CIPD

Flexible and hybrid working practices in 2023

Employer and employee perspectives

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With almost 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

Survey report

Flexible and hybrid working practices in 2023: Employer and employee perspectives

Contents

1 Introduction

Our latest research shows there's been an increase in requests for flexible working, and that while three-fifths of employees have flexible working arrangements, there's unmet demand for varying types of flexible working. We have found that organisations are taking varied approaches to hybrid working: while 45% have a formal policy, 24% take an informal approach.

This report provides an update on employer and employee perspectives of the current state of flexible and hybrid working practices. By tracking some of the changes and progress made since the pandemic, the report outlines how many employers are advertising roles with flexible working practices, current levels of requests for flexible working as well as awareness of the proposed legislative change to bring in a day one right to request flexible working. The findings also explore the unmet demand for certain types of flexible working and the lack of flexibility that is prompting job and career changes.

The report looks at the importance of providing flexibility to front-line roles and sectors. It explores the varied approaches organisations are taking to hybrid working, its wider impact, and the relationship to performance and productivity. It also provides an overview of some of the benefits and challenges this way of working can bring, including those relating to employee wellbeing and inclusion.

You can find background information on the surveys on .

2 Implications and recommendations

For organisations

1 Implement internal policies that allow your employees to request flexible working from day one of employment and, wherever possible, stipulate in job adverts that jobs can be done flexibly, attracting a wider pool of candidates who are looking for flexible roles.

2 Raise awareness of different forms of flexible working, such as compressed hours and job-sharing, and explore how they can be effective in roles that have traditionally been seen as non-flexible. Make sure that you consider what type of flexibility is possible in non-office and front-line roles.

3 Consult and collaborate with employees when designing hybrid working practices. Develop clear and transparent policies and principles about eligibility for – and access to – hybrid working, and establish systems to monitor decision-making and access. Develop ways of creating a stronger connection between employees and your organisation purpose and culture (as this tends to be most impacted by hybrid working) and continue to review, adapt and improve your approach.

4 Assess organisation risks relating to equality and inclusion and develop an action plan to ensure that hybrid working supports inclusion. Include inclusion in every aspect of hybrid working implementation. Ensure equality of opportunity for learning and development and reward and recognition, regardless of where and when people work.

5 Provide training to managers on how to manage flexible and hybrid teams effectively and give support around performance management, remote communication, collaboration and relationship-building, and employee development and progression.

For policy-makers

1 Use communications and practical guidance to support organisations with the impending legislation change of making the right to request flexible working from day one of employment, rather than 26 weeks.

2 Help the Flexible Working Taskforce in its practices to increase access to – and uptake of – different forms of flexible working, including flexible starts and finishes, compressed hours, job-shares, etc.

3 Work with organisations on myth-busting around flexible working to dispel the notion that it cannot work for certain employees or job roles.

4 Develop a challenge fund for businesses in front-line sectors to trial and track progress around flexible ways of working and the impact on business and employee metrics.

5 Continue to support organisations moving to a hybrid way of working and ensure that issues of employee inclusion and wellbeing are front and centre.

3 Employer perspectives

We've seen an increase in requests for flexible working

- Two-fifths (40%) of employers have seen an increase in formal requests for flexible working following the pandemic.

- A similar number (39%) say they will be more likely to grant requests for flexible working, besides working from home, compared with before the pandemic.

- A growing number of organisations (66%) believe that it is important to provide flexible working as an option when advertising jobs (56% said this last year). They see this as a key way of attracting staff and addressing skill or labour shortages.

- Employers in the voluntary sector are most likely to say this (voluntary: 74%; public: 69%; private: 64%).

- Overall, 71% feel that this has become more important following the pandemic.

A growing number of employers are offering a day one right to request flexible working

- Almost half (49%) of organisations were not aware of the proposed UK Government change to make the right to request flexible working from day one rather than after 26 weeks of employment. There were no real differences across sectors for this.

- However, 39% of organisations already offer a day one right to request flexible working (compared with 36% in a similar CIPD survey last year) and 14% plan to introduce this before the legislation change. Voluntary sector employers (26%) are more likely to be planning this than those from the private (12%) and public sectors (15%).

- Of those that don't already offer this, 46% feel that it will be difficult for their organisation to support the change, while 28% believe it will be easy. Employers in the voluntary sector are more likely to say it will be easy (voluntary: 40%; private: 27%; public: 24%).

- Of the same group, 14% believe the change will have a positive impact for their organisation and employees, and 32% believe it will have a negative impact.

There's unmet demand for different types of flexible working

- Organisations are most likely to offer working from home on a regular and/ or ad hoc basis (62%), informal flexibility (53%) or part-time hours (51%).

- Other popular provisions include flexitime (34%), all-the-time homeworking (33%) and career breaks (26%).

Figure 1: Which flexible working arrangements, if any, does your organisation currently offer? (%)

Base: n=2,049.

Employer perspectives
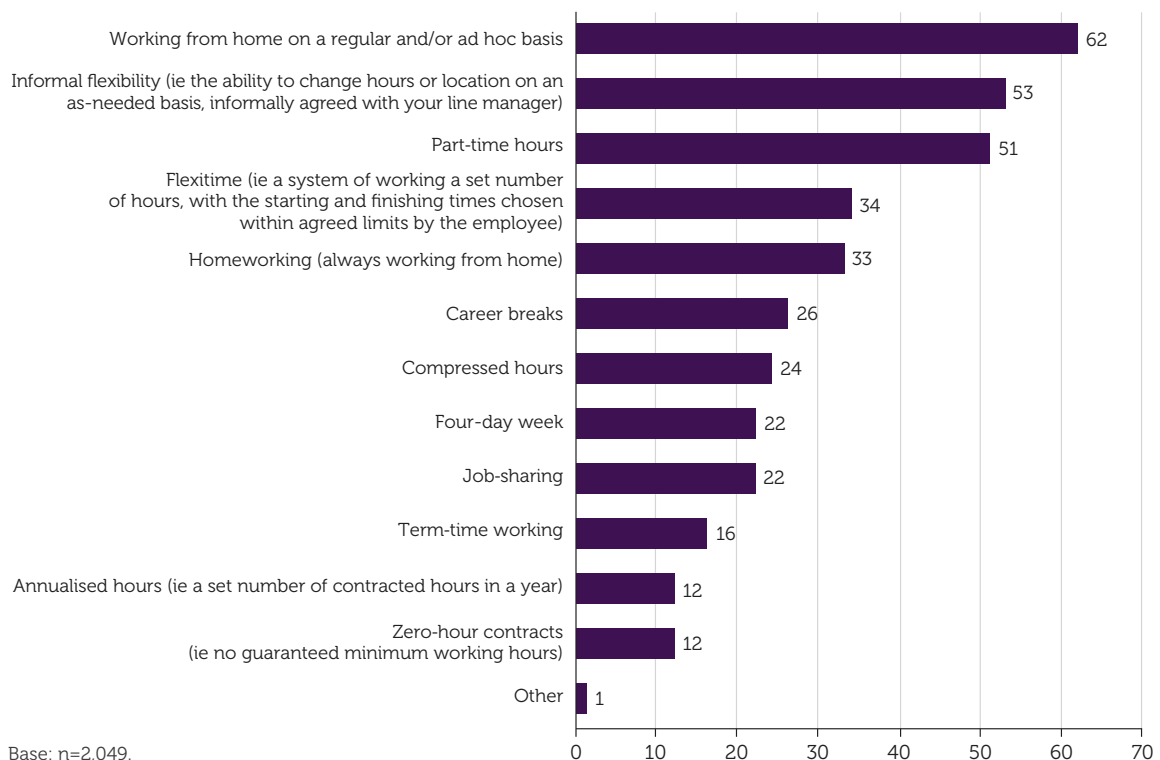
Sixteen per cent of organisations will be taking steps over the next six to 12 months to increase the provision of other forms of flexible working, besides home/hybrid working.

