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Flexible Working in NZDF

Diversity and Inclusion Directorate April 2021

CONTENTS

- Flexible working – what is it?
- Employment relations act 2000
- Flexible working trends in New Zealand (including flexible-by-default)
- Benefits of flexible working (evidence)
- Flexible working in NZDF – approach and stats
- Why NZDF should support flexible working where possible
- How flexible working aligns to NZDF values
- References – sources and additional reading

FLEXIBLE WORKING – WHAT IS IT?

- Wide range of options
- Arrangements can be formal or informal, ad hoc or regular, temporary or permanent
- Flexible work doesn't just mean working part-time
- Common flexible working arrangements include:
 - Varied hours (e.g. earlier or later starts/finish times)
 - Reduced hours
 - Work from different locations (e.g. work from home)
- People can request flexible working for any purpose or reason.

CIVILIANS – EMPLOYMENT RELATIONS ACT 2000

- Part 6AA of the **Employment Relations Act 2000** gives **employees** the right to request a variation of their **working arrangements** to allow more **flexibility** in certain situations. “**Working arrangements**” means **hours of work**, **days of work**, and/or **place of work**
- Employers have a duty to consider flexible working applications
- Employers can decline flexible working but can only say “no” for certain reasons – these reasons need to be stated if the application is declined.

(NB Other terms can be varied if the employee is a person affected by family violence.)

MILITARY PERSONNEL – DFO 3

- Military personnel are not covered by the Employment Relations Act but the NZDF policy (DFO 3) on flexible working applies to them.

FLEXIBLE WORKING TRENDS IN NEW ZEALAND

- Increasing number of organisations – private and public - support flexible working arrangements.
- People want flexible arrangements - a survey of over 15,000 employees in New Zealand's Public Service found over 80 percent of people had an interest in working flexibly (Plimmer, et al, 2013).
- The public sector approach is “Flexible-by-default” and this means shifting from asking “Why should a role be flexible?” to “Why not?” (*NB It does not mean that all types of flexibility will be possible for every role.*)
- New Zealand public sector agencies who have adopted a flexible-by-default approach include (but is not limited to): NZ Customs, NZ Police, MPI, Te Kawa Mataaho/Public Service Commission, Inland Revenue, and the Ministry for the Environment. **(Te Kawa Mataaho / Public Service Commission, and Government expectations are supportive of agencies being flexible by default, with a goal of agencies being flexible by default by Dec 20).**

From the NZ Police Website: “Police offers Flexible Employment Options (FEO) to help staff balance the demands of life inside and outside work.”

WHY FLEXIBLE-BY-DEFAULT?

- A flexible-by-default approach seeks to normalise flexible working so that it does not undermine career progression or pay and is equally available to all
- Te Kawa Mataaho and the PSA note that shifting to a flexible-by-default approach supports:
 - Growing more diverse and inclusive workplaces
 - Meeting the [Gender Pay Gap Action Plan](#) milestones (be reducing gender inequalities)
 - Attracting and retaining diverse talent
 - Giving effect to the [Gender Pay Principles](#) (specifically Principle three - Employment and pay practices recognise and account for different patterns of labour force participation by workers who are undertaking unpaid and/or caring work.)

FLEXIBLE-BY-DEFAULT PRINCIPLES

IF NOT, WHY NOT?

All roles are treated as flexible unless there is a genuine business reason for a role not to be. Flexibility is equally available to women, men and gender-diverse employees, irrespective of the reason for wanting it. Working flexibly does not undermine career progression or pay.

WORKS FOR THE ROLE

Every role should be suitable for some form of flexibility but not every type of flexibility will work for every role. Genuine business reasons may mean that some types of flexibility cannot be implemented for some roles.

WORKS FOR AGENCIES AND TEAMS

Flexible working should not be viewed as something which is just agreed between an employee and manager. This means that the impact of flexible arrangements should be considered on teams, and the agency as a whole.

