



# MAKE FLEXIBILITY COUNT

Strategic Framework for the NSW Government Sector



Public  
Service  
Commission

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# 1. The Case for Flexible Working

In Australia, flexibility has its roots in gender equality, and in particular a strategy to enable women to return to work after maternity leave. This legacy has shaped flexibility as workplace practices which focus on reduced work hours, part-time and job sharing. While this focus remains important, the goalposts have changed.

The looming retirement (or perhaps work adjustment) of the baby boomer generation, a focus on sustainability and regionalisation, growing importance of employee health and wellbeing, plus the increasing competition for talented employees, is driving a broader demand for flexible working. Coupled with technologies which enable employees to work anytime and anywhere, that demand is becoming a baseline expectation.

When taken to the next level, flexible working can enable new business models with broader benefits to employees, employers, customers and society more generally.

## Employee engagement

Flexible working can improve employee engagement and commitment in the workforce:

- 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. 84% of all employees indicated they had the flexibility they needed in their roles (+4% from 2014).
- ANZ introduced all roles flex in March 2015. Flexible workers were 2% more engaged

compared to those who didn't work flexibly. 86% of employees felt they were able to make a flexible working request if they needed it. 69% of employees worked flexibly (up from 37% in 2014).

In 2016 in the NSW government sector<sup>1</sup>:

- 58% of employees were satisfied with their ability to access flexible working
- Employees who worked flexibly were 2.6% more engaged than those who didn't work flexibly
- 66% of employees indicated they accessed some type of flexibility
- As employee seniority increased, uptake and satisfaction with flexible working decreased
- Employees who worked flexibly were around 1.5 times more likely to be satisfied their organisation offers arrangements to achieve work-life balance

<sup>1</sup> People Matter Employee Survey 2016 – an anonymous and confidential survey sent to all employees in the NSW public sector. It asks questions to assess levels of employee engagement and opinions on workplace practices. The response rate in 2016 was 36%.

The key barriers to flexible working in the NSW government sector have been identified as<sup>2</sup>:

- Culture and mindsets – there appears to be a limited understanding of what it means to work flexibly and the benefits it brings; the traditional view of the ‘9-5 worker’ continues; and there is a preference for a compliance based approach
- Manager skills and experience – managers appear not to have the confidence, skills and tools to arrange and manage flexible working practices in a way that doesn’t negatively affect their work

## Productivity and outcomes focus

Research consistently shows that implementing flexible working increases productivity:

- In the United Kingdom, the Department for Business Innovation and Skill’s research showed the comprehensive provision of both flexible working and family friendly initiatives led to increases in productivity and a reduction in unscheduled absences.<sup>3</sup>
- A survey by Lloyd’s Banking Group found that 66% of line managers and colleagues considered that flexibility improved efficiency and productivity.<sup>4</sup>

<sup>2</sup> Based on research into the current state of flexible working in the NSW government sector conducted by Deloitte in 2016. This involved consultation with a cross-section of senior leaders, managers, employees and HR practitioners through a mixture of interviews, focus groups and a survey.

<sup>3</sup> Department of Business, Innovation and Skills, “Costs and benefits to business adopting work life balance working practices: a literature review”, 2014.

<sup>4</sup> Future of Work Institute, “The Benefits of Flexible Working Arrangements, a Future of Work Report”, 2012

## Talent retention and attraction

The implementation of flexible working gives organisations the ability to attract and retain talent across several important workforce demographics:

- After introducing flexible working, an international business law firm experienced an increase in the number of women joining the firm and more women than men being promoted to partner.<sup>5</sup>
- Although women are more likely than men to request and access flexible working, men want and need access to flexible working to support their roles as fathers, carers and engaged members in their community.<sup>6</sup>
- Making all jobs flexible, unless there are sound documented reasons not to, was identified by the *Willing to Work Report*<sup>7</sup> as a key workforce strategy for attracting and retaining people with disability and older workers.
- Flexible working supports carers to stay or re-enter the workforce after taking on caring responsibilities.<sup>8</sup>
- Aboriginal and Torres Strait Islander employees in the NSW government sector are concentrated outside of Sydney.

Flexible working enables regional workers to advance in their careers without having to relocate, which can be a disincentive for Aboriginal and Torres Strait Islander employees who want to maintain their connection with community.<sup>9</sup>

- With millennials entering the job market in increasing numbers, and displaying less organisational loyalty than other generations according to *Global Human Capital Trends 2016*<sup>10</sup>, flexible working is an important way to attract young talent with technological and specialised skills.

<sup>5</sup> Future of Work Institute, "The Benefits of Flexible Working Arrangements, a Future of Work Report", 2012

<sup>6</sup> Diversity Council Australia, "Men get flexible! Mainstreaming flexible work in Australian business", 2012

<sup>7</sup> Australian Human Rights Commission, "Willing to Work: National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability", 2016.

<sup>8</sup> Carers Australia, "Combining Work and Care, the Benefits to Carers and the Economy", 2014.

<sup>9</sup> NSW Public Service Commission, "Retention – valuing and retaining Aboriginal Employees in the NSW Public Sector", 2015

<sup>10</sup> Deloitte, "Human Capital Trends Report", 2016

In 2016 in the NSW government sector<sup>11</sup>:

- Workforce data analysis found there was a relationship between the uptake of flexibility and workplace diversity in an agency.
- Although flexibility was accessed roughly equally by women and men, certain types of flexibility were more likely to be accessed by one gender. For example, 85.9% of part-time roles were held by women. Women and men's satisfaction with their ability to access flexible working was roughly the same.
- A slightly higher proportion of employees with disability (+6%) worked flexibly, yet were less likely to be satisfied with their ability to access flexibility than the sector average by 7%.
- Flexibility was accessed roughly equally by older workers and millennials in line with the sector average, and there was no significant differences with satisfaction in their ability to access flexible working across different age groups.
- 42% of flexible workers had caring responsibilities, indicating that flexibility is not only used to balance work and care. Satisfaction with the ability to access flexibility was roughly on par to the sector average.
- A slightly lower proportion of employees worked flexibly in the regions compared to Sydney metro (-6%) and were less likely to use flexible start and finish times (-12%). This may be linked to role type in regional areas with a higher proportion of front-line service delivery roles. Satisfaction with access to flexible working was roughly the same.

