employers offering flexible working opportunities. The code of practice introduced in 2014 was designed to reduce any burdens on business whilst maintaining employee protections.

### Summary

A greater number of formal requests for flexible working have been received by employers than anticipated in the original impact assessment. Despite reporting more formal requests, this review has not found any evidence of unreasonable burden on business. The new code of practice introduced at the time of the regulatory extension of the right to request was designed to reduce complexity and make the request process more straightforward for employees and employers.

26. Have there been any costs associated with making adjustments to working patterns since introduction?

Employers interviewed for this review mentioned that they have already been implementing flexible working in workplaces as the original right to request legislation has been established since 2002. The code of practice, designed to minimise administrative burdens on employers, was also introduced.

<sup>&</sup>lt;sup>130</sup> BIS (2012) *Modern Workplaces Consultation: Government Response on Flexible Working*, Department for Business Innovation and Skills.

 $https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/82793/12-1269-modern-workplaces-response-flexible-working.pdf\\$ 

The original impact assessment estimated £15.8 million in annual costs of making adjustments to working patterns. As mentioned previously, there have not been any reports of unreasonable cost burdens associated with making adjustments to working patterns since the extension of the right to request to all employees with continuous service. Given that the legislation operates on a right to request, employers can refuse an application if they have a good business reason for doing so. This includes the burden of additional costs.

#### Summary

This review has not found evidence of unreasonable cost burdens on employers resulting from administering or accommodating flexible working requests. The code of practice introduced as part of the legislation was designed to improve and 'streamline' the request process to make it easier for employers and employees. The right to request process has in-built flexibility to allow businesses to refuse a flexible working request if it is deemed to be too costly to accommodate. This ensures that costs of accommodating flexible working remain manageable for employers.

27. To what extent do employers report a positive impact of flexible working arrangements on productivity, as measured by percentage estimates of output gain?

The literature has demonstrated an association between flexible working and positive effects on productivity. 131132133 There is also evidence of benefits of flexible working practices and improved productivity at organisational level. 134

The original impact assessment for the 2014 regulatory extension calculated the net share of businesses at the time (36%) reported productivity improvements from flexible working arrangements. It assumed a 5-percentage point output gain would be achieved among these organisations. Annual ongoing benefits of increased productivity and profits was reported to be £36.8 million.

As mentioned previously, in 2018-19 just under half of employers with 5 or more employees (48%) perceived positive effects of flexible working arrangements on productivity. There is insufficient evidence to determine the extent of productivity increases (as measured by output gain) experienced by firms or profits (as measured by gross operating surplus) as a result of flexible working, however.

<sup>&</sup>lt;sup>131</sup> Shepard, E., Clifton, T. and Kruse, D. (1996) 'Flexible work hours and productivity: Some evidence from the pharmaceutical industry', *Industrial Relations*, Vol.35, Issue 1: pp.123-39.

<sup>&</sup>lt;sup>132</sup> Kossek, E.E. and Thompson, R.J. (2016) 'Workplace Flexibility: Integrating Employer and Employee Perspectives to Close the Research–Practice Implementation Gap'. In: T.D. Allen and L.T. Eby (Eds) *The Oxford Handbook of Work and Family*. New York: Oxford University Press.

<sup>&</sup>lt;sup>133</sup> See Annex G HMG (2012) Modern Workplaces Consultation Government Response on Flexible Working: Impact Assessment, HM Government, pp. 65-66. Available:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/82794/12-1270-modern-workplaces-response-flexible-working-impact.pdf

<sup>&</sup>lt;sup>134</sup> Kossek, E.E. and Thompson, R.J. (2016) 'Workplace Flexibility: Integrating Employer and Employee Perspectives to Close the Research–Practice Implementation Gap'. In: T.D. Allen and L.T. Eby (Eds) *The Oxford Handbook of Work and Family*. New York: Oxford University Press.

Non-monetised costs and benefits

28. To what extent are employers making savings from accommodating flexible working arrangements among its workforce? For example are wage bills or accommodation costs affected?

Since the Covid-19 restrictions and introduction of guidance encouraging working from home where possible, informal research polls indicate that some employers are planning to reduce office space as they consider health risks and cost savings. 135 The extent to which observed greater prevalence of remote working continues once Covid-19 restrictions are lifted remains to be seen.

29. Are there wider societal benefits experienced as a result of greater flexible working practices?

There has been much discussion in the media on the environmental benefits of working from home. One systematic review found that whilst working remotely or 'teleworking' has the potential to make an important contribution to energy savings, there is no consensus in the literature on how much energy consumption can be reduced, or whether there are unintended effects of working from home on non-work energy consumption. 136

# 7. Conclusion

Whether, and to what extent has the measure achieved its original objectives?

The aims of the extension to the flexible working regulations were to provide more employees with access to flexible working, helping employees better reconcile work and non-work lives, and employers to secure the business benefits of flexible working. It was anticipated that by extending these rights beyond parents and carers, wider take-up and demand would be encouraged, whilst ensuring businesses have the flexibility to refuse requests on business grounds.

The measure has achieved its original objectives to some extent. The flexible working regulatory extension is relatively well-known among employers and employees. Reported availability of flexible working is high although there is some variation across the economy by organisational size, sector and occupation. Evidence suggests the mean number of requests received by workplaces has risen since the 2014 extension of the flexible working legislation. The proportion of workplaces receiving requests for flexible working has risen for all types of flexible working with the exception part-time working.