Employers are most likely to be planning to:

- introduce (22%) or expand (58%) informal flexibility
- introduce (18%) or expand (60%) working from home on a regular/ad hoc basis
- introduce (24%) or expand (49%) the use of flexitime
- introduce (18%) or expand (51%) the use of part-time hours
- introduce (22%) or expand (45%) the use of compressed hours.

Reasons for increasing uptake of flexible working
For those organisations planning to increase the uptake of wider forms of flexible working, key reasons include to:

- improve their ability to attract and retain staff (60%)
- support employees' work–life balance (60%)
- support staff motivation/productivity (54%)
- support employees' mental health and wellbeing (54%).

Reasons for not increasing the uptake of wider forms of flexible working
There were two main reasons for organisations not planning to increase the uptake of wider forms of flexible working:

- This isn't a business priority right now given the challenges facing their organisation (28%).

- Some of the jobs in the organisation require specific hours, and flexible hours would be (perceived as) unfair if they are not available to everyone (27%).

Twenty-eight per cent said that this didn't apply as they already have sufficient flexible working arrangements.

Flexibility for front-line roles
- Sixty-five per cent of organisations provide some kind of flexibility to their front-line workers. This includes front-line roles in a range of sectors, such as education, healthcare, transport, hospitality, retail, manufacturing and construction.

- The most popular type of flexibility is in start and finish times (46%), with a third providing flexibility in scheduling of shifts/rotas and almost a third (31%) providing the ability to swap shifts with colleagues.

Figure 2: Flexibility for front-line workers (%)

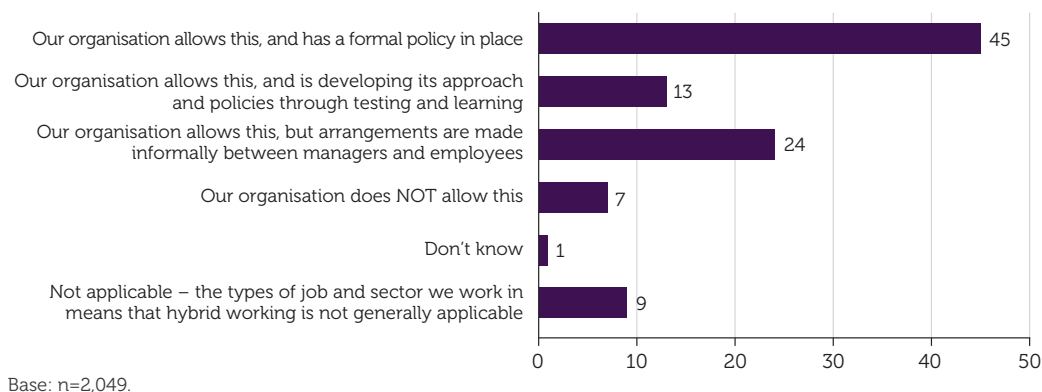| Category	%
Flexibility in start and finish times	46
Flexibility in scheduling of shifts/rotas	33
Ability to swap shifts with colleagues	31
Ability to buy and sell holidays	23
Other	4
None – the nature of the role means we aren't able to provide flexibility	15
Not applicable – our organisation doesn't employ front-line workers	21

Base: n=1,785.

Hybrid working

Approaches to hybrid

- Eighty-three per cent of organisations have hybrid working in place.

- Forty-five per cent have a formal policy, 24% take an informal approach, and 13% are developing policies through learning/trialling.

- When we last asked this in a similar survey in June 2022, fewer had hybrid working (77%) and fewer had formal policies in place (34%).

- Public sector organisations are more likely to have a formal approach than the other two sectors, and voluntary sector organisations are more likely to have an informal approach than the other sectors.

Figure 3: Approach to hybrid working (%)

Category	%
Our organisation allows this, and has a formal policy in place	45
Our organisation allows this, and is developing its approach and policies through testing and learning	13
Our organisation allows this, but arrangements are made informally between managers and employees	24
Our organisation does NOT allow this	7
Don't know	1
Not applicable – the types of job and sector we work in means that hybrid working is not generally applicable	9

Base: n=2,049.

Time spent in the workplace

- Over half (52%) require hybrid working employees to be in the workplace for a minimum number of days in the working week/month, while 46% do not.

- Private sector employers are more likely to say they have a minimum requirement, and voluntary sector employers are more likely to say they do not.

- Overall, employees are most likely to be required in the workplace for two (35%) or three (33%) days a week.

Approach to pay and benefits

A potentially divisive issue for the future of hybrid working is whether those who have to attend the workplace should attract a pay premium to compensate for additional commuting costs. The CIPD believes there are significant inclusion and equality risks associated with differentiating pay for hybrid and office-based staff:

- It could indirectly discriminate against people with disabilities or long-term health conditions and those with caring responsibilities, who are more likely to be women and older workers.

- It will also potentially widen existing pay gaps and make it harder to recruit people who don't live locally, which will restrict the talent pool that employers can tap into.

It seems that the majority of employers recognise these downsides, since most organisations (72%) have not reduced pay or benefits for employees who are predominantly working from home – and do not plan to do so in the future. This has increased since our similar survey in June last year (68%).

Just 5% of organisations have reduced pay or benefits for employees who are predominantly working from home, although this practice is slightly more common in the private sector (6%). However, a further 11% said their organisation was planning to do this.

At the other end of the spectrum, around one in 10 organisations have not reduced pay or benefits, and have actually contributed to cover the costs faced by employees who are mostly working from home. This is more likely to happen in the voluntary (13%) sector than in the private (9%) and public (9%) sectors.