<sup>11</sup> People Matter Employee Survey 2016 and Workforce Profile Collection 2016 – a data collection on the characteristics of NSW public sector employment, which has been collected annually since 1999.

Other barriers to flexible working in the NSW government sector have been identified as<sup>12</sup>:

- Some aspects of industrial arrangements
- Work and roles not being redesigned
- Access to technology and systems
- Role suitability with customer service roles having less scope for different types of flexibility

- By introducing flexible working beyond the traditional 9 to 5, five-day week, Lloyds Banking Group developed a new customer service model based on 24-hour services. They now offer a range of services from digital and mobile banking to 24 hour, 7 days a week telephone banking, as well as extended branch hours.<sup>14</sup>

## The big picture

When taken to the next level, flexible working can enable new business models with broader benefits to customers and society more generally:

- Salt Lake City, Utah adopted flexible working to cut energy consumption and utility costs. A four-day workweek program saw 17,000 of the state's 24,000 executive branch employees work 10 hour days, four day per week. In the program's first 12 months, energy use was reduced by 13% and a \$3 million saving was anticipated.<sup>15</sup>

## Customer satisfaction

Well-supported flexibility triggers a sense of reciprocity among employees, which in turn leads to greater effort to meet the needs of customers, and can support new business models which improve customer service:

- Australian insurance business Suncorp reported a range of improved measures in its commercial insurance claims area, where the majority of employees now worked flexibly. These employees demonstrated higher levels of commitment and productivity, leading to higher customer satisfaction ratings.<sup>13</sup>

<sup>12</sup> Based on research into the current state of flexible working in the NSW government sector conducted by Deloitte in 2016.

<sup>13</sup> University of New South Wales Business School, "Flexibility dividend: why supported employees increase customer satisfaction", 2015

<sup>14</sup> Future of Work Institute, "The Benefits of Flexible Working Arrangements, a Future of Work Report", 2012

<sup>15</sup> <http://www.ksl.com/?nid=148&sid=7422008>

## 2. The Journey

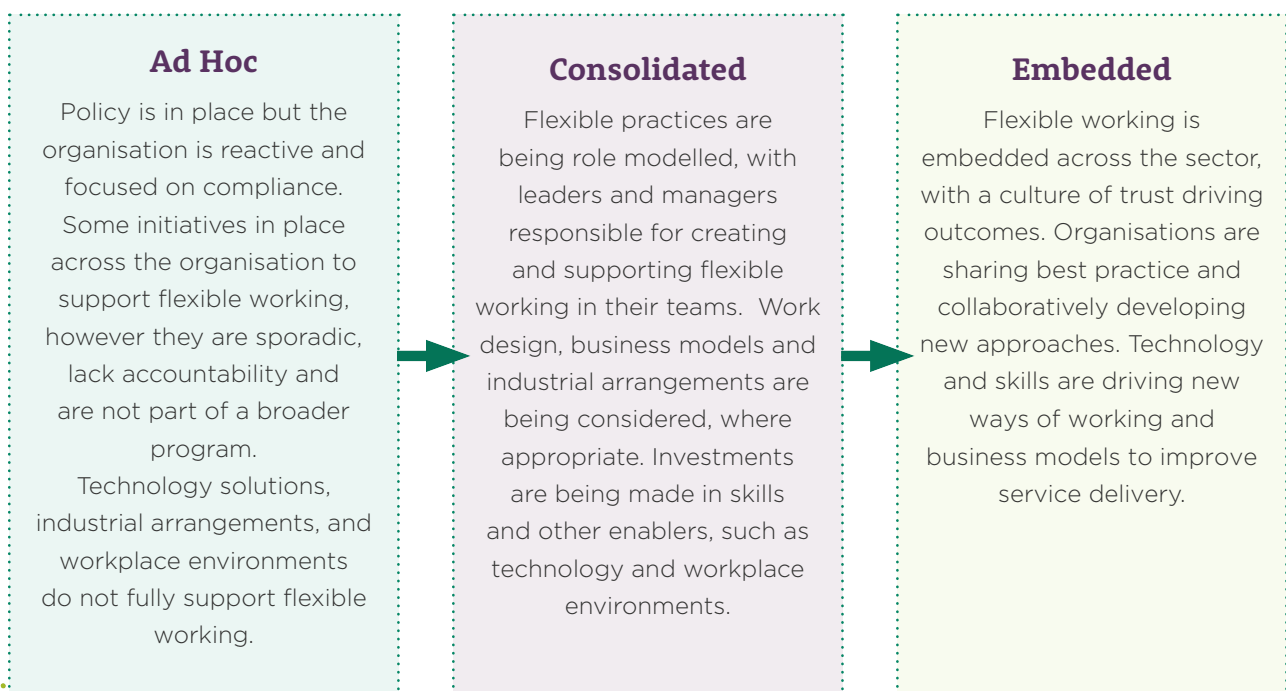
The Government committed to making all roles flexible in the NSW government sector (the sector) on the basis of 'if not, why not' by 2019. Flexible working is about rethinking the where, when and how work can be done, in a way that maintains or improves service delivery for the people of NSW.

This approach challenges the mindset of 'it can't be done', to 'how can we make flexibility work for us'. It opens up the conversation between managers and their teams around what is possible with a focus on achieving outcomes. Flexibility becomes the new starting point, with different types of flexibility enabled for different roles, and scope for local innovation within teams. This may mean identifying new opportunities for flexible working within the context of the role, or bringing to life existing flexibility provided for in policy but not widely known or accessed. It does not mean every role, or every individual, can or should work flexibly.

