



Flexible Working In 2023.

Workers in the IT industry

– Germany

Flexible Working In 2023. What Is Really Happening.

Scientific, Technical and Financial Services industries

The Covid pandemic has led to one of the biggest workplace revolutions in history. The move, almost overnight, to remote/flexible based work has led to a complete collapse of the work-home boundary. Zoom and Teams meetings are now commonplace, and many colleagues do not physically see each other from week to week.

As we enter three years since the world was first hit by Covid, a new set of challenges face workplaces: a war for talent, a workforce that is both fatigued and galvanised, and pressures to control spiralling costs.

This research spoke to employers and employees in a range of industries throughout Germany. We investigated the following key areas:

1. Trends, policies and application
2. Impacts of home/flexible working
3. Implications on salaries and benefits
4. Approach to flexible working in recruitment and retention
5. Employee wellbeing
6. The future of home and flexible working
7. Overall impact

The report is designed to give a snapshot to employers as to the current situation, but to also act as a tool to help support future workplace initiatives designed to recruit and retain top talent, in order to progress the business.

Work From Home

– Trends, Policies and Application

Prior to the Covid pandemic,

44%

of organisations offered widespread work from home / flexible working schemes.

During the pandemic this rose to

95%

This has subsequently dropped by two percentage points to 93%, but it is a huge 49 percentage points or



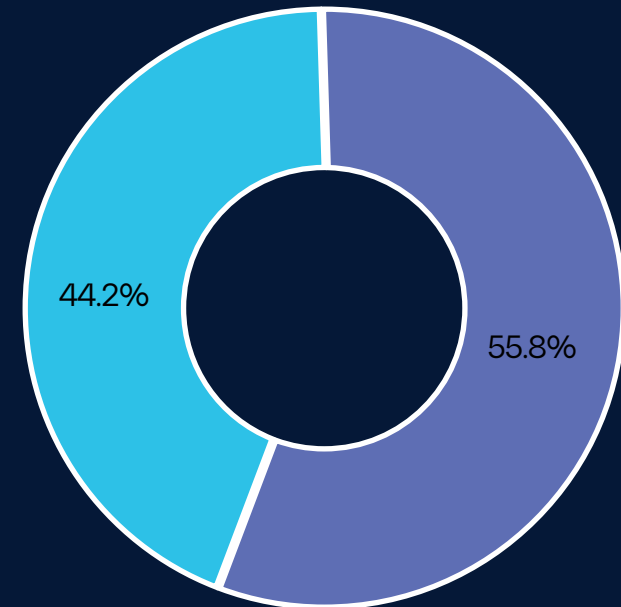
112%

increase in companies offering flexible working / home working

Only
7%

of organisations offer no flexible or home working

Do you feel the way your organisation works has changed since the end of Covid restrictions?

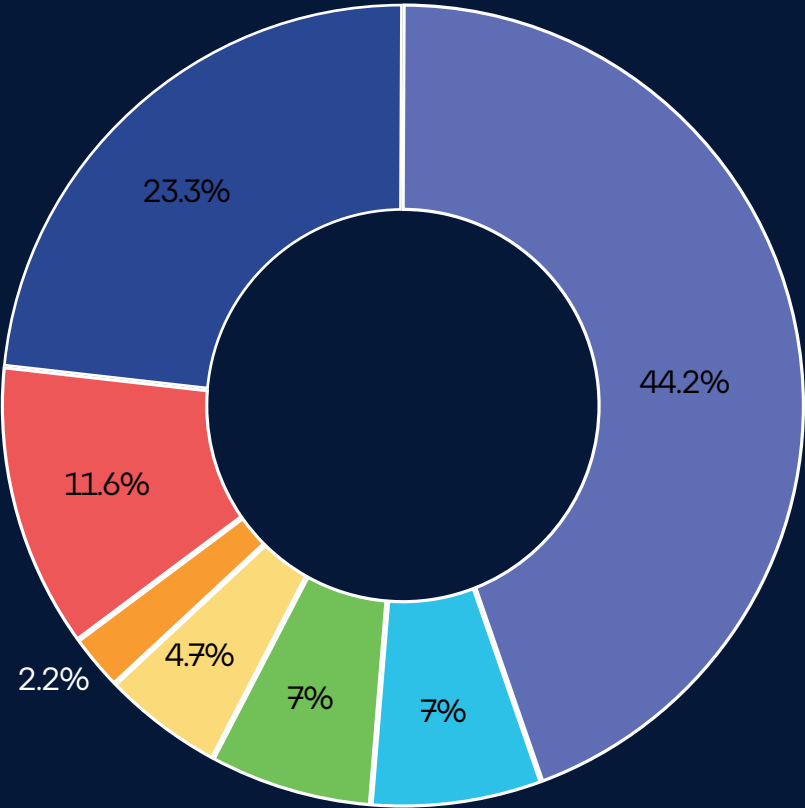


• Yes

• No

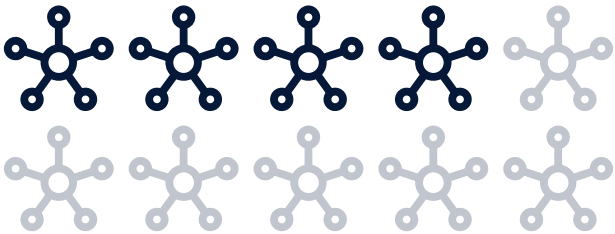
Unsurprisingly, organisations overall feel like they have changed fundamentally since the beginning of the pandemic.

What is the predominant working practice in your organisation at present?