Figure 4: Hybrid working and pay and benefits (%)

Base: n=1,698.
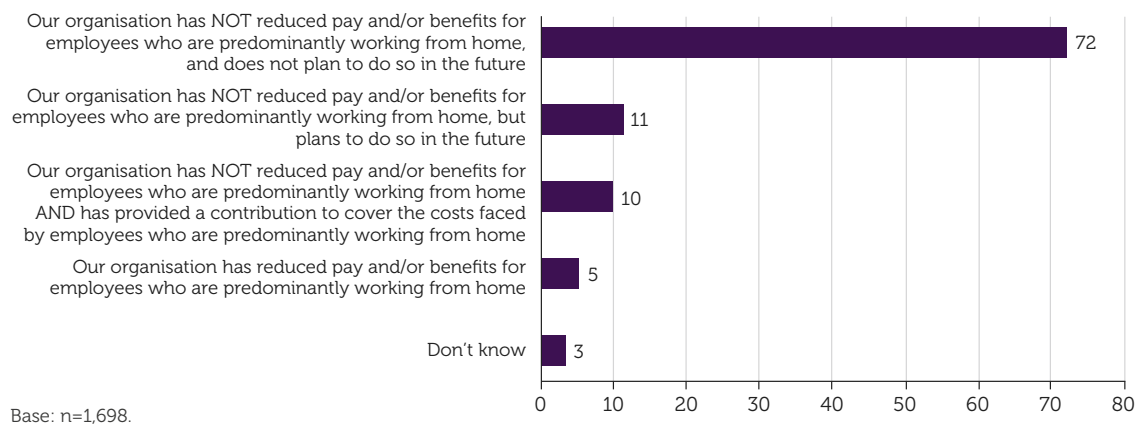
Organisational productivity remains positive

Almost two-fifths (38%) of organisations say that more home/hybrid working has increased their organisation's productivity/efficiency. Just 13% say it has decreased their organisation's productivity/efficiency. This shows a slight

drop in those saying productivity has increased but an increase in the net productivity score because fewer are saying productivity has decreased (2023: +25; 2021: +23; 2020: +10).

Those in the public (46%) and voluntary (45%) sectors are more likely than those in the private (35%) sector to report increases in their organisation's productivity/efficiency.

Table 1: Impact of hybrid working on an organisation's productivity and efficiency (%)

Source of support	2023	2021	2020
Has increased productivity	38	41	33
Neither increased nor decreased productivity	49	41	38
Has decreased productivity	13	18	23
Net productivity score	+25	+23	+10
	n=1,209	n=1,209	n=1,209

Employee productivity also remains positive, with almost half (46%) thinking that employees in their organisation are generally more productive when they are working from home/in a hybrid way. This has increased from 43% in 2021.

Figure 5: Perceptions of employee productivity (%)

Base: n=1,471.
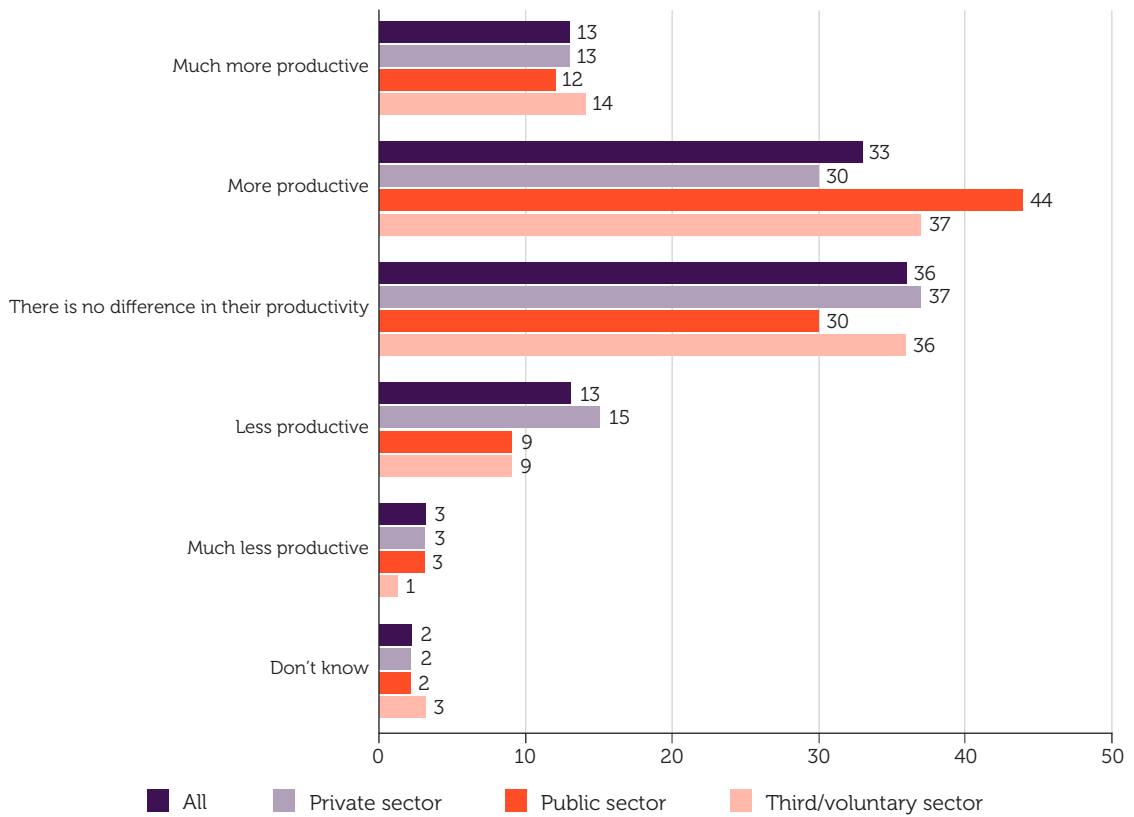
Organisations continue to invest in hybrid working
A fifth (20%) of organisations are seeking to put in place additional measures or investment to enable more hybrid or homeworking in the next six to 12 months.

Organisations are looking to implement a range of measures of support – most notably making their offices more collaborative spaces (44%), a greater investment in the quality (40%) and quantity (40%) of technology, and more line manager training (38%).

Wider impact of hybrid working

When looking at the wider impact of hybrid working, employers are most likely to say it has brought a positive impact for:

- attraction and retention of talent (+61)
- ability to recruit from a wider geography in the UK (+62)
- ability to recruit a more diverse workforce (+53)
- employee financial wellbeing (+53).

They are most likely to say it has brought a negative impact for:

- employee connection to organisation purpose (−21)
- ability of managers to lead teams effectively (−18)
- the culture of the organisation (−3).

Figure 6: Wider impact of hybrid working
(net score taking negative impact away from positive impact)

Base: n=1,698.