Flexible working, in one form or another, already exists within the sector. While there are pockets of good practice, the current state can be defined as 'ad hoc'. Although policy is in place, the sector is reactive and focused on compliance. There are some initiatives in place to support flexible working, however they are sporadic, lack accountability and are not embedded within the organisational systems that shape how we work.

The Make Flexibility Count Framework (the Framework) is designed to shift the sector from its current 'ad hoc' state to 'embedded' flexible working, as set out in Figure 1. The Framework is about evolving the culture of the sector where employees are valued for delivering outcomes and teams are empowered to make flexibility work for them. Achieving a flexible working model requires continual focus post implementation. This new approach is intended to make flexibility count to deliver benefits for employees, employers, customers and the people of NSW.

**Figure 1: Flexible working maturity**





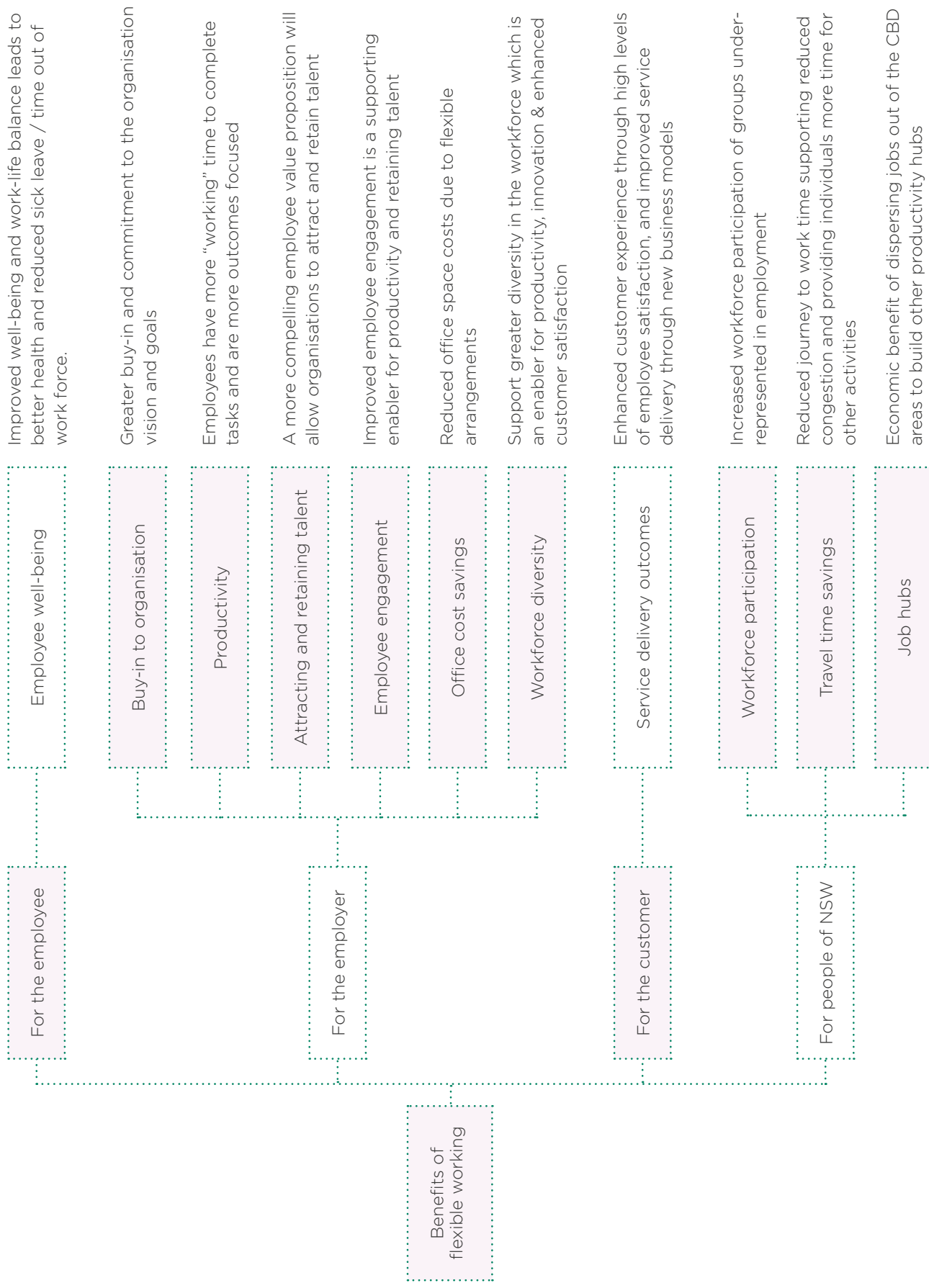
## 3. Benefits of Flexible Working

Flexible working when implemented well has a positive impact on employee health, productivity and retention, and can lead to improved customer satisfaction. Flexibility can also enable new business models to improve service delivery and 'bigger picture' contributions to society, such as travel time savings, increased participation in the

workforce, and dispersing jobs out of the CBD.

More flexibility will benefit employees, the teams and agencies they work within, customers and the people of NSW more broadly, as set out in Figure 2.

**Figure 2 – The benefits of flexible working**



The anticipated gross value of enhancing the uptake of flexible working in the sector through the 'if not, why not' approach is estimated at \$24-47 million per year from 2019.<sup>16</sup> This estimate is conservative and reflects those benefits that can be quantified. It includes productivity, employee retention, reduced sick leave, and office cost savings that notionally accrue through improved efficiency, as well as broader economic and social benefits such as travel time savings. The Public Service Commission (PSC) will continue to refine the business case as the benefits of flexible working in the sector are measured.

<sup>16</sup> Estimated based on modelling conducted by Deloitte. The value of enhancing the uptake of flexible working will differ in different agencies based on role composition, current uptake and operating contexts. There may also be some costs involved in implementing the 'if not, why not' approach which will depend on the enablers currently in place and the approach taken to implementation in agencies.

# 4. Vision and Principles

Our vision is to realise the benefits of flexible working to improve service delivery and customer satisfaction. We will do this through the mission of making all roles in the sector flexible on the basis of 'if not, why not' by 2019.