REQUIRES GIVE AND TAKE

Flexibility requires give and take between the employee, manager and team. It also places collective obligations on employees, managers and teams to be open and adaptable so that it works for everyone.

MUTUALLY BENEFICIAL

Flexible working needs to work for the agency, teams and employees. Consideration should be given to how flexible work arrangements can maintain or enhance service delivery and the performance of agencies, teams and employees. It should not result in increased workloads for employees working flexibly, or for other team members who are not.

ACTIVELY CHAMPIONED BY LEADERS

Leaders support, champion and role model flexible working for their teams and themselves.

BENEFITS OF FLEXIBLE WORKING

Attraction and retention of skilled staff (and reduction in recruitment costs) and increased diversity

- Offering flexible working is a key retention strategy (in general, and for women specifically). Supports an increased proportion of women in leadership (as despite societal advances the bulk of child care and domestic labour still falls to women)
- Retains employees who need time off to care for dependents or to meet other responsibilities/interests outside of paid work
- Expands labour pool (for example is more inclusive of groups such as single parents who may require additional flexibility)
- Survey research by Diversitas (2015) asked and found:
“If you were offered an equivalent role, but on a flexible basis, would you leave your current employer?” And overall **68%** of respondents indicated that they would, with Gen X’ers leading the way at **71%**
- Telstra in Australia found that after the introduction of “all roles flex” (flexible-by-default) in Telstra that the number of women joining the company exceeded the number of women leaving for the 8th successive quarter, reversing a long-running trend.

BENEFITS OF FLEXIBLE WORKING CONT.

Increased morale, wellbeing and engagement

- Raises staff morale and decreases absenteeism
- For employees, the opportunity to work flexibly can help them strike a better balance between their paid work and other responsibilities
- Gives employees more control over scheduling personal responsibilities during the workday
- Offering flexible working arrangements provides personnel with reciprocity (beyond pay); and reciprocity is central to workplace relationships. Research undertaken by Gallup (2020) found that when people perceive that their employer cares about their wellbeing, job satisfaction increases, and the employee responds through greater discretionary effort and higher work output (Gallup, 2020 <https://www.gallup.com/workplace/283985/working-remotely-effective-gallup-research-says-yes.aspx>)
- An Australian pilot study undertaken by the New South Wales Public Service Commission in 2020 also demonstrated improved well-being for participating workers with improved response scores on questions like “I usually or always have time to take care of my well-being” (+10%) and “during the past month, I have usually or always felt refreshed and renewed at the beginning of each day” (+12%).

BENEFITS OF FLEXIBLE WORKING CONT.

