



Celebrating  
**80**  
Years

# Hybrid & Flexible Working

## Practices in Australian Workplaces in 2023

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## Foreword

The increase in hybrid or remote working represents one of the largest changes in Australian workplaces in generations. In recent months, the Australian media has reported how some employers are actively encouraging, or in some cases, mandating employees to return to the office or physical place of work. In addition, some research is suggesting that hybrid working patterns will revert back to the pre-pandemic trend<sup>1</sup>.

This report explores whether these stories are representative of Australian workplaces by comparing our baseline *Hybrid and Flexible Working 2022* data, which includes more than 1,000 employers, with the survey data.

One of the major conclusions from the 2023 survey of 452 employers is that there has been a significant uplift in the share of employers that are mandating their employees to be in the office or their physical place of work for between 3 and 5 days a week. The proportion of employers that have a minimum requirement for their full-time employees to be in the physical workplace for between 3 and 5 days a week has increased to almost half (48%) from 37% in 2022.

Reflecting the change in hybrid working patterns, the most popular work arrangement is now for full-time employees to be at the workplace for 3 days a week. This has replaced the arrangement where there is “no minimum requirement, but employees are encouraged to attend the office”, as the most frequent hybrid working pattern over the past 12 months.

However, rather than herald the demise of remote working, the survey data suggests that there may be an acceleration in home or remote working activity in the future. Almost a quarter (24%) of Australian organisations expect home or remote working to increase over the next two years, whereas 14% say that they expect it to decrease over the next two years. These results indicate that any medium-term predictions about hybrid working arrangements may be premature and that hybrid working patterns in organisations are subject to ongoing review and change.

The survey findings are also broadly consistent with a recent prediction from one of the world’s leading hybrid working experts, Professor Nicholas Bloom, who argues that the current “stabilisation” phase of remote working will be replaced by a long-run surge in remote working activity<sup>2</sup>. According to Bloom, this will be due largely to both improvements in technology and greater hybrid working take-up rates among start-ups.

Survey respondents nominated the three key advantages of hybrid working as a better work-life balance for workers, higher retention rates and the attraction of new candidates. These benefits are reinforced by our case studies, many of which illustrate how hybrid working has become a pivotal employee benefit and a central plank of organisations’ Employee Value Proposition (EVP) offerings. This is underlined by an increase in job advertisements that now feature and promote flexible working arrangements in Australia<sup>3</sup>.

<sup>1</sup> [KPMG 2023 CEO Outlook - KPMG Global](#)

<sup>2</sup> [Nicholas Bloom predicts a working-from-home Nike swoosh \(economist.com\)](#)

<sup>3</sup> WFH Map – Measuring remote work across space and time, using job ads.

Another benefit of remote working is a reduction in office costs and lower commuting costs for employees.

On the downside, the top three disadvantages cited by respondents were a reduction in staff collaboration or cooperation, a feeling of disconnection between colleagues and monitoring performance.

The survey data suggests that employers will introduce a wider range of flexible working arrangements in the future. In particular, the data points to an increase in employers offering compressed hours or a compressed work week, which includes the 4-day work week.

Just over a fifth (21%) of organisations report that they plan to expand the use of compressed hours or a compressed work week in the future. Currently, the most popular flexible working arrangements offered by organisations are part-time working (85%), flexi time (53%), compressed hours or a compressed work week e.g. 4-day week (45%) and career breaks (44%).

The survey findings also contain some important lessons for HR practice. Almost a third of organisations say that they have not consulted with their staff about hybrid work arrangements. In addition, only 34% of organisations have provided training to line managers on how to manage remote or hybrid working.

This is a significant finding for HR professionals. The debate about hybrid working, especially in relation to reduced productivity, often ignores the quality of line management and the adoption of supportive people management practices. Any evaluation of organisational performance in a hybrid context should therefore include the quality of leadership and management in the organisation.

Conducting regular one-to-ones, ensuring that any team-based activity in the office is structured and coordinated effectively, focusing on outputs rather than presenteeism, developing trust and coaching and mentoring are some of the critical components of productive workplaces, especially in a hybrid working context.

Traditional working arrangements will continue to prevail in many organisations, such as the food production company interviewed for this study, underlining the limitations faced by different organisations and employee groups. These include roles or duties that cannot be performed remotely.

However, research and case studies show that hybrid working arrangements can be a win-win for employers as well as employees.

## Key Findings

### Hybrid/remote working

- Almost half (48%) of employers say that they have a minimum requirement for full-time employees to be at the workplace between 3 and 5 days a week compared with 37% last year.
- The three most popular hybrid working arrangements are for full-time employees to be at the workplace for 3 days a week (32%), no minimum requirement but employees are encouraged to attend the office (25%) and for full-time employees to attend the workplace for 2 days a week (14%). In 2022, the most popular working arrangement was no minimum requirement, but employees were encouraged to attend the workplace (34%).
- Almost a quarter (24%) of Australian organisations expect remote or homeworking to increase over the next two years, and 14% say that they expect it to decrease over the next two years.
- On average, 53% of the respondents' employees regularly work from home while 14% work continuously from home.
- Over two thirds (69%) of employers say that they have consulted with their staff about hybrid work arrangements. Direct employee feedback (79%) and staff surveys (78%) are the most popular methods among those organisations that have consulted with staff.
- Just over a third (34%) of organisations have provided training to line managers on how to manage remote or hybrid working.
- Better work-life balance (77%), higher retention rates (62%) and a greater ability to attract candidates (61%) and are perceived to be the top three advantages of hybrid working.
- A feeling of disconnection between colleagues (75%), reduced staff collaboration (58%) and monitoring performance (43%) are perceived to be the top three disadvantages.
- As in 2022, there is a perception among employers that employees who work from home or who work in a hybrid way are, on average, more productive. More than four in ten employers (43%) say that it has had a positive effect on productivity levels at their organisation compared with 10% who think it has had a negative effect.
- On average, survey respondents reported that 36% of their employees cannot work from home. Two thirds of organisations offer other flexible working arrangements to staff who cannot work from home.
- Almost half (48%) of HR professionals say that their employees are required to attend the office more often compared with the same period in 2022. The main sources of pressure to return to the physical workplace are senior management (85%) and the board (30%).

## Other flexible working arrangements

- Almost all (97%) organisations offer some form of flexible working arrangement, excluding hybrid working (95% in 2022).
- The most popular flexible working arrangements in Australian workplaces are part-time working (85%), flexi time (53%), compressed hours or compressed work weeks e.g. 4-day working week (45%) and career breaks (44%).
- Looking ahead, more than a fifth (21%) of organisations say they plan to expand the use of compressed hours or compressed work weeks e.g. four day working week in the future.
- Other arrangements that may see an increase include part-time working (12%), purchased leave (10%), flexi-time (9%) and career breaks or secondments (9%).

## Right to request flexible working

- Around half (47%) of employers say that eligible employees can formally request flexible working arrangements from day one of employment. The second most common arrangement is after 12 months' service (17%).
- More than three quarters (77%) of survey respondents think that all employees should have a legal right to request flexible working (the right is currently restricted to certain groups of employee). 72% of organisations say they already offer the right to request flexible working to all employees.
- 54% of organisations have changed their internal process to consider requests for flexible working arrangements to take account of the recent changes to the legislation. More than a quarter (26%) say that they are more likely to grant flexible working requests as a result of this legislative change.



## Employer Recommendations

**Focus more on outputs and performance** and less on inputs like the amount of time employees spend in the office or workplace.

**Regularly benchmark hybrid working patterns** and monitor successes and issues, ideally following consultation with staff.

**Redesign the working spaces** to make them more productive and attractive. Key considerations may include:

- creating larger spaces for collaboration or innovation;
- creating smaller spaces for focused work;
- high-quality technology and connectivity to support hybrid meetings;
- relaxed areas for team catch-ups or social activities; and
- ensuring there is sufficient capacity e.g. enough desks for employees.

**Consult and inform your staff**, follow correct legal procedures and give them reasonable notice when switching to a different hybrid working arrangement.

**Provide training on managing hybrid and remote workers** to line managers and those with management responsibilities. This should include appropriate guidance or training on helping remote workers feel psychologically safe. AHRI provides a course on managing hybrid workforces<sup>1</sup>.