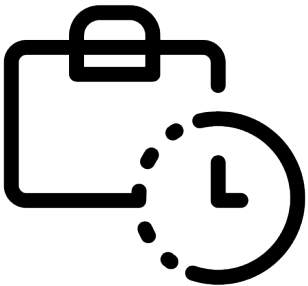


- Work from home 100%
- 4 at home/ 1 on site
- 3 at home/ 2 on site
- 2 at home/ 3 on site
- 1 at home/ 5 on site
- 100% on site
- Flexible choice

Over
4 in 10
Organisations

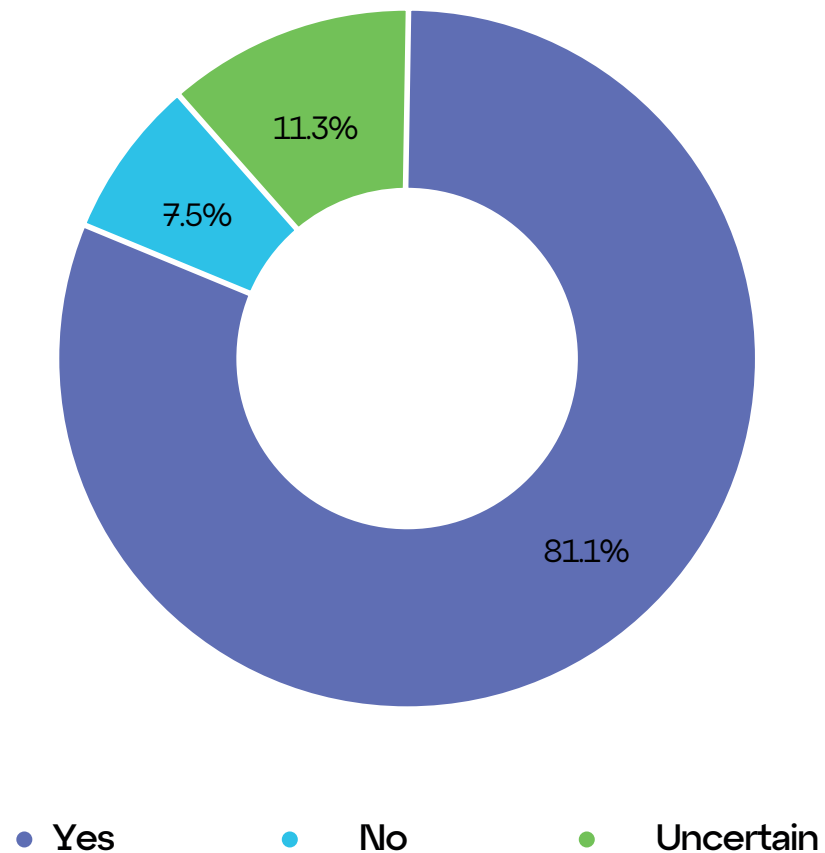


are now working at 100% off-site / work from home. The next most popular choice was a flexible choice. This is where employees can decide, often within parameters, what their working patterns will be. Interestingly almost 12% off organisations operate 100% on site as the predominant work pattern. This indicates that although workplaces are not requiring them to come in many are.



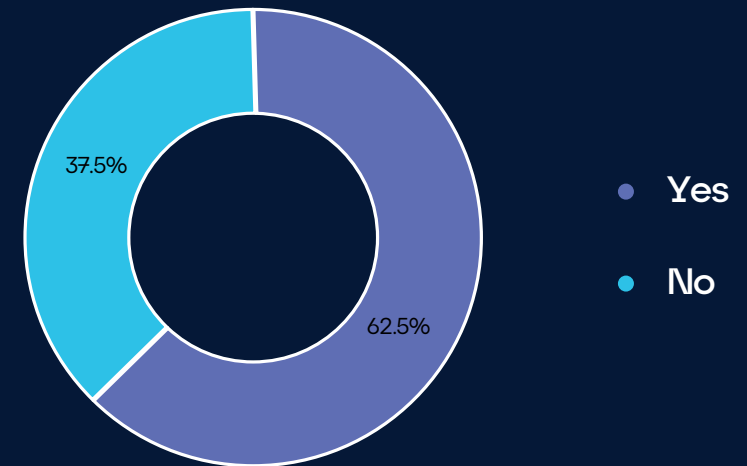
56%
of organisations have formalised
their flexible working procedures

Is the current work pattern right for you at present?



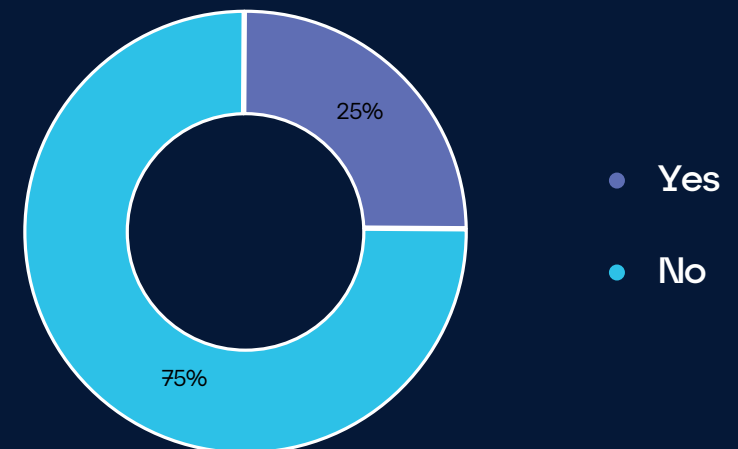
Of fundamental importance to employee satisfaction, less than 8% of respondents felt that their flexible working arrangements were not adequate. Compared to surveys conducted prior to the pandemic, this is a seismic change. This is to the point where the flexibility achieved is in almost two-thirds of cases, preventing people from leaving their roles.

Is the flexibility offered to you keeping you from leaving?



