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Part-time working: the impact of the ‘enforced experiment’ of flexible furlough

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Introduction

Although one in four workers in the UK works part-time, there is evidence that more people would like to do so, but are unable to access it, with potential implications for labour market participation and social inclusion, as well as skills and productivity. The ‘flexible furlough’ element of the UK Government’s Coronavirus Job Retention Scheme, which operated from July 2020 to September 2021, created a natural experiment in which staff worked part-time, while also being part-furloughed. This research explores whether and how the experience of using this scheme has altered employers’ openness to part-time working.

Provision of part-time working needs to be distinguished from provision of other types of flexible working, since the cost–benefit equation may be different. A recent evidence review (Gascoigne and Kelliher, 2021) points to a range of factors contributing to employer provision of part-time working, including the national context, the nature of the work, the workforce skills and gender balance in different sectors or occupations, and the business circumstances. Employers may offer part-time working to cover peak or extended operating hours (in sectors such as retail and hospitality), or support attraction and retention. However, the quasi-fixed costs which attach to an individual, regardless of how many hours they work, such as recruitment and training, may be a barrier, while working practices such as team communication, task co-ordination and client service may need adaptation.

Employer decisions about flexible furlough may influence how the feasibility of part-time working is perceived in the longer term, as has been found to be the case with remote working during the pandemic (CIPD, 2021; Parry et al, 2021; TUC, 2021). Although the context for flexible furlough was different, it offered an opportunity for experimentation and learning about the implementation of part-time working, with implications for both policy and practice.

This paper draws on findings from a wider mixed-methods study, involving interviews and a large-scale survey. Specifically, this paper presents the findings from interviews with 35 directors and line managers with experience of managing flexible furlough or a company-specific short-time working scheme. Participants worked in HR or operational roles in three sectors – hospitality, manufacturing and services. The sample came from locations across the UK, and different sizes of organisation: about a third came from SMEs.

Differences between part-time working and flexible furlough

The most obvious difference between part-time working and flexible furlough is that the motivation for using it was different. As one HR manager from the hospitality sector put it: *‘Flexible furlough was a surviving tool, it’s completely different [from part-time working]. Flexible furlough was a different way around, to keep as many staff as we can.’* Participants identified three reasons for using flexible furlough: staff retention, engagement and fairness. The challenge for line managers was often spreading out the available work in a way that was fair and engaging, in order to keep staff until the business upturn:

It was a case of trying to... retain people on furlough. Rather than keeping half of your staff in the business working full-time and half of them on furlough, it was getting as many people back in as you can doing some hours, rather than leaving

people on furlough, doing nothing at all. And that thought process was very much aligned to when we open up, we've still got an existing team there to work with.
(Operational manager, hospitality)

During the pandemic, there was often a fluctuating need for staff, sometimes at very short notice, as lockdown rules changed or when supply chains or clients were hit by the pandemic. This was a significant change for many participants, who were used to regular hours as the norm, and had to manage the expectations of workers. As an operational director in manufacturing said, *'With the Government and ourselves topping up, we're paying people for their Monday to Friday, whatever hours you ask them to work in. That was at our discretion, as far as I was concerned.'* It was noticeable that in hospitality, however, operational staff (in kitchens, restaurants or housekeeping, for example) were often on zero-hours contracts and already expected to work variable and often part-time hours from week to week, at the employer's discretion. For these workers, working practices during flexible furlough were not very different from pre-pandemic.

Increased employer openness to part-time working?

Despite these differences between flexible furlough and part-time working, half of our interviewees said they were more open to part-time working than before the pandemic.

So what was driving this increased openness? Approximately three-quarters of this group said it was motivated by experience of the flexible furlough scheme, but other reasons were staff shortages or recruitment difficulties (mentioned by just over half of this group), and increased worker demand for part-time working (mentioned by two-thirds). Greater openness to all types of flexible working, especially working from home, was almost universal among those who said they were more open to part-time.

The other half of our respondents said that they were not more open to part-time working, with many citing a lack of demand from their workforce. However, about half of these added that they felt they were already open to any demand for part-time working. It is worth noting that interviewees' characterisation of 'already open to part-time working' varied starkly, with some having had almost no part-time workers pre-pandemic, characterising part-time working as led by worker demand, and not recognising the concept of unmet demand within their workforce. Others had more than 20% of their workforce working part-time, and had actively encouraged part-time working as a talent attraction and retention strategy, via internal communications and manager training.

