Public servants working from home: Exploring managers’ changing allowance decisions in a COVID-19 context

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Abstract
Before the COVID-19 pandemic forced large sections of the workforce to work from home, the uptake of working from home in the public sector had been limited and subject to the discretion or ‘allowance decisions’ of individual managers. Allowance decisions are influenced by factors at the organisational, group and individual levels. This research examines managers’ allowance decisions on working from home at each of these levels. It compares two qualitative datasets: one exploring managerial attitudes to working from home in 2018 and another dataset collected in mid-2020, as Australia transitioned out of the initial pandemic lockdown. The findings suggest a change in the factors influencing managers’ allowance decisions. We have identified a new factor at the organisational level, in the form of local organisational criteria. At the group level, previous concerns about employee productivity largely vanished, and managers experienced an epiphany that working from home could be productive. At the individual level, a new form of managerial discretion emerged as managers attempted to reassert authority over employees working remotely. These levels intersect, and we conclude that allowance decisions are fluid and not made solely by managers but are the result of the interactions between the organisational, group and individual levels.

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**Introduction**

Working from home is one arrangement in a suite of flexible working arrangements (FWAs). FWAs can include access to care arrangements, such as childcare; leave, such as parental leave; temporal flexibility (such as part-time work and flexible working hours), and spatial flexibility such as ‘telecommuting’ (Strachan and Burgess, 1998). Not all FWAs have the same level of usage. Access to working from home and other FWAs is dependent on managerial discretion, which is known as an ‘allowance decision’ (Poelmans and Beham, 2008). These decisions are influenced by factors at the organisation, group and individual levels.

Before the pandemic, the take-up of working from home was relatively low due to organisational concerns about performance and productivity, and employee concerns about work-life balance and negative impacts on careers (Callier, 2012; Collins, 2005; de Vries et al., 2019; Maruyama and Tietze, 2012). However, organisations were forced to overturn this reluctance in the 2020 pandemic context, as health directives compelled millions of employees to leave their workplaces to contain the contagion. In contrast to the traditional discretion and resistance, public and private sector organisations directed large sections of their workforce to work from home. Our study is interested in these changes in managerial direction, and the extent to which the forced changes during the pandemic will be sustained into the future once managerial discretion resumes. We ask: did the pandemic experience change the factors that influence managers’ allowance decisions beyond the pandemic context? If so, what was the nature and magnitude of this change?

We firstly outline the types of FWAs and factors that influence managers’ allowance decisions at organisational, group and individual levels. We then draw on two datasets, being a study of managers in 2018, and a study in mid-2020 when Australia transitioned out of the initial pandemic lockdown. Examination of our datasets identified new factors at the various levels that impact on managers’ allowance decisions. The new factors also intersect, and we conclude that allowance decisions are fluid and not made solely by managers but are the result of the interactions between the organisational, group and individual levels.

**Conceptual framework**

**Types of flexible working arrangements**

The term ‘flexible working arrangements’ emerged in the 1990s to refer to deregulated working hours and conditions that met employer needs for a flexible labour force in response to changes in market demand (Baird and Dinale, 2020). FWAs included part-time and casual employment, and an expanded span of working hours (Strachan and Burgess, 1998).
Researchers suggest that employers support FWAs when they have ‘the power to control workplace flexibility use and access’ (Kossek and Thompson, 2016, np). Employers may choose the type of flexibility to meet organisational rather than employee needs to address market and customer demands, and arising from a business case, to attract and retain employees (Peters et al., 2009; Strachan and Burgess, 1998; Sheridan and Conway, 2001).

FWAs benefit employees by enabling them to have control over where, when and how much they work, in regard to their non-work needs (Kossek and Thompson, 2016; Peters et al., 2009; Sheridan and Conway, 2001). Strachan and Burgess (1998) developed an early typology of ‘family friendly’ working arrangements which included temporal flexibility (such as part-time work) and spatial flexibility (such as ‘telecommuting’). Telecommuting refers to working at a location other than the usual place of work and includes working from home. Telecommuting can facilitate temporal flexibility by enabling employees to manage their working time (Strachan and Burgess, 1998) with spatial flexibility becoming a subset of temporal flexibility (Anttila et al., 2015).

