

# Flexible working arrangements Best Practice Guide





## Flexible working arrangements

### **Best Practice Guide**

This best practice guide is for managers and employers. It explains the advantages of taking a best practice approach to flexible working arrangements.

#### It includes:

- Working at best practice
- Flexible working arrangements
- <u>Legal requirements</u>
- Using best practice to support flexible working arrangements
- Best practice checklist
- <u>Links and resources</u>.

It also has practical tips and case studies to help you move your business towards best practice.

#### Working at best practice

Best practice employers give their employees flexibility where possible to help them balance their work and personal lives.

Best practice employers understand the legal requirements regarding flexible working arrangements, and have processes in place for requesting, considering and managing them.

Every workplace can enjoy the benefits of taking a best practice approach to flexible working arrangements. These benefits include:

- greater job satisfaction
- lower levels of workplace stress
- lower absenteeism
- increased productivity
- increased ability to attract and retain skilled staff.



#### Flexible working arrangements

Employers and employees can agree to change standard working arrangements to help employees balance work with other aspects of their lives.

Flexibility comes in many forms, and different arrangements will suit different workplaces, jobs and employees. Common examples of flexible working arrangements include:

- flexible start and finish times
- compressed hours (working more hours over fewer days)
- · changing from full-time to part-time or casual work
- job sharing
- flexible rostering
- working from home or another location
- 'purchasing' extra paid leave
- unpaid leave
- taking rostered days off as 2 half days
- time off in lieu
- flexitime (allowing employees to 'bank' extra hours which are then exchanged for time off)
- gradual increase or decrease in work hours (for example, after parental leave, or as an employee transitions to retirement).

#### Legal requirements

Anyone can request flexibility – but certain employees have a legal entitlement to request flexible working arrangements under the Fair Work Act (FW Act). Employees who have this legal entitlement include permanent employees who have worked with the employer for at least 12 months and regular casual employees who have worked with the employer regularly and systematically for at least 12 months and have a reasonable expectation of continuing doing so. Also, the request must be because the employee is:

- pregnant
- a parent of, or has responsibility for the care of, a child who is school age or younger
- a carer (within the meaning of the Carer Recognition Act 2010)
- a person with disability
- aged 55 or older
- experiencing family and domestic violence, or
- providing care or support to an immediate family member, or someone they live with, because they are experiencing family and domestic violence.

If a state or territory law gives an employee a better entitlement to flexible working arrangements, then that state or territory law still applies.

Your award, agreement, employment contract or workplace policies may have rules about flexible working arrangements that are more beneficial but they cannot exclude or provide for less than the FW Act.

PRACTICAL TIP: Best practice employers go beyond their minimum legal obligations and let all employees request flexible work arrangements, regardless of how long they have been employed and their personal circumstances.

**Recognise different needs**: An employee may only need to modify their work arrangement for a short time, for example, while settling their kids into a new school. Others might need longer-term arrangements, such as an employee who wants to return to work after parental leave as a part-time employee on an ongoing basis. Not every situation is the same. It's important to have an individual approach to the employee's needs. What works for one person might not work for another.

**Have open conversations**: Communication between an employer and employee can build trust and help avoid confusion and uncertainty. Conversations with staff help to manage expectations and encourage a supportive work environment.

**Look for solutions**: Think creatively about things you can do or offer that are more suited to your business needs, such as flexible start and finish times.

**Trial something**: Set a fixed period such as three to six months, to trial a flexible working arrangement. That way you can get a better idea of what will or won't work for the employee and your business, and how it can be adjusted if necessary.

#### Responding to a request

There are rules for responding to requests for flexible working arrangements under the FW Act.

Employers need to respond to a request for flexible working arrangements within 21 days of a request. They must respond in writing to say whether they are approving or refusing the request or setting out agreed alternative arrangements.

An employer can only refuse a request if they have reasonable business grounds and have taken certain steps, including:

- discussing the request with the employee
- genuinely trying to reach an agreement with the employee for alternative arrangements, and
- considering the consequences for the employee of refusing the request.



Examples of reasonable business grounds for refusing a request could include:

- cost the requested arrangements would be too costly for the employer
- capacity there's no capacity to change the working arrangements of other employees to accommodate the request
- practicality it would be impractical to change the working arrangements of other employees, or take on new employees, to accommodate the request
- **inefficiency or customer service impact** the requested arrangement would likely result in significant loss in efficiency or productivity, or have a significant negative impact on customer service.

