



Survey report
May 2012

Flexible working provision and uptake

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Summary of key findings

Background to the survey

This report is based on survey responses from more than 1,000 employers and 2,000 employees. The employer survey is weighted to be representative of industry in the UK in relation to size, sector and type of business. The employee survey is weighted to be representative of the UK workforce in relation to sector and size (private, public, voluntary), industry type and full-time/part-time working by gender. Both surveys were conducted in early January 2012.

Flexible working provision – employers' policies and practices

The vast majority of employers (96%) offer some form of flexible working. All large employers offer flexible working to some employees, as do 95% of medium-sized organisations. There is also widespread provision of flexible working among small businesses (91%) and micro-sized companies (85%).

A wide range of flexible working arrangements are offered by employers, with part-time working (88%) the most commonly offered type of flexibility. Nearly two-thirds of employers provide a right to request flexible working for all employees (63%).

Working from home on a regular basis (54%) is the next most commonly offered flexible working option. On the flipside, arrangements such as time off to work in the community (21%) and annual hours (22%) are offered by less than a quarter of employers.

Large organisations are more likely to offer a wider range of flexible working options than small organisations. In all, 96% of large organisations provide part-time working for some employees compared with 58% of micro businesses. Just over half of large organisations provide flexitime as an option, in contrast to four in ten micro, small and medium-sized businesses.

Among employers that provide flexible working, small employers are much more likely to have informal arrangements. For example, among micro-sized

employers that provide flexitime, 80% will manage this informally compared with just 12% of large employers.

Flexible working and the law

Only a very small proportion (4%) of employers have encountered any problems in complying with the right to request legislation in the last two years, while 85% had no problems and 11% do not know. Small employers are less likely to report problems than larger organisations. Nine out of ten micro, small and medium-sized employers have not reported any problems compared with eight out of ten large employers.

Access to and uptake of flexible working among employees

Three-quarters of employees make use of some form of flexible working, with a third (32%) reporting they work part-time – the most commonly used flexible working option. A quarter of employees use some sort of flexitime and 20% work from home on a regular basis. Remote working is also a frequently used option, with 14% of employees benefiting from this way of working.

However, take-up of other forms of flexibility is low. Only 5% of employees have some form of compressed hours, for example spreading a five-day week over four days. Just 3% of respondents use annual hours (staff are contracted to work a set number of hours each year, with flexibility over when hours are worked). Just 1% of respondents job-share.

Women are more likely than men to use flexible working, with 77% working flexibly in some way, compared with 70% of men. Women are most likely to work part-time (49%), use flexitime (21%) and work from home on a regular basis (15%). Among men, flexitime (30%), working from home on a regular basis (25%) and mobile working (22%) are the most commonly used practices.

Employees working for micro and small businesses are more likely to work flexibly than those working in medium-sized or large organisations.

Employees with no managerial responsibility who don't have access to flexible working are most likely to say they would take up flexible working if they had the opportunity to do so, with 61% saying yes this is the case.

A large majority of employees (83%) say they have never had a flexible working request turned down, with little difference between men or women. There is also little difference in the responses of employees in terms of sector or size of organisation worked for.

Benefits of flexible working

Employers report that the provision of flexible working arrangements can have a positive impact on a number of areas of organisational performance. Nearly three-quarters of employers feel that implementing flexible working practices has a positive impact on staff retention, with just 3% identifying a negative effect. A further 73% report there is a positive impact on employee motivation, with 3% citing a negative effect. In all, 72% report that flexible working positively affects levels of employee engagement, with 4% saying there is a negative effect.

From an employee perspective, more than half report that flexible working helps them achieve better work-life balance generally. Almost a quarter report flexible working helps them manage caring responsibilities for children, while nearly one in ten say it helps them to manage caring responsibilities for parents or grandparents.

More than a third of respondents believe flexible working makes them more productive.

About a fifth of employees say flexible working helps them stay healthy by allowing more time for them to exercise or make sensible choices over lifestyle. A similar proportion think flexible working reduces the amount of time they take off work sick.

Satisfaction with work-life balance and employee engagement

There is a strong association between employees who agree they achieve the right balance between their work and home lives and respondents who are engaged at work, according to the CIPD's employee

engagement index, which is tracked in the Institute's quarterly *Employee Outlook* survey.

In all, 79% of engaged employees agree or strongly agree that they achieve the right balance between their work and home lives, compared with 50% of employees who are neutral (neither engaged nor disengaged) and 17% among those that are disengaged.

Barriers to flexible working

The main barrier to improving flexible working appears to be operational pressures, which was mentioned by 52% of employers. Other barriers that feature highly are maintaining customer/service requirements (40% of employers) and line managers' ability to effectively manage flexible workers (35%). Existing organisational culture and the attitudes of senior managers are identified as barriers by 36% and 34% of employers respectively.

There are some important differences between the attitudes of employers of different sizes, with micro and small businesses less likely to cite as wide a range of obstacles as medium-sized or larger employers.

In all, 56% of large employers and 54% of medium-sized organisations cite operational pressures as obstacles to flexible working, compared with 47% of small organisations and 32% of micro businesses.

From the perspective of employees, the biggest obstacle to flexible working is the nature of the work they do, with 34% citing this as an issue. The next most commonly mentioned obstacles are that flexible working is of limited relevance to the sector they work in, the attitudes of senior managers and the attitudes of line managers or supervisors.

In general, the smaller the organisation worked for, the least likely employees are to identify obstacles to flexible working.

Flexible working provision – employers’ policies and practices

The vast majority of employers (96%) offer some form of flexible working. All large employers offer some flexible working to some employees, as do 95% of medium-sized organisations. There is also widespread provision of flexible working among small businesses (91%) and micro-sized companies (85%).

A wide range of flexible working arrangements are offered by employers, with part-time working (88%) the most commonly offered type of flexibility. Nearly two-thirds of employers provide a right to request flexible working for all employees (63%).

Working from home on a regular basis (54%) is the next most commonly offered flexible working option. On the flipside, arrangements such as time off to work in the community (21%) and annual hours (22%) are offered by less than a quarter of LMO employers.

Perhaps not surprisingly large organisations are more likely to offer a wider range of flexible working options than small organisations. In all, 96% of large organisations provide part-time working for some employees compared with 58% of micro businesses. Just over half of large organisations provide flexitime as an option, in contrast to four out of ten micro, small and medium-sized businesses.

Seven in ten large organisations provide the right to request flexible working to all employees, as do 59% of medium-sized businesses, 51% of small companies and 40% of micro employers.

Nearly two-thirds (61%) of large employers allow homeworking on a regular basis, compared with just 36% of small employers. Aside from part-time working, working from home is the most commonly provided flexible working option among micro businesses.

Figure 1: Types of flexible working arrangements offered by employers (%)
Base: All organisations (818)

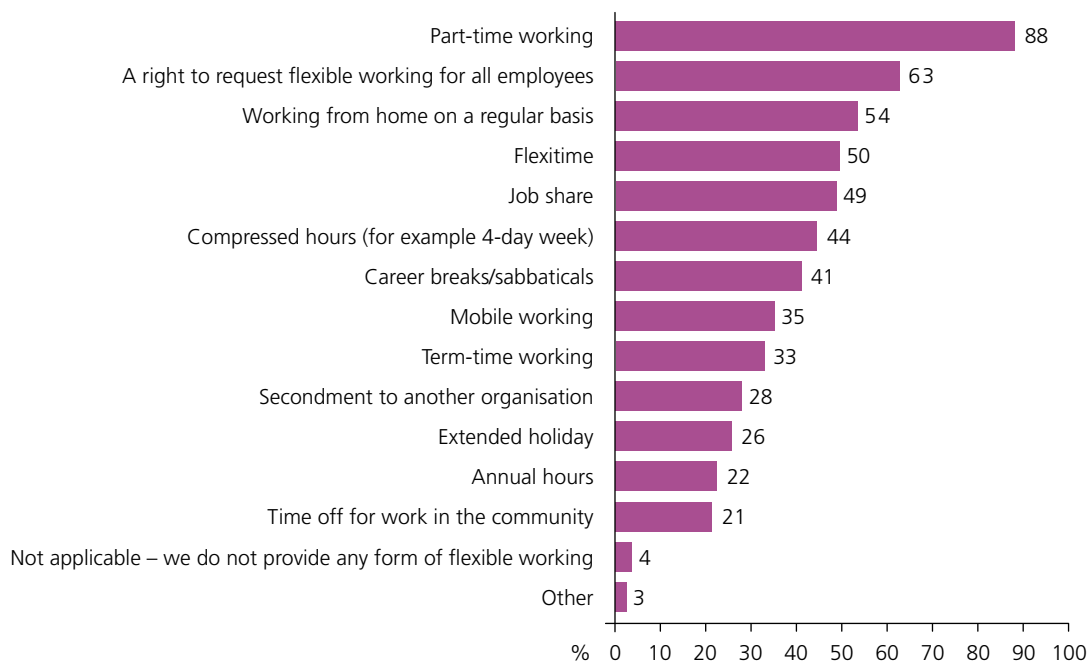


Table 1: HR professionals whose organisations offer flexible working, by size of organisation (%)
 Base 790: All organisations that offer flexible working

	Micro	Small	Medium	Large
Part-time working	58	86	87	96
Term-time working	9	16	18	45
Job share	9	23	28	67
Flexitime	43	42	41	55
A right to request flexible working for all employees	40	51	59	70
Compressed hours (spreading a five-day week over four days for example)	20	26	32	56
Annual hours (staff are contracted to work a set number of hours each year with flexibility over when hours are worked)	7	4	8	32
Working from home on a regular basis	46	36	53	61
Mobile working (eg using laptop to work from another location)	28	16	26	56
Career breaks, sabbaticals	8	14	26	56
Secondment to another organisation	4	8	14	40
Time off for work in the community	13	8	12	28
Extended holiday	12	12	20	32
Other	6	2	2	2
Not applicable – we do not provide any kind of flexible working	15	9	5	0
Net offer flexible working	85	91	95	100

The provision of a wider range of flexible working arrangements is more prominent from employers in the public sector. Public sector employers are significantly more likely to offer term-time working (59% compared with 20% of private sector employers), job-shares (72% compared with 37%), compressed hours (62% compared with 35%) and career breaks/sabbaticals (65% compared with 30%). It is also the case that large employers are significantly more likely than SME employers to offer each of the flexible working arrangements listed in Table 1.