**Managers and flexible working arrangements**

The existence of FWA policies does not automatically translate into access for workers (Weale et al., 2020; Williamson et al., 2020b), and organisations introduce processes around access and discretion. **Organisational factors** include work design, the availability of enabling resources and technology, organisational culture and policy (Todd and Binns, 2013; Poelmans and Beham, 2008). Alignment between FWA policies and other HR policies is also an antecedent to managers’ favourable allowance decisions (Poelmans and Beham, 2008).

**Group-level factors** include work allocation amongst a team, and the potential for FWAs to disrupt teamwork. Managers may perceive FWAs as disruptive or inconsistent with organisational priorities (Den Dulk and De Ruijter, 2008; Todd and Binns, 2013; Poelmans and Beham, 2008), which can lead to resistance to allowing access (Thompson, 2008). Other group-level factors include the composition of the team (such as staff having caring responsibilities), and coverage to ensure work can be completed (Kossek et al., 2015; Lautsch and Kossek, 2011; Poelmans and Beham, 2008).

**Individual-level factors** include the characteristics of the manager and employee, and their relationship (Poelmans and Beham, 2008). Managers also use discretion and act as ‘gatekeepers’ (Sweet et al., 2017), making decisions that facilitate or restrict employee access to FWAs, and sometimes penalising employees who use them (Ryan and Kossek, 2008). Managers may assess the value of employees and are more likely to grant requests to work flexibly to highly valued employees, making it a ‘reward’ (Kossek et al., 2015; Reeves et al., 2012). Managers may undertake a cost-benefit analysis in determining access to FWAs, aligned with a business case approach (Todd and Binns, 2013; Reeves et al., 2012; Michielsens et al., 2013).

This research considers all three levels and their effects on managers’ allowance decisions, within the public sector context. We next examine the background to working from home in this sector.
Public service context for working from home

Australian public services were early pioneers of FWAs, including working from home. For example, in 1994 the Australian Public Service (APS), introduced regulation that enabled all eligible public servants to work from home (Dixon, 2003). However, uptake has been patchy. In 2019, over a third of senior employees and managers worked from home compared to fewer than 15% of lower-level employees, highlighting that this was not standard practice for all (Australian Public Service Commission [APSC], 2019). Working from home is predominantly undertaken by knowledge workers, and those with caring responsibilities (Cortis and Powell, 2018). Where employees did work from home, it was usually only a small proportion of their working hours, such as one or more days at home on a regular or ad hoc basis. The pandemic changed this, as working from home became widespread amongst the public sector, and it was more difficult for managers to decline access to working from home after the initial lockdown.

Jurisdictional approaches to working from home changed. In 2018, Australian state jurisdictions had similar FWA policies such as working from home, as well as similar resistance when allowing access (Colley et al., 2020). These pre-pandemic similarities declined once the pandemic was declared in March 2020 and public services began issuing advice to agencies on how to support widespread working from home. The imposition of lockdowns varied across jurisdictions – with two moving quickly by mid-March, but others not having policies in place until the end of March or early April 2020 (Williamson et al., 2020a). Pandemic lockdowns ranged from a 6-week national lockdown throughout March to May 2020, to approximately 5 months in Victoria (Australian Broadcasting Corporation [ABC], 2020; Towell et al., 2020).

Jurisdictions also differed in terms of support. Some took a soft human resource management approach, accommodating constraints such as home-schooling and supporting employee health and wellbeing. Two state governments directed that if employees could not work from home, they were required to take leave. Yet, another government directed that employees with young children at home should work part-time during the 2020 lockdown (Williamson et al., 2020a). The Australian government also decreed that parents who were required to home school should take leave if they were unavailable for work (APSC, 2020b). Other considerations that may have affected managers’ decisions regarding who could work from home – such as the availability of appropriate equipment and workspace – were overtaken by the pandemic. For example, while the Victorian government provided a small allowance to employees to subsidise the cost of home office consumables and utilities, this approach was not widespread across governments (Williamson et al., 2020a).

While governments directed employees to work at home during the 2020 pandemic lockdown (see for example: Morrison, 2020), not all did so, especially in public services. In the APS, 56% of employees worked from home at the height of the pandemic (APSC 2020a). In the New South Wales public service, 62% worked from home (State of NSW (Public Service Commission), 2021). Not all public service work can be done remotely. Further, the diverse nature of public service work precluded definitive eligibility on who
could or could not work from home, and therefore policies contained an element of agency discretion (see for example APSC, 2020b).