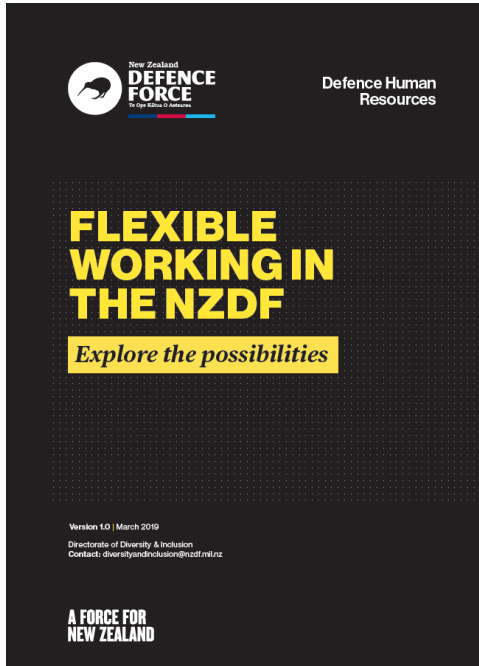
Increased performance/productivity

- Job flexibility increases employee engagement. Engagement is not an exercise in making employees feel happy - it's a strategy for better business outcomes. As decades of Gallup research shows, when employees are engaged their performance soars: Highly engaged workplaces can claim 41% lower absenteeism, 40% fewer quality defects, and 21% higher profitability
- After implementing all roles flex in March 2014, Telstra experienced an increase in employee engagement scores. In 2015, formal flex workers had an 84% engagement score, exceeding global high performing norms
- Improves efficiency if work schedules match employees' most productive hours (productive work hours differ for different people)
- Allows for commuting outside of peak rush hours
- The New South Wales Public Service Commission Flexible Work Pilot found in 2020, that participating teams reported an increase in productivity, quality of service provision and efficiency (all three increasing by 12%)
- Nearly three-quarters (72%) of firms participating in a global study by Regus said there was a direct link between flexible working practices and increased productivity. (Reference: Annabel Palmer, a New Approach to 9-5, 2014).

FLEXIBLE WORKING IN NZDF

- NZDF has a flexible working policy that applies to military and civilian staff, and reflects the provisions of the Employment Relations Act 2000.
- NZDF has not formally adopted a ‘flexible-by-default’ approach pan-NZDF. This is a cultural change, rather than a policy change.
- As per the Employment Relations Act, all civilian staff have the right to ask for flexible working and for their managers to consider this. As part of our Gender Pay Gap Action plan, NZDF is working to ensure flexible working is normalised and that CO/managers have a “why not?” as opposed to a “why?” approach.
- Civilian recruitment routinely ask if any new roles can be worked flexibly, as “flexible working” are the most searched key words in job search applications in New Zealand (Reference: Seek NZ)
- In 2019, flex working resources were developed (see next slide) and changes made to SAP (our HR system) so that when a 1-up approves or declines flexible working this is visible to their 2-up.
- As noted previously, Military personnel are not covered by the Employment Relations Act, however military personnel can apply for flexible working and for their 1-up to consider this. Noting that we ask a lot of our military personnel, supporting flexible working where possible is one way to demonstrate reciprocity and give practical support.

FLEXIBLE WORKING IN NZDF CONT.



The benefits

One of the most effective ways to compete for the right talent is to establish and promote an attractive workplace environment; an organisation with a reputation for providing opportunities, one that has the flexibility to accommodate everyone and their aspirations. A growing body of evidence shows that workplace flexibility fosters higher productivity and greater engagement of employees, making it increasingly popular with both employees and employers alike.

For members of the NZDF

Workplace flexibility enables our members to work at their best throughout their careers by allowing them to tailor their hours, location or breaks to suit their needs, alongside their other responsibilities and interests. Flexible working can smooth transitions around study, parenting, hobbies, caring responsibilities and other life events. People are becoming increasingly aware of the need to prioritise their wellbeing by managing periods of stress and peak performance

demands during careers that are lengthening in busy work environments. Flexible working can offer a sustainable pathway to achieve this.

For the NZDF

Organisations promoting flexible options have a competitive advantage when it comes to attracting and retaining talent. Job seekers and current members alike value work-life balance and prioritise organisations which provide options for flexible working and a supportive culture over organisations that don't. Engagement is typically higher for workers who are supported to have good work-life integration.

Research shows that the main benefits of workplace flexibility include increased:

- *employee productivity and engagement;*
- *talent attraction and retention;*
- *and diversity.*

Increased employee productivity and engagement

– we know that people are happier, healthier and more productive and engaged when they feel like their work-life does not conflict with their personal life. When they have flexibility to meet their personal commitments, and feel their commander/manager cares about their wellbeing and supports their agreed working arrangements, we know they're going to more effectively and resilient team members. The reverse is also true.

Organisations that practice flexible working well also have a shift in focus to outcomes and performance rather than where, how and when people are working. This means that the manager and the individuals in the unit tend to have greater clarity of each person's expected contribution to the outputs lifting performance of the individual and the unit.

Increased talent attraction and retention

– flexibility is an increasingly important factor we can use to attract and recruit both uniformed and civil staff in a highly competitive labour market.

Research has shown that a significant percentage of the workforce are interested in working flexibly.

Work-life boundaries have become increasingly permeable and most people have expectations that work will blend with other parts of their life – rather than dominating it. Technological innovation means that the possibilities for how we do work are changing exponentially and there is an expectation that we leverage that technology to allow people to work more flexibly.

