

# The future of flexible work

Understanding the transition to 'work from anywhere' and setting up for success

March 2022

**flexiworks**



# Contents

- 1 Introduction
- 2 Executive summary
- 3 The Future is Hybrid
- 6 The Impacts of Hybrid Work
  - Productivity
  - Efficiency
  - Morale and relationships
- 9 Ergonomics matters
- 10 Formalising hybrid work
  - Methodology

# Introduction

In March 2020, Australians abandoned offices and workplaces in droves, as government restrictions in response to the COVID-19 pandemic directed the nation to work from home. The sudden nature of these changes led many unprepared employees to use kitchen benches and couches as makeshift workstations as they adjusted to an initial period of 'temporarily' working from home.

During the past two years, the reality of a longer-term transition to hybrid working arrangements has set in – no longer just work from home, but work from anywhere. Flexible arrangements with respect to working locations are no longer a temporary phenomenon, and are becoming a permanent reality for many workplaces.

As with any transition period, these new arrangements are uncovering benefits and drawbacks (some expected, some unforeseen), new opportunities, and previously unconsidered questions about how to navigate a new work frontier. Officeworks commissioned a survey of Australian employees and employers impacted by the transition to working from home during the pandemic, to understand their experiences to date, their thoughts on the 'new normal' working environment and how work arrangements are likely to evolve. Their responses indicate broad support for the continuation of hybrid working arrangements, and highlight how attention to quality out-of-the-office workstations and equipment, formally supported by employers, enables the best results when working from anywhere.

## About Flexiworks, part of Officeworks

Flexiworks is Officeworks' customisable online platform designed to service the future of work. Flexiworks enables businesses to select a range of fit-for-purpose office supplies, furniture and technology for their employees and set them up with an allowance to access and order what they need to work effectively from anywhere, at any time.

Flexiworks also offers workspace setup advice and recommendations on products that may improve a work from anywhere environment and assist in safeguarding the health and wellbeing of employees.

[www.flexiworks.com.au](http://www.flexiworks.com.au)

# Executive summary

Hybrid working is here to stay.

Now it's time for employers to set up their workplace for success

## Desk-based workers don't want to give up work flexibility

With most of the employees surveyed still not having fully returned to the office at the time of the research, it's unsurprising that the overwhelming majority (95%) preferred working from home in some capacity, with 76% agreeing that they will keep their home setup in place even after they have returned to the office. There is a clear expectation for hybrid working arrangements to continue going forward, with 81% agreeing that a company policy allowing for flexible working arrangements will be important to them for future jobs, with 62% saying they wouldn't consider a new employer without a flexible working policy.

## Hybrid working, done well, can be good for business

As well as enjoying the flexibility of working away from the office, employees reported positive feelings towards their employers because of the organisation's approach to hybrid work.

These feelings were all significantly more positive among employees who reported that their employer had a formal policy for flexible working in place, compared to those that did not.

**59%** of employees said they felt more trusted as an employee

**53%** said they felt more empowered as an employee

**51%** said they felt more respected as an employee

**50%** said they felt more valued as an employee

**56%** said they felt more positive towards their employer

Most employers surveyed also believed that their approach to supporting employees in transitioning to hybrid working elicited positive outcomes: 61% noted an improvement in employee morale, 56% in productivity, and 49% in culture. Very few felt that any of these aspects had been made worse. Employers who believed they had done a good job in supporting their employees' transition perceived stronger improvements in these areas compared to those who felt their organisation could have done more.

## Employees and employers will get the best out of hybrid working when the home office set-up reflects the ergonomics of a traditional office environment

Despite the psychological benefits reported by employees, hybrid working is not without physical risks, with most employees surveyed (70%) reporting experiencing some form of physical issue while working from home (most commonly back or neck pain, 41%).

However, higher proportions of those who prioritised the ergonomics of their home setups from the outset reported experiencing no issues. In addition, this group reported being more physically comfortable working from home than in the office, having greater productivity while working at home and having a better work-life balance than those who did not prioritise the ergonomics of their setups. There is an opportunity for employers to help employees get the ergonomics right in their remote workspace and doing so could help employees be more comfortable, healthy and productive.