**Follow the correct health and safety procedures** including ergonomic assessments of home work stations.

**Be purposeful if prescribing when employees should be in the office.** Key considerations for 'anchor days' may include:

- Ensuring that employees are undertaking activities that are best done in the office or workplace environment. Typical activities may include all-staff presentations, training days, coaching and mentoring sessions, strategy days, collaboration, regular team-catch ups and social activities.
- Consider mandating specific employee groups or teams attend the workplace together, with capacity and collaboration in mind.

**Schedule rosters or rotas** preferably in consultation with workers, to support the needs of those who cannot work remotely.

**Ensure people who work from home are not overlooked** for training, bonuses or promotion opportunities due to a lack of visibility in the workplace.

**Show a genuine commitment to accommodating flexible working requests** ensuring that processes have been followed, given the changes to flexible working legislation that were introduced in June 2023.

**Actively promote the full range of flexible working options available** to support employees who cannot work from home. Options include part-time work, flexitime, compressed hours or a compressed work week, staggered start and finish times, and career breaks or secondments.

## Survey Data

### Distribution of current and future hybrid working patterns

There has been a significant uplift in the share of employers that are mandating their employees be in the workplace for between 3 and 5 days a week.

The proportion of employers that have a minimum requirement for being at the workplace for between 3 and 5 days a week has increased to almost half (48%) of employers from 37% in 2022.

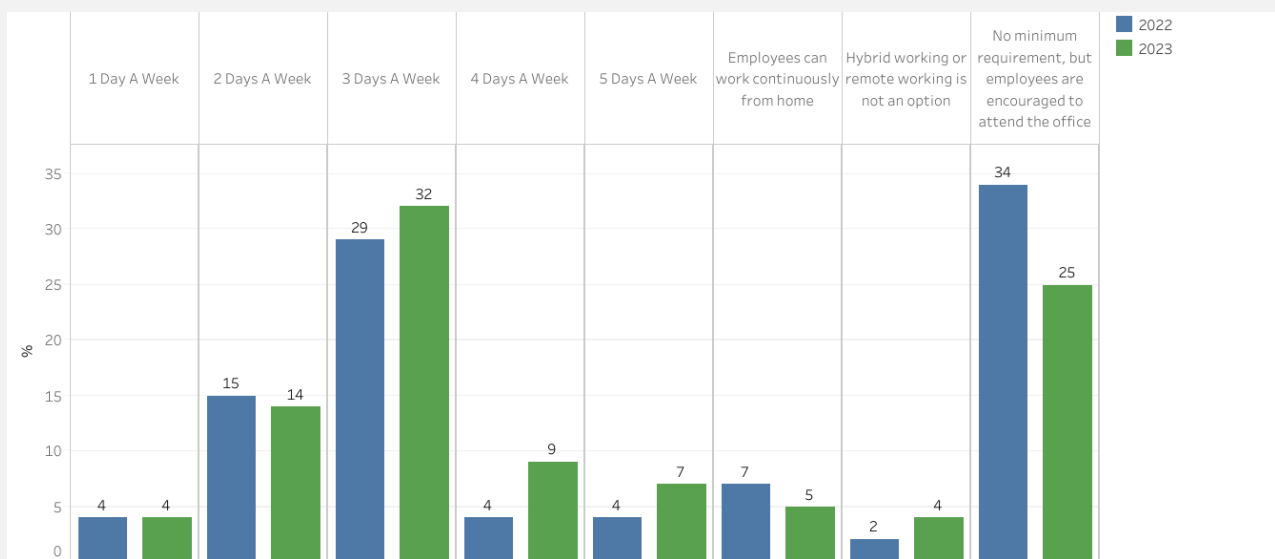
Currently, the three most popular minimum requirements for being at the workplace for full-time employees are 3 days a week (32%), no minimum requirement but employees are encouraged to attend the office (25%) and 2 days a week (14%).

In 2022, the most popular working arrangement was no minimum requirement, but employees were encouraged to attend the office (34%).

Consistent with this trend, almost half (48%) of HR professionals surveyed report that employees are required to attend the workplace more often compared with 2022. The main sources of pressure are senior management (85%) and the board (30%). By comparison, just eight per cent of survey respondents say that the pressure is coming from the HR profession.

Additionally, just over half (53%) of the survey respondents' employees regularly work from home while 14% work continuously from home. Survey respondents reported that on average, 36% of their employees cannot work from home. Two thirds of organisations offer other flexible working arrangements to staff who cannot work from home.

**Figure 1: Distribution of hybrid working models**



Base (2023): all employers (n=345; private: n=207; public: n=54; not for profit: n=74)



**Figure 2: Sources of pressure to return to the physical workplace**



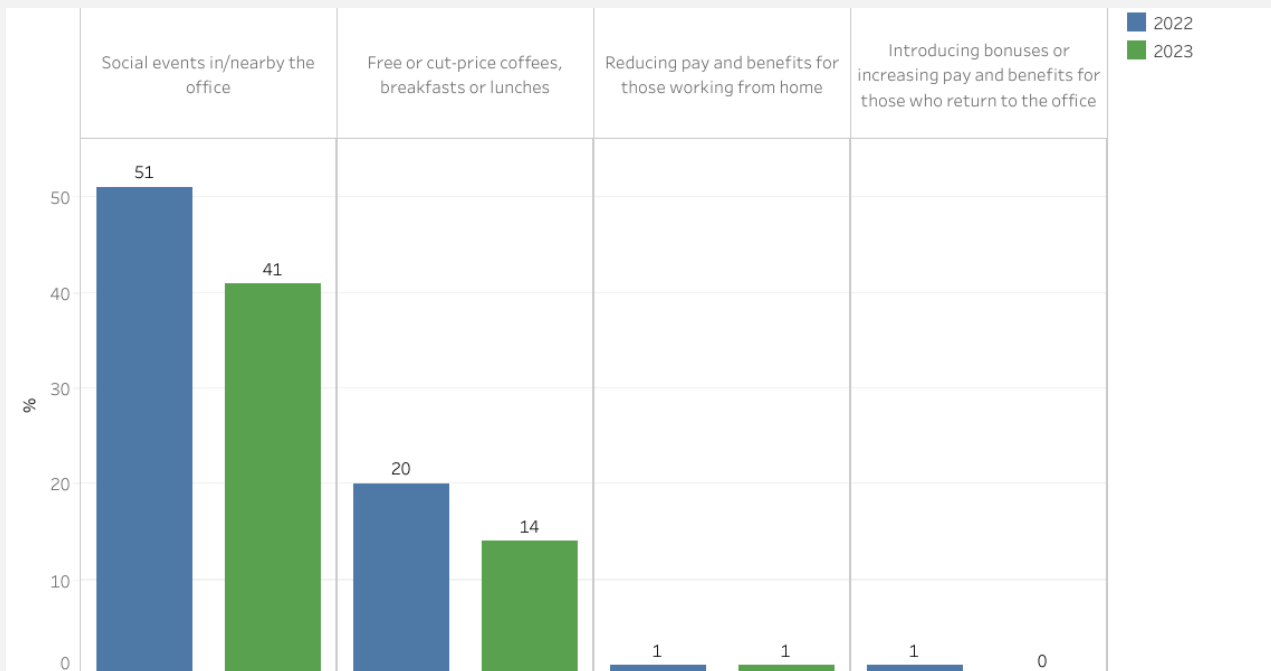
Base (2023): all employers (n=183; private: n=116; public: n=27; not for profit: n=40)

## Tactics employed by organisations to encourage workers back to the workplace

The survey data does not support some media stories that employers are introducing financial incentives or disincentives to encourage workers back to the office (Figure 3). Only one per cent of organisations say that they are reducing pay or benefits for those that work from home and the same proportion say that

they are increasing pay or benefits for those workers that return to the office. The most popular tactics employed by organisations to improve the employee experience in the office are social events near or at the office (41%) and cut-price or free breakfasts or lunches (14%).

**Figure 3: Incentives or disincentives designed to encourage workers back to the physical workplace**



Base (2023): all employers (n=342; private: n=207; public: n=61; not for profit: n=74)

## Consulting with staff about working arrangements

Over two thirds (69%) of employers say that they have consulted with their staff about hybrid work arrangements. Direct employee feedback (79%), staff surveys (78%), line manager feedback (62%) and staff forums (33%) are the most popular methods among those organisations (Figure 4).

On the downside, just over a third (34%) of organisations have provided training to line managers on how to manage remote or hybrid working.