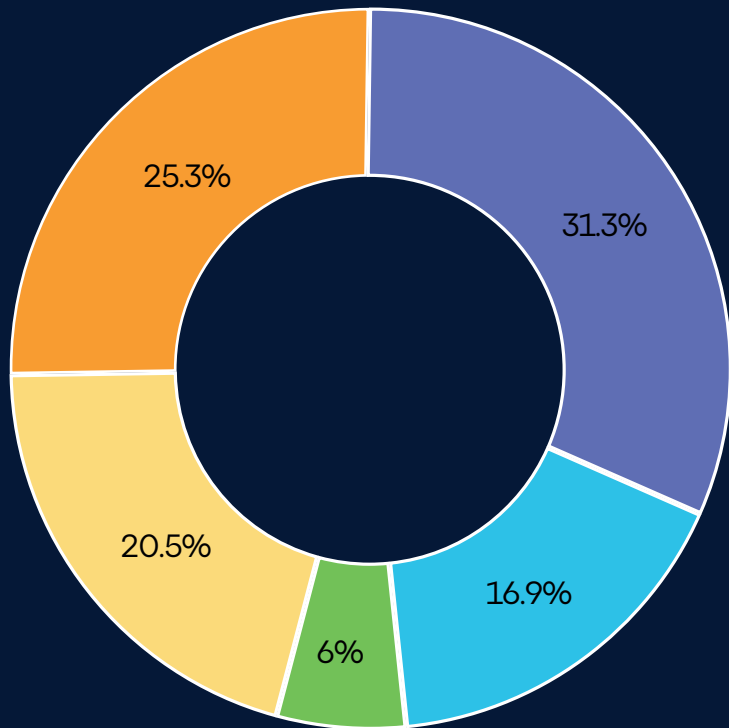
Yet despite this, there is a clear mismatch with what employers want.

Do you wish that employees would return to the office/ on site days per week?



A quarter of organisations would prefer their employees returned to the office 5 days per week.

Why do you think this?



- More productive
- Better collaboration
- Creating a culture
- Personal preference
- Large office space to fill

The driving factor for this is to increase productivity and create a culture. This has always been a significant issue, and one in which employers continue to grapple. However a quarter of those who would like people to return to the office full time have it as a personal preference, which may or may not be valid. Interestingly 6% of organisations are driven by property that they own and needs to be filled.

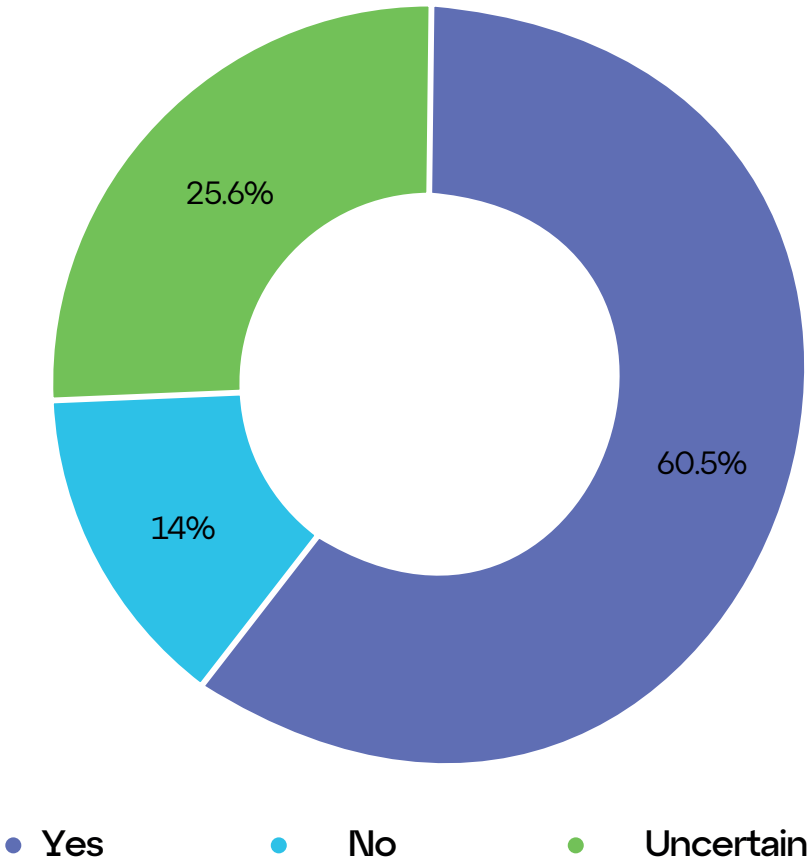
This has led to

60%

of organisations looking to downsize their premises.

Impacts Of Home/Flexible Working

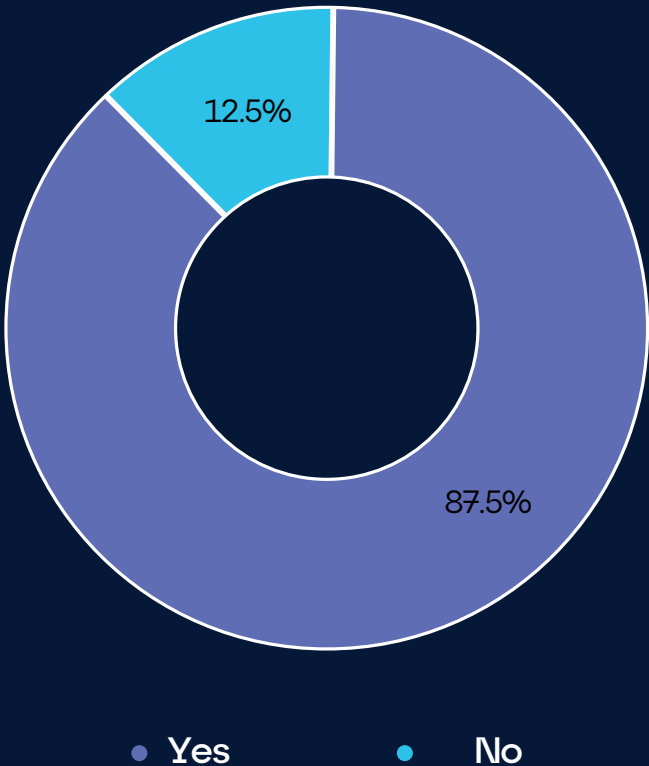
Thinking about productivity. Since new working practices have been implemented, has it improved?