Governments issued central advice to their agencies and, in accordance with the devolved context, this advice was then implemented at agency and manager level. For example, APS guidelines outlined the factors for agency heads to consider for employees working from home (such as the ability to meet operational requirements, security, information and communications technologies (ICT) and capacity to work remotely (APSC, 2020b)). No specific guidance to public sector managers was publicly issued. During the national lockdown period, managers had relatively little discretion and extensive efforts were made to facilitate working from home. This experience changed perceptions and experiences of managers and employees. As the initial national lockdown came to an end, and agencies negotiated the transition back to the workplace, it was clear that the pandemic experience would colour the future choices of organisations, managers and employees. Our research considers how managerial discretion and allowance decisions changed between the 2018 and mid-2020 contexts.

**Methods**

We draw on two datasets for this research, to compare data collected before and in the transition out of the initial 2020 pandemic lockdown. This section outlines the rationale for the method used, how data were collected, the datasets interrogated and limitations of the research.

We have used two qualitative methods, which can be referred to as mixed methods (Morse, 2010). While mixed methods commonly refer to studies that combine qualitative and quantitative data collection and analysis, it can also refer to two sets of qualitative data (Morse, 2010). The same paradigmatic challenges faced by qualitative/quantitative mixed methods can also apply to qualitative/qualitative mixed methods that draw on different methodological and analytical positions (Morse, 2010). Different qualitative research positions will lead to different data in terms of subjectivity, or directness of perceptions, which we have managed. Further, qualitative research is context bound, with the research method dictated by the research question (Morse, 2010).

Our first data set consists of focus groups with middle managers in four Australian public sector jurisdictions, and our method was textual analysis of participants’ responses. Our study confirmed the similarity of the context across the jurisdictions; first, policy frameworks were similar in support of flexible working arrangements, including working from home; and second, levels of resistance to working from home were also similar.

Our second data set is a survey of over 6000 APS employees, and over 80% of those who worked from home were in an occupation which could be relatively easily undertaken from home (such as administration, policy, research and legal work). Our survey contained both closed and open-end questions, and our method was textual analysis of the open-ended questions. Drawing on this second data set enables us to adopt a sequential qualitative analysis to identify changes over time. While there are definite contextual differences from the first study, we argue that this is the strength and novelty of this research, being able to identify the differences under pandemic conditions. Data analysis
was conducted on the first data set; then the second data set, with findings from each set then synthesised into a narrative explaining the results (Morse, 2010). Ethics approval for each study was sought and granted from the relevant university.

**Study 1**

To understand managers’ allowance decisions prior to the pandemic, we drew on our research conducted in 2018 on the role of middle managers in progressing gender equality. The managers were from a range of agencies, including policy and service delivery agencies. We conducted 40 focus groups with 273 mid-level managers (132 women; 141 men) in eight public sector agencies (i.e. two agencies per jurisdiction). Focus groups ranged from 3 to 13 participants and comprised approximately 90 min of facilitated conversation around several themes, including working from home. A focus group protocol was developed based on existing literature. Managers were asked about their attitudes to FWAs, including working from home, and barriers and enablers to flexible working. Focus groups were recorded and transcribed, resulting in more than 1160 pages of transcripts.

We used qualitative content analysis (Krippendorff, 2004) to analyse the factors influencing managers’ allowance decisions. Data analysis involved a line-by-line inductive coding of the entire dataset complemented by text queries in NVivo12 to capture all references to home-based work, remote or offsite work or teleworking. A total of 358 individual content units pertaining to these keywords were analysed, coded and categorised thematically by the third author. Table 1 contains the coding frame for Study 1 (see column 2).
Study 2

To understand managers’ allowance decisions during the transition out of the initial pandemic lockdown, the first two authors conducted research on working from home in June–July 2020. The survey was conducted against a backdrop of support for working from home across the APS, as outlined in the gender equality strategy for the APS (APSC, 2016). The survey was administered to APS employees who were on the email list of the Community and Public Sector Union. The survey instrument was designed in consultation with an academic expert in flexible working, and survey design. The 6000+ respondents included approximately 20% non-union members and 25% managers, across a range of occupations and agencies throughout Australia. The sample is broadly representative of the APS workforce in terms of ethnicity, indigeneity and tenure; slightly higher in representation of women (65% compared to 60% in the APS); and slightly lower in representation of higher classification levels. The manager respondents were from a range of policy and service delivery agencies, and broadly representative with 64.7% women, which enabled comparison with our focus groups.

