



Metrics and reporting



"You have to treat flexibility like any other business challenge – which means you measure it, set up targets and allocate accountabilities."

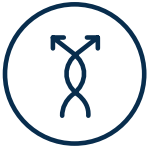
DAVID MCLEAN
CHAMPION AND CEO, WESTPAC



"It's the age-old truth that what gets measured gets done. As leaders of organisations, we have a responsibility to bring flexibility and new ways of working to the forefront, and to ensure its viewed as a business imperative, rather than an HR issue."

SARAH NAUDE
CHAMPION AND MANAGING PARTNER,
PROPERO CONSULTING





The changing **nature of work**

The prospect of managing teams with flexible working arrangements can be, for some, daunting. Having spent much of the 20th century investing in the maintenance of workplace boundaries – temporal and spatial – it can seem counterintuitive to suggest that it might be best for business if we relaxed those boundaries. At one time, a manager's main job was to monitor that employees clocked in and out on time, and your success as a manager was largely measured on this.

As our understanding of productivity, value and profit-generation has become more sophisticated we have developed new and more effective ways of working, that, to use a cliché, focus on output rather than input.



Measuring the impact of **workplace flexibility**

Measuring the impact of flexible work arrangements in your organisation can help to provide an update on progress achieved against business bottom line factors such as employee engagement and productivity.

Work force metrics can also bring awareness to any areas that may need further work and effort to realise the full potential benefits.

A robust approach to metrics and reporting acts as a gauge to what's working, and what's not. It allows initiatives to be tweaked and evolved alongside business, employee and customer needs.



Why **flexibility**?

Workplace flexibility is an essential enabler for managing the pace of change in today's world of work.

It allows you, as an employer, to attract and retain top talent (your people), achieve increased productivity (your business), and foster an agile response to changing market needs (your customers and environment).

It's a diverse and in-depth strategy that goes beyond the traditional thinking of 'part-time work for new parents' to an integrated mindset and way of work accessible to all.

What to **measure**

When designing the measurement of your flexible working initiative, it can be useful to think about the different categories of change you might want to know about. One way to do this is to use the categories below; outputs, outcomes and impacts. This allows you to measure basic outputs of the initiative, the immediate and medium-term changes, as well as long-term impacts.



Outputs: Change in business practice

The volume of change in work practices in your organisation.

For example, the number of:

- roles eligible
- people using flexible working practices
- people using each type of flexible working practice



Impacts: Change in organisational results

The long-term changes in the organisation as a result of flexible working practices.

For example, changes in:

- productivity – this could increase with more engaged, proactive employees working practice
- staff absenteeism – this could reduce with an increased uptake of flexible working
- staff turnover – this could reduce with an increased uptake of flexible working
- office space overheads – these could reduce with an increased uptake of flexible working

Details have been listed below, on the types of areas you may like to consider measuring within each of these three categories. Remember, these categories are a guide only and what you choose to measure will be based on the individual needs of your organisation, depending on what you are looking to achieve.



Outcomes: Benefits for employees

The benefits or changes for employees as a result of the implementation of flexible working practices. For example, changes in:

- **employee health**
 - work-life harmony
 - stress levels
 - amounts of exercise done
 - relationships with colleagues
- **engagement levels**

You can also measure individual evaluations of flexible working initiatives by looking at, for example:

- **enablers and barriers to flexibility**
- **overall satisfaction with flexible work arrangements**

Busting the **myths**

Today, the evidence for the value of flexible work arrangements is considerable, and yet, we find that some workplaces continue to resist such changes to the way they work.

Employees, for the most part, embrace such changes, and when given the opportunity, tend to adopt flexible working practices quickly and enthusiastically. Resistance typically comes from those in management positions, who are fearful that flexible work results in lower productivity.

This sentiment is illustrated by the former London Mayor Boris Johnson who jokingly said of working from home: *“We all know that (working from home) is basically sitting wondering whether to go down to the fridge to hack off that bit of cheese before checking your emails again.”*

This, however, is not borne out by evidence and companies who do adopt flexible working practices generally experience benefits in productivity, employee engagement and even profit. What is more, in a context in which it is becoming harder to attract talent, value propositions that include flexible work are very effective in attracting people.

