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An Employer Lens on COVID-19: Adapting to change in Australian workplaces

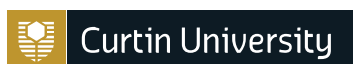
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Summary

This report provides the first detailed analysis of how Australian employers have experienced and adapted to COVID-19. Between May to October 2020, the research team interviewed 32 leaders, managers and officers at 28 organisations across Australia. Employers from 14 private, 11 government (federal, state and local) and three not-for-profit organisations participated, with between 8 and 35,000 employees in seven states and territories. Employers were in industries including advertising, community services, engineering, fast-moving consumer goods, government, healthcare, higher education, hospitality, insurance, pharmaceutical, professional services/legal, publishing, retail, telecommunications, transport, utilities, and wholesale.

Many surveys on COVID-19 in 2020 focused on worker preferences. This study uniquely focuses on the employer response. While not representative of all businesses in Australia, the actions of the 28 participating organisations and the findings from our analysis highlight innovations in response to government directives to work from home and the emergence of good practices that may transform the work-life balance of Australians.

The findings are reported in five sections, based on thematic analysis of the interview data.

1. Responding with speed and agility

- Employers and employees responded to the crisis with speed and agility. This included making changes to product and/or service delivery, moving processes that had previously been done face-to-face to online, and increasing hours of operation with new shift-work patterns to meet an increase in demand for products.
- Employers continually adapted to the changing nature of work. This was most evident in the transition of employees to working from home. Most employers reported that this transition was successful either because they were already equipped with the technology, performance systems and know-how to work from home, or because they were able to rapidly organise to get set up, with employees adapting quickly.
- Employers mobilised crisis management teams and ongoing and regular communication between managers and staff and with customers. This was central to their ability to adjust to changing government directives and new information.
- Employers were highly agile in adapting staffing requirements based on external and internal pressures on their businesses and fluctuations in consumer demand. While four employers reported some redundancies, and three organisations reported putting planned redundancies and restructures on hold as a result of the crisis, a more common response was redeployment of staff to in-demand parts of the business.

2. Emerging frontiers of work-life balance

- Employers engaged closely in the health and family lives of their employees, with many assuming a greater sense of responsibility for supporting their employees with wellbeing and work-life balance.
- COVID-19 was a catalyst for employers to implement workplace flexibility and work-life balance policies differently, such as by tailoring existing policies (e.g. leave and workplace flexibility) to the needs of employees, developing new workplace cultures to enable the take up of work-life balance policies, and developing new policies to meet changing needs for flexibility and support associated with health and care responsibilities.
- Accommodating health and care needs in this way changed the organisation of work, so the 'work day' became more fragmented and arranged around interruptions associated with family responsibilities or personal health.

- Most employers reported there were no notable differences in the way their employees of different ages adjusted to the new ways of working. In the few instances where employers reported differences, they defied stereotypes. For example, while some employers expected that older employees would face challenges in adjusting to the technology required to work from home, most older employees adapted quickly. At the same time employers reported more concern for their younger employees working from home because of less suitable living arrangements such as share homes or living with parents and missing the social aspect of being with others at the workplace.

3. Managing equity in organisations

- Employers reported making an intentional effort to be equitable, fair and transparent in how they treated all their employees and rearranged work in response to the pandemic.
- For some employers this meant proactively identifying challenges faced by specific disadvantaged groups of staff and addressing them, such as providing paid leave for at-risk older workers or extra carers leave to those with caring responsibilities.
- Many employers described attempting to distribute the impacts more equally across the organisation, through measures such as pay cuts for leaders, temporary reductions in hours worked, temporary reductions in pay or use of leave across the organisation as alternatives to making parts of the workforce redundant.
- Despite these efforts, employers acknowledged inequities emerged in their workforces, according to: location of work (those who by the nature of their job could or could not work from home); amount of work (some were overworked and some underworked based on job role); pay and leave (e.g. longer-serving staff took paid leave while shorter-serving staff had not yet accumulated sufficient leave balances).

4. Acknowledging our collective fate: organisational values and commitment to the community

- Employers reported supporting their employees with health and wellbeing and ensuring they were physically safe and coping emotionally under difficult circumstances. They took extra measures to support employees who were not coping, with extra counselling, personal communication, and 'fun activities' like trivia and virtual gatherings.
- This commitment was sometimes articulated as an extension or expression of the employers' corporate values and at other times was derived from a sense of shared experience and commitment to colleagues.
- Employers identified ways in which their employees gave up personal benefits to support their colleagues or the community more broadly. For example, employers reported that employees took leave to 'save' their colleagues (i.e. to protect the financial position of the organisation, reducing the need for redundancies) or took leave if there was any chance they had been exposed to COVID-19. Employees also, where necessary, worked longer hours, developed new skills, worked in different areas and developed innovative modes of working so they could continue to serve the community.
- Employers felt a sense of commitment to the wider community and a higher purpose – as one employer said, a 'call to arms' in the fight against COVID-19 – and consequently reported making business decisions that also benefited the community at large. Some employers focused on ensuring that they continued to provide essential services such as government services, groceries and fast-moving consumer goods. Others focused on new approaches to equity and diversity to contribute to the greater good (i.e. explicitly targeting family-friendly policies at male employees, promoting the equal sharing of care in families, and targeting women in recruitment processes because the pandemic created greater job loss among women).

5. Returning to work and a new future

- Employers reported that they were balancing competing employee preferences for returning to the workplace: some employees wanted to return for mental health and work-life balance, while others resisted the return mainly because of concerns about health risks. To alleviate concerns about health risks, employers allowed staggered stop–start times, implemented socially distanced office set-ups and new hygiene protocols, calculated occupancy percentages and staggered break times.
- Employers also reported making decisions about who should be given priority to return while also managing uncertainty as circumstances and timelines changed. Some employers reported that employees who struggled to work from home and key individuals at the organisation would be given priority of return.
- Many employers are open to keeping in place at least some of the changes to flexible working arrangements implemented during the pandemic, including higher levels of working from home.
- Some employers also identified potential problems with a new more flexible approach to work. They said: it can create a lack of team cohesion; it can be a barrier to appropriate information sharing and skill mix; working from home is not appropriate for all employees; it may require the management of worker resistance to being in the office; and it may create resistance among some managers who prefer staff to be in the workplace.

Conclusions and implications

- Employers in this study reported unprecedented challenges placed by the pandemic on their operations, their workplaces, their management and their staff. In particular, the pandemic generated very difficult circumstances for employees, including pressures on work, family and physical and emotional health.
- Employers also experienced COVID-19 as an opportunity. Overall, employers responded in a people-centred, community-focused approach by providing special leave, avoiding redundancies where possible, considering impacts on vulnerable groups and having an overall sense of responsibility to the community.
- This may have been because of the characteristics of the sample, in which 71% of employers were large organisations with greater human and financial resources to invest in their response, and 35% were government departments, agencies or other public sector organisations. However, the sample demonstrates employer good practice across a variety of industries and sectors and valuable lessons for the employers and other businesses.
- Employer responses to the pandemic generated new, more agile approaches to management and leadership, such as new ways of communicating, new processes of governance, new approaches to maintaining or achieving organisational equity, and a more outward-looking focus with a new commitment to the community.
- The pandemic changed the nature of employer–employee relationships. It altered the way managers exercised control over their staff. Managers reported less control over the daily activities of work when their staff were out of the office, and the greater ceding of control to government regulations or restrictions. This was particularly challenging for employers during the transition back to the office as their directives were at times challenged by employees drawing on messages from government and unions. However, the working from home experience also generated trust among some employers in their employees and placed a greater focus on outputs rather than daily hours of work. The pandemic also created conditions in which employers reported greater concern for and engagement with their employees' health vulnerabilities and care responsibilities.

- This changing relationship with staff was a catalyst for employers to change policies and workplace cultures especially for work-life balance, and in some cases to provide more generous entitlements to leave, flexibility and direct wellbeing supports.
- It also led to changes to the nature of work including where employees worked, how employers organised hours of work so they were more flexible and fragmented (to accommodate employees' health and family needs), and how employers conceptualised and measured productivity.
- Almost all employers reported the breaking or defying of age stereotypes, with older workers quickly adjusting to technology, and younger workers, who are typically thought of as wanting flexibility, as the group who struggled most with working from home. This could and should lead to employers changing attitudes and to more inclusive working environments.
- These changes during COVID-19 have the potential to offer opportunities for positive change in these employers – and others – into the future.
- While pandemic responses generated some positive changes in employers that have the potential to create ongoing benefits for the business, for employees and sometimes for the community, it is important to note that in doing so, employers also ensured their businesses could keep running. These employers had little choice but to support their staff in new ways if they wanted to keep employees productive and engaged, and their businesses operating.
- Nonetheless, the actions of these employers may signal a more flexible, inclusive, responsive and agile work environment by listening to and focusing on the needs of their employees.

An Employer Lens on COVID-19: Adapting to change in Australian workplaces

In the first three months of 2020, cases of COVID-19 in Australia increased. In early March the federal government began introducing restrictions on social gatherings that became increasingly strict over the subsequent few weeks. By late March, tough restrictions were in place on the number of people who could congregate in the same space, altering the way many businesses and workplaces could operate. On 23 March 2020, Australian state and territory governments issued orders¹ for employers to move their workforce, where possible, to work from home, with large implications for employers and employees.