## Many employers need assistance to get the most out of hybrid working

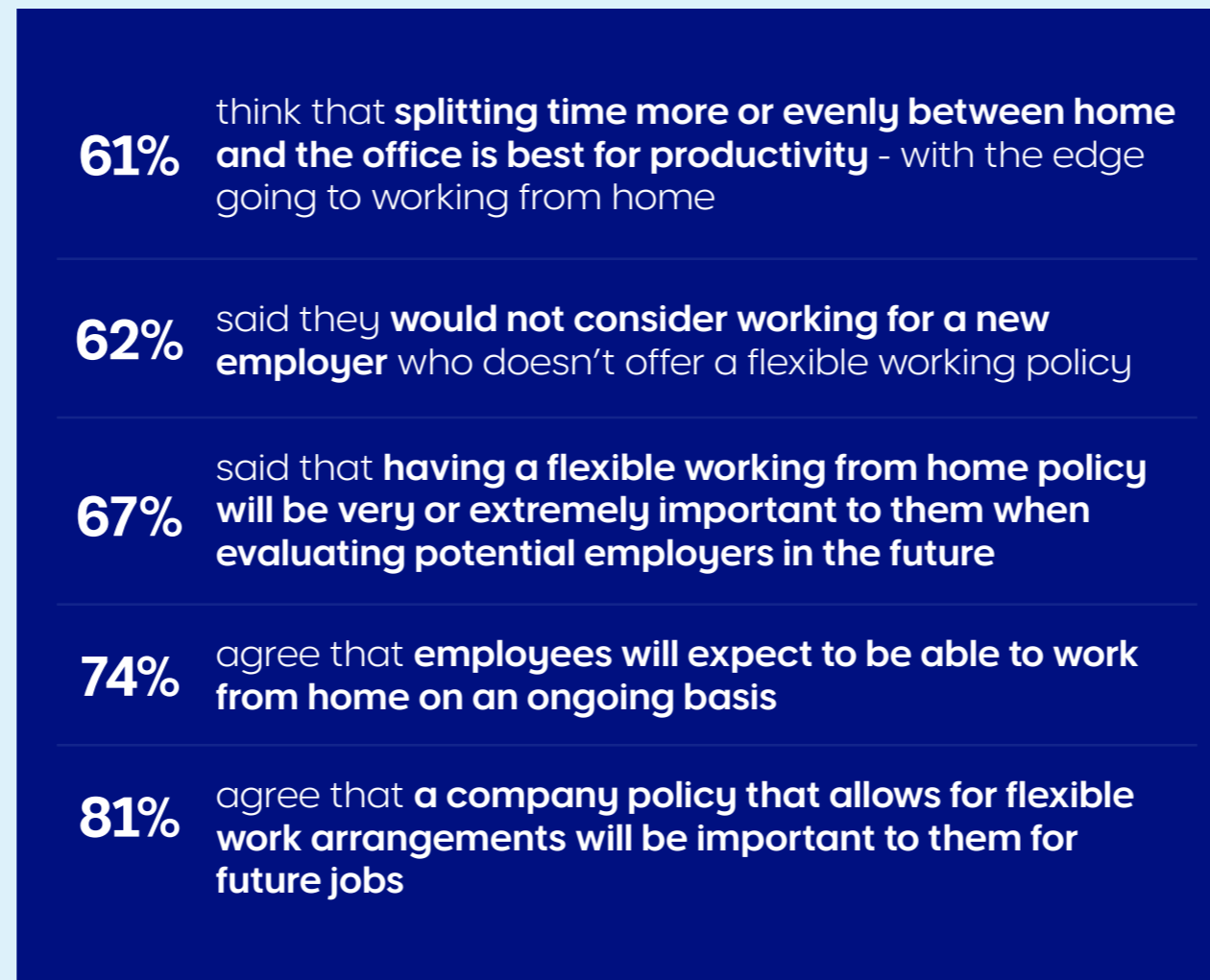
One in five (21%) employers felt they could have done more to support their employees in the transition to working from home. The main barriers to not doing more included not having enough resources (both informational and financial), believing that the transition would be temporary, and being worried about getting it wrong.

Despite most employers agreeing their organisations had the resources to provide employees with equipment and information to set up a safe workspace at home, many still faced difficulties negotiating the requirements. In fact, 59% agreed there should be more resources available to help businesses support their employees to work from home safely, while 46% felt they needed help to support their employees to work from home.

With overwhelming agreement between employers and employees that hybrid work is here to stay, Officeworks' Flexiworks will cater for the workforce of the future.

# The Future is Hybrid

Employees say hybrid working is here to stay...