The survey questions were designed to invite reflection and delve more deeply into the subject area, through both open-ended questions and free text options following closed questions (O’Cathain and Thomas, 2004). Survey questions were developed based on existing literature. Managers were asked whether their attitude towards employees working from home had changed as a result of the pandemic lockdown experience. Employees were asked how supportive their manager was in enabling them to work from home, or reasons for not working from home in the transition back to workplaces. Textual responses ranged from a few words to over 100 words. Responses to relevant open-ended survey questions were imported into NVivo12 by the first author and analysed using established protocol (O’Cathain and Thomas, 2004).

The first author read a subset of comments to each open-ended question which appeared to yield relevant responses. Emergent themes were then added to the coding frame used in Study 1. This was an iterative process where data was compared for similarities and differences, with themes then incorporated into the coding frame. Data were categorised into the themes identified by the researchers. The researchers also identified emergent themes through axial coding, to determine dominant and less dominant codes (Saldana, 2016). The themes were then analysed to draw out commonalities, which formed the basis of the findings. The number of text responses varied between 270 and 4857 for different questions. The first author coded 8642 textual responses. The responses were disaggregated by gender and management level (differentiating managers and supervisors with varying responsibility levels), however, we detected few differences between any of these cohorts.

The two studies contain comparable data, but we mention a limitation. The first study comprised participants from four jurisdictions, while the second study focused on a single jurisdiction. The public sector is a coherent industry, with similar employment frameworks across jurisdictions, similar philosophical underpinnings and methods of operation. Comparisons across jurisdictions are therefore valid. A further limitation that may affect
generalisability is that the study focuses on Australian public sectors, and managers’ allowance decisions may be different in the private sector in Australia, and globally.

**Factors influencing allowance decisions prior to the pandemic**

*Organisational-level factors*

Managers perceived that allowance decisions for staff to work from home were highly contingent on the culture created by senior managers. For example, two managers within the same agency reported vastly different experiences, with one saying working from home was ‘really common, and really well supported’ (female manager, Agency 2) while the other said ‘my manager does not support people working, for example, I day a week at home’ (female manager, Agency 2). In most agencies, working from home arrangements were widely seen as ‘a concession’ (female manager, Agency 2) or a ‘privilege’ (female manager, Agency 6), rather than a workplace norm or right.

Organisational cultures that fostered high levels of managerial discretion were accompanied by cultures of presenteeism – or what one participant called ‘chair culture’, in which ‘managers like to see you sitting at your desk’ (male manager, Agency 4). Chair culture was perceived as a major impediment to widespread use of working from home arrangements, based on an underlying, frequently unspoken assumption that ‘if you’re not sitting at your desk, then that means you’re bludging’ (female manager, Agency 3). As one manager remarked:

> There’s always been that little thing about working from home and how effective really are you? If I can’t see you, are you actually doing anything? (female manager, Agency 4).

Several managers remarked that there was still ‘great resistance’ (male manager, Agency 8) to allowing employees to work from home. While organisational cultures differed between agencies, managerial resistance to working from home was widespread, even in organisations that promoted FWAs. Many managers agreed that a major ‘cultural change’ (male manager, Agency 4; female manager, Agency 7) or ‘mindset change’ (female managers, Agencies 4 and 6) was needed before working from home would be widely accepted, as in: ‘it’s just changing that mindset a little bit around, you don’t have to physically be here to be able to do your work’ (female manager, Agency 3). Another manager remarked that ‘a lot of cultural work [was] needed’ to move managers beyond the question of ‘can I trust people to work if I can’t actually see them?’ (female manager, Agency 7).