An important way to bust the myths and demonstrate the value of flexible work initiatives, is to ensure a robust measurement and reporting process.



Understanding your flexibility data

This question set is a guide only, for beginning to understand your flexibility data and the impacts of your flexibility initiatives on your organisation. You may already have reporting processes in place that achieve the same purpose, or, these questions may provide a starting point for further analysis.

The following questions should be reviewed and answered by senior management or HR, as a business assessment tool to understand flexibility maturity and to guide strategy based on gaps.

Company details

Company name

Total number of employees

Sector

Date

1. Do you have a formal strategy, policy and procedures on flexible working arrangements?

- Yes**
- Strategy
 - Policy
 - Procedures
- No**

If No, please specify why no formal strategy, policy or procedures are in place:

2. Please indicate which of the following areas are included in your flexible working arrangements strategy:

- A business case for flexibility has been established and endorsed at the leadership level
- Leaders are visible role models of flexible working
- Flexible working is talked about and actively promoted throughout the organisation
- Flexible working is promoted publicly as part of recruitment processes
- Targets have been set for engagement in flexible work
- Leaders are held accountable for improving workplace flexibility
- Manager training on flexible working is provided throughout the organisation
- Employee training on flexible working is provided throughout the organisation
- Team-based training on flexible working is provided throughout the organisation
- Employees are surveyed on whether they have sufficient flexibility
- The organisation's approach to flexibility is integrated into client conversations
- The impact of flexibility is evaluated (e.g. reduced absenteeism, increased employee engagement)
- Metrics on the use of, and/or the impact of, flexibility measures are reported to key management personnel
- Metrics on the use of, and/or the impact of, flexibility measures are reported to the governing body/board

Outputs: change in business practice

3. What is the percentage of your total work roles currently described as eligible for workplace flexibility?

4. What is the percentage of your employees who have either a formal or informal flexible work arrangement?

Percentage of informal arrangements

Percentage of formal arrangements

5. Which options from the list below are available to your employees?

Tick all that relate:

Flexibility of role

- Adaptive skills training
- Casual work
- Job share
- Part-time
- Transition work plans

Flexibility of schedule

- Compressed work week
- Flexible work hours
- Part-year work
- Shift self-selection
- Staggered start and finish times
- Time in lieu
- 9-day fortnight

Flexibility of leave

- Bereavement leave
- Domestic leave
- Enhanced parental leave
- Enhanced sick leave
- Jury service leave
- Public holiday transfer leave
- Purchased or salary sacrifice leave
- Study and examination leave
- Unpaid leave
- Volunteer day leave

Flexibility of place

- Activity-based work
- Hot desking
- Working from alternative office location
- Working from home

Impacts: change in organisational results

6. What is the annual productivity rate of your company?

You can measure employee productivity with the labour productivity equation: total output/total input. For example, a company that generates a weekly total of \$100,000 worth of goods or services with 20 employees, would equate to \$80,000/30 employees = \$5,000 per employee per week.

 per employee per week

8. What is the annual staff turnover rate of your organisation?

You can measure staff turnover by dividing the total number of separations by the average monthly employment. For example, if the number of separations is 8 and the average monthly employment is 130, then turnover is 6.1%.

7. What is the annual absenteeism rate of your organisation?

You can measure employee absenteeism by dividing the total number of workdays employees have been absent, by the average number of employees (FTE) for the reporting period.

9. What is the annual office space accommodation cost, per employee, for your organisation?

You can measure the total office space accommodation costs by dividing the annual total accommodation cost by the average number of employees (FTE) for the reporting period.

Employee engagement

This question set is a guide only, for beginning to understand the impact of your flexibility initiatives on employees. You may already have reporting processes in place that achieve the same purpose, or, these questions may provide a starting point for further analysis.

The following questions should be reviewed and answered by individual employees, typically as part of a wider engagement survey.