Employees believe the overall impact to their organisation providing more hybrid work options will be positive, and they predict few, if any, benefits to scaling these options back.

## Employees' perceived benefits of having more hybrid options in their organisation

**"A much happier and more productive organisation!"**

- Male 45-54, Sydney, Information Media and Telecommunications (1000+)

**"Better mental and physical health."**

- Female 35-44, NSW, Financial and Insurance Services (20-199)

**"Improved productivity and talent retention."**

- Male 55-64, Melbourne, Information Media and Telecommunications (1000+)

## Employees' preferred work-office division



- To work from home permanently
- To work from home most of the time and in the office occasionally
- To work from home half the time and in the office half the time
- To work in an office most of the time and from home occasionally
- To work in an office permanently

## Employee perceived drawbacks of having fewer hybrid options in their organisation

**"A number of people are already leaving my company."**

- Female 35-44, Perth, Financial and Insurance Services (1000+)

**"Dissatisfied staff due to inflexibility of policy."**

- Female 45-54, Melbourne, Government (1000+)

**"The company has to accept that employees prefer a flexible working policy."**

- Female 35-44, Melbourne, Professional, Scientific and Technical Services (1000+)

# The Future is Hybrid

...and employers tend to agree

Overall, most employers indicated that flexible working arrangements will be available to employees for the foreseeable future. Some employers also indicated that their business would encourage employees to return to the office, with 30% anticipating the introduction of assigned days in the office and 17% anticipating the use of incentives to get employees to return to the office.

Navigating the “new normal” and negotiating a hybrid working balance that suits employers and employees will be an important consideration for businesses in 2022 and beyond.



**Employers agree that hybrid working is here to stay: only 9% of employers anticipate their organisation phasing out working from home entirely in 2022.**

# The Future is Hybrid

Employers need support to get hybrid working right

When employers were asked for their thoughts about the amount of support they provided employees to work from anywhere, 25% said that they had done more than enough and 54% said they had done enough. The remaining 21% felt that they could have done more. These proportions did not differ across the function or the size of the business.

The main barriers that held employers back from doing more for their employees included not having the resources to do so (22%), not thinking that it was going to be a long-term situation and therefore not worth the investment (21%), and being worried about the occupational health and safety ramifications if they got something wrong (18%) or provided the wrong information or equipment (11%).

At the time the survey was conducted some also cited financial barriers: 13% said that they were under too much financial pressure to do so, and 12% said they simply could not afford it.

Employer sentiment:

**59%**

agreed **that there should be more resources available to help** businesses figure out how to support their employees to work from home safely

**46%**

agreed that their organisation **needs help to support employees to work from home**

**37%**

agreed the **current rules** around responsibility for work from home arrangements are **hard to navigate**

**25%**

agreed that it is **hard to find information** about how to support employees to work from home (particularly small compared to large businesses)

# The impacts of hybrid work

## Productivity

### Hybrid working: Great for concentration, less so for collaboration

Despite the wide uptake of digital conferencing tools, a greater proportion of employees said it is easier to collaborate with colleagues, give and receive clear instructions, and give and receive feedback in the office than when at home. Unsurprisingly, higher proportions of employees said they were more productive tackling tasks that require deep focus or concentration when at home compared to the office.

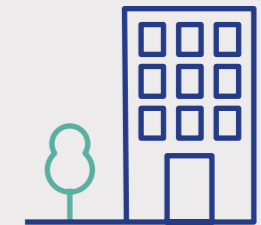
When asked about workplace relations, a third (32%) of employers noted an improvement in the relationship between employees and their managers, however nearly as many (25%) disagreed with the sentiment. 71% felt that employees don't know each other as well as they used to.

These findings suggest future blended work and home scenarios will be most successful if office time is prioritised for meetings, collaborations and team bonding. Home time can then be prioritised for 'heads down' working and tasks that require concentration.

## Where employees feel they are more productive:



At home



In the office

Tackling tasks that require deep focus or concentration

**54%**

**22%**

Organising or planning work allocations

**30%**

**28%**

Giving and receiving feedback

**37%**

**38%**

Giving and receiving instructions

**24%**

**37%**

Collaborating with colleagues

**18%**

**58%**





# The impacts of hybrid work

## Efficiency

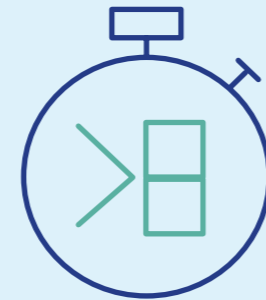
**Most employees have had a positive experience working from home, but it is not without its challenges.**

Employees were generally satisfied with their working from home experience – 73% said they were extremely satisfied or satisfied with their home office setup. It is important to recognise that just like the office, working from home can have its difficulties.