Increased openness to part-time working as a result of flexible furlough

We should note that almost all participants who highlighted flexible furlough as increasing their openness to part-time working were those who had changed their working practices during the operation of the scheme.

As noted above, among operational staff in hospitality, who were mostly employed on a zero-hours basis before the pandemic, there was very little difference in working practices. A further minority of participants operated flexible furlough on a 'short hours all together' basis, closing the whole factory or office for two to four days per week and only operating for the

remaining two to four days. In these two sets of circumstances, there was little change in working practices or in perceptions of the feasibility of part-time working.

Increased openness to part-time working due to flexible furlough came from a third group: those who had changed their working practices during flexible furlough. As one operational director from a manufacturing business put it, the 'enforced experiment' of flexible furlough turned attention from whether to use part-time working to how to use it:

I suppose when you see the reality of what you need to deal with, it's less of a choice and it's a question of how can we do this, not whether we can do this. Yes, so I think it forced more open-mindedness... which is what we now need to build on.

However, it's important to note that the experience of changed working practices during flexible furlough was by no means a sufficient condition for increased openness to part-time working: about half of the interviewees in this third group believed that there was no unmet demand for part-time working from their workforce, and so did not perceive a business case for change in openness.

Learning from the experience of using flexible furlough

The experience of flexible furlough helped some participants to overcome biases and assumptions about the feasibility of part-time working originating from a belief that it was difficult to implement:

It [part-time working] has always been in the psyche, in the awareness, but stopped by this presumption that it won't work... [Flexible furlough] has forced you to do it and it's disproved your bias, I suppose... broadened the horizons, broadened the conversation, to something we'd never have done before.
(Operational director, services)

Collaborative work design

For those participants with little experience of part-time working pre-pandemic, the learning curve started with the issue of recognising responsibility for filling gaps in availability. One HR manager explained that part-time working was simply outside the experience of staff in her small manufacturing company, so their first learning was the recognition that gaps in availability would have to be filled when a single member of the engineering team with particular skills in the manufacturing process was on flexible furlough: *'You know, I think there was a moment when people realised it, that he wouldn't always be there.'*

She went on to say that this opened up the issue of who was responsible for filling those gaps: *'So they had to rethink some of the capacity planning and make sure that the jobs that were planned were ones that would need his skills at the right time in the process.'*

Typically, when an employee asks to work part-time, it is that individual who takes responsibility for organising work around their gaps in availability – or sometimes decides not to ask, believing that such reorganisation will be inconvenient or expensive – but in this case, the team took responsibility for filling those gaps, redesigning the whole team process – perhaps because the gaps were employer-mandated rather than individually-driven.

This collective or managerial responsibility for filling gaps in availability led to a more proactive and team-based approach to delivery. A critical mass of part-time workers meant that availability patterns were designed across the whole team:

The majority of the population I manage, they all went down to four days. In terms of the teams, we managed it, we had discussions. So, they wanted a certain day not to work. We looked at the big picture, made sure that worked for them as well as the business.

In service businesses where personal client relationships were important, particularly where the work was fast-moving, availability patterns also had to be designed to maintain those relationships and swift responses. Some tasks might be done by a colleague on a part-time worker's non-working days, especially during a pandemic when clients were more understanding, but if rapid and personal responses were required, five short days was seen to be a more appropriate working pattern than three full days followed by a two-day gap:

We tended to be very careful about how we allowed people to come back... So they would come back for five half days, so that the clients would be able to get hold of them over the course of a week. So we were quite careful about understanding that relationship piece. (HR director, services)

Multi-skilling

Part-time working often requires systems of cover, which may be achieved by multi-skilling. The substitutability of one member of staff for another was reported as a means of achieving flexibility of hours while staff were on furlough. One operational manager in manufacturing commented:

We're quite fortunate that everyone... can pretty much do every job... They can do all the processing... For that reason it did make it quite easy, when we were sharing the hours... I didn't really have to have one person in on a specific day because I knew everyone could do whatever job I'd asked, I just needed to share the hours out.