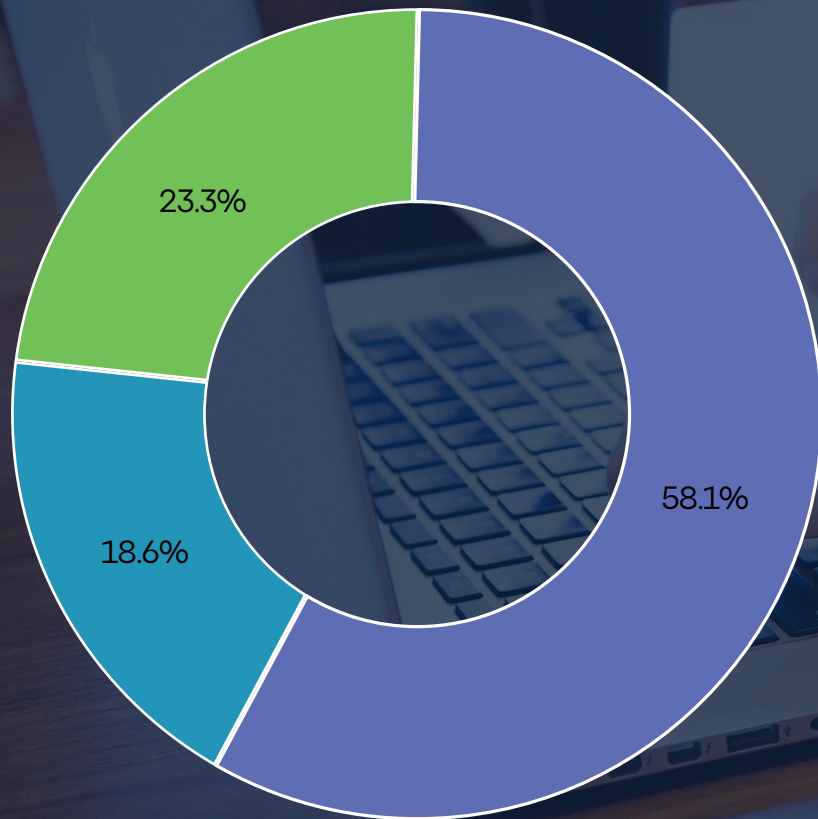
Irrespective of working pattern, most employers (two-thirds) feel that productivity has increased since new ways of working whilst 14% do not. However, over a quarter of respondents are uncertain about productivity changes.

Employees on the other hand are less positive about productivity changes, which is an interesting dichotomy.

Does flexible/home working make you more productive?



Thinking about workplace culture. Since new working practices have been implemented, has it improved?

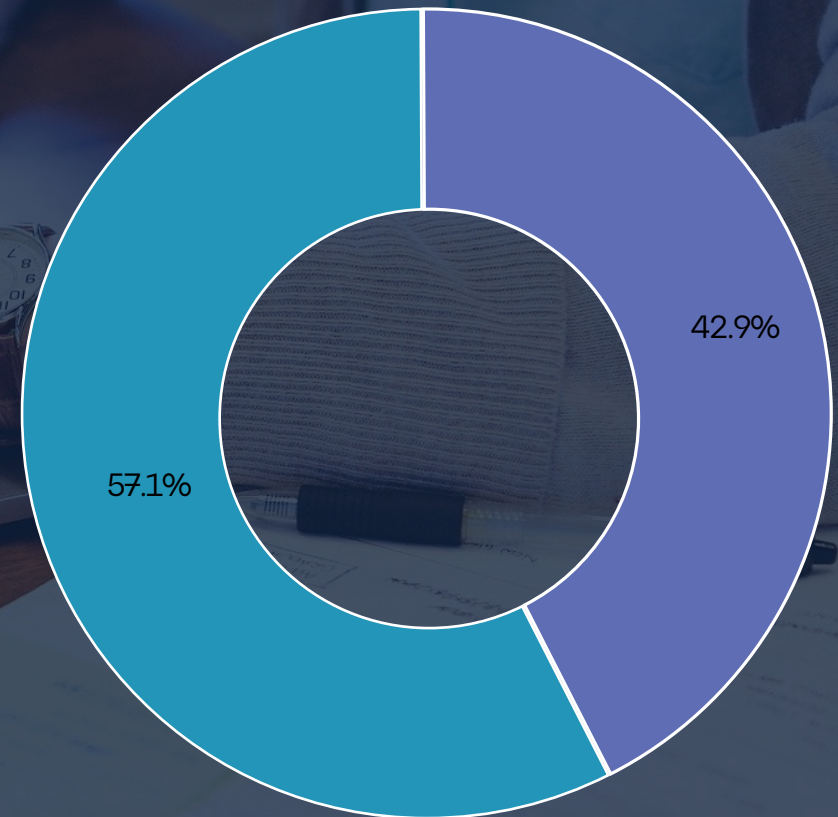


● Yes ● No ● Uncertain

These figures are replicated when it comes to workplace culture.

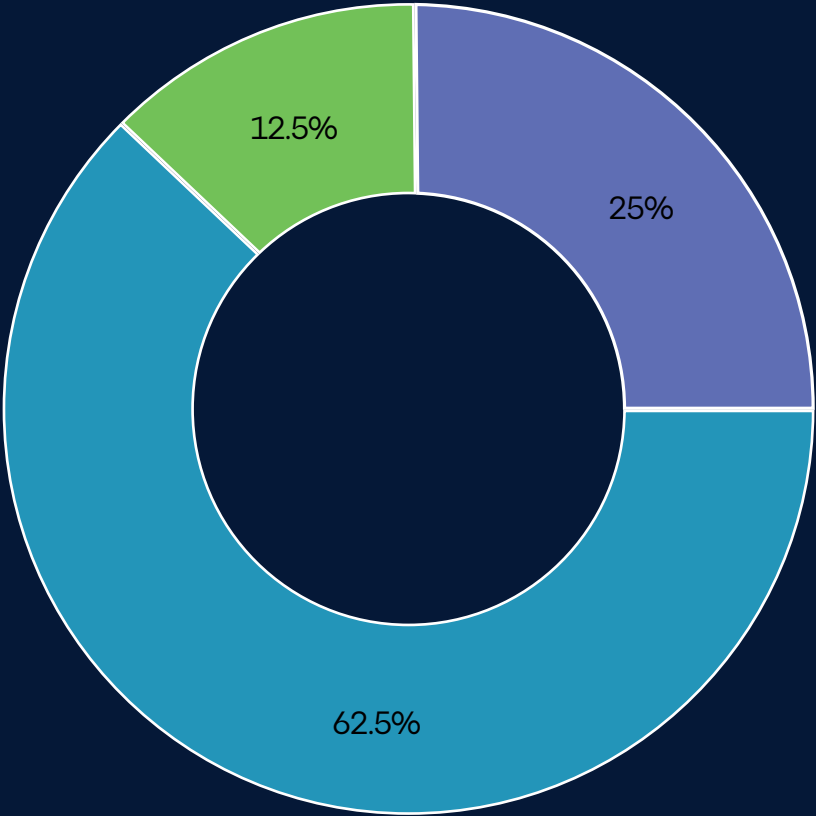
And these concerns would appear valid according to employee responses in this area:

Do you feel closer to your colleagues now than prior to the pandemic?