Flexibility/ hybrid working has encouraged positive outputs, 62% of employees still say they are more productive while working from home, and 76% say it helps them maintain a better work life balance.

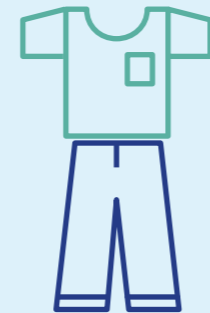
## The work-life balance

Although most employees reported experiencing a better work-life balance as a result of working from home, it seems the line between work and life may be blurring:



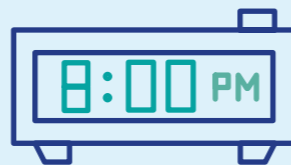
**71%**

have worked more hours than they would in the office at least a few days a week



**60%**

have worn pajamas while working at least a few days a week

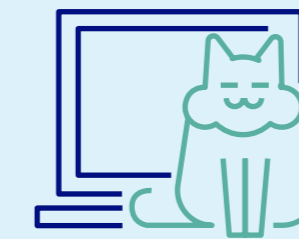


**74%**

said they completed some of their work hours outside of their standard work time however, this is also an indication of the flexibility of WFH arrangements and some may prefer to do this

## Challenges to WFH

Despite feeling mostly positive towards working from home, most (83%) employees have had challenges:



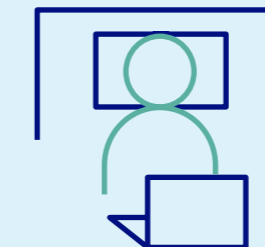
**55%**

of employees reported having their workflow interrupted by someone they live with at least a few days a week



**52%**

of employees said they experienced internet connectivity/speed issues at least a few days a week



**38%**

reported feeling a lack of separation between work and leisure spaces



**35%**

reported a lack of access to office equipment

# The impacts of hybrid work

## Morale and relationships - a lockdown silver lining

### Hybrid working: Building a stronger culture

Despite the varied approaches that employers had in supporting their employees in transitioning to work at home, most employees (65%) said they were satisfied with the support they received.

Thinking about their employer's approach to facilitating the transition to working from home, many employees had positive reactions – 59% said they felt more trusted as an employee, 53% said they felt more empowered as an employee, 51% said they felt more respected as an employee, and 50% said they felt more valued as an employee. Likewise, 56% said they felt more positively towards their employer compared to just 14% who felt less positively.

There were no differences found between business size and employee satisfaction. However, employees from businesses who had a formal policy in place felt significantly more satisfied with the support they received, more positively towards their employer, and more valued, respected, trusted and empowered than employees from businesses without a policy in place.

Employers also saw positive outcomes in their relationships with employees. 61% noted an improvement in employee morale, 56% in productivity, and 49% in culture. Very few felt that any of these aspects had been made worse. Employers who believed they had done a good job in supporting their employees' transition perceived stronger improvements in these areas compared to those who felt their organisation could have done more.

How employees feel as a result of their employer's approach



More trusted  
**59%**



More empowered  
**53%**



More respected  
**51%**

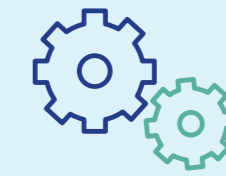


More valued  
**50%**

Employers saw improvements in



Employee morale  
**61%**



Employee productivity  
**56%**



Workplace culture  
**49%**

# Ergonomics matters

It takes a good ergonomic set-up to get the most out of hybrid working

Despite 71% of employees saying that they know how to set up an ergonomically safe workspace, and 67% declaring their own to be ergonomically sound, 70% still reported experiencing physical health issues from working at home. This suggests that there may be a gap between employee self-perceptions of the ergonomics of their workspace, and the physical reality. Only 28% of employers said that their organisation provided ergonomic assessments of their employees' home setups.