Benefits and challenges of hybrid working

When it comes to the key benefits of shifting to increased hybrid working, respondents point to improved:

- work–life balance for employees (71%)
- employee satisfaction (52%)
- employee wellbeing (42%)
- increased ability to attract new employees (42%)
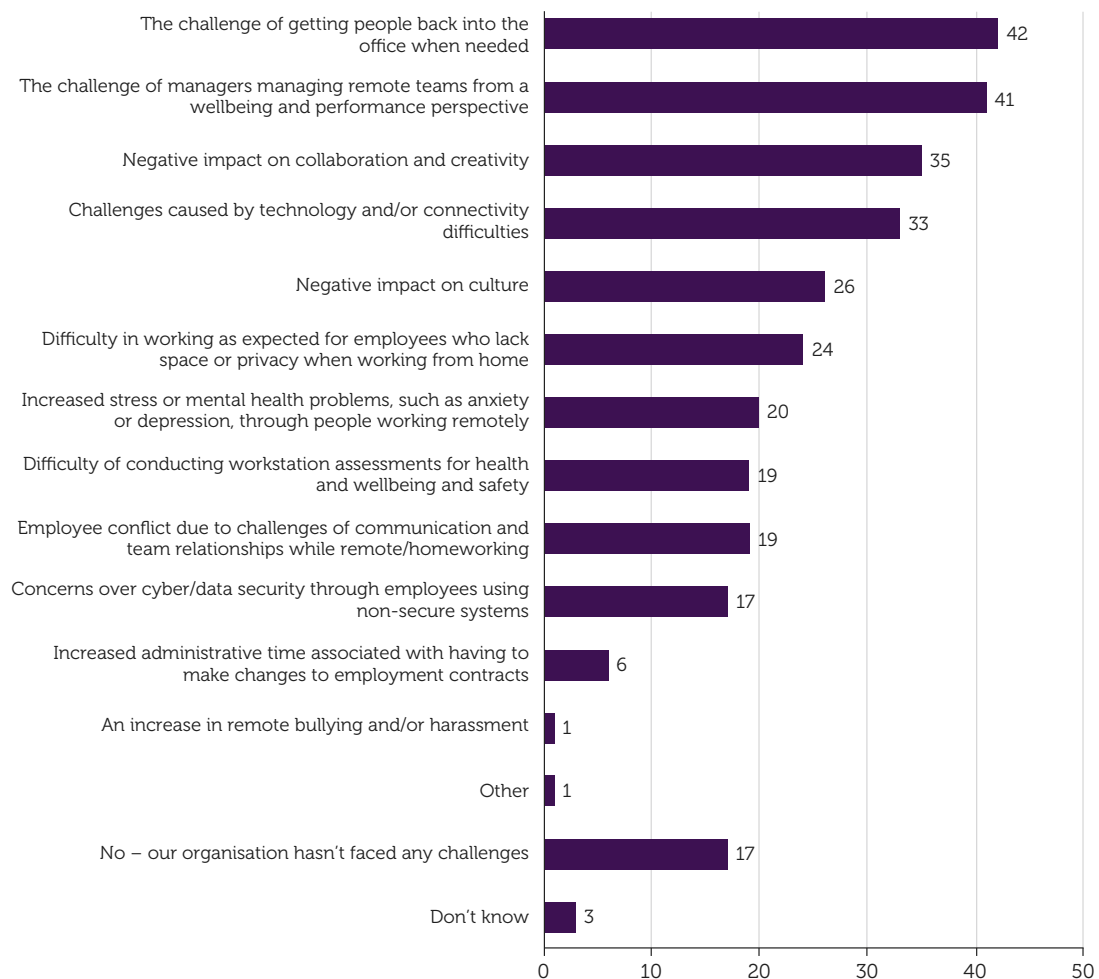- increased business flexibility (42%).

Figure 7: Benefits of increased home/hybrid working (%)

Base: n=1,209.
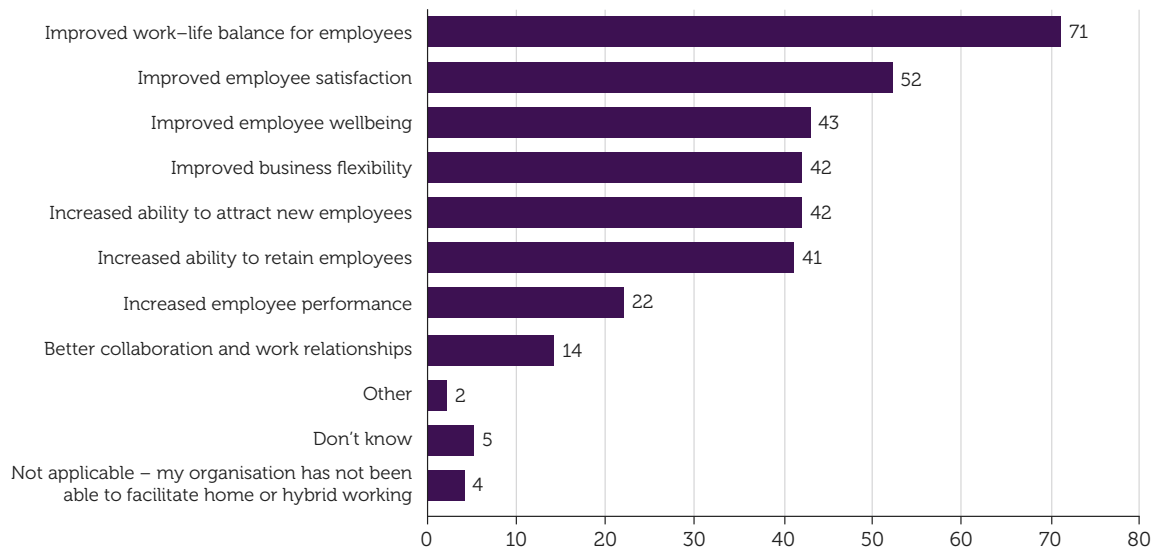
Some of the top issues faced as a result of the shift to increased home or hybrid working include:

- getting people back into the office when needed (42%)
- managers managing remote teams from a wellbeing and performance perspective (41%)
- impact on collaboration and creativity (35%)
- technology and/or connectivity difficulties (33%)
- the impact on culture (26%).

Figure 8: Issues faced as a result of the shift to increased home/hybrid working (%)

Issue	%
The challenge of getting people back into the office when needed	42
The challenge of managers managing remote teams from a wellbeing and performance perspective	41
Negative impact on collaboration and creativity	35
Challenges caused by technology and/or connectivity difficulties	33
Negative impact on culture	26
Difficulty in working as expected for employees who lack space or privacy when working from home	24
Increased stress or mental health problems, such as anxiety or depression, through people working remotely	20
Difficulty of conducting workstation assessments for health and wellbeing and safety	19
Employee conflict due to challenges of communication and team relationships while remote/homeworking	19
Concerns over cyber/data security through employees using non-secure systems	17
Increased administrative time associated with having to make changes to employment contracts	6
An increase in remote bullying and/or harassment	1
Other	1
No – our organisation hasn't faced any challenges	17
Don't know	3

Base: n=1,209.

Continued concerns about inclusion risks

Almost two-fifths (39%) of employers are concerned about inclusion risks if employees move to home or hybrid working. By 'inclusion risks' we mean whether those working remotely/from home, either through choice or necessity, might be treated differently from those in the physical workplace in relation to things like project work, career development and progression, and so on.