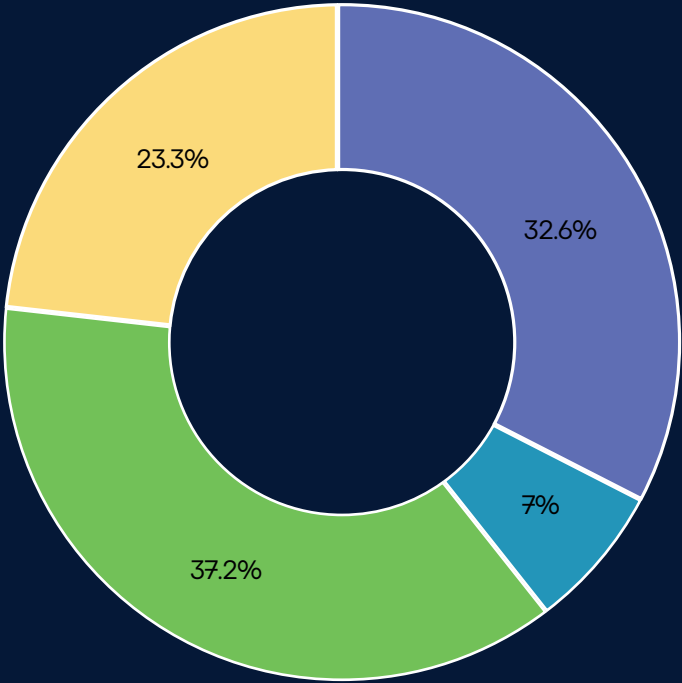
● Yes ● No

Has the culture at your workplace improved since the introduction of flexible/home working?



● Yes ● No ● Uncertain

What is your biggest concern about flexible working?

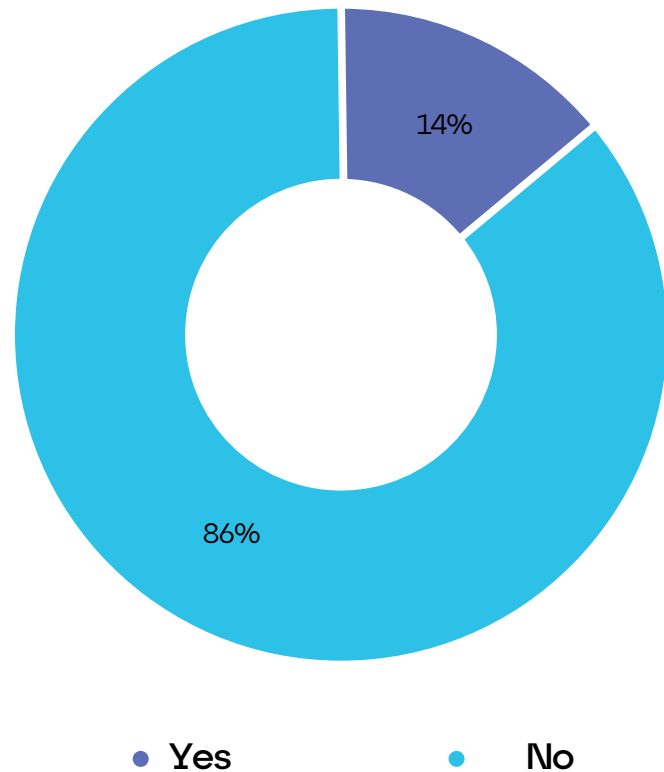


● Embedding a culture ● Productivity
● Employee mental health ● Other

Productivity issues were surprisingly low down in people’s concerns over flexible working. Predominantly people are concerned about employee mental health embedding a culture and ensuring that employees feel part of a business. This is especially true when thinking about retention.

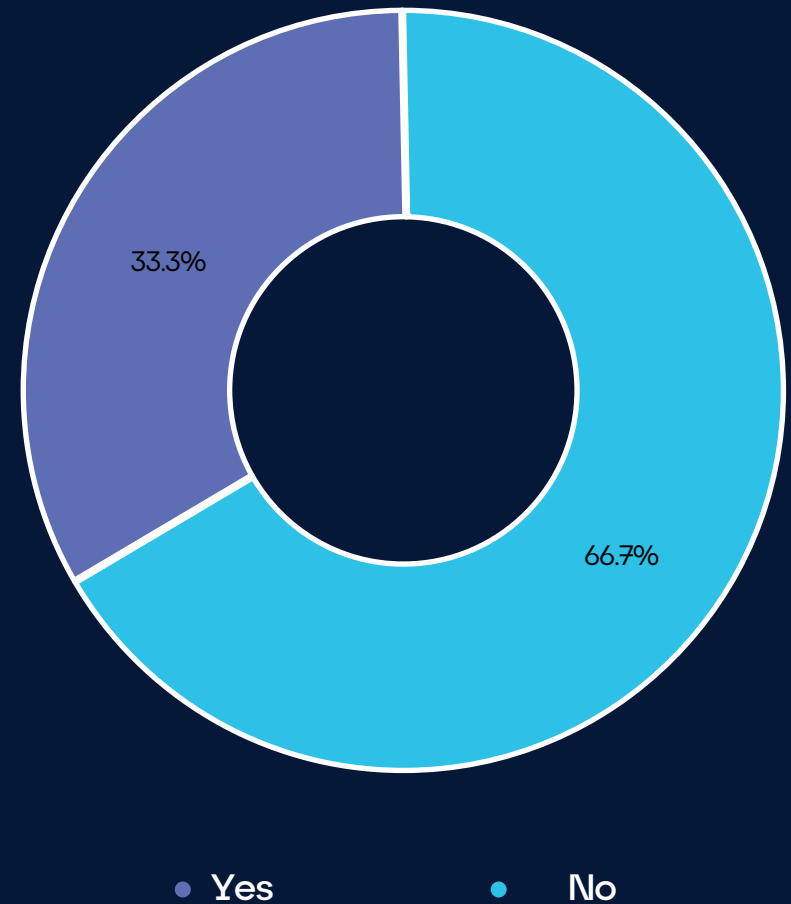
Implications On Salaries And Benefits

Do you offer salary enhancements for flexible working/ work from home?