**Figure 4: Methods used to understand employees' views about working arrangements**



Base (2023): all employers (n=218; private: n=130; public: n=61; not for profit: n=74)

## The future of hybrid working

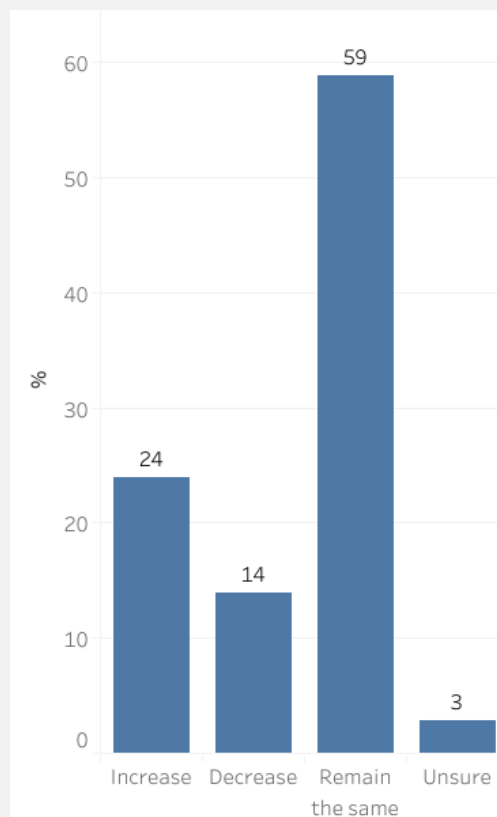
The survey data indicates that home or remote working will remain or increase in the future (Figure 5). More than four fifths (83%) of survey respondents say that home or remote working will either increase or stay the same at their organisation over the next two years.

This includes almost six in ten organisations that say that their current arrangements will remain the same (59%) and almost a quarter (24%) of organisations that plan to increase the use of home or remote working. By comparison, around one in seven (14%) of organisations report that home or remote working will decrease during the same period and three per cent of organisations say that they are unsure.

Survey respondents were also provided with a list of possible measures and were asked which of them their organisations would adopt in the future to help support hybrid working. Line manager training in managing and supporting remote or hybrid workers (42%) is the most popular option.

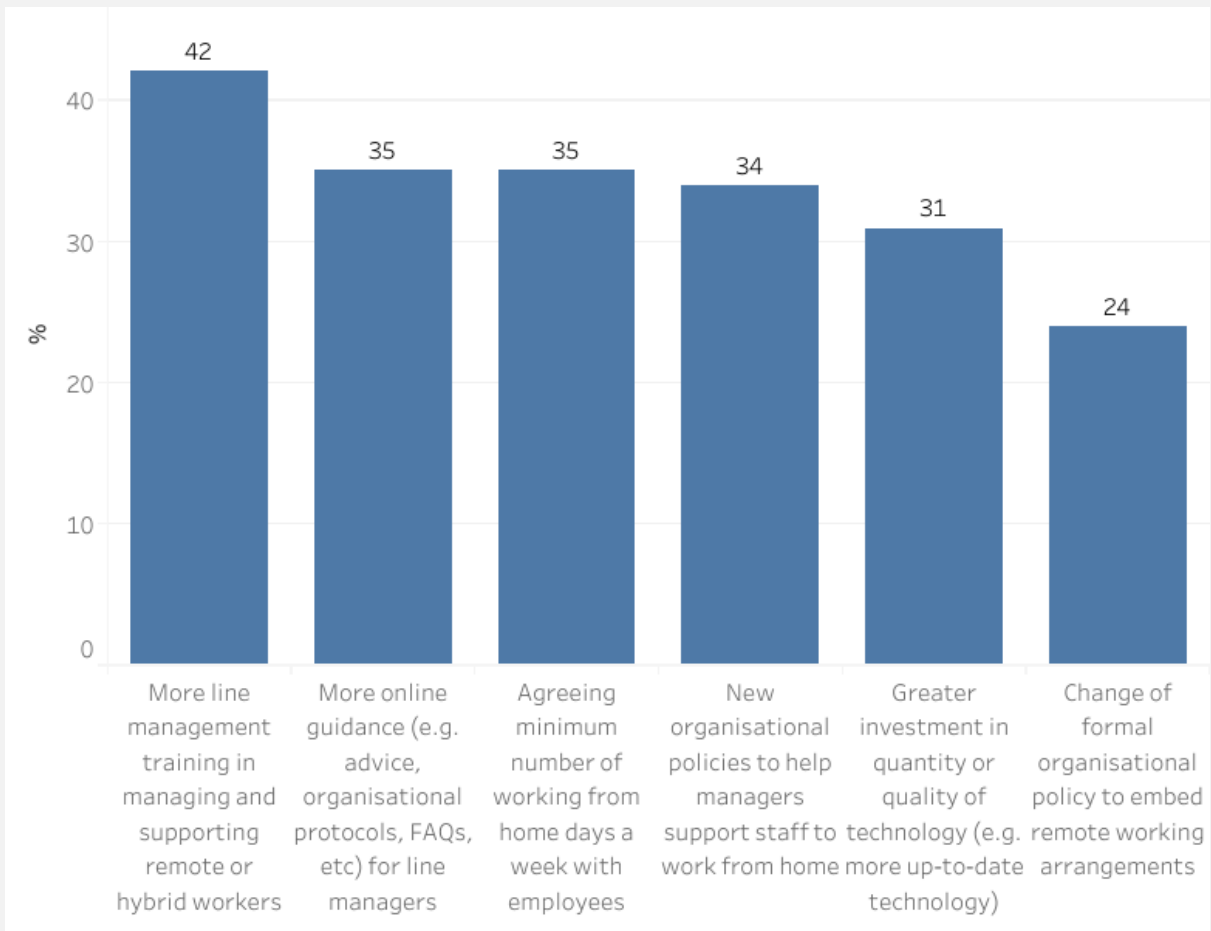
Other popular measures are agreeing minimum number of working from home days a week with employees (35%), more online guidance (e.g. advice, organisational protocols, FAQs, etc) for line managers in managing and supporting remote or hybrid workers (35%) and new organisational policies to help managers support staff to work from home (34%)

**Figure 5: Employer expectations about incidence of remote or home working**



Base: all employers (n=355; private: n=215; public: n=63; not for profit: n=77)

**Figure 6: Most popular measures to support hybrid working in the future**



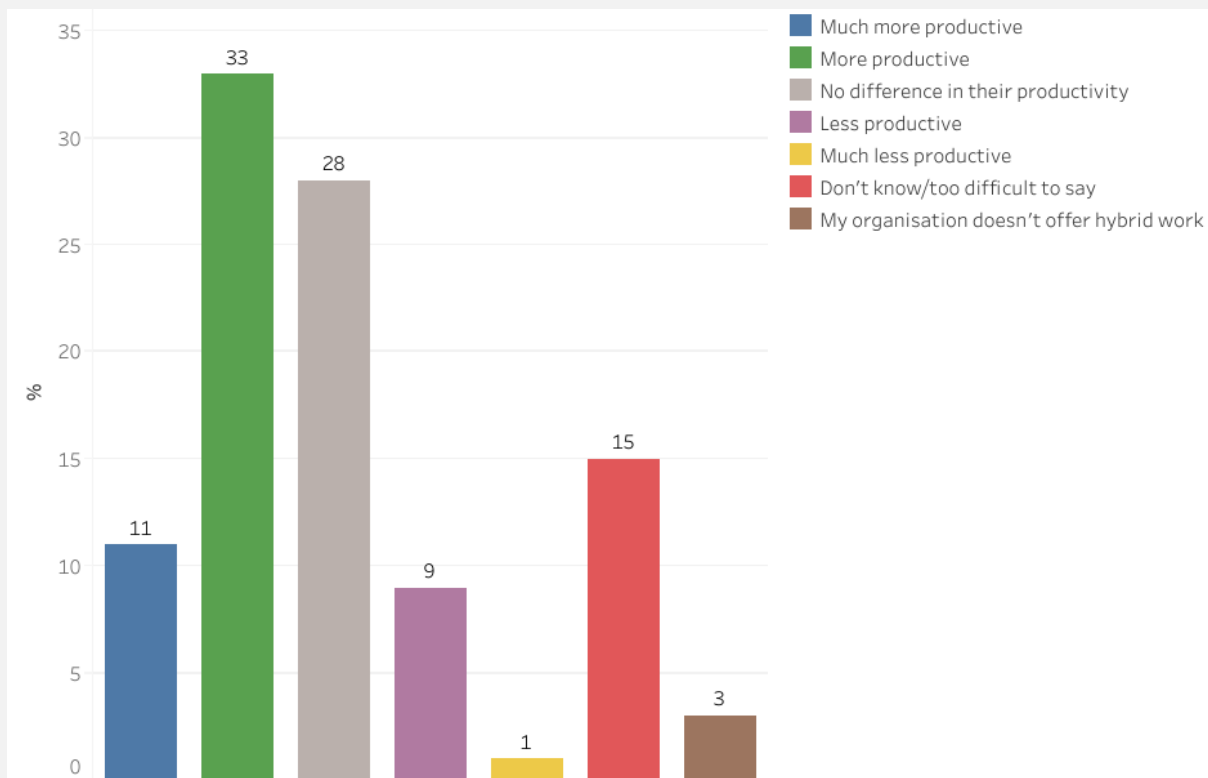
Base: all employers (n=345; private: n=207; public: n=54; not for profit: n=74)

## Hybrid working perceived to have delivered productivity dividend

The survey data suggests that, based on employer perceptions, the switch to hybrid working has had a positive impact on productivity (Figure 7). More than four in ten employers (43%) say that it has had a positive effect on productivity levels at their organisation

compared with 10% who think it has had a negative effect. Fifteen per cent of organisations say that it is either too difficult to say or don't know, while more than a quarter (28%) say that it has had no impact either way.