The mission applies to the whole government sector, excluding State Owned Corporations. This covers the Public Service (departments, executive agencies and related agencies), as well as the NSW Health Service, Teaching Service, NSW Police Force, Transport Service and other Crown services.

To realise the benefits, flexible working needs to

make sense within the context of our workforce. The NSW Government is the largest employer in Australia, with almost 400,000 employees. These employees provide a range of services to 7.8 million residents – including essential services some of which require 24/7 coverage such as health, corrective and transport services. It is a large and diverse workforce with hundreds of different industrial awards or agreements covering the employment of particular groups of employees in the sector.

The implementation of the 'if not, why not' approach needs to be informed by six guiding principles, as set out in Figure 3.

**Figure 3 – Vision, Mission and Principles**



- **For everyone** – Everyone is able to request the types of flexibility that make sense within their roles. Whether it is possible and what it looks like, will vary depending on the role. This approach does not mean that flexibility has to be provided at any cost, genuine reasons may exist that explain why flexibility cannot be implemented. But it does mean that managers and their teams consider what is possible on the basis of ‘why not’. It also means that flexibility is no longer a special provision for a certain type of worker, or a reward that needs to be earned. By mainstreaming flexibility, opportunities for career progression will be improved for flexible workers.
- **Mutually beneficial** – For flexible working to be successful, it must create the best outcomes for employees, employers, and customers. Flexible working must be realised in way that maintains or improves service delivery for the people of NSW, and does not result in increased labour costs. It should also not result in work intensification<sup>17</sup> for employees, with appropriate boundaries and checks put in place.
- **About the team** – Flexible working should be considered within the context of the team. The agreed arrangements should consider the impact on team performance and structure, because the success of any arrangement will be dependent on the support and understanding of the team as a whole. The ‘if not, why not’ approach envisages scope for more local innovation and decision making within teams. Flexible arrangements must have a team overview about how work will be distributed and solve for the needs of team members, including what a fair and equitable

application of flexible working looks like for that team. This includes taking into account the legislative provisions relating to flexible working that apply to certain categories of employees.

- **Give and take** – Flexible working does not mean you always get what you want as an individual. Not all types of flexibility will be available for every role, or every individual, all the time. Flexibility requires give and take between the employee, manager and team. It also places mutual obligations on the employee, manager and team to make flexible working a success. Flexible arrangements should be reviewed regularly to check they are working well and address any issues that may arise.
- **Leader led** – Employees in the sector are looking to their senior leaders to lead the way and show what is possible with regards to flexible working. Senior leaders must do more than just communicate the vision in their agencies. More senior leaders need to visibly demonstrate how they are building flexible working into their own lives and enabling their teams to work flexibly. This starts with senior leaders in the sector role modelling a positive approach to flexible working through their behaviours and decisions, including Secretaries and other senior executives.
- **Context matters** – Given the diversity and size of the NSW government sector, one size can’t fit all. Different types of flexibility will suit different roles. Agencies will need to develop their own strategies based on their role types, operating contexts and industrial arrangements. Assumptions will need to be challenged to rethink work design and business models to realise flexible working to improve service delivery. Processes will

<sup>17</sup> Work intensification refers to where work expands into times and places previously quarantined for leisure, family or other non-work activities and can adversely impact on work-life balance and job satisfaction

differ across the sector on how to bring to life the 'if not, why not' approach, but all agencies will need to undertake a review of their arrangements.

The *Government Sector Employment Act 2013* (NSW) allows for employees to work flexibly. Provisions relating to particular categories of employees and requests for flexible working are contained in the *Anti-Discrimination Act 1977 (NSW)* and *Disability Discrimination Act 1992* (Cth), as well as the *Fair Work Act 2009* (Cth) which applies to some agencies in the NSW government sector. Other Acts that may be relevant include the *Carers Recognition Act 2010* (NSW) and the *Disability Inclusion Act 2014* (NSW). The Framework and guiding principles are not inconsistent with these legislative provisions.

# 5. New Way of Thinking

A new way of thinking about flexible working is required. The approach is less about complying with a definition, and more about putting in place flexible working based on a principles-based approach that supports local innovation and problem solving. The sector is well placed to not only follow leading practice, but innovate to realise new opportunities for flexible working.

The 'if not, why not' approach is not about defining the new way people should work. Instead it is an evolving conversation between managers and their teams to explore all possibilities that make sense within their work environment. This does not mean that every person wants flexibility, or that every role can become flexible, but the starting point should be 'how can we make flexibility work for us'?

## What flexibility means to us?

Flexible working is about rethinking the where, when and how our work can be done. It is about exploring the work design and business models to identify opportunities for flexibility that maintain or improve service delivery for the people of NSW.

Given the diversity of work in the sector, different types of flexible working will suit different roles and operating contexts. The 'if not, why not' approach makes flexibility the new starting point. It does not mean every role, or every individual, is entitled to every type of flexibility at all times.

There are many types of flexibility, including flex time, part-time work, career breaks, secondments, working from home or different locations, job sharing, and flexible scheduling for rostered workers. Managers and their teams may identify other types that make sense within their context and environment.

Flexibility provides our employees with choice about ways of working, within the context of their roles. It delivers mutually beneficial outcomes for employees, employers, and ultimately the people of NSW. The new approach envisages scope for more local innovation and decision making within teams to deliver these mutual benefits, supported by practical guidance and systems.

"Flexible working is about building that trust – I know you are doing your work from the outcomes being delivered"

"When we get push back about flexible working, we ask 'why not?'"

"With clear communication, employees can find the options and the direction to work flexibly"

"We need leaders who role model in words and also actions"

Coupled with this new way of thinking, we also need to strengthen those behaviours and practices that support flexible working, as well as minimise other behaviours and practices that undermine flexible working. It is not only up to senior leaders and managers to create an

environment that supports flexible working, but all employees.

There are five behaviours and practices that are required to create the conditions for success for this new approach, as set out in Figure 4.