Some managers remained sceptical about the organisational effectiveness of having a majority of employees working offsite. One stated: ‘as a completely outsourced workplace, I think that comes with problems’ (male manager, Agency 7). Others, however, recognised the need to measure performance on outcomes ‘rather than an hours-at-a-desk sort of mentality’ (male manager, Agency 1). Some managers even saw this shift as inevitable, with one stating:
In the future, things will be more outcome-focused rather than presence-focused. If you’re responsible for producing a particular output, or ensuring a particular outcome, then it doesn’t matter whether you’re in the office’ (male manager, Agency 7).

Work health and safety (WHS) concerns were mentioned often as an impediment to formalising working from home arrangements. Managers reported that the administrative burden to ensure worker safety was a factor in their reluctance to grant employees formal permission to work from home. For example: ‘If you do it formally you can’t get it done, because the office has got to be checked for OHS [occupational health and safety], or whatever, there’s questions about insurance, all sort of difficulties…’ (male manager, Agency 8). WHS was raised as a barrier, but not a significant factor, and it is possible that this was a convenient element to add to general resistance. The main organisational-level factors centred on organisational culture, with presenteeism firmly entrenched in these public sector workplaces. Managers did not discuss work design or lack of resources and instead highlighted the cultural factors which shaped their allowance decisions.

**Group-level factors**

At the group (or team) level, managers were focused on the productivity and performance of staff working from home. Some participants emphasised the productivity benefits of working from home. They noted how much more productive they, their teams and individuals, could be, particularly as a hiatus from the noise and distractions of open-plan offices, as shown here:

Sometimes you have to write something and working in an open plan office is just a nightmare. So you know…I only use it on an ad hoc basis, and same with my staff,…it’s very easy to say ‘yes’, because I’m very confident that it works (female manager, Agency 5).

Conversely, other managers described the difficulties they experienced monitoring the productivity of employees who worked from home, as in: ‘it’s hard to police what’s being done at home, and for some people, it’s a day off’ (female manager, Agency 5). Managers described performance managing employees working from home as ‘tricky’ and saw this as a disincentive to formalising arrangements:

Our experience is there are some people who use the system with integrity and other people who — because we can actually track IT [information technology] use, you know how much have you logged on to email and whatever. So, we know that some people have logged on, said they’ve worked for the day and they’ve done nothing. It’s a very tricky decision to make (female manager, Agency 5).

Other group-level factors, such as work that required extensive client contact or on-site work were also reasons cited for not allowing working from home. The most influential factors were at the individual level, as we next discuss.
**Individual-level factors**

Pre-pandemic, managers reported that despite the widespread existence of organisational policies enabling employees to work from home, access was mostly subject to managerial discretion, and thus highly localised. The ability of employees to access working from home arrangements was ‘definitely inconsistent’ (male manager, Agency 1), with most requests handled ‘case by case’ (female manager, Agency 5) and dependent ‘on your manager’ (female manager, Agency 4). Many managers observed that organisational support for working from home was evolving, but this arrangement was not widely supported across the entire public service. For example:

> Some people work from home, but depends on your area, depends on your manager. It’s not — culturally, it’s not really fully supported, I don’t think. It’s changing, but I don’t think it has been — it’s a work in progress, for sure (female manager, Agency 5).

Managers reported that working from home arrangements were mostly granted on an informal basis, to allow employees to work from home in special circumstances such as managing a household crisis (e.g. a plumbing issue) or while caring for a sick child. Formal requests for working from home were often handled discreetly, or ‘quietly… because there’s a sense that you don’t really want that to get out across the whole team, then everyone will start asking’ (male manager, Agency 7). Managers also believed that some jobs, such as customer-facing roles, could not be undertaken successfully at home.

Managers reported that trust (or lack of trust) was the single biggest factor underpinning their resistance to allowing employees to work from home. Describing their attitude, managers used phrases such as: ‘it comes down to trust’ (female managers, Agency 2 and 5; male manager, Agency 3). Managers spoke about experiences with employees who ‘openly abused’ (male manager, Agency 6) their working from home arrangement, or who saw working from home as an entitlement. For example:

> I feel like for maybe our group, the people who wouldn’t perform so well wouldn’t be trusted to work from home or wouldn’t be trusted to keep their work done in those days, would be ruining it for the people who could, because ‘oh if we let you do it then we’re going to have to let so-and-so do it and they might not do a good job’ (female manager, Agency 2).