To gain insights into how employers experienced and responded to these changes, we undertook the COVID-19 Employer Study. Many studies undertaken in 2020 focused on worker experiences and preferences during COVID-19.² This study uniquely focuses on the employer response. While not representative of all businesses in Australia, the actions of the participating employers and the findings from our analysis highlight innovations in response to government directives to work from home and the emergence of good practices that may transform the work-life balance of Australians. The study identifies lessons learned and future opportunities for employers and employees.

The study

Between May and October 2020, 32 leaders, managers and officers from 28 organisations across Australia were interviewed for the study (see Appendix A for full research method). Questions focused on how organisations were faring in the following domains:

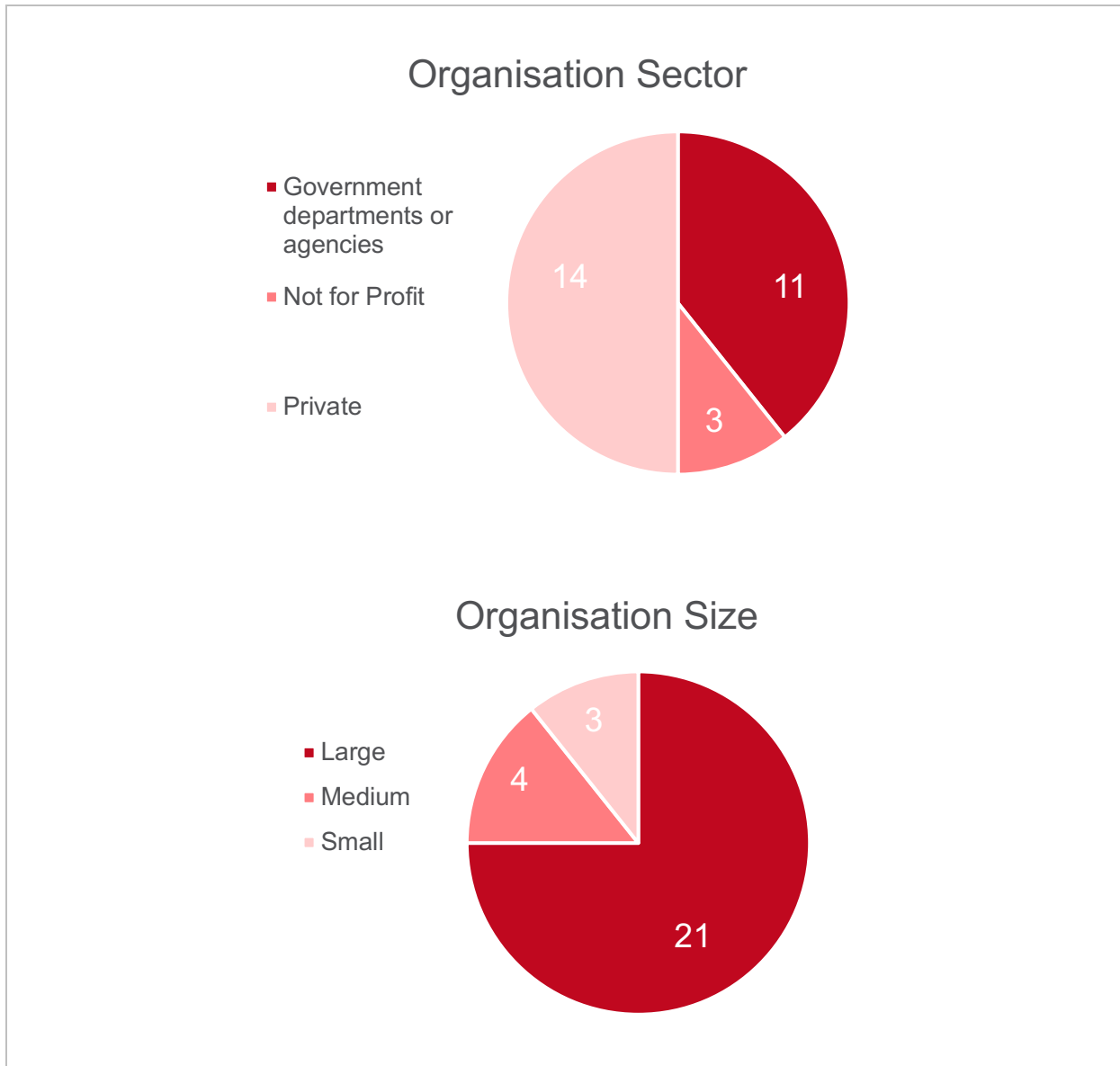
- management and governance practices, staffing, technology, productivity, workplace policies and practices (i.e., family friendly workplace practices, occupational health and safety)
- employers' perspectives on how their workforces responded to the changes and how they supported their staff, and whether this differed across age groups or genders
- how employers managed or were managing the transitions out of and back into the physical workplace, and their plans for the future.

The employers interviewed were from organisations in a range of industries such as telecommunications, transport, professional services/legal, utilities, retail, hospitality, wholesale, insurance, advertising, community services, engineering, fast-moving consumer goods, higher education, pharmaceutical, government, healthcare and publishing. Interviews were conducted with leadership (CEOs, partners, directors), management (senior managers, managers) and staff (officers). Employers included 14 private, 11 government (federal, state and local) and three not-for-profit organisations, with between 8 and 35,000 employees in seven states and territories (Australian Capital Territory, New South Wales, Northern Territory, Queensland, South Australia, Victoria and Western Australia).

¹ Rebecca Storen and Nikki Corrigan, "COVID-19: A Chronology of State and Territory Government Announcements (up until 30 June 2020), 2020, Australian Parliamentary Library; available at https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp2021/Chronologies/COVID-19StateTerritoryGovernmentAnnouncements

² Marian Baird and Daniel Dinale, "Preferences for flexible working arrangements: before, during and after COVID-19", 2020; available at <https://www.fwc.gov.au/documents/documents/awardmod/variations/2020/am202098-research-report-bd-301120.pdf>

As the employers self-selected to participate, the findings do not represent the experiences of all organisations in Australia. In particular, large employers are overrepresented making up 71% of respondents with only a small number of small and medium employers. Organisational size was based on the categories used by the Australian Bureau of Statistics³. While the sample was self-selected, the diversity of respondents has provided a wide lens of industry-type, size of organisation, and various levels of leadership and staff. The experience at these organisations also provides a valuable snapshot of 'good practice' in workplace crisis response.



³ Small businesses employ 1-19 workers, medium businesses employ 20-199 workers and large businesses employ 200+ workers according to the Australian Bureau of Statistics, "Counts of Australian Businesses, Including Entries and Exits June 2015 to June 2019", February 2, 2020, <https://www.abs.gov.au/statistics/economy/business-indicators/counts-australian-businesses-including-entries-and-exits/latest-release>.

The findings

Five main themes emerged from the interviews with employers:

- Responding with speed and agility
- Emerging frontiers of work-life balance
- Managing equity in organisations
- Acknowledging our collective fate: organisational values and commitment to the community
- Returning to work and a new future.
- Each of these themes is detailed below.

1. Responding with speed and agility

As the severity of the COVID-19 pandemic became clear and government directives to limit human contact became increasingly urgent, the employers in this study were faced with conducting their operations in a continuously changing landscape. The organisations differed in their levels of preparedness as well as the resources they had available to manage the change. Organisational size had an impact, for example large employers had more resources, which gave them the capacity to respond more quickly. Location had an impact too, as global corporations had different challenges from small regional employers. Participating employers were also faced with different labour market challenges depending on the areas of the economy they were in. For example, there was higher demand for workers in some industries such as fast-moving consumer goods, but much lower demand for workers in others such as hospitality.

Across all participating employers, it was very evident in their responses to this shifting landscape that most were able to adapt quickly to the unprecedented environmental changes and triggers. Several aspects of the employers' agility were identified, including the types of changes they made to their organisations' product and/or service delivery, changes to the way they carried out their work, and changes to the way they managed their workforces.

Changes to product and/or service delivery

The most common change to product and/or service delivery that employers identified was moving processes that had been done face-to-face, or by other direct channels, to online. While employers acknowledged this was a large undertaking that presented challenges to be managed, all who mentioned this were surprised at the pace with which they were able to implement such large-scale changes and impressed with the additional capabilities they added to their business. For example, a peak body⁴ was able to get 150 CEOs 'to come online and talk' in a forum, something that had never happened before, and 'that really opened up some opportunities'. Another employer, a publisher, mentioned rapidly switching their marketing from billboards and print to online, where their consumers now were. There was a sense of pride and achievement in the way these employers spoke of their organisation's new online processes and how quickly they had achieved them.

"I didn't even know that we were capable of doing that as an organisation." (HR manager, local government, medium organisation)

⁴ A peak body is a non-government organisation that represents a sector to government and whose membership usually consists of smaller organisations with allied interests.