The provision of flexible working arrangements also appears to be an area where employers plan to make little change to their current offer. Nearly three-quarters of employers (72%) are not planning to introduce any of the arrangements listed in Figure 1 while the vast majority (92%) is not planning to withdraw any of the arrangements they currently offer.

Case study: Accenture

What types of flexible working do you currently offer?

Accenture offers the following flexible working provisions:

- flexible hours: reconfiguration of existing hours over contractual number of days
- part-time working
- job-sharing
- home-enabled working
- leave of absence policy: allowing employees to take unpaid leave to pursue activities outside of the working environment.

The company also allows the use of multiple flexible working arrangements simultaneously, and any type of flexible working is available to each level of employees, from the most junior to the most senior.

Why do you offer flexible working?

Internal and external Accenture research points to a changing workforce that is demanding a greater voice and more choice in how, when and where they do their work.

What do you see as the main benefit(s) of offering flexible working?

Accenture has seven business reasons to create a more flexible, supportive work environment:

- to attract and retain a broad range of talented people
- to raise morale and increase job satisfaction
- to increase productivity and improve business results
- to enhance commitment and engagement
- to cut health care costs
- to attract investors
- to be a good corporate citizen.

More than 80% of Accenture employees say that achieving work–life balance is important. Fifty-two per cent of Accenture UK employees also said they are already working flexibly at Accenture and these 52% show increased levels of engagement.

Accenture has seen that work–life balance has often been a reason why people, women in particular, have left the company. Working flexibly is central to their well-being programmes and can also form part of a phased return to work, allowing people more control over their workload or avoid the stress of commuting at peak times.

What would you highlight as the most innovative element of your flexible working provision?

Collaboration – one of Accenture's core values is 'One Global Network'. This means connection. The Knowledge Exchange is an intranet portal that allows employees to connect with others, share ideas, respond quickly to questions and cultivate their relationships. This allows employees to contribute in just the same way, whether they are in the office or working from home.

Latest technical software – homeworkers have full access to a wealth of ways to keep in touch virtually with colleagues and clients. Office Communicator is software that allows secure instant messaging (IM), integrated presence, OC-to-OC audio and videoconference calling and desktop sharing.

Comprehensive online provision around flexible working – Accenture has a dedicated portal called Accent on Flexibility that provides information on flexible working. It provides case studies from employees on their arrangements and various links, tools and tips.

Case study: Accenture (continued)

Flexleave – this is the voluntary sabbatical programme which the company offers only where there is a recognised business need. This is typically a 6–18-month partially paid opportunity for employees to pursue their interests (for example travel, charity work, non-company-sponsored study, work in a different field). It is not a continuous programme but can be rolled out for appropriate periods and employee groups.

If you did not offer flexible working, what effect would this have on your organisation?

- increased attrition – particularly with women
- appearing unattractive to prospective employees
- decreased employee engagement
- reduction in employee well-being.

Sam Clark, Head of Employee Relations, Accenture

Formal/informal flexible working arrangements

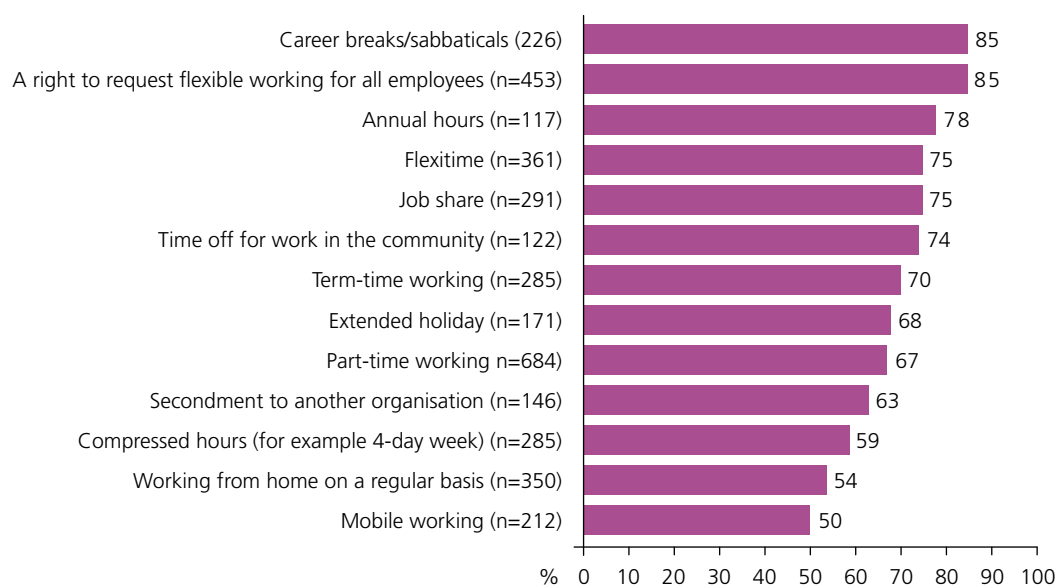
The provision of flexible working arrangements by employers is more likely to be governed by a formal policy rather than just being ‘informal arrangements’. As Figure 2 shows, a formal policy is in place for the majority of the different types of working arrangements, with career breaks and a right to request flexible working having a formal policy in 85% of all LMO employers.

The types of flexible working arrangements that are more likely to be informal arrangements are mobile working and working from home, with 45% and 46% of employers respectively reporting that there is no formal policy for these arrangements.

Among employers that provide flexible working, small employers are much more likely to have informal arrangements. For example, among micro-sized employers that provide flexitime, 80% will manage this informally compared with just 12% of large employers. About a third of micro firms have informal arrangements allowing all employees a right to request flexible working, with two-thirds having a formal policy in place. In contrast, more than nine in ten large employers will have a formal policy in place, with just 6% relying on an informal policy or arrangements. See Table 2.

Just 20% of micro firms have a formal policy on compressed hours in contrast to four out of ten small

Figure 2: Proportion of LMO employers having a formal policy in place, by type of flexible working arrangements offered (%)
Base: All organisations that offer some form of flexible working



and medium-sized organisations and two-thirds of large employers.

Working from home is a practice where there is less contrast in approach between large and small employers, with a significant proportion of large

employers relying on informal arrangements. In all, 41% of large employers use informal arrangements to allow employees to work from home on a regular basis, compared with 59% that rely on a formal policy. A third of micro businesses have a formal homeworking policy in place and two-thirds have informal arrangements.

Table 2: Proportion of LMO employers having a formal policy or informal policy or arrangement in place, by type of flexible working arrangements offered (%)

Base: All organisations that offer some form of flexible working

	All	Micro	Small	Medium	Large
Part-time working					
Formal policy	67	27	45	50	78
Informal policy/arrangements	33	73	55	49	21
Term-time working					
Formal policy	70	6	38	40	78
Informal policy/arrangements	29	94	62	55	22
Job share					
Formal policy	75	22	57	49	81
Informal policy/arrangements	23	78	43	43	18
Flexitime					
Formal policy	75	20	52	68	88
Informal policy/arrangements	25	80	48	31	12
A right to request flexible working for all employees					
Formal policy	85	36	68	83	93
Informal policy/arrangements	14	64	32	17	6
Compressed hours					
Formal policy	59	20	43	41	66
Informal policy/arrangements	37	80	57	57	29
Annual hours					
Formal policy	78	46	44	70	80
Informal policy/arrangements	22	54	56	30	20
Working from home on a regular basis					
Formal policy	54	32	54	50	59
Informal policy/arrangements	45	68	46	50	41
Mobile working					
Formal policy	50	20	44	37	57
Informal policy/arrangements	46	80	56	63	38
Career breaks/sabbaticals					
Formal policy	85	23	43	73	89
Informal policy/arrangements	14	77	57	27	9
Secondment to another organisation					
Formal policy	63	36	63	46	65
Informal policy/arrangements	35	64	37	54	33
Time off for work in the community					
Formal policy	74	31	50	80	78
Informal policy/arrangements	26	69	50	20	22
Extended holiday					
Formal policy	68	18	42	58	76
Informal policy/arrangements	30	82	58	42	22

Flexible working and the law

A number of flexible working arrangements are governed by statutory legislation on the minimum requirements for employers to adhere to. In the case of paid maternity leave, 46% of employers reported that they operate a policy or practice that goes beyond the statutory minimum. Paid parental leave is an area where employers are least likely to go beyond what is the statutory minimum, with only a fifth (21%) of employers reporting this. Almost half of organisations operate a policy that goes beyond the minimum statutory requirement on the right to request flexible working.

Employers in the public sector are significantly more likely than private sector employers to offer policies or practice that go beyond the statutory minimum in all areas. See Figure 3.

Larger employers are in general more likely to provide policies on flexible working that go beyond the statutory minimum. Almost six in ten provide more generous maternity leave than the legal minimum, compared with just 13% of micro businesses. In all, 44% of larger employers provide over the legal minimum on paternity pay, compared with 9% of small employers. See Table 3.

There is little difference, however, on the right to request flexible working, with four in ten large and micro businesses operating a policy or practice beyond the statutory minimum, as do 30% of small employers and 33% of medium-sized organisations.