In summary, pre-pandemic factors that influenced managers’ allowance decisions emanated from organisational, group and individual levels. The major organisational factor, that of culture, permeated and shaped the other levels, culminating in managerial resistance to working from home. Organisational cultures of presenteeism trickled down to manifest as a lack of trust at the individual level, inhibiting access. Fear of not regaining control of performance was a driving factor preventing the success of working from home.
Factors affecting allowance decisions in the transition out of the initial pandemic lockdown

Organisational-level factors

We asked a series of free text questions of respondents who were not supported to work from home in the transition out of the initial pandemic lockdown, asking them to detail reasons for not working at home. One third of respondents stated that they were unable to do so because their agency’s criteria precluded them from working from home. Participant responses indicated that a minority of agencies only allowed certain groups of employees to work from home, including those who were vulnerable to contracting COVID-19 or had vulnerable family members. This attitude was particularly prevalent in one large service delivery agency. A typical comment was: ‘I was not in the cohort of staff that were identified as at risk, therefore it was not deemed necessary for me to work from home’ (female supervisor, Agency 51).

Further, even the agency requirements were subject to managerial discretion, which led to differences of opinion between managers and employees about risk. Managerial discretion expanded to assessing whether employees were in a high-risk category and could therefore work from home. Respondents described this assessment process:

Letter provided by medical practitioner did not meet standard to permit working from home (female supervisor, Agency 34).

Department does not support working from home without a medical need to (male manager, Agency 39).

These comments suggest that the form of managerial discretion is changing, from allowance decisions made at the manager level to being part of the organisational level. While a case-by-case approach was still evident, the decision to enable employees to work from home stemmed not from managers but from new organisational policy.

Some respondents detailed difficulties in having working from home arrangements approved beyond the initial lockdown, indicating a reversion to organisational and managerial resistance. When asked why they could not work from home, almost 18% of respondents to the relevant question gave examples of resistance, largely in the form of working from home ‘not being offered’. Respondents alternatively stated that their request was not approved. Almost a quarter (23%) of respondents stated that organisational policy no longer allowed employees to work from home. A small minority of respondents also stated that their agency’s policy was to only enable employees to work from home during the initial period of lockdown. One respondent stated that working from home was ‘only offered temporarily’ (female employee, Agency 35), and another ‘back to office normal – no COVID in Adelaide’ (male employee, Agency 34). Most of these comments came from employees in one service delivery agency. This raises questions about policy incoherence across the APS, with one departmental policy directing that working from home was time-bound by the initial wave of the pandemic, while other departments had less restrictive policies.
The research also identified a change in approach to WHS as a factor in working from home. In our pre-pandemic research in 2018, WHS requirements were constructed as a barrier to working from home, including concerns about physical safety in non-ergonomic workspaces. Our observation was that, while WHS issues are an important element of safe working from home, this had become a more discussable element of managerial resistance than trust and productivity concerns. The initial pandemic lockdown changed WHS concerns to a genuine health concern that the workforce was not exposed to COVID-19, which over-rode the previous concerns about physical wellbeing. Managers still expressed concerns over the need for ergonomic equipment, however, these concerns were not widespread. Just under 7% of respondents indicated that their home workspace was inadequate, including being non-ergonomic due to using their own furniture and equipment.

**Group-level factors**

The previous presenteeism and ‘chair culture’ was much less evident during the pandemic lockdown. Many more managers were supportive of measuring performance on outputs rather than presence, as this quote exemplifies: ‘I encourage a productivity culture rather than an attendance culture and trust staff to undertake their duties conscientiously…’ (male manager, Agency 20).

The pandemic experience substantially changed managers’ perceptions. While pre-pandemic data suggested that productivity was high but trust was low, later data revealed that both productivity and trust were high. When asked about relative productivity levels, managers overwhelmingly stated that their staff were just as productive – if not more productive – working from home during lockdown than they had been before lockdown. The trust was not universal, however, with some residual concerns about underperforming staff. As one stated:

> If they are high performers in the office, then they will generally be high performers while at home. If they only worked well when they are cornered like a rat in a trap, heavily supervised and drip-fed work, then I would not be supportive of them working from home (female manager, Agency 44).

