

The Flex Factor:

How Hybrid Work Attracts Part-Time Workers and Boosts Productivity

New research by International Workplace Group shows that hybrid and flexible work models are key to attracting and retaining part-time workers, unlocking productivity gains and economic growth.

Introduction



The skills, scale and potential of the global part-time workforce offer a significant opportunity to companies of all sizes – and flexible working is vital for attracting and retaining this key demographic.

This is the key message of new research by International Workplace Group (IWG), which found that offering part-time workers the flexibility to cut down on long commutes and work from a network of locations, in areas close to where they live, not only significantly improves attraction and retention but can even lure them back onto the payroll. Nearly half of former part-time workers say they would actively consider rejoining the workforce if they were able to work in a hybrid way.

By contrast, many current part-time workers say they would leave the workforce entirely if required to commute to a city centre office

every day they work. And this would have dire consequences: in some countries, more than a third of the labour force is made up of people working reduced hours, and academic research has shown that part-time workers bring a measurable positive impact on company productivity – and economic growth.

“Given that part-time workers represent a significant proportion of the labour market, their impact on overall productivity is substantial,” says Mark Dixon, Founder and CEO of IWG. “By giving them the opportunity to work in a way that suits them best, companies can gain a significant advantage.”

SS **High commuting costs combined with limited flexibility are a challenge for many part-time workers. By offering greater flexibility over how and where work is done, businesses can not only retain these valuable team members but also attract talented individuals back into the workforce.”**

Mark Dixon,
Founder and CEO, International Workplace Group

Boosting Productivity: The Part-Time Premium

Official figures show that more and more people are choosing to work part-time. In the US, the proportion of part-time workers in the labour force reached a decade-long high in March, 2024. In the UK, numbers rose by 6% between 2021 and 2025. EU figures show growth of 2% and 1% in 2023 and 2024 respectively.

Companies that are able to attract and retain part-time workers can reap significant benefits to the bottom line. Academic studies have consistently shown that part-time workers positively impact business productivity. Research by the IESE Business School in Barcelona found that a ten percentage-point



increase in the share of employees working part-time at a company leads to a 2% increase in productivity on average. In the professional, scientific and technical industry sectors, this increase is as high as 3.3%. The study found that the effects were similar in both new and established companies, and across all employee age ranges.

“Part-time working needs to be recast from being considered a short-term cost to the business, to being seen as an organisational investment in future talent,” said a study by the UK’s Cranfield University on the future of part-time working. “Offering an alternative to full-

time-only working can be used as a key tool to address a number of current HR challenges, including as part of the solution to recruitment and retention of the future workforce.”

By offering workplace flexibility to part-time workers, companies are likely to see higher levels of engagement and a subsequent increase in productivity.” Mark Dixon

Some of the countries where part-time working is booming

 Netherlands (39%)	 US (24%)
 Australia (37%)	 UK (24%)
 Switzerland (37%)	 India (24%)
 Austria (31%)	 Canada (24%)
 Germany (29%)	 Belgium (23%)
 Denmark (24%)	 EU average (17%)

Why Part-Time Workers Want to Flex

IWG's research found that the opportunity to work in a flexible way can be the crucial decider when it comes to part-time workers remaining in or rejoining the workforce. Nearly half (44%) of former part-time workers say they are actively considering going back to employment, provided they can work in a hybrid way, and even more (57%) say working more locally, from a flexible workspace, would make returning to work more appealing.

Of those part-time workers currently in employment, nearly two-thirds (63%) say they would consider boosting their hours if they could work more flexibly. On the other hand, four-out-of-five say they would leave the workforce entirely if required to commute to a city centre office every day they work, and almost half (49%) would consider leaving employment altogether if they were denied flexible working.

What is the growing attraction of part-time working? The trend has mainly been driven by a desire for improved work-life balance. A reduction in working hours allows more time for personal commitments, which can include caring responsibilities or health needs, as well as personal interests such as study, hobbies and entrepreneurship.

The increases in productivity that have been measured as a result of part-time working stem largely from this increased personal time. When employees have more control over their schedule and work-life balance, they tend to be less stressed and more engaged and can be more creative and more efficient.

This is especially true when workers are empowered to work from a network of locations, including flex spaces close to where they live. Research by IWG into the health and wellness benefits brought by hybrid and more flexible ways of working has shown the significant positive impact this working model can have. By cutting down on long, daily commutes, workers have more time for fitness activities, healthy eating and sleep. Stress and burnout symptoms are also reduced. Three-quarters say they are more productive when working in this way, and a similar proportion report being more motivated.

"We've found that hybrid workers report higher levels of job satisfaction and an improved work-life balance," says Dixon. "They take fewer sick days, manage stress better and adopt healthier lifestyles. By offering workplace flexibility to part-time workers, companies are likely to see higher levels of engagement and a subsequent increase in productivity."