Interestingly, it appears that a significant number of employers are unsure of what the statutory minimum is or if their own arrangements go beyond this. Overall,

Figure 3: Areas of statutory provision where employers operate a policy or practice that goes beyond the statutory minimum (%)
Base: All organisations (818)

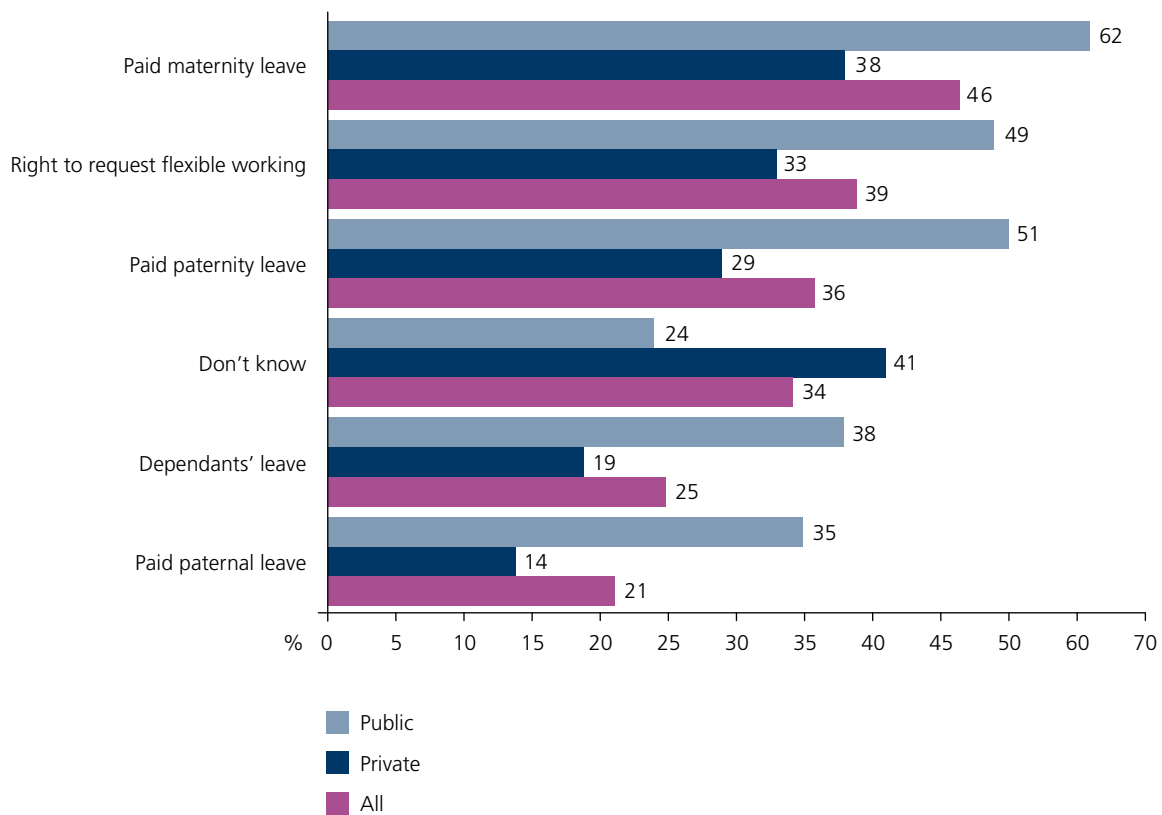


Table 3: Areas of statutory provision where employers operate a policy or practice that goes beyond the statutory minimum, by size of organisation (%)
Base: All organisations (818)

	All	Micro	Small	Medium	Large
Right to request flexible working	39	40	30	33	41
Paid maternity leave	46	13	28	37	59
Paid paternity leave	36	9	25	32	44
Paid parental leave	21	9	13	13	27
Dependants' leave	25	12	16	21	30
Don't know	34	53	47	35	28

34% of employers reported that they do not know if they operate a policy or practice that goes beyond the statutory minimum. A significantly higher proportion of private sector employers (41%) were more likely to say they do not know than public sector employers (24%). Almost half of micro businesses do not know if they operate a practice that goes beyond the minimum, falling to 28% of large employers.

Of those employers who do not have a formal policy to give all workers a right to request flexible working, the main reason given for not having a policy is that it would be too hard to manage competing requests (44%). See Figure 4. This is more of an issue for larger employers, with a significantly higher proportion (52%) reporting this than in SMEs (33%).

The statutory right to request flexible working

Anyone can ask their employer for flexible work arrangements, but the law provides some employees with the statutory right to request a flexible working pattern.

The statutory right to request covers:

- employees who have or expect to have parental responsibility of a child aged under 17 or a disabled child under 18
- employees who are carers for a spouse, partner, civil partner or relative, or someone, who although not related to them, lives at the same address as them.

Under the law employers must seriously consider an application to work flexibly and only reject it if there are good business reasons for doing so. Employees have the right to ask for flexible working – not the right to have it. Employers can reasonably decline applications where there is a legitimate business ground.

For further details of the statutory right to request flexible working, see www.direct.gov.uk/en/Employment/Employees/Flexibleworking/DG_10029491

Case study: Women's Pioneer Housing

Women's Pioneer Housing introduced the right to request flexible working for all employees when the statutory right to request flexible working came into force in 2003.

Janet Davies, Chief Executive of the housing association, which employs 38 people, said that while the organisation's flexible working policy was driven by the legislation, it was decided the statutory right to request did not go far enough.

'We have a flexi-time system that allows staff to accumulate time off. However, our main policy is a right to request flexible working for everybody.

'There are a disproportionately high number of women and older people in our organisation. The employee profile does not fit with the legislation stereotype (parents with young children). The legislation as it stands does not seem very sensible when one considers the removal of the Default Retirement Age and the increase in pension ages. We became aware that it wasn't right just to give the right to request to parents, because two or three people were regularly having to take time off for other types of caring responsibilities.'

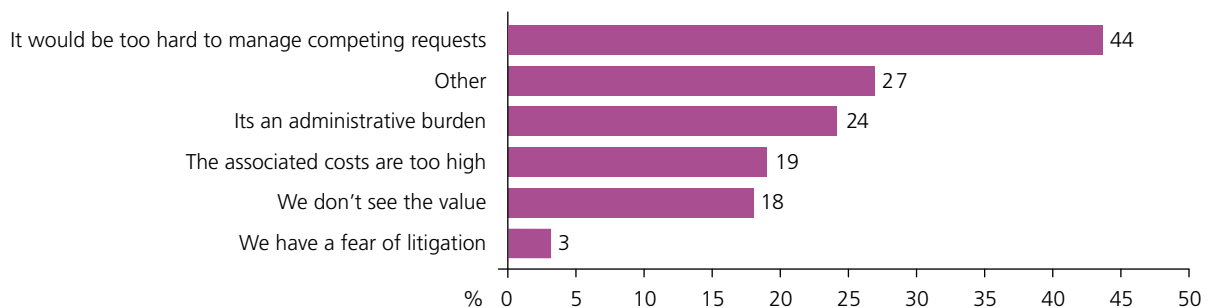
The organisation also uses its flexible working policies to enable older workers to downshift and reduce their hours to suit their changing working preferences or health.

Davies explained: 'We have older staff who are committing more time to voluntary work, or cutting down on long commutes by working fewer or condensed hours and would be sympathetic to anyone who makes a request for any reason. It's a false assumption that only younger workers with children need or could benefit from flexibility.'

Davies supports the Government's plans to extend the statutory right to request flexible working to all employees. 'Our policy on flexible working was driven by the legislation – we wouldn't have thought of it otherwise. It has also been helpful from the staff members' point of view, as it gives them a clear idea of their rights. Without the legislation it would have taken longer.'

Figure 4: Reasons for not having a formal right to request flexible working policy (%)

Base: All organisations which do not have a right to request flexible working (273)



Among employers that don't provide a right to request flexible working to all employees, a quarter of both large and micro businesses are likely to cite difficulty managing competing requests as a reason. A third of small employers say that the associated costs of extending flexible working to all employees are too high, as do 28% of medium-sized organisations and 26% of micro firms. See Table 4.

Large employers are more likely than smaller employers to report the administrative burden as a key reason for not extending the right to request to all employees.

The threat of litigation does not feature highly as a reason, with just 8% of micro firms citing this as a factor and just 1% of large employers.

Only a very small proportion (4%) of employers have encountered any problems in complying with the right to request legislation in the last two years, 85% have had no problems and 11% do not know. Small employers are less likely to report problems than larger organisations. Nine out of ten micro, small and medium-sized employers have not reported any problems compared with eight out of ten large employers. See Table 5.

Of those employers who have encountered problems with the right to request legislation, 64% have experienced disruption caused by introducing new working arrangements and 52% practical problems in assessing and/or discussing alternative working arrangements.

Figure 5 shows the proportion of requests from employees taking advantage of their statutory right that employers have agreed to unmodified, agreed to in a modified form and refused. The majority of requests are agreed to unmodified, with 18% of employers reporting that more than 75% of the requests they receive are agreed to and 41% who reported that no requests had been refused.

In those cases where employers have been unable to grant flexible working requests, the main reasons given are that it would have had a detrimental effect on the ability to meet customer demand (39%) and that they had the inability to reorganise work among existing staff (30%). However, 39% of employers did report that they have never turned down a request, with the private sector 45% significantly more likely to have not refused a request than public sector employers (26%). See Figure 6.

Table 4: Reasons for not having a formal right to request flexible working for all employees, by size of organisation (%)
Base: Organisations that don't provide a right to request flexible working for all employees (229)

	Micro	Small	Medium	Large
It would be too hard to manage competing requests.	26	13	22	26
It's an administrative burden.	16	37	43	52
The associated costs are too high.	26	35	28	10
We don't see the value.	15	12	18	21
We have a fear of litigation.	8	5	7	1
Other	51	34	24	21

Table 5: Organisations that have reported problems in complying with the right to request legislation (%)
Base: All organisations (790)

	All	Micro	Small	Medium	Large
Yes	4	3	3	4	5
No	85	91	93	90	81
Don't know	11	6	4	6	14

Public sector employers are significantly more likely than private sector employers to refuse requests because of a detrimental effect on the ability to meet customer demand (48%) and because they had the inability to reorganise work among existing staff (41%) compared with 34% and 24% of private sector employers respectively.

Large employers are more likely to cite a variety of reasons for turning down requests to work flexibly than small employers.

Employers in the public sector are also significantly more likely to refuse requests on the grounds that they have the inability to recruit additional staff (22% compared with 11% of private sector employers) and because of planned structural changes (17% compared with 7%).

In all, 79% of micro businesses report they have never turned down a request, as do 65% of small businesses, 47% of medium-sized businesses and 25% of large businesses.