Middle managers had the discretion to approve working arrangements, but senior managers were also influential. While middle managers trusted their staff to work from home successfully, a theme emerged of a minority of senior managers not trusting lower-level staff to do so. Some managers noted that the pandemic experience had not changed an historical resistance to working from home from their organisation or senior managers. This comment demonstrates this attitude: ‘the general feeling I get from the Department is that they don’t trust that you are working effectively when you’re at home’ (female supervisor, Agency 39). These beliefs suggest that some organisations may not be supportive of employees continuing to work from home. Middle managers expressed relatively few concerns about performance, other than a potential reduction in social learning and innovation through a lack of face-to-face interactions.
**Individual-level factors**

The increase in trust at group level flowed into the individual-level factors that influence allowance decisions. More than 90% of managers reported that their staff were just as productive working from home or were more productive. This led to increased support to enable employees to continue to work from home, and many managers told of having an ‘epiphany’. They felt that employees proved they could be productive working from home, with the theme of proof featuring very strongly in almost 20% of managers’ comments, such as:

This was an experiment forced upon us. I expected productivity to drop dramatically but it did not. My staff did a great job at maintaining productivity. While I expect that many will return to the office in due course, I’m very comfortable with staff making the judgement on how best to work (male manager, Agency 26).

Having the vast majority of staff engaged in professional roles which could be undertaken at home may have also contributed to managers’ perception that working from home is a viable option.

Employees’ demonstration that they could work from home increased managers’ trust and strengthened the psychological contract between managers and staff. A typical comment was: ‘(m)uch more trust in staff doing the right thing because I have been able to see what has happened in this circumstance’ (female manager, Agency 21). Managers also reported that trust was reciprocated by employees being more productive and/or more autonomous, as this quote shows:

Allowing a degree of freedom to work from home shows trust and respect for the individual. In most instances, they have reciprocated by managing themselves to a greater extent (female manager, Agency 35).

We also asked about managers’ support for working from home in the future. A minority of managers (fewer than 3%) stated that allowance decisions would need to be decided on an individual basis, dependent on performance. One manager stated: ‘(i)t very much depends on the actual staff member and their reliability…so really has to be on a case-by-case basis’ (female manager, Agency 28).

About one-quarter of managers and supervisors indicated they did not need any conversion, as they had ‘always’ been supportive of employees working from home. The respondents who elaborated on this comment generally reaffirmed that the proven success meant they could continue to support working from home. A typical comment was: ‘Now it is easier to put the practicalities in place to make it work because everyone has experience with it’ (female supervisor, Agency 23).

The discrepancy between the lack of support pre-COVID, and the high support evident in our survey cannot be easily explained. We suggest, however, that the high percentage of APS managers who stated that they had ‘always’ been supportive may actually reflect a high level of support, but that this support was stymied by organisational resistance.
Conversely, these managers may have revised a previously negative attitude once working from home had been shown to be successful and ameliorated cognitive dissonance by stating they had always been supportive.

**Discussion and conclusion**

This research has examined the factors affecting allowance decisions to work from home, drawing from studies at two points in time – before the pandemic and during the transition back to the workplace after the initial pandemic lockdown in Australia in 2020. Inherent negativities associated with working from home – such as a lack of trust – were largely dispelled, rendering working from home as a viable option for employees and organisations. Our findings contribute to understanding the factors influencing managerial allowance decisions, as set out in Table 2. Not only has the pandemic changed the nature of working from home, the factors at the organisational, group and individual levels have moved and been demonstrated to be fluid. We consider each level separately, and then the convergence of levels.

**Organisational-level factors** have changed in importance across the two time periods. All jurisdictions studied had central policies that supported and often encouraged FWAs, including working from home. However, as the literature identifies, the existence of policies does not automatically lead to improved work/life balance (Weale et al., 2020), and middle managers provide or limit access to those policies based on a range of factors (Williamson et al., 2020b). In the pre-pandemic period, policies existed within a culture of organisational resistance, and these broader organisational factors affected managers’
allowance decisions. Often barriers were present, such as the requirement for comprehensive WHS checks before employees could work from home. When the pandemic occurred, few policy changes were needed to enable large scale working from home. WHS concerns for physical wellbeing were set aside or managed in less onerous ways, contributing to our observation that these concerns were sometimes more convenient than the primary excuse for preventing working from home. However, genuine WHS concerns are emerging, not just for physical wellbeing but also for psychological wellbeing, necessitating further regulatory and policy consideration.