Outcomes: benefits for employee

1. Are you aware that you have access to flexible work arrangements?

- Yes No

2. Do you currently have a formal or informal flexible work arrangement?

- Yes Formal
 Informal
 Both
- No

3. Which flexibility options from the list below have you used in the past 12 months?

Flexibility of role

- Adaptive skills training
 Casual work
 Job share
 Part-time
 Transition work plans

Flexibility of schedule

- Compressed work week
 Flexible work hours
 Part-year work
 Shift self-selection
 Staggered start and finish times
 Time in lieu
 9-day fortnight

Flexibility of leave

- Bereavement leave
 Domestic leave
 Enhanced parental leave
 Enhanced sick leave
 Jury service leave
 Public holiday transfer leave
 Purchased or salary sacrifice leave
 Study and examination leave
 Unpaid leave
 Volunteer day leave

Flexibility of place

- Activity-based work
 Hot desking
 Working from alternative office location
 Working from home

4. Would you describe yourself as a proud member of your team?

- Yes No

5. Does your team inspire you to do your best work?

- Yes No

6. Does your team help you to complete your work?

- Yes No

7. Would you describe yourself as a proud member of your organisation?

- Yes No

8. Based on your current work arrangements, and access to flexible work, how would you rate your satisfaction levels in the following areas?

Please circle on a scale of 1-10, where:
1 = Not at all satisfied with my current situation
10 = Very satisfied with my current situation

Work-life harmony

1 2 3 4 5 6 7 8 9 10

Level of stress

1 2 3 4 5 6 7 8 9 10

Physical health and exercise

1 2 3 4 5 6 7 8 9 10

Relationships with colleagues

1 2 3 4 5 6 7 8 9 10

Methods of data collection

Generally, a mixed method approach will produce the most valid and reliable results. Using both qualitative and quantitative methods means the strengths of each offset their weaknesses.

It is important that the results of these two approaches are integrated, and that the findings of the two methods of enquiry are not simply reported on separately.

The value of mixed methods approaches is only fully realised when the findings from one method are used to inform and understand the results of the other.

There are many ways to gather information/ data. Some of the most common ways include:

- Surveys
- Interviews
- Focusgroups
- Using data captured on your HRS

But as you get specific about what you want to learn about flexibility in your workplace, you can think of new and innovative ways of collecting the data you need.

Things to consider



Ethics and confidentiality

Any workplace evaluation must be designed to respect employees' privacy. Where relevant, you should seek employees' consent to collect data that may be sensitive to them, and provide assurances that the information will not be used for any purpose other than that for which it was collected. When possible, making the data anonymous can also help to protect people, without compromising the quality of the results.

Additionally, by collecting anonymous data participants may be more honest in their contributions, rather than saying what they think you want to hear.

Choose behaviour-based measures vs self-report

When designing any research it is important to consider the validity of your data. We know, for example, that measuring actual behaviours (where possible) is much more accurate than reported behaviours. This is because people's memories are fallible, and they tend to over or underestimate what they do.