**Figure 4 - Flexible Working Behaviours and Practices**

	<b>Behaviours and practices we want</b>	<b>Behaviours and practices we don't want</b>
<b>1. Culture and Mindsets</b>	<ul style="list-style-type: none"> <li>Trust exists within teams and performance is managed by outcomes</li> <li>Leaders and managers have an open mind, are consistent and objective in flexible working</li> </ul>	<ul style="list-style-type: none"> <li>Flexible working is viewed as an entitlement by employees</li> <li>The flexibility needs of employees are accommodated at the expense of getting the job done</li> <li>Performance is managed through presenteeism</li> <li>There is a risk averse culture that stifles new ways of working</li> </ul>
<b>2. Skills and Experience</b>	<ul style="list-style-type: none"> <li>Leaders and managers are confident to have flexible working conversations with their teams</li> <li>Leaders and managers know how to solve for flexible working situations, including the team environment and the design of the work or role</li> <li>Guidance and tools are available to assist leaders, managers, teams, employees and HR professionals to put in place flexible working</li> </ul>	<ul style="list-style-type: none"> <li>Leaders and managers are afraid of refusing flexible working practices which do not meet business needs</li> <li>Leaders and managers lack confidence in managing flexible working and therefore decline all requests</li> <li>Flexible working breeds resentment within the team</li> <li>Flexible workers feel isolated and not part of the team</li> </ul>



	Behaviours and practices we want	Behaviours and practices we don't want
<b>3. Communications and Awareness</b>	<ul style="list-style-type: none"> <li>• There is a shared understanding of what flexible working means</li> <li>• Leaders and managers understand and promote the benefits of flexible working, as well as visibly encouraging flexible working within their teams</li> <li>• Senior leaders role model flexible working</li> </ul>	<ul style="list-style-type: none"> <li>• Flexible working is seen as a way of working less or producing less</li> <li>• Flexible working is seen as a barrier to career progression</li> </ul>
<b>4. Application and Implementation</b>	<ul style="list-style-type: none"> <li>• Flexible working is available to everyone</li> <li>• There is scope for local innovation and pilots to trial and refine new approaches</li> <li>• Governance and measures are in place to build the business case</li> <li>• Agencies hold leaders and managers accountable for enabling flexible working in their teams</li> </ul>	<ul style="list-style-type: none"> <li>• Flexible working is a special provision for a certain type of worker e.g. women with children</li> <li>• A one size fits all approach is applied e.g. everybody works part-time</li> <li>• Flexible working results in increased work intensification<sup>18</sup></li> <li>• Flexible working is seen as a compliance activity or tick box exercise</li> </ul>
<b>5. Technology and Systems</b>	<ul style="list-style-type: none"> <li>• Supporting technologies, industrial arrangements, workplace environments and systems are in place to facilitate flexible working for everyone - leaders, managers, HR and employees</li> </ul>	<ul style="list-style-type: none"> <li>• Flexible working results in additional cost to maintain current performance over the long term</li> <li>• Flexible working is not put in place because it cannot be supported by technology</li> </ul>

<sup>18</sup>Work intensification refers to where work expands into times and places previously quarantined for leisure, family or other non-work activities and can adversely impact on work-life balance and job satisfaction

## 6. How we will get there

Flexible working forms part of the broader workforce management agenda. The Framework builds on work already underway to put in place the foundations for strategic workforce management. This includes, among other things, building a culture of trust where performance is managed through outcomes rather than presenteeism. This is a critical condition for success for flexible working.

Building on this work, the Framework identifies areas where there is utility in designing a common approach across the sector, and where agencies are to take ownership of a range of differentiated initiatives. The role of the PSC is to lead sector-wide initiatives to drive change, whereas Department Secretaries and Agency Heads are responsible for rolling out the ‘if not, why not’ approach in their operating contexts.

The Framework initiatives fall under four strategic imperatives that will enable a culture shift in how the sector promotes and brings to life the vision and mission. Figure 5 illustrates the strategic imperatives and the initiatives. The strategic imperatives are:

- **Engage the sector** – develop a deeper and more consistent understanding of what flexible working means. This includes managing employee expectations, as well as opening minds to what is possible beyond the current flex-time and part-time practices through:
  - demonstrating the benefits of flexible working for employees, teams, managers and customers more broadly
  - creating awareness of what flexibility means, how roles can flex through success stories and roles models, plus encouraging local innovation and problem solving
- bringing to life flexible working arrangements that exist in policy but not in practice.
- **Develop capable and confident inclusive leaders** – help senior leaders understand their role in:
  - leading the way by role modelling and demonstrating what good flexible working looks like through their behaviour
  - building trust relationships within their teams and people’s capability to manage performance based on outcomes
  - addressing the unconscious biases that many people experience in relation to flexible working.
- **Workplace systems and processes** – most workplace systems and processes have not been designed with the flexible worker in mind and need to be adapted to support flexible working including:
  - simplifying processes and policies to make flexible working easy
  - considering enabling technology, industrial arrangements and office design to maximise the opportunities for working flexibly over the medium to longer term, where appropriate
  - exploring the work design and business models to identify new opportunities for flexible working that maintain or improve service delivery.

- **Establish measures and evaluate** – the measures put in place should not create administrative burden that hinders innovation or responsiveness of flexibility, and where possible should capture both formal and informal arrangements. Data is required to track and measure progress in order to:
  - build the business case for flexible working
  - hold leaders and managers accountable
  - evaluate the effectiveness of the Framework.

The success of the Framework will depend on individual agencies championing both their own initiatives as well as those led by the PSC. The PSC and individual agencies will work collaboratively to ensure initiatives are coordinated, targeted and supported. This includes sharing materials and approaches being implemented across the sector, what is working well and any lessons learnt.