Find out more about what steps employers need to take and what needs to be in the written response to a request for flexible working arrangements under the FW Act on our <u>Flexibility in the workplace page</u> at fairwork.gov.au/flexibility

If the employer and employee cannot resolve a dispute about a request for flexible working arrangements at the workplace level, the <u>Fair Work Commission</u> can assist with resolving the dispute. For more information, visit fwc.gov.au/issues-we-help

Best practice employers follow this process for all flexibility requests, regardless of whether the employee is entitled to make the request under the FW Act.

PRACTICAL TIP: If you receive a request for flexible working arrangements you should consider the following:

- Is this a request for flexible working arrangements under the FW Act?
- Are there flexible working arrangements terms in any award, agreement, employment contract or workplace policies that apply to the employee?
- What are the employee's key duties?
- Do any of these duties need to be done at set times or locations?
- Who does the employee interact with in the normal course of their work? Will the proposed arrangement affect these interactions?
- Are there any technology solutions which could help? (for example, video calling, instant messaging, email)
- Why is the employee requesting this new arrangement?
- What are the consequences for the employee if the request is refused?

Remember, employees who feel supported in meeting their outside work commitments are generally more productive, less stressed and more committed to their workplace.

Use our free Response to a request for flexible working arrangements template to help you include all of the required information in your written response. Visit fairwork.gov.au/templates



#### Using best practice to support flexible working arrangements

Best practice doesn't look the same for all employers. It will vary depending on the number of employees, industry and the business environment.

Below are initiatives and suggestions that can help you move your business towards best practice.

#### Develop a policy

A policy is a good way to show that your business supports flexibility. A policy can help your managers and employees understand how flexibility works and can give your business an advantage to attract and keep staff.

When developing your flexibility policy, consider your legal obligations, business needs, and the views and circumstances of employees. Developing your policy in consultation with employees will help create a consistent and fair approach that works for everyone.

Your policy should complement other policies and help employees achieve genuine work-life balance.

Your flexibility policy should:

- Explain who can request flexible working arrangements. Certain categories of employees have a legal right to request flexible working arrangements. See <a href="Legal requirements">Legal requirements</a> above. Best practice employers make flexibility available to all employees, regardless of their personal circumstances.
- Outline the types of arrangements that could be available in your workplace. There are
  many types of flexible work. Best practice employers provide guidance about the types of
  flexibility available and remain open to considering other options that may suit the needs of
  your business and employees.
- Tell employees how to make a request. All requests for flexible working arrangements under
  the FW Act must be in writing and detail what changes the employee wants and why they're
  asking for the change. The request should also specify how long the proposed arrangements
  will last. Best practice employers often ask employees to speak with their manager before
  making their request so they can explore options and give some guidance on the process.
  Consider providing employees with a request form or our Request for flexible working
  arrangements template and example letters available at fairwork.gov.au/templates
- **Describe how you will consider the request.** Be clear about who makes the decision and what they'll consider (for example, the needs of the business as well as the needs of the employee). Best practice employers generally take the view that if the flexibility request will work alongside business interests, the request will be granted.
- Tell employees how you will respond to the request. All responses to flexible working
  arrangements requests made under the FW Act must be in writing. You must respond within
  21 days and say whether you approve or refuse the request, or set out agreed alternative
  arrangements. There are also steps you must take before refusing and when responding to
  the request. See Responding to a request above. Best practice employers do this for all
  requests for flexible work, regardless of whether the request was made under the FW Act.



- **Detail how you will record the arrangement.** Once an agreement on flexible working arrangements is reached, it should be recorded. This can be in a formal document or a simple email. Key things to record include:
  - what the agreed change in working arrangements are
  - how long it's intended to go for (ongoing, or a fixed period)
  - when it will be reviewed
  - the process for dealing with any future changes.
- Explain how you will monitor and review the arrangement. Changes to working arrangements can sometimes have unanticipated effects. It's useful to monitor the arrangement and plan a review to make sure the new arrangement is working for everyone. This lets both parties raise any concerns and make any necessary adjustments.

PRACTICAL TIP: Avoid assuming what your employee wants or needs. Seek to better understand what flexibility means to individual employees, as this means different things to different employees.

If an employee asks for flexible work, talk to them to explore their needs and suitable options. This will help you make sure that both their interests and the needs of your business are being considered.





#### **CASE STUDY – Job sharing arrangements**

Hayley runs a busy medical clinic. Over the past few years Hayley has been trialling various flexible work options with her employees and has now set up a workplace flexibility policy. The policy encourages all employees to explore flexible work options appropriate to their role, such as working from home, compressed hours and job sharing.

