MANAGING EMPLOYEES DURING COVID-19: Flexible working and the future of work (Phase Two)

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EXECUTIVE SUMMARY

The Working From Home During COVID-19 Project was started by the University of Birmingham, in collaboration with the University of Kent, in April 2020, just as the first COVID-19 lockdown was taking effect in the UK. The overall aim of the project is to explore changing experiences of flexible working and working from home during the pandemic, and the potential impact of these changes on future attitudes and intentions regarding working practices. The data collected throughout the Working From Home During COVID-19 project is used to provide insights for organisations and policymakers about likely changes in ways of working and the labour market post COVID-19. Phase one of the data collection included surveys with managers and employees across the UK immediately after the first COVID-19 lockdown. This data was written up as two separate reports; one looking at the experiences of employees, including their future attitudes towards flexible working (Chung, Seo, Forbes and Birkett, 2020), and the second exploring the experiences of managers managing staff working from home during COVID-19 as well as managers' future attitudes and intentions regarding flexible working (Forbes, Birkett, Evans, Chung and Whiteman, 2020) both reports are available from the Working From Home During COVID-19 Project team.

For this report (phase two) the Working From Home During COVID-19 Project team undertook a second round of data collection with managers immediately following the third COVID-19 lockdown with the intention of exploring how experiences and attitudes have changed throughout COVID-19. We therefore return to some key areas of focus from phase one while also exploring new areas of interest that have become more apparent over the course of the pandemic. Key findings from this report are highlighted below:

Working from home and flexible working have become much more widespread during the pandemic but most pandemic related flexible working is being done informally

- Approximately half of all UK employees worked from home at least some of the time during the initial UK wide lockdown (Understanding Society, 2020) compared to only one in six employees working from home at least several times a month in 2015 (Chung and Van der Lippe, 2020).
- Most workers are currently working flexibly on an informal basis, with over 50% of managers reporting the majority of employees were working from home informally with no formal application made to the organisation. This suggests that employees are being allowed to work flexibly without having to make formal requests but does not provide certainty regarding future practices.
- Senior managers were the most positive about COVID-19 working with 67.1% of senior managers reporting feeling active and vigorous during the pandemic and only 51.1% of line managers reporting feeling this way.

Managers have been positive about flexible working since COVID-19 and are less likely to encourage long hours working and presenteeism

- Most managers surveyed agreed that flexible working increases productivity (71.0%) and is a performance enhancing tool (62.9%).
- Managers are less likely to believe employees need to be physically present or work long hours in order to advance in the organisation. Only 48.0% of managers now believe employees need to be physically present compared to 57.3% of managers before the COVID-19 pandemic. 35.2% now believe employees need to work long hours to progress compared with 43.3% before the pandemic.
- Flexible workers are now more likely to get promoted, 57.4% of managers surveyed reported that flexible workers in their organisations were just as likely to be promoted as their peers, an increase since phase one of the Working From Home During COVID-19 Project.

Managers and organisations intend to support more flexible working in the future

- 65% of managers reported their organisations as being more supportive of flexible working requests.
- More senior jobs are being made available as working from home (46.9%), part-time (26.5%) and as job share (23.9%). This is a continuing trend with the potential to help promote gender equality in the workplace and reduce the gender pay gap.
- Managers are more likely to work part-time in the future with 18.2% reporting they are likely to apply to work part-time.
- Organisations are reviewing and adapting their flexible working policies and practices. 67.7% of managers reported that their organisations have reviewed their flexible working policies and practices following the COVID-19 pandemic. They have made changes to communication systems (29.0%), introduced more training for managers around flexible working or hybrid working (28.7%), provided more resources and facilities (28.4%) and changed how tasks are allocated (16.5%).
- Managers also indicated that working from home would be much better supported in the future with more jobs advertised as available for flexible working (53.6%), an increase in the availability of working from home (60.9%), more tools to support working from home (62.4%) and improved support for working from home by the organisation (59.7%).

Organisations are making plans to decrease and repurpose office space

- 59.0% of managers reported that they are expecting employees to be in the office fewer than five days a week, once all COVID-19 restrictions are removed.
- Altogether 32.8% of managers reported their organisation as having planned/planning to reduce office space.
- Managers also reported how remaining office space would be repurposed, with 25.2% reporting that there would be fewer individual offices, 11.1% reporting there would be fewer shared offices, 15.1% reporting more space for events/workshops, and 13.6% reporting more space would be made available for wellbeing.