Increased diversity

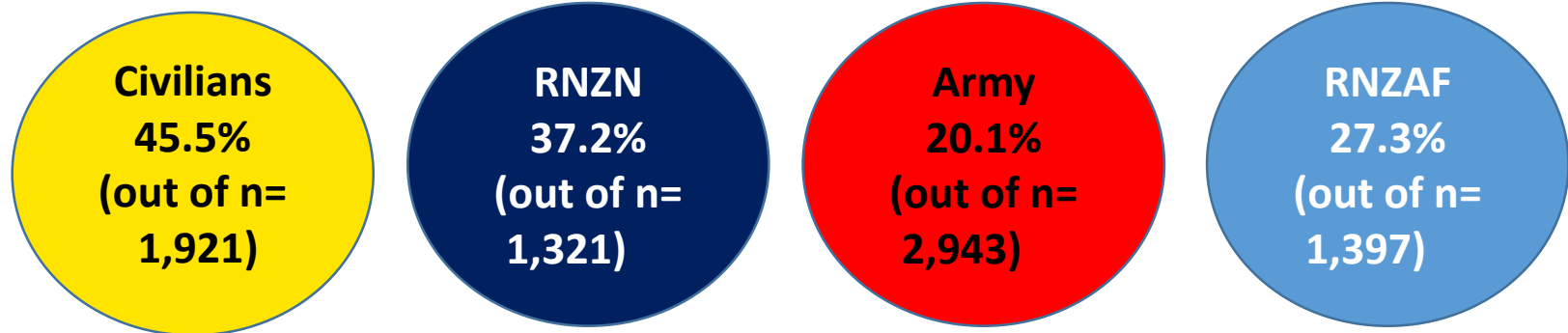
– flexibility is a key enabler in increasing diversity in the NZDF. Flexible working is not a gender issue, flexibility is useful for those nearing retirement, individuals with disabilities, those undertaking personal development and study, those with caring responsibilities and many others.

Better diversity in the workplace creates organisational benefits because a workplace that recognises, values and harnesses diversity has higher employee engagement, more innovation, better decision-making and increased output performance and productivity.

Flexible Working resources can be found on the HR toolkit.

FLEXIBLE WORK DATA CAPTURED BY THE PULSE 2019

- The 2019 Pulse asked “in the past 12 months, have you undertaken flexible working either as part of a formal or an adhoc arrangement on an at least a monthly basis (e.g. working from home or another location not your main place of work, starting/finishing at different times) ?”
- The proportion who answered in the affirmative is shown below.



CIVILIANS - FLEXIBLE WORK DATA CAPTURED BY THE PULSE 2020

Percent overall agreement

My immediate supervisor is supportive of me working remotely when my job allows it.

75.2

In the past 12 months, have you undertaken flexible working either as part of a formal or an adhoc arrangement on at least a monthly basis (e.g. working from home or another location not your main place of work, starting/finishing at different times) THIS DOES NOT INCLUDE TIME SPENT WORKING FROM HOME DUE TO THE COVID-19 LOCKDOWN.#

49.8

My immediate supervisor provides me with sufficient check ins, guidance and updates when I'm working flexibly , or from home

82.9

I am fully effective working flexibly, or from home

90.9

Base:
n=2,266

- Half of NZDF Civilians worked flexibly in 2020 (outside of the COVID-19 Lockdown)
- The majority (90.9%) state they are fully effective working flexibly, or from home.

RNZN - FLEXIBLE WORK DATA CAPTURED BY THE PULSE 2020

Percent overall agreement

My immediate supervisor is supportive of me working remotely when my job allows it.