Hayley has noticed that since she started offering increased flexibility, she has been able to attract a more diverse range of employees. In fact, by promoting flexibility in her job advertisements, she was able to recruit Patrick – an experienced senior administrative assistant, and person with disability. Patrick works part-time hours and sometimes works from home to help him manage his health.

Hayley is looking to expand her clinic, so she advertises a vacancy for a full-time office manager. Patrick thinks his skills are suited to the role and he wants to apply, but doesn't want to increase his hours. Patrick's colleague Varsha is also interested in applying but has just returned from parental leave and also wants to keep her part-time hours. Varsha has a special interest in data analysis that she thinks she could bring to the role.

Patrick remembers that their workplace flexibility policy mentions job sharing. Patrick and Varsha approach Hayley and ask if she would consider a job sharing arrangement for the office manager role. Hayley is happy to consider this option provided that the successful candidates are able to cover the full-time hours between them.

Hayley interviews Patrick and Varsha individually and decides that they are both suitable for the role. They make a written agreement that Varsha will work Mondays and Tuesdays, and Patrick will work Wednesday to Friday. They create a plan for how the duties and responsibilities will be divided, and how they will handover work each week. Hayley commits to checking in with her employees regularly to see how she can further support this arrangement.

With Patrick and Varsha's combined skillset, the medical clinic gains both Patrick's senior administrative skills and Varsha's data analysis skills in the office manager role.



#### Train managers and employees

Best practice employers give their managers and employees training and information about flexible working arrangements. This helps everyone understand how flexible work operates and encourages employees to discuss their needs with their manager.

Information and resources you can provide to your managers and employees include:

- copies of your policies
- checklists of what to discuss with an employee requesting flexible working arrangements
- templates and examples available at fairwork.gov.au/templates to help them make or respond to a request
- guidance on managing flexible work arrangements for example expectations around communication, recording work hours, performance indicators, how and when arrangements are reviewed and how to deal with any issues that arise
- contact details for staff who can give guidance or assistance
- training on workplace flexibility take our free <u>Workplace flexibility online course</u> available at fairwork.gov.au/learning
- training on how to prevent and deal with discrimination take our free <u>Diversity and</u> discrimination online course at fairwork.gov.au/learning
- resources on how to create meaningful employment opportunities for people with disability, and accessible and inclusive workplaces for everyone. Visit the Australian Human Rights Commission's <u>IncludeAbility website</u> at includeability.gov.au for practical advice.



#### **CASE STUDY – Family-friendly policies**

A medium-sized distribution company wanted to promote their family-friendly policies. They made copies available to employees, explained what they meant, and how they worked. Managers were briefed about the importance of flexibility and coached on how they could support staff.

This resulted in higher engagement, more part-time roles being created, more staff working from home and lower staff turnover.



#### Create a supportive culture

Best practice employers create a culture where employees feel supported and comfortable discussing their needs.

Tips for creating a supporting culture include:

- allow all employees to request flexible working arrangements. Make initiatives available to all employees to improve work-life balance and let them know your organisation supports this
- speak positively about flexibility. Be mindful of language that can unintentionally send the wrong message. For example, making comments like 'leaving early again?' to an employee who does school pick-up sends the message that such arrangements are not normal or accepted
- showcase examples of employees who are combining work and family. Leaders in the business are very effective role models for showing what can work and what's encouraged. Make sure to ask for an employee's permission before disclosing their personal circumstances.
- **implement family-friendly initiatives**. There are many kinds of family-friendly strategies and practices. The key is to select arrangements that best suit both the employee and the employer. This is generally guided by the resources and size of the business, the type of work your employees do and their needs
- **communicate expectations and show trust** in your employees to do their job and deliver what is required, no matter where or when they might be working.



#### **CASE STUDY – Role modelling flexibility**

Joe is a team leader in a call centre. He leaves work early one day a week to take his elderly father to appointments and social outings. Joe talks with his team about his flexible working arrangements. This has helped send a message to his team members that flexibility is acceptable in their workplace.

Joe's employer supports his arrangements. It helps to show that flexibility can be used for a range of personal commitments.



#### Invest in technology

Technology can enable and support flexibility in your workplace. It can also help you manage employees and teams with flexible working arrangements. For example, consider:

- providing laptops, tablets and other portable devices to employees
- setting up secure access to work systems (including emails and calendars) on smart phones and other personal devices
- using an internal messaging service
- providing remote access so employees can log in from outside the office
- moving to a paperless office with all materials and documents stored electronically and accessible from anywhere
- using video calls and virtual meeting software to share content and ideas.