Other ways in which employers changed their work processes included greatly increasing their hours of operation with new shift-work patterns, particularly in fast-moving consumer goods where panic buying created heavy demand; focusing on particular retail channels that offered consumers additional ways to obtain goods, such as 'click and collect'; and shifting production, marketing and sales resources from areas of the business that had declined to those that were still able to operate.

“Our products have been in demand and we’ve seen the opportunity to do more. So we’ve tried to, if you like, not waste a crisis.”
(HR director, fast-moving consumer goods 1, large organisation)

Quick and continual adaptation

Several employers said that transitioning staff from the office to working from home required their fastest response. Some organisations, for example the five with multinational reach and those in the telecommunications and professional services industries, were able to move very quickly, with minimal disruption. These organisations already had the technological and performance systems for remote working in place and most employees already worked from home sometimes, so their main challenge was scaling up these systems.

“We had in nearly all of our offices moved to activity-based working and what that meant was we had a very strong digital focus, so we had the tools in place for people to be able to work outside of the office.”
(Senior leader, government agency, large organisation)

At one large fast-moving consumer goods business, office-based staff were given only two hours' notice that 'they should just go', albeit after having had a two-day warning of the possibility. At a large global professional services firm, all staff began remote working a week and a half ahead of their state government's call for organisations to do so. They were able to do this by beginning pre-emptive planning as the pandemic took hold in Europe in January, allowing them to devote senior managers, systems and subject expertise to the challenge.

“If you weren't overreacting or moving faster you were running behind, because it all went way faster than anyone anticipated.”
(Partner, professional services, large organisation)

Other employers with fewer resources, for example in the community services sector, had to scramble to source and set up the necessary technology, yet were still satisfied with the speed of their response.

“It surprised [me] with how quickly we were able to mobilise ourselves.”
(CEO, community services, medium organisation)

Even once staff were transitioned home, speed and adaptability were critical aspects of employers' ongoing responses to the pandemic, with employers reporting that they navigated new challenges as they arose, particularly in the areas of new business demands, and safety protocols, and how to communicate these to staff. Some employers emphasised that they had to make and remake decisions at the early stages of the pandemic, particularly in implementing safety protocols for workers who continued in customer-facing roles, such as mask wearing, different shift patterns and symptom questionnaires.

Several employers said that developing a crisis management team supported them to maintain this level of agility. In doing so they were implementing the crisis management plans that they had developed in response to previous crises such as the global financial crisis of 2008, demonstrating the crucial importance to these organisations of learning from experience. Communication was also central to organisational capacity to respond to the changing environment, including communication between managers, with staff and with customers. Many employers identified passing on information from government and from organisation leaders to staff and receiving staff feedback in return as a key component of their ability to respond successfully to the changing environment.

“Critical for us has been that we’ve got this dedicated team that meet regularly and are making adjustments as required. The fact that we’re doing surveys and we’re hearing from staff regularly ... allows us to make adjustments as well.”
(Senior leader, government agency, large organisation)

One large employer with multiple customer-facing sites began with a large amount of communication but changed their strategy as it became apparent from employee surveys this was becoming counter-productive; they instead refocused on providing key messaging at carefully selected times.

Employers reported that communicating with staff was important as a strategy not just to impart information about changes to the functioning of their activities but to generate a sense of certainty, security and support among staff. This took place through official communication from management or by cultivating informal channels in which staff could support each other. One employer discussed quickly creating online resources to answer employees’ questions. Another indicated they had learned from mistakes made during the global financial crisis (GFC), and now in their response to the pandemic focused on providing certainty to the best of their ability, staying connected and understanding what people needed.

“So they were lessons from the GFC that we took through very, very early on. And applied and then have attempted to learn from and keep learning from.”
(Senior HR leader, professional services, large organisation)

Staffing

It was clear that employers experienced the crisis differently depending on their industry. Some were required to be agile in adjusting staffing to meet production needs, while others needed to be agile in supporting their staff in their changed work environment. Some organisations required fewer staff as a result of a reduction in business, and four organisations had redundancies (one of these had voluntary redundancies not forced redundancies). Three large organisations reported that while restructures and redundancies had been planned prior to COVID-19, these were put on hold because of the crisis in order to provide staff with job security, as it was ‘not the right time’.

A more common story was one of complex reorganisation of the workforce to accommodate different kinds of changes across different parts of the business. Many companies reported less demand for staff in some parts of the business and more demand in others. In response to this, these businesses: redeployed staff by moving staff from one area of the business to another or across government agencies; conducted a ‘skills audit’ or ‘redeployment list’ to match employee strengths and interest with new business needs; and promoted high-potential staff into supervisory roles. Some employers reported redeploying vulnerable staff from customer-facing positions to roles that could be done from home. These employers reported that redeployment strategies were a quick response to meet demands in the short term, but also created a more agile future workforce, in case business went back to normal or required change again. Twenty-one of the 28 employers reported with pride that, as a result of their redeployment efforts, they

had not made any, or made very few redundancies, had provided some staff with opportunities for development, and had created better outcomes for staff and morale.

Where demand could not be filled through redeployment, some organisations reported hiring new staff. For three employers this involved hiring hundreds or thousands of new staff. Recruitment focused on hiring staff who had been laid off by other organisations as a result of the pandemic, hiring staff who had previously worked at the organisation and therefore required less training and onboarding, and targeting specific labour pools, such as (in one case) women who at that point in time had disproportionately lost jobs due to the pandemic. Some employers also reported hiring staff through more traditional recruitment methods and employee referral.

While employers reported training and onboarding of new staff through eLearning, structured on-the-job training or learning the job through others, some participants articulated what they described as 'steep learning curves' as the organisation's employees adjusted to the new workplace processes and the redistribution of roles. Some respondents reported that their employees, or they personally, had to quickly learn new skills, and several organisations made considerable investments in training or retraining staff.

"I've had to become proficient in a very short time in three or four platforms and that's been a challenge."

(Officer, government agency, small organisation)

Summary

All the 28 employers were agile in their responses to the pandemic and were able to transform their operations very quickly, sometimes conducting operations in radically different ways. They had to make changes in how they delivered their products and/or services, most commonly by going online, and this required changes to work shifts, methods and hours of operation. Complex redeployment efforts, hiring new staff and new training were required in some businesses that faced increased demand. Examples of redeployment strategies included:

- moving staff from one area of the business to another, across government agencies or across states
- conducting skills audits or a 'redemption list' to determine employee strengths and interests and align them with business needs
- redeploying vulnerable staff from customer-facing positions to roles that could be done from home
- partnering with other organisations to re-employ staff en masse from one organisation experiencing reduced demand to another experiencing increased demand.

Many employers said that it was not a matter of 'setting and leaving' the changes they made, but frequently having to adapt them. Many attributed their organisations' adaptability to their managerial teams and good communication. The many large employers in our sample benefited from having access to specialist teams, pre-COVID investment in IT systems, purchasing power for improved technology for employees working from home and, in some instances, operations with multiple sections to enable employees to be redeployed from COVID-affected areas of the business.

2. Emerging frontiers of work-life balance

The unprecedented change in operating context prompted employers to rethink how work, health and family are intertwined in the lives of their employees. This was accompanied by a fresh look at their role in supporting their staff to manage work and life. In particular, the heightened health risks to employees, the movement of many staff out of the office and into a home environment, and the extra care responsibilities that came with the closure of schools and other services forced employers to pay closer attention to their employees' health and family lives. This was necessary both for the wellbeing of the

staff and to maintain the functioning and productivity of the business. This transformed employers' approaches to managing workforces and workloads and understanding employees' health and family circumstances.

Health vulnerability and work design

The health threat of COVID-19 prompted employers to think in new ways about the health and wellbeing of their staff, motivating them to deploy workplace flexibility and work-life balance policies differently. In particular, those employees with vulnerabilities to the health impacts of COVID-19, such as people with chronic health conditions or compromised immune systems and people over 60, became the focus of employers' attention. A duty of care to 'protect' at-risk employees was articulated by employers as they weighed up the risks of these groups being in the workplace compared to the risks to wellbeing and inclusion of instructing them to work differently from their colleagues because of their health status.

"As things ramp up again the risks go up of your contact with other people, and so how to transition the older staff in particular back into this environment safely is a bit of a worry for me."

(CEO, not-for-profit, small organisation)

Guided by government recommendations about at-risk categories, around a third of the participating employers reported conducting risk assessments and, in a few workplaces, high-risk employees were moved away from public facing roles (two examples), high-risk volunteers were stood down (two examples) and in one case high-risk casuals were not called on. However, most organisations provided tailored choices on a case-by-case basis for at-risk populations to design their work to reduce their risk. Six participating employers reported circumstances in which those at high risk opted to work from home or move to a different role, and two reported providing paid special leave to those in high-risk groups.

While employer policies were for all people with health vulnerabilities, all the examples provided of mandatory changes to high-risk employees' patterns of work concerned older people.

Accommodating the stressors and realities of care

The extra care responsibilities that came with the closure of schools and other services forced employers to pay closer attention to their employees' family lives. This was magnified by the blurring of boundaries between work time and family time – and the co-location of work and family – that accompanied the large-scale movement of staff out of the workplace. In a context in which home became the workplace, several employers articulated what they perceived to be extra responsibilities on them to support their employees to achieve productivity and wellbeing in their new home-based work environment.