67.3

In the past 12 months, have you undertaken flexible working either as part of a formal or an adhoc arrangement on at least a monthly basis (e.g. working from home or another location not your main place of work, starting/finishing at different times) THIS DOES NOT INCLUDE TIME SPENT WORKING FROM HOME DUE TO THE COVID-19 LOCKDOWN.#

39.2

My immediate supervisor provides me with sufficient check ins, guidance and updates when I'm working flexibly , or from home

83.3

I am fully effective working flexibly, or from home

84.4

Base:
n=1,359

- Two fifths of RNZN worked flexibly in 2020 (outside of the COVID-19 Lockdown)
- The majority (80.4%) state they are fully effective working flexibly, or from home.

NZ ARMY - FLEXIBLE WORK DATA CAPTURED BY THE PULSE 2020

Percent overall agreement

My immediate supervisor is supportive of me working remotely when my job allows it.

57.3

In the past 12 months, have you undertaken flexible working either as part of a formal or an adhoc arrangement on at least a monthly basis (e.g. working from home or another location not your main place of work, starting/finishing at different times) THIS DOES NOT INCLUDE TIME SPENT WORKING FROM HOME DUE TO THE COVID-19 LOCKDOWN.#

21.0

My immediate supervisor provides me with sufficient check ins, guidance and updates when I'm working flexibly , or from home

78.1

I am fully effective working flexibly, or from home

76.8

Base:
n=2,920

- One fifth of NZ Army worked flexibly in 2020 (outside of the COVID-19 Lockdown)
- Around three-quarters (76.8%) state they are fully effective working flexibly, or from home.

RNZAF- FLEXIBLE WORK DATA CAPTURED BY THE PULSE 2020

Percent overall agreement

My immediate supervisor is supportive of me working remotely when my job allows it.

62.2

In the past 12 months, have you undertaken flexible working either as part of a formal or an adhoc arrangement on at least a monthly basis (e.g. working from home or another location not your main place of work, starting/finishing at different times) THIS DOES NOT INCLUDE TIME SPENT WORKING FROM HOME DUE TO THE COVID-19 LOCKDOWN.#

25.3

My immediate supervisor provides me with sufficient check ins, guidance and updates when I'm working flexibly , or from home