Others noted that multi-skilling during furlough was also beneficial for job enrichment and engagement:

People who've worked in different areas [during furlough]... they've said, 'we've really enjoyed it, and it's kind of been refreshing and different'... If it's quiet in one area, in the past we would probably not have been so flexible in moving them across, whereas now we would feel much more comfortable in doing that. (Operational director, services)

One operational director in manufacturing made deliberate use of the furlough scheme for cross-training – not specifically to encourage part-time working, but for business resilience during COVID-19. However, improving functional flexibility can also impact temporal flexibility (Ton, 2014), so by multi-skilling his workforce, he was designing patterns of cover which could, if required, also facilitate part-time working:

This was our opportunity to make sure that we have a sufficient level of cross-training, so we've got cover... We just gradually built up the competencies within the workforce to allow them to work in other areas of the business... So where

that became advantageous was [one of] our product cells got quite badly hit with COVID... and we were able to pull a skeleton crew together to service some of the critical parts.

Another operational director in manufacturing spoke about avoiding a 'single point of failure' when different staff members were working on different days:

Understand who will be out on which days, but make sure there's always a core capability... Where you've got a single point of failure, a specific individual... We try and train and design the work schemes so that we don't have that... We talk of three deep, making sure that there's always a back-up and another back-up, for any particular process.

In this example again, the employer, rather than the individual worker, is taking responsibility for avoiding a gap in availability which might create a 'point of failure'.

Extending part-time working to different roles

For some, the learning was about extending part-time working to different types of roles. In hospitality, part-time working had been common in operational roles in kitchens, restaurants or housekeeping, where operating hours might extend to 18 or 24 hours a day. However, in management or finance roles, there was no such tradition:

One of the things that it definitely has made us think differently about was around flexible furlough for our leadership teams... We could look at those roles in terms of people doing part-time. It has actually made us think about how we implement that moving forward. So we wouldn't have really used – or very minimal – part-time leadership team roles prior to it. (HR director, hospitality)

Managing peak periods of demand

Another learning was around more efficient use of part-time working for peak periods. The disruption of total shutdown in spring 2020, and then the need to decide when and how much to move staff from full furlough to flexible furlough, led one operational director in a service business to analyse the 'heatmap' of when clients actually needed service:

It was only really by looking through the data, which flexible furlough was making me do, it was like, 'OK, we can have part-time people here and full-time people here.' You definitely have peaks and troughs, but when everything was grouped together, you couldn't see the wood for the trees really, you just thought it was busy all the time.

It was not just the use of flexible furlough, but the business analysis which went with it, that enabled this business improvement.

Part-time productivity

One operational director from a service business admitted that he had been very wary of part-time working pre-pandemic, partly because he believed that there was little demand in his mostly young workforce, but also because he was nervous that part-time workers would be less productive than their full-time counterparts. However, he used the opportunity of

flexible furlough to improve the measurement of productivity, with benefits for the management of both full-time and part-time workers:

From a flexible furlough point of view, it became really important to know what the outputs looked like in shorter periods of time... We didn't really know what good looked like... And then you could see who was efficient part-time, and who maybe needed help and who was working full-time but not getting the same outputs... I don't think we would think twice about hiring a good person on a part-time basis... whereas honestly there's no way we would have done, before this.

Conclusion

The enforced experiment of flexible furlough did, in some circumstances, drive increased employer openness, and particularly perceptions of the feasibility of part-time working. Different working practices during flexible furlough stimulated a more proactive and collaborative approach to work design (Gascoigne and Kelliher, 2018), and may have counteracted the perception that part-time working is inconvenient or difficult. However, a change in working practices was by no means sufficient for increased employer openness to part-time working, which was widely regarded as led by worker demand rather than by employers – possibly more so than other types of flexible working, where the business case may revolve around, for example, saving office costs. Employers who did not perceive unmet worker demand for part-time working did not report increased openness to part-time working.

This research informs both HR practitioners and line managers about the importance of practical trials for changing attitudes and challenging biases around part-time working, as well as highlighting the need to support line managers with job design skills. The findings will also assist policy-makers concerned with helping disadvantaged demographic groups to access employment through quality part-time jobs, and avoid the downgrading or marginalisation often associated with a transition to part-time working. The use of enforced experiments or trials, particularly on a wide scale, could provide greater choice for workers, and improve job quality, with the potential for beneficial impacts on skills use and productivity.

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