Figure 5: Proportion of requests for flexible working that have been agreed to unmodified, in a modified form and refused (%)
Base: All organisations (818)

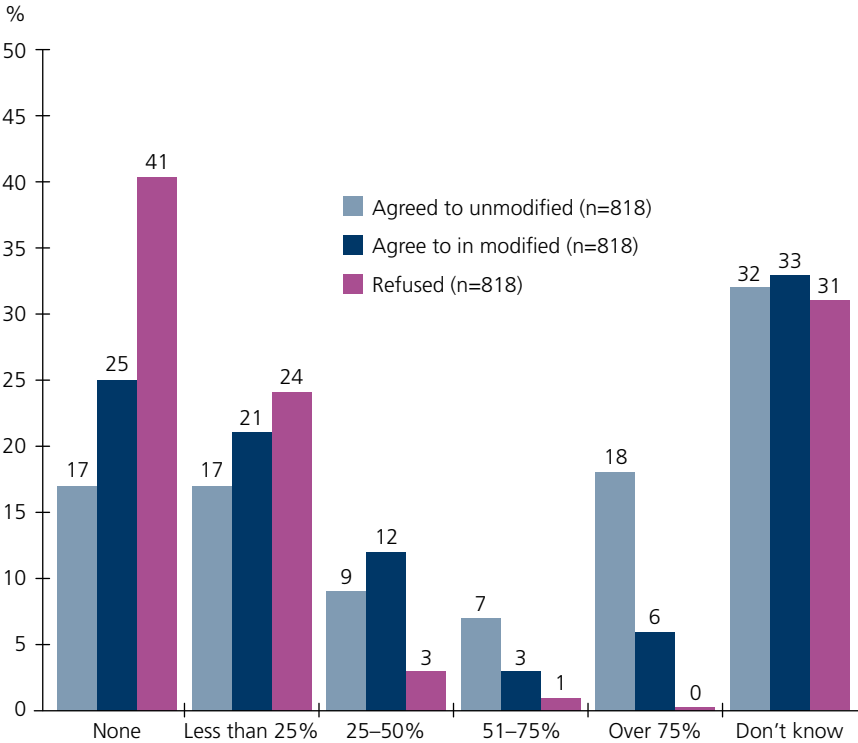
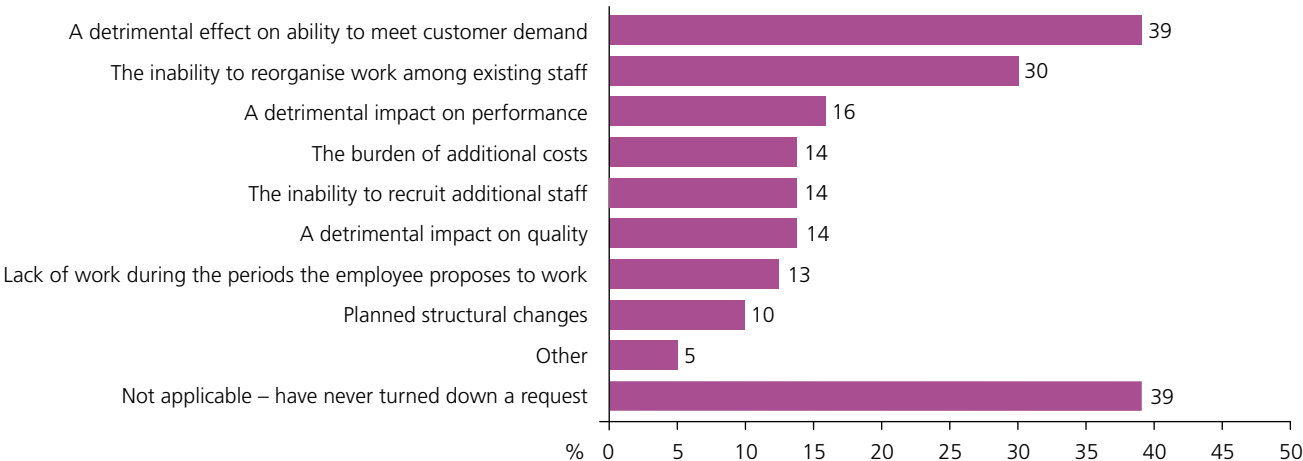


Figure 6: Main grounds on which employers have turned down flexible working requests (%)
Base: All organisations (818)



Flexible working regulations and tribunal claims

Information provided by HM Courts and Tribunals Service, as a result of a Freedom of Information request by the CIPD, reveals how few employment tribunal claims are generated as a result of the statutory right to request flexible working.

The figures show that out of a total 218,100 employment tribunal claims in 2010–11, just 277 alleged that employers had failed to observe the flexible working regulations. The majority of these claims (229) were successfully conciliated by Acas or settled out of court and, of the 48 that actually reached tribunal, just 10 were successful.

During the five years covered by the statistics, the year in which there were most claims under the flexible working regulations was in 2009–10, when there were a total of 344 claims. Of these, 284 were conciliated by Acas, withdrawn or settled out of court. A total of 60 claims were heard at tribunal, with 15 being successful. See Table 6.

The data supports the findings from the survey of employers highlighted in this report that the vast majority (85%) of employers say that the flexible working regulations have caused no problems, rising to 90% or above among micro, small and medium-sized businesses.

Table 6: Statistical information on the number of claims where employers allegedly failed to follow flexible working regulations between the financial years 2006 and 2010

Financial year	Outcome	Acas conciliated settlement	Withdrawn or private settlement	Successful at hearing	Unsuccessful at hearing	Dismissed at hearing – out of scope	Disposed of/other	Default judgment
2006–07	Singles	83	82	3	11	4	10	1
	Multiples	19	9	1	2	1	2	0
	Total	102	91	4	13	5	12	1
2007–08	Singles	109	80	8	23	7	9	1
	Multiples	14	11	2	4	2	2	0
	Total	123	91	10	27	9	11	1
2008–09	Singles	131	48	9	15	3	8	1
	Multiples	23	19	1	4	2	1	0
	Total	154	67	10	19	5	9	1
2009–10	Singles	139	105	11	22	5	15	1
	Multiples	19	21	3	3	0	0	0
	Total	158	126	14	25	5	15	1
2010–11	Singles	100	90	9	21	5	10	0
	Multiples	35	4	1	2	0	0	0
	Total	135	94	10	23	5	10	0

(Source: HM Courts and Tribunals Service)

Table 7: Number of claimants alleging their employers failed to follow the flexible working regulations and who were successful at hearing

Year	Number of claimants who were successful at hearing
2006–07	5
2007–08	11
2008–09	11
2009–10	15
2010–11	10

Access to and uptake of flexible working among employees

Employee perceptions of the flexible working arrangements provided by employers

In total, almost three quarters of employees report their employer provides access to some form of flexible working, with a about a fifth saying their organisation does not provide flexible working and just under 10% not knowing either way. Part-time working is the most commonly provided flexible working arrangement with about half (51%) of employees saying their organisation provides this. The next most commonly provided flexible working practises are flexitime (31%), working from home and mobile working (24% for both) and career breaks or sabbaticals (22%). See Table 8.

The survey shows there is a gap between what flexible working employees believe employers offer and what employers actually provide. For example, Figure 1 in this report finds that more than 90% of employers say they provide flexible working of some kind, while 88% report they provide part-time working, 54% that they offer working from home on a regular basis for some staff, and 50% cite flexi-time. This suggests employers could do more to communicate their flexible working arrangements to staff and that certain flexible working arrangements are only available to some employees.

Table 8: The flexible working options that employees' report their organisation provides
Base: All employees, excluding sole traders (1,782)

	All	Micro	Small	Medium	Large
Part-time working	51	35	39	46	60
Term-time working	13	5	5	8	18
Job share	16	4	8	9	23
Flexitime	31	29	23	19	34
Compressed hours (spreading a five-day week over four days for example)	16	9	13	8	21
Annual hours (staff are contracted to work a set number of hours each year with flexibility over when hours are worked)	9	6	5	4	11
Working from home on a regular basis	24	29	21	17	25
Mobile working (eg using laptop to work from another location)	24	20	17	23	
Career breaks, sabbaticals	22	6	7	8	33
Secondment to another organisation	10	3	4	2	16
Time off for work in the community	11	5	6	5	16
Other	3	6	1	3	3
My organisation does not provide flexible working	19	28	35	23	13
Don't know	8	7	6	7	7

Uptake of flexible working

Among employees whose organisations provide some form of flexible working, part-time working is the most commonly used arrangement, with a third (32%) reporting they work part-time. A quarter of employees use some sort of flexitime and 20% work from home on a regular basis. Remote working is also a fairly frequently used option, with 14% of employees benefiting from this way of working.

However, take-up of other forms of flexibility is low. Only 5% of employees have some form of compressed hours, for example spreading a five-day week over four days. Just 3% of respondents use annual hours (staff are contracted to work a set number of hours each year, with flexibility over when hours are worked). Just 1% of respondents job-share.

Women are more likely than men to use flexible working, with 77% working flexibly in some way, compared with 70% of men. Women are most likely to work part-time (49%), use flexitime (21%) and work from home on a regular basis (15%). Among men, flexitime (30%), working from home on a regular basis (25%) and mobile working (22%) are the most commonly used practices.

In terms of sector, there is little difference in the overall uptake of flexible working, however public sector employees are most likely to use flexitime, non-profit employees most commonly work part-time and private sector staff are most likely to benefit from mobile working. See Table 9.

Table 9: The uptake of flexible working arrangement among employees (%)

Base: All employees, excluding sole traders whose organisations provide some form of flexible working (1,298)

	All	Men	Women	Private	Public	Voluntary
Part-time working	32	13	49	32	31	38
Term-time working	2	1	4	1	7	2
Job share	1	1	1	1	1	1
Flexitime	25	30	21	20	38	29
Compressed hours (spreading a five-day week over four days for example)	5	5	4	5	5	4
Annual hours (staff are contracted to work a set number of hours each year with flexibility over when hours are worked)	3	2	4	3	4	5
Working from home on a regular basis	20	25	15	21	13	24
Mobile working (eg using laptop to work from another location)	14	22	8	16	12	7
Career breaks, sabbaticals	2	2	2	2	2	3
Secondment to another organisation	1	1	1	1	1	0
Time off for work in the community	3	3	2	3	1	0
Other	3	3	3	3	2	4
I do not make use of any flexible working options	26	30	23	27	26	24

Case study: British Gas

What types of flexible working do you offer?

At British Gas, flexible working is well established and a key element of our business strategy. By offering many different types of flexible working, we can create total flexibility for our employees and enable the business to provide our customers with 24/7 service. Our engineers, for example, have flexible working patterns and are available as late as 8pm, seven days a week, in addition to our 24-hour emergency service.

We support our employees' requests for flexible working whenever possible, while considering the needs of the business. Our flexible working provisions include allowing our university students to study, letting people work longer or shorter hours, part-time and full-time roles, flexible hours to allow for childcare, and remote working. Where viable, we also support homeworking.

Why do you offer flexible working?

Our people and their skills are fundamental to the great service we give our customers – and the overall success of British Gas. We offer flexible working because we want to attract and retain the best talent, regardless of background and responsibilities. And we want a diverse workforce that reflects our community and customer base.

Offering flexible working increases employee loyalty to our brand and provides a great environment to work in. British Gas was ranked in the top quartile for levels of engagement in a recent employee engagement survey conducted by Aon Hewitt, which also highlighted the low turnover rates amongst our staff. In our UK call centres, for instance, we have one of the lowest turnover rates in the industry, good attendance levels and strong commitment to customers.

What do you see as the benefits of offering flexible working?

We believe that happy, committed employees lead to a successful, flourishing organisation. Offering benefits such as flexible working builds mutual trust between employer and employee. In return, our people reward us with great service and commitment to the business and our customers.