81.9

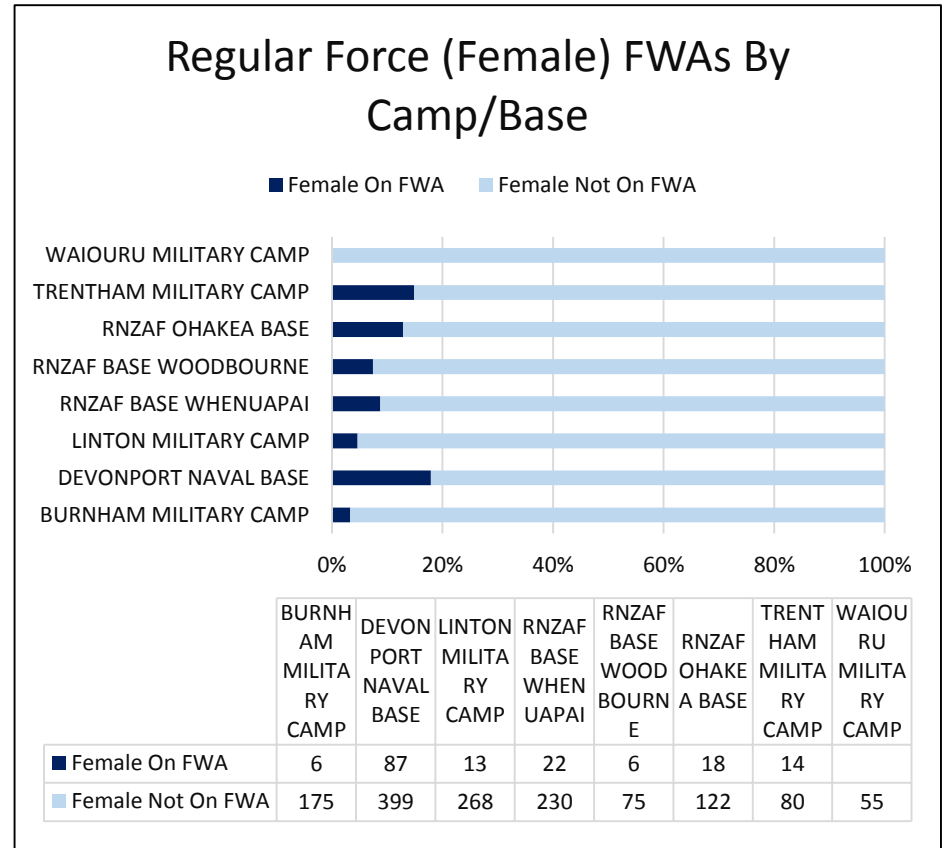
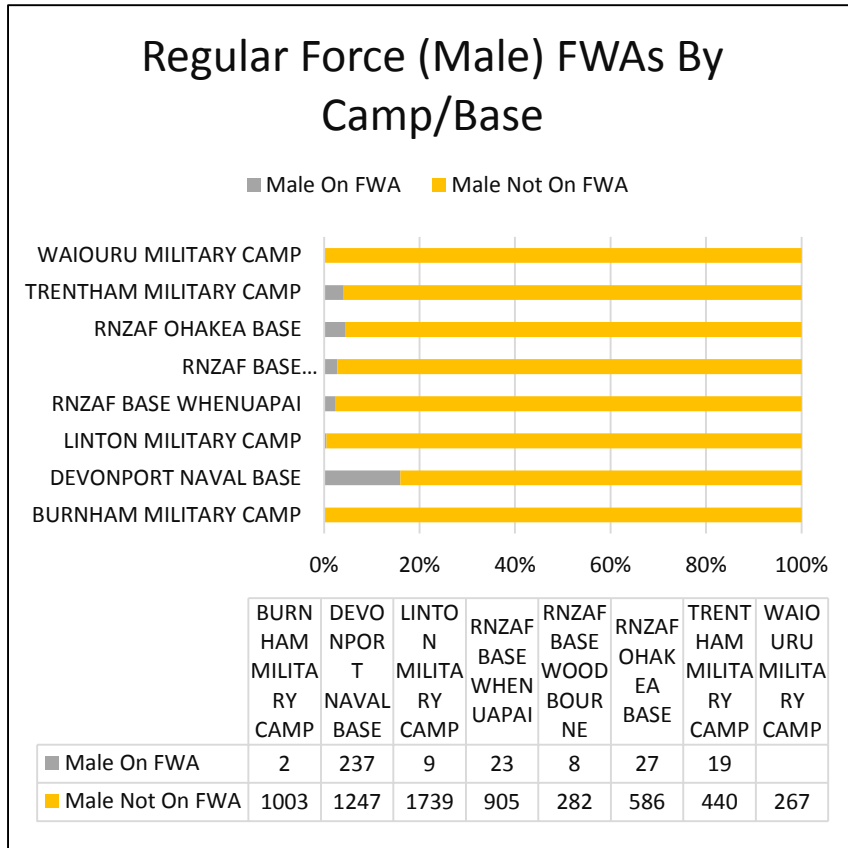
I am fully effective working flexibly, or from home

79.5

Base:
n=1,653

- One quarter of RNZAF worked flexibly in 2020 (outside of the COVID-19 Lockdown)
- Most (79.5%) state they are fully effective working flexibly, or from home.

FLEXIBLE WORKING STATS IN NZDF (AS AT FEBRUARY 2021) – DATA PULLED FROM SAP [HR SYSTEM]



- Not as many personnel formally recording flexible arrangements compared to those working flexibly based on Pulse results

WHY NZDF SHOULD SUPPORT FLEXIBLE WORKING WHERE POSSIBLE

- Workplace flexibility is a big **enabler of diversity and inclusion in the workplace and supports increased diversity in the leadership pipeline.**
 - For example, research conducted jointly by Bain & Company and Chief Executive Women (CEW) in 2011 showed that, along with “visible and committed leadership,” women believe “creating working models that support men and women with family responsibilities” to be the most important action to overcoming barriers to women’s progression into leadership roles.
- Supporting flexible working is a key aspect of addressing the gender pay gap - normalising flexible working for all types of roles will help break the association between working flexibility and stalled careers (i.e. that someone working flexibly isn’t ‘serious’ about their career).
- Future-focused organisations understand that flexibility is a key part of their employee value proposition.
- To realise the benefits as outlined on slides 9-11
 - Attraction and retention of skilled staff (and reduction in recruitment costs) and increased diversity
 - Increased morale, wellbeing and engagement
 - Increased performance/productivity.