**Figure 7: Employer perceptions of productivity effects of hybrid working**



Base: all employers (n=323; private: n=194; public: n=63; not for profit: n=66)



## Perceived benefits and challenges of hybrid working

Survey respondents were asked to select the main benefits of remote working from an employer perspective (Figure 8).

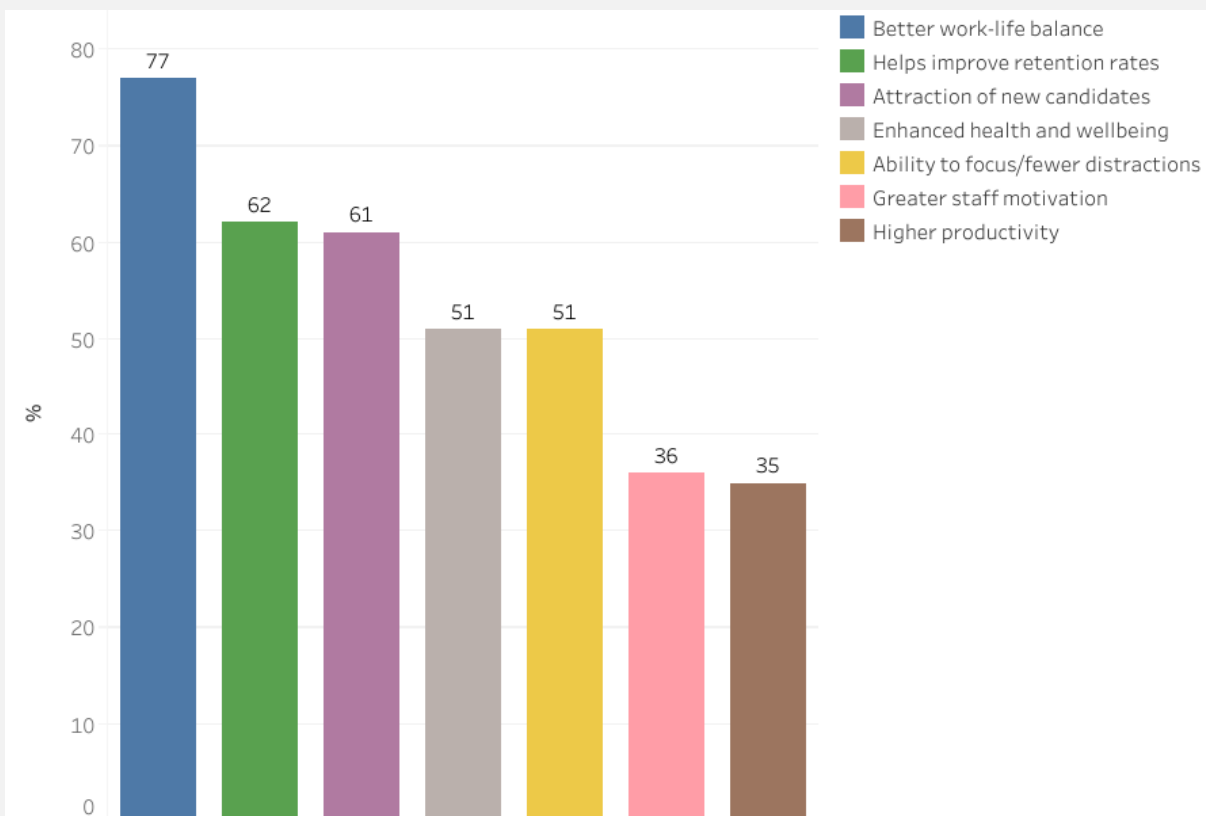
According to the survey data, the main benefit of hybrid working is giving a better work-life balance (cited by 77%). This is followed by better staff retention rates (62%), a greater ability to attract candidates (61%), enhanced health and well-being (51%) and a greater ability to focus with fewer distractions (51%).

However, against these perceived positive longer-term productivity effects and wider

benefits stand challenges. According to the survey data, the biggest issue faced by employers, cited by three quarters (75%) of organisations, is a feeling of disconnectedness between colleagues (Figure 9).

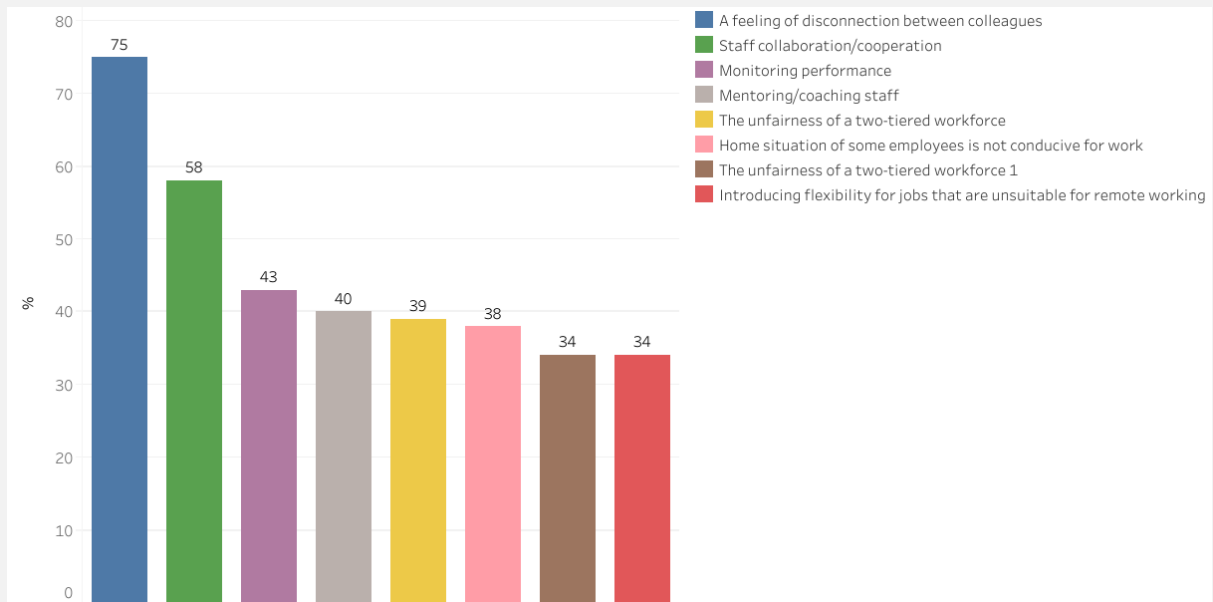
Other key challenges from remote working faced by employers include staff collaboration (58%), monitoring performance (43%), mentoring or coaching (40%) and the unfairness of a two-tier workforce (39%).

**Figure 8: Employer perceptions of key benefits of remote working**



Base: all employers (n=323; private: n=194; public: n=63; not for profit: n=66)

Figure 9: Employer perceptions of key challenges of hybrid working



Base: all employers (n=323; private: n=194; public: n=63; not for profit: n=66)

## Provision of other flexible working practices

**One way of overcoming the challenge of a two-tiered workforce is to introduce and promote a wider range of flexible working arrangements.**

The most popular flexible working arrangements in Australian workplaces are part-time working (85%), flexi-time (53%), compressed hours or a compressed work week e.g. 4-day week (45%) and career breaks (44%).