What do you think would happen if you did not offer flexible working?

Without a totally flexible workforce we wouldn't be able to give our customers the same great service and respond to their individual needs. Our organisation would totally grind to a halt.

Additional points

The diversity agenda is the key piece – we're offering flexible working because there are so many business benefits to doing so and it makes business sense.

Angela Williams, HR Director, British Gas

Flexible working uptake, by size of organisation worked for

Employees working for micro and small businesses are more likely to work flexibly than those working in medium-sized or large organisations. Nine out of ten employees working in micro businesses employing between two and nine people benefit from some sort of flexible working, as do 78% of those working for small employers with between 10 and 49 members of staff. Among medium-sized organisations (employing between 50 and 249 people) 67% of employees work flexibly in some way, as do 71% of employees in large organisations with 250 or more employees. See Table 10 for a detailed breakdown of flexible working uptake by size of organisation worked for.

Flexible working uptake, by seniority of employees

Board directors, senior and middle managers are marginally more likely to use some form of flexible working, than line managers and employees with no managerial responsibility. See Table 11. However there is significant difference between the type of flexible working used by employees of different levels of seniority. There is much greater uptake of home working and mobile working among board directors, other senior managers and middle managers. Just 14% of line

managers and a similar proportion of employees with no managerial responsibility work from home regularly. While only about one in ten of line managers and employees with no managerial responsibility benefit from mobile working. Conversely line managers and employees with no managerial responsibility are more likely to use flexi-time and to work part-time compared to more senior members of staff.

Employees that would like to work flexibly if given the opportunity

Among the quarter of employees that don't make use of any flexible working options, nearly half (46%) would take up flexible working if they had the opportunity. Of this sample, women are marginally more likely than men to indicate they would like to work flexibly if there was the opportunity to do so (see Table 12). In all, 69% of those working in medium-sized organisations who don't make use of flexible working report they would like to work flexibly if there was the opportunity to do so, as would 55% of those working in large organisations who don't currently work flexibly. Nearly half (47%) of those working in small organisations who don't work flexibly would also like to work flexibly; however, only 23% of those working for micro businesses say that they would like to work flexibly given the opportunity (see Table 13).

Table 10: What type of flexible working do you make use of? (by size of organisation worked for) (% employees)
Base: All employees who have access to flexible working (1,298)

	Micro	Small	Medium	Large
Part-time working	39	33	27	31
Term-time working	2	1	3	3
Job share	2	1	3	3
Flexitime	28	28	17	26
Compressed hours (spreading a five-day week over four days for example)	8	9	4	3
Annual hours (staff are contracted to work a set number of hours each year with flexibility over when hours are worked)	5	0	2	4
Working from home on a regular basis	37	25	17	16
Mobile working (eg using laptop to work from another location)	21	15	13	14
Career breaks, sabbaticals	3	2	0	2
Secondment to another organisation	2	1	1	1
Time off for work in the community	4	5	4	2
Other	10	2	4	2
I do not make use of any flexible working options	10	22	33	29

Table 11: What type of flexible working do you make use of? (by category of employee)
Base: All employees who have access to flexible working (1,298)

	Board director	Senior manager below board level	Middle manager	Line manager	Employees with no managerial responsibility
Part-time working	21	13	18	24	39
Term-time working	0	0	2	2	2
Job share	0	1	0	1	1
Flexitime	22	21	24	30	28
Compressed hours (spreading a five-day week over four days for example)	10	2	6	5	2
Annual hours (staff are contracted to work a set number of hours each year with flexibility over when hours are worked)	0	1	2	4	3
Working from home on a regular basis	30	42	26	14	14
Mobile working (eg using laptop to work from another location)	30	32	26	11	10
Career breaks, sabbaticals	8	6	2	1	1
Secondment to another organisation	4	5	2	1	0
Time off for work in the community	0	3	3	4	2
Other	0	1	2	3	3
I do not make use of any flexible working options	20	24	24	30	28

Table 12: Given the opportunity, would you take up flexible working? (%)
Base: All employees (excluding the self employed) whose organisation does not provide flexible working (347)

	All	Men	Women	Private	Public	Voluntary
Yes	46	44	51	47	44	65
No	33	38	25	35	36	0
Don't know	20	18	23	19	20	35

Table 13: Given the opportunity, would you take up flexible working? (by size of organisation) (%)
Base: All employees (excluding the self employed) whose organisation does not provide flexible working (347)

	Micro	Small	Medium	Large
Yes	23	47	69	55
No	58	35	14	23
Don't know	19	18	17	22

Junior staff with no managerial responsibility who don't have access to flexible working are most likely to say they would take up flexible working if they had the opportunity to do so, with 61% saying yes this is the case. More than five out of ten line and middle managers who are unable to work flexibly would like to do so. In contrast just 24% of board levels directors and 33% of senior managers below board level say this is the case. See Table 14.

A large majority of employees (83%) say they have never had a flexible working request turned down, with little difference between men or women. There is also little difference in the responses of employees in terms of sector or size of organisation worked for. Employees

working for public sector organisations are slightly more likely to have had a flexible working request turned down than those working in the private sector. Those working in medium and micro businesses are marginally more likely to have a flexible working request turned down than those working in small and large organisations. See tables 15 and 16.

The most common response by employees to having a request for flexible working turned down would be to talk to their line manager (56%). Only 11% say they would appeal against the decision and 8% say they would talk to HR. Women would be more likely to appeal the decision than men (see Table 14).

Table 14: Given the opportunity, would you take up flexible working? (by seniority of employee)

Base: All employees (excluding the self employed) whose organisation does not provide flexible working (347)

	Board director	Senior manager below board level	Middle manager	Line manager	Employees with no managerial responsibility
Yes	24	33	58	56	61
No	44	60	29	24	19
Don't know	32	7	13	20	20

Table 15: Have you ever had a flexible working request turned down? (%)

Base: All employees who have to request to work flexibly (533)

	All	Men	Women	Private	Public	Voluntary
Yes	13	12	13	11	15	14
No	83	83	82	84	78	84
Can't remember	5	5	5	5	7	2

Table 16: Have you ever had a flexible working request turned down? (by size of organisation worked for) (%)

Base: All employees who have to request to work flexibly (533)

	Micro	Small	Medium	Large
Yes	14	10	14	12
No	84	86	84	82
Don't know	2	4	2	5

Table 17: How would you respond if your request for flexible working was turned down? (%)

Base: All employees who have to request to work flexibly (533)

	All	Men	Women	Private	Public	Voluntary
I would appeal the decision.	11	7	14	10	11	15
I would submit another request.	5	4	5	5	5	3
I would talk to my line manager.	56	58	56	54	62	62
I would talk to HR.	8	6	10	9	7	0
I would do something else.	5	6	4	5	3	5
I would do nothing.	15	20	12	17	11	15

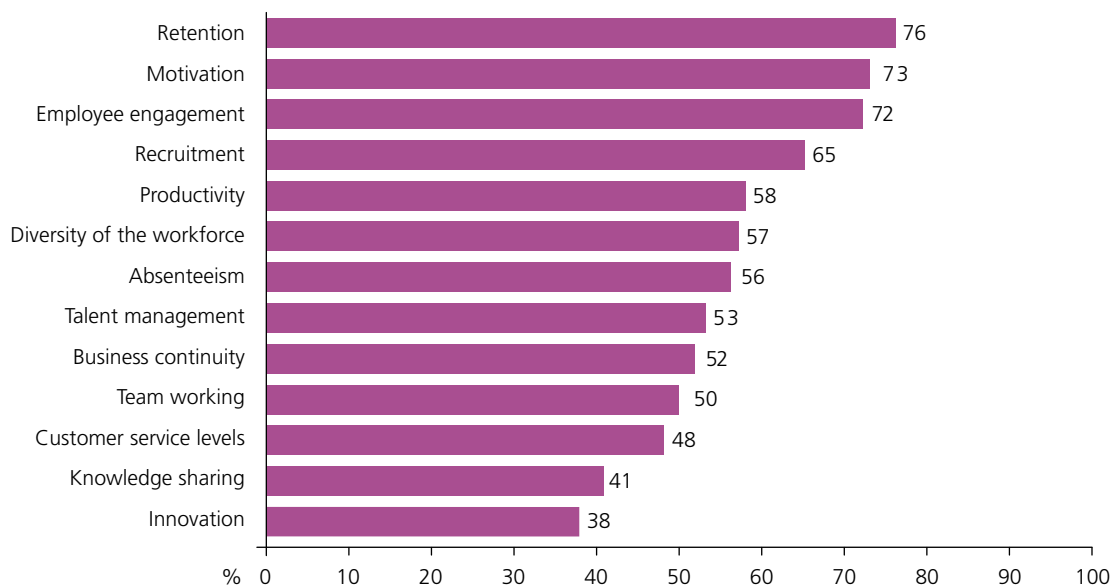
Benefits of flexible working

Employers report that the provision of flexible working arrangements can have a positive impact on a number of areas of organisational performance. The results show employers feel that implementing flexible working has significant direct benefits for the business.

Nearly three-quarters (76%) of employers feel that implementing flexible working practices has a positive

impact on staff retention, with just 3% identifying a negative effect (net positive impact 73%). A further 73% report there is a positive impact on employee motivation, with 3% citing a negative effect (net positive impact 70%). In all, 72% report that flexible working positively affects levels of employee engagement, with 4% saying there is a negative effect (net positive impact 68%). See Figure 7.

Figure 7: Positive impact of flexible working practices on areas of organisational performance (%)
Base: All organisations which offer flexible working (754)



The views of employers on which areas flexible working has the highest impact vary by size and sector. Employers of all sizes are very positive about the impact of flexible working on retention, motivation and engagement. Micro employers are most likely to report flexible working has a positive impact on productivity and on customer service. Medium-sized organisations are most likely to report a positive impact on absence levels. Large organisations are most likely to agree that flexible working supports diversity (see Table 18).

In the public sector employers are more likely to feel that flexible working has a positive impact upon knowledge-sharing, the diversity of the workforce and business continuity than private sector employers (50%, 67% and 59% in the public sector compared with 36%, 51% and 48% respectively in the private sector).

Benefits of flexible working: employees

From an employee perspective, more than half report that flexible working helps them achieve better work-life balance generally. Almost a quarter report flexible working helps them manage caring responsibilities for children, while nearly one in ten say it helps them to

manage caring responsibilities for parents or grandparents. More than a third of respondents believe flexible working makes them more productive. A third of respondents report that flexible working has helped reduce the amount of stress they feel under and a similar proportion say it has been a factor with them staying with their current employer. See Table 19.