This figure has reduced from 2021, where 48% of employers said they were concerned about inclusion risks. Those in the voluntary sector are least likely to be concerned (61%), compared with those in the private (56%) and public (51%) sectors.

Employers split on whether there is pressure for employees to spend more time in the workplace

Two-fifths (40%) of employers say there is a great deal/fair amount of pressure for employees to spend more time in the workplace, while 48% say there is not very much pressure or no pressure.

Those in the public sector are more likely to say they are experiencing a great deal of pressure (16%) compared with those in the private (10%) and voluntary sectors (6%).

Employer perspectives

For those experiencing pressure, the highest proportion (56%) say it is coming from senior leaders, and the main reasons are thinking:

• being in the office improves connections and relationships (57%)
• people collaborate better in person (55%)
• being in the office makes people more engaged (47%).

Figure 9: Reasons for wanting employees to spend more time in the physical workplace (%)
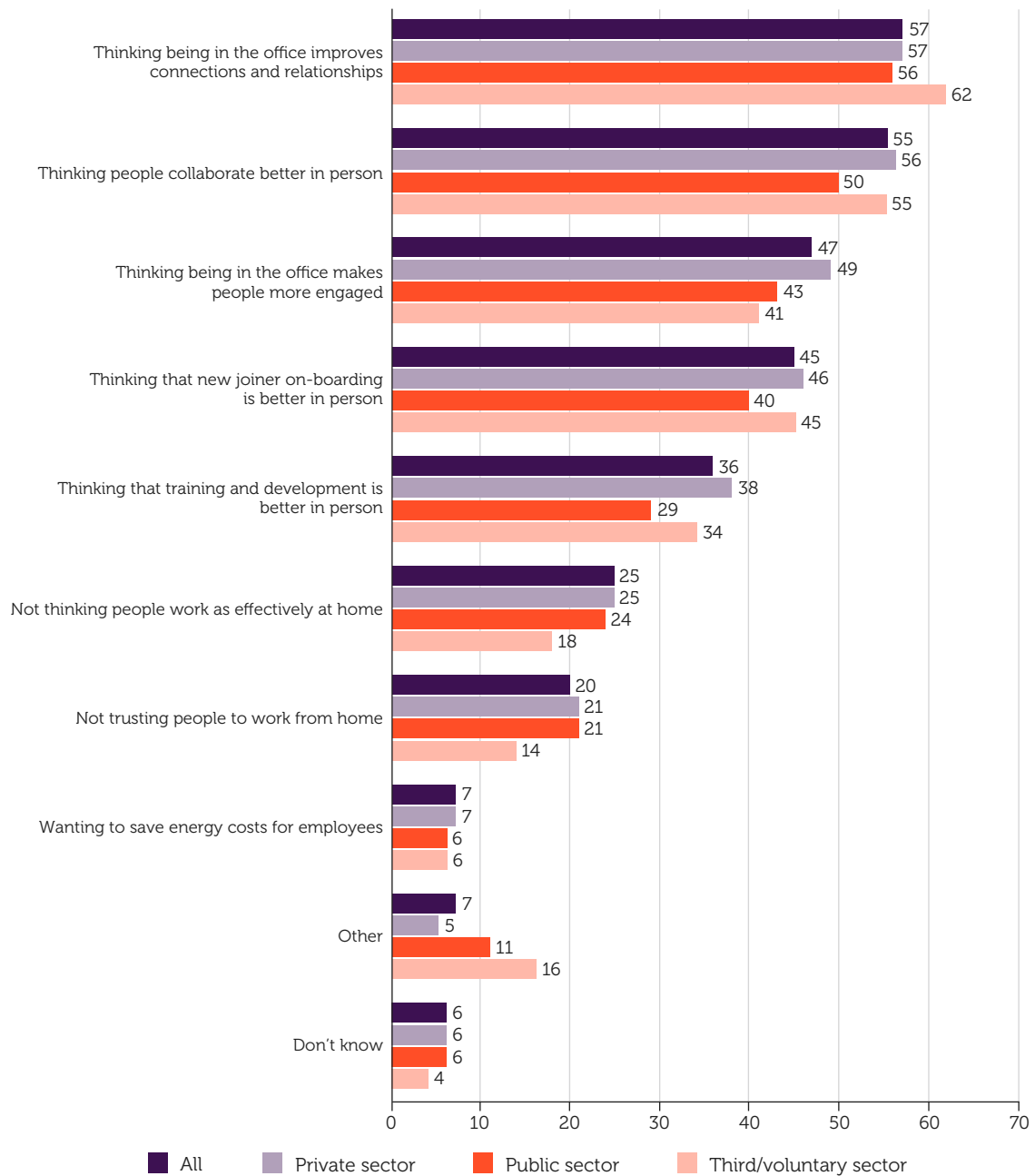
Base: n=1,559.

4 Employee perspectives

Three-fifths have flexible working arrangements

There's been an increase in the number of employees with flexible working arrangements in their current role (60%, compared with 51% in a similar survey in 2022). There are no differences by gender, but employees in the voluntary (78%) sector are more likely to say they have this, compared with those in the private (57%) and public (66%) sectors.

Those with flexible working arrangements are more satisfied on a range of work areas

Those employees who have flexible working arrangements in their current role are more likely to be satisfied than those who don't in a range of different areas. This includes satisfaction with their:

- work–life balance
- control over their work
- job
- manager
- salary
- opportunities to progress at work.

Formal and informal flexibility

Respondents who have flexible working arrangements in their current role were asked how best they would describe this arrangement. We define 'formal flexibility' as arrangement that is formally agreed with the line manager and included in their employment contract. 'Informal flexibility' is defined as the ability to change hours or location on an 'as needed' basis through informal agreement with the line manager.

More than two-thirds describe their flexible working arrangement as 'informal'
Over two-thirds (44%) described this as informal, just under a quarter (23%) described this as formal, with 30% describing their flexible working arrangement as a combination of formal and informal.

We also asked respondents who don't currently have flexible working whether they would like informal or formal flexibility or a combination of the two. Almost a quarter (24%) opted for a combination of the two, closely followed by 23% who would like informal flexibility and 16% who would like formal flexibility. Women were more likely than men to want both formal flexibility (50% versus 36%) and a combination of formal and informal flexibility (53% versus 39%).

Employees with a mixture of formal and informal flexible working arrangements are more satisfied on a range of work-related areas

Employees who describe their current flexible working arrangement as a combination of formal and informal flexibility are most satisfied with their:

- job (75%; informal 70%; formal 67%).
- manager (71%; informal 70%; formal 68%)
- salary (54%; informal 51%; formal 52%)
- opportunities to progress (50%; informal 47%; formal 42%).