"I think the mothers amongst us who were working from home found it really hard to enforce those boundaries."

(Officer, government agency, small organisation)

Consequently, employers became much more aware of their employees' daily experience of care responsibilities, the stressors associated with that care, and the impact it could have on their work. Fifteen of the 28 employers described how they paid close attention to the role of care in their employees' lives, with several describing it in a way that suggested COVID-19 had opened their eyes to the realities of the conflict between work and care. They described how they observed care interrupting their employees' work, draining the energy that their employees had available for work, and being distributed unequally between their employees and their spouses. Arising from this new awareness of the pressures associated with care was a concern for the welfare of employees with care responsibilities and a strong desire among many employers to support these employees not just to balance their work and care but to achieve

health and wellbeing. The employers spoke mostly about parents caring for children, with only four discussing other forms of care responsibilities, such as caring for ageing parents.

[We wanted to provide the parents with] “sort of a bit of a sanity check and a bit of a touch base.”

(CEO, community services, medium organisation)

[Our interest was in] “giv[ing] the parents just a bit of a break.”

(Senior HR leader, professional services, large organisation)

Parental care therefore appeared more visible to employers than other forms of care, such as care for people with disabilities, chronic illnesses or ageing relatives. According to several employers, parents struggled to work from home more than employees without care responsibilities for young children but were also more likely to request continuing to work from home for the added flexibility it provided. This extra understanding of care responsibilities prompted changes to the design and core function of employer policies, outlined in the next section.

Opening a window for flexibility and support

Most employers reported that COVID-19 opened a window in which to develop greater support for flexibility and work-life balance. The experience of this varied depending on the organisation's existing family-friendly workplace practices. In the four organisations with a strong commitment to flexible workplace practices before COVID-19, the employers reported this pre-existing commitment provided a good foundation, or springboard, for the new forms of flexibility required during COVID-19, making it easier to implement.

Six other employers reported that while they had strong flexibility policies prior to COVID-19, the workplace culture made it difficult for employees to use the flexibility on offer. These employers reported that COVID-19 created greater understanding of care responsibilities and health needs among managers and colleagues which resulted in cultural change in the organisation, making it more culturally acceptable to use flexible work options. For example, one employer described her own experience, reporting that after COVID-19, when it came to her care responsibilities, “I actually felt I would be heard”. Another said that prior to COVID-19, when she requested flexibility, she felt like it was not totally accepted as “it still felt like I was playing the single mum card”, but now it felt like this had changed because of COVID-19.

When it came to flexibility, the pandemic forced these employers to transition from talk to action. In response, many rolled out new policies and supports for people with care responsibilities or made existing policies available for new purposes or groups. This included new opportunities for flexibility and extra supports for the health and wellbeing of people with care responsibilities and their families.

“We implemented an addition to our carers leave policy... So, it's just a different way to use... [paid] carers leave. We certainly haven't capped the use of carers leave and if you had a negative balance of carers leave, we were giving you up to another five days... It's [also] given us the right time to relaunch our flexibility policy.”

(HR director, hospitality, large organisation)

Another major area of change was in the provision and use of leave. For most employers, the use of leave had been heavily circumscribed prior to COVID-19, and during COVID-19 leave took on a much broader and more flexible role in the management of health and care responsibilities. In the organisations studied, leave to undertake care responsibilities and leave to look after personal health and wellbeing were increased in length, offered with greater flexibility, offered as a means of providing employees

with ‘bandwidth’ to manage their complex lives, or as a tool to manage ongoing work-life balance issues (such as taking half a day of carers leave per week to ‘take the pressure off’ the work-life juggle).

Some employers reported introducing new types of leave such as ‘special leave’ for health reasons, and others reported what could be described as the ‘democratisation of leave’, making leave available to new groups of employees or those without leave accrued. In these workplaces, this represented the development of new cultures of leave-taking.

While most participating employers framed their discussion of flexibility and leave in terms of a desire to support the changing health and care needs of their employees, some also described flexibility and leave as levers at their disposal to manage the effects of COVID-19 on their businesses. For example, seven employers described flexibility in this way. They described using flexibility as a method of redistributing work and staff (for example by cutting or varying hours of staff), and as a ‘necessary’ tool for maintaining productivity in light of the changing circumstances.

In addition, six employers described leave as a management tool to meet their changing business needs. These employers described drawing on leave as a method of retaining staff (e.g., asking or requiring staff to take paid or unpaid leave as an alternative to redundancies in the organisation), as a method of saving the organisation money, or as a technique to manage changing workflow in the organisation (e.g. encouraging staff in areas of the business with reduced demand to take leave and/or discouraging leave-taking in areas with increased demand). These instances suggest that while new flexibility and leave provisions in many cases focused on the changing needs of employees, they were also deployed in ways designed to meet the employers’ needs.

Flexibility and the fragmentation of work

The desire to continue work while accommodating health and care needs resulted in a change in how many employers thought about ‘work time’ and ‘personal/family time’. Rather than well-defined work hours (most often in a continuous block of time) and personal hours (outside of that continuous work block), many employers changed their expectations about the separation of work/personal time, so that the ‘work day’ was much more fragmented and interspersed around various interruptions associated with family responsibilities or personal health.

For most employers, this was perceived as a positive reaction to the new conditions. More than half of the 28 employers reported that this approach was the most appropriate way of achieving their dual goals of maintaining productivity and supporting their employees. It was described as a response to employees’ requirements for flexibility during COVID-19, particularly during and immediately after the national lockdown, both to carry out their care responsibilities and to maintain their own health and wellbeing.

The fragmentation of work involved replacing traditional working hours (such as 9 am to 5 pm) with a system in which staff were able to cease working at one or more intervals during the day to attend to care and wellbeing activities, such as supporting their children with school, taking a walk or buying groceries for an ageing parent. The recognition that employees’ needs for flexibility varied on a day-to-day basis during COVID-19 meant there was not always a pattern to this intermittent work and personal time.

For example, two employers said:

“I don’t watch the clock”
(Partner, legal services, large organisation)

“People need to have a lunch break and go for a walk”
(Director, publishing, medium organisation)

However, some employers reported settling “into a rhythm” as they all got used to the new fragmented work day, in which the day developed ‘parameters’, with blocks of designated family time and work time where possible.

“I’ve got block out times of the day, for me and my whole team... I don’t allow any meetings, 8:30 to quarter past nine, and then 2:30 to quarter past three, 3:30”
(Director, publishing, medium organisation)

“We also understand that I’m not going to hear from you between 9 am and midday because you’re busy doing lessons.”
(Section manager, government department 1, large organisation)

“It took a while to find that happy equilibrium”
(Senior HR leader, fast-moving consumer goods 2, large organisation)

Accompanying the fragmented work day was a greater focus on output rather than hours. Several employers reported a sense of pragmatism about what could be expected from employees combining work and family responsibilities in this way.

“We understand that you’re doing that and we understand that we may not get 100% capacity out of you from a work perspective at the same time... we recognised that people are going to have to do double duty here... We had to be very understanding and flexible in relation to the output that we could expect.”
(Section manager, government department 1, large organisation)

However, more employers had an expectation that employees ‘catch up’ on blocks of the work day that were spent attending to health and family. This was described as ‘logging off and catching up’. There was an expectation that blocks of time in work hours for ‘life’ would be compensated for by work in other ‘leisure’ times, such as at night and on weekends. Among six employers, there was a sense that this new accommodation of health and family in work time was conditional on the employee retaining their productivity, articulated using phrases like if “you’re working well” or “as long as the work gets done”, they did not mind the hours that their employees worked. This generated a sense that the employers were open to providing new forms of autonomy to their employees, however this remained circumscribed within boundaries concerning output and productivity.

In keeping with the desire of some employers to find a balance between maintaining productivity and supporting staff, four employers identified the importance of being mindful that this model of working – particularly among those juggling work with quite intensive care responsibilities – can place new pressures on employees, and that they need to ensure that staff members do not ‘burn out’. Six of the employers explicitly noted that flexibility should support, and not be at the expense of, health, wellbeing and family.

Defying gender and generational differences and stereotypes

Employers were asked if they had observed differences in the experience of changes to the nature of work during the pandemic among employees by gender or age. Some employers reported that, when it came to age, employees had surprised them. For example, some employers reported that older people defied their expectations in the ease with which they adjusted to the large-scale movement of all of their functions online. Two anecdotes were told about older employees who struggled with the technology, but in these instances, employers noted that this was not because they were older but because some people of all ages had trouble with the transition online. Five employers explicitly reported that older people adapted to the new technologies quickly.

“Some people are just not tech-savvy regardless of what their age is... Seriously, there’s actually nothing that I can think of specifically from an age perspective.”
(Senior HR leader, pharmaceutical, large organisation)

On the other hand, while the expectation among some employers was that younger employees may be more accustomed to the autonomy and flexibility of working at home during COVID-19, 12 employers reported that they held greater concerns for younger employees than older employees in spite of older employees being at higher health risk. They said this was because of the less suitable living and working arrangements of many younger employees (i.e., share homes, living with parents), the heavy toll of missing personal and social relationships outside of the home, and younger employees having more precarious jobs. Younger employees were also more likely to have care responsibilities for young children.