Figure 5 – Strategic Imperatives and Initiatives

Strategic Imperatives



Sector-wide Initiatives

<p>1. Engage the sector</p> <ul style="list-style-type: none"> <li>a. Bring to life the flexible working value proposition for employees, managers, agencies and customers</li> <li>b. Launch a communications campaign on flexible working</li> <li>c. Share flexible working success stories and innovation</li> <li>d. Celebrate flexible working achievements, including through the Premier's Awards</li> <li>e. Develop and maintain a sector-wide network of flexibility champions</li> <li>f. Build partnerships with private sector and peak bodies</li> </ul>	<p>2. Develop capable and confident inclusive leaders</p> <ul style="list-style-type: none"> <li>a. Provide practical guidance &amp; tools for employees, teams, managers and agencies</li> <li>b. Pilot and develop a program for addressing unconscious bias to shift culture and mindsets</li> <li>c. Define flexible working behaviours and flexible workplace personas for individuals and roles</li> <li>d. Incorporate flexible working behaviours in the NSW Leadership Academy and other sector-wide programs</li> <li>e. Develop a central hub for sharing resources and knowledge across the sector</li> </ul>	<p>3. Workplace systems and processes</p> <ul style="list-style-type: none"> <li>a. Refresh Premier's Memoranda on Flexible Working to align with the Framework</li> <li>b. Pilot and develop a job share register for employees to find a suitable job share partner</li> <li>c. Embed flexible working behaviours into workforce management tools, systems and practices</li> <li>d. Conduct co-design workshops with agencies to address key challenges to flexible working</li> <li>e. Work across government to leverage strategies that enable flexible working, such as NSW Smart Work Hubs</li> </ul>	<p>4. Establish measures and evaluate</p> <ul style="list-style-type: none"> <li>a. Define and refine approach for governing and evaluating the impact of flexible working</li> <li>b. Define baseline and KPIs for leaders, managers, agencies and sector</li> <li>c. Build business case for flexible working and refine as more data becomes available</li> <li>d. Incorporate KPIs into existing relevant sector reports (e.g. State of the Public Sector Report)</li> <li>e. Strengthen the use of data to capture, track and monitor progress</li> </ul>
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Figure 5 – Strategic Imperatives and Initiatives (continued)

Strategic Imperatives

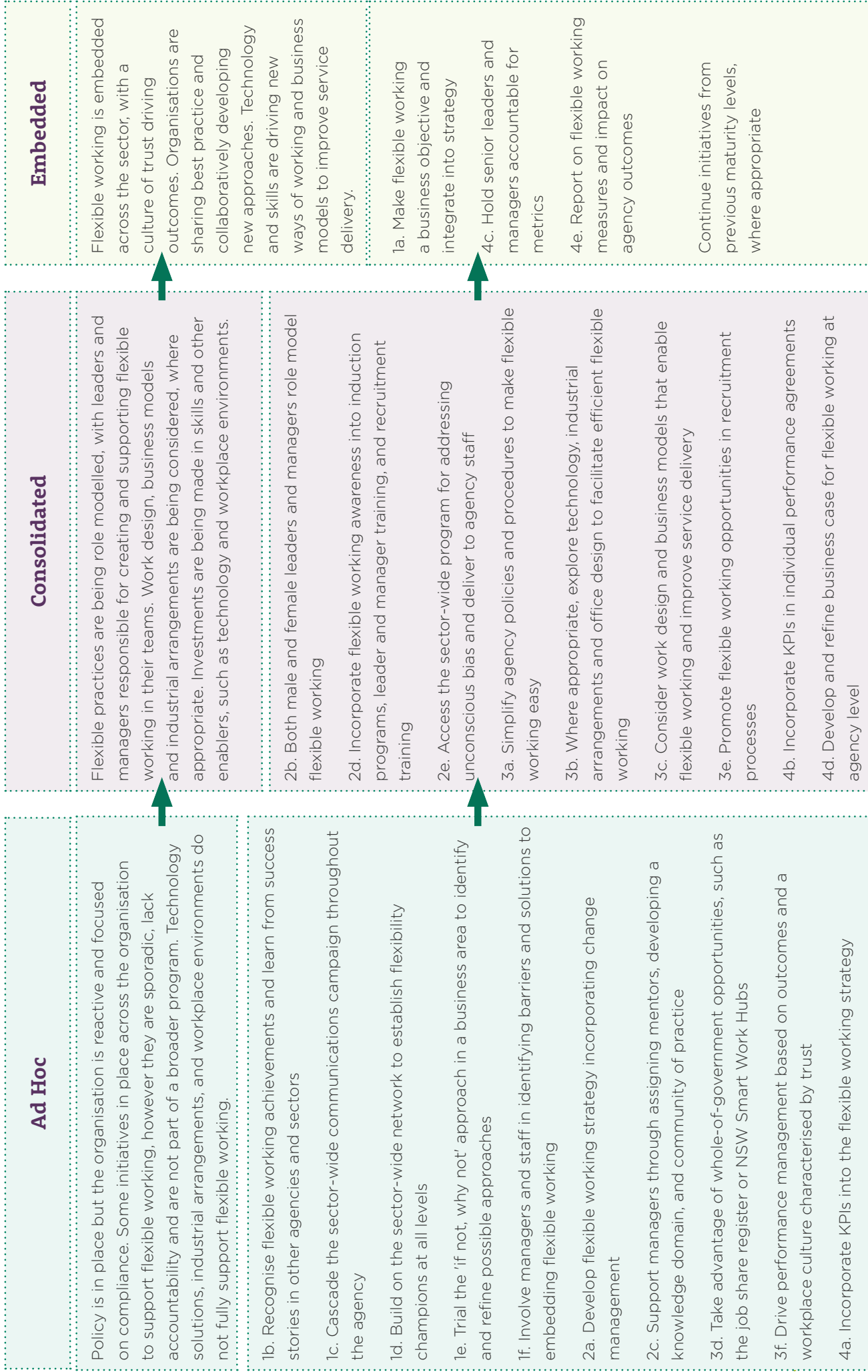
1. Engage the sector	2. Develop capable and confident inclusive leaders	3. Workplace systems and processes	4. Establish measures and evaluate
<ul style="list-style-type: none"> <li>a. Make flexible working a business objective and integrate into strategy</li> <li>b. Recognise flexible working achievements and learn from success stories in other agencies and sectors</li> <li>c. Cascade the sector-wide communications campaign throughout the agency</li> <li>d. Build on the sector-wide network to establish flexibility champions at all levels</li> <li>e. Trial the “if not, why not” approach in a business area to identify and refine possible approaches</li> <li>f. Involve managers and staff in identifying barriers and solutions to embedding flexible working</li> </ul>	<ul style="list-style-type: none"> <li>a. Develop flexible working strategy incorporating change management</li> <li>b. Both male and female leaders and managers role model flexible working</li> <li>c. Support managers through assigning mentors, developing a knowledge domain, and community of practice</li> <li>d. Incorporate flexible working awareness into induction programs, leader and manager training, and recruitment training</li> <li>e. Access the sector-wide program for addressing unconscious bias and deliver to agency staff</li> </ul>	<ul style="list-style-type: none"> <li>a. Simplify agency policies and procedures to make flexible working easy</li> <li>b. Where appropriate, explore technology, industrial arrangements and office design to facilitate efficient flexible working</li> <li>c. Consider work design and business models that enable flexible working and improve service delivery</li> <li>d. Take advantage of whole-of-government opportunities, such as the job share register or NSW Smart Work Hubs</li> <li>e. Promote flexible working opportunities in recruitment processes</li> <li>f. Drive performance management based on outcomes and a workplace culture characterised by trust</li> </ul>	<ul style="list-style-type: none"> <li>a. Incorporate KPIs into the flexible working strategy</li> <li>b. Incorporate KPIs in individual performance agreements</li> <li>c. Hold senior leaders and managers accountable for metrics</li> <li>d. Develop and refine business case for flexible working at agency level</li> <li>e. Report on flexible working measures and impact on agency outcomes</li> </ul>
<b>Differentiated Agency Initiatives</b>			