- Only 38.8% of managers reported that their organisation had consulted with employees about working preferences before making decisions regarding the volume and use of office space in the future.

Organisations are continuing to provide extra support to employees who are working from home

- Many organisations are continuing to provide extra support for those working from home, such as a computer or laptop (75.0%), access to online meeting software (61.2%) or headphones for computers (44.5%).
- Other support offered to employees has also continued, with organisations still providing wellbeing counsellors (32.5%) and guidance for wellbeing (43.4%).

Organisations continue to support parents and carers at work during COVID-19

- Nearly half of managers (46.0%) reported receiving training or advice to help them support employees who need to balance work and caring responsibilities, with 85.7% of managers reporting that they feel confident in responding to the needs of employees with caring responsibilities.
- Organisations are beginning to support fathers to take on more caregiving responsibilities, with 43.4% of managers believing their organisation provides support to do this.

Managers changed their management style and practice throughout the pandemic

- Managers discussed how they had adapted their feedback techniques and focused more on employees wellbeing and work-life balance during the COVID-19 pandemic, which has the potential to help promote gender equality in the workplace and reduce the gender pay gap.
- Managers detailed how they are now comfortable with employees working from home with little or no face-to-face contact or direct communication.
- The percentage of managers having performance feedback conversations at least once a week with their team or department dipped slightly after the first lockdown but has since returned to levels higher than before the COVID-19 pandemic.

Organisations are communicating informally with employees and using surveillance and monitoring facilities

- Organisations are relying heavily on informal employee engagement (50.1%) rather than formal channels such as Trade Unions (27.1%).
- 26.5% of managers reported the use of surveillance and monitoring software.
- Forms of surveillance are varied, including monitoring employees' work emails, files and browser history, monitoring phone logs and calls, monitoring and recording employee location in a building and monitoring employee use of social media outside of working hours.

This report clearly demonstrates that experiences of working from home and flexible working during the COVID-19 pandemic have been broadly positive and managers are expecting their organisations to encourage more flexible working in the future, even in

senior roles. Indeed, many organisations are already implementing new hybrid working practices and have begun to repurpose or reduce office space in preparation. The initial picture here is positive considering how quickly employees in many industries have adapted to working from home, often with resultant increases in productivity, worklife balance, motivation and autonomy. At the same time there has been an increased interest in future flexible working from employees. We now have clear evidence to suggest COVID-19 is changing attitudes around flexible working, reducing flexible working stigma and beginning to influence attitudes towards presenteeism and the long hours culture which have been prevalent in the UK. If these changing attitudes are harnessed appropriately there is a once in a generation opportunity to create more inclusive workplaces and help tackle gender inequality. However, the current situation is only found in some areas of the economy and is precarious with flexible working overwhelmingly linked to COVID-19 and based on informal work practices agreed with individual managers. It cannot be assumed that these new attitudes and practices will continue when COVID-19 subsides, without a concerted effort from a broad range of stakeholders.

Crucially, some significant questions arise from this phase two data regarding the future of work, inclusion and gender equality in the workplace. For example, how do we ensure all industries embrace the journey to more accessible flexible working and for jobs at all levels? How do we ensure the focus on productivity and flexible working doesn't lead to work intensification as people work through commuting times and find it difficult to switch off when working from home? Related to this, will employers expect the same level of productivity on days employees are in the office in the future, essentially extending commuters' workdays, as they are expected to work through their normal commute times but still have to commute? In addition, how do we ensure new opportunities for flexible working are not only taken up by female carers, further gendering the concept of flexible working and creating a two-tier workforce? Also, importantly, what will these changes in working practices mean for other areas such as the Government's leveling up agenda, town planning, city centre employment, public transport, road traffic, and the environment more broadly? For example, while mass homeworking is arguably leading to fewer car journeys and a reduction in pollution, working from home means increased use of gas and electricity throughout the day in people's homes which also has an impact on the environment. These are all important questions that policymakers and employers need to consider, and some initial recommendations to deal with these issues can be found at the end of this report.