A relatively high share of employers surveyed make significant use of other flexible working arrangements. Almost all (97%) organisations offer some form of flexible working arrangement, excluding hybrid working (95% in 2022).

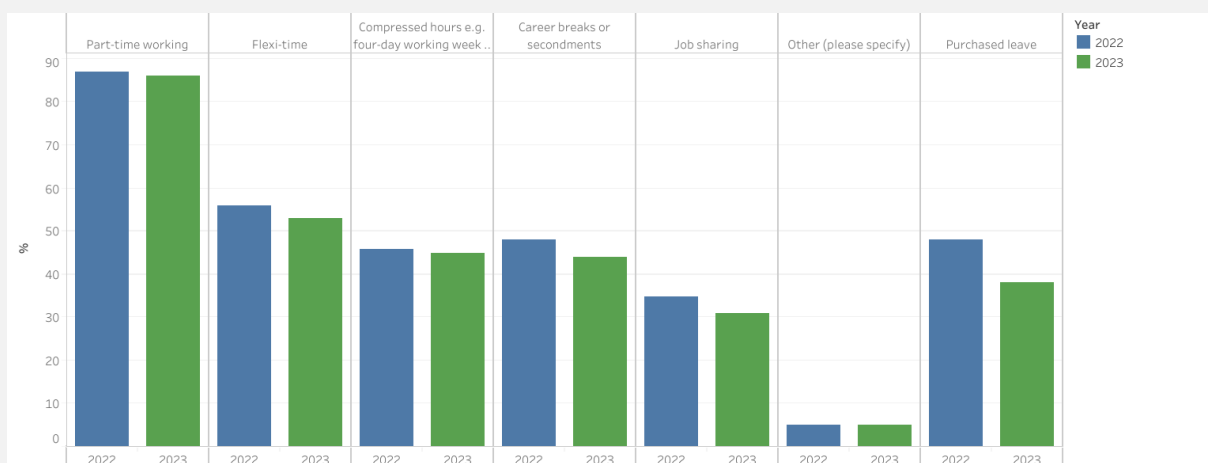
The most popular practices include part-time working (85%), flexi-time (53%), compressed hours (45%) and career breaks or secondments (44%). It is important to note that this is a measure of availability, not take-up.

The survey also asked which of these flexible work options would expand in the future (Figure 11). There is every indication that most forms of flexible working will see some increase compared with the current distribution.

Interestingly, the most popular option is compressed hours or compressed working week, which is predicted to be taken up by more than a fifth (21%) of employers (Figure 11). Other popular options that are expected to see an uplift include part-time working (12%), purchased leave (10%), flexi-time (10%) and career breaks or secondments (9%). The switch to remote working or hybrid working may therefore be acting as an ongoing catalyst for embracing a wider range of flexible working arrangements.

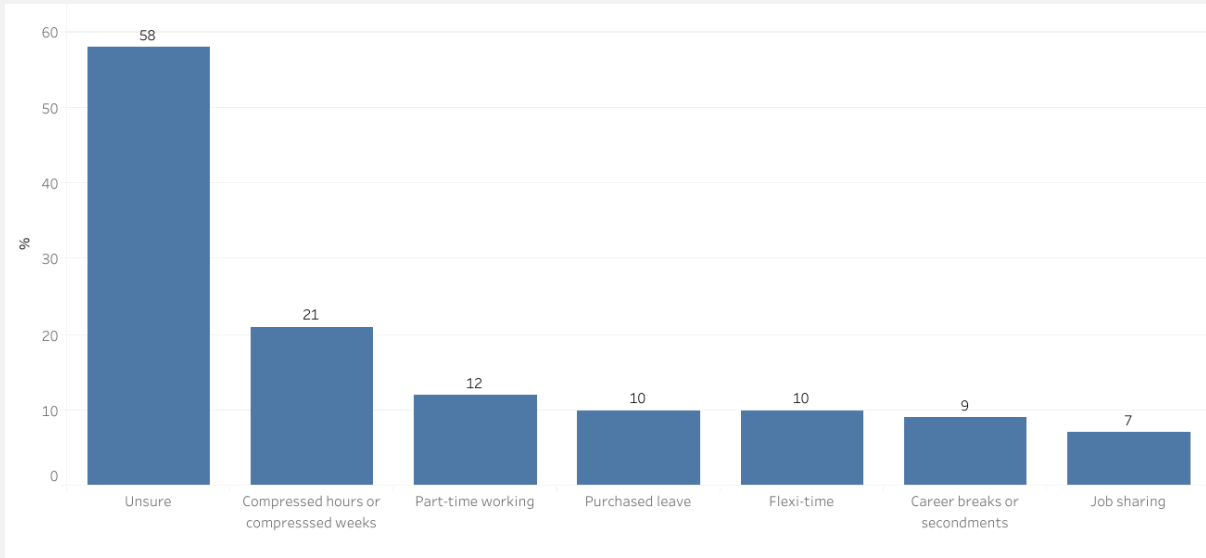
It should be noted that almost six in ten (58%) of organisations reported that they were unsure of future plans.

**Figure 10: Current provision of flexible working practices**



Base: all employers (n=317; private: n=190; public: n=62; not for profit: n=65)

Figure 11: Future provision of flexible working practices



Base: all employers (n=317; private: n=190; public: n=62; not for profit: n=65)

## Formal right to request flexible working

Around half (47%) of employers say that eligible employees have a formal right to request flexible working from day one (Figure 12). The second most common option is a right to request flexible working after 12 months (17%).

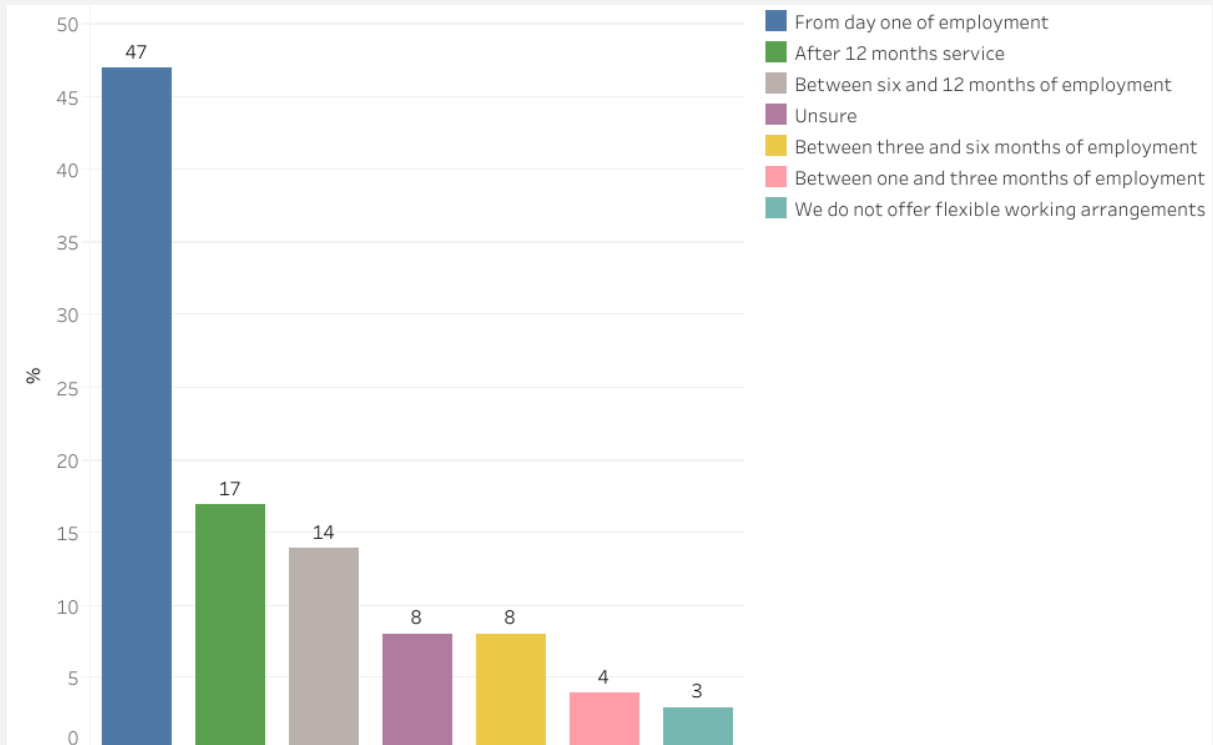
The results indicate that a substantial majority of employers go beyond their legal obligations, which is to consider formal flexible working requests from employees who have worked at their organisation for at least 12 months. Taken together, almost three quarters (73%) of organisations report that employees have a formal right to request flexible working within the first 12 months of employment.