Figure 10: Employee satisfaction about different work-related areas based on whether they have formal or informal flexible working arrangements (%)
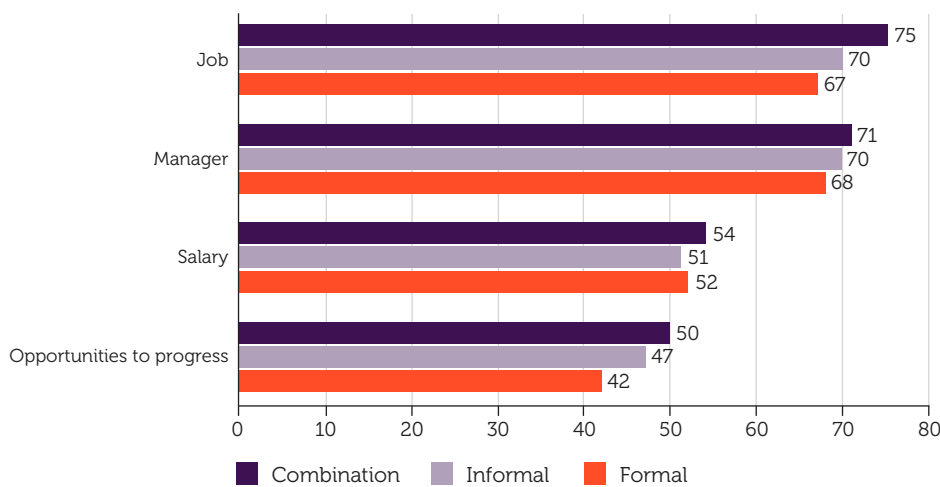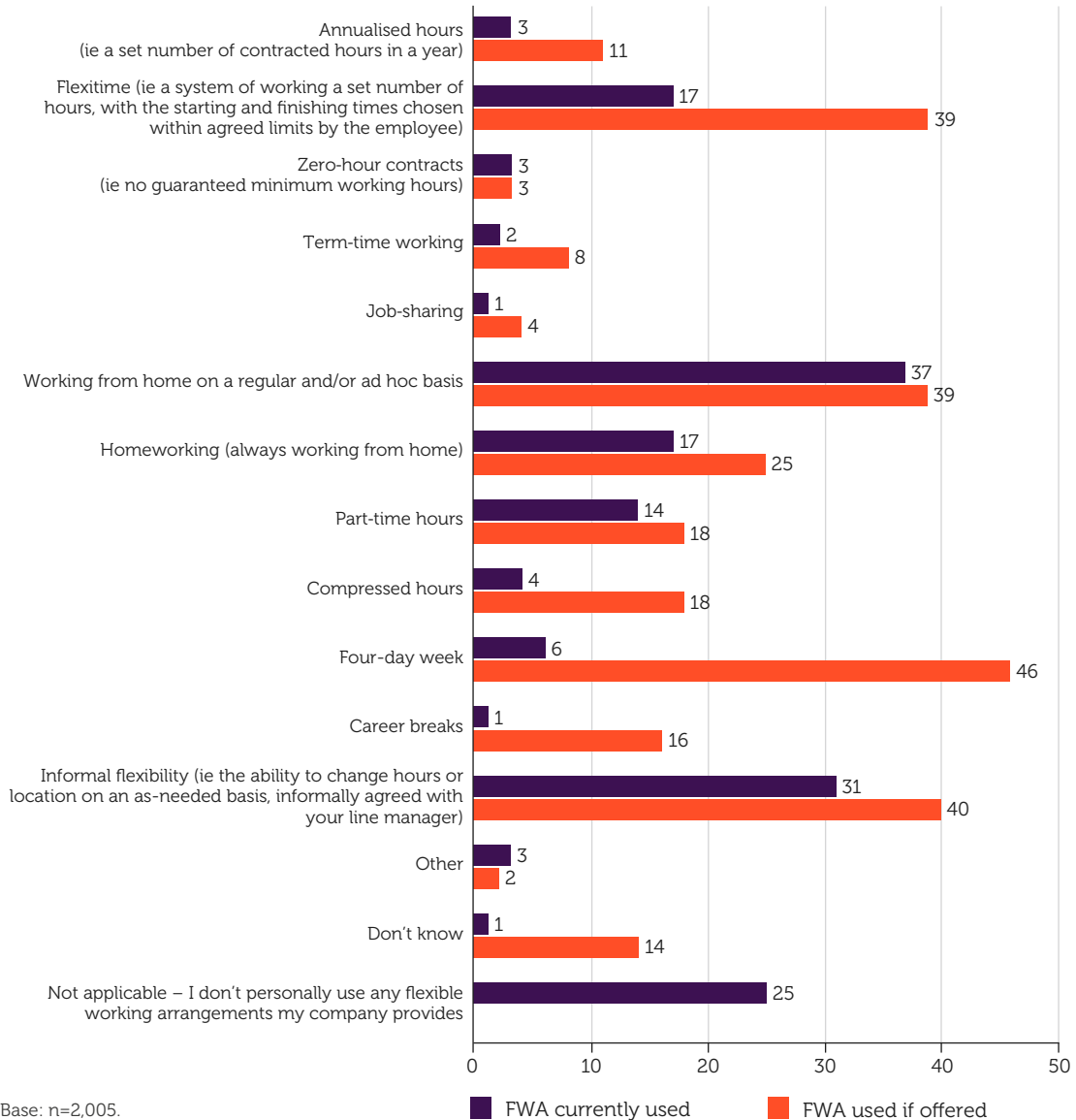

Base: n=1,174

There's unmet demand for different types of flexible working arrangements, including the four-day week and flexitime

Employees are most like to say they make use of working from home on a regular or ad hoc basis (37%) and informal flexibility (31%). However, when asked what arrangements people would use in their roles if on offer, the highest number would like to work a four-day week (46%), flexitime (39%) (a system of working a set number of hours with the starting and finishing times chosen within agreed limits by the employee), and working from home on a regular or ad hoc basis (39%).

Employee perspectives

Figure 11: Flexible working arrangement (FWA) currently used and FWA that would be used, if offered and possible in their role (%)

FWA	FWA currently used	FWA used if offered
Annualised hours (ie a set number of contracted hours in a year)	3	11
Flexitime (ie a system of working a set number of hours, with the starting and finishing times chosen within agreed limits by the employee)	17	39
Zero-hour contracts (ie no guaranteed minimum working hours)	3	3
Term-time working	2	8
Job-sharing	1	4
Working from home on a regular and/or ad hoc basis	37	39
Homeworking (always working from home)	17	25
Part-time hours	14	18
Compressed hours	4	18
Four-day week	6	46
Career breaks	1	16
Informal flexibility (ie the ability to change hours or location on an as-needed basis, informally agreed with your line manager)	31	40
Other	3	2
Don't know	1	14
Not applicable – I don't personally use any flexible working arrangements my company provides	25	

Base: n=2,005.