Employees who made the ergonomics of their home work environment a priority from the start reported more positive experiences with respect to productivity, work-life balance, and physical health than those who did not. This points to the very real benefits that can be gained by employees, and indirectly by their employers, if more assistance – such as ergonomic assessments – are provided to employees working away from the office.



	More productive working from home (% agree)	Working from home helped maintain a better work-life balance (% agree)	Experienced no health issues working from home	More physically comfortable working from home vs office
<b>Respondents who prioritised ergonomics of WFH set up</b>	71%	84%	37%	54% v 28%
<b>Respondents who did not prioritise ergonomics of WFH set up</b>	51%	71%	21%	41% v 42%

# Formalising hybrid work

Many businesses developed their hybrid work protocols during the disruption of COVID and with their employees already working from home. Two years on, more formal processes are required including support for employees' set-up at home alongside hybrid or flexible working policies.

## Procurement processes

Processes for employees to access the equipment they require vary from formal approval with spending limits to much more informal arrangements. Employers and employees tended to describe both scenarios with similar administrative heavy procedures such as filling in forms and gaining formal approval from a manager or supervisor.

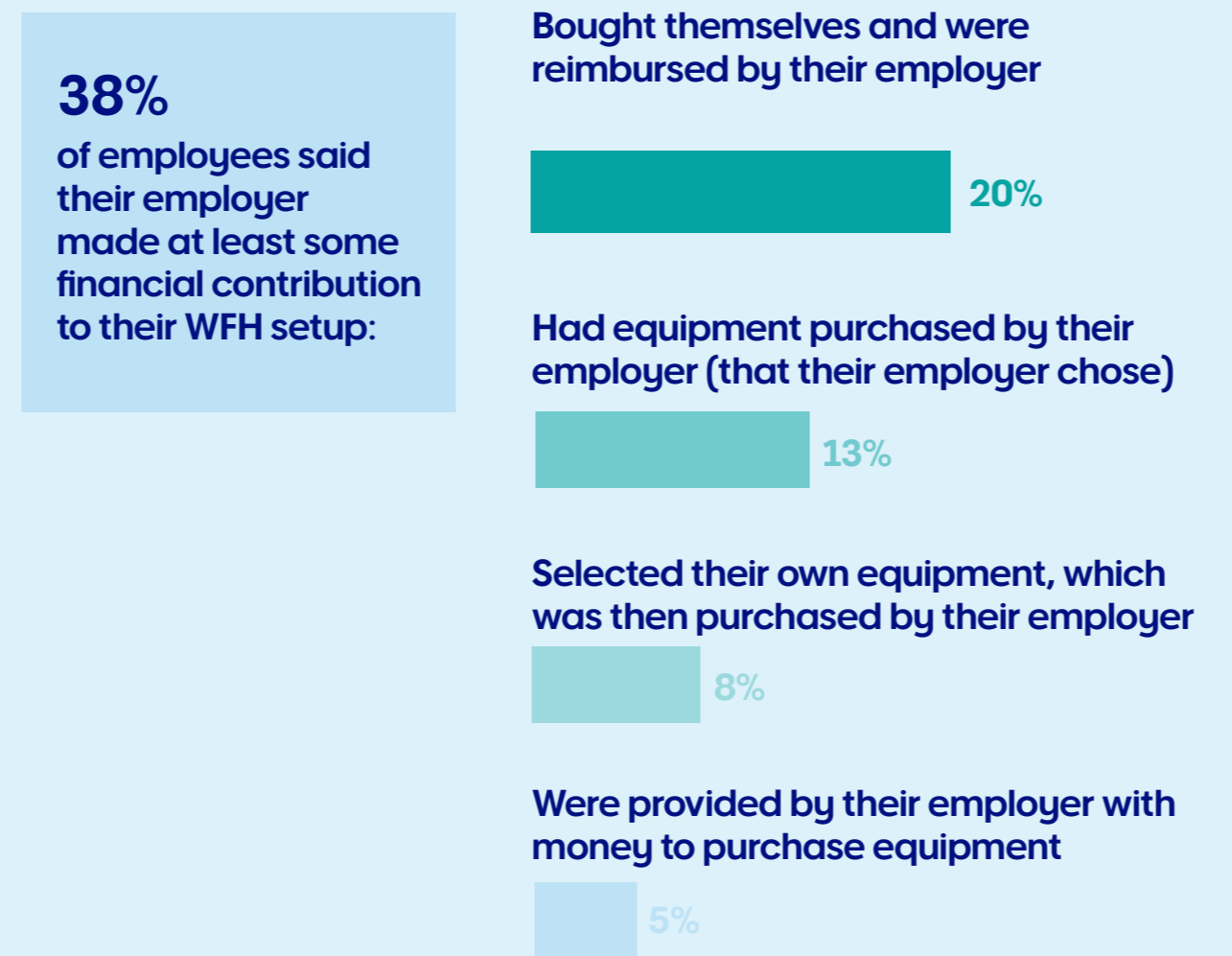
The most common method of employees procuring items for their home offices was using items they already owned – this was cited by two-thirds (66%) of the employees. It was also common for employees to bring items home from their usual workplace (43%).