There may be privacy implications when employers use technology to monitor the behaviour of their employees. See our <u>Workplace privacy best practice guide</u> at fairwork.gov.au/bestpracticeguides



# Best practice checklist

A best practice workplace involves more than just understanding and complying with the law. This checklist will help you work towards best practice when managing flexible working arrangements in your business:

ш	working arrangements	
	<b>promote the policy</b> – good communication is key to making any best practice initiative work. Make sure employees are aware of your policy. Make sure your managers understand the policy and feel confident discussing it with employees	
	<b>training</b> – provide managers with training and resources to help them understand and implement flexible working arrangements	
	<b>technology</b> – consider how technology can be used to help employees work remotely or at different times (but be mindful of privacy implications – see our <u>Workplace privacy best practice guide</u> at fairwork.gov.au/bestpracticeguides)	
	communication	
		speak positively about flexibility and role-model flexible working arrangements
		set clear expectations so your employees understand what types of flexible working arrangements may be available and what the employer considers in their assessment of a request
		discuss requests for flexible working arrangements with your employees to better understand their circumstances and what they need
		discuss and agree on how team members will communicate with employees working flexible hours or in other locations
	<b>support</b> – help other employees adjust to the changes in the workplace and be aware of any extra demands that their colleagues' flexible working arrangements create	
	<b>review</b> – recognise that flexibility requirements may change over time. Schedule regular reviews with employees so any difficulties can be dealt with early.	



#### Links and resources

#### Resources

- Learn more about flexibility on our <u>Flexibility in the workplace page</u> at fairwork.gov.au/flexibility
- Our <u>Flexible working arrangements templates</u> at fairwork.gov.au/templates can assist you and your managers and employees in making and responding to requests for flexible working arrangements.
- Access our <u>free online training</u> for employers and managers at fairwork.gov.au/learning available courses cover best practice approaches to difficult conversations in the workplace,
  hiring employees, managing employees, managing performance, diversity and
  discrimination, workplace flexibility, record-keeping and pay slips.
- Find all our <u>Best practice guides</u> at fairwork.gov.au/bestpracticeguides these easy-to-follow and practical guides will help you transform your business from compliant to best practice, so you can get the most out of your employees.
- The Workplace Gender Equality Agency's <u>Workplace flexibility page</u> provides resources to assist you in developing and implementing flexibility strategies and policies for your workplace. Visit wgea.gov.au/topics/workplace-flexibility
- The Australian Human Rights Commission's <u>IncludeAbility website</u> gives employers best
  practice advice for creating meaningful employment opportunities for people with disability,
  and creating accessible and inclusive workplaces for everyone. Find more information at
  includeability.gov.au

#### Links

<u>Australian Human Rights Commission</u> – for information about preventing discrimination, respecting human rights and promoting diversity in the workplace visit humanrights.gov.au

<u>Fair Work Commission</u> – for information about bullying, sexual harassment, unfair dismissal and enterprise agreements visit fwc.gov.au

<u>Workplace Gender Equality Agency</u> – for information about promoting and improving gender equality in Australian workplaces visit wgea.gov.au



#### State & territory anti-discrimination bodies

- Australian Capital Territory Human Rights Commission <u>hrc.act.gov.au</u>
- Anti-Discrimination Board of New South Wales antidiscrimination.justice.nsw.gov.au
- Northern Territory Anti-Discrimination Commission adc.nt.gov.au
- Anti-Discrimination Commission Queensland adcq.qld.gov.au
- Government of South Australia Equal Opportunity Commission eoc.sa.gov.au
- Equal Opportunity Tasmania equalopportunity.tas.gov.au
- The Government of Western Australia Equal Opportunity Commission eoc.wa.gov.au
- Victorian Equal Opportunity & Human Rights Commission humanrightscommission.vic.gov.au

#### **CONTACT US**

Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: 13 13 94

Need language help?

Contact the Translating and Interpreting

Service (TIS) on 13 14 50

Hearing & speech assistance

Call through the National Relay Service (NRS):

For TTY: 13 36 77.

Ask for the Fair Work Infoline 13 13 94

Speak & Listen: 1300 555 727.

Ask for the Fair Work Infoline 13 13 94

The Fair Work Ombudsman is committed to providing you with advice that you can rely on. The information contained in this fact sheet is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or a workplace relations professional.

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