## Maturity Approach

The Framework sets out a maturity approach, as shown in Figure 6, to enable agencies to develop their own flexible working strategies based on a review of their flexible working maturity levels and what works within their operating contexts. This will support agencies in adopting a change management approach to implementing the 'if not, why not' model.

There may be other initiatives that agencies develop and implement to suit their operating contexts, but the maturity approach provides a starting point to support agencies. Many of the initiatives in the earlier maturity levels would continue through to the 'embedded' state. As part of the sector-wide initiatives, a flexible working diagnostic tool and guidance on how to develop and implement a flexible working strategy will be developed for agencies.

Figure 6 – Differentiated Initiatives According to Flexible Working Maturity



## 7. KPIs

The Framework will be measured through a base standard of indicators and targets, which will be applied at the sector and cluster / agency level. Figure 7 sets out the flexible working indicators and includes the 2016 baseline for the sector.

The indicators will be instructive as to whether we have achieved our vision and mission, although there may be other factors that impact on the outcomes we seek. Some of the measures, for example those related to the Framework settings and opportunities for flexible working, are expected to be realised in the short term. Whereas other measures relating to longer-term outcomes, such as realising the benefits of flexible working to improve service delivery and customer satisfaction, are expected from 2019 and beyond. The indicators will be developed

and refined as other data sources become available, and to address emerging issues, while not creating administrative burden that hinders innovation or responsiveness of flexibility.

Given the diversity of the sector, it is challenging to develop indicators that relate to outcomes, such as productivity. What this looks like will vary significantly depending on the services being delivered. The Framework sets out indicators at the sector and cluster / agency level to measure and track progress. Agency heads are encouraged to develop their own indicators based on the data their agency collects and relating to their outcomes, which can be incorporated into their flexible working strategies.



Figure 7 – KPIs<sup>19</sup>

	Have we improved opportunities for flexible working?	Has flexible working been implemented well?	Have we realised the benefits of flexible working?	Has flexible working improved service delivery and customer satisfaction?
<b>Framework Settings</b>	<b>Senior executives role modelling flexible working</b> 47% Increase from baseline	<b>Work-life balance satisfaction</b> Flexible workers have the same or higher satisfaction	<b>Employee engagement</b> 65% Increase from baseline	<b>Customer satisfaction index:</b> Consumer 78.7% and Business 78.4%
<b>Manager mindsets &amp; capability</b> 40% of agencies identify 'individual manager resistance' as one of the three most significant barriers Decrease from baseline	<b>Uptake of flexible working</b> 66% Increase from baseline	<b>Career progression satisfaction</b> Flexible workers have the same or higher satisfaction	<b>Paid unscheduled absence</b> 67.4 hours per FTE Decrease from baseline	
	<b>Satisfaction with access to flexible working</b> 58% positive Increase from baseline	<b>Demographics</b> Whether flexibility is being utilised by employees from all demographics	<b>Attraction</b> Whether flexibility is impacting ability to attract employees?	
			<b>Retention</b> Whether flexibility is impacting ability to retain employees?	