Given the change to working from home happened quickly, it was clear many employers were unsure how to best approach the problem of equipping their employees with a suitable home workstation. Half of the employers surveyed reported that some of their employees needed to purchase equipment out of their own pockets (i.e., without being reimbursed by the employer), while 34% indicated this was not the case (the remaining 17% were unsure).

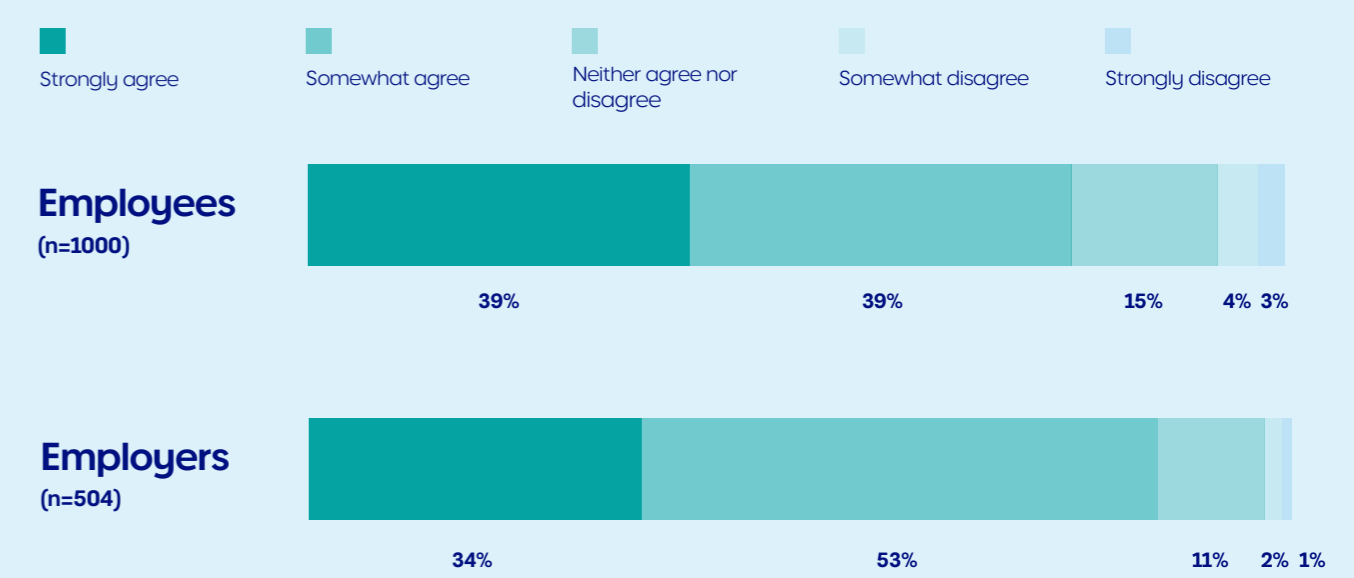
When asked to estimate how much money their business had budgeted for the needs of each employee, 18% indicated not having a budget for this, while nearly a third (30%) indicated having \$500 or more available per employee.

## Policies

The majority of both employees and employers want businesses to have formalised policies to help employees with their work from home setups. Despite this, only 55% said their employer has such a policy, and relatively few employers believed their businesses were intending to review or implement such processes and policies in the coming year.



## Businesses should have formalised policies to help employees with their work from home setup



# Methodology

This report has been prepared with the assistance of Empirica Research who developed and conducted an online survey on behalf of Officeworks.

The research was conducted in December 2021 with:

- 1,000 Australian employees
- 504 Australian employers (management or senior decision makers)

Participants were recruited via a verified consumer research panel. Any external sources that have been used are referenced throughout.

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