Many don't feel comfortable asking for flexible working

Sixty-six per cent of employees say their employer is supportive of flexible working, with around a fifth (21%) saying they are unsupportive. However, despite that fairly high level of support, only 47% would feel comfortable requesting a formal flexible working pattern (with 28% feeling uncomfortable) and 53% would feel comfortable requesting informal flexible working (with 21% feeling uncomfortable).

Perceptions of fairness

We asked employees to consider a number of different statements about flexible and hybrid working. The findings underline the importance of providing flexible working options for those who can and can't work remotely.

Providing flexibility to those who can and can't work remotely

Seventy-six per cent of employees agree that it is important that people who can't work from home can work flexibly in other ways (such as flexibility in hours worked or schedules). Women (81%) are more likely to agree with this than men (73%). This figure is unchanged from a similar survey last year.

Two in five (40%) employees also believe that it is unfair that some people can work from home while others have to continue to attend their employer's workplace and have little flexibility. Over a quarter (29%) of employees disagree with this.

Current level of flexibility and choice

Three in five (60%) say they are able to work flexibly in a way that best suits their life at the moment; less than a quarter (23%) of employees disagree with this.

Forty-four per cent say their employer seeks to provide choice to people over when and where they work; however, a quarter (25%) disagree with this.

Most believe the pandemic will lead to greater flexible working in the long term

Seventy-six per cent believe the pandemic will lead to long-term change towards more flexible working; just 7% disagree with this. Women (78%) are more likely than men (74%) to believe this.

Hybrid working

There is a mismatch between current and preferred working patterns. Currently the highest proportion of employees (38%) are in the workplace all the time; however, this is only the preferred pattern for 19% of employees, with working from home most of the time (21%) being the most preferred working pattern.

**Figure 12: Current and preferred working pattern (%)**
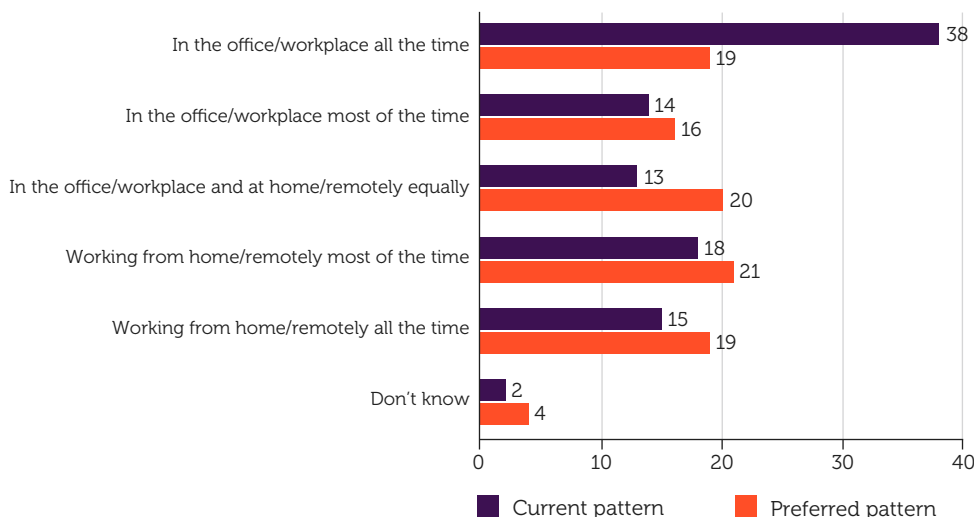
Base: n=2,005.

Almost half of employees spend three to five days in the workplace a week

Almost half of employees (49%) spend three to five days in the workplace a week, while 21% spend one to two days per week. Employees in the public (30%) and voluntary sectors (32%) are more likely than private sector employees (18%) to spend one to two days in the workplace per week.

The main reason for being in the workplace all the time is because the nature of roles does not enable employees to work from home (79%). Thirteen per cent say their employer/manager asks them to be in the workplace, while 8%, respectively, point to being more productive in the office, having a better setup, and preferring not to work from home because they miss the social interaction with colleagues.

Figure 13: Reasons for work pattern being in the workplace all the time (%)
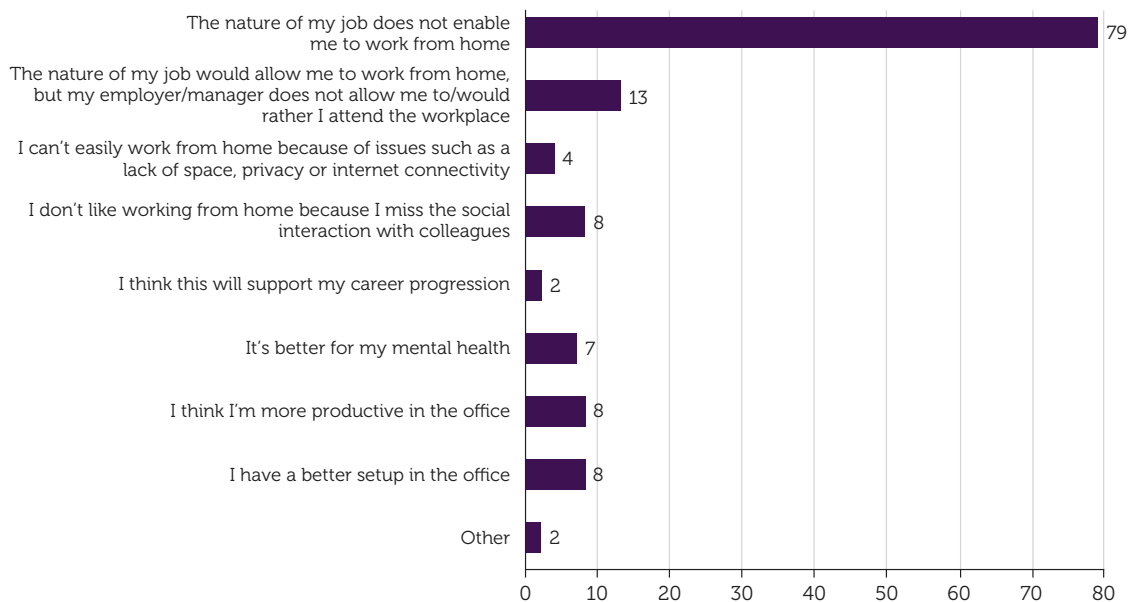
Base: n=765.

Three-fifths of employees haven't been asked how they would like to work moving forward
More than three-fifths (65%) of employees who are able to work in a hybrid way haven't been asked how they would like to work moving forward; the remainder (35%) say they have been asked.

A fifth are concerned about being treated less favourably
A fifth of employees who are able to work from home/in a hybrid way and are decided in their opinion are concerned about being treated less favourably if they work in this way compared with colleagues always in the workplace. Almost a quarter (24%) of employees said this in a similar survey last year.

Lack of flexibility prompting job and career changes for some

Six per cent of employees say they have left a job in the last year specifically due to a lack of flexible working. This has increased from 4% in a similar survey a year ago.