More than three quarters (77%) of survey respondents support the idea of further

extending the legal right to request flexible working to all employers. Sixteen per cent say they are opposed to the proposal, while 7% report that they are unsure. Currently, the right is restricted to certain employee groups. However, almost three quarters (72%) of organisations say they already offer the right to request flexible working to all employees.

A small majority (54%) of organisations report that they have changed their internal process to take account of the recent changes to flexible working legislation. In addition, just over a quarter (26%) say that they are more likely to grant flexible working requests as a result of this legislative change.

**Figure 12: When can employees can make a formal request for flexible working?**



Base: all employers (n=313; private: n=188; public: n=61; not for profit: n=64)

## Survey Methodology

The survey was conducted by AHRI and took place online between 9 July and 24 August 2023. We received responses from 452 HR professionals in Australian organisations.

271 responses were from HR professionals in the private sector, 87 responses from those in the public sector, and 94 responses from HR professionals in the not-for-profit sector.

Not everyone answered every question. We report the number of respondents who answered a question as the base number under the corresponding tables or figures.



# Case Studies

The background features a gradient from light blue on the left to dark blue on the right. On the right side, there are several overlapping, organic, rounded shapes in shades of light blue and green, creating a layered, abstract effect.

## Small Business · UPL - LTD

UPL-Ltd is a global agri-business that specialises in agricultural technologies and products that contribute to sustainable development. David Portway is Head of HR, ANZ.

It has 100 employees across the ANZ region, including two key bases in Adelaide and Auckland. The majority of the workforce is employed in remote locations, due in part to the occupational profile of the organisation. Key roles include Technical Sales personnel, Technical Sales Support specialists in Broad Acre and Horticulture, Bio Solutions specialists, Agronomists, who all deal with farmers, corporate growers and re-sellers. Most of these roles work from remote locations, with support roles such as Finance, HR, Supply Chain located in the major centres.

### Typical working arrangements

Striking the right balance between giving employees a greater ability to focus, and supporting employee connectedness is at the forefront of the organisation's mind in terms of the design of its hybrid working model.

With this in mind, the organisation has introduced a mandatory minimum requirement for those within commuting distance to be in the office for 3 days a week. Employees are expected to come into the office on Mondays, Wednesdays and Fridays, although there are exceptions for a handful of employees who prefer a Tuesday and Thursday. The policy does not apply to those employees that work in more remote locations.

### Benefits and challenges of hybrid working policy

According to the organisation, the new requirement has helped overcome the challenges of "cohesion, connection and synchronicity". However, the policy has met with some resistance from a small minority of staff who argued that the policy runs counter to flexible working. In response, the organisation argued that the policy is necessary for managers to retain contact with their teams.

Meanwhile, the key advantages of the current hybrid working model include a better work-life balance, a wider talent pool to draw from, and a lower rate of unscheduled absence. The fall in sick days taken is largely due to an approximate thirty per cent drop in singular days lost to minor illnesses such as colds.

In addition, the company claims that it enjoys a competitive edge over some of its rivals due to the flexible working offering. As a result, hybrid working has become a significant perk offered by the firm, which is reflected by the promotion of flexible working arrangements in its job advertisements. Just as fundamentally, hybrid working has also enabled an expanded geographical base to attract applicants.

### Other flexible working arrangements

Staggered start and finish times is another key feature of the organisation's flexible working policy, which is designed to promote work-life balance and to help employees with caring responsibilities. This arrangement also helps meet business needs, especially dealing with global projects which require a reasonable number of after-hours calls.

The organisation also offers a 4-day working week and a nine-day fortnight. This arrangement is suitable for the firm given the on-call requirements of many roles that span different time zones.

Flexible working arrangements are available to staff from day one of employment.

### **Right to request flexible working**

Portway argues that the legislation is helpful because it provides a mandate for workers to request flexible working arrangements and is helpful for a global business like UPL. Flexible working arrangements are available to staff from day one of employment.

### **Productivity**

Portway maintains that the current hybrid work arrangement is yielding a productivity dividend for the organisation. He argues that the hybrid working arrangement lends itself well to task-oriented activities, such as report writing, which can be done from home without interruptions. Meanwhile, the office environment is better for more synchronised and operational activities.

Additionally, office-based social events, such as monthly lunches, birthday and years of service celebrations help support employees' engagement levels.

### **Employee well-being/technology**

To offset the lack of direct contact with staff, the organisation has introduced an in-vehicle safety monitoring app. Employees are randomly selected to answer a variety of simple questions, such as "are you ok?" and invited to respond. The measure is not related to surveillance or monitoring performance, it is simply to monitor employee well-being. In addition, all staff are subject to safe workplace policies and ergonomic checks of their remote workplaces.

### **Consulting with staff**

The company uses a variety of means to consult with staff. These include inviting direct employee feedback via a monthly "town hall" meeting, staff surveys on particular topics, and an overall "Culture Survey" performed every 18 months. In addition, a specific survey was carried out to canvass opinions about different hybrid working patterns, and led directly to the adoption of the current model which was supported by an overwhelming majority of staff.

"I feel that it's supported a lot of our recruitment in the last two months, we've hired 29 people quite rapidly and at scale to support our evolving guided service program and some of our new hires have come out of hospitals who have said, 'This is great'."

– David Portway, Head of HR, ANZ at UPL-Ltd

## Not for Profit - SANE

SANE is a not-for-profit organisation that offers support for people and their families with complex mental health needs. Jessica Hill is the General Manager for Workforce, Inclusion and Enablement at SANE and has been at the organisation for six months. The HR team looks after all the flexible working policies and practices for SANE's 110 full-time and part-time employees and its growing volunteer base of 60 people.

### Hybrid working policy and culture

SANE adopts a "people-centred" approach to its hybrid working and flexible working policy. Drawing on the success of a series of pilot projects [which experimented with different hybrid working patterns], SANE has recommended that employees attend the office two days a week for full-time employees and one day a week for part-time employees in place of its former remote-first policy which was implemented during the pandemic. However, it says that it is not a "hard and fast policy" in order to help support some employees who are managing health conditions, for whom it is making reasonable adjustments.

The organisation seeks to ensure that there are very good reasons for being present in the office to improve the chances of the hybrid working pattern becoming successful. Rather than mandate employees to return to the office, it has hosted lunches, afternoon teas and has coordinated in-office coaching and mentoring opportunities.

"We've come out of a very difficult year' has been the feedback I've heard from a majority of the workforce. And so we now recognise some of these basic structures, meeting rhythms and role clarity are important. On the back of the psychosocial changes that have come in, it's really just reinforced to us that we need to invest in what other organisations might see as the basics and really get that right."

- Jessica Hill, General Manager for Workforce, Inclusion and Enablement at SANE

### Leadership and management capability

The organisation has invested heavily in both communicating the policy to the workforce in the context of its organisation's values and improving leadership and managerial capability.

The training programme includes:

- a leadership development training programme, which features an organisational psychologist to help support managers to conduct "pivotal conversations" with employees. These include having conversations with individuals who are not managing health conditions, but who would like to work from home more than the two days recommended by the organisation.
- A relentless focus on employee engagement and outcomes rather than being present in the office.
- Ensuring that connection is maintained with hybrid employees, including regular check-ins.
- Dealing with flexible working requests, including educating leaders and managers about the right to request flexible working legislation and its latest developments.

The broader objective of the exercise is to raise the standard of management capability, which it hopes will have a knock-on effect on organisational performance. With staff in the office more often, SANE also expects leaders and managers to model behaviour in terms of office attendance, connect meaningfully with their staff and act as a coach or mentor.

### **Productivity and engagement**

The organisation has introduced a data analytics program over past six months to measure productivity via output among other key HR metrics. Managerial focus on outcomes rather than presenteeism is reported to be one of the reasons why the organisation says they have not seen a fall in productivity levels since the onset of hybrid working.

SANE has a twin focus on staff engagement. Key tactics includes an engagement survey, which is run twice a year; which is closely linked with related surveys; most notably the organisation's diversity, equity and inclusion survey, the Culture Amp survey and all-staff workshops. This has led to the adoption of certain measures such as ensuring that employees have sufficient time to note-take, collaborate and providing solutions to noise in an in an open-plan office.