An increasing number of employers are offering salary enhancements to those who work from home, to cover personal costs such as heating and internet. These are currently in the minority and account for only 14%. However this trend is only likely to continue and is potentially going to come in at times when organisations are downsizing to smaller offices.

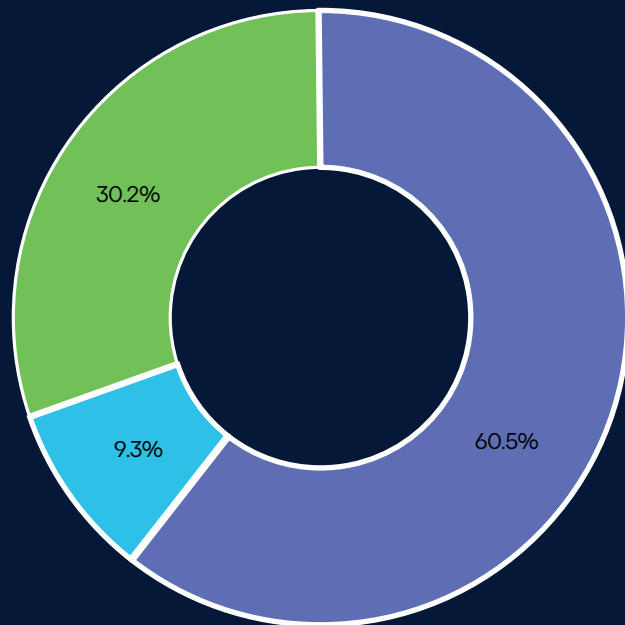
Do you think people's should be paid less for homeworking?



Conversely, a third of those surveyed felt that those working from home full-time should receive a reduction in salary, or no pay rise/smaller pay rise than those working full time in the office. The main reasons given for this were the fact that employees are saving money on commuting and other costs which the salary was offsetting.

Approach To Flexible Working In Recruitment And Retention

Have you noticed a demand or change in the way people have required flexible working or work home in the last 6 months?

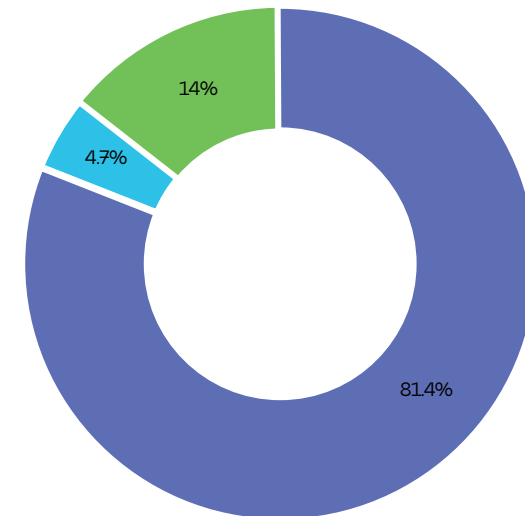


- Yes - they want more
- Yes - they want less
- No

Of particular interest is the fact that a third of employees are requesting less flexibility than they were previously. There has been a lot written about how employees are now wishing to return to the office, based on a number of things ranging from personal preference through to mental health and career advancement. However it's also clear that six in 10 would like more flexibility.

This demonstrates the complexity of the issue, and how it is constantly moving.

Is flexible working something you offer to new employees?



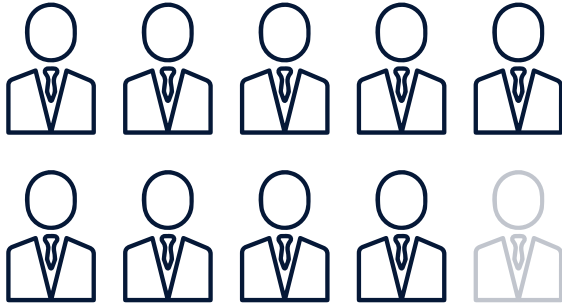
- Yes
- No
- After probation only

In a significant change from three years ago, the vast number of new employees are given flexibility from day one. Previously many would have had to wait for their probation period to end, but such is the cultural shift over the past few years that this is now something expected.

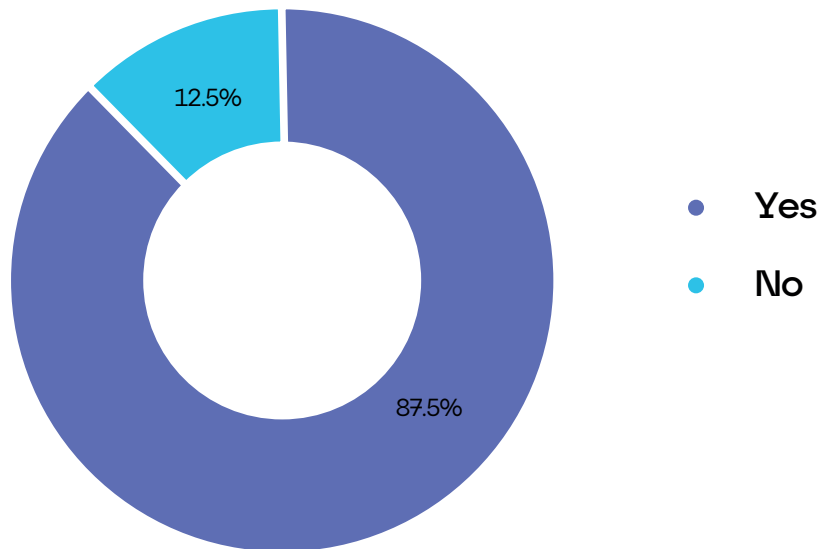
This is understandable when almost

9 in 10

people have flexibility as a factor in choosing a new role.