About a fifth of employees say flexible working helps them stay healthy by allowing more time for them to exercise or make sensible choices over lifestyle. A similar proportion think flexible working reduces the amount of time they take off work sick.

Women are more likely than men to say that flexible working helps them to manage caring responsibilities for children, parents and grandchildren. Women are also more likely than men to identify flexible working as a reason they have stayed with their current employer. Men are more likely to believe flexible working helps them be more productive, to reduce the time and cost of commuting and to reduce stress.

Table 18: Net positive impact of flexible working* (% employers)
Base: All organisations (base 760)

	All	Micro	Small	Medium	Large
Retention	73	74	64	72	74
Motivation	70	75	66	70	69
Recruitment	62	59	53	63	63
Engagement	68	71	56	69	69
Productivity	47	65	51	45	48
Absence	49	53	47	54	48
Customer service	37	39	27	33	26
Teamworking	32	55	36	33	39
Knowledge-sharing	30	34	17	34	27
Diversity	54	41	39	48	60
Business continuity	44	50	33	48	43
Innovation	32	47	32	29	30

*Net positive impact of flexible working: the proportion of respondents saying flexible working has a positive impact on any of the above measures of organisational performance minus those saying their impact is negative.

Table 19: The benefits of flexible working (employees %)
Base: All employees making use of flexible working opportunities (960)

	All	Men	Women
It helps me achieve better work–life balance generally.	54	56	52
It helps me manage caring responsibilities (children).	23	18	28
It helps me manage caring responsibilities (parents/grandparents).	9	7	12
It helps me manage caring responsibilities (spouse).	7	7	6
It helps me manage caring responsibilities (friend/neighbour).	2	2	2
It helps reduce the amount of pressure/stress I feel under.	33	36	31
It helps me pursue hobbies/personal interests outside work.	26	27	25
It helps me invest more time in my family/friends.	30	28	31
It helps reduce the amount of time I have to take off work to look after dependants.	11	9	13
It helps me stay on top of my financial affairs.	11	14	8
It helps me stay healthy by allowing more time to exercise/make healthy choices over lifestyle.	17	20	14
It helps reduce the cost of commuting.	24	32	17
It helps reduce the amount of time I spend commuting.	27	38	18
It has helped me to return to work following ill health.	8	10	6
It has been a factor in my staying with my current employer.	33	30	35
It helps me be more productive at work.	35	46	27
It helps reduce the amount of time I take off sick.	17	17	18
Other	5	5	5
Don't know	8	5	10

Satisfaction with work–life balance and employee engagement

There is a strong association between employees who agree they achieve the right balance between their work and home lives and respondents who are engaged at work, according to the CIPD's employee engagement index (see box below), which is tracked in the Institute's quarterly Employee Outlook survey.

In all, 79% of engaged employees agree or strongly agree that they achieve the right balance between their work and home lives, compared with 50% of employees who are neutral (neither engaged nor disengaged) and 17% among those that are disengaged. See Table 20.

Table 20: Proportion of engaged/disengaged employees agreeing they achieve the right balance between their work and home lives (%)
Base: All employees (2047)

	All	Engaged	Neutral	Disengaged
Strongly agree	14	26	8	4
Agree	45	53	42	13
Neither agree nor disagree	17	9	22	17
Disagree	17	10	20	37
Strongly disagree	6	2	7	28
Not sure	1	0	1	1

Case study: Marks & Spencer

What types of flexible working do you currently offer?

We are committed to promoting an environment where employees can openly discuss their work–life balance needs with their line manager and propose flexible ways of working which may allow them to achieve a balance that is appropriate to them and to the business. The M&S Flexible Working Policy was revised in February 2010 to give greater emphasis to the requirement for line managers to give all formal flexible working requests due consideration, and agree those requests that are beneficial to both M&S and the employee.

M&S currently supports the following types of flexible working:

- part-time working
- job-sharing
- term-time working
- homeworking on a part-time basis, depending on the job
- time off for training, where an individual can request unpaid time off for relevant training or study
- flexible retirement options
- career leave of up to nine unpaid months to study, travel or perform caring duties.

Why do you offer flexible working?

Apart from the legislative requirement to consider flexible working requests, we recognise that when employees are able to achieve an appropriate balance between work and other aspects of their lives they have **improved morale, productivity and attendance and** are more **likely to remain with our company**.

What do you see as the main benefits of offering flexible working?

We are highly committed to employee engagement and believe that flexible working contributes to our levels of engagement. Other benefits include:

- attraction of the best talent
- retention of our existing talent
- productivity across the business
- motivation to give great service
- increased morale.

What would you highlight as the most innovative element of your flexible working provision?

- Many requests for flexible working can be handled and agreed informally. Encouraging employees to initially raise a request informally is likely to save the line manager time and to help encourage positive working relationships where the employee feels valued and committed, especially if the request is for a temporary change. The eligibility criteria do not apply to informal requests, that is, continuously employed for 26 weeks and who have not made a formal flexible working request in the preceding 12 months.

If you did not offer flexible working, what effect would this have on your organisation?

- lack of retained knowledge and talent across the business
- poor morale and motivation would mean a drop in levels of customer service
- increased recruitment costs/unable to recruit younger generation.

Tanith Dodge, Head of HR, M&S

The employee engagement index

These questions asked the extent to which an employee:

- takes on more work to help colleagues
- works more hours than is paid or contracted to
- feels under excessive pressure in their job
- has positive relationships with colleagues
- achieves what they feel to be the right work–life balance
- is satisfied with the content of their job role
- is satisfied with their job overall
- is satisfied with their relationship with their line manager or supervisor
- thinks their employer treats them fairly
- has a clear knowledge of the purpose of their organisation
- is motivated by that purpose
- feels their organisation gives them the opportunity to learn and grow
- has confidence in the directors/senior managers of their organisation
- trusts the directors/senior managers of their organisation
- is likely to recommend their organisation as an employer.

Methodology

The above variables were then compared with each other using factor analysis to compare the level of overlap that existed between them. In doing so, there emerged seven distinctive groups of variables which were contributing different elements to overall engagement.

All variables were then aggregated together to give an overall score. So as to not overweight any individual element in the calculation of the index, where more than one question added to the same indicator of engagement, each response was downweighted (if there were four questions in a category, for example, they were each given a weighting of 0.25 so the group as a whole totalled a value of one-seventh of the index).

The total score was then indexed between 1 and 100 using a coefficient.

Satisfaction with work–life balance support

Only a minority of employees agree their organisation or their direct manager provides them with support to help them manage their work–life balance. See Table 21.

Just over a third of employees agree or strongly agree their organisation provides them with work–life balance support, with women (42%) more likely to agree this is the case than men (32%). There is little difference in views from employees at different levels of seniority in organisations. In all, 32% of board-level managers or directors agree their organisation helps

them manage their work–life balance, as do 34% of middle managers, 38% of line managers and 39% of employees with no managerial responsibility.

Employees who believe their organisation supports their work–life balance have a more positive view of senior management. Respondents who agree their organisation provides support to help them manage their work–life balance are much more likely to also agree that they trust the senior management team and to agree that senior managers treat employees with respect.

Table 21: Proportion of employees agreeing their organisation provides them with support to help them manage their work–life balance (%)

Base: All employees, excluding self-employed, (1,782)

	All	Men	Women	Micro	Small	Medium	Large
Strongly agree	7	6	8	11	9	7	6
Agree	30	26	34	26	35	27	31
Neither agree nor disagree	24	26	21	22	24	26	23
Disagree	22	23	21	14	18	22	25
Strongly disagree	12	13	11	7	12	12	12
Not sure	1	1	1	0	0	2	2
Not applicable	5	6	4	19	3	4	2

Almost four in ten (39%) employees agree their manager provides support to help them manage their work-life balance. Public sector employees are most likely to agree this is the case (43%), with private sector staff least likely to (38%).

Employees working for micro organisations are least likely to agree their manager provides support to help them manage their work-life balance, with just 29% saying this is the case. There is little difference among

employees working for small, medium and large employers, with about four in ten agreeing their manager provides support in this area. See Table 22.

The survey highlights the importance of management support for employees' work-life balance as a way of preventing stress at work. Respondents who agree their manager provides support over their work-life balance are much less likely to say they are under excessive pressure every day than those who disagree.

Table 22: Proportion of employees agreeing their manager provides them with support to help them manage their work-life balance (%)
Base: All employees, excluding self-employed, (1,782)

	All	Men	Women	Micro	Small	Medium	Large
Strongly agree	8	7	9	8	8	9	8
Agree	31	29	34	21	35	33	34
Neither agree nor disagree	23	23	23	23	21	20	23
Disagree	19	20	17	10	17	20	21
Strongly disagree	11	12	9	7	12	10	11
Not sure	0	0	0	1	1	2	0
Not applicable	8	9	7	31	6	6	2

Manufacturing firm Seacon Europe Ltd has seen absence levels fall since introducing flexitime for all staff. Production staff are allowed one and a half days' flexitime each month, while office staff have one day of flexitime per month.

HR Adviser Gary Cole said the organisation introduced its policy following the introduction of the statutory right to request flexible working in 2003 in response to demand from staff.

He said absence levels had reduced as employees could use flexitime to manage demands they face in their lives outside work.

'People know they can take flexi, so they turn up. Attendance has improved greatly. Whereas 5-10% of people would be on the absence report, now we just get 1 or 2%. People have a greater understanding because there is a greater consistency.'

'Many people use flexitime to leave at 4:45 to avoid the traffic. Others use it for the school run or for doctors' appointments,' he said.

The introduction of flexitime has generally been problem free, but the firm has to be able to manage competing requests for time off at the same time in a fair and consistent way.

