Flexible work supports mental well-being, but only with good leadership
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Swinburne Edge and Deloitte have released a new report, "Reset, Restore, Reframe—Enabling Wellbeing through Flexible Working," which supplements their research analysis of 1,553 Australian knowledge workers' views and experiences of flexible work.

The new report provides practical guidance to organizations in their journey towards implementing effective flexible working practices that enable employee well-being.

Director of Swinburne's Center for the New Workforce, Dr. Sean Gallagher, led the research.

"Flexible work is the new frontier for organizations to manage their employees' well-being. Flexible working delivers more time and control to the individual—better work-life balance—which enables them to better prioritize their well-being both during and outside of work," Dr. Gallagher says.

"Our research finds that flexible working allows most individuals to feel a better sense of balance in their lives and experience improved levels of mental and physical well-being."

However, pre-pandemic data from Insurance and Care NSW (icare) in 2013 and 2017 showed that the average psychological injury claim cost twice as much as physical injury claims in terms of weekly payments. More recently, insurer Allianz reports that mental health injury related claims are on the rise, with a 19% increase in psychological workers' compensation claims for work absence in 2022 compared to 2019.

Recent updates to the Workplace Health and Safety (WHS) model legislation now formally requires organizations to manage psychosocial risks, alongside physical risks, through the implementation of an effective risk assessment and control framework.

Results from Swinburne Edge and Deloitte show 23% of workers report working from home without a remote working policy. Without a policy and clear guidelines to manage their time away from the office, employees are exposed to psychosocial risks such as low role clarity and low job control.

The report shows that a substantial number of Australian organizations are unlikely to be meeting their obligations as part of the new WHS guidelines surrounding psychosocial safety.

Leadership integral to enabling well-being through flexible work

When structured effectively, hybrid and flexible work has been found to improve both employee performance and well-being. Swinburne and Deloitte data show that leaders, and the examples they set, are critical to this being realized.

Once enacted, flexible work policies and practices require appropriate planning and investment to enable their benefits to be realized. The report
reveals that organizations struggle with this, with 70 percent of people who stated that their organization had a formal remote work policy in place reported that they faced challenges with working from home.

Poor implementation of flexible working arrangements can lead to unintended consequences such as blurred work-life boundaries and increased workload hours, which are detrimental to employee well-being.

The Swinburne and Deloitte data showed 34.5% are working more hours, only 15.1% are working less and 48.1% are working the same amount of hours. When asked the reasons for working outside standard hours, 62.9% said workload, 43.4% said choice and 15.8% said their employer asked them to.

Meeting the needs of the individual

The report revealed that workers want and need leadership to ensure flexible working meets their individual needs and concerns. For instance:

Millennials are more likely to be concerned about their choice of work location negatively impacting on their career prospects (1.3x) or relationships at work (1.1x).

Women are 1.7x more likely than men to choose "home" as their preferred location compared to the "office."

Partner at Risk Advisory Deloitte Australia, Justin Guiliano, noted the variety of preferences in where, when and how Deloitte staff and clients work. This is reflected by the data.

"A surprising insight was that the proportion of people preferring hybrid work doubles when respondents had more than two dependents within the household," Guiliano says.

"An important factor which warrants further attention is the impact leaders can have on employees and their well-being through trust and expectation setting when it comes to flexible work."

While that can be difficult in practice, Swinburne

Edge also offers blueprints to companies looking to the research to make the best decisions for their workforce, which includes consulting with staff.

"Flexible work policies need to be equitable rather than equal, while also meeting the needs of the workforce and the organization. Consulting with their workers about how to balance the equation between employee expectations and organization needs is leadership in action," says Dr. Gallagher.


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