Is flexibility a factor in choosing your next role?

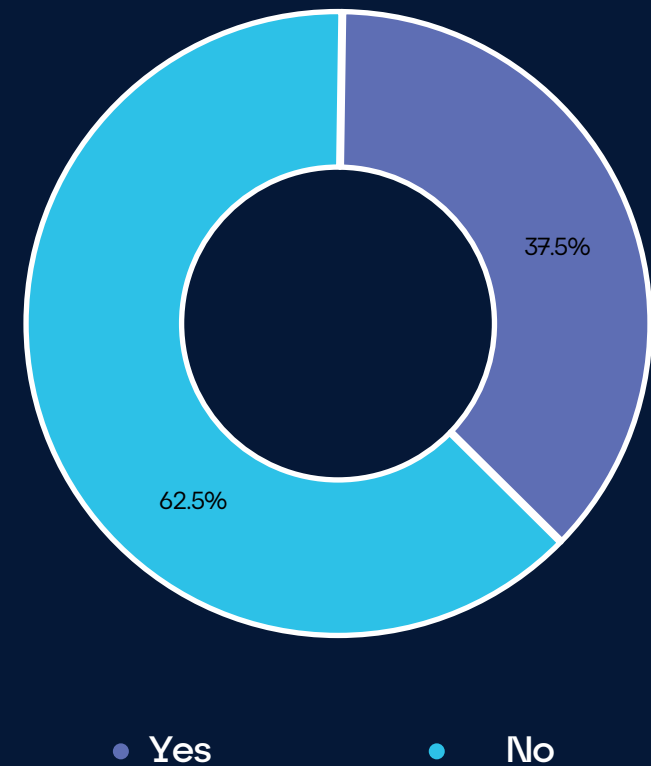


But when financial incentives are added in, it becomes less clear. Whilst the majority of people would not sacrifice salary for flexible working, a significant minority (one-third) would.

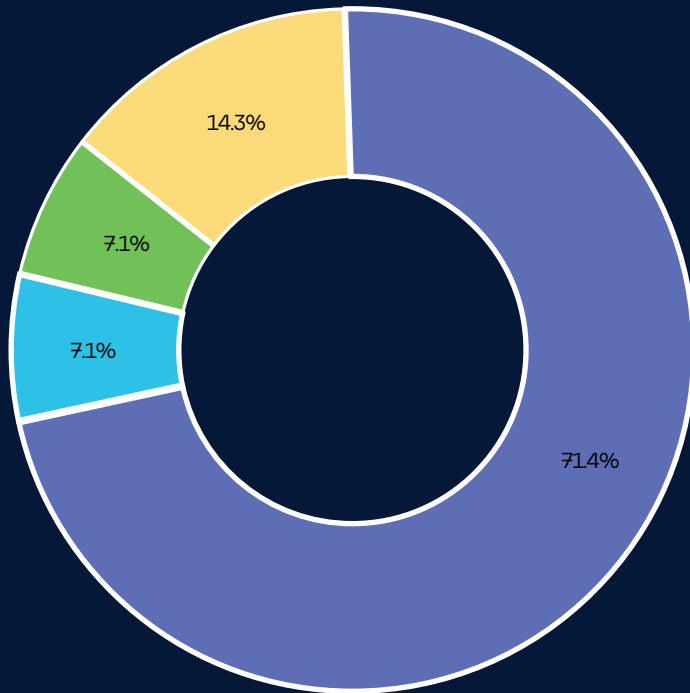
€425

the average monthly saving on travel, parking, lunch etc made by employees.

Would you sacrifice flexible working for a higher salary?



Do you monitor the health & safety and/or mental health of employees working from home?



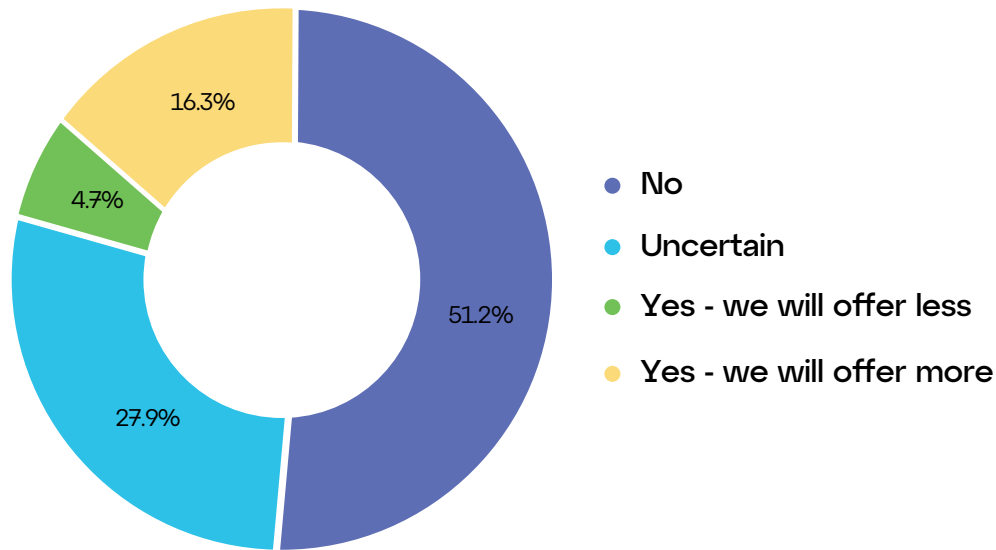
- Yes - both
- Only mental health
- Only health & safety
- No

It's very clear to see that a number of organisations have yet to formalise how they support their employees place for my health and safety and mental health point of view whilst working from home. Aside from any legal requirements, this is becoming an increasingly important part of an employer's role.