As a result, employee engagement levels, which the organisation uses as a proxy for productivity levels, remain solid.

### **Benefits and drawbacks of hybrid working**

Hybrid working has enhanced the ability of SANE to hire more people than was thought possible. Employee wellbeing has also seen an uplift for many employees, especially those who have caring responsibilities or leisure pursuits and those with long commuting times.

Additionally, the switch to hybrid working has encouraged employees to be more strategic about how and where they use their time. According to the organisation, employees enjoy the connection, collaboration and social cohesion when they come into the office but value the time at home to focus on tasks without interruptions.

Loneliness is seen as a key risk of hybrid working, which partly explains the organisation's focus on leadership and management capability. Another drawback is that digital connections can be shorter and less meaningful, which again reinforces the value of the hybrid working pattern compared with a remote-first policy according to the organisation.

### **Other flexible working arrangements**

Hybrid working lies at the heart of the organisation's flexible working policy and is available to all employees. Other flexible working arrangements offered by the organisation include flexible start and finish times, and part-time working arrangements. Where possible, the organisation seeks to accommodate individuals around any caring responsibilities, individual needs or any other non-work-related commitments.

Employees are eligible to request flexible working arrangements from day one of employment. The organisation is in the process of developing a formal Right to Request policy having recently just approved a Reasonable Adjustments policy.

For more information about SANE or for support, head to [sane.org](https://sane.org)



## Public Sector · ACT Government

Janet Wilson is Executive Group Manager of the Future Workforce Strategies Group at the ACT Government. The ACT Government is a small jurisdiction that spans a large and diverse range of functions which, in larger jurisdictions, are covered by both State Government and local councils. This includes hospitals, schools, emergency services, and law and order. It also includes things such as lawn mowing, garbage collection, parking and managing parks.

The ACT Government employs around 27,000 people, around half of whom are office workers while the other half comprises front-line workers such as teachers, family and support workers, fire and rescue officers, healthcare workers and tram and bus operators.

“I believe you actually have a responsibility to colleagues, to peers, as well as your team members, to connect with other people, and that's not going to happen if you spend all of your time working from home and all of the meetings you've got in your diary are scheduled through teams ... For young people and graduates particularly, I think they need to see how workplaces operate, including through observation, role modelling and connection with a range of people in the workplace.”

### Hybrid working and culture

Hybrid working represents one of the many facets of a “progressive, forward-learning agenda” that is designed to give the ACT government a competitive edge. As Wilson puts it:

*“From a workforce perspective, if we're competing with the Commonwealth and some of our big consulting companies as competitors for talent, you know, one of the things we've deliberately done is really set ourselves apart with a progressive workforce agenda ... And flexibility is at the core of that.”*

The agenda started almost ten years ago, when a pilot project for activity-based working was introduced. Following the success of the pilot, the organisation sought to both expand more activity based and mobile working patterns by optimising the use of more mobile technology and beginning to think about the design of office spaces so that they are more focused on supporting collaboration, innovation and team time.

As a result, the switch to large-scale work-from-home following the onset of the pandemic proved to be a “relatively smooth transition.” The ACT government subsequently decided to adopt hybrid working on a permanent basis when others were starting to make noises about “returning to the office”. This was partly to ensure that the ACT Government can make the most of the talent that is out there. As Wilson puts it: We knew that people wanted hybrid to stay, and we knew the ACT public service had continued to deliver.”

In addition, the ACT Government offers various flexible working arrangements, such as part-time working, flexible start and finish times, flexitime for senior officers and job sharing through a myriad enterprise agreements.



## Carrot approach to encouraging people back to the office

The ACT public service as a whole does not strictly enforce particular requirements for employees to be in the office for a minimum number of days; although, there are different practices in play depending on the needs of business areas.

Its broad preference is to build trust between managers and employees while ensuring that people know what they are expected to do, are having regular conversations and receiving feedback.

The ACT public service thus seeks to nudge people into coming into the office, reminding people about the value of face-to-face connection and their responsibility to connect with other team members, especially more junior or new staff members; without mandating that they come in, which removes flexibility.

According to the ACT public service, this approach has been successful so far. As Wilson puts it:

*“People love coming together again when there is purpose. And of course, if you have morning tea together or something, it brings that sense of connection. And the joy that comes with doing that in the work environment and the friendships and the collegiate connections you develop; you don't get through just doing teams meetings day in and day out ... That is a much more positive way than saying you must be in here two days a week because that's flexible working in my view.”*

One of the pivotal reasons for its success is that the organisation has re-designed the office environment to make it more attractive to workers to come into the office, promote innovation, collaboration and team working. As Wilson explains:

*“We have created an innovation centre that has a really big space and hold up to about 120 people, and it's a really good space for big groups to come together and do collaboration activities. Whether that's design workshops or whether that's strategic planning, that's up to individual teams ... We deliberately built that environment by removing desks and turning it into just a whole floor of different sorts of collaborative spaces in order to help people come together.”*

The ACT Government has also created a family-friendly working space in the Canberra City, and modern flexi-spaces across the ACT which are open to all ACT public servants to utilise.”

Looking ahead, ACT's vision of a workplace that has a healthy hybrid mix of office and remote based will involve regularly benchmarking and monitoring its successes and failures. While recognising the success of the current model, this may involve some “adjustment and learning”; which could lead to potentially iterating and trialling different models based on the evidence.

## Leadership and management capability

Earlier in the pandemic, the ACT public service also sought to nudge workplace practice in a positive direction by developing a series of micro-learning for line managers. Each product includes a series of tips and advice, which equates to an about 3-minute read on key issues or questions; including how connect with people via Teams, how to keep employees engaged in a hybrid world and psychological safety.

### Benefits and drawbacks

The main benefit of the hybrid working pattern is to attract candidates to work for the ACT public service, and promote it as a key facet of the organisation's "progressive" strategic workforce agenda. According to Wilson, this has popular appeal.

The hybrid working model has also meant that employees can better manage other commitments with work, whether that be family, exercise or something else. The organisation also harnesses a culture where people can disconnect and take a proper break from work. It can become habitual to pick-up the phone or laptop in the evening to clear a few more emails, rather than to pick up the novel your half-way through according to Wilson.

It does however acknowledge that more work needs to be done to onboard and mentor younger, more junior people who have no prior work experience.

Managing poor performance is also reported to be more difficult as a result of the hybrid pattern in some cases. Often this results in people returning to the workplace for a period of time to reset and get performance back on track.

## Healthcare · Hunter Primary Care

Janelle White is People and Culture Leader at Hunter Primary Care, an organisation that provides a broad range of healthcare and well-being services in the Newcastle/Hunter region, NSW.

### Flexible working arrangements

The occupational profile of the organisation, which requires work to be done face-to-face in many cases, make flexible working challenging for some roles. This includes mental health practitioners, doctors and nurses. Despite this, the organisation has risen to the challenge of supporting flexible working for these roles through part-time working, flexible start and finish times, job sharing and flexibility around rostering e.g. swapping shifts.

Meanwhile, other staff, including those who do telework and senior managers can work from home. There is no formal requirement to be in the office, although it is recommended that staff spend some time in the office; not least because of the serendipitous encounters. As Ms White recounts:

*“There is so much organic communication that happens in the office. Otherwise, you have to go out of your way to meet with teams. I caught up with an employee the other day who had been working from home for a period of time due to an injury. I spotted him in the office yesterday and I found out that he has recently had a baby. I wouldn't have had that catch up had I not been in the office. Would I have had any reason to call him? No, not necessarily.”*

### Formal right to request flexible working

Since the onset of the pandemic, the organisation has introduced a formal remote working policy, partly to meet health and safety standards. Whereas most flexible working changes come about through informal discussions between managers and employees, some are done through the formal right to request flexible working. Flexible working arrangements are available to all staff from day one of employment.

The vast majority of formal right to requests are accepted. The organisation claims that the legislation provides a useful framework for declining any requests on business grounds, notwithstanding the additional layer of bureaucracy it adds. For example, a request for compressed hours was recently declined because it was “unreasonable”. This was due to an excessive number of hours per day and the requirement for client interaction during business hours.

“My key question is are we going to get extra benefit from getting people back into the office, and if we are, is it going to be greater than the risk that's going to come with it? You could lose a lot of people, and it will be harder to attract candidates ... one of our key selling points to entice new staff and retain them is have that flexibility ....”