Overall, take-up of flexible working arrangements as traditionally defined has remained similar since the extension of the legislation. However there have been recent increases reported in working from home regularly and working exclusively at home since Covid-19 restrictions were

https://www.independent.co.uk/news/business/news/working-home-cheap-save-office-business-boss-a9542781.html; https://uk.reuters.com/article/uk-health-coronavirus-robert-walters/many-british-employers-mull-smaller-offices-post-covidsurvey-idUKKBN2411RN

<sup>136</sup> Hook, Andrew, Court, Victor, Sovacool, Benjamin K and Sorrell, Steven (2020) A systematic review of the energy and climate impacts of teleworking. Environmental Research Letters. ISSN 1748-9326

introduced. Similar take-up levels can be partially explained by a decrease in part-time working. Female employees are more likely to make use of flexible working than male employees. Some slight increases in male employees using flexible working can be seen since 2012, prior to the extension of the right to request legislation. This suggests the gender gap in take-up has narrowed slightly. Differences in take-up and availability of flexible working by sector and occupation persist.

The majority of flexible workers feel comfortable asking their employer for a new flexible working arrangement. Some employees report that the legislative extension has contributed towards removing stigma around working flexibly. A minority of employees (and employers) report negative perceptions of flexible working on career consequences and promotion prospects. Non-flexible working employees are less likely to perceive flexible working to have a positive impact on their career prospects or likelihood of promotion than employees working flexibly. This perception may lead to some employees being discouraged from seeking a flexible working arrangement.

Persuading workplaces and managers of the business benefits of flexible working and creating supportive workplace cultures where staff (especially non-flexible workers) are encouraged to take-up policies can help address residual stigma and the variations in access across organisational sizes, sectors and occupations. Overcoming resistance to flexible working patterns in workplaces is key to achieving cultural change in this area.

Have there been any unintended consequences?

The unintended consequences explored in the review were around the 26-week qualifying period, the risk of perceived negative career consequences, any unreasonable burdens on business and an increase in Employment Tribunal claims as a result of the 2014 legislative extension.

The right to request has a 26-week qualifying period which means that around 2.2 million employees are unable to make use of the right. Employees with arrangements in place may feel that they are prevented from seeking other jobs due to a perceived risk of losing flexible working benefits.

The 2014 extension of the right to request to all eligible employees attempted to tackle the cultural expectation that flexible working only has benefits for parents and carers. Since the introduction of the right to request, there remains a risk of negative perceptions of flexible working. Widening the eligibility criteria for accessing the right to request to all employees with 26 weeks continuous service has provided more choice over working flexibly among those previously ineligible. Since the introduction of Covid-19 restrictions, indicative research has found that fewer employees may perceive negative career consequences among those working from home. Supportive workplace cultures where flexible working is visible and senior leaders show their backing can help reduce perceived negative consequences reported among employees. Efforts to improve take-up among a wider group of employees could potentially reduce any stigma associated with flexible working.

Almost four in ten employers (38%) receiving written requests said that all requests led to a change in employment contract.

The majority of requests are made formally in writing. However, despite reporting more formal requests than anticipated in the original impact assessment, this review has not found any evidence of unreasonable burden on business.

Employment Tribunal claims on flexible working have seen slight changes and Acas enquiries on flexible working arrangements have reduced since the 2014 extension of the right to request to all employees with 26 weeks continuous service.

To what extent have the assumptions underpinning the original impact assessment been realised?

Overall, the majority of evidence suggests a significant and positive relationship between various flexible working practices and business performance. Employers have seen improvements in staff motivation and employee relations as a result of flexible working. Employers are reporting benefits of flexible working on labour turnover across the economy. Just under half of employers note improvements on productivity and reducing absenteeism as a result of flexible working practices.

This review has not found evidence of unreasonable cost burdens on employers resulting from administering or accommodating flexible working requests. The right to request legislation allows for employers to manage requests effectively.

Are the objectives still valid? Is the measure still required? What is the best option for achieving those objectives?

The objectives of the 2014 flexible working regulations are still valid, namely, to:

- encourage availability and take-up whilst helping employers realise the business benefits;
- provide employees with the same access to flexible working and ensure businesses have flexibility to refuse requests on business grounds;
- remove cultural expectations flexible working only benefits parents and carers, encouraging wider take-up and demand;
- improve functioning of the labour market through more diverse working patterns.

Is the measure still required? What is the best option for achieving the policy objectives?

The measure is still required. Discussions with stakeholders have identified some potential opportunities for making the request process more flexible and efficient for employees and employers. These relate to the 26-week qualifying period, the business reasons for refusing a request, the limit on the number of requests that can be made per year and the length of time within which employers are required to respond to requests.

Alongside the legislative framework, raising awareness and persuading more workplaces and managers of the business benefits of flexible working might help address variations in the use of organisational policies and promotion of flexible working across workplaces. This includes a focus on organisational leadership and building trust among managers and employees to achieve performance goals whilst working flexibly. Creating supportive workplace cultures, where staff (including previously ineligible employees) are encouraged to access policies, has the potential to further reduce negative perceived career consequences and to open-up more sectors and occupations to flexible working where it is possible to do so.

In recent months Covid-19 has had a significant impact on many workplaces, resulting in much more remote and 'hybrid' working, combining working at home and in the office. The extent of the long-term impact of the pandemic on the take-up of flexible working patterns across the economy, the future use of office space and changes in workplace attitudes towards flexible

working is not yet known. Early indications suggest that the pandemic will influence the ongoing actions of organisations and individuals to reduce the perceived stigma of working flexibly and encourage wider take-up and demand.