Cole explained: *'Sometimes requests are made at short notice, and these are sometimes rejected. Our decisions are based on their degree of importance, especially when requests are made by several members of staff at the same time.'*

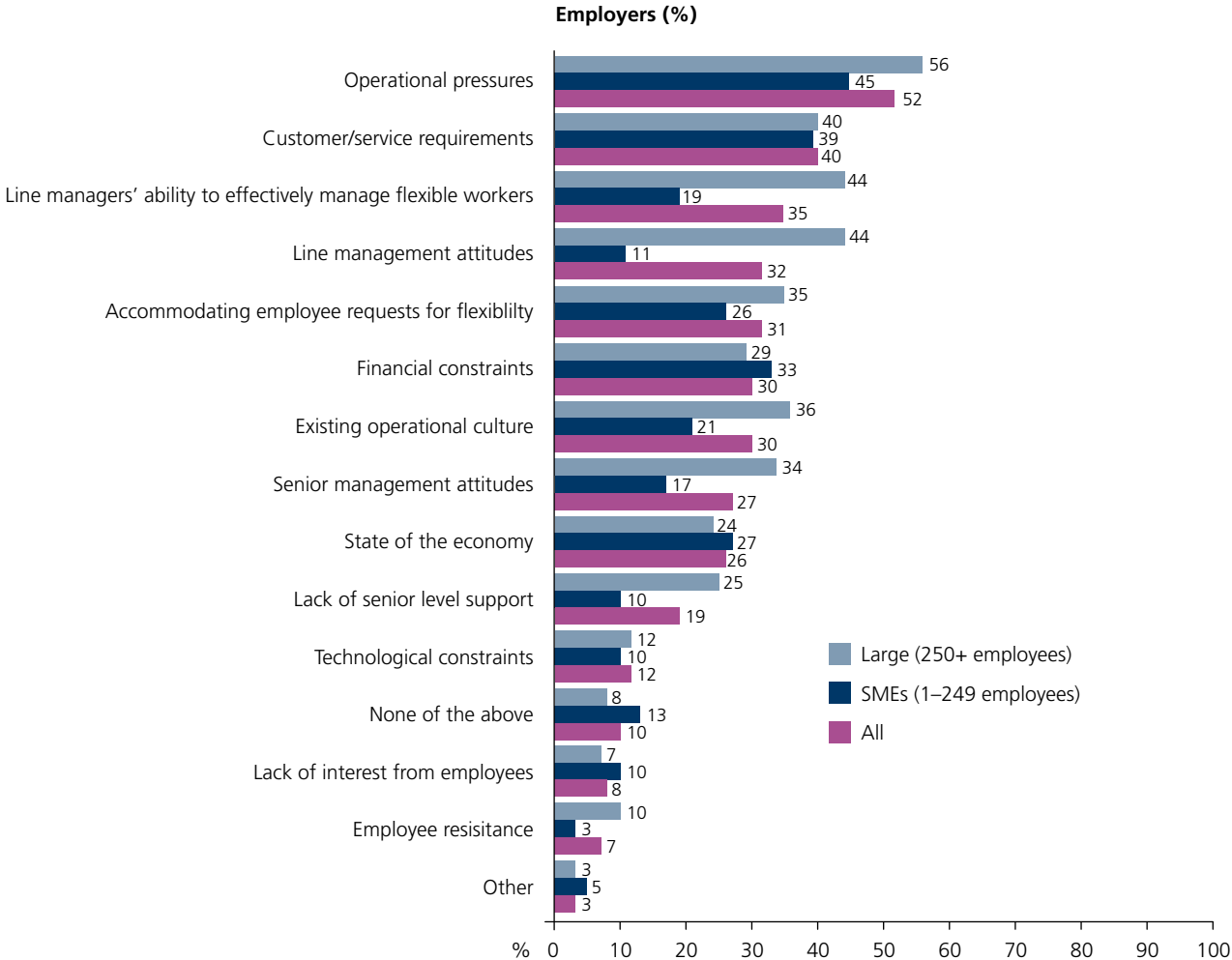
Cole added that flexitime is seen as a significant benefit to staff as the extra time means that in practice production staff receive another 18 days off a year, while office staff get an extra 12 days off on top of their annual leave entitlement.

Barriers to introducing flexible working

While it is the case that the vast majority of employers (94%) offer some form of flexible working, employers also reported that there are a number of barriers to them improving upon their current flexible working arrangements.

The main barrier to improving flexible working appears to be operational pressures, which was mentioned by 52% of employers. Other barriers that feature highly are maintaining customer/service requirements (40% of employers) and line managers' ability to effectively

Figure 8: Barriers to improving flexible working practices
Base: All organisations (818)



manage flexible workers (35%). Existing organisational culture and the attitudes of senior managers are identified as barriers 30% and 27% of employers respectively. See Table 23.

There are some important differences between the attitudes of employers of different sizes, with micro and small businesses less likely to cite as wide a range of obstacles as medium-sized or larger employers.

In all, 56% of large employers and 54% of medium-sized organisations cite operational pressures as obstacles to flexible working, compared with 47% of small organisations and 31% of micro businesses.

Large employers are by some way most likely to reference line management attitudes (44%) and line managers' ability to effectively manage flexible workers (44%). In contrast, just 6% of micro firms, 14% of small companies and 31% of medium-sized organisations cite line managers' ability to manage as a barrier to flexible working. Only 2% of micro firms identified line manager attitudes as a problem, as did 7% of small firms and 19% of medium-sized employers.

The biggest obstacle cited by micro firms is financial constraints, identified by 37% of these respondents in contrast to 29% of large employers. The issue of financial constraints is felt to be more of a barrier in the public sector than the private sector, with 39% of public sector employers mentioning this compared with 25% of private sector employees.

Table 23: Obstacles to flexible working, by size of organisation (%)
Base: All organisations (818)

	All	Micro	Small	Medium	Large
State of the economy	26	31	22	26	24
Operational pressures	52	32	47	54	56
Customer service requirements	40	34	34	46	40
Line managers' ability to effectively manage flexible workers	35	6	14	31	44
Line management attitudes	32	2	7	19	44
Senior management attitudes	27	4	14	28	34
Existing organisational culture	30	4	19	35	36
Lack of senior-level support	19	2	8	16	25
Financial constraints	30	37	31	31	29
Technological constraints	12	6	12	13	12
Lack of interest among employees	8	7	13	11	7
Employee resistance	7	3	4	3	10
Accommodating employee requests for flexibility	31	14	27	35	35
Other	3	7	6	2	2

Table 24: Employee views on obstacles to flexible working by size of organisation (%)
 Base: All employees, excluding self employed (1,782)

	All	Micro	Small	Medium	Large
Attitudes among senior managers	17	6	15	19	21
Attitudes among line managers/supervisors	16	4	13	12	21
Attitudes among other members of staff	13	4	13	13	16
Poor communication of what flexibility is available	9	3	6	8	12
There is more pressure on people to be seen to be at work as a result of the economic downturn	11	4	8	12	15
A lack of available technology	7	5	7	10	7
A lack of access to the resources I need to do my job	9	6	10	10	9
The nature of the work I do	34	33	46	37	32
Flexible working is of limited relevance to the sector I work in	17	19	18	15	16
Other	3	5	2	3	3
There are no barriers to flexible working at my organisation	22	36	20	16	19
Don't know	12	9	7	12	12

From the perspective of employees, the biggest obstacle to flexible working is the nature of the work they do, with 34% citing this as an issue. The next most commonly mentioned obstacles are that flexible working is of limited relevance to the sector they work in, the attitudes of senior managers and the attitudes of line managers or supervisors. See Table 24.

In general, the smaller the organisation worked for, the least likely employees are to identify obstacles to flexible working. Employees working in micro-sized businesses are least likely to identify obstacles to flexible working at their organisation. Just 6% of respondents working in the smallest organisations cite attitudes among senior managers and only 4%

identify attitudes among line managers as obstacles to flexible working. In contrast, 21% of respondents working in large organisations identify both senior and line management attitudes as creating obstacles.

Those working for large employers are most likely to say the attitude of other employees is an obstacle to flexible working.

Flexible working trends

The provision of flexible working by employers has increased significantly over the past decade, according to the available evidence.

In terms of provision by employers, the Department for Trade and Industry's Work–Life Balance surveys in 2001, 2004 and 2006 and the 1998 and 2004 Workplace Employment Relations Surveys (WERS) provide useful benchmarks against the CIPD's new research.

The CIPD and WERS survey data show that the provision of a number of common flexible working practices by employers has increased steadily between 1998, 2004 and 2012. See Table 25.

The proportion of employers providing flexitime to some employees has increased from 27% in 1998 to 50% in 2012. Homeworking is the type of flexibility that has seen a particularly significant increase in uptake from 1998, when just 13% of employers provided homeworking to some employees, to 54% in 2012.

Nearly half (49%) of employers now provide job-sharing compared with just 31% in 2004 and 28% in 1998. The proportion of employers providing compressed

hours has doubled between 1998 (16%) and 2012 (33%). More than four in ten employers (44%) now provide compressed hours working compared with 16% in 2004 (question was not asked in 1998).

However, the extent to which the actual uptake of flexible working among employees has increased over the last ten years is not so conclusive.

According to the DTI's Work–Life Balance surveys there was little increase in the take-up in flexible working by employees between 2001 and 2007. The proportion of employees who said flexible working was available and they had taken up at least one flexible working practice in the previous year increased from 51% in 2004 to 56% in 2006. However, if you compare the take-up of some of the most common flexible working arrangements identified in the DTI survey, there was little significant increase in uptake between 2001 and 2007. See Table 26.

The DTI WLB survey data is not directly comparable to the CIPD *Employee Outlook 2012* survey data because of differences in how the research was conducted.

Table 25: The provision of flexible working arrangements (% employers)

	CIPD 2012* Flexibility at work report	WERS 2004**	WERS 1998***
Flexitime	50	35	27
Job-sharing	49	31	28
Homeworking	54	26	13
Term-time working	33	20	16
Compressed work weeks	44	16	–

*Source: CIPD 2012. Online survey conducted for the CIPD by YouGov. Based on responses from 1,019 HR practitioners, weighted to be representative of industry in the UK in relation to size, sector and type of business.

**Source: WERS 2004. Management questionnaire. Base: all workplaces with ten or more employees. Figures are weighted percentages and based on responses from 2,059 managers.

***Source: WERS 1998. Management questionnaire (DTI 1999). Base: all workplaces with ten or more employees identified through the filter question (see DTI 1999 for details). Figures are weighted percentages.

Table 26: Trends in the take-up of flexible working arrangements amongst employees (%)

	WLB1 (2001)	WLB2 (2004)	WLB3 (2006)
Part-time working	24	28	27
Flexitime	24	26	27
Reduced hours for a limited period	NA	13	12
Regular homeworking*	(20)	11	9
Compressed working week	6	11	9
Annualised hours	2	6	8
Job-share	4	6	6
Term-time working	14	15	13
Not worked flexibly in the last 12 months	–	49	44
Currently working flexibly or has done so in the last 12 months	–	51	56

* In WLB1, this question was asked as part of a separate section from other flexible working arrangements and was very differently worded, making comparison particularly unreliable.