HOW FLEXIBLE WORKING ALIGNS TO NZDF VALUES

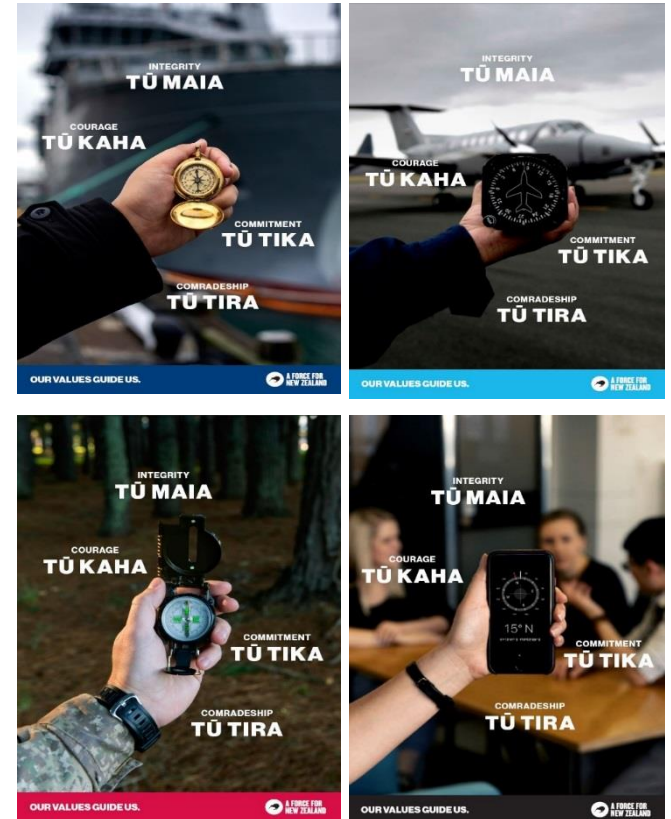
NZDF is a values-led organisation. Our Values set the expectations and standards for each of us to create safe, inclusive, respectful work places.

Tū Kaha - *Courage Taking action despite your fears*

Tū Tika - *Commitment Giving your best*

Tū Tira - *Comradeship Respecting and looking out for each other*

Tū Maia - *Integrity Doing the right thing – always!*



Personnel using flexible working arrangements need to live our values of **commitment** (giving their best), **comradeship** (being a good team member) and **integrity** (doing the right thing).

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HOW FLEXIBLE WORKING ALIGNS TO NZDF VALUES CONT.

The values of **courage** (trying a new approach) **comradeship** (respecting and looking out for your team) and **integrity** (trusting those who work for you) are important for those managing personnel with flexible working arrangements.

Adam Henderson of Millennial Mindset* asked, *“If you can’t trust your employees to work flexibly, why hire them in the first place?”* He continued, *“A flexible approach to work also helps businesses retain their best talent as they are giving their employees an option to do great work, but in a way that fits their lifestyles, providing a win-win scenario for all.”*

- Full time, face-to-face work is not the only productive way of working (and long hours can negatively impact on productivity). Performance can be measured through outcomes (delivering to time and quality standards) rather than ‘presenteeism’ (being present at work).
- Whether they work flexibly or not, personnel are more engaged in their work when their 1-up managers set clear delivery expectations and trust them.
- The way forward to support flexible working arrangements needs to include giving managers/CO support and training to help them manage outcomes, rather than presenteeism.

*<https://millennialmindset.co.uk/>

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