### **Benefits and disadvantages of hybrid working**

According to the organisation, the main benefit of the company's hybrid working patterns is that it helps attract more applicants and improves retention rates. According to the organisation, this is "because majority of people these days are looking for that flexibility and hybrid work arrangements." The additional face-to-face contact helps harness the culture of the organisation; including the wide range of diversity, equity and inclusion initiatives the organisation promotes, such as NAIDOC celebration week.

## Logistics - TVS SCS (Aust) Pty. Ltd.

Matthew Harvey is the HR manager of TVS SCS (Aust) Pty. Ltd., a logistics company. It employs up to 100 people and is based in Melbourne. The workforce is split between those who cannot work from home due to the nature of the role, such as warehouse staff and those who can, such as customer service specialists.

### Culture

TVS SCS believes it is important to build on the positive experiences of adopting the hybrid working model by embedding flexible working into the culture of the organisation. To ensure the organisation can make the most of the talent that is out there TVS SCS supports widespread hybrid working, which typically involves two days at home, and full-time remote working in a minority of roles.

Hybrid working has also enabled an expanded geographical base to attract applicants, especially potential applicants who are based on the other side of the city. More specifically, the organisation has been able to target various groups who would otherwise be unavailable to the firm, such as young parents with young children. Harvey is assertive in promoting the case for hybrid working in terms of their organisation's strategy and direction to the powers that be.

### Flexible working policy

TVS mandates that all employees to come into the office once a month. Any further requirements are left to individual teams to manage, although staff are encouraged to attend the office two or three days a week. As Harvey puts it, "TVS encourages managers to build a rapport with their staff to allow teams to shape their own flexible work schedules around their own circumstances."

Reasonable demands are made of individual teams, such as the requirement for customer service staff to be in the office one day a week. Employees are invited to request flexible working arrangements from day one of employment. The firm is committed to doing everything possible to accommodate flexible working requests, which often includes exploring other flexible working options. In addition, decisions are communicated as openly as possible.

The company also allows part-time working and staggered starting and finishing times to help staff manage work-life balance. Looking ahead, the organisation is looking to introduce compressed hours' arrangements.

Overall, the flexible working policy has been very effective in attracting new staff to the organisation; especially since it cannot attract candidates with the lure of higher salaries.

### Productivity and performance

TVS SCS focuses on outputs and performance, not inputs, like the amount of time employees spend in the office or workplace. It tracks performance and productivity, through outputs such as the number of requests that are resolved per hour and response times. Overall, it claims organisational performance has improved since the introduction of hybrid working. Harvey also attributes the fall in unscheduled absence to the hybrid working arrangements at the firm.

To ensure that productivity levels are not compromised at home, the organisations has placed a lot of store n high-quality internet connection and the workplace safety of remote workers.

It has also invested in a leadership and management training programme, which includes how to deal with poor performance in a hybrid context. Additionally, the company has introduced a formal policy for poor performance, which includes more in-person time in the office.

“Some managers can still be a bit old-school in thinking ... some think you cannot ever have any children in the house and others still think that if you are not sitting at your remote desk from 9-5 you are not doing your job properly.”

## Manufacturing · SPC

Michelle Strong is the new General Manager People & Culture at SPC. SPC is a proud Australian food manufacturer. The People & Culture team Strong leads support SPC's over 600 colleagues; the majority of whom work on-site in food manufacturing. Strong's experience of hybrid work comes from working across industries throughout her career including in FMCG and manufacturing.

### Hybrid working pattern

Like other manufacturers, employees in many roles are unable to work from home due to the work requirements.

SPC has not taken a fixed or mandated position in relation to hybrid working. Instead, it trusts its leaders and managers to come up with a pragmatic solution that balances the needs of the business and individual teams with employee preferences.

To ensure that their hybrid working model works, organisations rely on technology, which has made teams in this company and countless other organisations more agile according to Strong. In addition, employers must ensure that managers are adequately trained and prepared to manage hybrid teams and role model hybrid working.

### Flexible working

According to Strong, tensions can exist in organisations between those who can work from home and those who cannot. To help offset these tensions, companies can support those who cannot work remotely to promote a better work-life balance through other flexible working arrangements, which they can actively promote, as well as providing a great work environment on site and wellbeing-focused benefits.

Key flexible arrangements include job-sharing, part-time working and flexible start and finish times. These flexible working arrangements typically form part of an action plan around flexible working that prioritises diversity and inclusion. As Strong puts it:

*"We must always be mindful that there are also some people who need to use flexible working arrangements, including remote working, continuously."*

However, uptake can be constrained by the attitudes of some line managers. According to Strong:

*"Some managers can still be a bit old-school in thinking ... some think you cannot ever have any children in the house and others still think that if you are not sitting at your remote desk from 9-5 you are not doing your job properly."*

Companies have responded by training and coaching line managers to ensure that managers are focused on outputs rather than presenteeism.

## Right to request flexible working policies

Strong has not received a high number of formal requests for flexible working over the recent past in her roles. However, she expects the volume of requests to increase in the future as employee interest in flexible working continues to grow.

Strong welcomes the recent changes to the flexible working legislation, which she believes ensures that organisations do consider requests more seriously. However, Strong suggests that the legislation could potentially be strengthened further by extending the right to request flexible working to all employees. As Strong puts it:

*“If I don’t have caring responsibilities, I don’t have to the right to request flexible working, even if I have other commitments in my life. This disconnect could be reduced by recognising the need for flexibility across employee groups.”*



## Public Sector · Kingborough Council

Angie Everingham is Manager of People and Safety at Kingborough Council and has been in the role for nine months. Kingborough Council is a local government body in Tasmania, and one of the five municipalities that constitutes the Greater Hobart Area. It employs approximately 220 people, including 160 office workers and 60 roles that are performed outdoors, which include road and asset maintenance officers and park labourers.

### Hybrid working and culture

There is no formal requirement to be in the office for those who work in the office; although the vast majority of the workforce that work in the office work onsite. Everingham attributes their physical attendance to the culture of the organisation, which is reported to be “community-centred”, the strong organisational purpose and a desire among staff to put in place geographical boundaries between work and home.

Nonetheless, some employees enjoy the flexibility of remote working, especially the work-life balance benefits. Due in part to the success of remote working during the pandemic, some workers are able to work from home continuously.

This policy is part of a broader culture that seeks to build trust between managers and employees. As Everingham recounts:

*“Earlier in the year we actually had somebody on my team who went and worked remotely for 2 months when they went on a working holiday to New Zealand ... I was happy to support that because before I came into working at Council, I had worked completely remotely for almost the last two years, largely due to COVID ... I'd also trusted the staff member very much for that to be the case, and although there were some concerns initially here that it would set a precedence and maybe open up the floodgates and all of a sudden everybody would want to go and work, you know, in New Zealand, it's clearly not something that's likely to happen.”*

This option is not available to those who work outdoors.

“So for the outdoor staff, they do work a compressed working week where during the summer months they work four days a week and they work longer, hours each day so that they can have a four day week and they always have the Friday off ... And then in the winter months, they work a nine-day fortnight so there are those flexibility arrangements in place ... We made this arrangement specifically for the outdoor workforce because of that understanding that they can't work from home and we came up with those days and hours in consultation with the outdoor workforce and that was their preference.”

## Right to request flexible working policies

Eligible employees have a formal right to request flexible working after three months of service. However, the situation is evolving rapidly due to an increasing number of people who are requesting flexible working arrangements during the recruitment process.

As a result, the organisation is accepting requests from day one of employment, which it sees as a pivotal part of its recruitment and retention strategy in the future. Just as fundamentally, hybrid working has also enabled an expanded geographical base to attract applicants, especially for senior roles, from the mainland. Due to the success of this strategy, the organisation is now actively promoting the flexible working arrangements offering on its job advertisements.

The only minor downside according to Everingham is that and poor internet connection can compromise productivity on occasions.

## Leadership and management capability

The organisation has invested heavily in improving leadership and managerial capability through coaching and mentoring, with a big emphasis on trust. As Everingham explains:

*“A lot of it's to do with just getting comfortable talking to people on teams, because that's not something they've been comfortable with doing before ... Checking in regularly, actually asking them what else is going on in their life, and particularly if people are working from home because of a certain situation ... Whether it's caring for somebody or having children or other different caring responsibilities to just remember to have conversations with them that don't always involve work because not all of our conversations that we have at work are about work ... It's also really important to take the time to ask those questions that we also ask in the workplace that we can forget to do when we're talking to someone on Teams ... It can be quite emotive in the workplace, but when you're sitting behind a screen and a computer all the time, that can become a lot more transactional.”*



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