Our findings also show that organisations implemented policy changes that imposed new barriers in the form of local organisational criteria for working from home. Organisational resistance was evident in our second study in the transition back to the workplace, with senior managers reportedly not trusting staff to work from home, even when their middle managers did. Policy incoherence was also evident: APS entities pursued different pathways with some agencies using criteria based on health needs, and others using time-bound criteria.

The dynamics of group-level factors also changed substantially across the two periods. The literature identifies the nature of jobs as a key factor in determining who can work from home (Poelmans and Beham, 2008). Pre-pandemic, common assumptions existed that some types of jobs were not able to be done from home, either due to a need to provide face-to-face services or technology limitations. These job factors were invoked as a barrier potentially more often than was warranted. The pandemic lockdown required managers to abandon these concerns and find creative ways to facilitate jobs and technology at home. The pandemic highlighted that roles usually considered not amenable to be worked at home, such as lower skilled work requiring supervision, could be performed successfully at home. To some extent, this exposed the nature of the job as an artificial barrier that could have been overcome if there had been the organisational or managerial will to do so.

The main group-level factors influencing managers’ allowance decisions were team performance and productivity. There was a substantial change in performance concerns across the two time periods, as many managers experienced an epiphany that productivity could be maintained while working from home. While this factor also operates at the individual level, team productivity was paramount to managers’ positive experiences of working from home. When working from home was mandatory for many employees, managers were forced to trust their staff and believe they were working while at home.

Our findings show that working from home strengthened the psychological contract between employees and their managers and organisation, due to increased trust. Whether an employee is trustworthy or not also influences managers’ allowance decisions. Previous research has found that working from home undermines the psychological contract, and that interpersonal contact reinforces trust (Golden, 2007). Later research, however, has found that working from home can strengthen the psychological contract, but largely for knowledge workers (Collins et al., 2013). Our research reiterates this finding.

The largest changes were in individual-level factors. In the transition out of the initial pandemic lockdown, allowance decisions continued to be discretionary even though the criteria had shifted. Some participants indicated that managers imposed new and seemingly locally framed criteria not based in central or organisational policies. For
example, some managers exercised contingent discretion as to whether employees were deemed to be part of a vulnerable group who could continue to work from home after the initial lockdown. Some managers potentially exceeded their remit by determining the health needs of their employees.

Managerial discretion is not just an individual-level factor, as policies and ‘criteria’ for working from home operate at the organisational level. Similarly, trust operates not just at the individual level, but also at the group level, and between levels, highlighting the operation of multiple, simultaneous psychological contracts. Allowance decisions are not solely made by managers but are fluid and influenced by all three levels. This finding highlights the importance of recognising that responsibility for access to FWAs – and working from home – extends beyond middle managers.

Another significant finding is that working from home in 2020 heralded an attitudinal sea change. While our 2018 research identified strong levels of resistance, our 2020 research identified strong support for employees to continue working from home post-pandemic. Working from home during the pandemic bridged the divide between employee- and employer-friendly flexibility, serving the needs of organisations and individuals. However, our research suggests that this attitudinal change may not be sustained in the longer term, but that it may have shifted the resistance from individual managers to higher organisational levels.

While the pandemic experience removed general concerns and distrust, some managers remained reluctant to extend flexible working to those considered at risk of underperforming. This reinforces previous research showing that access to FWAs can be used as a reward for high performers (Kossek et al., 2015; Reeves et al., 2012), leading to a possible division within teams. Previous research has shown that working from home can lead to an ‘us’ and ‘them’ mentality (Collins, 2005), and if working from home is used as a ‘reward’ for high performers, the split between these higher and lower performing employees may be exacerbated.

Future research is required once Australia reaches a COVID-normal position, to better understand the effects of managers’ allowance decisions in the face of large numbers of employees seeking to continue to work from home (Boston Consulting Group [BCG], 2020; Colley and Williamson, 2020). Will the path-dependency of the public sector prevail, and the pre-pandemic factors that influenced allowance decisions re-emerge (Williamson et al., 2020a) and workplaces return to their pre-COVID configurations? Regardless, while the future of working from home is uncertain, the importance of allowance decisions remains.

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