Twelve per cent of employees say they have changed their careers/profession due to a lack of flexible working options within the sector. This has also increased from 9% who said this in a similar survey a year ago. Women (14%) are more likely than men (9%) to have changed their careers/profession for this reason. This represents almost 2 million and 4 million workers respectively (based on calculations: 32.95 million people are currently in employment in the UK. 6% = 1,977,000, 12% = 3,954,000).

Employees with a disability or long-term health condition are significantly more likely than those without to say they have left a job in the last year (21%) or changed their careers/profession (32%) due to a lack of flexible working.

Flexible working pivotal when looking for new roles

Almost a fifth (19%) of employees are currently looking for a new job.

When thinking about a new role, 71% say being able to have a flexible working pattern is important to them and 69% say the ability to work remotely is important. Both women and employees with a disability or long-term health condition are more likely to say a flexible working pattern and ability to work remotely are important to them.

Employees also highlight flexible working (53%) and remote working (53%) as key when considering a new job, only overtaken in importance by pay and benefits (77%).
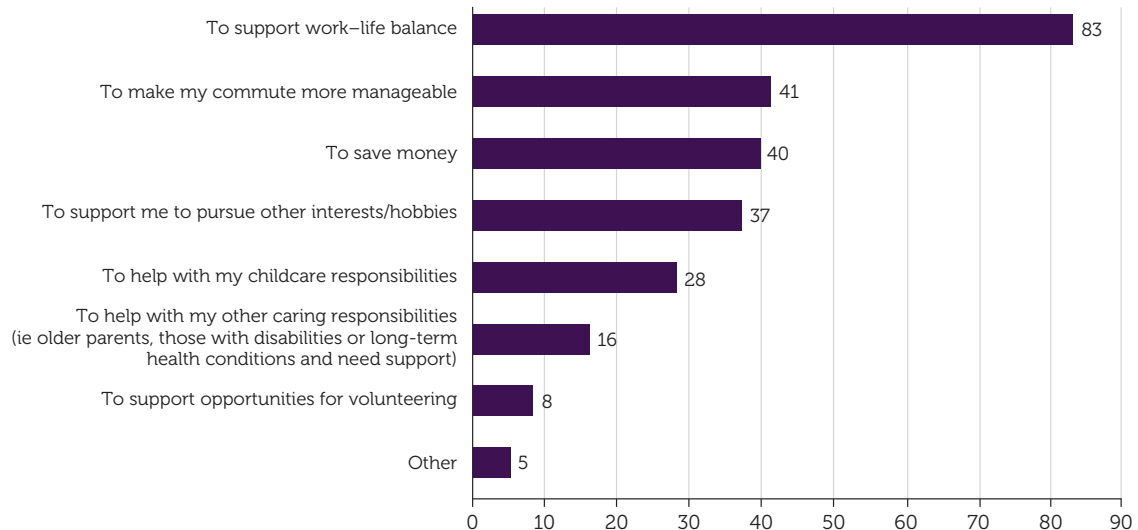
Figure 14: Top five factors when considering a new job (%)

Base: n=2,005.
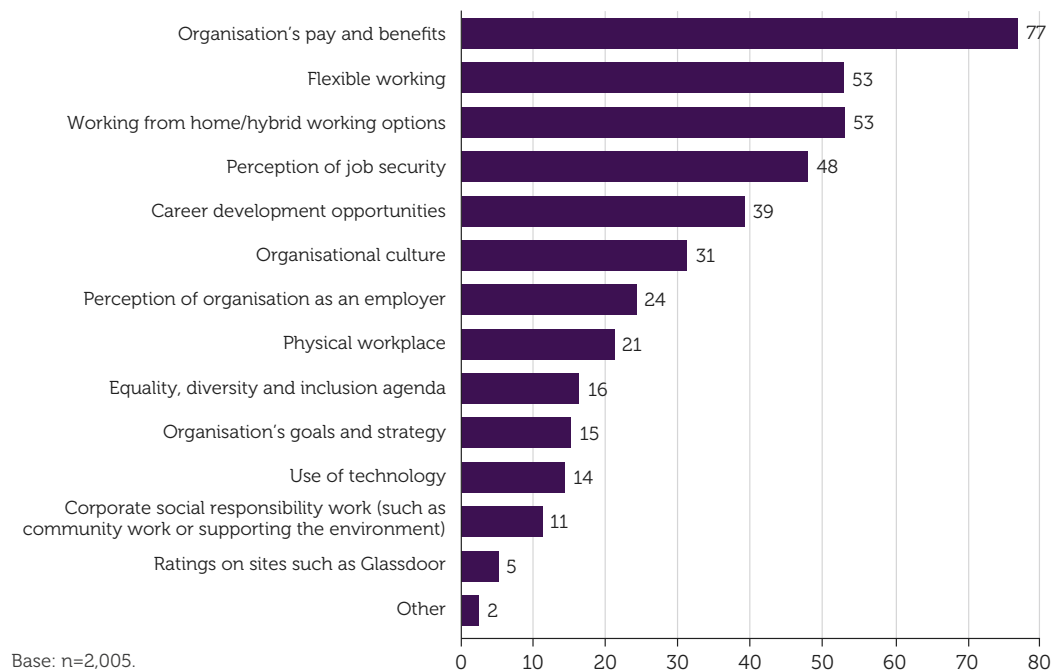
Reasons why flexible working is important to employees

Flexible working is most important to employees because it supports work–life balance (83%). It also helps to make commutes more manageable (41%) and helps to save money (40%).

Figure 15: Reasons why flexible working is important (%)

Base: n=1,423.

5 Background to the surveys

Employer survey 2023: All figures, unless otherwise stated, are from YouGov Plc. The total sample size for this survey was 2,049 adults. Fieldwork was undertaken between 1 February and 3 March 2023. The survey was carried out online. The figures have been weighted and are representative of senior decision-makers.

Employer survey 2021: All figures, unless otherwise stated, are from YouGov Plc. The total sample size for this survey was 1,196 adults. Fieldwork was undertaken between 27 October and 15 November 2021. The survey was carried out online. The figures have been weighted and are representative of senior decision-makers.

Employer survey 2020: All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,133 senior decision-makers in UK businesses. Fieldwork was undertaken between 10 December 2020 and 4 January 2021. The survey was carried out online. The figures have been weighted and are representative of the UK business population by size, sector, industry and nation.

Employee survey 2023: All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,005 employees. Fieldwork was undertaken from 1–22 February 2023. The survey was carried out online. The figures have been weighted by work sector, business size and region. It is representative of UK employees.

Employee survey 2022: All figures, unless otherwise stated, are from YouGov Plc. The total sample size for this survey was 2,166 adults. Fieldwork was undertaken between 27 January and 3 February 2022. The figures have been weighted and are representative of all GB adults (aged 18+).

Employee survey 2020: All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,127 GB employees. Fieldwork was undertaken from 22–31 December 2020. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).

Changes to the method for the surveys year on year means that direct comparisons can't be made; however, broad changes/trends have been analysed.

CIPD