**Shorter term outputs**

**Longer term outcomes**

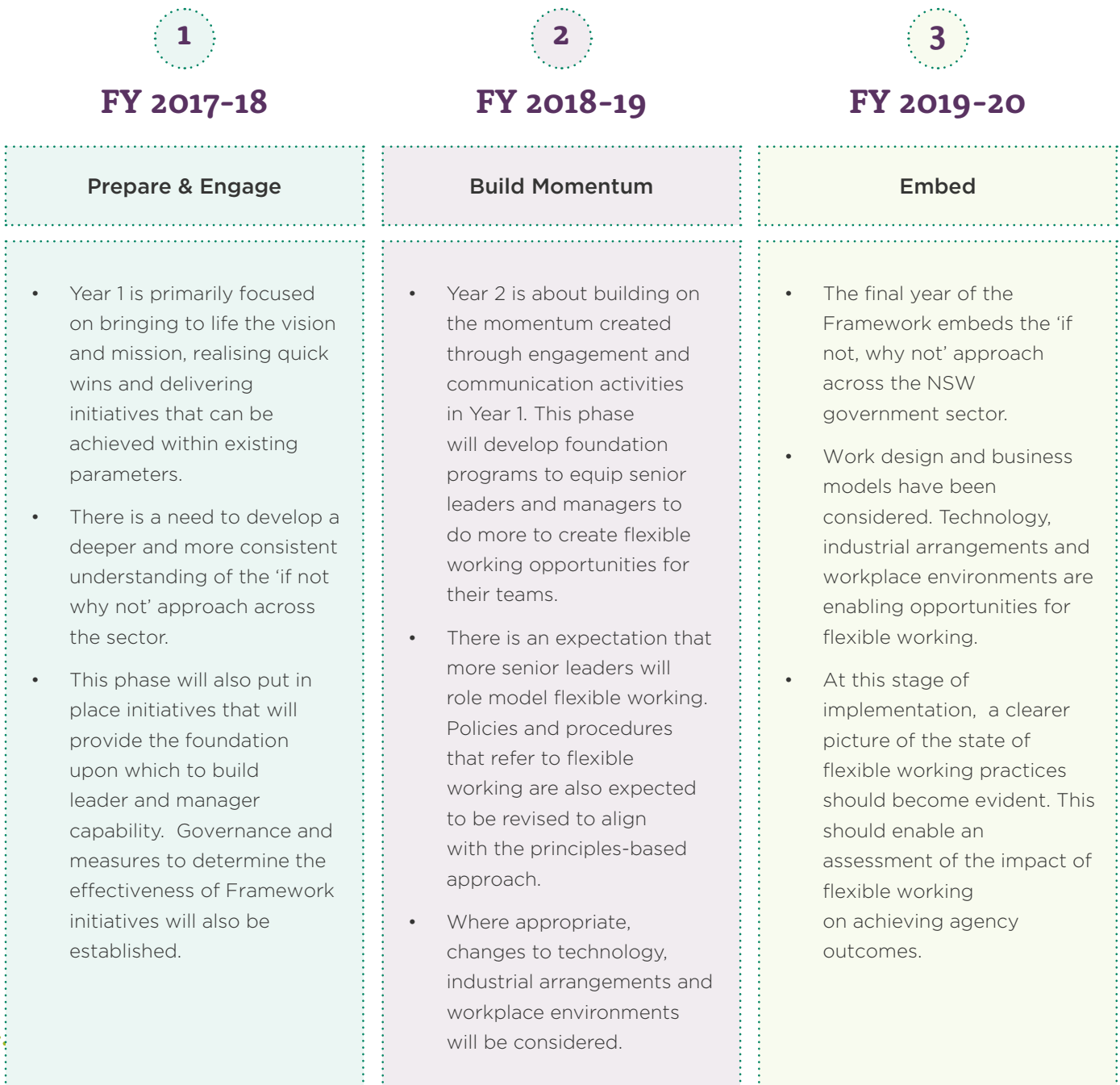
<sup>19</sup> Measures for KPIs are drawn from the NSW People Matter Employee Survey which captures both formal and informal flexible working arrangements. Measures that are drawn from other data sources include: customer satisfaction index (Customer Satisfaction Measurement Survey), manager mindsets and capability (NSW Public Sector Agency Survey), and paid unscheduled absence (Workforce Profile Collection).

# 8. Implementation

The implementation of the Framework will occur over three phases, as set out in Figure 8. As agencies are at different levels of maturity in terms of flexible working, this provides a guide only for agencies in terms of the implementation

approach. It does provide agencies with a signpost of when the sector-wide initiatives will be implemented and can be leveraged in their agency-level plans.

**Figure 8 - Implementation Phases**



# Make Flexibility Count: Strategic Framework for the NSW Government Sector

## The Journey Maturity Approach



## Our Vision

To realise the benefits of flexible working to improve service delivery and customer satisfaction

## Our Mission

To make all roles in the NSW government sector flexible on the basis of 'if not, why not' by 2019

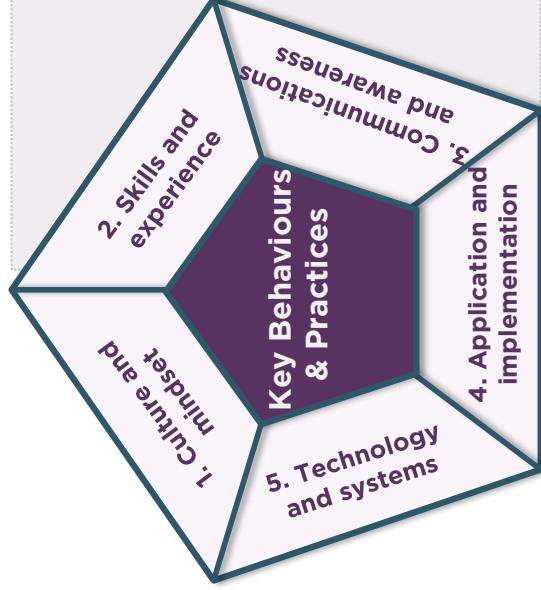
## Our Principles

- For everyone
- Mutually beneficial
- About the team
- Give & take
- Leader led
- Context matters

## New way of thinking

Flexible working is about rethinking the where, when and how our work can be done. It is about exploring the work design and business models to identify opportunities for flexibility that maintain or improve service delivery for the people of NSW. Given the diversity of work in the sector, different forms of flexible working will suit different roles and operating contexts.

The 'if not, why not' approach makes flexibility the new starting point. It does not mean every role, or every individual, is entitled to every type of flexibility at all times. Flexibility provides our employees with choice about ways of working, within the context of their roles. It delivers mutually beneficial outcomes for employees, employers & people of NSW.



## How we'll get there

### Differentiated Agency Initiatives

1. Engage the sector
2. Develop capable and confident inclusive leaders
3. Workplace systems and processes
4. Establish measures and evaluate

### Strategic imperatives

### Sector-wide PSC Initiatives

## KPIs





Public  
Service  
Commission

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Integrity,  
Trust, Service  
& Accountability

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