In spite of these two challenges to their expectations, most employers also said that, more broadly, they saw no differences in how men and women, or how older and younger employees, coped or how employers responded to their needs. More important than gender and age in shaping employees’ experience of workplace change was their health, whether or not they had care responsibilities, and other factors such as seniority or personality.

“It’s varied hugely and I wouldn’t say that there were any major sort of demographic trends that have emerged.”

(Officer, government agency, small organisation)

“We stopped assuming that certain age groups would have certain needs.”

(HR manager, engineering, large organisation)

While employers identified few differences by gender and age, noting instead that health status and care responsibilities were stronger determinants of experiences and impacts of COVID-19, people over 70 are at greater risk of COVID-19⁵ and more likely to have chronic health conditions⁶ and women are more likely to have care responsibilities⁷, suggesting that the experiences are likely to have been both gendered and shaped by age.

Summary

COVID-19 and its associated changes to the organisation of work prompted employers to engage much more closely in the health and family lives of their employees and prompted many employers to assume a greater sense of responsibility for supporting their employees with their wellbeing and work-life balance. This provided a catalyst for employers to enact workplace flexibility and work-life balance policies differently. Some tailored existing policies like leave and workplace flexibility to the particular needs of employees, making them more malleable and adaptable on a case-by-case basis. Some explicitly built workplace cultures that facilitated the take up of work-life balance policies, while others introduced new policies to meet changing needs for flexibility and support associated with health and

⁵ Australian Government Department of Health, “Coronavirus (COVID-19) Advice for Older People”, December 21, 2020, <https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert/advice-for-people-at-risk-of-coronavirus-covid-19/coronavirus-covid-19-advice-for-older-people>.

⁶ Australian Institute of Health and Welfare, “Chronic Disease—Australia’s Biggest Health Challenge”, Australia’s Health Series No. 14 (Canberra, 2014), https://www.aihw.gov.au/getmedia/8f7bd3d6-9e69-40c1-b7a8-40dca09a13bf/4_2-chronic-disease.pdf.aspx#:~:text=Older%20Australians%20are%20most%20affected,pressure%2C%20in%202007%E2%80%93308.

⁷ Australian Human Rights Commission, “Investing in Care: Recognising and Valuing Those Who Care”, Research Report (Sydney, January 23, 2013), <https://humanrights.gov.au/our-work/sex-discrimination/publications/investing-care-recognising-and-valuing-those-who-care>.

care responsibilities. Innovations in supporting staff with family responsibilities included:

- providing extra wellbeing support to people with care responsibilities, such as offering counselling, support groups or 'fun' activities
- designating certain times (such as school pick up and drop off times) as 'no meeting' times
- allowing staff with care responsibilities to set designated times during their workday to carry out care responsibilities or self-care activities such as going for a walk
- commissioning an out of school hours care provider to develop free online content for staff with children
- providing greater flexibility in the use of leave for care purposes, such as allowing negative leave balances and allowing staff to take carers leave to manage work-life balance in a more ongoing manner
- developing campaigns to educate male employees about access to, and desirability of using, family-friendly provisions
- focusing on protecting those working flexibly from overwork and burnout.

Accommodating health and care needs in this way resulted in a change in the organisation of work, so that the 'work day' became more fragmented and arranged around various interruptions associated with family responsibilities or personal health. Important to note is that the fragmentation of the work day can be both positive and negative depending on the conditions in which it is offered and the amount of choice available to employees. More research is needed on the longer-term effects of the fragmentation described by the employers in this study, and on the way it was experienced by employees.

Finally, while the employers noted that health status and care responsibilities were more important than gender and age in shaping employees' experience, it is likely the experiences have been somewhat shaped by gender and age.

3. Managing equity in the organisation

Employers indicated that throughout the pandemic they attempted to be fair and transparent in the arrangements they made for their employees, but in some organisations there were clear disparities in what was possible. For example, there were obvious differences in experiences between those who remained employed and those who lost work, those who could work from home and those who had to be in the office, and those who could benefit from workplace and government supports and those who could not (e.g., JobKeeper and free childcare for essential workers). These differences were evident between teams, sections and occupations, and employers reported consciously undertaking strategies to try to maintain equity across the organisation or mitigate inequity where possible. In the context of rapid change and adaptation, the employers could not always foresee the outcomes and implications of new developments, processes and practices and, at times, inequities arose.

Intentional equity

Organisations reported attempting to manage the crisis in a people-centred way, and this included measures to ensure that employees were treated equitably in areas of organisational control. Several employers referred to equity in terms of a commitment to treat all staff equally. These measures included intentionally not favouring 'money earners' over administrative staff, distributing changes to workloads, staffing and pay as equitably as possible, and putting employee wellbeing at the forefront of their decisions.

"I was very conscious that we had to be equal to everyone. ... because I just felt that if we looked after one sector as in professionals as opposed to the administrative side of things, that it would be seen very early that we would be favouring our money

earners as opposed to the grinders.”
(Partner, legal services, large organisation)

However, more often, employers reported that their organisation took an approach that recognised the different challenges faced by people in different parts of the organisation and took steps to mitigate the inequalities they faced. These organisations approached meeting staff needs on more of a case-by-case basis and providing care for specific groups of employees who were disadvantaged in one way or another. There were two main responses to this commitment to equity: proactively identifying challenges experienced by individual staff or groups of staff and addressing them on a case-by-case basis, and ‘pooling risk’ in response to the recognition that some staff were more disadvantaged by the effects of the pandemic.

Proactively identifying challenges experienced by staff was followed by developing measures to alleviate these challenges. This included measures such as building supports that were inclusive of employees with care responsibilities or disability, and supporting those experiencing challenges with their mental health. Organisations reported specific wellbeing supports for various groups of employees, including offering paid leave to older workers who were at a higher health risk, offering carers leave to those with caring responsibilities (childcare and eldercare), and providing additional support and care to those with diverse abilities, such as specifically asking those with hearing or sight impairments what the organisation could do to support them to work effectively from home.

“What is it that you would need in order to be effective in your job? So we have a workplace health and safety team and we encourage people to get in touch with our consultants and ask if there was something that they needed that it could be provided to them.”

(Senior HR leader, telecommunications, large organisation)

In recognising that some staff were more disadvantaged by the effects of the pandemic than others, organisations articulated a second response: ‘pooling of risk’. This ‘pooling of risk’ attempted to distribute impacts more equally across the organisation. One organisation reported that senior leaders took temporary pay cuts to avoid staff redundancies and keep staff employed. Other measures included temporarily reducing all staff pay (with one employer re-paying this when business picked up) or requiring staff to use their leave as alternatives to making staff in some parts of the business redundant.

“[We] would pay team members for 80% and we asked our team members to make up the 20% by taking one day a week leave, and the concept of that was to keep them at a type of full pay for as long as we can.”

(HR director, large organisation)

One organisation offered a loan program to those facing financial hardship, reporting that five employees had applied for it. Another strategy was to compensate staff who had to be in the office. Some organisations reported providing these staff with gratitude payments, paid lunches and parking, or paying for their travel to and from work.

Unintentional inequity

Although many organisations stressed their desire to ensure staff were treated equitably, they reported facing inequities among staff for reasons that were unexpected or out of their control. These reasons emerged through three recurring themes: location of work, amount of work, and pay and leave. In this discussion, we define inequity as some employees not having access to conditions that the majority of their colleagues are entitled to.

On 23 March 2020 Australian state and territory governments issued orders⁸ for employers to move their workforce, where possible, to work from home. Participating employers detailed quick responses to this order, yet also indicated that some staff were unable to work from home for various reasons, creating a form of inequity between organisational roles that could be performed from the safety of home, and those jobs that could not and therefore put employees at risk. Defining factors included the nature of the job (e.g. customer-facing), the nature of the workforce (e.g. warehouse workers), and the need for some staff to remain in the office in order to support others to be able to work from home.

Employers also raised the inequity of different rules in countries of operation, between states, between government directorates and within teams themselves. For example, one global organisation detailed the difference between the Australian arm, which continued to offer full pay to 'non-essential' staff whose jobs could not be done from home, and the US and UK arms which did not do the same. One director shared that while her team shifted to working from home immediately, some of her peers elected not to do the same. Access to technology also emerged as an inequity, with one employer detailing that some employees located in a remote area did not have internet access or computers at home, and therefore had to work in the office.

Similarly, employers described inequity in the amount of work that staff had to do during the pandemic, with some staff overworked while others were underworked. Overwork was reported for three main reasons: that work had increased as a result of COVID-19, the type of role that the individual held, and the blurring of lines between work and home. Accounting, finance, IT and HR were reported to have an increase in their workloads, while roles in administrative functions and conferences and events decreased. Overwork also occurred as the blurring of lines between work and home resulted in staff not taking breaks and working longer due to juggling work and home demands.