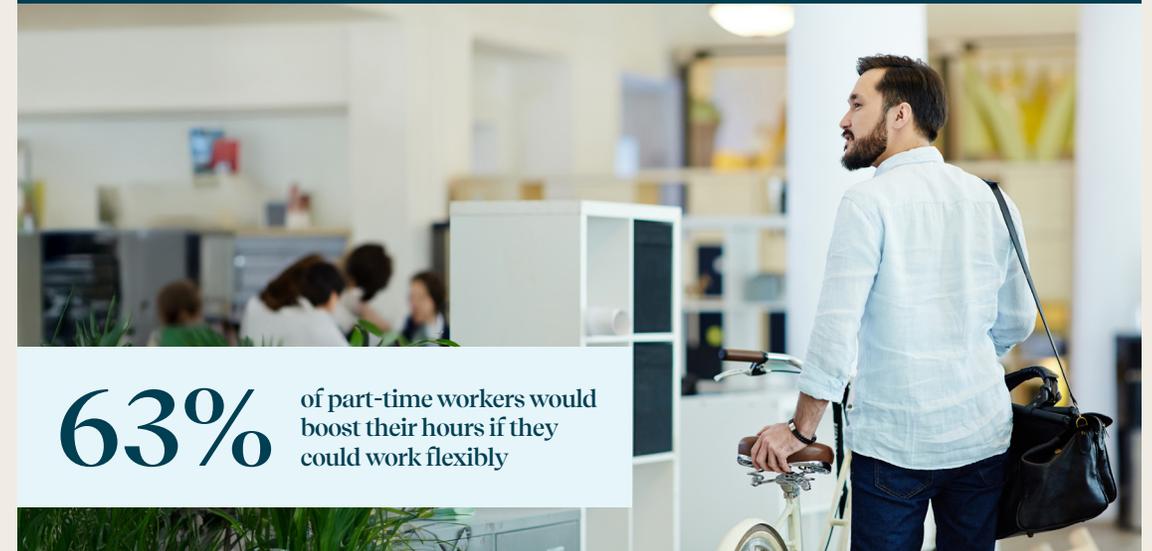
Saying goodbye to the costs of the long, daily commute

As well as the loss of personal time, the rising costs of commuting are a major disincentive for part-time workers. More than four-in-ten (41%) of those who have left the labour force say commuting costs are deterring them from returning. And a similar number (44%) of those currently working part-time say rising commuting costs are making it harder to financially justify staying in work.

Research by IWG in the US and the UK looked at the amount of money that daily commuters could save by switching to the

hybrid model on a selection of popular commuter routes. This included outlay not only on travel costs but also on lunch, coffee and snacks. Those in the US could save more than \$30,000 a year, while in the UK, savings could be more than £13,000 a year.

"These financial savings are hugely significant, especially at a time of rising living costs," says Dixon. "They enable hybrid workers to invest in other aspects of their lives, whether that's getting on the property ladder or saving for a rainy day."



63% of part-time workers would boost their hours if they could work flexibly

A Wider, More Diverse Talent Pool



“The best business leaders understand that more flexible ways of working remain a key driver in making workforces more equitable and more diverse.”

Mark Dixon

Part-time working policies enable companies to increase their talent pool to include people from different regions or socioeconomic backgrounds, or those who might otherwise be excluded from the workforce, such as individuals with caregiving responsibilities, health issues or disabilities. All these groups tend to face difficulties in accommodating a traditional nine-to-five, on-site environment. Flexible working mitigates these challenges significantly.

French company Convers Télémarketing implemented part-time, flexible working options specifically to attract and retain women aged 25–40 with children. As well as creating a significant increase in gender diversity, the policy had other benefits: staff turnover dropped dramatically to just 7%, while revenue increased by 30%.

“The best business leaders understand that more flexible ways of working remain a key driver in making workforces more equitable and more diverse,” says Dixon. “In particular,

flexible working policies break down the barriers to working for those who have difficulties accommodating a traditional nine-to-five job at a central HQ.”

The ‘Team Anywhere’ hybrid policy adopted by software company Atlassian is particularly conducive to part-time working arrangements, especially as it prioritises asynchronous communication and flexible hours. The company can now access a much more diverse talent pool: the number of veterans, spouses of active military members, women and parents working at Atlassian have all gone up significantly as a result of the policy.

Part-time strategies also keep older workers in employment for longer. Nearly half of older workers surveyed by IWG say that part-time work has allowed them to delay their retirement. And by offering more flexible ways of working in a network of locations, employers can also attract retired individuals back into the workplace.



Conclusion

At a time when companies around the world are focused on driving growth, supported by ongoing rapid advancements in AI, hybrid and more flexible ways of working offer a powerful opportunity to attract and retain more part-time workers – bringing more skilled labour into the workforce and significantly boosting productivity and the bottom line.

“Our research reveals the vital role that flexible working policies can play in attracting this crucial – and often overlooked – part of the labour force,” says Dixon. “By accommodating their desire to work in a way that suits their individual needs – whilst also harnessing the transformative power of AI, accelerating productivity and driving the velocity of business forward across the world – leaders can benefit from all the advantages that come from a more efficient, more engaged and more diverse workforce.”

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