

## Work in Progress: Emerging Trends in Workplace Flexibility (April 2023)

As we learn from the business world, we want to share that information with our community of educators and business professionals. Recent focus panels and news articles have highlighted the increasing importance of flexibility in the workplace. As a result, the following Action Brief explores some emerging trends in workplace flexibility that have significant impacts on the working world to come.

### Rise of Workplace Flexibility

During the COVID-19 pandemic, companies and employees were forced to adapt to drastic societal changes. This often meant embracing flexibility and providing hybrid work accommodations. According to [Globalization Partners](#), while only 30% of employees worked remotely before the pandemic, that number peaked at 64% during the COVID-19 lockdowns.

However, participants from a recent focus panel explained that when the pandemic subsided, and restrictions were lifted, employee expectations of flexibility remained. A [2022 survey](#) from McKinsey & Company revealed that finding flexible work arrangements was the third-highest priority for individuals seeking new jobs (behind only increased pay and better career opportunities). Workplace flexibility can take different forms depending on the company. Let's explore some of these arrangements, practices, and trends that are shaping the modern workspace.

### The Hybrid Work Model

Exclusively remote and hybrid workers (people who work both at home and in an office) have increased dramatically in number since the COVID-19 pandemic. According to [Gallup](#), of the workers who hold remote-capable jobs (which is [roughly 75 million Americans](#)), over 70% are currently working hybrid or completely remote. This number is projected to climb to over 80% in the next five years, and companies have shown a willingness to accommodate this increase. When [Gartner](#) surveyed business leaders, 82% said they intend to allow at least partially remote work for their employees. This article reflects similar feedback that we heard from business leaders in a North Carolina focus panel in 2021: that a hybrid work model is necessary to meet employee demand and build resilience into business operations.

### The Work Schedule

Work scheduling has also experienced changes, such as the rising popularity of the [4-day workweek](#). Reducing workdays and extending weekends can save money, time, and energy for both employees and businesses. For example, employees with larger families can save money on child care, businesses can cut down on overhead and utilities costs, and on-site workers cut down on time required to commute to and from the workplace.

In addition to workdays changing, work *hours* have also been revamped for many businesses. Companies are implementing a more flexible working arrangement—also known as [flextime](#). This allows employees to truly operate on their own time, rather than work the cliched nine-to-five. For example, Ryan, a global tax services company, has instituted a flextime program called [myRyan](#). Under this program, employees have no weekly or daily work-hours requirement. They are assessed purely on the

tasks they complete. In the time since instituting myRyan, the company has [reported](#) increased employee satisfaction and retention.

### Leave Time

Time spent working isn't the only thing on the minds of employees. The time spent *not* working is just as—if not more—important to workers today. JLL's [Workforce Preferences Barometer](#) and the *Forbes Health-Ipsos Monthly Health Tracker* both cite a healthy work–life balance as either the most or second-most important quality of a job, according to employees surveyed. This trend is supported by recent focus panels on supply chain management and finance, where panelists discussed how younger generations (Millennials and Zoomers) entering the workforce are increasingly interested in a healthy work–life balance.

Businesses are embracing several policies to give their employees ample time away from work, such as allowing unlimited paid time off (PTO). This policy has [risen in popularity](#)—both for employers and employees—as offering unlimited PTO has shown to attract higher quality applicants for businesses and to reduce burnout in workers.

Contrary to popular belief, this does not lead to employees abusing their limitless leave. A 2022 study from [Namely](#) found that employees with unlimited PTO plans take about the same amount of time off as those with a limited PTO plan (12.09 days per year for those with unlimited plans and 11.36 for those with limited plans).

In fact, some companies who provide unlimited time off actually enforce a yearly *minimum* requirement. Software company Carta recently began requiring employees to take at least 15 days off every year. In an [article](#) from *HR Dive*, Carta's Chief People Officer Suzy Walther writes, "We're hoping we can start to actually shift norms around vacation, to say through our policies that we value your personal time, your family time, and your rest."

Other emerging trends in workplace leave time include increased parental leave (for new mothers and fathers), leave donation (employees donating accrued time to their colleagues), and the provision of mental health breaks. For more information on mental health in the workplace, read our November 2022 Action Brief, [No Longer Taboo: Mental Health in the Workplace](#).

### Is All This Sustainable?

Each of these trends in workplace flexibility pose unique challenges to the fabric of the modern workforce:

- **The hybrid work model.** The main concern—identified by employees of all levels—is the erosion of a strong company culture. As coworkers become more physically distanced, how can companies hope to maintain an environment of collaboration and solidarity in the virtual workplace?
- **The work schedule.** As employees choose to work on their own time, channels of communication can become more complicated. Scheduling meetings, deadlines, interviews, and more can become chaotic affairs when each employee possesses different work patterns.

- **Leave time.** According to an [Insider poll](#), 29% of workers with unlimited paid time off still work during their vacations. This is nearly twice as much as workers with limited paid time off (15%). This poses a significant problem for companies who offer generous leave time, as their employees are perhaps at a greater risk of burnout.

These challenges illustrate how the relationship between employee and employer is a process of trial and error, a continuous experiment to find the perfect balance of productivity and well-being. As the business world enters a new era where the workplace is more virtual, the workday is more flexible, and days off are more vital, companies have an opportunity to truly stand out by creating spaces that the next generation of workers are excited to inhabit.

#### Links for Further Reading:

- [COVID-19 Changed the Way We Work. Here's Why Employees Still Want Flexible Workplaces](#)
- [The Four Essential Dynamics of Hybrid Work](#)
- [The Companies Backtracking on Flexible Work](#)
- [The Advantages and Challenges of Hybrid Work](#)
- [Rethinking the Workweek](#)

#### Discussion Questions:

- What are the pros and cons of working remotely, whether for school or for work? What about working in person? Which would you prefer, and why?
- What are your initial impressions of a company that does not require their employees to work a certain number of hours? What are some possible advantages and disadvantages of this system?
- Why do you think employees with unlimited leave time don't take more time off? Why do you think they tend to work more during their vacations?
- Do you think companies should offer unlimited paid time off? What about requiring a minimum number of vacation days per year? Why or why not?
- Can you think of ways that businesses can preserve a company culture when their employees work remotely?
- What role does trust play in remote work?

#### Sources:

- [Americans Are Embracing Flexible Work—And They Want More of It](#)
- [8 Ways Remote Work Has Changed Since the Pandemic—Infographic](#)
- [Returning to the Office: The Current, Preferred and Future State of Remote Work](#)
- [Global Workplace Analytics](#)
- [Gartner Survey Reveals 82% of Company Leaders Plan to Allow Employees to Work Remotely Some of the Time](#)
- [4-Day Workweeks: Here's Why Some Companies Hope Permanent Long Weekends Will Boost Bottom Lines](#)

- [Flextime: Benefits of the Flexible Working Arrangement](#)
- [myRyan](#)
- [The Importance of Flexibility in the Workplace](#)
- [Workforce Preferences Barometer 2022](#)
- [Work–Life Balance Outranks an Easy Commute and Paths to Promotion in Employee Values, New Survey Finds](#)
- [Thriving in the New Work–Life World](#)
- [Unlimited, Limited, Minimum: Does Your PTO Plan Type Even Really Matter?](#)
- [Paid Time Off Doesn’t Work—But Minimum Time Off Does](#)
- [Is Unlimited Vacation a Trap? It Just Might Be.](#)
- [Is Corporate America Ready for the Future of Work?](#)
- [5 Popular PTO Trends](#)
- [How Does Unlimited PTO Work? Learn the Pros and Cons](#)
- [Number of the Day: Unlimited PTO](#)