Some organisations, particularly those in retail, fast-moving consumer goods, delivery services and telecommunications saw an increase in workload as a result of COVID-19, while others faced an increase due to changes they had to make in the way work is delivered, for example when moving face-to-face training to online delivery.

"That's been hard, so the accounts staff for instance have got a lot – a lot they're dealing with just in modeling potential financial scenarios and even just the granular stuff of sorting out everybody's accounts is – has been huge [laugh]. So they're really busy, but conference staff have got nothing to do. So whereas in a normal year we're all very busy, at the moment it's hit different areas of the business unevenly."

(CEO, not-for-profit, small organisation)

"The shape of our business has meant that some people are incredibly overworked at the moment. Because they basically got their regular work that we would normally have, plus we're managing the crisis and all of the complexities that go with it with the business. So people are incredibly overworked and then some people are probably under-utilised and it's a little bit challenging. Because maybe in an office environment they have more work to do, but in a home environment they have less."

(HR director, fast-moving consumer goods 1, large organisation)

Some organisations also discussed inequity in terms of pay and leave for staff, which arose when staff who were asked to reduce work hours had different leave balances based on their tenure with the organisation. For example, one small charitable organisation explained that longer serving staff had accrued leave balances and took paid leave, while newer staff, who were also more junior, had not yet

⁸ Storen and Corrigan, "COVID-19: A Chronology of State and Territory Government Announcements (up until 30 June 2020).", 2020, Australian Parliamentary Library; available at https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp2021/Chronologies/COVID-19StateTerritoryGovernmentAnnouncements

accrued leave balances and had to take unpaid leave. A large insurer that provided all staff globally with a generous stipend for home office setup mentioned the inequity of new hires not receiving this payment.

Summary

Employers strongly indicated that they had employee equity at the heart of how they responded to the pandemic. Some tried to implement policies across the board, while others responded to individual needs. Employers aimed to maintain equity in a range of ways, including:

- reducing all staff pay temporarily to avoid staff redundancies
- requiring staff to use their leave as alternatives to making other staff redundant
- proactively identifying disadvantaged staff and mitigating that disadvantage where possible through extra supports, such as new leaves for those with care responsibilities or health vulnerabilities
- offering a loan program to those facing financial hardships
- compensating staff who had to be in the office with gratitude payments, paid lunches and parking, or paying for their travel to and from work.

However, a number of employers acknowledged that, despite their intentions, they could not always be equitable due to the unevenness of the pandemic's effects as well as individual circumstances, for example, some employees' work-from-home preferences could not be met, some employees had too much work and others not enough, and some employees did not have enough paid leave to cover enforced business shutdowns.

4. Acknowledging our collective fate: organisational values and commitment to the community

There has been commentary on how Australians 'banded together' during the initial stages of the pandemic by following government direction and adhering to policies around hotel quarantine, lockdown orders, wearing masks and getting tested for COVID-19, and also supported vulnerable members of the community⁹. Our interviews with employers show that this collective response was also very much embedded in workplaces, as employers demonstrated in numerous ways their support for their employees beyond the basic employment contract. Within organisations, managers and employees provided mutual support. They also described a commitment to making a contribution to the broader community.

Support for staff health, safety and wellbeing

Support for staff health, safety and wellbeing was a strong focus of employers' responses during COVID-19. This was articulated through attention to and adjustment of workplace health and safety measures during COVID-19. Common employer responses included conducting risk assessments and then implementing safety measures such as hand sanitisers, social distancing and cleaning routines. Beyond formal workplace health and safety policies, most employers to some extent reported going beyond what was expected of them to ensure that their staff and colleagues were both physically safe and coping emotionally under difficult circumstances and took extra measures to support them if they were not. This commitment was sometimes articulated as an extension or expression of their corporate values and was sometimes derived from a sense of shared experience and commitment to their colleagues. One leader described how their organisation viewed its focus on safety as a demonstration of its corporate values in the following way:

⁹ Jenny Child et al., "Collaboration in Crisis: Reflecting on Australia's COVID-19 Response", McKinsey & Company, December 2020, 10.

“We’re very focused on being able to honestly put our hand on our heart at the end of this and say we tried really hard to keep everybody safe. And so our main mantra throughout has been: save lives and save jobs.”
(Partner, professional services, large organisation)

There were many examples of employers acting proactively to prevent harm to their employees’ health and safety. Several employers provided employees with extensive programs and resources with a health and safety focus, for example COVID-safety and wellness programs, group activities and other resources. Some employers said that they were proactive in identifying employees in their workforces who were at higher risk if they contracted COVID-19. These employers then implemented support for these individuals, such as ensuring they worked from home or were moved from customer-facing roles and checking in with them regularly. Some had special policies such as additional paid leave for vulnerable and/or unwell workers who could not attend work or work from home. One organisation required its leaders to ‘consciously connect’ with their older workers as an acknowledgement of these workers’ greater vulnerability to COVID-19.

The employers appeared to be concerned about their employees’ mental health as much as their physical health and safety. Many of these specific concerns related to employees working in isolation along with employees’ anxieties about contracting the virus. Several others had concerns for employees with pre-existing mental health conditions. One employer mentioned the anxiety for employees brought on by financial stress.

“It was pretty obvious fairly early in the COVID experience that the health pandemic itself brought a set of mental health issues and wellbeing issues. And then as that has moved into economic crisis, there’s been the need to consider another wave of wellbeing and mental health support for our staff as well.”
(HR manager, engineering, large organisation)

Employers described how they supported their employees’ mental health using measures such as checking in regularly with them, returning vulnerable workers from working at home to working at the office, supporting employees to nurture their own personal relationships, providing employees with access to therapy, providing clear messaging, viewing staff as a ‘community’, not instigating redundancies, and helping employees to balance work and personal needs. Some employers considered it their responsibility to reduce the depression associated with the isolation of working from home and consequently reported offering ‘fun’ activities such as online social sessions and a trivia competition.

Employers reported that this process of extra care and commitment was facilitated by new management and governance practices. For example, several employers said that their leadership groups supported each other by staying in closer than usual contact as they had to deal with unfamiliar challenges and constantly reviewing the efficacy of each other’s strategies. One employer said that managers needed to be seen to demonstrate their commitment to staff by being present at the workplace during the early days of COVID-19.

“I guess just trying to empower our people leaders to have the conversations. So you know what to do if someone says ‘look I just can’t come to work for the next three months’”
(Senior HR leader, telecommunications, large organisation)

Workplace policies for the greater good

Some employers articulated a new approach to workplace policies on equity and diversity, flexibility and work/family reconciliation as opportunities to contribute to the greater good of the organisation or to the community more broadly. In particular, five employers reported an interest in promoting gender equality for the benefit of their employees but also the broader community. Three of those reported that they had explicitly targeted their family-friendly policies at male employees or promoted the equal sharing of care in families through resources sent to staff, such as communications about the availability of policies to men as well as women and in one case sending resources to staff about gender-equal parenting. One employer reported that they had targeted women in a recruitment process because they had read that the pandemic had created greater job loss among women. These were positive developments for the organisation and its employees, but also with the explicit intent of contributing to a positive outcome in the community more broadly.

One particularly strong example of a workplace policy newly conceptualised as having a 'higher purpose' was the area of leave and leave-taking. Employers in the study described encouraging employees to take unpaid leave, or to use up their paid leave, for the financial benefit of the company or to 'save' colleagues from redundancy. They also described encouraging employees to take leave to protect colleagues from exposure to health risk in circumstances in which they may have been exposed to the virus. In response, employers provided extra leave and new types of leave and regulated leave-taking in new ways.

Call to action

In addition to employers supporting employees, employers reported a commitment to supporting the community through the pandemic. This was articulated by one employer as a 'call to arms' to fight COVID-19. Several employers reported that both the organisation's management and its employees had an overall sense of commitment to the wider community, through continuing the delivery of essential services such as government services, groceries and fast-moving consumer goods such as hand sanitiser, toilet paper and other home essentials. One organisation supported their customers who had lost their jobs through deferred payments on services. Employers also reported employee willingness to support these initiatives through voluntary redeployments across organisations, departments and states and through developing innovative service delivery models.

"Again coming back to that kind of higher purpose, if you like, there was this incredible feeling that we all need to do what it takes to help. Not only the company through this, but truly the Australian community. You know, we have a role to play. Okay we don't have medical skills and we can't help in hospitals, but actually what we can do is make sure that people have access to [company product useful during COVID-19]. That is the contribution we can make. People felt very committed to pivoting and doing what it takes to make that happen."
(HR director, fast-moving consumer goods 1, large organisation).

Some employers reported that their response to COVID-19 aligned with their sense of purpose as an organisation, or with their organisational values. For example, a partner at a large professional services firm reported that their decision to send staff to work from home was not only for their health and safety, but also to leave public transport safe for essential workers.

Summary

In the context of a health crisis in which everyone was affected in one way or another, employers reported an interest in and commitment to supporting their employees with their health and wellbeing beyond what was required or expected of them. Some examples included:

- implementing new programs and resources with a health, wellbeing and safety focus
- proactively identifying and supporting employees who were at higher risk if they contracted COVID-19
- providing additional paid leave for vulnerable and/or unwell workers who could not attend work or work from home
- managers checking in regularly with employees working from home and offering new support programs for emotional wellbeing if required
- returning emotionally vulnerable workers from working at home to working at the office
- supporting employees to nurture their own personal relationships
- helping employees to balance work and personal needs
- offering 'fun' online activities.