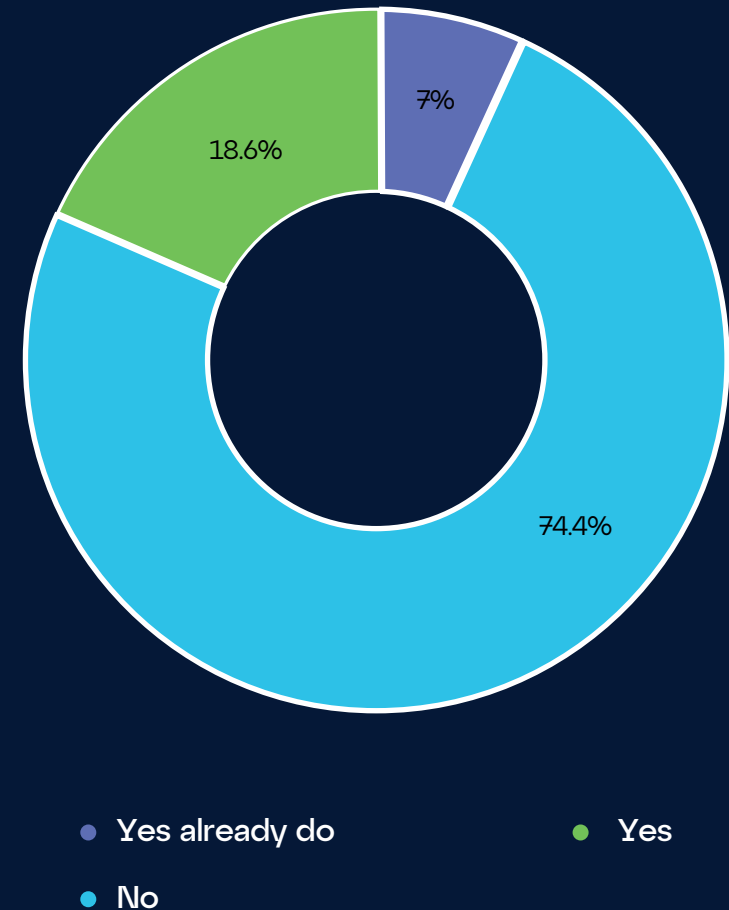
The Future Of Home And Flexible Working

Is there is a significant downturn in the economy or your business, do you think you will change your approach to flexibility?



In a sign that employers are not necessarily bought into flexible working as much as employees, the fact that 30% will reduce flexible working should there be a downturn in the economy has an impact on recruitment and retention strategies, in addition to productivity and well-being issues. Only half of all organisations do not see any correlation between business performance downturn and presenteeism in an office.

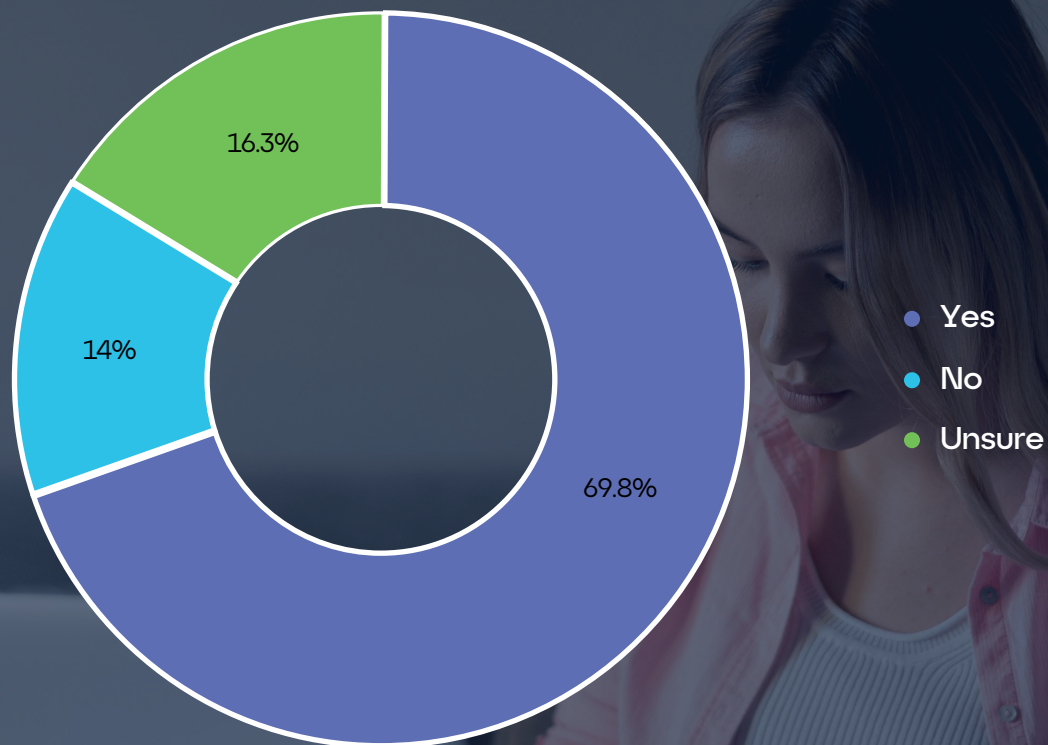
Are you considering offer a 4-day working week?



Whilst the news is full of headlines around the four day working week, only two in 10 employers are considering this. Almost three-quarters do not see a four day working week as a fundamental part of their organisation moving forward.

Overall Impact

Overall, for the world of work, do you think that the changes to flexible working have been positive for business?



Almost 70% of employers feel that the changes to flexible working have been positive. This result, and the relatively small negative reply, is vindication of the work organisations have been doing to advance workplace working practices. It's retained people and productivity is seemingly higher and focused. Yet it is a fragile balance and there are many splits in opinion across organisations.

The challenge for workplaces now, is not only how they continue to adapt to this revolution, which is undoubtedly here to stay, but how they can use that to their advantage.



About This Research

The key industries surveyed were:

- Technology
- Banking
- Insurance
- Finance
- Government
- Professional Services
- Financial Services
- Life Science
- Engineering & Manufacturing
- IT Services

The survey was sent out to a total of 34,514 recipients, whose main work place location is Germany.

The results are correct as of February 2023



If you want to discuss these findings, are looking for a new role or
need help with hiring, please get in touch.

+49 (0)2115 865 8000
jessica.blaesche@mbade.com