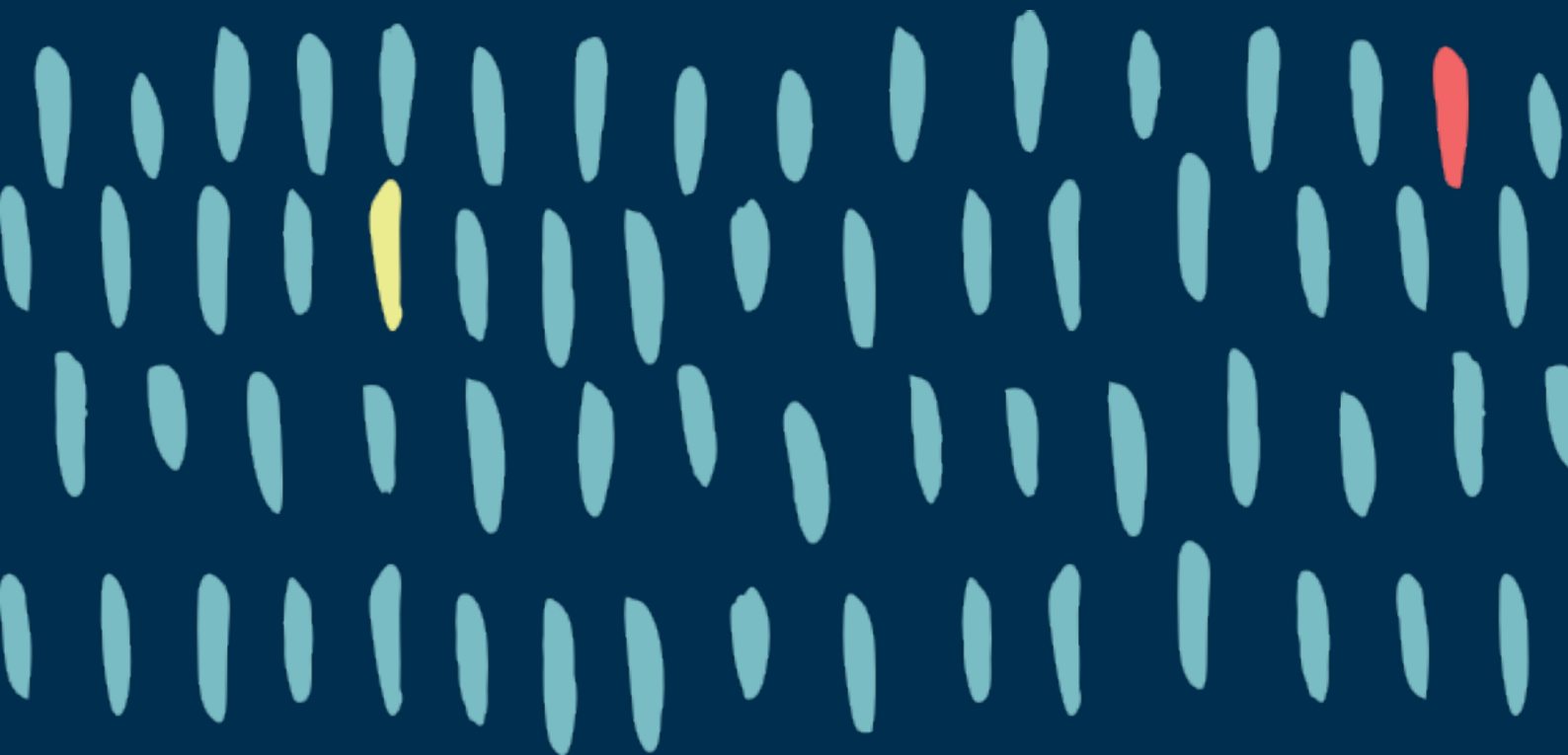
Similarly, reported attitudes, beliefs or intentions have almost no predictive link to behaviour. So, we might find that when surveyed, 80% of managers report that they do not discriminate between employees who work flexibly and those who don't, when making decisions about progression. However, a more accurate measure is to look at actual promotions made over a specified time period. Often there is a significant discrepancy between what people say and what they do – this does not mean they are lying, humans are just not very good at accurately reporting behaviour. So wherever possible, stick to actual numbers, and make sure you do not infer anything more from people's reported attitudes and beliefs.

That said, asking people to reflect on their experiences and opinions about flexible working can be very useful. Often this kind of data can help identify areas where you might look for more concrete behavioural data.

For example, perhaps someone reports that the manager in one part of the business is not really supportive of those working from home. You might then choose to look more closely at the numbers using flexible work practices in that division and combine this with interview or survey data in which participants reflect on why they do or do not use the policy.

FURTHER RESOURCES

[WGEA: Flexibility Business Case](#)



Convened and supported by Global Women, Champions for Change is a group of New Zealand CEOs and Chairs from across the public and private sectors who are committed to raising the value of diversity and inclusiveness throughout the wider business community.



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