The employers also reported ways in which their employees sometimes gave up personal benefits to act in a way that benefited their colleagues or the community more broadly, including:

- taking unpaid leave, or using up their paid leave, for the financial benefit of the company or to 'save' colleagues from redundancy
- taking leave to protect colleagues from exposure to health risk.

In addition to their concern for their employees, employers articulated a desire to support the community and country through making business decisions that also benefited the community at large.

5. Returning to work and a new future

Once employers had managed the large-scale shift in how they managed their work and workforces, and developed policies and strategies to support staff and maintain productivity during and immediately after the lockdown period, they were faced with the task of managing a return to the office and a return to some of their previous activities. As they learned to operate in this 'hybrid' space, characterised by a mix of large-scale changes in response to the onset of COVID-19 and the return to some of their old activities and ways of working, they developed new ways of thinking about the future of work.

A balancing act

Half of the employers reported that some of their employees were looking forward to returning to their workplaces, with around one fifth reporting that some employees' wellbeing and productivity depended on it. Some employees wanted to return more quickly than the timeline that their employers had established, particularly those whose pay was determined by the hours they worked. Other employees, concerned about health risks, were resisting returning at all, which resulted in managers questioning their right to direct them to return. Participating employers reported having to balance these competing staff needs and perceived health risks. They adopted two strategies for their timeline for return – either it was dependent on the resumption of demand for their products/services, and/or it was dependent on ensuring social distancing limits and safety protocols were able to be observed.

According to employers, some employees saw a return to work as an opportunity to achieve a balance between work and home – not specifically because of the demands of caring at home, but through a genuine desire for balance. For some, their role as a carer at home made the prospect of returning to the office several days each week attractive. For others, it was their work role that determined their enthusiasm for a return to work:

“Our older male cohort were the ones that were most keen to get back in. I think they've built their career on being in the office, on working a certain way, it's part of their identity”

(Partner, professional services, large organisation)

Others wanted or needed more social interaction after working from home for a prolonged time. A common theme concerned employees who wanted to return to the office for mental health reasons. Employers rarely defined what they meant by ‘mental health’, but sometimes used words such as ‘struggling’ and ‘vulnerable’.

“Not everybody’s had a great time working from home.”
(HR director, hospitality, large organisation)

Some employers reported that they wanted workers to resume work at the workplace but felt they had ceded the control that they ordinarily held in directing employees to perform work. For example, at a not-for-profit community services organisation, some employees were questioning employer directives for people to return to the office in response to media messages that returning to work was an individual choice. At the same organisation, other employees were being supported by their union to resist returning to work.

Asserting managerial control was evident at several organisations where managers were resisting employees’ requests to remain working from home. This could be through managers insisting work needed to be performed at the workplace, or in another instance by insisting office furniture should be returned to the workplace. Therefore, although employers overall acknowledged that the work from home and work from office split would look different in the future, and were generally supportive of this change, some highlighted concern and measures to ‘force’ employees back to the workplace were necessary for the transition to happen, indicating that the transition was taking place more smoothly at some organisations than others.

“The biggest challenge has been those who want to continue flexibly but their work areas are saying ‘that’s not what we should be doing’.”
(HR officer, public health 1, large organisation)

Small steps back to the office: managing logistics in the transition back to work

It was evident that employers had a significant additional burden of work in navigating the complex logistics of the return to the workplace during the pandemic. They spent considerable time planning the right staffing mix for productivity, while also planning staff numbers around social distancing restrictions. Some identified that there were key days in the week that all staff were required to be at work, while others were focusing on the number of staff that would be needed. An area of concern was the social distancing requirements set by government guidelines. According to some employers, somehow working in the office must resume but only a proportion of staff would be allowed in the workplace at any one time.

“It’s a puzzle, to make sure that we have the right people in at the right times.”
(Director, publishing, medium organisation)

Selecting which employees would return, and when, was a task that required some thought. Employees who were struggling to work from home were one priority group, with another being individuals who held key positions. There was no pattern to how planning for return-to-work was conducted. It could either be centralised (for example, one government employer set up a task force) or devolved (for example, a second government employer left the decision up to its local managers). In some organisations, managers were clearly directing employees to return to work, whereas in others they were allowing employees to determine whether they were ready to return to work. A key factor in which approach was used appeared to be whether the majority of the organisation’s work was customer-facing.

Many employers mentioned steps they had taken to ensure that employees were socially distanced at work, for example calculating the percentage occupancy per floor, ensuring desks were spaced at intervals, staggering break times, and providing signage. As mentioned above, employers felt they could control this and they provided quite detailed descriptions of the actions they had put in place. Hygiene was mentioned frequently, usually referring to ensuring that hand sanitiser was available and being used. One employer mentioned that they were requiring employees who hot desked to wipe down their desks after use.

In several instances, employers mentioned that their timeline had to change in response to the evolution of the pandemic, for example as cases spiked in Victoria and the state went into a second lockdown. Some large employers had to grapple with different timelines for different parts of their business; some were multinationals and not only had to ensure they met the criteria for return to work in Australia but also requirements set down by global management. Employers often expressed uncertainty about how they would implement the return to work, due to the novelty of the situation, and that they would have to work through issues as they presented themselves. A commonly expressed sentiment was that although they felt they could exert control over their own workspaces, controlling other work environments such as lifts was more difficult. This involved liaising with building managers and issuing directives to their employees to cooperate with building safety protocols.

“We had to have those safety measures in place, so the things that people are having the conversations about in terms of duty of care we’ve had to have those conversations consistently.”
(CEO, community services, medium organisation)

Employers’ strategies for communicating return to work plans to workers varied from straightforward communications such as in person discussions and emails to a facilitated workshop. One employer mentioned that plans for return to work were available on its intranet but intimated that, despite this, there was an overall lack of specific communication about return to work.

Employees’ nervousness about protecting their health while taking public transport was raised frequently by employers as a barrier to their employees returning to work. Some mentioned they had tried to accommodate these concerns, for example by allowing staggered start and finish times, flexibility of working hours and days, and rostering attendance.

Reimagining the future of work

Many participating employers saw the changes they had implemented during the pandemic as transformational to the way they did business. All were open to permanent changes in the way their employees worked, such as flexible work options and the use of online technologies.

“If there are more productive and better ways that people can work, we really want to explore that.”
(Partner, professional services, large organisation)

As with any rapid transformation, most employers were also wary of the challenges this new way of working might entail, particularly for the functioning of teams and communication and information sharing. A lack of enthusiasm for these new ways of working from some managers and employees was also a concern to employers.

A number of employers predicted that the changes they had made to the way work is done would remain in place after COVID-19. Some were unequivocal that they did not want to go back to the way things were and foresaw “a better working world” (partner, professional services, large organisation). This was

articulated as embracing the 'new normal'. The most commonly expressed change was a working week that was a combination of working at the office and at home, with some employers willing to contemplate their employees never returning to the office.

“Some people particularly in the IT area will probably work from home for the rest of their working lives because it just doesn't seem necessary that they need to be in the office.”

(Partner, legal services, large organisation)

At the same time they were sensitive to the mental health needs of their employees, expressing an awareness that continued working from home was not appropriate for all workers, some of whom did not have homes that were conducive to working from home (including the presence of domestic violence). Employers described several hybrid working from home models including complete flexibility of working hours and days (e.g. the office is open, but attendance is voluntary, or working from home on special projects) and rostered attendance (e.g. a two-week shift with one week in the office, one week working at home, but the option to be in the office if desired). Several employers clearly linked the move to flexible working to improved business outcomes, such as measuring performance based on outcomes, not hours spent at work.

“Flexible working is actually really good for the business and has a lot more benefits than we kind of anticipated.”

(Senior HR leader, utility, large organisation)

Several employers also remarked that they now had systems in place to facilitate working from home which they had not had in the past. However, employers also raised the issue that they did see some potential problems with the majority of their workforce continuing to work from home including lack of team cohesion, lack of information sharing, lack of communication, lack of the right skill mix in the workplace, workers' resistance to being in the office at all, and managers resisting working from home as they tried to retain 'control'.

“There's no learning going on, there's no sharing of information, in that sort of minute by minute, in real time sense.”

(CEO, community services, medium organisation)

With the move to working more flexibly, several employers had also begun rethinking the workspace. For some, offices are now being perceived as spaces for social gathering, not working, with a concomitant reduction in the space required. However, in order for its employees to return, one local government employer described the need to “create a welcoming environment” and that fewer social distancing restrictions would help to create a positive space.

Summary

Employers reported they were balancing competing employee preferences for returning to the workplace as some wanted to return and others resisted the return. They also reported making decisions about who should be given priority to return while also managing uncertainty as circumstances and timelines changed. Issues at the forefront of managers' minds included:

- the right staffing mix for productivity, while maintaining social distancing restrictions
- key days in the week that all staff were required to be at work
- customer-facing versus back-office workers' different COVID-safe requirements.