Source: Department for Trade and Industry, The Third Work-Life Balance Survey; Main findings (2007)

Differences in methodology between DTI work-life balance surveys and the CIPD Employee Outlook data

In the DTI's WLB2 and WLB3, only employees who said that a particular flexible working arrangement would be available if they needed it were asked if they currently worked or had worked in that way over the past year. In WLB1 all employees were asked whether they worked that way in their main job and there was no reference to the past 12 months. In order to make tentative comparisons over time, the researchers commissioned by the DTI to undertake WLB3 calculated take-up of flexible working as a proportion of all employees for both WLB2 and WLB3.

The CIPD survey used one question to gauge uptake, which was 'what type of flexible working do you currently make use of?' This is unlikely to capture as many positive responses as the DTI survey questions in WLB1 and WLB2, which ask whether employees currently work flexibly or have worked flexibly in the past year.

However, bearing the differences in the data sets in mind, it seems safe to conclude that the overall use of flexible working has increased since 2007. Just under three-quarters (74%) of employees in the CIPD 2012 flexible working survey are using some type of flexible working, compared with just 56% in 2006 and 51% in 2004.

The picture on trends is less clear if you look at the practices that employees typically use. The areas where there seem to have been a significant increase since 2006 are part-time working and the use of homeworking. In all, 32% of CIPD survey respondents say they work part-time compared with 27% of employees in 2006 and 28% in 2004. In all, 20% of CIPD survey respondents work from home on a regular basis compared with 10% of employees in 2006 and 11% in 2004. The CIPD survey also showed a significant uptake of mobile working (14%), something that was not covered by the DTI surveys. See Table 27.

However, on a range of other flexible working measures, there has been a reduction in take-up since 2006. These include compressed hours, flexitime, job-share and term-time working. The ambiguous picture provided by the data in the different surveys may be explained by the differences in methodology but even if you just look at the DTI survey data between 2001 and 2006, there is no clear increase in the take-up of flexible working. Further research is necessary to establish a clearer picture on the take-up of flexible working over time.

Table 27: The uptake of flexible working arrangement among employees (%)
Base: All employees, excluding sole traders, whose organisations provide some form of flexible working (1,298)

	All	Men	Women	Private	Public	Voluntary
Part-time working	32	13	49	32	31	38
Term-time working	2	1	4	1	7	2
Job-share	1	1	1	1	1	1
Flexitime	25	30	21	20	38	29
Compressed hours (spreading a five-day week over four days for example)	5	5	4	5	5	4
Annual hours (staff are contracted to work a set number of hours each year with flexibility over when hours are worked)	3	2	4	3	4	5
Working from home on a regular basis	20	25	15	21	13	24
Mobile working (eg using laptop to work from another location)	14	22	8	16	12	7
Career breaks, sabbaticals	2	2	2	2	2	3
Secondment to another organisation	1	1	1	1	1	0
Time off for work in the community	3	3	2	3	1	0
Other	3	3	3	3	2	4
I do not make use of any flexible working options	26	30	23	27	26	24

Background to the report

This report is based on responses to two separate surveys from more than 1,000 employers (HR professionals) and more than 2,000 employees.

The employer perspective on flexibility at work was provided by the CIPD's winter 2011/12 *Labour Market Outlook* (LMO) survey of 1,019 HR professionals, many of whom are drawn from the CIPD's membership of more than 135,000 professionals. Fieldwork was carried out over January 2012 and is weighted to be representative of industry in the UK in relation to size, sector and type of business.

The survey was conducted online using the following sample sources:

- a sample from the CIPD membership database consisting of approximately 135,000 members
- YouGov panel of 1,500 senior HR professionals
- an open survey advertised through the CIPD weekly newsletter and magazine *People Management*.

The employee perspective was taken from a focus section on flexible working in the CIPD's winter 2011/12 *Employee Outlook* survey. The survey of 2,047 UK employees was conducted by YouGov for the CIPD from 18 December 2011 to 4 January 2012.

This survey was administered to members of the YouGov plc UK panel of more than 285,000 individuals who have agreed to take part in surveys. The sample was selected and weighted to be representative of the UK workforce in relation to sector and size (private, public, voluntary), industry type and full-time/part-time working by gender. The sample profile is normally derived from census data or, if not available from the census, from industry-accepted data.

Panellists who matched the sample profile (as explained above) were selected at random from the YouGov plc UK panel and were sent an email inviting them to take part in the survey.

Respondents were drawn from a mixture of public, private and voluntary organisations. Size of organisation was classified in the following way: sole trader (one-person business), micro business (2–9), small business (10–49), medium (50–249) and large (more than 250).

Net scores refer to the proportion of people agreeing with a statement minus those disagreeing.

Conclusions

The right to request flexible working was introduced in 2003 for parents of young children under six (or 18 in the case of a disabled child). Since then the right to request flexible working has been gradually extended to parents with older children (children aged under 17 or disabled children aged under 18) and certain employees with caring responsibilities. However, the CIPD has long argued that there is a strong and wide-ranging case for extending the right to request flexible working to all employees. A key reason for the extension is in order to respond to the needs of the UK's ageing workforce. Older employees will increasingly need and want to work in different ways and different hours as they move much more flexibly towards retirement. Extending the right to request flexible working will ensure that older workers who want to downshift in this way have the confidence to have a conversation with their employer. Most employers will welcome discussions initiated by older employees about how they can work differently in ways that suit them and the business. The modern workplace requires innovative resourcing solutions, for example, can employers pair older workers who are reducing their hours over time, with young people who are increasing their working hours over time as they study or learn on the job. This sort of progressive job share could enable effective mentoring, coaching and skills development and ensure that older workers' experience and knowledge are not lost to the business.

Another development which highlights the importance of more flexible workplaces is the forthcoming introduction of the universal credit which will enable people on unemployment and incapacity benefit to increase the hours they work incrementally as their benefits reduce to ensure that being in work always pays. Employers will have to become more comfortable at designing flexible jobs which cater for the needs of disadvantaged groups in the labour market if there is to be significant progress in helping those on long-term benefits into work.

The argument for extending the right to request to all employees is also based on a much broader business case. More than seven out of ten employers report that flexible working supports employee retention, motivation and engagement. Almost two thirds of employers believe flexible working supports their recruitment activities, while half believe it has a positive impact on reducing absence as well as on boosting productivity.

From the employee perspective, flexible working is linked to higher levels of employee engagement and well-being. Our report finds that employees satisfied with their work-life balance are more likely to be engaged and less likely to say they are under excessive pressure. About one third of employees say flexible working helps reduce the amount of stress they are under and 35% report it helps them to be more productive.

Flexible working also supports efforts to enable employees to balance their work and home lives, stay in touch with friends and family and manage caring responsibilities, whether children, grandchildren, parents, partner or friends and neighbours. About a quarter of respondents say that flexible working helps to reduce the cost of commuting, rising to a third among men.

Of course some argue that because the business case is so clear and because many employers have conversations about flexible working with their employees as a matter of course, extending the right to request flexible working is unnecessary.

However this report shows that a significant proportion of those employees who don't work flexibly would want to do so – particularly those below management level. Six in ten employees with no managerial responsibility whose organisation does

not provide flexible working would like to take-up flexible working. It also finds that many flexible working solutions are not widely used, for example job sharing or the use of annualised hours – or are only available to more senior staff. Managers are much more likely to be able to work from home or benefit from mobile working than other members of staff and while, this is partly likely to be because of differences in the nature of the work between managers and their employees, in some organisations, it is because of culture and engrained attitudes. For example, if work is organised properly there is no reason why most personal assistants and secretaries should not be able to work from home at least some of the time. Frontline customer service or production staff have more restrictions on the type of flexible working they can participate in but even for these types of jobs, there is scope for greater use of arrangements such as job sharing, flexitime and annualised hours.

The survey finds that employees working for larger organisations are less likely to benefit from flexible working. While larger employers are more likely to provide a wider range of flexible working arrangements than smaller employers, a higher proportion of employees working in smaller firms are likely to have access to flexible working of some form. More than half of employees in large organisations whose organisation does not provide flexible working would like the opportunity to take up flexible working compared to just 23% of those working in micro firms. This suggests that more needs to be done to encourage some larger employers to understand the potential benefits of flexible working for staff and the business.

In addition, the report shows that, while there is evidence that more employers are providing flexible working than they were ten years ago, many employees are not aware what is on offer, with a big gap between the amount of flexible working that employers say they provide and what employees believe is available. The extension of the right to request flexible working to all employees – and its promotion – can encourage improved communication by employers of what flexible working is available. It can continue to nudge employers to extend the

scope of the flexibility they offer either in terms of the type of arrangements that are available or the categories of staff that are able to benefit. It is a good example of light touch regulation that can help support the both the provision and uptake of flexible working which is increasingly important in the modern workplace.

This is a position which has cross party support, with all the three main political parties pledging in their election manifestos to extend the right to request flexible working to all employees in the run up to the election. The coalition government then committed to extend flexible working stating 'We will extend the right to request flexible working to all employees, consulting with business on how best to do so.'

However plans to extend the right to request of flexible working to all have been criticised by the Institute of Directors and the British Chambers of Commerce as being burdensome for businesses. The BCC expressed similar concerns in 2001 about the plans to introduce the statutory right to request flexible working for parents. Those fears have proved unfounded – regardless of size of organisation.

Our report finds that just 3% of micro businesses and small businesses, 4% of medium-sized businesses and 5% of large businesses have reported problems complying with the existing right to request flexible working, which has been extended gradually to cover parents of older children and some people with caring responsibility. Micro and small employers are more likely than larger organisations to manage flexible working informally rather than through formal policies and procedures, which appears to more than compensate for a lack of formal HR support.

Our report also shows that the right to request flexible working has not contributed in any significant way to an increase in employment tribunal claims. For example, out of a total 218,100 employment tribunal claims in 2010/11, just 277 alleged that employers had failed to observe flexible working regulations. The majority of these claims (229) were successfully conciliated by ACAS or settled out of court and, of the 48 that actually reached tribunal, just 10 were successful. Since 2006, the period for which we have

figures, the most number of tribunal claims generated by the flexible working regulations in any one year have been 344, with the vast majority of such claims in all years either resulting in an Acas conciliated settlement, withdrawn or settled privately between the parties.

The CIPD believes that the debate about employment regulation in the UK and the extent it is a burden to business needs to be based on evidence. The weight of available evidence finds that the existing right to request flexible working is functioning smoothly and that the business case for extending it is strong. Its extension can continue to help the UK become the most flexible labour market in the world, to maximise employment opportunities for all and support efforts to increase employee engagement and productivity.

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