Many organisations foresee and are open to permanent changes to working flexibly and working from home, including a hybrid approach, and to at least some of the changes implemented during the COVID-19 pandemic remaining in place. Such approaches include:

- complete flexibility of working hours and days
- rostered attendance in the office
- measuring performance based on outcomes, not hours spent at work.

Yet some employers also identified potential problems that may arise, mainly around employee resistance to return, team cohesion and information sharing, demonstrating that return to work planning is a balancing act for many employers.

Conclusions and implications

The outbreak of the COVID-19 pandemic caused state and federal governments in Australia to take extraordinary measures to restrict the movement of large proportions of the population. There have been widespread changes to the way employees and consumers organise and behave in their daily lives, including how they care for family members, manage their health, and move around neighbourhoods and cities, and how, where and when they perform their work.

The impact of these changes on Australian workplaces has been profound. Employers have experienced unprecedented challenges as businesses and workplaces have been reconfigured and continue to evolve as conditions change. The 28 employers in this study reported that the pandemic placed unprecedented challenges on their operations, their workplaces, their management and their staff. In particular, the pandemic generated very difficult circumstances for employees, including pressures on work, family and physical and emotional health, and widespread anxiety. In four of the 28 employers in this study there were job losses. But participating employers also experienced COVID-19 as an opportunity.

Overall, employers in our study responded in a people-centred, community-focused manner by avoiding redundancies where possible, providing new flexibility and special leaves, considering impacts on vulnerable groups, and displaying an overall sense of responsibility to the broader community. The sample did not experience large-scale job losses as a result of the pandemic. These impacts and responses may be because the crisis began as a health crisis that affected all regardless of demographics, and because government policy emphasised keeping people safe and employed. It may also have been because of the characteristics of the sample of employers, in which 71% were large organisations with much greater human and financial resources that enabled them to respond in this way, and in which 35% were government departments, agencies or other public sector organisations. However, the sample also represents employer good practice across diverse industries and sectors (public, private and not-for-profit) and with some variety in size.

Employers reported responding to the crisis with agility and with care for employees and at times, the community. These changes raised new challenges for the ways in which they approached and managed equity in the organisation, and acknowledgement that the future of work may look different in where and when employees perform their work. Broadly, the responses to the pandemic generated some positive changes in organisations that have the potential to create ongoing benefits for the business, for employees and sometimes for the community.

- Employer responses to the pandemic generated new, more agile approaches to management and leadership, such as new ways of communicating, new processes of governance, new approaches to maintaining or achieving organisational equity, and a more outward-looking focus with a strengthened commitment to the community.
- The circumstances generated by the pandemic changed employer–employee relationships. It altered the way managers exercised control over their staff. For example, managers reported less control over the daily activities of work when their staff were out of the office, and the greater ceding of

control to government regulations or restrictions. This had a particularly challenging impact for employers during the transition back to the office as their directives were at times challenged by employees drawing on messages from government and unions. While this created challenges for employers, it also generated trust, and placed a greater focus on outputs rather than daily habits or hours of work. The pandemic also created conditions in which the participating employers reported greater concern for and engagement with their employees' health vulnerabilities and care responsibilities.

- This changing relationship with staff served as a catalyst for employers to change policies and workplace cultures especially for work-life balance and to provide more generous leave entitlements, flexibility and direct wellbeing supports.
- It also led to changes to the nature of work including where employees worked, how employers organised hours of work so they were more flexible and fragmented (to accommodate employees' health and family needs), and how employers conceptualised and measured productivity.

These changes during COVID-19 have the potential to support future positive change in these organisations. Changes to the location of work, new forms of flexibility and new management practices were all areas that participating employers were considering changing in the longer term. However, redeployment practices and new policies to support employees' health and care needs, perhaps some of the most innovative, equity-promoting changes that still aligned with business needs, were discussed as short-term measures during the worst of the pandemic. Yet they are also opportunities for building more inclusive, productive workplaces that should be considered for longer-term practice change.

Although the employers who participated in this study responded in overwhelmingly supportive ways, it is important to note that in doing so, they also ensured their staff remained productive and that businesses could keep operating. As the government issued a work-from-home order, employers had to support their staff if they wanted them to keep working, and therefore keep their businesses running. Nonetheless, these responses may also signal a way forward to a more flexible, inclusive, responsive and agile work environment, achieved by listening to and focusing on the needs of employees and approaching work-life balance with new enthusiasm and creativity.

Appendix A: Method

Between May and October 2020, 32 leaders, managers and officers from 28 organisations across Australia were interviewed. Participating organisations were recruited through three main channels: through researcher networks and word of mouth, assistance from the Diversity Council of Australia and snowballing. Interviews were conducted by telephone, Zoom or Microsoft Teams and lasted approximately 30–45 minutes. Questions focused on how organisations were faring in the following domains:

- management and governance practices, staffing, technology, productivity, workplace policies and practices (i.e., family friendly workplace practices, occupational health and safety)
- employers' perspectives on how their workforces responded to the changes and how they supported their staff, and whether this differed across age groups or genders
- how employers managed and were managing the transitions out of and back into the physical workplace, and their plans for the future.

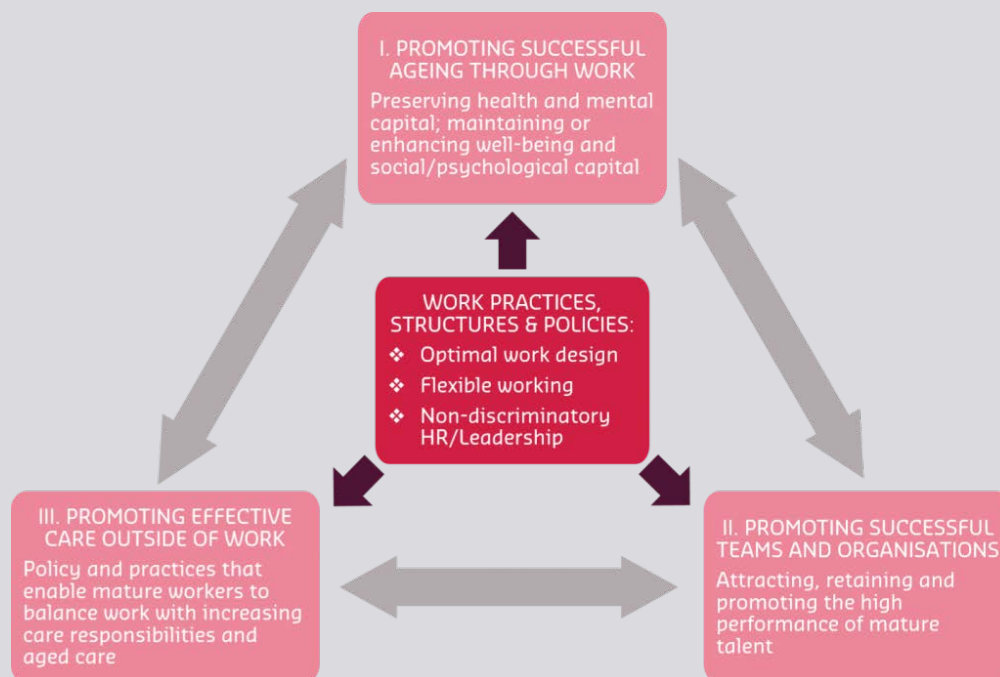
As the pandemic continued, new questions were added, including questions on the impact of the federal government's JobKeeper payment¹⁰ on keeping staff employed, and the transition back into workplaces after the end of the national lockdown. We requested a short follow up interview with all organisations interviewed during May–July. Nine participated in either a follow up interview or provided written responses to the new questions. Interviews were recorded, transcribed and analysed using NVivo data management software and a thematic, content-comparison method of analysis was undertaken by the research team. At times, small adjustments have been made to direct quotes to protect anonymity.

¹⁰ Australian Tax Office, "JobKeeper Payment," January 18, 2021, <https://www.ato.gov.au/general/jobkeeper-payment/>.

The research team

This report has been produced by the research team in Stream 3 Mature Workers in Organisations of the ARC Centre of Excellence in Population Ageing Research (CEPAR). CEPAR, funded by the Australian Research Council under project CE170100005, is tasked with finding solutions to issues resulting from population ageing in Australia. Stream 3 of CEPAR focuses on mature workers in organisations. The Mature Workers in Organisations (MWOS) stream aims to investigate the experiences and needs of mature and maturing workers and the organisations that employ them, and how mature workers balance their work and care responsibilities.

The CEPAR 'Organisations and the Mature Workforce' research stream has the following main research aims:



Stream 3 of CEPAR is led by Chief Investigator Professor Sharon Parker (Curtin University) and Chief Investigator Professor Marian Baird (University of Sydney). Please visit <https://matureworkers.cepar.edu.au/> for more detail about our work.

The research team on the Employer Lens on COVID-19 project was Professor Marian Baird, Associate Professor Myra Hamilton, Lisa Gulesserian, Alison Williams, Professor Sharon Parker, Dr Gigi Petery and Lucinda Iles.

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